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Sandmartin International Holdings Limited
聖馬丁國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 482)

APPLICATIONS FOR THE RIGHTS SHARES
AND
NUMBER OF UNSUBSCRIBED RIGHTS SHARES
SUBJECT TO THE COMPENSATORY ARRANGEMENT PURSUANT
TO THE RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE
FOR EVERY TWO (2) ADJUSTED SHARES HELD ON RECORD DATE
ON A NON-UNDERWRITTEN BASIS

Financial advisor to the Company



禹銘投資管理有限公司
YU MING INVESTMENT MANAGEMENT LIMITED

Placing Agent



萬基證券有限公司
MORTON SECURITIES LIMITED

Reference is made to the prospectus of Sandmartin International Holdings Limited (the “**Company**”) dated 24 June 2021 (the “**Prospectus**”) in relation to the Rights Issue. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as defined in the Prospectus.

APPLICATIONS FOR THE RIGHTS SHARES

As at 4:00 p.m. on Friday, 9 July 2021, being the Latest Time for Acceptance, the Company had received 5 valid acceptances for a total of 91,272,508 Rights Shares provisionally allotted under the Rights Issue (representing approximately 55.6% of the total number of 164,053,830 Rights Shares offered under the Rights Issue).

The remaining 72,781,322 Unsubscribed Rights Shares, representing approximately 44.4% of the total number of Rights Shares offered under the Rights Issue, will be subject to the Compensatory Arrangement.

THE COMPENSATORY ARRANGEMENT

Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company has made arrangement to dispose of the 72,781,322 Unsubscribed Rights Shares by offering such Unsubscribed Rights Shares to independent places for the benefit of the No Action Shareholders.

On 28 April 2021, the Company entered into the Placing Agreement with the Placing Agent, pursuant to which, during the Placing Period, the Placing Agent shall place the Unsubscribed Rights Shares to independent places on a best effort basis, and any premium over the Subscription Price (after deduction of a proportionate share of the placing commission) for those Rights Shares that is realised will be paid to those No Action Shareholders on a pro-rata basis. The Placing Agent will, on a best effort basis, procure, between Tuesday, 13 July 2021 and by not later than Friday, 16 July 2021, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares.

The placing price of the Unsubscribed Rights Shares shall not be less than the Subscription Price. Any Unsubscribed Rights Shares which are not placed under the Compensatory Arrangement will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) to the No Action Shareholders as set out below on pro rata basis (but rounded down to the nearest cent):

- (a) the relevant Qualifying Shareholders (or such persons who held any nil-paid rights at the time such nil-paid rights were lapsed) whose nil-paid rights were not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights were not validly applied for; and
- (b) the relevant Non-Qualifying Shareholders with reference to their shareholdings in the Company on the Record Date.

If and to the extent in respect of any Net Gain, any No Action Shareholders become entitled on the basis described above to an amount of HK\$100 or more, such amount will be paid to the relevant No Action Shareholder(s) in Hong Kong dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit.

An announcement of the results of the Rights Issue (including the results of the placing of the Unsubscribed Rights Shares) is expected to be published on the websites of the Stock Exchange and of the Company respectively on Tuesday, 20 July 2021.

WARNING OF THE RISKS OF DEALING IN THE SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon the satisfaction of the conditions as set out under the section headed “Conditions of the Rights Issue” in the “Letter from the Board” in the Prospectus including, among others, not less than 150,000,000 Rights Shares being issued under Rights Issue and/or the Compensatory Arrangement. Accordingly, the Rights Issue may or may not proceed.

Any Shareholder or other person dealing in the Shares up to the date on which all the conditions to which the Rights Issue are fulfilled, will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

By order of the board
Sandmartin International Holdings Limited
Lau Yau Cheung
Chairman

Hong Kong, 12 July 2021

As at the date of this announcement, the directors of the Company are:

Executive Directors

Mr. Hung Tsung Chin and Mr. Chen Wei Chun

Non-Executive Director

Mr. Kuo Jen Hao

Independent Non-Executive Directors

Mr. Lau Yau Cheung (*Chairman*), Mr. Li Chak Hung and Mr. Wu Chia Ming

* *For identification purposes only*