

**401 HOLDINGS LTD:
THIS IS CALLED HOLDING ON BY ONE'S FINGER NAILS**

It must be very painful for Chairman Derek Wong Chong Kwong, alias Derek Kanjanapas Chong Kwong, to see his publicly listed company, [401 Holdings Ltd](#) (Code: 401, Main Board, The Stock Exchange of Hongkong Ltd), slip further and further into the abyss, from where it is unlikely, ever, to return.

Because, as more and more claims are filed in various courts of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), it is only a question of time before there are no more '*family jewels*' to sell.

And, now, the firm of solicitors, which is listed in the company's 2003 Annual Report, has issued its claim against its client.

Richards Butler is the Plaintiff in District Court Action Number 816, in which 401 Holdings Ltd is the lone Defendant.

Simply put, the Statement of Claim, attached to the Writ of Summons, alleges that, between September 27, 2002 and August 27, 2003, Richards Butler provided legal services to 401 Holdings for which it is, still, waiting to be paid.

As at today's date, it is owed not less than \$HK407,884.98 – and the firm would like to see its money, plus interest and costs.

Richards Butler has been on the payroll of 401 Holdings for the past 9 years.

401 Holdings announced to its shareholders, on December 29, 2003, that, for the period April 1, 2003 to September 30, 2003, it had lost about \$HK7.52 million.

The Turnover for that 6-month period was about \$HK1.86 million, which compared rather unfavourably with the like period in 2002 when the Turnover was about \$HK3.49 million.

On January 14, 2004, the company announced that it had entered into a Provisional Sales and Purchase Agreement for the disposal of some Shatin industrial property at a price of about \$HK3.23 million.

Since the property was purchased in 1997 for about \$HK4.20 million, 401 Holdings will be booking a Net Loss on this sale of about \$HK1 million.

This property was used as collateral for loan facilities, afforded to 401 Holdings and its subsidiaries.

The proceeds from the ... [CLICK TO ORDER FULL ARTICLE](#)

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