

**PING SHAN TEA GROUP LTD:
THE CAI FAMILY IS SUED FOR
12 MILLION RENMINBI PLUS INTEREST**

A Writ of Summons, lodged in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) on June 29, 2015, has returned to haunt the principal Executive Directors of Ping Shan Tea Group Ltd () (Code: 364, Main Board, The Stock Exchange of Hongkong Ltd).

Recently, Mr Qiu Huang Le (), the Plaintiff in Writ of Summons, Number 2017 of 2016 (Statement of Claim, attached), an Action that has been lodged in the HKSAR High Court, lists as the Defendants to this Action:

Ms Chen Mian Mian ()	First Defendant
Mr Cai Zhen Rong () 1	Second Defendant
Mr Cai Zhen Yao () 3	Third Defendant
Mr Cai Yang Bo () 2	Fourth Defendant
Mr Cai Zhen Ying () 3	Fifth Defendant

1. The Second Defendant is the Executive Chairman of Ping Shan Tea.
2. The Fourth Defendant is an Executive Director and, also,
the Managing Director of Ping Shan Tea
3. The Third and Fifth Defendants are Executive Directors of Ping Shan Tea.

According to the database of **TOLFIN** (), the Computerised, Online Financial Intelligence Service and Web-Based, Credit-Checking Provider, as at December 31, 2015, the Second Defendant, beneficially, owns 38.75 percent of the Issued and Fully Paid-Up Share Capital of Ping Shan Tea.

About three months later, however, this equity holding was reduced to about 30.73 percent.

The other members of the Cai Family – the Third, Fourth and Fifth Defendants – only have fractional interests in the Issue Share Capital of Ping Shan Tea it appears.

The Statement of Claim in High Court Action, Number 2017

In the Statement of Claim, attached to Writ of Summons, Number 2017 of 2016, Mr Qiu Huang Le alleges that the five Defendants '*are truly indebted to the Plaintiff a sum of RMB12,000,000.00.*'

The Statement of Claim, starting from Paragraph Three, makes the following allegations:

- '3. *The Defendants and the Plaintiff through their respective solicitors settled the Plaintiff's claims on terms and conditions of a Settlement Deed duly executed by the Plaintiff and the Defendants dated 24th day of September 2015 ("the Settlement Deed").*
- '4. *The Defendants in the Settlement Deed agreed the repayments of the outstanding loan in the sum of RMB12,000,000.00 by five (5) monthly instalments commencing from 30th day of June 2016 until 31st day of October 2016 in the respective sums of RMB941,781.00 on or before 30th day of June 2016, the sum of RMB3,500,000.00 on or before 31st July 2016, the sum of RMB3,500,000.00 on or before 31st day of August 2016, the sum of RMB3,500,000.00 on or before 30th day of September 2016 and*

RMB558,219.00 on or before 31st October 2016. The first instalment in the sum of RMB941,781.00 was due and payable by the Defendants on 30th day of June 2016.

‘5. Paragraph 3 of the Settlement Deed further provided that should the Defendants fail to pay any instalment for one month from the date when it is due, all outstanding instalments and interests shall become due and payable by the Defendants and the Plaintiff is entitled to enforce the terms of the Settlement Deed against the Defendants.

‘6. Paragraph 4 of the Settlement Deed further ... [CLICK TO ORDER FULL ARTICLE](#)

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