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PACIFIC PLYWOOD HOLDINGS LIMITED

太平洋實業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 767)

REVISIONS OF

(I) THE BASIS OF THE PROPOSED SHARE CONSOLIDATION

**(II) THE TERMS OF THE PROPOSED RIGHTS ISSUE ON
THE BASIS OF TWO RIGHTS SHARES**

**FOR EVERY ONE CONSOLIDATED SHARE HELD
ON THE RECORD DATE AT THE NEW SUBSCRIPTION PRICE OF
HK\$0.56 PER RIGHTS SHARE WITH BONUS ISSUE
ON THE BASIS OF FIVE BONUS SHARES
FOR EVERY ONE RIGHTS SHARE TAKEN UP
UNDER THE RIGHTS ISSUE**

AND

**(III) THE TIMETABLE IN RELATION TO PROPOSED SHARE
CONSOLIDATION AND THE RIGHTS ISSUE WITH BONUS ISSUE**

(I) REVISION OF THE BASIS OF THE PROPOSED SHARE CONSOLIDATION

In order to continually comply with Rule 13.64 of the Listing Rules, the Board proposes to revise the basis of the proposed share consolidation from the Existing Consolidation Basis to the New Consolidation Basis of every eight (8) issued and unissued Shares of HK\$0.01 being consolidated into one (1) issued and unissued Consolidated Share of HK\$0.08 each.

* For identification purpose only

(II) REVISION OF THE TERMS OF THE PROPOSED RIGHTS ISSUE (WITH BONUS ISSUE)

To be in alignment with the New Consolidation Basis, the Company has entered into the Supplemental Underwriting Agreement with the Underwriters on 10 August 2012 to modify the relevant terms of the Underwriting Agreement; in particular, numeric figures such as the Subscription Price, the Rights Shares, the Bonus Shares, and the Underwritten Shares are adjusted by the corresponding ratios to take into account of the effect of the New Consolidation Basis. Save for the aforesaid, there is no material change to the terms or conditions of the Underwriting Agreement.

The Subscription Price of HK\$0.56 per Rights Share is payable in full on application. As the subscriber of the Rights Shares is entitled to the Bonus Shares, the Effective Subscription Price per Consolidated Share shall be HK\$0.093, being the Subscription Price of HK\$0.56 per Rights Share divided by six Consolidated Shares. The Effective Subscription Price represents (i) a discount of approximately 83.39% to the adjusted closing price of HK\$0.56 per Consolidated Share, based on the closing price of HK\$0.07 per Share as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Share Consolidation; (ii) a discount of approximately 83.35% to the adjusted average closing price of approximately HK\$0.5584 per Consolidated Share, based on the average closing price of HK\$0.0698 per Share for the five consecutive trading days up to and including the Last Trading Day and adjusted for the effect of the Share Consolidation; and (iii) a discount of approximately 28.02% to the theoretical ex-entitlement price of HK\$0.1292 per Consolidated Share after the Rights Issue (with the Bonus Issue), based on the closing price of HK\$0.56 per Consolidated Share as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Share Consolidation.

(III) FURTHER INFORMATION IN RELATION TO THE APPLICATION FOR WHITEWASH WAIVER

As a result of the Share Consolidation and change in numeric figures such as the Subscription Price, the Rights Shares, the Bonus Shares and the Underwritten Shares, information in relation to the application for Whitewash Waiver has also been updated as disclosed in this announcement.

(IV) REVISION OF THE EXPECTED TIMETABLE

The Board announces that the expected timetable for the Share Consolidation and the Rights Issue (with the Bonus Issue) has been revised as disclosed in this announcement.

Reference is made to the announcements of the Company dated 10 July 2012, 19 July 2012 and 30 July 2012 (the “**Announcements**”) in relation to, among other things, the Share Consolidation and the Rights Issue (with the Bonus Issue).

(I) REVISION OF THE BASIS OF THE PROPOSED SHARE CONSOLIDATION

The Company proposed in the announcement of the Company dated 10 July 2012 to implement the share consolidation on the basis that every two (2) issued and unissued Shares of HK\$0.01 each be consolidated into one (1) issued and unissued consolidated share of HK\$0.02 each (the “**Existing Consolidation Basis**”).

In view of the recent decrease in the market price of the Shares traded on the Stock Exchange, the Directors consider that if the proposed rights issue (with the bonus issue) is completed under the Existing Consolidation Basis, the market price of the Shares may become less than HK\$0.1, being an extremity as referred to under Rule 13.64 of the Listing Rules. In order to continually comply with Rule 13.64 of the Listing Rules, the Board proposes to revise the basis of the proposed share consolidation from the Existing Consolidation Basis to every eight (8) issued and unissued Shares of HK\$0.01 being consolidated into one (1) issued and unissued Consolidated Share of HK\$0.08 each (the “**New Consolidation Basis**”).

