

**IN THE HIGH COURT OF THE  
HONG KONG SPECIAL ADMINISTRATIVE REGION  
COURT OF FIRST INSTANCE**

MISCELLANEOUS PROCEEDINGS NO. 1080 OF 2024

IN THE MATTER OF an application for injunctive  
relief under Section 21L of the High Court Ordinance  
(Cap. 4)

BETWEEN

CHINA EVERGRANDE GROUP Plaintiff  
(中國恒大集團) (IN LIQUIDATION)

and

HUI KA YAN (許家印) 1<sup>st</sup> Defendant

XIA HAIJUN (夏海鈞) 2<sup>nd</sup> Defendant

DING YU MEI (丁玉梅) 3<sup>rd</sup> Defendant

AND

HCA 551/2024

**IN THE HIGH COURT OF THE  
HONG KONG SPECIAL ADMINISTRATIVE REGION  
COURT OF FIRST INSTANCE**

ACTION NO. 551 OF 2024

BETWEEN

CHINA EVERGRANDE GROUP Plaintiff

(中國恒大集團) (IN LIQUIDATION)

and

HUI KA YAN (許家印) 1<sup>st</sup> Defendant

XIA HAIJUN (夏海鈞) 2<sup>nd</sup> Defendant

PAN DARONG (潘大榮) 3<sup>rd</sup> Defendant

XIN XIN (BVI) LIMITED 4<sup>th</sup> Defendant

DING YUMEI (丁玉梅) 5<sup>th</sup> Defendant

YAOHUA LIMITED 6<sup>th</sup> Defendant

EVEN HONOUR HOLDINGS LIMITED 7<sup>th</sup> Defendant

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(Consolidated pursuant to the Order of Honourable Mr Justice Coleman  
dated 12<sup>nd</sup> February 2025)

Before: Hon Coleman J in Chambers (Not Open to Public)

Date of Hearing: 1 August 2025

Date of Ruling: 1 August 2025

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R U L I N G

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**A. Introduction**

1. This litigation has been ongoing for some time, and it includes Mareva injunctive relief granted by me against the second defendant (“CEO Xia”), and a series of related or ancillary orders made by me seeking to enforce his obligation to give proper asset disclosure. I think it fair to say that CEO Xia has demonstrated extreme reluctance to

A provide the ordered asset disclosure, and for a significant period of time  
B deliberately refused to comply with orders that he should do so.  
C Eventually, CEO Xia provided that asset disclosure, he says, in his 3<sup>rd</sup> and  
D 4<sup>th</sup> affirmations.

E 2. Whether those affirmations in fact contain full and frank  
F disclosure in accordance with the court-ordered obligations is likely to be  
G the subject of future *inter partes* dispute. However, as I will touch on in  
H a moment, on the materials presented to me today there is at least a strong  
I argument that there has been significant and deliberate non-disclosure of  
J assets held by, and/or in reality owned and controlled by, CEO Xia.

K 3. These materials have been generated as a result of  
L the plaintiff's wholly understandable scepticism about the asset disclosure  
M so far provided by CEO Xia. The plaintiff has pursued lines of inquiry  
N and investigation, including in the United States, first to test and secondly  
O to throw at least significant doubt on the disclosure thus far provided –  
P and on CEO Xia's unequivocal assertions that other than those assets  
Q disclosed in his 3<sup>rd</sup> and 4<sup>th</sup> affirmations that he does not possess any asset  
R of an individual value of HK\$50,000 or more, regardless of whether  
S the asset is located inside or outside Hong Kong or held solely by himself  
T or jointly with others.

U 4. The results or fruits of the enquiries and investigation –  
V coming from both physical surveillance and documentary investigations –  
are set out in the 11<sup>th</sup> affidavit of Mr Middleton and the affidavit of  
Mr William Waldie.

A 5. Part of the fruits of the investigation are the discoveries of  
B significant assets held by CEO Xia’s wife (“Ms He”), mainly in the form  
C of three real properties and four motor vehicles in California, USA,  
D as well as assets owned by Ms He in her capacity as a trustee of a trust.  
E Together those various assets – which I will individually describe later –  
F can conveniently be termed the “He Chabra Assets”. They have a  
combined asset value of around US\$24 million.

