




Southern packaging



RESOLUTELY MOVING FORWARD

ANNUAL REPORT

2022



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”.

CHAIRMAN'S
MESSAGE

“



DEAR SHAREHOLDERS,

FY2022 was the most challenging year since the outbreak of Covid-19 in 2019. During the year, the Chinese government imposed the toughest control measures over those areas affected by the pandemic. Our Group's sales, as a result, were largely affected by these measures which lasted more than 6 months over those areas which formed part of our major operation areas. In addition, our Group results were worsened by the significant increase in raw material and energy costs.

The Group's revenue in FY2022 was RMB604 million, a decrease of RMB165million or 21.5% compared to RMB769 million in FY2021. The packaging business recorded an annual sales revenue of RMB597 million (including RMB380 million for rigid packaging and RMB217 million for flexible packaging), a year-on-year decrease of 14.3%. The operating gross profit in 2022 was RMB91 million, a decrease of RMB51 million compared to RMB142 million in FY2021. The property assets of Apex Tower recorded sales revenue of RMB6.11 million during the year, contributing a gross profit of RMB1.31 million. The contribution of the property development revenue to the group's revenue this year is not high. The Group recorded a loss of RMB36.29 million in its annual after-tax profit, and its net assets for the year ended at RMB7.63 per share.

Under such difficult environment, our team adopted a two pronged policies of fortifying our relationship with our existing customers with diversified and new packaging products and services. In addition, we invested a significant part of our resources into the new products area, such as pharmaceutical, cosmetic and personal day care products by working with multinational company in these areas. One of our major advantages over our competitors is our capability of providing rigid and flexible packaging solutions to our customers.

Looking ahead, as all the control measures over Covid-19 have been dismantled, we are full of confidence in the recovery of our market. Our Group after going through the trying time of the last three years has emerged stronger and

more resilient and become even more adaptable in meeting customers' demands. Our initiatives in working closely with our customers in developing new packaging solutions have started to see results and expect to achieve volume production in the second half of this year. We expect this new revenue stream might continue into future years.

In summary, with our comprehensive capabilities in the rigid and flexible packaging, coupled with our unique strategical partnerships with our key customers, and our research abilities, we are confident of new growth opportunity which will drive sustainable value growth for all our stakeholders.

The marketing of Apex Towers will be intensified as the overall market conditions continue to improve.

On behalf of the Group I would like to thank our customers, suppliers, employees and shareholders for their 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

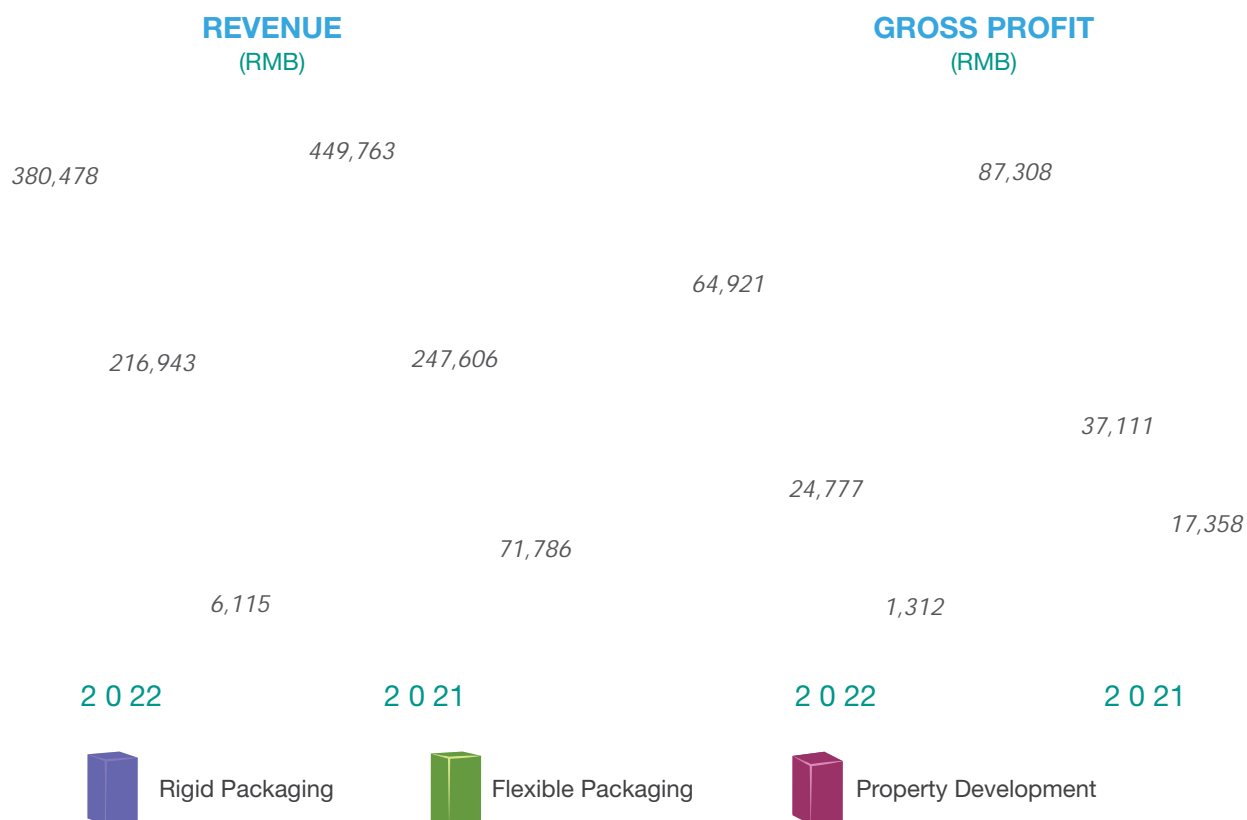
Southern Packaging Group Limited



2022



FINANCIAL HIGHLIGHT AS AT 31 DECEMBER 2022



12 MONTHS ENDED 31 DECEMBER (IN RMB MILLION)

	2022	2021
Revenue	604	769
Gross Profit	91	142
Net (Loss)/Profit	(36)	14
Total Assets	1,245	1,329
Total Liabilities	708	756
Shareholders' Equity	537	573
Cash and cash equivalents	67	80
(Loss)/Earning per share (cents) after share consolidation	(52)	20

The sales revenue decreased by 21% to RMB604 million in FY2022. The sales of the Group especially in relation to catering and leisure food were affected by the lockdown in China due to insurgence of Covid-19 cases during FY2022. In addition, the Group's production and delivery plans were affected during the year.

Revenue By Business Segments	FY2022		FY2021		Change
	RMB'000	%	RMB'000	%	
Rigid packaging	380,478	63.0%	449,763	58.5%	-15.4%
Flexible packaging	216,943	36.0%	247,606	32.2%	-12.4%
Property	6,115	1.0%	71,786	9.3%	-91.5%
Total	603,536	100%	769,155	100%	-21.5%

The gross profit decreased by 35.8% to RMB91 million. The gross profit decreased mainly due to the decrease in sales revenue as explained above. The lower profit margin was attributable to the increase in purchase price of raw materials, labour costs and energy costs. **Gross Profit margin by Business Segments**

Revenue By Business Segments	FY2022		FY2021		Change
	RMB'000	%	RMB'000	%	
Rigid packaging					
Flexible packaging					
Property					
Total					





BOARD OF DIRECTORS

CHIA CHOR LEONG

Independent Director

Mr. Chia was appointed as an Independent Director of our Company in October 2014. Mr. Chia obtained an LL.B. (Honours) degree from the University of Singapore in 1980 and was admitted as an advocate and solicitor of the Supreme Court of Singapore in 1981. He has been

KEY MANAGEMENT

PU JINBO

Deputy Chief Executive Officer

Mr. Pu, our Deputy Chief Executive Officer, joined our Group in 1999. Mr. Pu was our Executive Director from April 2004 until August 2019. He is responsible for the overall investment strategies of the Group. Mr. Pu has more than 15 years of experience in food industry. He graduated with a Diploma from Guangdong No.2 Polytechnic in 1984 and holds an EMBA degree from the National University of Singapore. After graduating in 1984, Mr. Pu joined Guangzhou Friendship Food Company and served there until 1999, when he was the Assistant General Manager. Mr. Pu was awarded the title Assistant Economist by Guangzhou Business Department Titles Amendment Group in July 1993.

MAI SHUYING

Chief Financial Officer

Madam. Mai is our Chief Financial Officer and the co-founder of our Group. Madam Mai founded our Group together with Mr. Pan in the early 1980s. Madam Mai was our Executive Director until August 2019. She is in-charge of our Group's finance department and is responsible in managing financial matters, in particular, overseeing the fund disbursement and administrative matters. Mr. Pan Shun Ming and Madam Mai Shuying are spouses.

LI YONGHUA

Chief Operating Officer

Mr. Li Yonghua, the Chief Operating Officer, joined our Group in 2002. Mr. Li was our Executive Director from February 2011 until August 2019. He is responsible for the operation of the Group and oversees day to day business operations of the Group (sales, marketing, business development and etc). Mr. Li holds a MBA degree from Hong Kong University of Science and Technology. He was Account Manager in Rexam Derkwei Industrial (Shenzhen) Co. Ltd from 1999 to 2001 before he joined Foshan Southern Packaging in December 2002 as Sales Manager. He was promoted as Assistant to the President in 2004 and then Deputy General Manager in July 2006, mainly responsible for sales and marketing. Mr. Li was then appointed as General Manager of Foshan Southern Packaging in the end of 2007.

PAN ZHAOJIN

Vice President (Property Development)

Mr. Pan Zhaojin joined our Group in 2007 and he was our Executive Director from February 2011 until February 2017. He is our Vice President (Property Development) responsible for overseeing and responsible for the property development activities of the Group's property investment. Mr. Pan holds an IMBA degree from Sun Yat Sen University. He first joined the Company as a CEO assistant in 2007 and was promoted as Vice General Manager in 2009, mainly responsible for Human Resource Management and R&D department. He was our Deputy Chief Operating Officer from February 2017 until October 2019 responsible for marketing and business development for the Group's packaging business.

ZHANG JIAN LING

Chief Investment Officer

Ms. Zhang Jian Ling joined the Group in April 1993. She is responsible for import of equipment and materials and export of packaging products as well as corporate expansion and investment projects. Ms. Zhang holds a Bachelor of Science from the Southern China Technological University. After graduating in 1988, she joined the Nanhai Guicheng Light Chemical Industry Development Department of the Guicheng Economic Development Group and assisted in the establishment of Sino-Foreign joint ventures and corporate secretarial matters. She was transferred to Nanhai Zhujiang Packaging & Printing Co., Ltd in 1990.

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 Practising 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)

Chung Tang Fong
(Independent Director)

Chia Chor Leong
(Independent Director)

AUDIT COMMITTEE

Yeung Koon Sang @ David Yeung (Chairman)
Chung Tang Fong
Chia Chor Leong

REMUNERATION COMMITTEE

Yeung Koon Sang @ David Yeung (Chairman)
Chung Tang Fong
Chia Chor Leong

NOMINATING COMMITTEE

Chia Chor Leong (Chairman)
Yeung Koon Sang @ David Yeung
Chung Tang Fong

COMPANY SECRETARIES

Kong Wei Fung
Cheok Hui Yee

REGISTERED OFFICE

80 Robinson Road
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F: +65 6236 4399

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
Guangdong Nanhai Rural Commercial Bank Co.,Ltd
(Nanhai Ping Zhou SubBranch)
Bank of China Limited (Nanhai Sub-Branch)
Hang Seng Bank (China) Limited
(Foshan SubBranch)

CORPORATE GOVERNANCE REPORT

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.

The Group's financial year ended 31 December 2022 ("Year End") is governed by 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 ("SEST") 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.

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 financial and human resources are in place for the Company to meet its objectives;
- (b) to review 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 system of internal control including safeguarding of shareholders' interests and Company's assets;
- (d) to monitor and review management performance;
- (e) to monitor and review the Group's reputation;

CORPORATE GOVERNANCE REPORT

- (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; YI YfVg]b['Xi Y'WfYz'g_]`g'UbX'X'] [YbW/UbX'Uj c]X]b['Vzb]Vtg'cZ]bhFYgh' H\Y'6cUfX' UXdHYX'U'gYh'cZ ethical values and standards which establishes the fundamental principles of professional and ethical conduct expected of the Directors in the performance of their duties.

Hc' UXXfYgg' UbX' a UbU[Y' dcgg]V'Y' Vzb]Vtg' cZ]bhFYgh' h' Uhi' a UmUf]gY' VYh' Yyb' 8]fYVtc'fg']bhFYgh' UbX' 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 (" 9UW' 8]fYVtc'f']g' fYei]fYX' tc' dfca dhimX]gWcgy' UbmiVzb]Vtg' cf' dchYbh]U' Vzb]Vtg' cZ]bhFYgh' k \Yh' Yf' X]fYVh' cf']bX]fYVh']b' fY' Uh]cb' tc' UbmiH'UbgUW]cb' cf' a UHf' discussed and contemplated by the Group. The disclosure is made either during a Directors' meeting cf' Vmk UmicZ'U'k f]H'Yb' bch] W]h]cb' tc' h' Y' 7ca dUbmGYWYHfmiVzbH]b]b['XYH]]g' cZ h' Y']bhFYgh' UbX' h' Y' bUhi fY' cZVzb]Vh' K \YfY' U'dchYbh]U' Vzb]Vh' cZ]bhFYgh' Uf]gYg'z' h' Y' 8]fYVtc'f' VzbWfbYX'k]' fYW' gY' \]a gY' Z# herself from participating in any discussions, abstains from voting on the matter and refrains from YI YfVg]b['Ubmi]b i YbW' c] Yf' ch' Yf' a Ya VYfg' cZ h' Y' 6cUfX"

The Company has in place a limitation and authorisation policy. The policy contains materiality h' fYg' c' X'f] UbX' U' g'WYXi 'Y' cZ a UHf'fg'gdYVW' W' m'fYgYfj YX' Zc'f' h' Y' 6cUfX' g' Uddfcj U''' 6Y'ck' h' Y' 6cUfX' g' level, there are appropriate delegations of authority at the senior management level, to facilitate cdYfU]cbU' Y' VYbVh'

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 financial results, Annual Reports, sustainability reports and Audited Financial Statements;
-

CORPORATE GOVERNANCE REPORT

- business practices and risk management of the Group;
-]b`h\Y`WUgY`cZUbmVt`b]M`icZ]bhYfYg]g`k \]M`h\Y`6cUfXzUZhYf`VY]b[`UddfcdF]UHy`miUXj]gYXzVt`bg]XYfg`hc`VY`a UHyf]Uz`Ug`hc`k \Yh\Yf`gi V`Vt`b]M`ig`ci `X`VY`Ui h\cf]gYX`UbXz]ZgcZ`Ui h\cf]gY`gi V`Vt`b]M` 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.

There was no new Director appointed in FY2022. 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 ("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

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CORPORATE GOVERNANCE REPORT

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 (" ") (collectively, the " "). Each Board Committee is chaired by an Independent Non-Executive Director. These Board Committees are required to observe the 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 matters, 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.

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 documents.

Details of the Directors' attendance at Board and Board Committee meetings as well as at the AGM held during FY2022 are as follows:

Pan Shun Ming	4	4 ⁽¹⁾	1 ⁽¹⁾	1 ⁽¹⁾	1
Chen Xiang Zhi	4	4 ⁽¹⁾	1 ⁽¹⁾	1 ⁽¹⁾	1
Yeung Koon Sang @ David Yeung	4	4	1	1	1
Chung Tang Fong	4	4	1	1	1
Chia Chor Leong	3	3	1	1	1

⁽¹⁾ Attended as an invitee.

CORPORATE GOVERNANCE REPORT

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.

During each meeting and the Board is provided with relevant background or explanatory information relating to the matters to be discussed. Any other matters may also be tabled at the Board meeting and discussed without papers. 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.

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.

Board procedures are followed and that applicable rules and regulations are complied with. Under the Board committees and between Management and Non-Executive Directors and advising the Board 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.

As at the date of this Report, the Board comprises the following members:

1. Pan Shun Ming (潘焜明) (Executive Director and Vice Chairman)
2. Chen Xiang Zhi (陳香枝) (Executive Director and Vice Chairman)
3. Yeung Koon Sang @ David Yeung (楊國祥) (Lead Independent Director)
4. Chung Tang Fong (鍾唐鳳) (Independent Director)
5. Chia Chor Leong (謝卓榮) (Independent Director)

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

K \]Y h\Y 7ca dUbm \Ug bch UXcdhYX Dfcj Jg]cb ' ' "% cZ h\Y 7cXY fYei JfYg 7\UJfa Ub UbX 79C hc VY 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 a Ucf]mUddfcj U cZ h\Y 6cUfX "K \YfY h\YfY UfY Vtb JYg cf dchYbhU Vtb JYg cZ]bhYfYghzk \Yh Yf X]fYVh or indirect, in relation to any matter or transaction discussed, the Director is required to disclose and UVghU]b Zfca j ch]b [cb h\Y a UhhYf "H\Y 6cUfX j JYk YX h\U h\YfY UfY gi VYbh gUZY [i UfXg UbX V\YVg to ensure that the process of decision making by the Board is independent and based on collective XYVg]cbg k Jh ci hUbm]bXj JXi U YI YfVg]b [UbmVtb]XfUV Y VtbWbfU]cb cZ dck Yf cf]b i YbWzk \]V 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.

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.

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 Chia (Chairman)
Mr David Yeung (Member)
Dr Chung (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;

CORPORATE GOVERNANCE REPORT

- (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 or her duties, including 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) reviewing the performance 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)

CORPORATE GOVERNANCE REPORT

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 [XYbh] YX'VUgYX'cb'hY'bYYXg'cZfY'Yj Ubh'g_]`gzi dYf]YbWz_bck`YX[YzX]j Yfg]mUbX'Yi dYfh]gy''9i]gh]b[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, ei U] W]h]cb'UbX'Yi dYf]YbW'cZYUW'WbX]XUH'UbX'chYf'ZUW'c'fg'gi W'Ug'U[Y'UbX'[YbXYf'hUh'k'ci`X'V'bf]Vi h'Y'hc'hY'6cUfX'g'V'YV]j Y'g_]`g'UbX'Yi dYfh]gyz`]g#Yf'UV']mhc`]bWYUg'Y'hY'Y'YV]j YbYgg'cZ'hY' 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 Directors' overall contributions and performance and an appropriate mix of core competencies for the 6cUfX'hc'z` `]hg'fc'Yg'UbX'fYgdcbg]V']h]Yg''H'Y'7ca dUbm]7cbg]h]h]cb'fYei]fYg'hUh'cbY!h]fX'fY#`E'cZ the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to Vi h'bc'h'Ygg'h'Ub'cbY!h]fX'fY#`E'k]h'U'a]b]a i a`cZcbY'fY#`g'U'`fYh]fY'Zca`c`W'Vmfc]h]cb'UbX'h'Uh U'`8]fYV'c'fg'g'U'`fYh]fY'Zca`c`W'cbW'Yj Yfmh'fY'f'f'EnYUfg''5'fYh]f]b[`8]fYV'c'fg'g'U'`VY'Y']]V'Y'Zc'f'fY' Y'YV]cb''5bmdYfgcb'Uddc]bhYX'Vm'h'Y'8]fYV'c'fg'Y]h'Yf'hc` `U'W]gi U'j UWbV'hc'f'Ug'Ub'UXX]h]cbU'X']fYV'c'f' Xi f]b[`h'Y'mYUf'k']`c`X'c`W'cb'mi bh]`h'Y'bYi h'5; A`UbX'k']`VY'Y']]V'Y'Zc'f'fY'YV]cb'Vi hg'U'`bchVY' taken into account in determining the number of directors retiring by rotation at such meeting.

