

IN THE GRAND COURT OF THE CAYMAN ISLANDS

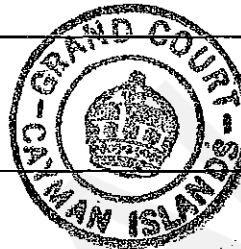
FINANCIAL SERVICES DIVISION

CAUSE NO FSD0141 OF 2010

IN THE MATTER OF ENTERTAINMENT ONE LTD.

AND IN THE MATTER OF SECTION 86 OF THE COMPANIES LAW (2009 REVISION)

PETITION



To: The Grand Court

The Humble Petition of Entertainment One Ltd. (hereinafter called the "**Petitioner**" or "**Entertainment One Cayman**") PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman shows as follows:

Introduction

- 1 The object of this Petition is to seek the sanction of the Court pursuant to section 86 of the Companies Law (2009 Revision) to a proposed Scheme of Arrangement ("**Scheme**") as between Entertainment One Cayman and the holders of its ordinary shares with a par value of CAD0.01 per share (the "**Scheme Shares**").
- 2 The Scheme Shares are currently listed and traded on the AIM market of the London Stock Exchange ("**AIM**").
- 3 A copy of the proposed Scheme is annexed to this Petition by way of Schedule. Save where otherwise indicated, capitalised terms in this Petition are defined in the Scheme.

Business of Entertainment One Cayman and of the Entertainment One Group

- 4 Entertainment One Cayman's principal business activity has been to act as the ultimate listed holding company of the Entertainment One group of companies ("**Entertainment One Group**"). The Entertainment One Group is an international entertainment group with operations incorporating film, television, and music. The Entertainment One Group has operations in a number of jurisdictions around the world, including among others Canada, the United States and Europe.

Objects of the Scheme

- 5 The principal object of the Scheme is to change the jurisdiction of incorporation of the ultimate holding company of the Entertainment One Group from the Cayman Islands to Canada and for Entertainment One Cayman to become a subsidiary of Entertainment One Ltd. ("**Entertainment One Canada**"), a company incorporated under the laws of Canada pursuant to the Canada Business Corporations Act ("**CBCA**").

Incorporation, objects and share capital of Entertainment One Cayman and Entertainment One Canada

- 6 Entertainment One Cayman
- 6.1 On 11 January 2007 Entertainment One Cayman was incorporated in the Cayman Islands pursuant to the then revision of the Companies Law, as an exempted company limited by shares. The registered office of Entertainment One Cayman is situated at PO Box 309, Uglund House, South Church Street, George Town, Grand Cayman.
- 6.2 The objects for which Entertainment One Cayman was established are unrestricted, and generally to carry out the objects more particularly described in its conformed Memorandum of Association.
- 6.3 The authorised share capital of Entertainment One Cayman is CAD2,250,000 divided into (i) 200,000,000 ordinary shares with a par value of CAD0.01 each and (ii) 25,000,000 Class S shares with a par value of CAD0.01 each. As at 24 May 2010:

- (a) 151,926,963 ordinary shares have been issued and are fully paid or credited as fully paid;
- (b) 15,620,395 Class S shares have been issued and will be fully paid up at the Transaction Time (as defined below). ("**Class S Shares**")

7 Entertainment One Canada

- 7.1 Entertainment One Canada was incorporated in Canada on 14 April 2010 pursuant to the CBCA. The registered office of Entertainment One Canada is 175 Bloor Street East, Suite 1400, North Tower, Toronto, Ontario, Canada M4W 3R8.
- 7.2 Under the CBCA, Entertainment One Canada is not required to include objects in its constitutional documents. The CBCA provides that Entertainment One Canada has the capacity and rights, powers and privileges of an individual of full capacity, subject to any restrictions in its Articles of Incorporation. The Articles of Incorporation of Entertainment One Canada do not provide for any restrictions on the business that may be carried on by Entertainment One Canada.
- 7.3 Shares of a corporation incorporated under the CBCA are required to be in registered form and without a par value. As such, Entertainment One Canada's authorised share capital is an unlimited number of common shares of no assigned par value and an unlimited number of preferred variable voting shares of no assigned par value. As at the date hereof, there are 10 Entertainment One Canada common shares in issue held by Mr Mark Trachuk (a Partner of Entertainment One Cayman's Canadian legal advisors, Osler Hoskin & Harcourt LLP).
- 7.4 Entertainment One Canada has been incorporated specifically for the purpose of the implementation of the Scheme. Prior to the time the share transfer contemplated by the Scheme takes effect ("**Transaction Time**"), it will not carry on any business or activities other than in connection with its formation and the proposed Scheme. Entertainment One Canada will have negligible assets or liabilities and Entertainment One Cayman will meet any liabilities incurred by Entertainment One Canada with respect to the Scheme.

