

TAT SENG PACKAGING GROUP LTD
(Company No. 197702806M)
(Incorporated in the Republic of Singapore)

**RESPONSE TO SGX QUERY ON THE ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

Tat Seng Packaging Group Ltd (the “**Company**”, and together with its subsidiaries collectively the “**Group**”) has received a query from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) regarding the Annual Report for the financial year ended 31 December 2019 announced on 14 April 2020. The Company’s response to the query of SGX-ST is set out below:

SGX-ST Query

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the “**Code**”), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provisions 8.1 of the Code with regards to the disclosure of remuneration. Please clarify how the practices the Company had adopted are consistent with the intent of Principle 8 of the Code, which requires transparency on the Company’s remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation.

The Company’s Response

The Company has decided to disclose the remuneration of each of the Directors in bands of S\$250,000 which is a deviation from Provision 8.1 of the Code. In arriving at its decision, the Company took into consideration the confidential and prevention of upward pressure on remuneration due to the market competition of remuneration matters.

The Company is of the view that the disclosure of the indicative range of the Directors’ remuneration provides a reasonable amount of information on the Company’s remuneration framework to enable the shareholders to understand the link between the Company’s performance and the remuneration of the Directors. Save for the Directors who are also the key management personnel, there are no key management personnel who is not a Director or the CEO during the financial year ended 31 December 2019. The fees to the Independent Directors are put forward to shareholders for approval on an annual basis at the Company’s Annual General Meeting.

In view of the foregoing, the Company believes that the intent of the Principle 8 of the Code has been met.

BY ORDER OF THE BOARD

Chew Kok Liang / Siau Kuei Lian
Joint Company Secretaries

5 May 2020