

**GP NANOTECHNOLOGY GROUP LTD:
IT HAS STARTED !**

GP Nano (Hongkong) Ltd, a wholly owned subsidiary of GP NanoTechnology Group Ltd, has been accused of not paying rent on its offices, located at Lippo Centre, the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

According to the allegations, made by Fung To Company Ltd, GP Nano (Hongkong) Ltd has not paid rent on its offices for the past few months and owes its landlord about \$HK95,200.

GP Nano (Hongkong) is listed as being a service company, engaged in the '*provision of administrative and management services to group companies*', according to the latest annual report of GP NanoTechnology Group Ltd.

GP NanoTechnology Group is listed on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, being Stock Code Number 8152.

This would appear to be the first time that there has been any evidence of financial trouble in this company's camp and, certainly, it is the first legal action, taken against the company or any of its subsidiaries in the HKSAR Courts since going public, on or about July 13, 2001.

(For full analysis of this company, please see [TARGET Intelligence Report, Volume II, Number 129](#))

In GP NanoTechnology Group's 2002 Financial Year, the first full year since becoming a member of The GEM, it is stated that it had recorded a Net Loss Attributable to Shareholders of about \$HK7.52 million.

That result was a reversal of the previous Year's profit when the company reported a Net Profit Attributable to Shareholders of about \$HK11.25 million.

When GP NanoTechnology Group went public on The GEM, it stated that, for the 3 Years, ended December 31, 2000, it had been profitable, recording Net Profits Attributable to Shareholders of about \$HK9.45 million, \$HK13.48 million and \$HK13.84 million, respectively.

This company is primarily engaged in the manufacture and sales of nanomaterials for use as fillers in different industrial applications, such as the manufacture of plastics and rubber products.

A nanomaterial is defined as being an organic or inorganic material that has an average particle size of between one billionth of a metre and 100 billionth of a metre.

At the time that GP NanoTechnology Group went public, TARGET's financial analyst noted that the company had, in the past, been used a type of '*private bank*' by 2 of the company's Directors.

Page 117 of the Prospectus of this company, stated, inter alia:

'The amount (\$HK15.98 million) due from ESN International Limited ("ESN"), in which Messrs. Fung Chiu and Kwong Chun Kau, both being directors of the Company, have beneficial interests,

was unsecured, non-interest bearing and repayable on demand. The maximum amount outstanding during the year, ended 31st December, 2000 was approximately HK\$28,982,000 ...'.

Mr Fung Chiu is the Chairman of GP NanoTechnology Group.

GP NanoTechnology Group collected about \$HK44 million when ... [CLICK TO ORDER FULL ARTICLE](#)

While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.

If readers feel that they would like to voice their opinions about that which they have read in TARGET, please feel free to e-mail your views to editor@targetnewspapers.com or targnews@hkstar.com. TARGET does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.