Effects of the Share Consolidation on the Company’s capital structure

As at the date of this announcement, the authorized share capital of the Company is HK\$400,000,000 divided into 40,000,000,000 Shares of HK\$0.01 each, of which 1,369,650,537 Shares have been allotted and issued as fully paid or credited as fully paid. Upon the Share Consolidation becoming effective, on the basis that the Company does not allot and issue any further Shares prior thereto, the authorized share capital of the Company shall remain at HK\$400,000,000 but divided into 5,000,000,000 Consolidated Shares of HK\$0.08 each, of which 171,206,317 Consolidated Shares will be in issue.

Effects of the Share Consolidation on the Agent Option and the Longjiang Option

As at the date of this announcement, the Agent Option and the Longjiang Option are outstanding and pursuant to relevant subscription agreements, the respective holder(s) of each of the Agent Option and the Longjiang Option has the option to subscribe for up to 49,517,009 Shares. Upon the Share Consolidation becoming effective, the number of Consolidated Shares to be issued upon full exercise by the respective holder(s) of each of the Agent Option and the Longjiang Option shall be adjusted to 6,189,626 Consolidated Shares in accordance with the relevant subscription agreements, such adjustments shall be certified by the Company’s auditors or a financial adviser to be appointed by the Company.

Both the Agent Option and the Longjiang Option are exercisable at the subscription price equivalent to the average closing price of the Shares or Consolidated Shares (as the case may be) for the five (5) consecutive trading days immediately prior to the respective date of exercise of the Agent Option and the Longjiang Option on which a notice is given therefor, subject to the maximum subscription price of HK\$0.50 (equivalent to HK\$4.00 per Consolidated Share after the Share Consolidation becoming effective) and the minimum subscription price of HK\$0.25 per Share (equivalent to HK\$2.00 per Consolidated Share after the Share Consolidation becoming effective). The Agent Option and the Longjiang Option may be exercised by its holder(s) in whole or in part at any time and from time to time within 12 months after the issue or grant of the Clearance Authority, but in any event not later than 31 December 2015. Details of the Agent Option and the Longjiang Option have been set out in the circular of the Company dated 29 February 2012.

(II) REVISION OF THE TERMS OF THE PROPOSED RIGHTS ISSUE (WITH BONUS ISSUE)

To be in alignment with the New Consolidation Basis, the Company has entered into the Supplemental Underwriting Agreement with the Underwriters on 10 August 2012 to modify the relevant terms of the Underwriting Agreement; in particular, numeric figures such as the Subscription Price, the Rights Shares, the Bonus Shares, and the Underwritten Shares are adjusted by the corresponding ratios to take into account of the effect of the New Consolidation Basis. Save for the aforesaid, there is no material change to the terms or conditions of the Underwriting Agreement.

Issue Statistics (as supplemented by the Supplemental Underwriting Agreement)

Basis of the Rights Issue:	Two (2) Rights Shares for every one (1) Consolidated Share held on the Record Date
Basis of the Bonus Issue:	Five (5) Bonus Shares for every one (1) Rights Share taken up
Subscription Price:	HK\$0.56 per Rights Share with nominal value of HK\$0.08 each (after the Share Consolidation becoming effective)
Number of Shares in issue as at the date of this announcement:	1,369,650,537 Shares
Number of Consolidated Shares upon the Share Consolidation becoming effective (based on the number of Shares in issue as at the date of this announcement):	171,206,317 Consolidated Shares

Number of Shares in issue assuming no new Share/Consolidated Share being issued other than full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share being repurchased by the Company on or before the Record Date:	1,742,614,662 Shares
Number of Consolidated Shares upon the Share Consolidation becoming effective (assuming no new Share/Consolidated Share being issued other than full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share/Consolidated Share being repurchased by the Company on or before the Record Date):	217,826,832 Consolidated Shares
Number of Rights Shares:	not less than 342,412,634 Rights Shares (assuming no new Share/Consolidated Share being issued and no Share/Consolidated Share being repurchased by the Company on or before the Record Date) and not more than 435,653,664 Rights Shares (assuming no new Share/Consolidated Share being issued other than full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share/Consolidated Share being repurchased by the Company on or before the Record Date)
Number of Bonus Shares:	not less than 1,712,063,170 Bonus Shares (assuming no new Share/Consolidated Share being issued and no Share/Consolidated Share being repurchased by the Company on or before the Record Date) and not more than 2,178,268,320 Bonus Shares (assuming no new Share/Consolidated Share being issued other than full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share/Consolidated Share being repurchased by the Company on or before the Record Date)

As at the date of this announcement, save as and except for the Agent Option and the Longjiang Option, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares. The existing Issue Mandate allows the Company to allot, issue and deal with a maximum of 273,930,107 new Shares (equivalent to 34,241,263 Consolidated Shares upon the Share Consolidation becoming effective), representing 20% of the issued share capital of the Company as at the date of the AGM and as at the date of this announcement. As at the date of this announcement, the Company has not yet identified any feasible proposal from financial institutions for the utilization of the Issue Mandate.

