Southern packaging

THRIVING TOWARDS EFFICIENCY

ANNUAL REPORT 2023

CORPORATE CULTURE

We believe that customer loyalty comes from good customer experience. Southern Packaging strives to provide exceptional service and quick response to customer demand and continue to provide customers with packaging solutions.

The key for constant growth of an enterprise is to have an endless passion for innovation. Southern Packaging focused on innovation that considers the environment and society thus improving quality of life for our customers.

We achieve excellence by enhancing product value, employee value, business value and social value. Excellent quality not only means good product quality, but also high quality service, and healthy living space.

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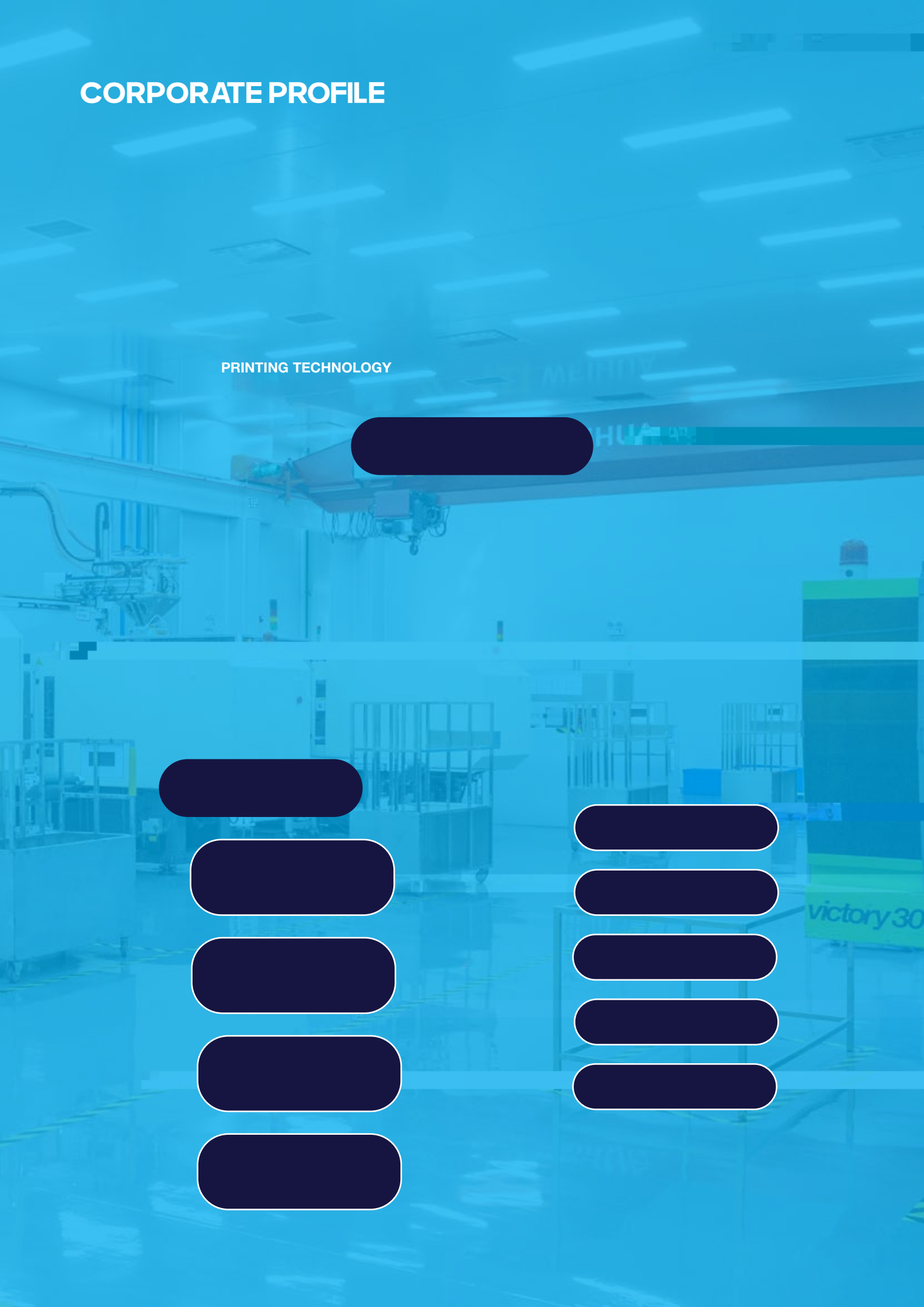
CORPORATE PROFILE

Southern Packaging Group Limited ("Southern Packaging", the "Company" or together with its subsidiaries, the "Group") is a producer of flexible and rigid packaging products used in the food, medical, personal grooming and household industries, and was listed on the main board of the Singapore Stock Exchange in the year 2004. We are committed to be the preferred suppliers of packaging products and packaging consultants to many internationally renowned brands and companies. Our production facilities strategically located at the most economically vibrant regions in China, namely, Southern and Eastern China.

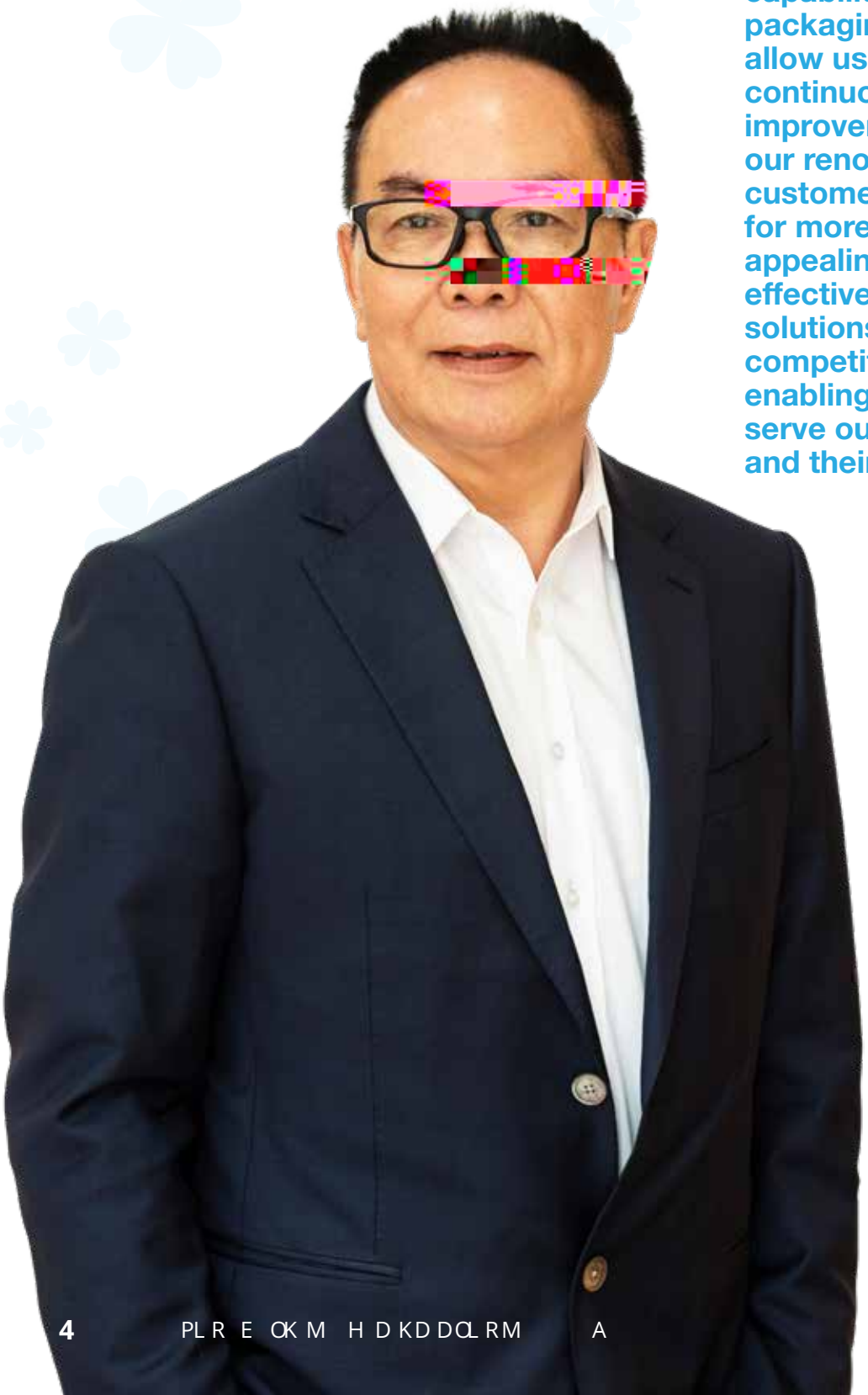
Within the flexible packaging arm, we primarily utilize plastic gravure printing technology to provide Printing, Compounding, Splitting and Bagging of plastic in producing packaging products for our customers. Within the rigid packaging arm, we utilize Wheel Blow Moulding, One Step Injection Stretch Blow Moulding, Injection Moulding, In-mould Labeling, Extrusion Blow Moulding, Injection Blow Moulding, Silk Screen, Film Blowing, Printing, Stamping and other additional services to produce packaging products for our customers.

We leverage on our established and resourceful research and development platform to provide complete packaging solutions for our customers. In our packaging industry, qualities such as environmental friendliness, cleanliness and safety are fundamental. We retain and strengthen our competitive advantages by the continuous development of our cutting-edge polymer chemistry technologies and expertise in material sciences and plastic moulding. We firmly believe in developing packaging with social responsibility, and we are proud to be the "brand behind the renowned brands".

CORPORATE PROFILE



CHAIRMAN'S MESSAGE



> We believe our strong innovation capabilities and packaging expertise allow us to meet the continuous packaging improvements that our renowned brands customers demand for more practical, appealing, and cost-effective packaging solutions. This is our competitive advantage enabling us to better serve our customers and their consumers.

CHAIRMAN'S MESSAGE

DEAR SHAREHOLDERS,

The fiscal year 2023 has been a year filled with challenges testing the resilience and adaptability of Southern Packaging Group as our team strived towards achieving our goal of becoming an internationally renowned brand in packaging services. We were confronted with numerous challenges notably the slowdown in China's economic growth and increased competitive pressure. Neverthless, we remained committed to offering innovative packaging solutions while tackling persistent adverse factors such as deflation, weakened consumer demand, and supply chain destocking. The anticipated growth in post-pandemic demand did not return to pre-pandemic levels although there was an improvement in overall sales and a significant reduction in losses compared to the pre-pandemic period. We strive for continuous improvements in efficiency and productivity for the formidable journey ahead amidst the fierce market competition in which we operate in.

In the fiscal year 2023, the Group's revenue reached RMB692 million, marking an increase of RMB88 million or 14.6% from RMB604 million in 2022. Packaging business sales amounted to RMB659 million, up by 10.4% year-on-year, with rigid packaging sales at RMB440 million and flexible packaging sales at RMB219 million. The Apex Tower office development recorded sales revenue of RMB32 million for the year, contributing an encouraging RMB3.5 million to the Group's gross profit of RMB121 million, an increase of RMB30 million from RMB91 million in 2022. The Group's annual net profit after tax however recorded a loss of RMB13.51 million, a reduction from previous year's loss of RMB36 million.

We believe our strong innovation capabilities and packaging expertise allow us to meet the continuous packaging improvements that our renowned brands customers demand for more practical, appealing, and cost-effective packaging solutions. This is our competitive advantage enabling us to better serve our customers and their consumers.

Looking Ahead

Our Group's plastic packaging customization and processing industry is currently facing rapid changes due to environmental policy shifts, increased consumer demand for sustainable products, and technological innovations that enhance production efficiency. These factors are propelling the industry into a period of intense competition and rapid transformation.

We anticipate that fluctuations in raw material prices, changes in international trade policies, advancements in technology, and rapid shifts in market demand will affect our Group's performance. We will respond by adopting flexible procurement strategies, strengthening our investment in research and development, and closely monitoring market trends. Despite the challenges, we believe our Group can seize industry opportunities and achieve steady growth.

We continue to view the Chinese market optimistically, with expectations for continued recovery in domestic consumption in the China market which could be helped by the generally expected decline in global interest rates.

Our efforts in developing the personal care market in recent years have continued to bring in further results and contribute to the Group's revenue. We aim to strengthen our market position with international brands customers in this sector, thereby enhancing our customers' confidence in our Group.

We see signs of optimism in the commercial property sector which will help our marketing of Apex Tower, as we strive to improve sales from the remaining property portfolio of Apex Tower.

In accordance with the Listing Requirements of the Singapore Exchange Securities Trading Limited and as part of our Board renewal plan, we are revitalizing our Board of Directors. Two of our independent directors who have served the Company for more than nine years, Mr. Chung Tang Fong and Mr. Chia Chor Leong, have stepped down from our Board in mid-2023 and early 2024, respectively. In addition, our Lead Independent Director, Mr. David Yeung who has served for more than nine years is retiring by rotation at this forthcoming Annual General Meeting and will not be seeking re-election. As such, Mr. David Yeong will retire as a Director of the Company upon conclusion of the Annual General Meeting. We are deeply grateful for their years of contribution to the Company. We also welcome Mr. Chan Kam Loon and Mr. Wu Geng as our new board members.

On behalf of the Group, I would like to thank our customers, suppliers, employees and shareholders for their steadfast support, investment and confidence in the Company. The Board of Directors does not propose a dividend for this financial year in view of the adverse results.

PAN SHUN MING
Executive Chairman
Southern Packaging Group Limited

2023

2023

(APEX

2023 6.92 2022 TOWER)

6.04 0.88 14.6%

6.59 10.4%

4.4 2.19 2023 2024

3200 2023

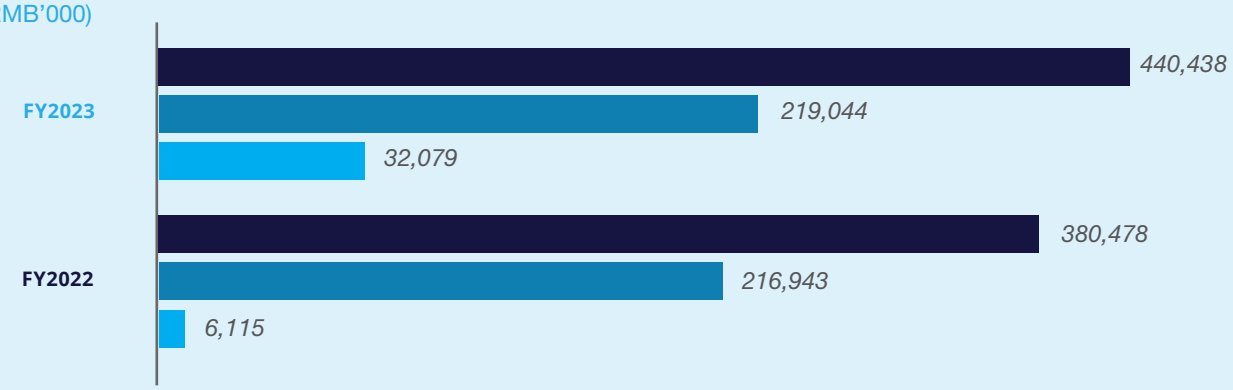
1.21 2022 0.91

3000

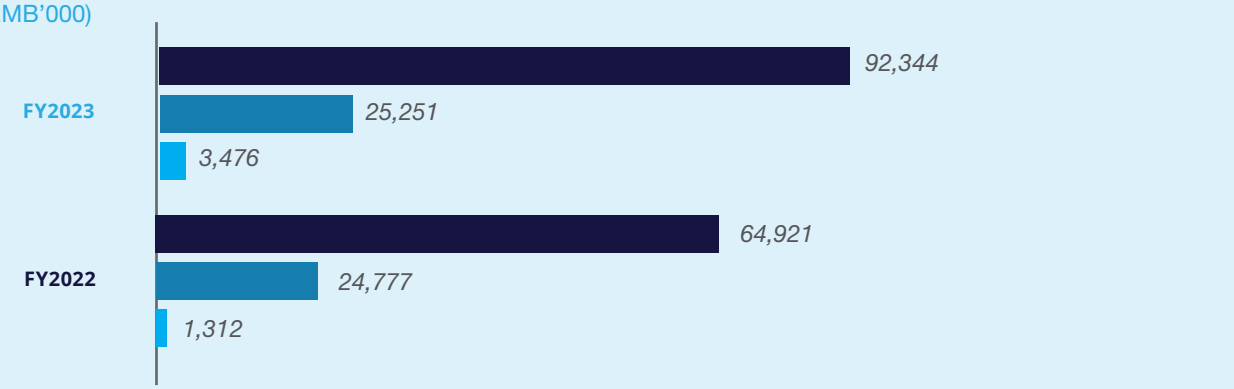
1351

FINANCIAL HIGHLIGHT
AS AT 31 DECEMBER 2023

REVENUE
(RMB'000)



GROSS PROFIT
(RMB'000)



Rigid Packaging Flexible Packaging Property Development

12 MONTHS ENDED 31 DECEMBER
(IN RMB MILLION)

	2023	2022
Revenue	692	604
Gross Profit	121	91
Net Loss	(14)	(36)
Total Assets	1,195	1,245
Total Liabilities	672	708
Shareholders' Equity	523	537
Cash and cash equivalents	90	67
Loss per share (cents) after share consolidation	(19)	(52)

OPERATIONS & FINANCIAL REVIEW

The sales revenue increased by 14.6% to RMB692 million in FY2023. The increase of sales is mainly due to the increase sales orders from existing packaging customer group as well as increase in property development segment.

Revenue By Business Segments	FY2023		FY2022		Change
	RMB`000	%	RMB`000	%	
Rigid packaging	440,438	63.7%	380,478	63.0%	15.8%
Flexible packaging	219,044	31.7%	216,943	36.0%	0.97%
Property	32,079	4.6%	6,115	1.0%	424.6%
Total	691,561	100%	603,536	100%	14.6%

The gross profit increased by 33% to RMB121 million as compared to FY2022 recorded at RMB91 million. The gross profit increased was in line with the increase in revenue and decrease in purchase price of raw materials.

Gross Profit By Business Segments	FY2023		FY2022		Change
	RMB`000	%	RMB`000	%	
Rigid packaging	92,344	76.3%	64,921	71.3%	42.2%
Flexible packaging	25,251	20.9%	24,777	27.2%	1.91%
Property	3,476	2.8%	1,312	1.5%	164.9%
Total	121,071	100%	91,010	100%	33%

In terms of revenue by geographical regions, PRC region sales revenue increased by 17% to RMB633 million in FY2023, representing for 91.5% of Group's total revenue for FY2023.

Revenue By Geographical Segment	FY2023		FY2022		Change
	RMB`000	%	RMB`000	%	
PRC	632,818	91.5%	540,224	89.5%	17.1%
Australia	19,482	2.8%	21,870	3.6%	(10.9%)
Phillipines	10,228	1.5%	10,405	1.7%	(1.7%)
Thailand	14,399	2.1%	12,891	2.2%	11.7%
Other regions	14,633	2.1%	18,146	3.0%	(19.4%)
Total	691,560	100.0%	603,536	100.0%	14.6%

BOARD OF DIRECTORS

PAN SHUN MING

Executive Chairman and Chief Executive Officer

Mr. Pan is our Executive Chairman, Chief Executive Officer and the co-founder of our Group. He is responsible for our Group's overall business strategies and policies. He has more than 30 years of experience in the packaging industry. In November 2000, Mr. Pan was appointed as the Vice Chairman of the Nanhai Printing and Packaging Association. On 15 March 2001, Mr. Pan was also appointed as the Foreign Investment Consultant of the Nanhai People's Government. In recognition of his entrepreneurship and management ability, Mr. Pan served as a council member to PRC's National Entrepreneur Association in April 2000.

CHEN XIANG ZHI

Executive Director and Vice Chairman

Mr. Chen, the Executive Director and Vice Chairman, joined our Group on 26 January 2010. He is responsible for assisting the Chairman and CEO for the development of the Group's business strategies and policies. Mr. Chen

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BOARD OF

KEY MANAGEMENT

PU JINBO
Deputy Chief Executive Officer

KEY MANAGEMENT

LAO JING WEN
Financial Controller

Ms. Lao Jing Wen joined the Group in August 2011. She is responsible for overseeing the financial reporting and accounting functions of the Group and subsidiaries of the Group. She is a Certified Practicing Accountant of Australia. Ms Lao received a Bachelor of Science from GuangDong University of Technology in 1987, and then she obtained a Diploma in accounting from Macquarie University in Australia in 1996. She has more than 15 years of experience in accounting and audit firm. She joined Zhou Xin Accounting Firm Ltd as a tax consultant in 1999 and responsible for preparing tax return and providing tax advises for her clients. Before joining the Southern Packaging Group, she held a position as audit manager in Katax C.P.A Limited (HongKong) for 5 years.

DAI WEI HONG
Vice President (Packaging Development)

Mr. Dai Wei Hong joined the Group in 2004. He is responsible for sales business and marketing. He was the Sales Manager, General Manager Assistant of Foshan Southern Packaging Co., Ltd, the General Manager of Southern Packaging (Jiangsu) Co., Ltd. Mr Dai has been working in the Group for 15 years, with rich experience in marketing and production operation management, unique insights in business development and marketing development. Mr Dai holds a Bachelor of Science from South China University of Technology. He has the Chief Quality Officer Certificate of Jiangsu Province.

CORPORATE INFORMATION

BOARD OF DIRECTORS

PAN SHUN MING
(Executive Chairman and Chief Executive Officer)

CHEN XIANG ZHI
(Executive Director and Vice Chairman)

YEUNG KOON SANG @ DAVID YEUNG
(Lead Independent Director)

CHAN KAM LOON
(Independent Non-Executive Director)

WU GENG
(Independent Non-Eecutive Director)

AUDIT COMMITTEE

YEUNG KOON SANG @ DAVID YEUNG *(Chairman)*
CHAN KAM LOON
WU GENG

REMUNERATION COMMITTEE

YEUNG KOON SANG @ DAVID YEUNG *(Chairman)*
CHAN KAM LOON
WU GENG

NOMINATING COMMITTEE

WU GENG *(Chairman)*
YEUNG KOON SANG @ DAVID YEUNG
CHAN KAM LOON

COMPANY SECRETARIES

KONG WEI FUNG
CHEOK HUI YEE

REGISTERED OFFICE

9 Raffles Place
#26-01 Republic Plaza
Singapore 048619
Website: www.southern-packaging.com
T: +65 6236 3333
Email: public@southern-packaging.com

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632
T: +65 6536 5355
F: +65 6438 8710

INDEPENDENT AUDITOR

BDO LLP
Public Accountants and Chartered Accountants
600 North Bridge Road
#23-01 Parkview Square
Singapore 188778
Partner-in-charge: Tei Tong Huat
(Appointed since the financial year ended
31 December 2021)

PRINCIPAL BANKERS

Agricultural Bank of China
(Nanhai Pingzhou SubBranch)
Bank of China Limited (Nanhai Sub-Branch)
Hang Seng Bank (China) Limited
(Foshan SubBranch)

The Board of Directors (the "**Board**) of Southern Packaging Group Limited (the "**Company** and together with its subsidiaries, the "**Group**), is committed to setting and maintaining high standards of corporate governance and places importance on its corporate governance processes and systems so as to ensure greater transparency, accountability and protect and enhance long-term shareholder value.