The NC has recommended to the Board that Dr Chung and Mr Chia 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 Directors' 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 the retiring directors 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 on Directors Seeking Re-election" in this Annual Report.

As mentioned under Principle 2 above, the NC also reviews the independence of the Directors annually UbX'\Uj Y'U`fa YX'h'Uh'A'f'8Uj]X'M'i b[ZA'f'7\]U'UbX'8'f'7\i b[`UfY']bXYdYbXYbh'UbX'UfY'UV'Y'hc'Yi YfV]gY' ↑X[Ya Ybhcb'h'Y'V'f'c'f'U'h'U`U]fg'cZ'hY'; fci d']bXYdYbXYbh'cZ'hY'A'UbU[Ya Ybh'

All Directors declare their board memberships as and when practicable.

During FY2022, the NC has ascertained that all Directors, including those who have other listed company VcUfX'fYdYgYbh]h]cbg'UbX'#c'f'df]bV]dU'V'ca a]ha Ybhgz'\Uj Y'XYj chYX'gi`VYbh]ja Y'UbX'UH'Ybh]cb'hc'h'Y'; fci d'g'U`U]fg'UbX'\Uj Y'X]gV]Uf[YX'h'Y]f'Xi h]Yg'UbX'fYgdcbg]V']h]Yg'UXYei U'h'm'`H'Y'6cUfX'UbX' NC take into account the Directors' actual conduct on the Board, in making this determination. As time fYei]fYa Ybh]cZ'YUW'X']fYV'c'f'UfY'gi V'YV]j Yz'h'Y'6cUfX'UbX'B'7'\Uj Y'XYV]XYX'bch'hc`I`U'a UI]a i a`]ja]h 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 XYj ch'gi`VYbh]ja Y'hc'h'Y'X]gV]Uf[Y'cZ'\]g'c'f'\Yf'Xi h]Yg'g'ci`X'bchYbh]U'U'fYg]m]cb'cb'h'Y'bi a VYf' of other board commitments or their other principal commitments.

CORPORATE GOVERNANCE REPORT

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

Mr Pan	Executive Chairman and CEO	Nil	<p><u>Subsidiaries of Company</u></p> <ul style="list-style-type: none"> ■ Southern Packaging (Jiangsu) Co., Ltd ■ Foshan Nanxin Packaging Co., Ltd ■ Southern (HK) Packaging Co., Ltd ■ Foshan Southern Packaging Co., Ltd <p><u>Other corporations</u></p> <ul style="list-style-type: none"> ■ Foshan Jia Xun Real Estate Co., Ltd ■ Guangdong Donald Food Co., Ltd ■ Guangdong Xinghua Health Drinks Co., Ltd ■ Energetic Holdings Limited ■ Striving Asset Management Co., Ltd ■ Foshan Jia Bang Real Estate Co., Ltd ■ Thrive United Holdings Ltd ■ Cappella Holding Pte. Ltd ■ Nanhai 4 Pte. Ltd ■ NH Assets Pte. Ltd ■ Shan Shine Asset Management Co., Ltd ■ Stable Growth Investment Co., Ltd ■ Foshan Shan Shine Corporate Advisory Co., Ltd ■ Foshan Ying Feng Real Estate Co., Ltd

CORPORATE GOVERNANCE REPORT

Mr Chen	Executive Director and Vice Chairman	Nil	<ul style="list-style-type: none"> ■ Stable Growth Investment Ltd ■ Foshan Jia Bang Real Estate Co., Ltd ■ Thrive United Holdings Ltd ■ Foshan Shan Shine Corporate Advisory Co., Ltd ■ Foshan Ying Feng Real Estate Co., Ltd ■ Foshan Jia Bei Le Property Management Co., Ltd
Mr David Yeung	Lead Independent Non-Executive Director	<ul style="list-style-type: none"> ■ Dension Gas Limited ■ Datapulse Technology Limited 	<ul style="list-style-type: none"> ■ Kreston David Yeung PAC ■ Daxin Yeung PAC ■ Daxin Consulting (S) Pte Ltd ■ Adex Management Pte. Ltd. ■ Pierce Holdings Pte. Ltd. ■ Quanfang TCM & Health Products Pte. Ltd. ■ Ipetmart Pte. Ltd.
Dr Chung	Independent Non-Executive Director	Nil	<ul style="list-style-type: none"> ■ Xi-Hong Enterprise Pte. Ltd. ■ Registry of Marriages, Singapore ■ Jurong-Clementi Town Council, Singapore ■ Japan Association for Overseas Technical Scholarship (AOTS) Alumni Society of Singapore ■ Singapore Chung Hwa Medical Institution ■ Bukit Batok Citizen's Consultative Committee ■ NUS Lee Kuan Yew School of Public Policy Mandarin Alumni ■ Institutional Review Board, Public Free Clinic Society, Singapore
Mr Chia	Independent Non-Executive Director	Frencken Group Limited	<ul style="list-style-type: none"> ■ External Placement Review Board ■ A [b]g]fmcZ < ca Y '5 U]fgž Singapore

As full time occupation, consultancy work, committee work, non-listed company board representations and directorships appointments should not normally be considered principal commitments.

CORPORATE GOVERNANCE REPORT

There is no alternate Director appointed to the Board.

The Board has established and implemented processes to be carried out by the NC for monitoring 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, 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 that 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 Board Committees share common members and a section on each Board Committees' performance is included in the Board appraisal forms.

The NC, having reviewed the overall performance of the Board and Board Committees in terms of its view 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 contribution. 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.

CORPORATE GOVERNANCE REPORT

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 NC will consider such an engagement.

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)
Dr Chung (Member)
Mr Chia (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 whose current employment contracts will expire or had expired;

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CORPORATE GOVERNANCE REPORT

- (f) gYY_ 'YI dYfh UXj]W']bg]XY' h\Y' 7ca dUbmUbX#cf' ci hg]XY' dfcZYgg]cbU' UXj]W' cb' fYa i bYfUH]cb' cZ 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;
- (f) E XYH\fa]bYž fYj]Yk' UbX' Uddfcj Y' h\Y' XYg][b' cZ U' cdh]cb' d' Ub gž gfc W' d' Ub g' UbX#cf' ch\Yf' Yei]m 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 UbX' _YYd' i bXYf' fYj]Yk' dYfZcfa UbW' \i fX' Yg' UbX#cf' Z' ` `a YbhcZdYfZcfa UbW' \i fX' Ygi bXYf' gi W' 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 fYa i bYfUH]cb' dUW[U[Yg' UfY']b']bY' k]h' h\Y' gU' fYa i bYfUH]cb' [i]XY']bY' UbX' Wta a Ybgi fUH' k]h' 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 statute 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' ZYgž gU' Uf]Ygž U' ck UbW' gž Vcbi gYgž g\ UfY! VUgYX']bW' bhj Yg' UbX' Uk UfXgž ch\Yf' VYbY' hg]]b!]bX' UbX' 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.

GUj Y' Zcf' h\Y' Wtbhf]Vi h]cbg' hc' XY' bYX' Wtbhf]Vi h]cb' d' Ub g' Ug' X]gWcgYX']b' B chY' & " * ' hc' h\Y' :]bUbV]U' Statements on pages 66-67 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 dchgYa d' cma YbhVYbY' hg] [fUbhYX' hc' h\Y' 8]fYVWc f gž h\Y' 79C' cf' Ubm_Yma UbU[Ya YbhdYfgcbbY' "

CORPORATE GOVERNANCE REPORT

The RC may from time to time, where necessary or required, seek expert 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 FY2022, no external remuneration consultant has been engaged.

The RC reviews and recommends to the Board a framework of remuneration for the Directors and key a UbU[Ya Ybh dYfgcbbY` UbX`XYHfafa]bYg`gdYVW` WfYa i bYfUH]cb` dUW_U[Yg`Zcf` YUW` 9I YW`hj` Y`8]fYVW`cf` and key management personnel. The recommendations of the RC on remuneration of Executive Directors and key management personnel would be submitted for endorsement by the entire Board. The Company adopts a remuneration policy for Executive Directors and key management personnel V`bg]gh]b[`cZU` I YX`V`a dcbYbh`UbX`U`j Uf]UV`Y`V`a dcbYbh`H`Y` I YX`V`a dcbYbh`]g`]b`H`Y`Zcfa` `cZU` VUgY# I YX`gU`Ufm`UbX`fYH]fYa Ybh`VYbY` hg`VY]b[`U`WfH]b`dYfW`bH]`Y`cZ`H`Y`9I YW`hj` Y`8]fYVW`cf`g`UbX`_Ym` a UbU[Ya Ybh dYfgcbbY`g`VUg]WgU`Uf]Yg`V`bH]Vi`h`X`h`c`H`Y`fYH]fYa Ybh`VYbY` hg`gW`Ya`Yg`gi`W`Ug`H`Y` G]b[UdcfY`7YbHfU`Dfcj`]XYbh`i`bX`UbX`#cf`di`fgi`Ubh`h`c`H`Y`fY`Y`Ubh`fY[i`U]cbg`cZ`H`Y`DYcd`Yg`FYdi`V`]W` of China government. The variable component is in the form of a variable bonus computed based on H`Y`dYfZcfa`UbW`cZ`H`Y``fci`d`Ug`U`k`c`Y`k`\\]W`g`]b`_YX`h`c`H`Y`bUbV]U`H]f[Yhg`gYh`UbX`c`H`Yf`UgdYVW`g` of performance, as well as individual performance which are assessed through performance appraisal that sets out various assessment criteria such as level of achievement of targets and responsibilities, leadership ability, initiative, etc, to align with the interests of shareholders and other stakeholders and promotes the long-term success of the Company. Executive Directors are not entitled to Directors' fees.

All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, cdh]cbg`UbX`VYbY` hg`]b`_]bX`UfY`V`j`YfYX`Vmi`H`Y`F7`9UW`a`Ya`VYf`cZ`H`Y`F7`g`U`UVgH]b`Z`ca`j`ch]b[`cb` any resolution in respect of his remuneration package.

b`gYH]b[#Yj`]Yk`]b[`H`Y`fYa`i`bYfUH]cb`dUW_U[Yg`cZ`H`Y`9I YW`hj` Y`8]fYVW`cf`g`UbX`_Ym`a`UbU[Ya`Ybh` personnel, the Company takes into consideration the existing remuneration and employment conditions and makes a comparative study of the packages of Executive Directors and key management personnel k`]h`]b`H`Y`]bXi`ghfmi`UbX`VYbW`a`Uf`_YX`U[U]bgh`V`a`dUfUV`Y`V`a`dUb]Yg`#bXi`ghf]Yg`Ug`k`Y`Ug`H`Y`]bX`]j`]Xi`U` and the Group's sustainable performance.

The RC ensures that the level and structure of remuneration of the Directors and key management personnel are aligned with the long-term interests and risk policies of the Company, as well as the ability of such remuneration structures to attract, retain and motivate Directors and key management personnel to provide good stewardship and manage the Company for the long term.

The service agreements with respective Executive Directors and key management personnel are fYbYk`UV`Y`]b`UW`cfX`UbW`k`]h`H`Y`gdYVW`W`H`fafa`g`Ug`gYh`ci`h`]b`H`Y`gYfj`]W`U[fYYa`Ybhg`5bmi`fYj`]g]cb`cf` Ua`YbXa`Ybhg`h`c`H`Y`gYfj`]W`U[fYYa`Ybhg`k`]V`Y`fgh`m`d`f`c`d`c`g`YX`h`c`H`Y`F7`UbX`H`YfYUZH`Yf`z`cb`F7`g` recommendation to the Board for consideration and approval.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

The breakdown (in the percentage terms) of the level and mix of Directors' and CEO's remuneration for FY2022 are as follows:

Pan Shun Ming	98.9	-	1.1	-	100
Chen Xiang Zhi	92.9	6.0	1.1	-	100
David Yeung	-	-	-	100	100
Chung Tang Fong	-	-	-	100	100
Chia Chor Leong	-	-	-	100	100

The remuneration of Directors for FY2022 is 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 are disclosed under Note 37 to the Financial Statements on page 124 of this Annual Report.

The breakdown (in the percentage terms) of the level and mix of the CEO remuneration for FY2022 are as follows:

Mai Shuying	98.6	-	1.4	100
Pu Jinbo	88.5	5.4	6.1	100
Li Yonghua	89.9	8.9	1.2	100
Pan Zhaojin	81.2	8.0	10.8	100
Zhang Jianling	90.9	8.9	0.2	100

The remuneration of the CEO for FY2022 is subject to the approval of shareholders at the forthcoming AGM. The aggregate amount of remuneration paid or payable to the CEO is disclosed under Note 37 to the Financial Statements on page 124 of this Annual Report.

CORPORATE GOVERNANCE REPORT

During FY2022, 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

Pan Shun Ming	G) \$\$\$\$'hc'VY'ck'G *\$\$\$\$
Mai Shuying	G (\$\$\$\$'hc'VY'ck'G) \$\$\$\$
Pan Zhaojin	G %\$\$\$\$'hc'VY'ck'G &\$\$\$\$

K \]Y'HY'7ca dUbm\Ug'bchX]gWcgyX'Z `mh'Y'Ua ci bh'cZ'fYa i bYfU]cb'cZ'YUW'8]fYV'cf'UbX'79C'Ug' 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 124 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 VYbY' hg'hc'VY' [fUbHYX'hc'\]a'cf'gca YcbY'fY'UH'X'hc'\]a "'H'Y'X]fYV'cf'g'ZYg'Ug'fYV'a a YbXYX'VmH'Y' Board will be subject to the approval of shareholders at the Company's AGM. The Board believes that, H'U'Yb'Ug'U'k'c'Yzh'Y'X]gW'c'gi'fY'dfcj]XYX'\YfY]b'UfY'a YUb]b[Z'`UbX'gi' VYb'himhf'Ubgd'UfYbh]b'[j]b['Ub' understanding of the remuneration of its Directors and CEOs, consistent with the intent of Principle 8 of the Code.

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 UbX'cdYfU]cbU'UVW]j]h]Yg'hc']XYbh]ZmUFYUg'cZg][b] W]bh'f]g'g'Ug'k'Y'`Ug'Uddfcd]UH'`a YUgi'fYg'hc'Vz'bf'c'` UbX'a]h][Uh'`h'YgY'f]g'g'"A UbU[Ya Ybh'fYj]Yk'g'U'`g][b] W]bh'dc']WYg'UbX'dfc'WXi'fYg'UbX'\][\']\]h'g' U'`g][b] W]bh'a UH'Yfg'hc'h'Y'6cUfX'UbX'h'Y'57'"H'Y'6cUfX']g'cZ'h'Y'j]Yk'h'Uh]b'j]Yk'cZ'h'Y'; fci'd'g' manageable size, a separate risk committee is not required for the time being.

CORPORATE GOVERNANCE REPORT

The internal control and risk management system, is conducted annually. In this respect, the AC will review the audit plans, and will ensure that the Company follows up on the auditors' recommendations raised, if any, during the audit of the internal control systems.

Management reviews the Group's business and operational activities regularly to identify areas of weakness. The internal audit reviews of the Group's operations, taking into account the internal control systems, are conducted annually.

On an annual basis, the Company engages independent third party as the internal auditors to formulate an internal audit plan and conduct internal audit reviews of the Group's operations, taking into account the internal control systems.

The internal auditors reviewed the report submitted by the internal auditors relating to the audits conducted to assess the internal control systems. Any non-compliance or lapses in internal controls, together with recommendation for improvement are reported to the AC.

A copy of the report is also issued to the Management for its follow-up action. The timely and proper implementation of all required corrective, preventive or improvement measures are closely monitored. Any non-compliance or lapses in internal controls, together with recommendation for improvement are reported to the AC.

The internal auditors reviewed the report submitted by the internal auditors relating to the audits conducted to assess the internal control systems. Any non-compliance or lapses in internal controls, together with recommendation for improvement are reported to the AC.

The internal auditors reviewed the report submitted by the internal auditors relating to the audits conducted to assess the internal control systems. Any non-compliance or lapses in internal controls, together with recommendation for improvement are reported to the AC.

Based on the work performed by the internal and external auditors, the Group's framework of management control, the review procedures established and maintained by the Company to monitor the internal control systems, are conducted annually. Management and the Board committees, the Board, with the concurrence of the AC, is of the view that for the current size and nature of the Group's operations and business, the Group's framework of management control, the review procedures established and maintained by the Company to monitor the internal control systems, are conducted annually.

CORPORATE GOVERNANCE REPORT

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)
 Dr Chung (Member)
 Mr Chia (Member)

BcbY'cZ hY'57'a Ya VYfg'f]k Ug'Zcfa Yf'dUfbYfg'cf'8]fYVtcfg'cZ hY'7ca dUbmgi'Yi]gh]b['Ui X]h]b[' fa' or corporation within the previous two years commencing on the date of their ceasing to be a partner cf'8]fYVtcfg'cZ hY'Ui X]h]b[' fa' cf'Vt'fdcfU]cb/UbX'f]k'c'Xg'Ubm' bUbV]U']bhYfYgh]b' hY'Ui X]h]b[' fa' cf' corporation.

