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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)

## RESIGNATION OF AUDITORS

The Board announces that Deloitte resigned as auditors of the Group with effect from 7 July 2009. The Company is in the course of identifying suitable replacement to fill the casual vacancy following the resignation of Deloitte and further announcement will be made by the Company in due course in relation to the appointment of the new auditors of the Group.

Reference is made to the announcements (“**Previous Announcements**”) of China Packaging Group Company Limited (“**Company**”) dated 27 April 2009, 30 April 2009, 13 May 2009, 16 June 2009 and 30 June 2009.

The board of directors of the Company (“**Board**”) hereby announces that Deloitte Touche Tohmatsu (“**Deloitte**”) resigned as auditors of the Company and its subsidiaries (collectively, the “**Group**”) with effect from 7 July 2009.

As announced by the Company on 30 April 2009, the publication of the annual results announcement and despatch of annual report of the Company for the year ended 31 December 2008 will be delayed as additional time is required by the audit committee of the Company (“**Audit Committee**”) to engage a competent independent third party to investigate (“**Independent Investigator**”) and by the Company to provide or arrange to provide further materials to Deloitte in respect of certain issues (“**Issues**”) in relation to bank confirmation and bank borrowing card procedures, writ of summons served by banks, cash withdrawals and cash deposit procedures and related party transactions, which were brought to the Company’s attention by Deloitte in the contest of their responsibilities under Hong Kong Standard on Auditing.

The Company further announced on 13 May 2009 that it has engaged World Link Corporate Finance Limited (“**Independent Advisor**”) as an independent advisor to investigate the Issues according to procedures agreed with the Audit Committee. The purpose of such engagement is to allow the Board and the Audit Committee to obtain an understanding of the factual findings on the Issues, before considering whether the appointment of Independent Investigator, which involves a much higher cost due to the more forensic in nature of the investigation works, is necessary.

On 16 June 2009, the Company announced that the Independent Advisor issued a report (“**Report**”) after completion of its investigation works on the Issues on 10 June 2009. The Audit Committee issued a letter to Deloitte on 10 June 2009 and reported that, based on the findings and conclusions of the Report which was accepted by it, it was of the opinion that it was not aware of any unusualness or irregularities on the Issues and a forensic investigation or an extended scope of investigation works was considered not necessary.

Notwithstanding the opinion of the Audit Committee, Deloitte repeated their advice to the Board and the Audit Committee that an independent forensic investigation into the Issues should be performed in their letters dated 17 June 2009 and 3 July 2009. It was the opinion of Deloitte that there was no proper basis for concluding that the financial statements were free from material misstatement in respect of the Issues.

In light of the above and with reference to Hong Kong Standard on Auditing, Deloitte concluded that they were unable to complete their audit of the financial statements of the Group for the year ended 31 December 2008 and they resigned on 7 July 2009.

Save as disclosed above and in the Previous Announcements, both the Board and Deloitte confirmed that there was no circumstance in respect of the change of auditors that they considered should be brought to the attention of the shareholders of the Company.

The Company is in the course of identifying suitable replacement to fill the casual vacancy following the resignation of Deloitte and further announcement will be made by the Company in due course in relation to the appointment of the new auditors of the Group.

By order of the Board  
**China Packaging Group Company Limited**  
**Yang Zongwang**  
*Chairman*

Hong Kong, 8 July 2009

*As at the date of this announcement, the Board comprises four executive directors, namely Mr. Yang Zongwang, Mr. Xue De Fa, Mr. Xie Xi and Mr. Liu Zhi Qiang, and three independent non-executive directors, namely Mr. Tong Hing Wah, Mr. Chong Hoi Fung and Mr. Lu Zheng.*