Accordingly, a maximum number of 372,964,125 new Shares (equivalent to 46,620,515 Consolidated Shares upon the Share Consolidation becoming effective) shall be issued upon full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate on or before the Record Date.

Based on the above and subject to the satisfaction or waiver (as the case may be) of the conditions of the Rights Issue (with the Bonus Issue), not less than 342,412,634 Rights Shares and not more than 435,653,664 Rights Shares will be issued. On such basis, not less than 1,712,063,170 Bonus Shares and not more than 2,178,268,320 Bonus Shares will be issued.

Assuming no new Share/Consolidated Share being issued and no Share/Consolidated Share being repurchased by the Company on or before the Record Date, the total number of 2,054,475,804 new Consolidated Shares based on 342,412,634 Rights Shares and 1,712,063,170 Bonus Shares represents:

- (i) approximately 150% of the Company's existing issued share capital as at the date of this announcement; and
- (ii) approximately 92.31% of the Company's issued share capital as enlarged by the issue of the Rights Shares and the Bonus Shares.

Assuming no new Share/Consolidated Share being issued other than full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share/Consolidated Share being repurchased by the Company on or before the Record Date, the total number of 2,613,921,984 new Consolidated Shares based on 435,653,664 Rights Shares and 2,178,268,320 Bonus Shares represents:

- (i) approximately 190.85% of the Company's existing issued share capital as at the date of this announcement; and
- (ii) approximately 92.31% of the Company's issued share capital as enlarged by the issue of the Rights Shares and the Bonus Shares.

Subscription Price

The Subscription Price of HK\$0.56 per Rights Share is payable in full on application. As the subscriber of the Rights Shares is entitled to the Bonus Shares, the effective subscription price per Consolidated Share to be issued under the Rights Issue (with the Bonus Issue) (the “**Effective Subscription Price**”) shall be HK\$0.093, being the Subscription Price of HK\$0.56 per Rights Share divided by six Consolidated Shares.

The Effective Subscription Price represents:

- (i) a discount of approximately 83.39% to the adjusted closing price of HK\$0.56 per Consolidated Share, based on the closing price of HK\$0.07 per Share as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Share Consolidation;
- (ii) a discount of approximately 83.35% to the adjusted average closing price of approximately HK\$0.5584 per Consolidated Share, based on the average closing price of HK\$0.0698 per Share for the five consecutive trading days up to and including the Last Trading Day and adjusted for the effect of the Share Consolidation; and
- (iii) a discount of approximately 28.02% to the theoretical ex-entitlement price of HK\$0.1292 per Consolidated Share after the Rights Issue (with the Bonus Issue), based on the closing price of HK\$0.56 per Consolidated Share as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Share Consolidation.

The net subscription price per Rights Share (after deduction of expenses, including the commission to be paid to the Underwriters) will be not less than approximately HK\$0.539 (assuming no new Share/Consolidated Share being issued and no Share/Consolidated Share being repurchased by the Company on or before the Record Date) and not more than approximately HK\$0.544 (assuming no new Share/Consolidated Share being issued other than full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share/Consolidated Share being repurchased by the Company on or before the Record Date).

Basis of Provisional Allotment

The basis of the provisional allotment shall be two (2) Rights Shares for every one (1) Consolidated Share held on Record Date, being not less than 342,412,634 Rights Shares (assuming no new Share/Consolidated Share being issued and no Share/Consolidated Share being repurchased by the Company on or before the Record Date) and not more than 435,653,664 Rights Shares (assuming no new Share/Consolidated Share being issued other than full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share/Consolidated Share being repurchased by the Company on or before the Record Date). Application for all or any part of a Qualifying Shareholder’s provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for by no later than the Latest Time For Acceptance.

