


LION ASIAPAC LIMITED

(Co. Reg. No. 196800586R)

(Incorporated in the Republic of Singapore)

**Third-Quarter and Nine-Month Unaudited Financial Statement Announcement
For The Period Ended 31 March 2018**

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

Consolidated Income Statement

	The Group					
	Third Quarter Ended			Nine Months Ended		
	31.3.2018	31.3.2017	+ / (-)	31.3.2018	31.3.2017	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	2,745	2,127	29	8,073	5,922	36
Other gains – net	1,146	656	75	3,033	1,511	n/m
Expenses:						
Purchases of inventories	(1,616)	(1,282)	26	(4,863)	(3,718)	31
Employee compensation	(462)	(430)	7	(1,380)	(1,257)	10
Depreciation of property, plant and equipment	(234)	(308)	(24)	(721)	(1,047)	(31)
Other operating expenses	(891)	(875)	2	(2,830)	(2,498)	13
Changes in inventories	(93)	(45)	n/m	(11)	46	n/m
Total expenses	(3,296)	(2,940)	12	(9,805)	(8,474)	16
Profit/(loss) before income tax	595	(157)	n/m	1,301	(1,041)	n/m
Income tax (expense)/credit	(37)	542	n/m	(105)	915	n/m
Total profit/(loss)	558	385	45	1,196	(126)	n/m
Profit/(loss) attributable to:						
Equity holders of the Company	558	387	44	1,196	(125)	n/m
Non-controlling interests	--	(2)	n/m	--	(1)	n/m
	558	385	45	1,196	(126)	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					
	Third Quarter Ended			Nine Months Ended		
	31.3.2018	31.3.2017	+ / (-)	31.3.2018	31.3.2017	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total profit/(loss)	558	385	45	1,196	(126)	n/m
Other comprehensive income/(loss):						
Available-for-sale financial assets						
- fair value gain/(loss)	33	274	(88)	(35)	303	n/m
- currency translation arising from consolidation	801	(1,032)	n/m	1,482	(1,214)	n/m
Other comprehensive income/(loss), net of tax	834	(758)	n/m	1,447	(911)	n/m
Total comprehensive income/(loss)	1,392	(373)	n/m	2,643	(1,037)	n/m
Total comprehensive income/(loss) attributable to:						
Equity holders of the Company	1,392	(373)	n/m	2,643	(1,037)	n/m
Non-controlling interests	--	--		--	--	
	1,392	(373)	n/m	2,643	(1,037)	n/m

n/m - denotes not meaningful

1(a)(iii) **Additional disclosures**

	The Group			
	Third Quarter Ended		Nine Months Ended	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
	S\$'000	S\$'000	S\$'000	S\$'000
Profit/(loss) before income tax is arrived after (charging)/crediting:				
Currency exchange gains - net	212	7	354	10
Depreciation	(234)	(308)	(721)	(1,047)
Impairment on available-for-sale financial assets	--	--	--	(78)
Insurance	(32)	(30)	(89)	(88)
Listing expenses	(12)	(12)	(48)	(58)
Maintenance expenses	(48)	(35)	(132)	(85)
Material handling	(63)	(57)	(196)	(163)
Professional fee	--	(38)	(52)	(38)
Rental on operating lease	(57)	(50)	(162)	(156)
Transportation	(296)	(193)	(826)	(525)
Utilities	(259)	(297)	(918)	(788)
Reversal of impairment loss on trade receivables	641	437	1,696	865
Interest income:				
- bank deposits	275	175	742	507
- charged to related parties	12	19	35	57
Shortfall claims on minimum purchases from related parties	--	--	12	34

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.

Balance Sheets

	The Group		The Company	
	31.3.2018	30.6.2017	31.3.2018	30.6.2017
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	71,274	69,726	528	371
Trade and other receivables	3,794	3,271	87,429	68,803
Inventories	6,609	5,942	--	--
Income tax receivables	--	139	--	74
Other current assets	329	295	12	--
	82,006	79,373	87,969	69,248
Non-current assets				
Available-for-sale financial assets	161	203	--	--
Investments in subsidiaries	--	--	337	337
Property, plant and equipment	3,190	3,254	95	189
	3,351	3,457	432	526
Total assets	85,357	82,830	88,401	69,774
LIABILITIES				
Current liabilities				
Trade and other payables	2,338	2,033	1,205	1,320
Finance lease payables	45	60	45	60
Income tax payable	30	--	28	--
	2,413	2,093	1,278	1,380
Non-current liabilities				
Finance lease payables	--	30	--	30
Deferred income tax liabilities	224	224	224	224
	224	254	224	254
Total liabilities	2,637	2,347	1,502	1,634
NET ASSETS	82,720	80,483	86,899	68,140
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	47,494	47,494	47,494	47,494
Other reserves	(5,921)	(7,368)	--	--
Retained profits	41,147	40,357	39,405	20,646
	82,720	80,483	86,899	68,140
Non-controlling interests	--	--	--	--
TOTAL EQUITY	82,720	80,483	86,899	68,140

