



IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

FSD CAUSE NO. 99 OF 2024 (DDJ)

IN THE MATTER OF THE COMPANIES ACT (2023 REVISION)

AND IN THE MATTER OF ASIA INNOVATIONS GROUP LIMITED

PETITION FOR WINDING UP

To: The Grand Court of the Cayman Islands

The humble petition Azteca Partners LLC (the "**Petitioner**") of Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States of America shows that:-

Introduction

1. The Petitioner presents this petition for the winding up of Asia Innovations Group Limited (the "**Company**") and seeks the appointment of joint official liquidators over the Company.
2. The Petitioner seeks the winding up of the Company pursuant to Section 92(d) of the Companies Act (2023 Revision) (the "**Act**"), on the ground that the Company is unable to pay its debts.

3. The Petitioner is a creditor of the Company in the total sum of US\$45,219,820.55 (the "**Debt**"), as more fully set out below.
4. The Company is a Cayman Islands exempted company limited by shares. The Company was incorporated on 28 August 2013 with registration number 280630. The registered office of the Company is Sertus Incorporations (Cayman) Limited, P.O. Box 2547, Sertus Chambers, Governors Square, Suite #5-204, 23 Lime Tree Bay Avenue, Grand Cayman KY1-1104, Cayman Islands.
5. The Company is understood to offer internet products and services across various service lines (video and voice social; social dating; e-commerce; payment solutions; games) and to have operations in eighteen offices around the world, including thirteen offices in Asia (of which four offices are located in the People's Republic of China (Beijing, Yiyang, Shanghai and Shenzhen) and one office is located in Hong Kong).

Background

6. On 18 February 2021, the Petitioner and the Company entered into a Convertible Promissory Note ("**Original Note**"). Pursuant to the terms of the Original Note:
 - a. the Petitioner agreed to disburse a principal sum of US\$33,025,000.00 ("**Principal**") to the Company within five (5) calendar days ("**Disbursement Date**");
 - b. the Company promised to repay the Principal to the Petitioner, together with simple interest on the Principal at a rate of 8% per annum ("**Interest**");

- c. the Original Note was due to be repaid on the earlier of (i) the date that is twenty four (24) months from the Disbursement Date ("**Original Maturity Date**"), and (ii) the date of the conversion pursuant to Section 2 of the Original Note; and
 - d. the parties agreed that Interest shall commence as from the Disbursement Date; shall continue on the outstanding Principal amount until paid in full or converted; and shall accrue on a daily basis and be computed on the basis of a year of 365 days for the actual number of days elapsed.
7. On or about 18 February 2021, the Petitioner disbursed the Principal to the Company in accordance with the terms of the Original Note. The Original Maturity Date was therefore 18 February 2023.
8. Section 2(c)(a) of the Original Note provided that, in the event that by the date which is 21 days before the Original Maturity Date, the Original Note had not been converted under Sections 2(a) or 2(b) of the Original Note, the Petitioner could elect by giving written notice to the Company at any time during the period commencing on the twenty-first day, and ending on the day before the Original Maturity Date (both dates inclusive), to be repaid on the Original Maturity Date, an amount in cash equal to one hundred and ten percent (110%) of the sum of the then outstanding Principal plus accrued and unpaid Interest.
9. On 9 February 2023, the Petitioner gave notice to the Company pursuant to section 2(c)(a) of the Original Note ("**Original Notice**") of its election to be repaid a cash amount equal to one hundred and ten percent (110%) of the sum of the then outstanding Principal plus accrued and unpaid Interest on the Original Maturity Date, being a sum of US\$42,140,000.00 ("**Original Repayment Amount**").
10. The Company failed to respond to the Original Notice, or to pay the Original Repayment Amount, by the Original Maturity Date, being 18 February 2023.

11. The Company's failures constituted an Event of Default pursuant to Section 5(a)(i) of the Original Note, in that the Company failed to pay timely the outstanding Principal and unpaid accrued Interest on the date it became due and payable.
12. On 21 February 2023, the Petitioner gave written notice to the Company that it had failed to pay the Original Repayment Amount to the Petitioner and, accordingly, was in default of its payment obligations under the Original Note, which constituted an Event of Default.
13. Thereafter, the Petitioner and the Company engaged in negotiations with respect to potential amendments to and/or repayment of the Original Note.
14. On 17 May 2023, the Petitioner and the Company entered into the Amended and Restated Convertible Promissory Note ("**A&R Note**"). Pursuant to the terms of the A&R Note:
 - a. the Company promised to repay to the Petitioner (i) on or before 1 September 2023 ("**First Maturity Date**"), an amount in cash equal to 110% of the aggregate sum of (x) 50% of the then outstanding Principal amount of the Original Note, and (y) all accrued and unpaid Interest on such 50% of the outstanding Principal amount of the Original Note ("**First Payment**") and (ii) on or before 18 February 2024 (the "**Second Maturity Date**") an amount in cash equal to 110% of the aggregate sum of (A) the remaining 50% of the outstanding Principal of the Original Note, and (B) all accrued and unpaid Interest on the remaining balance of the Original Note (collectively, the "**Second Payment**").
15. The Company informed the Petitioner that it would fail to make the First Payment on or before the First Maturity Date, being 1 September 2023.

