



IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

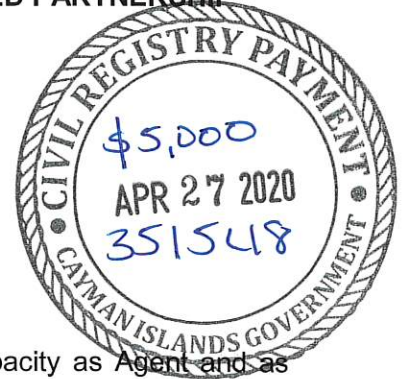
CAUSE NO: FSD 76 OF 2020 ()

IN THE MATTER OF THE COMPANIES LAW
AND IN THE MATTER OF SECTION 36(3) OF THE EXEMPTED LIMITED PARTNERSHIP
LAW

AND IN THE MATTER OF PRIMUS INVESTMENTS FUND, L.P



WINDING UP PETITION



TO THE GRAND COURT

The humble Petition of Credit Suisse AG, Singapore Branch in its capacity as Agent and as Security Agent (each as defined below), whose registered office is at Credit Suisse AG, Singapore Branch, One Raffles Link, 03-01, Singapore 039393 (the "**Petitioner**") shows that:

Introduction

1. Primus Investments Fund, L.P. (the "**Partnership**" or "**Primus**") was registered in the Cayman Islands on 1 February 2018 as an exempted limited partnership with registration number 94673 pursuant to the Exempted Limited Partnership Law (as revised) (referred to herein, together with amendments and revisions thereto, as the "**ELP Law**"). The registered office of the Partnership is c/o Harneys Fiduciary (Cayman) Limited, P.O. Box 10240, 4th Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1002 Cayman Islands.
2. The general partner of the Partnership is Primus Management GP, Limited (the "**General Partner**"). It was registered in the Cayman Islands as an exempted limited company on 2 January 2018 pursuant to the Companies Law (as revised) (the "**Companies Law**"). The registered office of the General Partner is c/o Harneys Fiduciary (Cayman) Limited, P. O. Box 10240, 4th Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1002, Cayman Islands.
3. The sole director of the General Partner is GUO Lichun.

4. The Partnership was incorporated as a special purpose vehicle to hold shares in Luckin Coffee Inc. ("**Luckin**"). To the best of the Petitioner's knowledge, the Partnership currently holds 131,250,000 Class B Ordinary Shares in Luckin.¹ The Partnership is wholly owned by Haode Investment Inc., which is in turn wholly owned by Haode International Limited and ultimately controlled by the Lu Family Trust, a trust established under the laws of Cayman Islands.
5. The Petitioner seeks the winding up of the Partnership and the appointment of joint official liquidators to manage its affairs on the basis that it is unable to pay its debts.
6. Words used herein which are not otherwise defined have the meaning given to them in the Facility Agreement (defined at **paragraph 16** below).

The Petitioner

7. The debt which is the subject of this petition ("**Petition**") arises under a multi-party financing arrangement (the "**Facility**") in relation to which (in summary) the Partnership is, following the service of the demands detailed at **paragraphs 35, 37 and 41** below, indebted to the Petitioner in the amount of US\$467,780,349.48 (which sum is due and outstanding as at close of business (Hong Kong time) on 23 April 2020, the "**Debt**").
8. Under the Finance Documents², the Petitioner acts as:
 - (a) security trustee for itself and the other Secured Parties ("**Security Agent**"). Pursuant to clause 26.1 of the Facility Agreement, the Security Agent holds the Transaction Security, and all rights, remedies and powers under the Foreclosure Documents, on trust for the Secured Parties on the terms contained in the Facility Agreement. Each of the Secured Parties authorises the Security Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Security Agent under or in connection with the Finance Documents together with any other incidental rights,

¹ By 7 April 2020 (New York Time), to the best of the Petitioner's knowledge, 56,250,000 Class B shares were converted by the Lenders into ADSs. Therefore Share Certificate 49 as referenced in Luckin's Register of Members dated 21 January 2020 constitutes Primus' entire shareholding

² As such term is defined at clause 1.1 of the Facility Agreement (as defined at **paragraph 16** below (the "**Facility Agreement**"))

powers, authorities and discretions, which include the power and authority to present this Petition;

- (b) facility agent for the Finance Parties ("**Agent**");
- (c) Calculation Agent; and
- (d) Arranger.

