

SKY ONE HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 198602949M)

(the “**Company**”)

TERMINATION OF THE SUBSCRIPTION AND SHARE LENDING AGREEMENT DATED 15 JANUARY 2010 AND THE ADDENDUM THEREOF DATED 31 JULY 2010

The Board of Directors of the Company (the “**Board**”) refers to the Company’s announcements dated 18 January 2010, 26 January 2010 and 3 August 2010 (the “**Announcements**”) relating to the subscription and share lending agreement dated 15 January 2010 (the “**Subscription Agreement**”) and the addendum thereof dated 31 July 2010 (the “**Addendum**”) entered into by the Company, Dicky Suen Yiu Chung and Lau Hon Kit (the “**Majority Shareholders**”) and several investors (the “**Investors**”).

Unless otherwise defined herein, all capitalized terms used herein shall have the same meaning as ascribed to it in the Announcements.

The Board wishes to announce that as the conditions precedents to the Proposed Share Issue were not fulfilled by the Long Stop Date of 31 December 2010, the parties to the Subscription Agreement and the Addendum have on 18 February 2011 formally terminated the Subscription Agreement and the Addendum in writing (“**Termination Agreement**”).

Pursuant to the Subscription Agreement (as amended by the Addendum) and as stated in the Termination Agreement dated 18 February 2011, the Investors have elected to keep the Loan Shares totalling 34,000,000 shares in the Company. Accordingly, the Majority Shareholders will receive the monetary equivalent of the Loan Shares, being S\$1,020,000 in lieu of the return of the Loan Shares.

On 26 January 2010, a Notice of a Director’s (including a Director who is a Substantial Shareholder) Interest and Change In Interest was announced by the Company for each of Dicky Suen Yiu Chung (announcement no. 29) and Lau Hon Kit (announcement no. 30) (collectively the “**Notices**”). As of the date of the Termination Agreement, the Majority Shareholder’s interests in the Company remain unchanged as per the Notices due to the aforesaid non-return of the Loan Shares.

As of the date of the Termination Agreement, the Company has not granted any Subscription Shares or Options to the Investors pursuant to the Subscription Agreement (as amended by the Addendum).

Upon termination of the Subscription Agreement (as amended by the Addendum), the latter shall cease to be in force and effect and each of the parties thereto are released and discharged from the further observance and performance of the same.

By order of the Board of Director

Dicky Suen Yiu Chung
Chief Executive Officer
Hong Kong SAR
18 February 2011

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Asian Corporate Advisors Pte. Ltd. ("**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Sponsor has not independently verified the contents of this announcement including the correctness of any figures used, statements or opinions made.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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