

**CHINA MERCHANTS DICHAIN (ASIA) LTD:  
WILL CHAIRMAN FAN DI HAVE TO UNLOAD SOME OF HIS SHARES ?**

The bottom line is that Dr Fan Di, unless he can pull a Chinese rabbit out of one of his many corporate hats, will be left with a sizeable bill, which could be greater than 50 million renminbi (about \$HK47.17 million).

The reason that **TARGET** makes the above statement is because Good Achieve Investments Ltd has just sued Dr Far Di's private company, Dichain Holdings Ltd, that company, holding a little more than 59 percent of the Issued and Fully Paid-Up Share Capital of China Merchants DiChain (Asia) Ltd (Code: 632, Main Board, The Stock Exchange of Hongkong Ltd).

Good Achieve claims to be a **British Virgin Islands (BVI)** company which, according to its Writ of Summons, lodged in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), carries on business '*as an investment holding company.*' (Paragraph One of High Court Action Number 2040)

It is alleged, at Paragraph 3 of the Statement of Claim, attached to that Writ of Summons, that Good Achieve, beneficially, owned the entire Issued Share Capital of Sheung Tai Investments Ltd, which is, also, a BVI company.

At Paragraph 4 of this Statement of Claim, it is alleged that Good Achieve and 2 other BVI companies – Anmer Capital Ltd and Dunkley International Ltd – '*entered into a tripartite agreement written in Chinese ... for the sale by the Plaintiff (Good Achieve) and the concomitant purchase by respectively Anmer and Dunkley of certain of the Plaintiff's shares of and in Sheung Tai ...*'.

The particulars of the purported share sales and purchase agreements included, inter alia:

1. Good Achieve agreed to sell to Anmer a total of 512 shares in Sheung Tai at the price of 39,207,936 renminbi (about \$HK36.99 million);
2. Good Achieve agreed to sell to Dunkley a total of 128 shares in Sheung Tai at the price of 9,801,984 renminbi (about \$HK9.25 million); and,
3. Both Anmer and Dunkley would pay the agreed purchase prices for the shares in Sheung Tai not later than January 31, 2004.

It is alleged at Paragraph 5 of the Statement of Claim that Dichain Holdings Ltd, Dr Fan Di's private investment company, would stand guarantor for both Anmer and Dunkley in respect of '*the performance ... of their obligations vis-à-vis the Plaintiff under the Share Purchase Agreement ...*'.

In spelling out, definitively, the Particulars of Dichain Holdings's Guarantee, it is alleged in the Statement of Claim that Dichain Holdings Ltd:

1. '*... unconditionally and irrevocably guarantees the performance of Anmer and Dunkley ... of the Share Purchase Agreement*';

2. *'In the event of failure by Anmer and/or Dunkley for whatever reason to make payment of the agreed purchase prices together with interest thereon pursuant to the Share Purchase Agreement, the Defendant is obliged, upon demand by the Plaintiff, to make payment on their behalf'; and,*
3. *'The Defendant's obligations ... of the Guarantee are directly enforceable by the Plaintiff as against the Defendant, as if the Defendant were substituted for Anmer and Dunkley, without any need on the part of the Plaintiff first to pursue Anmer and/or Dunkley.'*

From Paragraphs ... [CLICK TO ORDER FULL ARTICLE](#)

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