



LION ASIAPAC LIMITED

(Registration No: 196800586R)

Unaudited Condensed Interim Financial Statements

For the fourth quarter and full year ended 30 June 2022

Table of Contents

A. Condensed interim consolidated statement of profit or loss and other comprehensive income	1
B. Condensed interim statements of financial position	3
C. Condensed interim statements of changes in equity	4
D. Condensed interim consolidated statement of cash flows	6
E. Notes to the condensed interim consolidated financial statements	7
F. Other information required by Listing Rule Appendix 7.2	17
1. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)	17
2. Review of the performance of the group	17
2. Review of the performance of the group (Cont'd)	18
3. Where a forecast, or a prospectus statement, has been previously disclosed to shareholders, any variances between it and the actual results	18
4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months	18
5. Dividend	19
6. If no dividend has been declared/recommended, a statement to that effect	19
7. A breakdown of sales	19
8. Interested person transactions	20
9. Confirmation pursuant to rule 704(13) of the Listing Manual	20
10. Confirmation pursuant to rule 720(1) of the Listing Manual	20

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	The Group					
		Fourth Quarter Ended			Full Year Ended		
		30.6.2022	30.6.2021	+/-	30.6.2022	30.6.2021	+/-
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	7	8,349	6,222	34	29,719	19,326	54
Other income and gains	8	365	1,532	(76)	1,312	3,309	(60)
Purchases of inventories		(7,161)	(4,713)	52	(23,205)	(12,478)	86
Depreciation of property, plant and equipment		(100)	(185)	(46)	(854)	(715)	19
Depreciation right-of-use assets		(50)	(50)	-	(203)	(203)	-
Employee benefits expense		(598)	(600)	(0)	(2,379)	(2,160)	10
Other expenses	9	(1,330)	(1,214)	10	(5,703)	(5,074)	12
Changes in inventories of finished goods		268	128	109	(10)	137	n.m
Finance costs		(24)	(26)	(8)	(96)	(103)	(7)
Other losses	8	(383)	(963)	(60)	(7)	(963)	(99)
(Loss)/Profit before tax		(664)	131	n.m	(1,426)	1,076	n.m
Income tax expense	10	(43)	(35)	23	(134)	(139)	(4)
(Loss)/Profit, net of tax		(707)	96	n.m	(1,560)	937	n.m
(Loss)/Profit attributable to:							
Equity holders of the Company		(707)	96	n.m	(1,560)	937	n.m
		(707)	96	n.m	(1,560)	937	n.m

n.m - denotes not meaningful

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

A. Condensed interim consolidated statement of profit or loss and other comprehensive income (Cont'd)

	The Group						
	Note	Fourth Quarter Ended			Full Year Ended		
		30.6.2022	30.6.2021	+/-	30.6.2022	30.6.2021	+/-
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Other comprehensive (loss)/income:							
Items that will not be reclassified to profit or loss:							
Fair value changes on equity instruments at fair value through other comprehensive income	15	(2,915)	2,265	n.m	(2,265)	2,265	n.m
Items that may be reclassified to profit or loss:							
Exchange differences on translating foreign operations		(28)	404	n.m	(438)	1,391	n.m
Other comprehensive (loss)/income, net of tax		(2,943)	2,669	n.m	(2,703)	3,656	n.m
Total comprehensive (loss)/income		(3,650)	2,765	n.m	(4,263)	4,593	n.m
Total comprehensive (loss)/income attributable to:							
Equity holders of the Company		(3,650)	2,765	n.m	(4,263)	4,593	n.m
		(3,650)	2,765	n.m	(4,263)	4,593	n.m
(Losses)/Earnings per share							
Basic and diluted (losses)/earnings per share (cents)	11	(0.87)	0.12		(1.92)	1.16	

