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**China Packaging Holdings Development Limited**  
**中華包裝控股發展有限公司**  
*(incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 1439)**

**PROFIT WARNING**

This announcement is made by China Packaging Holdings Development Limited (the “**Company**”, together with its subsidiaries, collectively known as the “**Group**”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company wishes to inform the shareholders and potential investors that, based on the information currently available to the Board, including the preliminary review of the unaudited consolidated financial information of the Group, it is expected that there will be an over 80% decline of the Group’s net profit for the year ended 31 December 2016 as compared to that of the year ended 31 December 2015. Such decrease in profit was mainly due to the incurrence of several non-operating items such as (i) the change in fair value of contingent consideration payable as a result of subsequent re-measurement of the fair value of the additional consideration in relation to the acquisition of mobile gaming business in April 2016 (“**the Acquisition**”) as the business acquired has topped its performance target and (ii) the amortization of intangible assets arising from the Acquisition. Despite the above, the Board considers that the overall financial position and business operation of the Group remain sound and solid. Gross profit has not been affected by these non-operating items and has achieved growth in 2016.

The information contained in this announcement is only based on the information currently available to the Board, including the preliminary review of the unaudited consolidated financial information of the Group and is not based on any figure or information which has been audited or reviewed by the Company’s auditors and the audit committee of the Company and is subject to possible adjustments upon further review.

The Company is in the process of finalizing its final consolidated results of the Group for the year ended 31 December 2016. Further information and other details of the Group's financial performance for the year ended 31 December 2016 will be announced in the forthcoming annual results announcement in due course.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**China Packaging Holdings Development Limited**  
**Chen Wei Wei**  
*Chairman*

Jiangxi Province, the PRC, 28 March 2017

*As at the date of this announcement, the executive directors of the Company are Mr. Chen Wei Wei (Chairman), Mr. Sun Shao Hua and Ms. Zheng Li Fang; and the independent non-executive directors of the Company are Mr. Liu Da Jin, Mr. Ma Yiu Ho, Peter and Mr. Wu Ping.*