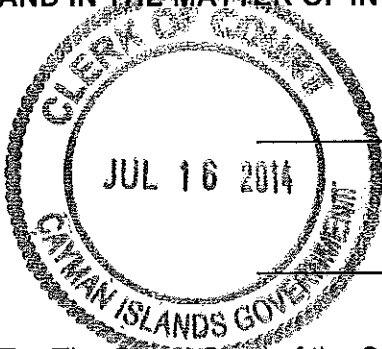


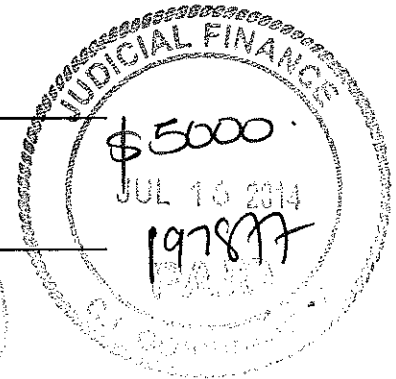
IN THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION

CAUSE NO: FSD0<sup>073</sup> OF 2014 ( )

IN THE MATTER OF SECTION 14 TO SECTION 16 THE COMPANIES LAW (2013 REVISION)  
AND IN THE MATTER OF INVESTATE WATERFRONT



PETITION



To: The Grand Court of the Cayman Islands

THE HUMBLE PETITION of Investate Waterfront (the "**Company**") of PO Box 309, Ugland House, George Town, Grand Cayman KY1-1104, Cayman Islands shows that:

**Introduction**

1 The object of this Petition (the "**Petition**") is to seek an Order of the Court pursuant to section 16 of the Companies Law (2013 Revision) (the "**Companies Law**") to confirm a special resolution of the shareholders of the Company to reduce the issued and paid-up ordinary share capital of the Company from US\$ 66,000,000 divided into 660,000 ordinary shares with a par value of US\$100 each to US\$25,080,000 divided into 660,000 ordinary shares with a par value of US\$38 each (the "**Capital Reduction**").

**Incorporation and Objects of the Company**

2 On 27 September 2007 the Company was registered in the Cayman Islands as an exempted company limited by shares with the name "*Inv Sky Palaces*". On 14 November 2007, the Company changed its name to "*Investate Waterfront*".

3 The registered office of the Company is situate at the offices of Maples Corporate Services Limited, P.O. Box 309, Ugland House, George Town, Grand Cayman. The Company's principal place of business is at the offices of Gulf Advisors, Al Mohammediah District, Fatima Al-Zahraa Street, Building 95, Jeddah, Saudi Arabia.

- 4 The objects for which the Company was established are unrestricted and the Company has full power to and authority to carry out any object not prohibited by the Companies Law or any other law of the Cayman Islands as set forth in clause 3 of the Company's Amended and Restated Memorandum of Association as adopted by special resolution of what was then the Company's sole shareholder on 29 November 2007.
- 5 The business and principal activities of the Company are managing, developing, leasing, buying and selling of investment real estate, primarily in Dubai.

#### **History of Company's share capital**

6 The Company was incorporated and registered with an authorised share capital of US\$36,000,000 divided into 36,000,000 shares with a par value of US\$1.00 each. By written resolutions of what was then the Company's sole shareholder on 14 November 2007, the authorised share capital of the Company was increased to US\$66,000,000 divided into 660,000 Ordinary Shares with a par value of US\$100.00 each by:

- 6.1 the increase in the par value of each Ordinary Share from US\$1.00 to US\$100;
- 6.2 the re-designation of the 100 issued Ordinary Shares as 10 Ordinary Shares;
- 6.3 the re-designation of the 35,999,000 authorised but unissued Ordinary Shares as 359,990 Ordinary shares of a nominal or par value of US\$100 each per share; and
- 6.4 the creation of 300,000 Ordinary Shares of a nominal or par value of US\$100 each.

7 At the date of this Petition, the Company's authorised share capital is therefore US\$66,000,000.00 divided into 660,000 Ordinary Shares with a par value of US\$100.00 each.

8 As at the date hereof, all of the Company's Ordinary Shares are in issue and are fully paid up.

#### **Power to reduce the Company's share capital**

9 The Company has the power to reduce its share capital in any way pursuant to Article 48.4 of its Amended and Restated Articles of Association (the "**Articles**") which provides:

*"48 Subject to the provisions of the [Companies Law] and the provisions of these Articles as regards the matters to be dealt with by Ordinary Resolution, the Company may by Special Resolution:*

...

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

10 By special resolutions of the Company duly passed in accordance with the Articles and Section 60 of the Companies Law at an extraordinary general meeting of the Company's shareholders held on 10 July 2014 in Jeddah, Saudi Arabia it was resolved:

- " (1) Pursuant to Article 48.4 of the Articles of Association of the Company (as amended) and conditional upon the confirmation by the Grand Court of the Cayman Islands and with effect from the date upon which this resolution takes effect pursuant to the Companies Law (2013 Revision), the issued and paid-up ordinary share capital of the Company be reduced from US\$66,000,000 divided into 660,000 ordinary shares with a par value of US\$100 each to US\$25,080,000 divided into 660,000 ordinary shares with a par value of US\$38 each;
- (2) The credit arising from the reduction of capital be to be used to:(a) eliminate the accumulated losses of US\$33,899,000 on the Company's balance Sheet as at 31 December 2013; (b) extinguish the shareholders' liability to repay the advance of share capital in the amount of US\$6,600,000; and (c) create a fully distributable capital reserve in the amount of US\$421,000; and
- (3) Conditional upon the effectiveness of resolution (1) above, the Amended and Restated Memorandum of Association of the Company be amended so that the words "US\$66,000,000.00 divided into 660,000 Ordinary shares of a nominal or par value of US\$100.00 each" in clause 5 of the Amended and Restated Memorandum of Association of the Company be deleted and be replaced with the words "US\$25,080,000 divided into 660,000 shares with a par value of US\$38.00 each".

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

11 The Company proposes to apply the credit arising from the Capital Reduction for the following purposes:

- 11.1 to eliminate the accumulated losses of US\$33,899,000 from the Company's balance sheet as at 31 December 2013;

- 11.2 to extinguish the shareholders' liability to repay the amount of US\$6,600,000 that was distributed to the Company's shareholders in 2010 and which constituted a payment out of the Company's share capital without compliance with the formalities required under the Companies Law;
- 11.3 to create a fully distributable reserve in the amount of US\$ 421,000 that will then be for the pursuit of the business of the Company.

### **Minute of Order**

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

*"The capital of Investate Waterfront was, by virtue of a Special Resolution of the shareholders of the Company passed on 10 July 2014 and confirmed by an Order of the Grand Court on [date], reduced from US\$66,000,000 divided into 660,000 ordinary shares with a par value of US\$100 each to US\$25,080,000 divided into 660,000 ordinary shares with a par value of US\$38 each. At the date of the registration of this Minute, the issued and paid-up share capital of the Company is accordingly, US\$25,080,000 divided into 660,000 ordinary shares with a par value of US\$38 each."*

### **And your 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 10 of this Petition be confirmed by the Court.
- (2) That the Minute referred to in paragraph 12 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) For such further or other order as the Court sees fit.

DATED this 16<sup>th</sup> day of July 2014



**Maples and Calder**

**Note:** This Petition is not intended to be served.

**ENDORSEMENT**

This Petition having been presented to the Grand Court of the Cayman Islands on the      day of July  
2014 will be heard at the Grand Court of the Cayman Islands on the      day of      2014 at  
o'clock or as soon thereafter as the Petition can be heard.