
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this prospectus or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Packaging Group Company Limited, you should at once hand the Prospectus Documents to the purchaser, the transferee or to the bank, licensed securities dealer, registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

A copy of each of the Prospectus Documents, together with copies of documents specified in the paragraph headed "Documents delivered to the Registrar of Companies" in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. Neither the Securities and Futures Commission nor the Registrar of Companies in Hong Kong takes any responsibility as to the contents of any of the Prospectus Documents.

The Prospectus may be extended to the Shareholder residing in the Philippines for information only, it is not to be relied upon for sale or marketing of the Offer Shares in the Philippines.

Subject to the grant of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of any of the Prospectus Documents, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of any of the Prospectus Documents.



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)

OPEN OFFER OF 1,095,162,666 OFFER SHARES AT THE SUBSCRIPTION PRICE OF HK\$0.04 EACH ON THE BASIS OF ONE OFFER SHARE FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE

Financial adviser to the Company



**結好融資有限公司
GET NICE CAPITAL LIMITED**

Underwriter of the Open Offer



**結好證券有限公司
GET NICE SECURITIES LIMITED**

Capitalised terms used in this cover page have the same meanings as defined in this prospectus.

It should be noted that the Underwriting Agreement contains provisions granting the Underwriter the right to terminate the obligations of the Underwriter thereunder on the occurrence of certain events. These certain events are set out in the section headed "Termination of the Underwriting Agreement" on pages 8 and 9 of this prospectus. If the Underwriting Agreement is terminated by the Underwriter or does not become unconditional by 4:00 p.m. on Friday, 13 June 2014, the Open Offer will not proceed.

The latest time for acceptance of and payment for the Offer Shares is at 4:00 p.m. on Tuesday, 10 June 2014. The procedure for application and payment for the Offer Shares are set out on pages 15 and 16 of this prospectus.

It should be noted that the Shares have been dealt in on an ex-entitlement basis from Monday, 5 May 2014, and that dealings in Shares will take place whilst the conditions to which the Open Offer is subject remain unfulfilled. Any Shareholder or other person dealing in the Shares up to the date on which all the conditions to which the Open Offer is subject are fulfilled which is expected to be on Friday, 13 June 2014, will accordingly bear the risk that the Open Offer may not become unconditional or may not proceed. Any Shareholder or other person contemplating dealing in the Shares during such period who is in any doubt about his or her position is advised to consult his or her professional adviser.

26 May 2014

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DEFINITIONS

In this prospectus, unless the context otherwise requires, the following expressions have the following meanings:

“acting in concert”	has the meaning ascribed thereto under the Takeovers Code
“Announcement”	the announcement of the Company dated 22 April 2014 in relation to, among other things, the Open Offer and the Underwriting Agreement
“Application Form(s)”	the form(s) of application in respect of the Open Offer issued to the Qualifying Shareholders to apply for the Offer Shares
“associate(s)”	has the same meaning ascribed to it in the Listing Rules
“Board”	the board of the Directors
“Business Day(s)”	a day (excluding Saturday and other general holidays in Hong Kong and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning is hoisted or remains hoisted or in effect between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	China Packaging Group Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange (stock code: 572)
“connected person(s)”	has the same meaning ascribed to it in the Listing Rules

DEFINITIONS

“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	17 April 2014, being the last trading day of the Shares on the Stock Exchange before the release of the Announcement
“Latest Practicable Date”	20 May 2014, being the latest practicable date prior to the date of this prospectus for the purpose of ascertaining certain information referred to in this prospectus
“Latest Time for Acceptance”	4:00 p.m. on 10 June 2014 (or such other date as the Underwriter may agree with the Company as the latest date for acceptance of, and payment for, the Offer Shares)
“Latest Time for Termination”	4:00 p.m. on 13 June 2014, being the third Business Day after (but excluding) the Latest Time for Acceptance and the latest time to terminate the Underwriting Agreement
“Listing Committee”	has the same meaning ascribed to it in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) in respect of whom the Board (after making relevant enquiries), consider it necessary or expedient not to offer the Offer Shares to such Overseas Shareholder(s) on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Offer Share(s)”	1,095,162,666 new Shares to be allotted and issued pursuant to the Open Offer

DEFINITIONS

“Old Share Option Scheme”	the old share option scheme adopted by the Company. The Company has terminated the Old Share Option Scheme pursuant to an ordinary resolution passed at an extraordinary general meeting of the Company held on 22 February 2012, and adopted a new share option at the same meeting. Under the Old Share Option Scheme, a share option may be exercised in accordance with the terms of the share option scheme prior to the expiry of such date as determined by the board of directors but in any event not exceeding 10 years from the date of acceptance
“Open Offer”	the proposed issue by way of an open offer, subject to the fulfillment of certain conditions, of 1,095,162,666 Offer Shares for subscription by the Qualifying Shareholders on the basis of one (1) Offer Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date for the Offer Shares at the Subscription Price payable in full on application and otherwise on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is (are) outside Hong Kong
“PRC”	The People’s Republic of China
“Prospectus Documents”	this Prospectus and the Application Form
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	13 May 2014, being the date by reference to which entitlements to the Open Offer are determined
“Registrar”	Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC

DEFINITIONS

“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.001 each in the issued and unissued capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Options”	The options issued under the Old Share Option Scheme
“Shortfall Underwritten Shares”	any Underwritten Shares not accepted by Shareholders or for which duly completed Application Form(s) (accompanied by cheques or banker’s cashier orders for the full amount payable on application which are honoured on first or, at the discretion of the Underwriter, subsequent presentation) have not been lodged for acceptance, or received, as the case may be, on or before the Latest Time for Acceptance
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.04 per Offer Share
“Substantial Shareholder(s)”	has the same meaning ascribed to it in the Listing Rules
“Sub-Underwriter(s)”	the sub-underwriter(s) who has agreed to act as a sub-underwriter in relation to the Open Offer pursuant to the sub-underwriting agreement with the Underwriter
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs
“Underwriter”	Get Nice Securities Limited, a licensed corporation to carry out business in type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO
“Underwriting Agreement”	the underwriting agreement dated 22 April 2014 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Open Offer

DEFINITIONS

“Underwritten Shares”	1,095,162,666 Offer Shares underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%” or “per cent.”	percentage or per centum

EXPECTED TIMETABLE

The expected timetable for the Open Offer set out below is indicative only. The expected timetable is subject to change, and any such change will be announced in a separate announcement by the Company as and when appropriate.

Event	2014 (Hong Kong time)
Despatch of the Prospectus Documents	Monday, 26 May
Latest time for acceptance of and payment for the Offer Shares	4:00 p.m. on Tuesday, 10 June
Latest time for Termination of the Underwriting Agreement by the Underwriter and the Open Offer becomes unconditional	4:00 p.m. on Friday, 13 June
Announcement of results of acceptance of the Open Offer	Monday, 16 June
Despatch of share certificates for Offer Shares	Tuesday, 17 June
Despatch of refund cheques if the Open Offer is terminated	Tuesday, 17 June
Commencement of dealings in Offer Shares on the Stock Exchange	Wednesday, 18 June
Designated broker starts to stand in the market to provide matching services for odd lot of Shares.	Wednesday, 18 June
Last day for the designated broker to stand in the market to provide matching services for odd lot of Shares.	Wednesday, 9 July

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE OFFER SHARES

The latest time for acceptance of and payment for Offer Shares will not take place if there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning:

- i. in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Tuesday, 10 June 2014. Instead the latest time for acceptance of and payment for the Offer Shares will be extended to 5:00 p.m. on the same Business Day;
- ii. in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Tuesday, 10 June 2014. Instead the latest time of acceptance of and payment for the Offer Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Offer Shares does not take place on Tuesday, 10 June 2014, the dates mentioned in the section headed “Expected timetable” in this prospectus may be affected. The Company will notify the Shareholders by way of announcements on any change to the expected timetable as soon as practicable.

TERMINATION OF THE UNDERWRITING AGREEMENT

Notwithstanding anything contained in the Underwriting Agreement, the Underwriter may terminate the arrangement set out in the Underwriting Agreement by notice in writing to the Company at any time prior to the Latest Time for Termination (i.e. 4:00 p.m. on Friday, 13 June 2014 pursuant to the expected timetable), if it becomes aware of the fact that there shall develop, occur, exist or come into effect:

- (1) any new law or regulation or any change in existing laws or regulations in Hong Kong or in which the Company conducts or carries on business; or
- (2) any significant change (whether or not permanent) in local, national or international economic, financial, political or military conditions; or
- (3) any significant change (whether or not permanent) in local, national or international securities market conditions (any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise) or exchange controls; or
- (4) any material adverse change in relation to the business or the financial or trading position or prospects of the Company or any members of the Group which in the sole and absolute opinion of the Underwriter will adversely affect the prospects of the Company or the Open Offer; or
- (5) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out,

and in the reasonable opinion of the Underwriter, such change has or would have a material and adverse effect on the business, financial or trading position or prospects of the Company as a whole or the success of the Open Offer or make it inadvisable or inexpedient to proceed with the Open Offer.

If, at any time prior to the Latest Time for Termination, the Company commits any breach of or omits to observe any of the obligations or undertakings expressed to be assumed by it under the Underwriting Agreement which breach or omission will have a material and adverse effect of its business, financial or trading position, the Underwriter shall be entitled (but not bound) by notice in writing to the Company to elect to treat such matter or event as releasing and discharging the Underwriter from its obligations under the Underwriting Agreement.

