LION ASIAPAC LIMITED

Listed on the mainboard of the Singapore Exchange
Company Registration Number 196800586R

SUSTAINABILITY REPORT 2025

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Statement from the Board

The Board of Directors (the "Board") is pleased to present Lion Asiapac Limited (the "Company") and its subsidiaries' ("LAP", "we" or the "Group") sustainability report for the financial year ended 30 June 2025 ("FY2025").

LAP remains committed to achieving sustainability and supporting decarbonising efforts through the provision of essential lime and roofing solutions. With its production facilities and skilled workforce, LAP is well-positioned to meet the increasing demand for lime and roofing solutions in an increasing environmental-conscious market.

In line with the Group's commitment to good governance, members of the Board have attended the environmental, social, and governance ("ESG") courses in 2022, which was organised by The Singapore Institute of Directors as part of their sustainability training as Board members. The training includes the Board's roles and responsibilities with respect to sustainability, ESG development, Task Force on Climate-related Financial Disclosures ("TCFD") recommendations, climate-related risks reporting, value creation through ESG and sustainability reporting.

The Group's newly appointed director has also attended the same ESG course in March 2025, ensuring alignment with the Board's collective understanding and commitment to sustainability objective.

LAP recognises its corporate responsibility in environmental management, workplace safety and operational excellence. We acknowledge that increasing environmental governance and societal expectations present challenges to LAP's operations, expansion, and long-term viability. Additionally, LAP is committed to leveraging these to enhance our health and safety performances, minimise environmental impact, and strengthen relationships with our key stakeholders and communities at large.

This report outlines ESG factors that are material to the core businesses of the Group. These comprise the supply of roofing solutions, the production of quicklime and hydrated lime, and the trading business. It details our policies, practices, and performances and target of the ESG factors for FY2025, with comparative date from FY2024. LAP has tracked its progress against targets previously set.

The performance of the Group is disclosed in accordance with the SGX Sustainability Reporting Guide and the Global Reporting Initiative ("GRI") framework. The Group continues to align with the recommendations of the TCFD, including the disclosure of ESG material factors assessment on Greenhouse gas ("GHG") emissions and material ESG factors. Additionally, climate-related disclosures are in line with the general requirements, as set out in the International Financial Reporting Standard ("IFRS") S1.

Moving forward, the Group will continue to involve the participation of its stakeholders in the sustainability effort of its business operations and long-term strategy.

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About this Report

This report includes the ESG practices of LAP's business operations in Singapore and Malaysia.

Controls and processes have been put in place to guide the end-to-end ESG information flow and to ensure the quality of data produced and reported. We continue to have internal audit review in the identifying and establishing of a functional ESG control environment. This review provides an internal assurance that both management and the Board have oversight over the controls of sustainability reporting.

This report was prepared with the involvement of an independent consultant – Roma Risk Advisory Limited in compliance with the SGX listing rules. For this year's sustainability report, we have engaged Access Partner Consultancy & Appraisals Limited to provide external assurance, as outlined in the appendix.

In line with the Group's commitment to the environment, no hard copies of this report have been printed. This report and previous editions are available on the Group's website at https://lionasiapac.com.sg/sustainability/

This report highlights the Group's ESG initiatives and progress made for FY2025. During the year, LAP remained focused on maintaining plant and equipment in optimal conditions to deliver product quality and operational efficiency of business segments as below:

- Supply of roofing solutions;
- Lime sales;
- Trading; and
- Investment holding.

In compliance with the SGX Listing rules effective since January 2022, LAP has adopted a board diversity policy, which includes detailed targets and plans that are illustrated in the annual corporate governance report. This reinforced LAP's corporate governance and strengthens sustainability at the Board level.

This report includes climate reporting guided by the recommendations of the TCFD and GHG emissions identified as a material ESG factor that impacts business operations.

Feedback

LAP is committed to increasing transparency in all aspects of its sustainability reporting. Feedback from stakeholders can be addressed to the Group at sharon.kem@liongroup.com.sg and joanne.chen@liongroup.com.sg.

About Lion Asiapac Limited

The Company was incorporated in Singapore in 1968 as a private limited company under Metal Containers (Pte) Ltd. In 1981, it turned public and changed its name to Metal Containers Ltd.

In 1996, the Company was acquired by the Lion Group before it adopted its present name. The major shareholders are currently Lion Corporation Berhad and Lion Industries Corporation Berhad, both of which are public companies in Malaysia.

Our Business

The businesses of the Group are the supply of roofing solutions, lime manufacturing, trading of steel consumables, trading of mining equipment, and investment holding.

Based in Shah Alam, Malaysia, Semangat Meriah Group ("Semangat") provides high-end premium roofing and wall cladding solutions to the construction industry in Malaysia. Their solutions comprise both the Swissma and the Sanko roofing profiles.

Lime manufacturing is undertaken by Compact Energy Sdn Bhd ("CESB"), based in Banting, Selangor, Malaysia. Compact produces quicklime, hydrated lime and quicklime powder.

As announced by the Group on 29 May 2025, the Group entered amended and restated share purchase agreement to dispose of all the issued shares in CESB. The completion of proposed disposal was announced on 2 September 2025.

LAP Exploration Pte Ltd holds an equity interest in Mindax Limited, a minerals-exploration company listed on the Australia Stock Exchange, which has a portfolio of projects in iron ore and gold in Western Australia.

LAP Trading (Shanghai) Co., Ltd undertakes the trading of mining equipment, while LAP Trading

& Marketing Pte Ltd undertakes the trading of steel consumables.

Our Sustainability Efforts and Reporting Approach

Sustainability Initiative

Strong partnerships and good community relations are essential to LAP's operations.

In collaboration with relevant stakeholders, LAP ensures that their views are appropriately identified and that adequate information, including both benefits and negative impacts, is conveyed to the affected parties.

Our approach considers for human rights and responsible labour practices. These include the prohibition of forced and child labour, the elimination of discrimination, the provision of fair wages and reasonable working hours, provision of a healthy and safe working environment, and ethical conduct, including zero tolerance towards corruption.

