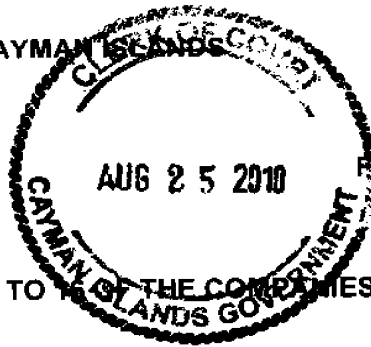


IN THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION



FSD CAUSE NO. 196 OF 2010

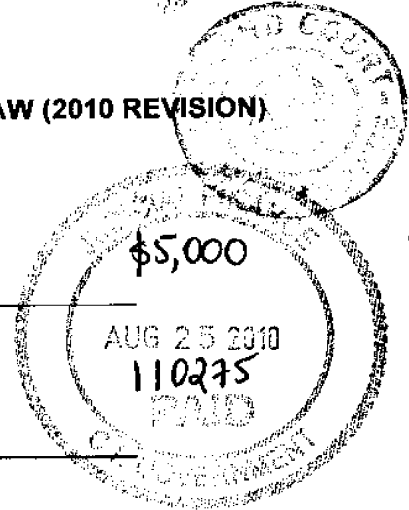
IN THE MATTER OF SECTIONS 14 TO 16 OF THE COMPANIES LAW (2010 REVISION)

AND IN THE MATTER OF GAMEONE INTERACTIVE.COM INC.

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PETITION

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To: The Grand Court of the Cayman Islands

**THE HUMBLE PETITION** of Gameone Interactive.com Inc. (the "Company") of Offshore Incorporations (Cayman) Limited, Scotia Centre, 4th Floor, P.O. Box 2804, George Town, Grand Cayman, KY1-1112, Cayman Islands, shows that:

**Purpose**

- 1 The object of this Petition is to seek an Order of the Court pursuant to section 16 of the Companies Law (2010 Revision) (the "Companies Law") confirming a reduction of the capital of the Company, which has been approved by special resolution of the Company's shareholders.

**Background**

- 2 The Company was incorporated and registered on 6 December 1999 as an exempted company limited by shares.
- 3 The registered office of the Company is situated at the offices of Offshore Incorporations (Cayman) Limited, Scotia Centre, 4th Floor, P.O. Box 2804, George Town, Grand Cayman, KY1-

1112, Cayman Islands. The Company's principal place of business is Unit A, 21<sup>st</sup> Floor, North Point Industrial Building, 499 King's Road, North Point, Hong Kong.

- 4 The objects for which the Company was formed are unrestricted but include, without limitation, to act and to perform all the functions as an investment company and to carry out the other objects more particularly set forth in the Company's Memorandum of Association and Articles of Association (the "**Articles**") dated 6 December 1999 (as amended from time to time).

#### **Company's Share Capital**

- 5 The Company was incorporated and registered with an authorised share capital of US\$50,000.00 divided into 50,000 shares with a par value of US\$1.00 each. By written resolution of the shareholders dated 20 May 2000, the authorised share capital of the Company was increased to US\$100,000.00 by the creation of an additional 50,000 shares of US\$1.00 par value each. By another written resolution of the shareholders dated 3 March 2001, the authorised share capital of the Company was increased to US\$500,000.00 by the creation of an additional 400,000 shares of US\$1.00 par value each. By a further written resolution of the shareholders dated 11 October 2007, the authorised share capital of the Company was increased to US\$10,000,000.00 by the creation of an additional 9,500,000 shares of US\$1.00 par value each.
- 6 Accordingly, at the date of this Petition, the Company's authorised share capital is US\$10,000,000 divided into 10,000,000 shares with a par value of US\$1.00 each. As at the date of this Petition, there are 8,713,905 issued shares each of which is fully paid or treated as fully paid.

#### **Power to Reduce the Company's Share Capital**

- 7 Pursuant to Article 33(d) of the Articles, the Company has the power to reduce its share capital by special resolution.