TERMINATION OF THE UNDERWRITING AGREEMENT

Upon giving of notice of termination pursuant to the Underwriting Agreement, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine and save as provided on the Underwriting Agreement, the obligations of the parties to the Underwriting Agreement shall terminate forthwith provided that the Company shall remain liable to pay to the Underwriter such indemnities, fees and expenses (but not the underwriting commission) referred to in the Underwriting Agreement. If the Underwriter exercises such right, the Open Offer will not proceed.

If the Underwriting Agreement is terminated by the Underwriter on or before the aforesaid deadline or does not become unconditional on or before the Latest Time for Termination, the Open Offer will not proceed. An announcement will thereafter be made by the Company.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. He Jianhong

*(position, functions and duties suspended
with effect from 27 January 2014)*

Mr. Zhang Zhantao

*(position, functions and duties suspended
with effect from 6 March 2014)*

Mr. Siu Yun Fat

Mr. Lau Fai Lawrence

Independent non-executive Directors:

Mr. Siu Siu Ling Robert

Mr. Tam Tak Wah

Mr. Chan Yee Por Simon

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal place
of business:*

Unit 912, 9th Floor

New East Ocean Centre

9 Science Museum Road

Tsim Sha Shui East, Kowloon

Hong Kong

26 May 2014

To the Qualifying Shareholders and, for information only, the Non-Qualifying Shareholder(s)

Dear Sir or Madam,

**OPEN OFFER OF 1,095,162,666 OFFER SHARES
AT THE SUBSCRIPTION PRICE OF HK\$0.04 EACH
ON THE BASIS OF ONE OFFER SHARE FOR
EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE**

INTRODUCTION

Reference is made to the Announcement in relation to, among others, the proposed Open Offer in the proportion of one (1) Offer Share for every two (2) existing Shares held by Qualifying Shareholders on the Record Date.

The purpose of this prospectus is to provide you with further information on, among other things, the Open Offer, including the Underwriting Agreement, information on procedures for application and payment, and certain financial information and other information in respect of the Group.

LETTER FROM THE BOARD

TERMS OF THE OPEN OFFER

Issue statistics

Basis of the Open Offer	One (1) Offer Share for every two (2) exiting Shares held on the Record Date
Subscription Price	HK\$0.04 per Offer Share
Number of Shares in issue as at the Record Date	2,190,325,332 Shares
Number of Offer Shares	1,095,162,666 Offer Shares
Amount to be raised by the Open Offer	Approximately HK\$43.8 million (before expenses)
Basis of entitlement	Offer Shares will be allotted in proportion of one (1) Offer Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date. No Offer Share will be offered to the Non-Qualifying Shareholders
Right of excess application	No Qualifying Shareholder is entitled to apply for any Offer Shares which are in excess to his/her/its entitlement
Underwriter	Get Nice Securities Limited
Number of Underwritten Shares	1,095,162,666 Offer Shares underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
Number of Shares in issue upon completion of the Open Offer	3,285,487,998 Shares

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company had 1,899,374 outstanding Share Options entitling the holders thereof to subscribe for 1,899,374 new Shares. Save for the Share Options, the Company had no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares as at the Latest Practicable Date. The 1,095,162,666 Offer Shares proposed to be allotted and issued represent approximately 50.00% of the Company's issued share capital as at the Latest Practicable Date and approximately 33.33% of the Company's issued share capital as enlarged by the allotment and issue of the 1,095,162,666 Offer Shares immediately after completion of the Open Offer.

Basis of Assured Allotment

The basis of the assured allotment shall be one (1) Offer Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date at the Subscription Price. Application for all or any part of a Qualifying Shareholder's assured allotment should be made by completing the Application Form and lodging the same with a remittance for the Offer Shares being applied for.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders. To qualify for the Open Offer, a Shareholder must be registered as a member of the Company on the Record Date and not be a Non-Qualifying Shareholder.

In order to be registered as members of the Company on the Record Date, Shareholders must have lodged any transfers of the Shares (with the relevant share certificate(s)) with the Registrar at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong on or before 4:30 p.m. on Wednesday, 7 May 2014.

The invitation to subscribe for the Offer Shares to be made to the Qualifying Shareholders will not be transferable or capable of renunciation and there will not be any trading in the assured entitlements on the Stock Exchange.

Overseas Shareholders and Rights of Non-Qualifying Shareholder

The Prospectus Documents are not intended to be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. If there are any Overseas Shareholders at the close of business on the Record Date, such Overseas Shareholders may or may not be eligible to take part in the Open Offer.

LETTER FROM THE BOARD

Based on the register of members of the Company on the Record Date, there is one Overseas Shareholder whose address is in the Philippines holding 506 Shares. Pursuant to Rule 13.36(2) of the Listing Rules, the Board has made enquiries regarding the legal restrictions with respect to the issue of the Offer Shares to such Overseas Shareholder.

Having made enquiries regarding the legal restrictions with respect to the issue of the Offer Shares to the Overseas Shareholder, the Board has formed the view that it is inexpedient to extend the Open Offer to such Overseas Shareholder in the Philippines due to the time and costs involved in the registration of this prospectus and/or compliance with the applicable legal or regulatory requirements or special formalities in the Philippines if the Open Offer were to be lawfully made to such Overseas Shareholder. The Company will send this prospectus (but not the Application Form), for information only, to such Overseas Shareholder.

Subscription Price

The subscription price of HK\$0.04 per Offer Share is payable in full upon application. The subscription price per Offer Share represents:

- (i) a discount of approximately 70.37% to the closing price of HK\$0.135 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 69.70% to the average closing price of HK\$0.132 per Share for the last five consecutive trading days ended on the Last Trading Day;
- (iii) a discount of approximately 61.17% to the theoretical ex-entitlement price of approximately HK\$0.103 per Share based on the closing price of HK\$0.135 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (iv) a discount of approximately 55.06% to the closing price of HK\$0.089 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

LETTER FROM THE BOARD

The Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to the prevailing market price of the Shares, the business development and financial position of the Group and the absence of excess application arrangement to the Qualifying Shareholders. The Directors (excluding Mr. He Jianhong and Mr. Zhang Zhantao, whose positions, functions and duties have been suspended from 27 January 2014 and 6 March 2014 respectively, but including all the independent non-executive Directors) consider that under the Open Offer, each Qualifying Shareholder is entitled to subscribe for the Offer Shares at the same price in proportion to his/her/its existing shareholding in the Company and that the discount of the Subscription Price will lower the further investment cost of the Qualifying Shareholders and encourages them to participate in the Open Offer. The Directors (excluding Mr. He Jianhong and Mr. Zhang Zhantao, whose positions, functions and duties have been suspended from 27 January 2014 and 6 March 2014 respectively, but including all the independent non-executive Directors) consider that the terms of the Open Offer, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Status of the Offer Shares

The Offer Shares, when allotted, issued and fully paid, shall rank *pari passu* in all respects with the then existing Shares in issue on the date of allotment of the Offer Shares, including the right to receive all dividends and distributions which may be declared, made or paid on or after such date.

No application for excess Offer Shares and fractions of the Offer Shares

No application for excess Offer Shares will be available to any Qualifying Shareholders to apply for any Offer Share in excess of their respective assured entitlements since each Qualifying Shareholder will be given equal and fair opportunities to participate in the Company's future development by subscribing for his/her/its assured entitlements under the Open Offer and if an application for excess Offer Shares is arranged, the Company would be required to put in additional efforts and costs to administer the excess application procedures, which is not cost-effective.

In order to alleviate the difficulties arising from the existence of odd lots of Shares arising from the Open Offer, the Company has appointed Get Nice Securities Limited to provide matching services for the sale and purchase of odd lots of Shares on a best effort basis during the period between Wednesday, 18 June 2014 to Wednesday, 9 July 2014 (both days inclusive). Shareholders who wish to take advantage of this facility should contact Mr. Larry Ng of Get Nice Securities Limited at 10th Floor, Cosco Tower, 183 Queen's Road Central, Hong Kong at telephone number (852) 2970 8000 during office hours of such period. Shareholders should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. Shareholders who are in doubt about this facility are recommended to consult their professional adviser.

LETTER FROM THE BOARD

Fractional entitlements to the Offer Shares will not be issued to the Qualifying Shareholders but will be aggregated, underwritten and taken up by the Underwriter. The Company will not allot any fractions of the Offer Shares.

Any Shortfall Underwritten Shares, any Offer Shares created by aggregation of fractional Offer Shares and any Offer Shares which the Non-Qualifying Shareholders would otherwise have been entitled (if any) will be underwritten and taken up by the Underwriter.

Procedure for acceptance and payment for the Offer Shares

For each Qualifying Shareholder, an Application Form is enclosed with this prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Offer Shares shown thereon. If the Qualifying Shareholder(s) wish(es) to exercise his/their rights to subscribe for all the Offer Shares provisionally allotted to him/them, he/they must lodge the Application Form(s) in accordance with the instructions printed thereon, together with the remittance for the full amount payable on acceptance, with the Registrar at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, by no later than 4:00 p.m. on Tuesday, 10 June 2014 or such later time and/or date as may be agreed between the Company and the Underwriter.

All remittance(s) must be made in Hong Kong dollars and cheques must be drawn on an account with or banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to **"CHINA PACKAGING GROUP COMPANY LIMITED – OPEN OFFER A/C" and crossed "Account Payee only"**.