9. It is in its capacity as Security Agent and as Agent that the Petitioner presents this Petition.

Summary

10. By way of general summary, the Petitioner seeks the winding-up of the Partnership on the basis that it is insolvent within the meaning of section 92(d) and 93(c) of the Companies Law, which apply to the Partnership pursuant to section 36(3) of the ELP Law.

11. The Partnership is insolvent because it has failed to make repayment of a demand duly served on it by the Petitioner, following the occurrence of an Event of Default under the Finance Documents³, and the subsequent acceleration of the Facility pursuant to the Finance Documents. The Partnership has therefore failed to pay its debts. Specifically, it has failed to make repayment of the following:

- (a) a demand made by the Petitioner on the Borrower under the Finance Documents in the amount of US\$527,520,740.27, which was served on 6 April 2020 (the "**Acceleration Notice**") (as described further at **paragraph 35** below);
- (b) a demand made by the Petitioner on the Borrower under the Finance Documents in the sum of US\$4,465,373.91 which was served on 9 April 2020 (the "**Borrower Demand**") (as described further at **paragraph 37** below); and
- (c) consequently, a demand made by the Petitioner on the Partnership in the sum of US\$531,986,114.18 (being the sum of the amount demanded in the Acceleration Notice and the Borrower Demand) which was served on 17 April 2020 (the "**Partnership Demand**") (as described further at **paragraph 41** below).

³ As such term if defined at clause 1.1 (*Definitions*) of the Facility Agreement (and which includes the documents described in this Petition as entered into between, *inter alia*, the Petitioner and the Partnership)

12. Immediately upon service of the Acceleration Notice and the Borrower Demand (and as further notified to the Partnership by way of the Partnership Demand) on the Partnership⁴ (in its capacities as *chargor* under the 'Primus Collateral Account Charge' (as defined at **paragraph 22** below) and as *mortgagor* under both (i) the 'Primus Cayman Share Mortgage' (as defined at **paragraph 18** below) and (ii) the Primus Supplemental Cayman Share Mortgage (as defined at **paragraph 20** below)), the Partnership became liable to make immediate payment to the Security Agent pursuant to the covenants to pay contained in the Primus Security Documents (as defined at **paragraph 22** below).
13. On 6 April 2020, the Petitioner (as Security Agent acting on the instruction of the Disposal Agent) withdrew an amount equal to the Conversion Fee (as defined below) from the Borrower Collateral Account for payment of the enforcement expenses in respect of the Conversion Fee (as defined below) incurred by the Petitioner. Accordingly, the amount then due and payable by an Obligor under the Finance Documents was reduced by such amount.
14. On 13 April 2020, the Petitioner (as Agent) applied an amount of Disposal Proceeds equal to US\$61,973,238.91 in accordance with clause 29.5(a)(ii) (*Partial payments*) of the Facility Agreement (as defined below). Accordingly, the amount then due and payable by an Obligor under the Finance Documents was reduced by such amount.
15. As a result, a total amount of US\$467,780,349.48 (i.e. the Debt) is owed to the Petitioner by the Partnership, and remains due and outstanding as at the date of this Petition.

The relevant Finance Documents

Facility Agreement

16. The Petitioner and the Partnership are among parties to a facility agreement dated 10 September 2019 (the "**Original Facility Agreement**"), as amended and restated by an amendment and restatement deed dated 13 December 2019 (the "**Amendment and Restatement Deed**"), and as further amended by an amendment deed dated 6 March 2020, and as further amended and/or amended and restated from time to time (the Original Facility Agreement as so amended and/or restated, the "**Facility Agreement**") that was

⁴ As noted at paragraph 41 below, items served on the Borrower under the Finance Documents are also deemed to be served on the Partnership

entered into between, among others, (i) Haode Investment Inc. (the "**Borrower**"); (ii) the Lenders; (iii) Lu Zheng Yao and Guo Li Chun (as "**Guarantors**"); (iv) the Partnership, Summer Fame Limited, and Mayer Investments Fund, L.P. (as "**Pledgors**"); (v) the General Partner and Mayer Management GP, Limited (as "**General Partners**"); and (vi) the Petitioner which also acts as "Agent", "Security Agent" "Calculation Agent" and "Arranger" under the Facility Agreement.

