



**Third-Quarter and Nine-Month Unaudited Financial Statement Announcement
For The Period Ended 31 March 2020**

PART 1 - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

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 Statement of Comprehensive Income

	The Group					
	Third Quarter Ended			Nine Months Ended		
	31.3.2020	31.3.2019	+/(-) %	31.3.2020	31.3.2019	+/(-) %
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	4,199	5,855	(28)	13,338	28,396	(53)
Other income	335	346	(3)	1,708	831	106
Other gains/(losses) – net	696	420	66	610	(51)	n/m
Expenses:						
Purchases of inventories	(2,620)	(4,033)	(35)	(8,182)	(22,458)	(64)
Employee compensation	(539)	(530)	2	(1,652)	(1,554)	6
Depreciation of property, plant and equipment	(216)	(162)	33	(646)	(592)	9
Other operating expenses	(1,285)	(1,391)	(8)	(3,980)	(4,663)	(15)
Changes in inventories	232	126	84	113	175	(35)
Finance cost	(24)	--	n/m	(72)	--	n/m
Total expenses	(4,452)	(5,990)	(26)	(14,419)	(29,092)	(50)
Profit before income tax	778	631	23	1,237	84	1,373
Income tax expense	(35)	(22)	59	(89)	(85)	5
Total profit/(loss)	743	609	22	1,148	(1)	n/m
Profit/(loss) attributable to:						
Equity holders of the Company	743	609	22	1,148	(1)	n/m
	743	609	22	1,148	(1)	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.

	The Group					
	Third Quarter Ended			Nine Months Ended		
	31.3.2020	31.3.2019	+ / (-)	31.3.2020	31.3.2019	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total profit/(loss)	743	609	22	1,148	(1)	n/m
Other comprehensive income/(loss): Items that may be reclassified to profit or loss:						
- Currency translation arising from consolidation	1,182	624	89	736	(819)	n/m
Items that will not be reclassified to profit or loss:						
Financial assets at fair value through other comprehensive income						
- Fair value loss	--	(279)	n/m	--	(116)	n/m
Other comprehensive income/(loss), net of tax	1,182	345	243	736	(935)	n/m
Total comprehensive income/(loss)	1,925	954	102	1,884	(936)	n/m
Total comprehensive income/(loss) attributable to:						
Equity holders of the Company	1,925	954	102	1,884	(936)	n/m

n/m - denotes not meaningful

1(a)(iii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:

	The Group			
	Third Quarter Ended		Nine Months Ended	
	31.3.2020	31.3.2019	31.3.2020	31.3.2019
	S\$'000	S\$'000	S\$'000	S\$'000
Profit/(loss) before income tax is arrived after crediting/(charging):				
Currency exchange gains/(loss) - net	570	279	291	(300)
Depreciation	(216)	(162)	(646)	(592)
Insurance	(36)	(38)	(107)	(112)
Listing expenses	(12)	(23)	(56)	(59)
Maintenance expenses	(65)	(62)	(202)	(189)
Material handling	(85)	(108)	(263)	(326)
Transportation	(633)	(644)	(1,853)	(2,102)
Utilities	(293)	(293)	(832)	(914)
Reversal of impairment loss on trade receivables	80	--	758	--
Interest income:				
- bank deposits	303	240	816	616
- charged to related parties	5	96	25	125
Shortfall claims on minimum purchases from related parties	108	141	319	249

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	
	31.3.2020	30.6.2019	31.3.2020	30.6.2019
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	69,523	67,038	9,892	10,351
Trade and other receivables	4,707	4,925	38	82
Inventories	3,905	4,310	--	--
Income tax receivables	3	70	--	--
Other current assets	519	341	15	2
	78,657	76,684	9,945	10,435
Non-current assets				
Financial assets at fair value through other comprehensive income	--	--	--	--
Investments in subsidiaries	--	--	65,023	65,305
Property, plant and equipment	2,373	2,707	--	--
Rights-of-use assets	1,296	--	--	--
	3,669	2,707	65,023	65,305
Total assets	82,326	79,391	74,968	75,740
LIABILITIES				
Current liabilities				
Trade and other payables	2,347	2,241	1,187	1,243
Lease liabilities	87	--	--	--
Income tax payables	72	51	--	--
Provision	421	416	--	--
	2,927	2,708	1,187	1,243
Non-current liabilities				
Lease liabilities	1,238	--	--	--
Deferred income tax liabilities	224	224	224	224
	1,462	224	224	224
Total liabilities	4,389	2,932	1,411	1,467
NET ASSETS	77,937	76,459	73,557	74,273
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	47,494	47,494	47,494	47,494
Other reserves	(7,454)	(8,190)	--	--
Retained profits	37,897	37,155	26,063	26,779
TOTAL EQUITY	77,937	76,459	73,557	74,273

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

Amount repayable in one year or less, or on demand

The Group			
31.3.2020		30.6.2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
--	--	--	--

Details of any collateral

Not applicable.

