



LION ASIAPAC LIMITED

(Registration No: 196800586R)

Unaudited Condensed Interim Financial Statements

For the first quarter ended 30 September 2023

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.....	20

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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

Discontinued operations and subsidiary classified as held for sale

On 1 September 2023, the Group announced that it entered into a conditional share purchase agreement with 1207791 B.C. Limited for the proposed disposal of entire issued ordinary shares of Compact Energy Sdn. Bhd or ("Compact"). In compliance with FRS 105 Non-Current Assets Held for Sale and Discontinued Operations, the assets and liabilities of Compact are classified as assets in subsidiary held for sale and liabilities in subsidiary held for sale respectively on the consolidated balance sheet. The results for the current financial period reported on is presented separately in the statement of comprehensive income as "Discontinued Operations". The change in classification and presentation has no effect to the profit or loss after tax and net asset value of the Group.

	The Group			
	Note	First Quarter Ended		
		30.9.2023	30.9.2022	+/-
		S\$'000	S\$'000	%
			(Restated)	
Revenue	7	4,583	--	n.m
Other income and gains	8	413	257	61
Goods, materials and consumables used		(4,045)	--	n.m
Contract cost		(50)	--	n.m
Depreciation of property, plant and equipment		(3)	(1)	n.m
Depreciation right-of-use assets		(58)	(35)	66
Employee benefits expense		(293)	(233)	26
Other expenses	9	(304)	(115)	n.m
Finance costs		(28)	(1)	n.m
Other losses	8	(38)	(462)	n.m
Profit/(Loss) before tax from continuing operations		177	(590)	n.m
Income tax expense	10	(77)	(30)	n.m
Profit/(Loss) from continuing operations, net of tax		100	(620)	n.m
Discontinued operation				
Profit/(Loss) from discontinued operation, net of tax		36	(242)	n.m
Profit/(Loss) for the year		136	(862)	

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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

	The Group			
	Note	First Quarter Ended		
		30.9.2023 S\$'000	30.9.2022 S\$'000	+/- %
Profit/(Loss) attributable to:			(Restated)	
Equity holders of the Company		140	(862)	n.m
Non-controlling interests		(4)	-	n.m
		136	(862)	n.m
Other comprehensive income/(loss):				
Items that will not be reclassified to profit or loss:				
Fair value changes on equity instruments at fair value through other comprehensive income	15	(345)	--	n.m
Items that may be reclassified to profit or loss:				
Exchange differences on translating foreign operations		341	(1,210)	n.m
Other comprehensive income/(loss), net of tax		(4)	(1,210)	n.m
Total comprehensive income/(loss)		132	(2,072)	n.m
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company		136	(2,072)	n.m
Non-controlling interests		(4)	--	
		132	(2,072)	n.m
Earnings per share (Losses)				
Basic and diluted losses per share (cents)				
Continuing operations	11	0.13	(0.76)	
Discontinued operation	11	0.04	(0.30)	

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

B. Condensed interim statements of financial position

	Note	The Group		The Company	
		30.9.2023 S\$'000	30.6.2023 S\$'000	30.9.2023 S\$'000	30.6.2022 S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	13	1,905	1,531	--	--
Right-of-use assets	13	453	1,083	--	--
Investments in subsidiaries	14	--	--	65,453	56,696
Other financial assets	15	1,413	1,784	--	--
Total non-current assets		3,771	4,398	65,453	56,696
Current assets					
Assets of a disposal group classified as held for sale	16	16,406	--	3,081	--
Inventories		3,803	5,409	--	--
Trade and other receivables	17	8,232	6,116	69	67
Other non-financial assets		315	925	11	--
Cash and cash equivalents	18	40,160	48,046	768	3,431
Total current assets		68,916	60,496	3,929	3,498
Total assets		72,687	64,894	69,382	60,194
EQUITY AND LIABILITIES					
Equity					
Share capital	19	47,494	47,494	47,494	47,494
Retained earnings		20,709	20,569	20,321	11,196
Other reserves		(9,808)	(9,804)	--	--
Capital and reserves attributable to owners of the Company		58,395	58,259	67,815	58,690
Non-controlling interests		1,435	--	--	--
Total equity		59,830	58,259	67,815	58,690
Non-current liabilities					
Deferred tax liabilities		238	224	224	224
Borrowing	20	1,313	--	--	--
Lease liabilities		100	967	--	--
Total non-current liabilities		1,651	1,191	224	224
Current liabilities					
Liabilities of a disposal group classified as held for sale	16	2,690	--	--	--
Income tax payables		175	61	--	--
Borrowing	20	4,213	--	--	--
Lease liabilities		331	236	--	--
Trade and other payables		3,797	4,778	1,343	1,280
Provision		--	369	--	--
Total current liabilities		11,206	5,444	1,343	1,280
Total liabilities		12,857	6,635	1,567	1,504
Total equity and liabilities		72,687	64,894	69,382	60,194

