



**IN THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION**

**CAUSE NO: FSD:            OF 2023 (    )**

**IN THE MATTER OF THE COMPANIES ACT (2023 REVISION)**

**AND IN THE MATTER OF ETAO INTERNATIONAL CO., LTD.**

---

**WINDING UP PETITION**

---

**To the Grand Court**

The humble petition by Maples and Calder (Cayman) LLP (the "**Petitioner**") of PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands shows that:

**Introduction**

- 1        The petitioner presents this petition for the winding up of ETAO International Co., Ltd. (the "**Company**") and seeks the appointment of joint official liquidators over the Company.
- 2        The Petitioner is a creditor of the Company in the total sum of US\$96,693.04 (the "**Debt**").
- 3        The Petitioner seeks the winding up of the Company pursuant to section 92(d) of the Companies Act (As Revised) (the "**Companies Act**") on the grounds that the Company is unable to pay its debts.

FILED by Maples and Calder (Cayman) LLP, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: JSE/JRN/785612.000013/74958076)

- 4 The Company is a Cayman Islands exempted company limited by shares incorporated on 30 June 2022 and with company number 391812.
- 5 The Company merged with Mountain Crest Acquisition Corp. III ("**Mountain**"), a company incorporated effective 17 February 2023 in the state of Delaware, USA.
- 6 The registered office of the Company is at c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.
- 7 The Company is understood to operate in the healthcare industry and to be based out of and carry out business in the USA.

#### **The Petitioner**

- 8 The Petitioner is a limited liability partnership, registered in the Cayman Islands on 1 March 2021 and with registration number 588490, which provides Cayman Islands legal advice.

#### **Background**

- 9 Pursuant to an engagement letter dated 23 June 2022, the Petitioner was engaged by Mountain to provide Cayman Islands legal advice in connection with a business combination between Mountain and the Company (the "**Engagement Letter**").
- 10 The Engagement Letter expressly incorporated the Petitioner's terms of engagement (the "**Terms**") which set out the terms upon which the Petitioner acted for Mountain. The relevant provisions of which are as follows:
  - 10.1 section 5 of the Engagement Letter outlined the basis and rates on which the Petitioner will charge the Company for services rendered; and
  - 10.2 the Terms provided that (amongst other things):

FILED by Maples and Calder (Cayman) LLP, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: JSE/JRN/785612.000013/74958076) 2

- (a) the Petitioner will send period invoices to Mountain for services rendered; and
- (b) all invoices issued by the Petitioner to Mountain are due in full within 30 days of receipt.

- 11 Pursuant to a plan of merger (the "**Merger**"), Mountain merged with the Company on 17 February 2023 (the "**Merger Date**").
- 12 On completion of the Merger on the Merger Date, Mountain ceased to exist and the Company continued as the surviving company assuming all debts of Mountain on and from the Merger Date pursuant to section 236(1)(c) of the Companies Act.

#### **Particulars of the Debt**

- 13 Pursuant to the Engagement Letter and the Terms, the Petitioner issued the following invoices to Mountain:
- 13.1 invoice number 3484548, dated 29 July 2022 in the amount of US\$4,295.00;
  - 13.2 invoice number 3532022, dated 17 October 2022 in the amount of US\$1,455.00;
  - 13.3 invoice number 3679800, dated 16 February 2023 in the amount of US\$77,196.82; and
  - 13.4 invoice number 3763693, dated 27 April 2023 in the amount of US\$13,746.22,
- together, the "**Invoices**".
- 14 The Company failed to pay the Invoices within the timeframe required by the Engagement Letter and Terms, or at all.

FILED by Maples and Calder (Cayman) LLP, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: JSE/JRN/785612.000013/74958076) 3

**Grounds of insolvency: The Company is unable to pay its debts**

- 15 On 17 May 2023, the Petitioner served a statutory demand (the "**Statutory Demand**") on the Company at its registered office pursuant to section 93(a) of the Companies Act; and
- 16 The Statutory Demand demanded payment in the amount of US\$96,693.04, being the total outstanding sum of the Invoices.
- 17 The Statutory Demand notified the Company that if the Debt was not paid within 21 days, the Company would be deemed to be insolvent under section 93 of the Companies Act.
- 18 On 18 May 2023, the Petitioner also emailed a copy of the Statutory Demand to the Chairman, CEO and Founder of the Company, Mr Wilson Liu.
- 19 The deadline for payment of the Statutory Demand was on 7 June 2023, and the Company has failed to satisfy the Statutory Demand by this time or at all.
- 20 The Petitioner seeks the making of a winding up order against the Company on the ground set out in section 93(a) of the Companies Act: that the Company is unable to pay its debts on the basis that the Company has failed to satisfy the Statutory Demand upon expiry of the 21 day period following service of the Statutory Demand.
- 21 Accordingly, the Company may be wound up by this honourable Court pursuant to section 92(d) of the Companies Act on the basis that it is unable to pay its debts.