The Scheme

- 8 It is proposed that the objects of the Scheme described at paragraph 5 above will be implemented by the following steps taking place:
- 8.1 At the Transaction Time, all issued and outstanding Scheme Shares shall be transferred to Entertainment One Canada whereupon Entertainment One Canada will be the sole registered shareholder of Entertainment One Cayman; and
- 8.2 Prior to the opening of the London Stock Exchange on the next day following the Transaction Time, in consideration of the transfer of the Scheme Shares, Entertainment One Canada will issue to each Scheme Shareholder one common share in Entertainment One Canada ("**Entertainment One Canada Share**") for each Scheme Share transferred.
- 9 As from the Transaction Time, Entertainment One Canada will own all of Entertainment One Cayman's issued ordinary shares.
- 10 In accordance with Article 3(B) of Entertainment One Cayman's Articles of Association, the Class S Shares will be redeemed for their par value immediately after the Transaction Time.
- 11 It is then intended that Entertainment One Cayman will migrate by way of continuation to Canada, and will be merged with Entertainment One Canada (although, this will be effected separately from the Scheme and subsequent to the Transaction Time).
- 12 In connection with the Scheme, prior to the opening of the London Stock Exchange on the next day following the Transaction Time, instead of the Entertainment One Canada Shares trading on the AIM, it is intended that the Entertainment One Canada Shares will be admitted to a standard listing on the Official List and to trading on the London Stock Exchange's main market for listed securities. Accordingly, prior to the opening of the London Stock Exchange on the next day following the Transaction Time, the Scheme Shareholders will hold Entertainment One Canada Shares and these shares will be traded on the main market of the London Stock Exchange.

Profiles of Shareholders

13 As at 24 May 2010 Entertainment One Cayman had:

- 13.1 23 registered holders of Scheme Shares, holding between them a total of 151,926,963 Scheme Shares;
- 13.2 The largest majority of the Scheme Shares, (104,392,476 Scheme Shares), are registered in the name of Capita IRG Trustees Limited ("**Capita**"), of 34 Beckenham Road Beckenham, Kent BR3 4TU, England. Capita holds those Scheme Shares as depository pursuant to Entertainment One Cayman's depository interest facility.
- 13.3 Of the other registered holders of the Scheme Shares:
 - (a) 17 have registered addresses in Great Britain; and
 - (b) 4 have registered addresses in Canada; and
 - (c) 1 has a registered address in Gibraltar.

Directions

- 14 Entertainment One Cayman intends to make applications for directions herein for an order that, amongst other things:
 - 14.1 Entertainment One Cayman be at liberty to convene a meeting of the holders of the Scheme Shares for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme;
 - 14.2 The Court determine the relevant classes of shareholders affected by the Scheme;
 - 14.3 The mode and timing of delivery of, amongst other things: an information circular, notice of the meeting aforesaid, and form of proxy, to the Scheme Shareholders and that a record date of Scheme Shareholders be set for that purpose;
 - 14.4 The appointment of a chairman of the said meeting, and for directions that the chairman should report the result of such meeting to the Court; and

14.5 Publication of notice of the said meeting.

15 The resolution intended to be submitted at each of the said meeting is:

"THAT this Scheme Meeting approves without modification the proposed Scheme of Arrangement, a print of which has been submitted to this Scheme Meeting and, for the purpose of identification, signed by the Chairman of this Scheme Meeting."

YOUR PETITIONER THEREFORE HUMBLY PRAYS:

- 1 That the Scheme be sanctioned by the Court so as to be binding on each party thereto.
- 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.

Dated this 25 day of May 2010.

Maples + Calder

MAPLES and CALDER

Note: It is not intended that this petition be served on anyone.