H\Y'6cUfX']g'gUhg YX'UbX']b']hg'Vi g]bYgg' ↑ X[Ya Ybhj]Yk YX'hUh'hY'57'g'Vt'a dcg]h]cb'UbX'a Ya VYfg'UfY' Uddfcd]U]h'iei U']YX'hc' X]gV]Uf[Y'hY]f'Xi h]Yg'UbX'fYgdcbg]V']h]Yg' H\Y'57'a Ya VYfg'Uj Y'gi V]Ybh U]Vt'i bh]b['UbX'cf'fY'U]h'X' bUbV]U'a UbU[Ya Ybh'Yi dYf]gY'UbX' Yi dYf]YbW'Z'Ug'hY'6cUfX']bhYfdYfg'gi V' ei U' V]h]cb']b']hg'Vi g]bYgg' ↑ X[Ya Ybh' BchUV'nz' A f'8Uj]X' M'i b[z'hY'57'7\U]fa Ubz'Ug'Yi hYbg]j Y'UbX' dfU]V]U' U]Vt'i bh]b['UbX' bUbV]U'a UbU[Ya Ybh'_bck' YX[Y'UbX'\UX'a cfY'h'Ub' '\$'nYUfg'Yi dYf]YbW']b' di V']W]U]Vt'i bh]b'Vt'z'c' VY'k Y'iei U']YX'hc' V]U]f' hY'57"

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

- fUk: fYj]Yk' g][b] W]bh' bUbV]U' fYdcf]h]b[']ggi Yg'UbX' ↑ X[a Ybhg'k]h' hY'7: C#]bUbV]U' 7cb]fc' Yf'gc'Ug' hc' Ybgi fY' hY']bhY[f]]micZ hY' bUbV]U' ghU]h'a Ybhg'cZ'ci f'; fci d'UbX' U]bmiZcfa U' U]bbci bW'a Ybhg' fY'U]h]b[' hc' hY'; fci d'g' bUbV]U' dYfZcfa UbW' VYZcfY'gi Va]gg]cb' hc' hY'6cUfX' cZ8]fYVtcfg/
- (b) review the half-yearly and annual financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and dfU]V]U' Wg'za U'cf'f]g'UfYUg'z' Ym]i X]h'a U]hYfg'z'g][b] W]bh'UX' ↑ g]h'a Ybhg'fYgi' h]b['Z'ca' hY'Ui X]h'z' hY' [c]b[' Vt' bW'fb' ghU]h'a Ybh'z'Vt'a d']UbW'k]h' bUbV]U' fYdcf]h]b[' gh]UbX'UfXg'Ug'k Y'Ug'Vt'a d']UbW'k]h' hY' @]gh]b[' A U]bi U' UbX' U]bmiCh' Yf'ghU]h' hc'fm'fY[i' U]hc'fm'fYei]fYa Ybhg/
- fVt: fYj]Yk' ']b[g'k]h' hY'G; L!GH' cf'ch'Yf' fY[i' U]hc'fm'VcX]Yg'k \]W' Vt'bh]b[' hY'; fci d'g' bUbV]U' statements and ensure proper disclosure;
- fXk: fYj]Yk' hY'Uggi fUbW' Z'ca' hY'79C' UbX'7: C'cb' hY' bUbV]U' fYVt'fXg'UbX' bUbV]U' ghU]h'a Ybhg/
- fYk: fYj]Yk' U]bbi U' m'hY'UX'Yei U]Vt'Z' YV]j YbYgg'z]bXYdYbXYbW'z'gVt'dY'cZ'fYgi' hg'cZ'hY'Yi hYfbU'Ui X]h'
- fZk: fYj]Yk' U]bbi U' m'hY'U[[fY[U]h'Ua' ci bh'cZ'ZYg'dU]X' hc' hY'Yi hYfbU'Ui X]hc'fg'Zcf' hY' bUbV]U' mYUf' UbX' hY' VfyU_Xck b'cZ' hY' ZYg'dU]X']b' hc'U' Zcf'Ui X]h'UbX' bcb!Ui X]h'gYfj]Wg'fYgdV]V]j Y'm' K \YfY' the external auditors also provide non-audit services to the Company, to review the nature and extent of such services in order to balance the maintenance of objectivity and value for money, UbX' hc' Ybgi fY' hUh'hY']bXYdYbXYbW' cZ'hY'Ui X]hc'fg'k ci' X'bchVY'U' YV]X/

CORPORATE GOVERNANCE REPORT

- (g) review the performance of the external auditors and facilitate its selection, appointment, fYUddc]bha YbhžUbX`fYa cj U`"H\Y`ZUMfcfg`hc`Včbg]XYf`]bWl XY`Ub`UggYgga YbhicZH\Y]f`Y`YVM]j YbYgg`H\fc i [\`h\Y`Yj`Y`cZYffcfj]XYbh] YXž UVMV fUVMh]b`UbX`]b[`_YmUVMč`i bh]b[`Ui X]h`↑ X[a Ybhgž UbX` response to queries from the AC;
- (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;
- f1E fYj]Yk`h\Y`]bhYfbU`VčbHfc`UbX`dfcVWXi fYgž]bWl X]b[`UVMč`i bh]b[`UbX` bUbV]U`VčbHfc`g`UbX` procedures and ensure coordination between the internal and external auditors, and the management, and review the assistance given by the management to the auditors, and discuss dfcV`Ya g`UbX`VčbWfbž]Z Ubnž Uf]g]b[`Zfca`]bhYf]a`UbX` bU`Ui X]hgž UbX`Ubmia UHhYfg`k`]W`h\Y` auditors may wish to discuss in the absence of Management where necessary;
- (k) review and discuss with the external and internal auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have U`a UHhYf]U`]a dUMV`cb`h\Y`; fci d`g`cdYfU]b[`fYgi`hg`cf` bUbV]U`dcg]h]cbž UbX`h\Y`a UbU[Ya Ybhg` response and report such matters to the Board at an appropriate time;
- f1E fYj]Yk`UbX`fYdcfh`hc`h\Y`6cUfX`Uh`YUgh]Ubbi U`mh\Y`UXYe i UVMh]UbX`Y`YVM]j YbYgg`cZH\Y`7ca dUbm] f]g`_`a UbU[Ya Ybh]gnghYa g`UbX`]bhYfbU`VčbHfc`gž]bWl X]b[` bUbV]U`ž cdYfU]cbUž Vč`a d`]UbW`UbX` information technology controls (such review can be carried our internally or with the assistance of any competent third parties);
- f1E Ybgi fY`h\U`h\Y`]bhYfbU`Ui X]h`Z`bVM]cb`]g`UXYe i UH`mfYgci fWX`UbX`ghU`YX`k`]h`dYfgcbg`k`]h`h\Y` fY`Yj Ubhei U` W]h]cbg`UbX`Yi dYf]YbWž UbX`Ug Uddfcdf]UH`gh]UbX]b[`k`]h`]b`h\Y`7ca dUbm]
- f1E fYj]Yk`h\Y`UXYe i UVMž Y`YVM]j YbYggž]bXYdYbXYbWž gVč`dY`UbX`fYgi`hg`cZH\Y`7ca dUbm]]bhYfbU` audit function;
- f1E Vč`a a]gg]cb`UbX`fYj]Yk`Ub`Ubbi U`]bhYfbU`VčbHfc`Ui X]h`i bh]`gi W`h]a Y`h\Y`57`]g`gU]g`YX`h\U`h`h\Y`; fci d`g`]bhYfbU`VčbHfc`g`UfY`gi` V]VbhmfciVi gh]UbX`Y`YVM]j Y`Ybci [\`hc`a`]h[UH`h\Y`; fci d`g` internal control weaknesses (if any), and prior to the decommissioning of the annual audit, the Board is required to report to the SGX-ST on how the key internal control weaknesses have been fYVM] YXž UbX`h\Y`VUg]Zcf`h\Y`XYV]g]cb`hc`XYVč`a a]gg]cb`h\Y`Ubbi U`]bhYfbU`VčbHfc`g`Ui X]h`
- f1E fYj]Yk`h\Y`Vč`cdYfU]cb` []j Yb`Vmi h\Y`7ca dUbm]c` Wf`g`hc`h\Y`Yi hYfbU`Ui X]rcfg`UbX`]bhYfbU` auditors;
- (q) meet with the external and internal auditors without the presence of the Management at least once a year;
- (r) review transactions falling within the scope of Chapter 9 and Chapter 10 of the Listing Manual (if any);

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- f) The AC will review and assess from time to time whether additional processes are required to be put in place to ensure the Group's compliance with such functions and duties as may be required under the relevant statutes or the Listing Manual, including such amendments made thereto from time to time.
- (t) undertake such other reviews and projects as may be requested by the Board and report to the Board.
- (u) review and establish procedures for receipt, retention and treatment of complaints received by 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;
- g) The AC will review and assess from time to time whether additional processes are required to be put in place to ensure the Group's compliance with such functions and duties as may be required under the relevant statutes or the Listing Manual, including such amendments made thereto from time to time.
- (w) to undertake Group's compliance with such functions and duties as may be required under the relevant statutes 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 FY2022 in the discharge of its functions and duties including the deliberation and review of:

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The AC and the Board of Directors, with the assistance of internal and external auditors, reviews the information technology controls and risk management systems on an on-going basis. There are formal 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 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 enable it to discharge its functions.

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

BDO LLP for FY2022 is RMB1,094,923, of which audit fees amounted to RMB1,041,022 and non-audit fees amounted to RMB53,901.

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 undertaken a review of the range, volume and nature of the non-audit services performed by its external (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 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.

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 consultants. In FY2022, the AC was briefed and updated by the external auditors on the changes or any.

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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, shareholders are given the opportunity to raise questions and clarify any issues they may have relating to the resolutions to be passed. 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.

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 FY2022, the Company held an AGM via electronic means. The attendance of Directors for the AGM held on 29 April 2022 is disclosed under Principle 1 of this Annual Report.

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.

Shareholders are given the opportunity to raise questions and clarify any issues they may have relating to the resolutions to be passed. 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.

Each item of special business included in the notice of the AGM is accompanied by an explanation of the item of business and the reasons for proposing it. Shareholders are given the opportunity to raise questions and clarify any issues they may have relating to the resolutions to be passed. 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.

CORPORATE GOVERNANCE REPORT

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. Once approved by the Board, these minutes are made available to shareholders upon their written request. The Company does not publish minutes of general meetings of shareholders on its corporate website as contemplated by Provision 11.5 of the Code. There are potential adverse implications for the Company if the minutes of general meetings are disclosed to the Group's competitors. The Company is of the view that its position is consistent with the intent of Principle 11 as shareholders have a right to attend general meetings either in person or by proxy, where they may exercise their right to speak and vote and shareholders including those who did not attend the relevant general meeting, have statutory right to be furnished copies of the minutes of general meetings and these minutes would be made available to shareholders upon their written request, in accordance with the Companies Act. The Company is therefore of the view that, consistent with the intent of Principle 11, as between themselves, shareholders are treated fairly and equitably by the Company. In 2022, the Company had published the minutes of the AGM held on 29 April 2022 on SGX website.

In accordance with the requirement of the Covid-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Order"), the forthcoming AGM will be convened and held by way of electronic means. The Company will be putting in place alternative measures and arrangements for its upcoming AGM in accordance with the provisions of the Order. Shareholders are advised to refer to the Company's alternative arrangement announcements for AGM published on SGXNet and Company's website for more details.

The Company will recommend 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 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;
- the Company's financial performance and expansion plans;
- projected levels of capital expenditure and expansion plans;
- any restrictions on payment of dividend imposed to the Company (if any).

The Board has not declared or recommended a dividend in respect of FY2022 as the Group has sustained losses in FY2022.

CORPORATE GOVERNANCE REPORT

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, bUbVjU`fYgi`hg`UbX`cH`Yf`a`UHf]U`]bZcfa`Uh]cb`]g`X]ggYa`]bUHfX`hc`UbmidUf]mik`]h`ci`h`fgh`a`U_]b[`Ub`c`VjU`Ubbci`bW`a`Ybhi`h`fci`[\`G`LBYH`

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;
- df]W`gYbg]h]j`Y`]bZcfa`Uh]cb`ž`g][`b]`Wbhi`hf]Ubg]UW]cbg]cf`a`UHf]fg`UfY`W`a`a`i`b]W]h]X`hc`g`UfY`c`XYfg` via SGXNet;
- sustainability reports, Annual Reports and notice of general meetings issued to all shareholders; and
- _____

CORPORATE GOVERNANCE REPORT

The Company understands the importance of stakeholder engagement and has been reporting its engagement activities in its annual sustainability report, in accordance with Global Reporting Initiative (GRI) standards (including 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 2022 to be published on SGXNet by April 2023 for more information on how the Company manages its stakeholder relationships.

In line with Rule 1207(19) of the Listing Manual on dealings in securities, the Company has adopted a policy prohibiting any of its directors, officers, employees or agents from dealing in the Company's securities at any time when in possession of unpublished price-sensitive information relating to the Group. They are prohibited from dealing in the Company's securities on short-term considerations. This has been made known to all employees and agents at all times even when dealing in the Company's securities within permitted trading periods.

Directors are required to notify the Company of their securities dealings within two (2) business days of the date of the transaction. The notification should be made in writing to the Company Secretary, who will then advise the Company of the details of the transaction.

Save as disclosed in the section entitled "Interested Person Transactions" and the service agreements entered into by the Company, there are no other material contracts or loans entered into by or taken up by the Company or its subsidiaries involving the interest of any Director or controlling shareholder which are still subsisting.

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.

CORPORATE GOVERNANCE REPORT

The IPTs of the Group during FY2022 are:-

Guangdong Xing Hua Health Drink Co. Ltd ⁽¹⁾	FA 6&\$% ž+%& fG (% ž) - 七	-
Mai Shu Ying ,Pan Shun Ming ⁽²⁾	FA 6+- \$ž\$* fG ~ %* &ž) %\$Ł	-

(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.

f&Ł: FYbhU` dUna Ybh`Zc`c W`cWd]YX`VmGci h.Yfb`fk?Ł DUW_U[]b[`7ca dUbm@a]hYXž U`k`c`nŁck bYX`gi Vg]X]UfmcZ h.Y Company.

The Company has always fostered a socially responsible corporate culture amongst its management and staff. This 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 providing them a strong core skills and knowledge base. In addition to this, we also provide classroom training and product 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.

Throughout our supply chain and continue to build sustainable practices in every aspect of the Group's sustainable economic growth, training and education, employment, environment protection and environmental compliance. The Sustainability Report will be published by 30 April 2023 via SGXNet.

DIRECTORS' STATEMENT

The directors of Southern Packaging Group Limited (the "Company") present their statement to the shareholders of the Company and the statement of changes in equity of the Company for the year ended 31 December 2022 and the statement of changes in equity of the Company for the year ended 31 December 2021.

In the opinion of the Board of Directors,

- (a) the financial statements and statement of changes in equity of the Company together with the notes thereon are a true and fair view of the financial position of the Company as at 31 December 2022 and the statement of changes in equity of the Company for the year ended 31 December 2022 and the statement of changes in equity of the Company for the year ended 31 December 2021;
- (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.

董事會認為：

Pan Shun Ming
Chen Xiang Zhi
Yeung Koon Sang @ David Yeung
Chung Tang Fong
Chia Chor Leong

本集團董事會認為，本集團於2022年12月31日的財務狀況及2022年及2021年的權益變動情況，以及本集團於2022年及2021年12月31日的財務狀況及2022年及2021年的權益變動情況，均屬真實及公平。董事會認為，本公司於此日期有合理理由相信，本公司將能按時償還其到期債務。

DIRECTORS' STATEMENT

本公司董事已查閱本公司及其相關公司所持有的董事及高級人員名冊，該名冊乃根據新加坡《1967年公司法》第164條（“第164條”），除如下所列者外：

DIRECTORS' STATEMENT

(Continued)

fVÉ: h\Y'7ca dUbmgiUbX'h\Y'; fci d'g' bUbVjU'UbX'cdYfUhb['fYgi 'hg'UbX'UWwéi bh]b['dc']WYg/

fVÉ: h\Y'ghUha YbhcZ' bUbVjU' d'cg]h]cb'UbX'ghUha YbhcZVUUb[Yg]b'Yei]micZ'h\Y'7ca dUbmUbX' h\Y'Vébgc'XUHx' bUbVjU'ghUha Ybhg'cZ'h\Y'; fci d'UbX'Yi hYfbU'Ui X]hcf'g'fYdcfhi'cb'h'cgY' bUbVjU'ghUha Ybhg'VYZ'c'fY'h\Y]f'gi Va]gg]cb'hc'h\Y'X]fYVt'c'fg'cZ'h\Y'7ca dUbm/

fXE: h\Y'\U'Z'mYUf'miUbX'Ubbi U'Ubbci bW'a Ybhc'b'h\Y'fYgi 'hg'UbX' bUbVjU' d'cg]h]cb'cZ'h\Y' Company and the Group;

- (e) the co-operation and assistance given by the management to the Group's internal and external auditors;
- (f) the re-appointment of the external auditor of the Company; and
- (g) the Interested Person Transactions as defined in Chapter 9 of the Listing Manual of SGX-ST and ensures that the transactions were on normal commercial terms and not prejudiced to the interests of the members of the Company.

h\Y'5i X]h'7ca a]h\Y'Véb' fa YX'h\Uh]h'Ug'i bXYfHU_Yb'U'fYj]Yk'cZU''bcbl'Ui X]hgYfj]Wg'dfcj]XYX' Vmih\Y'Yi hYfbU'Ui X]hcf'hc'h\Y'; fci d'UbX']g'gUhg' YX'h\Uh'h\Y'bUhi fY'UbX'Yi hYbh'cZ'gi W'gYfj]Wg' k'ci'X'bcU' YVh'h\Y']bXYdYbXYbW'cZ'h\Y'Yi hYfbU'Ui X]hcf''

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to]bj]h'UbmiX]fYVt'c'f'UbX'Yi YVh]j'Y'c' Wf'hc'UhhYbX']hg'a YVh]b['g''h\Y']bhYfbU'UbX'Yi hYfbU'Ui X]hcf'g' have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the directors the nomination of BDO LLP for re-appointment as external auditor at the forthcoming Annual General Meeting of the Company.