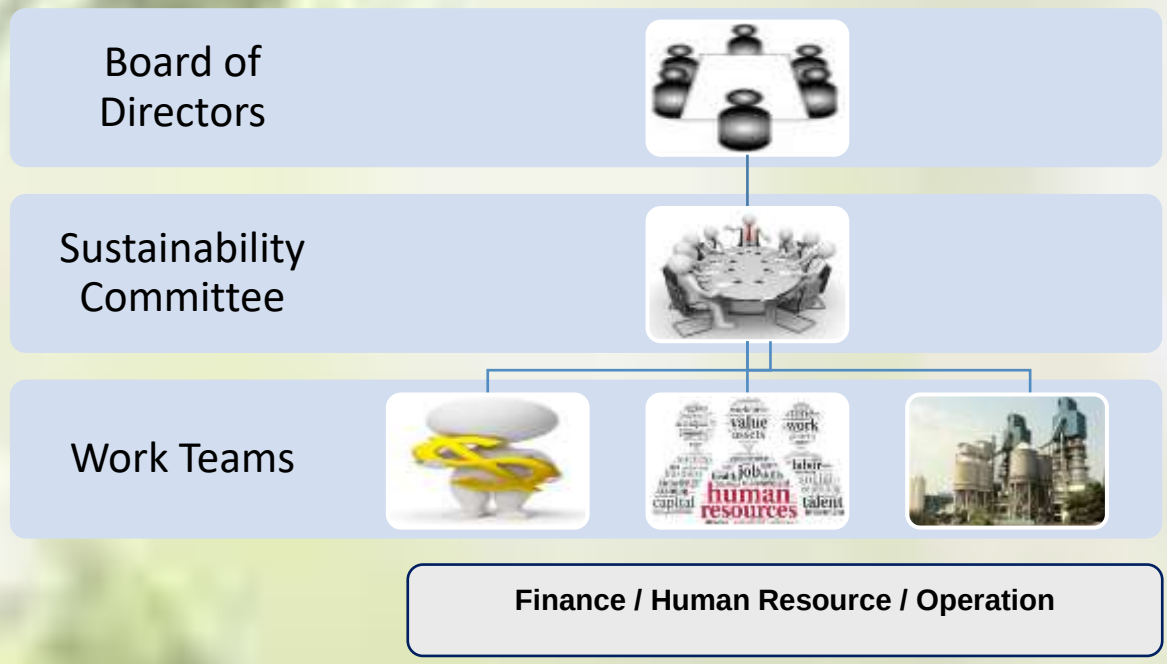
LAP's sustainability efforts aim to deliver long-term economic value to stakeholders, while maintaining responsible use and management of the resources in operations.

Sustainability Committee

The Board has assigned the management of ESG factors to the Sustainability Committee ("SC").

The SC, which is chaired by the Executive Director, comprises key executives and representatives from the respective business functions.

The Board remains responsible for setting the overall corporate sustainability strategies. The SC is tasked and focused on implementing these strategies while monitoring and responding to the identified ESG factors.



The SC meets annually, or whenever needed, to plan and review the progress of the Group's sustainability efforts.

Annually, the Board receives briefings on relevant ESG matters and the associated risk updates before evaluating the Group's sustainability strategy.

Sustainability Approach

Good corporate governance, environmental sustainability and social growth are integral to the Group's business strategy.

We have adopted a 4-step approach in deriving our material sustainability factors.

SN	4-steps approach	Descriptions
1	Identification	Through our focus group discussion with relevant stakeholders, we have identified the various ESG factors.
2	Prioritisation	The ESG factors will be prioritised based on their importance to the stakeholders and the importance to the Group. The material factors will be shortlisted for reporting.
3	Validation	The shortlisted material ESG factors will then be internally validated by the management and the Board. This promotes the alignment of sustainability factors to the corporate objectives.
4	Review	The material ESG factor will be reviewed annually and amended to reflect any changes in the business operations or market conditions.

Sustainability and social responsibility principles form the foundation of corporate values, which comprise ethical actions and professional behaviours of management and employees.

In addition to corporate governance, risk management also anticipates commercial opportunities and mitigates risks to preserve value over the long term.

Sustainability Scope

The scope of this report includes the business segments in Malaysia and Singapore.

Stakeholder Engagement

Engagement with stakeholders continues to remain one of our key priorities.

We work closely with our customers, business partners/suppliers, employees, regulators, and other stakeholders to establish environmentally sustainable and responsible business practices.

Table 1: Stakeholder Engagement Mechanism

Stakeholders	Key Issues	Engagement Methods	Frequency
Customers	• Product quality (*safe and environmentally responsible*) • Product pricing • Customer services	• Customer visits and meetings • Sales quotations • Corporate website • Email correspondences	• Regularly throughout the year
Business partners / Suppliers	• Sales growth • Term and conditions of purchasing policies and agreement	• Supplier visits and meetings • Purchase quotations	• Regularly throughout the year
Employees	• Career growth • Fair labour practice and remuneration • Conducive workplace	• Appraisals and discussions • Training workshops/courses	• Annually • Regularly throughout the year
Shareholders	• Business growth • Financial results • Return on investment	• Corporate website • Periodic financial announcements • Annual Report • Annual General Meeting	• Continuously • Quarterly • Annually
Regulators	• Regulatory compliance	• Formal communication with regulatory authorities • Regulatory notices and updates • Industry dialogues and visits	• Ad hoc

Materiality Assessment

Our assessment is guided by the GRI reporting framework.

