

**FIRST DRAGONCOM AGRO-STRATEGY HOLDINGS LTD:  
IS THIS EVIDENCE OF FRAUD ?**

A pattern has become only too apparent in respect of the financial activities of 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) of late.

And it is not a very pretty picture, at all.

One has to ponder as to whether or not Management of this insolvent company, by accident or design, perpetrated multiple frauds on creditors over the past 6 months or so.

On September 30, 2005, Tsun and Partners (秦覺忠律師行) lodged Winding-Up Petition Number 772 in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), naming First Dragoncom Agro-Strategy as the legal firm's debtor.

The Winding-Up Petition should have come as no surprise to **TARGET** Subscribers because the probability of such an eventuality was raised in **TARGET** Intelligence Report, Volume VII, Number 178, published on September 21, 2005, in an exclusive report, headlined:

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

This Winding-Up Petition should, also, have been well expected by senior Management of this nurturer and sales agent of tree seedlings in the PRC because Tsun and Partners had made very clear its intentions as far back as May 9, 2005, when it issued a Statutory Demand on First Dragoncom Agro-Strategy, demanding payment of \$HK3,723,000 for work done and services rendered as well as repayment of disbursements.

Between May 2005 and the filing of the Winding-Up Petition, Management of First Dragoncom Agro-Strategy had been busy, according to the database of **TOLFIN** (The Computerised Online Financial Intelligence Service and Web-Based, Credit-Checking Provider) – borrowing money, when it knew, or should have known, at the time of obtaining the loans, that the prospects of repayment of the loans were totally zero.

Elegant World Investment Ltd, which is a company, not domiciled on the HKSAR, is one such corporate entity, which is not in the least bit happy with its lot, today, because it is holding onto a worthless cheque, issued by First Dragoncom Agro-Strategy, in the amount of \$HK3 million.

According to the allegations of Elegant World, contained in High Court Action Number 1996, on June 23, 2005, it *'agreed to advance a loan of HK\$3,000,000 ("the Loan") to the Defendant (First Dragoncom Agro-Strategy)'* and was given Cheque Number 445473, dated September 22, 2005, in the amount of \$HK3 million *'in favour of the Plaintiff ("the Cheque") as security for repayment of the Loan on 22<sup>nd</sup> September 2005.'*

When September 22, 2005, came and went and First Dragoncom Agro-Strategy failed to meet its financial commitments to Elegant World Investment Ltd, it was determined by the lender to take the cheque to Liu Chong Hing Bank Ltd for payment.

Then came the bad news because, on September 27, 2005, the cheque was returned from the bank with the notation: *'Refer to Drawer'*.

Elegant World is claiming \$HK3,085,000 from First Dragoncom Agro-Strategy, the \$HK85,000, being agreed interest on the \$HK3-million loan.

Other Claims ... [CLICK TO ORDER FULL ARTICLE](#)

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