This report outlines the Company's corporate governance practices that were in place during nancial year ended 31 December 2023 ("**FY2023**) with speci c reference to Principles and Provisions of the Code of Corporate Governance (the "**Code**) issued by the Monetary Authority of Singapore on 6 August 2018 and amended on 11 January 2023.

The Company is required under Rule 710 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**) to describe in this Annual Report its corporate governance practices with reference to both the Principles and Provisions of the Code and how the Company's practices conform to the Principles of the Code. Compliance with, and observation of, the Principles is mandatory and variations from Provisions are explained appropriately in this Annual Report.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1 **The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.**

Role of the Board

The Board is entrusted with and has the responsibility for the overall management of the Group. It establishes the corporate strategies of the Group, sets direction and goals for the executive management. It supervises the executive management and monitors performance of these goals to enhance shareholders' value. The Board is responsible for the overall corporate governance of the Group to ensure the Group's strategies are in the interests of the Group and its shareholders.

The principal functions of the Board apart from its statutory responsibilities are:

(a) to provide entrepreneurial leadership; approve the strategic objectives, corporate policies and authorisation matrix of the Company; and ensure that the necessary nancial and human resources are in place for the Company to meet its objectives;

(b) to oversee the processes for risk management, nancial reporting and compliance and evaluate the adequacy of internal controls; approve annual budget, key operational matters, major acquisition and divestment proposals, major funding proposals of the Company;

(c) to assume responsibility for corporate governance framework of the Company and establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and Company's assets;

(d) to monitor and review management performance;

(e) to identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation;

(f) to set values and standards (including ethical standards) of the Company and ensure that obligations to shareholders and others are understood and met; and

(g) to promote corporate social responsibilities throughout the Group and include environmental and social factors as part of its strategic formulation.

Directors understand their duties at law (including their roles as executive, non-executive and independent directors), which includes acting in good faith and in the best interests of the Company; exercising due care, skills and diligence; and avoiding con icts of interest. The Board adopted a set of ethical values and standards which establishes the fundamental principles of professional and ethical conduct expected of the Directors in the performance of their duties.

Conflict of Interest

To address and manage possible con icts of interest that may arise between Directors' interest and those of the Group, the Company has put in place appropriate procedures which apply in addition to the Directors' obligation to comply with disclosure obligations under the Company's Constitution and Companies Act 1967 ("**Companies Act**). Each Director is required to promptly disclose any con icts or potential con icts of interest, whether direct or indirect, in relation to any transaction or matter discussed and contemplated by the Group. The disclosure is made either during a Directors' meeting or by way of a written noti cation to the Company Secretary containing details of the interest and the nature of con ict. Where a potential con ict of interest arises, the Director concerned will recuse himself from participating in any discussions, abstains from voting on the matter and refrains from exercising any in uence over other members of the Board.

Matters reserved for the Board's decisions

The Company has in place a limitation and authorisation policy. The policy contains materiality threshold(s) and a schedule of matters speci cally reserved for the Board's approval. Below the Board's level, there are appropriate delegations of authority at the senior management level, to facilitate operational ef ciency.

Matters and transactions that require the Board's approval include, amongst others, the following:

- the Group's long-term objectives and commercial strategy;
- the making of any decision to cease, to operate all or any material part of the business of the Group or to venture into new business;
- merger and amalgamation initiatives;
- changes in capital structure;
- acquisition or divestment of any investment and asset by the Group;
- approval of nancial results, Annual Reports, sustainability reports and Audited Financial Statements;
- recommendation or declaration of dividend;
- appointment of new director (with recommendation made by the Nominating Committee ("**NC**)) and the appointment or removal of the Company Secretary;

- business practices and risk management of the Group;
- in the case of any con ict of interests which the Board, after being appropriately advised, considers to be material, as to whether such con ict should be authorised and, if so, authorise such con ict upon such terms and conditions as the Board considers appropriate;
- remuneration packages for Executive Directors and key management personnel; and
- any matter required to be considered or approved by the Board as a matter of law or regulation.

Board induction and training

All newly appointed Directors would receive a formal letter of appointment setting out the Director's duties, responsibilities and obligations as a Director including pertinent obligations under the Companies Act, the Securities and Future Act 2001 ("**Securities and Futures Act**), Listing Rules and the Code.

The Board recognises the importance of appropriate training for its Directors. The NC will ensure that any newly appointed Director who has no prior experience as a director of an issuer listed on the SGX-ST, to undergo mandatory training as prescribed by the SGX-ST. The Company will arrange an orientation program (including onsite visits, if necessary) to new Directors to enable them to familiarise themselves with the Group's business and governance practices. They will also be briefed of the relevant regulations, shares dealing policy of the Company, their noti cation obligations under the Companies Act and Securities and Futures Act. The Directors will be given access to the Board resources, including the Company's constitutional and governing documents, board and each Board Committee's terms of reference, annual reports, board meeting papers and other pertinent information for his reference.

The Company had appointed two (2) Independent Directors, Mr Chan Kam Loon and Mr Wu Geng on 1 August 2023 and 1 January 2024 respectively. Both Mr Chan and Mr Wu also serve as independent director of several other SGX listed companies. Please refer to their pro les under "Board of Directors section.

The Company does not have a formal training program for the Directors. However, the Board encourages Directors to attend trainings and seminars conducted by the Singapore Institute of Directors ("**SID**). All Directors have attended the Environmental, Social and Governance Essentials (Core) Seminar conducted by the SID. The Company will continue to keep Directors informed of the suitable seminars, conference and training courses and encouraged them to attend at the Company's expenses. By doing so, it will assist them in developing their skills and knowledge, executing their obligations to the Company and effectively discharge their duties as directors. The Audit Committee ("**AC**) and the Board had in the meetings held during FY2023 received brie ngs and updates from the Company's external auditors, Company Secretary and Management respectively on (a) developments in accounting and governance standards, in particular changes of the Singapore Financial Reporting Standards (International), and accounting standards relevant to the Group; (b) amendments to SGX-ST Listing Manual; and (c) strategic and business developments of the Group and any changes to commercial risks. The Directors can also request for further explanations, brie ngs or information on any aspects of the Company's operations and business issues from the Management.

Updates on the relevant legal, regulatory and technical developments may be in writing or disseminated by way of brie ngs, presentations and/or handouts on a timely basis. Where necessary, the Company arranges for presentations by external professionals, consultants and advisers on topics that would have an impact on the relevant regulations, accounting standards, and the implications on responsibilities of the Directors.

Delegation by the Board

The Board is supported by three (3) Board Committees to assist the Board in discharging its responsibilities and to enhance the Group's corporate governance framework. The Board Committees include the AC, NC and Remuneration Committee ("**RC**) (collectively, the "**Board Committees**). Each Board Committee is chaired by an Independent Non-Executive Director. These Board Committees function within clearly de ned terms of reference setting out the composition, authorities and duties, required quorum, conduct of meetings and accountability, which are reviewed on a regular basis to ensure continued relevance.

The Board accepts that while these Board Committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

The names of the members, principal roles and responsibilities of respective Board Committees are set out in this Annual Report.

Meetings and attendance

The Board meets on a regular basis and as and when necessary to address any speci c signi cant matters that may arise. To ensure meetings are held regularly with maximum Directors' participation, the Company's Constitution allows Directors to participate at Board meetings by telephone or video-conference or other similar communication equipment which will permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. Dates of the Board meetings, Board Committees meetings and annual general meetings are scheduled in advance in consultation with all Directors. The Board and Board Committees also approve transactions by way of written resolutions, which are circulated to the Board and Board Committee members together with all relevant information regarding the proposed resolutions/transactions.

Details of the Directors' attendance at Board and Board Committee meetings as well as at the AGM held during FY2023 are as follows:

No. of meetings held	**Board**	**AC**	**NC**	**RC**	**AGM**
	3	3	1	1	1
Number of meetings attended					
Pan Shun Ming	3	3[1]	1[1]	1[1]	1
Chen Xiang Zhi	3	3[1]	1[1]	1[1]	1
Yeung Koon Sang @ David Yeung	3	3	1	1	1
Chung Tang Fong[2]	3	3	1	1	1
Chia Chor Leong[3]	3	3	1	1	1
Chan Kam Loon[4]	1	1[1]			
Wu Geng[5]					

Notes:

[1] Attended as an invitee.

(2) Dr Chung Tang Fong had resigned as an Independent Director of the Company and ceased as the member of AC, NC and RC on 31 August 2023.

(3) Mr Chia Chor Leong had resigned as an Independent Director of the Company and ceased as the member of AC and RC and Chairman of NC on 23 February 2024.

(4) Mr Chan Kam Loon was appointed as an Independent Director of the Company on 1 August 2023 and member of the Audit, Nominating and Remuneration Committees with effect from 1 September 2023.

(5) Mr Wu Geng was appointed as an Independent Director of the Company on 1 January 2024 and Chairman of the NC and member of the AC and RC with effect from 23 February 2024.

Access to complete, adequate and timely information

Management ensures that all Directors are furnished on an on-going basis with relevant, complete, adequate and timely information concerning the Company, to enable them to make informed decisions and discharge their duties and responsibilities.

Prior to each meeting, board papers and les are circulated for the respective Board Committee meeting and the Board is provided with relevant background or explanatory information relating to the business of the meeting and information on major operational, nancial and corporate issues. This is to give the Directors suf cient time to review and consider the matters being tabled and/or discussed. Any other matters may also be tabled at the Board meeting and discussed without papers being distributed. The business/projects updates with information on nancial, operating and corporate issues, the explanations on the nancial information, and the rationale for the key decisions taken by the Management may also be made in the form of presentations by the Management in attendance at the meetings. The Directors are entitled to request additional information as needed to make informed decisions. Management is invited to attend Board meetings to provide additional insights into matters being discussed, and to respond to any queries that the Directors may have.

Independent Access to Management, Company Secretary and External Advisers

The Board members have separate and independent access to Management, who will provide additional information as may be needed by the Board to make informed decisions in a timely manner. The Board members also have separate and independent access to the Company Secretaries. The Board, either individually or as a group, is entitled to seek appropriate independent and professional advice, as and when necessary, at the expense of the Company, in furtherance of their duties.

Company Secretary

The role of the Company Secretaries is clearly de ned and includes responsibility for ensuring that board procedures are followed and that applicable rules and regulations are complied with. Under the Chairman's direction, the Company Secretaries will ensure good information ow within the Board and the Board Committees and between Management and Non-Executive Directors and advising the Board on all governance matters. The Company Secretaries and/or her representative are/is present at all meetings of the Board and Board Committees to record the proceedings. The appointment and removal of the Company Secretary is a matter for consideration by the Board as a whole.

Board Composition and Guidance

Principle 2 **The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decision in the best interests of the Company.**

The Board members and changes to the Board are as follows:

1. Pan Shun Ming ("**Mr Pan**) - Executive Chairman and Chief Executive Of cer ("**CEO**)
2. Chen Xiang Zhi ("**Mr Chen**) - Executive Director and Vice Chairman
3. Yeung Koon Sang @ David Yeung ("**Mr David Yeung**) - Lead Independent Director
4. Chan Kam Loon ("**Mr Chan**) - Independent Director (appointed as Director on 1 August 2023)
5. Wu Geng ("**Mr Wu**) - Independent Director (appointed as Director on 1 January 2024)
6. Chung Tang Fong Independent Director (resigned on 31 August 2023)
7. Chia Chor Leong - Independent Director (resigned on 23 February 2024)

The current Board comprises ve (5) Directors, three (3) of whom are Independent Directors and Mr David Yeung is the Lead Independent Director of the Company. There is a good balance between the Executive and Non-Executive Directors as well as strong independent element on the Board with Independent Directors making up majority of the Board. The Company complies with Provision 2.2 of the Code which provides that independent directors to make up a majority of the Board where the Chairman of the Board is not independent and Provision 2.3 of the Code which provides that Non-Executive Directors to make up a majority of the Board.

Review of Directors' independence

The Board considers an "independent Director as one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its of cers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company.

The independence of each Director is reviewed annually by the NC bearing in mind the SGX-ST Listing Manual, the Code as well as other relevant circumstances and facts. The NC is also committed to reassess the independence of each Independent Director as and when warranted.

To facilitate the NC in its review of the independent status of the Directors, each Independent Director will con rm his independence by completing a Con rmation of Independence Form which is drawn up in accordance with the SGX-ST Listing Manual, Provision 2.1 of the Code, and Practice Guidance to the Code, and submitted to the NC for its assessment of the independence of each Director.

The Board, taking into account the views of the NC and the con rmation of independence submitted by Mr David Yeung, Mr Chan and Mr Wu (collectively, "**Independent Directors**), was of the view that each of them is independent on the following basis:

(a) The Independent Directors (i) are not or have not been employed by the Company or any of its related corporations in the current or any of the past three (3) nancial years; and (ii) do not have an immediate family member who is employed or has been employed by the Company or any of its related corporations in the current or any of the past three (3) nancial years, and whose remuneration is determined by the RC.

(b) None of the Independent Directors and their immediate family member had in the current or immediate past nancial year (i) provided or received payments to and/or from the Group when aggregated over any nancial year in excess of S$50,000 for any signi cant payment or material services other than compensation for board service; or (ii) was a substantial shareholder, partner, executive of cer or a director of any organisation which provided or received signi cant payments or material services to and/or from the Group when aggregated over any nancial year in excess of S$200,000 for services rendered.

(c) None of the Independent Directors and their immediate family member is directly associated with a substantial shareholder of the Company.

There were no Directors who are deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent.

Each member of the NC and of the Board recused themselves from deliberations in respect of the assessment of his independence.

Following the resignations of Dr Chung Tang Fong and Mr Chia Chor Leong, save for Mr David Yeung, who was appointed to the Board on 23 September 2004, none of the Independent Directors has served on the Board beyond nine (9) years from the date of their rst appointment. The Company had sought and obtained shareholders' approval for the continued appointment of Mr David Yeung as Independent Director at its AGM held on 30 April 2021 via a two-tier vote by i) all shareholders and ii) shareholders, excluding the directors, CEO and their associates.

Under the Listing Rule 210(5)(d)(iv), a director will not be independent if he has been a director of the Company for an aggregate period of more than nine (9) years. Such director may continue to be considered independent until the conclusion of the next Annual General Meeting ("**AGM**). This takes effect for an issuer's AGM for the nancial year ending on or after 31 December 2023. Mr David Yeung remains as independent director until the conclusion of the AGM of the Company for FY2023 pursuant to the Transition Practice Note 4 Transitional Arrangements regarding the Tenure Limit for Independent Directors.

Board Size and Composition

The NC and the Board examine the present size and composition of the Board and Board Committees, taking into account, inter alia, the scope and nature of the Group's business and operations and the bene ts of all aspects of diversity, including but not limited to gender, age, and professional experience in order to provide the board access to an appropriate range and balance and mix of skills, knowledge, experience and backgrounds. No appointment to the Board shall be based on race, language or gender, but will be based on the merits on selected candidate, the needs of the Board and the potential contributions that the selected candidate will bring to the Board.

The Board, in concurrence with the NC, is satis ed that the present size of ve (5) Directors, age between 52 to 75 and different nationality, (i) is an appropriate size and with its diversi ed background and experience provides core competencies such as nance, accounting, legal, business management, industry knowledge and strategic planning experience for the effective functioning of the Board and is appropriate for the current scope and nature of the operations of the Company; and (ii) facilitates effective decision making and ensure the balance of power with no individual or group of individuals dominates the Board's decision-making process.

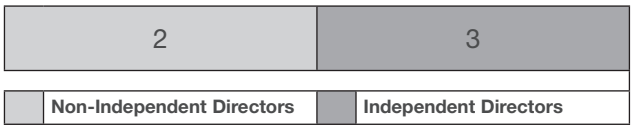
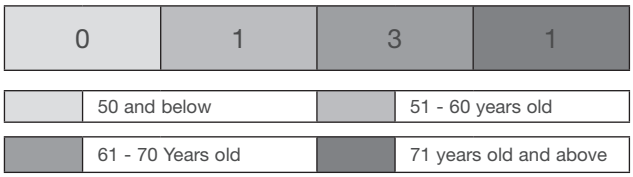
Board Diversity

The Company has adopted a formal Board diversity policy, where the size of the Board should be appropriate with no individual or group dominating the Board's decision-making process. The Board's policy with regard to diversity in identifying director nominees is to have an appropriate mix of members with complementary skills, core competencies and experience for the Group such as accounting or nance, business or management experience, legal and industry knowledge for the effective functioning of the Board, regardless of gender. The Board has taken the following steps to maintain or enhance its balance and diversity (a) annual review by the NC to assess if the existing attributes and core competencies of the Directors are complementary to one another and will enhance the ef cacy of the Board; and (b) annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understanding the range of expertise which the Board is lacking. Following the resignation of Madam Mai Shuying as Director in FY2019, there is no female director on the Board. While the NC is aware of the merits of gender diversity to the Board composition, the NC acknowledges that it is only one of the many aspects of diversity. The NC will continue to make its selection of candidates based on objective criteria which it believes is in the best interests of the Company. The nal selection will be made in a fair and non-discriminatory manner.

As part of the Board's progressive renewal process, as well as to meet the requirement under Listing Rule 210(5)(d)(iv), the NC and the Board have planned for the Board renewal process and started the search process for new Independent Directors. A director search has taken into account the suitability and potential contribution to the Board of a proposed candidate, diversity aspects under the Board Diversity Policy, professional quali cations, skills, knowledge and experience. The Board renewal has progressed as planned and in an orderly manner, to ensure stability and knowledge continuity about the Company and its business operations and sustainability of corporate performance. New Independent Directors were appointed since 2023, Mr Chan on 1 August 2023 followed by resignation of Dr Chung Tang Fong on 31 August 2023 and subsequently, appointment of Mr Wu on 1 January 2024 and resignation of Mr Chia Chor Leong on 23 February 2024. Each director has been appointed on the strengths of his calibre, experience and stature and is expected to bring a valuable range of experience and expertise to contribute to the development of the Group's strategy and the performance of its business.

The current Board is made up of two (2) Executive Directors and three (3) Independent Directors. There is a good balance between the Executive and Non-Executive Directors as well as strong independent element on the Board with Independent Directors making up majority of the Board. The three (3) Independent Directors: (i) Mr David Yeung, also AC Chairman, has extensive and practical accounting and nancial management knowledge and had more than 30 years' experience in public accountancy; (ii) Mr Chan has many years of experience in accounting and audit eld and investment banking, and he serves as an independent director of several other listed companies in Singapore; and (iii) Mr Wu's areas of practice include initial public offerings and listings, reverse takeovers, joint ventures, mergers and acquisitions, and general corporate legal advisory work and he is currently serving as independent director in other listed company in Singapore. The Executive Directors, Mr Pan and Mr Chen have strategic planning skills and their extensive business and industry knowledge is essential for leading and managing the Group's operations. The collective diversity, professionals, backgrounds and skill sets of the Directors serve to optimally support the business operations, effectiveness and sound governance of the Company. Further details of the Board's background and experience are set out in the Directors' pro le.

The Company's diversity targets, plans and timelines for achieving the targets and progress towards achieving the targets are described below.

Diversity Targets, plans and timelines	Targets Achieved/Progress
Independence	
To ensure that Independent Directors make up a majority of the Board and maintain such level of independence at all times	**Achieved** Board Independence as at 31 December 2023:  Mr David Yeung will cease as the Director of the Company following his retirement upon conclusion of the forthcoming AGM. The NC and the Board have identified suitable candidates and aim to appoint a new Independent Director within 2 months after the AGM but no later than 3 months.
Age Group	
To reduce the average age of the Board members by 2027. Directors with different age groups bring different life experiences and perspectives that could lead to more effective strategic decision-making and provide broader spectrum of thoughts and views in Board and Board Committees deliberations.	**In progress** the Directors' Age Group as at 31 December 2023 are: 
Skills and Experience	
To ensure that there is an appropriate mix of members with complementary skills, core competencies and experience for the Group such as accounting or nance, business or management experience, legal, industry knowledge, sustainability and governance for the effective functioning of the Board. This is beneficial to the Company and its Management as decisions by, and discussions with, the Board are enriched by the broad range of views and perspectives and the breadth of experience of our Directors.	**In progress – Board Skill Sets** z Accounting and nancial management z Legal z Business entrepreneurship z Strategic planning z Industrial knowledge Please refer to the Directors' profile for further details. The NC and the Board have started searches of

The NC will continue to review the Company's Board Diversity policy from time to time to ensure its continued effectiveness of relevance, and will recommend appropriate revisions to the Board for consideration and approval. The NC will also review the targets for diversity from time to time and may recommend changes or additional targets to achieve greater diversity.

Non-Executive Director Meetings in absence of Management

The Board and Management are given opportunities to engage in open and constructive debate for the furtherance of achieving strategic objectives. The Non-Executive Directors may challenge and help develop proposals on strategy, review the performance of and to extend guidance to Management. Well equipped with the expertise, experience and knowledge, the Non-Executive Directors have been actively participating in discussions and decision-making at the Board and the Board Committees levels, and had open discussions with Management. Where required, the Independent Directors discuss issues via meetings, telephone and electronic devices without the presence of Executive Directors and Management. The Lead Independent Director will provide feedback to the Chairman if it is deemed necessary.

Chairman and Chief Executive Officer

Principle 3 There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making

Role of Chairman and the CEO

The Group's Executive Chairman, Mr Pan, also assumes the role of a CEO. Being the CEO of the Company, Mr Pan oversees the day-to-day management and operations of the Group and is responsible for setting the Group's overall business strategies and policies, objectives and missions, as well as executing the Board's decision plan and driving the Group's growth and development. Mr Pan has considerable industry experience and has also provided the Group with strong leadership and vision.

As the Executive Chairman of the Company, Mr Pan is responsible for (i) leading the Board to ensure its effectiveness in all aspects of its role; (ii) establishing the agenda for the Board meetings in consultation with the Company Secretary, ensuring Board meetings are held when necessary, and adequate time is available for discussion of all agenda items, in particular strategic issues; (iii) reviewing the board papers in consultation with Management and ensuring that the Board receives complete, adequate and timely information to enable them to be fully cognisant of the affairs of the Group; (iv) encouraging constructive relations among the Directors and their interactions with Management; (v) promoting a culture of openness and debate at the Board; (vi) facilitating the effective contribution of all directors; and (vii) take a lead role in promoting high standards of corporate governance, with the full support of the Directors, the Company Secretary and Management. At Annual General Meetings of the Company, the Chairman plays a pivotal role in fostering constructive dialogue between the shareholders, the Board and Management.