ENDORSEMENT

This Petition has been presented to the Grand Court of the Cayman Islands on the 25 day of May 2010 and will be heard by the Grand Court of the Cayman Islands on the 9th day of July 2010 at 10:00 a.m (or as soon thereafter as the Petition can be heard).

This Petition was presented by Maples and Calder, Ugland House, PO Box 309, George Town, Grand Cayman, Attorneys-at-Law for the Petitioner (JSE/CJM/626796/18841579).

SCHEME OF ARRANGEMENT

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

CAUSE NO : FSD [*] OF 2010

IN THE MATTER OF ENTERTAINMENT ONE LTD.

and

**IN THE MATTER OF SECTION 86 OF
THE COMPANIES LAW (2009 REVISION) OF THE CAYMAN ISLANDS**

SCHEME OF ARRANGEMENT

between

**ENTERTAINMENT ONE LTD.
("Entertainment One Cayman")**

and

**ENTERTAINMENT ONE LTD.
("Entertainment One Canada")**

and

THE SCHEME SHAREHOLDERS (as defined herein)

PRELIMINARY

In this Scheme, unless inconsistent with the subject or context, the following expressions shall bear the meanings respectively set opposite them:

"Admission"	The admission of all of the common shares of Entertainment One Canada to a standard listing on the Official List and to trading on the London Stock Exchange's main market for listed securities proposed to occur at 8 a.m. BST on 15 July 2010.
"AIM"	The market of that name operated by the London Stock Exchange.
"Allowed Proceeding"	Any Proceeding by a Scheme Shareholder to enforce its rights under this Scheme where any party fails to perform its obligations under this Scheme;
"Business Day"	Any day other than (1) a day on which banks are required or

permitted by law to be closed in the Cayman Islands, or Ontario, Canada or (2) a day on which the LSE or AIM is closed for trading;

"CAD"	Canadian Dollar
"Cayman Court"	The Grand Court of the Cayman Islands and any court capable of hearing appeals therefrom;
"Circular"	The explanatory statement of Entertainment One Cayman dated [*], 2010 issued to the Scheme Shareholders in connection with this Scheme by order of the Cayman Court on 3 June 2010;
"Companies Law"	The Companies Law (2009 Revision) of the Cayman Islands, and its predecessors, as consolidated and revised from time to time;
"Entertainment One Cayman"	Entertainment One Limited, an exempted company incorporated in the Cayman Islands with limited liability, the common shares of which are currently listed on the AIM;
"Entertainment One Canada Shares"	Common shares of Entertainment One Canada to be issued pursuant to clause 2
"Entertainment One Canada"	Entertainment One Ltd., a company incorporated under the laws of Canada with limited liability with its registered office in Canada.
"LSE"	London Stock Exchange
"Latest Practicable Date"	24 May, 2010, being the latest practicable date for the purposes of ascertaining certain information contained herein;
"Parties"	Entertainment One Cayman, Entertainment One Canada and the Scheme Shareholders.
"Proceeding"	Any process, suit, action, legal or other proceeding, including without limitation any arbitration, mediation, alternative dispute resolution, judicial review, adjudication, demand, execution, restraint, forfeiture, re-entry, seizure, lien, enforcement of judgment, enforcement of any security or enforcement of any letters of credit;
"Prohibited Proceeding"	Any Proceeding against Entertainment One Cayman or Entertainment One Canada or their subsidiaries or property, or any of their directors, officers, employees or agents, in any jurisdiction whatsoever other than an Allowed Proceeding;
"Register"	The register of members of Entertainment One Cayman;
"Scheme Meeting"	The class meeting of the Scheme Shareholders convened by the Cayman Court for the purposes of considering, and if seen fit, approving this Scheme;
"Scheme Shareholders"	The registered holders of the Scheme Shares, as recorded on

the Register;

"Scheme Shares"

Ordinary shares issued by Entertainment One Cayman with a par value of CAD 0.01 per share;

"Scheme"

This scheme of arrangement in its present form or with or subject to any modifications, additions or conditions which the Cayman Court may approve or impose;

"Transaction Time"

The time at which Part I of this Scheme becomes effective in accordance with Clause 5 of this Scheme;

"Transaction"

