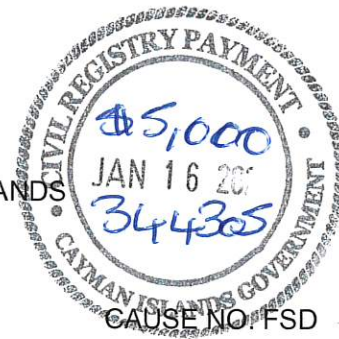


IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION



CAUSE NO. FSD 7 OF 2020

IN THE MATTER OF CHINA BILLION RESOURCES LIMITED 中富資源有限公司

AND IN THE MATTER OF THE COMPANIES LAW (2018 REVISION)

AND THE GRAND COURT RULES 1995 ORDER 102



PETITION



TO: The Grand Court of the Cayman Islands

THE PETITION of China Billion Resources Limited 中富資源有限公司 shows as follows:

1. The object of this Petition is to seek an Order of the Court pursuant to section 15 of the Companies Law (Revised) (the "Companies Law") confirming a reduction of the share capital of the Petitioner, China Billion Resources Limited 中富資源有限公司 (the "Company").
2. The Company was incorporated on 25 September, 2000 with the name Global Green Tech Group Limited under the Companies Law as an exempted company with registration number CR-104359. On 19 August, 2011, the name of the Company was changed to "China Billion Resources Limited 中富資源有限公司".
3. The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
4. At the date of incorporation of the Company, its authorised share capital was HK\$380,000 divided into 3,800,000 shares with a nominal or par value of HK\$0.10 each (the "Shares"). Since the incorporation of the Company, the Company has undergone various reorganisations of its authorised and issued share capital through share consolidation and increase of authorised share capital. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since December, 2000.

5. As at the date of this Petition, the authorised share capital of the Company is HK\$250,000,000 divided into 25,000,000,000 shares with a nominal or par value of HK\$0.01 each and its issued share capital is HK\$210,484,861.79 divided into 21,048,486,179 shares with a nominal or par value of HK\$0.01 each which have been fully paid-up or credited as fully paid-up.
6. The objects for which the Company was established are unrestricted.
7. The Articles of Association of the Company provide, inter alia, as follows:

Article 4 The Company may from time to time by ordinary resolution in accordance with the Law alter the conditions of its Memorandum of Association to:

- (a) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;
- (b) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;
- (c) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine provided always that where the Company issues shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting";
- (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the Law), and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the

shares may have any such preferred, deferred or other rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;

- (e) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled or, in the case of shares, without par value, diminish the number of shares into which its capital is divided.

Article 6 The Company may from time to time by special resolution, subject to any confirmation or consent required by the Law, reduce its share capital or any share premium account or any capital redemption reserve or other undistributable reserve in any manner permitted by law.

- 8. At an extraordinary general meeting of the Company held on 30 December, 2019 (the "Extraordinary General Meeting") by a special resolution of the Company in accordance with section 14(1) of the Companies Law (the "Special Resolution"), it was resolved:

SPECIAL RESOLUTION

- 1. **"THAT** subject to and conditional upon (inter alia) (i) the approval of the Reduction of Issued Capital (as defined below) by the Grand Court of the Cayman Islands ("**Cayman Court**"); (ii) the registration of the order of the Cayman Court confirming the Reduction of Issued Capital and the minute approved by the Cayman Court relating to the Reduction of Issued Capital (as required under the Companies Law of the Cayman Islands ("**Companies Law**")); (iii) compliance with any conditions or directions as may be imposed by the Cayman Court; and (iv) the Listing Committee of the Stock Exchange of Hong Kong Limited granting approval for the listing of, and permission to deal in, the Adjusted Shares (as defined below) in issue immediately upon the Capital Reorganisation (as defined below) becoming effective:

