

**TWO PUBLICLY LISTED COMPANIES HANG OUT
THEIR DIRTY LAUNDRY FOR ALL TO SEE**

Two publicly listed companies, both being listed on the premier equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), seem, today, to desire that the HKSAR High Court makes a determination in the matter of a claim in the amount of \$US37,383,975 (about \$HK291.60 million).

The two publicly listed companies are:

- Orange Sky Golden Harvest Entertainment (Holdings) Ltd ([]) (Code: 1132, Main Board, The Stock Exchange of Hongkong Ltd); and,

- Nan Hai Corporation Ltd () (Code: 680, Main Board, The Stock Exchange of Hongkong Ltd).

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Nan Hai Corporation Ltd () (Code: 680, Main Board, The Stock Exchange of Hongkong Ltd).

Writ of Summons, Number 2072 of 2018, Statement of Claim attached, was lodged in the HKSAR High Court on September 4, 2018, Giant Harvest Ltd (), the Plaintiff, suing the following two corporate entities:

Nan Hai Corporation Ltd

First Defendant

True Vision Ltd ()

Second Defendant

Giant Harvest Ltd is, according to the Statement of Claim, a company, incorporated in the HKSAR, being an indirect, wholly owned subsidiary of publicly listed Orange Sky Golden Harvest Entertainment (Holdings) Ltd (referred to in the Writ of Summons as '**OSGH**').

Giant Harvest Ltd, also, is said to have been the beneficial owner of the entire Issued and Fully Paid-Up Share Capital of City Entertainment Corporation Ltd (), a company, incorporated in the HKSAR. City Entertainment Corporation Ltd is referred to in the Statement of Claim as '**Company**'.

With regard to the two Defendants, the Second Defendant, a company, having been incorporated in the HKSAR, is an indirect, wholly owned subsidiary of the First Defendant.

The gist of the disagreement between the feuding corporate entities goes back to January 25, 2017, when a purported Agreement for the Sale and Purchase of Shares (the '**SPA**') was entered into between Giant Harvest Ltd, OSGH and the First and Second Defendants.

On that date, the **Company** held 92.59 percent of the total equity of Orange Sky Golden Harvest Cinemas (China) Company Ltd ([]) (referred to in the Statement of Claim as '**Orange China**'), the remaining 7.41 percent of the Issued Share Capital of the **Company**, being held by a limited partnership, established in the PRC.

Orange China, along with its 69 subsidiaries and associated companies (referred to as '**Orange China Group**'), all having been incorporated in the PRC, operates 76 movie theatres in the country, according to Paragraphs 2. 2.1 and 2. 2.2 of the Statement of Claim.

At Paragraph 13 of the Statement of Claim, it is alleged that the SPA '*was completed*' on July 28, 2017.

As such, the Plaintiff is said to have transferred all the shares in the '**Company**' – City Entertainment Corporation Ltd – to the Second Defendant '*and handed over the control and management of the Orange China Group to the 2nd Defendant*'.

On the same day, the Second Defendant deposited the sum of \$US44,528,223.47 (equivalent to 300 million renminbi) '*with the Escrow Agent pursuant to the Escrow Agreement and the SPA*'.

The Escrow Agent is ... [CLICK TO ORDER FULL ARTICLE](#)

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