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

Amount repayable in one year or less, or on demand

The Group			
31.3.2018		30.6.2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
45	--	60	--

Amount repayable after one year

The Group			
31.3.2018		30.6.2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
--	--	30	--

Details of any collateral

	The Group	
	31.3.2018	30.6.2017
	S\$'000	S\$'000
Amount repayable in one year or less, or on demand Finance lease payables	45	60
Amount repayable after one year Finance lease payables	--	30

As at 31 March 2018, the Group's finance lease liabilities of S\$45,000 (30 June 2017: S\$90,000) are secured by the rights to a motor vehicle.

- 1(c) **A statement of cash flows (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			
	Third Quarter Ended		Nine Months Ended	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Total profit/(loss)	558	385	1,196	(126)
Adjustments for				
- Income tax expenses/(credit)	37	(542)	105	(915)
- Depreciation	234	308	721	1,047
- Impairment loss on available-for-sale financial assets	--	--	--	78
- Reversal of impairment loss on trade receivables - net	(641)	(437)	(1,696)	(865)
- Interest income	(287)	(194)	(777)	(564)
- Fixed assets written off	37	69	37	71
- (Gain)/loss on disposal of property, plant and equipment	(34)	--	--	1
- Unrealised currency translation gains	(75)	(27)	(274)	(37)
	(171)	(438)	(688)	(1,310)
Changes in working capital				
- Trade and other receivables	1,297	641	1,621	1,164
- Inventories	(1,448)	(65)	(360)	151
- Other current assets	134	84	(29)	37
- Development property for sale	--	(12)	--	(42)
- Trade and other payables	86	202	207	1,046
Cash (used in)/generated from operations	(102)	412	751	1,046
Income tax refund/(paid)	60	(4)	(13)	(110)
Net cash (used in)/generated from operating activities	(42)	408	738	936
Cash flows from investing activities				
Purchases of property, plant and equipment	(406)	(11)	(476)	(112)
Interest received	326	266	528	396
Net cash (used in)/generated from investing activities	(80)	255	52	284
Cash flows from financing activities				
Distribution to non-controlling interests arising from reduction of capital of a subsidiary	--	(134)	--	(134)
Finance lease repayments	(15)	(15)	(45)	(45)
Dividends paid to equity holders of the Company	--	--	(406)	(405)
Net cash used in financing activities	(15)	(149)	(451)	(584)
Net (decrease)/increase in cash and cash equivalents	(137)	514	339	636
Cash and cash equivalents at beginning of financial period	70,729	50,797	69,726	50,128
Effects of currency translation on cash and cash equivalents	682	(737)	1,209	(190)
Cash and cash equivalents at end of financial period	71,274	50,574	71,274	50,574

1(c) (cont'd)

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

	The Group			
	Third Quarter Ended		Nine Months Ended	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at bank and on hand	6,067	3,754	6,067	3,754
Short-term bank deposits	65,207	46,820	65,207	46,820
	71,274	50,574	71,274	50,574

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.

Statement of Changes in Equity – The Company

	Share capital	Retained profits	Total
	S\$'000	S\$'000	S\$'000
Balance at 1.7.2017	47,494	20,646	68,140
Total comprehensive income for the period	--	19,347	19,347
Dividends	--	(406)	(406)
Balance at 31.12.2017	47,494	39,587	87,081
Total comprehensive loss for the period	--	(182)	(182)
Balance at 31.3.2018	47,494	39,405	86,899
Balance at 1.7.2016	47,494	20,632	68,126
Total comprehensive income for the period	--	1,289	1,289
Dividends	--	(405)	(405)
Balance at 31.12.2016	47,494	21,516	69,010
Total comprehensive loss for the period	--	(508)	(508)
Balance at 31.3.2017	47,494	21,008	68,502

