

LEGAL NOTICE

in the matter of

THE COMPANIES ACT 1981 (AS AMENDED)
(the “Act”)

NOTICE IS HEREBY GIVEN pursuant to section 46(2)(a) of the Companies Act 1981 that:

PACIFIC PLYWOOD HOLDINGS LIMITED
(the “Company”)
(an exempted company incorporated in Bermuda)

intends to undertake the following with effect from 9:00 a.m. (Hong Kong time) on 15 August 2013:-

- (a) to consolidate every four (4) issued and unissued shares of par value HK\$0.08 each in the share capital of the Company into one (1) share of par value HK\$0.32 each (the “Consolidated Share”);
- (b) to reduce the issued share capital of the Company by cancelling the paid-up capital of the Company to the extent of HK\$0.319 on each of the issued Consolidated Shares in the share capital of the Company such that the par value of each issued Consolidated Share be reduced from HK\$0.32 to HK\$0.001, resulting in the reduction of the Company's issued share capital from between HK\$178,054,569.68 and HK\$231,470,940.56, by an amount not less than HK\$177,498,149.15 and HK\$230,747,593.87, to an amount between HK\$556,420.53 and HK\$723,346.69;
- (c) to reduce the authorised share capital of the Company by reducing the par value of all Consolidated Shares in the authorised share capital of the Company from HK\$0.32 each to HK\$0.001 each, resulting in the reduction of the authorised share capital of the Company from HK\$400,000,000 divided into 1,250,000,000 Consolidated Shares to HK\$1,250,000 divided into 1,250,000,000 shares of par value HK\$0.001 each; and
- (d) to increase the authorised share capital of the Company from HK\$1,250,000 divided into 1,250,000,000 shares of par value HK\$0.001 each to HK\$400,000,000 divided into 400,000,000,000 shares of par value HK\$0.001 each.

All of the above are subject to approval by the shareholders of the Company at a special general meeting to be held on 14 August 2013 in Hong Kong.

Appleby
Bermuda Attorneys
for the Company