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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)**

**PROPOSED BONUS ISSUE OF SHARES**

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The Board proposed a Bonus Issue to Qualifying Shareholders. The Bonus Issue is proposed to be made on the basis of one Bonus Share for every one existing Share held by the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date. The Bonus Issue will be credited as fully paid by way of capitalisation of an amount in the share premium account of the Company. The register of members of the Company will be closed from Thursday, 31 October 2013 to Monday, 4 November 2013 (both days inclusive) to ascertain the entitlement of the Shareholders under the Bonus Issue. Holders of the convertible preference shares must lodge the convertible preference shares exercise form and holders of Options must lodge the Options exercise form together with a remittance in cash for the amount of the exercise price for the respective Shares no later than 4:30 p.m. on Wednesday, 30 October 2013 in order to be qualified for the Bonus Issue.

Application will be made to the Listing Committee of the Stock Exchange for the approval for the listing of, and permission to deal in, the Bonus Shares.

**GENERAL**

A circular containing, among other things, details of the Bonus Issue, will be dispatched to the Shareholders as soon as practicable.

## **PROPOSED BONUS ISSUE**

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### **Basis of Bonus Issue**

Subject to the conditions as set out under the heading “Conditions of Bonus Issue” below, the Bonus Shares will be issued and credited as fully paid at par on the basis of one Bonus Share for every one existing Share held on the Record Date by the Qualifying Shareholders.

On the basis of 974,662,666 existing Shares in issue as at the date of this announcement, and assuming no further Shares will be issued or repurchased before the Record Date, it is anticipated that 974,662,666 Bonus Shares will be issued under the Bonus Issue. The Bonus Shares will be credited as fully paid by way of capitalisation of an amount in the share premium account of the Company. After the completion of the Bonus Issue, there will be a total of 1,949,325,332 Shares in issue as enlarged by the Bonus Issue.

### **Fractions of Bonus Shares**

On the basis of one Bonus Share for every one existing Share held on the Record Date by the Qualifying Shareholders, fractional entitlements to the Bonus Shares will not be allotted but will be aggregated and sold for the benefit of the Company.

### **Record Date and closure of register of members**

The Bonus Shares will be issued to the Qualifying Shareholders. Arrangement for the Non-Qualifying Shareholders are further elaborated below under the heading “Overseas Shareholders”.

The register of members of the Company will be closed from Thursday, 31 October 2013 to Monday, 4 November 2013 (both days inclusive), during which no transfer of Shares will be registered, in order to determine the entitlement of the Shareholders under the Bonus Issue.

Holders of the convertible preference shares must lodge the convertible preference shares exercise form and holders of Options must lodge the Options exercise form together with a remittance in cash for the amount of the exercise price for the respective Shares no later than 4:30 p.m. on Wednesday, 30 October 2013 in order to be qualified for the Bonus Issue.

Shareholders are reminded that in order to qualify for the Bonus Issue, they must ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 30 October 2013.

The exact total number of Bonus Shares to be issued under the Bonus Issue will not be capable of determination until after the Record Date.

### **Reasons for the proposed Bonus Issue**

The Company has been listing on the Stock Exchange for ten years. To celebrate and thank the Shareholders for their continual support, the Board decides to propose the Bonus Issue. In addition to that, the Directors believe that the Bonus Issue will enhance the liquidity of the Shares in the market and thereby enlarging the Shareholder and capital base of the Company.

### **Overseas Shareholders**

Enquiry will be made by the Board pursuant to Rule 13.36(2)(a) of the Listing Rules for those Overseas Shareholders. Upon such enquiry, if the Board is of the view that the exclusion of the Overseas Shareholders is necessary or expedient, the Bonus Shares will not be granted to the Non-Qualifying Shareholders. In such circumstances, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Non-Qualifying Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Bonus Shares commences. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to the Non-Qualifying Shareholders, if any, pro rata to their respective shareholdings and remittances therefore will be posted to them, at their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100.00, in which case it will be retained for the benefit of the Company.

### **Status of Bonus Shares**

The Bonus Shares, upon issued, will rank pari passu with the Shares then existing in all respects, including the entitlement to receiving dividends and other distributions the record date for which is on or after the date of allotment and issue of those Bonus Shares.

## **Conditions of Bonus Issue**

The completion of Bonus Issue is conditional upon:

- (i) the approval of the Bonus Issue by the Shareholders at the EGM;
- (ii) the Listing Committee granting the approval for the listing of, and permission to deal in, the Bonus Shares; and
- (iii) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of the Cayman Islands and the articles of association of the Company to effect the Bonus Issue.

Application will be made to the Listing Committee of the Stock Exchange in respect of such approval for the listings of, and permission to deal in, the Bonus Shares. Apart from making listing application to the Listing Committee of the Stock Exchange, the Board does not propose to make application to any other stock exchanges for the listing of and permission to deal in, the Bonus Shares.

## **Adjustments to Options or convertible preference shares**

As at the date of this announcement, there are 1,430,862 outstanding Options. The Bonus Issue may lead to adjustment to the exercise price and/or the number of Shares which may fall to be issued upon exercise of Options. In view that the exact number of the Bonus Shares will not be determined until the Record Date, the Company will make further announcement for the aforesaid adjustments to the Options.

