

**RAINBOW INTERNATIONAL HOLDINGS LTD :  
AND WHEN THEY GOT THERE, THE CUPBOARD WAS BARE**

[Rainbow International Holdings Ltd](#) (Code: 8079, The Growth Enterprise Market [The GEM] of The Stock Exchange of Hongkong Ltd) appears to be sinking deeper and deeper in the mire with the passing of each week.

Just last Monday week, March 3, Rainbow International confirmed that yet another claim had been filed against the Group in the Small Claims Tribunal of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), with Rainbow Cosmetics Company Ltd, having been sued for \$HK14,540.

The Rainbow International public announcement went on to state:

*'Since the publish (sic) of the announcement of the Company dated 21<sup>st</sup> February, 2003, a judgment for the following writ has been made:*

<u>Action No.</u>	<u>Plaintiff</u>	<u>Defendant</u>	<u>Amount</u>	<u>Updated Position</u>
HCA*69/2003	Cosmopolitan Cosmetics China Ltd	Newide International Ltd	HK\$ 1,108,570.49	Judgment granted for 1,108,570.49

*'The claim and the writ mentioned above are related to the unpaid cleaning fee and unpaid goods sold against the respective defendants including Rainbow Cosmetic Co. Ltd. and Newide International Limited which are the Insolvent Subsidiaries that had ceased business operations.*

*'As at the date of this announcement, the Group has received 2 winding-up petitions ... 11 writs and 32 claims under the Small Claims Tribunal and 11 claims under the Labour Tribunal and the total gross amount claimed under all writs and claims received by the Group is approximately HK\$10.66 million.'*

\* High Court Action

On Friday, February 21, Rainbow International told the world:

*'Since the announcement of the Company dated 13<sup>th</sup> February, 2003, the Group has further received one claim in relation to unpaid mandatory contribution under the provident fund scheme by an Existing Subsidiary. As at the date hereof, inclusive of the claim as mentioned above, the total gross amount claimed under all writs and claims received by the Group is approximately HK\$10.03 million.'*

In a period of just 10 days, therefore, there had been an addition of claims, laid against the company, of about \$HK630,000.

**And The Kitty Is Fast Depleting**

Rainbow International was hopelessly insolvent at the end of last year, forcing it to pitch a Rights Issue in

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