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.

	The Group			
	Third Quarter Ended		Nine Months Ended	
	31.3.2020	31.3.2019	31.3.2020	31.3.2019
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Total profit/(loss)	743	609	1,148	(1)
Adjustments for				
- Income tax expenses	35	22	89	85
- Depreciation	216	162	646	592
- Reversal of impairment loss on trade receivables	--	--	--	--
- Interest income	(308)	(336)	(841)	(741)
- Interest expense	24	--	72	--
- Property, plant and equipment written off	--	3	--	7
- Reversal of impairment loss on trade receivables	(80)	--	(758)	--
- Unrealised currency translation gains	(599)	(289)	(306)	298
	31	171	50	240
Changes in working capital				
- Trade and other receivables	152	2,146	1,038	(5,911)
- Inventories	349	401	456	170
- Other current assets	(156)	(184)	(171)	(142)
- Trade and other payables	(607)	(881)	84	223
Cash (used in)/generated from operations	(231)	1,653	1,457	(5,420)
Income tax (paid)/refund	--	(4)	--	(26)
Net cash (used in)/generated from operating activities	(231)	1,649	1,457	(5,446)
Cash flows from investing activities				
Purchases of property, plant and equipment	(90)	(36)	(109)	(230)
Interest received	99	390	500	662
Cash subjected to foreign exchange controls	225	215	2,660	3,180
Net cash generated from investing activities	234	569	3,051	3,612
Cash flows from financing activities				
Finance lease repayments	(66)	--	(205)	(30)
Dividends paid to equity holders of the Company	--	(2,433)	(406)	(2,839)
Net cash used in financing activities	(66)	(2,433)	(611)	(2,869)
Net (decrease)/increase in cash and cash equivalents	(63)	(215)	3,897	(4,703)
Cash and cash equivalents at beginning of financial period	35,809	25,470	31,925	30,043
Effects of currency translation on cash and cash equivalents	433	(11)	357	(96)
Cash and cash equivalents at end of financial period	36,179	25,244	36,179	25,244

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	
	31.3.2020	31.3.2019	31.3.2020	31.3.2019
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at bank and on hand	4,392	7,438	4,392	7,438
Short-term bank deposits	65,131	55,827	65,131	55,827
Cash and cash equivalent in the statement of financial position	69,523	63,265	69,523	63,265
Cash subjected to foreign exchange controls	(33,344)	(38,021)	(33,344)	(38,021)
Cash and cash equivalent in the statement of cash flows	36,179	25,244	36,179	25,244

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 1.7.2019	47,494	26,779	74,273
Total comprehensive loss for the period	--	(251)	(251)
Dividends	--	(406)	(406)
Balance at 31.12.2019	47,494	26,122	73,616
Total comprehensive income for the period	--	(59)	(59)
Balance at 31.3.2020	47,494	26,063	73,557
Balance at 1.7.2018	47,494	29,933	77,427
Total comprehensive loss for the period	--	(1,784)	(1,784)
Dividends	--	(406)	(406)
Balance at 31.12.2018	47,494	27,743	75,237
Total comprehensive income for the period	--	369	369
Dividends	--	(2,433)	(2,433)
Balance at 31.3.2019	47,494	25,679	73,173

1(d)(i) (cont'd)

Group Consolidated Statement of Changes in Equity

	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 1.7.2019	47,494	--	180	(10,363)	2,112	(119)	37,155	76,459
Total comprehensive (loss)/income for the period	--	--	--	(446)	--	--	405	(41)
Dividend paid	--	--	--	--	--	--	(406)	(406)
Balance at 31.12.2019	47,494	--	180	(10,809)	2,112	(119)	37,154	76,012
Total comprehensive income for the period	--	--	--	1,182	--	--	743	1,925
Balance at 31.3.2020	47,494	--	180	(9,627)	2,112	(119)	37,897	77,937
Balance at 1.7.2018	47,494	105	180	(8,650)	2,112	118	40,995	82,354
Total comprehensive (loss)/income for the period	--	--	--	(1,443)	--	163	(610)	(1,890)
Dividend paid	--	--	--	--	--	--	(406)	(406)
Balance at 31.12.2018	47,494	105	180	(10,093)	2,112	281	39,979	80,058
Total comprehensive income/(loss) for the period	--	--	--	624	--	(279)	609	954
Dividend paid	--	--	--	--	--	--	(2,433)	(2,433)
Balance at 31.3.2019	47,494	105	180	(9,469)	2,112	2	38,155	78,579

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.

	31.3.2020	31.12.2019
	No. of Shares	No. of Shares
Issued Share Capital	81,104,539	81,104,539

	31.3.2020	31.3.2019
	No. of Shares	No. of Shares
Treasury Shares held	--	--
Shares to be issued pursuant to the exercise of all the outstanding convertibles	--	--

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.

	31.3.2020	30.6.2019
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 2019.