Article 33(d) is as follows:

*"Without prejudice to Article 11 hereof [which concerns redeemable shares of the Company], and subject to the [Companies Law of the Cayman Islands as amended and every statutory modification or re-enactment thereof for the time being in force], the Company may by Special*

*Resolution reduce its share capital and any capital redemption reserve fund."*

8 By special resolutions of the Company duly passed on 29 July 2010 in the form of unanimous written resolutions in accordance with the Company's Articles and Section 60 of the Companies Law, it was resolved that:

*"(A) Subject to and conditional upon the confirmation of the Grand Court (including the compliance with any conditions it may impose) and all other requirements of Cayman Islands law, and with the objective of ensuring that the Company's share capital accurately reflects its net asset position, and to facilitate future fund raising exercises, the issued share capital of the Company be and is reduced from US\$8,713,905 to US\$87,139.05 by (i) the cancellation of US\$0.99 paid up capital on each issued share of the Company so that each issued share of the Company shall be treated as one fully paid up share of US\$0.01 each in the capital of the Company; and (ii) the reduction of the par value of each and every unused share of the Company from US\$1.00 to US\$0.01 (the "**Capital Reduction**");*

*(B) Subject to and conditional upon the confirmation of the Grand Court (including the compliance with any conditions it may impose) and all other requirements of Cayman Islands law, the credit arising on the Capital Reduction, being US\$8,626,765.95, be applied to a distributable reserve to be applied to meet the ongoing needs of the Company (which, at the directors' discretion, may include the distribution of any or all of such sum to the Company's shareholders as a dividend); and*

*(C) Clause 6 of the Memorandum of Association of the Company be deleted in its entirety and replaced with the following:*

*"The share capital of the Company is US\$100,000 divided into 10,000,000 shares of a nominal or par value of US\$0.01 each with the power for the Company insofar as permitted by law, to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies Law (2010 Revision) of the Cayman Islands (as amended from time to time) and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without any reference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained PROVIDED ALWAYS that, notwithstanding any provision to the*

*contrary contained in this Memorandum of Association, the Company shall have no power to issue bearer shares, warrants, coupons or certificates."*

### **Purpose of the Capital Reduction**

- 9 The reason for effecting the capital reduction is to ensure that the Company's share capital more accurately reflects its net asset position and to facilitate future fund raising exercises by the Company. As of the date of this Petition, the net asset value of the Company per issued share thereof is less than the US\$1.00 par value of the shares.
- 10 The Companies Law prohibits the Company from issuing any shares below their par value without, amongst other things, approval of the Grand Court. Therefore unless the par value of each share of the Company is reduced, the Company would be unable to raise new capital by issuing new shares that are more reflective of the true value of the Company.
- 11 The Company proposes that the credit item of US\$8,626,765.95 arising upon the confirmation of the reduction of capital be applied to a distributable reserve to meet the ongoing needs of the Company (which, at the directors' discretion, may include the distribution of any or all of such sum to the Company's shareholders as a dividend).
- 12 The proposed capital reduction does not involve the diminution of any liability in respect of unpaid capital or, subject to paragraph 11 (above), the payment to any shareholder of paid-up capital.

### **Minute of Order**

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

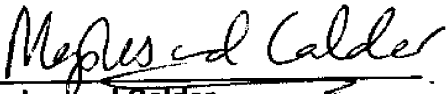
*"The capital of Gameone Interactive.com Inc. was, by virtue of a Special Resolution passed on 29 July 2010 and confirmed by an Order of the Grand Court reduced from US\$10,000,000.00 divided into 10,000,000 shares of US\$1.00 each to US\$100,000.00 divided into 10,000,000 shares of US\$0.01 each. At the date of the registration of this Minute, 8,713,905 shares in the Company have been issued and are deemed to be fully paid up. On the said reduction of capital taking effect, the authorised share capital of the Company will be US\$100,000.00 divided into 10,000,000 shares of US\$0.01 each of*

*which 8,713,905 are issued and are fully paid up and the remainder are unissued."*

**AND THE PETITIONER HUMBLY PRAYS AS FOLLOWS:**

- 1 That the capital reduction of the Company proposed to be effected by the Special Resolution referred to in paragraph 8 of this Petition be confirmed by the Court.
- 2 That the Minute referred to in paragraph 13 of this Petition be approved by the Court.
- 3 That, to this end, all necessary inquiries may be made and directions may be given.
- 4 Such further or other order as the Court sees fit.

DATED this 25<sup>th</sup> day of August 2010

  
**Maples and Calder**  
Attorneys-at-law for the Petitioner

**NOTE:** This petition is not intended to be served on anyone.

This Petition was presented by Maples and Calder, attorneys for the Petitioner, whose address for service is PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: CDM/JJG/658176/19505194)