

IN THE GRAND COURT OF THE CAYMAN ISLANDS

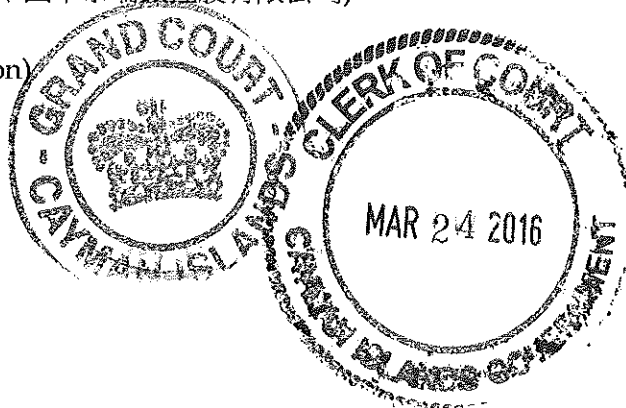
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD ⁰⁰³⁸ OF 2016

IN THE MATTER of Sino Splendid Holdings Limited (中國華泰瑞銀控股有限公司)

AND in the matter of the Companies Law (2013 Revision)

AND Grand Court Rules 1995 Order 102



PETITION

TO: The Grand Court of the Cayman Islands

THE PETITION of Sino Splendid Holdings Limited (中國華泰瑞銀控股有限公司) 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 (2013 Revision) (the "Companies Law") confirming a reduction of the capital of your Petitioner Sino Splendid Holdings Limited (中國華泰瑞銀控股有限公司) (the "Company").
2. The Company was incorporated under the Companies Law on 15 October, 1999 with the name "HONGKONG.COM CORPORATION" and registered in the Cayman Islands as an exempted company with registration number CR-93370. On 28 April, 2005, the name of the Company was changed from "HONGKONG.COM CORPORATION" to "China.com Inc. 中華網科技公司". On 16 October, 2013, the name of the Company was changed from "China.com Inc. 中華網科技公司" to "Sino Splendid Holdings Limited (中國華泰瑞銀控股有限公司)".

3. The registered office of the Company is situated at the offices of Maples and Calder, P.O. Box 309, Uglan House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands.
4. As at the date of incorporation of the Company on 15 October, 1999, its authorised share capital was HK\$1,000,000,000 divided into 10,000,000,000 shares of HK\$0.10 each. Since the incorporation of the Company, the Company has undergone various reorganisation of its authorised and issued share capital through share subdivision, share consolidation, increase of authorised share capital and reduction of issued share capital. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 9 March, 2000. As at the date of this Petition, the authorised share capital of the Company is HK\$500,000,000 divided into 50,000,000,000 shares of HK\$0.01 each (the "Shares") and its issued share capital is HK\$64,304,184.60 divided into 6,430,418,460 Shares (the "Existing Shares").
5. The objects for which the Company is established are unrestricted and the Company has full power and authority to exercise all the functions of a natural person of full capacity in respect of any question of corporate benefit, as provided by section 27(2) of the Companies Law. The Company is an investment holding company of its subsidiaries that principally engage in travel media operations including advertising services through the internet and travel magazines, event organization and magazine publication.
6. The articles of association of the Company provide, *inter alia*, as follows:

Article 4 "The Company may from time to time by ordinary resolution in

accordance with the Companies Law alter the conditions of its Memorandum of Association to:

- (a) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;
- (b) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;
- (c) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine;
- (d) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Company's Memorandum of Association (subject, nevertheless, to the Companies Law), and may by such resolution 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, deferred or other rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;
- (e) 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 capital by the amount of the shares so cancelled or, in the case of shares without par value, diminish the number of shares into which its capital is divided;
- (f) change the currency denomination of its share capital."

Article 6 “The Company may from time to time by special resolution, subject to any confirmation or consent required by the Companies Law, reduce its share capital or any capital redemption reserve or other undistributable reserve in any manner permitted by law.”

7. By resolutions of the Company duly passed at an extraordinary general meeting held on 5 February, 2016 (the “Extraordinary General Meeting”), it was resolved in accordance with section 14(1) of the Companies Law, as a special resolution (the “Special Resolution”):

“THAT

(1) subject to and conditional upon (i) approval from the Grand Court of the Cayman Islands (“Court”) of the Capital Reduction (as defined below); (ii) registration by the Registrar of Companies of 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 Cayman Islands in respect of the Capital Reduction (as defined below) and compliance with any conditions the Court may impose; and (iii) the Listing Committee of The Hong Kong Stock Exchange Limited granting approval for the listing of, and permission to deal in, the Consolidated Shares (as defined below), upon the date on which the aforesaid conditions are fulfilled:

(a) the par value of each issued Share of HK\$0.01 in the capital of the Company be reduced to HK\$0.0005 (each a “New Share”) by cancelling paid-up capital to the extent of HK\$0.0095 on each issued Share (“Capital

Reduction”) 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 thereby cancelled be made available for issue of new shares of the Company;

- (b) immediately following the Capital Reduction, each authorized but unissued Share in the capital of the Company be subdivided into 20 New Shares of HK\$0.0005 each (“Sub-division”);
- (c) the credit arising from the Capital Reduction be transferred to a distributable reserve account of the Company which may be utilised by the directors (“Directors”) of the Company in accordance with the articles of association of the Company and all applicable laws, including, without limitation, eliminating or setting off the accumulated losses of the Company from time to time; and
- (d) immediately following the Capital Reduction and Sub-division becoming effective, every twenty (20) issued and unissued New Shares of HK\$0.0005 each in the share capital of the Company be consolidated into one (1) share of HK\$0.01 each (each a “Consolidated Share”) so that the authorised share capital of the Company shall be HK\$500,000,000 divided into 50,000,000,000 Consolidated Shares of HK\$0.01 each, and such Consolidated Share(s) shall rank pari passu in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the articles of association of the Company; and

- (2) the Directors be and are hereby authorised to do all such acts, deeds and things and to effect all necessary actions as they may consider necessary or desirable in order to effect, implement and complete any and all of the foregoing.”

