

SKY ONE HOLDINGS LIMITED

(Company Registration Number 198602949M)
(Incorporated in the Republic of Singapore)

SUPPLEMENTAL AGREEMENT TO THE SALE AND PURCHASE AGREEMENT RELATING TO THE PROPOSED ACQUISITION BY SKY ONE HOLDINGS LIMITED (THE "COMPANY") FROM MR. JOHNSON HSIEH (THE "VENDOR") OF (I) SHARE INTERESTS COMPRISING 50.1% IN THE CAPITAL OF CHINA JET EXPRESS GROUP LIMITED (亨達航空貨運集團有限公司) AND (II) SHARE INTERESTS COMPRISING 50.1% IN THE CAPITAL OF 亨達航空貨運承攬股份有限公司 (THE "PROPOSED ACQUISITION")

1. Introduction

The Board of Directors of the Company (the "**Board**") had on 1 November 2008 made an announcement regarding the signing of a sale and purchase agreement (the "**Sale and Purchase Agreement**") between the Company and the Vendor where the Company shall acquire from the Vendor (i) 7,515,000 shares in or shareholding interest comprising 50.1% of the total issued and paid up share capital of China Jet Express Group Limited (亨達航空貨運集團有限公司) (Hong Kong Company Registration Number 0275306) (the "**Hong Kong Sale Company**") and (ii) 3,557,100 shares in or shareholding interest comprising 50.1% of the total issued and paid up share capital of 亨達航空貨運承攬股份有限公司 (Taiwan Company Registration Number 23313546) (the "**Taiwan Sale Company**") (collectively, the "**Sale Shares**").

The Board wishes to announce that the Company has today entered into a supplemental agreement (the "**Supplemental Agreement**") with the Vendor to amend, supplement and/or vary the Sale and Purchase Agreement, *inter alia*, to amend the manner of payment or satisfaction of the Purchase Consideration and to provide for additional conditions precedent and undertakings from the Vendor in view of certain matters disclosed or arising from the preliminary legal due diligence reports relating to JET INTERNATIONAL.

Except as otherwise defined herein, all terms and references which are defined or construed in the previous announcement dated 1 November 2008 but are not defined or construed herein shall have the same meaning and construction in the previous announcement.

2. Supplemental Agreement

Pursuant to the Supplemental Agreement, the Sale and Purchase Agreement has been amended, supplemented and/or varied of which the salient revised terms are as follows:-

2.1 Purchase Consideration and Terms of Payment

2.1.1 45% of the Purchase Consideration ("**Cash Consideration**") shall be satisfied in accordance with the manner as set out below:-

- (a) HK\$3,500,000 ("**First Tranche Amount**") shall be payable in cash in Hong Kong Dollars by the Company to the Vendor on the date of Completion;
- (b) 50% of the Second Tranche Amount (defined below) shall be payable or satisfied by the Company within one month after the issue and release of the

unaudited management accounts of the Hong Kong Sale Company and the Taiwan Sale Company for the six months ending 30 June 2009, in the manner as set out in paragraph (d) below;

- (c) the remaining 50% of the Second Tranche Amount shall be payable or satisfied by the Company within one month after the issue and release of the audited accounts of the Hong Kong Sale Company and the Taiwan Sale Company for the twelve months ending 31 December 2009, in the manner as set out in paragraph (d) below;
- (d) the Company shall be entitled to elect (such election to be made at the sole and absolute discretion of the Company) to pay or satisfy all or part of the Second Tranche Amount either in cash or by way of the Company issuing and allotting to the Vendor such number of new ordinary shares in the capital of the Company ("**Shares**"), credited as fully paid up and which shall rank *pari passu* in all respect as the other issued Shares, at an issue price of S\$0.11 per Share (based on the exchange rate published on Bloomberg News on the date of the Sale and Purchase Agreement); and
- (e) "**Second Tranche Amount**" means the amount of Cash Consideration less the First Tranche Amount.

2.1.2 There is no change to the manner of payment or satisfaction of the remaining 55% of the Purchase Consideration, which shall be satisfied by way of the Company issuing and allotting to the Vendor such number of new Shares, credited as fully paid up and which shall rank *pari passu* in all respect as the other issued Shares, at an issue price of S\$0.15 per Share (based on the exchange rate published on Bloomberg News on the date of the Sale and Purchase Agreement).

2.1.3 Accordingly, assuming the maximum Purchase Consideration of HK\$65,000,000 and in the event the Company elects to satisfy the whole of the Second Tranche Amount by way of issue and allotment of new Shares as provided under the Supplemental Agreement, the Vendor shall be issued and allotted an additional 44,808,091 new Shares, and the total number of new Shares to be issued and allotted to the Vendor as part of the Purchase Consideration shall be 90,428,238 Shares.

3. Additional Conditions Precedent and Undertakings of the Vendor

Pursuant to the Supplemental Agreement, additional conditions precedent and undertakings from the Vendor have been provided including, *inter alia*, the following conditions precedent:-

- (i) the Company having been satisfied that certain breaches, non-compliances, defaults, procedural irregularities, discrepancies, conflicts or inconsistencies, required approvals, filings or submissions from or to the relevant authorities, and other relevant matters stated in the legal due diligence reports relating to the JET INTERNATIONAL (as further set out in the Supplemental Agreement) have been duly rectified, complied with, completed, fulfilled or otherwise addressed or done;
- (ii) the Company having obtained the foreign investment approval and all other relevant approvals from the Investment Commission of the Ministry of Economic Affairs, the Ministry of Transportation and Communications and all other relevant competent authorities in Taiwan for the proposed transfer of the relevant Sale Shares of the Taiwan Sale Company to the Company;

- (iii) the Company having received satisfactory evidence that certain discrepancies relating to the group structure of JET INTERNATIONAL as envisaged under the Sale and Purchase Agreement, have been duly rectified or clarified; and
- (iv) the Company having received satisfactory evidence that certain outstanding amounts owing, transactions or other matters disclosed in relation to related party or interested person transactions or dealings between JET INTERNATIONAL and companies or persons affiliated or related to the Vendor have been duly settled or terminated.

4. Documents Available For Inspection

A copy of the Sale and Purchase Agreement, the Supplemental Agreement and the Escrow Agreement is available for inspection during normal office hours at the Company's registered office at 333 North Bridge Road, #08-00 KH KEA Building, Singapore 188721 for three months from the date of this announcement.

5. EGM to be convened to approve Proposed Acquisition

A circular will be despatched to Shareholders in due course in connection with the extraordinary general meeting of the Company ("**EGM**") to be convened, *inter alia*, to approve the Proposed Acquisition. The Company will make further announcements in relation to the Proposed Acquisition as and when appropriate.

By Order of the Board

Lau Hon Kit
Chief Operations Officer
Date: 30 December 2008

NRA Capital Pte. Ltd. was the financial adviser to the Company in relation to the acquisition by the Company of the entire issued share capital of Sky One Network (Holding) Ltd.