

**NIPPON ASIA INVESTMENTS HOLDINGS LTD:
ANOTHER LITTLE PROBLEM SURFACES**

As Nippon Asia Investments Holdings Ltd (Code: 603, Main Board, The Stock Exchange of Hongkong Ltd) continues its legal tussle to try to retrieve its plant and machinery in respect of its former battery manufacturing plant at Qishi, Dongguan, the People's Republic of China (PRC), it is, suddenly, faced with another little problem: It's wholly owned subsidiary, fighting the good fight in the PRC, proper, has been sued in the Hongkong Special Administrative Region (HKSAR) of the PRC.

The amount of the latest Claim – there have been 3 Claims, so far this year – with regard to the HKSAR Writ of Summons, Number 3811, filed in the District Court, is relatively small, at about \$HK292,500, but it appears that New Business International Ltd, the Plaintiff in this Action, is determined to press ahead with its Claim, regardless of the seemingly small rewards that may be forthcoming if it is successful in its Action.

New Business International Ltd alleges, in its Statement of Claim, attached to the Writ of Summons, that it sold and delivered goods to Golite International Ltd 高禮國際有限公司, the Defendant to the Action, in May and June 2004, but it has never been paid the aggregate, agreed cost of the goods, namely, \$HK292,500.

And, despite '*repeated requests and demands*', it, still, cannot get its money.

That, in a nutshell, is all of the allegations of New Business International Ltd, but it would appear that there has to be more to this matter than this seeming financial pittance, considering the amount of cash that Nippon Asia Investments is known to have had, as at January 31, 2005.

The Interim Report of Nippon Asia Investments Holdings Ltd shows that, for the 6 months, ended January 31, 2005, on a Turnover of about \$HK53.57 million, the company logged in a Loss Attributable to Shareholders of about \$HK97.95 million.

The composition of this Loss, however, included a '*gain on disposal of short-term investments*' of about \$HK26.63 million as well as unrealised gains in short-term and long-term investments, amounting to about \$HK10.43 million.

Had it not been for the one-off gains on disposal of investments in securities, the Loss Attributable to Shareholders for the Interim Period would have been that much more.

The company, however, had, as at January 31, 2005, listed securities, quoted on The Stock Exchange of Hongkong Ltd, with a market value of about \$HK55.21 million.

In addition, the Consolidated Balance Sheet of the company shows an amount of \$HK87.62 million, being cash and cash equivalents.

Which, of course, makes one wonder as to the reason that it has never settled up accounts, assuming that there is an overdue account in the amount of just \$HK292,500, with the Plaintiff of District Court Action Number 3811 in respect of its wholly owned subsidiary, Golite International Ltd.

On the assumption that all has been declared in the Interim Report of Nippon Asia Investments, it is obvious that this publicly listed company is not short of money.

Getting back to the matter of Golite International Ltd, at ... [CLICK TO ORDER FULL ARTICLE](#)

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