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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)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of Pacific Plywood Holdings Limited (the “**Company**”) will be held at Joint Professional Centre, Unit 1, G/F., The Center, 99 Queen’s Road Central, Hong Kong at 9:00 a.m. on Thursday, 24 November 2011 for the purposes of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company with or without amendments:

ORDINARY RESOLUTIONS

“(1) THAT

- (a) the authorised share capital of the Company be and is hereby increased from HK\$200,000,000 divided into 8,000,000,000 ordinary shares of HK\$0.025 each (“**Shares**”) to HK\$400,000,000 divided into 16,000,000,000 Shares, by the creation of an additional 8,000,000,000 new unissued Shares each ranking *pari passu* in all respects with the existing Shares (the “**Increase in the Authorised Share Capital**”); and
- (b) any one or more of the directors of the Company (the “**Director**”) be and is/are hereby authorised for and on behalf of the Company to sign, execute, perfect and deliver all such documents, instruments and agreements and to do all such acts or things deemed by him/her/them to be incidental to, ancillary to or in connection with the matters contemplated in and for the completion of the Increase in the Authorised Share Capital.

(2) THAT

- (a) the share subscription agreement dated 18 October 2011 (the “**Share Subscription Agreement**”) made between the Company and Allied Summit Inc. (the “**Subscriber**”) in respect of the subscription of 1,800,000,000 new Shares (the “**Subscription Shares**”) at the subscription price of HK\$0.025 per Subscription Share by the Subscriber (a copy of the Share Subscription Agreement has been

* *For identification purpose only*

produced to the SGM marked “A” and signed by the chairman of the SGM for the purpose of identification) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;

- (b) the execution, delivery and performance by the Company of the Share Subscription Agreement be and are hereby approved, confirmed and ratified;
- (c) the subscription of the Subscription Shares by the Subscriber subject to and upon the terms and conditions of the Share Subscription Agreement and all transactions contemplated under or incidental to the Share Subscription Agreement and all actions taken or to be taken by the Company pursuant to the Share Subscription Agreement be and are hereby approved, confirmed and ratified; and
- (d) any Director be and is hereby authorised to do all such acts and things, as he/she may in his/her discretion consider necessary, expedient or desirable and any two Directors be and are hereby authorised to execute all such documents provided that the seal is required to be affixed thereto for the purpose of or in connection with the implementation of or giving effect to the subscription of the Subscription Shares, the Share Subscription Agreement and the transactions contemplated thereunder, including but without limitation, the exercise or enforcement of any of the Company’s rights under the Share Subscription Agreement and to make and agree to such variations of the terms of the Share Subscription Agreement as he/she may consider to be appropriate and in the interests of the Company.

(3) THAT

- (a) the placing agreement dated 18 October 2011 (the “**CN Placing Agreement**”) made between the Company and United Simsen Securities Limited (the “**CN Placing Agent**”) in respect of the placing of the convertible notes in an aggregate principal amount of up to HK\$89,600,000 (the “**Placing Convertible Notes**”) by the CN Placing Agent (a copy of the CN Placing Agreement has been produced to the SGM marked “B” and signed by the chairman of the SGM for the purpose of identification) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (b) the execution, delivery and performance by the Company of the CN Placing Agreement be and are hereby approved, confirmed and ratified;
- (c) the execution, delivery and performance of the instrument by the Company by way of deed poll to create the Placing Convertible Notes (the “**Deed Poll**”) (a copy of the Deed Poll has been produced to the SGM marked “C” and signed by the chairman of the SGM for the purpose of identification) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (d) the placing of the Placing Convertible Notes by the CN Placing Agent subject to and upon the terms and conditions of the CN Placing Agreement and all transactions contemplated under or incidental to the CN Placing Agreement and all actions taken or to be taken by the Company pursuant to the CN Placing Agreement be and are hereby approved, confirmed and ratified;

- (e) subject to the fulfillment or waiver of the conditions set out in the CN Placing Agreement, any Director be and is hereby authorised to issue the Placing Convertible Note(s) in accordance with the terms and conditions of the CN Placing Agreement and the Deed Poll;
- (f) any Director be and is hereby authorised to allot and issue new Shares which may fall to be issued upon the exercise of the conversion rights attached to the Placing Convertible Notes or part thereof to the relevant holder(s) of the Placing Convertible Note(s); and
- (g) any Director be and is hereby authorised to do all such acts and things, as he/she may in his/her discretion consider necessary, expedient or desirable and any two Directors be and are hereby authorised to execute all such documents provided that the seal is required to be affixed thereto for the purpose of or in connection with the implementation of or giving effect to the placing of the Placing Convertible Notes, the CN Placing Agreement and the transactions contemplated thereunder, including but without limitation, the exercise or enforcement of any of the Company's rights under the CN Placing Agreement and to make and agree to such variations of the terms of the CN Placing Agreement as he/she may consider to be appropriate and in the interests of the Company."

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

Hong Kong, 8 November 2011

Registered office:
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Head office and principal place of business:
Unit 1903, 19/F.,
West Tower Shun Tak Centre
168–200 Connaught Road Central
Sheung Wan, Hong Kong

Notes:

1. A form of proxy for the SGM is enclosed herewith.
2. Any shareholder of the Company (the "**Shareholder(s)**") entitled to attend and vote at the SGM shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a Shareholder.
3. The form of proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
4. Delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the SGM and in such event, the form of proxy shall be deemed to be revoked.

5. Where there are joint Shareholders, any one of such joint Shareholders may vote, either in person or by proxy, in respect of such shares as if he were solely entitled thereto, but if more than one of such joint Shareholders be present at the SGM the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Shareholders, and for this purpose seniority shall be determined by the order in which the names stand in the register of shareholders of the Company in respect of the joint holding.
6. The form of proxy and (if required by the board of Directors of the Company) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof at which the person named in the form of proxy proposes to vote or, in the case of a poll taken subsequently to the date of the SGM or any adjournment thereof, not less than 48 hours before the time appointed for the taking of the poll and in default the form of proxy shall not be treated as valid.

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