



**IN THE GRAND COURT OF THE CAYMAN ISLANDS**

**FINANCIAL SERVICES DIVISION**

**CAUSE NO. FSD OF 2020 ( )**

**IN THE MATTER OF SECTION 94 OF THE COMPANIES ACT (2020 REVISION)**

**AND IN THE MATTER OF TORIDOLL AND HEYI GROUP COMPANY LIMITED**

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**WINDING UP PETITION**

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**To the Grand Court**

The humble petition of Toridoll Holdings Corporation of Shibuya Solasta 19F, 1-21-1 Dogenzaka, Shibuyaku, Tokyo, Japan 150-0043 (the "**Petitioner**") shows that:-

**A. Introduction**

- 1 The Petitioner presents this petition for:
  - (a) the winding up of Toridoll and Heyi Group Company Limited (the "**Company**") pursuant to sections 92(d) and 93 of the Companies Act (2020 Revision) (the "**Companies Act**") on the grounds that the Company is insolvent and unable to pay its debts; and
  - (b) the appointment of Ms. Georgia Chow of Grant Thornton, Hong Kong, and Ms. Margot MacInnis of Grant Thornton Specialist Services, Cayman Islands as joint official liquidators of the Company.

**B. The Company**

- 2 The Company was incorporated as an exempted company on 24 September 2013 (Registration 281326).
- 3 The Company's registered office is situate at the offices of Conyers Trust Company (Cayman) Limited, PO Box 2681, Cricket Square, Hutchins Drive George Town, Cayman Islands.
- 4 The Company's principal places of business are the People's Republic of China (the "**PRC**"), Hong Kong SAR, and Singapore.

- 5 The objects for which the Company was established are unrestricted and at all material times the Company has had full powers to carry out any object not prohibited by law as provided by section 7(4) of the Companies Act.
- 6 The authorised share capital of the Company is US\$50,000 divided into 482,380,556 ordinary shares of par value of US\$0.0001 each and 17,619,444 Series A Preferred Shares of par value US\$0.0001 each.
- 7 The Company engages in the business of establishing, operating and managing a chain of stores and restaurants (the "**Restaurant Business**") in Singapore, through Toridoll and Heyi (Singapore) Pte. Ltd ("**TH Singapore**") and in the PRC and Hong Kong SAR through its wholly owned subsidiary, Toridoll and Heyi Holding Ltd ("**TH Holding**"), which in turn directly and indirectly owns the operating subsidiaries (together with TH Singapore, the "**Operating Subsidiaries**"):

No.	Operating Subsidiaries	Place of incorporation / establishment
1.	Marugame (HK) Limited (丸龜製麵(香港)有限公司)	Hong Kong
2.	Toridoll Shanghai Corporation (上海东利多餐饮管理有限公司)	PRC
3.	Toridoll Beijing Corporation (北京东利多餐饮管理有限公司)	PRC

### C. The Petitioner

- 8 The Petitioner was established under the laws of Japan on 11 June 1990 and is listed on the Tokyo Stock Exchange under stock code 3397.
- 9 The Petitioner seeks an order winding up the Company on the basis that the Company is insolvent and unable to pay its debts as they fall due in circumstances where:
  - (a) As set out at paragraphs 32 to 35 below, the Petitioner is a creditor of the Company pursuant to a letter agreement dated 14 November 2013 (the "**Letter Agreement**") and a supplemental letter agreement dated 2016 (the "**SLA**") for the outstanding Supporting Fees (defined at paragraph 10(b) below) in the sums of HKD4,363,609.67, RMB8,044,800.50 and SGD71,725.22; a total sum equivalent to JPY191,969,222 (approximately USD1,848,880) (together, the "**Petition Debt**");
  - (b) On 11 November 2020, the Petitioner served on the registered office of the Company a statutory demand in respect of the Petition Debt pursuant to section 93(a) of the Companies Act and Order 2 of the Companies Winding Up Rules ("**CWR**");
  - (c) The Company has neglected to pay the Petition Debt in the three weeks following the service of the statutory demand for payment. It is therefore deemed to be insolvent pursuant to section 93(a) of the Companies Act.

