

**CATIC INTERNATIONAL HOLDINGS LTD:
THIS IS LIKELY TO MEAN A WRITE-OFF OF \$HK86 MILLION**

It looks as though CATIC International Holdings Ltd (中國航空技術國際控股有限公司) (Code: 232, Main Board, The Stock Exchange of Hongkong Ltd) will have to write off about \$HK86 million-plus from its Books.

Because it is highly unlikely that this publicly listed company, controlled by the Government of the People's Republic of China (PRC), will ever be able to recover this amount of money, or even any material part of it.

CATIC International Finance Ltd, a wholly owned subsidiary of CATIC International, allegedly, entered into a loan agreement with Wailan Landmark Company Ltd on or about July 17, 1999, according to a Writ of Summons, lodged in the High Court of the Hongkong Special Administrative Region (HKSAR) of the PRC.

CATIC Finance, it is alleged at Paragraph 2 of the Statement of Claim, attached to this Writ of Summons, *'agreed to advance a loan in a sum up to HK\$9,000,000 to Wailan Landmark.'*

Wailan Landmark drew down only \$HK8.20 million of the agreed advance, according to Paragraph 4.

CATIC Finance wrote a cheque to a Mr Wong Hon Keung in the amount of \$HK7.70 million on July 20, 1999, a cash cheque in the amount of \$HK300,000 on July 20, 1999, and another cash cheque in the amount of \$HK200,000, dated September 24, 1999, it is alleged at Paragraph 4(a), 4(b), and 4(c).

Ms Tsoi Wai Lan (蔡維蘭) and Mr Chan Kam Sang (陳錦生) are, according to the Statement of Claim, Guarantors to the loan agreement.

CATIC Finance never received any repayment of its money or of any interest from Wailan Landmark, which was dissolved by The Companies Registry on January 15, 2005.

Via its solicitors, CATIC Finance has made demands of the Guarantors at what appears to be the family home:

Elizabeth House,
Flat C3, 28th Floor,
Block C,
Number 250, Gloucester Road,
Wanchai,
The HKSAR.

The total amount, now being claimed from the Guarantors, is \$HK86,427,322.40, which is the Principal Sum of \$HK8.20 million, plus interest from July 21, 1999 at various interest rates of between 2 percent per month and 4 percent per month, compound.

CATIC International ... [CLICK TO ORDER FULL ARTICLE](#)

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