

IN THE GRAND COURT OF THE CAYMAN ISLANDS



704  
CAUSE NO: OF 2003

IN THE MATTER OF THE COMPANIES LAW (2003 REVISION)

AND IN THE MATTER OF THE REDUCTION OF THE SHARE CAPITAL OF SEAPOWER RESOURCES INTERNATIONAL LIMITED (IN PROVISIONAL LIQUIDATION) (FORMERLY KNOWN AS THL INTERNATIONAL LIMITED)

PETITION



TO THE GRAND COURT

THE HUMBLE PETITION OF Seapower Resources International Limited (In Provisional Liquidation) (formerly known as THL International Limited) whose registered office is at the offices of Caledonian Bank & Trust Limited, PO Box 1043 GT, Caledonian House, Jennett Street, George Town, Grand Cayman, Cayman Islands SHOWS THAT:-

1. Your Petitioner, the above-named company (hereinafter called "the Company"), was incorporated on 4<sup>th</sup> April 1989 under the Companies Law as an exempted company limited by shares and is registered in Hong Kong under Part XI of the Companies Ordinance (Cap.32) as an overseas company. The Company is a public company listed on The Stock Exchange of Hong Kong Limited with stock number 0269. Trading in the shares in the Company was suspended on 28 December 2001.
2. By a special resolution dated 28<sup>th</sup> March 1990 the Company resolved to change its name from THL International Limited to Seapower Resources International Limited. The change of name was registered on 5<sup>th</sup> April 1990.
3. The registered office of the Company is situated at Caledonian Bank & Trust Limited, PO Box 1043GT, Caledonian House, Jennett Street, George Town, Grand Cayman, Cayman Islands, British West Indies.
4. The objects for which the Company was formed were unrestricted and the Company has full power and authority to carry out any object not prohibited by section 7(4) of the Companies Law (2003 Revision). The principal business of the Company comprises cold storage operations and supply chain management and logistics services.

5. The authorised share capital of the Company at the date of its incorporation was HK\$500,000,000 divided into 1,000,000,000 shares of a par value of HK\$0.50 each. During the first year of its incorporation, the authorised share capital was increased to HK\$650,000,000 divided into 1,300,000,000 shares of a par value of HK\$0.50 each. According to the annual report of the Company for the year 1990, the authorised share capital was increased from HK\$650,000,000 divided into 1,300,000,000 shares of a par value of HK\$0.50 each to HK\$850,000,000 divided into 1,700,000,000 shares of a par value of HK\$0.5 each. According to the annual report of the Company for the year 1996, the authorised share capital was increased from HK\$850,000,000 divided into 1,700,000,000 shares of a par value of HK\$0.50 each to HK\$1,000,000,000 divided into 2,000,000,000 shares of a par value of HK\$0.5 each. By an order of this Honourable Court of 19 November, 1999 and special resolution of the Company passed on 30 September 1999, the authorised share capital was reduced from HK\$1,000,000,000 divided into 2,000,000,000 shares of HK\$0.50 each to HK\$1,000,000,000 divided into 20,000,000,000 of HK\$0.05 each. The authorised share capital of the Company at the date hereof is HK\$1,000,000,000 divided into 20,000,000,000 shares with a par value of HK\$0.05 each. Of these, 1,547,042,829 shares with a par value of HK\$0.05 (the "Share(s)") each are issued and credited as fully paid up.
6. Pursuant to a restructuring agreement dated 14 May 2003 as amended by a supplemental agreement dated 11 August, 2003 between, inter alia, the Company and Many Returns Limited ("Restructuring Agreement"), the Company's share capital is proposed to be reorganised in the following manner:
- (a) the par value of every issued Share will be reduced from par value HK\$0.05 to par value HK\$0.0006 each and every unissued Share will be cancelled;
  - (b) every one hundred (100) issued shares reduced pursuant to sub-paragraph (a) above will be consolidated into one (1) share of par value HK\$0.06 each;
  - (c) each of the issued shares consolidated and reduced pursuant to sub-paragraph (a) above and (b), will be divided into six (6) issued new shares; and
  - (d) the Company's authorised share capital will be reduced to HK\$100,000,000 divided into 10,000,000,000 new shares.

7. Article 63(a) of the New Articles of Association of the Company provides, inter alia, as follows:

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

- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) Cancel any of its 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 share capital by the amount of the shares so cancelled; and
  - (c) sub-divide its shares or any of them into shares of a smaller amount than is fixed by the Memorandum of Association ....."
8. Article 63(b) of the New Articles of Association of the Company provides as follows:

"The Company may by special resolution reduce its share capital or any capital redemption reserve in any manner authorised and subject to any conditions prescribed by the Law."

## **CAPITAL REDUCTION**

9. It is intended to put the following Special Resolution to all the shareholders of the Company at a forthcoming Extraordinary General Meeting (the "Meeting") in accordance with s.60 of the Companies Law (2003 Revision):

"THAT, conditional upon approval of resolutions No. 2 and 5 set out in the notice dated 21<sup>st</sup> October 2003 (the "Notice") convening the extraordinary general meeting ("EGM") of Seapower Resources International Limited ("Company") and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting their approval to the listing of, and permission to deal in, the new ordinary shares of the Company of HK\$0.01 each ("New Shares") resulting from the reorganisation of the share capital of the Company ("Capital Reorganisation") to be effected pursuant to the restructuring agreement dated 14<sup>th</sup> May, 2003 as may be amended from time to time ("Restructuring Agreement") and in compliance with the Companies Law (2003 Revision) of the Cayman Islands ("Cayman Law"),

