

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 363 OF 2009

In the matter of **Macau Investment Holdings Limited**

And in the matter of the Companies Law (2007 Revision)

And Grand Court Rules 1995 Order 102

PETITION



TO: The Grand Court of the Cayman Islands

THE PETITION of Macau Investment 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 Law (2007 Revision) (the "Companies Law") confirming a reduction of the capital of your Petitioner **Macau Investment Holdings Limited** (the "Company").
2. The Company was incorporated under the Companies Law on February 9, 2001 with the name Goldigit Atom-tech Holdings Limited and registered in the Cayman Islands as an exempted company with registration number CR-108017. By special resolution dated the 16th November 2005 the name of the Company was changed to Signal Media and Communications Holdings Limited. By further special resolution dated the 15th day of October 2007 the name of the Company was changed to Macau Investment Holdings Limited.
3. The registered office of the Company is situated at the offices of Codan Trust Company (Cayman) Limited of PO Box 2681, Grand Cayman KY1-1111, Cayman Islands, British West Indies.
4. Upon the date of incorporation of the Company, its authorised share capital was HK\$380,000.00 divided into 7,600,000 shares of a nominal or par value of HK\$0.05 each.

5. By ordinary resolution dated the 22nd June 2001 the Company increased its authorized share capital from HK\$380,000.00 to HK\$500,000,000.00 divided into 10,000,000,000 shares of HK\$0.05 each.
6. By ordinary resolution dated the 27th August 2007 the Company increased its authorized share capital from HK\$500,000,000.00 divided into 10,000,000,000 shares to HK\$2,500,000,000.00 divided into 50,000,000,000 shares of HK\$0.05 each. By ordinary resolution dated the 15th October 2007, the share capital of the Company was consolidated so that each 10 shares of HK\$0.05 became 1 share of HK\$0.50.
7. As of the date of the Petition, the authorised share capital of the Company is HK\$2,500,000,000.00 divided into 5,000,000,000 shares of HK\$0.50 each and the issued share capital is HK\$242,915,097.00 divided into 485,830,194 shares of HK\$0.50 each.
8. The objects for which the Company was formed are unrestricted.
9. The Articles of Association of the Company provide, inter alia, as follows:

Article 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 share premium account or any capital redemption reserve or other undistributable reserve in any manner permitted by law."

10. By a special resolution of the Company (the "Special Resolution") duly passed in accordance with section 14(1) of the Companies Law, it was resolved:-

"THAT, conditional upon: (i) the Listing Committee of the Stock Exchange granting approval of the listing of and permission to deal in the Adjusted Shares (as defined below); (ii) compliance with any condition which the Grand Court of the Cayman Islands (the "Court") may impose; and (iii) the confirmation of the Capital Reduction (as defined below) by the Court and the registration by the Registrar of Companies in the Cayman Islands of a copy of the court order confirming the Capital Reduction (as defined below)

and the minutes approved by the Court containing the particulars required under the Companies Law of the Cayman Islands:

- (A) the issued share capital of the Company be and is hereby reduced from HK\$242,915,097 to HK\$4,858,302 by the cancellation of HK\$0.49 paid up capital on each issued Share (the "Capital Reduction") so that each issued share in the capital of the Company shall be treated as one fully paid up share of HK\$0.01 each in the capital of the Company (the "Adjusted Share");
 - (B) the directors of the Company be and are hereby authorized to apply the credit arising from the Capital Reduction in the amount of approximately HK\$238,056,795 to set off against a part of the accumulated loss of the Company;
 - (C) the directors of the Company be and are hereby authorized generally to do all things appropriate to effect and implement any of the matters in this Resolution."
11. Of the 485,830,194 shares in issue, 354,642,907, or 73%, were represented at the AGM at which the Special Resolution was put to a vote. The Special Resolution was passed unanimously by those shareholders present or represented at the AGM.
12. As of December 31, 2008, the Company has an accumulated loss of HK\$301.7 million. One purpose of the proposed Capital Reduction is recognize these losses as permanent and to utilize the credit arising from the Capital Reduction to off-set most of these accumulated losses.
13. The proposed Capital Reduction does not involve either the diminution of any liability in respect of unpaid capital or the payment to any shareholder of any paid-up capital. Furthermore, the Capital Reduction will not alter the underlying assets, business operations, management or financial position of the Company nor will it affect the proportionate interests of the shareholders.

14. The form of Minute proposed to be registered is as follows:-

"The issued share capital of Macau Investment Holdings Limited (the "Company") was by virtue of a Special Resolution passed on 3rd July 2009 and with the sanction of an Order of the Grand Court of the Cayman Islands dated [] 2009, reduced from HK\$242,915,097.00 divided into 485,830,194 shares of HK\$0.50 each to HK\$4,858,301.94 divided into 485,830,194 shares of HK\$0.01 each (the "Capital Reduction"). At the date of the registration of this Minute, the share capital of the Company is HK\$50,000,000.00 divided into 5,000,000,000 shares of HK\$0.01 each, of which 485,830,194 shares of HK\$0.01 each have been issued and are fully paid or credited as fully paid."

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 10 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.

NOTE: It is intended to serve this Petition on **Macau Investment Holdings Limited**, at its registered office located at the offices of Codan Trust Company (Cayman) Limited of PO Box 2681, Grand Cayman KY1-1111, Cayman Islands, British West Indies.

Notice of Hearing

This Petition having been presented to the Court on the day of , 2009 will be heard at the Law Courts, George Town, Grand Cayman on the day of , 2009 at a.m./p.m. or as soon thereafter as the Petition can be heard.

DATED THIS DAY OF *July* , 2009.

Charles Adams Ritchie & Duckworth
CHARLES ADAMS RITCHIE & DUCKWORTH
Attorneys-at-Law for the Petitioner herein

This Petition was filed by Charles Adams Ritchie & Duckworth, Attorneys-at-Law for and on behalf of the Applicant herein whose address for service is that of its Attorneys, P.O. Box 709, Zephyr House, Mary Street, George Town, Grand Cayman KY1-1107, Cayman Islands.

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