G 6. As a result, the plaintiff comes before the Court today so as  
H to invoke the Court’s Chabra jurisdiction, seeking orders to restrain  
I Ms He from dealing with the He Chabra Assets (as well as various  
ancillary orders).

J 7. The application is made *ex parte*, and it is convenient first to  
K consider whether that is a proper basis of application, in circumstances  
L where ordinarily applications are made, and should be made, on an *inter*  
M *partes* basis. The plaintiff relies on the confidentiality limb – and not  
N the urgency limb – as justifying an *ex parte* application. On the  
O materials, some of which I will make reference to in a moment, but which  
P I have considered in total, I am in the exercise of my discretion wholly  
Q satisfied that it is appropriate for this application to have been brought  
R and heard on an *ex parte* basis. I accept that there is a very real risk that,  
S if CEO Xia and/or Ms He are given any notice of this application, they  
T will act swiftly to seek to derail or defeat the making of appropriate  
U orders, and the further very real risk that there will be attempts to  
V dissipate assets (including the He Chabra Assets).

8. As to the principles applicable on what is normally referred  
to as the *Chabra* Jurisdiction – derived from a number of cases including

*TSB Private Bank International SA v Chabra* [1992] 1 WLR 231 – they are well settled. The circumstances when the Chabra Jurisdiction might be exercised can be summarised as follows:

- (1) the plaintiff must identify that there is good reason to suppose that assets held in the name of a defendant against whom the plaintiff has no cause of action (“NCAD”) holds, is using, or has exercised, or is exercising a power of disposition over, or is otherwise in possession of, assets of the defendant whom the plaintiff asserts to be liable on his substantive claim (“CAD”) – the 1<sup>st</sup> Limb;
- (2) the plaintiff must also identify that there is good reason to suppose that the assets held in the name of the NCAD would be amenable to execution of some process, ultimately enforceable by the courts, by which the assets would be available to satisfy a judgment against the CAD – the 2<sup>nd</sup> Limb;
- (3) the test of “good reason to suppose” is to be equated with a good arguable case, meaning one which is more than barely capable of serious argument, but not yet necessarily one which the judge believes to have a better than 50% chance of success;
- (4) the plaintiff must also demonstrate that there is a real risk of dissipation of the assets (where the conduct of both the NCAD and CAD may be relevant); and
- (5) it must be just and convenient to grant the injunction – keeping well in mind that the jurisdiction is exceptional and should be exercised with caution, taking care that it should not operate oppressively to innocent third parties who are not substantive defendants and have not acted to frustrate the administration of justice.

A 9. I adopt those principles.  
B

C 10. The He Chabra Assets comprise a property in Irvine,  
D California (“58 Boulder View”); another property in Irvine, California  
E (“62 Como”); a property in Newport Coast, California (“15 Rim Ridge”);  
F four vehicles – 3 Teslas and a Mercedes SUV – with California license  
G plates; and any and all assets beyond 15 Rim Ridge held by Ms He in her  
H capacity as trustee of the ‘New Life Trust’. All of those assets are  
I legally registered in the name of Ms He. (Incidentally, the plaintiff says  
J that the name of the trust is at least consistent with CEO Xia seeking to  
K establish a new life for himself and his family in the USA.)  
L

M 11. However, the plaintiff submits that – on the materials now  
N available to the Court – there is at least good reason to suppose that  
O the He Chabra Assets are, in reality, the assets of CEO Xia and held by  
P Ms He as nominee and that CEO Xia as the ability to, and does in fact,  
Q exercise substantial control over those assets tending to show him to be  
R the true owner of them. It is also submitted that there is also at least  
S good reason to suppose the He Chabra Assets would be amenable to  
T execution through some process, by which those assets would be or  
U become available to satisfy a judgment obtained against CEO Xia.  
V

P 12. I accept those submissions.  
Q

R 13. I do so essentially for the reasons advanced by the plaintiff,  
S being as to the 1<sup>st</sup> Limb in summary:  
T

- U (1) There is little doubt that Ms He is CEO Xia’s wife, where he  
V has described her as such in his evidence and various other  
documents (including tax returns showing her to have

A no taxable income in Hong Kong), and where they gave the  
B 62 Como address as the joint marital address, when  
C CEO Xia purchased a property in Nevada – on a date six  
D months after the injunction order made against him, and  
which he has not disclosed.

