

**401 HOLDINGS LTD :
HOW SICK IS THIS COMPANY ? OR, IS THAT ONLY TOO OBVIOUS ?**

In this day and age, waiting one year and more to get paid for services rendered is an awful long time – and some people and corporate entities refuse to accept such a situation.

Equity Financial Press Ltd and Central Language Services Ltd are 2 such corporate entities that, absolutely, are, clearly, livid at having to be messed around for more than a year by publicly listed 401 Holdings Ltd, formerly known as 401.com Ltd (Code: 401, Main Board, The Stock Exchange of Hongkong Ltd).

So upset are Equity Financial Press and Central Language Services that they have issued legal Proceedings against 401 Holdings for an aggregate amount of about HK445,107.50.

According to **TOLFIN** (**TARGET**'s Computerised Online Financial Intelligence Service and Credit-Checking Provider), Equity Financial Press and Central Language Services issued their respective legal challengers to 401 Holdings in the District Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), last Saturday.

The Statements of Claim, attached to District Court Writs, Numbers 1288 and 1289, follow the same general pattern, with Equity Financial Press, claiming \$HK352,407.50, while Central Language Services is claiming \$HK92,700.

In respect of these 2 companies' claims against 401 Holdings, Equity Financial Press alleges that it performed '*professional services*' for and on behalf of 401 Holdings with regard to '*production, placing advertisements, typesetting and printing of certain press announcements, circulars and reports ... in respect of its compliance with the listing rules* (of The Stock Exchange of Hongkong Ltd) *and for its purpose on 19 occasions within the period between February 2002 and November 2002 ...*'. (Paragraph 2 of the Statement of Claim, Number 1288)

The allegations, made by Central Language Services, follow the same general lines as those of Equity Financial Press, with the exceptions that this company is claiming \$HK92,700 and it claims that it has been owed that amount of money, going back to May 2002.

In October, last year, 401 Holdings was sued for about \$HK1.80 million in respect of claims, relating to the alleged non-payment of Annual Listing Fees, due to The Stock Exchange of Hongkong Ltd – dating back to the 2000 year.

According to The Stock Exchange of Hongkong Ltd, when 401 Holdings was presented with the claim for the Listing Fees, it issued a cheque to The Stock Exchange of Hongkong Ltd in the amount of \$HK42,166.67.

But this cheque bounced when presented for payment, it has been alleged.

401 Holdings is in various businesses, ranging for a corporate schmutter salesman, to freight forwarding, to investing in property.

Since 1998, this public company has recorded losses, aggregating about \$HK527.54 million.

Shareholders' Funds were a negative \$HK50 million, as at the 2002 Balance Sheet Date.

(Please see [TARGET Intelligence Report, Volume IV, Number 118, published on October 4, 2002](#))

The Writs Pile Up

On or about January 21, 2002, Fortis Bank Asia Hongkong sued ... [CLICK TO ORDER FULL ARTICLE](#)

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