

IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION



CAUSE NO. FSD 129 OF 2018 ()

IN THE MATTER of Union Asia Enterprise Holdings Limited 萬亞企業控股有限公司

AND IN THE MATTER of the Companies Law (2018 Revision)

AND IN THE MATTER of the Grand Court Rules 1995 Order 102



PETITION



TO: THE GRAND COURT OF THE CAYMAN ISLANDS

THE HUMBLE PETITION OF Union Asia Enterprise Holdings Limited of P.O. Box 309, Uglund House, Grand Cayman, KY-11104, Cayman Islands (the "Company") shows the following:

1. The object of this Petition is to seek the sanction of the Court pursuant to section 86 of the Companies Law (2018 Revision) to a proposed Scheme of Arrangement (the "Scheme") between the Company and its Creditors (as defined in the Scheme).
2. A copy of the Scheme is annexed hereto as Schedule "A".
3. Capitalised terms in this Petition are references to the terms as defined in the Scheme.
4. The Company is proposing an identical scheme of arrangement pursuant to sections 670, 673 and 674 of the Companies Ordinance 2. (Cap 622) of the laws of Hong Kong (together with the Scheme, the "Schemes").

5. The essential elements of the Schemes can be summarised as follows:

- (1) All Creditors will be bound by the Schemes;
- (2) Upon the Schemes becoming effective, all claims against the Company as of the Effective Date (including but not limited to liabilities under guarantee or indemnity given by the Company, after set-off in respect of mutual debts) will be discharged and released in full as against the Company on the Effective Date.
- (3) Save for their entitlement to receive Dividends declared from the Creditors Schemes Consideration in accordance with the terms of the Schemes, the Creditors shall have no other rights of recourse against the Company;
- (4) All Creditors are invited to file their notices of claim, which may be examined by the Scheme Administrators, and will be either admitted (in whole or in part) or rejected by the Scheme Administrators;
- (5) Any Creditor who is dissatisfied with the decision of the Scheme Administrators in respect of their Claim are entitled to refer such matter to the Adjudicator, acting as an expert and not as an arbitrator, for determination in accordance with Clause 5 of the Schemes. Such determination made by the Adjudicator shall be final, conclusive and binding upon the Scheme Administrators and the Creditor and no further appeal could be made to any court or tribunal;
- (6) The Schemes will be terminated, if the Resumption does not occur or, after the Scheme Administrators are satisfied that all Dividends have been distributed to the Creditors as appropriate or that the continuation of the Schemes is no longer beneficial to the general body of the Creditors, in accordance with the terms of the Schemes.

The Company

6. The Company is an investment holding company of a group of subsidiaries (the "Group") whose business included (i) trading of beverages, (ii) trading of metals, (iii) trading of household products, (iv) trading of nephrite, (v) vessel leasing, (vi) investment and trading of listed securities, (vii) trading of coals, (viii) trading of bunker fuels and (ix) exploitation of mineral resources.
7. The Company was incorporated on 17 October 2001 as an exempted company with limited liability with registration number CR-113514. Its registered office is situated at P.O. Box 309, Uglund House, Grand Cayman, KY-11104, Cayman Islands. Its principal place of business in Hong Kong is situated at Flat A, 29/F, CKK Commercial Centre, 289-295 Hennessy Road, Wanchai, Hong Kong.
8. The objects for which the Company was established are unrestricted as set forth in the Memorandum of Association of the Company.
9. The shares of the Company have been listed for trading on the Growth Enterprise Market Board (the "GEM Board") of the Hong Kong Stock Exchange (the "HKEX") under stock code no. 8173 on 9 May 2002. Trading in the shares of the Company on the GEM Board of the HKEX has been suspended since 20 March 2017.
10. The Scheme, for which the Company's Board are seeking the approval of the Creditors at the Scheme Meeting, is an essential step for the successful resumption of the trading of shares of the Company and an essential part of the Resumption Proposal.

The current status of the Company

11. On 2 December 2016, the HKEX informed the Company that in its view the Company had failed to maintain sufficient operations and assets to warrant the continued listing status of its shares.
12. On 15 September 2017, the Company entered into the Restructuring Framework Agreement with the Investor and submitted the Resumption Proposal to the HKEX
13. On 30 October 2017, the Company the HKEX informed the Company that the HKEX would allow the Company to submit a new listing application based on the proposed restructuring of the Group pursuant to the Restructuring Framework Agreement.
14. Pursuant to the Restructuring Framework Agreement, the Company will carry out the Resumption Proposal involving:-
 - (i) Capital Reorganisation;
 - (ii) Creditors Schemes (including the Scheme);
 - (iii) Open Offer; and
 - (iv) Acquisition.
15. The Company submitted the new listing application to the HKEX on 29 June 2018.

Reasons for the Scheme

16. The Board considers that if the Schemes cannot be implemented, it is inevitable that the Company will be placed into liquidation and the Company's shares will

be delisted by the HKEX. All these would result in a significantly lower return to the creditors of the Company.

17. On the other hand, under the Schemes, a Dividend will be made to the Creditors in an amount calculated in accordance with the Schemes.
18. The Board expects that the Creditors will vote in favor of the Schemes and as at 13 July 2018, known creditors of the Company representing approximately 78% of the total Claims have confirmed their support for the proposed Schemes.
19. The Company intends to make an application for directions herein for an order that, among other things:
 - a. the Company be at liberty to convene a meeting of the Creditors (the "Court Meeting") for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme;
 - b. directions as to the mode of delivery of an explanatory statement, notice of claim form for voting purpose and proxy form to the Creditors; and,
 - c. the appointment of a chairman of the Court Meeting and for the conduct of the Court Meeting generally.
20. The resolution intended to be considered at the Court Meeting (with such amendments as may be approved at the Court Meeting) is:

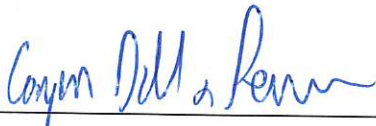
"THAT this scheme of arrangement (the "Scheme of Arrangement") dated [●] 2018 between the Company and its Creditors (as defined in the Scheme of Arrangement) in the form of the print thereof which has been produced to the meeting and, for the purpose of identification signed by the chairman of the meeting, or in such other form and on such terms and conditions as may be approved or imposed by the Grand Court of the Cayman Islands, be and is hereby approved."

YOUR PETITIONER, THE COMPANY, THEREFORE HUMBLY PRAYS:

- (1) That the Scheme be sanctioned by the Court so as to be binding on the Company and the Creditors.
- (2) That, to this end, all necessary inquiries may be made and directions may be made and given.
- (3) Such further or other relief as the Court shall see fit.

And your Petitioner will ever pray etc.

Dated this 18th of July 2018



Conyers Dill & Pearman
Attorneys-at-Law for the Petitioner herein

TO: The Clerk of the Grand Court

Time estimate: One hour

NOTE: It is intended to serve this Petition on Union Asia Enterprise Holdings Limited at its address for service at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

Notice of Hearing

This Petition, having been presented to the Court on the . . . day of July 2018, will be heard at the Law Courts, George Town, Grand Cayman on the 18 day of October 2018 at . . . a.m. or as soon thereafter as the Petition can be heard.
9:30

This Petition is presented by Conyers Dill & Pearman, for and on behalf of the Petitioner, whose address for service is that of its Attorneys, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.