



**IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION**

CAUSE NO. FSD OF 2025 (DDJ)

IN THE MATTER OF X3 HOLDINGS CO., LTD.

AND IN THE MATTER OF THE COMPANIES ACT (2025 REVISION)

**AND IN THE MATTER OF ORDER 102 OF THE GRAND COURT RULES (2023
CONSOLIDATION)**

PETITION

TO: The Grand Court of the Cayman Islands

THE PETITION IN THE MATTER OF X3 HOLDINGS CO., LTD. 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 (2025 Revision) (the "**Companies Act**") confirming a reduction of the share capital of the Petitioner, X3 HOLDINGS CO., LTD. (the "**Company**").
2. The Company was incorporated on 27 July 2018 under the Companies Act as an exempted company with registration number 340395.
3. The registered office of the Company is Vistra (Cayman) Limited, P. O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

4. On September 30, 2020, the company obtained shareholders' approval on the increase of authorized share capital from US\$50,000 divided into 30,000,000 shares of a par value of US\$0.00166667 each to US\$500,000 divided into 300,000,000 shares of a par value of US\$0.00166667 each by the creation of an additional 270,000,000 shares of a par value of US\$0.00166667 each.
5. On December 5, 2022, the company obtained shareholders' approval on the increase of authorized share capital from US\$500,000 divided into 300,000,000 shares of a par value of US\$0.00166667 each to US\$16,666,700 divided into 10,000,000,000 shares of par value of US\$0.00166667 each by the creation of an additional 9,700,000,000 shares of par value of US\$0.00166667 each.
6. On May 30, 2023, the company obtained shareholders' approval on the increase of authorized share capital from US\$16,666,700 divided into 333,333,333 shares of a nominal or par value of US\$0.05 each, to US\$50,000,000 divided into 1,000,000,000 shares of a nominal or par value of US\$0.050 each by the creation of an additional 666,666,667 shares of a nominal or par value of US\$0.05 each.
7. On September 5, 2023, the company obtained shareholders' approval on the increase of authorized share capital from US\$50,000,000 divided into 125,000,000 shares of a nominal or par value of US\$0.40 each, to US\$200,000,000 divided into 500,000,000 shares of a nominal or par value of US\$0.40 each by creation of an additional 375,000,000 shares of a nominal or par value of US\$0.40 each.
8. On December 1, 2023, the company obtained shareholders' approval on the increase of authorized share capital from US\$200,000,000 divided into 500,000,000 shares of a nominal or par value of US\$0.40 each to US\$2,000,000,000 divided into 5,000,000,000 ordinary shares of a nominal or par value of US\$0.40 each by creation of an additional 4,500,000,000 ordinary shares of a nominal or par value of US\$0.40 each.
9. On October 3, 2024, the company obtained shareholders' approval on the increase

of authorized share capital from US\$2,000,000,000 divided into 250,000,000 shares of par value of US\$8 each, to US\$40,000,000,000 divided into 5,000,000,000 shares of par value of US\$8 each.

10. As at the date of this Petition, the authorised share capital of the Company is US\$40,000,000,000 divided into 5,000,000,000 ordinary shares of a nominal or par value of US\$8 each consisting of (i) 4,980,000,000 Class A ordinary shares of a par value of US\$8.00 each; and (ii) 20,000,000 Class B ordinary shares of a par value of US\$8.00 each which have been fully paid-up or credited as fully paid-up.
11. The shares of the Company have been listed on the NASDAQ (the “**Stock Exchange**”) since 2 April 2019 under stock code PBTS (changed to XTKG since 30, January, 2024).
12. The objects for which the Company was established are unrestricted.
13. The Seventh Amended and Restated Articles of Association of the Company provide, *inter alia*, as follows:
 - “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 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 10 February 2025 (the “**Special Resolution**”), it was resolved that:
 - i. every six (6) issued and unissued ordinary shares of the Company of par value of US\$8 each be consolidated into one (1) share of par value of US\$8 each (each a “**Consolidated Share**”), such Consolidated Shares shall rank pari passu in all respects with each other (the “**Share Consolidation**”) so that