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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	Non-controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Opening balance at 1 July 2023	47,494	1,762	(13,858)	2,112	180	20,569	58,259	--	58,259
Profit for the period	--	--	--	--	--	140	140	(4)	136
Other comprehensive loss	--	(345)	341	--	--	--	(4)	--	(4)
Total comprehensive profit for the period	--	(345)	341	--	--	140	136	(4)	132
Acquisition of subsidiary	--	--	--	--	--	--	--	1,439	1,439
Closing balance at 30 September 2023	47,494	1,417	(13,517)	2,112	180	20,709	58,395	1,435	59,830
Opening balance at 1 July 2022	47,494	--	(9,459)	2,112	180	31,683	72,010	--	72,010
Loss for the period	--	--	--	--	--	(862)	(862)	--	(862)
Other comprehensive loss	--	--	(1,210)	--	--	--	(1,210)	--	(1,210)
Total comprehensive loss for the period	--	--	(1,210)	--	--	(862)	(2,072)	--	(2,072)
Closing balance at 30 September 2022	47,494	--	(10,669)	2,112	180	30,821	69,938	--	69,938

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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

The Company

	Share capital S\$'000	Retained earnings S\$'000	Total S\$'000
Opening balance at 1 July 2023	47,494	11,196	58,690
Total comprehensive profit for the period	--	9,125	9,125
Closing balance at 30 September 2023	47,494	20,321	67,815
Opening balance at 1 July 2022	47,494	19,540	67,034
Total comprehensive loss for the period	--	(1,169)	(1,169)
Closing balance at 30 September 2022	47,494	18,371	65,865

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

D. Condensed interim consolidated statement of cash flows

	The Group	
	First Quarter Ended	
	30.9.2023	30.9.2022
	S\$'000	S\$'000
<u>Cash flows from operating activities</u>		
Profit/(Loss) before tax from continuing operations	177	(590)
Profit before tax from discontinued operation	37	(240)
Profit/(Loss) before taxation, total	214	(830)
Adjustments for :		
- Depreciation of property, plant and equipment	94	97
- Depreciation of right-of-use assets	72	50
- Property, plant and equipment written off	1	4
- Interest income	(153)	(234)
- Interest expense	47	21
- Unrealised currency translation losses	4,265	1,716
Operating cash flows before changes in working capital	4,540	824
- Inventories	675	(718)
- Trade and other receivables	(4,193)	1,065
- Other non-financial assets	633	(82)
- Trade and other payables	(1,806)	(342)
- Provision	(369)	--
Net cash flows (used in)/from operations	(520)	747
Income tax paid, net	(7)	--
Net cash flows (used in)/from operating activities	(527)	747
<u>Cash flows from investing activities</u>		
Acquisition of subsidiary	(1,051)	--
Purchases of property, plant and equipment	(245)	(106)
Interest received	165	(27)
Interest paid	(24)	--
Net cash flows used in investing activities	(1,155)	(133)
<u>Cash flows from financing activities</u>		
Lease liabilities	(91)	(66)
Repayment of borrowing	(523)	--
Proceed from borrowing	1,081	--
Net cash from/(used in) financing activities	467	(66)
Net (decrease)/increase in cash and cash equivalents	(1,215)	548
Cash and cash equivalents, statement of cash flows, beginning balance	16,239	24,042
Effects of currency translation on cash and cash equivalents	(1,520)	(1,533)
Cash and cash equivalents, statement of cash flows, ending balance (Note 18)	13,504	23,057

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

E. Notes to the condensed interim consolidated financial statements

1. General

The Company is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”), 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) Supply of roofing solutions for metal roofing and cladding;
- (b) Trading of steel consumables and mining equipment;
- (c) Investment holding; and
- (d) Lime sales.