Undertaking (in substitution of the First Undertaking)

As at the date of this announcement, Allied Summit was interested in 180,000,000 Shares, representing approximately 13.14% of the issued share capital of the Company. Allied Summit has irrevocably undertaken to the Company and Kingston Securities that (a) all the Shares legally and beneficially owned by it as at the date of the Undertaking shall remain registered in its name up to and including the date on which dealings in the fully-paid Rights Shares and the Bonus Shares are expected to commence on the Stock Exchange (or such later date as may be agreed between the Company and the Underwriters in writing); and (b) it shall subscribe and pay for or procure the subscription and payment for, its entitlement of 45,000,000 Rights Shares, being the rights entitlement which will be provisionally allotted to it under the Rights Issue (with the Bonus Issue) prior to the Latest Time For Acceptance.

Underwriting Agreement (as supplemented by the Supplemental Underwriting Agreement)

Date:	6 July 2012 (after trading hours) (as supplemented by the Supplemental Underwriting Agreement dated 10 August 2012)
Total number of Rights Shares:	not less than 342,412,634 Rights Shares (assuming no new Share/Consolidated Share being issued and no Share/Consolidated Share being repurchased by the Company on or before the Record Date) and not more than 435,653,664 Rights Shares (assuming no new Share/Consolidated Share being issued other than full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share/Consolidated Share being repurchased by the Company on or before the Record Date)
Total number of Bonus Shares:	not less than 1,712,063,170 Bonus Shares (assuming no new Share/Consolidated Share being issued and no Share/Consolidated Share being repurchased by the Company on or before the Record Date) and not more than 2,178,268,320 Bonus Shares (assuming no new Share/Consolidated Share being issued other than full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share/Consolidated Share being repurchased by the Company on or before the Record Date)

Total number of Underwritten Shares: not less than 297,412,634 Rights Shares (having taken into account the Undertaking and on the basis that no new Share/Consolidated Share being issued, and no Share/Consolidated Share being repurchased, on or before the Record Date) and not more than 390,653,664 Rights Shares (having taken into account the Undertaking and on the basis that no new Share/Consolidated Share being issued other than full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share/Consolidated Share being repurchased by the Company on or before the Record Date), which will be underwritten by the Underwriters in the following manner:

- (i) Allied Summit: in priority not less than 202,412,634 Underwritten Shares (assuming no new Share/Consolidated Share being issued and no Share/Consolidated Share being repurchased by the Company on or before the Record Date) and not more than 295,653,664 Underwritten Shares (assuming no new Share/Consolidated Share being issued other than full exercise of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share/Consolidated Share being repurchased by the Company on or before the Record Date); and
- (ii) Kingston Securities: the remaining 95,000,000 Underwritten Shares, if any.

The revised shareholding structures of the Company before and after completion of the Rights Issue (with the Bonus issue) are as follows:

Scenario 1: Assuming there is no new Share/Consolidated Share being issued and no Share/Consolidated Share being repurchased by the Company on or before the Record Date:

Substantial Shareholders	As at the date of this announcement		Immediately after the Share Consolidation but before completion of the Rights Issue (with the Bonus Issue)		Immediately after completion of the Rights Issue (with the Bonus Issue)		None of the Rights Shares are subscribed by the Qualifying Shareholders (except for Allied Summit pursuant to the Undertaking) (Notes 1 & 2)	
	Number of Shares	Approximate %	Number of Consolidated Shares	Approximate %	All Rights Shares are subscribed by the Qualifying Shareholders		Number of	
					Number of Consolidated Shares	Approximate %	Consolidated Shares	Approximate %
Allied Summit (Note 3)	180,000,000	13.14	22,500,000	13.14	292,500,000	13.14	292,500,000	13.14
Underwriting portion of Allied Summit	—	—	—	—	—	—	1,214,475,804	54.57
<i>Sub-total by Allied Summit</i>	<u>180,000,000</u>	<u>13.14</u>	<u>22,500,000</u>	<u>13.14</u>	<u>292,500,000</u>	<u>13.14</u>	<u>1,506,975,804</u>	<u>67.71</u>
Kingston Securities (Notes 5 & 6)	581,737	0.04	72,717	0.04	945,321	0.04	217,572,717	9.77
<i>Sub-total by the Concert Group</i>	<u>180,581,737</u>	<u>13.18</u>	<u>22,572,717</u>	<u>13.18</u>	<u>293,445,321</u>	<u>13.18</u>	<u>1,724,548,521</u>	<u>77.48</u>
To Yuk Fung (Note 4)	165,310,344	12.07	20,663,793	12.07	268,629,309	12.07	20,663,793	0.93
Public								
Sub-underwriter(s) (Note 5)	—	—	—	—	—	—	352,500,000	15.84
Other public Shareholders	<u>1,023,758,456</u>	<u>74.75</u>	<u>127,969,807</u>	<u>74.75</u>	<u>1,663,607,491</u>	<u>74.75</u>	<u>127,969,807</u>	<u>5.75</u>
Total	<u><u>1,369,650,537</u></u>	<u><u>100.00</u></u>	<u><u>171,206,317</u></u>	<u><u>100.00</u></u>	<u><u>2,225,682,121</u></u>	<u><u>100.00</u></u>	<u><u>2,225,682,121</u></u>	<u><u>100.00</u></u>

