

**ANGANG NEW STEEL COMPANY LTD:
THE CONTINUING SAGA IN THE LIFE OF MR HONG MING KONG**

When **TARGET** wrote, on August 25, 2004, that it did not understand the reason that Angang Group Hongkong Company Ltd (鞍鋼集團香港有限公司), a group company of Anshan Iron and Steel Group Complex, which is an entity, owned by the Government of the People's Republic of China (PRC) and which, in turn, is the largest single shareholder of Angang New Steel Company Ltd (Code: 347, Main Board, The Stock Exchange of Hongkong Ltd), would lend \$HK10.50 million to Mr Hon Ming Kong (韓明光), interest-free and without any seeming collateral, it occurred to this medium that, since this group of companies, ultimately, is controlled by the Government of the People's Republic of China, there must be more to this matter than meets the eye.

However, not being on the in with the bigwigs at the Government of the PRC, there was no way that this medium could dig out the information.

In any case, the reason(s) behind the interest-free loan might well be a PRC State secret, in which case, it would be illegal to publish those facts in spite of the money, clearly, having been PRC State funds.

Last Thursday, however, things took a sudden turn.

It was reported that the Independent Commission Against Corruption (ICAC) had arrested Mr Hon Ming Kong, who is the Chairman of China Sciences Conservational Power Ltd (中科環保電力有限公司) (Code: 351, Main Board, The Stock Exchange of Hongkong Ltd), and an Executive Director of China Conservational Power Holdings Ltd (中國環保電力控股有限公司)(Code: 290, Main Board, The Stock Exchange of Hongkong Ltd).

According to the reports – obviously leaked by the ICAC, directly or indirectly – the ICAC had been investigating certain or all aspects of the dealings of these 2 publicly listed companies, in which Mr Hong Ming Kong is involved, namely, China Sciences Conservational Power Ltd and China Conservational Power Holdings Ltd.

The ICAC's investigations have been ongoing for more than 10 months, it seems.

On the same day that the ICAC raided the offices of Mr Abba Chan Tat Chee, the Chairman of China Conservational Power Holdings Ltd, Mr Hon Ming Kong was sued in the High Court of the Hongkong Special Administrative Region (HKSAR) of the PRC for \$HK6,281,000.

A Mr Lai Sai Sang is the Plaintiff in High Court Action Number 1907, who is alleging that Mr Hong Ming Kong issued to him a cheque which, on presentation, was dishonoured.

The cheque, Number 264, was said to have been drawn on Wing Hang Bank Ltd (永亨銀行有限公司) and was dated July 20, 2005, according to Paragraph One of the Statement of Claim, attached to Writ of Summons Number 1907.

The Statement of Claim alleges that the Plaintiff had made repeated demands to Mr Hong Ming Kong to honour his obligations, but to no avail.

The allegations of Mr Lai Sai Sang appear to mirror, to some extent, the allegations, made in 2004 by Angang Group Hongkong Company Ltd in its claim against Mr Hon Ming Kong.

As reported in [TARGET Intelligence Report, Volume VI, Number 161](#), published on August 25, 2004, it was the allegation ... [CLICK TO ORDER FULL ARTICLE](#)

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