

**FULL APEX (HOLDINGS) LIMITED**  
(Incorporated in Bermuda)  
(Company Registration Number 31906)

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**RESPONSE TO SGX QUERY ON FY2016 ANNUAL REPORT**

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The Board of Directors (the “Board”) of Full Apex (Holdings) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) refers to the query regarding FY2016 Annual Report from the Singapore Exchange Securities Trading Limited on 12 April 2017 and sets out its responses as follow:

**Query:**

*Guideline 11.3 of the Code of Corporate Governance (“Code”) recommends 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 system, in the Company’s annual report. The Board’s commentary should include information needed by stakeholders to make an informed assessment of the Company’s internal controls and risk management systems. In this regard, please disclose the Board’s commentary on (i) the adequacy of internal controls in information technology and risk management, and (ii) the effectiveness of internal controls in financial, operational, compliance, information technology and risk management system as recommended by the Code, or otherwise disclose and explain for the deviation from the Code as required by Listing Rule 710.*

**Company’s Response:**

The Board and the Audit Committee (“AC”) wish to clarify their opinion, as follows:

The Board, with the concurrence of the AC, is of the opinion that the Group’s internal controls and risk management systems are adequate and effective in addressing financial, operational, compliance and information technology risks in the Group’s current business environment based on:

- a) Reviews of internal controls established and maintained by the Group;
- b) Management’s annual undertaking confirming their responsibilities for and effectiveness of the internal controls;
- c) Reviews and assessment of risks, and the effectiveness of the risk management systems by Management and internal auditors; and
- d) Reports issued by the internal and external auditors.

By Order of the Board

Guan Lingxiang  
Executive Chairman

Date: 26 April 2017