

**ORIENT POWER HOLDINGS LTD:
SOME CREDITORS ARE GETTING VERY COLD FEET**

The Standstill Agreement Expires Next Friday

There are very strong indications that some creditors of publicly listed [Orient Power Holdings Ltd \(\)](#) (Code: 615, Main Board, The Stock Exchange of Hongkong Ltd) have determined not to wait for March 31, 2006, when the moratorium in respect of this company's \$HK1.43-billion debts will expire – and have put in their oar, already, in order to be among the first in line if the company should go to the wall.

This week saw 2 Writs, filed in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), one Writ, having been filed in the High Court, and one Writ, having been filed in the District Court.

The High Court Writ is between Chow's Technology Ltd () and Orient Power Car Stereos Ltd ().

Orient Power Car Stereos is a wholly owned subsidiary Orient Power Holdings Ltd.

Chow's Technology is alleging that it is owed \$HK1,143,143.33 with regard to 110 purported invoices, presented to Orient Power Car Stereos for goods sold and delivered to that company between August 2005 and November 2005.

Chow's Technology claims that it has been unable to collect its money despite having had its HKSAR solicitors write a letter of demand to the company on March 4, 2006.

In respect of the HKSAR District Court Action, this case is between CTL Trading Company Ltd () and Orient Power Car Stereos Ltd.

CTL Trading is claiming \$HK233,960.40 from Orient Power Car Stereos in respect of 29 purported invoices, having been sent to the company for goods sold and delivered between October 2005 and January 2006.

Despite this company's solicitors' firm, having sent a letter of demand to the company, no money has been forthcoming and so CTL Trading has put the case in the District Court in order to try to obtain legal redress.

Orient Power Holdings Ltd is, currently, operating under sufferance of a Standstill Agreement since the company has openly admitted that it is unable to pay its debts as they fall due.

In short, it is technically insolvent.

Standard Chartered Bank (Hongkong) Ltd has been nominated as the liaison bank, acting on instructions of the Steering Committee of the financial creditors.

The Standstill Agreement came into force on October 14, 2005, and will expire on March 31, 2006 (next Friday).

Under the Standstill Agreement of October 2005, it was agreed that a number of the company's creditors, but not all, would not enforce payment of monies, due and owing from Orient Power Holdings and/or its subsidiaries, during the tenure of the arrangement.

The Standard Chartered Bank has a fixed and floating charge debenture on the assets of Orient Power Holdings Ltd, that debenture, having a Book Value, as at June 30, 2005, of about \$HK2.56 billion.

Since October 2005, Orient Power Holdings has not informed its shareholders as to the situation within the company save the resignation of Mr Edward Fung Chi Kong () as a Non-Executive Director.

On September 21, 2005, Orient Power Holdings brought out its Interim Results for the 6 months, ended June 30, 2005.

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