

CHINA FLEXIBLE PACKAGING HOLDINGS LIMITED

(Incorporated In Bermuda)

CLARIFICATION ANNOUNCEMENT

In response to the query from The Singapore Exchange Securities Trading Limited on 14 February 2017 regarding the Annual Report 2016 issued by China Flexible Packaging Holdings Limited (the "Company") on 7 February 2017, the Board of Directors (the "Board") of the Company wishes to provide the following clarification:-

SGX's query:-

It was disclosed in page 31 of Annual Report that proceeds of S\$1.2 million from rights shares issue on 7 December 2016 have been used for general working capital purpose. In this regard, please disclose a breakdown showing specific details about how the proceeds have been applied.

Clarification from the Company:-

The proceed of S\$1.2 million from rights shares, which was disclosed in the Annual Report 2016 was wholly used in the purchase of raw material (Polypropylene) for the production of BOPP films.

By order of the Board

Zeng Hanming

Chairman of the Board

17 February 2017