

**MAGICIAN INDUSTRIES (HOLDINGS) LTD:  
IS THIS COMPANY ABLE TO PAY ITS DEBTS AS THEY FALL DUE ?**

If any **TARGET** Subscriber or reader ever had any doubts as to the efficacy and/or nous of this medium's investigative ability, then, those doubts should have been put to bed, forever, when, on July 22, 2005, Magician Industries (Holdings) Ltd (Code: 526, Main Board, The Stock Exchange of Hongkong Ltd) was forced to admit the entire and horrid situation at the company.

**TARGET** had well expected the worst for this publicly listed company and this medium had stated as much in a series of investigations, which had been published over the months, leading up to the July 22, 2005, official announcement by this once, high-flying company.

The most-damning of **TARGET**'s reports about this company was contained in **TARGET** Intelligence Report, Volume VII, Number 117, published on June 24, 2005, headlined:

**'MAGICIAN INDUSTRIES (HOLDINGS) LTD:  
HOW TIGHT IS THE CASH POSITION AT THIS COMPANY?'**

But the situation goes even further than the shock announcement of July 22, 2005 – because, now, The Commissioner of Inland Revenue of Hongkong has issued legal Proceedings in the District Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), claiming \$HK1,614,886 from a wholly owned subsidiary of Magician Industries, namely, Magicgrand Development Ltd.

Just prior to this claim, being lodged in the District Court of the HKSAR, a Hearing was convened in the Small Claims Tribunal when Transitions Asia Ltd sued Magician Industries (Holdings) Ltd for an outstanding balance.

The maximum amount of a Claim, lodged in The Small Claims Tribunal, is \$HK50,000.

Then, just 5 days after The Commissioner of Inland Revenue of Hongkong had staked its claim on Magician Industries, Mr Alvin Kwong Lin Pik (鄭連璧) issued proceedings in the Labour Tribunal for alleged unpaid wages.

Thus, it would appear, things are getting very sticky at Magician Industries.

**The Financials**

For the Financial Year, ended March 31, 2005, Magician Industries recorded a Loss Attributable to Shareholders of about \$HK175.95 million on a Turnover of about \$HK445.83 million.

That result compared with the 2004-Year when, on a Turnover of about \$HK470.81 million, this company logged in a Net Profit Attributable to Shareholders of about \$HK1.31 million.

The 2005-Year's Loss Attributable to Shareholders represented the first time in at least the previous 5 Financial Years that the company did not earn a crust for its shareholders.

But the \$HK175.95-million Loss Attributable to Shareholders of the 2005-Year completely wiped out the aggregate Net Profits Attributable to Shareholders since 2001, which amounted to about \$HK40.79 million.

The accounts for Magician Industries were heavily qualified.  
One cannot help but ... [CLICK TO ORDER FULL ARTICLE](#)

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