The transaction to be effected by this Scheme

- (A) Entertainment One Cayman was incorporated as an exempted company on 11 January 2007 in the Cayman Islands under the Companies Law. The authorised share capital of Entertainment One Cayman is CAD 2,250,000 divided into 200,000,000 common shares of par value CAD 0.01 each and 25,000,000 class S Shares of par value of CAD 0.01 each. As at the Latest Practicable Date, 151,926,963 Entertainment One Cayman common shares were issued and fully paid, and 15,620,395 class S Shares were issued and fully paid.
- (B) Entertainment One Cayman proposes to relocate the ultimate holding company of the Entertainment One group from the Cayman Islands to Ontario, Canada by way of this Scheme, such that upon the Transaction Time Entertainment One Cayman shall become a wholly owned subsidiary of Entertainment One Canada
- (C) Entertainment One Canada has undertaken to the Cayman Court to be bound by this Scheme and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed and done by it for the purpose of giving effect to this Scheme.

SCHEME OF ARRANGEMENT

PART I

SHARE EXCHANGE

1. At the Transaction Time, all issued and outstanding Scheme Shares shall be transferred to Entertainment One Canada and such Scheme Shares shall be credited as fully paid and recorded in the Register in the name of Entertainment One Canada.
2. In consideration of the transfer of the Scheme Shares pursuant to Clause 1 of this Scheme, at the Transaction Time, Entertainment One Canada will issue to each Scheme Shareholder one Entertainment One Canada Share for each Scheme Share that was transferred pursuant to Clause 1 of this Scheme that such Scheme Shareholder held immediately prior to the Transaction Time
3. As from the Transaction Time, the Scheme Shareholders prior to the Transaction Time shall in accordance with this Scheme cease to have any rights with respect to the Scheme Shares, except the right to receive the consideration set out in Clause 2 of this Scheme, provided, however, that nothing in this Scheme shall in any way affect the right (if any) of a shareholder of Entertainment One Cayman to receive any dividend declared by Entertainment One Cayman prior to the Transaction Time but which has not been paid prior to the Transaction Time.
4. As from the Transaction Time, each instrument of transfer and certificate existing at the Transaction Time in respect of a holding of any number of Scheme Shares shall cease to be valid for any purpose as an instrument of transfer or a certificate for such Scheme Shares.

PART II

GENERAL

5. Part I of this Scheme shall become effective at 5 p.m. BST on 14 July, 2010 or such earlier or later date and time as the board of Entertainment One Cayman (or its duly authorised officer) shall at any time determine, provided that at or by that time all of the following conditions are satisfied or, to the extent permitted law, waived by Entertainment One Cayman and Entertainment One Canada:
 - (a) this Scheme is approved by the affirmative vote at the Scheme Meeting of a majority in number representing 75% or more in value of the Scheme Shares present and voting in person or by proxy at the Scheme Meeting on the resolution to approve this Scheme;
 - (b) the requisite court order sanctioning this Scheme is obtained from the Cayman Court;
 - (c) a copy of the order of the Cayman Court sanctioning the Scheme is lodged with the Cayman Islands Registrar of Companies;
 - (d) Entertainment One Canada does not receive any notice from the London Stock Exchange that the Admission will not be completed;
 - (e) Entertainment One Cayman has received the required consents pursuant to its senior secured committed credit facilities;
 - (f) there is no threatened, pending or effective decree, order, injunction or other legal restraint prohibiting the consummation of the Scheme;
 - (g) all consents and governmental authorizations that are necessary, desirable or appropriate in connection with the Transaction are obtained on terms acceptable to Entertainment One Cayman (as it should think fit its absolute discretion) and are in full force and effect;
6. All mandates or other instructions to Entertainment One Cayman in force at the Transaction Time relating to any of the Scheme Shares (including, without limitation, elections for the payment of dividends by way of scrip (if any) shall, mutatis mutandis immediately after the Transaction Time, be deemed to be valid as effective mandates or instructions in respect of the E1- Canada Shares received in consideration of the transfer of such Scheme Shares.
7. Subject to any applicable U.K. securities laws, this Scheme may be amended, modified or supplemented at any time before or after its approval by the shareholders of Entertainment One Cayman at the Scheme Meetings. At the Cayman Court hearing to sanction this Scheme, the Cayman Court may impose such conditions, modifications and amendments as it deems appropriate in relation to this Scheme but will not impose any material changes without the joint consent of Entertainment One Cayman and Entertainment One Canada. Entertainment One Cayman may, subject to any applicable securities laws, consent to any condition, modification or amendment of this Scheme on behalf of the Scheme Shareholders which Entertainment One Cayman may think fit to approve or impose. After its approval, no amendment, modification or supplement may be made or effected that legally requires further approval by shareholders or any class of shareholders of Entertainment One Cayman without obtaining that approval.
8. Entertainment One Cayman may terminate or abandon this Scheme at any time prior to the Transaction Time without obtaining the approval of the Scheme Shareholders, even though this Scheme may have been approved at the Scheme Meetings and sanctioned by the Cayman Court and all other conditions may have been satisfied.
9. None of the Scheme Shareholders shall commence a Prohibited Proceeding in respect of or arising from this Scheme after the Transaction Time. A Scheme Shareholder may commence an Allowed Proceeding against Entertainment One Cayman or

