

TARGET

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CHINA SAITE GROUP COMPANY LTD: CHAIRMAN JIANG JIAN QIANG SEEMS TO HAVE ANOTHER CROSS TO BEAR

Mr Jiang Jian Qiang (蔣建強), the Chairman of China Saite Group Company Ltd (中國賽特集團有限公司) (Code: 153, 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 the best part of \$HK64 million.

Hongkong Longway Holding Group Company Ltd (香港朗威實業集團有限公司) is the Plaintiff in respect of Action Number 1658 of 2020, lodged in the HKSAR High Court.

The two Defendants in this Action are:

Mr Jiang Jian Qiang
江苏赛纳新型建筑材料有限公司

First Defendant
Second Defendant

The Hongkong address of the First Defendant is given in the recitals of the Writ of Summons, Number 1658 of 2020, as being:

The 22nd Floor,
The Toy House,
Number 100, Canton Road,
Tsimshatsui,
Kowloon,
The HKSAR.

However, according to the database of **TOLFIN** (泰達資訊), the Computerised, Online Financial Intelligence Service and Web-Based, Credit-Checking Provider, as at October 23, 2013, the First Defendant had an address in the PRC, proper, being separate and distinct from the HKSAR of the PRC:

Room Number Six,
Xia Xin Du,
Cheng Xi Village,
Gao Cheng Town,
Yixing City,
Jiangsu Province,

The PRC.

With regard to the Second Defendant, its address is given in the recitals of Writ of Summons, Number 1658 of 2020, as being:

Shenyang Economic Development Zone, Number Eight,
Yancheng City,
Jiangsu,
The PRC
(中國江蘇省鹽城市沈陽經濟開發區 8 號).

The Plaintiff's address is said to be in the HKSAR:

The Second Floor,
Yau Tak Building,
Number 167, Lockhart Road,
Wanchai,
The HKSAR.

The Indorsement Of Claim, Attached To The Writ Of Summons

In the Indorsement of Claim, attached to Writ of Summons, Number 1658 of 2020, the Plaintiff makes the allegation that the First Defendant is in *'breach of contract in respect of the agreement between the Plaintiff and the 1st Defendant entered into on or about 1 January 2019 ...'*.

At Paragraph 1.1 of the Indorsement of Claim, it is alleged that the First Defendant *'acknowledged that he owed the Plaintiff HK\$57,526,720.00 and was in breach of an earlier agreement between the parties executed on or about 1 March 2018.'*

As to the Second Defendant, it is alleged that it is, also, in *'breach of contract'* in that it executed a Deed of Guarantee in favour of the Plaintiff *'by the 2nd Defendant as guarantor for the 1st Defendant in relation to the 1st Defendant's Payment Obligations.'* (Paragraph Three of the Indorsement of Claim)

The Indorsement of Claim, then, continues from Paragraph 1.2 as follows:

'1. ...

*1.2. In consideration for the Plaintiff's forbearance to sue the 1st Defendant on the Agreement, the Plaintiff and the 1st Defendant agreed that the 1st Defendant would pay to the Plaintiff the sum of HK\$57,526,720.00 ("**Principal Amount**") as well as interest on the same in the amount at 10% per annum (totalling HK\$63,279,392.00 ("**Total Amount**")) by 31st December 2019 in the following manner:*

1.2.1. The Principal Amount (i.e. HK\$57,526,720.00) be paid on or before 31st December 2019;

1.2.2. HK\$1,438,168.00 be paid on or before 31st March 2019;

1.2.3. HK\$1,438,168.00 be paid on or before 30th June 2019;

1.2.4. HK\$1,438,168.00 be paid on or before 30th September 2019; and

1.2.5. HK\$1,438,168.00 be paid on or before 31st December 2019.

(the “1st Defendant’s Payment Obligations”)

- ‘2. Specifically, the 1st Defendant failed and/or refused to perform according to the 1st Defendant’s Payment Obligations, whether in part or in full.
- ‘3. The Plaintiff claims against the 2nd Defendant for breach of contract in respect of the guarantee executed in favour of the Plaintiff by the 2nd Defendant as guarantor for the 1st Defendant in relation to the 1st Defendant’s Payment Obligations.
- ‘4. In breach of the 2nd Defendant’s obligations under the said guarantee, the 2nd Defendant failed and/or refused to pay the Plaintiff any or all of the amounts stipulated under the 1st Defendant’s Payment Obligations, whether by the respective deadlines stipulated thereunder or at all.

‘AND THE PLAINTIFF CLAIMS AGAINST THE 1ST AND 2ND DEFENDANTS FOR:-

- ‘1. The Total Amount as pleaded in paragraph 1.2 hereof;
- ‘2. Contractual interest as pleaded in paragraph 1.2 hereof, or alternatively pursuant to section 48 of High Court Ordinance, Cap. 4 of the Laws of Hong Kong, on the Total Amount;
- ‘3. Further and/or other relief as this Honourable Court shall deem fit; and
- ‘4. Costs of this action.’

Other Legal Problems

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