17. The Facility Agreement provides, *inter alia*, that:

- (a) pursuant to clause 2.1, a term loan facility in the amount of US\$533,000,000.00 was made available to the Borrower by the Lenders⁵;
- (b) pursuant to clause 6.1 (*Repayment of Loans*) the Borrower is obliged to repay the aggregate Loans in instalments by repaying on each applicable Repayment Date;
- (c) pursuant to clauses 8 (*Interest*) and 9 (*Interest Periods*):
 - (i) interest is payable on each Loan for each Interest Period, being a total of the aggregate of the applicable Margin and LIBOR, payable on the last day of each Interest Period; and
 - (ii) default interest is payable in the event that an Obligor fails to pay any amount payable by it under a Finance Document on its due date, which is payable on demand and is calculated in accordance with clause 8.3 of the Facility Agreement;
- (d) pursuant to clause 7.3 (*Mandatory Prepayment Events*) there are certain Mandatory Prepayment Events which include where the Calculation Agent (acting reasonably) determines that a Hard Trigger Event has occurred (under clause 7.3(a)(iii) of the Facility Agreement). A "*Hard Trigger Event*" occurs when the ADS Price on any Trading Day is less than 50 per cent. of the Initial ADS Price;
- (e) pursuant to clause 7.3(c), following the occurrence of a Mandatory Prepayment Event, any Lender may by notice to the Agent and the Borrower, declare that all or part of its participation in any Loan, together with accrued interest, Break Costs,

⁵ On 16 March 2020, the Borrower procured the prepayment of a principal amount equal to US\$15,000,000.00 under the terms of the Facility Agreement

Make-Whole Amount and all other amounts accrued under the Finance Document in relation its participation to be due and payable at or before 7.00 pm (Hong Kong time) in full on the Currency Business Day following the date of the notice whereupon all such payable amounts will become due and payable at or before such time;

- (f) pursuant to clause 22.1(b), an Obligor's failure to pay any amount when due under clause 7.3 (being a Mandatory Prepayment Event resulting from a Hard Trigger Event) is an Event of Default;
- (g) pursuant to clause 22.18(b), the failure to make any payment under clause 22.1 is a Material Event of Default;
- (h) pursuant to clause 22.18(a)(ii), if an Event of Default is continuing, the Agent shall, by notice to the Borrower:
 - (i) cancel the Total Commitments, whereupon they shall immediately be cancelled; and/or
 - (ii) declare that all or part of the Loans, together with accrued interest, Break Costs, Make-Whole Amount and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable; and/or
 - (iii) declare that all or part of the Loans, together with accrued interest, Break Costs, Make-Whole Amount and all other amounts accrued or outstanding under the Finance Documents be payable on demand, whereupon they shall immediately become payable on demand by the Agent; and/or
 - (iv) enforce, or direct the Security Agent to enforce, any Transaction Security and take any action stipulated in the Transaction Security Documents as arising upon an Event of Default.
- (i) pursuant to clause 16.3, the Borrower is obliged, within three Business Days of receipt of demand, to pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with the enforcement of, or the preservation of any rights under, any Finance Document

and the Transaction Security and any proceedings instituted by or against the Security Agent as a consequence of taking or holding the Transaction Security or enforcing these rights.

Transaction Security

18. At the time the Original Facility Agreement was entered into, a Cayman Islands law-governed Equitable Share Mortgage dated 10 September 2019 was entered into between (i) the Partnership (as mortgagor) and (ii) the Petitioner (as Security Agent) (the "**Primus Cayman Share Mortgage**"). Entry into the Primus Cayman Share Mortgage was an initial condition precedent to the delivery of a Utilisation Request pursuant to clause 4.1 (*Initial conditions precedent*) and Schedule 2 (*Conditions precedent*) to the Original Facility Agreement.
19. Pursuant to the Primus Cayman Share Mortgage, Primus, *inter alia*:
- (a) pursuant to clause 2 (*Covenant to Pay*), covenanted with the Petitioner as primary obligor to pay and discharge the 'Secured Obligations'⁶ when due in accordance with the terms of the Finance Documents, or if they do not specify a time for payment, immediately on demand by the Petitioner; and
 - (b) pursuant to clause 4.1 (*Security*), as continuing security for the discharge of the Secured Obligations, mortgaged as legal and beneficial owner in favour of the Petitioner by way of a first equitable mortgage the 'Mortgaged Shares'⁷; and charged in favour of the Petitioner, by way of a first fixed charge, all of its right, title and interest in and to the 'Mortgaged Property'⁸.
20. On 13 December 2019, being the same day the Amendment and Restatement Deed was entered into, (i) the Partnership and (ii) the Petitioner entered into a Cayman Islands law-

