

**FIRST DRAGONCOM AGRO-STRATEGY HOLDINGS LTD:  
IS THIS THE END OF THIS PUBLIC COMPANY ?**

The end must surely be in sight for publicly listed [First Dragoncom Agro-Strategy Holdings Ltd](#) (第一龍浩農業策略控股有限公司) (Code: 875, Main Board, The Stock Exchange of Hongkong Ltd) with debts, piling up at such a pace that the company, obviously, will not be able to keep up with the crush.

Just last Saturday, Greater Prosper Finance Ltd sued First Dragoncom Agro-Strategy for \$HK12.33 million.

And last Thursday, Capital Wealth Corporation Ltd sued the company for \$HK4.86 million in respect of a \$HK5-million consultancy fee, which was agreed on June 27, 2005.

First Dragoncom Agro-Strategy paid \$HK140,000 to Capital Wealth on July 25, 2005, leaving an unpaid balance of \$HK4.86 million, it is stated in the Statement of Claim, attached to High Court Action Number 1808, lodged in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

The claim is not disputed by Management of First Dragoncom Agro-Strategy, which, on September 13, 2005, in fact, stated, inter alia, in an official company announcement:

*' ... the debt was incurred in respect of an outstanding sum of HK\$4,860,000 which, under an agreement for consultancy service dated 27<sup>th</sup> June, 2005, the Company has agreed to pay to the creditor making the second statutory demand ... '.*

It may seem strange to some members of the legal fraternity of the HKSAR that this publicly listed company should make such an admission, openly, so soon after the Writ of Summons had been issued and served on it.

Surely, this smacks of Management, giving up the ghost, completely: In other words, surrendering to the inevitable.

The announcement of First Dragoncom Agro-Strategy, dated September 13, 2005, warns, also, that about \$HK17.19 million is owed to creditors, which have served Notice on the company to pay up *'or a winding-up order could be made in respect of the Company.'*

This announcement goes on to state that the company does not have the wherewithal to settle its debts in full.

Such an admission is, normally, considered the classic definition of insolvency.

Management of First Dragoncom Agro-Strategy fought off a Winding-Up Petition, lodged in the HKSAR High Court, on November 24, 2004, when iOne Financial Press Ltd determined to press for its payment in respect of Services Rendered.

The results of First Dragoncom Agro-Strategy for the Financial Year, ended December 31, 2004, have, still, not been released and it appears that they may never be released by the present Management which, when the Winding-Up Petition is lodged in the HKSAR High Court, a Receiver will have to look into matters, such as missing funds and what-have-you.

The financial situation ... [CLICK TO ORDER FULL ARTICLE](#)

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