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中國包裝集團有限公司
China Packaging Group Company Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 572)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

Further to the Company's profit warning announcement dated 25 July 2012 and the interim results announcement dated on 20 August 2012 where it was disclosed that, among other things, the Group recorded a loss for the six months ended 30 June 2012 as compared with a profit for the same period of last year, the Board wishes to inform shareholders and potential investors of the Company that, based on the information currently available to the Group, it is expected that the Group continues to record a loss in the second half of 2012, which would result in a loss for the year ending 31 December 2012 as compared to a profit recorded in the year ended 31 December 2011.

The information contained in this announcement can only be treated as a preliminary assessment by the Board based on information currently available to the Group and is not based on any figures nor information that has been audited or reviewed by the auditor of the Company.

Shareholders and potential investors of the Company should note that the Statement has not been reported on and this announcement does not meet the standard required by Rule 10 of the Takeovers Code. The Statement will be reported on in compliance with the requirements of the Takeovers Code as soon as practicable and the relevant reports will be contained in the composite offer and response document to be issued by the Offeror and the Company in respect of the Offers. Shareholders and potential investors should exercise caution in placing reliance on this announcement in assessing the merits and demerits of the Offers, and are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by China Packaging Group Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Further to the Company's profit warning announcement dated 25 July 2012 and the interim results announcement dated on 20 August 2012 where it was disclosed that, among other things, the Group recorded a loss for the six months ended 30 June 2012 as compared with a profit for the same period of last year, the board of directors of the Company (the "**Board**") wishes to inform shareholders and potential investors of the Company that, based on the information currently available to the Group, it is expected that the Group continues to record a loss in the second half of 2012, which would result in a loss for the year ending 31 December 2012 as compared to a profit recorded in the year ended 31 December 2011 (the "**Statement**"). The reasons for the expected loss include but not limited to the Group will not record any gain from

restructuring as in the financial year ended 31 December 2011, increase in overhead and administrative expenses, decrease in turnover, provision for doubtful debt (if any) and / or impairment loss (if any). After completion of the restructuring of the Group and the discharge of the provisional liquidators of the Company in November 2011, the Company has resumed its normal operation in Hong Kong and has incurred increased overhead and administrative expenses since then.

As year 2012 has not yet ended, the annual results of the Group for the year ending 31 December 2012 are not yet available. The information contained in this announcement can only be treated as a preliminary assessment by the Board based on information currently available to the Group. The information contained in this announcement is not based on any figures nor information that has been audited or reviewed by the auditor of the Company. The annual results announcement of the Company for the year ending 31 December 2012 is expected to be released in March 2013.

With the publication of the announcement jointly made by Able Success Asia Limited (the “**Offeror**”) and the Company on 12 December 2012 in relation to, among others, the unconditional mandatory cash offers by Kingston Securities Limited on behalf of the Offeror for all the issued shares in the Company (other than those shares already owned by the Offeror and parties acting in concert with it) and to cancel all outstanding share options (the “**Offers**”), the Company is in the offer period since 12 December 2012 and the Statement constitutes a profit forecast under Rule 10 of the Code on Takeovers and Mergers (the “**Takeovers Code**”).

Pursuant to Rule 10.4 of the Takeovers Code, whenever a profit forecast is made during the offer period, if a company’s forecast is published first in a press announcement, it must be repeated in full, together with the reports (from auditors or consultant accountants and financial adviser), in the next document sent to shareholders by that company.

Shareholders and potential investors of the Company should note that the Statement has not been reported on and this announcement does not meet the standard required by Rule 10 of the Takeovers Code. The Statement will be reported on in compliance with the requirements of the Takeovers Code as soon as practicable and the relevant reports will be contained in the composite offer and response document to be issued by the Offeror and the Company in respect of the Offers. Shareholders and potential investors should exercise caution in placing reliance on this announcement in assessing the merits and demerits of the Offers, and are advised to exercise caution when dealing in the shares of the Company.

For and on behalf of
China Packaging Group Company Limited
Leung Heung Ying, Alvin
Executive Director

Hong Kong, 24 December 2012

As at the date of this announcement, the Board comprises (i) two executive Directors, namely Mr. Leung Heung Ying, Alvin and Mr. Wong Tat Wai Derek; and (ii) three independent non-executive Directors, namely Dr. Lam Andy Siu Wing JP, Mr. Siu Siu Ling, Robert and Mr. Tam Tak Wah.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this announcement misleading.