



IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

CAUSE NO. FSD 0003 OF 2025 (IKJ)

IN THE MATTER OF SECTION 15 OF THE COMPANIES ACT (2023 REVISION)

AND IN THE MATTER OF PURAPHARM CORPORATION LIMITED

PETITION

To the Grand Court

The humble petition of PuraPharm Corporation Limited c/o P.O. Box 31119 Grand Pavilion Hibiscus Way, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands, shows that:-

- 1 The object of this Petition is to seek an order pursuant to section 15 of the Companies Act (2023 Revision) (the "**Companies Act**") confirming a reduction of the share capital of the Petitioner, PuraPharm Corporation Limited (the "**Company**").
- 2 The Company was incorporated as an exempted company on 2 December 2021 (registration number 264671). Its Chinese name changed on 28 May 2021.

This Petition is filed by Ogier (Cayman) LLP, Attorneys for PuraPharm Corporation Limited whose address for service is:
89 Nexus Way, Camana Bay, Grand Cayman KY1-9009, Cayman Islands (GEL/DZD/502291.00003)

- 3 The Company's registered office is at P.O. Box 31119 Grand Pavilion Hibiscus Way, 802 West Bay Road Grand Cayman KY1-1205, Cayman Islands.
- 4 The Company's principal place of business is Units 201-207, 2/F. Wireless Centre, Phase One, Hong Kong Science Park, Tai Po, New Territories, Hong Kong.
- 5 The authorised share capital of the Company is HK\$100,000,000 divided into 250,000,000 ordinary shares of par value HK\$0.40 each.
- 6 The shares of the Company are listed on the Main Board of the Stock Exchange of Hong Kong Limited since 7 July 2015 under stock code number 1498.
- 7 The objects for which the Company was established are unrestricted by its memorandum of association and at all material times the Company has had full powers to carry out any object in accordance with section 7(4) of the Companies Act.
- 8 Article 14 of the Company's amended and restated articles of association (adopted by a special resolution on 23 May 2022) (the "**Articles of Association**") provides that 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*".
- 9 By a circular to the shareholders of the Company dated 5 November 2024 the board of directors of the Company (the "**Board**") explained that it proposed to implement a proposed capital reorganisation of the Company which would consist of the following:
- (a) a capital reduction whereby the par value of each ordinary share will be reduced from US\$0.1 to US\$0.001 by cancelling the paid-up capital to the extent of US\$0.099 on each issued ordinary share (the "**Capital Reduction**");
 - (b) a share subdivision whereby immediately following the Capital Reduction, each of the authorised but unissued ordinary share with a par value of US\$0.1 each

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be sub-divided into 100 ordinary shares with a par value of US\$0.001 each ("**Adjusted Shares**" or the "**Share Subdivision**"); and

- (c) the credit arising from the Capital Reduction will be applied towards offsetting the accumulated losses of the Company as at the effective date of the Capital Reduction in a manner as permitted by all applicable laws and the Articles of Association and as the Board considers appropriate. The balance of the credit (if any) will be transferred to a distributable reserve account of the Company and be applied for such purposes as permitted by all applicable laws and the Articles of Association and as the Board considers appropriate,

(together these steps are the "**Capital Reorganisation**").

- 10 In accordance with section 14(1) of the Companies Act and by way of special resolution of the shareholders of the Company at an extraordinary general meeting ("**EGM**") of the Company held on 27 November 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); (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 minutes approved by the Court containing the particulars required under the Companies Act with respect to the Capital Reduction (as defined below); and (iv) the listing committee of 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 Subdivision (as defined below), with effect from the date on which the aforesaid conditions are fulfilled ("**Effective Date**):"*

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- (a) *the par value of each issued and paid-up existing share (“Existing Ordinary Share”) be reduced from US\$0.1 each to US\$0.001 each by cancelling the paid-up share capital to the extent of US\$0.099 on each Existing Ordinary Share in issue on the Effective Date (the “Capital Reduction”) so that following the Capital Reduction each such issued Ordinary Share with a par value of US\$0.1 shall be treated as one fully paid-up share with a par value of US\$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 par value of US\$0.1 each be subdivided into 100 unissued New Ordinary Shares with a par value of US\$0.001 each in the share capital of the Company (“Subdivision”);*
- (c) *immediately following the Capital Reduction and the Subdivision becoming effective, the authorised share capital of the Company will be changed from US\$5,000,000,000 divided into 50,000,000,000 Ordinary Shares to US\$5,000,000,000 divided into 5,000,000,000,000 New Ordinary Shares by creation of such number of additional authorised but unissued New Ordinary Share as shall be sufficient to maintain the authorised share capital of the Company to US\$5,000,000,000 divided into 5,000,000,000,000 New Ordinary Shares;*

