

# TARGET

## Intelligence Report

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T U E S D A Y

March 1, 2022

### **CA CULTURAL TECHNOLOGY GROUP LTD: ONCE AGAIN, MR JASON CHONG HEUNG CHUNG IS FIELDING ANOTHER HIGH COURT CLAIM**

For the second time in the past four months, CA Cultural Technology Group Ltd (華夏文化科技集團有限公司) (Code: 1566, Main Board, The Stock Exchange of Hongkong Ltd), along with one of its Executive Directors, who is, also, the Chairman of the Board of Directors of the Company, has been sued in the High Court of the **Hongkong Special Administrative Region (HKSAR)** of the **People's Republic of China (PRC)**.

Zhongda Factoring Financial Ltd (中大保理金融有限公司) is the Plaintiff in HKSAR High Court Action, Number 25 of 2022, the named three Defendants, being:

CA Cultural Technology Group Ltd	First Defendant
Mr Jason Chong Heung Chung (莊向松)	Second Defendant
Bright Rise Enterprises Ltd (明揚企業有限公司)	Third Defendant

The address of the First Defendant is given as being:

Suite 2905, 29<sup>th</sup> Floor,  
China Resources Building,  
Number 26, Harbour Road,  
Wanchai,  
The HKSAR.

The address of the Second Defendant is given as being:

House Number 168,  
Number 23, Sam Mun Tsai Road,  
The Beverly Hills,  
Boulevard Du Lac,  
Tai Po,  
The New Territories,  
The HKSAR.

The address of the Third Defendant is given as being:

Vistra Corporate Services Centre,  
Wickhams Cay II, Road Town,  
Tortola VG1110,  
The British Virgin Islands.

**THE PARTIES:**

- The Plaintiff is a licensed money lender, with operations in the HKSAR;
- The First Defendant is a company, domiciled in the Cayman Islands, whose shares are listed on the Main Board of The Stock Exchange of Hongkong Ltd (Stock Code: 1566);
- The Second Defendant is an individual, being the holder of an Hongkong Identity Card; and,
- The Third Defendant is Limited Liability Company, domiciled in the British Virgin Islands (BVI).

**'THE LOAN AGREEMENT AND GURANTEE (sic) AGREEMENTS'**

At Paragraph Five of the Statement of Claim, attached to Writ of Summons, Number 25 of 2022, it is alleged that there exists a written loan agreement, dated September 5, 2019, 'entered into between the Plaintiff of the one part as the lender and the 1<sup>st</sup> Defendant of the other part as the borrower (《貸款協議》) ("the Loan Agreement") ...'.

Paragraph Five continues, by making the following allegations:

*'... the Plaintiff agreed to lend to the 1<sup>st</sup> Defendant and the 1<sup>st</sup> Defendant agreed to borrow from the Plaintiff a sum of HK\$40,000,000.00 ("the Principal Sum") for a term of 6 months and subject to the terms and conditions of the Loan Agreement ("the Loan").'*

Paragraphs Six and Seven continue by making the following allegations:

- '6. By a written guarantee dated 5<sup>th</sup> September 2019 entered into between the Plaintiff as the lender and the 2<sup>nd</sup> Defendant as a guarantor (《擔保協議》), the 2<sup>nd</sup> Defendant guaranteed the due performance of the 1<sup>st</sup> Defendant's obligations to repay to the Plaintiff under the Loan Agreement ("2<sup>nd</sup> Defendant's Guarantee Agreement").'*
- '7. By another written guarantee dated 5<sup>th</sup> September 2019 entered into between the Plaintiff as the lender and the 3<sup>rd</sup> Defendant as another guarantor (《擔保協議》), the 3<sup>rd</sup> Defendant guaranteed the due performance of the 1<sup>st</sup> Defendant's obligations to repay to the Plaintiff under the Loan Agreement ("3<sup>rd</sup> Defendant's Guarantee Agreement").'*

Under the subheading, '**TERMS OF THE LOAN AGREEMENT**,' found at Paragraphs Eight through to 15, the following allegations are made:

- ‘8. *Clause 2.1 of the Loan Agreement stipulates that the Principal Sum was HK\$40,000,000.*
- ‘9. *Clause 4.1 of the Loan Agreement stipulates that the loan period was six months from 5<sup>th</sup> September 2019 to 5<sup>th</sup> March 2020.*
- ‘10. *Clause 6.1 of the Loan Agreement stipulates that:-*
- (1) The interest of the loan on the Principal Sum was 2.1% per 30 days; and*
  - (2) The interest shall be repaid once every 30 days and that the repayment date of the 1<sup>st</sup> instalment shall be 30 days after the Principal Sum was advanced from the Plaintiff to the 1<sup>st</sup> Defendant.*
- ‘11. *Clauses ... [CLICK TO ORDER FULL ARTICLE](#)*

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