E (2) CEO Xia appears – including on his own evidence filed in  
F these proceedings – to have been the sole source of funds for  
G himself and his family, and therefore the sole source of funds  
used to purchase each of the He Chabra Assets.

H (3) CEO Xia has demonstrated continued and apparently  
I unrestricted use and control of the He Chabra Assets for his  
own purposes.

J (4) The timing of the purchase or transfer of some of the assets,  
K coinciding with other significant events, suggests that they  
form part of CEO Xia’s establishing a new life for himself  
and his family in the USA.

L (5) CEO Xia has demonstrated the tendency to conceal and not  
M disclose ownership of, and interest in, other assets and  
companies, including those held in his own name.

N 14. In a little more detail:  
O

P (1) 58 Boulder View was purchased for US\$6.3 million on  
Q 22 April 2022, in the sole name of Ms He. However, as a  
R matter of California law, CEO Xia had an equal interest in  
S the property, which he sought to dispose of by exercising an  
T inter-spousal transfer grant deed on 4 May 2022 (backdated  
U to 22 April 2022). However, it seems likely that CEO Xia  
provided all the funding, and he remains connected to  
V the property having fairly recently been seen arriving there  
with Ms He in a vehicle registered in CEO Xia’s name

(which he has not disclosed as part of his assets). The purchase was also close in time to the market announcement that an independent investigation committee was established to investigate the matter of certain deposits of approximately RMB13.4 billion, apparently a fraudulent scheme in which CEO Xia was involved, and for which involvement he was later asked to resign from the plaintiff.

(2) 62 Como was purchased for approximately US\$1.2 million on 7 November 2011, in the joint names of CEO Xia and Ms He (rather earlier than the purchase of the other assets). It seems likely that CEO Xia provided all the funding. However, on 31 August 2013 (again I note rather earlier than the other events), he executed a quitclaim deed to record an inter-spousal transfer to Ms He for no consideration. Despite the quitclaim, CEO Xia and Ms He appear to have continued jointly to reside at the property, and in internal documents found by the plaintiff, it was described as “his residence” – as it was again in December 2024, when CEO Xia purchased the Nevada property which he has also failed to disclose.

(3) 15 Rim Ridge was purchased for US\$14.5 million, by Ms He in her capacity as trustee of the ‘New Life Revocable Trust’ established on 1 December 2023 (shortly after the property was in fact purchased on around 8 November 2023). The revocable trust is apparently a document allowing a person to transfer ownership of assets into a trust during the person’s lifetime, whilst retaining control over those assets. As the sole trustee, Ms He cannot be the sole beneficiary, and it is reasonable to infer that CEO Xia is at least one of the beneficiaries of the trust. The trust was also established at a time of various developments in the collapse

A of the plaintiff, and the investigations into the conduct of  
B those associated with the plaintiff's pre-collapse affairs,  
C as well as just before a Court hearing when it was widely  
D thought the plaintiff might be ordered to be wound up.

- E (4) The four motor vehicles are registered in the name of Ms He,  
F but surveillance evidence identifies that CEO Xia has  
G apparent full access to at least one of the vehicles. He is  
H also the joint owner of the 2023 Mercedes SUV (but has  
I failed to disclose it as an asset).

J 15. I also accept that the evidence produced in the materials for  
K this application tend to show, strongly, that CEO Xia is ordinarily resident  
L in California, USA – and not at the Canadian address given by him as his  
M residential address in his 3<sup>rd</sup> and 4<sup>th</sup> affirmations. This fact is also  
N consistent with CEO Xia's extreme reluctance ever to reveal his  
O residential address for fears which he has explained, but which I did not  
P accept as justifying not complying with the usual requirement found in  
Q RHC Order 41. It is also notable that CEO Xia has failed to disclose  
R any assets in either Canada or the USA, which – in addition to  
S the ownership shown of several assets – is improbable where he appears  
T to be living ordinarily in California, including regularly attending a sports  
U club and buying grocery items, and living with his 12-year-old son who is  
V enrolled in and attends a fee-paying school. I also again note that  
CEO Xia and Ms He have given the 62 Como address as their joint place  
of residence.