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- (d) *the credit arising from the Capital Reduction and the Subdivision shall be applied towards offsetting the accumulated losses of the Company as at the Effective Date and the balance (if any) will be transferred to a distributable reserve account of the Company and be applied for such purposes as permitted by all applicable laws and the memorandum and articles of association of the Company (“**Memorandum and Articles of Association**”) and as the directors of the Company (“**Directors**”) consider appropriate and all actions in relation thereto be approved, ratified and confirmed;*
- (e) *each of the New Ordinary Shares immediately following the Capital Reduction and the Subdivision becoming effective shall rank pari passu in all respects with each other and will have rights and privileges and be subject to the restrictions contained in the Memorandum and Articles of Association; and*
- (f) *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 Subdivision 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 Subdivision.”*

- 11 The Special Resolution was duly passed by the shareholders of the Company at the EGM held on 27 November 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.

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- 12 The Capital Reduction does not involve any diminution of liability in respect of any unpaid capital of the Company or the repayment to the shareholders of any paid-up capital of the Company nor will it result in any change in the relative rights of its shareholders.
- 13 The Board believes that the Capital Reorganisation will have no material effect on the underlying assets, business operations, management or financial position of the Company or the proportional interests of the shareholders in the Company.
- 14 The form of minute proposed to be registered by the Company to the Registrar of Companies and for which approval for the Court is sought is as follows:

"By virtue of a Special Resolution passed on 27 November 2024 and with the sanction of an Order of the Grand Court of the Cayman Islands dated []:

- (a) *the par value of each of the issued shares of PuraPharm Corporation Limited (the "**Company**") be reduced from US\$0.10 to US\$0.001 per issued share by cancelling the paid up share capital to the extent of US\$0.099 per issued share (the "**Capital Reduction**");*
- (b) *the reduction of the entire amount of US\$39,589,727,500 standing to the credit of the Share Premium Account, which shall be effective when the Capital Reduction becomes effective (the "**Share Premium Reduction**")*
- (c) *the credit of US\$39,589,727,500 arising from the Capital Reduction and Share Premium Reduction will be applied towards offsetting the accumulated losses (the "**Accumulated Losses**") of the Company as at the effective date of the Capital Reduction in a manner as permitted by all applicable laws and the memorandum and articles of association of the Company and as the board of directors of the Company considers appropriate; and*

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- (d) *immediately following the Capital Reduction becoming effective, each of the authorised but unissued Shares with par value of US\$0.1 each be sub-divided into 100 authorised but unissued New Shares with par value of US\$0.001 each, such that the current authorised share capital of the Company of US\$5,000,000,000 divided into 50,000,000,000 ordinary shares of par value US\$0.1 each shall become US\$5,000,000,000 divided into 5,000,000,000,000 ordinary shares of par value US\$0.001 each".*

YOUR PETITIONER THEREFORE humbly prays that:

- (1) The reduction of the share capital of the Company proposed to be effected by the Special Resolution set out at paragraph 10 above be confirmed and that the form of minute set out at paragraph 14 above be approved by the Court.
- (2) To this end, all necessary inquiries and directions may be made and given.
- (3) Such further or other relief be granted as the Court shall see fit.

AND your Petitioner will ever pray etc.

Dated the 7 January 2025



Ogier (Cayman) LLP
Attorneys for the Petitioner

NOTE: This Petition is not intended to be served.

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NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this petition will take place at the Law Courts, George Town, Grand Cayman, on _____ at 10:00am.

Any correspondence or communication with the Court relating to the hearing of his petition should be addressed to the Registrar of the Financial Services Division of the Grand Court at PO Box 495, Grand Cayman, KY1-1106, telephone 345 959 4296.

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