

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **PACIFIC PLYWOOD HOLDINGS LIMITED**

**太平洋實業控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 767)**

### **ANNOUNCEMENT**

#### **TERMINATION OF THE AGREEMENT REGARDING ACQUISITION OF CERTAIN INTERESTS IN TIMBER CONCESSION**

Pursuant to rule 13.09 of the Listing Rules and further to the Company's announcements dated 22 August 2007, 18 April 2008 and 15 April 2009, the Board announces that the Vendor and the Purchaser agreed to terminate the Agreement in relation to the acquisition of certain interests in timber concession on 8 December 2009 (after trading hours).

According to the provisions under the Agreement, the Purchaser and the Vendor shall release each others from all liabilities and obligations in relation to the Agreement following the termination and the Vendor shall refund to the Purchaser US\$1,000,000, being the balance of the refundable deposit paid.

Reference is made to the announcements of the Company dated 22 August 2007, 18 April 2008 and 15 April 2009 (the "**Announcements**") regarding the acquisition of certain interests in timber concession. Capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements unless the context requires otherwise.

The Vendor served a written notice dated 7 December 2009 to the Purchaser, advising that he was unable to complete the acquisition, transfer or procurement of certain interests in the remaining 30,000 acres of timber concession. The Vendor advised that subsequent to the financial tsunami which occurred last October, the timber market collapsed and it was unlikely that timber concessions, which fulfill the profitability and operational requirements of the Purchaser, may be available in the foreseeable future.

\* For identification purpose only

According to Agreement, in the event that the Vendor fails to complete the acquisition and transfer under the Agreement, all liabilities of the parties under the Agreement in relation to the acquisition of certain interests in 30,000 acres of timber concession shall cease and determine and no party shall have any claim against the others except that the Vendor shall refund to the Purchaser US\$1,000,000, being the balance of the refundable deposit paid.

The Purchaser accepted the termination on 8 December 2009 and the Company confirmed that the refund of US\$1,000,000 had been received.

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

Hong Kong, 8 December 2009

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. Pipin Kusnadi  
Mr. Sudjono Halim

*Independent Non-executive Directors*

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