The condensed interim financial statements for the period ended 30 September 2023 have not been audited or reviewed.

2. Basis of preparation

The interim financial statements for the three months ended 30 September 2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The 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 2023.

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 period 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
Various	Annual Improvements to SFRS (I)s 2018-2020 - Amendments to SFRS(I) 1 First-time Adoption of SFRS(I); IFRS 9 Financial Instruments; SFRS(I) 16 Leases, and; SFRS(I) 1-41 Agriculture

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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 with no material impact expected that have been issued but not yet effective:

SFRS (I) No.	Title	Effective data 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) 1-1	Disclosure of Accounting Policies - Amendments to SFRS (I) 1-1 and SFRS (I) Practice Statement 2 Making Materiality Judgements	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
SFRS(I) 16	Lease Liability in a Sale and Leaseback (Amendments)	1 Jan 2024

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.

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 2023.

Estimate 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 period affected.

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 14 – Assessment of impairment loss on investment in subsidiaries and long-term receivables from subsidiaries
- Note 16 – Assessment of expected loss on trade receivable

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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 year.

4. Related party transactions

	<u>First Quarter ended</u>	
	<u>30.9.2023</u>	<u>30.9.2022</u>
	S\$'000	S\$'000
<u>Significant related party transactions:</u>		
Revenue – sale of goods and services	2,964	5,565
Purchase of goods	19	101
Rental	27	29
Maintenance expense	-	171
	<u>-</u>	<u>171</u>

5. Financial information by continuing operations segments

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

- a) Supply of roofing solutions – total solution provider for metal roofing and cladding.
- b) Trading – trading of consumables required for steel product manufacturing, trading of mining equipment.
- c) Investment holding – managing investments.

The Group	Supply roofing solution S\$'000	Trading S\$'000	Investment holding S\$'000	Total S\$'000
First Quarter ended 30 September 2023				
Revenue	1,560	3,023	-	4,583
Segment results	(18)	(19)	(161)	(198)
Other income and gains	234	85	94	413
Other losses	-	(21)	(17)	(38)
Loss before tax				177
Income tax expense				(77)
Loss for the period				100
Non-cash expenses				
Depreciation	24	37	-	61
Reportable segment assets and consolidated total assets	15,659	15,236	41,792	72,687
Reportable segment liabilities	8,844	464	3,311	12,619
Unallocated:				
Deferred tax liabilities				238
Consolidated total liabilities				12,857
Other reportable segment item				
Capital expenditure	51	-	-	51

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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

5. Financial information by continuing operations segments (Cont'd)

The Group (Restated)	Lime sales S\$'000	Trading S\$'000	Investment holding S\$'000	Total S\$'000
First Quarter ended 30 September 2022				
Revenue	-	-	-	-
Segment results	-	(273)	(112)	(385)
Other income and gains	-	88	169	257
Other losses	-	-	(462)	(462)
Loss before tax				(590)
Income tax expense				(30)
Loss for the period				(620)
Non-cash expenses				
Depreciation	-	34	2	36
Reportable segment assets and consolidated total assets	19,799	14,990	40,322	75,111
Reportable segment liabilities	4,075	188	686	4,949
Unallocated:				
Deferred tax liabilities				224
Consolidated total liabilities				5,173
Other reportable segment item				
Capital expenditure	106	-	-	106

Geographical information

As at 30 September 2023, the Group's three business segments operated in three main geographical areas:

- Malaysia – the main activity is lime sales, trading, and supply roofing solution.
- Australia – the main activity is investment holding.
- Singapore – the main activity is investment holding and trading.
- China – the main activity is trading of mining equipment.

