

**SKY ONE HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
Company Registration No. 198602949M

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**MATERIAL ADJUSTMENT TO PRELIMINARY RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2010**

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The Board of Directors (the “**Board**”) of Sky One Holdings Limited (the “**Company**”) and together with its subsidiaries, (the “**Group**”) refers to its full year financial results announcement for the financial year ended 31 March 2010 (“FY2010”) made on 26 May 2010 via the SGX-Net (“**2010 Preliminary Results**”).

Pursuant to Rule 704(5) of the Rules of Catalist of the Listing Manual of the SGX-ST (the “**Catalist Rules**”), the Board wishes to announce that subsequent to the release of the 2010 Preliminary Results, a material adjustment (the “**Adjustment**”) to the 2010 Preliminary Results was made by the auditors of the Company, Mazars LLP.

For the purposes of this announcement, “**Previously stated figures**” represent figures which were announced previously via SGXNet on 26 May 2010. “**Adjusted figures**” refer to figures after auditors’ subsequent adjustment to the Previously stated figures.

**The Adjustment**

As a result of a review of the recoverable amount of its cost of investment in subsidiaries at the Company level, an impairment loss of HK\$140 million representing the write-down of these investment costs to the recoverable amount was recognised in the profit and loss of the Company for the financial year ended 31 March 2010. The recoverable amount has been estimated after taking into consideration of the net assets of the subsidiaries and their value in use which is based on the estimated future cash flows expected to be generated by the subsidiaries.

The Adjustment has no effect on the statement of the financial position of the Group as at 31 March 2010, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Group for the financial year ended 31 March 2010 as the above adjustment is reversed for the purposes of the preparation of the consolidated financial statements of the Group.

## Effect on Statements of Financial Position

The Adjustment would reduce the carrying amount of the Company's investments in subsidiaries by HK\$140,000,000 and increase its accumulated losses by the same amount. However, there would be no effect on the financial position of the Group as a whole.

|   | Group<br>31-Mar-10              |                 |                      | Company<br>31-Mar-10            |                 |                      |
|---|---------------------------------|-----------------|----------------------|---------------------------------|-----------------|----------------------|
|   | Previously<br>stated<br>figures | Adjust-<br>ment | Adjusted<br>figures  | Previously<br>stated<br>figures | Adjust-<br>ment | Adjusted<br>figures  |
|   | HK\$'000                        | HK\$'000        | HK\$'000             | HK\$'000                        | HK\$'000        | HK\$'000             |
| <b>Non-current assets</b>                                   |                                 |                 |                      |                                 |                 |                      |
| Property, plant and equipment                               | 8,234                           | -               | 8,234                | -                               | -               | -                    |
| Investments in subsidiaries                                 | -                               | -               | -                    | 217,740                         | (140,000)       | 77,740               |
| Goodwill  | 22,493                          | -               | 22,493               | -                               | -               | -                    |
|   | <u>30,727</u>                   |                 | <u>30,727</u>        | <u>217,740</u>                  |                 | <u>77,740</u>        |
| <b>Current assets</b>                                       |                                 |                 |                      |                                 |                 |                      |
| Trade and other receivables                                 | 39,884                          | -               | 39,884               | 87                              | -               | 87                   |
| Tax recoverable   | 98                              | -               | 98                   | -                               | -               | -                    |
| Pledged bank balance  | 600                             | -               | 600                  | -                               | -               | -                    |
| Cash and cash equivalents                                   | 17,412                          | -               | 17,412               | 5,760                           | -               | 5,760                |
|   | <u>57,994</u>                   |                 | <u>57,994</u>        | <u>5,847</u>                    |                 | <u>5,847</u>         |
| <b>Total assets</b>   | <u><b>88,721</b></u>            |                 | <u><b>88,721</b></u> | <u><b>223,587</b></u>           |                 | <u><b>83,587</b></u> |
| <b>Equity attributable to equity holders of the Company</b> |                                 |                 |                      |                                 |                 |                      |
| Share capital   | 298,323                         | -               | 298,323              | 298,323                         | -               | 298,323              |
| Reserves  | (282,178)                       | -               | (282,178)            | (208)                           | -               | (208)                |
| Accumulated profits/(losses)                                | 47,897                          | -               | 47,897               | (93,471)                        | (140,000)       | (233,471)            |
| <b>Total equity</b>   | <u>64,042</u>                   |                 | <u>64,042</u>        | <u>204,644</u>                  |                 | <u>64,644</u>        |
| <b>Non-current liabilities</b>                              |                                 |                 |                      |                                 |                 |                      |
| Interest-bearing loans and borrowings                       | 509                             | -               | 509                  | -                               | -               | -                    |
| Deferred tax liabilities                                    | 149                             | -               | 149                  | -                               | -               | -                    |
|   | <u>658</u>                      |                 | <u>658</u>           | <u>-</u>                        |                 | <u>-</u>             |
| <b>Current liabilities</b>                                  |                                 |                 |                      |                                 |                 |                      |
| Trade and other payables                                    | 20,120                          | -               | 20,120               | 7,928                           | -               | 7,928                |
| Interest-bearing loans and borrowings                       | 3,901                           | -               | 3,901                | -                               | -               | -                    |
| Amounts owing to subsidiaries                               | -                               | -               | -                    | 11,015                          | -               | 11,015               |
|   | <u>24,021</u>                   |                 | <u>24,021</u>        | <u>18,943</u>                   |                 | <u>18,943</u>        |
| <b>Total liabilities</b>                                    | <u>24,679</u>                   |                 | <u>24,679</u>        | <u>18,943</u>                   |                 | <u>18,943</u>        |
| <b>Total equity and liabilities</b>                         | <u><b>88,721</b></u>            |                 | <u><b>88,721</b></u> | <u><b>223,587</b></u>           |                 | <u><b>83,587</b></u> |

### Effect on Statements of Comprehensive Income

The Company's loss for FY2010 would increase by HK\$140,000,000. However, the consolidated profits of the Group will not be affected.

### Effect on Cash Flows

There is no impact on the Company's cash flows as the adjustment is non-cash in nature. There is no impact on the Group's cash flows.

### Effect on Group Earnings Per Share

There is no impact on Group Earnings Per Share for FY2010.

### Effect on Net Asset Value

The Net Asset Value per ordinary share of the Company will decrease by HK cents 57.57 to HK cents 26.58. The Group's Net Asset Value per ordinary share remains unchanged.

|  | Group<br>31-Mar-10                                    |  |  | Company<br>31-Mar-10                                  |  |   |
|--|---|--|--|---|--|---|
|  | Previously<br>stated<br>figures<br>Hong Kong<br>cents | Adjust-<br>ment<br>Hong<br>Kong<br>cents | Adjusted<br>figures<br>Hong<br>Kong<br>cents | Previously<br>stated<br>figures<br>Hong Kong<br>cents | Adjust-<br>ment<br>Hong<br>Kong<br>cents | Adjusted<br>figures<br>Hong Kong<br>cents |
| Net Asset Value per ordinary share based on issued share capital of 243,199,998 (2009:243,199,998) | 26.33   | -  | 26.33  | 84.15   | (57.57)                                  | 26.58                                     |

By Order of the Board  
Foo Soon Soo (Ms)  
Company Secretary  
25 June 2010

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