

CHINA FLEXIBLE PACKAGING HOLDINGS LIMITED

(Incorporated in Bermuda)

(Company Registration No. 33843)

VOLUNTARY UNCONDITIONAL CASH OFFER TO ACQUIRE ALL THE ISSUED AND PAID UP ORDINARY SHARES IN THE CAPITAL OF CHINA FLEXIBLE PACKAGING HOLDINGS LIMITED

LOSS OF FREE FLOAT AND SUSPENSION OF TRADING

1. INTRODUCTION

The Board of Directors ("**Board**") of China Flexible Packaging Holdings Limited (the "**Company**") refers to:

- (a) the circular dated 24 July 2017 (the "**Circular**") despatched by the Company to its Securityholders on the same date in connection with the voluntary unconditional cash offer by Tata Capital Markets Pte. Ltd. ("**TCMPL**"), for and on behalf of Harmony Gowell Company Limited (the "**Offeror**"), in relation to (i) the voluntary unconditional cash offer (the "**Offer**") for all the issued and paid-up ordinary shares of the Company, with a par value of US\$0.01 each in the capital of the Company (the "**Shares**") other than those Shares owned or controlled, directly or indirectly, by the Offeror as at the date of the Offer; and (ii) the offer for the outstanding warrants issued by the Company;
- (b) the announcement dated 27 July 2017 by TCMPL on behalf of the Offeror in relation to the dealings disclosure and the level of acceptances of the Offer (the "**Level of Acceptances Announcement**"); and
- (c) the announcement dated 27 July 2017 by TCMPL on behalf of the Offeror in relation to the Offeror's intention that the Offeror does not intend to maintain the listing status of the Company (the "**Offeror Intention Announcement**").

All capitalised terms used and not defined herein shall have the same meanings given to them in the Circular, unless otherwise expressly stated or the context otherwise requires.

2. FREE FLOAT AND SUSPENSION OF TRADING

As stated in the Level of Acceptances Announcement, TCMPL had, *inter alia*, announced, for and on behalf of the Offeror that, as at 5.00 p.m. on 27 July 2017:

- (a) the Offeror has received pursuant to the Offer valid acceptances in respect of an aggregate of 4,260,950 Shares, representing approximately 26.39 per cent. of the Shares in issue as at 27 July 2017¹; and
- (b) the Offeror and parties acting in concert with the Offeror owned, controlled or had agreed to acquire (including the valid acceptances above) an aggregate of 14,996,120 Shares, representing approximately 92.88 per cent. of the Shares in issue as at 27 July 2017.

¹ Based on 16,145,647 Shares in issue as at 27 July 2017.

Further to the Level of Acceptances Announcement, the Board wishes to highlight that, upon settlement of the valid acceptances, the percentage shareholding of the Company in the hands of public shareholders will fall to below 10 per cent.

Pursuant to Rules 724 and 1303(1) of the Listing Manual, the SGX-ST will, in a take-over situation, suspend trading of the Shares at the close of the take-over offer if the free float falls below 10 per cent., as provided under Rule 723 of the Listing Manual.

As mentioned in the Offer Document and the Offeror Intention Announcement, it is not the current intention of the Offeror to maintain the listing status of the Company on the SGX-ST following the completion of the Offer, and the Offeror intends to exercise its right of compulsory acquisition under section 102 and section 103 of the Bermuda Companies Act, as the case may be, in connection with the Offer.

The Company will make an announcement in due course on the expected date for the suspension of trading of the Shares.

3. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and the opinions expressed in this announcement (other than those relating to the Offeror) are fair and accurate, and that there are no material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

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

The Directors of the Company jointly and severally accept full responsibility accordingly.

BY ORDER OF THE BOARD
CHINA FLEXIBLE PACKAGING HOLDINGS LIMITED
Professor Ling Chung Yee Roy
Lead Independent Director

28 July 2017