

IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

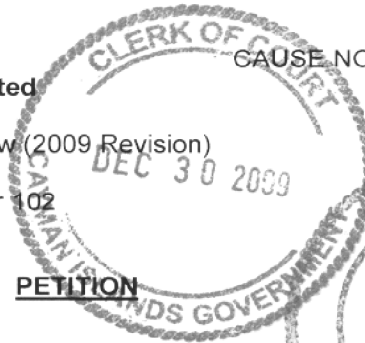
IN THE MATTER OF **AcrossAsia Limited**

CAUSE NO. FSD 0067 OF 2009

AND in the matter of the Companies Law (2009 Revision)

AND the Grand Court Rules 1995 Order 102

PETITION



TO: The Grand Court of the Cayman Islands

THE PETITION of **AcrossAsia 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 (2009 Revision) (the "Companies Law") confirming a reduction of the share capital of the Petitioner, AcrossAsia Limited (the "Company").
2. The Company was incorporated on 6 March 2000 under the Companies Law as an exempted company with registration number CR-97748.
3. The registered office of the Company is at the offices of Maples and Calder, P.O. Box 309, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands.
4. Upon the date of incorporation of the Company, its authorised share capital was US\$10,000,000 (approximately HK\$780,000,000) divided into 10,000,000 ordinary shares with a nominal or par value of US\$1.00 each (the "Shares").
5. On 6 April 2000, the authorised share capital was (i) increased to an aggregate of US\$10,000,000 and HK\$7,800,000 by the creation of an additional 78,000,000 shares of par value HK\$0.10 each; and (ii) reduced by the cancellation of 10,000,000 shares of par value US\$1.00 each.
6. On 17 May 2000, the authorised share capital was increased from HK\$7,800,000 to HK\$15,000,000,000 by the creation of an additional 149,922,000,000 ordinary shares of par value HK\$0.10 each.

7. As at the date of this petition, the authorised share capital of the Company is HK\$15,000,000,000 divided into 150,000,000,000 shares of HK\$0.10 each (the "Share(s)") and its issued share capital is HK\$506,461,538.50 divided into 5,064,615,385 Shares which have been fully paid-up or credited as fully paid-up.
8. The Shares are listed on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited.
9. The objects for which the Company was established are unrestricted and include carrying on the business of an internet, technology and/or telecommunication company and as an investment company in relation to internet, technology, telecommunication and any other businesses and to act as promoters and entrepreneurs and to carry on business as financiers, capitalists, concessionaires, merchants, brokers, traders, dealers, agents, importers and exporters and to undertake and carry on and execute all kinds of investment, financial, commercial, mercantile, trading and other operations.
10. The Articles of Association of the Company provide, *inter alia*, as follows:

Article 63(a) *"The Company may from time to time by ordinary resolution:*

- (i) *consolidate and divide all or any of its share capital into shares of larger amount than its existing shares. On any consolidation of fully paid shares and division into shares of larger amount, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;*
- (ii) *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 share capital by the*

amount of the shares so cancelled subject to the provisions of the Law; and

(iii) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association of the Company, subject nevertheless to the provisions of the Law, and so that the resolution whereby any share is sub-divided may 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 or other special rights, over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares. ”

Article 63(b) *“The Company may by special resolution reduce its share capital, any capital redemption reserve or any share premium account in any manner authorised and subject to any conditions prescribed by Law.”*

11. By a special resolution of the Company duly passed in accordance with section 14(1) of the Companies Law at an extraordinary general meeting held on 9 September 2009 (the “Extraordinary General Meeting”), it was resolved:

“THAT, conditional upon (i) approval by the Grand Court of Cayman Islands (the “Court”) of the Capital Reduction (as defined below), registration by the Registrar of Companies of the Cayman Islands of the order of the Court confirming the Capital Reduction and the minute approved by the Court containing the particulars required under the Companies Law of the Cayman Islands in respect of the Capital Reduction and compliance with any conditions as may be imposed by the Court in relation to the Capital Reduction; and (ii) the Listing Committee of The Stock Exchange of Hong Kong Limited approving the listing of, and granting the permission to deal in, shares of HK\$0.01 each in the issued share capital of the Company, upon the date (the “Effective Date”) on which the Capital Reduction (as defined below) becomes effective:–

(A) the issued share capital of the Company be reduced by cancelling paid up capital to the extent of HK\$0.09 on each ordinary share in issue as of the Effective Date (the “Capital Reduction”) so that each issued share of par value HK\$0.10 in the capital of the Company shall be treated as one fully paid up share of par value HK\$0.01 in the 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 hereby cancelled be made available for issue of new shares of the Company so that the authorised capital of the Company of HK\$15,000,000,000 remains unchanged on the Effective Date;

