



IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

CAUSE NO. FSD OF 2021 ()

IN THE MATTER OF THE COMPANIES ACT (2021 REVISION)

AND IN THE MATTER OF ZHAOHENG HYDROPOWER HOLDINGS LIMITED (IN VOLUNTARY LIQUIDATION)

PETITION FOR SUPERVISION ORDER

TO THE GRAND COURT

The humble petition of Edward Simon Middleton, Wing Sze Tiffany Wong of Alvarez & Marsal Asia Limited, Rooms 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong ("A&M HK") and Christopher Kennedy of Alvarez & Marsal Cayman Islands Limited, 2nd Floor, Flagship Building, 142 Seafarers Way, George Town, Grand Cayman, Cayman Islands ("A&M Cayman") as joint voluntary liquidators (the "JVLs" or the "Petitioners") of Zhaoheng Hydropower Holdings Limited (in Voluntary Liquidation) (the "Company"), shows that:

1. The Petitioners present this petition for a supervision order in respect of the Company pursuant to section 124 of the Companies Act (2021 Revision) (the "Act").
2. The Company was incorporated in the Cayman Islands on 13 May 2009 with registration number 226064. Its registered office is Alvarez & Marsal Cayman Islands Limited, 2nd Floor, Flagship Building, 70 Harbour Drive, George Town, Grand Cayman, KY1-1104, Cayman Islands.
3. The Company is an investment holding company. The JVLs' understanding is that the Company's major assets are its equity interest in its wholly owned

subsidiary, Zhaoheng Hydropower (Hong Kong) Limited (“Zhaoheng HK”), a company incorporated in The Hong Kong Special Administrative Region (“Hong Kong”) and an inter-company receivable due from Zhaoheng HK. Pursuant to an order of the High Court of Hong Kong dated 17 May 2021, Zhaoheng HK was placed into compulsory insolvent liquidation and joint and several provisional liquidators (“Zhaoheng HK JPLs”) were appointed. As one of the creditors of Zhaoheng HK, the Company filed a proof of debt with the Zhaoheng HK JPLs on 12 July 2021 with respect to the Company’s claim for an outstanding inter-company receivable in the total amount of RMB 2,319,829,654 (“Zhaoheng HK Debt”). However, as it is apparent that Zhaoheng HK is insolvent, the value of the Company’s equity interest in it is now assumed to be zero. In addition, the timing and quantum of any recovery from the Zhaoheng HK Debt is uncertain. Other than this, the Company has no business operation and it has no other source of income.

4. On 21 June 2021, the board of directors of the Company (the “Board”) met and considered, *inter alia*, whether the Company should be wound up voluntarily, given that the Company’s assets consist of its shares in, and debt due from, Zhaoheng HK, a company now in insolvent liquidation in Hong Kong. The Board determined that the insolvency of Zhaoheng HK in turn had implications for the Company’s solvency. Accordingly, the Board resolved that an extraordinary general meeting of the members be convened, for the purpose of deciding, *inter alia*, whether the Company should be wound up voluntarily pursuant to section 116(c) of the Act and, if so, whether that Edward Simon Middleton and Wing Sze Tiffany Wong of A&M HK and Christopher Kennedy of A&M Cayman should be appointed as the JVLs to the Company.
5. On 14 July 2021, the Company’s extraordinary general meeting of the members was convened. At this meeting, the members of the Company resolved by way of special resolution, *inter alia* that (1) the company be wound up voluntarily; and (2) Edward Simon Middleton and Wing Sze Tiffany Wong of A&M HK and

Christopher Kennedy of A&M Cayman, be appointed as the JVLs of the Company.

6. At the time of passing of the members' special resolution placing the Company into voluntary liquidation, the Company had seven directors, namely: (1) Mr Frederick Johnson Long; (2) Mr Chen Xiaohuan; (3) Mr Brock Louis Silvers; (4) Mr Edward Simon Middleton (5) Ms Wong Wing Sze Tiffany; (6) Mr Christopher Kennedy; and (7) Ms Yeung Mei Lee (the "Directors").
7. The JVLs did not receive, within 28 days of the commencement of the voluntary liquidation of the Company, a declaration of solvency, in the prescribed form signed by the Directors, or at all, pursuant to Order 14 of the Companies Winding Up Rules, 2018.
8. The JVLs are qualified insolvency practitioners and consent to their appointment as Joint Official Liquidators of the Company.

YOUR PETITIONERS THEREFORE HUMBLY PRAY THAT

1. The liquidation of the Company continue under the supervision of the Court.
2. Edward Simon Middleton and Wing Sze Tiffany Wong of Alvarez & Marsal Asia Limited, Rooms 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong and Christopher Kennedy of Alvarez & Marsal Cayman Islands Limited, 2nd Floor, Flagship Building, 142 Seafarers Way, George Town, Grand Cayman, Cayman Islands be appointed as Joint Official Liquidators (the "JOLs") of the Company.
3. The JOLs should not be required to give security for their appointment.
4. The JOLs shall have the power to act jointly and severally in their capacity as liquidators of the Company.

5. The JOLs be authorised to take any such action as may be necessary or desirable to obtain recognition of the JOLs and/or their appointment in any other relevant jurisdiction and to make applications to the courts of such jurisdictions for that purpose.
6. In addition to the powers prescribed in Part II of the Third Schedule to the Act which are exercisable without sanction of this Court, the JOLs may also without further sanction or intervention from this Court exercise the following powers set out in Part I of the Third Schedule to the Act:
 - i. The power to make any compromise or arrangement with creditors or persons claiming to be creditors or having or alleging themselves to have any claim (present or future, certain or contingent, ascertained or sounding only in damages) against the Company or for which the Company may be rendered liable;
 - ii. The power to compromise on such terms as may be agreed all debts and liabilities capable of resulting in debts, and all claims (present or future, certain or contingent, ascertained or sounding only in damages) subsisting, or supposed to subsist between the Company and a contributory or alleged contributory or other debtor or person apprehending liability to the Company; and for the avoidance of doubt the powers bestowed on the JOLs may be exercised by them within and outside of the Cayman Islands;
 - iii. The power to deal with all questions in any way relating to or affecting the assets or the winding up of the Company, to take any security for the discharge of any such call, debt, liability or claim and to give a complete discharge in respect of it;
 - iv. The power to sell any of the Company's property by public auction or private contract with power to transfer the whole of it to any person or to

- sell the same in parcels;
- v. The power to engage staff (whether or not as employees of the Company) to assist them in the performance of their functions; and
 - vi. The power to engage attorneys and other professionally qualified persons to assist them in the performance of their functions.
7. No disposition of the property of the Company by or with the authority of the JOLs in carrying out their duties and functions and the exercise of their power under any order granted pursuant to this Petition shall be voided by virtue of section 99 of the Act.
8. No suit, action or other proceeding may be proceeded with or commenced against the Company except with the leave of the Court and subject to such terms as the Court may impose.
9. The Petitioners; costs of this Petition shall be paid out of the assets of the Company as an expense of the liquidation.

AND your Petitioner will ever pray etc.

Dated this 19 day of August 2021



Conyers Dill & Pearman LLP

NOTE: This Petition is intended to be served on the Company.

This Petition is presented by Conyers Dill & Pearman LLP, Attorneys-at-Law, for and on behalf of the Petitioners whose address for service is Six, Cricket Square, Hutchins Drive, P.O. Box 2681, George Town, Grand Cayman KY1-1111, Cayman Islands.