

# [***Billionaire Evergrande Founder Investigated For Suspected Crimes As Fears Of Collapse Grow***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:698J-W3H1-DXVP-5000-00000-00&context=1516831)

Forbes.com

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**Length:** 511 words

**Byline:** Robert Hart, Forbes Staff

**Highlight:** Trading in Evergrande shares halted on Thursday following a report company founder and chair Hui Ka Yan had been placed under police surveillance.

**Body**

**Topline**

The billionaire chair and founder of China s Evergrande Group is being investigated over suspected illegal crimes, Evergrandesaidon Thursday, hours after trading was halted for the beleaguered developer amid mounting concern over its future as it works to restructure and fend off the looming specter of liquidation.

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Evergrande shares stopped trading in Hong Kong on Thursday.

Getty Images

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**Key Facts**

In astatementissued on the Hong Kong stock exchange, Evergrande said its chairman and founder Hui Ka Yan had been placed under mandatory measures in accordance with the law on suspicion of committing illegal crimes.

The company said it had been notified by the relevant authorities, but did not elaborate on the nature of the measures Hui is subject to or detail the crimes he is suspected of.

The announcement comes hours after trading shares in Evergrande and two subsidiaries in Hong Kong was halted and follows a report Hui, also known as Xu Jiayin, had beenplaced under surveillanceby police in China.

Trading in shares of China Evergrande Group, China Evergrande New Energy Vehicle Group and Evergrande Property Services Group all halted at 9 a.m. local time.

Filings on the stock exchange gave no reason for the stop.

**News Peg**

Bloomberg on WednesdayreportedHui had beenplaced under police surveillance. The move which requires Hui to surrender his passports and restricts his ability to leave a designated location or speak to others without permission falls short of the thresholds for formal detention or arrest and does not mean Hui will be charged with a crime. It adds to the woes of the company, which is on the brink of collapse amid increasing scrutiny from Beijing as it moves to stabilize China s crisis-ridden property sector. Fears of liquidation have grown in recent weeks after the company admitted its offshore debt restructuring plan could be introubledue to an investigation into its main subsidiary in mainland China. Chinese police are nowinvestigatingthe company for potential crimes and detained staff at a finance branch in September.

**What To Watch For**

Evergrande has lostalmost all of its value from its peak in 2017. Shares continued to tumble this week amid growing fears of liquidation and weredown19% at market close on Wednesday. The drop took losses so far this week to 42%.

**Forbes Valuation**

$3.2 billion. That s Hui s net worth,accordingto**Forbes** real-time tracker. At hispeakin 2017, Hui was worth $42.5 billion and was ranked the richest person in Asia. Hui wasborninto a poor family and worked at a steel factory before founding Evergrande. He took the company public in 2009 it was labeled a defaulter in 2021 with more than $300 billion in liabilities andwas well connectedin business and ***politics***, including insideChina s ruling Communist Party.

**Further Reading**

Billionaire Evergrande Founder Reportedly Placed Under Police Surveillance In China As Fears Of Collapse Grow(Forbes)

Evergrande s Wealth Wipeout: Hui Ka Yan s Journey From Asia s Richest Person To The Brink Of Collapse(Forbes)

**Load-Date:** September 30, 2023

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