

**LINMARK GROUP LTD:  
THE QUESTION IS RAISED AS TO  
THE REASON THAT  
THIS DEBT HAS NO MENTION  
IN REPORTS TO SHAREHOLDERS ?**

One assumes that that which one reads in an annual report of a publicly listed company is accurate and true and fair in all material respects, especially a report which is independently audited by an accounting firm, such as PricewaterhouseCoopers.

This being the case, **TARGET** () assumes that the Legal Action, recently lodged by publicly listed Linmark Group Ltd () (Code: 915, Main Board, The Stock Exchange of Hongkong Ltd) in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), relates to some Provision – known only to insiders of the company – in the accounts of the company in respect of the 2006 and the 2007 Financial Years.

If this were not the case, and **TARGET** assumes the subjunctive mood in this instance, then, the accounts, presented to shareholders of the company, in respect of the 2006 and the 2007 Financial Years, would not be accurate and true and fair in all respects, would they?

Recently, Mr Barry Richard Pettitt was sued in an Action in the HKSAR High Court for about \$HK8.50 million.

The Plaintiffs to this Action were:

ISO International (Holdings) Ltd	First Plaintiff
Linmark Group Ltd	Second Plaintiff

The First Plaintiff is a wholly owned subsidiary of the Second Plaintiff and is said to be engaged in supply chain management, including consultancy, design, sourcing, procurement, quality inspection and fulfillment, with specialisation in home lifestyle entertainment products and consumer electronic products and the provision for technical support, thereof.

The address of Mr Barry Richard Pettitt is given in Writ of Summons, Number 646, as being Aberdeen Marina Club, Aberdeen, Hongkong Island, aboard the pleasure vessel, 'Caprice', docked at Number 145 at Pier C.

Also, it is stated that another address for this gentleman is:

Room 2315, Convention Plaza Apartments,  
Number One, Harbour Road,  
Wanchai,  
The HKSAR.

The Statement of Claim, attached to Writ of Summons, Number 646, alleges that there exists a purported Letter of Guarantee, dated September 13, 2006, whereby *'the Plaintiffs agreed, at the Defendant's request, to withhold the writing off or making bad and doubtful debts provisions for the sum of HK\$7.9 million being monies due and owing to the 1st Plaintiff and/or its affiliates by various entities ...'*.

Paragraph 4 of the Statement of Claim continues as follows:

- '4. ... In consideration of the Plaintiffs' agreement, the Defendant, inter alia, guaranteed the repayment to the Plaintiffs of the Debts "which shall include all monies whether principal, interest, commitment fees, costs, charges or any other monies owing in respect of the Debts" (the "**Guaranteed Amount**") which has yet to be received by the 1st Plaintiff and/or its affiliates on or before 30 September 2006 together with "any interest, costs and expenses of any nature".
- '5 Further, under Clause 2 of the Guarantee, the Defendant is obliged to fully indemnify and keep the Plaintiffs fully, effectively and completely indemnified ... [CLICK TO ORDER FULL ARTICLE](#)

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