



LION ASIAPAC LIMITED

(Co. Reg. No. 196800586R)

(Incorporated in the Republic of Singapore)

First Quarter Unaudited Financial Statement Announcement For The Quarter Ended 30 September 2020

1(a)(i) An comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Comprehensive Income

	The Group		
	1.7.2020 - 30.9.2020	1.7.2019 - 30.9.2019	Increase/ (Decrease)
	S\$'000	S\$'000	%
Continuing operations			
Revenue – sale of goods	4,700	4,762	(1)
Other income and gains	707	425	66
Expenses:			
Purchases of inventories	(2,736)	(2,974)	(8)
Employee compensation	(512)	(562)	(8)
Depreciation	(216)	(211)	2
Other expenses	(1,359)	(1,300)	5
Changes in inventories	--	(61)	n/m
Finance costs	(25)	(29)	(14)
Other losses	--	(222)	n/m
Total expenses	(4,848)	(5,359)	(9)
Profit/(loss) before income tax	559	(172)	n/m
Income tax expense	(34)	(28)	(21)
Total profit/(loss)	525	(200)	n/m
Profit/(loss) attributable to:			
Owners of the Company	525	(200)	n/m
	525	(200)	n/m

n/m - denotes not meaningful

1(a)(ii) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Comprehensive Income

	The Group		
	1.7.2020 - 30.9.2020	1.7.2019 - 30.9.2019	Increase/ (Decrease)
	S\$'000	S\$'000	%
Other comprehensive income:			
Items that may be reclassified to profit or loss:			
Currency translation differences arising from consolidation	681	(266)	n/m
Items that will not be reclassified to profit or loss:			
Financial assets at fair value through other comprehensive income			
- Fair value gain	--	--	n/m
Other comprehensive profit/(loss), net of tax	681	(266)	n/m
Total comprehensive profit/(loss)	1,206	(466)	n/m
Total comprehensive profit/(loss) attributable to:			
Owners of the Company	1,206	(466)	n/m
	1,206	(466)	n/m

n/m - denotes not meaningful

1(a)(iii) Additional disclosures

	The Group	
	1.7.2020 - 30.9.2020	1.7.2019 - 30.9.2019
	S\$'000	S\$'000
Loss before income tax is arrived after (charging)/crediting:		
Currency translation gains/(losses)	290	(222)
Depreciation of property, plant and equipment	(164)	(162)
Depreciation of rights-of-use asset	(52)	(49)
Insurance	(27)	(30)
Interest expense on lease liabilities	(25)	(29)
Limekiln restart costs	--	--
Listing expenses	(15)	(12)
Maintenance expenses	(87)	(59)
Rental expenses	(63)	(20)
Transportation	(610)	(614)
Utilities	(299)	(290)
Interest income:		
- bank deposits	246	259
- charged to related parties	22	18
- Shortfall claims on minimum purchases from related parties	85	107

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

Statement of Financial Position

	The Group		The Company	
	30.9.2020	30.6.2020	30.9.2020	30.6.2020
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	65,815	65,052	10,263	10,318
Trade and other receivables	4,830	4,588	80	81
Inventories	4,647	3,326	--	--
Income tax receivables	--	--	--	--
Other current assets	355	352	19	3
	75,647	73,318	10,362	10,402
Non-current assets				
Investments in subsidiaries	--	--	61,115	61,115
Property, plant and equipment	2,667	2,289	--	--
Rights-of-use asset	1,182	1,222	--	--
	3,849	3,511	61,115	61,115
Total assets	79,496	76,829	71,477	71,517
LIABILITIES				
Current liabilities				
Trade and other payables	3,876	2,372	1,290	1,252
Lease liabilities	38	68	--	--
Income tax payables	53	71	--	--
Provision	419	415	--	--
	4,386	2,926	1,290	1,252
Non-current liabilities				
Deferred income tax liabilities	224	224	224	224
Lease liabilities	1,189	1,188	--	--
	1,413	1,412	224	224
Total liabilities	5,799	4,338	1,514	1,476
NET ASSETS	73,697	72,491	69,963	70,041
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	47,494	47,494	47,494	47,494
Other reserves	(7,439)	(8,120)	--	--
Retained profits	33,642	33,117	22,469	22,547
TOTAL EQUITY	73,697	72,491	69,963	70,041

1b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

The Group			
30.9.2020		30.6.2020	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
--	--	--	--

Amount repayable after one year

The Group			
30.9.2020		30.6.2020	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
--	--	--	--

Details of any collateral

Not applicable.