	<u>Revenue</u>		<u>Non-current assets</u>	
	<u>First quarter ended</u>	<u>30.9.2022</u>	<u>First quarter ended</u>	<u>30.9.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Malaysia	3,178	-	2,177	2,640
Australia	-	-	1,413	-
Singapore	-	-	181	31
China	1,406	-	-	-
Others	-	-	-	-
	<u>4,583</u>	<u>-</u>	<u>3,771</u>	<u>2,671</u>

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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>30.9.2023</u>	<u>30.6.2023</u>	<u>30.9.2023</u>	<u>30.6.2023</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Financial assets:</u>				
Assets of a disposal group classified as held for sale	16,406	-	3,081	-
Financial assets at amortised cost	48,392	54,162	837	3,498
Financial assets at fair value through other comprehensive income	1,413	1,784	-	-
At end of the year	<u>66,211</u>	<u>55,946</u>	<u>3,918</u>	<u>3,498</u>
<u>Financial liabilities:</u>				
Liabilities of a disposal group classified as held for sale	2,690	-	-	-
Financial liabilities at amortised cost	9,754	5,981	1,343	1,280
At end of the year	<u>12,444</u>	<u>5,981</u>	<u>1,343</u>	<u>1,280</u>

7. Revenue

Revenue from contracts with customers

Continuing operations

- Lime sales
- Trading
Sales

<u>First quarter ended</u>	
<u>30.9.2023</u>	<u>30.9.2022</u>
<u>S\$'000</u>	<u>S\$'000</u>
	(Restated)
-	-
4,583	-
<u>4,583</u>	<u>-</u>

Discontinued operation

- Lime sales
- Trading
Sales

<u>First quarter ended</u>	
<u>30.9.2023</u>	<u>30.9.2022</u>
<u>S\$'000</u>	<u>S\$'000</u>
	(Restated)
3,298	3,410
2,503	4,345
<u>5,801</u>	<u>7,755</u>

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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

8. Other income and gains

Continuing operations

	<u>First quarter ended</u>	
	<u>30.9.2023</u>	<u>30.9.2022</u>
	S\$'000	S\$'000
		(Restated)
<u>Other income and gains:</u>		
Interest income	150	228
Rental recharged	25	24
Goodwill written off	232	-
Others	6	5
	<u>413</u>	<u>257</u>
<u>Other losses:</u>		
Exchange losses	(38)	(462)
	<u>(38)</u>	<u>(462)</u>
Net	<u>375</u>	<u>(205)</u>

Discontinued operation

	<u>First quarter ended</u>	
	<u>30.9.2023</u>	<u>30.9.2022</u>
	S\$'000	S\$'000
		(Restated)
<u>Other income and gains:</u>		
Interest income	3	7
Penalties from shortfall on minimum purchases	181	46
Incentive claim income	10	13
Reversal of natural gas compensation claim	205	-
Others	14	26
	<u>413</u>	<u>92</u>
<u>Other losses:</u>		
Exchange losses	(311)	-
	<u>(311)</u>	<u>-</u>
Net	<u>102</u>	<u>92</u>

9. Other expenses

The major and other selected components include the following:

Continuing operations

	<u>First quarter ended</u>	
	<u>30.9.2023</u>	<u>30.9.2022</u>
	S\$'000	S\$'000
		(Restated)
Director fee	27	29
Professional fee	102	1
Sub-contractor fee	18	-
Transportation expense	25	-
Travelling expense	21	3

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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

9. Other expenses (Cont'd)

Discontinued operation

	<u>First quarter ended</u>	
	<u>30.9.2023</u>	<u>30.9.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>
		(Restated)
Maintenance expense	78	260
Material handling	100	102
Transportation expense	267	305
Utilities	315	249

10. Income tax

Continuing operations

	<u>First quarter ended</u>	
	<u>30.9.2023</u>	<u>30.9.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>
		(Restated)
Current income tax expense	77	30

Discontinued operation

	<u>First quarter ended</u>	
	<u>30.9.2023</u>	<u>30.9.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>
		(Restated)
Current income tax expense	1	2

11. Losses per share

	<u>Continuing operations</u>		<u>Discontinued operation</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		(Restated)		(Restated)		(Restated)
Loss, net of tax attributable to owners of the Company (S\$'000)	100	(620)	36	(242)	136	(862)
Weighted average number of ordinary shares ('000) (Note 19)	81,105	81,105	81,105	81,105	81,105	81,105
Losses per share (cents)	0.13	(0.76)	0.04	(0.30)	0.17	(1.06)

The diluted losses per share was the same as the basic losses per share as there were no share options outstanding (30.6.2022: Nil).

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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

12. Net asset value

	<u>Group</u>		<u>Company</u>	
	<u>30.9.2023</u>	<u>30.6.2023</u>	<u>30.9.2023</u>	<u>30.6.2023</u>
Net asset value per ordinary share (cents)	<u>73.77</u>	<u>71.83</u>	<u>83.61</u>	<u>69.48</u>

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 subsidiaries.

