

**DBA TELECOMMUNICATION (ASIA) HOLDINGS LTD:  
WHAT IS REALLY HAPPENING AT THIS COMPANY ?**

**Has The Chairman Perpetrated An Ultra Vires Act ?**

When DBA Telecommunication (Asia) Holdings Ltd ([ ]) (Code: 3335, Main Board, The Stock Exchange of Hongkong Ltd) was sued, earlier this year, little attention was paid to Writ of Summons, Number 473 of 2014, lodged in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

This Writ of Summons, Statement of Claim attached, was filed by solicitors, acting for and on behalf of the Plaintiff, Mr Lin Xiao Bin (), the lone Defendant, being DBA Telecommunication (Asia) Holdings Ltd, the publicly listed company.

Mr Lin Xiao Bin was said to have been, at the time of the filing of this Writ, *'a Mainland Chinese person holding a People's Republic of China passport'*.

The four-paragraph Statement of Claim, in essence, makes the claim that the Plaintiff lent to Mr Yu Long Rui (), the Chairman of DBA Telecommunication (Asia), 20 million renminbi on or about October 19, 2012.

The 20 million-renminbi loan was, allegedly, guaranteed by DBA Telecommunication (Asia).

This, by itself, is an amazing declaration, assuming that it is fact.

For what reason should the minority shareholders of a publicly listed company be held responsible for the repayment of the private loan(s) of the majority shareholder, especially one that is the Controlling Shareholder?

Further, on the assumption that the Statement of Claim is, materially, correct, was the purported company guarantee of the 20 million-renminbi loan to the Chairman an ultra vires act?

When the maturity date of the loan came and went – April 18, 2013 – neither Mr Yu Long Rui nor DBA Telecommunication (Asia) had honoured the alleged commitment to repay the 20 million renminbi plus interest on that amount of money, it is claimed at Paragraph Three of the Statement of Claim.

Interest on the loan was at the rate of five percent per month with an agreed penalty charge of 2 million renminbi (10 percent of the principal amount of the loan) *'for the non-repayment of the Loan under the guarantee'*.

The Plaintiff seeks the repayment of the 20 million renminbi, monthly interest at the rate of five percent of the principal amount of the loan, 2 million renminbi, being the penalty charge, and costs of the Action.

DBA Telecommunication (Asia) has never made an announcement in respect of this case.

**Has The Chairman Sold Out?**

On March 27, 2014, DBA Telecommunication (Asia) announced that, in effect, the Chairman and Controlling Shareholder of the company, namely Mr Yu Long Rui, had pledged 500.98 million shares in the Issued and Fully Paid-Up Share Capital of DBA Telecommunication (Asia) to Vigorous Prospect Venture Corporation 'as security for a loan facility of RMB50,000,000 provided to Mr. Yu Longrui, chairman and chief executive director of the Company'.

The 500.98 million shares ... [CLICK TO ORDER FULL ARTICLE](#)

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