

IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

CAUSE NO. FSD ⁴⁵ OF 2020

IN THE MATTER OF WEALTH GLORY HOLDINGS LIMITED 富譽控股有限公司

AND IN THE MATTER OF THE COMPANIES LAW (2020 Revision)

AND THE GRAND COURT RULES 1995 ORDER 102



PETITION



TO: The Grand Court of the Cayman Islands

THE PETITION of Wealth Glory Holdings Limited 富譽控股有限公司 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 (2020 Revision) (the "Companies Law") confirming a reduction of the share capital of your Petitioner Wealth Glory Holdings Limited 富譽控股有限公司 (the "Company").
2. The Company was incorporated under the Companies Law on 25 June 2010 with the name "Wealth Glory Holdings Limited 富譽控股有限公司" and registered in the Cayman Islands as an exempted company with registration number CT-242412. The Company is an investment holding company principal engaged in the trading of natural resources and commodities; money lending business; development and promotion of brands, design, manufacture and sale of trendy fashion merchandises and other consumer products; and investment in securities.
3. The registered office of the Company is situated at the offices of Conyers Trust

Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

4. Upon the date of incorporation of the Company, its authorised share capital was HK\$380,000 divided into 38,000,000 shares of a nominal or par value of HK\$0.01 each.
5. On 22 September 2010, an ordinary resolution was passed by the shareholders of the Company increasing the authorised share capital by HK\$9,620,000 by the creation of 962,000,000 new shares with a par value of HK\$0.01 each. After such increase, the authorised share capital of the Company became HK\$10,000,000 divided into 1,000,000,000 shares of a nominal or par value of HK\$0.01 each.
6. On 3 August 2012, an ordinary resolution was passed by the shareholders of the Company increasing the authorised share capital by HK\$10,000,000 by the creation of 1,000,000,000 new shares with a par value of HK\$0.01 each. After such increase, the authorised share capital of the Company became HK\$20,000,000 divided into 2,000,000,000 shares of a nominal or par value of HK\$0.01 each.
7. On 3 September 2014, an ordinary resolution was passed by the shareholders of the Company increasing the authorised share capital by HK\$420,000,000 by the creation of 2,000,000,000 new shares with a par value of HK\$0.01 each. After such increase, the authorised share capital of the Company became HK\$40,000,000 divided into 4,000,000,000 shares of a nominal or par value of HK\$0.01 each.
8. On 7 August 2015, an ordinary resolution was passed by the shareholders of the Company increasing the authorised share capital by HK\$60,000,000 by the creation of 6,000,000,000 new shares with a par value of HK\$0.01 each. After such increase, the authorised share capital of the Company became HK\$100,000,000 divided into 10,000,000,000 shares of nominal or par value of HK\$0.01 each.
9. On 7 December 2016, an ordinary resolution was passed by the shareholders of the

Company to consolidate every six of the issued and unissued ordinary shares of HK\$0.01 par value each in the share capital of the Company into one share of HK\$0.06 par value each so that after the aforesaid consolidation, the authorised share capital of the Company became HK\$100,000,000 divided into 100,000,000/0.06 shares of nominal or par value of HK\$0.06 each.

10. On 4 October 2019 an ordinary resolution was passed by the shareholders of the Company to consolidate every four of the issued and unissued ordinary shares of HK\$0.06 par value each in the share capital of the Company into one share of HK\$0.24 par value each so that after the aforesaid consolidation, the authorised share capital of the Company became HK\$100,000,000 divided into 416,666,666 $\frac{2}{3}$ shares of a nominal or par value of HK\$0.24 each.
11. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 14 October 2014 under stock code number 8269. Over the years, the Company has allotted and issued various tranches of ordinary shares, being the only class of shares of the Company. As at the date of this Petition, the authorised share capital of the Company is HK\$100,000,000 divided into 416,666,666 $\frac{2}{3}$ ordinary shares of HK\$0.24 each and its issued share capital is HK\$49,304,160 divided into 205,434,000 ordinary shares of HK\$0.24 each.
12. The objects for which the Company was established are unrestricted.
13. The Articles of Association of the Company provide, *inter alia*, as follows:

Article 4 "The Company may from time to time by ordinary resolution:

- 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 Company's 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

capital redemption reserve or other undistributable reserve in any manner permitted by law.”

14. By a special resolution of the Company (the "Special Resolution") duly passed in accordance with section 14(1) of the Companies Law (2018 Revision) at an extraordinary general meeting held on 31 January, 2020 (the "Extraordinary General Meeting"), it was resolved:

“THAT subject to and conditional upon (i) the approval of the Capital Reduction (as defined below) by the Grand Court of the Cayman Islands (“Court”); (ii) the compliance with any conditions which the Court may impose in relation to the Capital Reduction (as defined below); (iii) the registration by the Registrar of Companies of the Cayman Islands of the order of the Court confirming the Capital Reduction (as defined below) and the minutes approved by the Court containing the particulars required under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands with respect to the Capital Reduction (as defined below); and (iv) The Stock Exchange of Hong Kong Limited (“Stock Exchange”) granting the listing of, and permission to deal in, the New Ordinary Shares (as defined below) arising from the Capital Reduction (as defined below) and the Share Sub-division (as defined below), with effect from the date on which the aforesaid conditions are fulfilled (“Effective Date”):