Entertainment One Canada after the Transaction Time provided that it has first given Entertainment One Cayman and Entertainment One Canada five clear Business Days' prior notice in writing of its intention to do so.

10. Any notice or other written communication to be given under or in relation to this Scheme (other than pursuant to Clause 15 below) shall be given in writing and shall be deemed to have been duly given if it is delivered by hand or sent by post to:
 - (a) in the case of Entertainment One Cayman, Maples Corporate Services Limited PO Box 209, Umland House, South Church Street, George Town, Grand Cayman, KY1-1104 Cayman Islands, marked for the attention of Nicholas Butcher;
 - (b) in the case of Entertainment One Canada 175 Bloor Street East, Suite 1400, North Tower, Toronto, Ontario, Canada, M4W 3R8;
 - (c) in the case of any Scheme Shareholder, its address as it appeared on the Register immediately prior to the Transaction Time; and
 - (d) in the case of any other person, any address set forth for that person in any agreement entered into in connection with this Scheme or the last known address according to the records of Entertainment One Cayman, or by fax or email to its last known fax number or email address according to the records of Entertainment One Cayman.
11. In proving service, it shall be sufficient proof, in the case of a notice sent by post, that the envelope was properly stamped, addressed and placed in the post.
12. Without limiting the manner in which notice or other written communication may be given or deemed given pursuant to any other clause of this Scheme, any notice or other written communication to be given under this Scheme shall be deemed to have been served as provided in Articles 55.2 of Entertainment One Cayman's Articles of Association.
13. The accidental omission to send any notice, written communication or other document in accordance with Clauses 10 or 11 above or the non-receipt of any such notice by a Scheme Shareholder, shall not affect the provisions of this Scheme.
14. Entertainment One Cayman shall not be responsible for any loss or delay in the transmission of any notices, or other documents posted by or to a Scheme Shareholder, which shall be posted at the risk of such Scheme Shareholder.
15. Entertainment One Canada shall give notification of this Scheme having become effective. Entertainment One Cayman shall give notification if it decides to terminate or abandon the Scheme pursuant to Clause 8 above. This notification, and any other notice or other written communication that is required to be given to all or substantially all of the Scheme Shareholders, may (but is not required to) be made by issuing a press release.
16. The operative terms of this Scheme shall be governed by, and construed in accordance with, the laws of the Cayman Islands and the Scheme Shareholders hereby agree that the courts of the Cayman Islands shall have exclusive jurisdiction to hear and determine any Proceeding and to settle any dispute which arises out of or connected with the terms of this Scheme or their implementation or out of any action taken or omitted to be taken under this Scheme or in connection with the administration of this Scheme and for such purposes, the Parties irrevocably submit to the jurisdiction of the courts of the Cayman Islands.
17. If any provision (or any part of any provision) of this Scheme is found by the Cayman Court to be illegal or unenforceable, it shall be severed from this Scheme and the remaining provisions of this Scheme shall continue in force.
18. Notwithstanding any other clause of this Scheme, unless Part I of this Scheme has become effective on or before December 31, 2010 (or such later date, if any, as the Cayman Court may allow), this Scheme shall lapse and be of no further effect.

Dated [*] May, 2010