

**EZCOM HOLDINGS LTD:  
WILL THE COMPANY BE ABLE TO WITHSTAND THIS ONSLAUGHT ?**

[Ezcom Holdings Ltd](#) may continue to try to raise money, here and there, by the issue of New Shares to prospective new investors, but the claims against entities of the company are amassing at a much faster rate than the amount of money that the company has been able to raise to date.

And, now, the company is facing a Winding-Up Petition from the Tokyo-based, conglomerate, Sojitz Corporation, formerly known as Nissho Iwai-Nichimen Holdings.

In addition, a 90-percent subsidiary of Ezcom Holdings, namely, Ezcom Technology Ltd, has, also, been named in another Winding-Up Petition, the creditor, being Sojitz Corporation, too.

Ezcom Holdings (Code: 312, Main Board, The Stock Exchange of Hongkong Ltd) told its investors on April 7, 2005, that it had raised about \$HK4 million, net of expenses, by issuing 35.50 million, New Share at the price of 11.40 cents per Share.

The New Shares were issued to 8 independent third parties, as shown in the company's announcement of April 7: **'SUBSCRIPTION FOR NEW SHARES'**.

Just 14 days after this announcement, General Engineers (Hongkong) Ltd sued Ezcom Technology Ltd, along with the Chairman of Ezcom Holdings, Mr Kok Kin Hok, for about \$US2.11 million (about \$HK16.46 million).

In its Statement of Claim, attached to High Court Action Number 718, General Engineers alleges that it came into an agreement with Ezcom Technology on July 7, 2004, whereby General Engineers *'agreed to sell and the Defendant (Ezcom Technology) agreed to buy some electronic components at an agreed contract sum of US\$1,209,600.00 ("the 1<sup>st</sup> Agreement")'*.

There followed a purported second agreement, contracted about 2 months later, whereby General Engineers *'agreed to sell and the Defendant agreed to buy some electronic components at an agreed contract sum of US\$897,600.00 ("the 2<sup>nd</sup> Agreement")'*.

Payment for the goods was supposed to have been consummated *'within 45 days from the date of the invoices.'*

Invoices were sent between September 23, 2004, and November 10, 2004, but payment was never made to the supplier of the goods, it is alleged at Paragraph 8.

Other goods were sold and delivered to Ezcom Technology between July 20, 2004, and August 31, 2004, the payment for which has never been made, it is alleged at Paragraph 10.

Then, at Paragraph 11, it is alleged that *'in consideration of the Plaintiff agreeing to continue supplying the 1<sup>st</sup> Defendant with goods and not to sue or take any proceedings against the 1<sup>st</sup> Defendant in respect of the payment then due and owing to the Plaintiff from the 1<sup>st</sup> Defendant, the 2<sup>nd</sup> Defendant (Chairman Kok Kin Hok) signed and gave a Deed of Guarantee in writing to the Plaintiff on 20<sup>th</sup> October 2004 ("the Deed of Guarantee").'*

Chairman Kok Kin Hok agreed to settle all of the accounts of Ezcom Technology, Paragraph 12 alleges.

On or about March 18, 2005, a solicitor, representing General Engineers, sent a letter to Chairman Kok Kin Hok, demanding payment in full in the sum of \$US2,107,200 (about \$HK16,436,160), that sum of money, being the

amount, allegedly owed by Ezcom Technology to General Engineers.

No money, it is alleged, has ever been forthcoming.

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