## D. Grounds for Winding Up

### The Company's Debt to the Petitioner

- 10 On 14 November 2013, the Petitioner and the Company entered into the Letter Agreement. It was a term of the Letter Agreement that:
- (a) The Petitioner granted to the Company the exclusive right to use the Petitioner's Proprietary Marks and Know-How (as defined in the Letter Agreement) in connection with the Company's Business in the People's Republic of China, Hong Kong and Macau (collectively, the "**Territory**") (clause II(1), paragraph 1);
  - (b) The Company undertook to inform each of its Operating Subsidiaries (as defined in the Letter Agreement) to pay to the Petitioner a supporting fee equal to two percent (2%) of the Net Sales of each Shop (as defined in the Letter Agreement) then in operation (the "**Supporting Fee**") (clause II(1), paragraph 3);
  - (c) The Supporting Fee was required to be paid to the Petitioner within 10 Business Days after the close of every calendar month (clause II(1), paragraph 4);
  - (d) The Company was required to commence payment of the Supporting Fee trimonthly beginning 1 January 2016, irrespective of whether or not profits had been generated by the Company during the relevant financial year thereafter (clause II(1), paragraph 6).
- 11 On or around 1 January 2016, when the Company was required to commence payment of the Supporting Fees in accordance with clause II(1), paragraph 6 of the Letter Agreement, the Petitioner issued invoices directly to the Operating Subsidiaries for Supporting Fees due under clause II(1), paragraph 3 of the Letter Agreement referred to at paragraph 10(b) above.
- 12 Between 2015 and 2016, the Petitioner received payment of the Supporting Fees incurred in 2015 and 2016 by the due dates set out in the invoices.
- 13 However, as further particularised below, between 12 April 2018 and 20 November 2020, the Company failed to make payment, or cause the Operating Subsidiaries to make payment in respect of further invoices issued by the Petitioner for Supporting Fees incurred in 2017 to 2020.
- 14 Between 13 March 2018 and 23 October 2020, the Petitioner issued the following invoices for payment of Supporting Fees:
- (a) an invoice dated 13 March 2018, due and payable on 12 April 2018 issued to TH Holding in relation to Supporting Fees incurred in respect of Marugame (HK) Limited in the sum of HKD2,020,250.35. As further particularised at paragraph 16(a) and 18 below, the total sums due under this invoice were later revised to HKD1,618,754.81.

On 21 November 2019, the Company and the operating subsidiaries made a part-payment in the sum of HKD840,877.41;

- (b) invoices dated 16 March 2018 due and payable on 15 April 2018:
  - (i) issued to Shanghai Toridoll Corporation in relation to Supporting Fees incurred in respect of Shanghai Toridoll Corporation in the sum RMB3,175,181.31;
  - (ii) issued to Beijing Toridoll Corporation in relation to Supporting Fees incurred in respect of Beijing Toridoll Corporation in the sum RMB1,127,877.51. As further particularised at paragraph 16(b) and 23 below, the total sums due under this invoice were revised to RMB949,970.80 and were fully settled on 14 January 2020;
- (c) invoices dated 2 August 2019 due and payable on 1 September 2019:
  - (i) issued to TH Holding in relation to Supporting Fees incurred in respect of Marugame (HK) Limited in the sum HKD1,609,628.69;
  - (ii) issued to Shanghai Toridoll Corporation in relation to Supporting Fees incurred in respect of Shanghai Toridoll Corporation in the sum RMB3,131,345.39; and
  - (iii) issued to TH Singapore in relation to Supporting Fees incurred in respect of TH Singapore in the sum SGD26,309.33;
- (d) an invoice dated 3 August 2019, due and payable on 2 September 2019 issued to Beijing Toridoll Corporation in relation to Supporting Fees incurred in respect of Beijing Toridoll Corporation in the sum RMB1,145,323.28;
- (e) invoices dated 15 January 2020:
  - (i) due and payable on 20 September 2020 issued to Shanghai Toridoll Corporation in relation to Supporting Fees incurred in respect of Shanghai Toridoll Corporation in the sum RMB1,500,000; and
  - (ii) due and payable on 20 November 2020 issued to Shanghai Toridoll Corporation in relation to Supporting Fees incurred in respect of Shanghai Toridoll Corporation in the sum RMB1,631,345.39;
- (f) invoices dated 23 October 2020, immediately due and payable:
  - (i) issued to Beijing Toridoll Corporation in relation to Supporting Fees incurred in respect of Beijing Toridoll Corporation in the sum RMB1,302,449.35;