Consolidated Statement of Changes in Equity – The Group

	Attributable to equity holders of the Company								Non-Controlling Interests	Total
	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 1.7.2017	47,494	105	180	(9,822)	2,112	57	40,357	80,483	--	80,483
Total comprehensive income/(loss) for the period	--	--	--	681	--	(68)	638	1,251	--	1,251
Dividend paid	--	--	--	--	--	--	(406)	(406)	--	(406)
Balance at 31.12.2017	47,494	105	180	(9,141)	2,112	(11)	40,589	81,328	--	81,328
Total comprehensive income for the period	--	--	--	801	--	33	558	1,392	--	1,392
Balance at 31.3.2018	47,494	105	180	(8,340)	2,112	22	41,147	82,720	--	82,720
Balance at 1.7.2016	47,494	105	180	(7,721)	2,112	--	25,215	67,385	134	67,519
Total comprehensive (loss)/income for the period	--	--	--	(182)	--	29	(511)	(664)	--	(664)
Dividend paid	--	--	--	--	--	--	(405)	(405)	--	(405)
Balance at 31.12.2016	47,494	105	180	(7,903)	2,112	29	24,299	66,316	134	66,450
Total comprehensive (loss)/income for the period	--	--	--	(1,032)	--	274	385	(373)	--	(373)
Distributions from cancellation of shares by a subsidiary	--	--	--	--	--	--	--	--	(134)	(134)
Balance at 31.3.2017	47,494	105	180	(8,935)	2,112	303	24,684	65,943	--	65,943

- 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

	31.3.2018	31.3.2017
	No. of Shares	No. of Shares
Issued Share Capital (<i>Note</i>)	81,104,539	81,104,539
Shares that may be issued on conversion of all the outstanding convertibles	--	--
Treasury Shares	--	--
Subsidiary holdings	--	--

Note

	No. of Shares
Balance at 31/12/2017	81,104,539
Movement in share capital	--
Balance at 31/3/2018	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.

	31.3.2018	30.6.2017
Total number of issued shares excluding treasury shares	81,104,539	81,104,539

- 1(d)(iv) A statement showing all sales, transfers, 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, 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 as those applied for the most recent audited financial statements for the year ended 30 June 2017.

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/(losses) per ordinary share of the Group for the financial period based on net profit/(loss) attributable to shareholders:

		The Group			
		Third Quarter Ended		Nine Months Ended	
		31.3.2018	31.3.2017	31.3.2018	31.3.2017
a)	Based on weighted average number of shares (cents)	0.69	0.47	1.47	(0.16)
	Weighted average number of shares ('000 shares)	81,105	81,105	81,105	81,105
b)	On a fully diluted basis (cents)	0.69	0.47	1.47	(0.16)
	Weighted average number of shares ('000 shares)	81,105	81,105	81,105	81,105

Earnings/(losses) per ordinary share is computed based on the weighted average number of issued shares of 81,104,539 (31.3.2017: 81,104,539).

On a fully diluted basis, there were no outstanding convertibles during the financial periods ended 31 March 2018 and 31 March 2017.

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	
	31.3.2018	30.6.2017	31.3.2018	30.6.2017
	cents	cents	cents	cents
Net asset value per ordinary share based on total number of issued shares excluding treasury shares	101.99	99.23	107.14	84.00

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

During the third quarter ended 31 March 2018, the Group's turnover grew by 29% to S\$2.7 million, from S\$2.1 million in the last corresponding quarter. This resulted from the rise in business volume as demand for lime products went up.

On a nine month basis, turnover increased by 36% from S\$5.9 million to S\$8.1 million.

Net Earnings

During the nine-month period, the Group's expenditure went up by 16% to S\$9.8 million, mainly attributable to increases in purchases and production costs. Depreciation decreased by 31% to S\$0.7 million, as plant and equipment was impaired in the previous financial year. With the recovery of trade receivables, impairment of S\$1.7 million was reversed.

As a result, net earnings of the Group amounted to S\$0.6 million for this quarter, and S\$1.2 million for the nine months.

Financial Position

The Group's financial position remained positive, with working capital of S\$79.3 million as at 31 March 2018, compared with S\$77.0 million as at 30 June 2017. Cash balance of the Group increased from S\$69.7 million to S\$71.3 million. The increase relates to S\$0.7 million generated from operating activities, S\$0.5 million in interest received, a stronger Renminbi translation gain of S\$1.2 million, and offset by S\$0.4 million in dividend payment and S\$0.5 million for plant relocation costs.

Additional sales has increased trade and other receivables from S\$3.3 million to S\$3.8 million. Inventories increased from S\$5.9 million to S\$6.6 million, and trade and other payables increased from S\$2.0 million to S\$2.3 million, as a result of additional purchases.

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 Group continues to face challenging trading conditions caused by heightened competition, which is expected to continue into 2019.

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/recommendeded, a statement to that effect

No interim dividend has been declared for the quarter ended 31 March 2018.

13. Interested Person Transactions (“IPTs”)

For the financial period ended 31.3.2018		
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	--	3,269
Antara Steel Mills Sdn Bhd	--	314

14. Confirmation by Directors Pursuant to Rule 705(5) of the SGX Listing Manual

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 third quarter and nine months ended 31 March 2018, 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**

Tan Yen Hui
Company Secretary

Singapore, 15 May 2018