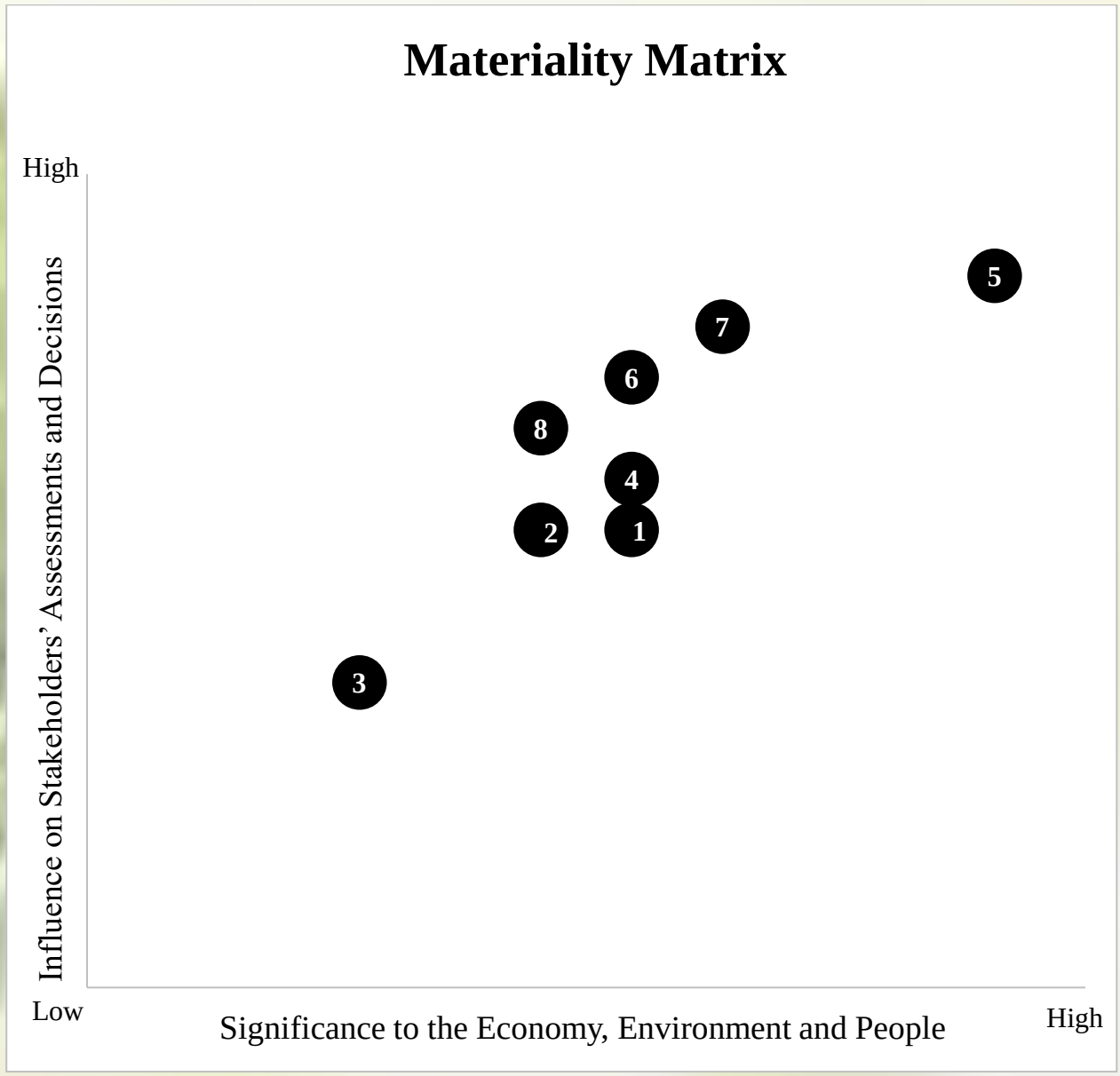
Through the ongoing process of interaction with stakeholders, the SC has reviewed the material factors to ensure they reflect any changes identified.

Table 2: Material ESG Factors and Performance Targets

Environmental	
Energy management	Maintaining the energy consumption rate within 10% of the baseline (FY2022(1) - 0.93 MWh per MT).
Emission of GHG	Maintaining GHG emission intensity within 10% of the baseline (FY2022(1) - 0.81 tonnes of tCO_2e per MT).
Climate Change	Identifying, assessing, and managing climate-related risks and opportunities
Social	
Employee training and education	Average training hours per employee of 8 hours per year.
Occupational health and safety	Zero work-related fatalities.
Governance	
Economic performance	To deliver stable and sustainable economic growth for the business and financial returns for the shareholders.
Anti-corruption	Zero incidents of anti-corruption behaviour/practice.
Corporate governance	Continual strengthening of the enterprise risk management (“ERM”) framework.

Note:
(1) FY2022 denotes the financial year ended 30 June 2022.

The material factors are mapped onto chart reflecting their significance to the economy, environment and people against their influence on stakeholders' assessments and decisions.



Material ESG Factors	
1	Energy management
2	GHG emissions
3	Climate change
4	Employee training and education
5	Occupational health and safety
6	Economic performance
7	Anti-corruption
8	Corporate governance

Material ESG – Environmental

Energy Management

Why is it material?

As a supplier of roofing, wall cladding and lime, our plants consume a substantial amount of energy and a large amount of dust and gases are produced in the production process, which could be harmful to the environment if left uncontrolled.

The ever-changing business environments, needs, and operating conditions will also give rise to new factors that could affect our energy consumption. In our sustainability strategy, energy usage and emissions are the two key points of focus.

Our management approach and initiatives

We consistently strive to minimise energy consumption to increase efficiency. Over the years, we have implemented various energy efficiency policies and initiatives.

- For **Energy Usage**
  - The energy usage review task force identifies energy-saving opportunities throughout the entire manufacturing supply chain.
  - Plans and targets are communicated to every staff and reviewed annually.
  - Incentive is given to employees with innovative ideas to reduce the use of energy.

- For **Dust Emissions**
  - The task force consistently monitors and ensures that the dust emissions from the lime plants, fall within the acceptable levels as prescribed by the local environmental regulators.

Our performance

For **Energy usage**, the total amount of non-renewable fuel consumed by the roofing supplies manufacturing plant and lime manufacturing plant in Malaysia is provided below.

Table 3: Non-renewable fuel consumptions:

	FY2024	FY2025
	MWh	MWh
Petcoke/Coal	162,053	114,782
Diesel	3,477	3,084
Unleaded Petrol	69	77
Electricity	10,023	10,023
Total	175,622	127,966
Total Production (MT)	215,006	170,235
Energy Consumption Intensity – MWh per MT	0.82	0.75

The total consumption of non-renewable fuel decreased by approximately 28.77% as compared to FY2024, which is in line with the decrease in production volume by approximately 20.82%. In FY2025, the energy consumption intensity decreased to approximately 0.75 MWh per MT compared to FY2024. This places us on track to maintain the energy consumption rate, against the baseline of 0.93 MWh per MT in FY2022.

To maintain high-quality, the production team needs to understand the customers' requirements before calibrating the mixture ratio of petroleum coke and coal.

