

TARGET

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S A T U R D A Y

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JIAYUAN INTERNATIONAL GROUP LIMITED: THE CHAIRMAN IS SUED FOR \$US100 MILLION

Mr Shum Tin Ching (沈天晴), also known as Mr Shen Yu Xing (沈玉興), the Non-Executive Director and Chairman of Jiayuan International Group Ltd (佳源國際控股有限公司) (Code: 2768, The 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 \$US100 million (about \$HK788 million).

On March 10, 2023, Credit Suisse AG, Singapore Branch, the Plaintiff of Action Number 369 of 2023, lodged its Claim against Mr Shum Tin Ching, the Defendant, who was alleged to have residences and/or offices at the follow premises:

- Flat B, 14th Floor, Block One, Locwood Court, Kingswood Villas, Tin Shui Wai, New Territories, Hongkong;
- Flat E, 5th Floor, Block 11, Locwood Court, Kingswood Villas, Tin Shui Wai, New Territories, Hongkong;
- Unit 205, 2nd Floor, One Vista Summit, Number Three, San Hop Lane, Tuen Mun, New Territories, Hongkong;
- Number 69, Zhonghuan South Road, Nanhu District, Jiaying, Zhejiang, the PRC; and,
- Room 1403, Number Nine, Queen's Road, Central, Hongkong.

The General Indorsement of Claim, attached to Writ of Summons, Number 369 of 2023, makes the following Claim against the lone Defendant:

'(1) the sum of US\$100,000,000, being:

- (a) US\$4,677,986.24 (the "**May 2022 Excess Amount**"), the mandatory prepayment amount due and owing to the Plaintiff pursuant to (i) Clause 7.3 and Clause 7.7 of a Facility Agreement dated 29 August 2021 entered into between, the*

*Plaintiff (as Arranger, Agent and Security Agent), Huiyan Property Development Ltd (as Borrower) and Jiayuan International Group Limited, Jiayuan Investment Management Limited (佳源投資管理有限公司), Hong Kong Jia Yuan Holdings Limited (香港佳源集團有限公司) and GuoXiang Property Co., Limited (國祥房地產有限公司) (as Corporate Guarantors) (the “**Facility Agreement**”) for a term loan of US\$100,000,000 (the “**Loan**”), and (ii) the Personal Guarantee dated 29 August 2021 given by the Defendant to the Plaintiff (the “**Personal Guarantee**”);*

- (b) US\$11,577,304.79 (the “**July 2022 Excess Amount**”), the mandatory prepayment amount due and owing to the Plaintiff pursuant to (i) Clause 7.3 and Clause 7.7 of the Facility Agreement and (ii) the Personal Guarantee; and*
- (c) US\$83,744,708.97 (the “**Remaining Principal Amount**”), the outstanding loan amount due and owing to the Plaintiff pursuant to (i) Clause 6.1 of the Facility Agreement and (ii) the Personal Guarantee;*

‘(2) alternatively, damages for breach of contract;

‘(3) contractual interest calculated at 14% per annum in accordance with Clause 8.1 of the Facility Agreement in respect of:

- (a) the May 2022 Excess Amount from 2 March 2022 to 20 May 2022 in the sum of US\$143,718.13;*
- (b) the July 2022 Excess Amount from 2 March 2022 to 21 July 2022 in the sum of US\$634,822.21; and*
- (c) the Remaining Principal Amount from 2 March 2022 to 1 September 2022 in the sum of US\$5,959,831.79;*

‘(4) contractual default interest calculated at 16% per annum in accordance with Clause 8.3 of the Facility Agreement in respect of:

- (a) the May 2022 Excess Amount from 20 May 2022 to the date hereof in the sum of US\$650,479.39 and continuing until the date of actual payment (after as well as before judgment);*
- (b) the July 2022 Excess Amount from 21 July 2022 to the date hereof in the sum of US\$1,282,458.85 and continuing until the date of actual payment (after as well as before judgment); and*
- (c) the Remaining Principal Amount from 1 September 2022 to the date hereof in the sum of US\$7,603,915.03 and continuing until the date of actual payment (after as well as before judgment),*

- ‘(5) *alternative to paragraph(s) (3) and/or (4) above, interest pursuant to sections 48 and 49 of the High Court Ordinance (Cap. 4) on the said sums in paragraphs (1) and/or (2) above;*
- ‘(6) *any fees, costs and expenses due and owing from any of the Transaction Obligors (as defined under the Facility Agreement) pursuant to the Finance Documents (as defined under the Facility Agreement), including but not limited to Clause 16 of the Facility Agreement, Clause 5 of the Amendment Agreement dated 28 January 2022 and Clause 23 of the Borrower Share Charge dated 18 July 2022 (the “**Borrower Share Charge**”), in the sums of US\$310,261.77 and HK\$748,640.00 as at the date hereof, and continuing to be incurred after the date hereof;*
- ‘(7) *contractual interest and/or contractual default interest on the said sum in paragraph (6) above calculated in accordance with the terms and conditions of the Finance Documents, including but not limited to, Clause 8.3 of the Facility Agreement and Clause 23.1 of the Borrower Share Charge, and continuing until the date of actual payment (after as well as before judgment), and/or alternatively, interest pursuant to sections 48 and 49 of the High Court Ordinance (Cap. 4) on the said sum in paragraph (6) above;*
- ‘(8) *any other ... [CLICK TO ORDER FULL ARTICLE](#)*

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