While the Company has not adopted Provision 3.1 of the Code requires Chairman and CEO to be separate persons, the Board is of the opinion that the present Group structure and business scope does not warrant a meaningful split of the roles of the Chairman and the CEO. Major decisions or matters disclosed under Principle 1 of this Annual Report are under the purview of the Board and subject to majority approval of the Board. Where there are con icts or potential con icts of interest, whether direct or indirect, in relation to any matter or transaction discussed, the Director is required to disclose and abstain from voting on the matter. The Board viewed that there are suf cient safeguards and checks to ensure that the process of decision making by the Board is independent and based on collective decisions without any individual exercising any considerable concentration of power or in uence, which is consistent with the intent of Principle 3 of the Code. There is also a strong independence element with majority of the Board are independent directors and the Board Committees, all comprising Non-Executive Directors, are chaired by independent Non-Executive Directors. No individual or group of individuals dominates the Board's decision-making process.

Lead Independent Director

In compliance with Provision 3.3 of the Code, as the Chairman is non-independent, the Company has appointed Mr David Yeung as the Lead Independent Director of the Company. As the Lead Independent Director, he serves in a lead capacity to coordinate the activities of the Independent Directors when necessary and appropriate. His responsibilities include carrying out the functions of the Chairman in relation to any matter where it would be inappropriate for the Chairman to serve in such capacity. He will provide feedback of the private discussion between Non-Executive Directors to the Chairman if it is deemed necessary. Mr David Yeung is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman, the CEO or Management are inappropriate or inadequate.

Board Membership

Principle 4 **The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.**

As at the date of this Report, the NC comprises the following three (3) members, all of whom including the Chairman are Independent Directors:

Mr Wu (Chairman)
Mr David Yeung (Member)
Mr Chan Kam Loon (Member)

The NC is governed by the NC's Terms of Reference which describes the duties and functions of the NC. The NC's principal functions are as follows:

(a) identifying, reviewing and recommending candidates for appointments to the Board (including alternate director) and Board committees (excluding the appointment of existing members of the Board to a Board committee);

(b) reviewing and approving any new employment of related persons and proposed terms of their employment;

(c) reviewing and recommending candidates to be nominees on the boards and board committees of the Company;

(d) re-nomination of directors for re-election at each annual general meeting in accordance with the Constitution and having regard to the director's contribution and performance (including alternate directors, if applicable);

(e) determining annually whether or not a director is independent;

(f) deciding whether or not a director of the Company is able to and has been adequately carrying out his/her duties and responsibilities, including time and effort contributed to the Company, attendance at meetings of the Board and Board Committees, participation at meetings and contributions of constructive, analytical, independent and well-considered views, and taking into consideration the director's number of listed company board representations and other principal commitments;

(g) assessing the effectiveness of the Board as a whole and its Board Committees and for assessing the contribution by the chairman of the Board and each individual Director to the effectiveness of the Board. The result of the performance evaluation will be reviewed by the NC Chairman;

(h) decide how the Board's performance may be evaluated and propose objective performance criteria, as approved by the Board that allows comparison with its industry peers, and address how the Board has enhanced long-term shareholder's value;

(i) recommending to the Board on the development of a process for the evaluation of performance of the Board, its Board Committees and Directors; and propose objective performance criteria which address how the Board has enhanced long-term shareholder value;

(j) reviewing and recommending the training and professional development programmes for the Board;

(k) recommending to the Board the review of succession plans for Directors, in particular, the Chairman and the CEO;

(l) recommending the appointment of key management positions, reviewing succession plans for key positions within the Group and overseeing the development of key executives and talented executives within the Group; and

(m) undertaking such other functions and duties as may be delegated the Board or required by the statue or the Listing Rules and by such amendments made thereto from time to time.

During FY2023, the NC held one (1) meeting and had on various occasions used resolutions in writing to resolve certain decisions which are then recommended to the Board.

Process of Selection, Appointment and Re-appointment of Directors

The Company has in place procedures for the appointment of new Directors to the Board, including a search and nomination process.

The NC reviews the need for appointment of additional director(s) and the composition of the Board, including the mix of expertise, skills, knowledge, so as to identify desired competencies to complement and strengthen the Board and increase its diversity. Two new Independent Directors have been appointed since the last Annual General Meeting of the Company held on 27 April 2023.

The search for a suitable candidate is drawn from the network of contacts or approach relevant institutions such as the SID, professional organisations or business federations. Potential candidate is identi ed based on the needs of relevant skills, experience, knowledge, diversity and expertise. Existing Directors may also put forward names of potential candidates, together with their curriculum vitae, for the NC's consideration. The NC, after completing its assessment, meets with the short-listed candidate to assess their suitability taking into consideration the existing composition of the Board and strives to ensure that the Board has an appropriate balance of independent directors as well as background, quali cation and experience of each candidate and other factors such as age and gender that would contribute to the Board's collective skills and expertise, his/her ability to increase the effectiveness of the Board and to add value to the Group's business in line with its strategic objectives and to ensure that the candidates are aware of the expectations and the level of commitment required of them. The NC makes recommendations to the Board for approval via Circular Resolutions or in board meeting.

The NC recommends re-elections of Directors for approval by the Board, taking into account the Director's overall contributions and performance and an appropriate mix of core competencies for the Board to ful l its roles and responsibilities. The Company's Constitution requires that one-third (1/3) of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third (1/3) with a minimum of one (1)) shall retire from of ce by rotation and that all Directors shall retire from of ce once every three (3) years. A retiring Director shall be eligible for re-election.

Pursuant to the Company's Constitution, Mr David Yeung will be retiring by rotation as Director of the Company at the forthcoming AGM. As part of the Board renewal process and to comply with Rule 210(5)(d)(iv) of the Listing Manual of the SGX-ST, Mr David Yeung has indicated that he will not be seeking re-election at the forthcoming AGM. Accordingly, he will retire upon conclusion of the forthcoming AGM. Further details of the retirement of Mr David Yeung will be disclosed in the Company's SGXNet announcement.

The Company's Constitution further provides that any person appointed by the Directors either to ll a casual vacancy or as an additional director during the year will hold of ce only until the next AGM and will be eligible for re-election but shall not be taken into account in determining the number of directors retiring by rotation at such meeting.

The NC has recommended to the Board that Mr Chan and Mr Wu be nominated for re-election at the forthcoming AGM of the Company. In evaluating each Director's contributions and performance for the purpose of re-nomination, the NC and the Board has considered the said Director's overall competencies, commitment, experience, contributions, performance and other factors such as attendance, preparedness, participation, independence and candour are taken into consideration. The Board recommends the shareholders to approve the re-election of the said Directors. The details of the proposed resolutions are stipulated in the Notice of AGM and additional information of Mr Chan and Mr Wu as set out in Appendix 7.4.1. to the Listing Manual pursuant to Rule 720(6) of the Listing Manual is enclosed under section titled "Additional Information of Directors Seeking Re-election in this Annual Report.

Each member of the NC has abstained from voting on any resolutions and making recommendation and/or participating in respect of matters in which he has an interest.

Independence of Directors

As mentioned under Principle 2 above, the NC also reviews the independence of the Directors annually and have af rmed that Mr David Yeung, Mr Chan and Mr Wu are independent and are able to exercise judgement on the corporate affairs of the Group independent of the Management.

Multiple Directorship

All Directors declare their board memberships as and when practicable.

During FY2023, the NC has ascertained that all Directors, including those who have other listed company board representations and/or principal commitments, have devoted suf cient time and attention to the Group's affairs and have discharged their duties and responsibilities adequately. The Board and NC take into account the Directors' actual conduct on the Board, in making this determination. As time requirements of each director are subjective, the Board and NC have decided not to x a maximum limit on the number of directorships a director can hold. The Board and NC consider that the multiple board representations held presently by its Directors do not impede their respective performance in carrying out their duties to the Company. The NC is also of the view that its assessment of a Director's ability to devote suf cient time to the discharge of his or her duties should not entail a restriction on the number of other board commitments or their other principal commitments.

The listed company directorships and principal commitments of each Director are set out below:

Director	Position	Present directorship in other listed companies	Present principal commitments*
Mr Pan	Executive Chairman and CEO	Nil	Subsidiaries of Company z Southern Packaging (Jiangsu) Co., Ltd z Foshan Nanxin Packaging Co., Ltd z Southern (HK) Packaging Co., Ltd z Foshan Southern Packaging Co., Ltd Other corporations z Foshan Jia Xun Real Estate Co., Ltd z Guangdong Donald Food Co., Ltd z Guangdong Xinghua Health Drinks Co., Ltd z Energetic Holdings Limited z Striving Asset Management Co., Ltd z Foshan Jia Bang Real Estate Co., Ltd z Thrive United Holdings Ltd z Cappella Holding Pte. Ltd z Nanhai 4 Pte. Ltd z Shan Shine Asset Management Co., Ltd z Stable Growth Investment Co., Ltd z Foshan Shan Shine Corporate Advisory Co., Ltd z Foshan Ying Feng Real Estate Co, Ltd

Director	Position	Present directorship in other listed companies	Present principal commitments*
Mr Chen	Executive Director and Vice Chairman	Nil	z Stable Growth Investment Ltd z Foshan Jia Bang Real Estate Co., Ltd z Thrive United Holdings Ltd z Foshan Shan Shine Corporate Advisory Co., Ltd z Foshan Ying Feng Real Estate Co., Ltd z Foshan Jia Bei Le Property Management Co., Ltd
Mr David Yeung	Lead Independent Non-Executive Director	Nil	z Kreston David Yeung PAC z Daxin Yeung PAC z Daxin Consulting (S) Pte Ltd z Adex Management Pte. Ltd. z Pierce Holdings Pte. Ltd. z Quanfang TCM & Health Products Pte. Ltd. z Ipetmart Pte. Ltd.
Mr Chan	Independent Non-Executive Director	z Megachem Limited z Uni-Asia Group Limited z Jiutian Chemical Group Limited z Alpha DX Group Limited (under interim judicial management)	Nil
Mr Wu	Independent Non-Executive Director	z Shengli Oil & Gas Pipe Holdings Limited z Sasseur Asset Management Pte. Ltd. (as Manager of Sasseur Real Estate Investment Trust)	z Drew & Napier LLC, Singapore z Chalco International Trading Mineral Resources Pte. Ltd. z Chalco Trading Singapore Pte. Ltd.

***** "Principle Commitments as de ned in the Code include all commitments which involve signi cant time commitment such as full time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in nonpro t organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.

Alternate Director

There is no alternate Director appointed to the Board.

Board Performance

Principle 5 **The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual director.**

Board, Board Committees and Individual Director Assessments

The Board has established and implemented processes to be carried out by the NC for monitoring and evaluating the performance and effectiveness of the Board as a whole, the Board Committees and contribution of individual directors.

The evaluation of the Board is conducted annually based on objective performance criteria proposed by the NC and approved by the Board. The assessment covers areas such as Board Composition, Board Committee performance and effectiveness, Information to the Board, Board Procedures, Board Accountability, CEO/Top Management, Standards of Conduct, Risk Management and Internal Control and Communication with Shareholders. As part of the process, the Directors will complete appraisal forms which are collated by the Company Secretary. The Company Secretary will then consolidate and present the results of the appraisal to the Chairman of the NC who will then present a report to the Board.

An individual assessment of each Director is also undertaken annually. Assessment parameters for each Director include their knowledge and abilities, attendance records at the meetings of the Board and Board Committees, and the intensity and quality of participation at meetings. The process of the assessment is through self-assessment where each Director will complete appraisal forms which are collated by the Company Secretary. The Company Secretary consolidates the appraisal forms and presents the results to the Chairman of the NC who will then present a report to the Board.

The performance criteria do not change from year to year. Directors can also provide input on issues which do not fall under these categories, for instance, addressing speci c areas where improvements can be made. Feedback and comments received from the Directors are reviewed by the NC, in consultation with the Chairman of the Board, to determine the actions required to improve the corporate governance of the Company and effectiveness of the Board as a whole. The Board is of the opinion that a separate assessment on the effectiveness of the Board Committees is not necessary as the Board Committees share common members.

The NC, having reviewed the overall performance of the Board and Board Committees in terms of its role and responsibilities and the conduct of its affairs as a whole for the nancial year reported on, is of the view that the performance of the Board as a whole and Board Committees has been satisfactory. The NC, in assessing the contribution of an individual Director, has considered each Director's level of participation and attendance at Board and Board Committee meetings, his quali cations, experience, expertise and the time and effort dedicated to the Group's business and affairs. The NC is satis ed that suf cient time and attention has been given to the Group by the Directors. The NC is also satis ed that the current size and composition of the Board provides it with adequate ability to meet the existing scope of needs and the nature of operations of the Group. From time to time, the NC will review the appropriateness of the Board size, taking into consideration changes in the nature of the Group's businesses, the scope of operations, as well as changing regulatory requirements.

Each member of the NC shall abstain from voting on any resolutions in respect of the assessment of his performance for re-nomination as Director.

The Board has not engaged any external consultant to conduct an assessment of the effectiveness of the Board and the contribution by each individual Director to the effectiveness of the Board. Where relevant, the NC will consider such an engagement.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6 **The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.**

As at the date of this Report, the RC comprises the following three (3) members, all of whom including the Chairman of the RC are Independent Non-Executive Directors:-

Mr David Yeung (Chairman)
Mr Chan (Member)
Mr Wu (Member)

The RC is governed by the RC's Terms of Reference which describes the duties and the powers of the RC. The functions of the RC are:-

(a) review and recommend to the Board the framework of remuneration of the key executives of the Company and its subsidiaries, including Executive Directors, CEO and other key management personnel;

(b) review the on-going appropriateness, attractiveness and relevance of the executive remuneration policy and other bene t programs including the terms of renewal for those executive directors whose current employment contracts will expire or had expired;

(c) consider, review and approve and/or vary (if necessary) the entire speci c remuneration package and service contract terms for each Directors as well as for the key management personnel (including salaries, allowances, bonuses, payments, options, bene ts in kind, retirement rights, severance packages and service contracts) having regard to the executive remuneration policy for each of the companies within our Group;

(d) review the Company's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous;

(e) consider and approve termination payments, retirement payments, gratuities, ex-gratia payments, severance payments and other similar payments to each member of key management personnel;

(f) seek expert advice inside the Company and/or outside professional advice on remuneration of Directors and key management personnel, and to ensure that existing relationships, if any, between the Company and its appointed consultants will not affect the independence and objectivity of the consultants;

(g) determine, review and approve the design of all option plans, stock plans and/or other equity based plans that the Group proposes to implement, to determine each year whether awards will be made under such plans, to review and approve each award as well as the total proposed awards under each plan in accordance with the rules governing each plan and to review, approve and keep under review performance hurdles and/or ful llment of performance hurdles under such plans;

(h) approve the remuneration framework (including directors' fees) for the Non-Executive Directors and for the Boards of the Company;

(i) review the remuneration of employees who are substantial shareholders or immediate family members of a Director, CEO or a substantial shareholder of the Company to ensure that their remuneration packages are in line with the staff remuneration guideline and commensurate with their respective job scopes and level of responsibilities; and

(j) undertake such other functions and duties as may be delegated by the Board or required by statue or the Listing Rules and by such amendments made thereto from time to time.

The RC's recommendations are made in consultation with the Chairman of the Board and submitted to the entire Board for endorsement. All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, share-based incentives and awards, other bene ts-in-kind and termination payments shall be overseen by the RC.

In its review, the RC's objective is to establish and maintain a level of remuneration that would be appropriate to attract, retain and motivate the Directors and key management personnel to run the Group successfully. The RC also ensures that the remuneration policies and systems of the Group support the Group's objectives and strategies.

The RC will review the Company's obligations arising in the event of termination of the Executive Directors and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous and to be fair and avoid rewarding poor performance.

Save for the contributions to de ned contribution plans as disclosed in Note 2.5 to the Financial Statements on page 65 of this Annual Report, and the payment in lieu of notice in the event of termination in their respective employment contracts, there are no other termination, retirement and post-employment bene ts granted to the Directors, the CEO or any key management personnel.

The RC may from time to time, where necessary or required, seek expect advice from external consultants in framing the remuneration policy and determining the level and mix of remuneration for the Directors and key management personnel, so that the Group remains competitive. During FY2023, no external remuneration consultant has been engaged.

Having reviewed and considered the variable components of the Executive Directors and the key management personnel, which are moderate, the RC is of the view that there is no requirement to institute contractual provisions to allow the Company to reclaim incentive components of their remuneration paid in prior years in exceptional circumstances of misstatement of nancial results, or of misconduct resulting in nancial loss. However, the Company believes that it should be able to avail itself to remedies against these personnel in the event of such breach of duciary duties.

There is currently no long-term incentive scheme for the Directors of the Group and there is currently no unexpired share options.

No Director is involved in deciding his own remuneration, except in providing information and documents if required by the RC to assist in its deliberations. Directors' fees are recommended by the Board for approval at the Company's AGM.

Directors' fees

Independent Directors do not have service agreements. The remuneration of Non-Executive Directors is paid a xed base fee and an additional xed fee for serving on any of the Board Committees, taking into account factors such as level of contribution, effort, time spent, and responsibilities.

The RC recommends the payment of such fees in accordance with the contributions and responsibilities of the Non-Executive Directors, which will then be endorsed by the Board and subject to approval by the shareholders of the Company at the AGM.

Disclosure on Remuneration

Principle 8 **The Company is transparent on its remuneration policies, level and mix of remuneration, the procedures for setting remuneration, and the relationship between remuneration, performance and value creation.**

Directors' and Key Management Personnel' Remuneration

During FY2023, the RC had reviewed the compensation and remuneration packages of all Directors and key management personnel and believes that the remuneration package commensurate with their respective performance roles and responsibilities, giving due consideration to the nancial and commercial health and business needs of the Company. The RC has recommended to the Board and the Board has approved the remuneration of the Directors and the key management personnel.

The breakdown (in the percentage terms) of the level and mix of Directors' and CEO's remuneration for FY2023 are as follows :

Name	Salary %	Bonus %	Fringe Benefits %	Directors' Fees %	Total %
S$500,000 to below S$750,000					
Pan Shun Ming	98.8		1.2		100
Below S$250,000					
Chen Xiang Zhi	98.8		1.2		100
David Yeung				100	100
Chung Tang Fong[1]				100	100
Chia Chor Leong				100	100
Chan Kam Loon[2]				100	100
Wu Geng[3]					

Note:

(1) Mr Chung Tang Fong resigned as an Independent Director of the Company on 31 August 2023.

(2) Mr Chan was appointed as an Independent Director of the Company on 1 August 2023.

(3) Mr Wu was appointed as an Independent Director of the Company on 1 January 2024.

The Board has approved the RC's recommendations for the Directors' fees of S$126,667/- for FY2023 and S$129,668/- for the nancial year ending 31 December 2024, payable quarterly in arrears. The fees are subject to the approval of shareholders at the forthcoming AGM. Executive Directors are not entitled to Directors' fees. The aggregate amount of remuneration paid or payable to the Directors for FY2023 are disclosed under Note 37 to the Financial Statements on page 114 of this Annual Report.

A breakdown of the level and mix of top ve (5) key management personnel's (who are not Directors or the CEO) remuneration for FY2023 are as follows:

Name	Salary %	Bonus %	Fringe Benefits %	Total %
S$250,000 to below S$500,000				
Mai Shuying	98.5		1.5	100
Below S$250,000				
Li Yonghua	98.6		1.4	100
Pu Jinbo	93.9		6.1	100
Pan Zhaojin	89.3		10.7	100
Zhang Jianling	100			100

The annual aggregate remuneration paid to the top ve (5) key management personnel (excluding the Directors and CEO) for FY2023 is S$1,059,852.

During FY2023, save for Mr Pan, Madam Mai Shuying and Mr Pan Zhaojin (as disclosed below table), (substantial shareholders of the Company), there are no other employees who are substantial shareholders of the Company or are immediate family members of a Director or the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S$100,000 during the nancial period under review.

Name	Remuneration Band
Pan Shun Ming	S$500,000 to below S$600,000
Mai Shuying	S$400,000 to below S$500,000
Pan Zhaojin	S$100,000 to below S$200,000

While the Company has not disclosed fully the amount of remuneration of each Director and CEO as required under provision 8.1(a) of the Code, the RC and the Board, after careful consideration, are of the view that such disclosures would not be in the best interests of the Group's business given the highly competitive environment it is operating in, and that the details disclosed in the above remuneration tables and under Note 37 on page 114 of the Financial Statements provide an appropriate balance between detailed disclosure on its remuneration framework and criteria for setting remuneration under Principle 7: Level and Mix of Remuneration. The non-disclosure does not compromise the ability of the Company to meet the code on good corporate governance as the RC (consists of all independent directors) reviews the remuneration package of Executive Directors are remunerated based on the remuneration framework and performance of the Group to ensure that they are fairly remunerated and is strongly linked to the achievement of the corporate and individual performance targets, and remuneration of the Non-Executive Directors is based on the remuneration framework. Except in providing information and documents required by RC to assist in its deliberations, none of the Directors is involved in deliberation and voting in respect of any remuneration, compensation or any form of bene ts to be granted to him or someone related to him. The Directors' fees as recommended by the Board will be subject to the approval of shareholders at the Company's AGM. The Board believes that, taken as a whole, the disclosure provided herein are meaningful and suf ciently transparent in giving an understanding of the remuneration of its Directors and CEOs, consistent with the intent of Principle 8 of the Code.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9 **The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and shareholders.**

The Board acknowledges that it is responsible for the governance of risk and the overall internal control framework, but recognises that no internal control system will preclude all errors and irregularities.

Currently, the AC with the assistance of internal and external auditors and Management assumes the responsibility of the risk management function. Management reviews regularly the Group's business and operational activities to identify areas of signi cant risks as well as appropriate measures to control and mitigate these risks. Management reviews all signi cant policies and procedures and highlights all signi cant matters to the Board and the AC. The Board is of the view that in view of the Group's manageable size, a separate risk committee is not required for the time being.

Audit Committee

Principle 10 The Board has an Audit Committee which discharges its duties objectively.

As at the date of this Report, the AC comprises the following three (3) members, all of whom, including the Chairman of the AC, are Non-Executive Independent Directors:-

Mr David Yeung (Chairman)
Mr Chan (Member)
Mr Wu (Member)

None of the AC members (i) was former partners or Directors of the Company's existing auditing rm or corporation within the previous two years commencing on the date of their ceasing to be a partner or Director of the auditing rm or corporation; and (ii) holds any nancial interest in the auditing rm or corporation.

