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

PROPOSED CONSOLIDATION OF EVERY FOUR (4) EXISTING ISSUED ORDINARY SHARES IN THE CAPITAL OF THE COMPANY INTO ONE (1) ORDINARY SHARE IN THE CAPITAL OF THE COMPANY, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED ("PROPOSED SHARE CONSOLIDATION")

– COMPLETION OF PROPOSED SHARE CONSOLIDATION

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1. INTRODUCTION

1.1. The board of directors ("**Board**" or "**Directors**") of Southern Packaging Group Limited ("**Company**", and together with its subsidiaries, "**Group**") refers to the announcements by the Company dated 18 January 2016, 1 February 2016, 2 February 2016, and 18 February 2016, as well as the circular to shareholders of the Company dated 2 February 2016 ("**Circular**") in relation to *inter alia* the Proposed Share Consolidation.

1.2. Unless otherwise defined, all capitalised terms used in this announcement shall have the meanings given to them in the Circular.

2. COMPLETION OF THE PROPOSED SHARE CONSOLIDATION

2.1. The Board wishes to announce that the Proposed Share Consolidation has been completed on and is effective as at 9.00 a.m. on 29 February 2016.

2.2. All fractional entitlements arising from the implementation of the Proposed Share Consolidation will be dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, including (i) disregarding the fractional entitlements, or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company.

2.3. The Register of Members and the Depository Register have been updated to reflect the number of Consolidated Shares held by each Shareholder based on his/her holding of Existing Shares as at the Books Closure Date, rounded down to the nearest whole Consolidated Share.

2.4. Shareholders should note that there are in total 70,319,164 Consolidated Shares in issue following the Proposed Share Consolidation.

2.5. Each Consolidated Share will rank *pari passu* in all respects with each other.

3. ALLOCATION OF NEW SGX-ST STOCK CODE

3.1. The Company also wishes to announce that the SGX-ST has, in accordance with its practice, delisted the Company's existing stock code – T77 – and issued a new, randomly generated,

stock code to the Company – BQP. All shares in the Company have been debited from the old stock code and credited to the new stock code.

BY ORDER OF THE BOARD

PAN SHUN MING
Executive Chairman
29 February 2016