

**L.K. TECHNOLOGY HOLDINGS LTD:
YOU HAVE TO STUDY THIS PROSPECTUS, VERY CAREFULLY,
BEFORE DECIDING WHETHER OR NOT TO BUY INTO THIS COMPANY**

It is really difficult to believe, but the Prospectus of L.K. Technology Holdings Ltd () (Code: 558, Main Board, The Stock Exchange of Hongkong Ltd) claims that the Founder and majority shareholder of the Company, who is a felon, by the way, does not get involved in the day-to-day operations of the Company – even though his wife is the Chairperson and sleeps beside him on a daily basis (assumed).

He is Mr Liu Siong Song (), who spent 9 months in a Shanghai jail on a tax- evasion case, back in 2002.

The matter is explained at Page 71 of the Placing and Public Offer Prospectus of L.K. Technology, dated September 29, 2006, as follows:

‘In 2002, according to the ruling of the Shanghai First Intermediate People’s Court () (The “PRC Court”), () (Shanghai L.K. Machinery Co., Ltd (“LK Shanghai), a private company of Mr. Liu (Mr Liu Siong Song) engaged principally in the business of manufacture and trading of steel materials, was convicted for not paying the prescribed import duties in full amount in respect of its import of mould steel shipments into the PRC. The conviction was based on the PRC Court’s findings that from 1994 to 1998, LK Shanghai, in reporting to Shanghai Customs Department, lowered the cost of the mould steel shipments purchased and imported by it from an overseas supplier in order to reduce the import duties payable. LK Shanghai was then fined for RMB (renminbi) 5 million (equivalent to approximately HK\$4.9 million). Based on the findings of the PRC Court, the then deputy general manager of LK Shanghai (“DGM”) was found to be primarily responsible for planning, organizing and implementing the above arrangement and therefore was sentenced to imprisonment. In December 2002, Mr. Liu was detained by the Shanghai authorities in relation to the tax evasion incident of LK Shanghai and was taken into custody by the authorities in the following nine-month period. In September 2003, Mr. Liu was given a suspended sentence. Mr. Liu’s sentence was based on the Court’s findings that it was the DGM, who acted as the principal, proposing and carrying out the arrangement, whereas Mr. Liu was considered as an accomplice because he did not oppose to the DGM’s carrying out such tax evasion arrangement.’

This section of the Prospectus, then, goes on to state that, following Mr Liu Siong Song’s return from a Shanghai prison to the Hongkong Special Administrative Region (HKSAR) of the PRC, he resigned from all management positions and his wife, Ms Chong Siw Yin () (also known as Mrs Liu Siw Yin, **TARGET** () assumes) assumed the mantle of Chairperson of the L. K. Technology Group of Companies.

The penultimate paragraph of Page 71 of the Prospectus makes the following statement:

‘Ms. Chong confirmed that she is not accustomed to take instructions from Mr. Liu on the daily operation of the Group. In addition, Mr. Liu Zhao Ming, an executive Director and the nephew of Mr. Liu, confirmed that he is not accustomed to take instructions from Mr. Liu on the daily operation of the Group.’

It, really, is difficult to believe, but, after all, a prospectus is a ‘hand-on-the-heart’ declaration of the directors, is it not?

TARGET cannot help but wonder, however, what is the pillow talk between Mr and Mrs Liu Siong Song when the lights are turned off.

Regardless as ... [CLICK TO ORDER FULL ARTICLE](#)

*While **TARGET** makes every attempt to ensure accuracy of all data published, **TARGET** cannot be held responsible for any errors and/or omissions.*

*If readers feel that they would like to voice their opinions about that which they have read in **TARGET**, please feel free to e-mail your views to editor@targetnewspapers.com. **TARGET** does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*