Scenario 2: Assuming no new Share/Consolidated Share being issued other than full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share/Consolidated Share being repurchased by the Company on or before the Record Date:

Substantial Shareholders	As at the date of this announcement		Immediately after the Share Consolidation and full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate but before completion of the Rights Issue (with the Bonus Issue)		Immediately after completion of the Rights Issue (with the Bonus Issue)		None of the Rights Shares are subscribed by the Qualifying Shareholders (except for Allied Summit pursuant to the Undertaking) (Notes 1 & 2)	
	Number of Shares	Approximate %	Number of Consolidated Shares	Approximate %	Number of Consolidated Shares	Approximate %	Number of Consolidated Shares	Approximate %
Allied Summit (Note 3)	180,000,000	13.14	22,500,000	10.33	292,500,000	10.33	292,500,000	10.33
Underwriting portion of Allied Summit	—	—	—	—	—	—	1,773,921,984	62.64
<i>Sub-total by Allied Summit</i>	<u>180,000,000</u>	<u>13.14</u>	<u>22,500,000</u>	<u>10.33</u>	<u>292,500,000</u>	<u>10.33</u>	<u>2,066,421,984</u>	<u>72.97</u>
Kingston Securities (Notes 5 & 6)	581,737	0.04	72,717	0.03	945,321	0.03	217,572,717	7.68
<i>Sub-total by the Concert Group</i>	<u>180,581,737</u>	<u>13.18</u>	<u>22,572,717</u>	<u>10.36</u>	<u>293,445,321</u>	<u>10.36</u>	<u>2,283,994,701</u>	<u>80.65</u>
To Yuk Fung (Note 4)	165,310,344	12.07	20,663,793	9.49	268,629,309	9.49	20,663,793	0.73
Public								
Sub-underwriter(s) (Note 5)	—	—	—	—	—	—	352,500,000	12.45
Other public Shareholders	<u>1,023,758,456</u>	<u>74.75</u>	<u>174,590,322</u>	<u>80.15</u>	<u>2,269,674,186</u>	<u>80.15</u>	<u>174,590,322</u>	<u>6.17</u>
Total	<u>1,369,650,537</u>	<u>100.00</u>	<u>217,826,832</u>	<u>100.00</u>	<u>2,831,748,816</u>	<u>100.00</u>	<u>2,831,748,816</u>	<u>100.00</u>

Notes:

1. The above scenario is for illustrative purpose only and will unlikely occur.
2. The Company will ensure the compliance with the public float requirements under Rule 8.08 of the Listing Rules upon completion of the Rights Issue (with the Bonus Issue).
3. Allied Summit is beneficially owned as to 80% by Mr. Su Weibiao and 20% by Mr. Ng, who is the chairman of the Company and an executive Director.
4. Ms. To Yuk Fung will be regarded as a public Shareholder under the scenario that none of the Rights Shares are subscribed by the Qualifying Shareholders (except for the Underwriters).
5. Kingston Securities has confirmed with the Company that it has sub-underwritten 58,750,000 Rights Shares to sub-underwriter(s), who are Independent Third Parties. Kingston Securities has agreed to use its best endeavours to ensure that each of the subscribers: (i) shall be an Independent Third Party, and not acting in concert with and not connected with the Directors or chief executive of the Company or substantial shareholders of the Company or their respective associates; and (ii) none of

such subscribers (together with their respective parties acting in concert) will hold 10.0% or more of the voting rights of the Company upon completion of the Rights Issue (with the Bonus Issue, such that the Company will be able to comply with the minimum public float requirement sets out under Rule 8.08(1) of the Listing Rules).

6. Notwithstanding that Kingston Securities is being deemed as a party acting in concert with Allied Summit, Kingston Securities will be regarded as a public Shareholder as its shareholding in the Company is and will continue to be less than 10%.

Except as stated herein, all the information in the Announcements remains unchanged.

(III) FURTHER INFORMATION IN RELATION TO THE APPLICATION FOR WHITEWASH WAIVER

Subsequent to the Share Consolidation becoming effective, the shareholding of the Concert Group in the Company immediately following the completion of the Rights Issue (with the Bonus Issue) and assuming both Allied Summit and Kingston Securities are called upon to subscribe for the Underwritten Shares in full pursuant to their respective obligations under the Underwriting Agreement (as supplemented by the Supplemental Underwriting Agreement) (net of those 58,750,000 Underwritten Shares that Kingston Securities has already been sub-underwritten to its sub-underwriter(s), who are Independent Third Parties), would increase from approximately 13.18% of the existing total issued share capital of the Company to a maximum of approximately 80.65% of the enlarged total issued share capital of the Company (assuming no new Share/Consolidated Share being issued other than full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share/Consolidated Share being repurchased by the Company on or before the Record Date).

