



LION ASIAPAC LIMITED

(Co. Reg. No. 196800586R)

(Incorporated in the Republic of Singapore)

Profit Guidance

The Board of Directors of Lion Asiapac Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to inform that, in anticipation of the Company's announcement of the Group's unaudited financial results ("**FY 2016 Results**") for the fourth quarter and full year ended 30 June 2016, which is expected to be released in August 2016, the Directors consider it appropriate to issue a profit guidance announcement in respect of the FY 2016 Results.

Based on a review of the FY 2016 Results, and following various rounds of discussion and the recent resolution with the Company's auditors on a major issue that requires critical judgement and estimation, the Group is expected to report losses for the fourth quarter and full year.

The losses are mainly attributable to a significant reduction in turnover as a result of declining demand and worsening market conditions, as well as impairment losses made for outstanding trade receivables which are being settled periodically but over a prolonged period of time following the collection efforts of the Group.

Further details of the Group's performance will be disclosed when the Company announces its FY 2016 Results shortly in August 2016.

In the meantime, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company. If in doubt about the action that they should take, they should seek advice from their stockbrokers, bankers, solicitors, accountants, tax advisers or other professional advisers.

BY ORDER OF THE BOARD
LION ASIAPAC LIMITED

Tan Yen Hui
Company Secretary

Singapore, 16 August 2016