n.m - denotes not meaningful

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

B. Condensed interim statements of financial position

	Note	The Group		The Company	
		30.6.2022	30.6.2021	30.6.2022	30.6.2021
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	13	1,721	2,393	--	--
Right-of-use assets	13	1,073	1,277	--	--
Investments in subsidiaries	14	--	--	63,054	63,497
Other financial assets	15	--	2,265	--	--
Total non-current assets		2,794	5,935	63,054	63,497
Current assets					
Inventories		5,401	4,702	--	--
Trade and other receivables	16	9,551	6,212	11	23
Other non-financial assets		330	356	--	1
Cash and cash equivalents	17	59,636	64,206	5,436	10,044
Total current assets		74,918	75,476	5,447	10,068
Total assets		77,712	81,411	68,501	73,565
EQUITY AND LIABILITIES					
Equity					
Share capital	18	47,494	47,494	47,494	47,494
Retained earnings		31,683	34,054	19,540	24,601
Other reserves (adverse balance)		(7,167)	(4,464)	--	--
Capital and reserves attributable to owners of the Company		72,010	77,084	67,034	72,095
Total equity		72,010	77,084	67,034	72,095
Non-current liabilities					
Deferred tax liabilities		224	224	224	224
Lease liabilities		1,097	1,181	--	--
Total non-current liabilities		1,321	1,405	224	224
Current liabilities					
Income tax payables		76	73	--	--
Lease liabilities		76	169	--	--
Trade and other payables		3,827	2,267	1,243	1,246
Provision		402	413	--	--
Total current liabilities		4,381	2,922	1,243	1,246
Total liabilities		5,702	4,327	1,467	1,470
Total equity and liabilities		77,712	81,411	68,501	73,565

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

C. Condensed interim statements of changes in equity

The Group

	Attributable to equity holders of the Company						
	Share capital	Fair value reserve	Currency translation reserve	Capital reserve	Statutory Reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Opening balance at 1.7.2021	47,494	2,265	(9,021)	2,112	180	34,054	77,084
Loss for the year	--	--	--	--	--	(1,560)	(1,560)
Other comprehensive loss	--	(2,265)	(438)	--	--	--	(2,703)
Total comprehensive loss for the year	--	(2,265)	(438)	--	--	(1,560)	(4,263)
Dividend paid	--	--	--	--	--	(811)	(811)
Closing balance at 30.6.2022	47,494	--	(9,459)	2,112	180	31,683	72,010
Opening balance at 1.7.2020	47,494	--	(10,412)	2,112	180	33,117	72,491
Profit for the year	--	--	--	--	--	937	937
Other comprehensive income	--	2,265	1,391	--	--	--	3,656
Total comprehensive income for the year	--	2,265	1,391	--	--	937	4,593
Closing balance at 30.6.2021	47,494	2,265	(9,021)	2,112	180	34,054	77,084

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

C. Condensed interim statements of changes in equity (Cont'd)

The Company

	Share capital	Retained earnings	Total
	S\$'000	S\$'000	S\$'000
Opening balance at 1.7.2021	47,494	24,601	72,095
Total comprehensive loss for the year	--	(4,250)	(4,250)
Dividend paid	--	(811)	(811)
Closing balance at 30.6.2022	47,494	19,540	67,034
Opening balance at 1.7.2020	47,494	22,547	70,041
Total comprehensive income for the year	--	2,054	2,054
Closing balance at 30.6.2021	47,494	24,601	72,095

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

D. Condensed interim consolidated statement of cash flows

	The Group	
	Full Year Ended	
	30.6.2022	30.6.2021
	S\$'000	S\$'000
<u>Cash flows from operating activities</u>		
(Loss)/Profit before tax	(1,426)	1,076
Adjustments for :		
- Depreciation of property, plant and equipment	854	715
- Depreciation of right-of-use assets	203	203
- Property, plant and equipment written off	19	9
- Reversal of impairment loss on property, plant and equipment	--	(963)
- Impairment loss on property, plant and equipment	--	963
- Interest income	(901)	(1,010)
- Interest expense	96	103
- Unrealised currency translation gains	--	(387)
- Reversal of impairment loss on trade receivables	(9)	--
Operating cash flows before changes in working capital	(1,164)	709
- Inventories	(828)	(1,405)
- Trade and other receivables	(3,535)	(1,729)
- Other non-financial assets	20	(8)
- Trade and other payables	1,556	(101)
Net cash flow used in operations	(3,951)	(2,534)
Income tax paid, net	(12)	(23)
Net cash flow used in operating activities	(3,963)	(2,557)
<u>Cash flows from investing activities</u>		
Purchases of property, plant and equipment	(274)	(851)
Interest received	309	517
Net cash flow from/(used in) investing activities	35	(334)
<u>Cash flows from financing activities</u>		
Interest paid	(96)	(103)
Repayment of lease liabilities – principal portion	(172)	(155)
Dividends paid to owners of the Company	(811)	--
Net cash used in financing activities	(1,079)	(258)
Net decrease in cash and cash equivalents	(5,007)	(3,149)
Cash and cash equivalents at beginning of financial year	29,073	32,175
Effects of currency translation on cash and cash equivalents	(24)	47
Cash and cash equivalents at end of financial year (Note 17)	24,042	29,073

