



THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD OF 2022

IN THE MATTER OF GRAND T G GOLD HOLDINGS LIMITED  
AND IN THE MATTER OF THE COMPANIES ACT (2022 REVISION)  
AND GRAND COURT RULES 1995 ORDER 102

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PETITION

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**TO:** The Grand Court of the Cayman Islands

**THE PETITION** of Grand T G Gold 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 Act (2022 Revision) (the "**Companies Act**") confirming a reduction of the share capital of the Petitioner, Grand T G Gold Holdings Limited (the "**Company**").
2. The Company was incorporated on 12 March 2003 under the Companies Act with the name of "ESPCO TECHNOLOGY HOLDINGS LIMITED" and registered in the Cayman Islands as an exempted company with registration number 123977. On 24 April 2003, the name of the Company was changed from "ESPCO TECHNOLOGY HOLDINGS LIMITED" to "ESPCO LIMITED". On 24 April 2003, the name of the Company was further changed from "ESPCO LIMITED" to "ESPCO TECHNOLOGY HOLDINGS LIMITED 易盈科技控股有限公司".

司”。 On 10 July 2008, the Company further changed its name from “ESPCO TECHNOLOGY HOLDINGS LIMITED 易盈科技控股有限公司” to “Grand T G Gold Holdings Limited”.

3. The registered office of the Company is situated at the office of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
4. As at the date of incorporation of the Company on 12 March 2003, its authorised share capital was HK\$350,000 divided into 35,000,000 shares of a nominal or par value of HK\$0.01 each.
5. By way of a resolution of the sole shareholder of the Company passed on 6 September 2004, the authorised share capital of the Company was increased from HK\$350,000 to HK\$5,000,000 divided into 500,000,000 shares of a nominal or par value of HK\$0.01 each.
6. On 9 November 2007, ordinary resolutions were passed by the shareholders of the Company at a general meeting to subdivide each issued and unissued share of HK\$0.01 each into 10 shares of HK\$0.001 each and following such subdivision, to increase the authorized share capital of the Company from HK\$5,000,000 to HK\$20,000,000 so that the authorized share capital became HK\$20,000,000 divided into 20,000,000,000 subdivided shares of HK\$0.001 each.
7. On 4 May 2000, an ordinary resolution was passed by the shareholders of the Company at a general meeting to consolidate every four issued and unissued shares of HK\$0.001 each into one share of HK\$0.004 each.

8. On 30 September 2009, an ordinary resolution was passed by the shareholders of the Company at a general meeting to increase the authorized share capital of the Company from HK\$20,000,000 to HK\$60,000,000 so that the authorized share capital became HK\$60,000,000 divided into 15,000,000,000 shares of HK\$0.004 each.
9. On 16 August 2010, an ordinary resolution was passed by the shareholders of the Company at a general meeting to increase the authorized share capital of the Company from HK\$60,000,000 to HK\$120,000,000 so that the authorized share capital became HK\$120,000,000 divided into 30,000,000,000 shares of HK\$0.004 each.
10. On 11 September 2017, an ordinary resolution was passed by the shareholders of the Company at a general meeting to increase the authorized share capital of the Company from HK\$120,000,000 to HK\$160,000,000 so that the authorized share capital became HK\$160,000,000 divided into 40,000,000,000 shares of HK\$0.004 each.
11. On 5 March 2019, an ordinary resolution was passed by the shareholders of the Company at a general meeting to consolidate every fifteen issued and unissued shares of HK\$0.004 each into one share of HK\$0.06 each.
12. As at the date of this Petition, the authorised share capital of the Company is HK\$160,000,000 divided into 2,666,666,666.66 shares with a nominal or par value of HK\$0.06 each and its issued share capital is HK\$89,806,929.60 divided into 1,496,782,160 shares with a nominal or par value of HK\$0.06 each which have been fully paid-up or credited as fully paid-up.

13. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 23 September 2004 under stock code number 8299. Over the years, the Company has allotted and issued various tranches of ordinary shares, being the only class of shares of the Company.
  
14. The objects for which the Company was established are unrestricted and include, without limitation:
  - (a) to act and to perform all the functions of a holding company in all its branches and to co-ordinate the policy and administration of any subsidiary company or companies wherever incorporated or carrying on business or of any group of companies of which the Company or any subsidiary company is a member or which are in any manner controlled directly or indirectly by the Company;
  
  - (b) to act as an investment company and for that purpose to acquire and hold upon any terms and, either in the name of the Company or that of any nominee, shares, stock, debentures, debenture stock, annuities, notes, mortgages, bonds, obligations and securities, foreign exchange, foreign currency deposits and commodities, issued or guaranteed by any company wherever incorporated or carrying on business, or by any government, sovereign, ruler, commissioners, public body or authority, supreme, municipal, local or otherwise, by original subscription, tender, purchase, exchange, underwriting, participation in syndicates or in any other manner and whether or not fully paid up, and to make payments thereon as called up or in advance of calls or otherwise and to subscribe for the same, whether conditionally or absolutely, and to hold the same with a view to investment, but with the power to vary any investments, and to exercise and enforce all rights and powers conferred by or incident

to the ownership thereof, and to invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may be from time to time determined.

