SOUTHERN PACKAGING GROUP LIMITED
(Company Registration No.: 200313312N)
(Incorporated in Singapore on 30 December 2003)

RESPONSE TO SGX QUERY

The Board of Directors (the "**Board**") of Southern Packaging Group Limited (the "**Company**") refers to the query raised by Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 20 April 2018 regarding the Company's Annual Report for the financial year ended 31 December 2017 ("**AR2017**").

SGX-ST's Query

Rule 2.4 of the Code on Corporate Governance (the "**Code**") states that for transparency, the annual remuneration report should disclose the details of the remuneration of employees who are immediate family members of a director or the CEO and whose remuneration exceeds S$50,000 during the year. This will be done on a named basis with clear indication of the employees' relationship with the relevant director or the CEO. Disclosure of remuneration should be in incremental bands of S$50,000. The company needs only show the applicable bands. We note that there are employees who are immediate family members of a director or the CEO and whose remuneration exceeds S$50,000 during the year. In this regard, please disclose remuneration of these employees in bands of S$50,000; or alternatively disclose deviation from the Code's recommendations as required by Listing Rule 710.

Company's Response

The Company refers to the Corporate Governance Report on page 28 of the AR2017 and wishes to disclose the following:

9.4 Employees who are immediate family members of a Director or the CEO

During FY2017, there are two (2) employees who have family relationship with a director or CEO, whose remuneration exceeds S$50,000/-, details relating thereto are appended below:

Name	Remuneration Band
Pan Zhaojin (son of Mr Pan Shun Ming and Madam Mai Shuying)	S$150,000 to below S$200,000
Ang Wei Jun (son in law of Mr Pan Shun Ming and Madam Mai Shuying)	S$150,000 to below S$200,000

BY ORDER OF THE BOARD

PAN SHUN MING
Executive Chairman and Chief Executive Officer
27 April 2018