



SOUTHERN PACKAGING GROUP LIMITED

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

RESPONSE TO QUERIES FROM SGX-ST ON THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013 (THE "ANNUAL REPORT")

The Board of Directors (the "Board") of Southern Packaging Group Limited (the "Company") wishes to announce the following responses pertaining to queries raised by the Singapore Exchange Securities Trading Limited (the "SGX-ST") in respect of the Annual Report:

Query 1

Page 23, Corporate Governance Report: Pursuant to Rule 1207(10) of the SGX Listing Manual, the annual report should disclose the "Opinion of the board with the concurrence of the audit committee on the adequacy of the internal controls, addressing financial, operational and compliance risks". Please disclose the statement in an announcement on SGXNET if it has not been done in the annual report.

Company's Response:

The Board is of the view that the present internal controls of the Group are satisfactory for the nature and the size of the Group's operations and business. The Audit Committee concurs with the view of the Board on the adequacy of the present internal controls of the Group to address its financial, operational, compliance and information technology controls, as well as risk management systems with the assistance/services rendered by both its internal and external auditors.

Query 2

Page 25, Corporate Governance Report: We note that the aggregate amount of audit fees paid and/or payable to the external auditor for the financial year ended 31 December 2013 amounted to approximately S\$177,529. Please disclose if there are any non-audit fees paid and/or payable to the external auditor, and if so, the amount of these fees.

Company's Response:

A non-audit fee of S\$2,500 was paid to the External Auditors for the financial year ended 31 December 2013 for tax compliance services rendered to the Company.

BY ORDER OF THE BOARD

PAN SHUN MING
Executive Chairman
29 April 2014