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>30.9.2023</u>	<u>30.6.2023</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Unquoted equity shares at cost	28,062	5,087
Loan receivables ^(a)	81,163	101,567
Allowance for impairment	(40,691)	(49,958)
Transfer to held for sale	(3,081)	-
Carrying value	<u>65,453</u>	<u>56,696</u>

(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>30.9.2023</u>	<u>30.6.2023</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Movements during the year. At carrying value:		
Balance at beginning of the year	56,696	63,054
Reversal of impairment loss ^(b)	9,267	170
Repayment of loan receivables	(510)	(6,528)
Balance at end of the year	<u>65,453</u>	<u>56,696</u>
Movements in allowance for impairment:		
Balance at beginning of the year	49,958	50,128
Reversal of impairment loss to profit or loss of Company ^(b)	(9,267)	(170)
Balance at end of the year	<u>40,691</u>	<u>49,958</u>

(b) The net tangible assets/liabilities of subsidiaries were used to determine the allowance for impairment. There was an improvement in the financial positions of the subsidiaries comprises the reclassification of assets held for sale, which has resulted in a reversal of impairment of S\$9,267,000 (2023:S\$170,000).

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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

15. Other financial assets

	<u>Group</u>	
	<u>30.9.2023</u>	<u>30.6.2023</u>
	S\$'000	S\$'000
Movements during the year:		
Fair value at beginning of the year	1,784	-
(Decrease)/Increase in fair value through other comprehensive income	<u>(371)</u>	1,784
Fair value at end of the year	<u>1,413</u>	<u>1,784</u>

This relates to the quoted shares of Mindax Limited, which is listed on the Australian Securities Exchange ("ASX"). This investment is classified as level 1 in the fair value hierarchy as it is traded in an active market.

16. Assets/Liabilities of a disposal group classified as held for sale

On 1 September 2023, the Group announced that it has entered into a conditional share purchase agreement with B.C. Limited for the proposal disposal of entire issued share capital of Compact Energy Sdn. Bhd. subject to the terms of the agreement. The entire assets and liabilities related to Compact Energy Sdn. Bhd. was presented as a disposal group classified as held-for-sale as at 30 September 2023, and the entire results from Compact Energy Sdn. Bhd. was presented separately on the statement of comprehensive income as "Discontinued operations" for the financial period ended 30 September 2023. The disposal group was previously presented under the "lime sales and trading part" reportable segment of the Group (Note 4).

The major classes of assets and liabilities of the Compact Energy Sdn. Bhd. classified as held for sale as at 30 September 2023 are as follows:

	<u>Group</u>
	<u>2023</u>
	S\$'000
<u>Assets:</u>	
Cash and bank balances	2,660
Trade and other receivables	6,034
Inventories	4,963
Other current assets	253
Rights of use asset	870
Property, plant and equipment	<u>1,626</u>
Total assets	<u>16,406</u>
	<u>Group</u>
	<u>2023</u>
	S\$'000
<u>Liabilities:</u>	
Trade and other payables	1,706
Current income tax liabilities	(7)
Lease Liabilities	<u>991</u>
Total liabilities	<u>2,690</u>

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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

17. 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 that are past due:

<u>Group</u>	<u>Gross amount</u> S\$'000	<u>Loss allowance</u> S\$'000
30.9.2023:		
Within credit limit	3,806	--
1 to 30 days past due	1,582	--
31 to 60 days past due	1,132	--
61 to 90 days past due	712	--
Over 90 days past due	481	151
Total	7,713	151
<u>Group</u>	<u>Gross amount</u> S\$'000	<u>Loss allowance</u> S\$'000
30.6.2023:		
Current	4,045	--
1 to 30 days past due	518	--
31 to 60 days past due	427	--
61 to 90 days past due	365	--
Over 90 days past due	133	--
Total	5,488	--

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.