For **Dust emissions**, the total amount of dust generated during the process of lime manufacturing.

Table 4: Dust emissions

Mg/m^3	FY2024	FY2025	Compliance Limit
Quick lime plant	3.9 – 16.0	3.3 – 53.5	50
Hydration lime plant	0.2 – 67.4	2.1 – 815.0	50

The test results are conducted by an independent third-party consultant. The dust emissions exceeded the compliance limit according to dust tests in FY2025 due to the malfunction of the filter bag systems. The maintenance team immediately replaced the filter and ensured the dust emissions were within the compliance limit in the remaining period of the year.

The environmental impact of the emissions was largely mitigated by the seclusion of the location of the plant.

Notwithstanding the plant being in a remote area, every effort has been made to ensure the plant is within the acceptable level of emissions.

GHG Emissions

Why is it material?

There has been an increasing concern over the environmental impact of existing business, supply of roofing solution and lime manufacturing, for which we have been monitoring the GHG emissions given the rising awareness of climate change.

Our management approach and initiatives

The amount of GHG emission during the limestone calcination, stationary combustion, fuel combustion from commercial vehicles *(Scope 1 – Direct GHG emissions)*, purchase from grid electricity *(Scope 2 – Energy indirect GHG emissions)*, and mobile combustion from incoming commercial trucks driven by our suppliers *(Scope 3: Other indirect GHG emissions)*.

The initiatives untaken to address GHG emissions are

- Setting up the GHG data collection system
- Increased engagement with stakeholders to affect carbon reduction initiatives

Our performance

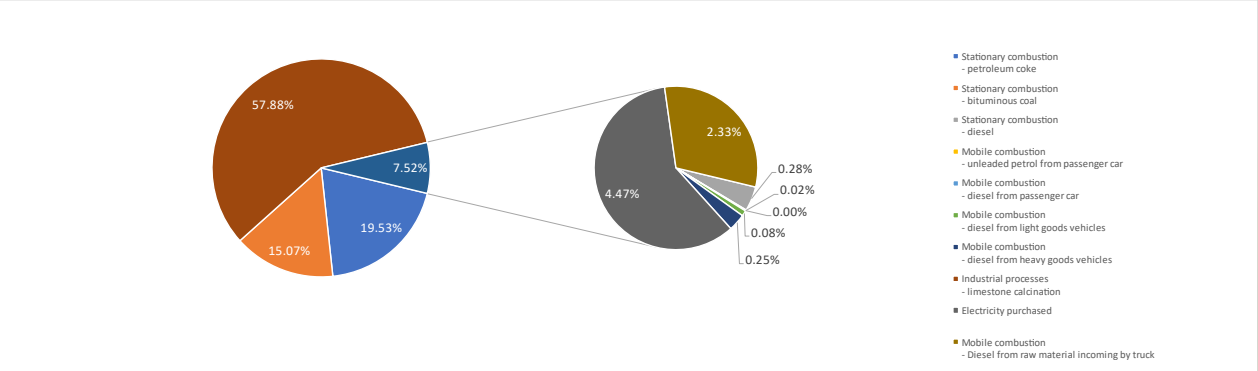
Our **GHG Emissions** are as follows:

Table 5: GHG Emissions

Emissions of GHG	Singapore	Malaysia	Total tCO_2e
Direct (Scope 1)	-	103,672	103,672
Energy indirect (Scope 2)	12,097	4,973	17,070
Indirect supplier (Scope 3)	-	2,593	2,593
Total – FY2025	12,097	111,238	123,335
Total production (in MT)			170,235
FY2025 GHG Emission Intensity – tCO_2e per MT			0.72
Direct (Scope 1)	-	134,978	134,978
Energy indirect (Scope 2)	12,454	5,513	17,967
Indirect supplier (Scope 3)	-	3,585	3,585
Total – FY2024	12,454	144,076	156,530
Total production (in MT)			215,006
FY2024 GHG Emission Intensity – tCO_2e per MT			0.73

Note: For Singapore, the grid emission factor in 2023 is the latest available: 0.412 $kgCO_2e/kWh$. For Malaysia, the grid emission factor in 2024 is the latest available: 0.5571 $kgCO_2e/kWh$.
Source: Grid emission factors for Singapore were obtained from Energy Market Authority, Malaysia from Tenaga Nasional Berhad's Sustainability Report 2024 - GHG emission.

Figure 1: GHG Emissions from Operations in Malaysia:



For FY2025, the basis adopted is the same as FY2023 and FY2024, which was used by a third-party consultant, in deriving the Malaysia operation's GHG emissions. The Scope 1 direct GHG emissions produced approximately 93.20% of the GHG emissions from the operation in Malaysia. This comprised limestone calcination, stationary combustion, and fuel combustion by engineering vehicles. While the Scope 2 indirect GHG emissions from purchased grid electricity was approximately 4.47%, a Scope 3 indirect GHG emission from mobile combustion of diesel from suppliers was approximately 2.33%.

We have set up a GHG information system to streamline GHG data collection methodology to ensure the same set of assumptions and standards are applied across the Malaysia's operation. Additionally, we will be actively seeking stakeholders' support for LAP's carbon reduction initiative to create awareness and promote a lower carbon economy.

While the business environment remains volatile, the operating unit faces intensive market competition. To produce better quality lime products remains our key priority. We will closely monitor the GHG emissions rate while being committed to product quality.

Comparing with the baseline of 0.81 tCO_2e per MT in FY2022, the Group has achieved its target by reducing GHG emission intensity by over 10%.

We will continue to explore alternative energy sources incurring lower GHG emissions, to replace our reliance on fossil fuels.

Material ESG – Social

Our employees form the cornerstone of the business success. Without them, we would not be able to achieve our economic goals and sustainability objectives. Our emphasis on the welfare of our employees can be seen in our dedication to ensure a healthy and ethical work environment. Our operating policies and procedures are testament to our effort in this regard.

Diversity

The total headcounts of our operations in Malaysia and Singapore were 92 and 9 respectively. The age, gender and race breakdown of our employees are below.

