

IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD OF 2020

IN THE MATTER OF SAU SAN TONG HOLDINGS LIMITED
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 Sau San Tong Holdings Limited 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 the Petitioner, Sau San Tong Holdings Limited (the “Company”).
2. The Company was incorporated on 21 May 2002 under the Companies Law as an exempted company with registration number 117845.
3. The registered office of the Company is Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
4. As at the date of incorporation of the Company on 21 May 2002, its authorised share capital was HK\$500,000 divided into 5,000,000 shares of a nominal or par value of HK\$0.10 each.
5. By way of resolutions of the then shareholders of the Company passed on 4 November 2003, the authorised share capital of the Company was subdivided from 5,000,000 shares of a nominal or par value of HK\$0.10 each to 50,000,000 shares of a nominal or par value of HK\$0.01 each and then the authorised share capital of the Company was increased

from HK\$500,000 to HK\$15,000,000 divided into 1,500,000,000 shares of a nominal or par value of HK\$0.01 each.

6. By way of resolutions of the then shareholders of the Company passed on 31 August 2009, the authorised share capital of the Company was increased from HK\$15,000,000 to HK\$100,000,000 divided into 10,000,000,000 shares of a nominal or par value of HK\$0.01 each.
7. By way of resolutions of the then shareholders of the Company passed 11 February 2010, the authorised share capital of the Company was consolidated from 10,000,000,000 shares of a nominal or par value of HK\$0.01 each to 500,000,000 shares of a nominal or par value of HK\$0.20 each.
8. By way of resolutions of the then shareholders of the Company passed 18 August 2010 and with the sanction of an order of the Grand Court dated 29 October 2010, every 10 shares of a nominal or par value of HK\$0.20 each in the issued share capital of the Company was consolidated into 1 share of a nominal or par value of HK\$2.00 each in the issued share capital of the Company, the issued share capital of the Company was then reduced by cancelling the paid-up capital to the extent of HK\$1.99 on each of the issued shares of the Company such that the nominal or par value of each issued share of the Company was reduced from HK\$2.00 each to HK\$0.01 each and following the capital reduction the authorised share capital of the Company was increased to HK\$10,000,000 divided into 1,000,000,000 shares of a nominal or par value of HK\$0.01 each.
9. By way of resolutions of the then shareholders of the Company passed on 21 August 2014, the authorised share capital of the Company was increased from HK\$10,000,000 to HK\$20,000,000 divided into 2,000,000,000 shares of a nominal or par value of HK\$0.01 each.
10. By way of resolutions of the then shareholders of the Company passed on 18 August 2015, the authorised share capital of the Company was increased from HK\$20,000,000 to HK\$100,000,000 divided into 10,000,000,000 shares of a nominal or par value of HK\$0.01 each.
11. By way of resolutions of the then shareholders of the Company passed 22 September

2016, the authorised share capital of the Company was consolidated from 10,000,000,000 shares of a nominal or par value of HK\$0.01 each to 5,000,000,000 shares of a nominal or par value of HK\$0.02 each.

12. By way of resolutions of the then shareholders of the Company passed on 23 January 2017, the authorised share capital of the Company was increased from HK\$100,000,000 to HK\$400,000,000 divided into 20,000,000,000 shares of a nominal or par value of HK\$0.02 each.
13. By way of resolutions of the then shareholders of the Company passed 10 June 2019, the authorised share capital of the Company was consolidated from 20,000,000,000 shares of a nominal or par value of HK\$0.02 each to 2,500,000,000 shares of a nominal or par value of HK\$0.16 each.
14. By way of resolutions of the then shareholders of the Company passed 11 November 2020, the authorised share capital of the Company was consolidated from 2,500,000,000 shares of a nominal or par value of HK\$0.16 each to 250,000,000 shares of a nominal or par value of HK\$1.60 each (the “Share Consolidation”).
15. As at the date of this Affirmation, the authorised share capital of the Company is HK\$400,000,000 divided into 250,000,000 shares of a nominal or par value of HK\$1.60 each and its issued share capital is HK\$120,078,967.84 divided into 75,049,354.9 shares of a nominal or par value of HK\$1.60 each which have been fully paid-up or credited as fully paid-up.
16. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 19 November 2003 under stock code number 8200.
17. The objects for which the Company was established are unrestricted.
18. The Articles of Association of the Company provide, *inter alia*, as follows:
 - “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.”