The Board is satis ed and in its business judgement viewed that the AC's composition and members are appropriately quali ed to discharge their duties and responsibilities. The AC members have suf cient accounting and/or related nancial management expertise and experience, as the Board interprets such quali cation in its business judgement. Notably, Mr David Yeung, the AC Chairman, has extensive and practical accounting and nancial management knowledge and had at least 30 years' experience in public accountancy, to be well quali

(h) make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;

(i) review, with the internal and external auditors, the audit plans, scope of work, their evaluation of the adequacy of the internal controls, the audit report, accounting system, the management letters and the management's response, and results of audits complied by the internal and external auditors;

(j) review the internal control and procedures, including accounting and

(u) review and establish procedures for receipt, retention and treatment of complaints received by the Group, inter alia, criminal offences involving the Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group, and to ensure that arrangements are in place for independent investigations of such matter and for appropriate follow-up, pursuant to the Company's whistle-blowing policy;

(v) propose and establish a "Whistle-blowing policy and review the procedures and arrangement by which employees of the Group may, in con dence, report to the AC, possible improprieties in matters of nancial reporting or other matters and ensure that there are arrangements in place for independent investigation and follow-up actions thereto; and

(w) to undertake Group's compliance with such functions and duties as may be required under the relevant statues or the Listing Manual, including such amendments made thereto from time to time.

In line with the terms of reference of the AC, the following activities were carried out by the AC during FY2023 in the discharge of its functions and duties including the deliberation and review of:

(a) the internal and external audit plan in terms of their scope prior to their commencement;

(b) the unaudited condensed interim and full year nancial results of the Group, and announcements prior to submission to the Board for approval and release via SGXNet;

(c) the audited nancial statements of the Group and the Company prior to submission to the Board for consideration and approval;

(d) the assurance received from the CEO and CFO on the nancial records and nancial statements;

(e) the internal audit ndings report including internal control processes and procedures;

(f) the independence, adequacy and effectiveness of the Group's internal audit function;

(g) the adequacy and effectiveness of the Company's risk management system and internal controls, including nancial, operational, compliance and information technology controls and reporting the ndings to the Board;

(h) interested person transactions and any potential con icts of interests;

(i) the co-operation and assistance given by Management to the Group's external and internal auditors; and

(j) the independence, effectiveness and re-appointment of the external auditors of the Company and level of audit and non-audit fees, and their recommendation to the Board for approval.

The AC and the Board of Directors, with the assistance of internal and external auditors, reviews the adequacy and effectiveness of the key internal controls, including nancial, operational, compliance, information technology controls and risk management systems on an on-going basis. There are formal procedures in place for both the internal and external auditors to report independently their ndings and recommendations to the AC.

The AC has the power to conduct or authorise investigations into any matters within the AC's scope of responsibility, such as where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or likely to have a material impact on the Group's operating results and/or nancial position. The AC is authorised to obtain independent professional advice if it deems necessary in the discharge of its responsibilities. Such expenses are to be borne by the Company.

The AC has full access to and co-operation of the Company•s Management and has full discretion to invite any Director or executive of cer to attend its meetings, and has been given reasonable resources to enable it to discharge its functions.

Each member of the AC will abstain from voting in respect of matters in which he is interested.

Independence of External Auditors

The aggregate amount of fees paid and/or payable by the Group to BDO LLP and overseas af liates of BDO LLP for FY2023 is RMB1,122,735, of which audit fees amounted to RMB1,097,603 and non-audit fees amounted to RMB25,123.

During the year, the AC has reviewed the scope and results of audit by BDO LLP, adequacy of resources, experience and competence of the engagement partner and key audit team members in handling the audit and their cost effectiveness, as well as their independence and objectivity. The AC has also undertaken a review of the range, volume and nature of the non-audit services performed by its external auditors which is in relation to tax agent and tax compliance services rendered. The AC is satis ed that (i) neither their independence nor their objectivity was put at risk, and that they were able to meet the audit requirements and statutory obligations of the Company; and (ii) the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. BDO LLP has also provided a con rmation of their independence to the AC. Accordingly, the AC is satis ed that the Company has complied with the Rule 712 of the Listing Manual and has recommended to the Board, the nomination of the external auditors, BDO LLP, for re-appointment at the forthcoming AGM.

Other member rm of BDO LLP is auditor of the Company•s signi cant foreign-incorporated subsidiaries, the Company has complied Rule 715 of the Listing Manual.

The external auditors have unrestricted access to the AC.

The AC takes measures to keep abreast of the changes to accounting standards and issues which have impact on the Group•s nancial statements, with training conducted by professionals or external consultants. In FY2023, the AC was briefed and updated by the external auditors on the changes or amendments to the accounting standards and its corresponding impact on the nancial statements, if any.

AC•s commentary on key audit matter

In the review of the nancial statements for FY2023, the AC has discussed with the Management and the external auditors on signi cant issues as well as the reasonableness of the key assumptions including signi cant judgements and key estimates used that impact the nancial statements. The most signi cant matter have also been included in the Independent Auditor•s Report to the Members under •Key Audit MatterŽ. Taking into account all instances the views of the external auditors, the AC is assured and concurred with the Management•s conclusions and satis ed that this matter have been properly dealt with; and concluded that the Group•s accounting treatment and the disclosures in the nancial statements were appropriate. The AC has recommended the Board to approve the nancial statements.

Internal Audit

The Company has outsourced the internal audit function to an independent professional rm, Daxin Guangzhou CPA who will report directly to the AC and administratively to the Deputy CEO. The AC approves the hiring, removal, evaluation and compensation of the internal auditors and the internal auditors have unfettered access to all the Company•s documents, records, properties and personnel, and reports directly to the AC on audit matters. The AC will review on annual basis the adequacy and effectiveness of the internal audit function.

During the FY2023, the internal auditor had conducted reviews on the scopes detailed in the internal audit plan as approved by the AC. Subsequent to the review, the IA will report its findings to the AC and will propose recommendations to enhance the Group's internal controls and to resolve any instances of inadequate internal control processes. The Management is responsible for the implementation of the various recommendations and will report the progress of implementation to the AC. As at the date of this report, the matters and agreed actions highlighted in the IA report had been resolved and implemented.

The external auditors will also highlight to the AC any major control weaknesses on financial reporting identified in the course of the statutory audit, if any.

As part of the Group's continuous efforts to ensure that its risk management systems and internal controls are adequate and effective, the Company is not only working towards strengthening the existing policies by conducting regular reviews to ensure that they remain relevant but is also implementing new ones where necessary to meet challenges brought on by a changing business environment.

The AC approved the re-engagement of Daxin Guangzhou CPA to perform a review of the internal controls of the Group in accordance with the Standards for the Professional Practice of Internal Auditing laid down by the International Professional Practices Framework issued by the Institute of Internal Auditors, Inc.

Daxin Guangzhou CPA is a consultancy practice specialising in providing independent assurance services for corporations that require cost-effective and immediate solutions for their governance, risk and internal audit needs such as compliance audit, post-implementation reviews, value for money reviews, due diligence secondment and financial investigations. The engagement team assigned comprises 3 members and the partner-in-charge, Cen Su Peng, has more than 10 years of relevant and diverse audit experience. The AC has assessed and is satisfied that the internal audit function of the Group is independent and effective, and the internal auditors have adequate resources to perform its function effectively and is staffed by suitably qualified and experienced professionals with the relevant experience. Accordingly, the Company is in compliance with Rule 1207(10C) of the Listing Rules.

Whistle-Blowing Policy

The Company has in place a whistle-blowing policy which provides well-defined and accessible channels in the Group through which employees and any other persons may raise concerns, in confidence, on improper conduct or other matters to Management and/or the AC, where applicable. The details of the policy have been disseminated and made available to all employees.

The Company is proactive in conducting awareness briefings and ensuring regular communications to employees via email reminders. The Group's Whistle Blowing Policy is available on the Company's intranet and website for easy access by all employees and the public. On quarterly basis, Management will email to all the employees to report any complaints, suspected fraud, corruption, dishonest practices or other similar matters relating to the Group, the Directors or key management personnel. All concerns will be treated with strict confidentiality. The AC and the Board ensure the identify of whistleblower is kept confidential. It is the Company's commitment that if an employee or any person raises a genuine concern, he will not be a risk of losing his job or suffering from reprisal/harassment or detrimental or unfair treatment as a result. The AC oversees the administration of the policy and ensures that all concerns or complaints raised are independently investigated and appropriate actions are carried out.

Whistleblowing complaints or reports can be lodged via email to sp.feedback@southern-packaging.com. Complaints or reports raised will be directed to the AC Chairman.

The employees could report directly to their immediate superior, human resource, top management. All complaints will be promptly and thoroughly investigated in con dence and on a need-to-know basis. The investigation outcome together with a recommendation on the necessary actions to be taken will be reported to the AC, who will decide on the appropriate course of action. All whistleblowing cases (if any) will be consolidated and submitted to the AC for review at every AC meeting. There have not been any whistle-blowing reports during FY2023.

The Company aims to safeguard the con dentiality of whistleblowers and protect them from any reprisals, victimisation, harassment and/or disciplinary proceedings, in line with its objective to instil transparency and accountability across operations.

The AC is vested with the power and authority to investigate and enforce appropriate action when any such non-compliance matter brought to its attention.

Independent meeting with external and internal auditors

The AC has met the external and internal auditors without presence of the Management at least once a year to review assistance given by the Management to internal and external auditors and to ascertain if there are any material weaknesses or control de ciencies in the Group's nancial and operational systems. The external auditors were also invited to be present at AC meetings held during FY2023 to, inter alia, answer or clarify any matter on cooperation from management, accounting and auditing of internal control.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11 **The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.**

Participation of General Meeting

The Company's general meetings are the principal forums for dialogue with shareholders.

The Board supports and encourages shareholders to participate actively in general meetings. At general meetings of the Company, shareholders are given equitably opportunity to participate effectively in and vote at the meeting, express their views/concerns and asking questions regarding the Group's business or performance. Notice of general meetings announced on SGXNet and the Company's website prior to the meeting. The Directors ensures that the shareholders are well informed of the meeting and voting procedures.

Any notice of general meeting consisting of only ordinary resolution is issued at least fourteen (14) calendar days before the scheduled date of such meeting while a notice of general meeting containing special resolution is issued at least 21 calendar days before the scheduled date of the meeting.

At the Company's general meetings, the chairpersons of the AC, NC and RC, majority Directors and Management are normally present and available to address shareholders' questions at general meetings. The external auditors are also invited to attend the AGMs to assist the Directors in addressing shareholders' queries about the conduct of audit and the preparation and contents of the auditors' report. In FY2023, the Company held an AGM via electronic means in accordance with the Covid-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. The attendance of Directors for the AGM held on 27 April 2023 is disclosed under Principle 1 of this Annual Report. All Directors that were in appointment at that time attended the AGM for nancial year ended 31 December 2022.

The forthcoming AGM to be held on 29 April 2024 will be convened and held in a wholly physical format. There will be no option for shareholders to participate virtually. Shareholders are entitled to attend the AGM and are given the opportunity to participate effectively in and vote at the AGM. All shareholders will receive the notice of AGM and the notice will also be advertised on the newspaper.

The Company has not amended its Constitution to provide for absentia voting methods. Voting in absentia and by electronic mail may only be possible following careful study to ensure that integrity of the information and authentication of the identity of the shareholders through the web is not compromised.

All shareholders can vote in person or to appoint up to two (2) proxies during his/her absence to attend, vote and speak in general meeting in accordance with the Constitution of the Company. Pursuant to Section 181 of the Companies Act 1967, notwithstanding the Constitution of the Company, the Company allows and will provide necessary measures to allow corporations which provide nominee or custodial services to appoint more than two (2) proxies so that shareholders who hold shares through such corporations can attend and participate in general meetings as proxies.

Each item of special business included in the notice of the AGM is accompanied by an explanation of the effects of the proposed resolution. At AGMs, the Directors ensure that separate resolutions are set out on distinct issues for approval by shareholders and shareholders are given the opportunity to raise questions and clarify any issues they may have relating to the resolutions to be passed. Shareholders are also given the opportunities to submit written questions prior to the forthcoming AGM. The Management and the Board will respond to all substantial and comments and queries relevant to the business to be transacted at the forthcoming AGM within a reasonable timeframe prior to the AGM, but no later than 48 hours before the closing of the date and time for the lodgement of proxy forms, through publication on SGXNet. Pursuant to Rule 730A of the Listing Manual, all proposed resolutions at the Company's general meetings will be conducted by way of poll in the presence of an independent scrutineer. The explanation on polling procedures will be provided to shareholders before the poll voting is conducted. The total number and percentage of valid votes cast for or against each resolution will be announced at the general meeting and also published via SGXNet after the general meeting.

After a general meeting, the Company Secretary prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meetings, and responses from the Board and the Management. The minutes of general meetings will be published on the SGX website as soon as practicable once it is approved by the Board. The minutes of general meetings will also be made available to shareholders upon their written request. The Company had published the minutes of the AGM held on 27 April 2023 on SGX website.

Dividend Policy

The Company currently does not have a xed dividend policy. Nonetheless, the Management after reviewing the performance of the Company in the relevant nancial period will make appropriate recommendation to the Board. Any dividend recommendation or declaration will be communicated to shareholders via announcement through SGXNet.

The form, frequency and amount of declaration and payment of future dividends on shares of the Company that the Directors may recommend or declare in respect of any particular nancial year or period will be subject to the factors outlined below as well as other factors deemed relevant by the Directors:

- the level of cash and retained earnings;
- actual and projected nancial performance;
- projected levels of capital expenditure and expansion plans;
- working capital requirements and general nancing needs and conditions; and
- restrictions on payment of dividend imposed to the Company (if any).

The Board has not declared or recommended a dividend in respect of FY2023 as the Group has sustained losses in FY2023.

Engagement with Shareholders and Stakeholders

Principle 12 **The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholder to communicate their views on various matters affecting the Company.**

The Company has put in place an investor relations policy to facilitate fair and effective communication with shareholders. The Company conveys pertinent information to shareholders and complies with the guidelines set out in the Listing Manual when disclosing information. All questions raised by shareholders would be escalated to and addressed by the Senior Management or relevant person-in-charge.

The Company treats all shareholders fairly and equitably, and recognise, protect and facilitate the exercise of shareholders' right and continually review and update such governance arrangement. In this regard, care is taken to ensure that no market sensitive information such as corporate proposals, nancial results and other material information is disseminated to any party without rst making an of cial announcement through SGXNet.

The Group strives for timeliness and transparency in its disclosures to the shareholders and the public. The Company does not practise selective disclosure, and price-sensitive information is publicly released through SGXNet on an immediate basis pursuant to the Listing Manual. Information is disseminated to shareholders on a timely basis through various means of communication such as:

- announcements via SGXNet;
- price sensitive information, signi cant transactions or matters are communicated to shareholders via SGXNet;
- sustainability reports, Annual Reports and notice of general meetings issued to all shareholders; and
- the Company's website at http://www.southern-packaging.com/ at which shareholders have access to information on the Group.

The Company solicits feedback from and addresses the concerns of Shareholders (including institutional and retail investors) by email via a dedicated investor relations email: public@southern-packaging.com or in writing to the Company's headquarter located in China or registered of ce in Singapore. The Company also attends to shareholders' queries made via telephone.

For the forthcoming AGM, shareholders may submit their questions relating to the resolutions set out in the notice of the AGM in advance, or live at, the AGM. All substantive and relevant questions related to the resolutions to be tabled for approval at the AGM received in advance of the AGM before the cut-off date will be addressed and published via SGXNet and on the Company's website before the deadline for submission of proxy forms. Any subsequent clari cations sought, or follow-up questions, or substantial and relevant questions received after the cut-off date will be consolidated and addressed at the AGM. The detailed information on the submission of questions has been speci ed in the notice of AGM.

Principle 13 **The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.**

The Company understands the importance of stakeholder engagement and has been reporting its engagement activities in its annual sustainability report, with reference to Global Reporting Initiative (GRI) Standards. Key stakeholders have been identi ed (customers, employees, investors, suppliers, government and regulators), each with their respective engagement channels and key areas of interests that have been made of the Group's priorities. Stakeholders can communicate or write to the Company via its corporate website at www.southern-packaging.com.

Please refer to the section on Stakeholder Engagement in the Company's Sustainability Report 2023 to be published on SGXNet by 30 April 2024 for more information on how the Company manages its stakeholder relationshi-2.4 TD.tnt in the CsTf-8.5039 -2.4treaive at, the AGaOy underst of queDEALING IN SECURITIES661 T42 Tw

INTERESTED PERSON TRANSACTIONS ("IPTs")

The Company has established review procedures for IPTs and the reviews to be made periodically by the AC in relation thereto are adequate to ensure that the IPTs will be transacted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. In the event that a member of the AC is involved in any IPT, he will abstain from reviewing that particular transaction.

The IPTs of the Group during FY2023 are:-

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) FY2023	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) FY2023
Guangdong Xing Hua Health Drink Co. Ltd [1]	RMB2,039,168 (S$388,154)	
Pan Shun Ming and Mai Shu Ying [2]	RMB830,644 (S$158,117)	
Foshan Jia Bei Le Property Management Co. Ltd. [3]	RMB787,464 (S$149,893)	

(1) Rental payment to Guangdong Xing Hua Health Drink Co. Ltd, an associate company of Pan Shun Ming (Executive Chairman, CEO and Substantial Shareholder) and Mai Shu Ying (Substantial Shareholder), for factory occupied by Foshan Southern Packaging Co., Ltd., a wholly-owned subsidiary of the Company.

(2) Rental payment for Of ce occupied by Southern (HK) Packaging Company Limited, a wholly-owned subsidiary of the Company.

(3) Property management fee of Apex Tower.

CORPORATE SOCIAL RESPONSIBILITIES

The Company has always fostered a socially responsible corporate culture amongst its management and staff. Our management team and employees are our assets. We recognise that the success of our Group is due in great part to our dedicated and passionate team of employees working together to deliver high-quality services to our customers. Therefore, we take great care of employees by proving them a safe and healthy work premises and offer them opportunities to continually enhance and develop their core skills and knowledge base. In addition to this, we also provide classroom training and product knowledge, safety and product handling, new market trends and technologies so that our staff stays up-to-date with the latest developments and trends within the industry. New employees will also be provided mandatory orientation programmes to familiarise them with the Group's corporate identity, policy and standard operation practise.

SUSTAINABILITY REPORTING

The Group rmly believes that our commitment to embrace the tenets of corporate sustainability as a driving force to creating value for our stakeholders at large. We adopt the principles of sustainability throughout our supply chain and continue to build sustainable practices in every aspect of the Group's business in achieving high levels of integrity and excellence in its activities. We focus our efforts on sustainable economic growth, training and education, employment, environment protection and environmental compliance. The Sustainability Report will be published by 30 April 2024 via SGXNet.

The directors of Southern Packaging Group Limited (the "Company) present their statement to the members together with the audited consolidated nancial statements of the Company and its subsidiaries (the "Group) for the nancial year ended 31 December 2023 and the statement of nancial position of the Company as at 31 December 2023 and the statement of changes in equity of the Company for the nancial year ended 31 December 2023.

1. Opinion of the Directors

In the opinion of the Board of Directors,

(a) the consolidated nancial statements of the Group and the statement of nancial position and statement of changes in equity of the Company together with the notes thereon are properly drawn up so as to give a true and fair view of the nancial position of the Group and of the Company as at 31 December 2023, and of the consolidated nancial performance, consolidated changes in equity and consolidated cash ows of the Group and of the changes in equity of the Company for the nancial year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The directors of the Company in of ce at the date of this statement are as follows:

Pan Shun Ming	
Chen Xiang Zhi	
Yeung Koon Sang @ David Yeung	
Chan Kam Loon	(Appointed on 1 August 2023)
Wu Geng	(Appointed on 1 January 2024)

3. Arrangements to enable Directors to acquire shares or debentures

Neither at the end of nor at any time during the nancial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire bene ts by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

4. Directors' interests in shares or debentures

The directors of the Company holding of ce at the end of the nancial year had no interests in the shares or debentures of the Company or its related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the "Act), except as follows:

Name of director in which interests is held	Shareholdings registered in name of director or nominee		Shareholdings in which a director is deemed to have an interest	
	Balance as at 1 January 2023	Balance as at 31 December 2023	Balance as at 1 January 2023	Balance as at 31 December 2023
	Number of ordinary shares			
Company				
Pan Shun Ming	27,384,697	27,384,697	17,925,265	17,925,265

By virtue of Section 7 of the Act, Mr Pan Shun Ming is deemed to have interests in the shares of all the subsidiaries of the Company as at the beginning and end of the nancial year.

In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST), the directors of the Company state that, according to the Register of the Directors' Shareholdings, the directors' interests as at 21 January 2024 in the shares or debentures of the Company or its related corporations have not changed from those disclosed as at 31 December 2023.

5. Share options

There were no share options granted by the Company or its subsidiary corporations during the nancial year.

There were no shares issued during the nancial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company or its subsidiary corporations under option as at the end of the nancial year.

6. Audit Committee

The Audit Committee during the nancial year and at the date of this statement comprises the following members, all of whom are independent and non-executive directors of the Company:

Yeung Koon Sang @ David Yeung	(Chairman of AC)
Chia Chor Leong	(Resigned on 23 February 2024)
Chung Tang Fong	(Resigned on 31 August 2023)
Chan Kam Loon	(Appointed on 1 September 2023)
Wu Geng	(Appointed on 23 February 2024)

6. Audit Committee (Continued)

The Audit Committee has met 3 times in 2023 and has carried out its functions in accordance with section 201B(5) of the Act, including reviewing the following, where relevant, with the Executive Directors and internal and external auditors of the Company:

a) the audit plans of the internal and external auditors and the results of the internal auditors' examination and evaluation of the Group's systems of internal accounting controls;

b) the Company's and the Group's nancial and operating results and accounting policies;

c) the statement of nancial position and statement of changes in equity of the Company and the consolidated nancial statements of the Group and external auditor's report on those nancial statements before their submission to the directors of the Company;

d) the half-yearly and annual announcement on the results and nancial position of the Company and the Group;

To the Members of Southern Packaging Group Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Southern Packaging Group Limited (the "Company) and its subsidiaries (the "Group) as set out on pages 55 to 114, which comprise:

- the consolidated statement of financial position of the Group and the statement of nancial position of the Company as at 31 December 2023;
- the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the nancial year then ended; and
- notes to the nancial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of nancial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act) and Singapore Financial Reporting Standards (International) ("SFRS(I)s) so as to give a true and fair view of the consolidated nancial position of the Group and the financial position of the Company as at 31 December 2023 and of the consolidated nancial performance, consolidated changes in equity and consolidated cash ows of the Group and of the changes in equity of the Company for the nancial year ended on that date.

