

**RUIFENG PETROLEUM CHEMICAL HOLDINGS LTD:  
IS THIS COMPANY INSOLVENT ?**

With a company, facing claims of at least one billion renminbi (about \$HK1.25 billion), one has to ponder:

*Can this company pay its debts as they fall due?  
And, of course, it follows,  
Will this company be forced to declare insolvency?*

The company to which **TARGET** () is referring is Ruifeng Petroleum Chemical Holdings Ltd () (Code: 8096, The Growth Enterprise Market [The **GEM**] of The Stock Exchange of Hongkong Ltd).

Trading in the shares of this Company has been suspended since April 2, 2013, '*pending the release of an announcement of the audited annual results and the annual report of the Company for the year ended 31, December 2012*', Chairman Anthony Chan Wai Lun () informed shareholders.

But since April 2, 2013, a great deal of water appears to have passed under the bridge of this publicly listed company.

The latest episode in the continuing saga of Ruifeng Petroleum was when Sun Finance Company Ltd () sued the Company, its former Chairman and its present Chief Executive Officer for about \$HK22 million in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

The Plaintiff to this Action, Sun Finance, is an associated company of Simsen International Corporation Ltd [] which, beneficially, owns 49 percent of the Issued and Fully Paid-Up Share Capital of this money-lender.

Simsen International Corporation Ltd is, also, a publicly listed company, being Stock Code Number 993, Main Board, The Stock Exchange of Hongkong Ltd.

The Defendants, other than Ruifeng Petroleum, which is the First Defendant, are:

Mr Dennis Yu Won Kong (), the former Chairman of Ruifeng Petroleum	Second Defendant
Mr Yue Wai Keung (), the present Chief Executive Officer of Ruifeng Petroleum	Third Defendant

It stands to reason that the inclusion of Messrs Yu and Yue as the Second and Third Defendants, respectively, suggests that these gentlemen stood guarantors for the loan, extended to Ruifeng Petroleum.

Sun Finance is claiming from, the three Defendants:

- a. '*The outstanding principal of the Loan of HK\$20,000,000*';
- b. '*Outstanding interest of HK\$2,073,963*';
- c. '*Further Monthly Interest Payments accruing at a rate of 47.5% per annum on the Loan from 4<sup>th</sup> April 2013 until payment or alternatively, interest pursuant to Sections 48 and 49 of the High Court*

*Ordinance, Cap 4'*; and,  
d. *'Overdue Interest of HK\$31,510 and further Overdue Interest accruing ...'*.

But the Claims of Sun Finance are, as the Americans would state, simply '*chicken feed*', compared with some 32 other legal claims that have been made against Ruifeng Petroleum over the past few years, many of which are, still, pending determination by PRC courts and one in the High Court of the HKSAR.

According to ... [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](mailto:editor@targetnewspapers.com). **TARGET** does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*