16. On 22 August 2023, the Petitioner and the Company entered into an agreement whereby the Petitioner would forbear from exercising rights and remedies under the A&R Note arising on account of the Company's failure to make the First Payment on or before the First Maturity Date, constituting an Event of Default, until the earlier of (i) 1 November 2023 (the "**Longstop Date**") and (ii) the occurrence of an Event of Default under the A&R Note.
17. On 8 November 2023, the Petitioner agreed to extend the Longstop Date to 31 December 2023.
18. On 1 January 2024, the Petitioner agreed to extend the Longstop Date to 18 February 2024, coinciding with the Second Maturity Date.
19. The Company failed to make the First Payment on or before the Longstop Date, constituting an Event of Default pursuant to Section 5(a) of the A&R Note.
20. The Company also failed to make the Second Payment on or before the Second Maturity Date, being 18 February 2024. The Company's failure constituted a further Event of Default pursuant to Section 5(a) of the A&R Note, in that the Company failed to pay timely the outstanding Principal and unpaid accrued Interest on the Second Maturity Date.
21. Interest on the Principal continues to accrue pursuant to the A&R Note at a rate of approximately US\$7,238.36 per day from the Second Maturity Date ("**Post Maturity Interest**"). As a result, Post-Maturity Interest of US\$173,720.55 has accrued on the Principal as at the date of this petition

Grounds for Winding Up

22. As at 19 February 2024, the Company was indebted to the Petitioner for the debt of **US\$45,053,338.36** pursuant to the terms of the A&R Note.
23. On 20 February 2024, the Petitioner served a statutory demand dated 19 February 2024 at the Company's registered office (the "**Statutory Demand**"), which made demand for the payment of US\$45,053,338.36.
24. The Company has neglected to pay the US\$45,053,338.36 set forth in the Statutory Demand or to secure or compound for the same to the satisfaction of the Petitioner within 21 days succeeding the service of the Statutory Demand (i.e. by 13 March 2024).
25. Accordingly, pursuant to Section 93(a) of the Act, the Company is deemed to be unable to pay its debts and should be wound up pursuant to Section 92(d) of the Act.
26. As at the date of this petition, the Company is indebted to the Petitioner for the total amount of US\$45,219,820.55, being the US\$45,053,338.36 set out in the Statutory Demand, together with US\$166,482.19 in further Post-Maturity Interest.

Nomination of Joint Official Liquidators

27. The Petitioner nominates Jeffrey Stower, Neema Griffin of Teneo (Cayman) Limited, Ground Floor, Harbour Place, 103 South Church Street, P.O. Box 10245, George Town, Grand Cayman, KY1-1003, Cayman Islands, and So Kim Lau of Teneo Asia Limited, 13F Wyndham Place, 40-44 Wyndham Street Central, Hong Kong SAR to be appointed as joint official liquidators of the Company (the "**Joint Official Liquidators**").

YOUR PETITIONER THEREFORE HUMBL Y PRAYS THAT:

- (1) The Company be wound up in accordance with the Act.

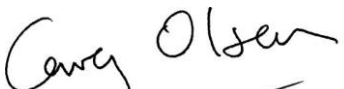
- (2) Jeffrey Stower and Neema Griffin of Teneo (Cayman) Limited, Ground Floor, Harbour Place, 103 South Church Street, P.O. Box 10245, George Town, Grand Cayman, KY1-1003, Cayman Islands, together with So Kim Lau of Teneo Asia Limited, 13F Wyndham Place, 40-44 Wyndham Street Central, Hong Kong SAR be appointed as joint official liquidators of the Company (the "**Joint Official Liquidators**").
- (3) The Joint Official Liquidators shall not be required to give security for their appointment.
- (4) The Joint Official Liquidators shall have the power to act jointly and severally in their capacity as Joint Official Liquidators of the Company.
- (5) The Joint Official Liquidators shall be authorised to exercise the following powers conferred on them by Section 110(2) and Part I of Schedule 3 of the Act without the further sanction of the Court:
 - (a) The Joint Official Liquidators shall have the power 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.
 - (b) The Joint Official Liquidators shall have the power to engage staff (whether or not as employees of the Company) to assist them in the performance of their functions.
 - (c) The Joint Official Liquidators shall 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 Order 25 of the Companies Winding Up Rules (2023 Consolidation).

- (6) The Joint Official Liquidators shall be authorised to exercise all of the general powers conferred on them by Section 110(2) and Part II of Schedule 3 of the Act without further sanction of the Court.
- (7) The Joint Official Liquidators shall have the authority and are directed to take all necessary steps to take control of the Company's subsidiaries, if any, including by exercising voting or other rights attached to the shares in the Company's subsidiaries.
- (8) 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 Act.
- (9) 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 on an indemnity basis if not agreed with the Joint Official Liquidators.
- (10) Subject to Section 109(2) of the Act and the Insolvency Practitioners' Regulations (2023 Consolidation), the Joint Official Liquidators shall be authorised to render and pay invoices out of the assets of the Company for their own remuneration.
- (11) The Joint Official Liquidators shall 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.
- (12) No suit, action or other proceedings, other than criminal proceedings, shall be proceeded with or commenced against the Company except with the leave of the Court and subject to such terms as the Court may impose, pursuant to Section 97 of the Act.
- (13) The Joint Official Liquidators shall have liberty to apply generally.

(14) Such further or relief be granted as the Court deems appropriate.

AND your Petitioner will ever pray etc.

Dated this 13th day of March 2024



Carey Olsen

NOTE: This petition is intended to be served on the Company at its registered office at Sertus Incorporations (Cayman) Limited, P.O. Box 2547, Sertus Chambers, Governors Square, Suite #5-204, 23 Lime Tree Bay Avenue, Grand Cayman KY1-1104, Cayman Islands

This petition was presented on behalf of the Petitioner by Carey Olsen, Attorneys for the Petitioner, whose address for service is Level 1, Willow House, Cricket Square, Grand Cayman, Cayman Islands, KY1-1001 (Ref: [SD/ TS/1081987.0001]).

NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this petition will take place at the Law Courts, George Town, Grand Cayman, on 10 May 2024 at 10:00 a.m..

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.