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Tuesday, 10 June 2014, that assured allotments and all rights thereunder will be deemed to have been declined and will be cancelled.

The Application Form contains full information regarding the procedures to be followed if you wish to apply for a number of Offer Shares different from your assured allotments. The Application Form is for use only by the person(s) named therein and is not transferable.

All cheques or banker's cashier orders will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Any application in respect of which the cheque or banker's cashier order is dishonoured on first presentation is liable to be rejected, and in that event the assured allotments and all rights thereunder will be deemed to have been declined and will be cancelled. No receipt will be issued in respect of any Application Form and of any application monies received.

LETTER FROM THE BOARD

If the conditions of the Open Offer are not fulfilled and/or the Underwriting Agreement is terminated in accordance with its terms by the Latest Time for Termination, the application monies will be refunded, without interest, by sending a cheque made out to the applicant (or in the case of joint applicants, to the first named applicant) and crossed “Account Payee Only”, to be despatched by ordinary post to their registered addresses and, in the case of joint applicants, to the registered address of the applicant whose name first appears on the register of members of the Company at the risk of such applicants as soon as practicable thereafter.

Qualifying Shareholders who do not take up the Offer Shares in full to which they are entitled should note that their shareholdings in the Company will be diluted.

Certificates of the Offer Shares and refund cheques

Subject to the fulfillment of the conditions as set out in the paragraph headed “Conditions of the Open Offer” in this prospectus, share certificates for all fully-paid Offer Shares are expected to be posted on or before Tuesday, 17 June 2014 by ordinary mail to the Qualifying Shareholders who have validly accepted and applied for (where appropriate), and paid for the Offer Shares by 4:00 p.m. on Tuesday, 10 June 2014 at their own risk. If the Open Offer is terminated, refund cheques will be despatched on or before Tuesday, 17 June 2014 by ordinary post at the respective Shareholders’ own risk.

Applicants(s) will receive one share certificate for all the Offer Shares issued to him/her/it/them.

The dealings in the Offer Shares on the Stock Exchange is expected to commence on Wednesday, 18 June 2014.

Application for listing

The Company has applied to the Listing Committee for the listing of, and permission to deal in, the Offer Shares. Dealings in the Offer Shares will be subject to the payment of stamp duty, Stock Exchange trading fee and any other applicable fees and charges in Hong Kong.

None of the securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is proposed to be sought.

LETTER FROM THE BOARD

Subject to the granting of listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Conditions of the Open Offer

The Open Offer is subject to the Underwriting Agreement having become unconditional and not being terminated in accordance with its terms. In addition, the Open Offer is conditional upon the following conditions being fulfilled:

- (i) the Listing Committee granting or agreeing to grant in principle (subject to allotment of Offer Shares) and not having withdrawn or revoked the listing of and permission to deal in all the Offer Shares (in their fully-paid form);
- (ii) the filing and registration of all documents relating to the Open Offer, which are required to be filed or registered with the Registrar of Companies in Hong Kong in accordance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (iii) the posting of the Prospectus Documents to the Qualifying Shareholders;
- (iv) compliance with and performance of all the undertakings and obligations of the Company and the Underwriter under the terms of the Underwriting Agreement.

In the event that any of the conditions has not been satisfied and/or waived (where applicable) in whole or in part by the Underwriter pursuant to the terms of the Underwriting Agreement and being no later than the Latest Time for Acceptance (or such other time and/or date as the Company and the Underwriter may determine in writing), the Underwriting Agreement shall determine (save in respect of any rights and obligations which may accrue under the Underwriting Agreement) and no party thereto shall have any claim against the other parties save for any antecedent breach of the Underwriting Agreement.

If the Underwriting Agreement is terminated, the Open Offer will not proceed.

As at the Latest Practicable Date, none of the above conditions had been fulfilled or waived.

LETTER FROM THE BOARD

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holding or dealing in the Offer Shares. It is emphasized that none of the Company, its Directors or any other parties involved in the Open Offer accept responsibility for any tax effects or liability of holders of the Offer Shares resulting from holding or disposal of, or dealing in of the Offer Shares.

UNDERWRITING AGREEMENT

Date	:	22 April 2014
Underwriter	:	Get Nice Securities Limited, to the best of the Directors' knowledge, information and belief having made all reasonable enquires, the Underwriter and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons
Number of Shares to be underwritten	:	The Underwriter has conditionally agreed pursuant to the Underwriting Agreement to underwrite the Offer Shares not subscribed by the Qualifying Shareholders, any Offer Shares created by aggregation of fractional Offer Shares and any Offer Shares which the Non-Qualifying Shareholders would otherwise have been entitled (if any) on a fully underwritten basis, being 1,095,162,666 Offer Shares, subject to the terms and conditions of the Underwriting Agreement
Commission	:	2.5% of the aggregate Subscription Price of the Underwritten Shares as determined on the Record Date

The commission rate was determined after arm's length negotiation between the Company and the Underwriter by reference to the existing financial position of the Group, the size of the Open Offer, and the current and expected market conditions. The Board considers the terms of the Underwriting Agreement including the commission rate are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Open Offer will be fully underwritten by the Underwriter. Upon completion of the Open Offer in accordance with the terms of the Underwriting Agreement, the public float requirement under the Listing Rules will be complied with.

LETTER FROM THE BOARD

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Group is principally engaged in the manufacture and sale of tinplate cans for the packaging as well as trading business and related services.

Based on the Subscription Price of HK\$0.04 per Offer Share and 1,095,162,666 Offer Shares to be allotted and issued, the gross proceeds to be raised by the Company from the Open Offer will amount to approximately HK\$43.8 million (before expenses). The net proceeds to be raised by the Company from the Open Offer will amount to approximately HK\$41.8 million (after expenses). The Group intends to apply the net proceeds from the Open Offer as to (i) approximately HK\$15.0 million as a reserve for the repayment of the amount due to its controlling shareholder, Able Success Asia Limited; (ii) approximately HK\$10.0 million for trading business for health products in Hong Kong; (iii) approximately HK\$10.0 million for the injection of capital into a wholly-owned subsidiary in the PRC for trading business of metal and other raw materials; and (iv) approximately HK\$6.8 million for general working capital of the Group and the future investments opportunities of the Group if suitable activities are identified. As at the Latest Practicable Date, the Company had not identified any investment opportunities or entered into any negotiations regarding any investment opportunities.

On 10 April 2014, the Company received a garnishee order nisi stating that the Company's amount due to its controlling shareholder, Able Success Asia Limited should now be payable to Guangdong Hongchang Import and Export Co. Limited and Ease Faith Limited, with reference to a judgment dated 17 February 2014 against Able Success Asia Limited by Guangdong Hongchang Import and Export Co. Limited and Ease Faith Limited. The Group anticipates that if the garnishee order becomes absolute, settlement of the said amount due will be required within the next few months. In view of the above, HK\$15.0 million will be set aside as reserve for the repayment of the amount due to Able Success Asia Limited.

On 15 March 2014, the Group entered into a master purchase agreement with an independent third party, pursuant to which the Company agreed to purchase bird nest products for a total consideration of approximately HK\$10 million. On 18 March 2014, the Group placed a purchase order in accordance with the master purchase agreement for a consideration of approximately HK\$5 million. Subsequently, the Group entered into three sale contracts in March and April 2014 with two customers to sell the bird nest products for a total consideration of approximately HK\$5.2 million. On 16 April 2014, the Group placed a purchase order with an independent third party to purchase ginseng for a consideration of approximately HK\$8 million.

LETTER FROM THE BOARD

The Board considers that it is prudent to finance the Group's long-term growth by long-term financing, preferably in the form of equity. The Board also believes that the Open Offer will enable the Group to strengthen its capital base and to enhance its financial position. The Open Offer will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Group. Accordingly, the Board considers that fund raising through the Open Offer is in the interests of the Company and the Shareholders as a whole.

The Board has considered other fund raising alternatives, including rights issue and bank borrowings. If compared to an open offer, (i) a rights issue would involve extra administrative work and costs for the trading arrangements in relation to nil-paid rights; and (ii) bank borrowings would result in additional interest burden and higher gearing ratio of the Group. As such, the Board is of the view that an open offer is more costs effective and efficient.

Furthermore, the Board considers that the Open Offer is in the interests of the Company and the Shareholders as a whole as it offers all the Qualifying Shareholders an equal opportunity to participate in the enlargement of the capital base of the Company and to allow Qualifying Shareholders an equal opportunity to maintain their proportionate interests in the Company and continue to participate in the future development of the Group should they wish to do so.

BUSINESS AND FINANCIAL REVIEW OF THE GROUP

For the year ended 31 December 2013, Mr. He Jianhong (“**Mr. He**”) was absent from the Company without cause since November 2013. Moreover, Mr. He is one of the defendants of an alleged claim. The Board decided that it is in the best interests of the Company and the Shareholders as a whole to suspend all position, functions and duties held by Mr. He with effect from 27 January 2014. For details please refer to the Company's announcement dated 28 January 2014.

The Board has conducted due diligence review on major projects and transactions of the Company further to the suspension of the position, functions and duties held by Mr. He since January 2014. Despite repeated verbal and written requests, the Board has been unable to contact the legal representative, directors and management of its indirect wholly owned subsidiary, Shanxi Zhanpen Metal Products Co., Ltd. (山西展鹏金属製品有限公司) (“**Zhanpen**”), and obtain and access the books and records of Zhanpen and Bloxworth Enterprise Limited (“**Bloxworth**”), being an immediate holding company of Zhanpen and a direct wholly owned subsidiary of the Company.