- (a) every twenty (20) issued and unissued shares of HK\$0.01 each in the share capital of the Company be consolidated (the “**Share Consolidation**”, together with the Capital Reduction (as defined below), the “**Capital Reorganisation**”) into one (1) share of HK\$0.20 each (each a “**Consolidated Share**”);
- (b) subject to and forthwith upon the Share Consolidation becoming effective, the par value of each issued Consolidated Share be reduced from HK\$0.20 to HK\$0.01 by the cancellation of HK\$0.19 of the paid-up capital on each issued Consolidated Share (the “**Reduction of Issued Capital**”) so that each issued Consolidated Share will be treated as one fully paid-up share of par value of HK\$0.01 each in the share capital of the Company (the “**Adjusted Shares**”);
- (c) the credit arising from the Reduction of Issued Capital and the entire amount standing to the credit of the share premium account of the Company, which amounted to approximately HK\$488,361,000 as at 30 June 2019, be applied to set off against the accumulated deficit of the Company and the directors of the Company (the “**Directors**”) be authorised to apply any such credit remaining in any manner as permitted by the Companies Law, the articles of association of the Company and other applicable laws at such time as they may think fit (the “**Share Premium Reduction**”);
- (d) immediately following the Reduction of Issued Capital, each of the authorised but unissued Consolidated Shares of HK\$0.20 each be subdivided into twenty (20) Adjusted Shares of par value of HK\$0.01 each (the “**Share Subdivision**”, together with the Reduction of Issued Capital and Share Premium Reduction, the “**Capital Reduction**”) so that immediately following the Capital Reduction, the authorised share capital of the Company shall become HK\$250,000,000 divided into 25,000,000,000 Adjusted Shares;
- (e) the Adjusted Shares shall rank *pari passu* in all respects with each other and have such rights and subject to such restrictions as set out in the

memorandum of association and articles of association of the Company;
and

- (f) the Directors be and are hereby authorised to do all such acts, deeds and things and to sign all such documents, including under seal where applicable, which they may, in their absolute discretion, deem necessary, desirable, appropriate or expedient to give effect and implement any of the foregoing and to aggregate all fractional Adjusted Shares (which shall not be issued) and sell them for the benefit of the Company.”

9. The number of votes cast by the members of the Company present and voting in person or by corporate authorised representatives or by proxy at the Extraordinary General Meeting is as set out in the table below:

	Present & Voting	For	Against
How Present	Number of shares voted	Number of shares voted	Number of shares voted
In person/by corporate representatives	127,270 shares	94,220 shares	33,050 shares
By proxy	12,154,391,367 shares	12,153,986,367 shares	405,000 shares
Total	12,154,518,637 shares	12,154,080,587 shares	438,050 shares

10. The proposed Reduction of Issued Capital does not involve either the diminution of any liability in respect of unpaid capital and the Company does not have any intention to make payment to any member of any paid-up capital. Save for the application of the credit arising from the Reduction of Issued Capital towards offsetting the accumulated deficit of the Company, the Reduction of Issued Capital will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests of the members.
11. The form of Minute proposed to be registered is as follows:

“The issued share capital of China Billion Resources Limited 中富資源有限公司 (the “Company”) was by virtue of a Special Resolution passed on 30 December, 2019

and with the sanction of an Order of the Grand Court of the Cayman Islands dated [●], 2020, reduced from HK\$0.20 per each issued share to HK\$0.01 per each issued share (the "Reduction of Issued Capital"). Immediately following the Reduction of Issued Capital becoming effective, each authorised but unissued share of the Company shall be sub-divided into twenty (20) shares with par value of HK\$0.01 each. At the date of the registration of this Minute, the authorised share capital of the Company is HK\$250,000,000 divided into 25,000,000,000 shares of HK\$0.01 each."

Your Petitioner, the Company, therefore prays as follows:

- (1) That the Reduction of Issued Capital of the Company proposed to be effected by the Special Resolution set forth in paragraph 11 of this Petition may be confirmed and that the above-mentioned Minute may be approved by the Court.
- (2) That to this end, all necessary inquiries and directions may be made and given.
- (3) Such further and other order as this Honourable Court shall think fit.

Dated this 20th day of January 2020



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

NOTE: It is intended to serve this Petition on China Billion Resources Limited 中富資源有限公司, at its registered office located at the office of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

This Petition was filed by Conyers Dill & Pearman, Attorneys-at-Law for and on behalf of the Petitioner herein whose address for service is that of its Attorneys, SIX, Cricket Square, 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 _____ 2020 will be heard at the Law Courts, George Town, Grand Cayman on the _____ day of _____ 2020 at _____ am/pm or as soon thereafter as the Petition can be heard.