Figure 2 – Analysis of Employees by Age, Gender and Race:

Wages and employee benefits

We have complied with the Ministry of Manpower requirement on wages and contracts documentation. Additionally, permanent staff are entitled to a range of benefits such as healthcare, insurance coverage, annual bonuses, parental and childcare benefits. We conduct annual performance review on all confirmed employees.

Non-Discrimination

We have a zero-tolerance policy towards gender discrimination and sexual harassment.

Employee Training and Education

Why is it material?

People are the most important factor in the sustainability of our group. Our employees must be adequately trained and equipped with the capabilities to accomplish the demands of their job specifications.

Our management approach and initiatives

We encourage our employees to engage in continual learning and development. We invest in them and provide support to them to grow professionally and achieve their full potential. The human resource department plans and develops the training program for the Group.

All employees are entitled to a maximum of 80 hours of training per year, which could be in the form of internal or external training. Certain job function requires supervised on-the-job training. Employees are also accorded annual performance reviews and target-setting exercises.

The Group provides support for training and education in various ways, including the reimbursement of membership fees and approval of study and exam leaves, subject to employees' position. In FY2025, some of the training was conducted virtually by the trainers.

Our performance

The Group exceeded its target of maintaining an average training hours per employee of 8 hours per year by having an average training hours per employee of 14.4 hours in FY2025 (FY2024: 11.7 hours).

Table 6: Employees training:

	FY2024	FY2025
Total Training Hour	1,177.0	1,455
Average Training Hours per Employee	11.7	14.4

These training included the topics on health and safety, personal development, regulations and procedures, sales negotiations, accounting, as well as general business operations.

By supporting education and training, we hope to develop our people into a competitive labour force.

Occupational Health and Safety

Why is it material?

From the result of the materiality assessment, occupational health and safety is the most material topic rated by our stakeholders. Safeguarding the well-being of our employees whilst ensuring their safety at the workplace is of utmost importance to LAP. This is ultimately creating a responsible and inclusive work environment.

Our management approach and initiatives

The management teams across all respective subsidiaries are required to ensure compliance with relevant local workplace health and safety regulations. Employees are reimbursed for visits to medical facilities and are covered by insurance for all hospitalisation and surgical incidents.

In the Malaysia's operation, the Safety Committee, comprising the Head of Operations and representatives from various departments, has been established to implement and monitor the safety program. All production staff must adhere strictly to the relevant Standard Operation Procedures under the Group's Corporate Policies and Procedures as well as Safety Regulations. Every new staff undergoes training and education about health and safety, in addition to training on the job.

The Safety Committee conducts safety meetings bi-annually, to instil and reinforce safety awareness in our staff. In our pursuit of a safe working environment, safety procedures are reviewed, and appropriate actions are recommended where necessary. To ensure effectiveness, the safety meetings require attendance from all staff. The attendance rates of the two safety meetings held were 88% and 93% respectively. The regular testing of the fire protection alarm system, to ensure the system's effectiveness, is also part of the safety policies and procedures.

The Emergency Response Team (ERT), which comprises participating employees from all departments, including managers and workers, was set up to respond to any incidents of an emergency nature, namely major operational interruptions, fire, flooding or other natural disasters.

Our performance

There were zero incidents of work-related fatalities in FY2024 and FY2025. The Group achieved its target of maintaining zero work-related fatalities in FY2025 and we aim to maintain these zero work-related fatalities trend.

In FY2025, there were zero cases of high-consequence work-related injury (FY2024: 1). We ensure that all recordable work-related injuries are investigated and analysed to identify occurrence time, place, sequence of events and casualties. We will continue to strive for zero work-related injuries by providing safety training for our employees and enforcing the Group's health and safety rules.

Material ESG – Governance

Economic Performance

Why is it material?

As a corporation, we have duties of stewardship and fiduciary duty to sustain our financial position and enhance economic value for our key stakeholders.

Our management approach and initiatives

In addition to prudent management, we continue to streamline and revamp our operations to achieve better profitability.

Our Performance

In view of ongoing global economy uncertainty, coupled with geopolitical tensions and evolving trade dynamics, the Group is adopting more cautious and deliberate approach to business expansion.

The Group believes that the roofing business, which is acquired in 2023, has since demonstrated consistent performance and established an operating track record. It is now regarded as a core business segment of the Group.

As announced on 29 May 2025, the proposed disposal of lime sales business, which continue to be loss-making for some years because of escalating production costs and energy costs. The completion of the proposed disposal was announced on 2 September 2025. This enables the Group to realise the value of sales shares and the proposed capital reduction through cash distribution from net proceed, return to shareholders of the Group.

We will continue to monitor geopolitical conflicts and global economic uncertainties. This prudent strategy is aimed at preserving the Group's financial resilience while ensuring that any future investments are aligned with long-term strategic objectives and executed at the appropriate time.

The details of LAP's financial performance are provided in the Annual Report 2025. A soft copy of the Annual Report can be found on our website at www.lionasiapac.com.sg.

Markets

The Group remains focused on strengthening existing customer relationships, expanding its customer base, and building customers' trust which as a key factor for business sustainability. The Group will continue to deliver high-quality products to maintain brand loyalty, for instance: Swissma's branding, as Malaysia's leading solution provider in roofing business.

While market competition remains a significant challenge, the Group continues to differentiate its position via high-quality products and improving customer services.

Customers

Our customers are our top priority. We engaged them regularly to better understand their needs, challenges and future business plans, enabling more effective collaborations and relationship building.

We prioritise product quality, shorter lead time, and responsive, customised solutions to strengthen customers' trust and satisfaction.

Products

Lime products are used in many industries including steel manufacturing, water treatment, soil stabilisation, sugar bleaching, farming and pharmaceutical.

In our roofing solutions, NS BlueScope Malaysia is our main strategic partner for premium coated steel. This has positioned Swissma as one-stop solutions for roof and wall cladding systems include architectural design requirement, undertaking installation works and provide customised solution from a wide range of materials (COLORBOND® steel, stainless steel, aluminium, copper, titanium zinc and pure titanium).

As a quality-driven producer, our quality control teams conduct inspections before every delivery. Our customer service team maintain proactive communication with customers, and feedback is systematically gathered and shared with the quality control team for ongoing improvement.

Our production team monitors the condition of the plant to ensure optimum level while producing consistent quality.