16. The various facts set out above are sufficient for  
the 2<sup>nd</sup> Limb to establish good reason to suppose that the He Chabra  
Assets would be amenable to some process by which they would be or

A become available for enforcement of a judgment obtained against  
B CEO Xia. I also take into account the submissions made by the plaintiff  
C relating to a provision of the California Uniform Voidable Transactions  
D Act, which apparently provides a statutory basis for creditors to set aside  
E a transfer if it was made, or an obligation was incurred, either with actual  
F intent to hinder, delay or defraud any creditor of the debtor, or without  
G receiving a reasonably equivalent value in exchange for the transfer or  
obligation, if the debtor was insolvent or became insolvent as result of  
the transfer or incurring of the obligation.

H 17. As to risk of dissipation, little needs to be said in the light of  
I my previous decisions in this case. That there is clearly a serious risk of  
J dissipation of assets by CEO Xia is made even more apparent by  
K the seemingly blatant failure to have disclosed various assets held by him  
L in his own name in the USA. I also take into account that CEO Xia  
M appears to have concealed his true ordinary residential whereabouts, and  
N has purchased a real property in the USA after the grant of the Injunction  
O Order against him. I also take account of the apparent attempts to  
P distance himself from other assets or companies, such as Advanced  
Q Power and Star city Holdings LLC, the latter of which is the holder of  
the property where he may currently live with his son in California. All  
these matters point to a pattern of attempted distancing from, or  
non-disclosure of, assets by CEO Xia.

R 18. I accept that, by allowing the He Chabra Assets to be held in  
S her name, and by taking steps to assist in obscuring any interest of  
T CEO Xia in those assets (including as to the company Uni-Land Ltd), and  
U because of the circumstances of funding and the marital relationship,  
V there is a real and substantial risk that Ms He would receive and act upon

A instructions from CEO Xia to dissipate the assets, unless otherwise  
B restrained from doing so.

C 19. The circumstances overall also seem to me clearly to identify  
D that the making of the Chabra injunction sought would be both just and  
E convenient. In saying so, I expressly acknowledge and have taken into  
F account the matters of full and frank disclosure put forward by  
G the plaintiff for weighing in the balance as to whether or not to grant the  
orders sought.

H 20. In those circumstances, I grant leave for the plaintiff to join  
I Ms He as a party, the 8<sup>th</sup> defendant, to this action and to amend the writ of  
J summons accordingly. Service of the further amended writ upon the 1<sup>st</sup>  
K to 7<sup>th</sup> defendants is dispensed with, and they need not file any  
acknowledgement of service to it.

L 21. I also grant the Chabra injunction in the form of  
M the proposed amendment to the Injunction Order as first made on  
N 24 June 2024 and variously amended since that date (and as draft has  
been amended by me).

O 22. I am satisfied that the appropriate gateway is opened under  
P RHC Order 11 rule 1 for the Court materials including the further  
Q amended writ, the further amended Injunction Order, and the *inter partes*  
R summons to be served on Ms He out of the jurisdiction, at the 62 Como  
address or wherever she may be found in the United States of America.

S 23. The *inter partes* summons will have a return date fixed in  
T the first instance at 10am on 17 September 2025, but I expressly permit  
U  
V

Ms He to apply for an earlier return date should she wish to do so (which she may do by issue of a summons or by writing to the Court).

24. Service of the *inter partes* summons on the 1<sup>st</sup> to 7<sup>th</sup> defendants is dispensed with, and they are excused from the hearing on the return date.

25. Consistent with my view on the *ex parte* procedure as being appropriate in the circumstances, I also accept confidentiality is appropriate and make an order in the terms of the confidentiality orders sought by paragraphs 9 and 10 of the *ex parte* summons, and now reflected in the draft order.

26. I make an order in the terms of the draft as amended by me during the hearing. I am satisfied in the exercise of my discretion that the terms of that order also make the appropriate provision as to costs.

(Russell Coleman)  
Judge of the Court of First Instance  
High Court

Mr Jordan Moulds of Karas So LLP, for the plaintiff