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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)**

### **DISCLOSEABLE TRANSACTIONS**

On 22 December 2011, the Lender entered into the First Extension Letter and the Second Extension Letter, pursuant to which the repayment date of each of the Loans have been extended to 21 March 2012. Subject only to the aforesaid variation, the Loan Agreements shall remain in full force and effect.

#### **The First Extension Letter**

Date: 22 December 2011

Parties: the Lender and the First Borrower

To the best of Directors' knowledge, information and belief and having made all reasonable enquiries, the First Borrower is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

Loan amounts: HK\$15,000,000

Interest rate: 4% per month

Repayment date: 21 March 2012

Collateral: Nil

The terms of the First Extension Letter were arrived at after arm's length negotiations between the Lender and the First Borrower. The Lender is a registered money lender holding a valid money lender licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of money lending services. The provision of the First Loan is a transaction carried out as part of the ordinary and usual course of business activities of the Group.

\* *For identification purpose only*

## **The Second Extension Letter**

Date: 22 December 2011

Parties: the Lender, the Second Borrower and the Guarantor

To the best of Directors' knowledge, information and belief and having made all reasonable enquiries, the Second Borrower and the Guarantor are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

Loan amount: HK\$15,000,000

Interest rate: 2% per month

Repayment date: 21 March 2012

Collateral: Nil

The terms of the Second Extension Letter were arrived at after arm's length negotiations among the Lender, the Second Borrower and the Guarantor. The Lender is a registered money lender holding a valid money lender licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of money lending services. The provision of the Second Loan is a transaction carried out as part of the ordinary and usual course of business activities of the Group.

### **REASONS FOR AND BENEFITS OF ENTERING INTO THE LOAN EXTENSION LETTERS**

The Company is an investment holding company, and through its subsidiaries is principally engaged in the business of money lending, provision of credits, securities investments, and provision of corporate secretarial and consultancy services.

The Board considers that the entering into of the Loan Extension Letters can bring additional interest income to the Group and the terms of which are entered on normal and commercial terms. Accordingly, the Directors consider that the terms of the Loan Extension Letters are fair and reasonable and the extension of the Loans is in the interest of the Company and the Shareholders as a whole.

As the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the entering into of the First Extension Letter and the Second Extension Letter exceed 5% but less than 25%, each of the First Extension Letter and the Second Extension Letter constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are subject to the announcement requirement but exempt from Shareholders' approval requirement under the Listing Rules.

## DEFINITIONS

“Board”	the board of Directors
“Borrowers”	the First Borrower and the Second Borrower
“Company”	Pacific Plywood Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“First Borrower”	the borrower of the First Loan, an individual
“First Extension Letter”	the extension letter entered into among the Lender and the First Borrower on 22 December 2011
“First Loan”	the loan between the Lender (as lender) and the First Borrower (as borrower)
“First Loan Agreement”	the loan agreement in relation to the First Loan
“Group”	the Company and its subsidiaries
“Guarantor”	the guarantor of the Second Loan, an individual
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Lender”	Joy Wealth Finance Limited, a company incorporated in Hong Kong, a money lender license holder of Hong Kong and a wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loans”	the First Loan and the Second Loan
“Loan Agreements”	the First Loan Agreement and the Second Loan Agreement
“Loan Extension Letters”	the First Extension Letter and the Second Extension Letter
“Second Borrower”	the borrower of the Second Loan, an individual
“Second Extension Letter”	the extension letter entered into among the Lender, the Second Borrower and the Guarantor on 22 December 2011
“Second Loan”	the loan between the Lender (as lender) and the Second Borrower (as borrower) and the Guarantor

“Second Loan Agreement”	the loan agreement in relation to the Second Loan
“Share(s)”	share(s) of HK\$0.025 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Hong Kong, 22 December 2011

*As at the date of this announcement, the executive Directors are Mr. Ng Kwok Fai (Chairman), Mr. Huang Chuan Fu (Deputy Chairman), Mr. Liang Jian Hua, Ms. Jia Hui, Mr. Jiang Yi Ren, the non-executive Director is Mr. Chan Kin Sang, and the independent non-executive Directors are Mr. Cheng Po Yuen, Mr. Wong Chun Hung and Mr. Li Sui Yang.*

*In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.*