Suppliers

We regularly assess our supply chain to ensure stable and reliable operations. This includes monitoring stock levels, working with multiple suppliers, exploring new materials, and diversified sourcing.

Contingency plans are in place to secure alternative sources in the event of any disruption. Additionally, our existing inventory level is sufficient to meet our production requirements.

We continue to source from responsible and reliable suppliers, supported by effective control systems, strong supplier relationships, and close collaborations with both customers and suppliers.

As we are facing limited raw material options. We have to rely on long-term commitments from existing suppliers, while we continue to explore new sourcing options to maintain supply continuity.

Anti-Corruption & Code of Business Ethics and Conduct

Why is it material?

We have a culture of zero tolerance for solicitation or bribery. Ethics is emphasised through all levels of employees through the above policies. Our corporate values are to constantly uphold our integrity in all business decisions and operations. We acknowledge the imperative of ethical behaviour and its compliance in retaining stakeholders' trust and loyalty, whilst securing our position as a trusted and reputable organisation.

Our management approach and initiatives

We have established corporate policies to cover ethical business conduct within the Group's operation.

Annual compulsory declaration of conflict of interest by all employees

Table 7: Compulsory Declaration on IPT

	FY2024	FY2025	Target
Communication of anti-corruption policy and declaration of conflict of interest to employees	100%	100%	100%

- Securities Transaction

  We adopt a compliance code that establishes the framework of dealing in the securities of the Group by employees. Officers who have access to price-sensitive information are prohibited from dealing in the securities of LAP within specified time frames. This is also prohibited under the SGX's directives.

- Audit Committee ("AC") and Internal Audit

  The AC provides oversight of the financial reporting process, the audit process, the system of internal controls, and compliance with laws and regulations. The internal audit department conducts independent investigations under the instructions of the AC and the Board. The AC also reviews existing policies and procedures to prevent the occurrence of irregularities and fraud.

- Whistle-Blowing Policy

  The policy on whistleblowing has been enforced and communicated to all employees. The policy provides employees with clearly defined processes and procedures through which they could raise their concerns in relation to possible irregularities to the AC. Whistleblowers are protected from any unfair treatment arising from their reporting.

The AC will consider the nature of the concern before deciding on the need for any further independent investigations.

There were zero incidents of irregularities or fraud reported in 2025. We aim to maintain a policy of zero incidents in future years.

Corporate Governance

Why is it material?

The Board is committed to the ensure that the highest standards of corporate governance are adopted as a fundamental part of the Group's responsibilities in protecting and enhancing shareholder value.

Our management approach and initiatives

The Board has established relevant internal control measures and monitoring mechanisms to ensure the corporate governance standards are adhered to. Details are provided in the Annual report under the Corporate Governance Report.

- ERM

  LAP maintains an enterprise risk framework which aims to address the risk of failure while achieving strategic objectives. Under this framework, all key operations are required to carry out a self-assessment exercise yearly.

  This risk assessment requires key operations to identify risks, assess risk likelihood and impacts, and consider the effectiveness of the existing controls. All operation heads of the department participating in these assessments are required to provide a written assurance of the adequacy and effectiveness of their departmental internal control system and risk management.

  Table 8: Non-Compliance and Business Ethic Statistic

	FY2024	FY2025	Target
Incidents concerning non-compliance and business ethics	Nil	Nil	Nil

- Board diversity

  We value diversity including our board composition. All board appointments are based on merit, skills, experience, independence, and knowledge that the director can bring to the Board without compromising on the diversity of the Board.

  Following the appointment of a female director, as a non-executive director, on 16 August 2024, the current Board's composition reflects the Group's effort towards board diversity.

Our Performance

Strengthening the ERM framework is our continual target.

The establishment of a risk management framework includes:

- Establishing open communication between the Audit Committee, the management, and the operational teams.
- Requiring regular risk profile reporting from operational management to the Audit Committee and
- Involving internal audit in identifying key risks and internal controls assessments.

We adopt a continual policy in strengthening the ERM framework.

TCFD

We recognised the important role that businesses play in mitigating and adapting to climate change.

Implementation Roadmap

The climate change poses significant risks and opportunities to our business. LAP will be adopting a phased approach towards including climate-related disclosure in our sustainability report.

	Phase 1	Phase 2	Phase 3
Governance	Integrate climate risk into existing board governance structure.	Internal review of climate change management process.	Ongoing Board and management oversight.
Strategy	Identify key climate-related risk and opportunity, assess impact, and formulate appropriate action plan.	Continually identify key risks and opportunities and conduct scenario analysis to determine the materiality level.	Assess the Group's climate strategy, in alignment with the climate outcomes.
Risk Management	Define the process for identifying, prioritising, and managing climate-related risks.	Develop policies for managing climate-related risks and opportunities.	Effectively embed climate consideration into relevant process.
Metrics and Target	Compute and disclose LAP's major subsidiaries' operational carbon footprint (Scope 1, 2 & 3 emissions).	Include all other subsidiaries in the computation and disclosure of carbon footprint and define metric to assess the impact of climate-related risks on the Group's activities.	Improve data systems and consider appropriate science-based emissions reduction target.

The Group is currently in phase 1 of its climate-related disclosure journeys. It will strengthen its disclosure on TCFD as it progresses forward. A summary of the Group's responding actions to the TCFD recommendations is illustrated below.

Governance

The Board oversee the sustainability effort, of LAP with support from the Sustainability Committee (SC), including the oversight of climate-related risks and opportunities for the Group. The Board and Management review the performance against the targets set annually. The Board has considered sustainability issues in LAP's business and strategy, determined the material ESG factors and overseen the management and monitoring of the material ESG factors.

The SC is chaired by the Executive Director and comprises key executives and representatives from the respective business functions such as finance, operation teams and Information Technology. Supported by work teams, the SC oversee and monitors ESG issues including assessing and managing climate-related risks and opportunities.

Strategy

The Board and the management closely monitor the Group's strategies and related financial plans and its related risks and opportunities including climate-related risks.

