HARMONY GOWELL COMPANY LIMITED
(Incorporated in Hong Kong)
(Company Number: 2533337)

29 August 2017

To: The Shareholders of China Flexible Packaging Holdings Limited

COMPULSORY ACQUISITION OF ISSUED AND PAID-UP ORDINARY SHARES WITH A PAR VALUE OF US$0.01 EACH IN THE CAPITAL OF CHINA FLEXIBLE PACKAGING HOLDINGS LIMITED PURSUANT TO SECTION 102 OF THE COMPANIES ACT 1981 OF BERMUDA BY HARMONY GOWELL COMPANY LIMITED

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1. INTRODUCTION

1.1 **Offer Document.** We refer to the formal offer document dated 10 July 2017 (the "**Offer Document**") in relation to the voluntary unconditional cash offer (the "**Offer**") by Tata Capital Markets Pte. Ltd. ("**TCMPL**"), for and on behalf of Harmony Gowell Company Limited (the "**Offeror**") to acquire, *inter alia*, all the issued and paid-up ordinary shares with a par value of US$0.01 each (the "**Shares**") in the capital of China Flexible Packaging Holdings Limited (the "**Company**") other than those already owned, controlled or agreed to be acquired by the Offeror.

*Unless otherwise defined, all capitalised terms used in this letter (the "**Letter**") shall bear the same meanings as set out in the Offer Document.*

If you have already (a) accepted the Offer in respect of all your Shares by completing and returning a valid FAA and/or FAT; or (b) sold all your Shares on the SGX-ST prior to the date of this Letter, please disregard this Letter and the accompanying Notice (as defined below).

1.2 **Close of Offer.** On 4 August 2017, TCMPL announced, for and on our behalf that, *inter alia,* the Offer would close at 5.30 p.m. (Singapore time) on 21 August 2017 and that we had no intention of extending the Offer beyond such date. Accordingly, the Offer is no longer open for acceptance and any acceptances received after 5.30 p.m. (Singapore time) on 21 August 2017 will not be accepted.

1.3 **Holdings of Shares.** As at the close of the Offer at 5.30 p.m. (Singapore time) on 21 August 2017, pursuant to valid acceptances of the Offer, the Offeror held, controlled or agreed to acquire an aggregate of 15,694,746 Shares, representing approximately 97.21% of the total number of Offer Shares.

1.4 **Compulsory Acquisition.** As the Offeror has received valid acceptances from Shareholders representing not less than 90% in value of the Offer Shares (other than Shares already held, at the date of the Offer, by the Offeror, the Offeror's subsidiaries, and nominees of the Offeror or its subsidiaries), the Offeror is entitled to, and intends to, exercise its right under Section 102 of the Companies Act 1981 of Bermuda (the "**Bermuda Companies Act**") to compulsorily acquire all the remaining Shares which have not been tendered towards the Offer on the same terms as those under the Offer.

2. COMPULSORY ACQUISITION UNDER THE BERMUDA COMPANIES ACT

2.1 **Dissenting Shareholders.** According to the records maintained by CDP and/or the Share Transfer Agent, as the case may be, you have not accepted the Offer and/or your Shares have not been acquired by the Offeror as at the date of this Letter. Accordingly, we are writing to inform you that the Offeror is exercising its right of compulsory acquisition to acquire all your Shares at the Offer Price of **S$1.25** for each Share that you own (the "**Consideration**") and on the same terms and conditions as those offered under the Offer.

We enclose, for this purpose, a Notice of Compulsory Acquisition (the "**Notice**") to you.

2.2 **Compulsory Acquisition.** The Offeror will exercise the right of compulsory acquisition under Section 102(1) of the Bermuda Companies Act to acquire all the Shares held by you and it is expected that the compulsory acquisition will be completed on or about 10 October 2017 (the "**Completion Date**"), subject to and on the terms set out in the enclosed Notice and the provisions of Section 102 of the Bermuda Companies Act.

2.3 **Registration of Transfer and Settlement.** Please refer to paragraph 4 of the Notice for the procedure for transfer and settlement for the compulsory acquisition.

2.4 **No action required.** No action needs to be taken by you in relation to the Notice to effect the transfer of your Shares and to entitle you to payment of the Consideration for your Shares, which payment will be made to you in accordance with paragraph 4 of the Notice.

3. DELISTING OF THE COMPANY

Following completion of the compulsory acquisition, the Company will become a wholly-owned subsidiary of the Offeror and will be delisted from the SGX-ST. The date and time of the delisting of the Company from the SGX-ST is expected to be announced by the Company in due course.

4. GENERAL

4.1 If you are in any doubt about any of the matters referred to in this Letter, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

4.2 If you have sold or otherwise transferred any or all of your Shares, please forward this Letter and the accompanying Notice immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

5. RESPONSIBILITY STATEMENT

The sole director of the Offeror (including where he has delegated detailed supervision of this Letter has taken all reasonable care to ensure that the facts stated and all opinions expressed in this

Letter are fair and accurate and that no material facts have been omitted from this Letter, the omission of which would make any statement in this Letter misleading, and he accepts responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to the Company and its subsidiaries), the sole responsibility of the director of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Letter.

Yours faithfully

For and on behalf of
HARMONY GOWELL COMPANY LIMITED

Zeng Hanming
Director