

**NEW WORLD DEVELOPMENT COMPANY LTD:
AND THE CLAIMS AGAINST ITS SUBSIDIARY
HEAD FOR THE \$HK20-MILLION MARK**

Another claim has been lodged in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) against a subsidiary of [New World Development Company Ltd](#) (Code: 17, Main Board, The Stock Exchange of Hongkong Ltd).

[Millennium Engineering Ltd](#), the New World Development subsidiary, has been sued in the District Court of the HKSAR for \$HK563,651.01 by Chin Hung Engineering (Maintenance) Company Ltd, a company, engaged in the installation of curtain walls.

According to the Statement of Claim, attached to Writ of Summons, Number 5403, it is alleged that Chin Hung Engineering, between the years 2001 and 2003, was contracted to perform various tasks for Millennium Engineering as a subcontractor, but only received partial payments for the completed work.

The contracts were, allegedly, for the dismantling of curtain walls at Phase III of Police Headquarters and the carrying out of the connection works of the building to a footbridge at a price of \$HK38,000, additional works on the same site at a price of \$HK39,250, the installation of curtain walls at Number 416, Kwun Tong Road, Kowloon, at a price of \$HK7,661,800, the installing of a mock-up of a building at a Kwun Tong Road site at a price of \$HK606,006.72, and the installation of aluminium fixtures and platforms at Tai Po Industrial Estate, New Territories, the HKSAR, at a price of \$HK226,100.

In all, the Statement of Claim identifies 5 separate contracts, but in respect of all of the above-mentioned jobs, China Hung Engineering alleges that it has not been paid in full for the completed jobs.

That New World Development Company Ltd has been having a difficult time, over the past few years, is hardly news, but for the paltry sum of a little more than half a million Hongkong dollars, it would appear that this is just petty cash to this corporate leviathan.

In TARGET Intelligence Report, Volume VI, Number 96, published on May 21, 2004, this medium reported that Millennium Engineering had been sued twice in the HKSAR High Court.

The aggregate amount of the claims against Millennium Engineering was about \$HK4.64 million, with the Statements of Claim, attached to High Court Actions Number 1126 and 1184, following along similar lines to District Court Number 5403.

Interestingly, the dates of the purported contracts, entered into in respect of the earlier reported cases, were very similar to the latest case.

According to TOLFIN (The Computerised Online Financial Intelligence Service and Web-Base, Credit-Checking Provider), the amount of claims, logged in against Millennium Engineering since the beginning of this year cannot be less than \$HK18 million.

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