Each of the capitalised terms referred to in the Special Resolution above are defined in the information circular exhibited to the affirmation of Chow Chi Wa (“CCW-6”).

8. The number of votes casted by the members of the Company present and voting in person or by corporate representatives or by proxy at the Extraordinary General Meeting is as set out in the table below:

	Present & Voting	For	Against
How Present	Number of shares voted	Number of shares voted	Number of share voted
In person/ by corporate representatives	1,941,484,520 shares	1,813,902,520 shares	127,582,000 shares
By proxy	18,010 shares	18,010 shares	0 share
Total	1,941,502,530 shares	1,813,920,530 shares	127,582,000 shares

The Special Resolution was voted on by way of a poll and the number of votes casted by the members present and voting in person or by corporate representatives or by proxy at the Extraordinary General Meeting in favour of the Special Resolution represents more than three-fourths of the votes casted in respect of the Special Resolution and therefore the chairman of the Extraordinary General Meeting declared the Special Resolution passed in accordance with the articles of association of the Company.

The credit arising from the Capital Reduction will be transferred to a distributable

reserve account of the Company which may be utilised by the directors of the Company in accordance with the articles of association of the Company and all applicable laws, including, without limitation, eliminating or setting off the accumulated losses of the Company from time to time. Pursuant to Rule 17.76 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the "GEM Listing Rules"), where the market price of the securities of a listed issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the listed issuer either to change the trading method or to proceed with a consolidation or splitting of its securities. In view of the recent trading price of the Shares, the Board proposes to proceed with the Capital Reduction which together with a share consolidation will enable the Company to avoid non-compliance with the trading requirements under the GEM Listing Rules and provide greater flexibility to the Company in pricing future fund raising exercises if such pricing is at a discount to the prevailing market price of its shares. The Capital Reduction to be followed by a share consolidation will enhance the net asset value of each Consolidated Share that can facilitate the Company's future fund raising activities as the Company is not allowed to issue any new shares below its par value under its articles of association and the Companies Law. Proposals were therefore put forward to:

- (i) reduce the par value of each issued Share of HK\$0.01 in the capital of the Company to HK\$0.0005 by cancelling paid-up capital to the extent of HK\$0.0095 on each issued Share;
- (ii) immediately following the Capital Reduction, sub-divide each authorized but unissued Share in the capital of the Company into 20 New Shares of HK\$0.0005 each;

- (iii) transfer the credit arising from the Capital Reduction to a distributable reserve account of the Company which may be utilised by the directors of the Company in accordance with the articles of association of the Company and all applicable laws, including, without limitation, eliminating or setting off the accumulated losses of the Company from time to time; and
 - (iv) immediately following the Capital Reduction and Sub-division becoming effective, consolidate every twenty (20) issued and unissued New Shares of HK\$0.0005 each in the share capital of the Company into one (1) share of HK\$0.01 each so that the authorised share capital of the Company shall be HK\$500,000,000 divided into 50,000,000,000 Consolidated Shares of HK\$0.01 each (the above steps to be collectively referred to as the "Capital Reorganisation").
9. The proposed Capital Reorganisation does not involve either the diminution of any liability in respect of unpaid capital and the Company does not have any intention to make payment to any shareholder of any paid-up capital. Furthermore, the Capital Reorganisation will not alter the underlying assets, business operations, management or financial position of the Company and thus will have no direct impact on creditors nor will it affect the proportionate interests of the shareholders.
10. The form of Minutes proposed to be registered is as follows:
- "The issued share capital of Sino Splendid Holdings Limited (中國華泰瑞銀控股有限公司) (the "Company") was by virtue of a Special Resolution passed on 5 February, 2016 and with the sanction of an Order of the Grand Court of the Cayman Islands dated [], 2016, reduced from HK\$0.01 per each issued share to HK\$0.0005 per each issued share (the "Capital Reduction").*

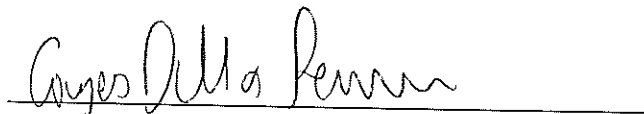
Upon the Capital Reduction becoming effective, each authorised but unissued share of HK\$0.01 each shall be subdivided into 20 unissued shares of HK\$0.0005 each in the capital of the Company (the "Subdivision"). Following the Capital Reduction and the Subdivision becoming effective, every 20 issued and unissued shares of HK\$0.0005 each shall be consolidated into one share of HK\$0.01 each. At the date of the registration of this Minute, the authorised share capital of the Company is HK\$500,000,000 divided into 50,000,000,000 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 7 of this Petition may be confirmed and that the above-mentioned Minutes 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 Sino Splendid Holdings Limited (中國華泰瑞銀控股有限公司), 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, KY1-1104, Cayman Islands.

Dated this 23rd day of March 2016.



Conyers Dill & Pearman
Attorneys-at-Law for the Petitioner herein

This Petition having been presented to the Court on the ____ day of _____, 2016 will be heard at the Law Courts, George Town, Grand Cayman on the ____ day of _____ 2016 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.