Due to the non-cooperation of the management of Zhanpen and Bloxworth and the continued absence of Mr. He, who was also responsible for liaising with the abovementioned subsidiaries, the Board was unable to access to the books and records of Zhanpen and Bloxworth despite the fact that the Board has taken all reasonable steps and has used its best endeavors to resolve the matter.

LETTER FROM THE BOARD

On 25 March 2014, after all reasonable steps had been taken but to no avail, the Board resolved that the Group no longer had the power to govern the financial and operating policies of Zhanpen and Bloxworth, and the control over Zhanpen and Bloxworth was lost on that date. Given the situation described above, the Board is of the view that the Group does not have the necessary books and records to prepare accurate and complete financial statements for Zhanpen and Bloxworth for the financial year ended 31 December 2013. The Group therefore deconsolidated Zhanpen and Bloxworth (the “**Deconsolidated Subsidiaries**”) from its financial statements for the financial year ended 31 December 2013 (the “**Deconsolidation**”).

The Company has taken/will take the following actions with an aim to restore its control over Zhanpen and Bloxworth:

- (i) the Company has made enquiries with the PRC legal adviser on the options to obtain and access the books and records of Zhanpen by legal means and it is advised that the Company can change the management of Zhanpen once the Company has restored its control over Bloxworth;
- (ii) the Company, as the sole shareholder of Bloxworth, sent a letter to the registered address and Hong Kong correspondence address of the sole corporate director of Bloxworth, Greatwall Merchant Limited (“**Greatwall**”), on 25 April 2014, requesting Greatwall to convene a general meeting to pass resolutions to (a) provide the corporate information of Bloxworth to the Company for inspection; and (b) keep the corporate information of Bloxworth at a place accessible by the Company;
- (iii) Despite the fact that the memorandum and articles of association of Bloxworth does not specify any deadline for Greatwall to respond to the Company’s request for convening the general meeting, the aforesaid letter requested Greatwall to fix the date, time and venue of the general meeting and give notice to the Company as soon as practicable and in any event no later than fourteen days upon receipt of the letter. As at the Latest Practicable Date, the Company had yet to receive any reply from Greatwall. Accordingly, the Company will pass the aforesaid resolutions, appoint new directors and remove existing director to the board of Bloxworth by way of written resolutions of sole shareholder in accordance with the memorandum and articles of association of Bloxworth by the end of May 2014;
- (iv) Upon passing of the written resolutions of sole shareholder, the Company will consult the legal adviser/British Virgin Island registered agent to take necessary steps to complete the relevant legal procedures to effect the change of directors of Bloxworth. Based on current estimation, the Company expects that it may take several months to complete the relevant legal procedures;

LETTER FROM THE BOARD

- (v) after the change of the board of director of Bloxworth, the Company will take necessary steps to change the current directors and management team of Zhanpen via Bloxworth in accordance with the memorandum and articles of association of Zhanpen. As advised by the PRC legal adviser, it may take at least six months to complete the relevant legal procedures to effect the change of directors and management team of Zhanpen; and
- (vi) the Company is considering to engage an external independent audit firm/law firm to review and conduct investigation into the business operation of Zhanpen and/or internal control of the Company.

The Company will continue to actively monitor and take any possible appropriate steps to address the matter. The Company will announce to provide updates on its status and steps taken to restore control of Zhanpen and Bloxworth as and when appropriate.

The management of the Company has also refocused its resources on new opportunities in trading business and possible business matching services so as to create long-term value for the Shareholders. The Board believes that the business performance of the Group will be improved.

FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group began to develop its trading business in 2013. During the process of seeking trading business opportunities, the Group was presented with business opportunities in business matching for customers and recognised commission income of approximately RMB148,000 for the financial year ended 31 December 2013. The Company may assist customers in business matching when the opportunity arises in the future.

The Group has been refocusing its resources on new opportunities in trading business and possible business matching services after the Deconsolidation, so as to create long-term value for Shareholders. For more information regarding Zhanpen and Bloxworth, please refer to the Company's announcements dated 25 March 2014 and 31 March 2014.

In respect of the trading in the PRC, in particular, metal trading, the Group has on-going contact with potential suppliers and customers. The Group is planning to set up its own office in the PRC so as to deploy local sales and purchase, or alternatively, the Group may use overseas/offshore company and conclude business on an indent commission basis.

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In the first quarter of 2014, the Group commenced its trading business for health products. The Group has secured a master purchase order of approximately HK\$10 million for the purchase of birds nest products in Hong Kong which is expected to complete in the second quarter of 2014 and placed a purchase order of ginseng approximated HK\$8 million. The Group will continue to explore this trading business. The Group will continue to identify other potential suppliers of health products and may enter into additional master purchase agreements with suppliers when we receive additional purchase orders from customers.

The Group is of the view that the increasing public awareness and concern on personal health, the increasing trend of people consuming health products and the high number of PRC consumers coming to Hong Kong indicate that the trading business for health products is in a favorite environment for further growth and development. Given that bird nest products and ginseng are popular traditional health foods among Chinese and bird nest can even be made into cosmetic products, the Group commenced its trading business for health products in the first quarter of 2014. The Group will continue to make efforts to expand its product range and customer base so as to further uplift the its competitiveness in the market. Moreover, the PRC has lifted its ban on bird nest imports from Malaysia since the end of 2013 after a two-year embargo, the Group considers that the trading business of these health products shall be booming and flourishing in the foreseeable future. As at the Latest Practicable Date, the Group had secured customer order to sell health products for a total consideration of approximately HK\$9 million. Taking into account the sales contracts the Group has completed, the Group is of the view that the demand for health products is strong and the turnover of its trading business for health products is expected to achieve HK\$5 million to HK\$10 million in the first half of 2014.

The Group intends to adopt the following business strategies in order to support the growth in its trading business of health products:

- (i) the Group believes that recognition and reputation are essential to its business growth. In order to broaden the customer base in Hong Kong, the Group is considering to establish a sales team which is responsible for identifying potential customers, conducting telemarketing, outbound sales and internet sales activities to reduce its reliance on its major customers;
- (ii) the Group will continue to identify and develop potential suppliers through different channels such as exhibitions, publicly-available information and third-party referral in order to reduce its reliance on existing suppliers of health products; and

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- (iii) in the event that the PRC continues to lift its ban on bird nest imports from other countries such as Thailand and Indonesia, the Company may consider to set up its own office in the PRC to develop its trading business of health products in the PRC market.

The Group is of the view that the trading business will have positive gross profit and will generate positive cash flow from operation in the coming year. The expected average margin for the Group's trading business for health products is at approximately 5%.

The Group will strive to expand its operation scale and seek for investment opportunities to acquire businesses with good potential apart from current trading business, so as to strengthen its operation, diversify its business and broaden its income stream. The Group believes that the business performance of the Group will be improved. With the proceeds raised from the Open Offer and as explained more fully in the above paragraph headed "Reasons for the Open Offer and Use of Proceeds", the Group will have additional funding to expand its scale of business and develop its business.

RISK FACTORS

Shareholders and prospective investors of the Company should consider carefully all the information set out in this prospectus and, in particular, should evaluate the following risks in connection with the trading business of the Company before making any investment decision (including the Open Offer) in relation to the Company.

Reliance on existing suppliers

As the Group has only commenced the trading of health products in the first quarter of 2014, the Group has yet to identify a list of reliable suppliers of health products. Currently, the Group is relying heavily on its existing suppliers for the provision of health products. In the event that any of these suppliers decides not to grant us a right to place purchase order on terms acceptable to the Group or at all after the current one is completed, the Group may not be able to find a new supplier or suppliers in a timely manner or on terms acceptable to the Group or at all. The results of operations from the trading business and the financial condition of the Group could be adversely affected.

It is further emphasised that given the strong reliance on the existing suppliers, should there be business failure and interruption in the businesses of the suppliers arising from any unexpected or catastrophic events, the Group's trading business and hence its operation in the trading business and financial position will be adversely affected.

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Reliance on customers

As the Group has only commenced the trading of health products in the first quarter of 2014, the Group is still endeavouring to expand its customer base. Currently, the Group places heavy reliance on a few customers to purchase health products from the Group. In the event that the current customers decide to place purchase order with other competitors instead with us, the Group may not be able to find new customers in a timely manner or on terms acceptable to the Group or at all, and any such new prospective customers may not be able to replace the sales volume previously generated by the current customers, the Group's trading business and hence its operation in the trading business and financial position will be adversely affected.

Perishability of health products

Due to the nature of the certain health products such as the bird nest products, special storage requirement is needed in order to avoid humidity so as to preserve the quality of the products. The bird nest products would be placed in a temperature regulated storage after they are delivered to the Group and before they would be delivered to the customers. In the event that there is a power shortage in the storage, the bird nest products may be damaged and the Group would need to replenish the inventories in order to meet the order(s) from customer(s), which would adversely affect the Group's financial position.

Accuracy of projected demand for the health products

The Group's customers typically order the health products on an order by order basis. The Group projects demand for the health products based on its marketing plan, sales report and inventory levels. If the Group overestimates such demand, the Group may purchase more health products than required. If the Group underestimates demand, the Group's may purchase insufficient health products than required to meet the demand and may result in lost sales.