To help us better understand the resilience of our climate strategy and business model to climate change, we conducted an analysis of the identified physical and transition risks as well as opportunities that have the potential to influence our strategy and operations against two scenarios – 1) the Representative Concentration Pathway (RCP) 2.6, which represents scenarios in the literature leading to very low GHG concentration levels and aiming at limiting global warming to below 2°C above pre-industrial levels and 2) RCP 8.5, which represents a high-emissions pathway with warming likely to surpass 4°C. To evaluate our physical risks, we assessed the impact of acute and chronic hazards, including extreme rainfalls and extreme heat, on our operations. To evaluate our transition risks, sustainability reporting obligations were selected.

Based on our analysis, the Group's major climate-related risks, as well as its corresponding mitigation measures are as follows:

Risk Type	Time Horizon	Potential Impacts	Risk Level		Mitigation Measures
			Below 2°C	Above 4°C	
Physical risks					
Extreme rainfall	Long-term	An increase in extreme rainfall may result in operational delays, increased costs, customer dissatisfaction, and revenue losses, thereby affecting profitability.	Low	Moderate	Ensure business continuity plans and extreme rainfall response plans are implemented.
					Develop flood control measures, including rain gardens and permeable pavements to manage stormwater runoff where appropriate.
					Increase comprehensive insurance coverage against flood.
Extreme heat	Long-term	Hot days and extreme heat could become more common and/or severe, which could increase in cooling demand and higher electricity costs.	Low	Moderate	Ongoing maintenance to ensure that air cooling systems and generators are in good working order and appropriate for both the local and changing climate conditions.

					Provide more stand up industrial fans for better ventilation to factory workers.
					Implement health and safety initiatives to protect people from extreme heat risk, including special work arrangements during peak temperature hours and provision of reminders of staying hydrated and consequences of dehydration for employees, as required.
Transition risks					
Policy and legal risks resulting from sustainability reporting obligations	Short-term	Increased demand from governments and regulators for sustainability-related information disclosure by enterprises, requiring greater transparency and detailed data.	Low to Moderate	Low	Ensure sustainability-related information is disclosed in accordance with the latest requirements and reporting guidelines.
Market risk resulting from change in customers' behavior	Medium-to long-term	There may be increased focus on sustainable practices when customers make decisions on their purchased products.	Low	Low	Our production consumes relatively low energy. To satisfy customers' future needs , will get our products certified GREEN by SIRIM.

In addition to risk assessment, climate-related opportunities were also explored. Realising the potential increase in awareness of climate change among our clients, we have been exploring opportunities to incorporate sustainability elements into our business.

We see opportunities in improving energy efficiency and cost savings. By implementing energy-efficient technologies across our operations, we can substantially reduce our energy consumption and costs over the short, medium and long term. Additionally, our approach to continuously strive to reduce our GHG emissions enhances our brand reputation and customer loyalty over the short, medium and long term, as consumers increasingly favour environmentally responsible companies. For example, we have planned to replace our diesel-powered forklifts with electric forklifts gradually. It also reduces our carbon footprint and contributes to a lower environmental impact.

Risk Management

The Audit Committee is responsible for reviewing the effectiveness of the Group's internal controls, including financial, operational and compliance and risk management.

In FY2025, the Group completed a process to identify and assess the climate-related risks within the Group's business operations. From this assessment, the Group has identified both physical risks and transition risks, which may impact financial performance, reputation, and long-term growth. This enabled the Group to better identify, evaluate, and possibly exploit the right opportunities at the right time, and ensuring compliance in place.

The Group acknowledges that climate-related issues have impacted or may impact its operations through internal discussion and assessment. Recognising that climate-related risks, along with other ESG risks, can affect our businesses, we will continue to review our climate-related risks regularly and take appropriare measures to manage them effectively.

Metrics and Targets

The Group used direct (Scope 1) GHG emissions, energy indirect (Scope 2) GHG emissions, indirect supplier (Scope 3) GHG emissions, as well as intensity as its metrics to assess climate-related risks and opportunities in line with its strategy and risk management process.

To manage its climate-related risks and opportunities, the Group has set the targets for the in scope entity and the performance against the targets set is reviewed at least once annually.

- Maintaining GHG emission intensity within 10% of FY2022's level (0.81 tCO_2e per MT).

The Group has achieved its target and reported a GHG emission intensity of 0.72 and 0.73 for FY2025 and FY2024 respectively.

A continual policy to identify, assess, and manage climate-related risks and opportunities has been adopted by the Group.

TCFD Content Index

Our climate-rated disclosure based on the 4 pillars of the TCFD is set out below:

TCFD Disclosure	Page Reference
Governance	
a) Describe the board's oversight of climate-related risks and opportunities.	4 - 5, 20
b) Describe the management's role in assessing and managing climate-related risks and opportunities	
Strategy	
a) Describe the climate-related risks and opportunities, the organisation has identified over the short, medium, and long term.	21 - 22
b) Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning.	
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2ºC or lower scenario.	
Risk Management	
a) Describe the organisation's processes for identifying and assessing climate-related risks.	23
b) Describe the. organisation's processes for managing climate-related risks.	Refer to Corporate Governance Report for detail on AC's roles and responsibilities.
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	
Metrics and Target	
Describe the metrics used by the organisation to assess climate-related risk and opportunities in line with its strategy and risk management process.	11 - 12, 23
Disclose Scope 1, Scope 2 and if appropriate Scope 3 GHG emissions and the related risks.	
Describe the target used by the organisation to manage climate-related risks and opportunities and performance against target.	

GRI Content Index

STATEMENT OF USE	Lion Asiapac Limited has reported the information cited in this GRI content index for FY2025 in accordance with the GRI Standards.
GRI 1 USED	GRI 1: Foundation 2021

DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NO.
General Disclosure		
2-1	Organizational details	2 - 3, Annual Report (Notes to FS & Shareholding Statistics)
2-2	Entities included in the organization's sustainability reporting	Refer to Annual Report (Notes to FS - Investment in subsidiaries)
2-3	Reporting period, frequency and contact point	1 - 2 & 18
2-4	Restatements of information	Not applicable
2-5	External assurance	2
2-6	Activities, value chain and other business relationships	3, Refer to Annual Report
2-7	Employee	13
2-8	Workers who are not employees	There are no workers who are not employees
2-9	Governance structure and composition	4 - 5
2-10	Nomination and selection of the highest governance body	Refer to Annual Report (Corporate Governance Report)
2-11	Chair of the highest governance body	Refer to Annual Report (Corporate Governance Report)
2-12	Role of the highest governance body in overseeing the management of impacts	16 - 19
2-13	Delegation of responsibility for managing impacts	4 – 5, 20
2-14	Role of the highest governance body in sustainability reporting	4
2-15	Conflict of interest	Refer to Annual Report (Interested person transactions)
2-16	Communication of critical concerns	18
2-17	Collective knowledge of the highest governance body	4
2-18	Evaluation of the performance of the highest governance body	Refer to Annual Report (Corporate Governance Report)
2-19	Remuneration policies	Refer to Annual Report (Corporate Governance Report)
2-20	Process to determine remuneration	Refer to Annual Report (Corporate Governance Report)

DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NO.
General Disclosure		
2-21	Annual total compensation ratio	Refer to Annual Report (Corporate Governance Report)
2-22	Statement on sustainable development strategy	1
2-23	Policy commitments	4, 18 - 19 & Refer to Annual Report (Corporate Governance Report)
2-24	Embedding policy commitment	2, 13 - 19
2-25	Process to remediate negative impacts	18 - 19
2-26	Mechanisms for seeking advice and raising concerns	18 - 19
2-27	Compliance with laws and regulations	9 - 19 and Annual report
2-28	Membership associations	Singapore National Employers Federation
2-29	Approach to stakeholder engagement	6
2-30	Collective bargaining agreements	There is no collective bargaining agreement
GRI 3 Material Assessment		
3 - 1	Process to determine material topics	5, 7 - 8
3 - 2	List of material topics	7 - 8
3 - 3	Management of material topics	4 - 19
Special Disclosure		
GRI 201 Economic Performance		
201-1	Direct economic value generated and distributed	16 & Refer to Annual Report
GRI 205 Anti-Corruption		
205-1	Operations assessed for risks related to corruption	18
205-2	Communication and training about anti-corruption policies and procedures	18- 19
205-3	Confirmed incidents of corruption and actions taken	19
GRI 302 Energy Management		
302-1	Energy consumption within the organisation	9
302-3	Energy intensity	9
GRI 305 Emissions		
305-1	Direct (Scope 1) GHG emissions	11 - 12
305-2	Energy indirect (Scope 2) GHG emissions	11 - 12
305-3	Other indirect (Scope 3) GHG emissions	11 - 12
305-4	GHG emissions intensity	11 - 12
305-7	Nitrogen oxides (NO_X), sulphur oxides (SO_X), and other significant air emissions	10

DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NO.
General Disclosure		
GRI 401 Employment		
401-2	Benefits provided to full-time employees	13
403-1	Occupational health and safety management system	15
403-2	Hazard identification, risk assessment, and incident investigation	15
403-3	Occupational health services	Information unavailable: - How the organization maintains the confidentiality of workers' personal health-related information - How the organization ensures that workers' personal health-related information and their participation in any occupational health services is not used for any favourable or unfavourable treatment of workers.
403-4	Worker participation, consultation, and communication on occupational health and safety	15
403-5	Work training on occupational health and safety	15
403-6	Promotion of worker health	15
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	15
403-8	Workers covered by an occupational health and safety management system	15
403-9	Work-related injuries	15
GRI 404 Training and Education		
404-1	Average hours of training per year per employee	14
404-2	Programs for upgrading employee skills and transition assistance programs	14
GRI 405 Diversity and equal opportunity		
405-1	Diversity of government bodies and employees	13, 19

Appendix – External Assurance Report

ACCESS PARTNER
CONSULTANCY & APPRAISALS

Our Ref: 649\ESGSRS\2025
02 Floor Tower 188
188 -190 Hennessy Road,
Wanchai, Hong Kong
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Email: wilson@access-partner.com

Independent Limited Assurance Report

To the Directors and Management of Lion Asiapac Limited

Introduction:
Access Partner Consultancy & Appraisals Limited ("Access Partner") has undertaken a limited assurance engagement (the "Assurance") of the selected sustainability information of Lion Asiapac Limited (the "Company") for the year ended 30 June 2025 (the "Assured Sustainability Information") in the Sustainability Report 2025 (the "Report").

Responsibilities of the Company:
The Company is responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Assured Sustainability Information that is free from material misstatement, whether due to fraud or error;
- ensuring the completeness, accuracy, and truthfulness of all information, records, documentation, and explanations, whether written or oral, provided to use for the purpose of this Assurance.

Our independence and quality management:
We have complied with the independence and other ethical requirements, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The firm applies International Standard on Quality Management, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibilities:
Our responsibility is to express a limited assurance conclusion on the Assured Sustainability Information based on the procedures we have performed and the evidence we have obtained. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)") issued by the International Auditing and Assurance Standards Board and, in respect of greenhouse gas emissions, ISO 14064-3:2019 Specification with guidance for the verification and validation of greenhouse gas statements issued by the International Organization for Standardization. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Assured Sustainability Information is free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised), and ISO 14064-3:2019 involves assessing the suitability in the circumstances of the Company's use of applicable criteria as the basis for the preparation of the Assured Sustainability Information, assessing the risks of material misstatement of the Assured Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Assured Sustainability Information. Within the scope of our work we performed amongst others the following procedures:

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- through inquiries of relevant staff at corporate and selected locations responsible for the preparation of the Assured Sustainability Information, obtained an understanding of the Company's control environment, processes and information systems relevant to the preparation of the Assured Sustainability Information, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- tested a limited number of items to or from supporting records over Assured Sustainability Information, as appropriate;
- considered the presentation and disclosure of the Assured Sustainability Information;
- performed analytical procedures on selected Assured Sustainability Information where appropriate by comparing to the prior period results reported;
- evaluated whether the methodologies adopted by the Company for developing estimates of selected Assured Sustainability Information where relevant, are appropriate and had been consistently applied, but did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Company's estimates; and
- performed recalculations of selected Assured Sustainability Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent Limitation:
A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The Assurance does not extend to operations or subsidiaries outside of the reporting scope defined in the Sustainability Report for the Reporting Year. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Conclusion:
Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Assured Sustainability Information for the year ended 30 June 2025 is not prepared, in all material respects, in accordance with the applicable criteria as set out in the "About this Report" section of the Report.

Access Partner

Date of Issuance: 08 September 2025