The independent auditor, BDO LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Director

Director

5 April 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Southern Packaging Group Limited

K Y \ Uj Y' Ui X]hYX' hY' Z]bUbVWU' ghUHYa Ybhg' of Southern Packaging Group Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 55 to 125, which comprise:

- n the consolidated statement of financial position of the Group and the statement cZ bUbVWU' d'cg]h]cb' cZ hY' 7ca dUbmUg' Uh 31 December 2022;
- n the consolidated statement of comprehensive income, consolidated statement of changes in equity and V'bgc']XUH'X' ghUHYa Ybh' cZ W'g\ ' ck g' cZ the Group and the statement of changes]b' Yei]micZ hY' 7ca dUbmZcf' hY' bUbVWU' year then ended; and
- n bchYg' hc' hY' bUbVWU' ghUHYa Ybhg']bWl X]b[' a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial 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") and International Financial Reporting Standards ("IFRSs") so as to give a true and fair view of the V'bgc']XUH'X' bUbVWU' d'cg]h]cb' cZ hY'; fci d' UbX' hY' bUbVWU' d'cg]h]cb' cZ hY' 7ca dUbmUg' Uh' % 8YW'a VYf' &\$&&' UbX' cZ hY' V'bgc']XUH'X' bUbVWU' performance, consolidated changes in equity UbX' V'bgc']XUH'X' W'g\ ' ck g' cZ hY'; fci d' UbX' of the changes in equity of the Company for the bUbVWU' mYuf' YbXYX' cb' h' Uh' XUH' "

K Y' V'bxI W'YX' ci f' Ui X]h']b' UWW' fXUbW' k]h' G]b[UdcfY' GhUbXUfXg' cb' 5i X]h]b[' fIGG5g' L' Ci f' responsibilities under those standards are further described in the Auditor's Responsibilities for hY' 5i X]h' cZ hY':]bUbVWU' GhUHYa Ybhg' gYW]cb' cZ ci f' fYdcfH' K Y' UfY']bXYdYbXYbh' cZ hY'; fci d']b' 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 Yh']W' fYei]fYa Ybhg' h' Uh' UfY' fY' Yj Ubh' hc' ci f' Ui X]h' cZ hY' bUbVWU' ghUHYa Ybhg']b' G]b[UdcfY' UbX' k Y' \ Uj Y' Z' ' YX' ci f' ch' Yf' Yh']W' fYgdcbg]V']h]Yg']b' UWW' fXUbW' k]h' h' YgY' fYei]fYa Ybhg' UbX' hY' 57F5' 7cXY' K Y' VY']Yj Y' h' Uh' hY' Ui X]h' Yj]XYbW' k Y' \ Uj Y' c' Vh]bYX']g' gi' VY' bh' UbX' Uddfcd]f]Uh' hc' d'fcj]XY' U' basis for our opinion.

?YmiUi X]h' a UH'Yfg' UfY' h' cgy' a UH'Yfg' h' Uh']b' ci f' d'fcZygg]cbU' ' X[Ya Ybh' k YfY' cZ a cgh]g] [b] W'lbW']b' ci f' Ui X]h' cZ hY' bUbVWU' ghUHYa Ybhg' cZ hY' W' ffYbh' dYf]cX' h' YgY' a UH'Yfg' k YfY' UXXfYggYX']b' hY' V'bh' h' icZci f' Ui X]h' cZ hY' bUbVWU' ghUHYa Ybhg' Ug' U' k \ c' Y' z' UbX']b' Zcfa]b[' ci f' cd]b]cb' h' YfY' cb' z' UbX' k Y' do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

To the Members of Southern Packaging Group Limited

As at 31 December 2022, the carrying amount of the Group's property, plant and equipment ("PPE") and land use rights amounted to RMB438,354,795 and RMB37,556,417 respectively.

As at 31 December 2022, 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.

Management determined the recoverable amounts based on value-in-use (discounted cash flows) and the expected discounted future cash flows 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.

The carrying amount 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 cash flows.

Amongst others:

- Discussed with management and evaluated the reasonableness of the key assumptions made by management in preparing

INDEPENDENT AUDITOR'S REPORT

To the Members of Southern Packaging Group Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of Southern Packaging Group Limited

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.

Public Accountants and
Chartered Accountants

Singapore
5 April 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Revenue	5	603,535,715	769,154,679
Cost of sales		(512,525,355)	(627,377,448)
<i>; fcgg'dfc h</i>		91,010,360	141,777,231
<i>Other item of income</i>			
Other income	6	7,559,630	10,728,785
<i>Other items of expense</i>			
Distribution expenses		(43,774,835)	(48,617,073)
Administrative expenses		(81,010,975)	(76,217,461)
Finance costs	7	(19,931,461)	(15,200,343)
<i>fcgg'dfc h'VYZcfY']bVta Y'HL</i>	8	(46,147,281)	12,471,139
Income tax credits	9	9,858,821	1,557,865
<i>fcgg'dfc h'Zcf'h'Y' bUbVU'mYUf'ZfYdfYgYbh]b['fcgg'dfc h'Zcf'h'Y' bUbVU'mYUf'Uhf]Vi HUV'Y'hc'ck bYfg'cZH'Y'dUFYbh</i>		(36,288,460)	14,029,004
<i>9l V\Ub['Y'X] YfYbWg'cb'fUbg'Uh]cb'cZ'ZcfY][b'cdYfUh]cbg</i>		929,744	(346,048)
<i>CH'Yf'Vta dfY\Ybg]j Y']bVta Y'#YI dYbgY'Zcf'h'Y' bUbVU'mYUf'ZbYhcZHUI</i>		929,744	(346,048)
<i>HcHU'Vta dfY\Ybg]j Y'fYI dYbgY']bVta Y'Zcf'h'Y' bUbVU'mYUf'ZfYdfYgYbh]b['hcHU'Vta dfY\Ybg]j Y']bVta Y'Uhf]Vi HUV'Y'hc'ck bYfg'cZH'Y'dUFYbh</i>		(35,358,716)	13,682,956
<i>fcgg'9Ufb]b[g'dYf'g\UFY</i>			
- Basic and diluted (RMB cents)	10	(51.61)	19.95

**STATEMENTS OF
FINANCIAL POSITION**

STATEMENTS OF FINANCIAL POSITION

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

STATEMENTS OF CHANGES IN EQUITY

Balance as at 1 January 2022	230,592,765	205,227,856	435,820,621
Other comprehensive income	--		

**CONSOLIDATED STATEMENT OF
CASH FLOWS**



CONSOLIDATED STATEMENT OF CASH FLOWS

NOTES TO THE FINANCIAL STATEMENTS

These financial statements are presented in Singapore dollars and represent the consolidated financial statements of Southern Packaging Group Limited.

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 principal office at 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 as follows:

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

The financial statements are presented in the currency of the primary economic environment in which the entity operates. The functional currency of the Company is the Chinese renminbi ("RMB") which is the functional currency of the Company and the subsidiaries.

The financial statements are prepared on a going concern basis. The Group's financial statements are prepared on an accrual basis and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and circumstances, they are subject to revision as more information becomes available. The Group's financial statements are prepared on a going concern basis.

Changes in accounting policies

The Group's financial statements are prepared on a going concern basis. The Group's financial statements are prepared on an accrual basis and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and circumstances, they are subject to revision as more information becomes available. The Group's financial statements are prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

Changes in accounting policies (Continued)

5h h\Y`XUH`cZ Ui h.c.f]gU]cb`cZ h.YgY` bUbV]U`ghUHya YbhgZ h.Y`Zc`ck]b[`ghUbXUFXg`k YfY`]ggj YX`Vi hibchimYhY` YV]j YzUbX`Uj Y`bchVYYb`UXcdhYX`YUf`m]b`h.YgY` bUbV]U`ghUHya Ybhg.

SFRS(I) 10 and SFRS(I) 1-28 f5a YbXa Ybhgk	: Sale or Contribution of Assets : VYfk YYb`Ub`bj Yghcf`UbX`]hg` : 5ggcV]UH`cf`x]b]hJ Ybh`fY`	To be determined
SFRS(I) 17	: Insurance contracts	1 January 2023
SFRS(I) 1-1 and SFRS(I) DfU]V]W`GHUHya Ybh&	: Disclosure of Accounting Policies	1 January 2023
SFRS(I) 1-8 (Amendments)	: 8Y`b]h]cb`cZ5W]i b]b[`9gh]a UH]g	1 January 2023
SFRS(I) 1-12 (Amendments)	: Deferred Tax related to Assets and : @]UV`]h]Yg`Uf]g]b[`Zfca`U`G]b[`Y` : HfUbgU]m]cb	1 January 2023
SFRS(I) 17 (Amendments)	: Initial Application of SFRS(I) 17 and : G`FGfL`-`7ca dUFU]j Y`bZcfa U]h]cb	1 January 2023
SFRS(I) 1-1 (Amendments)	: Amendments to SFRS(I) 1-1: : 7`Ugg] W]h]cb`cZ@]UV`]h]Yg`Ug`7i ffYbh` : cf`Bcb!W`ffYbh	1 January 2024*
SFRS(I) 16 (Amendments)	: Amendments to SFRS(I) 16: Lease : @]UV`]m]b`U`GU`Y`UbX`@YUgYVUW`	1 January 2024
Various	: Amendments to SFRS(I) 1-1: Non- : W`ffYbh@]UV`]h]Yg`k]h`7cj YbUbhg	1 January 2024

f` h\Y`a UbXU]cfmY` YV]j Y`XUH`cZ h.]g`5a YbXa Ybh`UX`VYYb`fYj]gYX`Zfca`%`]bi Ufm&\$\$&`hc`%`]bi Ufm&\$\$`]b`x`m&\$\$&`j]U`5a YbXa Ybh`hc`G`FGfL`%`%`7`Ugg] W]h]cb`cZ@]UV`]h]Yg`Ug`7i ffYbh`cf`Bcb!W`ffYbh`8YZffU`cZ`9`YV]j Y`8UH`UbX`Z`fh.Yf`fYj]gYX`hc`%`]bi Ufm&\$\$&`]b`8YWA`VYf`&\$\$&`j]U`5a YbXa Ybh`hc`G`FGfL`%`%`Bcb!` 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 dYf]cXg`k]`bch`Uj Y`U`a UH]f]U`]a dU]h]cb`h.Y` bUbV]U`ghUHya Ybhg`cZ h.Y` ; fci d`]b`h.Y` period of their initial adoption.

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

本公司及其附属公司。附属公司是集团拥有控制权的实体。集团控制被投资公司，如果集团对被投资公司具有可变回报，且集团有能力影响被投资公司的可变回报。控制权的评估在事实和情况表明可能发生变更时进行。

附属公司从集团获得控制权之日起进行合并，并在集团失去控制权时停止合并。控制权的评估在事实和情况表明可能发生变更时进行。

所有集团内部余额和交易以及任何未实现的收入和费用在合并时予以消除。未实现的损失在合并时予以消除，除非该交易提供了资产减值指标。

本公司及其附属公司变更子公司会计政策，以确保与集团采用的政策保持一致。

本公司及其附属公司变更子公司会计政策，以确保与集团采用的政策保持一致。公允价值是指公平交易中的价格，即熟悉情况的交易双方在自愿交易时达成的价格。公允价值包括：(i) 收到的对价的公允价值减去任何保留的权益的公允价值，以及(ii) 资产（包括商誉）和负债的账面价值。以前在其他综合收益中确认的金额（包括商誉）在处置资产或负债时，以与处置资产或负债时相同的方式计入留存收益。以前在子公司账面确认的公允价值在失去控制权之日被视为公允价值。公允价值是指公平交易中的价格，即熟悉情况的交易双方在自愿交易时达成的价格。公允价值包括：(i) 收到的对价的公允价值减去任何保留的权益的公允价值，以及(ii) 资产（包括商誉）和负债的账面价值。以前在其他综合收益中确认的金额（包括商誉）在处置资产或负债时，以与处置资产或负债时相同的方式计入留存收益。以前在子公司账面确认的公允价值在失去控制权之日被视为公允价值。

本公司及其附属公司变更子公司会计政策，以确保与集团采用的政策保持一致。

收购子公司采用收购法进行会计处理。收购对价按收购日公允价值计量，公允价值是指公平交易中的价格，即熟悉情况的交易双方在自愿交易时达成的价格。公允价值包括：(i) 收到的对价的公允价值减去任何保留的权益的公允价值，以及(ii) 资产（包括商誉）和负债的账面价值。以前在其他综合收益中确认的金额（包括商誉）在处置资产或负债时，以与处置资产或负债时相同的方式计入留存收益。以前在子公司账面确认的公允价值在失去控制权之日被视为公允价值。

本公司及其附属公司变更子公司会计政策，以确保与集团采用的政策保持一致。

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

Identifiable intangible assets acquired in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date of acquisition). Losses are recognised if the fair value of the intangible assets at the acquisition date is less than the carrying amount. Amounts arising from interests in the acquiree prior to the acquisition date that have been recognised in the financial statements of the acquirer where such treatment would be appropriate if that interest were disposed of.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and initially measured at the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree, less the fair value of the net identifiable intangible assets acquired and the liabilities and contingent liabilities assumed.

The amount of goodwill is calculated as the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if applicable) less the fair value of the net identifiable intangible assets acquired and the liabilities and contingent liabilities assumed.

Sale of goods

Revenue from the sale of goods is recognised when a performance obligation is satisfied, which is when the customer obtains control of the goods (based on shipping terms) are transferred to the customers.

Revenue is measured based on consideration of which the Group expects to be entitled in exchange for transferring promised goods or services to customers, excluding amounts collected on behalf of third parties (i.e. sales related taxes). The consideration promised in exchange for transferring promised goods or services to customers, excluding amounts collected on behalf of third parties (i.e. sales related taxes), is measured at the fair value of the consideration received or receivable, adjusted for discounts and other similar items. Revenue is recognised when the customer obtains control of the goods (based on shipping terms) are transferred to the customers.

In certain situations where customers contribute moulds and tooling to facilitate the Group's production, the Group recognises revenue from the sale of goods over the moulds and tooling. Accordingly, the Group does not account for such contribution as non-cash consideration received from customers.

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".

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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Pursuant to the relevant regulations of the People's Republic of China government, the Group participates in a local municipal government retirement benefits scheme (the

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

(Continued)

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.

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.

Variable lease payments are only included in the measurement of the lease liability if it is depending on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying amount of lease liabilities also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of lease liabilities, reduced by any lease incentives received and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

The Group's right-of-use assets comprise land use rights acquired for own use and property
fY`UH]b[`hc`YUgY`cZ`k UfY\`ci gY`gdUWgž`c W`UbX`fYg]XYbh]U`dfYa]gYg`UbX`a UW]bYfmik]H`
its corresponding lease liabilities are separately presented from other assets and other
]UV]]h]Yg]b`h`Y`ghUH`a Ybhg`cZ` bUbV]U`dcg]h]cb"

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

(Continued)

Subsequent measurement

Right-of-use assets are subsequently measured at cost less any accumulated amortisation, any accumulated impairment loss and, if applicable, adjusted for any remeasurement of the lease liabilities. 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 the lessee exercises its purchase option, the right-of-use assets are amortised over the useful life of the underlying asset.

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

Land use rights	40 to 50
Construction work in progress	10 to 15
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 impairment loss is recognised in the profit or loss account in the period in which the impairment is identified.

Right-of-use assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is calculated on a straight-line basis over the shorter of the remaining lease term and the estimated useful life of the underlying asset.

Impairment losses are recognised in the profit or loss account in the period in which the impairment is identified. Impairment losses are reversed in the period in which the circumstances that led to the impairment have reversed to the extent that the carrying amount of the right-of-use asset does not exceed what the carrying amount would have been had the asset not been impaired.

When the lease term is revised, the carrying amount of the right-of-use asset is adjusted to reflect the change in the lease term. If the lease term is extended, the carrying amount of the right-of-use asset is increased by the present value of the additional lease payments, less any accumulated amortisation and impairment losses. If the lease term is shortened, the carrying amount of the right-of-use asset is decreased by the present value of the lease payments that are no longer payable, less any accumulated amortisation and impairment losses. Similarly, when the variable element of the future lease payment dependent on a rate or index is revised, the carrying amount of the right-of-use asset is adjusted to reflect the change in the variable element.

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

(Continued)

Subsequent measurement (Continued)

K \Yb' h\Y'; fci d' fYbY[ch]UHYg' h\Y' VebhfUVMi U' hYfa g' cZ U' YUgY' k]h' h\Y' Yggcfz' h\Y' UWMi bh]b['fYUha YbhXYdYbXg'cb' h\Y' bUhi fY'cZH'Y'a cX] VWh]cb.

- 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 cVHJ]bYXz'h\Y'a cX] VWh]cb']g' UWMi bhYX' Zcf' Ug' U' gYdUFUHY' YUgY']b' UWMi fXUbW' k]h' h\Y' 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 `]UV]]mi]g' fYa YUgi fYX' i g]b[' h\Y' X]gVei bhfUHY' Udd']WV' Y' cb' h\Y'a cX] VWh]cb' XUH' zk]h' the right-of-use asset being adjusted by the same amount;
- 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 dfcdcfh]cb' hc' fY' YVh' h\Y' dUfh]U' cf' Z' ` hYfa]bUh]cb' cZ h\Y' YUgY' k]h' UbmX] YfYbW' VY]b[' fYVt' [b]gYX']b' dfc' h' cf' `cgg' h\Y' YUgY']UV]]mi]g' h' Yb' Z' fh' Yf' UX' ghYX' hc' Ybgi fY' its carrying amount reflects the amount of the renegotiated payments over the fYbY[ch]UHYX' hYfa' zk]h' h\Y'a cX] YX' YUgY' dUma' Ybhg' X]gVei bhYX' Uhi h\Y' fUHY' Udd']WV' Y' cb' h\Y'a cX] VWh]cb' XUH' h\Y' f] [\HcZi gY' UggYh]g' UX' ghYX' Vmi h\Y' gUa' Y' Ua' ci' bh'

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that are necessarily to take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or XYj Y`cda YbhYI dYbX]hi fYg' h' UhiUFY' bUbWX' Vmi[YbYfU' Vcffck]b[g"

5` ch' Yf' Vcffck]b[' Vt' ghg' UfY' fYVt' [b]gYX']b' dfc' h' cf' `cgg']b' h\Y' dYf[cX']b' k \]W' h\Y' miUFY']bW' ffYX' i g]b[' h\Y' Y' YVh] Y']bh' fYghia Yh' cX"

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

Deferred tax (Continued)

8YZYffYX' HUI' UggYhg' UbX']UV]]h]Yg' UfY' c' gYh' k' \Yb' h' YfY']g' U' 'Y[U' m' YbZc' fWUV' Y' f] [\h' hc' gYh' c' ' W' ffYbh' HUI' ' UggYhg' U[U] bgh' W' ffYbh' HUI' ']UV]]h]Yg' UbX' k' \Yb' h' Ym' fY' UH' ' hc' ']bV' a' Y' HUI' Yg' levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

8YZYffYX' HUI' ']g' fYV' [b]gYX' ']b' d' fc' h' c' f' ' cggz' YI' W' dh' k' \Yb' ']h' fY' UH' Yg' ' hc' ']hYa' g' fYV' [b]gYX' ' ci' hg] XY' d' fc' h' c' f' ' cggz']b' k' \] W' ' W' gY' h' Y' HUI' ']g' U' gc' fYV' [b]gYX' ' Y] h' Yf' ']b' c' h' Yf' V' a' d' fY' \Ybg]] Y' income or directly in equity.

Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- when the sales tax that is incurred on purchase of assets or services is not recoverable from the tax authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is]bW' XYX' Ug' d' Uf' hc' Z' fY' W']j' UV' Yg' c' f' d' U' m' UV' Yg']b' h' Y' g' h' U' Ya' Yb' hg' c' Z' ' b' Ub' W' U' ' d' cg]]h']cb"

b' d' fY' d' Uf] b[' h' Y' ' b' Ub' W' U' ' g' h' U' Ya' Yb' hg' c' Z' h' Y' ']b' X]] Xi' U' ' Yb' h]] Yg' z' h' f' U' bg' U' W'] c' bg']b' W' ffY' b' W' Yg' other than the entity's functional currency ("foreign currencies") are recorded at the rate cZ' YI' W' Ub' [Y' d' fY' j' U]]b[' c' b' h' Y' X' U' h' ' c' Z' h' Y' ' h' f' U' bg' U' W'] c' b" 5h' h' Y' Yb' X' ' c' Z' Y' U' W' ' b' Ub' W' U' ' m' Y' U' f' z' monetary items denominated in foreign currencies are retranslated at the rates prevailing, enominated 11 (is foreign currencies are retranslated at the rates prevailing) from the dates when

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NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued) 7T51.50 0inue7T51.50 0i550057005C000F0001500111.76704

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

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. The amount of the reduction is recognized as an expense in the period in which the asset (or cash-generating unit) is impaired. The carrying amount of the asset (or cash-generating unit) is then measured at the lower of its carrying amount and its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

_____ (Continued)

Amortised cost (Continued)

The Group's financial assets measured at amortised cost comprise trade receivables, other receivables and prepayments (excluding advances to suppliers, value added tax Ubx' dFYdUna Ybhtz' Wg\ 'Ubx' VUb_ 'VU'UbWg' Ug' k Y'' Ug' I YX'XYdcg]hg']b' h'Y' ghUha Ybht' cZ' bUbVU' d'cg]h'cb''

H'Y'; fci d' XYfYVt' [b]gYg' U' bUbVU' UggYh'cb'mk \Yb' h'Y' Vt'bfUVM' U' f] [\hg' hc' h'Y' Wg\ ' ck g' Z'ca' h'Y' UggYh'YI d]fYz'cf']h' hfUbgZYfg' h'Y' bUbVU' UggYh' Ubx' gi' VghUbh]U' mU' h'Y' f]g_g' Ubx' rewards of ownership of the asset to another entity.

:]bUbVU']UV]]h]Yg' Ubx' Yei]m]bghfi a Ybht']ggi YX' Vm'h'Y'; fci d' UfY' WUgg] YX' UVMt' fX]b ['hc' h'Y' gi' VghUbw' cZ'h'Y' Vt'bfUVM' U' UffUb [Ya Ybht' YbhfYX']bhc' Ubx' h'Y' XY' b]h]cbg' cZU' bUbVU' liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issuance costs. The Group classifies ordinary shares as equity instruments.

H'Y'; fci d' WUgg] Yg']hg' bUbVU']UV]]h]Yg' Ug' gi' VgYei Ybh'ma YUgi fYX' Uh'Ua cfh]gYX' Vt'gh'

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 Ua cfh]gYX' Vt'gh'z'k \Yfy'Udd']WV'Yzi g]b ['h'Y' Y' YVMj' Y']bhfYgh'a Yh'cX''

Borrowings

Borrowings are initially measured at fair value, and are subsequently measured at amortised Vt'gh'z' i g]b ['h'Y' Y' YVMj' Y']bhfYgh'a Yh'cX'' 5bmX] YfYbW' VYhk' YYb' h'Y' d'fcWYXg' fbYh' cZ' 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 2.9 above).

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

Contingencies are not recognised on the statements of financial position, except for contingent liabilities assumed in a business combination that are present obligations and for which the fair value can be reliably determined.

Equity dividends are recognised when they become legally payable. Interim dividends are

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

(iii) Allowance for slow-moving and obsolete inventories

Management reviews the Group's inventory levels in order to identify slow-moving

NOTES TO THE FINANCIAL STATEMENTS

Disaggregation of revenue

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

<u>Primary geographical markets</u>											
The People's Republic of China	336,685,910	412,709,123	197,422,782	240,450,866	6,114,829	71,785,597	540,223,521	724,945,586			
Australia	21,869,766	17,485,300	-	-	-	-	21,869,766	17,485,300			
Philippines	10,405,354	3,804,138	-	-	-	-	10,405,354	3,804,138			
Thailand	1,073,196	4,850,224	11,817,664	3,453,687	-	-	12,890,860	8,303,911			
Other regions	10,444,051	10,913,894	7,702,163	3,701,850	-	-	18,146,214	14,615,744			
	<u>380,478,277</u>	<u>449,762,679</u>	<u>216,942,609</u>	<u>247,606,403</u>	<u>6,114,829</u>	<u>71,785,597</u>	<u>603,535,715</u>	<u>769,154,679</u>			

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

NOTES TO THE FINANCIAL STATEMENTS

Amortisation of deferred government subsidies related to assets*	1,138,959	1,138,959
Foreign exchange gain, net	–	969,074
Gain on derecognition of lease	6,750	–
Government subsidies related to expenditure	1,815,519	4,162,162
Income from sales of raw materials	–	371,491
Interest income - bank deposits	426,073	508,209
Miscellaneous income**	1,319,717	657,425
Rental income – Investment properties	303,318	242,064
FYbHJ`j]bVta Y!`C W`dfYa]gYg	828,209	483,988
Service income	1,721,085	2,195,413
	7,559,630	10,728,785

* Various government subsidies have been received mainly from the PRC government for the Group's business
VtbXi VbX`j]b`h`cgY`UFYUg`H`YfY`UFY`bc`i`bZ` ``YX`VtbX]h`cbg`cf`Vtbh]b[YbVYg`fY`UH`X`hc`h`Yg`g`j`Vg]X]Yg`

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

Interest expenses:

- borrowings	19,831,329	20,663,362
- lease liabilities (Note 26)	100,132	107,827
	19,931,461	20,771,189
Amount capitalised in property under development	–	(5,570,846)
	19,931,461	15,200,343

NOTES TO THE FINANCIAL STATEMENTS

The above is arrived at after charging:

Cost of sales

Cost of inventories recognised as an expense	512,525,355	627,377,448
Included in the above are:		
Amortisation of right-of-use assets	1,548,567	1,516,237
Depreciation of property, plant and equipment	48,641,090	48,306,412
Direct labour costs		
- direct wages	61,425,032	72,191,819
!`V`bhf]Vi h]cbg'hc`XY bYX`V`bhf]Vi h]cb`d`Ubg	9,148,106	8,198,011
5`ck UbW`a UXY#FYj YfgU`cZU`ck UbW`E`Zcf`g`ck !a`cj]b[` UbX`cVgc`YH`]bj Yb'cf]Yg`	111,313	(495,431)
<u>Distribution expenses</u>		
Advertisement and promotional expenses	126,000	278,020
Depreciation of property, plant and equipment	39,778	157,065
9a`d`cnYY`VYbY`hg`YI`dYbgY`		
- salaries, bonuses and allowances	6,175,700	4,211,472
!`V`bhf]Vi h]cbg'hc`XY bYX`V`bhf]Vi h]cb`d`Ubg	442,345	396,961
!`ghU`k`Y`ZJFY`	6,346	69,600
Entertainment expenses	2,599,221	2,692,914
Lease expenses on low value and short-term leases	44,533	83,895
Transportation costs	29,887,227	34,472,114
Travelling and accommodation expenses	577,506	889,314

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The above is arrived at after charging: (Continued)

Administrative expenses

5XX]h]cb#FYj YfgU'cZ'cgg'U'ck UbW'Zcf'fUXY'fYW]j UV'Yg'	318,895	(175,591)
Amortisation of land use rights	1,078,280	1,078,280
Amortisation of right-of-use assets	836,405	1,428,401
Audit fee		
- auditors of the Company	550,022	466,560
!`ch\Yf'Ui X]h]c]fg'fU'a Ya VYf' fa`cZ68C`bhYfbU]h]cbU`@a]hYXt`	491,000	672,931
Non-audit fee (non-audit-related services)		
- auditors of the Company	15,715	16,330
!`ch\Yf'Ui X]h]c]fg'fU'a Ya VYf' fa`cZ68C`bhYfbU]h]cbU`@a]hYXt`	38,186	38,000
Bank charges	290,414	412,528
Depreciation of investment properties	2,295,913	17,404
Depreciation of property, plant and equipment	5,475,187	6,802,808
Directors' remuneration ⁽¹⁾		
- Directors' fees	644,311	580,302
- salaries, bonuses and allowances	3,569,235	3,457,759
!`Vt]bf]Vi h]cbg'hc`XY`bYX`Vt]bf]Vi h]cb`d`Ubg`	39,785	33,276
Duty and tax	4,362,090	3,741,555
9a d`cmYY`VYbY`hg`YI dYbgY ⁽¹⁾		
- salaries, bonuses and allowances	26,055,064	21,638,524
!`Vt]bf]Vi h]cbg'hc`XY`bYX`Vt]bf]Vi h]cb`d`Ubg`	2,290,222	2,125,887
- other related costs	591,950	283,811
Loss on disposal of property, plant and equipment	485,739	427,758
DfcdYfmz'd`UbhUbX`Yei`]da`Ybhk`f]hYb`c`	278,017	20,957
C`W`fYdU]fg`UbX`a`U]bhYbUbW`YI dYbgYg`	170,751	148,330
R&D expenditure	17,632,458	20,993,315
Telephone and fax charges	861,190	931,358
Travelling and accommodation expenses	394,531	1,705,437
Foreign exchange loss, net	3,082,539	-

128 H`Y`fYa`i`bYfU]h]c]cZX]fYVt]c]fg`UbX`_Yma`UbU[Ya`YbhdYfgcbbY`]g`X]gWt]c]gYX`]b`B`chY` +`hc`h`Y`bUbV]U`g]h]hYa`Yb]hg`

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Balance as at 1 January 2021	303,666,310	517,367,941	257,039,856	13,383,619	346,497	1,889,270	1,093,693,493
Additions	-	6,360,055	9,565,343	32,743	-	9,397,002	25,355,143
Disposals	-	(9,505,910)	-	-	-	-	(9,505,910)
K f]mYb`c	-	(19,231)	(47,585)	-	-	-	(66,816)
F YWUgg] W]h]cbg	(2,865,648)	7,274,402	1,041,996	(63,675)	-	(5,387,075)	-
Transfer to property under XYj Y`cda Ybh	-	-	(336,102)	-	-	-	(336,102)
7i ffYbWm]fUbgU]h]cb X] YfYbWg	-	-	(4,172)	-	(13,690)	-	(17,862)
Balance as at 31 December &\$\$%	300,800,662	521,477,257	267,259,336	13,352,687	332,807	5,899,197	1,109,121,946
Balance as at 1 January 2021	79,712,920	324,406,565	212,067,845	11,214,560	346,497	-	627,748,387
8 YdfYWU]h]cb `Zcf`h`Y` bUbWJU` mYUf	11,409,684	30,904,141	12,343,807	608,653	-	-	55,266,285
Disposals	-	(8,345,383)	-	-	-	-	(8,345,383)
K f]mYb`c	-	(17,308)	(28,551)	-	-	-	(45,859)
Transfer to property under XYj Y`cda Ybh	-	-	(33,610)	-	-	-	(33,610)
7i ffYbWm]fUbgU]h]cb X] YfYbWg	-	-	(4,051)	-	(13,690)	-	(17,741)
Balance as at 31 December &\$\$%	91,122,604	346,948,015	224,345,440	11,823,213	332,807	-	674,572,079
Balance as at 1 January 2021 UbX`' %8YWVa VYf`&\$\$%	-	182,482	28,245	-	-	-	210,727
Balance as at 31 December &\$\$%	209,678,058	174,346,760	42,885,651	1,529,474	-	5,899,197	434,339,140

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The Group has pledged buildings and plant and machinery with carrying amounts of RMB128,816,216 (2021: RMB121,603,644) and RMB45,771,489 (2021: RMB46,904,948) respectively to secure banking facilities granted to the Group (Note 27).

The Group had sub-let a small portion of its building to earn rental income. Management had

Impairment assessment of property, plant and equipment

8i f]b[' H.Y' bUbWU' mYUf' YbXYX' ' % 8YW'a VYf' &\$&&ž H.Y' ; fci d' Wff]YX' ci h' U' fyj]Yk ' cZ H.Y' recoverable amount of its property, plant and equipment and land use rights as a cash generating unit ("CGU") with indications of impairment. The recoverable amount of the property, plant and equipment with indications of impairment has been determined based on its value-in-use calculations using the following key assumptions:

Revenue growth rates	5-16
; fcgg'dfc ha Uf[]b'	18
Discount rate	9.6

Management estimates the discount rate using pre-tax rates that reflect current market UggYgga YbhcZH.Y'hja Y'j U'i Y'cZa cbYmUbX'h.Y'f]g_ggdYWY Wrc'h.Y'7; I "'H.Y'[fck h' fUH']g'VUgYX' on management's estimates and expectations from historical trends and market data.

As at the current reporting date, based on management's assessment of the CGU, any reasonably possible change to the key assumptions applied is not likely to cause the recoverable amounts to be below the carrying amounts of the remaining CGU.

NOTES TO THE FINANCIAL STATEMENTS

Balance as at 1 January	96,647,169	732,859
Transferred from property under development (Note 17) ⁽¹⁾	–	95,914,310
Transferred from property, plant and equipment (Note 11)	30,456	–
Balance as at 31 December	96,677,625	96,647,169
Balance as at 1 January	349,925	332,521
8YdfYVUjcb`Zcf`h\Y` bUbVU`mYUf	2,295,913	17,404
Transferred from property, plant and equipment (Note 11)	14,723	–
Balance as at 31 December	2,660,561	349,925
Balance as at 31 December	94,017,064	96,297,244
Level 3	132,345,828	133,932,396

(1) These properties were transferred from property under development on 10 November 2021. No depreciation had VYYb`WUf[YX`Zcf`h\Y`dfyj]ci g` bUbVU`mYUf`Ug`h\Y`Ua ci bhk Ug`bchg][b] WUbH`

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

No. 9 Foping Four Road, G]l h`UbX`GYj Ybh` `ccfZ; i] ; i]		

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Valuation techniques and assumptions

The investment properties were valued by independent professional valuers at each reporting date taking into account 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 market. The major inputs into the valuation model were the capitalisation rate and 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 and the price per square metre and size of the properties.

The valuations were based on the respective property's highest and best use, which was in line with the Group's business strategy 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:

Rental income arising from investment properties	303,318	242,064
Direct operating expenses (including repairs and maintenance)		
- investment properties that generate income	-	-
- investment properties that do not generate income	-	-
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

I bei cHYX`Yei]hmVt`bhf]Vi h]cb#g\UfYgZ`UhiVt`gh	456,236,365	456,236,365	
Deemed investment arising from the issuance of bUbWU`[i UfUbhYg			
	9,696,560	9,696,560	
	465,932,925	465,932,925	

H\Y`XYYa YX`]bj Ygha YbhdYfhU]bg`hc`h\Y`ZU]f]j U`i Y`cZ` bUbWU`[i UfUbhY`Vt`bhfUWg`]b`fYgdYVh`cZ` corporate guarantees granted by the Company for bank loans obtained by certain subsidiaries]b`df]cf`mYUfg`UbX`h\Y`fY`UHYX` bUbWU`[i UfUbhYg`fYVt`[b]gYX`]b`ch\Yf`dUhtUV`Yg`Uj Y`VYYb`Z``m`Ua`cf]gYX`]b`h\Y`df]cf` bUbWU`mYUfg`"

Details of the subsidiaries as at 31 December 2022 are as follows:

Foshan Nanxin DUWU[]b[`7c`z`@X ⁽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 DUWU[]b[`7c`z`@X ⁽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 f]Ub[gj`E`7c`z`@X ⁽¹⁾	The People's Republic of China	100	100	Trading and manufacturing of packaging products for foodstuff, medical and cosmetic products
Southern (HK) DUWU[]b[`7ca`dUbm @ja`]HYX ⁽²⁾	Hong Kong	100	100	Trading of packaging products for foodstuff, medical and cosmetic products

f&E: 5i X]HYX`Vm68C`7\]bU`Gvi`@`b`DUB`7Yfh`YX`Di`V`]W5Wt`i`bH]b]g`@DZU`a`Ya`VYf`fa`cZ68C`bHYfbU]cbU`@ja`]HYX`"

f&E: 5i X]HYX`Vm68C`7\]bU`Gvi`@`b`DUB`7Yfh`YX`Di`V`]W5Wt`i`bH]b]g`@DZU`a`Ya`VYf`fa`cZ68C`bHYfbU]cbU`@ja`]HYX`Zcf`consolidation purpose.

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

Balance as at 1 January 2022	6,097,273	2,784,452	1,112,853	660,689	10,655,267
Additions	-	-	86,032	-	86,032
A cX] Vh]cbg	1,548,568	713,024	110,668	-	2,372,260
Derecognition	-	-	-	(660,689)	(660,689)
7i ffYbVhifUbg'Uh]cb`X] YfYbW	32,330	288,790	-	-	321,120
Balance as at 31 December 2022	<u>7,678,171</u>	<u>3,786,266</u>	<u>1,309,553</u>	<u>-</u>	<u>12,773,990</u>

Balance as at 1 January 2022	4,548,709	2,050,607	941,768	384,339	7,925,423
5a cfh]gUh]cb`Zcf`h.Y` bUbV]U`nYUf	1,548,567	713,024	123,381	-	2,384,972
Derecognition	-	-	-	(384,339)	(384,339)
7i ffYbVhifUbg'Uh]cb`X] YfYbW	-	220,845	-	-	220,845
Balance as at 31 December 2022	<u>6,097,276</u>	<u>2,984,476</u>	<u>1,065,149</u>	<u>-</u>	<u>10,146,901</u>

Balance as at 31 December 2022	<u>1,580,895</u>	<u>801,790</u>	<u>244,404</u>	<u>-</u>	<u>2,627,089</u>
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Balance as at 1 January 2021	4,581,036	2,132,872	706,436	-	7,420,344
Additions	1,548,567	746,260	406,417	660,689	3,361,933
A cX] Vh]cbg	(32,330)	-	-	-	(32,330)
7i ffYbVhifUbg'Uh]cb`X] YfYbW	-	(94,680)	-	-	(94,680)
Balance as at 31 December 2021	<u>6,097,273</u>	<u>2,784,452</u>	<u>1,112,853</u>	<u>660,689</u>	<u>10,655,267</u>

Balance as at 1 January 2021	3,032,472	1,424,595	590,186	-	5,047,253
5a cfh]gUh]cb`Zcf`h.Y` bUbV]U`nYUf	1,516,237	692,480	351,582	384,339	2,944,638
7i ffYbVhifUbg'Uh]cb`X] YfYbW	-	(66,468)	-	-	(66,468)
Balance as at 31 December 2021	<u>4,548,709</u>	<u>2,050,607</u>	<u>941,768</u>	<u>384,339</u>	<u>7,925,423</u>

Balance as at 31 December 2021	<u>1,548,564</u>	<u>733,845</u>	<u>171,085</u>	<u>276,350</u>	<u>2,729,844</u>
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The Group leases warehouse spaces and machinery for the purpose of its manufacturing cdYfUh]cbg`h.Y` ; fci d`Ugc`YUgYg`c` W`UbX`fYg]XYbh]U`dfYa`]gYg`Zcf`h.Y`di`fdcgY`cZ`VUW]c` W`cdYfUh]cbg`UbX`gh]`c`VW`dUbVh]`

There are no externally imposed covenants on these lease arrangements.

