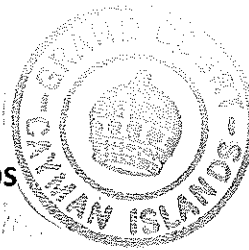
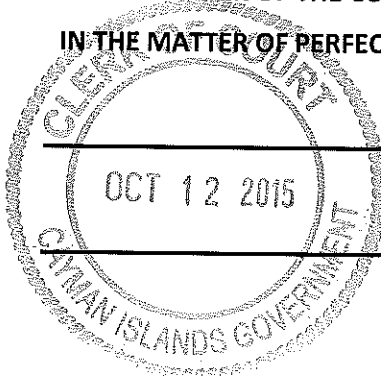


IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

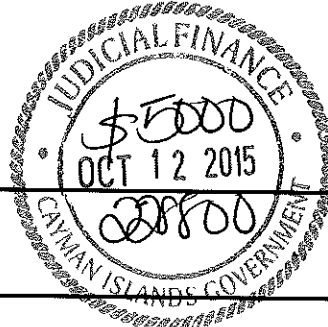


CAUSE NO. FSD ⁰¹⁶⁶ OF 2015

IN THE MATTER OF THE COMPANIES LAW (2013 REVISION)
IN THE MATTER OF PERFECT WORLD CO., LTD.



PETITION



To: The Grand Court of the Cayman Islands

The humble petition of PERFECT WORLD CO., LTD. whose registered office is c/o Maples Corporate Services Limited, PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands (the *Petitioner*) shows that:

Background

1. The Petitioner was incorporated on 28 June 2006 as an exempted limited company under the laws of the Cayman Islands. Immediately prior to the completion of the transaction to which this petition relates, the Petitioner had in issue an aggregate of 264,752,800 ordinary shares with a par value of US\$0.0001 per share issued and outstanding on a fully diluted basis, comprising: 29,671,195 Class A ordinary shares, 219,424,100 Class B ordinary shares, and in-the-money options outstanding of 15,657,505 (the *Shares*). A number of the Class B ordinary shares were held as American depository shares (*ADS*), each representing five Class B ordinary shares, and were listed on the NASDAQ Global Selected Market (*NASDAQ*).
2. On 26 April 2015, the Petitioner announced that it had entered into an Agreement (the *Merger Agreement*) and a Plan of Merger with (1) Perfect Peony Holding Company Limited (the *Parent*), a wholly owned subsidiary of Perfect Human Holding Company Limited (*Perfect Human*) and (2) Perfect World Merger Company Limited, a wholly owned subsidiary of the Parent (the *Merger Sub*), both of which were

incorporated in the Cayman Islands. Perfect Human is beneficially owned by Mr Michael Yufeng Chi, the founder and chairman of the Petitioner's board of directors (the **Founder**). Together, the Founder, the Parent, Perfect Human and Merger Sub (collectively, the **Buyer Group**) were to acquire all of the Shares of the Petitioner not currently owned by the Buyer Group in a "going private" transaction pursuant to the merger and consolidation regime under Part XVI of the Cayman Islands Companies Law (2013 Revision) (the **Companies Law**).

3. Subject to satisfaction of the terms of the Merger Agreement, the Petitioner was to merge with the Merger Sub (the **Merger**) whereupon the Merger Sub would cease to exist and the Petitioner would continue as the surviving company and remain a wholly owned subsidiary of the Parent. The Merger Sub and Parent were formed solely for the purposes of the Merger.
4. Once the Merger was effected, all of the Shares issued (including shares represented by ADSs) would be cancelled and cease to exist in exchange for the right to receive US\$4.04 per share in cash without interest (equivalent to US\$20.20 per ADS in cash without interest) (the **Merger Consideration**) except for:
 - a. the Shares held by the Founder, the Parent, the Petitioner or any of its subsidiaries; and
 - b. the Shares held by shareholders who validly exercise their right to dissent from the Merger which Shares were cancelled and ceased to exist in exchange for the right to receive the payment of fair value of such Shares as determined in accordance with section 238 of the Companies Law.
5. As part of this process, on 2 January 2015, the Petitioner had announced that its board of directors (the **Board**) had formed a special committee of independent directors of the Petitioner, unaffiliated with any member of the Buyer Group or management of the Petitioner (the **Special Committee**), to review the terms and conditions of the Merger Agreement and the Merger for determination of the fairness of the Merger Consideration. In their determination of fairness of the Merger Consideration, the Special Committee engaged China Renaissance Securities

(Hong Kong) Limited (*China Renaissance*) and Duff & Phelps LLP (*Duff & Phelps*) as its financial advisors and Skadden, Arps, Slate, Meagher & Flom LLP (*Skadden*) as its legal advisor. The fairness opinions of China Renaissance and Duff & Phelps dated 26 April 2015 which were based on their valuation analyses, recommended the Merger Consideration to be fair.

