

GENERAL ANNOUNCEMENT::UPDATE ANNOUNCEMENT ON BLACKGOLD INTERNATIONAL HOLDINGS PTY LTD

Issuer & Securities

Issuer/ Manager

VIBRANT GROUP LIMITED

Securities

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Update Announcement on Blackgold International Holdings Pty Ltd

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Please refer to the attachment.

Attachments

[Announcement.pdf](#)

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UPDATE ANNOUNCEMENT ON BLACKGOLD INTERNATIONAL HOLDINGS PTY LTD

The Board of Directors (the “**Board**”) of Vibrant Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcement on 8 August 2018 (the “**8 August Announcement**”), the announcement on 10 September 2018 (the “**10 September Announcement**”) and the announcement on 14 September 2018 (the “**14 September Announcement**”, and together with the 8 August Announcement and the 10 September Announcement, collectively, the “**Previous Announcements**”), in relation to the various court actions brought by China Minsheng Banking Corporation Limited (Chongqing branch) (the “**Plaintiff**”) against several parties (the “**Defendants**”) in the Chongqing No.1 Intermediate People’s Court and the Chongqing People’s High Court (collectively, the “**Chongqing Courts**”).

Unless otherwise defined, capitalized terms used herein shall bear the same meaning ascribed to them in the Previous Announcements.

The Defendants include:

- (a) eight members of the Blackgold Group, namely (i) Chongqing Heijin Industrial Co., Ltd (“**Chongqing Heijin**”); (ii) Chongqing Caotang Coal Mine Resources Development Co., Ltd (“**Chongqing Caotang**”); (iii) Qijiang Changhong Coal Industry Co., Ltd (“**Qijiang Changhong**”); (iv) Chongqing Guoping Heiwan Coal Mine Resources Development Co., Ltd (“**Chongqing Guoping Heiwan**”); (v) Chongqing Baolong Mining Co., Ltd (“**Chongqing Baolong**”); (vi) Chongqing Guoping Shipping Transportation Co., Ltd; (vii) Chongqing Blackgold Mining Co., Ltd (“**Chongqing Blackgold**”); and (viii) Chongqing Guoping Shangmao Trading Co., Ltd (“**Chongqing Guoping Shangmao**”) (collectively, the “**Blackgold Defendants**”); and
- (b) Yuguo Peng and certain other people.

The Board wishes to announce that it was notified on 10 February 2020 that the Wuhan Maritime Court has released four (4) separate judgments in connection with the relevant court actions commenced by the Plaintiff in the Chongqing Courts. Based on the judgments, the Chongqing Courts had referred the relevant court actions commenced by the Plaintiff to the Wuhan Maritime Court.

Court Judgment 1

The first court judgment is in respect of the claim by the Plaintiff that the Defendants failed to comply with certain payment and guarantee obligations, amongst others, under the finance documents relating to the RMB 500,000,000 loan facility granted by the Plaintiff to Chongqing Heijin for which the Defendants had provided security.

The salient points of the judgment are:

- (a) Chongqing Heijin shall make a principal repayment of RMB 341,880,000 plus interest (the “**First Debt**”) to the Plaintiff;
- (b) certain Defendants shall be held jointly and severally liable for the First Debt;
- (c) the Plaintiff shall be given priority over the payment proceeds in the event of enforcement of certain assets charged by certain Defendants as security for the relevant loan facility;
- (d) Chongqing Heijin shall pay the Plaintiff solicitor’s fees incurred by the Plaintiff in respect of such litigation suit, in the amount of RMB 50,000; and

- (e) the Defendants shall be jointly responsible for the court fees in respect of such litigation suit, in the aggregate amount of RMB 1,756,450.

Court Judgment 2

The second court judgment is in respect of the claim by the Plaintiff that the Defendants failed to comply with certain payment and guarantee obligations, amongst others, under the finance documents relating to the RMB 70,000,000 loan facility granted by the Plaintiff to Chongqing Caotang for which the Defendants had provided security.

