

**SANDMARTIN INTERNATIONAL HOLDINGS LTD:
THE WRITS FLY AS DO THE WINDING-UP PETITIONS;
AND, NOSES ARE OUT OF JOINT**

In a period of just 30 days, Mr Eric Hung Tsung Chin (), the Executive Chairman of Sandmartin International Holdings Ltd () (Code: 482, Main Board, The Stock Exchange of Hongkong Ltd) was sued twice in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

The First Writ of Summons was filed in the HKSAR High Court on or about November 10, 2016, the second Writ of Summons, having been filed on December 9, 2016.

There, also, was a third HKSAR, Writ of Summons, filed against, inter alia, Chairman Eric Hung Tsung Chin and Sandmartin International on December 20, 2016, but this Action and many others are dealt with separately at the end of this report.

The December 9, 2016, Writ of Summons, Statement of Claim attached, is between Mr Fung Chuen (), the Plaintiff, and Mr Eric Hung Tsung Chin, the Defendant.

The Plaintiff is the beneficial owner of 57.18 million Shares in the Issued and Fully Paid-Up Share Capital of Sandmartin International.

That number of shares was equivalent to about 4.49 percent of the entire Issued Share Capital of Sandmartin International, as at June 30, 2016, according to the database of **TOLFIN** (), the Computerised, Online Financial Intelligence Service and Web-Based, Credit-Checking Provider.

Sandmartin International is a company that is said to be engaged in the manufacture and trading in satellite television products and other electronic goods, according to Paragraph One of the Statement of Claim, attached to Writ of Summons, Number 3241 of 2016.

Paragraph Three of the Statement of Claim alleges that, on or about December 8, 2015, Sandmartin International was '*in financial need for business development.*'

As such, Mr Eric Hung Tsung Chin, the Defendant, is alleged to have asked his purported friend, Mr Tang Wai Keung, '*to lend (to) Sandmartin a bridge loan in the sum of HK\$30,000,000 for a period of about 3 to 6 months.*'

Paragraph Four of the Statement of Claim goes on to allege that Mr Tang Wai Keung '*was financially unable to advance the said loan to the Defendant and/or Sandmartin.*'

That being the case, it is alleged that Mr Tang Wai Keung ‘introduced the Plaintiff who was willing to advance the said bridge loan to Sandmartin to the Defendant.’

Then, taking up the Statement of Claim from Paragraph Five, it is alleged:

- ‘5. On or about 11th December 2015, the Plaintiff and Sandmartin entered into a written loan agreements (sic) dated 11th December 2015 by which the Plaintiff agreed to lend HK\$30,000,000.00 to Sandmartin for 3 months at an interest rate of 1% per month (“the **Loan**”).
- ‘6. The Plaintiff duly deposited HK\$30,000,000.00 to Sandmartin’s company account (003-56410298440) by way of transfer on 11th December 2015.
- ‘7. On or about January 2016, Sandmartin has repaid partial of the Loan being HK\$6,000,000.00 and 3 months advanced interest of the Load (sic) being HK\$900,000.00, altogether amounting to HK\$6,900,000.00. The outstanding amount of the Loan amount to HK\$24,000,000.00.
- ‘8. Thereafter, Mr. Tang phoned the Plaintiff and said that he was in meeting with the Defendant, the Defendant proposed to the Plaintiff the followings through the phone:-
 - (a) to convert the Loan into Sandmartin’s shares equivalent to the value of HK\$24,000,000.00 to be held by the Plaintiff (“the **Converted Shares**”);
 - (b) the conversion price of the Converted Shares was fixed at HK\$0.50 per shares;
 - (c) The Converted Shares could not be sold on or before 30th April 2016;
 - (d) If the Converted Shares have not been sold by the Plaintiff during the period from 1st May 2016 to 31st July 2016, the Defendant should purchase the Converted Shares from the Plaintiff on 31st July 2016 at the price of HK\$0.50 per share.
- ‘9. The Plaintiff agreed to the terms as proposed by the Defendant. The Plaintiff and the Defendant thus entered into an oral agreement thereafter with the terms and conditions as pleaded in paragraph 7 herein (“the **Oral Agreement**”).
- ‘10. On ... [CLICK TO ORDER FULL ARTICLE](#)

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