Save as disclosed in the revised shareholding structures of the Company before and after completion of the Rights Issue (with the Bonus Issue) shown from pages 10 to 11 of this announcement, none of the Concert Group and the respective associates of Allied Summit own(s), control(s) or direct(s) any Shares, convertible securities, warrants, options or derivatives in respect of the Shares as at the date of this announcement, and there is no outstanding derivative in respect of securities in the Company which has been entered into by Allied Summit, its beneficial owner(s), its associates and any parties acting in concert with any of them as at the date of this announcement.

Save for the entering into the Underwriting Agreement and the Supplemental Underwriting Agreement, none of the parties in the Concert Group has acquired any Shares in the six-month period prior to and including the date of this announcement.

Save for the transactions contemplated under the Underwriting Agreement (as supplemented by the Supplemental Underwriting Agreement), as at the date of this announcement, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the Shares or the shares held by Allied Summit which might be material to the Underwriting Agreement (as supplemented by the Supplemental Underwriting Agreement) and/or the Rights Issue (with the Bonus Issue) and/or the Whitewash Waiver.

As at the date of this announcement, save for the Underwriting Agreement and the Supplemental Underwriting Agreement, there is no agreement or arrangement to which Allied Summit, being one of the Underwriters, is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Underwriting Agreement (as supplemented by the Supplemental Underwriting Agreement) and/or the Rights Issue (with the Bonus Issue) and/or the Whitewash Waiver.

Except as stated herein, all the information in the Announcements remains unchanged.

(IV) REVISION OF THE EXPECTED TIMETABLE

The Board announces that the expected timetable for the Share Consolidation and the Rights Issue (with the Bonus Issue) has been revised as follow:

Event	2012 (Hong Kong time)
Expected date of despatch of the Circular and form of proxy of the SGM	not later than Tuesday, 14 August
Latest time for lodging transfer of Shares in order to qualify for attendance and voting at the SGM	4:30 p.m. on Monday, 3 September
Register of members closes (both days inclusive)	Tuesday, 4 September to Friday, 7 September
Record date for attendance and voting at the SGM	Tuesday, 4 September
Latest time for return of form of proxy for the SGM (not less than 48 hours before the SGM)	9:30 a.m. on Wednesday, 5 September
Expected date of the SGM	9:30 a.m. on Friday, 7 September
Announcement of results of the SGM	Friday, 7 September
Effective date of the Share Consolidation	Monday, 10 September
Commencement of dealings in Consolidated Shares	9:00 a.m. on Monday, 10 September
First day for free exchange of existing share certificates for Shares into new share certificates for Consolidated Shares	Monday, 10 September
Original counter for trading in existing Shares in the board lots size of 40,000 temporarily closes	9:00 a.m. on Monday, 10 September

Temporary counter for trading in Consolidated Shares in the board lots size of 5,000 (in the form of existing share certificates) opens	9:00 a.m. on Monday, 10 September
Last day of dealings in the Consolidated Shares on a cum-rights basis	Monday, 10 September
First day of dealings in the Consolidated Shares on an ex-rights basis	Tuesday, 11 September
Latest time for lodging transfer of the Consolidated Shares in order to be qualified for the Rights Issue (with the Bonus Issue)	4:30 p.m. on Wednesday, 12 September
Register of members closes (both days inclusive)	Thursday, 13 September to Wednesday, 19 September
Record Date	Wednesday, 19 September
Register of members re-opens	Thursday, 20 September
Prospectus Documents expected to be despatched	Thursday, 20 September
First day of dealings in nil-paid Rights Shares	Monday, 24 September
Original counter for trading in Consolidated Shares in the board lots size of 40,000 (in the form of new share certificates) re-opens	9:00 a.m. on Monday, 24 September
Parallel trading in the Consolidated Shares (in the form of new and existing certificates) commences	9:00 a.m. on Monday, 24 September
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares	9:00 a.m. on Monday, 24 September
Latest time for splitting nil-paid Rights Shares	Wednesday, 26 September
Last day of dealings in nil-paid Rights Shares	Wednesday, 3 October
Latest time for acceptance of and payment for the Rights Shares and application and payment for excess Rights Shares	4:00 p.m. on Monday, 8 October
Rights Issue expected to become unconditional	Thursday, 11 October