18. Cash and cash equivalents

	<u>Group</u>		<u>Company</u>	
	30.9.2023 S\$'000	30.6.2023 S\$'000	30.9.2023 S\$'000	30.6.2023 S\$'000
Cash at bank and on hand	8,502	10,996	768	467
Fixed deposits	31,658	37,050	-	2,964
Cash at end of the year	40,160	48,046	768	3,431

Cash and cash equivalents in the statement of cash flows:

	<u>Group</u>	
	30.9.2023 S\$'000	30.6.2023 S\$'000
Amount as shown above	40,160	48,046
Cash subjected to foreign exchange control	(29,316)	(31,807)
Cash at bank and on hand included in disposal group classified as held for sale	2,660	-
Cash and cash equivalents in the statement of cash flows	13,504	16,239

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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

19. Share capital

	Number of shares <u>issued</u>	Share capital S\$'000
Issued share capital		
Balances as 30.6.2023 and 30.9.2023	<u>81,104,539</u>	<u>47,494</u>
Treasury shares		
Balances as 30.9.2022, 30.6.2023 and 30.9.2023	<u>--</u>	<u>--</u>
Total number of issued shares excluding treasury shares		
Balances as 30.9.2022, 30.6.2023 and 30.9.2023	<u>81,104,539</u>	<u>47,494</u>

There was no movement in the issued and paid-up capital of the Company since 30 June 2023.

20. Borrowing

	Group	
	<u>30.9.2023</u> S\$'000	<u>30.6.2023</u> S\$'000
Non-current liabilities		
Term loan	<u>1,313</u>	<u>-</u>
	<u>1,313</u>	<u>-</u>
Current liabilities		
Term loan	<u>83</u>	<u>-</u>
Banker's acceptance	<u>4,130</u>	<u>-</u>
	<u>4,213</u>	<u>-</u>
	<u>5,526</u>	<u>-</u>

These borrowings are secured by a placement of the fixed deposits.

21. Acquisition of subsidiaries

(a) Acquisition of subsidiaries

On 30 August 2023 the Group acquired subsidiaries as below:

Name of subsidiary	Date acquired	Effective interest acquired
Semangat Meriah Sdn. Bhd.	30 Aug 2023	100.00%
Swissma Building Technologies Sdn. Bhd.	30 Aug 2023	96.79%
Associated Steel Industries (M) Sdn. Bhd.	30 Aug 2023	65.00%

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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

21. Acquisition of subsidiaries (Cont'd)

(b) Effects of acquisitions

The cash flows and net assets of subsidiaries acquired are provided below:

	Recognised values 30.9.2023 S\$'000
The Group	
Property, plant and equipment	1,840
Right-of-use assets	310
Inventories	4,010
Trade and other receivables	4,736
Other non-financial assets	74
Cash and cash equivalents	2,688
Income tax payable	(103)
Borrowing	(4,971)
Lease liabilities	(283)
Trade and other payables	(2,544)
Deferred tax liabilities	(14)
Non-controlling interest	(1,439)
Net assets acquired	4,304
Negative goodwill	(230)
Purchase consideration	4,074
Less: Cash and cash equivalents	(2,688)
Less: Deferred purchase consideration	(335)
Cash outflow on acquisition of subsidiaries	1,051

22. 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

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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 September 2023 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 then ended and certain explanatory notes have not been audited or reviewed.

2. Review of the performance of the group

Discontinued operations and subsidiaries classified as held for sale

On 1 September 2023, the Group announced that it entered into a conditional share purchase agreement with 1207791 B.C. Limited for the proposed disposal of entire issued ordinary shares of Compact Energy Sdn. Bhd or ("**Compact**").

As prescribed by FRS 105 Non-Current Assets Held for Sale and Discontinued Operations, the balance sheet of Compact is classified as assets (\$16.4 million), and liabilities (\$2.7 million), held for sale respectively in the consolidated balance sheet.

Its results are presented in the statement of comprehensive income as "Discontinued Operations". The changes in classification and presentation have no effect on the profit or loss after tax, and the net asset value of the Group.

