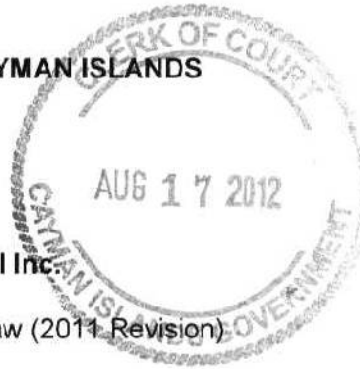


IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION



FSD
CAUSE NO. 0114 OF 2012

In the matter of **Kingpak International Inc.**

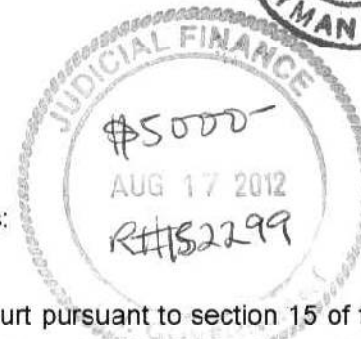
And in the matter of the Companies Law (2011 Revision)

And Grand Court Rules 1995 Order 102



PETITION

TO: The Grand Court of the Cayman Islands



THE PETITION of **Kingpak International Inc.** 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 (2011 Revision) (the "Companies Law") confirming a reduction of the capital of your Petitioner **Kingpak International Inc.** (the "Company").
2. The Company was incorporated under the Companies Law on December 17, 1998 with the name Kingpak International Inc. and registered in the Cayman Islands as an exempted company with registration number CR-86522.
3. The registered office of the Company is situated at the offices of Portcullis TrustNet (Cayman) Ltd., Marquee Place, Suite 430 West Bay Road, P.O. Box 32052, Grand Cayman, KY1-1208 Cayman Islands. At the date of its incorporation and up until 6 March 2009 the registered office of the Company was Citco Trustees (Cayman) Limited of PO Box 31106, Grand Cayman KY1-1205, Cayman Islands, British West Indies.
4. The objects for which the Company was formed are unrestricted save to the extent prohibited by the Companies Law.
5. At the date of incorporation of the Company, its authorised share capital was US\$700,000.00 divided into 700,000 shares of a nominal or par value of US\$1.00 each.

6. On 27 October 2000, an ordinary resolution was passed by the shareholder of the Company at its extraordinary general meeting to increase its authorized share capital from US\$700,000.00 to US\$1,200,000 divided into 1,200,000 shares of US\$1.00 each.
7. On 24 September 2003, an ordinary resolution was passed by the shareholder of the Company at its extraordinary general meeting to increase its authorized share capital from US\$1,200,000.00 to US\$1,500,000.00 divided into 1,500,000 shares of US\$1.00 each.
8. On 15 November 2007, an ordinary resolution was passed by the shareholder of the Company at its extraordinary general meeting to increase its authorized share capital from US\$1,500,000.00 to US\$9,600,000.00 divided into 9,600,000 shares of US\$1.00 each.
9. Following the passing of a special resolution at an extraordinary general meeting of the Company held on 5 July 2008 whereby it was resolved conditional upon the Court's sanction, to reduce the issued and paid up capital of the Company from US\$8,000,000.00 to US\$6,471,354.00 and to reduce the authorized share capital of the Company from US\$9,600,000.00 to US\$8,071,354.00 the Grand Court by Order dated 21 November 2008 sanctioned the said reduction of capital.
10. On the 24 May 2010 an ordinary resolution was passed by the shareholder of the Company at its extraordinary general meeting to increase its authorized share capital from US\$8,071,354.00 to US\$40,000,000.00 divided into 40,000,000 shares of US\$1.00 each.
11. As of the date of the Petition the authorized share capital of the Company is US\$40,000,000.00 divided into 40,000,000 shares of US\$1.00 each. The issued share capital is US\$15,018,354 of which US\$15,018,354 is fully paid up.
12. The Articles of Association of the Company provide, *inter alia*, as follows:

Article 28 “(c) Without prejudice to Article 14 hereof and subject to the provisions of the Law the Company may by Special

Resolution reduce its share capital and any capital redemption reserve fund.”

13. By a special resolution of the Company (the "Special Resolution") duly passed on the 9 May 2012 in accordance with section 14(1) of the Companies Law, it was resolved:-

“Subject to and conditional upon the approval of the Grand Court of the Cayman Islands, the issued paid in capital of the Company be reduced by the amount of US\$7,700,000.00 and that concurrently with such reduction 7,700,000 shares standing in the name of the sole shareholder of the Company be cancelled so that after the Capital Reduction the issued share capital of the Company shall be US\$7,318,354 divided into 7,318,354 shares of US\$1.00 of which US\$7,318,354 is fully paid up.”

14. There is and has been, from the inception of the Company to this time, only one shareholder of the Company, being Kingpak Technology Inc. Accordingly, the Special Resolution was passed unanimously.

15. As shown in the financial statements of the Company as of December 31, 2011, the Company has an accumulated loss or negative retained earnings of US\$8,688,935.79. The purpose of the proposed Capital Reduction is to utilise the credit arising from the Capital Reduction to off-set most of these accumulated losses, specifically US\$7,700,000.

16. 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 shareholders.

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

“The issued share capital of Kingpak International Inc. (the “Company”) was by virtue of a Special Resolution passed on 9 May 2012 and with the sanction of an Order of the Grand Court of the Cayman Islands dated _____ 2012, reduced from

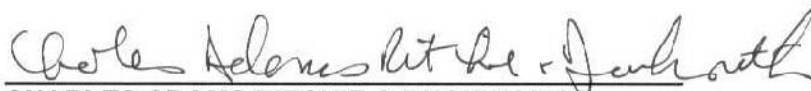
US\$15,018,354 divided into 15,018,354 ordinary shares of US\$1.00 each to US\$7,318,354 divided into 7,318,354 ordinary shares of US\$1.00 each (the "Capital Reduction"). At the date of the registration of this Minute, the authorised share capital of the Company is US\$40,000,000.00 divided into 40,000,000 shares of US\$1.00 each, of which 7,318,354 ordinary shares of US\$1.00 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 13 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 **Kingpak International Inc.**, at its registered office located at the offices of Portcullis TrustNet (Cayman) Ltd., Marquee Place, Suite 430 West Bay Road, P.O. Box 32052, Grand Cayman, KY1-1208 Cayman Islands.

DATED THIS 17th DAY OF August, 2012.



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 Petitioner 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.