- (ii) issued to Marugame (HK) Limited in relation to Supporting Fees incurred in respect of Marugame (HK) Limited in the sum of HKD1,913,103.57;
  - (iii) issued to Shanghai Toridoll Corporation in relation to Supporting Fees incurred in respect of Shanghai Toridoll Corporation in the sum RMB2,465,682.48; and
  - (iv) issued to TH Singapore Holding in relation to Supporting Fees incurred in respect of TH Singapore in the sum SGD45,415.89.
- 15 In breach of clause II(1), paragraph 4 of the Letter Agreement identified at paragraph 10(b) and (d) above, the Company failed to make payment, or cause the Operating Subsidiaries to make payment, of the Supporting Fees by the due dates.
- 16 By a document entitled "Payment Proposal" dated 26 August 2019 (the "**First Payment Proposal**"), TH Holding proposed to make the following payments to the Petitioner:
- (a) HKD1,668,261.09 by 15 November 2020 in respect of invoice dated 13 March 2018 issued to TH Holding in relation to Supporting Fees incurred in respect of Marugame (HK) Limited for 2017. The sum payable has been further revised to HKD1,681,754.81 pursuant to an invoice dated 1 November 2019;
  - (b) RMB949,970.80 by 15 December 2019, in respect of invoice dated 16 March 2018 issued to Beijing Toridoll Corporation in relation to Supporting Fees incurred in respect of Beijing Toridoll Corporation for 2017.
- 17 On 21 November 2019, the Company and its operating subsidiaries paid the sum of HKD840,877.41 in respect of the invoice dated 1 November 2019 referred to at paragraph 16(a) above.
- 18 Save for the payment made on 21 November 2019 referred to in paragraph 17 above, the Company and its Operating Subsidiaries failed and/or refused to make any further payments to the Petitioner by the due dates set out in the First Payment Proposal.
- 19 By a document entitled "Payment Proposal" dated 18 September 2019 (the "**Second Payment Proposal**"), TH Holding offered to make the following payments to the Petitioner:
- (a) RMB3,131,345.39 by 15 June 2020 in respect of invoice dated 2 August 2019 issued to Shanghai Toridoll Corporation in relation to Supporting Fees incurred in respect of Shanghai Toridoll Corporation for 2018;
  - (b) HKD1,609,628.69 by 15 June 2020 in respect of invoice dated 2 August 2019 issued to TH Holding in relation to Supporting Fees incurred in respect of Marugame (HK) Limited for 2018;

- (c) RMB1,145,323.28 by 15 July 2020 in respect of invoice dated 3 August 2019 issued to Beijing Toridoll Corporation in relation to Supporting Fees incurred in respect of Beijing Toridoll Corporation for 2018;
  - (d) SGD26,309.33 by 15 July 2020 in respect of invoice dated 2 August 2019 issued to TH Singapore in relation to Supporting Fees incurred in respect of TH Singapore for 2018.
- 20 the Company and its Operating Subsidiaries failed and/or refused to make any further payments to the Petitioner by the due dates set out in the Second Payment Proposal.
- 21 By a document referred to as "2020 Budget" (the "**Revised Payment Proposal**") in an email dated 7 January 2020 sent by TH Holding to the Petitioner, TH Holding offered to make the following payments to the Petitioner:
- (a) RMB949,970.80 by January 2020 in respect of invoice dated 16 March 2018 issued to Beijing Toridoll Corporation in relation to Supporting Fees incurred in respect of Beijing Toridoll Corporation for 2017;
  - (b) HKD420,000 and HKD420,877.40 by February and March 2020 respectively in respect of invoice dated 1 November 2019 issued to TH Holding in relation to Supporting Fees incurred in respect of Marugame (HK) Limited for 2017;
  - (c) HKD536,542.89, HKD536,542.89 and HKD536,542.89 by April, June and September 2020 respectively in respect of invoice dated 2 August 2019 issued to TH Holding in relation to Supporting Fees incurred in respect of Marugame (HK) Limited for 2018;
  - (d) RMB1,145,323.28 by June 2020 in respect of invoice dated 3 August 2019 issued to Beijing Toridoll Corporation in relation to Supporting Fees incurred in respect of Beijing Toridoll Corporation for 2018; and
  - (e) RMB1,500,000 and RMB1,631,345.39 by August and October 2020 respectively, in respect of invoice dated 2 August 2019 issued to Shanghai Toridoll Corporation in relation to Supporting Fees incurred in respect of Shanghai Toridoll Corporation for 2018.
- 22 By an email dated 8 January 2020 from the Petitioner to TH Holding, the Petitioner accepted the Revised Payment Proposal.
- 23 On 14 January 2020, the Company and its Operating Subsidiaries fully settled the invoice dated 16 March 2018 issued to Beijing Toridoll Corporation in relation to Supporting Fees incurred in respect of Beijing Toridoll Corporation for 2017.