- 1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Cash Flows

	The Group	
	1.7.2020 - 30.9.2020	1.7.2019 - 30.9.2019
	S\$'000	S\$'000
Cash flows from operating activities		
Total profit/(loss)	559	(200)
Adjustments for:		
- Depreciation	216	211
- Property, plant and equipment written-off	7	--
- Interest expense	25	29
- Interest income	(268)	(277)
- Unrealised currency translation (gains)/losses	(495)	219
	44	(18)
Change in working capital		
- Inventories	(1,322)	95
- Trade and other receivables	(222)	502
- Other current assets	(3)	17
- Trade and other payables	1,482	813
Cash generated (used in)/from operations	(21)	1,409
Income tax paid	(48)	(29)
Net cash (used in)/from operating activities	(69)	1,380
Cash flows from investing activities		
Additions to property, plant and equipment	(518)	(5)
Interest received	248	244
Cash subjected to foreign exchange controls	--	856
Net cash (used in)/from investing activities	(270)	1,095
Cash flows from financing activities		
Repayment of lease liabilities	(33)	(39)
Interest paid	(25)	(29)
Net cash used in financing activities	(58)	(68)
Net (decrease)/increase in cash and cash equivalents	(397)	2,407
Cash and cash equivalent		
Beginning of financial period	32,175	31,925
Effects of currency translation on cash and cash equivalents	389	(46)
End of financial period	32,167	34,286

For the purposes of the consolidated statement of cash flows, consolidated cash and cash equivalents comprise the following:

	The Group	
	30.9.2020	30.9.2019
	S\$'000	S\$'000
Cash at bank and on hand	5,431	11,149
Time deposits	60,384	56,859
Cash and cash equivalent in the statement of financial position	65,815	68,008
Cash subjected to foreign exchange controls	(33,648)	(33,722)
Cash and cash equivalent in the statement of cash flows	32,167	34,286

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Changes in Equity – The Group

	Attributable to equity holders of the Company							
	Share capital	Capital redemption reserve	Statutory Reserve	Currency translation reserve	Capital reserve	Fair value reserve	Retained profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1.7.2020	47,494	--	180	(10,412)	2,112	--	33,117	72,491
Total comprehensive loss for the period	--	--	--	681	--	--	525	1,206
Balance at 30.9.2020	47,494	--	180	(9,731)	2,112	--	33,642	73,697
Balance at 1.7.2019	47,494	--	180	(10,363)	2,112	(119)	37,155	76,459
Total comprehensive /income for the period	--	--	--	(266)	--	--	(200)	(466)
Balance at 30.9.2019	47,494	--	180	(10,629)	2,112	(119)	36,955	75,993

Statement of Changes in Equity – The Company

	Share capital	Retained profits	Total
	S\$'000	S\$'000	S\$'000
Balance at 1.7.2020	47,494	22,547	70,041
Total comprehensive loss for the period	--	(78)	(78)
Balance at 30.9.2020	47,494	22,469	69,963
Balance at 1.7.2019	47,494	26,779	74,273
Total comprehensive loss for the period	--	(63)	(63)
Balance at 30.9.2019	47,494	26,716	74,210

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

	30.9.2020	30.6.2020
	No. of Shares	No. of Shares
Issued Share Capital (Note)	81,104,539	81,104,539

	30.9.2020	30.9.2019
	No. of Shares	No. of Shares
Shares to be issued pursuant to the exercise of all the outstanding convertibles	--	--
Treasury Shares held	--	--

Note

	No. of Shares
Balance at 1/7/2020	81,104,539
Movement in share capital	--
Balance at 30/9/2020	81,104,539

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	30.9.2020	30.6.2020
Total number of issued shares excluding treasury shares	81,104,539	81,104,539

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

- 1(d)(v) A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited nor reviewed.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Except as disclosed in Note 5 below, the Group has adopted the same accounting policies and methods of computation in the financial statements for the current financial period compared with those used in the recent audited financial statements of the Group for the financial year ended 30 June 2020.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group adopted all applicable new and revised FRS that becomes effective during the new financial year and has no significant impact to the Group.

6. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

Earnings per ordinary share of the Group for the financial period based on net profit attributable to shareholders:

		The Group	
		30.9.2020	30.9.2019
(i)	Based on weighted average number of shares (cents)	0.65	(0.25)
	- Weighted average number of shares ('000 shares)	81,105	81,105
(ii)	On a fully diluted basis (cents)	0.65	(0.25)
	- Weighted average number of shares ('000 shares)	81,105	81,105

Earnings per ordinary share is computed based on the weighted average number of issued shares of 81,104,539 (30.9.2019: 81,104,539).

On a fully diluted basis, there were no outstanding convertibles during the financial periods ended 30 September 2020 and 2019.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

Net Asset Value per ordinary share

	The Group		The Company	
	30.9.2020	30.6.2020	30.9.2020	30.6.2020
	cents	Cents	cents	Cents
Net asset value per ordinary share based on total number of issued shares excluding treasury shares	90.87	89.38	86.26	86.36

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Turnover

The Group posted a revenue of S\$4.7m solely from lime manufacturing for the first quarter ended September 2020, a 1% lower on a quarter on quarter basis. No consumables trading was undertaken in this quarter and the corresponding quarter.

Net Earnings

As a result of lower sales, purchases reduced by S\$0.2m to S\$2.7m quarter on quarter. Profit generated from lime manufacturing was recorded at S\$0.2m.

The strengthening Renminbi has resulted in a S\$0.3m unrealised foreign exchange gain, which was the cause of the 66% increase in other income and gains. In the corresponding quarter, an unrealised exchange loss of S\$0.2m was booked.

Accordingly, a profit of S\$0.5m was recorded for the quarter.

Cash Flows and Financial Position

At end September 2020, the financial position of the Group remained positive, working capital stood at S\$70.9m as compared to S\$70.0m at end June 2020.

Cash balances increased by S\$0.8m, this is mainly due to the currency translation gain of S\$1.2m arising from the strengthening Renminbi, and an interest income of S\$0.2 received. Additionally, S\$0.5m deployed in acquisition of plant and machinery had resulted in an increase of \$0.4 m, after depreciation, in property, plant and equipment from last year end.

Trade and other receivables increased by S\$0.2m to S\$4.8m.

Additional purchases were made during the quarter, inventories climbed up by S\$1.3m to S\$4.6m, and trade and other payables increased by S\$1.0 m.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable.

10. **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 reporting period and the next 12 months.**

The current Covid-19 pandemic has resulted in adverse economic impact with uncertainty. The Group will continue to exercise prudence to manage these challenges.

11. Dividend

(a) Current Financial Period Reported On

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No interim dividends have been declared for the quarter ended 30 September 2020, as the Company considered it necessary to conserve cash for future operations in view of the Group's business strategy.

13. Interested Person Transactions (“IPTs”)

For the financial period ended 30.9.2020		
Name of Interested Person	Aggregate value of all IPTs during the financial period 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
Amsteel Mills Sdn Bhd	--	740

14. Confirmation by Directors

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the interim financial results of Lion Asiapac Limited for the first quarter ended 30 September 2020, to be false or misleading in any material aspects.

15. Confirmation Pursuant to Rule 720(1) of the SGX Listing Manual

The Company confirms that undertakings pursuant to Rule 720(1) of the SGX Listing Manual have been obtained from all its Directors and executive officers in the format set out in Appendix 7.7.

**BY ORDER OF THE BOARD
LION ASIAPAC LIMITED**

Lah Ling San
Company Secretary

Singapore, 30 October 2020