

**INTERNATIONAL BUSINESS SETTLEMENT HOLDINGS LTD:****A FORMER CHAIRMAN IS SUED FOR \$HK2.64 BILLION****The Company's Losses Continue To Mount**

Mr Luo Feng (), a former Chairman of International Business Settlement Holdings Ltd

() (Code: 147, Main Board, The Stock Exchange of Hongkong Ltd), has been sued in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) for \$HK2,641,797,600.

Long Grand Ltd (), a company, legally and beneficially owned by Messrs Yam Yu () (70 percent) and Yuen Leong () (30 percent), is the Plaintiff in HKSAR High Court Action, Number 1318 of 2018.

Mr Luo Feng is the Second Defendant to this Action, the First Defendant, being Power Trend Asset Holdings Ltd, the legal owner of 12.50 percent is the Issued and Fully Paid-Up Share Capital of International Business Settlement Holdings Ltd.

The First Defendant is legally and beneficially owned by the Second Defendant.

Mr Luo Feng had been appointed as Chairman of Chaoyue Group Ltd (), the former name of International Business Settlement Holdings Ltd, on September 23, 2016, but resigned from that position on September 22, 2017, according to the database of **TOLFIN** (), the Computerised, Online Financial Intelligence Service and Web-Based, Credit-Checking Provider.

In HKSAR, High Court Action, Number 1318, Statement of Claim attached, the Plaintiff, a company, domiciled in the **British Virgin Islands (BVI)**, being the beneficial owner of 50.92 percent of the Issued and Fully Paid-Up Share Capital of International Business Settlement Holdings Ltd, as at March 31, 2017, makes the following allegations:

- '1. *The Plaintiff is and was at all material time a company incorporated in the British Virgin Islands with its Hong Kong registered office at Unit 2310, 23<sup>rd</sup> Floor, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong.*
- '2. *The 1<sup>st</sup> Defendant is and was at all material times a company incorporated in the British Virgin Islands with its registered office at Level 1, Palm Grove House, Wickham's Cay 1, Road Town, Tortola, British Virgin Islands.*
- '3. *The 2<sup>nd</sup> Defendant is and was at all material times a director; the sole shareholder and sole controlling person of the 1<sup>st</sup> Defendant.*
- '4. *In or around 20 October 2016, the Plaintiff and the 1<sup>st</sup> Defendant entered into a written agreement dated 20 October 2016 ("**the Agreement**") after arm's length negotiation between the parties. The Agreement contains, inter alia, the following express terms:*
  - 'i. *Clause 1: The Plaintiff agrees to sell to the 1<sup>st</sup> Defendant its holding of 2,540,190,000 shares of and in Chaoyue Group Limited (now known as International Business Settlement Holdings Limited) ("**the Company**") , a company listed in the Hong Kong Stock Exchange under Stock Code 00147 ("**the Transfer Shares**") ;*
  - 'ii. *Clause 2: The consideration of the sale of the Transfer Shares is HK\$2,641,797,600 (i.e. HK\$1.04 per share) which shall be paid within 12 months from the date of the Agreement ("**the Consideration**") ;*
  - 'iii. *Clause 3: Upon signing of the Agreement, the Plaintiff shall deliver all duly signed transaction documents to effect the actual transfer of the Transfer Shares in favour of the 1<sup>st</sup> Defendant;*
  - 'iv. *Clause 4: The 1<sup>st</sup> Defendant agreed that the Transfer Shares are subject to a 3 years lock-up period pursuant to which the 1<sup>st</sup> Defendant shall not offer, sell, contract to sell, transfer, pledge create any encumbrance over or otherwise dispose of directly or indirectly, the Transfer Shares, enter into transaction(s) which would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of the ownership of the Transfer Shares; and*
  - 'v. *Clause 6: The Agreement shall be governed exclusively by the laws and courts of Hong Kong.*
- '5. *Pursuant to Clause 3 of the Agreement, the Plaintiff had duly provided all signatures and all necessary documents to allow the 1<sup>st</sup> Defendant to register the Transfer Shares under its name.*
- '6. *The Transfer ... [CLICK TO ORDER FULL ARTICLE](#)*

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