NOTES TO THE FINANCIAL STATEMENTS

Deferred tax assets	16,207,733	6,276,069
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

Balance as at						
%ℓ Ufm&	215,787	1,636,210	(2,418,983)	6,843,055	6,276,069	(1,000,000)
7fYX]H\Uf[YXt'c						
dfc hcf`cgg	64,532	(151,501)	24,835	9,993,798	9,931,664	-
Balance as at						
' %8YWa VVf`&	280,319	1,484,709	(2,394,148)	16,836,853	16,207,733	(1,000,000)
Balance as at						
%ℓ Ufm&	316,440	1,775,645	(2,389,862)	5,689,140	5,391,363	(1,000,000)
f7\Uf[YXt#7fYX]H\Uf[
dfc hcf`cgg	(100,653)	(139,435)	(29,121)	1,153,915	884,706	-
Balance as at						
' %8YWa VVf`&	215,787	1,636,210	(2,418,983)	6,843,055	6,276,069	(1,000,000)

8YZYffYX`]bVta Y`HJl`UggYhg`UbX`]UV`]h]Yg`UfY`c`gYh`k`Yb`h`YfY`]g`U`Y`U`mYbZcfWUV`Y`f`[\`h`c`c`gYh`W`ffYbh`]bVta Y`HJl`UggYhg`U`U]bgh`W`ffYbh`]bVta Y`HJl`]UV`]h]Yg`UbX`k`Yb`h`Y`XYZYffYX` income taxes relate to the same taxation authority.

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Unutilised tax losses

5hH.Y.YbX'cZH.Y' bUbVU'mYUfzH.Y; fci d\UX'fYVt[b]gYX'i bi h]gYX'HU' cggYg'cZFA 6%&Z() Z' - \$' f&\$&% FA 6() Z' &\$Z * - E'k \JW'UFY'Uj U]UV'Y'Zcf'gYHc 'U[U]bgh'Z' hi fY'HU UV'Y'dfc hg'gi V'YVH'hc H.Y' agreement by the tax authorities and provisions of tax legislations of the PRC. The expiry dates for tax losses arising in certain foreign tax jurisdictions are as follows:

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	5,339,736
2021	2031	6,632,823	-
2022	2032	55,132,859	-
		<u>112,245,690</u>	<u>45,620,369</u>

Unrecognised deferred tax assets

Unutilised tax losses

No deferred tax asset has been recognised in respect of the remaining RMB138,450 (2021: FA 6%&Z' &- Z' (E'Xi Y'hc' H.Y'i bdfYX]MUV])micZ dfc h'g'fYUa g" H.Y'Yi d]fmXUH'g'Zcf' H.Y'fYa U]b]b[tax losses arising in certain foreign tax jurisdictions are as follows:

2017	2021	-	31,271
2018	2022	35,301	35,301
2019	2023	15,749	15,749
2020	2024	25,908	25,908
2020	2030	-	4,859,639
2021	2025	28,943	28,943
2021	2031	-	6,632,823
2022	2026	32,549	-
2022	2032	10,115,045	-
		<u>10,253,495</u>	<u>11,629,634</u>

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Undistributed earnings of certain subsidiaries

The amount represents undistributed earnings of certain subsidiaries for which is estimated by the management to be distributed in the future.

As at 31 December 2022, total unremitted earnings of certain subsidiaries in the PRC amounted to RMB86,693,155 (2021: RMB148,796,842). Management estimates that not more than 20% of these unremitted earnings will be distributed as dividends in the foreseeable future. Hence, as at 31 December 2022, a deferred tax liability of RMB1,000,000 (2021: 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 RMB69,354,524 (2021: RMB113,117,000) 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.

Land use rights	–	15,932,420
Development costs	–	427,268,698
Transferred from property, plant and equipment - net (Note 11)	–	302,492
Interest capitalised	–	17,211,302
Transferred to investment properties (Note 12)	–	(95,914,310)
Transferred to inventories	–	(364,800,602)
	–	–

Details of the Group's development property in are as follows:

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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 based on its use. The amount allocated is based on cost of development per square meter and the built-up area for investment properties and inventories as properties held for sale.

Contingent liability

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

- by 8 November 2013, complete the design, submit construction report and related
- by 8 November 2015, complete all construction of property and submit construction

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.

Sanshan land use rights or 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:

- Significant 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

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Contingent liability (Continued)

! 5g'UhH.Y'XUH'cZH.g' bUbVU'gHUYa YbhgžH.Y'; fci d'UX'bhFYW'j YX'UbmVtffYgdcbXYbWg' from the authorities on the liquidated damages for non-compliance of the commencement deadline and the project had commenced and completed since prior years.

Raw materials and consumables	43,651,524	37,339,283
K cf_]b'dfc[fYgg	8,154,362	8,432,511
Finished goods	40,499,565	42,414,200
Properties held for sale	305,569,859	310,372,655
	<u>397,875,310</u>	<u>398,558,649</u>

8i f]b['H.Y' bUbVU' mYUfž H.Y'; fci d'Wff]YX' ci h'U' fYj]Yk' cZ H.Y' bYh' fYU'gUV'Y' j U'i Y' cZ]hg' inventories which led to the write-down of inventories by RMB111,313 (2021: reversal of allowance for slow moving and obsolete inventories by RMB495,431) which was recognised in "Cost of sales"]b'dfc' h'cf'cgg"

Trade receivables		
- third parties	85,106,072	175,147,255
- a related party	-	16,344
	<u>85,106,072</u>	<u>175,163,599</u>
Bills receivables	21,696,828	19,279,952
Unbilled receivables	36,629,979	28,546,418
	<u>143,432,879</u>	<u>222,989,969</u>
Less: Loss allowance on trade receivables – third parties	(694,190)	(375,295)
	<u>142,738,689</u>	<u>222,614,674</u>

The trade amounts due from third parties are unsecured, interest-free and repayable within the normal credit terms of 7 to 120 days (2021: 7 to 120 days), in cash.

Bills receivables are unsecured, non-interest bearing and recoverable within 60 to 180 days (2021: 60 to 180 days).

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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

Before accepting any new customer, the Group assesses the potential customer's credit quality and

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 2022 and 31 December 2021.

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
	<u>143,432,879</u>	<u>(694,190)</u>	
Not past due	199,048,377	-	No
Past due but not impaired			
<90 days	16,272,693	-	No
91 to 180 days	5,865,118	-	No
181 to 365 days	545,754	(84,357)	Yes
>365 days			
	<u></u>	<u></u>	

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The loss allowance of RMB694,190 (2021: RMB375,295) 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:

6U'UbW'Ug'Uh'h'Y'VY[]bb]b['cZ'h'Y' bUbV'U' n'YUf	375,295	550,886
5XX]h]cb#f'Yj YfgU'f'fYVt[b]gYX']b'dfc hcf''cgg	318,895	(175,591)
6U'UbW'Ug'Uh'h'Y'YbX'cZ'h'Y' bUbV'U' n'YUf	<u>694,190</u>	<u>375,295</u>

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

Denominated in:		
Euro	-	204
Renminbi	3,109,078	1,780,783
United States dollar	<u>10,671,846</u>	<u>11,683,193</u>

NOTES TO THE FINANCIAL STATEMENTS

Other receivables				
- third parties	8,754,014	6,003,227	15,919	101,854
- subsidiaries	-	-	1,290,103	1,290,103
	8,754,014	6,003,227	1,306,022	1,391,957
Advances to suppliers	15,751,829	24,267,213	-	-
Refundable deposits	1,625,078	1,253,587	-	-
Value added tax	17,161,480	10,770,172	-	-
Prepayments	2,367,951	491,551	-	-
Other receivables and dfYdUna Ybrg	45,660,352	42,785,750	1,306,022	1,391,957
:				
Trade receivables (Note 19)	142,738,689	222,614,674	-	-
Cash and bank balances fBchY' &%£	67,244,843	80,463,836	441,424	1,148,603
Fixed deposits (Note 22)	2,661,000	6,165,198	-	-
Less:				
Advances to suppliers	(15,751,829)	(24,267,213)	-	-
Prepayments	(2,367,951)	(491,551)	-	-
Value added tax	(17,161,480)	(10,770,172)	-	-
Financial assets at amortised cost	223,023,624	316,500,522	1,747,446	2,540,560

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 k Jh Jb' h'k Y'j Y'a cbh'g'Z'ca' h'Y'YbX'cZ'h.Y' bUbVU' nYUf"

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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:

Denominated in:				
Singapore dollar	15,919	101,854	15,919	101,854

Cash and bank balances	67,244,843	80,463,836	441,424	1,148,603
Fixed deposits (Note 22)	2,661,000	6,165,198	-	-
	69,905,843	86,629,034	441,424	1,148,603
Less: Fixed deposits pledged	(2,171,000)	(6,165,198)		
Cash and cash equivalents as shown				
Wg\` ck g	67,734,843	80,463,836		

Cash at banks earns interest of 0.01% to 0.35% (2021: 0.30%) per annum.

The Group's cash and bank balances that are not denominated in the functional currencies of the respective entities are as follows:

Denominated in:				
Euro	19,248	24,579	-	-
United States dollar	12,405,484	16,192,372	83,271	76,230
Hong Kong dollar	765,514	822,243	78,050	72,257
Renminbi	6,827,799	446,173	-	-
Singapore dollar	280,103	1,000,115	280,103	1,000,115
Japanese yen	2	29	-	-

NOTES TO THE FINANCIAL STATEMENTS

Fixed deposits:

- non-pledged	490,000	-
- pledged	2,171,000	6,165,198
	2,661,000	6,165,198

Fixed deposits are held in the name of the Company and are not pledged.

Fixed deposits are held in the name of the Company and are not pledged. The maturity period of fixed deposits is 90 days (2021: 60 days to 90 days).

Issued and paid up

Balance as at the beginning and at the end of the year	70,319,164	70,319,164	230,592,765	230,592,765
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Shareholders 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.

Capital contribution

Statutory reserve	58,546,029
	69,105,314

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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 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 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 Group's foreign currency translation account represents the difference between the carrying amount of the net assets of the subsidiaries established in the PRC and the carrying amount of the net assets of the subsidiaries established in the PRC calculated at the exchange rate of the RMB against the functional currency of the subsidiaries at the reporting date.

6U'UbW'Ug'Uh'Y'VY[]bb]b['cZ'Y' bUbV'U'nYUf	11,712,373	12,851,332
FYV' [b]gYX'Ug']bV'a Y'Xi f]b['Y' bUbV'U'mYUf'fB'cHY'*E	(1,138,959)	(1,138,959)
6U'UbW'Ug'Uh'Y'YbX'cZ'Y' bUbV'U'nYUf	10,573,414	11,712,373
Dcf]cb'WUgg] YX'Ug'W'ffYbh']UV']h]Yg	(1,138,959)	(1,138,959)
Dcf]cb'WUgg] YX'Ug'bc'b!W'ffYbh']UV']h]Yg	9,434,455	10,573,414

The Group received subsidies from the PRC government for the purchase of land use rights and plant and machinery. The subsidies are recognised over the duration of the useful lives of the land use rights and plant and machinery. The carrying amounts of the subsidies as at 31 December 2022 for the purchase of land use rights and plant and machinery were RMB5,343,946 (2021: RMB5,484,179) and RMB5,229,468 (2021: RMB6,228,194) respectively.

NOTES TO THE FINANCIAL STATEMENTS

6U'UbW'Ug'Uh'h'Y'VY[]bb]b['cZ'h'Y' bUbV]U'mYUF	2,748,565	2,399,745
Addition	86,032	3,361,932
@YUgY'a cX] W]h]cbg	2,372,260	(6,828)
Derecognition	(283,100)	-
Interest expense (Note 7)	100,132	107,827
Lease payments		
- principal portion	(2,372,383)	(2,977,172)
- interest portion	(100,132)	(107,827)
	(2,472,515)	(3,084,999)
7i ffYbVh'fUbg'Uh]cb'X] YfYbW'g	69,874	(29,112)
6U'UbW'Ug'Uh'h'Y'YbX'cZ'h'Y' bUbV]U'mYUF	<u>2,621,248</u>	<u>2,748,565</u>

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

7cb'fU'U' U'i bX]g'W'i bh'X'W'g\ ' ck'g		
- not later than one year	2,721,305	2,824,865
Less: Future interest expense	(100,057)	(76,300)
Present value of lease liabilities	<u>2,621,248</u>	<u>2,748,565</u>

H'Y'; fci d'YUgY'k UfY\ci gY'gdUW'g'z'c W'UbX'fYg]XYbh]U'dfYa]gYg'UbX'a U'W]bYfmk]h' I YX' payments over the lease terms.

The weighted average incremental borrowing rate applied to lease liabilities was 5.02% (2021: 5.02%) per annum.

H'c]U'W'g\ 'ci h ck 'Z'f'U''h'Y''YUgY'k Ug'FA 6&ž) %+žš(, 'f&\$&% FA 6' žž*, ž - (ž'

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

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The Group has borrowings as follows: (Continued)

- c) The borrowing obtained from Bank C is secured by charge over certain of the Group's property, plant and equipment 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, 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 is supported by a corporate guarantee by a 60% shareholder of the Company.
- 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 is supported by a corporate guarantee by the Company.
- j) Borrowing obtained from third party in previous year was neither secured by charge over the Group's assets nor supported by corporate guarantee by the Company. The borrowing was supported by a corporate guarantee by the Company.

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

Denominated in:
United States dollar

	62,413,245	54,656,359
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NOTES TO THE FINANCIAL STATEMENTS

Third parties	273,136,241	306,805,643
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The average credit period on purchases of goods is 90 days (2021: 90 days).

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

Denominated in:		
Euro	291,597	286,375
Japanese yen	783,799	761,868
United States dollar	10,455,767	11,747,497

Other payables				
- third parties	6,241,125	12,819,028	-	-
- a related party	2,298,555	2,332,575	-	-
- subsidiaries	-	-	43,212,682	30,617,546
	8,539,680	15,151,603	43,212,682	30,617,546
Accrued expenses	21,510,876	20,874,850	2,157,152	2,035,318
Contract liabilities	4,345,388	9,213,693	-	-
Other payables	34,395,944	45,240,146	45,369,834	32,652,864
Trade payables (Note 28)	273,136,241	306,805,643	-	-
Borrowings (Note 27)	382,196,620	382,790,032	-	-
Lease liabilities (Note 26)	2,621,248	2,748,565	-	-
Contract liabilities	(4,345,388)	(9,213,693)	-	-
Other taxes	(14,666,175)	(15,131,321)	-	-
Financial liabilities at amortised cost	673,338,490	713,239,372	45,369,834	32,652,864

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The other payable due to third parties 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 balances due to subsidiaries are 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:

Denominated in:

Euro	13	10	-	-
Hong Kong dollar	-	-	42,833,032	30,237,896
Singapore dollar	2,157,152	2,035,318	2,157,152	2,035,318

The Group as lessor

HN'Y'; fci d' fYbhg' d' h'g']bj Ygfa Yaf dfcc' Yfh' Yg' f' b' h' X' W' df' A']g' Yg']b' h' X' DF 7' i' bXYf' cdYfUH]b[

NOTES TO THE FINANCIAL STATEMENTS

5gUhH.YYbX'cZH.Y' bUbVU'nYUfZVta a]ha YbHg]b fYgdYVWicZVUd]hU'YI dYbX]hi fY'UFY'Ug'Zc`ck g.

Capital expenditure contracted but not provided for
- commitments for the acquisition of property, plant and
Yei]da Ybh

437,221

-

:]fghUbX' bU'YI Ya dhX]j]XYbX'cZG~ \$"() `WbHg'dYf'cfX]bUfmi
g\UfY`]b fYgdYVW]j Y'cZ' bUbVU'nYUf'YbXYX'' %8YWA VYf'&\$&%

1,527,961

-

:]fghUbX' bU'YI Ya dhX]j]XYbX'cZG~ \$"&) `WbHg'dYf'cfX]bUfmi
g\UfY`]b fYgdYVW]j Y'cZ' bUbVU'nYUf'YbXYX'' %8YWA VYf'&\$&\$

-

849,109

1,527,961

849,109

The Company did not recommend any dividend in respect of the financial year ended 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

The Group regularly reviews its reportable segments, in order to allocate resources to segments and to assess the segment performance.

The Group's reportable segments under SFRS(I) 8 are therefore as follows:

- Flexible packaging segment mainly manufactures plastic packaging bags with design supplied by the customers for the pharmaceutical industry, food and beverage industry and hygiene industry.
- Rigid packaging segment mainly manufactures polyethylene terephthalate ("PET") bottles together with printing of design onto the bottle for pharmaceutical industry, food and beverage industry and hygiene industry.
- Property development segment refers to business of developing and holding property for future sale in the ordinary course of business or earn rental income.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2.21. Segment revenue represents revenue generated from external customers. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise of corporate income and expenses. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

For the purposes of monitoring segment performance and allocating resources between segments, the Group allocates assets and liabilities to reportable segments.

Segment assets

Other than non-operating assets, all assets are allocated to reportable segments. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.

Segment liabilities

Other than borrowings, current income tax payable, deferred government subsidies, deferred tax liabilities and other non-operating liabilities, all liabilities are allocated to reportable segments. Liabilities related to reportable segments are allocated on the basis of the cost of sales of individual reportable segments.

