

**POLY INVESTMENTS HOLDINGS LTD:
THE COMPANY IS SUED FOR NEARLY \$HK82 MILLION**

The former beneficial owner of 2 power plants in the People's Republic of China (PRC) has accused Poly Investments Holdings Ltd (Code: 263, Main Board, The Stock Exchange of Hongkong Ltd) of defaulting on its financial obligations in respect of 2 Convertible Bonds, issued by Poly Investments on or about October 30, 2003, to the former owner, a British Virgin Islands company, called Asian Power Development Ltd.

Asian Power Development has issued proceedings in the High Court of the Hongkong Special Administrative Region (HKSAR) of the PRC, seeking, in aggregate, \$HK81,627,878.49 from Poly Investments.

In its Endorsement of Claim, attached to High Court Action Number 2623, Asian Power Development alleges:

'On October 30, 2003 Defendant (Poly Investments) issued to Plaintiff (Asian Power Development) a convertible bond in the amount of HK\$40 million. Said bond matured on October 15, 2004 and the principal together with interest of HK\$600,000 thereon fell due to Plaintiff on that date. Defendant has failed to repay the principal amount of said bond and to pay the interest due thereon to Plaintiff. On October 30, 2003 Defendant issued to Plaintiff a second convertible bond in the amount of HK\$40 million, which matures on April 15, 2006. Interest of HK\$600,000 under the said bond fell due to Plaintiff on October 15, 2004 and Defendant has failed to pay the same. Pursuant to the terms of said convertible bonds, Plaintiff declared Events of Default under each of the convertible bonds on October 26, 2004. Upon the declarations of Events of Default, the entire amounts of principal and interest due under each of the convertible bonds fell due to Plaintiff.

HK\$81,200,000.00

'Plaintiff is entitled to and claims interest on the principal amount of each of said convertible bonds at the rate of 1.5% per annum from October 15, 2004 until October 26, 2004.

HK\$36,164.38

'Further Plaintiff is entitled to and claims interest on the sum of HK\$81,236,164.38 under Sections 48 and 49 of the High Court Ordinance at the rate payable on judgment debts current at the date of the issue of this Writ from the date on which the Events of Default occurred until the date of the issue of this Writ.

HK\$391,714.11

'Total Amount of Claim

HK\$81,627,878.49

'And further Plaintiff claims costs and interest under the above mentioned Ordinance at the rate of HK\$17,891.04 per day from the date of the Writ until judgment or sooner payment.'

The matter of the 2 Convertible Bonds was covered in an announcement, made by Poly Investments, dated October 24, 2003.

In that announcement, the Managing Director, Mr Li Zhi Cai, explained the matter in some detail.

He said that the principal business of Poly Investments, as at October 24, 2003, was investment holding.

The subsidiaries of the publicly listed company were engaged in trading in iron ore, provision of finance, property investment, and securities investment.

Also, Poly Investments ... [CLICK TO ORDER FULL ARTICLE](#)

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