The Group may fail to accurately forecast demand and coordinate the Group's procurement to meet demand on a timely basis. The Group's inability to accurately predict market demand and to timely meet such demand could materially and adversely affect the Group's financial conditions and results of operations as well as damage the Group's reputation.

Intense competition

The health products market in which the Group operates are characterized by large number of competitors because of the relative low entry barriers. Many of the Group's competitors have a longer operating history in the market, greater brand recognition, larger customer base and significantly greater financial and marketing resources. Such present or future competitors may provide products, price or other advantages over those offered by the Group. There is no assurance that the Group will be able to compete successfully against the current or future competitors.

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Change in preferences, demand and spending habits of the consumers

The Group's trading business is subject to the level of growth of the health product industry and any changes in preferences, demand and spending habits of the consumers. The Group's performance depends on factors which may affect the level and pattern of consumer spending in general. Consumer preferences and demand may shift away from such products for various reasons, including but not limited to:

- changes in consumer belief that such products may be effective in achieving their claimed benefits;
- decline in consumer confidence and consumer perceptions of such products due to negative publicity; and
- a general decrease in consumer preferences for health products as compared to other types of products that claim similar benefits, such as western medications.

Moreover, a general decline in the consumption of health products may occur as a result of a slowdown in the health product industry or any changes in industry trends, consumer preferences and spending habits at any time and the Group's future success will depend partly on the Group's ability to anticipate, adapt to such changes. If the Group is unable to anticipate or respond to such changes in a timely manner or develop products that could successfully meet the constantly changing market trend and demand, the Group's competitiveness and the Group's sales may decrease. Any of these events could adversely affect the Group's competitive advantage and market share, resulting in a material adverse effect on the Group's business, operational results and financial condition.

Risks related to politics, economics and regulations of the PRC and Hong Kong

The business operations of the Group are primarily based in the PRC and Hong Kong. Accordingly, the Group's operating results, financial position and prospects could be adversely affected by economic, political and legal developments in these jurisdictions. As a result of the financial tsunami, there is no assurance that economic, political and legal developments in these jurisdictions will not be adversely affected. If there is any material adverse change in the general economic, political and legal developments in these jurisdictions, the Group's operations and financial position may be adversely affected.

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WARNING OF THE RISKS OF DEALING IN SHARES

The Open Offer is conditional upon, inter alia, the fulfillment of the conditions as set out under the paragraph headed “Conditions of the Open Offer” in this prospectus. Therefore, the Open Offer may or may not proceed. Any dealings in the Shares up to the date on which all such conditions are fulfilled will accordingly bear the risk that the Open Offer may not become unconditional or may not proceed. Any Shareholders or other persons contemplating dealings in the Shares are recommended to consult their own professional advisers. Shareholders and potential investors of the Company should therefore exercise extreme caution when dealing in the Shares.

CHANGES IN SHAREHOLDING STRUCTURE

Set out below is the shareholding structure of the Company assuming that there is no change in the shareholding structure of the Company from the Latest Practicable Date to immediately before completion of the Open Offer:

	As at the Latest Practicable Date		Immediately after completion of Open Offer assuming all Qualifying Shareholders take up their respective entitlements under the Open Offer in full		Immediately after completion of the Open Offer assuming the Underwriter/Sub-underwriters take up all the Offer Shares in accordance with the underwriting commitment under the Underwriting Agreement	
	<i>Number of Shares</i>	<i>% (approx.)</i>	<i>Number of Shares</i>	<i>% (approx.)</i>	<i>Number of Shares</i>	<i>% (approx.)</i>
<i>Director</i>						
Mr. He Jianhong <i>(Note 1)</i>	1,097,209,604	50.09	1,645,814,406	50.09	1,097,209,604	33.40
The Underwriter and Sub-underwriters <i>(Note 2)</i>	–	–	–	–	1,095,162,666	33.33
Public Shareholders	<u>1,093,115,728</u>	<u>49.91</u>	<u>1,639,673,592</u>	<u>49.91</u>	<u>1,093,115,728</u>	<u>33.27</u>
Total	<u><u>2,190,325,332</u></u>	<u><u>100.00</u></u>	<u><u>3,285,487,998</u></u>	<u><u>100.00</u></u>	<u><u>3,285,487,998</u></u>	<u><u>100.00</u></u>

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Notes:

1. The interest disclosed represents the 1,097,209,604 Shares held by Able Success Asia Limited, a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is beneficially owned by Mr. He Jianhong, executive Director and chairman of the Board (position, functions and duties suspended from 27 January 2014). Mr. He Jianhong is therefore deemed to be interested in the Shares held by Able Success Asia Limited under the SFO. As at the Latest Practicable Date, the Company had not received any information or irrevocable undertaking from Able Success Asia Limited or Mr. He of its/his intention to subscribe for any of the Offer Shares to which Able Success Asia Limited is entitled under the Open Offer.
2. This scenario is for illustration purpose only. As at the Latest Practicable Date, the Underwriter had sub-underwritten its underwriting obligations under the Underwriting Agreement to Sub-underwriters such that each of the Underwriter and the Sub-underwriters (together with their respective parties acting in concert) will not own 30% or more of the voting power of the Company after completion of the Open Offer (for both scenarios (a) and (b) referred above). Each of the Underwriter and the Sub-underwriters (and their respective ultimate beneficial owners) (i) is not a party acting in concert with each other; and (ii) is not a party acting in concert with the Company, any of the Directors, chief executive and substantial Shareholders of the Company, the Company's subsidiaries, and their respective associates.

In the event that the Underwriter or any of the Sub-underwriters is required to take up the Offer Shares pursuant to its underwriting obligations under the Underwriting Agreement, the Underwriter or such Sub-underwriter will procure independent placees to take up such number of Offer Shares as may be necessary to ensure that the public float requirements under Rule 8.08 of the Listing Rules are complied with.

The Company will take all reasonable steps to monitor the public float of the Company from time to time.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Open Offer are subject to various factors including the results of the acceptance of the Open Offer. Further announcement will be made by the Company in accordance with the Listing Rules following the completion of the Open Offer upon which the Offer Shares are allotted and issued.

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FUND RAISING ACTIVITIES OF THE COMPANY WITHIN TWELVE MONTHS TO THE LATEST PRACTICABLE DATE

Set out below is the fund raising activity conducted by the Company:

Dates of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds
14 March 2014, 17 March 2014, 28 March 2014 and 10 April 2014	Placing of 169,000,000 new Shares by the Company under the general mandate at a price of HK\$0.105 per Share	Approximately HK\$17.5 million	(i) approximately HK\$5 million for trading business; (ii) the remaining balance as general working capital of the Company to meet any future business developments and obligations	(i) approximately HK\$8 million was used for trading of health product; (ii) approximately HK\$9.5 million as general working capital of the Company, of which: (a) HK\$7.7 million was used to repay the loans owed to an independent third party; and (b) HK\$1.8 million was used for administrative and legal expenses

Save as disclosed above, the Company had not conducted any fund raising activities in the past twelve months immediately before the Latest Practicable Date.

ADJUSTMENT IN RELATION TO THE SHARE OPTIONS

As a result of the Open Offer, the exercise price of the Share Options will be adjusted in accordance with the terms of the Old Share Option Scheme upon the Open Offer becoming unconditional. Such adjustment will be verified by the auditors of the Company and the Company will notify the holders of the Share Options the respective adjustments upon the Open Offer becoming unconditional. Further announcement will be made by the Company in relation to the details of adjustments.

IMPLICATIONS UNDER THE LISTING RULES

There is no requirement under the Listing Rules for the Open Offer to be approved by the Shareholders in a general meeting.

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ADDITIONAL INFORMATION

Your attention is drawn to the information set out in the appendices to this prospectus.

On behalf of the Board
China Packaging Group Company Limited
Mr. Siu Yun Fat
Executive Director

1. THREE YEARS' SUMMARY OF FINANCIAL RESULTS

Financial information of the Group for each of the three years ended 31 December 2011, 31 December 2012 and 31 December 2013 are disclosed in the following documents which have been published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.cpackaging.com.hk/>):

- annual report of the Company for the year ended 31 December 2011 published on 2 April 2012 (page 26 to 87).
- annual report of the Company for the year ended 31 December 2012 published on 29 April 2013 (page 24 to 91).
- annual report of the Company for the year ended 31 December 2013 published on 29 April 2014 (page 24 to 87).

2. INDEBTEDNESS STATEMENT**Borrowings**

At the close of business on 31 March 2014, the Group had outstanding unsecured short-term loan of approximately RMB6,184,000 and securities margin loan of approximately RMB785,000.

Security and guarantees

At the close of business on 31 March 2014, there were no charges against the Group's assets.

Commitments

At the close of business on 31 March 2014, the Group had total future minimum lease payments under non-cancelable operating leases in respect of rented premises amounting to approximately RMB495,000.

Other commitment

The Company has incorporated a wholly owned subsidiary, Guangzhou Dayifu Trading Company Limited* (廣州市達以富貿易有限公司) (“**Dayifu**”) in the PRC on 12 April 2013 with a registered capital of HK\$12,000,000. According to the approval document, the Group shall paid 15% of the registered capital within three months after the date of issuance of business license of Dayifu and shall paid the remaining 85% of the registered capital within two years after the date of issuance of business license. Although the business license has been issued on 12 April 2013, the Group has yet to pay up any capital for Dayifu up to the Latest Practicable Date. The potential penalty for such non-compliance is disclosed in point (2) of the following paragraph headed “Contingent liabilities”.