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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

Segment revenue, results and assets

External sales	380,478,277	449,762,679	216,942,609	247,606,403	6,114,829	71,785,597	603,535,715	769,154,679
GY[a Ybh]fcggdfc hg	64,921,532	87,308,389	24,776,796	37,111,192	1,312,032	17,357,650	91,010,360	141,777,231
Allocated expense	(74,241,337)	(76,493,718)	(37,762,800)	(36,108,530)	(2,872,512)	(4,979,000)	(114,876,649)	(117,581,248)
Allocated income	832,532	2,646,699	752,502	2,567,343	-	-	1,585,034	5,214,042
Segment result	(8,487,273)	13,461,370	(12,233,502)	3,570,005	(1,560,480)	12,378,650	(22,281,255)	29,410,025
Unallocated expenses							(9,909,161)	(7,253,286)
Unallocated income							5,548,523	5,006,534
Interest income							426,073	508,209
Interest expense							(19,931,461)	(15,200,343)
f@cgg#Dfc hVYZcFY jbw@a Y HJl							(46,147,281)	12,471,139
Income tax credits							9,858,821	1,557,865
f@cgg#Dfc hZc f h Y' bubVUJ'								
mYUF UHfjVi HUVY'fc								
ck bYfg cZk Y' dUfYbh								
							(36,288,460)	14,029,004
Segment assets	519,540,138	530,204,039	222,525,255	183,967,295	399,586,923	479,533,266	1,141,652,316	1,193,704,600
Unallocated corporate assets							103,290,976	135,160,501
Consolidated total assets							1,244,943,292	1,328,865,101
Segment liabilities	113,709,458	63,330,177	73,020,170	62,900,261	225,463,839	188,486,293	412,193,467	314,716,731
Unallocated corporate							296,227,870	440,739,738
jUV] jhYg							708,421,337	755,456,469
Consolidated total liabilities								

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Other segment information

Rigid packaging	45,058,204	23,490,076	39,714,678	41,758,916
Flexible packaging	16,673,643	5,227,000	17,904,629	16,452,007
Property development	–	–	2,295,913	1,095,684
	<u>61,731,847</u>	<u>28,717,076</u>	<u>59,915,220</u>	<u>59,306,607</u>

Revenue from major products and services

Revenue from external customers is derived from the sale of packaging products and sale of developed properties.

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:

The PRC	540,223,521	724,945,586	572,555,365	572,000,925
Australia	21,869,766	17,485,300	–	–
Philippines	10,405,354	3,804,138	–	–
Thailand	12,890,860	8,303,911	–	–
Other regions	18,146,214	14,615,744	–	–
	<u>603,535,715</u>	<u>769,154,679</u>	<u>572,555,365</u>	<u>572,000,925</u>

Information about major customers

Included in revenue arising from rigid packaging and flexible packaging are revenues of RMB148,072,617 (2021: RMB146,619,618) and RMB27,934,542 (2021: RMB7,864,966) respectively which arose from sales to the Group's major customers.

NOTES TO THE FINANCIAL STATEMENTS

These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Board of Directors is responsible for setting the objectives and underlying principles of exposure limits, in accordance with the objectives and underlying principles approved by the Board of Directors.

which they manage and measure the risk. Market risk exposures are measured using sensitivity analysis as indicated below.

Credit risk refers to the risk that counterparty will default on its contractual obligations creditworthy counterparties and obtaining customer advances where appropriate, as a

Concentrations of credit risk exist when changes in economic, industry or geographic factors relation to the Group's total credit exposure.

receivable from third parties were due from 2 (2021: 3) customers.

The Group's and the Company's major classes of financial assets are cash and bank prepayments and value added taxes). As the Group and the Company do not hold any bank facilities obtained by its subsidiaries as mentioned below.

statements.

(2021: RMB86,629,034) and RMB441,424 (2021: RMB1,148,603) respectively as at 31 8YWVa VYf &&&" H Y WUg\ UbX VUb VU UbWg f]bW X]b [I YX XYdcg]hg UfY \YX k]h VUb_g UbX bUbVU]bgh]i h]cb Vti bhYfdUfhYgž k \]W UfY fUHXY 5U% hc 6UU&ž VUgYX cb A ccXmg ratings.

losses from non-performance by the counterparties.

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

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 impairment. Management has taken into account information that it has available internally about these receivables and any default in external debts. The risk of default is considered to be low. Therefore, amount due from subsidiaries has been measured based on 12-month expected credit loss model and subject to immaterial credit loss.

As at 31 December 2022, the Company had given guarantees amounting to RMB188.5 million (2021: RMB174.9 million) to certain banks in respect of banking facilities utilised by the Company. The Company to reimburse the respective banks if the respective subsidiaries to which the guarantees were extended fail to make principal or interest repayments when due in accordance with the terms of the borrowings. There has been no default or non-repayment since the utilisation of the banking facilities and the risk of default is considered to be low. Therefore, amount due from subsidiaries has been measured based on 12-month expected credit loss model and subject to immaterial credit loss.

The Company as the risk of default is remote and subject to immaterial loss allowance.

The Company monitors risks associated with changes in foreign currency exchange rates and interest rates and will consider appropriate measures should the need arises.

The Company's market risk exposures are measured using sensitivity analysis indicated below.

The Company manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

Foreign exchange risk (Continued)

(Continued)

If the relevant foreign currency strengthens by 10% (2021: 7%) against respective entities' Z bVWjcbU`W ffYbWk dfc hVYZcfY`j bVt`a Y`HJ`k`j` `]bVWYUgY#fXYWYUgYt`Vm

Euro impact	(27,236)	(18,136)	-	-
I G` `]a dUWk	(5,055,363)	(2,657,070)	8,327	5,336
JPY impact	(78,380)	(53,141)	-	-
<?` `]a dUWk	(3,321,408)	(1,985,473)	(4,275,498)	(2,111,595)
G` `]a dUWk	(186,113)	(65,334)	(186,113)	(65,334)
RMB impact	89,742	51,821	-	-

ZhY`fY`Yj UbhZcfY][b`W ffYbWk YU`Ybg`Vm%\$i` f&\$&%`+i` E`U[U]bghFA 6zhY`Y` YWjcb`dfc` h before income tax will be vice versa.

Interest rate risk

H`Y` ; fci d`g`]bhYfYghfUH`f]g`g`Uf]gY`df]a`Uf]mZfca` `]hg`WUg` `UbX`VUb` `VU`UbWg`z` I`YX`XYdcg]hg` UbX`Vcffck`]b[`g`H`Y` ; fci d`Vcffck`g`Uh` I`YX`UbX`j`Uf]UV`Y`]bhYfYghfUH`g`

The interest rates and terms of repayment of the Group's interest-bearing financial]bghf`a`Yb]g`UfY`X]gWc`gYX`]b`B`chYg`&%z`&z`&*`UbX`&+`rc`H`Y` `bUbV]U`g`UH`a`Yb]g`

The sensitivity analyses below have been determined based on the exposure to interest fUH`g`Zcf`H`Y` ; fci d`g`Vcffck`]b[`g`Uh`H`Y`YbX`cZ`H`Y` `bUbV]U`nYUf`UbX`H`Y`gh`di`UH`YX`W`Ub[`Y` HJ`]b[`d`UW`Uh`H`Y`VY[]bb]b[`cZ`H`Y` `bUbV]U`nYUf`UbX`Y`X`Vt`bgh`Ubh`H`fci` [`ci`h`H`Y` `bUbV]U` year in the case of instruments that have variable interest rates. A 100 basis point (2021: 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.

Z`]bhYfYghfUH`g`]bVWYUgY#fXYWYUgY`Vm`Ub` `]bgh`Ub`H`Ub`Y`ci`g`%\$`\$`VUg]g`dc]b]hg`f&\$&%`%\$`\$`VUg]g` dc]b]hg`k`]H` `U` `ch`Y`f`j`Uf]UV`Yg`Y`X`Vt`bgh`Ubh`H`Y` ; fci d`g`dfc` hVYZcfY`]bVt`a`Y`HJ` `Zcf`H`Y` `bUbV]U`nYUf`Yb`YX` ` %8YW`a`VYf`&\$&%`k`ci`X` `Uj`Y`VYb` `ck`Yf`#][`Yf`Vm`Uddfc] `]a`UH`m RMB1,726,000 (2021: RMB2,379,000) as a result of changes in interest rates on the variable rate borrowings.

Bc`g`Yb]g]h] `]m`Ub`U`ng]g`]g`dfYd`UfYX`cb`H`Y`WUg` `UbX`VUb` `VU`UbWg`UbX` `I`YX`XYdcg]hg`Ug`H`Y` `]a`dUWk`cZ`H`Y`W`Ub[`Y`]b`]bhYfYghfUH`g`]g`bch]g][`b] `W`b`H`

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

Interest rate risk (Continued)

(Continued)

At the end of the reporting period, the Group has the following financial assets and liabilities that are exposed to interest rate risk:

The Group's interest rate risk arises primarily from its term obligations.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents that is sufficient to meet its operating requirements.

The Group's financial assets and liabilities are primarily denominated in the functional currency of the Group.

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

(Continued)

Other payables	–	45,369,834	–	45,369,834
Financial guarantee contracts	–	188,518,337	–	188,518,337
		<u>233,888,171</u>	–	<u>233,888,171</u>
Other payables	–	32,652,864	–	32,652,864
Financial guarantee contracts	–	174,917,278	–	174,917,278
		<u>207,570,142</u>	–	<u>207,570,142</u>

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.

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

At the reporting date, the Group had no 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.

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 equity attributable to owners of the parent plus net debt.

NOTES TO THE FINANCIAL STATEMENTS

(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) VUgYX'cb' H\Y]f'cdYfUh]b['VWg\ 'ck g" H\Y'; fci d g' UbX' H\Y' 7ca dUbm]c] YfU'' ghfUH] [mifYa U]bg' i bV\Ub[YX'Zfca' H\Y'dfYj]ci g' bUbV\U'mYUf"

Trade payables	273,136,241	306,805,643	-	-
Other payables	34,395,944	45,240,146	45,369,834	32,652,864
Borrowings	382,196,620	382,790,032	-	-
Lease liabilities	2,621,248	2,748,565	-	-
Less: Cash and bank balances	(67,244,843)	(80,463,836)	(441,424)	(1,148,603)
Less: Fixed deposits	(2,661,000)	(6,165,198)	-	-
Net debt	622,444,210	650,955,352	44,928,410	31,504,261
Equity attributable to owners cZ\H\Y'dUfYbh	536,521,955	573,408,632	422,310,537	435,820,621
Total capital	1,158,966,165	1,224,363,984	467,238,947	467,324,882
Gearing ratio	54%	53%	10%	7%

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 H\Y'fY'Yj UbhfY] [i'Uh]cbg]b' H\Y'DF 7 Ug'X]gWcGYX']b' BchY' & ('rc' H\Y' bUbV\U' ghUH]Ya Yb]g"

In addition to the above, the Group and the Company are in compliance with all externally]a dcgYX' VWd]HU' fYei]fYa Yb]g]b' fY'Uh]cb'rc' bUbV\U' Vtj YbUb]g'cb]]hg' Vc'ffck]b[g'Zcf' H\Y' bUbV\U' years ended 31 December 2022 and 2021.

8i f]b['H\Y' bUbV\U' mYUfz]b' UXX]h]cb'rc' H\Y']b'Zcfa Uh]cb' X]gWcGYX' Y'gYk \YfY']b' H\Y'gY' bUbV\U' statements, the Group entities entered into the following transactions with related parties at rates and terms agreed between the parties:

K]h' WfHU]b' X]fYV\cf' cZ\H\Y' 7ca dUbm

Rental expense	790,206	767,409
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K]h' Vtca dUb]Yg]b' k \]h' WfHU]b' X]fYV\cf' \Uj Y Vt'bf'c'

Rental expense	2,018,712	1,832,940
Sale of goods	-	(9,977,946)

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

K jh gi VgXJUFYg

Advances from subsidiaries

9,222,900	9,396,926
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The outstanding balances as at 31 December with related parties are disclosed in Notes 19, 20 and &- 'rc 'hY' bUbVjU' ghUHa Ybhg'UbX' UfY'i bgYW fYXZ' jbhYfYghZ'fY' UbX' fYdUntU'Y' cb'XYa UbXzi b'Ygg' otherwise stated.

Certain borrowings (Note 27) are supported by individual guarantees given by a director. No charge has been made for these guarantees.

Compensation of directors and key management personnel

HLY'fYa i bYfUjcb'cZ X]fYV'c fg'UbX' chYf'a Ya VYfg'cZ_Yma UbU[Ya YbhXi f]b['hY' bUbVjU' mYUf' were as follows:

Directors

! 'g\cfHhYfa 'VYbY hg	3,569,235	3,457,759
! 'dcghYa d'cna YbhVYbY hg	39,785	33,276
- Directors' fees	644,311	580,302

Other key management personnel

! 'g\cfHhYfa 'VYbY hg	6,169,876	5,805,218
! 'dcghYa d'cna YbhVYbY hg	201,115	167,836
	10,624,322	10,044,391

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

NOTES TO THE FINANCIAL STATEMENTS

Owing to the Zero-COVID Policy implemented by China's government, implemented mass testing, quarantined the sick in government facilities and imposed strict lockdowns that can span entire cities. This had massive disruptions to economic activities including shipping schedules, travel restrictions and other movement control measures. Consumers' purchasing power and the pattern of demand of products have been changed. As the sales demand of packaging products are highly correlated to the demand of the customers' end products and considering the PRC is the major segment of the Group, the Group's performance was adversely impacted accordingly.

In view of the Zero-COVID Policy was uplifted on 7 December 2022, gradual relaxation of cross-border government control and re-opening of national border may revert the pattern of demand of consumer products to the pre-COVID situation. The Group's performance is expected to be improved.

These financial statements were authorised for issue by the Board of Directors on 5 April 2023.

SHAREHOLDERS' INFORMATION

SHAREHOLDERS' INFORMATION

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	15,805,487	22.48	–	–

(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.

To the best knowledge of the Company and based on the Shareholders' Information provided to the Company as at 15 March 2023, approximately 11.66% of the issued and paid-up ordinary shares of the Company are held by the following shareholders: Mr Pan Shun Ming, Madam Mai Shuying, Mr Pan Zhaojin, Mr Jen Shek Chuen, and the Company's Securities Trading Limited (the "Company"). Accordingly, the Company has complied with Rule 723 of the Listing Manual.

**NOTICE OF
ANNUAL GENERAL MEETING**

NOTICE OF ANNUAL GENERAL MEETING

- (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 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), 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

NOTICE OF ANNUAL GENERAL MEETING

- (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 (" ") 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.

7. 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 2023

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

Mr Chia 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 the retiring Directors 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 2022.

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.

1. The AGM is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

NOTICE OF ANNUAL GENERAL MEETING

2. Members will not be able to attend the AGM in person. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via live audio-visual webcast (" ") or live audio-only stream (" ")), submission of questions in advance of the AGM, submission of text-based questions during the AGM, addressing of substantial and relevant questions in advance of the AGM, appointment of proxy(ies) to attend and vote on their behalf at the AGM, and live voting during the AGM, are set out in the accompanying Company's announcement dated 12 April 2023 (" "). The AGM Alternative Arrangements Announcement may be accessed at the Company's website at the URL [\hdg.##k k k "gci h Yfb! dUWUj \]b\["Vta #Yb#bch\]V#\]ghUgdI](#) and the SGX website at URL [\hdg.##k k k "g|I "Vta #gYWF\]hYg#Vta dUbmUbbci bWVa Ybrg](#).
3. Members and investors holding shares in the Company through the Central Provident Fund (" ") or Supplementary Retirement Scheme (" ") (" ") who wish to attend the AGM must pre-register at the URL [\hdg.##Vtbj YbYU\[a "g| #GD: 5: A &\\$&'](#) no later than 10.00 a.m. on 25 April 2023 (" "). [kZcfj Yf\] Vh\]cb` di fdcgY": c`ck \]b\['j Yf\] Vh\]cbz`Ui h Ybh\]Vh\]X`a Ya VYfg UbX`7D: #GF G` \]bj Ygfcfg`k \]`fYW\]j Y`Ub`Ya Uj`Vm%&\\$\\$`d`a ""cb`&*`5df\]`&\\$&'`cb`h`Y\]f`Ui h Ybh\]Vh\]cb`gh`i`g`UbX`" \]b`_`hc`UWVgg`h`Y`@j`Y`K`YVWgh`UbX`5i`X\]c`Cb`miA`YUbg`cZ`h`Y`5;`A`dfcWYX\]b\[g`A`Ya`VYfg`UbX`7D: #GF G` \]bj Ygfcfg`k`c`Xc`bch`fYW\]j`Y`Ubm`Ya`Uj`Vm%&\\$\\$`d`a ""cb`&*`5df\]`&\\$&'`z`Vi`h`Uj`Y`fY\[\]gh`fYX`Vm`h`Y`FY\[\]gh`U\]cb`7i`Hc`H\]a`Yz`g`ci`X`Vtb`h`U\]h`h`Y`7ca`d`Ubmg`G`UfY`FY\[\]gh`Uf`j`j`U`Ya`Uj`U`h`Srs.teamd@boardroomlimited.com](#) before 5.00 p.m. on 26 April 2023 for assistance.
- bj Ygfcfg`c`X]b[`g`UfYg`h`fci [`fY`Yj`Ubh]bh`fa`YX]Uf]Yg`fUg`XY`b`YX`]b`GYV]cb`%`%cZ`h`Y`7ca`d`Ub]Yg`5V]`f`h`Yf`h`Ub`7D: # SRS investors) will not be able to pre-register at the URL [\hdg.##Vtbj YbYU\[a "g| #GD: 5: A &\\$&'](#) for the "live" broadcast of the AGM. If they wish to participate in the "live" broadcast of the AGM, they should instead approach their relevant intermediary

NOTICE OF ANNUAL GENERAL MEETING

7D: #FGG]bj Ygrcfga Umj chY]b'fYU'h]a Y'UhHAY'5; A 'JZH YmiUFY Uddc]bhYX' Ug'dfcl]Yg'VmiH Y]f'fYgdYVW] Y'7D: '5[Ybh6Ub_g'cf' SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any questions regarding HAY]f'Uddca]ha Ybh Ug'dfcl]Yg'7D: #FGG' bj Ygrcfg'k \c'k]g\ 'hc' Uddc]bh'HAY'7\U]fa Ub'cZHAY'5; A 'Ug'dfcl mtr'j chY'cb'HAY]f' behalf at the AGM should approach their respective CPF Agent Banks or SRS Operators to submit their voting instructions zVY]b['+ k cf_]b['XUhg'VYZcfY HAY'5; A "' : cf'HAY'Uj c]XUbW'cZXci Vh'7D: #FGG]bj Ygrcfg'k]' bchVY' able to appoint a third party proxy(ies) (other than the Chairman of the AGM) to vote at the AGM on their behalf.

HAY]bgrfi a YbhUddc]bh]b['U'dfcl mcf'dfcl]Yg'a i ghVY'YI YW'HYX'i bXYf'HAY'\UbX'cZHAY'Uddc]btrcf'cf'cZ\]g'AYf'UtrcfbYmXi 'm Ui H'cf]gYX']b'k'f]]b["'K \YfY'HAY']bgrfi a YbhUddc]bh]b['U'dfcl mcf'dfcl]Yg']g'YI YW'HYX'VmU'V'fdcfU]cbz]ha i ghVY'YI YW'HYX' Y]HAY'f' bXYf']hg'V'a a cb'gYU'cf'i bXYf'HAY'\UbX'cZ]]hg'UtrcfbYmXi 'mUi H'cf]gYX'cf']hg'Ui H'cf]gYX'c 'Wf'cf']b'gi W'U'a UbbYf' as appropriate under applicable laws, failing which the instrument may be treated as invalid.

