



IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

CAUSE NO. FSD OF 2024 (^{JAF})

IN THE MATTER OF CHINA TECHNOLOGY INDUSTRY GROUP LIMITED 中國科技產業集團有限公司

AND IN THE MATTER OF THE COMPANIES ACT (2023 REVISION)

AND THE GRAND COURT RULES 1995 ORDER 102

PETITION

TO: The Grand Court of the Cayman Islands

THE PETITION of CHINA TECHNOLOGY INDUSTRY GROUP LIMITED 中國科技產業集團有限公司 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 (2023 Revision) (the "**Companies Act**") confirming a reduction of the share capital of the Petitioner, China Technology Industry Group Limited 中國科技產業集團有限公司 (the "**Company**").
2. The Company was incorporated on 10 August 2000 under the Companies Act as an exempted company with registration number 103104.

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 10 August 2000, its authorised share capital was HK\$100,000 divided into 1,000,000 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 13 December 2000, its authorised share capital was increased from HK\$100,000 to HK\$200,000 divided into 2,000,000 shares of a nominal or par value of HK\$0.10 each.
6. By way of resolutions of the then shareholders of the Company passed on 13 December 2000, its authorised share capital was increased from HK\$200,000 to HK\$100,000,000 divided into 1,000,000,000 shares of a nominal or par value of HK\$0.10 each.
7. By way of resolutions of the then shareholders of the Company passed on 31 May 2011, its authorised share capital was increased from HK\$100,000,000 to HK\$250,000,000 divided into 2,500,000,000 shares of a nominal or par value of HK\$0.10 each.
8. By way of resolutions of the then shareholders of the Company passed on 10 September 2020, its authorised share capital was increased from HK\$250,000,000 to HK\$500,000,000 divided into 5,000,000,000 shares of a nominal or par value of HK\$0.10 each.
9. By way of resolutions of the then shareholders of the Company passed on 15 July

2021, its authorised share capital was consolidated from 5,000,000,000 shares of a nominal or par value of HK\$0.10 each to 1,000,000,000 shares of a nominal or par value of HK\$0.50 each.

10. As at the date of this Petition, the authorised share capital of the Company is HK\$500,000,000 divided into 1,000,000,000 shares of a nominal or par value of HK\$0.50 each and its issued share capital is HK\$230,488,342 divided into 460,976,684 shares of a nominal or par value of HK\$0.50 each which have been fully paid-up or credited as fully paid-up.
11. The shares of the Company have been listed on the GEM Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 3 January 2001 under stock code number 8111.
12. The objects for which the Company was established are unrestricted.
13. The Articles of Association of the Company provide, *inter alia*, as follows:
 - "14. The Company may by Special Resolution reduce its share capital or undistributable reserve in any manner authorised, and subject to any conditions prescribed, by law."
14. In accordance with section 14(1) of the Companies Act and by way of a special resolution of the shareholders of the Company passed at an extraordinary general meeting of the Company held on 2 February 2024 (the "**Special Resolution**"), it was resolved:

"**THAT** , subject to and conditional upon (i) the approval of the Capital Reduction

(as defined below) by the Grand Court of the Cayman Islands (“**Court**”) (if applicable); (ii) the compliance with any conditions which the Court may impose in relation to the Capital Reduction (as defined below) (if applicable); (iii) the registration by the Registrar of Companies of the Cayman Islands of the order of the Court confirming the Capital Reduction (as defined below) and the minute approved by the Court containing the particulars required under the Companies Act with respect to the Capital Reduction (as defined below) (if applicable); and (iv) The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) granting the listing of, and permission to deal in, the New Ordinary Shares (as defined below) arising from the Capital Reduction (as defined below) and the Sub-division (as defined below), with effect from the date on which the aforesaid conditions are fulfilled (“**Effective Date**”):

- (a) the issued and paid-up share capital of the Company be reduced (“Capital Reduction”) by reducing the par value of each existing share with a par value of HK\$0.50 of the Company (“Existing Ordinary Share”) in issue on the Effective Date from HK\$0.50 each to HK\$0.001 each by cancelling the paid-up capital to the extent of HK\$0.499 on each Existing Ordinary Share in issue on the Effective Date so that following the Capital Reduction each such issued Existing Ordinary Share with a par value of HK\$0.50 shall be treated as one fully paid-up share with a par value of HK\$0.001 (“New Ordinary Shares”) in the share capital of the Company and any liability of the holders of such shares to make any further contribution to the capital of the Company on each such share shall be treated as satisfied and that the amount of issued capital thereby cancelled be made available for issue of new shares of the Company;
- (b) immediately following the Capital Reduction becoming effective, each of the then authorised but unissued Existing Ordinary Shares with a par value of HK\$0.50 be subdivided into 500 unissued New Ordinary Shares with a

par value of HK\$0.001 each in the share capital of the Company ("**Sub-division**");

- (c) immediately following the Capital Reduction and the Sub-Division, the authorised share capital of the Company will be changed from HK\$500,000,000 divided into 1,000,000,000 Existing Ordinary Shares to HK\$500,000,000 divided into 500,000,000,000 New Ordinary Shares;
- (d) the credit arising from the Capital Reduction shall be applied towards offsetting the accumulated deficit of the Company as at the Effective Date and the balance (if any) will be transferred to a distributable reserve account of the Company which may be utilised by the directors of the Company ("**Directors**") as a distributable reserve in accordance with the articles of association of the Company and all applicable laws and rules (including the Rules Governing the Listing of Securities on GEM ("**GEM Listing Rules**")) including, without limitation, eliminating or setting off the accumulated losses of the Company which may arise from time to time and/or paying dividends and/or making any other distribution out of such account from time to time and all actions in relation thereto be approved, ratified and confirmed;
- (e) each of the New Ordinary Shares arising from the Capital Reduction and Sub-division shall rank *pari passu* in all respects with each other and have rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company; and
- (f) a the Directors be and 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 they may consider necessary or expedient to give effect to the Capital Reduction and the Sub-division.”

15. 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 2 February 2024, 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.
16. 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.
17. The form of Minute proposed to be registered is as follows:

“The issued share capital of China Technology Industry Group Limited 中國科技產業集團有限公司 (the “Company”) was by virtue of a Special Resolution passed on 2 February 2024 and with the sanction of an Order of the Grand Court of the Cayman Islands dated [●] 2024, reduced from HK\$0.50 per each issued share to HK\$0.001 per each issued share (the “Capital Reduction”). Upon the Capital Reduction becoming effective, each authorised but unissued share of HK\$0.50 each shall be subdivided into five hundred unissued shares of HK\$0.001 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\$500,000,000 divided into 500,000,000,000 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 14 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 5th day of March 2024

Conyers Dill & Pearman LLP

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

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

Notice of Hearing

This Petition having been presented to the Court on the day of
2024 will be heard at the Law Courts, George Town, Grand Cayman on the 1st day of
May 2024 at 2 am/pm or as soon thereafter as the Petition can be
heard.