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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)

**RESULTS OF THE RIGHTS ISSUE
ON THE BASIS OF THREE (3) RIGHTS SHARES
FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE**

Financial adviser to the Company



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

Reference is made to the prospectus of Sandmartin International Holdings Limited (the “**Company**”) dated 5 June 2023 (the “**Prospectus**”) in relation to the Rights Issue and the announcement of the Company dated 21 June 2023 in relation to, among others, the number of Unsubscribed Rights Shares subject to the Compensatory Arrangements. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE, THE COMPENSATORY ARRANGEMENTS AND THE UNDERWRITING AGREEMENT

The Board is pleased to announce that as all the conditions set out in the Placing Agreement and the Underwriting Agreement had respectively been fulfilled, and the Placing Agreement and the Underwriting Agreement were not terminated by the Placing Agent and the Underwriter respectively, the Rights Issue became unconditional on Wednesday, 28 June 2023.

* For identification purpose only

The total number of Rights Shares offered under the Rights Issue is 738,242,235 (the “**Offered Shares**”). As at 4:00 p.m. on Monday, 19 June 2023, being the Latest Time for Acceptance, a total of 5 valid applications had been received for a total of 431,747,952 Rights Shares, representing approximately 58.48% of the Offered Shares. Pursuant to the Irrevocable Undertaking, First Steamship and Grand Citi had respectively subscribed for 187,425,000 and 26,518,353 Rights Shares provisionally allotted to them. The remaining 306,494,283 Unsubscribed Rights Shares, representing approximately 41.52% of the Offered Shares, were subject to the Compensatory Arrangements.

As at 4:00 p.m. on Wednesday, 28 June 2023, being the latest time of placing of the Unsubscribed Rights Shares, 145,000,000 Unsubscribed Rights Shares had been successfully placed to two Placees at the price of HK\$0.12 per Share as follows:

Name of Placee	Number of Unsubscribed Rights Shares placed
Chen Ming-Jieh	120,000,000
Lin Chien-Ming	25,000,000

Each of the Placees above (i) is an Independent Third Party and not acting in concert with First Steamship and parties acting in concert with it (including Grand Citi); and (ii) has not become a substantial shareholder of the Company (as defined under the Listing Rules) upon completion of the Rights Issue.

Since the placing price of the Unsubscribed Rights Shares is equal to the Subscription Price, there is no Net Gain available to be distributed to the No Action Shareholders under the Compensatory Arrangements.

As a result of the under-subscription of the Rights Shares and the Placing, there are a total of 161,494,283 Untaken Rights Shares. First Steamship has taken up all the 161,494,283 Untaken Rights Shares in accordance with the terms of the Underwriting Agreement. Based on the 161,494,283 Untaken Rights Shares taken up by First Steamship as the Underwriter, together with the 187,425,000 and 26,518,353 Right Shares provisionally allotted to, and subscribed by First Steamship and Grand Citi respectively, the aggregate number of Shares held by First Steamship and the parties acting in concert with it (including Grand Citi) are 518,066,538 Shares, representing approximately 42.11% of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue.

The gross proceeds raised from the Rights Issue are approximately HK\$88.6 million and the net proceeds from the Rights Issue after deducting the relevant expenses are approximately HK\$84.59 million. As disclosed in the Prospectus, the Company intends to apply the net proceeds from the Rights Issue as to approximately (i) HK\$73.61 million or 87% for repayment of part of the Loan (including principal amount of US\$7.5 million (equivalent to approximately HK\$58.88 million and representing about 30% of the outstanding principal amount of the Loan) and accrued interest of approximately HK\$14.73 million); and (ii) HK\$10.98 million or 13% for the general working capital of the Group (including approximately HK\$5.49 million for the working capital of the production plant in Zhongshan and HK\$5.49 million for administration and operation expenses of the headquarters in Hong Kong).

EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structures of the Company immediately before and after completion of the Rights Issue (the “**Completion**”):

	Immediately before Completion		Immediately after Completion	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
First Steamship	124,950,000	25.39%	473,869,283	38.52%
Grand Citi	17,678,902	3.59%	44,197,255	3.59%
First Steamship and parties acting in concert with it	142,628,902	28.98%	518,066,538	42.11%
Metroasset Investments Limited (<i>Note 1</i>)	70,718,859	14.37%	140,000,000	11.38%
Legacy Trust Company Limited (<i>Note 2</i>)	76,520,000	15.55%	187,118,394	15.21%
Placees (<i>Note 3</i>)	–	–	145,000,000	11.78%
The Lender and its associates (<i>Note 4</i>)	24,000,000	4.88%	24,000,000	1.95%
Other public Shareholders	178,293,729	36.22%	216,218,793	17.57%
<i>Public Shareholders</i>	<i>202,293,729</i>	<i>41.10%</i>	<i>385,218,793</i>	<i>31.30%</i>
Total	492,161,490	100.00%	1,230,403,725	100.00%

Notes:

1. These Shares are held by Metroasset Investments Limited, 45.09%, 43.38% and 10.53% of the issued share capital of which are beneficially owned by Mr. Hung (an executive Director), Ms. Chen Mei Huei (spouse of Mr. Hung) and Mr. Hung Chih Chun (son of Mr. Hung) respectively.
2. These Shares are held by Legacy Trust Company Limited, which is wholly owned by Mr. Vincent Chok, an Independent Third Party (save for his capacity of being a substantial shareholding of the Company) and not acting in concert with First Steamship.
3. Each of the Placees holds less than 10% of the enlarged issued share capital of the Company upon Completion and is a public Shareholder.
4. These Shares are held by Universal Way Limited, an indirectly wholly-owned subsidiary of Allied Group Limited (the shares of which are listed on the Mainboard of the Stock Exchange (stock code: 373)) which in turn wholly owns the Lender.
5. Certain figures and percentage included in the above table have been subject to rounding adjustments.

DESPATCH OF SHARE CERTIFICATES

The share certificates for the fully-paid Rights Shares are expected to be posted by Wednesday, 5 July 2023 to those entitled thereto by ordinary post at their own risks.

COMMENCEMENT OF DEALINGS IN THE RIGHTS SHARES

Dealings in the fully-paid Rights Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Thursday, 6 July 2023.

By order of the Board
SANDMARTIN INTERNATIONAL HOLDINGS LIMITED
Kuo Jen Hao
Chairman

Hong Kong, 4 July 2023

As at the date of this announcement, the Board comprises Mr. Hung Tsung Chin and Mr. Chen Wei Chun as executive Directors, Mr. Kuo Jen Hao as non-executive Director and Mr. Wu Chia Ming, Ms. Chen Wei-Hui and Mr. Lu Ming-Shiuan as independent non-executive Directors. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.