15. The Company is an investment holding company. Its subsidiaries are principally engaged in the gold mining and processing businesses.

16. The Articles of Association of the Company provide, *inter alia*, as follows:

“4. The Company may from time to time by ordinary resolution in accordance with the Law alter the conditions of its Memorandum of Association to:

- (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 memorandum of association (subject, nevertheless, to the Law), any 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.”

“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 the Law.”

17. By a special resolution of the Company (the “**Special Resolution**”) passed in accordance with section 14(1) of the Companies Act at an extraordinary general meeting held on 28 February 2022 (the “**Extraordinary General Meeting**”, which was originally scheduled to be held on 16 February 2022 but was adjourned to 28 February 2022 in accordance with the Articles of Association of the Company), it was resolved:

“THAT subject to and conditional upon (i) an order being made by the Grand Court of the Cayman Islands (the “Court”) confirming the Capital Reduction (as defined below); (ii) compliance with any conditions which the Court may impose

in relation to the Capital Reduction; (iii) registration by the Registrar of Companies of the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction and the minute approved by the Court containing the particulars required under the Companies Act with respect to the Capital Reduction; and (iv) the GEM Listing Committee (the "GEM Listing Committee") of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Adjusted Shares (as defined below) arising from the Capital Reorganisation (as defined below), with effect from the date on which these conditions are fulfilled (the "Effective Date"):

- (a) the par value of each of the issued shares (the "Existing Share(s)") of the Company be reduced from HK\$0.06 to HK\$0.001 per issued Existing Share by cancelling the paid up share capital to the extent of HK\$0.059 per issued Existing Share by way of a reduction of capital, so as to form issued shares (the "Adjusted Share(s)") of the Company with par value of HK\$0.001 each (the "Capital Reduction");
- (b) the credits arising from the Capital Reduction be transferred to a distributable reserve account of the Company and be applied for such purposes as permitted by all applicable laws, the memorandum and articles of association of the Company and as the board of directors (the "Directors") of the Company considers appropriate, including without limitation, setting off the accumulated losses of the Company;
- (c) immediately following the Capital Reduction, each of the authorised but unissued shares of the Company of HK\$0.06 each be subdivided into sixty (60) authorized but unissued Adjusted Shares (the "Share Sub-division", together with the Capital Reduction, the "Capital Reorganisation");

- (d) immediately following the Capital Reorganisation, the authorised share capital of the Company shall be HK\$160,000,000 divided into 160,000,000,000 Adjusted Shares of HK\$0.001 per value each;
- (e) each of the Adjusted Shares arising from the Capital Reorganisation shall rank pari passu in all respects and the Adjusted Shares will have rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company; and
- (f) any Director be and is hereby authorised to sign and execute such documents and do all such acts and things and to take such steps as they consider necessary, desirable or expedient in connection with the implementation of or giving effect to the Capital Reorganisation and the transactions contemplated thereunder.”
18. The number of shareholders of the Company present and voting in person or by corporate representatives at the Extraordinary General Meeting is as set out in the table below:

	<b>Present &amp; Voting</b>	<b>For</b>	<b>Against</b>
<b>How Present</b>	<b>Number of shareholders present</b>	<b>Number of shares voted</b>	<b>Number of shares voted</b>
In person/by proxy/by authorised representative	3 shareholders	344,153,107 shares	0 share
Total	3 shareholders	344,153,107 shares	0 share

The Special Resolution was presented to the meeting and voted on by way of a poll. The shareholders present and voting in person or by corporate representative, 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 Special Resolution passed in accordance with the Articles of Association of the Company.

19. The Special Resolution to approve and give effect to among other things the Capital Reduction was duly passed at an extraordinary general meeting, 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 Act.
20. 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 or the proportional interests or rights of the shareholders of the Company.
21. The form of Minute proposed to be registered is as follows:

*“By virtue of a special resolution passed on 28 February 2022 and with sanction of an Order of the Grand Court of the Cayman Islands dated [●]: (a) the issued share capital of the Company be reduced from HK\$0.06 per each issued existing share to HK\$0.001 per each issued new share (the “Capital Reduction”). Immediately following the Capital Reduction becoming effective, each of the authorised but unissued existing shares of HK\$0.06 each in the share capital of the Company be and is subdivided into sixty (60) new shares of HK\$0.001 each*

*(the "Sub-division"). At the date of the registration of this Minute, the authorised share capital of the Company is HK\$160,000,000 divided into 160,000,000,000 shares of HK\$0.001 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 17 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 enquiries and directions may be made and given.
- (3) Such further and other order as this Honourable Court shall think fit.

Dated this 4<sup>th</sup> day of March 2022



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

NOTE: It is intended to serve this Petition on Grand T G Gold Holdings Limited, at its registered office located at the office 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 LLP, Attorneys-at-Law for and on behalf of the Petitioner herein whose address for service is that of its Attorneys, 2<sup>nd</sup> Floor, SIX, Cricket Square, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands

Notice of Hearing

This Petition having been presented to the Court on the            day of  
2022 will be heard at the Law Courts, George Town, Grand Cayman on the  
day of <sup>March</sup> 2022 at <sup>10</sup> am ~~pm~~ or as soon thereafter as the Petition can be heard.