**Relief sought**

22 In the premises, the:

- 22.1 Petitioner is a creditor of the Company and has standing to present this petition under section 94(1)(b) of the Companies Act; and

FILED by Maples and Calder (Cayman) LLP, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: JSE/JRN/785612.000013/74958076) 4

22.2 Company is unable to pay its debts pursuant to section 92(d) of the Companies Act and is therefore insolvent and should be wound up.

23 The Petitioner nominates Alexander Lawson and Christopher Kennedy of Alvarez & Marsal Cayman Islands Limited, Flagship Building PO Box 2507 2nd Floor, 142 Seafarers Way George Town, Grand Cayman, KY1-1104 Cayman Islands to be appointed as joint official liquidators of the Company.

**YOUR PETITIONER THEREFORE HUMBLY PRAYS THAT:**

- (1) The Company be wound up by the Court pursuant to section 92(d) of the Companies Act.
- (2) Alexander Lawson and Christopher Kennedy of Alvarez & Marsal Cayman Islands Limited, Flagship Building PO Box 2507 2nd Floor, 142 Seafarers Way George Town, Grand Cayman, KY1-1104 Cayman Islands to be appointed as joint official liquidators of the Company ("**Joint Official Liquidators**").
- (3) The Joint Official Liquidators shall not be required to give security for their appointment.
- (4) The Joint Official Liquidators are hereby authorised to take any such action as may be necessary or desirable to obtain recognition of the Joint Official Liquidators and/or their appointment in any other relevant jurisdiction and to make applications to the courts of such jurisdictions for that purpose.
- (5) The Joint Official Liquidators have the power to act jointly and severally in their capacity as liquidators of the Company.
- (6) The Joint Official Liquidators shall have the power to engage staff (whether or not as employees of the Company) to assist that person in the performance of that person's functions.

FILED by Maples and Calder (Cayman) LLP, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: JSE/JRN/785612.000013/74958076) 5

- (7) The Joint Official Liquidators be at liberty to appoint attorneys, counsel and 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 the Companies Winding Up Rules (2023 Consolidation), O. 25.
- (8) The Joint Official Liquidators be at liberty to apply generally.
- (9) No disposition of the Company's property by, or with the authority of, the Joint Official Liquidators in carrying out their duties and functions and exercise of their power under this Order shall be voided by virtue of section 99 of the Companies Act.
- (10) The costs of the Petitioner arising out of and incidental to the Petition be paid out of the assets of the Company as an expense of the liquidation, such costs to be taxed if not agreed with the Joint Official Liquidators.
- (11) Subject to section 109(2) of the Companies Act and the Insolvency Practitioners' Regulations (2023 Consolidation), the Joint Official Liquidators be authorised to render and pay invoices out of the assets of the Company for their own remuneration.
- (12) The Joint Official Liquidators 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) Such further or other relief be granted as the Court deems appropriate.

AND your Petitioner will ever pray etc.

FILED by Maples and Calder (Cayman) LLP, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: JSE/JRN/785612.000013/74958076) 6

DATED this 19<sup>th</sup> day of July 2023

*Maples and Calder (Cayman) LLP*

---

**Maples and Calder (Cayman) LLP**

**Petitioner**

FILED by Maples and Calder (Cayman) LLP, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: JSE/JRN/785612.000013/74958076) 7

NOTE: This petition is intended to be served on ETAO International Co., Ltd. at its registered office at c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

FILED by Maples and Calder (Cayman) LLP, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: JSE/JRN/785612.000013/74958076) 8

**NOTICE OF HEARING**

TAKE NOTICE THAT the hearing of this petition will take place at the Law Courts, George Town, Grand Cayman on August 30<sup>th</sup>, 2023 at 9:30 am/pm.

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.

FILED by Maples and Calder (Cayman) LLP, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: JSE/JRN/785612.000013/74958076) 9