

**RUILI HOLDINGS LTD:
WILL THIS COMPANY BE ABLE TO LAST THE WINTER ?**

In the past 3 months, the claims against publicly listed [Ruili Holdings Ltd](#) (Code: 491, Main Board, The Stock Exchange of Hongkong Ltd) have reached a new high of more than \$HK16 million.

This toy company has become one of the strongest '*magnets*' in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) for attracting claims in the various Courts of the HKSAR.

Late last week, BII Finance Company Ltd, an HKSAR, deposit-taking company, sued 2 subsidiaries of Ruili Holdings for about \$HK5.64 million in respect of a purported September 6, 2002 Guarantee and Indemnity.

The 2 subsidiaries are Hero Bright International Ltd and Timlex International Ltd, both of which are owned as to 51 percent by Ruili Holdings, according to **TOLFIN** (**TARGET's** Computerised Online Financial Intelligence Service and Credit-Checking Provider).

The Statement of Claim, attached to the Writ of Summons, Number 4025, alleges that Hero Bright and Timlex International, both, guaranteed the debts of Welback Enterprises Ltd to BII Finance. (Welback was the original name of Ruili Holdings)

BII Finance alleges that it wrote to the 2 Defendants on September 18, 2003, demanding full payment of all outstanding amounts, but neither Hero Bright nor Timlex International came up with the ready.

Today, BII Finance is claiming:

The Principal Sum	\$HK3,582,549.83 and \$US248,147.75
Interest	\$HK89,333.39 and \$US4,346.18
TOTAL	\$HK3,671,883.22 and \$US252,493.93 (about \$HK5,641,248.95)

The latest claim against this toy company came 2 days after Ruili Holdings informed its shareholders that, for the Financial Year, ended June 30, 2003, it had suffered a Loss Attributable to Shareholders of about \$HK104.57 million.

That result marked the fifth, consecutive Financial Year of losses for this company, the aggregate amount of those losses, being not less than \$HK292.93 million.

An interesting aspect of the 2003 Accounts of Ruili Holdings was that, for the first time, Shareholders' Funds were a negative \$HK59.68 million.

Another interesting aspect of the 2003 Accounts was that the company made Provisions, amounting to about \$HK22.23 million, in respect of Bad and Doubtful Debts.

Since **TARGET's** last report on this company, published on October 10, 2003, there have been ... [CLICK TO ORDER](#)

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