

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 this announcement.

This announcement appears for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.

China Packaging Holdings Development Limited

中華包裝控股發展有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1439)

CONSIDERATION ADJUSTMENT IN RELATION TO THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL IN CABLE KING LIMITED

Reference is made to the announcements of the Company dated 17 November 2015 and 27 April 2016 and the circular of the Company dated 29 February 2016 in relation to the acquisition of the entire share capital in Cable King Limited.

The Board announces that the Actual Profit is more than HK\$49,000,000 and therefore the Company shall pay to the Seller an additional consideration of HK\$180,000,000 in accordance with the Share Purchase Agreement.

Reference is made to the announcements of the Company dated 17 November 2015 and 27 April 2016 and the circular of the Company dated 29 February 2016 (“**Circular**”) in relation to the acquisition of the entire share capital in Cable King Limited. Definitions and terms used in this announcement, unless otherwise stated, shall bear the same meanings as defined in the Circular.

Pursuant to the Share Purchase Agreement, the consideration for the Sale Share shall be subject to adjustment based on the audited consolidated profit after tax of the Target Group (excluding the consolidation adjustment arising from the Acquisition) under Hong Kong Financial Reporting Standards for the financial year ended 31 December 2016 (the “**Actual Profit**”). If the Actual Profit is more than HK\$49,000,000, the Company shall pay the Seller an additional consideration based on the formula set out below, subject to a maximum amount of HK\$180,000,000.

Additional Consideration = Actual Profit x 9 – Consideration

Based on the audited financial statements of the Target Group for the financial year ended 31 December 2016, the Actual Profit is approximately RMB66,492,000 (equivalent to HK\$77,713,000) and therefore the Company shall pay the Seller an additional consideration of HK\$180,000,000.

Under the Share Purchase Agreement, the additional consideration will take the form of one or more of the following (i) cash; (ii) allotment and issuance of additional consideration shares of the Company at HK\$0.7 per share; and/or (iii) the issuance of an additional promissory note by the Company as further agreed by the Company and the Seller and shall be settled within 20 Business Days after the auditors of the Target Group issues the audited financial statements for the financial year ending 31 December 2016 or such other date as agreed by both parties to the Share Purchase Agreement.

The parties to the Share Purchase Agreement is currently negotiating on the method of payment of the additional consideration. Further announcement will be made by the Company after the parties agree on the method of payment of the additional consideration.

By order of the Board
China Packaging Holdings Development Limited
Chen Wei Wei
Chairman

Jiangxi Province, the PRC, 11 April 2017

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Chen Wei Wei (Chairman), Mr. Sun Shao Hua and Ms. Zheng Li Fang, and three independent non-executive Directors, namely Mr. Liu Da Jin, Mr. Ma Yiu Ho, Peter and Mr. Wu Ping.