

IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION



CAUSE NO: FSD 26 OF 2018

IN THE MATTER OF THE COMPANIES LAW (2016 REVISION)
AND IN THE MATTER OF CHINA HEALTHCARE INC



WINDING UP PETITION



TO THE GRAND COURT

The humble petition of Classroom Investments Inc. of 5650 Yonge Street, Toronto, Ontario, M2M 4H5 (the "**Petitioner**") shows that:

1. China Healthcare Inc (the "**Company**") is an exempted company incorporated in the Cayman Islands with limited liability with registration number 288998. The registered office of the Company is c/o Vistra (Cayman) Limited, PO Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands.
2. Pursuant to the Company's memorandum and articles of association dated 17 June 2014, the Company's authorised share capital is US\$50,000.00 divided into 50,000 shares of a nominal or par value of US\$1.00 each.
3. The Company acts as the holding company for various subsidiaries in the British Virgin Islands, the Hong Kong Special Administrative Region ("**Hong Kong**") and the People's Republic of China ("**PRC**").
4. Pursuant to a final costs certificate issued by this Honourable Court on 24 February 2017 in proceedings between the Company, the Petitioner and a related company known as China Hospitals, Inc. ("**CHI**") (Cause No. FSD 64 of 2015) (the "**Costs Certificate**"), the Company and CHI were ordered to pay the Petitioner the sum of US\$383,624.77 (the "**Debt**"). The Company and CHI are jointly and severally liable for the Debt.

5. The Costs Certificate was served on the Company by way of an email from Walkers (the Petitioner's Cayman Islands legal counsel) to Harney Westwood & Riegels (the Company's Cayman Islands legal counsel) dated 6 March 2017.
6. To date, neither the Company nor CHI has repaid or satisfied the Debt or any part thereof, which remains due and payable by the Company to the Petitioner.
7. In the premises, the Petitioner believes that the Company should be wound up as it is unable to pay its debts as they fall due and it is otherwise just and equitable to do so.

Your Petitioner therefore humbly prays:

1. The Company be wound up by the Court in accordance with the Companies Law.
2. Cosimo Borrelli of Borrelli Walsh Limited, Level 17, Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong and Samantha Wood of Borrelli Walsh (Cayman) Limited, G/F Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1204, Cayman Islands be appointed as joint official liquidators of the Company (the "JOLs").
3. The JOLs shall not be required to give security for their appointment.
4. The JOLs have the power to act jointly and severally in their capacity as liquidators of the Company.
5. The JOLs be authorised to take any such action as may be necessary or desirable to obtain recognition of the JOLs and/or their appointment and/or powers in any other relevant jurisdiction and to make applications to the courts of such jurisdictions for that purpose.
6. In addition to the powers set out in Part II of the Third Schedule to the Companies Law, the JOLs be authorised to exercise all of the powers set out in paragraphs 1, 2, 4, 5, 6, 7, 8, 10 and 11 of Part I of the Third Schedule to the Companies Law and section 110(2) thereof without further sanction of the Court.
7. The JOLs be authorised to do any acts or things considered by them to be necessary or desirable in connection with the liquidation of the Company and the winding up of its affairs in the Cayman Islands and/or elsewhere.

8. Without prejudice to the generality of the foregoing, the JOLs be authorised and be granted leave to take all such actions as may be necessary to:
- (a) exercise the rights to which a registered holder of any shares or other securities registered in the name of the Company, or to which an owner of any shares or securities held by or on behalf of the Company (whether as principal or as agent), is entitled including, but without prejudice to the generality of the foregoing power, the right to receive dividends and the benefits of other corporate actions in relation to such shares or other securities; the right to pass or sign shareholder resolutions and to attend meetings and exercise any voting power pertaining to such shares or other securities and to direct nominees of the Company in whose names shares or other securities beneficially owned by the Company are registered to exercise all or any such rights as the JOLs shall direct;
 - (b) take control of such of the direct and/or indirect subsidiaries ("**Subsidiaries**") of the Company, and/or joint ventures, investment, associated companies, business or other entities (together the "**Associated Companies**") in which the Company holds an interest (or such shares of such subsidiaries and/or associated companies as are owned directly or indirectly by the Company), in each case wherever located (together, the "**Group**"), as the JOLs shall think fit; and/or to call or cause to be called such meetings of such Subsidiaries and/or Associated Companies and/or to sign such resolutions (in accordance with the provisions of any relevant constitutional or related documentation of such companies) and take such other steps, including applications to appropriate courts and/or regulators, as the JOLs shall consider necessary to appoint or remove directors, legal representatives, officers, and/or managers to or from such Subsidiaries and/or Associated Companies, and in each case take such steps as are necessary to cause the registered agents (or other equivalent corporate administrators) of such Subsidiaries or Associated Companies to give effect to the changes to the boards of directors, legal representatives, officers, and/or managers of such companies or entities, including (without limitation) effecting changes to the company registers of such Subsidiaries or Associated Companies as may be deemed appropriate by the JOLs; and/or to take such other action in relation to

