



Neutral Citation Number: [2026] CIGC (FSD) 29

IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO: FSD 318 OF 2024 (MRHCJ)

IN THE MATTER OF THE COMPANIES ACT (2023 REVISION)

AND IN THE MATTER OF LAKESHORE BIOPHARMA, CO., LTD (FORMERLY KNOWN AS YS BIOPHARMA
CO., LTD)

BETWEEN:

YI ZHANG

(and others)

Plaintiffs

-and-

(1) APEX PROSPECT LIMITED

(and others)

(15) LAKESHORE BIOPHARMA, CO., LTD

Defendants

On the Papers

Coram: The Hon Chief Justice

Parties: Conyers Dill & Pearman LLP for the Plaintiff, Mr Yi Zhang
Mourant Ozannes (Cayman) LLP for the 15th Defendant

Draft circulated: 20 April 2026

Judgment Delivered: 27 April 2026

Costs of the Costs Hearing - Interim Payment Application - Quantum of Payment on Account

SUPPLEMENTAL COSTS JUDGMENT

*[2026] CIGC (FSD) 29 – In the matter of Lakeshore Biopharma Co Ltd FSD 2024-0318 (MRHCJ) - Supplemental
Costs Judgment*

Introduction

1. On 21 March 2025, the Court dismissed the Plaintiff's application for injunctive relief against the 15th Defendant, Lakeshore Biopharma, Co., Ltd. (the "Company").
2. By a costs judgment handed down on 14 August 2025 (the "Costs Judgment"), the Court determined that the Company was entitled to its costs of the injunction application. The Court also held that there was nothing to displace the usual starting assumption that an interim payment on account of costs should be made, but declined at that stage to order taxation forthwith or to permit the recovery of the costs of foreign lawyers.
3. In the Costs Judgment, the Court directed the Company to file a revised schedule of costs excluding irrecoverable items, and permitted the parties to make further written submissions. The following matters now fall to be determined on the papers:
 - (i) the costs of the costs application itself, and
 - (ii) the quantum of any interim payment on account of costs.
4. This ruling determines those outstanding matters and should be read as supplemental to, and not as reopening, the Costs Judgment.

Costs of the Costs Hearing and Interim Payment Application**The Parties' Positions**

5. The Company submits that the Plaintiff's approach to the Costs Hearing and to the interim payment issue was unreasonable, and seeks its costs of those matters on the indemnity basis.
6. The Plaintiff submits that the Company achieved only partial success on the costs application, failing on taxation forthwith and on recovery of foreign attorneys' fees, and it is neither fair nor proportionate that the Plaintiff should bear the Company's costs of the Costs Application. They maintain that the appropriate order is that those costs be in the cause.

Decision on Costs

7. I do not consider that this is an appropriate case for an order for indemnity costs in respect of the Costs Hearing and the Interim Payment Application. The Plaintiff's stance was unsuccessful, and it necessitated argument, but I am not satisfied that the high threshold for indemnity costs is met.
8. With respect to the Plaintiff's submissions on the Costs Hearing, the Company was the substantially successful party. The key outcomes in the Preliminary Costs Judgment were that: (a) the Company obtained its costs of the Injunction Application, and (b) the Court indicated that an interim payment should be made.

9. Although the Company did not succeed on every point advanced, including the recovery of foreign lawyers' fees, its failure on those discrete issues does not justify depriving it of its costs of the Costs Hearing as a whole.
10. I therefore order that the Plaintiff shall pay the Company's costs of the Costs Hearing and the Interim Payment Application on the standard basis, to be taxed if not agreed.

Quantum of the Interim Payment

12. The Company filed and served an amended schedule of costs. The Company's amended schedule is divided into:
 - (i) costs incurred up to and including 17 March 2025, totalling **US\$378,637.62**; and
 - (ii) costs incurred from 18 March 2025 to date, including the Costs Hearing and interim payment application, totalling **US\$28,638.87**.
13. The Company seeks a payment on account calculated by reference to percentages of those figures:
 - (i) **50%** of US\$378,637.62 = **US\$189,318.81**; and
 - (ii) as to US\$28,638.87, either **75%**, if I were to award indemnity costs for the Costs Hearing or **50%** if costs are awarded on the standard basis.
14. The Plaintiff maintains that no interim payment should be ordered. In the alternative, the Plaintiff submits that any interim payment should be materially lower, on the footing that the information provided in the Company's costs schedule is insufficient to permit a fair summary assessment and that there is a real risk of overpayment pending taxation.

Decision on Quantum

15. The Court has already determined in the Preliminary Costs Judgment that an interim payment should be ordered. The question now is the appropriate amount. An interim payment is not a taxation. It is a pragmatic order intended to provide the receiving party with a reasonable payment on account of costs which will ultimately be taxed if not agreed, while guarding against the risk of overpayment.
16. In that context, and on the material provided, I do not accept that the schedule of costs is so deficient that no interim payment can fairly be ordered. The figures are substantial, and the Court takes a conservative approach to estimating what is likely to be recovered on taxation.
17. I order an interim payment calculated as follows:
 - (i) **50%** of the Company's costs incurred up to and including 17 March 2025: **US\$189,318.81**; plus
 - (ii) **50%** of the Company's costs incurred from 18 March 2025 to date (including the Costs Hearing / interim payment application): **US\$14,319.43**.

Conclusion

21. The total interim payment is **US\$203,638.24**. Payment shall be made within 14 days of the date of this ruling. The parties have liberty to apply.
22. The judgment in this matter has been very delayed. I apologise to the parties and thank them and their representatives for their patience.

DATED 27 April 2026

The Hon. Justice Margaret Ramsay-Hale
Chief Justice of the Grand Court