⁶ As such term is defined in clause 1.1 (*Definitions*) of the Facility Agreement to mean "all money, obligations or liabilities due, owing or incurred to any Secured Party [including the Petitioner] by any Obligor [including the Partnership] under any Finance Document at present or in the future, whether actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing thereon and all losses incurred by any Secured Party Obligor [including the Partnership] in connection therewith (the "**Secured Obligations**")"

⁷ As such term is defined in clause 1.1 (*Definitions*) of the Primus Cayman Share Mortgage, and which includes certain shares in the capital of Luckin (the "**Mortgaged Shares**")

⁸ As such term is defined in clause 1.1 (*Definitions*) of the Primus Cayman Share Mortgage, and which includes the Mortgaged Shares (the "**Mortgaged Property**")

governed Supplemental Equitable Share Mortgage (the "**Primus Supplemental Cayman Share Mortgage**"). Entry into the Primus Supplemental Cayman Share Mortgage was also a condition precedent pursuant to clause 2.1(a) (*Effective Date CPs*) of the Amendment and Restatement Deed. The Primus Cayman Share Mortgage remained in continuing full force and effect.

21. Pursuant to the Primus Supplemental Cayman Share Mortgage, Primus, *inter alia*:
- (a) pursuant to clause 2 (*Covenant to Pay*), covenanted with the Petitioner as primary obligor to pay and discharge the Secured Obligations when due in accordance with the terms of the Finance Documents, or if a time for payment was not specified, immediately upon demand by the Petitioner; and
 - (b) pursuant to clause 4.1 (*Security*), as continuing security for the discharge of the Secured Obligations, mortgaged as legal and beneficial owner in favour of the Petitioner by way of a first equitable mortgage the Mortgaged Shares⁹; and charged in favour of the Petitioner, by way of a first fixed charge, all of its right, title and interest in and to the Mortgaged Property¹⁰.
22. Also on 13 December 2019, and in satisfaction of the condition subsequent at clause 4.3(c) (*Conditions subsequent*) of the Original Facility Agreement and the condition precedent at clause 2.1(a) (*Effective Date CPs*) of the Amendment and Restatement Deed, (1) Primus and (2) the Petitioner entered into a Hong Kong law-governed security deed (the "**Primus Collateral Account Charge**") (together with the Primus Cayman Share Mortgage and the Primus Supplemental Cayman Share Mortgage the "**Primus Security Documents**").
23. Under the Primus Collateral Account Charge, Primus, *inter alia*:
- (a) pursuant to clause 2 (*Covenant to Pay*), covenanted with the Petitioner (for the benefit of itself and the other Secured Parties¹¹) to pay or discharge promptly on

⁹ As such term is defined in clause 1.1 (*Definitions*) of the Primus Supplemental Cayman Share Mortgage, and which includes certain shares in the capital of Luckin (the "**Mortgaged Shares**")

¹⁰ As such term is defined in clause 1.1 (*Definitions*) of the Primus Supplemental Cayman Share Mortgage, and which includes the Mortgaged Shares (the "**Mortgaged Property**")

¹¹ As such term is defined in clause 1.1 (*Definitions*) of the Facility Agreement to include the Petitioner in its capacity as a 'Finance Party' under such definition

demand all of the Secured Obligations on the date(s) on which such Secured Obligations become due or are expressed to become due and in the manner provided for in the relevant Finance Document (including, for the avoidance of doubt, any grace periods provided thereunder); and

- (b) pursuant to clause 3 (*Creation of Security*), as beneficial owner and as continuing security for the payment or discharge of the Secured Obligations assigned absolutely with full title guarantee by way of security in favour of the Petitioner all of its rights in and to (a) the 'Collateral Account and Related Rights in respect thereof'; (b) the 'Charged ADSs and Related Rights in respect thereof'; and (c) the 'Custody Documents', the 'Depository Rights' and 'Related Rights in respect thereof.'¹²

