



LION ASIAPAC LIMITED

(Co. Reg. No. 196800586R)

(Incorporated in the Republic of Singapore)

Clarification on the Annual Report for the Financial Year ended 30 June 2014

The Board of Directors of Lion Asiapac Limited (the "**Company**") refers to the query raised by the Singapore Exchange Securities Trading Limited ("**SGX**") in relation to the Company's annual report for the financial year ended 30 June 2014, and wishes to respond to the query as follows:

SGX's Query:

Paragraph 11.3 of the Code of Corporate Governance 2012 (the "**Code**") states that the Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, in the company's Annual Report. As recommended in paragraph 11.3 of the Code and pursuant to Rule 710 of the Listing Manual, please make disclosures on the Board's comments on the adequacy and effectiveness of the Company's risk management systems and information technology controls or otherwise explain the reason(s) for the deviation from the following Code recommendations.

Company's Response:

Based on the internal controls and risk management systems established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by the management, the Board, with the concurrence of the Audit Committee, is of the opinion that the Group's information technology controls and risk management systems are adequate and effective as at 30 June 2014.

BY ORDER OF THE BOARD
LION ASIAPAC LIMITED

Tan Yen Hui
Company Secretary

Singapore, 17 October 2014