



南方包装集团有限公司
Southern Packaging Group Limited

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

RESPONSE TO QUERY FROM SGX-ST

The Board of Directors (the “**Board**”) of Southern Packaging Group Limited (the “**Company**”) refers to the query from Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 22 April 2019 in relation to the Company’s Annual Report for the year ended 31 December 2018 released on 12 April 2019 as follows:

Query from SGX-ST

Guideline 11.3 of the Code of Corporate Governance 2012 (the “**Code**”) states that the Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, in the company’s Annual Report. The Board’s commentary should include information needed by stakeholders to make an informed assessment of the company’s internal control and risk management systems. The Board should also comment in the company’s Annual Report on whether it has received assurance from the CEO and the CFO:

- (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the company’s operations and finances; and
- (b) regarding the effectiveness of the company’s risk management and internal control systems.

As required under Listing Rule 710, please make disclosure as recommended in the Code; in particular, the Board’s comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems.

Company’s Response

Based on the work performed by the internal and external auditors, the Group’s framework of management control, the review procedures established and maintained by the Company to monitor the key controls and procedures and to ensure their effectiveness, the annual reviews performed by Management and the Board committees, the Board, with the concurrence of the AC, is of the view that for the current size and nature of the Group’s operations and business, the Group’s framework of internal controls in relation to the financial, operational, compliance and information technology controls and risk management system is adequate and effective to provide reasonable assurance of the integrity in safeguarding the Group’s assets and shareholders’ investments.

BY ORDER OF THE BOARD

PAN SHUN MING

Executive Chairman and Chief Executive Officer
24 April 2019