The salient points of the judgment are:

- (a) Chongqing Caotang shall make a principal repayment of RMB 68,530,000 plus interest (the **“Second Debt”**) to the Plaintiff;
- (b) certain Defendants shall be held jointly and severally liable for the Second Debt;
- (c) the Plaintiff shall be given priority over the payment proceeds in the event of enforcement of certain assets charged by certain Defendants as security for the relevant loan facility;
- (d) Chongqing Caotang shall pay the Plaintiff solicitor’s fees incurred by the Plaintiff in respect of such litigation suit, in the amount of RMB 50,000; and
- (e) the Defendants shall be jointly responsible for a portion of the court fees in respect of such litigation suit, in the aggregate amount of RMB 388,790.

Court Judgment 3

The third court judgment is in respect of the claim by the Plaintiff that the Defendants failed to comply with certain payment and guarantee obligations, amongst others, under the finance documents relating to the RMB 39,600,000 loan facility granted by the Plaintiff to Qijiang Changhong for which the Defendants had provided security.

The salient points of the judgment are:

- (a) Qijiang Changhong shall make a principal repayment of RMB 39,600,000 plus interest (the **“Third Debt”**) to the Plaintiff;
- (b) certain Defendants shall be held jointly and severally liable for the Third Debt;
- (c) the Plaintiff shall be given priority over the payment proceeds in the event of enforcement of certain assets charged by certain Defendants as security for the relevant loan facility;
- (d) Qijiang Changhong shall pay the Plaintiff solicitor’s fees incurred by the Plaintiff in respect of such litigation suit, in the amount of RMB 50,000; and
- (e) the Defendants shall be jointly responsible for the court fees in respect of such litigation suit, in the aggregate amount of RMB 245,050.

Court Judgment 4

The fourth court judgment is in respect of the alleged claim by the Plaintiff that the Defendants failed to comply with certain payment and guarantee obligations, amongst others, under the finance documents relating to the RMB 39,990,000 loan facility granted by the Plaintiff to Chongqing Guoping Heiwan for which the Defendants had provided security.

The salient points of the judgment are:

- (a) Chongqing Guoping Heiwan shall make a principal repayment of RMB 39,990,000 plus interest (the “**Fourth Debt**”) to the Plaintiff;
- (b) certain Defendants shall be held jointly and severally liable for the Fourth Debt;
- (c) the Plaintiff shall be given priority over the payment proceeds in the event of enforcement of certain assets charged by certain Defendants as security for the relevant loan facility;
- (d) Chongqing Guoping Heiwan shall pay the Plaintiff solicitor’s fees incurred by the Plaintiff in respect of such litigation suit, in the amount of RMB 50,000; and
- (e) the Defendants shall be jointly responsible for the court fees in respect of such litigation suit, in the aggregate amount of RMB 247,000.

After considering the matter, the Company has decided not to appeal these court judgments.

The Board does not expect the abovementioned court judgments to have any material financial impact on the Group, as the Board has taken the decision not to consolidate the balances and transactions relating to Blackgold Group in the Group’s consolidated financial statements for the years ended 30 April 2018 and 30 April 2019 (as announced in the Company’s annual reports for the relevant financial years) and the upcoming year ending 30 April 2020.

For the avoidance of doubt, the Group (excluding members of the Blackgold Group) has not provided any guarantee or security in respect of the bank loans granted to the Blackgold Defendants by the Plaintiff and that is the subject matter of the 4 court judgments above. The Group is advised and believes that there is no recourse from the Plaintiff to the Group (excluding members of the Blackgold Group) in respect of any claim or liability in connection with these bank loans.

Shareholders are advised to exercise caution when dealing in the shares of the Company and to refrain from taking any action in relation to their shares which may be prejudicial to their interests. Where in doubt as to the action they should take, shareholders should consult their financial, tax, legal or other professional advisors.

By Order of the Board
Vibrant Group Limited

Eric Khua
Executive Director & CEO
11 February 2020