19. In accordance with section 14(1) of the Companies Law and by way of special resolution of the shareholders of the Company at an extraordinary general meeting held of the Company held on 11 November 2020 (the “Special Resolution”), it was resolved:

“THAT subject to and conditional upon (i) the Share Consolidation becoming effective; (ii) approval from the Grand Court of the Cayman Islands (“Court”) of the Capital Reduction (as defined below); (iii) registration by the Registrar of Companies of Cayman Islands of the order of the Court confirming the Capital Reduction and the minute approved by the Court containing the particulars required under the Companies Law of the Cayman Islands in respect of the Capital Reduction (as defined below) and compliance with any conditions the Court may impose; (iv) compliance with the relevant procedures and requirements under the applicable laws of Cayman Islands and the Rules Governing the Listing of Securities on GEM of the Stock Exchange to effect the Capital Reduction (as defined below) and the Share Sub-division (as defined below); and (v) the GEM Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the New Shares (as defined below), with effect from the date on which these conditions are fulfilled:

- (a) the par value of each issued Consolidated Share of par value of HK\$1.60 each in the share capital of the Company be reduced to HK\$0.01 each (each a “New Share”) (the “Capital Reduction”) by cancelling the paid up capital to the extent of HK\$1.59 on each of the then issued Consolidated Shares;
- (b) the credit arising from the Capital Reduction be transferred to a distributable reserve account of the Company which may be utilized by Company as the board of directors of the Company may deem fit and permitted in accordance with the memorandum and articles of association of the Company and all applicable laws, including, without limitation, eliminating or setting off any accumulated losses of the Company from time to time;
- (c) immediately following the Capital Reduction, each of the authorised but unissued Consolidated Shares of par value HK\$1.60 each be sub-divided into one hundred and sixty (160) New Shares of par value of HK\$0.01 each (the “Share Sub-

division”);

- (d) immediately following the Capital Reduction and the Share Sub-division, the authorised share capital of the Company be changed from HK\$400,000,000 divided into 250,000,000 ordinary shares of par value of HK\$1.60 each to HK\$400,000,000 divided into 40,000,000,000 New Shares of par value of HK\$0.01 each;
 - (e) each of the New Shares arising from the Capital Reduction and the Share Subdivision shall rank *pari passu* in all respects with each other and shall have the rights and privileges and be subject to the restrictions as contained in the memorandum and articles of association of the Company; and
 - (f) any one or more of the directors of the Company be and is/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 he/they consider necessary, desirable or expedient to give effect to the foregoing arrangements for the Capital Reduction and the Sub-division and (where applicable) to aggregate all fractional New Shares and sell them for the benefits of the Company.”
20. The special resolution to approve and give effect to the Capital Reduction was duly passed by the shareholders of the Company at an extraordinary general meeting held on 11 November 2020, thus satisfying the requirements for passing a special resolution to approve the Capital Reduction under the Articles of Association of the Company and under the Companies Law.
21. 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 of the Company to its shareholders. Furthermore, the proposed Capital Reduction will not alter the underlying assets, business operations, management or

financial position of the Company.

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

“The issued share capital of Sau San Tong Holdings Limited (the “Company”) was by virtue of a Special Resolution passed on 11 November 2020 and with the sanction of an Order of the Grand Court of the Cayman Islands dated [] 2020, reduced from HK\$1.60 per each issued share to HK\$0.01 per each issued share (the “Capital Reduction”). Upon the Capital Reduction becoming effective, each authorised but unissued share of HK\$1.60 each shall be subdivided into one hundred and sixty unissued shares of HK\$0.01 each in the share capital of the Company. At the date of the registration of this Minute, the authorised share capital of the Company is HK\$400,000,000 divided into 40,000,000,000 shares of HK\$0.01 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 19 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 23rd day of November 2020



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

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, 2nd Floor, Cricket Square, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands