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

E. Notes to the condensed interim consolidated financial statements

1. General

The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and incorporated and domiciled in Singapore with limited liabilities. The address of its registered office is 10 Arumugam Road, #10-00 LTC Building A, Singapore 409957. The financial statements are presented in Singapore dollars and they cover the Company (referred to as "parent") and the subsidiaries.

The principal activities of the Group are:

- (a) Lime sales;
- (b) Trading of steel consumables; and
- (c) Investment holding.

The condensed interim financial statements for the twelve months ended 30 June 2022 have not been audited or reviewed.

2. Basis of preparation

The condensed interim financial statements for the three months and full year ended 30 June 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes were included to explain events and transactions that were significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 30 June 2021.

The accounting policies adopted were consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements were presented in Singapore dollar which was the Company's functional currency.

2.1. Changes and adoption of financial reporting standards

For the current reporting year new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. These applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

SFRS (I) No.	Title
SFRS (I) 1 -39, 7 and 9	Interest Rate Benchmark Reform – amendments to the Conceptual Framework of Financial Reporting
SFRS (I) 16	Covid-19 Related Rent Concessions - Amendment to (The 2021 amendment extends the limit from 30 June 2021 to 30 June 2022)

E. Notes to the condensed interim consolidated financial statements (Cont'd)

2.1. Changes and adoption of financial reporting standards (Cont'd)

Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

SFRS (I) No.	Title	Effective date for periods beginning on or after
SFRS (I) 1-1	Presentation of Financial Statements- amendment relating to Classification of Liabilities as Current or Non-current	1 Jan 2023
SFRS (I) 1-8	Definition of Accounting Estimates - Amendments to	1 Jan 2023
SFRS(I) 1-12, SFRS(I) 1	Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to	1 Jan 2023
Various	Amendments to SFRS (I) 1-1 and SFRS (I) Practice Statement 2: Disclosure of Accounting Policies	1 Jan 2023

2.2. Critical judgements, assumptions and estimation uncertainties

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions were reviewed on an ongoing basis. Revisions to accounting estimates were recognised in the period in which the estimates were revised and in any future periods affected.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2021.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following notes:

- Note 13 – Assessment of impairment loss on property, plant and equipment and right-of use assets
- Note 13 – Assessment of impairment loss on investment in subsidiaries
- Note 16 – Assessment of expected loss on trade receivable

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

E. Notes to the condensed interim consolidated financial statements (Cont'd)

3. Seasonal operations

The Group's businesses were not affected significantly by seasonal or cyclical factors during the financial period.

4. Related party transactions

	Fourth quarter ended		Full year ended	
	30.6.2022	30.6.2021	30.6.2022	30.6.2021
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Significant related party transactions:</u>				
Revenue	5,505	2,730	14,375	5,013
Purchase of goods	46	22	120	164
Rental	28	30	117	119

5. Financial information by operating segments

The segments and the types of products and services are as follows:

- a) Lime sales – production and sales of quicklime, hydrated lime and quicklime powder.
- b) Trading – trading of consumables required for steel product manufacturing.
- c) Investment holding – managing investments

The Group	Lime sales	Trading	Investment holding	Total for continuing operations
	\$'000	\$'000	\$'000	\$'000
Financial year ended 30 June 2022				
Revenue	18,610	11,109	-	29,719
Segment results	(1,638)	(600)	(493)	(2,731)
Other income and gains	299	360	653	1,312
Other losses	-	-	(7)	(7)
Loss before tax				(1,426)
Income tax expense				(134)
Loss for the year				(1,560)
Non-cash expenses				
Depreciation	913	136	8	1,057
Reportable segment assets and consolidated total assets	20,997	15,422	41,293	77,712
Reportable segment liabilities	4,648	176	654	5,478
Unallocated:				
Deferred tax liabilities				224
Consolidated total liabilities				5,702
Other reportable segment item				
Capital expenditure	274	-	-	274