Separate Opinion in Relation to International Financial Reporting Standards

As explained in Note 2.1 to the nancial statements, the Group, in addition to applying SFRS(I)s, have also applied IFRS Accounting Standards. In our opinion, the consolidated nancial statements of the Group give a true and fair view of the consolidated nancial position of the Group and the statement of nancial position of the Company as at 31 December 2023, and of the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash ows of the Group and the statement of changes in equity of the Company for the nancial year then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code) together with the ethical requirements that are relevant to our audit of the nancial statements in Singapore, and we have ful lled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is suf cient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most signi cance in our audit of the nancial statements of the current period. These matters were addressed in the context of our audit of the nancial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

To the Members of Southern Packaging Group Limited

Report on the Audit of the Financial Statements (Continued)

KEY AUDIT MATTER	AUDIT RESPONSE
Impairment of property, plant and equipment and land use rights	
As at 31 December 2023, the carrying amount of the Group's property, plant and equipment ("PPE ") and land use rights amounted to RMB395,607,032 and RMB36,478,137 respectively. During the financial year ended 31 December 2023, there were impairment indications on its PPE and land use rights for the loss-making operating facilities. The management carried out an impairment assessment to determine whether an impairment loss should be recognised in the nancial statements. Management determined the recoverable amounts based on value-in-use (discounted cash flow forecasts) calculations by estimating the expected discounted future cash ows to be derived from the cash generating unit to which the non-current assets belong. Any shortfall between the recoverable amount and the carrying amount of the cash generating unit would be recognised as an impairment loss. Based on the assessment result, no impairment loss was recognised during the nancial year. We have determined impairment assessment of property, plant and equipment and land use rights to be a key audit matter as the impairment assessment involved significant management judgements and estimates with regard to the key assumptions used in estimating the discounted future cash flows, such as the revenue growth rates, gross pro t margin and discount rate. Refer to Notes 2.7, 2.9, 2.11, 3.2(i), 11 and 14 of the accompanying nancial statements.	We performed the following audit procedures, amongst others: z Discussed with management and evaluated the reasonableness of the key assumptions made by management in preparing the discounted cash ows approved by Board of Directors, including performing analytical procedures and comparing the revenue growth rates against historical performance and industry outlook, as appropriate; z Engaged our internal valuation specialists to evaluate reasonableness of the discount rate used; z Performed sensitivity analysis around the key assumptions, including the revenue growth rates, gross pro t margin and discount rate used in the cash ow forecasts; and z Assessed the adequacy of the disclosure in the nancial statements with respect to impairment assessment of PPE and land use rights.

To the Members of Southern Packaging Group Limited

Report on the Audit of the Financial Statements (Continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the nancial statements and our auditor's report thereon. Our opinion on the nancial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the nancial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nancial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of nancial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRS Accounting Standards, and for devising and maintaining a system of internal accounting controls suf cient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair nancial statements and to maintain accountability of assets. In preparing the nancial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The directors' responsibilities include overseeing the Group's nancial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the nancial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to in uence the economic decisions of users taken on the basis of these nancial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nancial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is suf cient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

To the Members of Southern Packaging Group Limited

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast signi cant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nancial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the nancial statements, including the disclosures, and whether the nancial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain suf cient appropriate audit evidence regarding the nancial information of the entities or business activities within the Group to express an opinion on the consolidated nancial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and signi cant audit ndings, including any signi cant de ciencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most signi cance in the audit of the nancial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest bene ts of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Tei Tong Huat.

BDO LLP
Public Accountants and
Chartered Accountants

Singapore
3 April 2024

As at 31 December 2023

	Note	Group		Company	
		2023 RMB	2022 RMB	2023 RMB	2022 RMB
ASSETS					
Non-current assets					
Property, plant and equipment	11	395,607,032	438,354,795		
Investment properties	12	91,515,034	94,017,064		
Investments in subsidiaries	13			465,932,925	465,932,925
Land use rights	14	36,478,137	37,556,417		
Right-of-use assets	15	3,107,627	2,627,089		
Deferred tax assets	16	18,430,499	16,207,733		
Total non-current assets		545,138,329	588,763,098	465,932,925	465,932,925
Current assets					
Inventories	17	362,829,568	397,875,310		
Trade receivables	18	152,902,038	142,738,689		
Other receivables and prepayments	19	42,859,712	45,660,352	1,306,618	1,306,022
Cash and bank balances	20	90,219,566	67,244,843	995,002	441,424
Fixed deposits	21	1,441,000	2,661,000		
Total current assets		650,251,884	656,180,194	2,301,620	1,747,446
Total assets		1,195,390,213	1,244,943,292	468,234,545	467,680,371
LIABILITIES AND EQUITY					
Equity					
Share capital	22	230,592,765	230,592,765	230,592,765	230,592,765
Capital contribution	23	12,638,812	12,638,812		
Statutory reserve	23	64,124,500	58,546,029		
Foreign currency translation account	23	(1,007,899)	(1,149,783)		
Retained earnings		216,804,766	235,894,132	208,734,817	191,717,772
Total equity		523,152,944	536,521,955	439,327,582	422,310,537

The accompanying notes form an integral part of these “ nancial statements.

As at 31 December 2023

	Note	Group		Company	
		2023 RMB	2022 RMB	2023 RMB	2022 RMB
Non-current liabilities					
Deferred government subsidies	24	8,295,494	9,434,455		
Deferred tax liabilities	16	1,000,000	1,000,000		
Lease liabilities	25	813,367			
Borrowings	26	87,606,959	63,332,351		
Total non-current liabilities		97,715,820	73,766,806		
Current liabilities					
Deferred government subsidies	24	1,138,959	1,138,959		
Lease liabilities	25	2,349,395	2,621,248		
Current income tax payable		4,982,532	4,497,870		
Trade payables	27	201,677,233	273,136,241		
Other payables	28	34,528,700	34,395,944	28,906,963	45,369,834
Borrowings	26	329,844,630	318,864,269		
Total current liabilities		574,521,449	634,654,531	28,906,963	45,369,834
Total liabilities		672,237,269	708,421,337	28,906,963	45,369,834
Total liabilities and equity		1,195,390,213	1,244,943,292	468,234,545	467,680,371

The accompanying notes form an integral part of these “ nancial statements.

	Note	Share capital RMB	Capital contribution RMB	Statutory reserve RMB	Foreign currency translation account RMB	Retained earnings RMB	Total equity RMB
Group							
Balance as at 1 January 2023		230,592,765	12,638,812	58,546,029	(1,149,783)	235,894,132	536,521,955
Loss for the nancial year						(13,510,895)	(13,510,895)
Other comprehensive income for the nancial year							
- Exchange differences on translation of foreign operations					141,884		141,884
Total comprehensive expense for the nancial year					141,884	(13,510,895)	(13,369,011)
Other							
Transfer to statutory reserve	23			5,578,471		(5,578,471)	
Balance as at 31 December 2023		230,592,765	12,638,812	64,124,500	(1,007,899)	216,804,766	523,152,944
Balance as at 1 January 2022		230,592,765	12,638,812	58,546,029	(2,079,527)	273,710,553	573,408,632
Loss for the nancial year						(36,288,460)	(36,288,460)
Other comprehensive income for the nancial year							
- Exchange differences on translation of foreign operations					929,744		929,744
Total comprehensive expense for the nancial year					929,744	(36,288,460)	(35,358,716)
Distributions to owners of the parent							
Dividends	31					(1,527,961)	(1,527,961)
Balance as at 31 December 2022		230,592,765	12,638,812	58,546,029	(1,149,783)	235,894,132	536,521,955

The accompanying notes form an integral part of these " nancial statements.

For The Financial Year Ended 31 December 2023

	Note	Share capital RMB	Retained earnings RMB	Total equity RMB
Company				
Balance as at 1 January 2023		230,592,765	191,717,772	422,310,537
Pro t for the nancial year, representing total comprehensive income for the nancial year			17,017,045	17,017,045
Balance as at 31 December 2023		230,592,765	208,734,817	439,327,582
Balance as at 1 January 2022		230,592,765	205,227,856	435,820,621
Loss for the nancial year, representing total comprehensive expense for the nancial year			(11,982,123)	(11,982,123)
Distributions to owners of the parent				
Dividends	31		(1,527,961)	(1,527,961)
Balance as at 31 December 2022		230,592,765	191,717,772	422,310,537

The accompanying notes form an integral part of these “ nancial statements.

	Note	Group 2023 RMB	2022 RMB
Operating activities			
Loss before income tax		(13,854,970)	(46,147,281)
Adjustments for:			
Loss allowance (reversal)/made on trade receivables	18	(33,343)	318,895
Amortisation of deferred government subsidies	24	(1,138,961)	(1,138,959)
Amortisation of land use rights	14	1,078,280	1,078,280
Amortisation of right-of-use assets	15	2,499,103	2,384,972
Depreciation of investment properties	12	2,046,945	2,295,913
Depreciation of property, plant and equipment	11	53,999,986	54,156,055
Interest expense	7	21,505,784	19,931,461
Interest income	6	(323,639)	(426,073)
Loss on disposal of property, plant and equipment		268,194	485,739
Property, plant and equipment written off			278,017
Gain on derecognition of lease	6	(4,018)	(6,750)
(Reversal of)/Allowance made for slow-moving and obsolete inventories	17	(254,002)	111,313
Unrealised foreign currency exchange loss		667,709	1,181,939
Operating cash ows before working capital changes		66,457,068	34,503,521
Working capital changes:			
Inventories		35,318,475	576,174
Trade receivables		(10,484,524)	92,581,861
Other receivables and prepayments		3,397,652	881,167
Trade payables		(72,699,983)	(45,745,999)
Other payables		84,633	(11,054,992)
Cash generated from operations		22,073,321	71,741,732
Income tax paid		(1,398,298)	(771,420)
Net cash generated from operating activities		20,675,023	70,970,312
Investing activities			
Purchase of property, plant and equipment	11	(11,141,320)	(59,273,555)
Proceeds from disposal of property, plant and equipment		76,047	322,496
Interest received	6	323,639	426,073
Net cash used in investing activities		(10,741,634)	(58,524,986)

The accompanying notes form an integral part of these “ nancial statements.

For The Financial Year Ended 31 December 2023

	Note	Group 2023 RMB	2022 RMB
Financing activities			
Interest paid	7	(21,505,784)	(19,931,461)
Proceeds from borrowings	A	467,597,706	437,136,809
Repayment of borrowings	A	(432,231,651)	(444,531,416)
Repayment of lease liabilities	25	(2,434,659)	(2,372,383)
Decrease in xed deposits pledged		730,000	3,994,198
Dividends paid			(1,527,961)
Net cash generated from/(used in) nancing activities		12,155,612	(27,232,214)
Net change in cash and cash equivalents		22,089,001	(14,786,888)
Cash and cash equivalents as at the beginning of the nancial year		67,734,843	80,463,836
Effect of exchange rate changes on the balance of cash held in foreign currencies		395,722	2,057,895
Cash and cash equivalents as at the end of the nancial year	20	90,219,566	67,734,843

Note A: Reconciliations of liabilities arising from financing activities are as follows:

	1 January RMB	Net cash flows RMB	Non-cash changes: Foreign exchange differences RMB	31 December RMB
2023				
Borrowings (Note 26)	382,196,620	35,366,055	(111,086)	417,451,589
2022				
Borrowings (Note 26)	382,790,032	(7,394,607)	6,801,195	382,196,620

The accompanying notes form an integral part of these “ nancial statements.

These notes form an integral part of and should be read in conjunction with the accompanying nancial statements.

1. General information

Southern Packaging Group Limited (the "Company) (Registration Number: 200313312N) is a public company limited by shares, incorporated and domiciled in the Republic of Singapore with its registered of ce at 9 Raf es Place, #26-01, Republic Plaza, Singapore 048619 and principal place of business at No. 9 Foping Four Road, Gui Cheng, Nanhai, Foshan City, Guangdong 528251, the People's Republic of China. The Company is listed on the Main Board of Singapore Exchange Securities Trading Limited ("SGX-ST).

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are disclosed in Note 13 to the nancial statements.

2. Summary of material accounting policies information

2.1 Basis of preparation of financial statements

The nancial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s) and IFRS Accounting Standards and are prepared under the historical cost convention, except as disclosed in the policies below.

The individual nancial statements of each entity within the Group are measured and presented in the currency of the primary economic environment in which the entity operates ("functional currency). The consolidated nancial statements of the Group, the statement of nancial position and statement of changes in equity of the Company are presented in Chinese renminbi ("RMB) which is the functional currency of the Company and the presentation currency for the consolidated nancial statements.

The preparation of nancial statements in conformity with SFRS(I)s and IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The areas where such judgements or estimates have the most signi cant effect on the nancial statements are disclosed in Note 3 to the nancial statements.

Changes in accounting policies

New standards, amendments and interpretations effective from 1 January 2023

On 1 January 2023, the Group adopted the new or amended SFRS(I) and interpretations to SFRS(I) that are mandatory for application for the nancial year. The adoption of these standards did not result in signi cant changes to the Group's accounting policies and had no material impact to the Group's nancial statements, except as disclosed below:

2. Summary of material accounting policies information (Continued)

2.1 Basis of preparation of financial statements (Continued)

New standards, amendments and interpretations effective from 1 January 2023 (Continued)

Amendments to SFRS(I) 1-1 Presentation of Financial Statements: Disclosures of Accounting Policies and SFRS(I) Practice Statement 2

The amendments change the disclosure requirements with respect to accounting policies from 'signi cant accounting policies' to 'material accounting policy information'. The amendments provide guidance on when accounting policy is likely to be considered material.

Management has followed the guidance in the amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 in determining which accounting policy information is material and disclosure has been disclosed in Note 2 to the nancial statements.

New standards, amendments and interpretations issued but not yet effective

At the date of authorisation of these nancial statements, the following standards were issued but not yet effective, and have not been adopted early in these nancial statements:

			Effective date (annual periods beginning on or after)
SFRS(I) 10 and SFRS(I) 1-28 (Amendments)	:	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
SFRS(I) 1-1 (Amendments)	:	Classi cation of Liabilities as Current or Non-current	1 January 2024*
Various	:	Amendments to SFRS(I) 1-1: Non-current liabilities with covenants	1 January 2024
SFRS(I) 1-7 (Amendments)	:	Supplier Finance Arrangements	1 January 2024
SFRS(I) 16 (Amendments)	:	Lease Liability in a Sale and Leaseback	1 January 2024
SFRS(I) 1-21 (Amendments)	:	Lack of Exchangeability	1 January 2025

* The mandatory effective date of this Amendment had been revised from 1 January 2022 to 1 January 2023 in July 2020 via Amendment to SFRS(I) 1-1: Classi cation of Liabilities as Current or Non-current Deferral of Effective Date and further revised to 1 January 2024 in December 2022 via Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants.

Consequential amendments were also made to various standards as a result of these new or revised standards.

Management anticipates that the adoption of the above SFRS(I)s, where relevant, in future periods will not have a material impact on the nancial statements of the Group in the period of their initial adoption.

2. Summary of material accounting policies information (Continued)

2.2 Basis of consolidation

The consolidated

2. Summary of material accounting policies information (Continued)

2.3 Revenue recognition (Continued)

Sale of goods (Continued)

A contract liability is the obligation to transfer goods to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. In certain circumstances, the Group receives advance payments from customers and the consideration received as at the end of each reporting period would be utilised within 12 months. The amount of contract liabilities is included in "Other payables .

Sale of completed development properties

The Group recognises sales at a point in time for the sale of completed development properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it would be entitled to in exchange for the assets sold.

2.4 Government subsidies

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2. Summary of material accounting policies information (Continued)

2.7 Leases

Group as lessor

When the Group is a lessor, it determines whether each lease entered is a nance or an operating lease at the lease inception date and reassessed only if there is a lease modi cation. A lease is classi ed as a nance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Whereas it is classi ed as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The Group recognises lease payments under operating leases as income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which bene t from the use of the underlying asset is diminished. The lease payment recognised is included as part of "Other income . Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income.

Any modi cation to an operating lease is accounted for as a new lease from the effective date of the modi cation, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

Group as lessee

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of twelve months or less.

The payments for leases of low value assets and short-term leases are recognised as an expense on a straight-line basis over the lease term.

Initial measurement

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used.

The Group's right-of-use assets comprise land use rights acquired for own use and property relating to lease of warehouse spaces, of ce and residential premises and machinery with its corresponding lease liabilities are separately presented from other assets and other liabilities in the statements of nancial position.

Subsequent measurement

The right-of-use assets under cost model are depreciated on a straight-line basis over the shorter of either the remaining lease term or the remaining useful life of the right-of-use assets. If the lease transfers ownership of the underlying asset by the end of the lease term or if the cost of the right-of-use asset re ects that the Group will exercise the purchase option, the right-of-use assets are amortised over the useful life of the underlying asset.

2. Summary of material accounting policies information (Continued)

2.7 Leases (Continued)

Group as lessee (Continued)

Subsequent measurement (Continued)

The estimated useful life of right-of-use assets are as follows:

	Years
Land use rights	44 to 50
Warehouse spaces	2 to 3
Of ce premises	2 to 3
Residential premises	2
Machinery	1 to 2

The carrying amount of right-of-use assets are reviewed for impairment when events or changes in circumstances indicate that the right-of-use asset may be impaired. The accounting policy on impairment is as described in Note 2.11 to the nancial statements.

When the Group revises its estimate of any lease term (i.e. probability of extension or termination option being exercised), it adjusts the carrying amount of the lease liability to re ect the payments over the revised term. The carrying amount of lease liabilities is similarly revised when the variable element of the future lease payment dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying amount of the right-of-use assets. If the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of lease liabilities, the remaining amount of the remeasurement is recognised directly in pro t or loss.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting treatment depends on the nature of the modi cation:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional right-of-use obtained, the modi cation is accounted for as a separate lease in accordance with the above policy;
- In all other cases where the renegotiation increases the scope of the lease (i.e. extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modi cation date, with the right-of-use asset being adjusted by the same amount; and
- If the renegotiation results in a decrease in scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to re ect the partial or full termination of the lease with any difference being recognised in pro t or loss. The lease liability is then further adjusted to ensure its carrying amount re ects the amount of the renegotiated payments over the renegotiated term, with the modi ed lease payments discounted at the rate applicable on the modi cation date. The right-of-use asset is adjusted by the same amount.

2. Summary of material accounting policies information (Continued)

2.8 Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amounts of assets and liabilities in the nancial statements and the corresponding tax bases used in the computation of taxable pro t, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable pro ts will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable pro t nor the accounting pro t.

The carrying amount of deferred tax assets is reviewed at the end of each nancial year and reduced to the extent that it is no longer probable that suf cient taxable pro ts will be available to allow all or part of the asset to be recovered.

2.9 Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost of assets after taking into account their estimated residual value of 5% to 10%, other than construction in progress, over their estimated useful lives, using the straight-line method, on the following rates per annum:

Buildings	2.25% to 2.375%
Plant and machinery	6% to 18%
Furniture, Def39(⊠T*)⊠TJ20%3.1291 .66vad⊠⊠(FINANCI.8( )-2528.8(Plant aMot	o

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2. Summary of material accounting policies information (Continued)

2.11 Impairment of non-financial assets

At the end of each nancial year, the Group reviews the carrying amounts of its non- nancial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash ows are discounted to their present value using a pre-tax discount rate that re ects current market assessments of the time value of money and the risks speci c to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in pro t or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in pro t or loss.

2.12 Inventories

Properties held for sale

The cost of properties held for sale is stated at the lower of cost and net realisable value. Cost includes cost associated with the acquisition of land, all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use, related development costs to projects, direct building costs and other costs of bringing the development properties to their present location and condition.

Finished goods, raw materials and consumable stores

Finished goods, raw materials and consumable stores are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in distribution. Where necessaryepresents the582 ie valx7lancost amadelatedobso5

2. Summary of material accounting policies information (Continued)

2.13 Financial instruments

Financial assets and nancial liabilities are recognised on the statements of nancial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

The Group classi es its nancial assets under amortised cost. This depends on the Group's business model for managing the nancial assets as well as the contractual terms of the cash ows of the nancial asset. The Group shall reclassify its affected nancial assets when and only when the Group changes its business model for managing these nancial assets. The Group's accounting policy for nancial assets recognised under amortised cost is as follows:

Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of nancial assets where the objective is to hold these assets in order to collect contractual cash ows and the contractual cash ows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Interest income from these nancial assets is included in interest income using the effective interest rate method.

Impairment provisions for trade receivables are recognised based on the simpli ed approach within SFRS(I) 9 using the provision matrix to determine the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the consolidated statement of comprehensive income. On con rmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision. The Group considers a nancial asset as default if the counterparty fails to make contractual payment within 120 days when they fall due.

Impairment provisions for other receivables is recognised based on a forward-looking expected nancix a deion

2. Summary of material accounting policies information (Continued)

2.13 Financial instruments (Continued)

Financial assets (Continued)

Derecognition of " nancial assets

The Group derecognises a nancial asset only when the contractual rights to the cash ows from the asset expire, or it transfers the nancial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Financial liabilities

The Group classi es its nancial liabilities as subsequently measured at amortised cost.

Trade and other payables

Trade and other payables (excluding contract liabilities and other taxes) are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method.

Borrowings

Borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see Note 2.6 above).

Financial guarantee contracts

The Company has issued corporate guarantees to banks for borrowings of certain subsidiaries and these guarantees qualify as nancial guarantees because the Company is required to reimburse the banks if these subsidiaries breach any repayment term.

Financial guarantee contract liabilities are measured initially at their fair values, net of transaction costs. Financial guarantee contracts are subsequently measured at the higher of:

a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

b) the amount of loss provisions determined in accordance with SFRS(I) 9.

Derecognition of " nancial liabilities

The Group derecognises nancial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount and the consideration paid is recognised in pro t or loss.

2. Summary of material accounting policies information (Continued)

2.14 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be con rmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty as at the end of each nancial year, that have a signi cant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses within the next nancial year are discussed below.

(i) Impairment of property, plant and equipment and land use rights

Property, plant and equipment and land use rights are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

Impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identi able cash ow (its cash generating unit or CGU). The recoverable amount of property, plant and equipment and land use rights is determined based on value-in-use, by discounting the expected future cash ows for each CGU.

The key assumptions used in the discounted cash ow model are discount rate, gross pro t margin and revenue growth rates. The management carried out an impairment review of property, plant and equipment and land use rights and there was no impairment loss (2022: RMB Nil) recognised. The carrying amounts of the Group's property, plant and equipment and land use rights as at 31 December 2023 are disclosed in Note 11 and Note 14 to the nancial statements, respectively.

(ii) Loss allowance for trade receivables

Management determines expected credit loss for trade receivables by considering historical loss pattern of various customers in different geographical areas and adjusted with forward-looking information by considering the available market data on the customers' country credit rating and industry growth for non-credit impaired trade receivables, which are the key estimate in measuring expected credit loss. Notwithstanding the above, the Group evaluates the expected credit loss on customers in nancial dif culties separately. The carrying amounts of the Group's trade receivables as at 31 December 2023 are disclosed in Note 18 to the nancial statements.

