

**EFORCE HOLDINGS LTD:
WILL IT GO INTO LIQUIDATION, THIS YEAR ?**

The situation at eForce Holdings Ltd () (Code: 943, Main Board, The Stock Exchange of Hongkong Ltd) may well, before the year is played out, find itself to be hopelessly insolvent.

It may well be unable to continue in business unless somebody can pull a financial rabbit out of a hat.

If the Chairman cannot find alternate sources of financial support, the company could well have to go into liquidation by the looks of things, today.

As it is, it is clear that eForce Holdings is unable – or unwilling, at least at this juncture – to pay rent on its Principal Place of Business in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), to wit:

Suite 3008, Man Yee Building,
Number 68, Des Voeux Road,
Central,
Hongkong.

Man Hing Hong Land Investment Company Ltd, the corporate landlord of the offices at Man Yee Building where eForce Holdings is supposed to be conducting its operations, recently sued a wholly owned subsidiary of the company, namely eForce Management Ltd, for \$HK527,982, being, allegedly, 3 months' unpaid rent and 2 months' rates.

As at June 30, 2005, eForce Holdings had Cash and Bank Balances of about \$HK1.86 million and Trade and Other Receivables of about \$HK15.50 million.

But, as at that interim date, the company had a massive debt load, relative to the company's financial situation:

Loans from Banks and Other Financial Institutions	\$HK16.36 million
Unsecured Other Loans	\$HK 6.50 million
Trade and Other Payables	\$HK64.38 million
Tax Payable	<u>\$HK 4.34 million</u>
TOTAL:	<u>\$HK91.58 million</u>

The financial results for the first half of the 2005-Year was that, on a Turnover of about \$HK67.05 million, the Net Loss Attributable to Shareholders was about \$HK9.24 million.

For the first time in the 5 Financial Years, ended December 31, 2004, at least, Shareholders' Funds were a negative \$HK3.98 million.

That figure was swollen to about \$HK13.10 million, as at June 30, 2005.

There is every reason to believe that the situation worsened even further by the end of the last Financial Year, ended December 31, 2005.

But that is only part of the problem at eForce Holdings Ltd.

Is The Chairman Caught In A Vice ?

The Chairman and Substantial Shareholder of eForce Holdings is Mr Leung Chung Shan (), who, as at December 31, 2004, was deemed to be interested in 48.62 percent of the Issued and Fully Paid-Up Share Capital of the company.

His ... [CLICK TO ORDER FULL ARTICLE](#)

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