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

E. Notes to the condensed interim consolidated financial statements (Cont'd)

5. Financial information by operating segments (Cont'd)

The Group	Lime sales	Trading	Investment holding	Total for continuing operations
	\$'000	\$'000	\$'000	\$'000
Financial year ended 30 June 2021				
Revenue	17,130	2,196	-	19,326
Segment results	--	(757)	(513)	(1,270)
Other income and gains	1,351	412	1,546	3,309
Other losses	(963)	-	-	(963)
Profit before tax				1,076
Income tax expense				(139)
Profit for the year				937
Non-cash expenses				
Depreciation	773	138	7	918
Reportable segment assets and consolidated total assets	18,031	15,679	47,701	81,411
Reportable segment liabilities	3,166	325	612	4,103
Unallocated:				
Deferred tax liabilities				224
Consolidated total liabilities				4,327
Other reportable segment item				
Capital expenditure	851	264	-	1,115

Geographical information

As at 30 June 2022, the Group's three business segments operated in three main geographical areas:

- Malaysia – the main activity is production, sales of lime and trading of steel consumables;
- Australia – the main activity is investment holding.
- Singapore – the main activity is investment holding.

	<u>Revenue</u>		<u>Non-current assets</u>	
	<u>Fourth quarter ended</u>		<u>Full year ended</u>	
	<u>30.6.2022</u>	<u>30.6.2021</u>	<u>30.6.2022</u>	<u>30.6.2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Malaysia	29,700	18,543	2,727	3,487
Australia	-	-	-	2,265
Singapore	19	783	67	183
	<u>29,719</u>	<u>19,326</u>	<u>2,794</u>	<u>5,935</u>

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

E. Notes to the condensed interim consolidated financial statements (Cont'd)

6. Financial assets and financial liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	<u>Group</u>		<u>Company</u>	
	<u>30.6.2022</u>	<u>30.6.2021</u>	<u>30.6.2022</u>	<u>30.6.2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Financial assets:</u>				
Financial assets at amortised cost	69,187	70,418	5,447	10,067
Financial assets at fair value through other comprehensive income	--	2,265	--	--
At end of the year	<u>69,187</u>	<u>72,683</u>	<u>5,447</u>	<u>10,067</u>
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	5,000	3,617	1,243	1,246
At end of the year	<u>5,000</u>	<u>3,617</u>	<u>1,243</u>	<u>1,246</u>

7. Revenue

Revenue from contracts with customers

	<u>Fourth quarter ended</u>		<u>Full year ended</u>	
	<u>30.6.2022</u>	<u>30.6.2021</u>	<u>30.6.2022</u>	<u>30.6.2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
- Lime manufacturing	3,874	4,026	18,610	17,130
- Consumables trading	4,475	2,196	11,109	2,196
Sales	<u>8,349</u>	<u>6,222</u>	<u>29,719</u>	<u>19,326</u>

8. Other income and gains and (Other losses)

	<u>Fourth quarter ended</u>		<u>Full year ended</u>	
	<u>30.6.2022</u>	<u>30.6.2021</u>	<u>30.6.2022</u>	<u>30.6.2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Other income and gains:</u>				
Interest income	235	228	901	1,010
Exchange gains	-	229	-	806
Penalties from shortfall on minimum purchases	53	46	162	269
Rental recharged	24	24	95	94
Reversal of impairment loss on receivables	--	--	9	--
Reversal of impairment loss on property, plant and equipment	--	963	--	963
Incentive claim income	31	-	31	-
Others	22	42	114	167
	<u>365</u>	<u>1,532</u>	<u>1,312</u>	<u>3,309</u>
<u>Other losses:</u>				
Exchange losses	(383)	--	(7)	--
Impairment loss on property, plant and equipment	--	(963)	--	(963)
	<u>(383)</u>	<u>(963)</u>	<u>(7)</u>	<u>(963)</u>
Net	<u>(18)</u>	<u>569</u>	<u>1,305</u>	<u>2,346</u>

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

E. Notes to the condensed interim consolidated financial statements (Cont'd)

9. Other expenses

The major and other selected components include the following:

