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## **PACIFIC PLYWOOD HOLDINGS LIMITED**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 767)**

### **OPEN OFFER OF 558,089,724 OFFER SHARES ON THE BASIS OF ONE OFFER SHARE FOR EVERY ONE SHARE HELD ON THE RECORD DATE PAYABLE IN FULL ON ACCEPTANCE**

#### **RESULTS OF THE OPEN OFFER**

The Directors announce that as at 4:00 p.m. on Tuesday, 15 August 2006, being the latest time for acceptance and payment of the Offer Shares, 53 valid acceptances of assured allotments were received for an aggregate of 160,505,123 Offer Shares, which did not include 24,827,600 Offer Shares undertaken to be taken up by Dr. Widodo in respect of the Open Offer. The total number of Offer Shares accepted and paid for or undertaken to be taken up is 185,332,723 represents approximately 33% of the total number of 558,089,724 Offer Shares under the Open Offer.

The Open Offer, which was underwritten by the Underwriters, became unconditional at 4:00 p.m. on Friday, 18 August 2006. Based on the results above, the Open Offer was under-subscribed by 372,757,001 Offer Shares or approximately 67% under-subscribed. Pursuant to the Underwriting Agreement, the Underwriters have therefore subscribed or procured subscribers for such Shortfall Underwritten Shares. Dr. Widodo, being one of the three Underwriters, has procured subscription for 197,472,000 Offer Shares in accordance with the terms of the Underwriting Agreement. These (197,472,000) Offer Shares were taken up by The Peace Trust, a discretionary trust where Dr. Widodo and Mr. Sardjono Widodo (a son of Dr. Widodo and the managing director of the Company) are named beneficiaries. As a result, Dr. Widodo will be deemed to be interested in 247,127,200 Shares upon completion of the Open Offer, representing approximately 22.14% of the Company's enlarged issued share capital.

Share certificates of the Offer Shares will be despatched by ordinary post to those Qualifying Shareholders who have validly accepted and paid for the Offer Shares, at their own risks, on or before Wednesday, 23 August 2006. Dealings in the Offer Shares will commence on Friday, 25 August 2006.

Reference is made to the announcement of the Company dated 18 May 2006, the circular of the Company dated 23 June 2006 and the prospectus of the Company dated 31 July 2006 (the "**Prospectus**") in relation to, among other things, the Open Offer. Capitalised terms used herein shall have the same meanings as defined in the Prospectus unless otherwise stated.

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All subscription monies for the Open Offer have been received by the Company as at the date of this announcement.

## SHAREHOLDING STRUCTURE

The following table sets out the shareholding structure of the Company before and immediately after completion of the Open Offer:

	Before completion of the Open Offer		Immediately after completion of the Open Offer	
	Shares	Approximate %	Shares	Approximate %
Dr. Widodo	24,827,600	4.45	247,127,200 (Note 1)	22.14
SMI (Note 2)	197,472,000	35.38	197,472,000	17.69
Grand Vinco (Note 3)	–	0.00	87,642,500	7.85
Celestial (Note 3)	–	0.00	87,642,501	7.85
Yu Chien Te (Note 4)	5,887,320	1.05	5,887,320	0.53
Public shareholders	329,902,804	59.12	490,407,927	43.94
Total	<u>558,089,724</u>	<u>100.00</u>	<u>1,116,179,448</u>	<u>100.00</u>

Note:

- (1) 197,472,000 Shares are indirectly owned by The Peace Trust, a discretionary trust where Dr. Widodo and Mr. Sardjono Widodo (a son of Dr. Widodo and the managing director of the Company) are named beneficiaries.
- (2) As of the date of this announcement, The Peace Trust owns approximately 39.82% in the issued share capital of SMI. Mr. Pipin Kusnadi, a non-executive director owns 5.21% in the issued share capital of SMI and the remaining 54.97% in the issued share capital of SMI is owned by entities, who are not connected to the Company's directors, substantial shareholders and their associates.
- (3) These shares represent the Shortfall Underwritten Shares. The Shortfall Underwritten Shares had been subscribed by third parties who (i) are not connected persons of the Company; and (ii) are not acting in concert with any connected persons of the Company and their respective associates.
- (4) As of the date of this announcement, Mr. Yu Chien Te is an executive director of the Company.

## SHARE CERTIFICATES

Share certificates of the Offer Shares will be despatched by ordinary post to those Qualifying Shareholders who have validly accepted and paid for the Offer Shares, at their own risks, to the addresses specified in the register of members of the Company on or before Wednesday, 23 August 2006. Dealings in the Offer Shares will commence on Friday, 25 August 2006.

By Order of the Board  
**Sardjono Widodo**  
Managing Director

Hong Kong, 21 August 2006

*As at the date of this announcement, the board of Directors comprises four executive Directors, namely Dr. Budiono Widodo, Mr. Sardjono Widodo, Mr. Liao Yun Kuang and Mr. Yu Chien Te and three non-executive Directors, namely Mr. Chen Chung I, Mr. Pipin Kusnadi and Mr. Sudjono Halim and three independent non-executive Directors, namely Mr. Marzuki Usman, Mr. Kusnadi Widjaja and Mr. Ngai Kwok Chuen.*