(iii) Allowance for slow-moving and obsolete inventories

Management reviews the Group's inventory levels in order to identify slow-moving and obsolete merchandise and identi es items of inventory which have a market price that is lower than its carrying amount. Management then estimates the amount of inventory loss as an allowance on inventories. Changes in demand levels, technological developments and pricing competition could affect the saleability and values of the inventory which could then consequentially impact the Group's results, cash ows and nancial position. The carrying amounts of the Group's inventories as at 31 December 2023 are disclosed in Note 17 to the nancial statements.

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty (Continued)

(iv) Recognition of deferred tax assets and liabilities

The Group recognises deferred tax assets for unutilised tax losses and other deductible temporary differences to the extent that it is probable that taxable pro t will be available against which these tax bene ts can be utilised. Signi cant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the timing and level of future taxable pro ts together with future tax planning strategies.

Deferred tax liabilities are recognised based on their best estimates of the likely taxes due. This includes the determination of estimated unremitted earnings for dividend distribution on which deferred tax liability is to be provide for. Where the nal tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax positions in the period in which such determination is made.

The carrying amounts of the Group's deferred tax assets and deferred tax liabilities as at 31 December 2023 are disclosed in Note 16 to the nancial statements.

4. Going concern basis

As at 31 December 2023, the Company's current liabilities exceeded its current assets by RMB26,605,343 (2022: RMB43,622,388), which mainly comprised of amount due to subsidiaries amounted RMB27,076,900 (2022: RMB43,212,682). Management is of the view of the Company has the ability to continue as a going concern on the basis that the Company has obtained written undertakings from its subsidiaries to provide continuing nancial support to the Company to enable it to pay its debts as and when they fall due.

5. Revenue

Disaggregation of revenue

The Group has disaggregated revenue into various categorical in the following table:

Segments	Rigid packaging		Flexible packaging		Property development		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB
Primary geographical markets								
The People's Republic of China ("The PRC)	403,589,353	336,685,910	197,149,517	197,422,782	32,079,486	6,114,829	632,818,356	540,223,521
Australia	19,481,747	21,869,766					19,481,747	21,869,766
Philippines	10,228,458	10,405,354					10,228,458	10,405,354
Thailand	294,823	1,073,196	14,104,563	11,817,664			14,399,386	12,890,860
Other regions	6,843,172	10,444,051	7,789,459	7,702,163			14,632,631	18,146,214
	440,437,553	380,478,277	219,043,539	216,942,609	32,079,486	6,114,829	691,560,578	603,535,715

The Group has derived the revenue from the transfer of goods at point in time.

6. Other income

	Group	
	2023	2022
	RMB	RMB
Amortisation of deferred government subsidies related to assets*	1,138,961	1,138,959
Gain on derecognition of lease	4,018	6,750
Government subsidies related to expenditure	4,243,831	1,815,519
Interest income - bank deposits	323,639	426,073
Miscellaneous income**	1,460,313	1,319,717
Rental income - Investment properties	205,064	303,318
Rental income - Of ce premises	1,028,177	828,209
Service income***	3,942,433	1,721,085
Others	146,292	
	12,492,728	7,559,630

* Various government subsidies have been received mainly from the PRC government for the Group's business conducted in those areas. There are no unful lled conditions or contingencies related to these subsidies.

** Miscellaneous income consisted of sale of samples, raw materials and packing materials.

*** Service income was pertained to the fee earned from introduction of mould production services to the Group's customers.

7. Finance costs

	Group	
	2023	2022
	RMB	RMB
Interest expenses:		
- borrowings	21,352,777	19,831,329
- lease liabilities (Note 25)	153,007	100,132
	21,505,784	19,931,461

8. Loss before income tax

The above is arrived at after charging/(crediting):

8. Loss before income tax (Continued)

The above is arrived at after charging/(crediting): (Continued)

	Group	
	2023	**2022**
	RMB	**RMB**
Administrative expenses		
Loss allowance (reversal)/made on trade receivables	(33,343)	318,895
Amortisation of land use rights	1,078,280	1,078,280
Amortisation of right-of-use assets	918,208	836,405
Audit fee		
- auditors of the Company	599,592	550,022
- other auditors (a member rm of BDO International Limited)	498,011	491,000
Non-audit fee		
(i) Audit-related services ("ARS)		
- auditors of the Company	16,132	26,192
(ii) Non-ARS		
- auditors of the Company		15,715
- other auditors (a member rm of BDO International Limited)	9,000	38,186
Bank charges	865,908	290,414
Depreciation of investment properties	2,046,945	2,295,913
Depreciation of property, plant and equipment	4,843,800	5,475,187
Directors' remuneration (1)		
- Directors' fees	665,445	644,311
- salaries, bonuses and allowances	3,727,878	3,569,235
- contributions to de ned contribution plans	45,790	39,785
Duty and tax	6,695,769	4,362,090
Employee bene ts expense (1)		
- salaries, bonuses and allowances	29,582,527	26,055,064
- contributions to de ned contribution plans	3,325,335	2,290,222
- other related costs	529,422	591,950
Loss on disposal of property, plant and equipment	268,193	485,739
Property, plant and equipment written off		278,017
Of ce repairs and maintenance expenses	147,296	170,751
R&D expenditure	13,921,578	17,632,458
Telephone and fax charges	822,463	861,190
Travelling and accommodation expenses	1,030,901	394,531
Entertainment expense	2,338,800	2,564,192
Foreign exchange loss, net	214,772	3,082,539

(1) The remuneration of directors and key management personnel is disclosed in Note 37 to the nancial statements.

9. Income tax credits

	Group	
	2023	2022
	RMB	RMB
Current income tax		
- current nancial year	944,691	72,843
Withholding tax	934,000	
	1,878,691	72,843
Deferred tax		
- current nancial year	(2,222,766)	(9,931,664)
Total income tax credits	(344,075)	(9,858,821)

Subsidiaries of the Group which are incorporated in the PRC are awarded the status of a High Technology Enterprise and enjoy a concessionary tax rate of 15% on its pro ts up till the nancial year ended 31 December 2023. Southern (HK) Packaging Company Limited, a subsidiary incorporated in Hong Kong is subject to Hong Kong income tax of 8.25% to 16.50% (2022: 8.25% to 16.50%) and the Company is subject to Singapore tax rate of 17% (2022: 17%).

The income tax expense varies from the amount of income tax expense determined by applying the applicable income tax rate of 17% (2022: 17%) to loss before income tax and resulting in the following differences:

	Group	
	2023	2022
	RMB	RMB
Loss before income tax	(13,854,970)	(46,147,281)

10. Loss per share

The calculation for basic earnings per share is based on the loss for the nancial year attributable to owners of the parent divided by the number of ordinary shares.

	Group	
	2023	**2022**
The calculation of basic earnings per share is based on:		
Loss for the nancial year attributable to owners of the parent (RMB)	(13,510,895)	(36,288,460)
Number of actual ordinary shares	70,319,164	70,319,164
Loss per share (RMB cents)		
- basic earnings per share	(19.21)	(51.61)

As the Company has no dilutive potential ordinary shares, the diluted loss per share is equivalent to basic earnings per share.

11. Property, plant and equipment

	Buildings RMB	Plant and machinery RMB	Furniture, fixture and equipment RMB	Motor vehicles RMB	Leasehold improvements RMB	Construction in progress RMB	Total RMB
Group							
Cost							
Balance as at 1 January 2023	309,763,825	542,716,357	279,310,890	10,974,728	363,977	19,519,089	1,162,648,866
Additions	113,684	837,273	4,233,630	141,150		5,815,583	11,141,320
Disposals		(991,129)	(3,761)	(990,630)			(1,985,520)
Reclassi cations	1,354,485	13,078,945	2,647,160	39,558		(17,120,148)	
Transfer from investment properties (Note 12)			466,155				466,155
Currency translation differences			1,656		5,256		6,912
Balance as at 31 December 2023	311,231,994	555,641,446	286,655,730	10,164,806	369,233	8,214,524	1,172,277,733
Accumulated depreciation							
Balance as at 1 January 2023	102,459,551	374,254,852	237,248,837	9,756,127	363,977		724,083,344
Depreciation for the nancial year	11,632,375	29,670,940	12,555,208	141,463			53,999,986
Transfer from investment properties (Note 12)			11,070				11,070
Disposals		(746,328)	(3,384)	(891,567)			(1,641,279)
Currency translation differences			1,597		5,256		6,853
Balance as at 31 December 2023	114,091,926	403,179,464	249,813,328	9,006,023	369,233		776,459,974
Accumulated impairment loss							
Balance as at 1 January 2023 and 31 December 2023		182,482	28,245				210,727
Carrying amount							
Balance as at 31 December 2023	197,140,068	152,279,500	36,814,157	1,158,783		8,214,524	395,607,032

11. Property, plant and equipment (Continued)

	Buildings RMB	Plant and machinery RMB	Furniture, fixture and equipment RMB	Motor vehicles RMB	Leasehold improvements RMB	Construction in progress RMB	Total RMB
Group							
Cost							
Balance as at 1 January 2022	300,800,662	521,477,257	267,259,336	13,352,687	332,807	5,899,197	1,109,121,946
Additions	213,457	4,403,882	11,534,940	406,401		42,714,875	59,273,555
Disposals		(605,128)	(288,613)	(2,784,360)			(3,678,101)
Written off		(2,023,949)	(54,701)				(2,078,650)
Reclassi cations	8,780,162	19,464,295	850,526			(29,094,983)	
Transferred to investment properties (Note 12)	(30,456)						(30,456)
Currency translation differences			9,402		31,170		40,572
Balance as at 31 December 2022	309,763,825	542,716,357	279,310,890	10,974,728	363,977	19,519,089	1,162,648,866
Accumulated depreciation							
Balance as at 1 January 2022	91,122,604	346,948,015	224,345,440	11,823,213	332,807		674,572,079
Depreciation for the nancial year	11,351,670	29,291,456	13,074,091	438,838			54,156,055
Disposals		(233,217)	(130,725)	(2,505,924)			(2,869,866)
Written off		(1,751,402)	(49,231)				(1,800,633)
Transferred to investment properties (Note 12)	(14,723)						(14,723)
Currency translation differences			9,262		31,170		40,432
Balance as at 31 December 2022	102,459,551	374,254,852	237,248,837	9,756,127	363,977		724,083,344
Accumulated impairment loss							
Balance as at 1 January 2022 and 31 December 2022		182,482	28,245				210,727
Carrying amount							
Balance as at 31 December 2022	207,304,274	168,279,023	42,033,808	1,218,601		19,519,089	438,354,795

11. Property, plant and equipment (Continued)

The Group has pledged buildings and plant and machinery with carrying amounts of RMB122,534,925 (2022: RMB128,816,216) and RMB15,695,780 (2022: RMB16,770,728) respectively to secure banking facilities granted to the Group (Note 26).

The Group had sub-let a small portion of its building to earn rental income. Management has assessed that the leased portion to be insigni cant.

Impairment assessment of property, plant and equipment

During the nancial year ended 31 December 2023, the Group carried out a review of the recoverable amount of its property, plant and equipment and land use rights (Note 14) as a cash generating unit with indications of impairment. The recoverable amount of the property, plant and equipment and land use rights with indications of impairment has been determined based on its value-in-use calculations using the following key assumptions:

	Group	
	2023	**2022**
	%	**%**

12. Investment properties

	Group	
	RMB 2023	RMB 2022
Cost		
Balance as at 1 January	96,677,625	96,647,169
Transferred from property, plant and equipment (Note 11)		30,456
Transferred to property, plant and equipment (Note 11)	(466,155)	
Balance as at 31 December	96,211,470	96,677,625
Accumulated depreciation		
Balance as at 1 January	2,660,561	349,925
Depreciation for the nancial year	2,046,945	2,295,913
Transferred from property, plant and equipment (Note 11)		14,723
Transferred to property, plant and equipment (Note 11)	(11,070)	
Balance as at 31 December	4,696,436	2,660,561
Carrying amount		
Balance as at 31 December	91,515,034	94,017,064
Fair value		
Level 3	137,511,587	132,345,828

At the balance sheet date, the details of the Group's investment properties are as follows:

Location	Description	Tenure
No. 9 Foping Four Road, Sixth and Seventh floor, Gui Cheng, Nanhai, Foshan City, Guangdong 528251, the PRC.	308 sqm of ce	50-year leases ending on 21 September 2045
Apex Tower, No. 1 Huandao South Road, Guicheng Street, Nanhai district Foshan City, Guangdong 528251, the PRC.	23,432 sqm of commercial units and carparks	40-year leases ending on 7 November 2062

The Group's has pledged certain investment properties with a carrying amount of RMB91,152,987 (2022: RMB93,636,345) to secure banking facilities granted to the Group (Note 26).

12. Investment properties (Continued)

Valuation techniques and assumptions

The investment properties were valued by independent professional valuers at each reporting date who hold a recognised and relevant professional quali cation and have recent experience in the location and category of the properties.

The valuations of the investment properties were arrived at using the average of both direct comparison approach and income approach.

Direct comparison approach makes reference to the comparable sales evidence in the relevant locality with adjustments made to re ect the differences in size, location, condition, prevailing market conditions and all other relevant factors affecting its use. The major inputs into the valuation model were the price per square metre and size of the properties.

Income approach is based on capitalisation of net rental income derived from the existing tenancies with due allowances for revisionary income potential of the property or by reference to comparable market transactions. The major inputs into the valuation model were the capitalisation rate, occupancy details and estimated rental per square metre of gross/net lettable area.

The valuations were based on the respective property's highest and best use. The management of the Group oversees the Group's nancial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures.

Management is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 Fair Value Measurement guidance.

For valuations performed by external valuation experts, the management reviews the appropriateness of the valuation methodologies and assumptions adopted. The management also evaluates the appropriateness and reliability of the inputs used in the valuations.

Rental income generated and direct operating expenses incurred on investment properties are as follows:

	Group	
	2023	**2022**
	RMB	**RMB**
Rental income arising from investment properties	205,064	303,318
Direct operating expenses (including repairs and maintenance)		
- investment properties that generate income	18,671	17,948
- investment properties that do not generate income	2,028,273	2,277,965

13. Investments in subsidiaries

	Company	
	2023	2022
	RMB	RMB
Unquoted equity contribution/shares, at cost	456,236,365	456,236,365
Deemed investment arising from the issuance of financial guarantees	9,696,560	9,696,560
	465,932,925	465,932,925

The deemed investment pertains to the fair value of financial guarantee contracts in respect of corporate guarantees granted by the Company for bank loans obtained by certain subsidiaries in prior years and the related financial guarantees recognised in other payables have been fully amortised in the prior financial years.

Details of the subsidiaries as at 31 December 2023 are as follows:

Name of subsidiary	Country of incorporation (or registration) and place of business	Effective equity interest held by the Group		Principal activities
		2023 %	2022 %	
Foshan Nanxin Packaging Co., Ltd.(1)	The People's Republic of China	100	100	Trading and manufacturing of packaging products for foodstuff, medical and cosmetic industries and engaged in sub-contract processing business
Foshan Southern Packaging Co., Ltd.(1)	The People's Republic of China	100	100	Trading and manufacturing of packaging products for foodstuff, medical and cosmetic products, and property development
Southern Packaging (Jiangsu) Co., Ltd.(2)	The People's Republic of China	100	100	Trading and manufacturing of packaging products for foodstuff, medical and cosmetic products
Southern (HK) Packaging Company Limited(2)	Hong Kong	100	100	Trading of packaging products for foodstuff, medical and cosmetic products

(1) Audited by BDO China Shu Lun Pan Certified Public Accountants LLP, a member firm of BDO International Limited.

(2) Audited by BDO China Shu Lun Pan Certified Public Accountants LLP, a member firm of BDO International Limited for consolidation purpose.

13. Investments in subsidiaries (Continued)

Signi cant restrictions

As at 31 December 2023, cash and bank balances and xed deposits amounted to RMB77,437,097 (2022: RMB46,705,081) held in the PRC are subject to local exchange control regulations. These regulations place restrictions on exporting capital out of the country other than through dividends and thus signi cantly affect the Company's ability to access or use assets, and settle liabilities, of the Group.

14. Land use rights

	Group	
	2023	**2022**
	RMB	**RMB**
Cost		
Balance as at 1 January and 31 December	52,322,992	52,322,992
Accumulated amortisation		
Balance as at 1 January	14,766,575	13,688,295
Amortisation for the nancial year	1,078,280	1,078,280
Balance as at 31 December	15,844,855	14,766,575
Carrying amount		
Balance as at 31 December	36,478,137	37,556,417

Land use rights represent up-front payments to acquire long-term interests in the usage of land in the PRC.

Land use rights are amortised on a straight-line basis over the lease term of 44 to 50 years (ranging between the year 1995 to year 2064) as stated in the relevant land use right certi cates granted for usage by the respective subsidiaries in the PRC.

The Group has pledged certain of its land use rights with carrying amount of RMB28,024,375 (2022: RMB28,855,288) to secure banking facilities granted to the Group (Note 26).

Amortisation expenses have been included in "Administrative expenses line item of pro t or loss.

Impairment assessment of land use rights

During the nancial year ended 31 December 2023, the Group carried out a review of the recoverable amount of its land use rights and property, plant and equipment as a cash generating unit with indications of impairment. The details are disclosed in Note 11 to the nancial statements.

15. Right-of-use assets

	Warehouse spaces RMB	Office premises RMB	Residential premises RMB	Total RMB
Group				
Cost				
Balance as at 1 January 2023	7,678,171	3,786,266	1,309,553	12,773,990
Modi cations	1,577,155	1,472,034		3,049,189
Derecognition			(1,309,553)	(1,309,553)
Currency translation difference		64,982		64,982
Balance as at 31 December 2023	9,255,326	5,323,282		14,578,608
Accumulated amortisation				
Balance as at 1 January 2023	6,097,276	2,984,476	1,065,149	10,146,901
Amortisation for the				

	Accumulated aCarrying		
Balance as at 1 January 202023	9,255,326	1,472,034	
Cost			

15. Right-of-use assets (Continued)

The Group leases warehouse spaces and machinery for the purpose of its manufacturing operations. The Group also leases of ce and residential premises for the purpose of back-of ce operations and staff occupancy.

There are no externally imposed covenants on these lease arrangements.

16. Deferred tax assets/(liabilities)

	Group	
	2023	**2022**
	RMB	**RMB**
Deferred tax assets	18,430,499	16,207,733
Deferred tax liabilities	(1,000,000)	(1,000,000)

The following are the major deferred tax assets and liabilities recognised by the Group, and the movements thereon, during the current and prior nancial years:

	Deferred tax assets					Deferred tax liabilities
	Provisions	**Deferred government subsidies**	**Land use rights**	**Tax losses**	**Total**	**Undistributed earnings of subsidiaries**
	RMB	**RMB**	**RMB**	**RMB**	**RMB**	**RMB**
Group						
Balance as at 1 January 2023	280,319	1,484,709	(2,394,148)	16,836,853	16,207,733	(1,000,000)
(Charged)/Credited to pro t or loss	(43,103)	(151,502)	153,164	2,264,207	2,222,766	
Balance as at 31 December 2023	237,216	1,333,207	(2,240,984)	19,101,060	18,430,499	(1,000,000)
Balance as at 1 January 2022	215,787	1,636,210	(2,418,983)	6,843,055	6,276,069	(1,000,000)
Credited/(Charged) to pro t or loss	64,532	(151,501)	24,835	9,993,798	9,931,664	
Balance as at 31 December 2022	280,319	1,484,709	(2,394,148)	16,836,853	16,207,733	(1,000,000)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority.

16. Deferred tax assets/(liabilities) (Continued)

At the end of the nancial year, the Group had recognised deferred tax assets in relation to unutilised tax losses of RMB127,340,398 (2022: RMB112,245,690) which are available for set-off against future taxable pro ts subject to the agreement by the tax authorities and provisions of tax legislations of the PRC. The expiry dates for the recognised unutilised tax losses arising in certain foreign tax jurisdictions are as follows:

Unutilised tax losses

		Group	
Year incurred	**Year of expiry**	**2023**	**2022**
		RMB	**RMB**
2016	2026	13,156,754	13,156,754
2018	2028	18,985,391	18,985,391
2019	2029	8,138,488	8,138,488
2020	2030	10,199,375	10,199,375
2021	2031	6,632,823	6,632,823
2022	2032	54,655,300	55,132,859
2023	2033	15,572,267	
		127,340,398	112,245,690

Unrecognised deferred tax assets

Unutilised tax losses

No deferred tax asset has been recognised in respect of the remaining unutilised tax losses of RMB27,706,273 (2022: RMB10,253,495) due to the unpredictability of pro t streams. The expiry dates for the remaining tax losses arising in certain foreign tax jurisdictions are as follows:

		Group	
Year incurred	**Year of expiry**	**2023**	**2022**
		RMB	**RMB**
2018	2022		35,301
2018	2028	2,779,357	
2019	2023		15,749
2020	2024	25,908	25,908
2021	2025	28,943	28,943
2022	2026	32,549	32,549
2022	2032	24,839,516	10,115,045
		27,706,273	10,253,495

16. Deferred tax assets/(liabilities) (Continued)

Deferred tax liabilities

Undistributed pro ts

Deferred tax liabilities arising from the aggregate amount of temporary differences associated with undistributed earnings of certain subsidiaries for which is estimated by the management to be distributed in the future.

As at 31 December 2023, total unremitted earnings of certain subsidiaries in the PRC amounted to RMB49,203,564 (2022: RMB86,693,155). Management estimates that not more than 50% (2022: 20%) of these unremitted earnings will be distributed as dividends in the foreseeable future. Hence, as at 31 December 2023, a deferred tax liability of RMB1,000,000 (2022: RMB1,000,000) was recognised on the withholding tax and other taxation that would be payable. No deferred tax liability was recognised on unremitted earnings amounting to RMB24,601,782 (2022: RMB69,354,524) as the Group is in a position to control the dividend policies of these subsidiaries and it is probable that these earnings will not be distributed in the foreseeable future.

17. Inventories

	Group	
	2023	**2022**
	RMB	**RMB**
Raw materials and consumables	39,096,588	43,651,524
Work in progress	6,364,866	8,154,362
Finished goods	40,375,307	40,499,565
Goods in transit	1,237,888	
Properties held for sale	275,754,919	305,569,859
	362,829,568	397,875,310

During the nancial year, the Group carried out a review of the net realisable value of its inventories which led to the reversal of allowance for slow moving and obsolete inventories by RMB254,002, as the inventories were sold above the carrying amount (2022: write-down of inventories by RMB111,313) which was recognised in "Cost of sales in pro t or loss.

Properties held for sale with carrying amounts of RMB134,849,672 (2022: RMB33,152,884) are held as security by way of a

18. Trade receivables

	Group	
	2023	2022
	RMB	RMB
Trade receivables		
- third parties	102,896,173	85,106,072
Bills receivables	15,885,622	21,696,828
Unbilled receivables	34,781,090	36,629,979
	153,562,885	143,432,879
Less: Loss allowance on trade receivables third parties	(660,847)	(694,190)
	152,902,038	142,738,689

The trade amounts due from third parties are unsecured, interest-free and repayable within the normal credit terms of 7 to 120 days (2022: 7 to 120 days), in cash.