The post-tax loss for the quarters ended 30 September 2023 and 30 September 2022 from the discontinued operations attributable to the Group are presented below:

	<u>3 months ended</u>	
	<u>30 Sept 2023</u>	<u>30 Sept 2022</u>
	S\$'000	S\$'000
Revenue	5,801	7,755
Other income and gains	413	92
Goods, materials and consumables used	(4,465)	(6,483)
Depreciation of property, plant and equipment	(91)	(96)
Depreciation of right-of-use assets	(14)	(15)
Employee benefits expenses	(417)	(426)
Other expenses	(865)	(1,076)
Change in inventories of finished goods	5	29
Finance costs	(19)	(20)
Other losses	(311)	-
Profit/(loss) before tax from discontinued operations	37	(240)
Income tax expenses	(1)	(2)
Profit/(loss) from discontinued operation, net of tax	36	(242)

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

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

Continuing operations

For the quarter ended 30 September 2023, the Group recorded a 1-month contribution from (i) Semangat Meriah Sdn. Bhd.; (ii) Swissma Building Technologies Sdn. Bhd.; and (iii) Associated Steel Industries (M) Sdn. Bhd. (collectively known as the “**Semangat**”), following the completion of the acquisition of Semangat as announced on 30 August 2023. The revenue contribution from the Semangat is recorded under the supply of roofing solutions.

Quarter on quarter, the Group's revenue in 1Q2014, has increased by one-fold to \$4.6 million, because of improved steel trading, the commencement of mining equipment trading in the quarter, and the 1-month contribution from the supply of roofing solutions.

Other income and gains increased by 61% to \$0.4 million because of negative goodwill arising from the acquisition of Semangat.

Higher trading orders have increased the purchase of inventories to \$4.1 million.

Additional headcount from Semangat has increased employee expenses by 24% to \$0.3 million.

Professional fees incurred for legal and independent financial advisory on the acquisition of Semangat have raised “Other expenses” to \$0.3 million.

The strengthening of the Renminbi has reduced the foreign exchange loss to \$38,000 against the corresponding quarter of \$0.5 million, in “Other losses”.

For the quarter, the Group reported a net profit from continuing operations of \$0.1 million, against a net loss of \$0.6 million in the corresponding quarter.

Financial position review

As of September 2023, the Group's assets and liabilities stood at \$72.7 million and \$12.9 million, respectively. Its working capital remained healthy at \$57.4 million, an increase of \$3.2 million from the corresponding year.

The acquisition of the Semangat has increased property, plant, and equipment, by \$0.4 million to \$1.9 million.

‘Other financial assets’ comprise Mindax Limited equity shares, valued at \$1.4 million since the security recommenced trading on the ASX on 1st March 2023.

Trade and other receivables increased by \$2.1 million to \$8.2 million as a result of the divestment of a subsidiary classified as assets held for sales, and the increase of trade receivables of \$5.0 million from the acquisition of the Semangat.

The non-controlling interest of \$1.4 million relates to the acquisition of the Semangat.

Bank borrowings of the Semangat have increased the “Total loans and borrowings” to \$5.5 million.

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

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

Cash flow statement review

Cash flows used in operating activities amounted to \$0.5 million. The Group utilised \$1.1 million in investing activities for the acquisition of Semangat. The Group generated \$0.4 million from financing activities primarily owing to a drawdown from borrowing of \$1.0 million, cushioned by a repayment of lease liabilities and borrowing of \$0.6 million.

Cash and bank equivalents from Compact are classified as held for sales of \$2.7 million.

In summary, the group's cash balances were reduced by \$7.8 million to \$40.2 million as at 30 September 2023.

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

Following the acquisition of Semangat, the Group looks forward to its contribution to the consolidated results.

As the economic outlook continues to pose persistent challenges, the Group will continue to exercise prudence in managing these challenges and will take advantage of any new opportunities that may arise.

5. 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.

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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

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. Interested person transactions

Interested Person Transactions ("IPTs")

For the financial year ended 30.9.2023			
Name of Interested Person	Nature of relationship	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) S\$'000	Aggregate value of all IPTs conducted under IPT Mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) S\$'000
<u>Sales of lime products</u> Amsteel Mills Sdn Bhd	Associates of Tan Sri Cheng Heng Jem, who is the Non-Executive Director and controlling shareholder of the Company.	--	461
<u>Sales of steel consumables</u> Amsteel Mills Sdn Bhd		--	4,120
<u>Sales of mining equipments</u> Lion Mining Sdn Bhd		--	1,410

LION ASIAPAC LIMITED
Unaudited Condensed Interim Financial Statements
For the first quarter ended 30 September 2023

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

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

The Directors confirmed that, to the best of their knowledge, nothing has come to their attention which may render the interim financial results of Lion Asiapac Limited for the first quarter ended 30 September 2023 to be false or misleading in any material aspects.

9. 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, 31 October 2023