Event of Default under the Facility Agreement

- 24. On 2 April 2020, the ADS Price fell to US\$6.40 per share. The Initial ADS Price, being the ADS Price as on the second Trading Day immediately prior to the date of the Amendment and Restatement Deed (being 11 December 2019), was US\$29.10 per share.
- 25. This fall in share price triggered a Hard Trigger Event which constituted a Mandatory Prepayment Event under clause 7.3 (iii) (*Mandatory Prepayment Event*). Under clause 22.1(b)(ii) (*Events of Default, Non-payment*), where an Obligor (including without limitation the Borrower and the Partnership) does not pay on the date due any amount payable pursuant to a Hard Trigger Event, this constitutes an Event of Default.
- 26. Accordingly, the following notices have been issued:
 - (a) The Top-Up Notice dated 3 April 2020;
 - (b) the Hard Trigger Event Notice dated 3 April 2020 and the Mandatory Prepayment Event Notice dated 3 April 2020;
 - (c) the Acceleration Notice dated 6 April 2020;

¹² As each such term is defined in clause 1.1 (*Definitions*) of the Primus Collateral Account Charge and which (generally) relate to the Partnership's investor interests in Luckin

- (d) the Borrower Demand dated 9 April 2020; and
- (e) the Partnership Demand dated 17 April 2020.

The Top-Up Notice

- 27. On 3 April 2020, a Top-Up Notice was sent by the Calculation Agent to the Borrower pursuant to Clause 21.1 (*Top-Up Obligations*) notifying it that on 2 April 2020 (New York time), the Calculation Agent determined that the LTV Ratio was 130.57% and that accordingly, the First Top Up Event had occurred.
- 28. The Top-Up Notice requested that the Borrower:
 - (a) deposit into the Borrower Collateral Account in cleared funds a sufficient amount of cash in US dollars as Cash Collateral; and/or
 - (b) execute and deliver to the Security Agent (and/or procure any Pledgor to execute and deliver to the Security Agent) all documents required to make an additional number of Class B Shares be subject to a first ranking fixed Security in favour of the Security Agent pursuant to the relevant Cayman Share Mortgage and/or the relevant Supplemental Cayman Share Mortgage, in each case, in accordance with the terms specified in Clause 21.1 (*Top-Up Obligations*) of the Facility Agreement as soon as possible and in any event by the relevant Top-Up Deadline, that is, by 7 April 2020.
- 29. The Obligors failed to comply with the requests prior to the Top-Up Deadline or since. As a result, an Event of Default occurred on 7 April 2020 under clause 22.2 (*Events of Default, Security Support*) of the Facility Agreement, and is continuing.

The Hard Trigger Event Notice and the Mandatory Prepayment Event Notice

- 30. On 3 April 2020, a Hard Trigger Notice was sent by the Calculation Agent to the Parties which notified the parties that on 2 April 2020, the ADS Price was US\$ 6.40 per ADS and that pursuant to Clause 7.3 (*Mandatory Prepayment Events*) of the Facility Agreement a Hard Trigger Event had occurred.

31. On 3 April 2020, a Mandatory Prepayment Event Notice was sent by the Lenders to the Borrower notifying it of the occurrence of a Mandatory Prepayment Event (the "**Mandatory Prepayment Event Notice**"), explaining that:
- (a) the ADS Price on 2 April 2020 was less than 50 per cent. of the Initial ADS Price;
 - (b) the Calculation Agent notified the Parties by a Hard Trigger Event Notice dated 3 April 2020 that, pursuant to Clause 7.3 (*Mandatory Prepayment Events*) of the Facility Agreement, it had determined that a Hard Trigger Event had occurred; and
 - (c) accordingly, a Mandatory Prepayment Event was deemed to have occurred on 2 April 2020.
32. By the Mandatory Prepayment Event Notice, the Lenders gave notice to the Borrower that, in accordance with Clause 7.3 (*Mandatory Prepayment Events*) of the Facility Agreement:
- (a) all of their respective Commitments were immediately cancelled; and
 - (b) all of their respective participation in the Loans, together with accrued interest, Break Costs, Make-Whole Amount and all other amounts accrued or payable under the Finance Documents would be due and payable at or before 7.00 pm (Hong Kong time) on the Currency Business Day immediately following the date of that notice, that is, on 6 April 2020.
33. The Borrower failed to comply with its obligations to repay all of the Loans, together with accrued interest, Break Costs, Make-Whole Amount, and all other amounts accrued or payable under the Finance Documents at or before 7.00 pm (Hong Kong time) on 6 April 2020.
34. As a result, an Event of Default occurred on 6 April 2020 under clause 22.1(b)(ii) (*Events of Default, Non-payment*) of the Facility Agreement, and is continuing as at the date of this Petition.