	<u>Fourth quarter ended</u>		<u>Full year ended</u>	
	<u>30.6.2022</u>	<u>30.6.2021</u>	<u>30.6.2022</u>	<u>30.6.2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Limekiln restart cost	--	12	203	12
Limekiln refurbishment cost	207	--	348	--
Maintenance expense	86	109	252	363
Material handling	109	103	427	359
Transportation expense	380	491	2,190	2,199
Utilities	304	292	1,315	1,192

10. Income tax

	<u>Fourth quarter ended</u>		<u>Full year ended</u>	
	<u>30.6.2022</u>	<u>30.6.2021</u>	<u>30.6.2022</u>	<u>30.6.2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Current income tax expense	43	41	134	145
Over adjustment in prior year	--	(6)	--	(6)
	<u>43</u>	<u>35</u>	<u>134</u>	<u>139</u>

11. (Losses)/Earnings per share

	<u>Fourth quarter ended</u>		<u>Full year ended</u>	
	<u>30.6.2022</u>	<u>30.6.2021</u>	<u>30.6.2022</u>	<u>30.6.2021</u>
(Loss)/Profit, net of tax attributable to owners of the Company (S\$'000)	(707)	96	(1,560)	937
Weighted average number of ordinary shares ('000)	81,105	81,105	81,105	81,105
(Losses)/Earnings per share (cents)	<u>(0.87)</u>	<u>0.12</u>	<u>(1.92)</u>	<u>1.16</u>

The diluted (losses)/earnings per share was the same as the basic (losses)/earnings per share as there were no share options outstanding (30.6.2021: nil).

12. Net asset value

	<u>Group</u>		<u>Company</u>	
	<u>30.6.2022</u>	<u>30.6.2021</u>	<u>30.6.2022</u>	<u>30.6.2021</u>
Net asset value per ordinary share (cents)	88.79	95.04	82.65	88.89

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

E. Notes to the condensed interim consolidated financial statements (Cont'd)

13. Property, plant and equipment and right-of use assets

The Group used the cost approach (depreciated replacement cost method) in determining fair value less cost of disposal for its property, plant & equipment ("PPE") and used the discounted cash flow approach for right-of use assets ("ROU") held by subsidiary, Compact Energy Sdn Bhd.

There is no impairment considered necessary for the PPE and ROU for the current financial reporting period.

14. Investments in subsidiaries

	<u>Company</u>	
	<u>2022</u>	<u>2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Unquoted equity shares at cost	5,087	5,087
Loan receivables ^(a)	108,095	104,680
Allowance for impairment	(50,128)	(46,270)
Carrying value	63,054	63,497

(a) Loan receivables from subsidiaries are classified as investment in subsidiaries as these are deemed as long-term receivables in nature.

	<u>Company</u>	
	<u>2022</u>	<u>2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Movements during the year. At carrying value:		
Balance at beginning of the year	63,497	61,115
(Allowance)/Reversal of impairment loss ^(b)	(3,858)	2,365
Additions of loan receivables	3,415	17
Balance at end of the year	63,054	63,497
Movements in allowance for impairment:		
Balance at beginning of the year	46,270	48,635
Allowance/(Reversal) of impairment loss to profit or loss of Company ^(b)	3,858	(2,365)
Balance at end of the year	50,128	46,270

(b) The net tangible assets/liabilities of subsidiaries were used to determine the allowance for impairment. There were decreasing performance of subsidiaries' financial positions, hence resulting in allowance/reversal of impairment which amounted to S\$3,858,000 (2021: S\$2,365,000).

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

E. Notes to the condensed interim consolidated financial statements (Cont'd)

15. Other financial assets

	<u>Group</u>
	<u>30.6.2022</u>
	<u>S\$'000</u>
Movements during the year:	
Fair value at beginning of the year	2,265
(Decrease)/Increase in fair value through other comprehensive income	(2,265)
Fair value at end of the year	-

Other financial assets comprised the quoted shares of Mindax Limited, which was listed on the Australian Securities Exchange ("ASX"). The equity investment was classified as level 1 in the fair value hierarchy as it was traded in an active market. During the year, the equity investment was voluntary suspended, therefore the investment value was written down to nil.

