

**CHINA WATER INDUSTRY GROUP LTD:
LET THE COURT DECIDE**

Two former Executive Directors of China Water Industry Group Ltd () (Code: 1129, Main Board, The Stock Exchange of Hongkong Ltd) have decided to engage, openly, in mutual combat and to have, as the referee, a justice of the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

The prize as the winner, as far as Mr Wu Chi Lok () is concerned, is \$HK17,537,500.

Mr Wu Chi Lok is the Plaintiff in HKSAR, High Court Action, Number 2334, in which the lone Defendant is Mr Luk Chi Shing ().

Simply put, it is alleged in the Statement of Claim, attached to Writ of Summons, Number 2334, that the Plaintiff agreed to sell to the Defendant, a total of 70,150,000 shares in the Issued and Fully Paid-Up Share Capital of China Water Industry at the price of \$HK17,537,000, in cash.

At the time of the purported sale of these shares, China Water Industry was known as Sky Hawk Computer Group Holdings Ltd ().

The Statement of Claim in respect of this Action is hereby reproduced in full:

'STATEMENT OF CLAIM

- '1. At the material time, the Plaintiff was the registered owner of 70,150,000 shares (the "Shares") in Sky Hawk Computer Group Holdings Limited (now known as China Water Industry Group Limited) (Stock Code:1129), a company which was listed on the Hong Kong Stock Exchange (the "Company").*
- '2. In or around October 2006, an oral agreement was reached between the Plaintiff and the Defendant whereby the following was agreed:*
 - (a) the Defendant would purchase the Shares from the Plaintiff in the Company for the consideration of HK\$17,537,500.00; and*
 - (b) once the Plaintiff had effected the transfer of the Shares in the Company to the Defendant, the Defendant would simultaneously pay to the Plaintiff the consideration of HK\$17,537,500.00 (the "Agreement").*
- '3. Pursuant to the Agreement, on the 19 October 2006, the following documents were signed to effect the transfer of the Shares:*
 - (a) the Plaintiff signed a Sold Note for the Shares for the consideration of HK\$17,537,500.00 as Transferor;*
 - (b) the Defendant signed a Bought Note for the Shares for the consideration of HK\$17,537,500.00 as Transferee; and*
 - (c) both parties signed an Instrument of Transfer transferring the Shares in the Company to the Defendant.*

- '4. Pursuant to the Agreement, on the 20 October 2006, the Plaintiff instructed Emperor Securities Limited to transfer the Shares from his Account No.: 12808 / Runner Code : 928 to the Defendant's Account No.: 00017069 / Runner Code : 900 with Emperor Securities Limited.
- '5. On the 20 October 2006, the Defendant failed to pay the sum of HK\$17,537,500.00 as consideration for the Shares in breach of the Agreement.
- '6. As at the date hereof, the Defendant has still failed and/or refused and / or neglected to pay the Plaintiff the sum of HK\$17,537,500.00 as consideration for the Shares in breach of the Agreement.
- '7. Despite repeated ... [CLICK TO ORDER FULL ARTICLE](#)

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