* For identification purpose only

Contingent liabilities**1) *The alleged guarantee and claim***

Detail of the alleged guarantee and claim are set out in point (1) under the section headed “Litigation” in Appendix III to this prospectus.

2) *Overdue unpaid registered capital for Dayifu*

As explained above, the Group has not paid up the registered capital for Dayifu within the specific timeframe stipulated by the relevant PRC rules and regulations. According to the legal opinion issued by PRC legal adviser, the potential penalty would be ranged from 5% to 15% based on the overdue unpaid registered capital.

Litigation

Details of the litigation are set out under the section headed “Litigation” in Appendix III to this prospectus.

Save as aforesaid and apart from intra-group liabilities and normal trade payables, the Group did not, at the close of business on 31 March 2014, have outstanding any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

The Directors (excluding Mr. He Jianhong and Mr. Zhang Zhantao, whose positions, functions and duties have been suspended from 27 January 2014 and 6 March 2014 respectively, but including all the independent non-executive Directors) are of the opinion that, taking into account the cash flows generated from the operating activities, the financial resources available to the Group including internally generated funds, the available credit facilities and the estimated net proceeds from the Open Offer, the Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of this prospectus, provided that the Company’s defence for the alleged guarantee as disclosed in point (1) under the section headed “Litigation” in Appendix III to this prospectus is succeed and in the absence of unforeseeable circumstance.

4. MATERIAL CHANGE

As the Latest Practicable Date, the Directors (excluding Mr. He Jianhong and Mr. Zhang Zhantao, whose positions, functions and duties have been suspended from 27 January 2014 and 6 March 2014 respectively, but including all the independent non-executive Directors) were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2013, being the date to which the latest published audited consolidated financial statements of the Group were made up.

I. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The unaudited pro forma financial information of the Group (the “**Unaudited Pro Forma Financial Information**”) attributable to equity holders of the Company is prepared by the Directors in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) to illustrate the effect of the proposed Open Offer on the basis of one Offer Share for every two existing Shares in issue and held on the Record Date at HK\$0.04 per Offer Share on the consolidated net liabilities of the Group as if the Open Offer had been completed on 31 December 2013.

The Unaudited Pro Forma Financial Information of the Group is prepared for illustrative purposes only, based on the judgements and assumptions of the Directors, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group following the Open Offer as at the date to which it is made up or at any future date.

The Unaudited Pro Forma Financial Information of the Group is prepared based on the audited consolidated net liabilities of the Group attributable to the equity holders of the Company as at 31 December 2013 and adjusted to reflect the effect of the Open Offer.

Based on the Subscription**Price of HK\$0.04 per Offer Share**

	<i>RMB'000</i>	Per Share <i>RMB</i>
Audited consolidated net liabilities of the Group attributable to the equity holders of the Company as at 31 December 2013 (<i>Note 1</i>)	(2,122)	<u>(0.001)</u>
Estimated net proceeds from the Open Offer (<i>Note 2</i>)	<u>32,650</u>	
Unaudited pro forma consolidated net tangible assets of the Group attributable to the equity holders of the Company immediately after completion of the Open Offer (<i>Notes 3 and 4</i>)	<u>30,528</u>	<u>0.010</u>

Notes:

1. The audited consolidated net liabilities of the Group attributable to the equity holders of the Company as at 31 December 2013 are extracted from the published annual report of the Company for the year ended 31 December 2013. The audited consolidated net liabilities of the Group attributable to equity holders of the Company per share is calculated based on the consolidated net liabilities of the Group of approximately RMB2,122,000 and the number of shares in issue of 2,021,325,332 as at 31 December 2013.
2. The estimated net proceeds from the Open Offer amounting to approximately HK\$41,793,000 are based on 1,095,162,666 Offer Shares issued at a subscription price of HK\$0.04 per Offer Share, after deduction of the expenses directly attributable to the Open Offer of approximately HK\$2,014,000 with an exchange rate of RMB to HK\$ of 1 to 1.28 as at 31 December 2013.
3. The unaudited pro forma consolidated net tangible assets of the Group attributable to the equity holders of the Company immediately after the completion of the Open Offer represents the audited consolidated net liabilities of the Group attributable to the equity holders of the Company as at 31 December 2013 plus the estimated net proceeds from the Open Offer (Note 2).
4. The unaudited pro forma consolidated net tangible assets per share immediately after the completion of the Open Offer is calculated based on the unaudited pro forma consolidated net tangible assets of approximately RMB30,528,000 and the number of shares in issue of 3,116,487,998 which comprises 2,021,325,332 shares in issue as at 31 December 2013 and 1,095,162,666 Offer Shares to be issued upon the completion of the Open Offer.
5. No adjustments have been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2013.

**II. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION IN RESPECT
OF THE OPEN OFFER**

The following is the text of a report, prepared for the purpose of inclusion in this prospectus, received from ZHONGLEI (HK) CPA Company Limited, certified public accountants, Hong Kong:



中磊 (香港) 會計師事務所有限公司
ZHONGLEI (HK) CPA Company Limited

The Board of Directors
China Packaging Group Company Limited
Unit 912, 9th Floor, New East Ocean Centre,
9 Science Museum Road,
Tsim Sha Tsui East, Kowloon,
Hong Kong

Dear Sirs,

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

We have completed our assurance engagement to report on the compilation of the unaudited pro forma financial information of China Packaging Group Company Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) (the “**Unaudited Pro Forma Financial Information**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The Unaudited Pro Forma Financial Information consists of the unaudited pro forma consolidated net tangible assets of the Group as at 31 December 2013 and related notes as set out in section I of Appendix II of the prospectus issued by the Company on 26 May 2014 (the “**Prospectus**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in section I of Appendix II of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed open offer on the basis of one offer share for every two existing shares in issue and held on the record date at HK\$0.04 per offer share (the “**Open Offer**”) on the Group’s financial position as at 31 December 2013 as if the Open Offer had taken place at 31 December 2013. As part of this process, information about the Group’s financial position as at 31 December 2013 has been extracted by the Directors from the Group’s consolidated financial statements for the year ended 31 December 2013, on which an audited annual report has been published.

Directors’ Responsibility for the Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, about whether the Unaudited Pro Forma Financial Information has been compiled, in all material respects, by the Directors in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the respective dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (“**HKSAE**”) 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of a significant transaction on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction at 31 December 2013 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,

ZHONGLEI (HK) CPA Company Limited

Certified Public Accountants (Practising)

Lam Chik Tong

Practising Certificate Number: P05612

Suites 313-316, 3/F., Shui On Centre

6-8 Harbour Road

Wanchai

Hong Kong

26 May 2014

1. RESPONSIBILITY STATEMENT

This prospectus, for which the Directors (excluding Mr. He Jianhong and Mr. Zhang Zhantao, whose positions, functions and duties have been suspended from 27 January 2014 and 6 March 2014 respectively, but including all the independent non-executive Directors) collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors (excluding Mr. He Jianhong and Mr. Zhang Zhantao, whose positions, functions and duties have been suspended from 27 January 2014 and 6 March 2014 respectively, but including all the independent non-executive Directors), having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company (i) as at the Latest Practicable Date and (ii) immediately following the completion of the Open Offer are as follows:

<i>Authorised:</i>	<i>HK\$</i>
250,000,000,000 shares of HK\$0.001 each (consist of 249,480,000,000 Shares and 520,000,000 preference shares)	<u>250,000,000.00</u>
<i>Issued and fully paid or credited as fully paid:</i>	
2,190,325,332 Shares in issue as at the Latest Practicable Date 1,095,162,666 Offer Shares to be issued pursuant to the Open Offer	2,190,325.33 <u>1,095,162.67</u>
<u>3,285,487,998</u> Shares in issue immediately after the completion of the Open Offer	<u>3,285,488.00</u>

All the issued Shares rank pari passu with each other in all respects including the rights as to voting, dividends and return of capital. The Offer Shares to be allotted and issued will, when issued and fully paid, rank pari passu in all respects with the existing Shares.

The Shares in issue are listed on the Stock Exchange. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

There is no arrangement under which future dividends are/will be waived or agreed to be waived.

As at the Latest Practicable Date, the Company had outstanding Share Options to subscribe for 1,899,374 Shares upon the exercise of the subscription rights in full. Save as disclosed above, the Company had no outstanding derivatives, options, warrants and conversion rights or other similar rights which were convertible or exchangeable into Shares.

3. DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests of the Directors and chief executives of the Company in the shares, underlying shares or debentures of the Company or any of our associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as contained in Appendix 10 to the Listing Rules, were as follows:

Name of Directors	Type of interests	Number of Shares/underlying Shares held	Approximate percentage of the Company's issued share capital
Mr. He Jianhong	Interest of controlled corporation (Note 1) (Note 2)	1,097,209,604 (L)	50.09%
		779,730,133 (S)	35.60%

Abbreviations:

“L” stands for long position

“S” stands for short position

Notes:

- The interest disclosed represents the 1,097,209,604 Shares held by Able Success Asia Limited, a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is beneficially owned by Mr. He Jianhong, executive Director and chairman of the Board (position, functions and duties suspended from 27 January 2014). Mr. He Jianhong is therefore deemed to be interested in the Shares held by Able Success Asia Limited under the SFO. The interest disclosed represents long position in the Shares.