Bills receivables are unsecured, non-interest bearing and recoverable within 90 to 184 days (2022: 60 to 180 days).

The unbilled receivables mainly relate to the control of goods transferred to the customers but not yet to bill at reporting date.

Before accepting any new customer, the Group assesses the potential customer's credit quality and de nes credit limit by each customer.

The Group determines expected credit losses on trade receivables from third parties by making individual assessment of expected credit loss for long overdue trade receivables and using a provision matrix for remaining trade receivables that is based on its historical credit loss experience, past due status of the trade receivables and adjusted with forward looking information by considering the available market data on the customers' country credit rating and industry growth for non-credit impaired trade receivables, as appropriate. Management takes into account historical provision trend and other relevant factors.

The following table provides information about the exposure to credit risk and expected credit loss for third parties trade receivables as at 31 December 2023 and 31 December 2022.

18. Trade receivables (Continued)

The following table provides information about the exposure to credit risk and expected credit loss for third parties trade receivables as at 31 December 2023 and 31 December 2022. (Continued)

	Gross carrying amount RMB	Loss allowance RMB	Credit impaired
Group			
2022			
Not past due	94,351,587		No
Past due but not impaired			
<90 days	35,539,004		No
91 to 180 days	10,952,429		No
181 to 365 days	1,906,774	(261,615)	Yes
>365 days	683,085	(432,575)	Yes
	143,432,879	(694,190)	

The loss allowance of RMB660,847 (2022: RMB694,190) is related to credit-impaired balances from customers who are not likely to repay the outstanding balances mainly due to economic circumstances or who has defaulted in payment terms.

Management believes that no impairment allowance is necessary for the remaining trade receivables as these are substantially companies with good collection track record and no recent history of default, hence the expected credit loss is not material.

The Group does not hold any collateral over these balances.

Movement in the loss allowance for credit impaired trade receivables is as follows:

	Group	
	2023 RMB	2022 RMB
Balance as at the beginning of the		

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2023	2022
RMB	RMB

19. Other receivables and prepayments

	Group		Company	
	2023 RMB	2022 RMB	2023 RMB	2022 RMB
Other receivables				
- third parties	8,331,433	8,754,014	16,515	15,919
- subsidiaries			1,290,103	1,290,103
	8,331,433	8,754,014	1,306,618	1,306,022
Advances to suppliers	24,655,183	15,751,829		
Refundable deposits	2,127,973	1,625,078		
Value added tax	7,353,260	17,161,480		
Prepayments	391,863	2,367,951		
Other receivables and prepayments	42,859,712	45,660,352	1,306,618	1,306,022
Add:				
Trade receivables (Note 18)	152,902,038	142,738,689		
Cash and bank balances (Note 20)	90,219,566	67,244,843	995,002	441,424
Fixed deposits (Note 21)	1,441,000	2,661,000		
Less:				
Advances to suppliers	(24,655,183)	(15,751,829)		
Prepayments	(391,863)	(2,367,951)		
Value added tax	(7,353,260)	(17,161,480)		
Financial assets at amortised cost	255,022,010	223,023,624	2,301,620	1,747,446

Other receivables due from third parties are unsecured, non-interest bearing and repayable on demand.

Other receivables due from the subsidiaries are unsecured, non-interest bearing and repayable on demand.

The advances to suppliers are unsecured, non-interest bearing and are expected to be utilised within twelve months from the end of the nancial year.

The Group's and the Company's other receivables and prepayments (excluding advances to suppliers, value added tax and prepayments) that are not denominated in the functional currencies of the respective entities are as follows:

	Group		Company	
	2023 RMB	2022 RMB	2023 RMB	2022 RMB

2023 2022 2023

20. Cash and bank balances

	Group		Company	
	2023	2022	2023	2022
	RMB	RMB	RMB	RMB

22. Share capital

	Group and Company			
	2023	2022	2023	2022
	Number of ordinary shares		RMB	RMB
Issued and paid up				
Balance as at the beginning and end of the financial year	70,319,164	70,319,164	230,592,765	230,592,765

The Company has one class of ordinary shares which carries no right to fixed income. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

23. Reserves

	Group	
	2023	2022
	RMB	RMB
Capital contribution	12,638,812	12,638,812
Statutory reserve	64,124,500	58,546,029
Foreign currency translation account	(1,007,899)	(1,149,783)
	75,755,413	70,035,058

Capital contribution

Capital contribution represents contribution from a controlling shareholder in connection with the acquisition of an associate.

In 2011, the capital contribution arising from the sale of land by an associate to a controlling shareholder represents the excess of the consideration received over the fair value of the net assets disposed. The contribution is recorded as a capital contribution to the Group. The management has considered that it has been the shareholder's intention for the excess consideration to be a gift to the Group, and hence, management is satisfied that this excess consideration represents a capital contribution to the Group by the controlling shareholder.

Statutory reserve

In accordance with the relevant laws and regulations of the PRC, the subsidiaries established in the PRC are required to transfer at least 10% of its profits after income tax determined in accordance with the accounting regulations in the PRC to the statutory reserve until the reserve balance reaches 50% of the respective registered capital of the PRC subsidiaries. Such reserve may be used to reduce any losses incurred or for capitalisation as paid-up capital of the PRC subsidiaries. The statutory reserve is not available for distribution.

Foreign currency translation account

The foreign currency translation account comprises foreign exchange differences arising from the translation of the financial statements of the foreign operation of the Group whose functional currency is different from the Group's presentation currency.

25. Lease liabilities (Continued)

The maturity analysis of lease liabilities of the Group at each reporting date are as follows:

	Group	
	2023	**2022**
	RMB	**RMB**
Contractual undiscounted cash ows		
- not later than one year	2,445,190	2,721,305
- between one year and two years	836,459	
	3,281,649	2,721,305
Less: Future interest expense	(118,887)	(100,057)
Present value of lease liabilities	3,162,762	2,621,248
Presented in statements of nancial position		
- Current	2,349,395	2,621,248
- Non-current	813,367	
	3,162,762	2,621,248

The Group leases warehouse spaces, of ce and residential premises and machinery with xed payments over the lease terms with no extension options.

The incremental borrowing rate applied to lease liabilities was ranging from 4.35% to 5.20% (2022: 5.20%) per annum.

Total cash out ow for all the leases was RMB2,634,758 (2022: RMB2,517,048).

The Group's lease liabilities are denominated in the functional currencies of the respective entities.

26. Borrowings

	Group	
	2023	**2022**
	RMB	**RMB**
Bank borrowings		
- Bank A	139,878,372	173,678,285
- Bank B	95,123,532	89,291,930
- Bank C	19,645,805	14,238,352
- Bank D	94,400,000	35,000,000
- Bank E	35,000,000	35,000,000
- Bank F	3,403,880	4,988,053
- Bank G		10,000,000
- Bank H	30,000,000	10,000,000
- Bank I		10,000,000
	417,451,589	382,196,620
Less: Amounts due for settlement within 12 months (shown under current liabilities)	(329,844,630)	(318,864,269)
Amounts due for settlement after 12 months	87,606,959	63,332,351

26. Borrowings (Continued)

The borrowings have average effective interest rates ranging from 3.00% to 7.84% (2022: 3.00% to 7.19%) per annum with maturity dates ranging from 8 January 2024 to 18 January 2028 (2022: 10 January 2023 to 20 July 2025).

Borrowings of RMB279.3 million (2022: RMB204.6 million) are arranged at fixed interest rates ranging from 3% to 5.90% (2022: 3% to 5.45%) per annum. At reporting date, the carrying amount of non-current borrowings with xed interest rates approximate to its fair value. Other borrowings of RMB138.2 million (2022: RMB177.6 million) are arranged at oating rates based on prevailing interbank rate in the PRC, thus exposing the Group to interest rate risk.

The Group has borrowings as follows:

a) Borrowings obtained from Bank A amounting to RMB102.9 million (2022: RMB107.7 million) are secured by a charge over certain of the Group's property, plant and equipment, land use rights and supported by individual guarantee by a director/shareholder of the Company and a subsidiary. The remaining borrowings obtained from Bank A amounting to RMB36.9 million (2022: RMB66.0 million) are construction loans in relation to Apex Tower secured by a charge over certain portion of the Group's investment properties, properties held for sale and supported by individual guarantee by a director/shareholder of the Company.

b) Borrowing obtained from Bank B is secured by charge over certain of the Group's property, plant and equipment, land use rights, xed deposits and supported by a corporate guarantee by the Company.

c) The borrowing obtained from Bank C is secured by charge over certain of the Group's property, plant and equipment, xed deposits and supported by a corporate guarantee by the Company.

d) Borrowing obtained from Bank D is secured by charge over certain of the Group's property, plant and equipment, inventories, land use rights and supported by a corporate guarantee by the Company.

e) Borrowing obtained from Bank E is secured by charge over certain of the Group's property, plant and equipment, land use right and supported by a corporate guarantee by the Company.

f) Borrowing obtained from Bank F is supported by a corporate guarantee by the Company and a subsidiary.

g) Borrowing obtained from Bank G was supported by an individual guarantee by a director/ shareholder of the Company in previous year.

h) Borrowing obtained from Bank H was neither secured by charge over the Group's assets nor supported by corporate guarantee by the Company.

i) Borrowing obtained from Bank I was supported by a corporate guarantee by the Company in previous year.

26. Borrowings (Continued)

The Group's borrowings that are not denominated in the functional currencies of the respective entities are as follows:

	Group	
	2023	**2022**
	RMB	**RMB**
Denominated in:		
United States dollar	38,694,953	62,413,245

27. Trade payables

	Group	
	2023	**2022**
	RMB	**RMB**
Third parties	189,362,652	258,470,066
Other taxes	12,314,581	14,666,175
	201,677,233	273,136,241

The average credit period on purchases of goods is 90 days (2022: 90 days).

The Group's trade payables that are not denominated in the functional currencies of the respective entities are as follows:

	Group	
	2023	**2022**
	RMB	**RMB**
Denominated in:		
Euro	5,042	291,597
Japanese yen		783,799
United States dollar	12,605,947	10,455,767

28. Other payables

	Group		Company	
	2023 RMB	2022 RMB	2023 RMB	2022 RMB
Other payables				
- third parties	4,003,946	6,241,125		
- a related party	2,298,555	2,298,555		
- subsidiaries			27,076,900	43,212,682
	6,302,501	8,539,680	27,076,900	43,212,682
Accrued expenses	22,614,745	21,510,876	1,830,063	2,157,152
Contract liabilities	5,611,454	4,345,388		
Other payables	34,528,700	34,395,944	28,906,963	45,369,834
Add:				
Trade payables (Note 27)	201,677,233	273,136,241		
Borrowings (Note 26)	417,451,589	382,196,620		
Lease liabilities (Note 25)	3,162,762	2,621,248		
Less:				
Contract liabilities	(5,611,454)	(4,345,388)		
Other taxes (Note 27)	(12,314,581)	(14,666,175)		
Financial liabilities at amortised cost	638,894,249	673,338,490	28,906,963	45,369,834

The other payable due to third parties and subsidiaries are unsecured, non-interest bearing and repayable on demand.

The non-trade balance due to a related party, which is a company controlled by a director of the Company, is unsecured, non-interest bearing and repayable on demand.

The Group's and the Company's other payables that are not denominated in the functional currencies of the respective entities are as follows:

	Group		Company	
	2023 RMB	2022 RMB	2023 RMB	2022 RMB
Denominated in:				
Euro		13		
Hong Kong dollar			19,532,990	42,833,032
Singapore dollar	1,830,063	2,157,152	8,994,322	2,157,152

29. Operating lease commitments

The Group as lessor

The Group rents out its investment properties and of ce premises in the PRC under operating leases. Leases are negotiated and rentals are xed for an average term of 1 year (2022: 3 years).

At the end of the nancial year, the future minimum lease receivables under non-cancellable operating are as following:

	Group	
	2023	2022
	RMB	RMB
Not later than one year	720,067	685,525
After one year but within ve years		337,706
After ve years		38,802
	720,067	1,062,033

30. Capital commitments

As at the end of the nancial year, commitments in respect of capital expenditure are as follows:

	Group	
	2023	2022
	RMB	RMB
Capital expenditure contracted but not provided for		
- commitments for the acquisition of property, plant and equipment	501,900	437,221

31. Dividends

	Group and Company	
	2023	2022
	RMB	RMB
First and nal exempt dividend of S$0.45 cents per ordinary share in respective of nancial year ended 31 December 2021		1,527,961

The Company did not recommend any dividend in respect of the nancial year ended 31 December 2023.

32. Contingent liabilities

On 10 October 2012, the Group, via its subsidiary, Foshan Southern Packaging Co., Ltd ("FSP) entered into an agreement with the Guangdong Foshan Municipal Bureau of Land Resources and Rural Planning Bureau (hereinafter referred to as "Bureau) to acquire the Sanshan land use rights with an area of approximately 21,608 square metres at a purchase price of RMB17.47 million. The period of the land use rights is 50 years. On 10 November 2021, the construction of the development property was completed and subsequently reclassi ed to investment properties and inventories as properties held for sale based on its use.

According to the agreement with the Bureau, FSP is required to:

- by 8 November 2013, complete the design, submit construction report and related documents and commence of cial construction of property for industrial purposes; and

- by 8 November 2015, complete all construction of property and submit construction completion veri cation report and related documents for nal acceptance.

It is stipulated in the agreement that if the lands are idle for two years and yet to commence construction, the Bureau has the rights to recover the land use rights without any compensation.

If FSP is not able to comply with the stipulated dates in the agreement or the agreed extended dates (be it the construction commencement date or construction completion date), it will need to pay to the Bureau 0.03% of the acquisition price per day of delay as liquidated damages.

According to a supplementary agreement signed between FSP and the Bureau on 6 December 2016, the date of commencement was changed to 18 October 2017 and the date of completion was changed to 18 October 2019.

On 25 January 2019, FSP had obtained all the key permits required to commence the construction and the entire construction process was estimated to take approximately 2.5 years.

In the nancial years ended 31 December 2023 and 2022, management has estimated the liquidated damages to be approximately RMB7.777 million. As at the end of nancial year, no provision for liquidated damages was recognised for the delay in commencement and the date of completion of the project as the management was of the opinion that:

- Signi cant delays to the construction progress was due to inadequate infrastructure developed by the local authority at the construction site, which was beyond the control of the management;

- Based on management's understanding of the past practices of the Bureau and authorities in Foshan, there was no historical instance where the Bureau and the authorities in Foshan had recovered land use rights granted previously or issued penalties on non-compliance of commencement and completion dates; and

- As at the date of this nancial statements, the Group had not received any correspondences from the authorities on the liquidated damages for non-compliance of the commencement deadline and the project had commenced and completed since nancial year ended 2021.

33. Segment information

The operating segments are identi ed on the basis of internal reports about components of the Group

33. Segment information (Continued)

Information regarding the Group's reportable segment is presented below.

Segment revenue, results and assets

	Rigid packaging		Flexible packaging		Property development		Consolidated	
	2023 RMB	2022 RMB	2023 RMB	2022 RMB	2023 RMB	2022 RMB	2023 RMB	2022 RMB
Group								
Revenue								
External sales	440,437,553	380,478,277	219,043,539	216,942,609	32,079,486	6,114,829	691,560,578	603,535,715
Results								
Segment gross pro ts	92,343,949	64,921,532	25,250,636	24,776,796	3,476,077	1,312,032	121,070,662	91,010,360
Allocated expense	(79,128,328)	(74,241,337)	(33,776,340)	(37,762,800)	(3,258,122)	(2,872,512)	(116,162,790)	(114,876,649)
Allocated income	848,382	832,532	1,842,373	752,502	205,064		2,895,819	1,585,034
Segment result	14,064,003	(8,487,273)	(6,683,331)	(12,233,502)	423,019	(1,560,480)	7,803,691	(22,281,255)
Unallocated expenses							(9,749,786)	(9,909,161)
Unallocated income							9,273,270	5,548,523
Interest income							323,639	426,073
Interest expense							(21,505,784)	(19,931,461)
Loss before income tax							(13,854,970)	(46,147,281)
Income tax credits							344,075	9,858,821
Loss for the nancial year attributable to owners of the parent							(13,510,895)	(36,288,460)
Assets								
Segment assets	496,183,688	519,540,138	214,475,730	222,525,255	367,269,954	399,586,923	1,077,929,372	1,141,652,316
Unallocated corporate assets							117,460,841	103,290,976
Consolidated total assets							1,195,390,213	1,244,943,292
Liabilities								
Segment liabilities	104,019,968	113,709,458	81,181,876	73,020,170	49,907,630	225,463,839	235,109,474	412,193,467
Unallocated corporate liabilities							437,127,795	296,227,870
Consolidated total liabilities							672,237,269	708,421,337

33. Segment information (Continued)

Other segment information

	Additions to non-current assets		Depreciation and amortisation	
	2023 RMB	2022 RMB	2023 RMB	2022 RMB
Rigid packaging	9,173,533	45,058,204	40,815,972	39,714,678
Flexible packaging	5,016,976	16,673,643	16,761,397	17,904,629
Property development			2,046,945	2,295,913
	14,190,509	61,731,847	59,624,314	59,915,220

Geographical information

The Group's operations, including the manufacturing of products and property development are carried out in the PRC.

The Group's revenue from external customers and information about its segment assets (non-current assets excluding deferred tax assets) by geographical location of the customers and location of the assets are presented below:

	Revenue		Non-current assets	
	2023 RMB	2022 RMB	2023 RMB	2022 RMB
The PRC	632,818,356	540,223,521	526,707,830	572,555,365
Australia	19,481,747	21,869,766		
Philippines	10,228,458	10,405,354		
Thailand	14,399,386	12,890,860		
Other regions	14,632,631	18,146,214		
	691,560,578	603,535,715	526,707,830	572,555,365

Information about major customers

Included in revenue arising from rigid packaging and flexible packaging are revenues of RMB144,994,642 (2022: RMB148,072,617) and RMB21,158,071 (2022: RMB27,934,542) respectively which arose from 2 (2022: 2) customers.

34. Financial instruments and financial risks

The management of the Group monitors and manages the nancial risks relating to the operations of the Group to ensure appropriate measures are implemented in a timely and effective manner. These risks include credit risk, market risk (including foreign currency risk and interest rate risk) and liquidity risk.

The Board of Directors is responsible for setting the objectives and underlying principles of nancial risk management for the Group. The Group's management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identi cation and measurement and exposure limits, in accordance with the objectives and underlying principles approved by the Board of Directors.

There have been no changes to the Group's exposure to these nancial risks or the manner in which they manage and measure the risk. Market risk exposures are measured using sensitivity analysis as indicated below.

(i) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in nancial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining customer advances where appropriate, as a means of mitigating the risk of nancial loss from defaults.

Concentrations of credit risk exist when changes in economic, industry or geographic factors similarly affect groups of counterparties where aggregate credit exposure is signi cant in relation to the Group's total credit exposure.

As at the end of the nancial year, the Group does not have signi cant credit exposure to any single counterparty or any group of counterparties having similar characteristics.

The Group's and the Company's major classes of nancial assets are cash and bank balances, xed deposits and trade and other receivables (excluding advances to suppliers, prepayments and value added tax). As the Group and the Company do not hold any collateral, the carrying amount of nancial assets represents the maximum exposure to credit risk except for the nancial guarantees provided by the Company to the banks for bank facilities obtained by its subsidiaries as mentioned below.

Further details of credit risk on trade receivables are disclosed in Note 18 to the nancial statements.

Cash and bank balances (including "xed deposits)

The Group and the Company held bank balances (including xed deposits) of RMB91,660,566 (2022: RMB69,905,843) and RMB995,002 (2022: RMB441,424) respectively as at 31 December 2023. The cash and bank balances (including xed deposits) are held with banks and nancial institution counterparties, which are rated Aa1 to Baa2, based on Moody's ratings.

At the end of each nancial year, the Group and the Company did not expect any credit losses from non-performance by the counterparties.

34. Financial instruments and financial risks (Continued)

(i) Credit risk (Continued)

Other receivables

For other receivables from third parties, management has taken into account of internal (i.e. collection history) and external information available, and determined that there is no signi cant loss allowances expected. For amount due from subsidiaries, Board of Directors has taken into account information that it has available internally about these subsidiaries' past, current and expected operating performance and cash ow position. Board of Directors monitors and assesses at the end of each nancial year on any indicator of signi cant increase in credit risk on the amount due from the respective subsidiaries, by considering their performance ratio and any default in external debts. The risk of default is considered to be minimal as these subsidiaries have suf cient liquid assets and cash to repay their debts. Therefore, amount due from subsidiaries has been measured based on 12-month expected credit loss model and subject to immaterial credit loss.

Financial guarantees

As at 31 December 2023, the Company had given guarantees amounting to RMB277.2 million (2022: RMB188.5 million) to certain banks in respect of banking facilities utili 0 .0ber 20 G

34. Financial instruments and financial risks (Continued)

(ii) Market risks (Continued)

Foreign currency risk

The Group transacts businesses in various currencies, including mainly the Euro, United States dollar ("US$), Hong Kong dollar ("HK$), Japanese Yen ("JPY), Singapore dollar ("S$) and RMB and therefore is exposed to foreign exchange risk.

At the end of the nancial year, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective group entities' functional currencies are as follows:

	Assets		Liabilities	
	2023	2022	2023	2022
	RMB	RMB	RMB	RMB

34. Financial instruments and financial risks (Continued)

(ii) Market risks (Continued)

Foreign currency sensitivity (Continued)

If the relevant foreign currency strengthens by 7% (2022: 10%) against respective entities' functional currency, pro t before income tax will increase/(decrease) by:

	Group		Company	
	2023 RMB	2022 RMB	2023 RMB	2022 RMB
Euro impact	711	(27,236)		
US$ impact	(2,191,627)	(5,055,363)	5,928	8,327
JPY impact		(78,380)		
HK$ impact	38,931	(3,321,408)	(1,361,916)	(4,275,498)
S$ impact	(570,595)	(186,113)	(570,595)	(186,113)
RMB impact	297,722	89,742		

If the relevant foreign currency weakens by 7% (2022: 10%) against RMB, the effect on pro t before income tax will be vice versa.

Interest rate risk

The Group's interest rate risks arise primarily from its cash and bank balances, xed deposits and borrowings. The Group borrows at xed and variable interest rates.

The interest rates and terms of repayment of the Group's interest-bearing nancial instruments are disclosed in Notes 20, 21, 25 and 26 to the nancial statements.

Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates for the Group's borrowings at the end of the nancial year and the stipulated change taking place at the beginning of the nancial year and held constant throughout the nancial year in the case of instruments that have variable interest rates. A 100 basis point (2022: 100 basis point) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates increase/(decrease) by an instantaneous 100 basis points (2022: 100 basis points) with all other variables held constant, the Group's loss before income tax for the nancial year ended 31 December 2023 would have been higher/lower by approximately RMB1,382,000 (2022: RMB1,776,000) as a result of changes in interest rates on the variable rate borrowings.

