

**HYCOMM WIRELESS LTD:
A \$HK40-MILLION ACQUISITION COMES UNSTUCK**

A \$HK40-million deal has come unstuck, with publicly listed [HyComm Wireless Ltd](#) (Code: 499, Main Board, The Stock Exchange of Hongkong Ltd), going after a couple of the principals, involved in the June 2002 deal.

Via an associated company of HyComm Wireless, namely, Tekson International Telecom Ltd, the interest of which was acquired in June 2002, Messrs Khamkoon Khamseng and Norman Ng Wo Sui are facing, jointly, a claim for about \$HK24.20 million.

Messrs Khamkoon Khamseng and Norman Ng Wo Sui, together, held 30 percent of Tekson International Telecom Ltd, via Top Gateway Ltd, just prior to the acquisition of HyComm Wireless's 37.04 percent of that company, and they agreed to sell 18.89 percent of their interest in Tekson International to HyComm Wireless in consideration of shares in the publicly listed company.

Now, 21 months later, Tekson International Telecom Ltd has sued Messrs Khamkoon Khamseng and Norman Ng Wo Sui in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) for, inter alia, alleged failure to perform their duties, breaches of fiduciary duty, failing to participate in the business of HyComm Wireless and/or failing to attend the office of HyComm Wireless and participate in Directors' meetings. (Paragraphs 5 and 6 of the Statement of Claim, attached to Writ of Summons, Number 573)

The Statement of Claim alleges, at Paragraph 2, that Messrs Khamkoon Khamseng and Norman Ng Wo Sui were Directors of Tekson International Telecom Ltd for the period March 13, 2002, until September 10, 2003.

The duties of Mr Khamkoon Khamseng were '*developing and establishing telecom SMS (Short Message Service) business in Hong Kong and overseas markets.*' (Paragraph 3. (1))

As for Mr Norman Ng Wo Sui, it is stated at Paragraph 3. (2) that he '*shall be responsible for finance and investments in Hong Kong.*'

Then, at Paragraph 5, it is alleged:

'During the said Period (presumably, March 13, 2002 until September 10, 2003), the Defendants (Messrs Khamkoon Khamseng and Norman Ng Wo Sui) failed to perform the director's (sic) duties and breached their fiduciary duties to the Plaintiff.'

PARTICULARS

- (i) *The Defendants failed to apply for PNET (Public Non-Exclusive Telecommunications Service Licence) on behalf of the Plaintiff and secure the contract with China Mobile (TARGET cannot identify this entity because, according to TOLFIN [the Computerised Online Financial Intelligence Service and Web-Based, Credit-Checking Provider] there are not less than 7 corporate entities with names, beginning with China Mobile:*

China Mobile (Hongkong) Group Ltd
China Mobile (Hongkong) Ltd
China Mobile (Shenzhen) Ltd
China Mobile Communications Corporation
China Mobile Communications Publication Ltd
China Mobile Group Ltd
China Mobile Hongkong (BVI) Ltd)

- (ii) *The Defendants failed to follow up and secure the contracts with 6 major Hong Kong telecom operators.*
- (iii) *The Defendants failed to follow up clients in Hong Kong introduced by other directors in the People's Republic of China.*
- (iv) *The Defendants failed to perform the responsibility assigned to them by the Plaintiff namely, to develop and establish telecom SMS business in Hong Kong and overseas markets and securing investments in Hong Kong.*
- (v) *The Defendants breached their fiduciary duties to the Plaintiff and generally failed to perform their duties, namely, failing to participate in the Plaintiff's business, failing to attend the Plaintiff's office and director's meetings for making decisions for the Plaintiff's business and development.'*

Paragraph 6 of the Statement ... [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.