2. The interest disclosed represents short position in the 779,730,133 Shares held by Able Success Asia Limited pursuant to an alleged claim.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had any beneficial or deemed interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as contained in Appendix 10 to the Listing Rules.

4. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following persons, other than a Director or chief executive of the Company, had an interest or short position in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under provisions of Division 2 and 3 of Part XV of the SFO, or were directly or indirectly interested in ten per cent or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name of person/ corporation	Type of interests	Number of Shares/underlying Shares held	Approximate percentage of the Company's issued share capital
Able Success Asia Limited (Note 1) (Note 2)	Beneficial	1,097,209,604 (L) 779,730,133 (S)	50.09% 35.60%
廣東航興貿易有限公司 (Note 2)	Security	779,730,133 (L)	35.60%
Get Nice Holdings Limited	Interest of controlled corporation (Note 3)	1,096,112,353 (L) (Note 3)	33.33% (Note 4)
Get Nice Incorporated	Interest of controlled corporation (Note 3)	1,096,112,353 (L) (Note 3)	33.33% (Note 4)
Underwriter	Beneficial	1,096,112,353 (L) (Note 3)	33.33% (Note 4)

Abbreviations:

“L” stands for long position

“S” stands for short position

Notes:

1. The interest disclosed represents the 1,097,209,604 Shares held by Able Success Asia Limited, a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is beneficially owned by Mr. He Jianhong, executive Director and chairman of the Board (position, functions and duties suspended from 27 January 2014). Mr. He Jianhong is therefore deemed to be interested in the Shares held by Able Success Asia Limited under the SFO. The interest disclosed represents long position in the Shares.
2. The interest disclosed represents short position in the 779,730,133 Shares held by Able Success Asia Limited pursuant to an alleged claim.
3. These are the Offer Shares which the Underwriter has underwritten pursuant to the Underwriting Agreement (assuming full exercise of the subscription rights attaching to the outstanding Share Options on or before the Record Date). The Underwriter is wholly-owned by Get Nice Incorporated which in turn is wholly-owned by Get Nice Holdings Limited.
4. The percentage of shareholding in the Company is calculated on the assumption that the Open Offer is completed on the basis of full exercise of the subscription rights attaching to the outstanding Share Options on or before the Record Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Director was a director or employee of the companies who were the substantial shareholders of the Company.

5. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2013 (being the date up to which the latest published audited accounts of the Group were made up), (i) acquired or disposed of by; or (ii) lease to; or (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any member of the Group.

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to the business of the Group.

6. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

7. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors and his respective associates was interested in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the Group's businesses pursuant to Rule 8.10 of the Listing Rules.

8. LITIGATION

As at the Latest Practicable Date, save as disclosed below, neither the Company nor its subsidiaries, was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group:

- (1) On 14 January 2014, the Company received a writ of summons and statement of claim issued by 廣東省金屬回收公司 (Guangdong Metal Recycling Corporation*) ("GMRC") against (i) Able Success Asia Limited as the first defendant; (ii) Mr. He Jianhong as the second defendant; and (iii) the Company as the third defendant, claiming an aggregate sum of approximately RMB644 million in relation to certain alleged guarantees (the "Claim"). In response to the Claim, the Company submitted the defence, which avers, inter alia, that:
 - (a) neither the Board nor the shareholders of the Company had approved or authorised the execution of the purported guarantees or any other documents in favour of GMRC on behalf of the Company;
 - (b) GMRC had actual, alternatively imputed, knowledge or notice of the lack of authority and/or capacity of Mr. He Jianhong to execute the purported guarantees, and did not deal with the Company in good faith;
 - (c) the purported guarantees were executed by Mr. He Jianhong ultra vires and void for want of authority and/or capacity;

* for identification purpose only

- (d) further or alternatively, the making of the purported guarantees was without any benefit whatsoever to the Company as it was given without any consideration provided by GMRC and was neither in the commercial interests of, nor authorised by, the Company, and constituted a purported disposal of its capital without receiving a benefit in return; and
- (e) the Company denies that GMRC is entitled to any of its claims and/or interest as alleged in the Claim.

After taking legal advice, the Company considers that it has valid and solid grounds to defend against the Claim and will take all necessary steps to resist the Claim. Accordingly, the Board is of the view that there should not be any material impact on the financial position of the Group;

- (2) On 25 March 2014, Great Rich Trading Limited, a wholly owned subsidiary of the Company, issued a writ of summons endorsed with a full statement of claim in the High Court of Hong Kong as the plaintiff claiming against Ease Faith Limited for breach of sales contracts or alternatively, money had and received. The claim involves, among other things, the return of the down-payments in a total sum of approximately HK\$17.6 million;
- (3) On 10 April 2014, the Company received a garnishee order nisi stating that the Company's amount due to its controlling shareholder, Able Success Asia Limited should now be payable to Guangdong Hongchang Import and Export Co. Limited and Ease Faith Limited, with reference to a judgment dated 17 February 2014 against Able Success Asia Limited by Guangdong Hongchang Import and Export Co. Limited and Ease Faith Limited; and

- (4) On 2 May 2014, the Company received a letter with a sealed copy of an originating summons dated the same date issued by Able Success Asia Limited in the High Court of Hong Kong against (i) the Company as the first defendant; (ii) Guangdong Hongchang Import and Export Co. Limited as the second defendant; and (iii) Ease Faith Limited as the third defendant, seeking an injunction against the Open Offer. On 12 May 2014, the Company received a summons in which Able Success Asia Limited applied to the High Court of Hong Kong for, inter alia, leave to bring proceedings against five Directors, namely Mr. Siu Yun Fat, Mr. Lau Fai Lawrence, Mr. Siu Siu Ling Robert, Mr. Tam Tak Wah and Mr. Chan Yee Por Simon, in relation to its injunction application against the Open Offer. On 15 May 2014, the Company and the aforesaid Directors attended the hearing. Although the High Court of Hong Kong granted leave to Able Success Asia Limited to bring proceedings against the aforesaid Directors, it ordered that (i) the injunction application be dismissed on the grounds that the claims were mere speculations and assertions without evidential basis; and (ii) the costs of the Company and the aforesaid Directors be paid by Able Success Asia Limited.

9. EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this prospectus or has given opinion or letter contained in this prospectus:

Name	Qualifications
ZHONGLEI (HK) CPA Company Limited ("ZHONGLEI")	Certified Public Accountants

ZHONGLEI has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion therein of its letter and/or references to its name, in the form and context in which it appears.

As at the Latest Practicable Date, ZHONGLEI was not beneficially interested in the share capital of any member of the Group nor has any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group. In addition, ZHONGLEI does not have any interest, either directly or indirectly, in any assets which have been, since 31 December 2013 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

10. EXPENSES

The expenses in connection with the Open Offer, including financial advisory fees, underwriting commission, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$2.0 million, which are payable by the Company.

11. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the members of the Group within the two years immediately preceding the Latest Practicable Date:

- (i) the Underwriting Agreement;
- (ii) the subscription agreement dated 9 April 2013 entered into between the Company and Mr. Shim Hing Choi in relation to the subscription of 60,000,000 Shares by Mr. Shim for a consideration of HK\$33 million;
- (iii) the deed of termination dated 27 June 2013 executed by the Company and Mr. Shim Hing Choi in relation to the termination and cancellation of the subscription agreement dated 9 April 2013;
- (iv) the loan agreement dated 10 February 2014 entered into between the Company (as the borrower) and Lucky Shine Corporation Limited (as the lender) in relation to a loan facility of HK\$3 million;
- (v) the supplemental agreement dated 14 March 2014 supplement to the loan agreement dated 10 February 2014 entered into between the Company (as the borrower) and Lucky Shine Corporation Limited (as the lender) to increase the loan facility to HK\$20 million;
- (vi) the placing agreement dated 14 March 2014 entered into between the Company as issuer and Get Nice Securities Limited as the placing agent in relation to the placing of up to 169,000,000 placing shares at a placing price of HK\$0.103 per placing share; and
- (vii) the supplemental agreement dated 17 March 2014 supplement to the placing agreement dated 14 March 2014 entered into between the Company and Get Nice Securities Limited as the placing agent to amend the placing price to HK\$0.105 per placing share.