16. Trade and other receivables

The impairment allowance was based on the individual assessment of the large balances and the use of a matrix for the smaller balances based on its historical observed default rates (over a period of 36 months) over the expected life of the trade receivables and was adjusted for forward-looking estimates. At each reporting date, the historical observed default rates were updated and changes in the forward-looking estimates were analysed. The loss allowance was determined for trade receivables as follow:

Aging analysis of trade receivables:

	<u>Gross amount</u>	<u>Loss allowance</u>
	<u>S\$'000</u>	<u>S\$'000</u>
<u>Group</u>		
<u>30.6.2022:</u>		
Within credit limit	6,782	--
1 to 30 days past due	714	--
31 to 60 days past due	640	--
61 to 90 days past due	646	--
Over 90 days past due	138	--
Total	8,920	--

Aging analysis of trade receivables:

	<u>Gross amount</u>	<u>Loss allowance</u>
	<u>S\$'000</u>	<u>S\$'000</u>
<u>Group</u>		
<u>30.6.2021:</u>		
Within credit limit	4,318	--
1 to 30 days past due	514	--
31 to 60 days past due	379	--
61 to 90 days past due	286	--
Over 90 days past due	164	9
Total	5,661	9

The Group has carefully assessed the historical payment pattern up to the date of the announcement and concluded that there were no significant changes in credit risk by comparing the debtor's credit risk at initial recognition with the credit risk at the reporting date. Accordingly, no allowances were considered necessary.

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

E. Notes to the condensed interim consolidated financial statements (Cont'd)

17. Cash and cash equivalents

	<u>Group</u>		<u>Company</u>	
	<u>30.6.2022</u>	<u>30.6.2021</u>	<u>30.6.2022</u>	<u>30.6.2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Cash at bank and on hand	3,043	3,533	378	531
Fixed deposits	56,593	60,673	5,058	9,513
Cash at end of the year	59,636	64,206	5,436	10,044

Cash and cash equivalents in the statement of cash flows:

	<u>Group</u>	
	<u>30.6.2022</u>	<u>30.6.2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Amount as shown above	59,636	64,206
Cash subjected to foreign exchange control	(35,594)	(35,133)
Cash and cash equivalents in the statement of cash flows	24,042	29,073

18. Share capital

	<u>Number of shares issued</u>	<u>Share capital S\$'000</u>
Issued share capital		
Balances as 30.6.2021, 31.3.2022, and 30.6.2022	81,104,539	47,494
Treasury shares		
Balances as 30.6.2021 and 30.6.2022	--	--
Total number of issued shares excluding treasury shares		
Balances as 30.6.2021 and 30.6.2022	81,104,539	47,494

19. Subsequent events

There were no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

Other information Required by Listing Rule
Appendix 7.2

F. Other information required by Listing Rule Appendix 7.2

1. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The condensed consolidated balance sheet of Lion Asiapac Limited and its subsidiaries as at 30 June 2022 and the related condensed consolidated income statement and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the period ended and certain explanatory notes have not been audited or reviewed.

2. Review of the performance of the group

Turnover and Net Earnings

Quarter on quarter, the Group's revenue has increased by 34% to S\$8.3million. Higher sale orders have increased trading revenue by 104% to S\$4.5million. Lime sales has reduced by 4% to S\$3.8million.

Purchases of inventories has increased by 52% to S\$7.1million owing to increased purchases to meet higher trading orders.

Net loss for the quarter was S\$0.7million, against a profit of S\$0.1million in the corresponding quarter. This has mainly resulted from an exchange loss of S\$0.4million against the exchange gain of S\$0.2million in Q42021 and a limekiln refurbishment cost of S\$0.2million.

Year on year, Group's revenue has surged by 54% to S\$29.7million. This was primarily owing to the increased demand for steel consumable, which went up by S\$8.9million to S\$11.1million. Additionally, lime sales has increased by 9% to S\$18.6million.

Purchase of inventories increased by S\$10.7million mainly owing to purchases of steel consumables. Other expenses increased by S\$0.6million, comprising refurbishment of S\$0.3million, limekiln restart of S\$0.2million, and increased utilities of S\$0.1million.

Lime sales incurred a loss of S\$1.6million for the year, against a breakeven last year. This is largely because of escalating production costs and overhead costs. The Group incurred a loss of S\$0.6million and S\$0.5million respectively for trading and investment holding for the year.

