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F R I D A Y

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WHO RIPPED OFF KENG FONG SIN KEE ?
FORMER DIRECTORS ALLEGED TO HAVE DONE THE DIRTY

Despite those of a Christian persuasion, who believe in turning the other cheek, it is still true that revenge is sweet ... and can be immensely satisfying, to some.

At least, this is the impression, given by sources in Keng Fong Sin Kee Construction and Investment Ltd, a publicly listed contractor and property investor.

TARGET has been informed that Keng Fong Sin Kee has now launched its expected counter-suit in the High Court of Hongkong against 2 former Directors of the Company, a Mr Johnny Lee Ngau Chai and a Ms Sally Kong Yoon Ping.

The pair are said to co-habituate in an apartment on the 17th Floor of Block 29, Regente Villa, Pokfulam.

According to the Statement of Claim, attached to Keng Fong Sin Kee's High Court Action, Mr Lee and Ms Kong stand accused of breaches in their fiduciary duties to Keng Fong Sin Kee.

These alleged breaches concerned property investments, made by Keng Fong Sin Kee's subsidiaries, Keng Fong Malaysia Enterprises Ltd and Keng Fong Foreign Investment Company Ltd. These investments are said to have been made in Malaysia and Hawaii.

It is claimed, by Keng Fong Sin Kee, that the duo may have benefited from secret profits and/or commissions as a result of their actions.

Keng Fong Sin Kee is demanding damages which will be assessed once the relevant accounts can be scrutinised.

A source, close to Keng Fong Sin Kee, told TARGET that Mr Lee and Ms Kong remain suspended from the Board of Directors since August 23, 1995.

It appears that the duo were representatives of Keng Fong Sin Kee in a number of overseas joint-venture projects.

However, it is claimed that, after an internal audit, the other members of Keng Fong Sin Kee's Board discovered that the duo were responsible for issuing unsecured loans in respect of certain projects where the Hongkong company was a minority partner.

When the duo was ordered to protect Keng Fong Sin Kee's interests and secure assets for the loans, TARGET was informed that Mr Lee and Ms Kong refused, provoking their suspension from all executive duties.

It now seems likely that a formal resolution will be put forward at Keng Fong Sin Kee's Annual General Meeting, to be held sometime later this month, in order to have Mr Lee and Ms Kong ejected from their privileged positions.

Keng Fong Sin Kee is, currently, believed to be trying to acquire material assets on the said loans although no loss from the loans is envisaged.

Officials at Keng Fong Sin Kee declined to comment on the matter.

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