12. CORPORATE INFORMATION OF THE COMPANY AND THE PARTIES INVOLVED IN THE OPEN OFFER

Board of Directors	Executive Director	Address
	Mr. He Jianhong <i>(position, functions and duties suspended from 27 January 2014)</i>	5th Floor, Andra 1 Plaza Grande China (Green Lake Court, Jade Lake Court) 500 Dr. Sun Yat Sen Avenue, Taipa Macau
	Mr. Zhang Zhantao <i>(position, functions and duties suspended from 6 March 2014)</i>	Flat F, 10/F, Block 3, Phase 1 Jia Xin City Garden, Da Liang Shunde, Foshan Guangdong China
	Mr. Siu Yun Fat	2/F, Block A, Milan Court 199 San Hing Tsuen, Lam Tei Tuen Mun, New Territories Hong Kong
	Mr. Lau Fai Lawrence	Flat C, 47th Floor Tower 5, Grand Waterfront 38 San Ma Tau Street Tokwawan, Kowloon Hong Kong
	Independent non-executive Director	
	Mr. Siu Siu Ling Robert	9A Yen Kung Mansion Taikoo Shing Hong Kong
	Mr. Tam Tak Wah	Room D, 26/F, Block 1 Metro City Phase 2 8 Yan King Road, Tseung Kwan O Hong Kong
	Mr. Chan Yee Por Simon	Flat C, 12/F, Block 10 Chi Fu Fa Yuen Hong Kong

Authorized Representatives**Address**

Mr. Siu Yun Fat

2/F, Block A, Milan Court
199 San Hing Tsuen, Lam Tei
Tuen Mun, New Territories
Hong Kong

Mr. Lau Cheuk Pun

Flat G, 43/F, Tower 3, Sky Tower
Tokwawan, Kowloon
Hong Kong**Senior Management****Company Secretary**

Mr. Lau Cheuk Pun

Flat G, 43/F, Tower 3, Sky Tower
Tokwawan, Kowloon
Hong Kong

Registered Office	Cricket Square, Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Head office and principal place of business	Unit 912, 9th Floor New East Ocean Centre 9 Science Museum Road Tsim Sha Tsui East, Kowloon Hong Kong
Share registrar and transfer office	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17/F Hopewell Centre 183 Queen's Road East Wanchai, Hong Kong
Underwriter	Get Nice Securities Limited 10/F, Cosco Tower Grand Millennium Plaza 183 Queen's Road Central Hong Kong
Financial Adviser to the Company relating to the Open Offer	Get Nice Capital Limited 10/F, Cosco Tower Grand Millennium Plaza 183 Queen's Road Central Hong Kong

Auditors	ZHONGLEI (HK) CPA Company Limited Suites 313-316, 3/F., Shui On Centre 6-8 Harbour Road Wanchai Hong Kong
Principal bankers	The Hongkong and Shanghai Banking Corporation Limited 1 Queen's Road Central Hong Kong
Website	http://www.cpackaging.com.hk
Legal advisers to the Company in relation to the Open Offer	<i>As to Hong Kong law:</i> D. S. Cheung & Co. 29/F, Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai, Hong Kong

13. BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT**Executive Directors**

Mr. He Jianhong, aged 43, has been an executive Director since February 2013. Mr. He was appointed as a director (理事) of the Shunde Young Entrepreneurs Association (順德青年企業家協會) in 2010.

Reference is made to the Company's announcements dated 8 December 2013, 20 January 2014 and 28 January 2014, 18 February 2014 and 10 March 2014. Mr. He's executive positions and functions have been suspended from 27 January 2014.

Mr. Zhang Zhantao, aged 40, has been an executive Director since February 2013. He obtained a certificate in finance from the Guangdong Radio & TV University (廣東廣播電視大學) in September 2000. Mr. Zhang has over 10 years' working experience in banking in the PRC. He has experience in bank finance business operations. Mr. Zhang was a chief financial controller of a Chinese enterprise for five years. He has working experience in corporate financial planning and corporate management.

Reference is made to the Company's announcement dated 10 March 2014. The position, functions and duties held by Mr. Zhang have been suspended from 6 March 2014.

Mr. Siu Yun Fat, aged 32, has been an executive Director since January 2014. He obtained a Bachelor of Arts (Honours) degree in Accountancy from the Hong Kong Polytechnic University in November 2004. He has been a member of the Association of Chartered Certified Accountants of the United Kingdom since October 2008 and the Hong Kong Institute of Certified Public Accountants since February 2009, and has over nine years of experience in auditing, accounting and financial management. Mr. Siu served in various positions of local and international accountants firms and securities companies.

Mr. Lau Fai Lawrence, aged 42, has been an executive Director since January 2014. He is currently a practising certified public accountant in Hong Kong, a member of the Institute of Chartered Accountants in England and Wales and a fellow member of the Association of Chartered Certified Accountants of the United Kingdom. Mr. Lau graduated from the University of Hong Kong with a bachelor's degree in business administration in 1994 and obtained a master's degree in corporate finance from the Hong Kong Polytechnic University in 2007.

Mr. Lau joined BBMG Corporation (listed on the Main Board of the Stock Exchange) (Stock Code: 2009) on 6 August 2008 as joint company secretary and qualified accountant. Since 26 October 2012, Mr. Lau serves as the company secretary of BBMG Corporation.

Before joining BBMG Corporation, Mr. Lau served as the group financial controller and qualified accountant of Founder Holdings Limited (Stock code: 418) and PKU Resources (Holdings) Company Limited (previously known as EC-Founder (Holdings) Company Limited) (Stock Code: 618), both of which are listed on the Main Board of the Stock Exchange.

Mr. Lau is also an independent non-executive director of Artini China Co. Ltd. (Stock Code: 789) and Titan Petrochemicals Group Limited (Stock Code: 1192), both of which are listed on the Main Board of the Stock Exchange.

Independent Non-Executive Directors

Mr. Siu Siu Ling Robert, aged 62, has been an independent non-executive Director since November 2011. He is a sole proprietor of the firm, Messrs. Robert Siu & Co., Solicitors. Mr. Siu has been appointed as a director of MBMI Resources Inc. as from November 2012, a company listed on the Toronto Stock Exchange. He is currently an independent non-executive director of Incutech Investments Limited (stock code: 356), a company listed on the Main Board of the Stock Exchange. He is also an independent non-executive director of Kaisun Energy Group Limited (stock code: 8203) and Finet Group Limited (stock code: 8317), both of which are listed on the Growth Enterprise Market of the Stock Exchange. Mr. Siu holds a bachelor's degree in laws from University of London in the United Kingdom and a postgraduate certificate in laws from the University of Hong Kong. He has been admitted as a solicitor in Hong Kong since 1992 and has been admitted as a solicitor in England and Wales since 1993. His legal practice is mainly in the field of commercial and corporate finance.

Mr. Tam Tak Wah, aged 48, has been an independent non-executive Director since November 2011. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants of the United Kingdom. He has been appointed to membership of disciplinary panel of the Hong Kong Institute of Certified Public Accountants for the period from 1 February 2014 to 31 January 2016. Mr. Tam has over 25 years of experience in accounting, corporate finance and corporate development. He is currently an executive director of International Standard Resources Holdings Limited (stock code: 91) and an independent non-executive director of Tech Pro Technology Development Limited (stock code: 3823), both of which are listed on the Main Board of the Stock Exchange. Mr. Tam has been a director of Goldenway Inc., a company the common stock of which were traded in the OTCQB of the USA during the period from 10 November 2011 to 16 August 2013 and an independent non-executive director of Siberian Mining Group Company Limited, a company listed on the Main Board of the Stock Exchange, during the period from 11 June 2007 to 18 February 2014.

Mr. Chan Yee Por Simon, aged 60, has been an independent non-executive Director since April 2013. He is a Certified Public Accountant (Practicing) of the Hong Kong Institute of Certified Public Accountants and sole proprietor of Simon Y.P. Chan & Co. Mr. Chan holds a Higher Diploma in Accountancy from Hong Kong Polytechnic (currently known as the Hong Kong Polytechnic University). He is a fellow member of the Chartered Association of Certified Accountants of the United Kingdom and the Hong Kong Institute of Certified Public Accountants.

Each of the Directors has entered into an employment agreement or service contract with the Company for an unfixated term subject to the provisions of retirement by rotation and re-election under the memorandum and articles of associations of the Company.

Save as disclosed, none of the Directors has been a director of other listed entities for the three years immediately preceding the date of this prospectus.

Mr. He Jianhong is a director of Able Success Asia Limited. Save as disclosed, as at the Latest Practicable Date, none of the Directors was a director or employee of a company which had an interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Senior Management

Mr. Lau Cheuk Pun, aged 40, is the company secretary of the Company. Mr. Lau was graduated from University of Hertfordshire, United Kingdom with a bachelor's degree. He is a member of the Hong Kong Institute of Certified Public Accountants. He has more than 10 years of experience in the field of finance and accounting including working in an international accounting firm.

14. LEGAL EFFECT

The Prospectus Documents and all acceptance of any offer or application contained in such documents are governed by and shall be construed in accordance with the laws of Hong Kong. Where an application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions, other than the penal provisions, of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

15. MISCELLANEOUS

- (i) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the head office and principal place of business of the Company is situated at Unit 912, 9th Floor, New East Ocean Centre, 9 Science Museum Road, Tsim Sha Tsui East, Kowloon, Hong Kong.
- (ii) The Hong Kong share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited having its office situated at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (iii) Mr. Lau Cheuk Pun, the company secretary of the Company, is a member of the Hong Kong Institute of Certified Public Accountants.
- (iv) As at the Latest Practicable Date, there was no restriction affecting the remittance of profits or repatriation of capital of the Company into Hong Kong from outside of Hong Kong.
- (v) The English text of the Prospectors Documents shall prevail over their respective Chinese texts in the case of inconsistency.

16. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents and the written consent referred to in the paragraph headed "Expert and Consent" in this appendix have been delivered to the Registrar of Companies of Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the offices of D.S. Cheung & Co., at 29/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong during normal business hours on any weekday other than public holidays, up to and including Tuesday, 10 June 2014:

- (i) the memorandum and articles of association of the Company;
- (ii) the annual reports of the Company for the three years ended 31 December 2011, 2012 and 2013;

- (iii) the letter from ZHONGLEI (HK) CPA Company Limited regarding the unaudited proforma financial information on the Group as set out in Appendix II to this prospectus;
- (iv) the written consent referred to in the paragraph headed “Expert and Consent” in this appendix;
- (v) the material contracts referred to in the paragraph headed “Material Contracts” in this appendix; and
- (vi) this prospectus.