

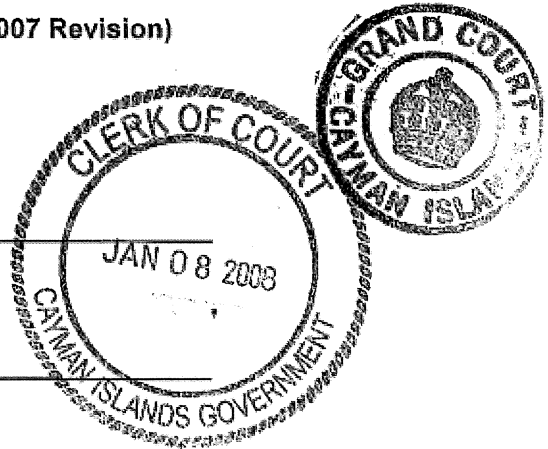
IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 0010 OF 2008

IN THE MATTER of Section 35 of the Companies Law (2007 Revision)

AND IN THE MATTER of HANNSPREE INC.

PETITION



To: The Grand Court

THE HUMBLE PETITION OF HANNSPREE INC. C/O Bridge Street Services Limited, Marquee Place, Suite 300, 430 West Bay Road, P.O. Box 30691SMB, George Town, Grand Cayman, Cayman Islands (hereinafter called the "**Company**") shows as follows:

Object of Petition

- 1 The object of this Petition is to seek the sanction of the Court pursuant to section 35(2) of the Companies Law (2007 Revision) (the "**Law**") of a proposed issue of 1,061,007,957.5596 shares in the capital of the Company with a par value of US\$100 at a discount to par of US\$99.9246 each (the "**Discounted Allotment**").

Incorporation and Objects

- 2 The Company was incorporated on 11 January 2006 as an exempted company limited by shares pursuant to the Companies Law (2004 Revision). The registered office of the Company is and has always been situate at C/O Bridge Street Services Limited, Marquee Place, Suite 300, 430 West Bay Road, P.O. Box 30691SMB, George Town, Grand Cayman, Cayman Islands. The Company's principal place of business is in Taiwan at 12th Floor, No. 480 Rueiguang Rd., Neihu Taipei 114, Taiwan, R.O.C..

- 3 The objects for which the Company was established are unrestricted, and generally to carry out the objects more particularly described in its Memorandum of Association dated 11 January 2006. The Company's principal business activity is to act as a holding company for its trading subsidiary, also named HANNSPREE Inc, which is a limited liability company incorporated in Taiwan and carrying on business as a worldwide seller of LCD TVs, Monitors and other products of a similar nature ("**HANNSPREE Taiwan**").

Share Capital

- 4 The authorised share capital of the Company is US\$110,000,000,000 divided into 1,100,000,000 shares with a par value of US\$100 each. The Company has 1,324,537.7394 shares in issue that are collectively registered in the names of 799 shareholders.

Discounted Allotment

- 5 The Company's audited financial statements to 30 June 2007 revealed a negative net asset value per share of the Company. Following the release of the said financial statements, the Company's directors determined that the Company's actual net asset value was US\$100,000, which translated to US\$0.0754 per share in issue. The negative net asset value of the Company was (and still is) attributable to accumulated losses sustained by HANNSPREE Taiwan.
- 6 The Company wishes to raise US\$80,000,000 for further investment in HANNSPREE Taiwan.
- 7 The Company has been approached by investors willing collectively to invest US\$80,000,000 in the Company in return for shareholdings that are proportionate to each investor's contribution (the "**Investors**").
- 8 The Investors, aware of the US\$0.0754 net asset value per share of the Company, will only subscribe for the Company's shares at US\$0.0754 per share, and for each share so issued to be deemed fully paid notwithstanding the US\$100 par value.
- 9 The Investors have provided the Company with US\$80,000,000 and await the outcome of this Petition, whereupon, if successful, the Discounted Allotment shall take place in accordance with section 35(1)(d) of the Law, or, if unsuccessful, the US\$80,000,000 shall be returned to the Investors in accordance with their directions.


10 The Company does not have a viable alternative to raising the US\$80,000,000 required for further investment in HANNSPREE Taiwan.

YOUR PETITIONER, THE COMPANY, THEREFORE HUMBLY PRAYS:

- (1) That the Discounted Allotment be sanctioned by the Court.
- (2) That, to this end, all necessary inquiries may be made and directions may be made and given.
- (3) Such further or other relief as the Court shall see fit.

AND your Petitioner will ever pray etc.

Dated this 8th day of January 2008


MAPLES and CALDER

Note: This Petition is not intended to be served.

ENDORSEMENT

This Petition has been presented to the Grand Court of the Cayman Islands on the _____ day
of January 2008 and will be heard by the Grand Court of the Cayman Islands on the _____ day
of _____ 2008 at _____ a.m./p.m. in the fore/after noon (or as soon thereafter as the
Petition can be heard).

This Petition was presented by Maples and Calder, Ugland House, PO Box 309GT, George Town, Grand Cayman, Attorneys-at-Law for the Petitioner (CDM/630415/13418945)