Moreover, as at the date of this announcement, there were 36,000,000 outstanding convertible preference shares. The Bonus Issue may lead to adjustment to the exercise price and/or the number of Shares which may fall to be issued upon exercise of convertible preference shares. In view that the exact number of the convertible preference shares will not be determined until the Record Date, the Company will make further announcement for the aforesaid adjustments to the convertible preference shares.

Save for the Options or convertible preference shares, the Company had no outstanding options, warrants or convertible securities to subscribe for any securities of the Company.

## **Certificates for Bonus Shares**

It is expected that certificates for the Bonus Shares will be posted on or before Wednesday, 6 November 2013 after all the conditions have been fulfilled at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company on the Record Date. Dealings in the Bonus Shares are expected to commence on Thursday, 7 November 2013.

## Expected timetable

The expected timetable of the Bonus Issue is set out below:

### *Date 2013*

Despatch of circular and notice of the EGM .....	Wednesday, 9 October
Latest time for lodging forms of proxy for the EGM. ....	4:30 p.m. on Wednesday, 23 October
Date and time of EGM .....	4:30 p.m. on Friday, 25 October
Announcement of the result of the EGM. ....	Friday, 25 October
Last day of dealings in Shares cum-entitlements to the Bonus Shares .....	Monday, 28 October
First day of dealings in Shares ex-entitlements to the Bonus Shares .....	Tuesday, 29 October
Latest time for holders of Options to lodge the Options exercise form together with a remittance in cash for the amount of the exercise price for the respective Shares in order to be qualified for the Bonus Issue .....	4:30 p.m. on Wednesday, 30 October
Latest time for holders of convertible preference shares to lodge the convertible preference shares exercise form for the Shares in order to qualify for Bonus Issue .....	4:30 p.m. on Wednesday, 30 October
Latest time for lodging forms of transfers of Shares for registration in order to qualify for the Bonus Issue .....	4:30 p.m. on Wednesday, 30 October
Closure of Register of Members .....	Thursday, 31 October to Monday, 4 November (both days inclusive)

Record Date for determination of entitlement to the Bonus Shares . . . . . Monday, 4 November

Register of members of the Company re-opens . . . . . Tuesday, 5 November

Certificates for the Bonus Shares expected to be despatched. . . . . On or before Wednesday, 6 November

Dealings in Bonus Shares commence . . . . . Thursday, 7 November

*Note:* All times refer to Hong Kong local time in this announcement.

Dates or deadlines specified in this announcement are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

**GENERAL**

A circular containing, among others, details of the Bonus Issue, will be dispatched to the Shareholders as soon as practicable.

To the best knowledge, belief and information of the Directors having made all reasonable enquiries, no Shareholder is required to abstain from voting on the ordinary resolution to approve the Bonus Issue at the EGM.

**DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

- “Board” the board of Directors from time to time;
- “Bonus Issue” the proposed allotment and issue of Bonus Shares on the basis of one Bonus Share for every one existing Share held by the Qualifying Shareholders;
- “Bonus Share(s)” the new Share(s) to be issued under the Bonus Issue;
- “business day” any day on which banks in Hong Kong are generally open for business, except a Saturday or a Sunday and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.;

“Company”	China Packaging Group Company Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange;
“Directors”	the directors of the Company from time to time;
“EGM”	the extraordinary general meeting of the Company to be convened and held at 4:30 p.m. on Friday, 25 October 2013 to approve the Bonus Issue;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Committee”	the listing committee of the Stock Exchange;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Non-Qualifying Shareholders”	Overseas Shareholders who are excluded from the Bonus Issue and as defined and more particularly described in the section headed “Overseas Shareholders” in this announcement;
“Option(s)”	share option(s) granted or to be granted under the Share Option Schemes;
“Overseas Shareholder(s)”	holders of Share(s) whose address(es) as shown on the register of members of the Company on the Record Date are outside Hong Kong;
“Qualifying Shareholder(s)”	whose names(s) appear(s) on the register of members of the Company on the Record Date and shareholder(s), not being Non-Qualifying Shareholder(s), who are entitled to the Bonus Issue;
“Record Date”	Monday, 4 November 2013, being the record date for determination of entitlements to the Bonus Issue;
“Shareholder(s)”	holders of the Share(s) from time to time;
“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company;

“Share Option Schemes”

the share option schemes adopted by the Company on 2 June 2003 and 22 February 2012;

“Stock Exchange”

The Stock Exchange of Hong Kong Limited.

For and on behalf of  
**China Packaging Group Company Limited**  
**He Jianhong**  
*Chairman*

Hong Kong, 4 October 2013

*As at the date of this announcement, the Board comprises:*

*Executive Directors*

Mr. He Jianhong (*Chairman*)

Mr. Zhang Zhantao

*Independent Non-executive Directors*

Mr. Chan Yee Por, Simon

Mr. Siu Siu Ling, Robert

Mr. Tam Tak Wah