

**PING SHAN TEA GROUP LTD:  
CAI FAMILY MEMBERS SUED FOR NEARLY \$HK32 MILLION**

A Ms Xiao Jiao Rong () has sued all of the Senior Management members of publicly listed Ping Shan Tea Group Ltd () (Code 364, Main Board, The Stock Exchange of Hongkong Ltd) in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

Ms Xiao Jiao Rong is the Plaintiff in Writ of Summons, Number 1008 of 2014, the five Defendants, being:

Mr Cai Zhen Rong () <sup>1</sup>	First Defendant
Mr Cai Yang Bo () <sup>2</sup>	Second Defendant
Mr Cai Zhen Ying () <sup>3</sup>	Third Defendant
Mr Cai Zhen Yao () <sup>4</sup>	Fourth Defendant
Ping Shan Tea Group Ltd	Fifth Defendant

1. The First Defendant is the Chairman of the Fifth Defendant.
2. The Second Defendant is the Managing Director of the Fifth Defendant.
3. The Third Defendant is an Executive Director of the Fifth Defendant.
4. The Fourth Defendant is an Executive Directors of the Fifth Defendant.

The Plaintiff is suing all of the Defendants in respect of a purported loan in the amount of 25.40 million renminbi (about \$HK31.93 million).

It is alleged, at Paragraph Three of the Statement of Claim, attached to Writ of Summons, Number 1008, that, as at March 9, 2014, all of the first four Defendants, collectively, owed to the Plaintiff the sum of 25.40 million renminbi.

Paragraph Four of the Statement of Claim makes the allegation that the Fifth Defendant guaranteed the 25.40-million renminbi loan, afforded to the Four Defendants.

Picking up the Statement of Claim from Paragraph Four:

*'4. By a Loan Repayment Agreement () dated 9th March 2014 ("**Loan Repayment Agreement**") executed by the Borrowers by signing and affixing their respective fingerprints, and also executed by the 5th Defendant, the Plaintiff at the requests of the 5th Defendant and conditional upon the undertakings and covenants of the Borrowers and of the 5th Defendants ('sic') as the Guarantor therein, agreed to extend the time for repayment of the Loan to 10th May 2014. The Plaintiff will refer to the Loan Repayment Agreement for its full terms and effects at the trial thereof.*

*'5. The Loan Repayment Agreement stipulated (inter alia) as follows :*

- (1) The Borrowers jointly and severally acknowledged that a Loan in the amount of RMB25,400,000.00 was advanced to the Borrowers by the Plaintiff;*
- (2) The Borrowers jointly and severally undertook and agreed to repay the Loan to the Plaintiff in full on or before 10th May 2014;*

(3) *In default of repayment of the Loan in full to the Plaintiff on or before 10th May 2014:-*

- (i) *The Borrowers must, in addition to their obligations to make repayment of the Loan, transfer the shares held by the Borrower in the 5th Defendant to the Plaintiff or her nominees in the value of RMB25,400,00.00 ('sic') according to the market price thereof as on the date of such transfer for repayment of the Loan; and*
- (ii) *In addition, all shares in the 5th Defendant registered in the names of any of the Borrowers, or shares in the 5th Defendant directly or indirectly held or controlled by any of the Borrowers including share warrants, shall constitute irrevocable mortgage in favour of the Plaintiff as security for repayment of the Loan.*

(4) *In default of repayment of the Loan in full to the Plaintiff on or before In consideration of extension of time for repayment of the Loan to 10th May 2014 as aforesaid, the ... [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.*