

**BLU SPA HOLDINGS LTD:
IS THIS A SCANDAL ?
STAND BY FOR THE CRASH !**

[Blu Spa Holdings Ltd](#) (Code: 8176, The Growth Enterprise Market [The GEM] of The Stock Exchange of Hongkong Ltd) is having trouble in finding the wherewithal to pay rent at its Registered Office.

At least, Blu Spa's wholly-owned subsidiary, certainly, is having trouble.

That is the contention of Sun Hung Kai Properties Consultants Ltd, which, recently, went after Blu Spa (Hongkong) Ltd when that company was found to have been delinquent in paying its rent for the past 3 months.

The amount of money, being claimed by Sun Hung Kai Properties and Perry Holdings Ltd, is only about \$HK57,020, but it is clear that the publicly listed company is having considerable difficulty in coming up, even with this seemingly small sum of money.

Sun Hung Kai Properties is claiming that it is owed this amount of money with regard to outstanding rental payments since August in respect of its property, located at:

Room 2429, Sun Hung Kai Centre,
Number 30, Harbour Road,
Wanchai, Hongkong.

Blu Spa has been in trouble since it was first founded, back in June 1998, by Ms Ivy Chan Choi Har and Ms Natalie N. Rajewski.

It claims to be selling some 300 different kinds of beauty products, most of which are sold in the People's Republic of China (PRC), proper, as opposed to the Hongkong Special Administrative Region (HKSAR) of the PRC.

Since going public on The GEM, in March 2002, Blu Spa's fortunes have taken a decided turn ... down the tubes.

The following table is lifted from the records of **TOLFIN** (**TARGET**'s Computerised Online Financial Intelligence Service and Credit-Checking Provider):

	Financial Year ended June 30			
	2000	2001	2002	2003
	All Figures are Denominated in \$HK'000			
Turnover	2,293,091	4,198,093	2,856,445	1,818,151
Loss Attributable to Shareholders	(12,234,387)	(66,649,180)	(10,855,268)	(8,881,543)
Shareholders' Funds	(12,226,587)	3,853,710	15,521,966	9,922,333

In the 2003 Annual Report, Management stated that the company had been having considerable difficulty, during the Financial Year, ended June 30, 2003.

Management said, among other things:

'Following the receiving order of an indirect wholly owned subsidiary, Blu Spa Canada Inc. ("BSC") which was issued by the Ontario Superior Court of Justice in Bankruptcy on 22 May 2003, the Group had written off debts due from BSC amounted to approximately HK\$7.2 million, and given BSC had incurred net liabilities, thus the disposal of which recorded a gain of approximately HK\$2.9 million.'

Management, also, stated that things had been so difficult for it that some of the Directors had foregone their loans to Blu Spa.

When Blu Spa went public in the first quarter of 2002, **TARGET** headlined its analysis of this company: ***'NOW, THIS IS CALLED PURE CHUTZPAH !'***

While the company obtained a cash injection ... [CLICK TO ORDER FULL ARTICLE](#)

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