- 24 Save for the payment made on 14 January 2020 referred to in paragraph 23 above, in breach of the Revised Payment Proposal, the Company and its Operating Subsidiaries failed and/or refused to make any further payments to the Petitioner.
- 25 On 15 January 2020, the Petitioner extended the due date for payment of RMB3,131,345.39 to settle invoice dated 2 August 2019 issued to Shanghai Toridoll Corporation in relation to Supporting Fees incurred in respect of Shanghai Toridoll Corporation for 2018 (the "**Further Extension**") by issuing two further invoices with due dates for payment as follows:
- (a) RMB1,500,000, by 20 September 2020; and
  - (b) RMB 1,631,345.39 by 20 November 2020.
- 26 The Petitioner agreed to the Further Extension and on 15 January 2020, the Petitioner issued two invoices providing for payment of RMB1,500,000 and RMB1,613,345.39 by 20 September 2020 and 20 November 2020 respectively (the "**15 January 2020 Invoices**").
- 27 In breach of the Further Extension, the Company and its Operating Subsidiaries failed and/or refused to pay the 15 January 2020 Invoices.
- 28 On 3 July 2020, the Petitioner made a written demand to the Company for overdue payments within 14 days from the date of the letter of all outstanding Supporting Fees, calculated on the Net Sales from January 2017 to May 2020 in the aggregate sum of JPY 242,302,185 as of the end of May 2020.
- 29 The Company failed to make payment of the outstanding Supporting Fees by 17 July 2020 (being 14 days from the date of the 3 July 2020 demand for payment).
- 30 On 30 October 2020, the Petitioner made a further written demand to the Company for the immediate payment of the following overdue Supporting Fees:
- (a) HKD840,877.41 in respect of invoice dated 1 November 2019 issued to TH Holding in relation to Supporting Fees incurred in respect of Marugame (HK) Limited for 2017;
  - (b) RMB1,500,000.00 in part payment of invoice dated 15 January 2020, referred to at paragraph 28 above issued to Shanghai Toridoll Corporation in relation to Supporting Fees incurred in respect of Shanghai Toridoll Corporation for 2018;
  - (c) RMB1,145,323.28 in respect of invoice dated 3 August 2019 issued to Beijing Toridoll Corporation in relation to Supporting Fees incurred in respect of Beijing Toridoll Corporation for 2018;
  - (d) HKD1,609,628.69 in respect of invoice dated 2 August 2019 issued to TH Holding in relation to Supporting Fees incurred in respect of Marugame (HK) Limited for 2018;

- (e) SGD26,309.33 in respect of invoice dated 2 August 2019 issued to TH Singapore in relation to Supporting Fees incurred in respect of TH Singapore for 2018;
  - (f) RMB2,465,682.48 in respect of invoice dated 23 October 2020 issued to Shanghai Toridoll Corporation in relation to Supporting Fees incurred in respect of Shanghai Toridoll Corporation for 2019;
  - (g) RMB1,302,449.35 in respect of invoice dated 23 October 2020 issued to Beijing Toridoll Corporation in relation to Supporting Fees incurred in respect of Beijing Toridoll Corporation for 2019;
  - (h) HKD1,913,103.57 in respect of invoice dated 23 October 2020 issued to Marugame (HK) Limited in relation to Supporting Fees incurred in respect of Marugame (HK) Limited for 2019; and
  - (i) SGD45,415.89 in respect of invoice dated 23 October 2020 issued to TH Singapore in relation to Supporting Fees incurred in respect of TH Singapore for 2019.
- 31 The Company failed to make payment of the outstanding Supporting Fees in response to the 30 October 2020 demand for payment.
- 32 On 11 November 2020, pursuant to section 93(a) of the Companies Act, the Petitioner served the Company at its registered address with a statutory demand dated 4 November 2020 in CWR Form No. 1 demanding payment of the outstanding supporting fees in the sum of HKD4,363,609.67, RMB6,413,455.11 and SGD71,725.22; a total sum equivalent to JPY163,992,896 (the "**Statutory Demand Debt**").
- 33 As particularised at paragraph 26 above, on 20 November 2020, under an invoice dated 15 January 2020 issued to Shanghai Toridoll Corporation in relation to Supporting Fees incurred in respect of Shanghai Toridoll Corporation for 2018, a further sum of RMB1,631,345.39 became due and payable (the "**Residual 2020 Debt**").
- 34 As at the date of this Petition, the Company has failed to pay the amount owing to the Petitioner, comprising the Statutory Demand Debt and the Residual 2020 Debt or any part of it.
- 35 Accordingly, as at the date of this Petition, the total amount owing by the Company to the Petitioner is HKD4,363,609.67, RMB8,044,800.50 and SGD71,725.22; a total sum equivalent to JPY191,969,222 (approximately USD1,848,880) .

