

TARGET

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T U E S D A Y

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HAITIAN ENERGY INTERNATIONAL LTD:

CAN THE CHAIRMAN COME UP WITH \$HK102 MILLION – IN CASH ?

Mr Lin Yang (), the Chairman of publicly listed Haitian Energy International Ltd () (Code: 1659, Main Board, The Stock Exchange of Hongkong Ltd), has been sued in the HKSAR High Court for \$HK101,979,202.85 plus interest and costs of the legal action.

The Plaintiff in HKSAR High Court Action, Number 1574 of 2019, is Haitong International Securities Company Ltd (), an indirect, wholly owned subsidiary of Haitong International Securities Group Ltd () (Stock Code: 665, Main Board, The Stock Exchange of Hongkong Ltd).

Haitian Energy International Ltd is, presently, in Provisional Liquidation.

According to the Endorsement of Claim, attached to Writ of Summons, Number 1574 of 2019:

‘THE PLAINTIFF CLAIMS AGAINST THE DEFENDANT FOR:

1. *The repayment of the following amount owing to the Plaintiff by the Defendant pursuant to a Deed of*

*Personal Guarantee dated 9 March 2018 entered into by the Defendant in favour of the Plaintiff in respect of the obligations of Victor River Limited (“**Victor River**”), a company incorporated under the laws of the British Virgin Islands with its registered office at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands, to the Plaintiff:-*

- (i) the outstanding sum in the amount of HKD101,979,202.85 including interest accrued up to 31 July 2019 (the “**Outstanding Sum**”) under a credit facility under a margin securities trading account no. 02-0186195-33 (“**Margin Account**”) made available by the Plaintiff to Victor River pursuant to a Facility Letter dated 9 March 2018 entered into between the Plaintiff as Lender, Victor River as Borrower and the Defendant as Guarantor (“**Facility Letter**”), supplemented by the Margin Account Terms and Conditions (“**Margin Account T&Cs**”); and*
- (ii) Default interest accrued on the Outstanding Sum at the rate of 14.125% per annum compounded at monthly intervals pursuant to the Margin Account T&Cs from 1 August 2019 to the date of full payment pursuant to the Facility Letter.*

‘2. Interest pursuant to sections 48 and 49 of the High Court Ordinance (Cap. 4) alternatively at such rate and for such period as this Honourable Court deems fit;

‘3. Costs; and

‘4. Further and/or other relief.’

According to the database of **TOLFIN** (), the Computerised, Online Financial Intelligence Service and Web-Based, Credit-Checking Provider, Mr Lin Yang is the legal and beneficial owner of 57.85 percent of the entire Issued and Fully Paid-Up Share Capital of Haitian Energy International Ltd.

As for Victor River Ltd (), mentioned in Paragraph One of the Endorsement of Claim, the entire Issued and Fully Paid-Up Share Capital of this BVI-incorporated company is beneficially owned by Mr Lin Yang, according to the database of **TOLFIN**.

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