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.**

As required by the listing requirements of the Singapore Exchange, the Group has adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") with effect from 1 July 2019. The adoption of SFRS (I) did not result in any material impact on the financial position or financial performance of 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			
		Third Quarter Ended		Nine Months Ended	
		31.3.2020	31.3.2019	31.3.2020	31.3.2019
a)	Based on weighted average number of shares (cents)	0.92	0.75	1.42	--
	Weighted average number of shares ('000 shares)	81,105	81,105	81,105	81,105
b)	On a fully diluted basis (cents)	0.92	0.75	1.42	--
	Weighted average number of shares ('000 shares)	81,105	81,105	81,105	81,105

Earnings per ordinary share is computed based on the weighted average number of issued shares of 81,104,539 (31.3.2019: 81,104,539).

On a fully diluted basis, there were no outstanding convertibles during the financial periods ended 31 March 2020 and 31 March 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	
	31.3.2020	30.6.2019	31.3.2020	30.6.2019
	cents	cents	cents	cents
Net asset value per ordinary share based on total number of issued shares excluding treasury shares	96.09	94.27	90.69	91.58

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

For the third quarter ended 31 March 2020, a revenue of S\$4.2m was recorded by the Group. Lower sales orders have resulted in the 28% reduction from S\$5.9m in the last corresponding quarter.

On a nine-month basis, revenue has dropped 53% from S\$28.4m to S\$13.3m mainly from the absence of steel consumables sales.

Net Earnings

For the nine-month period ended 31 March 2020, other income increased by S\$0.9m from S\$0.8m to S\$1.7m primarily owing to reversal of impairment S\$0.8m and increase in interest income of S\$0.2m.

The recovery of the Renminbi during the third quarter resulted in an unrealised foreign exchange gain of S\$0.3m for the nine-month period compared to a loss of S\$0.3m in the last corresponding period.

Costs dropped significantly in line with declined activities in both steel consumables and lime manufacturing. Consequently, total expenses reduced by 50% to S\$14.4m in the nine-month period compared to S\$29.1m in the last corresponding period.

Cash Flow and Financial Position

As at end March 2020, the Group's working capital stood at S\$75.2m from S\$73.6m as at end June 2019. Cash balance increased by S\$2.5m mainly by S\$1.5m generated from operating activities, interest income S\$0.5m from bank deposits, and unrealised foreign exchange gain of S\$0.9m, but offset by a dividend distribution of S\$0.4m during the period.

Lower trade and other receivables as at 31 March 2020 resulted from the recovery of impaired debts S\$0.8m. Trade and payables increased by S\$0.1m to S\$2.3m while property, plant and equipment reduced by S\$0.3m depreciation.

Capitalisation of leases resulted in net book value for rights-of-use assets amounting S\$1.3m as at end March 2020, following adoption of SFRS(I) 16 in the beginning of the period. Correspondingly, lease liabilities of S\$1.3m were recorded as at 31 March 2020.

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 operations are subject to the market conditions and challenges of the steel industry. Headwinds are expected to persist under current market uncertainties. The Group will exercise prudence in order to navigate these challenges.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	One-time Special
Dividend Type	Cash
Dividend Rate	5 cents per ordinary share
Tax Rate	Tax-exempt one-tier

(b) Corresponding Period of the Immediately Preceding Financial Year

None.

(c) Date payable

The one-time special dividend will be paid on 15 June 2020.

(d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed on 9 June 2020, for the purpose of determining the shareholders' entitlements to the one-time special dividend of 5 cents per ordinary share (tax-exempt one-tier) for the financial year ending 30 June 2020.

Duly completed registrable transfers received by the Company's Share Registrar, B.A.C.S. Private Limited, at 8 Robinson Road, #03-00 ASO Building, Singapore 048544 up to 5.00 p.m. on 8 June 2020 will be registered to determine shareholders' entitlements to the one-time special dividend. Shareholders whose Securities Accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 8 June 2020 will be entitled to the one-time special dividend.

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

Not applicable.

13. Interested Person Transactions (“IPTs”)

For the financial period ended 31.3.2020		
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
Associate of Tan Sri Cheng Heng Jem, a Director and a Substantial Shareholder of the Company		
Amsteel Mills Sdn Bhd	--	1,890
Antara Steel Mills Sdn Bhd	--	100

14. Volunteer Reporting of Financial Results on a Quarterly basis

The Company wishes to advise that there will be no changes to the reporting of the Group's financial results (“Results”), on a quarterly basis.

Following the amendments to the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Rules, effective 7 February 2020, the Company will no longer be required by SGX-ST to release its Results on a quarterly basis.

As Lion Posim Berhad, a deemed substantial shareholder of the Company, is listed on Bursa Malaysia Securities Berhad (“Bursa”), the disclosure of the Result will remain obligatory under the requirement of Bursa.

Consequently, the Company has decided to volunteer the reporting of Results on a quarterly basis.

15. 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 2020, to be false or misleading in any material aspects.

16. 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, 29 May 2020