

**NETEL TECHNOLOGY (HOLDINGS) LTD:
TARGET TOLD YOU SO !**

It should have come as no surprise to investors, locked into stocks and shares, listed on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, that Netel Technology (Holdings) Ltd, Stock Code Number 8256, did not do well, during its first Financial Year as a publicly listed company – because, on March 26, 2003, (Please see [TARGET Intelligence Report, Volume V, Number 58](#)) TARGET stated, in definitive terms:

'Here is a company, ready for the scrap heap in the fullness of time, in targetnewspapers.com's opinion.'

For the Financial Year, ended May 31, 2003, which saw the arrival of the first annual report of the company since going public on The GEM on December 20, 2002, Netel Technology reported a Net Loss Attributable to Shareholders of about \$HK9.36 million on a Turnover of about \$HK46.10 million.

That result compared with the 2002-Year when the company reported a Net Profit Attributable to Shareholders of about \$HK4.60 million on a Turnover of about \$HK69.02 million.

The latest piece of news about this company, which is, primarily, engaged in the sales of prepaid telephone cards, is that it has just been sued for about \$HK175,000 plus Possession of one of the shops from which it was/is operating in Causeway Bay, the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

Fidelity Realty Ltd has issued legal proceedings in the HKSAR High Court against Silver Holdings Ltd, a wholly owned subsidiary of Netel Technology, in respect of alleged non-payment of rent with regard to:

Shop Number 6, Ground Floor,
De Victoria,
Numbers 9-15, Yee Wo Street,
Causeway Bay.

It is alleged in the Statement of Claim, attached to the Writ of Summons, that Fidelity Realty rented the premises to Silver Holdings on July 4, 2003, for a term of 2 years, ending July 3, 2005. (Paragraph 3)

Then, at Paragraph 7, it is stated that Silver Holdings had failed to pay rent on the shop since April 15, 2004.

The total amount, now being claimed for the months of April through to June 30, 2004, is \$HK175,000.

But, *'Despite repeated demands ... the Defendant (Silver Holdings) has failed to make payment of the said arrears of rentals ...'*

Today, Fidelity Realty wants its money, mesne profits at the rate of \$HK70,000 per month, and an Order for Possession of the shop.

This is not the ... [CLICK TO ORDER FULL ARTICLE](#)

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