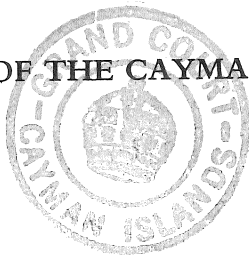


IN THE GRAND COURT OF THE CAYMAN ISLANDS



CAUSE NO: <sup>560</sup> OF 2005

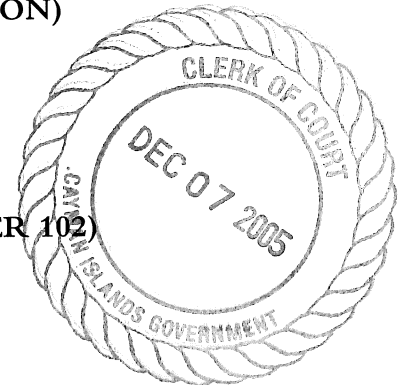
IN THE MATTER OF THE COMPANIES LAW (2004 REVISION)

AND

IN THE MATTER OF THE GRAND COURT RULES (ORDER 102)

AND

IN THE MATTER OF MILLENNIUM MICROTECH HOLDING CORPORATION



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PETITION

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TO: THE GRAND COURT OF THE CAYMAN ISLANDS

The humble petition of the above named Millennium Microtech Holding Corporation shows as follows:

1. Your Petitioner, the above-named company (the "Company"), is a private exempted company limited by shares and incorporated in the Cayman Islands on 11 December 1998 under the Companies Law (the "Companies Law") as revised. The Company is registered under number CR-86418.
2. The registered office of the Company is situate at the offices of Appleby Corporate Services (Cayman) Limited, Clifton House, 75 Fort Street, PO Box 1350 GT, George Town, Grand Cayman, Cayman Islands.

3. The objects for which the Company is established are unrestricted and include, without limitation, to carry on the business of an investment company.
4. The Company was incorporated on 11 December 1998 under the name "Alphatec Holding Co. Ltd.", with an original authorised share capital of Fifty Million United States Dollars (US\$50,000,000.00) divided into 50,000,000 shares of US\$1.00 each in the Company. On 20 December 1999, the authorised share capital of the Company was increased to One Hundred Million United States Dollars (US\$100,000,000.00) by the creation of an additional 50,000,000 shares of US\$1.00 each in the Company. On 7 January 2002, the Company changed its name to Millennium Microtech Holding Corporation.
5. The Articles of Association of the Company (the "Articles") provide *inter alia* as follows:

*"35. (c) Without prejudice to Article 13 hereof and subject to the provisions of the Statute, the Company may by Special Resolution reduce its share capital and any capital redemption reserve fund."*

6. The Articles define "Statute" as follows:

*"1. "Statute" means the Companies Law of the Cayman Islands as amended and every statutory modification or re-enactment thereof for the time being in force."*

7. The shares of the Company are held 60% by AIG Asian Opportunity Fund, LP, 20% by Investor (Guernsey) II Limited and 20% by 84 minority shareholders. The balance sheet of the audited financial statements of the Company as at 31 December 2004 shows that the Company has shareholder equity of US\$25,270,097.00; this comprises issued and paid-up share capital of US\$50,000,000.00, cumulative translation adjustments of US\$64,169.00, surplus

from revaluation of assets of US\$11,727,156.00 and a deficit of US\$36,521,228.00. The deficit as at 31 December 2004 arises mainly from losses brought forward from previous years. The Company is proposing the reduction of its share capital so that it will be able to eliminate that deficit by offsetting accumulated losses against the credit arising from the reduction of capital.

8. By a Special Resolution passed at an extraordinary general meeting of the Company held on 3 October 2005 in accordance with article 35(c) of the Articles and section 14 of the Companies Law, it was resolved as follows:

*"the share capital of the Company be reduced (the "Capital Reduction") by cancelling issued and paid up capital to the extent of US\$0.99 on each existing share of US\$1.00 each of the Company in issue as at the date upon which the Capital Reduction becomes unconditional and effective (the "Effective Date"), by reducing the nominal value of all the issued and unissued shares as at the Effective Date from US\$1.00 each to US\$0.01 each and by reducing the authorised share capital of the Company from US\$100,000,000.00 divided into 100,000,000 shares of US\$1.00 each to US\$1,000,000.00 divided into 100,000,000 shares of US\$0.01 each;"*

9. The credit of US\$49,500,000.00 arising from the proposed capital reduction will be transferred into the Company's share premium account and used to offset the Company's accumulated losses as at the Effective Date.
10. The proposed reduction of issued share capital described at paragraph 8 of this Petition does not involve either the diminution of any liability in respect of unpaid capital, nor the payment to any shareholder of any paid-up capital.
11. Further, the proposed reduction of issued share capital described at paragraph 8 of this Petition will not prejudice the interests of the creditors of the Company as the Company has sufficient cash resources in excess of the amount due to its creditors as is evidenced by the Company's financial statements. The Company's unaudited balance sheet as at July 2005 shows cash in hand and in bank of

US\$19,407,000.00, which exceeds the total liabilities of US\$13,718,00.00 for that same period. Of the total liability of US\$13,718,000.00, the sum of US\$12,416,000.00 is owed to Millennium Microtech (Thailand) Co., Ltd., a wholly-owned subsidiary of the Company.

12. The form of minute proposed to be registered is as follows:

*"The capital of Millennium Microtech Holding Corporation was, by virtue of a Special Resolution and with the sanction of an Order of the Grand Court of the Cayman Islands dated [ ] 2005, reduced from US\$100,000,000.00 divided into 100,000,000 shares of US\$1.00 each to US\$1,000,000.00 divided into 100,000,000 shares of US\$0.01 each. At the date of registration of this Minute, 50,000,000 of the said shares have been issued and are deemed to be fully paid up."*

13. Your Petitioner, the Company, therefore humbly prays as follows:

- (1) That the reduction of the capital of the Company proposed to be effected by the Special Resolution set forth in paragraph 8 of this Petition may be confirmed and that the abovementioned Minute may be approved by the Court;
- (2) That to this end, all necessary directions and enquiries may be made and given; or
- (3) That such other Order may be made in the premises as the Court shall consider appropriate.

AND your petitioner will ever pray.

  
Appleby Spurling Hunter

Attorneys-at-law for the Petitioner