Other income and gains reduced by 60% to S\$1.3million, largely due to the group exchange gain of S\$0.8million and reversal of impairment on property, plant and equipment of S\$0.9million last year.

Overall, the Group incurred a loss after tax of S\$1.6million for the current reporting year.

F. Other information required by Listing Rule Appendix 7.2 (Cont'd)

2. Review of the performance of the group (Cont'd)

Financial Position review

As at 30 June 2022, the Group's assets amounted to S\$77.7million and liabilities amounted to S\$5.7million. The Group's working capital remained healthy at S\$70.2million, a decrease of S\$2million from the corresponding period.

Trade and other debtors increased by S\$3.3million to S\$9.5million. This was largely owing to increased trade receivables from higher sales.

Inventories increased from S\$4.7million to S\$5.4million largely due to higher purchases of steel consumables and burning fuels for lime production.

Other financial assets comprise the equity shares of Mindax Limited, the value of which was written down to nil because of the suspension of its shares from trading.

Depreciation has resulted in the reduction of fixed assets by S\$0.7million. Trade and other payables increased by S\$1.6million due to additional purchases.

Other reserves, consisting of fair value losses on equity investments, increased from S\$4.5million to S\$7.2million mainly due to fair value change on the equity investment of Mindax Limited whose share trading has been suspended.

Cash used in operating activities amounted to S\$4million. This was mainly due to increase in both inventories and, trade and other receivables. The Group utilised S\$35k in investing activities mainly for the purchase of PPE, cushion by interest received. The Group utilised S\$1.1million mainly due to dividend payment and repayment of lease liabilities. The group received fixed deposit interest income of S\$0.5million from cash deposited by our China's subsidiaries. In summary, the group's cash balances reduced by S\$4.6million to S\$59.6million as at year end.

3. Where a forecast, or a prospectus statement, has been previously disclosed to shareholders, any variances between it and the actual results

There is no forecast or prospectus statement previously disclosed.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

Although the business outlook will continue to improve with the opening of borders, we continue to face global headwinds sparked by the move towards deglobalisation and the changing geopolitical landscape.

The Group's operations are subject to the market conditions and challenges of the steel industry. Escalating costs and the uncertainties in the market will continue to pose constraints to the Group's core businesses. The Group will continue to exercise prudence in managing these challenges and will take advantage of new opportunities arise.

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

F. Other information required by Listing Rule Appendix 7.2 (Cont'd)

5. Dividend

(a) Current Financial Period Reported On

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share	1 cent
Tax Rate	Tax Exempt (one-tier)

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

6. If no dividend has been declared/recommended, a statement to that effect

There were no dividends declared as the Company considered it necessary to conserve cash for future operations in view of the Group's business strategy.

7. A breakdown of sales

	The Group		
	Latest Financial Year (30.6.2022)	Previous Financial Year (30.6.2021)	Increase/ (Decrease)
	S\$'000	S\$'000	%
(a) Sales reported for first half year	14,587	8,968	63
(b) Operating (loss)/profit after tax before deducting minority interests reported for first half year	(397)	606	n/m
(c) Sales reported for second half year	15,132	10,358	46
(d) Operating (loss)/profit after tax before deducting minority interests reported for second half year	(1,163)	331	n/m

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the fourth quarter and full year ended 30 June 2022

F. Other information required by Listing Rule Appendix 7.2 (Cont'd)

8. Interested person transactions

Interested Person Transactions ("IPTs")

For the financial year ended 30.6.2022		
Name of Interested Person	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under IPT Mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under IPT Mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	S\$'000	S\$'000
Associate of Tan Sri Cheng Heng Jem, a director and a substantial shareholder of the Company		
<u>Sales of lime products</u>		
Amsteel Mills Sdn Bhd	--	3,266
<u>Sales of steel consumables</u>		
Amsteel Mills Sdn Bhd	--	11,109

9. Confirmation pursuant to rule 704(13) of the Listing Manual

The Company confirms that there is no person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer.

10. Confirmation pursuant to rule 720(1) of the Listing Manual

The Company confirmed that undertakings pursuant to Rule 720(1) of the SGX-ST Listing Manual had been obtained from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD
LION ASIAPAC LIMITED

Gan Chi Siew
Company Secretary

Singapore, 22 August 2022