- (B) the credit arising from the Capital Reduction be applied towards cancelling the accumulated deficit of the Company (if any) with the entire amount or the balance to be transferred to the distributable capital reduction reserve account of the Company where it may be utilised by the directors of the Company in accordance with the articles of association of the Company and all applicable laws;
- (C) immediately following the Capital Reduction, each of the authorised but unissued shares in the capital of the Company of par value HK\$0.10 each be sub-divided into 10 shares of HK\$0.01 each (the "Sub-Division");
- (D) all of the new shares of par value HK\$0.01 resulting from the Capital Reduction and the Sub-Division shall rank pari passu in all respects and have the rights and privileges and be subject to the restrictions contained in the Company's articles of association; and
- (E) the directors of the Company be and are hereby authorised generally to do all things they may consider appropriate and desirable to effect and implement the Capital Reduction and the Sub-Division, and application of credit arising from the Capital Reduction as set forth above including without limitation any and all matters set out in the shareholders circular of the Company dated the same date hereof of which this notice forms part."

12. The number of Shares held by, and the number of shareholders of the Company present and voting in person or by proxy or by corporate representative at the Extraordinary General Meeting was as set out in the table below:-

Present & Voting		For		Against	
Number of Shares voted	Percentage %	Number of Shares voted	Percentage %	Number of Shares voted	Percentage %
4,235,720,170	100%	4,235,570,170	99.9965%	150,000	0.0035%

A total of 4,235,720,170 Shares were voted either in person or by proxy or by corporate representative at the Extraordinary General Meeting, of which 4,235,570,170 Shares (amounting to approximately 99.9965% of the Shares voted at the Extraordinary General Meeting) were voted in favour of the special resolution and 150,000 Shares (amounting to approximately 0.0035% of the Shares voted at the Extraordinary General Meeting) were voted against the special resolution. The special resolution to approve and give effect to the Capital Reduction was duly passed by at least three-fourths of votes cast by the shareholders present and voting, in person or by proxy or by corporate representative at the Extraordinary General Meeting, satisfying the majority for a special resolution required to approve the Capital Reduction under the Articles of Association of the Company.

13. The Company had audited accumulated losses of about HK\$744.0 million as at 31 December, 2008. Based on the latest unaudited accounts of the Company for the period ended 31 August 2009 (the "Management Accounts"), there were unaudited accumulated losses of about HK\$713.8 million as at 31 August 2009. The credit arising from the Capital Reduction will be used to cancel the accumulated losses of the Company with the balance to be transferred to the distributable capital reduction reserve account of the Company where it may be utilised by the directors of the Company in accordance with the articles of association of the Company and all applicable laws. It is expected that the accumulated losses of the Company will be eliminated after the Capital Reorganisation. The Board is of the opinion that the proposed Capital Reorganisation will provide the Company with greater flexibility for the issue of New Shares in the future. Accordingly, the Board is of the view that the Capital Reorganisation is beneficial to the Company and the shareholders as a whole.
14. The proposed Capital Reorganization 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 Reorganization 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 of the Company.
15. The form of Minute proposed to be registered is as follows:


"The issued ordinary share capital of AcrossAsia Limited was by virtue of a Special Resolution passed on 9 September, 2009 and with the sanction of an Order of the Grand Court of the Cayman Islands dated [insert date], 2010, reduced from HK\$0.10 per each issued share to HK\$0.01 per each issued share (the "Capital Reduction"). At the date of the registration of this Minute, all such shares have been fully paid up or deemed to be fully paid up. The authorised share capital of the Company, on the registration of this Minute, is HK\$15,000,000,000 divided into 1,500,000,000,000 shares of HK\$0.01 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 11 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 AcrossAsia Limited, at its registered office located at the offices of Maples and Calder, P.O. Box 309, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands.

DATED THIS 30th DAY OF DECEMBER 2009.


CONYERS DILL & PEARMAN
Attorneys-at-Law for the Petitioner herein

Notice of Hearing

This Petition having been presented to the Court on the _____ day of December 2009 will be heard at the Law Courts, George Town, Grand Cayman on the ___ day of _____ 2010 at _____ am/pm or as soon thereafter as the Petition can be heard.

This Petition was filed by Conyers Dill & Pearman, Attorneys-at-Law for and on behalf of the Petitioner herein whose address for service is that of its Attorneys, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands

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