6. On 26 April 2015, the Petitioner's Board approved the Merger Agreement and the Merger and resolved to recommend the approval and authorisation of the Merger Agreement and the Merger to the shareholders of the Petitioner (the *Shareholders*).
7. On 25 June 2015, a proxy statement was issued to the Shareholders (the *Shareholders' Proxy*) which included, but was not limited to, a copy of the merger agreement entered into between the Petitioner, Parent and Merger Sub dated 26 April 2015, a form of plan of merger including transactions contemplated therein (the *Plan of Merger and the Transactions*) and fairness opinions of China Renaissance and Duff & Phelps for consideration by the Shareholders. The Merger was to be voted upon at an extraordinary general meeting held on 28 July 2015 in Hong Kong (the *EGM*). Relevant notices and proxy forms were also included in the Shareholders' Proxy.
8. At the EGM, Shareholders were present in person or by proxy in respect of the Shares representing over 99% of the total number of the Shares issued and entitled to vote (including ordinary shares represented by the ADS). A quorum was therefore present in accordance with the articles of association of the Petitioner.
9. The following resolutions were set out in the notice convening the EGM:
 - a. *"THAT the Agreement and Plan of Merger, dated as of April 26, 2015 (the "Merger Agreement"), by and among Perfect Peony Holding Company Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands ("Parent"), Perfect World Merger Company Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands and a wholly owned subsidiary of Parent ("Merger Sub"), and the Company (the Merger Agreement being in the form*

attached as Annex A to the accompanying proxy statement and to be produced and made available for inspection at the extraordinary general meeting), the plan of merger (the "Plan of Merger") required to be registered with the Registrar of Companies in the Cayman Islands (the Plan of Merger being in the form attached as Annex B to the accompanying proxy statement and to be produced and made available for inspection at the extraordinary general meeting) in order to give effect to the merger of Merger Sub with and into the Company, with the Company surviving as a wholly owned subsidiary of Parent (the "Merger"), and any and all transactions contemplated by the Merger Agreement and the Plan of Merger (collectively, the "Transactions"), including the Merger, be authorized and approved" (First Resolution);

b. *"That each of the members of the special committee of the board of directors of the Company, the chief executive officer of the Company and the chief financial officer of the Company be authorized to do all things necessary to give effect to the Merger Agreement, the Plan of Merger and the Transactions, including the Merger" (Second Resolution) and;*

c. *"That the chairman of the extraordinary general meeting be instructed to adjourn the extraordinary general meeting in order to allow the Company to solicit additional proxies in the event that there are insufficient proxies received at the time of the extraordinary general meeting to pass the special resolutions to be proposed at the extraordinary general meeting." (Third Resolution).*

10. The First and Second Resolutions, being special resolutions of the Petitioner, were carried by a majority of approximately 98.0% of the total votes voted in person or by proxy at the EGM, rendering the Third Resolution unnecessary.

11. Following completion of:

a. The Merger Agreement by (1) the Petitioner, (2) the Parent and (3) the Merger Sub; and

- b. the Plan of Merger and the Transactions by (1) the Petitioner, (2) the Parent and (3) the Merger Sub,

the Merger was approved on 28 July 2015 and the Plan of Merger was filed with the Registrar of Companies on 28 July 2015. The Certificate of Merger issued by the Registrar of Companies was received by the Petitioner on 28 July 2015, deeming the Merger effective on 28 July 2015.

The Dissenting Shareholders

12. The dissenting shareholders' shareholdings in the Petitioner were as follows:
 - a. 619,500 Class B ordinary shares held by Crown/Maso Segregated Portfolio;
 - b. 2,147,840 Class B ordinary shares held by Maso Capital Investments Limited; and
 - c. 1,892,500 Class B ordinary shares held by Blackwell Partners LLC – Series A (together the *Dissenting Shareholders*).

Notices of Dissent

13. On 27 July 2015, pursuant to section 238(2) of the Companies Law, the Petitioner received written objections to the Merger from the Dissenting Shareholders.
14. On 14 August 2015, pursuant to section 238(4) of the Companies Law, the Petitioner's attorneys, Harney Westwood and Reigels (*Harneys*), sent a written notice to each of the Dissenting Shareholders on behalf of the Petitioner notifying them of the authorisation of the Merger by the Shareholders at the EGM held on 28 July 2015.
15. On 21 August 2015, pursuant to section 238(5) of the Companies Law, the Dissenting Shareholders each sent written notices of dissent in relation to the Merger to the Petitioner, setting out the number and class of shares in respect of which they each dissented (the *Shares*) and demanding payment of fair value of the Shares.

16. On 10 September 2015, Harneys sent written offers to each of the Dissenting Shareholders pursuant to section 238(8) of the Companies Law offering to purchase the Shares at a price the Petitioner determined to be their fair value. The Petitioner made a fair value offer to each of the Dissenting Shareholders of US\$4.04 per share for the Shares.

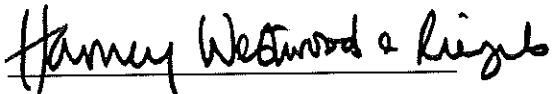
17. Until the date of filing this Petition, the Petitioner and Dissenting Shareholders have failed to agree on a price for the Shares. As the period for negotiation contemplated by section 238(8) will expire on 10 October 2015, being a Saturday, the Petitioner, pursuant to section 238(9)(a), now seeks the Court's determination of the fair value of the Shares.

Your Petitioner therefore humbly prays that:

- (1) The Court determines the fair value of the Shares, together with a fair rate of interest, if any, to be paid by the Petitioner upon the amount determined to be the fair value in accordance with the Companies Law;
- (2) The costs of and occasioned by the Petitioner in these proceedings be paid by the Dissenting Shareholders; and
- (3) The Court make such further order or grant further relief as it deems appropriate.

AND your Petitioner will ever pray etc.

Dated this 12th day of October 2015



Harney Westwood & Riegels

Attorneys-at-Law for and on behalf of the Petitioner

NOTE: This Petition is intended to be served on the Dissenting Shareholders at the addresses stated in the Petitioner's Register of Members.

THIS PETITION was presented by Harney Westwood & Riegels, Attorneys-at-Law for the Petitioner, whose address for service is 4th Floor, Harbour Place, 103 South Church Street, PO Box 10240, Grand Cayman KY1-1002, Cayman Islands (Ref: 04729-0001-INM-DCB).