all such Subsidiaries or Associated Companies as the JOLs shall think fit for the purpose of protecting the assets of the Company and managing the affairs of the Company (which, for the avoidance of doubt, shall include the assets and affairs of the Subsidiaries and Associated Companies);

- (c) stabilise and preserve value of the Company and the Group;
 - (d) stabilise and preserve value in the onshore business of the Company and the Group in the PRC;
 - (e) open and operate bank accounts in the name of the Company or in their own name on behalf of the Company in the Cayman Islands, Hong Kong, the PRC, or elsewhere;
 - (f) take steps to locate, demand and secure cash held by all Group companies in bank accounts in the Cayman Islands, Hong Kong, the PRC, or elsewhere;
 - (g) make applications to, and seek assistance from, the courts of any foreign jurisdictions as may be necessary in the course of their conduct as JOLs of the Company or for the purpose of carrying out any of the functions provided for herein; and
 - (h) communicate on the Company's behalf with the regulators as appropriate.
9. The JOLs be at liberty to appoint such counsel, attorneys, professional advisors, whether in the Cayman Islands or elsewhere, as they may consider necessary to advise and assist them in the performance of their duties in accordance with Order 25 of the Companies Winding Up Rules 2008 (as amended).
10. No disposition of the property of the Company by or with the authority of the JOLs in carrying out their duties and functions and the exercise of their power under any Order granted pursuant to this Petition shall be voided by virtue of section 99 of the Companies Law.
11. Subject to section 109(2) of the Companies Law and the Insolvency Practitioner's Regulations 2008 (as amended), the JOLs be authorised to render and pay invoices out of the assets of the Company for their own remuneration.

12. The JOLs be at liberty to meet all disbursements reasonably incurred in connection with the performance of their duties and, for the avoidance of doubt, all such payments shall be made as and when they fall due out of the assets of the Company as an expense of the liquidation.
13. The JOLs be at liberty to apply generally.
14. The Petitioner's costs of and incidental to the Petition shall be paid forthwith out of the assets of the Company as an expense of the liquidation, such costs to be taxed on an indemnity basis if not agreed with the JOLs.
15. Such further or other relief be granted as the Court deems appropriate.

AND your Petitioner will ever pray etc.

DATED the 16th day of February 2018

Walkers

WALKERS

Attorneys at Law for the Petitioner

NOTE: This petition is intended to be served on:

China Healthcare Inc of Vistra (Cayman) Limited, PO Box 31119, Grand Pavillion, Hibiscus Way, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands

Harney Westwood & Riegels, 4th Floor Harbour Place, 103 South Church Street, PO Box 10240, Grand Cayman KY1-1002, Cayman Islands

This Petition is presented by Walkers, Attorneys at Law, 190 Elgin Avenue, George Town, Grand Cayman KY1-9001, for the Petitioner whose address for service is care of its said Attorneys at Law.

NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this Petition will take place at the Law Courts, George Town, Grand Cayman on ^{the} 19 April 2018 at 10:00^{am}.

Any correspondence or communication with the Court relating to the hearing of this Petition should be addressed to the Registrar of the Financial Services Division of the Grand Court at PO Box 495, Grand Cayman KY1-1106, Telephone 345 949 4296

This Petition is presented by Walkers, Attorneys at Law, 190 Elgin Avenue, George Town, Grand Cayman KY1-9001, for the Petitioner whose address for service is care of its said Attorneys at Law.