The Acceleration Notice

35. Pursuant to clause 22.18 (*Acceleration*) of the Facility Agreement, on 6 April 2020 the Petitioner (as Agent, and acting on the instruction of the Lenders) sent the Acceleration Notice to the Borrower giving notice that:
- (a) the Total Commitments were immediately cancelled;
 - (b) all of the Loans, together with accrued interest and Make-Whole Amount, were immediately due and payable;
 - (c) all of the Break Costs and all other amounts accrued or outstanding under the Finance Documents were immediately payable on demand; and
 - (d) the Agent may, or direct the Security Agent to, enforce any Transaction Security including pursuant to the Enforcement and Sale Process and take any action stipulated in the Transaction Security Documents as arising upon an Event of Default, immediately or at a later time.
36. Under the Acceleration Notice, the Petitioner (as Agent) demanded the immediate payment of US\$527,520,740.27 (being US\$518,000,000 in Loans, together with US\$2,906,143.75 accrued interest and US\$6,614,596.52 as the Make-Whole Amount).

The Borrower Demand

37. On 9 April 2020, the Petitioner (as Agent), as instructed by the Lenders, sent the Borrower Demand for a total of US\$4,465,373.91 to the Borrower. The Borrower Demand stated that:
- (a) the Petitioner (as Security Agent) had, on 6 April 2020, incurred enforcement expenses in an amount equal to US\$3,817,505 in respect of the conversion fee payable to the Depository for the exchange of the Converted Class A Ordinary Shares Collateral for ADSs (the "**Conversion Fee**"); and
 - (b) the Petitioner (as Agent) had, on the date of the Borrower Demand, incurred legal expenses in an aggregate amount equal to US\$647,868.91 in respect of fees payable to the Petitioner (as Agent) incurred in connection with the negotiation,

preparation and execution of the Finance Documents and the enforcement of, and the preservation of rights under, the Finance Documents and the Transaction Security (the "Interim Legal Fee").

38. In accordance with clauses 16.1 (*Transaction expenses*) and 16.3 (*Enforcement costs*) of the Facility Agreement, the Petitioner (as Agent) demanded that the Borrower pay the Conversion Fee and Interim Legal Fee. Pursuant to clause 22.18 (*Acceleration*), as an Event of Default had occurred and was continuing, the Petitioner (as Agent) declared the Conversion Fee and Interim Legal Fee immediately payable and due.
39. The total amount demanded under the Borrower Demand was US\$4,465,373.91 (being the sum of the Conversion Fee and the Interim Legal Fee).
40. No part of any of the sums demanded in the Acceleration Notice or the Borrower Demand have been paid by the Borrower or the Partnership to date.

The Partnership Demand

41. Under the Facility Agreement, pursuant to clause 2.3 (*Obligors' Agent*), the Partnership irrevocably authorised each Finance Party (including the Petitioner) to give any notice, demand or other communication to the Partnership pursuant to the Finance Documents to the Borrower, and the Partnership shall be bound as though the Partnership had received the relevant notice, demand or other communication. Under the terms of the Facility Agreement all notices served on the Borrower are deemed as having been served on the Partnership.
42. As a result:
 - (a) immediately upon the delivery of the Acceleration Notice on 6 April 2020, the Partnership (as *chargor* under the Primus Collateral Account Charge and as *mortgagor* under both the Primus Cayman Share Mortgage and the Primus Supplemental Cayman Share Mortgage) was obliged to make an immediate payment of US\$527,520,740.27 to the Petitioner (as Security Agent) in accordance with the relevant covenants to pay set out in the Primus Security Documents; and
 - (b) immediately upon the delivery of the Borrower Demand on 9 April 2020, the Partnership (as *chargor* under the Primus Collateral Account Charge and as

mortgagor under both the Primus Cayman Share Mortgage and the Primus Supplemental Cayman Share Mortgage) was obliged to make an immediate payment of US\$4,465,373.91 to the Petitioner (as Security Agent) in accordance with the relevant covenant to pay set out in the Primus Security Documents.

43. Accordingly, on 17 April 2020 the Petitioner (in its capacity as Agent and Security Agent) served the Partnership Demand by which it demanded that the Partnership immediately repay the sum of US\$531,986,114.18 (being the sum of the amount demanded in the Acceleration Notice and the Borrower Demand).