- (a) the issued and paid-up share capital of the Company be reduced (“Capital Reduction”) by reducing the par value and each existing share HK\$0.24 of the Company (“Existing Ordinary Share”) in issue on the Effective Date from HK\$0.24 each to HK\$0.024 each by cancelling the paid-up capital to the extent of HK\$0.216 on each Existing Ordinary Share in issue on the Effective Date so that following the Capital Reduction each such issued Existing Ordinary Share with a par value of HK\$0.24 shall be treated as one fully paid-up share with a par value of HK\$0.024 (“New Ordinary Shares”) in the share capital of the Company and any liability of the holders of such shares to make any further contribution to the capital of the Company on each such share shall be treated as satisfied and that the amount of issued capital thereby cancelled be made available for issue

of new shares of the Company;

- (b) immediately following the Capital Reduction becoming effective, each of the then authorised but unissued Existing Ordinary Shares with a par value of HK\$0.24 be subdivided into 10 unissued New Ordinary Shares with a par value of HK\$0.024 each in the share capital of the Company ("Sub-division");
- (c) the credits arising from the Capital Reduction shall be applied towards offsetting the accumulated deficit of the Company as at the Effective Date and the balance (if any) will be transferred to a distributable reserve account of the Company which may be utilised by the directors of the Company ("Directors") as a distributable reserve in accordance with the articles of association of the Company and all applicable laws and rules (including the Rules Governing the Listing of Securities on GEM ("GEM Listing Rules")) including, without limitation, eliminating or setting off the accumulated deficits of the Company which may arise from time to time and/or paying dividend and/or making any other distribution out of such account from time to time and all actions in relation thereto be approved, ratified and confirmed;
- (d) each of the New Ordinary Shares arising from the Capital Reduction and Sub-division shall rank pari passu in all respects with each other and have rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company; and
- (e) the Directors be and are hereby authorised to do all such acts and things and execute all such documents, which are ancillary to the Capital Reduction and the Sub-division and of administrative nature, on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to the Capital Reduction and the Sub-division."

Each of the capitalised terms referred to in the Special Resolution above is defined in

the information circular exhibited to the affirmation of Tse Sing Yu ("TSY-5").

15. The number of members of the Company present and voting in person or by corporate 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	1 member	1 share	Nil
By proxy	7 members	56,266,255 shares	8,217,500 shares
Total	8 members	56,266,256 shares	8,217,500 shares

The Special Resolution was presented to the meeting and voted on by way of a poll. The members present and voting in person or by corporate representative or by proxy, representing not less than three-fourths of the votes cast, voted to approve the Special Resolution and the chairman of the Extraordinary General Meeting declared the resolution passed in accordance with the Articles of Association of the Company.

16. The credit arising from the Capital Reduction will be used to offset the accumulated deficit of the Company and the remaining balance (if any) will be transferred to the distributable reserve of the Company. The Capital Reduction and Share Sub-division will also reduce the par value of the shares of the Company. Therefore, the directors take

the view that the Capital Reduction will give greater flexibility to the Company to declare dividends, undertake any corporate exercise which requires the use of credits in the distributable reserve of the Company and to raise new funds by issuing new shares of the Company. The Company intends to conduct further fund raising exercises to improve the financial position of the Company in the coming 12 months should the opportunities arise. However, as at present, the Company has no agreement, arrangement, understanding or negotiation with any parties for any potential fund raising activities.

17. The proposed Capital Reduction does not involve either the diminution of any liability in respect of unpaid capital and the Company has no intention to make any payment of paid up capital to any shareholder. Furthermore, the proposed Capital Reduction will not alter the underlying assets, business operations, management or financial position of the Company nor will it affect the proportionate interests of the shareholders of the Company.

18. The form of Minute proposed to be registered is as follows:

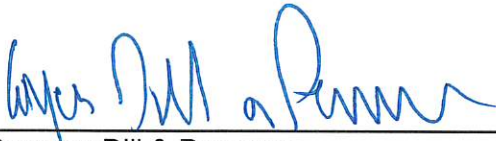
"The issued share capital of Wealth Glory Holdings Limited (富譽控股有限公司) was by virtue of a Special Resolution passed on 31 January, 2020 and with the sanction of an Order of the Grand Court of the Cayman Islands dated [], 2020, reduced by a cancellation of capital paid up or credited as paid up to the extent of HK\$0.216 on each issued share of the Company from HK\$0.24 to HK\$0.024 each (the "Capital Reduction"). At the date of the registration of this Minute, the authorised share capital of the Company is HK\$100,000,000 divided into 4,166,666,666 2/3 shares of HK\$0.024 each"

Your Petitioner, the Company, therefore prays as follows:

(1) That the Capital Reduction of the Company proposed to be effected by the Special Resolution set forth in paragraph 14 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 ^{10th} day of March 2020



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

NOTE: It is intended to serve this Petition on Wealth Glory Holdings Limited 富譽控股有限公司, at its registered office located at the offices 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, Second Floor, 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.