#### **E. Relief Sought**

- 36 In the premises the Company is insolvent and should be wound up in accordance with sections 92(d) and 93 of the Companies Act.

**Your Petitioner therefore humbly pray(s) that:-**

- (1) The Company be wound up in accordance with section 92(d) of the Companies Act.
- (2) Ms. Georgia Chow of Grant Thornton, Hong Kong, and Ms. Margot MacInnis of Grant Thornton Specialist Services, Cayman Islands be appointed as official liquidator of the Company (the "**JOLs**").
- (3) The registered office of the Company be moved to HSM Corporate Services Limited, PO Box 31726, 68 Fort Street, George Town, Grand Cayman, KY1-1207, Cayman Islands.
- (4) The JOLs be authorised to act jointly and severally in their capacity as liquidators of the Company.
- (5) The JOLs shall not be required to give security for their appointment.
- (6) The JOLs be authorised to exercise within and outside the Cayman Islands any of the powers conferred on them by the Court pursuant to Section 110(2) and Part II of the Third Schedule of the Companies Act without further sanction or intervention of the Court.
- (7) The JOLs be authorised to carry out any act or exercise any power considered by them to be necessary or desirable in connection with the liquidation of the Company and the winding-up of its affairs and to prevent the dissipation of the assets of the Company and its subsidiaries in any jurisdiction.
- (8) The JOLs be authorised to take any such action as may be necessary or desirable to obtain recognition of the Official Liquidators and/or their appointment in any other relevant jurisdiction and to make applications to the courts of such purpose.
- (9) The JOLs have the power to appoint agents in the Cayman Islands, The People's Republic of China, Hong Kong and Singapore and elsewhere to do any business contemplated by this order which they are unable to do themselves or which can more conveniently be done by an agent.
- (10) The JOLs be authorised to take control of such of the direct and/or indirect subsidiaries of the Company (the "**Subsidiaries**") and/ joint ventures, investments, associated companies, businesses or other entities in which the Company holds an interest (or such shares of Company) (the "**Associated Companies**" and, together with the Company and the Subsidiaries, the "**Group**"), in each case wherever located, as the JOLs shall think fit; to call or cause to be called such meetings of such Subsidiaries and/or Associated Companies and/or to sign such resolutions (in accordance with the provisions of any relevant constitutional or related documentation of such companies) and take such other steps, including applications to appropriate courts and/or regulators, as the JOLs shall consider necessary to appoint or remove directors, legal representatives, officers and/or managers to or from such Subsidiaries and/or Associated Companies, and in each case take such steps as are necessary to cause the registered agents (or other equivalent corporate administrators) of such Subsidiaries or

Associated Companies to give effect to the changes to the boards of directors, legal representatives, officers and/or managers of such companies or entities, including (without limitation) effecting changes to the company registers of such Subsidiaries or Associated Companies as may be deemed appropriate by the JOLs; and/or to take such other action in relation to all such Subsidiaries or Associated Companies as the JOLs shall think fit for the purpose of protecting the Assets and managing the affairs of the Company (which, for the avoidance of doubt, shall include the assets and affairs of the Subsidiaries and Associated Companies).

- (11) The JOLs be at liberty to appoint counsel, attorneys, and/or any other 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 and on such terms as they may think fit and to remunerate them out of the assets of the Company.
- (12) The remuneration and expenses of the JOLs shall be paid out of the assets of the Company.
- (13) The JOLs be at liberty to apply generally to the Court to make such orders for regulating the future conduct of the affairs of the Company as the Court shall see fit.
- (14) Such further or other relief be granted as the Court deems appropriate.
- (15) The Petitioner's costs of and incidental to the Petition shall be paid forthwith out of the assets of the Company on an indemnity basis.

**AND** your Petitioner will ever pray etc.

Dated the 14<sup>th</sup> day of December 2020



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**Ogier**  
**Attorneys for the Petitioner**

**NOTE:** This petition is intended to be served on the Company.

**NOTICE OF HEARING**

**TAKE NOTICE THAT** the hearing of this petition will take place at the Law Courts, George Town, Grand Cayman, on \_\_\_\_\_ at 10:00am.

Any correspondence or communication with the Court relating to the hearing of his 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 345 959 4296.