



# **PACIFIC PLYWOOD HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 767)**

## **SUPPLEMENTAL AGREEMENT REGARDING ACQUISITION OF A COMPANY WITH AN INTEREST IN FOREST CONCESSION AND COMPLETION OF THE ACQUISITION**

Pursuant to rule 13.09 of the Listing Rules and further to the Company's announcement dated 22 August 2007, the Board announces that on 18 April 2008, the Purchaser and the Vendor entered into the Supplemental Agreement to amend and supplement certain provisions of the Agreement as summarized below in this announcement. Forthwith the execution of the Supplemental Agreement, the Purchaser completed the Acquisition.

Reference is made to the Company's announcement dated 22 August 2007 in relation to the acquisition of SPL by the Purchaser from the Vendor (the "Announcement"). Terms used herein shall have the same meanings as those defined in the Announcement unless the context herein requires otherwise.

### **The Supplemental Agreement**

Pursuant to rule 13.09 of the Listing Rules and further to the Company's announcement dated 22 August 2007, the Board announces that on 18 April 2008, the Purchaser and the Vendor entered into a supplemental agreement for the sale and purchase of SPL ("the Supplemental Agreement"), pursuant to which the following material amendments were made to the Agreement:-

1. SPL has successfully acquired the interests in 10,000 acres of timber concession in Malaysia and the remaining balance of 30,000 acres of timber concessions to be acquired shall comprise various concessions or coupes or blocks in Malaysia, subject to the final approval by the Purchaser;
2. The Purchaser shall have the right to appoint representatives to monitor the procurement of the balance of 30,000 acres of timber concessions;
3. The balance payment of US\$500,000 by the Purchaser to the Vendor is conditional upon the Vendor's successful procurement and transfer to SPL of the remaining 30,000 acres of timber concession, which shall be completed within 12 months from the date of the Supplemental Agreement (or such later date as the Vendor and the Purchaser agree in writing).

4. In the event that the Vendor fails to procure the remaining 30,000 acres of timber concession in full, the parties agree that all liabilities of the parties under the Agreement and the Supplemental Agreement shall cease and determine and no party shall have any claim against the other except that:-
- a) if the timber concessions procured and successfully transferred to SPL (including the 10,000 acres of timber concession mentioned in (1) above) is less than 30,000 acres in aggregate, the Vendor undertakes to refund to the Purchaser out of the payment of US\$1.5 million already made for the acres the Vendor fails to procure or acquire for SPL based on the proportion of the agreed consideration of US\$2 million against the total 40,000 acres of timber concessions;
  - b) if the timber concessions procured and successfully transferred to the Company (including the 10,000 acres of timber concessions mentioned in (1) above) is more than 30,000 acres but less than 40,000 acres in aggregate, the Purchaser will honour the balance payment based on the proportion of the agreed US\$2 million consideration against the composite 40,000 acres of timber concessions.
5. Forthwith the execution of the Supplemental Agreement, the Purchaser shall complete the Acquisition.

Upon execution of the Supplemental Agreement, the Purchaser completed the Acquisition. SPL was an indirect wholly-owned subsidiary of the Company and would be accounted for as such.

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

Hong Kong, 18 April 2008

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

*Executive Directors*

Dr. Budiono Widodo (*Chairman*)  
Mr. Sardjono Widodo (*Managing Director*)  
Mr. Liao Yun Kuang (*President*)  
Mr. Yu Chien Te

*Non-executive Directors*

Mr. Sudjono Halim  
Mr. Pipin Kusnadi

*Independent Non-executive Directors*

Mr. Marzuki Usman  
Mr. Kusnadi Widjaja  
Mr. Siah Chong Huat