Insolvency of the Partnership

44. As at the date of this Petition, the Partnership has not paid or satisfied the Debt, which remains due and payable, nor has it made any satisfactory offer (or any offer) or presented any satisfactory proposal (or any proposal) to secure or compound the same.
45. In view of the significant quantum of the Debt it is extremely unlikely that the Partnership will be able to make repayment. The material assets of the Partnership are limited to its shares in Luckin which, as set out above, have decreased substantially. Given this enormous decrease in the Partnership's asset position, there appears to be no prospect of the Partnership being able to repay the Debt and therefore no prospect of the Partnership being able to argue that it is not insolvent.

Relief sought

46. In the premises:
- (a) the Petitioner is a creditor of the Partnership and has standing to present this petition under section 94(1)(b) of the Companies Law, which applies to the Partnership pursuant to section 36(3) of the ELP Law; and
 - (b) the Partnership is unable to pay its debts pursuant to sections 92(d) and 93(c) of the Companies Law which apply to the Partnership pursuant to section 36(3) of the ELP Law and is therefore insolvent and should be wound up.

Nomination of Joint Official Liquidators

47. The Petitioner nominates Mr David Bennett of Grant Thornton Recovery and Reorganisation Limited, Level 12, 28 Hennessy Road, Wan Chai, Hong Kong, and Ms Margot MacInnis, of Grant Thornton Specialist Services (Cayman) Limited, 48 Market Street, 2nd Floor, Suite 4290, Canella Court, Camana Bay, Grand Cayman, Cayman Islands, for appointment as joint official liquidators of the Partnership.

YOUR PETITIONER THEREFORE HUMBLY PRAYS:

1. That the Partnership be wound up in accordance with section 36(3) of the Exempted Limited Partnership Law and section 92(d) of the Companies Law.
2. That Mr David Bennett of Grant Thornton Recovery and Reorganisation Limited, Level 12, 28 Hennessy Road, Wan Chai, Hong Kong, and Ms Margot MacInnis, of Grant Thornton Specialist Services (Cayman) Limited, 48 Market Street, 2nd Floor, Suite 4290, Canella Court, Camana Bay, Grand Cayman, Cayman Islands be appointed as joint official liquidators of the Partnership (the "**JOLs**").
3. The JOLs shall not be required to give security for their appointment.
4. The JOLs shall have the power to act jointly and severally in their capacity as Liquidators of the Partnership.
5. The JOLs shall be authorised to do any acts or things considered by them to be necessary or desirable in connection with the dissolution of the Partnership and the winding up of its affairs.
6. The JOLs be authorised to exercise all the powers set out in paragraphs 1, 2, 4, 7, 8, 10 and 11 of Part 1 of the Third Schedule of the Companies Law and section 110(2) thereof without the further sanction of this Honourable Court.
7. Without limitation to the generality of the powers specified in paragraph 6 immediately above, it is confirmed that the JOLs shall have the power to:

- (a) bring or defend any action or other legal proceeding in the name and on behalf of the Partnership and to engage attorneys for such purposes in order to secure the assets of the Partnership;
 - (b) take all action required consistent with applicable law to carry on the business of the Partnership so far as may be necessary for its beneficial winding up; and
 - (c) take all action on behalf of the Partnership in the name of and to the exclusion of the General Partner which shall forthwith have no authority or power to act in relation to the Partnership other than at the direction and with the consent of the JOLs.
8. No disposition of the Partnership's property by or with the authority of the JOLs in carrying out their duties and functions and the exercise of their powers under any Order granted pursuant to this Petition shall be voided by virtue of section 99 of the Companies Law.
9. The JOLs be at liberty to appoint attorneys, counsel and professional advisors, whether in the Cayman Islands or elsewhere, as they may consider necessary to advise and assist them in the performance of their duties in accordance with Order 25 of The Companies Winding Up Rules, 2018.
10. The Petitioner's costs of and incidental to the Petition shall be paid out of the assets of the Partnership as an expense of the liquidation, such costs to be taxed on an indemnity basis if not agreed with the JOLs.
11. The JOLs be at liberty to apply.
12. Such further and/or other relief as this Honourable Court deems appropriate.

AND your Petitioner will ever pray etc.

DATED the day of 2020

FILED the 27 day of April 2020



WALKERS
Attorneys at Law for the Petitioner

NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this petition will take place at the Law Courts, George Town, Grand Cayman, on _____ at _____ am/pm.

Any correspondence or communication with the Court relating to the hearing of this petition should be addressed to the Registrar of the Financial Services Division of the Grand Court at PO Box 495, Grand Cayman KY1-1106, telephone 345 949 4296.