No sensitivity analysis is prepared on the cash and bank balances and xed deposits as the impact of the change in interest rates is not signi cant.

The Company's pro t or loss is not affected by changes in interest rates as the Company does not have interest-bearing nancial assets and liabilities.

34. Financial instruments and financial risks (Continued)

(iii) Liquidity risk

Liquidity risk refer to the risk in which the Group encounters dif culties in meeting its short-term obligations.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents and borrowings deemed adequate by the management to nance the Group's operations and mitigate the effects of uctuations in cash ows.

The following table details the remaining contractual maturity for nancial liabilities. The tables have been drawn up based on the undiscounted cash ows of nancial liabilities based on the earlier of the contractual date or when the Group and the Company is expected to pay. The tables include both interest and principal cash ows.

	Weighted average effective interest rate %	On demand or within 1 year RMB	Within 2 to 5 years RMB	Total RMB
Group				
2023				
Trade payables		201,677,233		201,677,233
Other payables*		28,917,246		28,917,246
Borrowings, xed interest rate	4.4	234,890,211	61,948,193	296,838,404
Borrowings, variable interest rate	4.5	107,092,896	38,012,509	145,105,405
Lease liabilities	4.35 to 5.20	2,445,190	836,459	3,281,649
		575,022,776	100,797,161	675,819,937
2022				
Trade payables		273,136,241		273,136,241
Other payables*		30,050,556		30,050,556
Borrowings, xed interest rate	3.9	205,648,824	2,856,637	208,505,461
Borrowings, variable interest rate	4.9	123,677,304	61,725,642	185,402,946
Lease liabilities	5.2	2,721,305		2,721,305
		635,234,230	64,582,279	699,816,509
Company				
2023				
Other payables		28,906,963		28,906,963
Financial guarantee contracts		277,160,516		277,160,516
		306,067,479		306,067,479
2022				
Other payables		45,369,834		45,369,834
Financial guarantee contracts		188,518,337		188,518,337
		233,888,171		233,888,171

*36..2(635,234,23)-6r2EbEE3005Exand for188,r

35. Fair value of financial assets and financial liabilities

The Group categorised fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used in making the measurements as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 unobservable inputs for the asset or liability.

The classi cation of an item into above levels is based on the lowest level of the inputs used that has a signi cant effect on the fair value measurement of the item.

Fair value of “nancial instruments that are not carried at fair value

The Group has no nancial assets and nancial liabilities carried at fair value as at end of reporting period.

Fair value of “nancial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of the Group and the Company’s current nancial assets and current nancial liabilities approximate their respective fair values as at the end of the reporting period due to the relatively short-term maturity of these nancial instruments.

The fair values of the Group’s non-current nancial liabilities in relation to borrowings approximate its carrying amount as these nancial instruments are at oating interest rates. For the xed rate non-current borrowings, the management estimates that the carrying amount approximate its fair value as the interest rate of the borrowings approximate the market lending rate for similar types of loan at the end of the reporting period.

36. Capital management policies and objectives

The Group and the Company manage their capital to ensure that the Group and the Company are able to continue as going concern and maintain an optimal capital structure so as to maximise shareholders’ values.

The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issues new shares or sell assets to reduce debts.

The management monitors capital based on a gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as trade and other payables, borrowings plus lease liabilities less cash and bank balances and xed deposits. Total capital is calculated as equity attributable to owners of the parent plus net debt.

36. Capital management policies and objectives (Continued)

The management constantly reviews the capital structure to ensure that the Group and the Company are able to service any debt obligations (include principal repayment and interests) based on their operating cash ows. The Group's and the Company's overall strategy remains unchanged from the previous nancial year.

	Group		Company	
	2023 RMB	2022 RMB	2023 RMB	2022 RMB
Trade payables	201,677,233	273,136,241		
Other payables	34,528,700	34,395,944	28,906,962	45,369,834
Borrowings	417,451,589	382,196,620		
Lease liabilities	3,162,762	2,621,248		
Less: Cash and bank balances	(90,219,566)	(67,244,843)	(995,002)	(441,424)
Less: Fixed deposits	(1,441,000)	(2,661,000)		
Net debt	565,159,718	622,444,210	27,911,960	44,928,410
Equity attributable to owners of the parent	523,152,944	536,521,955	439,327,582	422,310,537
Total capital	1,088,312,662	1,158,966,165	467,239,542	467,238,947
Gearing ratio	52%	54%	6%	10%

Subsidiaries of the Group established in the PRC are required to contribute and maintain a non-distributable statutory reserve fund whose utilisation is subject to certain restrictions as set out in the relevant regulations in the PRC as disclosed in Note 23 to the nancial statements.

In addition to the above, the Group and the Company are in compliance with all externally imposed capital requirements in relation to nancial covenants on its borrowings for the nancial years ended 31 December 2023 and 2022.

37. Significant related party transactions

During the financial year, in addition to the information disclosed elsewhere in these financial statements, the Group entities entered into the following transactions with related parties at rates and terms agreed between the parties:

	Group	
	2023 RMB	2022 RMB
With certain director of the Company		
Rental expense	830,644	790,206
With companies in which certain director have control		
Rental expense	2,039,168	2,018,712
Property management fee	787,464	
Rental income	120,000	120,000

37. Significant related party transactions (Continued)

	Company	
	2023	**2022**
	RMB	**RMB**
With subsidiaries		
Advances from subsidiaries	9,737,938	9,222,900
Dividend declared	27,782,000	

The outstanding balances as at 31 December with related parties are disclosed in Notes 19 and 28 to the nancial statements and are unsecured, interest-free and repayable on demand, unless otherwise stated.

Certain borrowings (Note 26) are supported by individual guarantees given by a director. No charge has been made for these guarantees.

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the nancial year were as follows:

	Group	
	2023	**2022**
	RMB	**RMB**
Directors		
- short-term bene ts	3,727,878	3,569,235
- post-employment bene ts	45,790	39,785
- Directors' fees	665,445	644,311
Other key management personnel		
- short-term bene ts	6,178,560	6,169,876
- post-employment bene ts	201,547	201,115
	10,819,220	10,624,322

The remuneration of directors and key management personnel is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

38. Authorisation of financial statements

The consolidated nancial statements of the Company and its subsidiaries and the statement of nancial position and statement of changes in equity of the Company for the nancial year ended 31 December 2023 were authorised for issue by the Board of Directors on 3 April 2024.

As at 14 March 2024

Issued and paid-up share capital	:	SGD45,735,199.216
Number of issued and paid-up shares excluding treasury shares and subsidiary holdings	:	70,319,164
Class of share	:	Ordinary shares fully paid
Voting rights	:	One vote for each ordinary share
Number and percentage of treasury shares and subsidiary holdings held	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	22	4.83	681	0.00
100 - 1,000	96	21.05	43,152	0.06
1,001 - 10,000	225	49.34	808,589	1.15
10,001 - 1,000,000	109	23.90	6,210,393	8.83
1,000,001 and ABOVE	4	0.88	63,256,349	89.96
TOTAL	**456**	**100.00**	**70,319,164**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	PAN SHUN MING	27,384,697	38.94
2	MAI SHUYING	17,925,265	25.49
3	JEN SHEK CHUEN	16,221,887	23.07
4	DB NOMINEES (SINGAPORE) PTE LTD	1,724,500	2.45
5	PAN ZHAOJIN	816,000	1.16
6	OCBC SECURITIES PRIVATE LIMITED	503,279	0.72
7	MAYBANK SECURITIES PTE. LTD.	353,806	0.50
8	DBS NOMINEES (PRIVATE) LIMITED	345,066	0.49
9	TAN SIEW KENG CHRISTINA	279,000	0.40
10	EST OF LIM TCHEN NAN, DEC'D	199,900	0.28
11	PU JINBO	185,454	0.26
12	HSU SHU HAO	168,000	0.24
13	ZHANG JIANLING	156,818	0.22
14	JENNIFER LEUNG MAN CHU	146,250	0.21
15	PHILLIP SECURITIES PTE LTD	137,790	0.20
16	TTH DEVELOPMENT PTE LTD	100,000	0.14
17	WOO KIM FONG	97,452	0.14
18	LIM POH FAH VICTOR	92,703	0.13
19	CHONG HOI YONG	88,750	0.13
20	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	78,631	0.11
	TOTAL	**67,005,248**	**95.28**

As at 14 March 2024

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 14 MARCH 2024

NAME OF SUBSTANTIAL SHAREHOLDERS	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	%	NO. OF SHARES	%
Pan Shun Ming	27,384,697	38.94	17,925,265[1]	25.49
Mai Shuying	17,925,265	25.49	27,384,697[2]	38.94
Pan Zhaojin	816,000	1.16	45,309,962[3]	64.43
Jen Shek Chuen	16,221,887	23.07		

Notes :-

(1) Deemed interest in the shares held by his spouse, Madam Mai Shuying.

(2) Deemed interest in the shares held by her spouse, Mr Pan Shun Ming.

(3) Deemed interest in the shares held by his parents, Mr Pan Shun Ming and Madam Mai Shuying.

SHARES HELD BY PUBLIC

To the best knowledge of the Company and based on the Shareholders' Information provided to the Company as at 14 March 2024, approximately 11.34% of the issued and paid-up ordinary shares of the Company are held in the hands of the public as de ned in the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**). Accordingly, the Company has complied with Rule 723 of the Listing Manual.

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**) of Southern Packaging Group Limited (the "**Company**) will be held at Indiana Room, Level 4, Raf es City Convention Centre, Fairmont Singapore and Swissotel The Stamford, 80 Bras Basah Road, Singapore 189560 on Monday, 29 April 2024 at 10 a.m., to transact the following businesses:

ORDINARY BUSINESS:

1. To receive and adopt the Audited Financial Statements for the nancial year ended 31 December 2023 together with the Directors' Statement and the Auditors' Report. **Resolution 1**

2. To approve the payment of Directors' fees of S$126,667/- for the nancial year ended 31 December 2023. (2022: S$123,000) **Resolution 2**

3. To approve the payment of Directors' fees of S$129,668/- for the nancial year ending 31 December 2024, payable quarterly in arrears. (Explanatory Note 1) **Resolution 3**

4. To note the retirement of Mr Yeung Koon Sang @ David Yeung who is retiring by rotation pursuant to Article 91 of the Company's Constitution and will not be seeking for re-election as a Director of the Company. (Explanatory Note 2)

5. To re-elect Mr Chan Kam Loon who is retiring pursuant to Article 97 of the Company's Constitution and being eligible, offers himself for re-election. (Explanatory Note 3) **Resolution 4**

6. To re-elect Mr Wu Geng who is retiring pursuant to Article 97 of the Company's Constitution and being eligible, offers himself for re-election. (Explanatory Note 3) **Resolution 5**

7. To re-appoint Messrs BDO LLP as the auditors of the Company and to authorise the Directors to x their remuneration. **Resolution 6**

SPECIAL BUSINESS:

To consider and, if thought t, to pass the following as Ordinary Resolution, with or without modi cations:

8. **Authority to allot and issue shares** **Resolution 7**

That, pursuant to Section 161 of the Companies Act 1967 and Rule 806(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**), authority be and is hereby given to the Directors of the Company to:-

(a) (i) issue shares in the Company ("**Shares**) whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

(1) the aggregate number of Shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fty per cent (50%) of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed twenty per cent (20%) of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below).

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) is based on the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

(i) new Shares arising from the conversion or exercise of any convertible securities;

(ii) new shares arising from exercising share options or vesting of share awards, provided the share options or awards were granted in compliance with the Listing Manual of the SGX-ST; and

(iii) any subsequent bonus issue or consolidation or subdivision of Shares,

provided further that adjustments in accordance with sub-paragraphs b(2)(i) and b(2)(ii) above are only to be made in respect of new Shares arising from convertible securities, share options and share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution.

(3) in this Resolution, "subsidiary holdings shall have the meaning ascribed to it in the Listing Manual of the SGX-ST;

(4) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(5) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting ("**AGM**) of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier. (Explanatory Note 4)

9. To transact any other business which may be transacted at an AGM.

By Order of the Board

Pan Shun Ming
Executive Chairman and CEO
12 April 2024

Explanatory Notes:-

1. Resolution 3

This Ordinary Resolution, if passed, will facilitate the payment of Directors' fees for the nancial year ending 31 December 2024 ("**FY2024**) on a quarterly basis in arrears. The amount of Directors fees is computed based on the anticipated number of Non-Executive Directors and positions held by the Non-Executive Directors in various Board Committees in FY2024. In the event of the amount of Directors' fees proposed is insuf cient (e.g. due to the enlarged board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

2. Mr David Yeung will retire as a Director of the Company at the conclusion of the AGM. Upon his retirement, Mr David Yeung will cease as the Chairman of Audit and Remuneration Committees and member of the Nominating Committee.

3. Resolutions 4 and 5

Mr Chan will, upon his re-election, remain as member of Audit, Nominating and Remuneration Committees. The Board of Directors (the "**Board**) considers him to be independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.

Mr Wu will, upon his re-election, remain as the Chairman of Nominating Committee and member of Audit and Remuneration Committees. The Board considers him to be independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.

Detailed information of Mr Chan and Mr Wu can be found under "Board of Directors , "Corporate Governance Report and "Additional information on Directors Seeking Re-Election sections in the Company's Annual Report 2023.

4. Resolution 7

This Ordinary Resolution, if passed, will authorise and empower the Directors of the Company from the date of the AGM to issue shares and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, without seeking any further approval from shareholders in general meeting but within the limitation imposed by this Resolution, for such purposes as the Directors may consider would be in the best interests of the Company. The aggregate number of shares (including shares to be made in pursuance of Instruments made or granted pursuant to this Resolution) to be allotted and issued would not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this resolution is passed, of which the total number of shares that may be issued other than on a pro-rata basis to shareholders shall not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time the resolution is passed. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company.

Notes:

1) The members of the Company are invited to attend physically at the AGM. There will be no option for shareholders to participate virtually. Printed copies of the Notice, Proxy Form and the Annual Report will also be sent by post to members.

2) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, ask question and vote at the AGM. Where such member appoints more than one (1) proxy, the proportion of the shareholdings concerned to be represented by each proxy shall be speci ed in the instrument appointing a proxy or proxies. If no proportion of shareholdings is speci ed, the proxy whose name appears rst shall be deemed to carry one hundred per cent (100%) of the shareholdings of his/its appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.

3) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, ask question and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be speci ed in the instrument appointing a proxy or proxies.

"Relevant Intermediary has the meaning ascribed to it in Section 181 of the Companies Act 1967.

4) A proxy needs not be a member of the Company.

5) Central Provident Fund Investment Scheme members ("**CPF investors**) and/or Supplementary Retirement Scheme investors ("**SRS investors**) (a) may attend and vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have queries regarding their appointment as proxies; or (b) may appoint Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case, they should approach their respective CPF Agent Banks or SRS Operators to submit their voting instructions by 5 p.m. on 18 April 2024.

6) The instrument appointing a proxy or proxies must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney duly authorised or its authorised of cer or in such a manner as appropriate under applicable laws, failing which the instrument may be treated as invalid.

7) Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney or a duly certi

Pursuant to Rule 720(6) of the SGX-ST Listing Manual, the additional information as set out in Appendix 7.4.1 to the SGX-ST Listing Manual relating to the retiring Directors who are submitting themselves for re-election is disclosed below and to be read in conjunction with their respective biographies under the section entitled "Board of Directors in the Annual Report 2023:

Name of Person	**Chan Kam Loon**	**Wu Geng**
Date of Appointment	1 August 2023	1 January 2024
Date of last re-appointment	Not Applicable	Not Applicable
Age	63	52
Country of principal residence	Singapore	Singapore
The Board's comments on this re-appointment	The re-election of Mr Chan was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking into consideration his independence, overall contribution and performance	The re-election of Mr Wu was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking into consideration his independence, overall contribution and performance
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director, Member of Audit, Remuneration and Nominating Committees	Independent Non-Executive Director, Chairman of Nominating Committee, Member of Audit and Remuneration Committees
Professional Quali cations	z Bachelor of Science (Economics) in Accounting and Finance z Chartered Accountant of Institute of Chartered Accountants in England & Wales	z Bachelor of Law Degree from Peking University z Degree of Master of Comparative Law from National University of Singapore z Master of Arts Degree from University of Delaware, United States of America z Member of the Law Society of Singapore z Member of the Singapore Academy of Law
Any relationship (including immediate family relationships) with any existing director, existing executive of cer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Con ict of interests (including any competing business)	No	No

Name of Person	Chan Kam Loon	Wu Geng
Working experience and occupation(s) during the past 10 years	Mr Chan has many years of experience in accounting and audit with KPMG London and PWC Singapore (1983 1990), investment banking with Morgan Grenfell Asia and HG Asia Securities and was a director of investments (1990 1996) at private firm Suez Asia Holdings (1996 2000). Mr Chan was head of the Listings Function of Markets Group at the Singapore Exchange (2000 2004). Since 2004 to present, he serves as an independent director of several other SGX listed companies	Drew & Napier LLC, Singapore z May 2016 Present: Director z Jun 2014 Apr 2016: Associate Director z Apr 2013 Jun 2014: Senior Associate z Apr 2010 Apr 2013: Senior legal Manager
Undertaking has been submitted to the listed issuer in the form of Appendix 7.7 under Rule 720(1)	Yes	Yes
Shareholding interest in the listed issuer and its subsidiaries	No	No
Other Principal Commitments Including Directorships: Past (for the last 5 years)	Directorships: z Sarine Technologies Ltd. z OIO Holdings Limited z Hupsteel Limited z Tee International Limited Other Principal Commitment: z 3 Peaks Capital Private Limited	Directorships: z Delong Holdings Limited z Tee International Limited Other Principal Commitment: Nil
Present	Directorships: z Megachem Limited z Uni-Asia Group Limited z Jiutian Chemical Group Limited z Alpha DX Group Limited (under interim judicial management) Other Principal Commitment: Nil	Directorships: z Shengli Oil & Gas Pipe Holdings Limited z Drew & Napier LLC, Singapore z Sasseur Asset Management Pte. Ltd. (as Manager of Sasseur Real Estate Investment Trust) z Chalco Trading Singapore Pte. Ltd. z Chalco International Trading Mineral Resources Pte. Ltd. Other Principal Commitment: Nil

Name of Person	Chan Kam Loon	Wu Geng
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was led against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	Yes. Alpha DX Group Limited for which Mr Chan is an independent director is currently under interim judicial management, being restructured with a prospective new investor.	No
(c) Whether there is any unsatis ed judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

Name of Person	Chan Kam Loon	Wu Geng
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No

[redacted]

Name of Person	Chan Kam Loon	Wu Geng
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

SOUTHERN PACKAGING GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200313312N)

Important:

1. A relevant intermediary (as de ned in Section 181 of the Companies Act 1967 ("**Companies Act**) may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
2. For CPF/SRS investors who have used their CPF monies to buy Southern Packaging Group Limited shares, this form of proxy is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks if they have queries regarding their appointment as proxies.

ANNUAL GENERAL MEETING
PROXY FORM

I/We, _____ (name and NRIC/Passport/Company Registration No.)

of _____ (address)
being a member/members of **SOUTHERN PACKAGING GROUP LIMITED** (the "**Company**), hereby appoint:

Name		**NRIC/Passport No.**	**Proportion of Shareholdings**	
			No. of Shares	**%**
Address				

*and/or (strike as appropriate)

Name		**NRIC/Passport No.**	**Proportion of Shareholdings**	
			No. of Shares	**%**
Address				

or failing him/her/them*, the Chairman of the Annual General Meeting ("**AGM**) as my/our* proxy/proxies* to attend, speak and vote for my/our* behalf at the AGM to be held at Indiana Room, Level 4, Raf es City Convention Centre, Fairmont Singapore and Swissotel The Stamford, 80 Bras Basah Road, Singapore 189560 on Monday, 29 April 2024 at 10.00 a.m. and at any adjournment thereof. I/We* direct my/our* proxy/proxies* to vote for or against or to abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. In the absent of speci c direction as to voting is given, the proxy/proxies* may vote or abstain from voting at his/her/their discretion, as he/she/they* will on any other matters arising at recti.0t1o7730278 T
s' Statement

Resolution 2	Approval of Directors' fees of S$126,667/- for rnancial year ended 31 December 2023
Resolution 3	Approval of Directors' fees of S$129,668/- for r nancial year ending 31 December 2024
Resolution 4	Re-election of Mr Chan Kam Loon as Director
Resolution 5	Re-election of Mr Wu Geng as Director
Resolution 6	Re-appointment of Messrs BDO LLP as the auditors of the Company and authorisation to rectors to x their remuneration
ORDINARY	**SPECIAL BUSINESS**
Resolution 7	Authority to allot and issue shares

* Delete where inapplicable.

\# Voting will be conducted by poll. If you wish your proxy(ies) to cast all your votes for or against a resolution, please indicate with •XŽ in the •ForŽ or •Against Ž box in respect of resolution. Alternatively, please indicate the number of shares for or against in the •ForŽ or •Against Ž box in respect of resolution. If you wish your proxy(ies) to abstain from voting on a resolution, please indicate with •XŽ in the •Abstain Ž box in respect of resolution. Alternatively, please indicate the number of shares abstain in the •Abstain Ž box in respect of resolution.

Dated this _____ day of _____ 2024.

Total Number of Shares held (Note 1)

_____

Signature(s) or Common Seal of Members(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES:

1. Please insert the total number of Shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of Shares. If no number is inserted, this instrument appointing proxy or proxies will be deemed to relate to all the Shares held by you.

2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting. Where such member appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be speci ed in the instrument appointing a proxy or proxies. If no proportion of shareholdings is speci ed, the proxy whose name appears rst shall be deemed to carry one hundred per cent (100%) of the shareholdings of his/its appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.

   (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be speci ed in the instrument appointing a proxy or proxies.

   "Relevant intermediary has the meaning ascribed to it in Section 181 of the Companies Act.

3. A proxy needs not be a member of the Company.

4. The instrument appointing a proxy or proxies, duly executed, must be deposited at the of ce of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 **by 10 a.m. on 27 April 2024**, being not less than forty-eight (48) hours before the time appointed for holding the Meeting.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney duly authorised or its authorised of cer or in such a manner as appropriate under applicable laws, failing which the instrument may be treated as invalid.

6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney or a duly certi ed copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing a proxy or proxies, failing which the instrument may be treated as invalid.

7. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the AGM.

8. For CPF/SRS investors, this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be 89 -1.2 TD.0278 Tw(the AGM.)Tj-2.8346 -2.4 TD.137w(ss)TJd pt lheir use and shalt mor-159(Boar)TJT*0 appo a

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

Tel: (65) 63278398