

# TARGET

## Intelligence Report

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T U E S D A Y

August 16, 2022

**CHINA CREATIVE DIGITAL ENTERTAINMENT LTD:  
THE AGGREGATE LOSSES OF THE PAST FOUR YEARS  
ARE IN EXCESS OF \$HK3.38 BILLION**

An indirect, wholly owned subsidiary of China Construction Bank Corporation (中國建設銀行股份有限公司) (**CCB**), namely Wan Tai Investments Ltd (萬鈦投資有限公司), a company, domiciled in the British Virgin Islands (**BVI**), has filed a claim in the High Court of the Hongkong Special Administrative Region (**HKSAR**) of the People's Republic of China (**PRC**), claiming that which appears to be more than \$HK300 million from Mr Stephen Shiu Junior (蕭定一).

China Construction Bank Corporation is one of the big four banks of the PRC.

In 2015, this bank was said to have been the second largest bank in the world by market capitalisation, and the sixth largest company in the world.

China Construction Bank Corporation is known to have more than 13,629 (PRC) domestic branches.

Mr Stephen Shiu Junior, the lone Defendant with regard to Writ of Summons, Number 1000 of 2022, Endorsement of Claim, attached, is the Chairman of the Board of Directors of China Creative Digital Entertainment Ltd (中國創意數碼娛樂有限公司) (Code: 8078, The Growth Enterprise Market [the **GEM**], The Stock Exchange of Hongkong Ltd), as well as being an Executive Director of the Company.

In the recitals of Action Number 1000 of 2022, the two (alleged) known addresses of the lone Defendant were given as follows:

Units B-D, 8<sup>th</sup> Floor,  
D2 Place Two,  
Number 15, Cheung Shun Street,  
Cheung Sha Wan,  
Kowloon,  
The HKSAR

and,

Unit 01B, 11<sup>th</sup> Floor, Eastmark,  
Number 21, Sheung Yuet Road,  
Kowloon Bay,  
Kowloon,  
The HKSAR.

In respect of the Plaintiff, its address is given in the recitals as being:

12<sup>th</sup> Floor, CCB Tower,  
Number Three, Connaught Road Central,  
Central,  
The HKSAR.

The Endorsement of Claim, the gist of which was found at Page Two of the Writ of Summons, makes the Claim against the Defendant as follows:

*‘The Plaintiff claims against the Defendant for his failure to pay certain outstanding sums pursuant to a guarantee agreement dated 2 January 2018 entered into between the Plaintiff and the Defendant, relating to the following bond and notes: -*

- (i) the bond certificate (No. 001) in respect of 8% guaranteed and secured convertible bond, issued by China Creative Digital Entertainment Limited (formerly known as HMV Digital China Group Limited [HMV 數碼中國集團有限公司]) (the “**Issuer**”) on 2 January 2018 and constituted by a bond instrument dated 2 January 2018, with principal amount of HK\$150,000,000 (the “**Bond**”); and*
- (ii) the note certificates (No. 001 and No. 002) in respect of 8% guaranteed and secured note, issued by the Issuer on 2 January 2018 (in relation to Note certificate No. 001) and 22 March 2018 (in relation to Note certificate No. 002), and constituted by a note instrument dated 2 January 2018, with principal amount of HK\$103,000,000 and HK\$45,000,000, respectively (collectively, the “**Notes**”).*

*‘The Plaintiff claims against the Defendant for: -*

- ‘1. The sum of HK\$278,000,000, being the outstanding principal due and payable under the Bond and the Notes;*
- ‘2. Default interest on the sum of HK\$278,000,000 (being the outstanding principal due and payable under the Bond and the Notes) at the contractual default interest rate of 20% per annum from and including 2 January 2019 up to and including 8 August 2022;*
- ‘3. The sum of HK\$15,596,275, being the amount which would make up an internal rate of return of 20% on the initial aggregate principal amount of the Bond (being HK\$150,000,000) and the Notes (totaling*

*HK\$148,000,000), calculated from and including 2 January 2018 (in the case of the Bond and Note No. 001) or 22 March 2018 (in the case of Note No. 002) until and including 27 July 2021;*

- '4. Pre-judgment interest at the rate of 20% per annum on the sum of HK\$278,000,000 from and including 9 August 2022 up to and including the date of judgment, or for such periods and at such rates as this Honourable Court thinks fit pursuant to this Honourable Court's equitable jurisdiction and/or section 48 of the High Court Ordinance (Cap.4);*
- '5. Post-judgment interest pursuant to Section 49 of the High Court Ordinance (Cap.4); and*
- '6. Costs to be assessed on an indemnity basis.'*

### **The Third Quarterly Report And Another Writ**

China Creative Digital Entertainment Ltd ... [CLICK TO ORDER FULL ARTICLE](#)

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