following the Share Consolidation, the authorized share capital of the Company will be changed from US\$40,000,000,000 divided into 5,000,000,000 ordinary shares of a nominal or par value of US\$8 each, consisting of 4,980,000,000 Class A ordinary shares of a par value of US\$8 each and 20,000,000 Class B ordinary shares of a par value of US\$8 each, to US\$40,000,000,000 divided into 833,333,333 shares of par value of US\$48 each, consisting of 830,000,000 Class A ordinary shares of a par value of US\$48 each and 3,333,333 Class B ordinary shares of a par value of US\$48 each; and (ii) all fractional entitlements to the issued Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to the shareholders of the Company, but all such fractional shares shall be redeemed in cash for the fair value of such fractional share, such fair value being the closing price of the ordinary shares on a post-consolidation basis on the applicable trading market on the first trading date of the ordinary shares following the Share Consolidation (the “**Fractional Shares Redemption**”);

- ii. immediately following the Share Consolidation, the authorized share capital of the Company be increased from US\$40,000,000,000 divided into 833,333,333 shares of par value of US\$48 each, consisting of 830,000,000 Class A ordinary shares of a par value of US\$48 each and 3,333,333 Class B ordinary shares of a par value of US\$48 each, to US\$240,000,000,000 divided into 5,000,000,000 shares of par value of US\$48 each, consisting of 4,996,666,667 Class A ordinary shares of a par value of US\$48 each and 3,333,333 Class B ordinary shares of a par value of US\$48 each, by creation of an additional 4,166,666,667 Class A ordinary shares of a nominal or par value of US\$48 each (the “**Share Capital Increase**”);
- iii. as a special resolution, that immediately following the Share Capital Increase, 16,666,667 Class A ordinary shares of the additional 4,166,666,667 authorized Class A ordinary shares be re-designated as Class B ordinary shares, such that the authorized share capital of the Company shall be changed to

US\$240,000,000,000 divided into (i) 4,980,000,000 Class A ordinary shares of a par value of US\$48 each; and(ii) 20,000,000 Class B ordinary shares of a par value of US\$48 each (the “**Share Re-designation**”); and

- iv. as a special resolution, to approve that immediately following the Share Consolidation and Share Capital Increase, and subject to and conditional upon (i) an order being made by the Grand Court of the Cayman Islands (“**Court**”) confirming the Capital Reduction (as defined below) (if applicable); (ii) compliance with any condition which the Court may impose in relation to the Capital Reduction (if applicable);(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 of the Cayman Islands in respect of the Capital Reduction (if applicable), the par value of each of the issued and unissued ordinary shares be reduced from US\$48.00 to US\$0.00003 per share by cancelling the paid-up share capital to the extent of US\$47.99997 per share by way of a reduction of capital, so as to form new ordinary shares with par value of US\$0.00003 each (the “**Capital Reduction**”), such that the authorized share capital of the Company shall be changed to US\$150,000 divided into (i) 4,980,000,000 Class A ordinary shares of a par value of US\$0.00003 each; and (ii) 20,000,000 Class B ordinary shares of a par value of US\$0.00003 each.
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 10 February 2025, thus satisfying the requirements for passing a special resolution to approve the Capital Reduction under the Seventh Amended and Restated 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 X3 HOLDINGS CO., LTD (the “**Company**”) was by virtue of a Special Resolution passed on 10 February 2025 and with the sanction of an Order of the Grand Court of the Cayman Islands dated [●], reduced from \$48.00 to US\$0.00003 per share by cancelling the paid-up share capital to the extent of US\$47.99997 per share by way of a reduction of capital, so as to form new ordinary shares with par value of US\$0.00003 each (the “**Capital Reduction**”). Upon the Capital Reduction becoming effective the par value of each of the issued and unissued ordinary shares be reduced from US\$48.00 to US\$0.00003 per share by cancelling the paid-up share capital to the extent of US\$47.99997 per share by way of a reduction of capital, so as to form new ordinary shares with par value of US\$0.00003 each. At the date of the registration of this Minute, the authorised share capital of the Company is US\$150,000 divided into (i) 4,980,000,000 Class A ordinary shares of a par value of US\$0.00003 each; and (ii) 20,000,000 Class B ordinary shares of a par value of US\$0.00003 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 20th day of February 2025

Conyers Dill & Pearman LLP

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

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 March 2025 will be heard at the Law Courts, George Town, Grand Cayman on the ²⁸ day of March 2025 at 10:00 am/~~pm~~ or as soon thereafter as the Petition can be heard.