Announcement of results of acceptance and excess application of the Rights Shares	Sunday, 14 October
Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares expected to be posted on or before	Monday, 15 October
Certificates for the Rights Shares and Bonus Shares expected to be despatched on or before	Monday, 15 October
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of Consolidated Shares	4:00 p.m. on Tuesday, 16 October
Temporary counter for trading in board lots of 5,000 Consolidated Shares (in the form of existing share certificates) closes	4:00 p.m. on Tuesday, 16 October
Parallel trading in the Consolidated Shares (in the form of new and existing certificates) ends	4:00 p.m. on Tuesday, 16 October
Expected first day of dealings in fully-paid Rights Shares and Bonus Shares	9:00 a.m. on Tuesday, 16 October
Last day of free exchange of existing certificates for new certificate for the Consolidated Shares	Thursday, 18 October

All times and dates in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

Except as stated herein, all the information in the Announcements remains unchanged.

DEFINITION

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

- “acting in concert” has the meaning ascribed thereto under the Takeovers Code
- “Agent Option” an option conditionally granted by the Company to Jia Run Investments Limited to subscribe for up to 49,517,009 Shares (or 6,189,626 Consolidated Shares upon the Share Consolidation becoming effective)

“AGM”	the annual general meeting of the Company held on 12 June 2012
“Allied Summit”	Allied Summit Inc., a company incorporated in the British Virgin Islands, who in aggregated held 180,000,000 Shares, representing approximately 13.14% of the issued share capital of the Company as at the date of this announcement
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Bonus Issue”	the proposed issue of Bonus Shares on the basis of five (5) Bonus Shares for every one (1) Rights Share taken up under the Rights Issue
“Bonus Share(s)”	the bonus Consolidated Shares to be allotted and issued pursuant to the Bonus Issue
“Business Day”	a day (other than a Saturday, Sunday and public holiday) on which licensed banks are generally open for business throughout their normal business hours in Hong Kong
“Bye-laws”	the existing bye-laws of the Company
“Bye-laws Amendments”	proposal to amend the Bye-laws to facilitate the Bonus Issue
“Circular”	the circular to be despatched to the Shareholders in relation to the Share Consolidation, the Rights Issue (with the Bonus Issue), the Whitewash Waiver and the Bye-laws Amendments (together with the notice of the SGM)
“Clearance Authority”	the Forest Clearance Authority granted by the Forest Authority of PNG regarding lawful permission to clear forest areas and harvest merchantable logs
“Company”	Pacific Plywood Holdings Limited, a company incorporated in Bermuda and the shares of which are listed on the main board of the Stock Exchange
“Concert Group”	Allied Summit, its beneficial owner(s), and the parties acting in concert with any of them (including Mr. Ng who is the sole director of Allied Summit)
“Consolidated Share(s)”	share(s) of HK\$0.08 each in the issued share capital of the Company upon the Share Consolidation becoming effective
“Director(s)”	director(s) of the Company

“EAF”	the form(s) of application for use by the Qualifying Shareholders to apply for excess Rights Shares, being in such usual form as may be agreed between the Company and the Underwriters
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegates of the Executive Director
“First Undertaking”	the irrevocable undertaking dated 6 July 2012 given by Allied Summit to the Company and Kingston Securities which has been substituted by the Undertaking
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of PRC
“Independent Third Party(ies)”	third parties independent of and not connected with the Directors, chief executive and substantial Shareholders of the Company or any of its subsidiaries, or any of their respective associates
“Issue Mandate”	the issue mandate granted at the AGM to the Directors to allot, issue and deal with a maximum of 273,930,107 new Shares (equivalent to 34,241,263 Consolidated Shares upon the Share Consolidation becoming effective), representing 20% of the issued share capital of the Company as at the date of the AGM and as at the date of this announcement
“Kingston Securities”	Kingston Securities Limited, a licensed corporation to carry out business in type 1 (dealing in securities) regulated activity under SFO
“Last Trading Day”	6 July 2012, being the date of the Underwriting Agreement, which is a Stock Exchange trading day
“Latest Time For Acceptance”	4:00 p.m. on Monday, 8 October 2012, or such later time or date as may be agreed between the Underwriters and the Company in writing, being the latest time for acceptance of, and payment for, the Rights Shares as described in the Prospectus Documents
“Latest Time For Termination”	4:00 p.m. on the third Business Day after the Latest Time For Acceptance or such later time or date as may be agreed between the Underwriters and the Company in writing, being the latest time for the Underwriters to terminate the Underwriting Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Longjiang Option”	an option conditionally granted by the Company to 中國龍江森林工業(集團)總公司 (China Longjiang Forest Industry (Group) General Corporation*) to subscribe for up to 49,517,009 Shares (or 6,189,626 Consolidated Shares upon the Share Consolidation becoming effective)
“Mr. Ng”	Mr. Ng Kwok Fai, being the Chairman of the Company and an executive Director
“Non-Qualifying Shareholders”	those Overseas Shareholders whom the Directors, based on legal advice provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Issue to such Shareholders on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is (are) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) proposed to be issued to the Qualifying Shareholders in connection with the Rights Issue
“PNG”	the Independent State of Papua New Guinea
“PRC”	the People’s Republic of China
“Prospectus”	the prospectus to be despatched to the Shareholders containing details of the Rights Issue (with the Bonus Issue)
“Prospectus Documents”	the Prospectus, PAL(s) and EAF(s)
“Qualifying Shareholders”	Shareholders, other than the Non-Qualifying Shareholders, whose name(s) appear on the register of members of the Company at the close of business on the Record Date
“Record Date”	Wednesday, 19 September 2012 (or such other date as the Underwriters may agree in writing with the Company), as the date by reference to which entitlements to the Rights Issue (with the Bonus Issue) are expected to be determined
“Rights Issue”	the proposed issue of the Rights Shares by way of rights issue to the Qualifying Shareholders for subscription at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents

“Rights Shares”	Consolidated Shares to be issued and allotted under the Rights Issue, being not less than 342,412,634 new Consolidated Shares (assuming no new Share/Consolidated Share being issued and no Share/Consolidated Share being repurchased by the Company on or before the Record Date) and not more than 435,653,664 new Consolidated Shares (assuming no new Share/Consolidated Share being issued other than full exercises of the Agent Option and the Longjiang Option and full utilization of the Issue Mandate and no Share/Consolidated Share being repurchased by the Company on or before the Record Date)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened for the Shareholders to consider and, if thought fit, approve the Share Consolidation, the Rights Issue (with the Bonus Issue), the Whitewash Waiver, the Bye-laws Amendments and transactions respectively contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company or the Consolidated Share(s) (where applicable)
“Share Consolidation”	the proposed consolidation of every eight (8) issued and unissued Shares into one (1) Consolidated Share
“Shareholder(s)”	the holder(s) of issued Share(s) and/or Consolidated Share(s) (as the case may be)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.56 per Rights Share with nominal value of HK\$0.08 each
“Supplemental Underwriting Agreement”	the supplemental underwriting agreement dated 10 August 2012 entered into between the Company and the Underwriters to supplement the Underwriting Agreement
“Takeovers Code”	the Code on Takeovers and Mergers of SFC
“Undertaking”	the irrevocable undertaking dated 10 August 2012 given by Allied Summit to the Company and Kingston Securities in substitution of the First Undertaking, details of which are set out in the section headed “Undertaking (in substitution of the First Undertaking)” in this announcement

“Underwriters”	Allied Summit and Kingston Securities
“Underwriting Agreement”	the underwriting agreement dated 6 July 2012 entered into between the Company and the Underwriters in relation to the underwriting arrangement in respect of the Rights Issue (with the Bonus Issue) (as supplemented by the Supplemental Underwriting Agreement)
“Underwritten Shares”	all the Rights Shares (other than the Rights Shares that will be provisionally allotted to and subscribed by Allied Summit pursuant to the Undertaking (as supplemented by the Supplemental Undertaking)) which are fully underwritten by the Underwriters on the terms and subject to the conditions set out in the Underwriting Agreement
“Whitewash Waiver”	a waiver by the Executive to Allied Summit pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code to waive the obligation of Allied Summit to make a mandatory general offer for all the securities of the Company not already owned and/or agreed to be acquired by the Concert Group which may otherwise arise as a result of the subscription of the Rights Shares by Allied Summit pursuant to the Undertaking (in substitution of the First Undertaking) and its underwriting obligation under the Underwriting Agreement (as supplemented by the Supplemental Underwriting Agreement)
“%” or “per cent.”	percentage or per centum

By order of the Board
Pacific Plywood Holdings Limited
Huang Chuan Fu
Executive Director and Deputy Chairman

Hong Kong, 10 August 2012

* *For identification purpose only*

As at the date of this announcement, the Directors are:

Executive Directors

Mr. Ng Kwok Fai (*Chairman*)
Mr. Huang Chuan Fu (*Deputy Chairman*)
Mr. Liang Jian Hua
Ms. Jia Hui
Mr. Jiang Yi Ren

Independent non-executive Directors

Mr. Cheng Po Yuen
Mr. Wong Chun Hung
Mr. Li Sui Yang

Non-executive Director

Mr. Chan Kin Sang

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any such statement contained in this announcement misleading.