- (a) the nominal value of each issued share will be reduced from HK\$0.05 to HK\$0.0006 so that the Company's issued share capital of HK\$77,352,141.45 will be reduced by HK\$76,423,915.75 to HK\$928,225.70 and every unissued share will be cancelled;
- (b) the authorised share capital of the Company will be reduced to HK\$100,000,000 divided into 10,000,000,000 New Shares of HK\$0.01 each;
- (c) conditional upon completion of the Capital Reorganisation, clause 8 of the Company's existing New Memorandum of Association be amended by the deletion of its entirety and by its replacement with the following provision:

"8. The authorised capital of the Company is HK\$100,000,000 divided into 10,000,000,000 shares of a nominal or par value of HK\$0.01 each provided always that subject to the provisions of The Companies Law Cap. 22 as amended and the New Articles of Association the Company shall have power to redeem or purchase any or all of such shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement or rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.";

- (d) conditional upon completion of the Capital Reorganisation, article 3 of the existing New Articles of Association of the Company be amended by the deletion of its entirety and by its replacement with the following provision:

"3. The authorised share capital of the Company shall be HK\$100,000,000 divided into 10,000,000,000 shares of a par value of HK\$0.01 each";

- (e) the provisional liquidators of the Company ("Provisional Liquidators") and future directors of the Company appointed pursuant to resolution numbered 8 as set out in the Notice be and are hereby authorised generally to do all things appropriate to effect and implement any of the foregoing."

## CONSOLIDATION AND SUBDIVISION

10. It is intended to put the following Ordinary Resolution to all the shareholders of the Company at the Meeting:

"THAT, conditional upon approval of resolutions No. 1 and 5 set out in the Notice and conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares and in compliance with the Cayman Law,

- (a) every 100 issued reduced shares of HK\$0.0006 each will be consolidated into one share of HK\$0.06;
- (b) each of the issued reduced and consolidated shares of HK\$0.06 each will be subdivided into six New Shares of HK\$0.01 each such that the authorised unissued share capital of the Company will comprise 92,822,568 New Shares of HK\$0.01 each;
- (c) any fractions of New Shares arising on the share consolidation pursuant to paragraph (a) of this resolution shall not be allocated to the holders of the existing shares of the Company otherwise entitled thereto but such fractions shall be aggregated and sold for the benefit of the Company;
- (d) all of the New Shares of \$0.01 each in the capital of the Company after completion of the Capital Reorganisation shall rank pari passu in all respects with each other and have the same rights and privileges and be subject to the restrictions contained in the Amended Memorandum and Articles;
- (e) the credit which will arise as a result of the reduction of the capital of the Company to be effected pursuant to resolution numbered 1(a) above shall be applied to eliminate the same amount of the Company's accumulated loss on a dollar for dollar basis and the future directors of the Company appointed pursuant to resolution numbered 8 as set out in the Notice be and are hereby authorised to apply such credit in such manner as may be permitted by the existing New Memorandum and New Articles of Association of the Company as amended pursuant to the resolution numbered 1 (the "Amended Memorandum and Articles");

(f) the Provisional Liquidators and future directors of the Company appointed pursuant to resolution numbered 8 as set out in the Notice be and are hereby authorised generally to do all things appropriate to effect and implement any of the foregoing."

11. The proposed Capital Reduction does not involve an alteration or variation to the rights attached to any shares.
12. The proposed Capital Reduction does not involve either the diminution of any liability in respect of issued but unpaid share capital or the payment to any shareholder of any paid-up share capital.
13. The form of minute proposed to be registered is as follows:

"The capital of Seapower International Resources Limited was by virtue of Ordinary and Special Resolutions of the Company and with the sanction of an Order of the Grand Court dated the    day of        2003 reorganised in the following manner:

- (a) the par value of every issued Share will be reduced from par value HK\$0.05 to par value HK\$0.0006 each and every unissued Share will be cancelled;
- (b) every one hundred (100) issued shares reduced pursuant to sub-paragraph (a) above will be consolidated into one (1) share of par value HK\$0.06 each;
- (c) each of the issued shares consolidated and reduced pursuant to subparagraphs (a) and (b) above, will be divided into six (6) issued new shares; and
- (d) the Company's authorised share capital will be reduced to HK\$100,000,000 divided into 10,000,000,000 new shares.

After the completion of the Capital Reorganisation, the authorised share capital of the Company will be HK\$100,000,000 divided into 10,000,000,000 new shares.

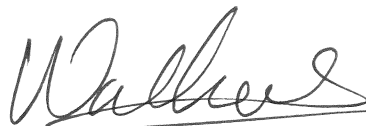
The capital of the Company is accordingly on the registration of this Minute HK\$100,000,000 divided into 10,000,000,000 new shares of HK\$0.01 each, of which 92,822,570 new shares have been issued and are deemed to be fully paid up and the remainder are unissued."

Your Petitioner therefore humbly prays that:-

1. That the Capital Reduction of the Company proposed to be effected by the Special Resolution set forth in paragraph 9 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. Or that such other Order may be made in the premise as the Court shall deem fit.

AND your Petitioner will ever pray etc.

DATED the 3<sup>rd</sup> day of October, 2003.



---

**WALKERS**  
Attorneys-at-Law for the Petitioner

**NOTE:** This petition is not intended to be served.

This Petition is presented by Walkers, Attorneys-at-Law, Walker House, Mary Street, PO Box 265 GT, George Town, Grand Cayman, for the Petitioner whose address for service is care of its said Attorneys-at-Law.