K \YfY'Ub']bgrfi a YbhUddc]bh]b['U'dfcl mcf'dfcl]Yg']g[bYX'cb'VY\UZ'cZHAY'Uddc]btrcf'VmU'UtrcfbYmXi HAY'dck Yf'cZ UtrcfbYmcf'U'Xi 'mWf]h] YX'V'edmiH YfYcZa i gh'fZU]]b['dfYj]ci g'fY[]gh'U]cb'k]h' HAY'7ca dUbn'tVY'cX[YX'k]h' HAY']bgrfi a Ybh appointing a proxy or proxies, failing which the instrument may be treated as invalid.

11. A depositor's name must appear in the Depository Register maintained by The Central Depository (Pte) Limited as at seventy-two (72) hours before the time appointed for holding the AGM in order for the depositor to be entitled to attend, speak and vote at the AGM.

12. All documents (including the Annual Report, this Notice of AGM and the proxy form) or information relating to the business of the AGM (" ") are circulated to members by electronic means via publication on the Company's website at the URL [\Htd.##k k k "gci h Yfb!dUWUf \]b\["V'a #Yb#ch\]W#\]gh'UgdI](#) and on the SGX website at the URL [\Htdg.##k k k "g\]I "V'a #gYWf\]h\]Yg#V'a dUbn'tUbbci bW'a Ybhg](#). Printed copies of these Documents will not be despatched to members. Members and Investors are reminded to check the Company's website or SGX website regularly for updates.

6mfU' gi Va]H]b['Ub']bgrfi a YbhUddc]bh]b['U'dfcl mcf'dfcl]Yg'hc'j chY'Uh HAY'5; A 'UbX'cf' UbmUX'ci fba Ybh HAYfYcZ cf' fV' submitting any question prior to, or at the AGM or (c) submitting the pre-registration form in accordance with the AGM Alternative Arrangements Announcement, a member of the Company (i) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty; and (ii) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purposes of (collectively, the " "):

I. the processing and administration by the Company (or its agents or service providers) of proxy forms appointing a proxy or proxies for the AGM (including any adjournment thereof);

" dfcW'gg]b['HAY'dfY'fY[]gh'U]cb'Zcfa g'Zcf'di fdcgYg'cZ[fUbh]b['UWV'gg]hc'a Ya VYfg'Zcf'HAY'@] Y'K YVW]gh'cf'5i X]c'Cb'mA YUbg' and providing viewers with any technical assistance, where necessary;

III. addressing selected substantive questions from members received in advance, or live at, the AGM;

IV. the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof); and

J" YbUV']b['HAY'7ca dUbn'tf']hg'U[Ybh]c'f'g'fY[]W' dfc]]X'Yfg'hc'V'a d'mik]h' 'UbmiUdd']WV'Y'Uk g'z']gh]b['fi 'Yg'z'fY[i 'Uh]cbg'UbX'cf' guidelines.

HAY'a Ya VYf'g'dYfg'cbU'XUH'a UmVY'X]gW'cgYX'cf'f'f'UbgZyffYX'VmiHAY'7ca dUbn'tf']hg'gi Vg]X]Uf]Yg'z']hg'g'UfY'fY[]gh'Uf'UbX'cf'ch'Yf' U[Ybh]c'f'VcX]Yg'Zcf'UbmcZHAY'Di fdcgYg'z'UbX'fYH]bYX'Zcf'gi W'dYf]cX'Uga UmVY'bYVW'ggUfm'Zcf'HAY'7ca dUbn'tg'Yf' W]h]cb'UbX'fYV'cfX' purposes.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

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 2022:

Date of Appointment	2 May 2014	10 October 2014
Date of last re-appointment	29 June 2020	30 April 2021
Age	69	67
Country of principal residence	Singapore	Singapore
The Board's comments on this re-appointment	The re-election of Dr Chung 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 Chia was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking into consideration his independence, overall contribution and performance.
K \Yh\Yf` Uddc]bha Ybh`]g' executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director, Member of Audit, Remuneration and Nominating Committees	Independent Director, Chairman of Nominating Committee, and Member of Audit and Remuneration Committees
DfcZYgg]cbU`E i U] W]h]cbg	<ul style="list-style-type: none"> ▪ Bachelor of Arts from Ottawa University ▪ Master of Business from Curtin University ▪ Master in Public Administration & Management from National University of Singapore ▪ Doctor of Business Administration from Victoria University ▪ Post-Doctoral Professional Studies with Harper Adams University ▪ Research Scholar with the School of Economics at Peking University ▪ Fellow of the Chartered Management Institute, UK ▪ Fellow of the Australian Institute of Management, Victoria, Australia ▪ : Y`ck`icZH\YsFcntU`GcVW]micZ Arts, UK 	<ul style="list-style-type: none"> ▪ LL.B. (Honours) degree from the University of Singapore ▪ Advocate and Solicitor of the Supreme Court of Singapore ▪ Fellow of the Singapore

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Any relationship (including immediate family relationships) with any existing director, existing executive officer, shareholder of the listed issuer or of any of its principal subsidiaries	None	None
Conflict of interests (including any competing business)	No	No
Occupation(s) during the past 10 years	Dr Chung is an active community leader. He is appointed as a Licensed Solemniser cum Deputy Registrar of Marriages, Town Councillor of Jurong-Clementi Town Council and Co-Chairman of the Tenders and Contracts Committee, and Vice Chairman of Bukit Batok Citizens' Consultative Committee. He is elected as Chairman of NUS Lee Kuan Yew School of Public Policy Mandarin Alumni. Dr Chung is also Honorary President of the Singapore Chung Hwa Medical Institution. He was appointed as Deputy Chief Representative of MMD Group of Companies in Shanghai representative office and a District Councillor of the past decade.	Mr Chia has been in private legal practice since 1981, and now practises mostly as an arbitrator, adjudicator, mediator, legal assessor and neutral evaluator. Mr Chia was formerly the Chairman of the Criminal Law Advisory Committee (Review) and a member of the Singapore Road Safety Council. He presently serves as Chairman of the External Placement Review Board and on the Independent Review Panel of the Ministry of Education.
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	Nil	Nil
Other Principal Commitments Including Directorships: Past (for the last 5 years)	<u>Directorships:</u> Chewathai Company Limited <u>Other Principal Commitment:</u> Board Member of Keming Primary School Advisory Committee	<u>Directorships:</u> Nil <u>Other Principal Commitment:</u> Nil

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Present	<p><u>Directorships:</u></p> <ul style="list-style-type: none"> ▪ Xi-Hong Enterprise Pte. Ltd. <p><u>Other Principal Commitment:</u></p> <ul style="list-style-type: none"> ▪ Licensed Solemniser cum Deputy Registrar of Marriages ▪ Town Councillor and Co-Chairman of Jurong-Clementi Town Council's Tenders and Contracts Committee ▪ President of Japanese Association for Overseas Technical Scholarship (AOTS) Alumni Society of Singapore ▪ Honorary President of the Singapore Chung Hwa Medical Institution ▪ Chairman of Institutional Review Board, Public Free Clinic Society, Singapore ▪ Vice Chairman of Bukit Batok Citizens' Consultative Committee ▪ Chairman of NUS Lee Kuan Yew School of Public Policy Mandarin Alumni 	<p><u>Directorships:</u></p> <ul style="list-style-type: none"> ▪ Frencken Group Limited <p><u>Other Principal Commitment:</u></p> <ul style="list-style-type: none"> ▪ Chairman of the External Placement Review Board ▪ Member of the Independent Review Panel of the Ministry of Education
<p>During the last 10 years, an application or a petition under any bankruptcy law 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?</p>	No	No

**ADDITIONAL INFORMATION ON DIRECTORS
SEEKING RE-ELECTION**



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

<p>17. Have you 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?</p>	No	No
<p>18. In 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?</p>	No	No
<p>19. Have you ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?</p>	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

<p>(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,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No
<p>ƒĹĸ \YĥYf' \Y' \Ug' VYYb' ĥY' 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?</p>	No	No

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

1. The Annual General Meeting ('AGM') is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. The Notice of AGM and this form of proxy have been made available on Company's website at the URL [\fdg#k.k.tj.l\Wa#b#c#hW#lgnUgdL](#) and on the SGX website at the URL [\fdg#k.k.tj.l\Wa#b#c#hW#lgnUgdL](#). Printed copies of the Notice of AGM and this form of proxy will not be sent to members.
2. Alternative arrangements relating to, among others, attendance at the AGM via electronic means (including arrangements by which the AGM proceedings may be electronically accessed via live audio-visual webcast ('Live Audio-Visual Webcast') or live audio-only stream ('Live Audio-Only Stream')), submission of questions in advance of the AGM, submission of text-based questions during the AGM, addressing of substantial and relevant questions in advance of the AGM, appointment of proxy(ies) to attend and vote on their behalf at the AGM, and live voting during the AGM, are set out in the accompanying Company's announcement dated 12 April 2023 ('AGM Alternative Arrangements Announcement'). The AGM Alternative Arrangements Announcement may be accessed on the Company's website at the URL [\fdg#k.k.tj.l\Wa#b#c#hW#lgnUgdL](#) and SGX website at the URL [\fdg#k.k.tj.l\Wa#b#c#hW#lgnUgdL](#).
- 3.

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 form of proxy will be deemed to relate to all the shares held by you.
 2. A member will not be able to attend the AGM in person. Members who wish to exercise their voting rights at the AGM may vote in real time at the AGM by themselves or by their duly appointed proxies (other than the Chairman of the AGM) via Live Voting feature, or appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM. It is important for members and proxies to have their own web-browser enabled devices ready for voting during the AGM. Examples of web-browser enabled devices include mobile smartphones, laptops, tablets or desktop computers with internet capabilities. Members, or where Uddc]bHx`dfcl`m]Ygk`a`i`gh`UWVgg`h`Y`5; A`dfc`WYX]b[`g`j`JU`h`Y`@j`Y`K`YVWgh`cf`5i`X]c`Cb`m`A`YUbg`]b`cf`XYf` to vote live at the AGM. Instructions will be provided at the start of the AGM on how to vote. A member who wish to appoint a dfcl`m]Ygk`hc`Uhh`b`X`UbX`j`ch`U`h`h`Y`5; A`a`i`gh`gi`Va`]h`Ub`]b`g`f`i`a`Ybh`Uddc`]b`h`b[`U`dfcl`mcf`dfcl`]Yg`K`Y`f`Y`U`a`Ya`VYf`fk`Y`h`Yf`]b`X`]j`Xi`U`cf`V`f`dcf`U`h`Y`Uddc`]b`g`h`Y`7`U]f`a`Ub`c`Z`h`Y`5; A`Ug`Y`g`#`Y`f`#]g`dfcl`n`z`Y`g`Y`#]h`a`i`gh`[`]j`Y`gd`Y`W`]b`g`f`i`V]c`b`g`Ug`hc` voting, or abstentions from voting, in respect of a Resolution in the proxy form, failing which the appointment of the Chairman of the AGM as proxy for that Resolution will be treated as invalid.
 3. (a) A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak UbX`j`ch`U`h`h`Y`a`Y`h`b[`]K`Y`f`Y`g`i`W`a`Ya`VYf`Uddc`]b`g`a`c`f`Y`h`Ub`c`b`Y`f`#`dfcl`n`z`h`Y`dfc`dcf`h`c`b`c`Z`h`Y`g`U`f`Y`c`X`]b[`]V`b`W`f`b`Y`X`hc`V`Y`f`Y`d`f`Y`g`b`h`X`V`m`Y`U`W`dfcl`m`g`U`V`Y`gd`Y`W`Y`X`]b`h`Y`]b`g`f`i`a`Ybh`Uddc`]b`h`b[`]U`dfcl`mcf`dfcl`]Yg`Z`bc`dfc`dcf`h`c`b`c`Z`g`U`f`Y`c`X`]b[`]g`g`d`Y`W`Y`X`Z`h`Y`dfcl`m`k`c`g`Y`b`U`a`Y`Udd`Y`U`f`g`f`g`h`g`U`V`Y`X`Y`a`Y`X`hc`W`f`f`m`c`b`Y`i`b`X`f`Y`X`d`Y`f`W`b`h`f`#`\$`i`E`c`Z`h`Y`g`U`f`Y`c`X`]b[`]g`c`Z`]g`#`]g`Uddc`]b`h`c`f`Ub`X`h`Y`dfcl`m`k`c`g`Y`b`U`a`Y`Udd`Y`U`f`g`U`Z`h`f`g`U`V`Y`X`Y`a`Y`X`hc`V`Y` 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 h`Y`a`Y`h`b[`]z`vi`h`Y`U`W`dfcl`m`a`i`gh`V`Y`Uddc`]b`h`X`hc`Y`i`Y`f`W`g`Y`h`Y`f`[`]h`g`U`h`U`W`Y`X`hc`U`X`]Y`f`b`h`g`U`f`Y`c`f`g`U`f`Y`g`Y`X`V`m`g`i`W`a`Ya`VYf`K`Y`f`Y`a`c`f`Y`h`Ub`h`c`f`#`E`dfcl`]Y`g`U`f`Y`Uddc`]b`h`X`Z`h`Y`b`i`a`VYf`Ub`X`W`U`g`c`Z`g`U`f`Y`g`]b`f`Y`U`h`Y`c`b`hc`k`]j`W`Y`U`W`dfcl`m`U`g`V`Y`b`Uddc`]b`h`X`g`U`V`Y`gd`Y`W`Y`X`]b`h`Y`]b`g`f`i`a`Ybh`Uddc`]b`h`b[`]U`dfcl`mcf`dfcl`]Yg`
- "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. The instrument appointing a proxy or proxies must be submitted in the following manner:
 - U`E`J]g`i`Va`]h`Y`X`V`m`d`c`g`f`z`V`Y`c`X`]Y`X`U`h`h`Y`c`W`c`Z`h`Y`7`ca`d`U`b`m`g`G`U`f`Y`F`Y`]g`h`f`U`f`z`6`c`U`f`X`f`c`c`a`7`c`f`dc`f`U`h`/`5`X`]g`c`f`m`G`Y`f`]W`g`D`h`r`@`X`z`U`h`%`<`U`f`V`c`i`f`z`c`b`h`5`]Y`b`i`Y`z`?`Y`d`Y`6`U`m`h`c`k`Y`f`.%`(!`\$`+`z`G`]b[`]U`d`c`f`Y`\$`-,`*`&`/`c`f`
 - b) if submitted electronically, be submitted via email to the Company's Share Registrar at srs.teamd@boardroomlimited.com, in either case, by _____, being not less than forty-eight (48) hours before the time appointed for holding the AGM.
- A member who wishes to submit an instrument appointing a proxy or proxies must complete and sign this proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
- *"" H`Y`]b`g`f`i`a`Ybh`Uddc`]b`h`b[`]U`dfcl`mcf`dfcl`]Yg`a`i`gh`V`Y`Y`i`Y`W`h`X`i`b`X`Y`f`h`Y`U`b`X`c`Z`h`Y`Uddc`]b`h`c`f`c`f`c`Z`]g`#`Y`f`U`h`c`f`b`Y`m`X`i`m`U`i`h`c`f`]g`Y`X`]b`k`f`]h`b[`]K`Y`f`Y`h`Y`]b`g`f`i`a`Ybh`Uddc`]b`h`b[`]U`dfcl`mcf`dfcl`]Yg`]g`Y`i`Y`W`h`X`V`m`i`U`V`f`dc`f`U`h`c`b`z`]h`a`i`gh`V`Y`Y`i`Y`W`h`X`Y`]h`Y`f`i`b`X`Y`f`]g`V`#`a`a`c`b`g`Y`U`c`f`i`b`X`Y`f`h`Y`U`b`X`c`Z`U`b`U`h`c`f`b`Y`m`c`f`U`X`i`m`U`i`h`c`f`]g`Y`X`c`W`f`c`f`]b`g`i`W`U`a`U`b`b`Y`f`U`g`U`d`d`c`f`d`f`U`h`Y` under applicable laws, failing which the instrument may be treated as invalid.
 - +"" K`Y`f`Y`U`b`]b`g`f`i`a`Ybh`Uddc`]b`h`b[`]U`dfcl`mcf`dfcl`]Yg`]g`[`]b`Y`X`c`b`V`Y`U`Z`c`Z`h`Y`Uddc`]b`h`c`f`V`m`U`b`U`h`c`f`b`Y`m`z`h`Y`d`c`k`Y`f`c`Z`U`h`c`f`b`Y`m`i`f`c`h`Y`f`U`i`h`c`f`]h`c`f`U`X`i`m`i`W`f`h`]Y`X`V`d`m`h`Y`f`Y`c`Z`a`i`gh`f`Z`]b[`]d`f`Y`]c`i`g`f`Y`]g`h`f`U`h`c`b`k`]h`h`Y`7`ca`d`U`b`n`E`V`Y`c`X`]Y`X`k`]h`h`Y` instrument appointing a proxy or proxies, failing which the instrument may be treated as invalid.
8. Completion and return of the instrument appointing a proxy or proxies shall not preclude a member from attending, speaking and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the live AGM, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument appointing a proxy or proxies, to the live AGM.
 - "" :`c`f`7`D`:#`G`F`G`]b`j`Y`g`r`c`f`g`z`h`]g`dfcl`m`z`c`f`a`]g`b`c`h`j`U`]X`Z`c`f`h`Y`f`i`g`Y`U`b`X`g`U`V`Y`]b`Y`Y`W`]j`Y`Z`c`f`U`V`]b`h`Y`b`h`g`Ub`X`d`i`f`d`c`g`Y`g`]Z`i`g`Y`X`c`f`d`i`f`d`c`f`h`X`hc`V`Y`i`g`Y`X`V`m`h`Y`a`""7`D`:#`G`F`G`]b`j`Y`g`r`c`f`g`a`U`m`j`c`h`Y`]b`f`Y`U`h`j`a`Y`U`h`h`Y`5; A`]Z`h`Y`m`U`f`Y`Uddc`]b`h`X`U`g`dfcl`]Y`g`V`m`h`Y`]f` respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they U`j`Y`U`b`m`e`i`Y`g`h`c`b`g`f`Y`]U`f`X`]b[`]h`Y`]f`Uddc`]b`h`a`Y`b`h`U`g`dfcl`]Y`g`7`D`:#`G`F`G`]b`j`Y`g`r`c`f`g`k`c`k`g`]g`hc`Uddc`]b`h`h`Y`7`U]f`a`Ub`c`Z`h`Y`5; A` as proxy to vote on their behalf at the AGM should approach their respective CPF Agent Banks or SRS Operators to submit their voting instructions by 5.00 p.m. on 18 April 2023, being seven (7) working days before the AGM. For the avoidance of doubt,



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

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