Edgar Filing: LOTUS PACIFIC INC - Form NT 10-Q

LOTUS PACIFIC INC Form NT 10-Q November 14, 2002

UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549

FORM 12b-25

NOTIFICATION OF LATE FILING

(Check One):	o Form 10-K	o Form 20-F	o Form 11-K	ý Form 10-Q	o Form N-SAR			
	For Period Ended:		September 30, 200	02				
	o Transition Report of Transition Performance of	on Form 20-F on Form 11-K on Form 10-Q on Form N-SAR						
	NOTHING ON THIS FO	ON BACK PAGE) BEFO DRM SHALL BE CONS CRIFIED ANY INFORM	TRUED TO IMPLY T	THAT THE COMMIS				
If the notification	relates to a portion of the	e filing checked above, ide	entify the Item(s) to whi	ch the notification relat	es:			
DART1 DECI	ISTRANT INDORMAT	ION						
PART 1 REGILLOTUS PACIFIC	ISTRANT INFORMAT C, INC.	ION						
Full Name of Reg	gistrant:							
Former Name if A	Applicable:							
18200 Von Karman Avenue, Suite 730								
Address of Princi	pal Executive Office (Str	eet and Number):						
Irvine, CA 92612								
City, State and Zi	p Code: ES 12b-25(b) AND (c)							

If the subject report could not be filed without unreasonable effort or expense and the registrant seeks relief pursuant to Rule 12b-25(b), the

following should be completed. (Check box if appropriate)

1

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(a) The reasons defined in reasonable detail in Part III of this form could not be eliminated without unreasonable effort or expense.

PART III NARRATIVE

State below in reasonable detail the reasons why Form 10-K, 20-F, 11-K, 10-Q, N-SAR, or the transition report or portion thereof, could not be filed within the prescribed time period.

Lotus Pacific, Inc. ("Lotus Pacific" or "Registrant") is unable to complete its preparation of its financial statements for the period ended September 30, 2002 and the related disclosures in Part II of Form 10-Q by November 14, 2002 without unreasonable effort and expense.

As previously reported, a majority of Registrant's stockholders, led by T.C.L. Industries Holdings (H.K.) Limited, replaced prior management of the Registrant on June 29, 2001. Following the replacement of prior management, new management of the Registrant has been reviewing various transactions undertaken by the prior management team prior to June 29, 2001.

As previously reported, Lotus Pacific dismissed Larson, Allen, Weishair & Co. as its independent accountants effective March 25, 2002, and has replaced such firm with new independent accountants, Hein + Associates. Larson, Allen, Weishair & Co. and its predecessor Schiffman Hughes Brown, P.C. (whose practice became part of Larson, Allen, Weishair & Co. effective January 1, 2000) were initially engaged by prior management of Lotus Pacific.

New management of Registrant has identified certain transactions undertaken by prior management which will likely impact reported financial and operating results with respect to its consolidated financial statements for the fiscal year ended June 30, 2001 and prior periods. In its preliminary review, new management identified certain transactions involving Regent Electronics, a former subsidiary of Lotus Pacific, and other transactions involving former management, which will likely require restatement of Registrant's previously filed financial statements. Such transactions being reviewed will likely have an impact on previously reported results of operations for fiscal years ended June 30, 1999, 2000 and 2001, and will likely include adjustments, among others, to Registrant's previously reported revenues, cost of sales, net loss, earnings per share and related party transactions.

As previously reported, Registrant has submitted a preliminary review of such transactions to its new independent accountants, to determine the necessity and scope of the required restatement of previously reported financial statements. New management has referred the matters relating to the restatement of its financial statements to a special committee of its Board of Directors (the "Special Committee"). The Special Committee is empowered to review and authorize the matters on behalf of Lotus Pacific. New management, in consultation with the Special Committee, also concluded that a reaudit of the financial statements for the fiscal years ended June 30, 1999, 2000 and 2001 is required and has engaged its new independent accountants to perform such reaudit. New management has concluded that such reaudit will also impact Registrant's financial statements for the fiscal year ended June 30, 2002. Registrant has engaged counsel to investigate potential claims it may have resulting from or arising out of such transactions.

As of this date, new management is still unable to complete Registrant's financial statements for the fiscal year ended June 30, 2002 and its new independent accountants have not completed the audit of the financial statements for such period. Because Registrant's financial statements for the fiscal year ended June 30, 2002 impact Registrant's financial statements for the three months ended September 30, 2002, Registrant is also unable to complete its financial statements for the three months ended September 30, 2002.

Accordingly, Registrant is unable to file its Form 10-Q for the period ending September 30, 2002 as of this date and currently anticipates that it will be unable to file such Form 10-Q within five calendar days following the prescribed due date.

Forward Looking Statements. The statements in this notification concerning current management's expectations are "forward looking statements" within the meaning of Section 27A of the Securities and Exchange Act of 1993, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended, that involve risks and uncertainties. Any statements contained herein (including, without limitation, statements to the effect that the Registrant or management "estimates," "expects," "intends," "continues," "may," or "will" or statements concerning "potential" or variations thereof or comparable terminology or the negative thereof), that are not statements of historical fact should be construed as forward looking statements. These forward-looking statements are based on our management's current views and assumptions.

Part IV Other Information

(1) Name and telephone number of person to contact in regard to this notification

Vincent Yan, President and CEO

(949)

475-1880

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	(Na	me)	(Area Code)	(Telephone Number)				
2)	Have all other periodic reports required under section 13 or 15(d) of the Securities Exchange Act of 1934 or section 30 of the Investment Company Act of 1940 during the preceding 12 months or for such shorter period that the registrant was required to file such report(s) been filed? If the answer is no, identify report(s).							
				o Yes ý No				
	See above. Registrant has not fil	ed its Form 10-K for the year en	nded June 30, 2002.					
(3)	Is it anticipated that any significant reflected by the earnings statement		ons from the corresponding period t report or portion thereof?	for the last fiscal year will be ý Yes o No				
	If so, attach an explanation of th reasonable estimate of the result	-	tively and quantitatively, and, if a	appropriate, state the reasons why a				
	statements as described above. The Registrant is working with its interest the required adjustments and interest and inter	The Registrant is continuing its in dependent accountants and other ends to report such estimates where the stimates where the	nen available. Registrant further in	involving former management. estimates of the scope and impact of				
		Lotus	Pacific, Inc.	_				
as ca	nused this notification to be signed o		ant as specified in charter) thereunto duly authorized.					
Date:	November 14, 2002	Ву:	/s/ VINCENT	YAN				
			Vincent Yan, Presid	dent and CFO				