



**First Quarter Unaudited Financial Statement Announcement  
 For The Quarter Ended 30 September 2019**

**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**

	<b>The Group</b>		
	<b>1.7.2019 - 30.9.2019</b>	<b>1.7.2018 - 30.9.2018</b>	<b>Increase/ (Decrease)</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Continuing operations</b>			
Revenue – sale of goods	4,762	14,051	(66)
Other income and gains	425	307	38
Expenses:			
Purchases of inventories	(2,974)	(11,994)	(75)
Employee compensation	(562)	(520)	8
Depreciation	(211)	(226)	(7)
Other expenses	(1,300)	(1,755)	(26)
Changes in inventories	(61)	147	n/m
Finance costs	(29)	--	n/m
Other losses	(222)	(500)	(56)
Total expenses	(5,359)	(14,848)	(64)
<b>Loss before income tax</b>	<b>(172)</b>	<b>(490)</b>	(65)
Income tax expense	(28)	(31)	(10)
<b>Total loss</b>	<b>(200)</b>	<b>(521)</b>	(62)
<b>Loss attributable to:</b>			
Owners of the Company	(200)	(521)	(62)
	<b>(200)</b>	<b>(521)</b>	(62)

*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		
	1.7.2019 - 30.9.2019	1.7.2018 - 30.9.2018	Increase/ (Decrease)
	S\$'000	S\$'000	%
<b>Other comprehensive loss:</b>			
Items that may be reclassified to profit or loss:			
Currency translation differences arising from consolidation	(266)	(1,299)	(80)
Items that will not be reclassified to profit or loss:			
Financial assets at fair value through other comprehensive income			
- Fair value gain	--	226	n/m
<b>Other comprehensive loss, net of tax</b>	<b>(266)</b>	<b>(1,073)</b>	<b>(75)</b>
<b>Total comprehensive loss</b>	<b>(466)</b>	<b>(1,594)</b>	<b>(71)</b>
<b>Total comprehensive loss attributable to:</b>			
Owners of the Company	(466)	(1,594)	(71)
	<b>(466)</b>	<b>(1,594)</b>	<b>(71)</b>

n/m - denotes not meaningful

1(a)(iii) Additional disclosures

	The Group	
	1.7.2019 - 30.9.2019	1.7.2018 - 30.9.2018
	S\$'000	S\$'000
Loss before income tax is arrived after (charging)/crediting:		
Currency translation losses	(222)	(500)
Depreciation of property, plant and equipment	(162)	(226)
Depreciation of rights-of-use asset	(49)	--
Insurance	(30)	(31)
Interest expense on lease liabilities	(29)	--
Limekiln restart costs	--	(234)
Listing expenses	(12)	(12)
Maintenance expenses	(59)	(58)
Rental expenses	(20)	(60)
Transportation	(614)	(737)
Utilities	(290)	(320)
Interest income:		
- bank deposits	259	181
- charged to related parties	18	8
- Shortfall claims on minimum purchases from related parties	107	51

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**

	<b>The Group</b>		<b>The Company</b>	
	<b>30.9.2019</b>	<b>30.6.2019</b>	<b>30.9.2019</b>	<b>30.6.2019</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	68,008	67,038	10,319	10,351
Trade and other receivables	4,491	4,925	93	82
Inventories	4,255	4,310	--	--
Income tax receivables	79	70	--	--
Other current assets	326	341	19	2
	<b>77,159</b>	<b>76,684</b>	<b>10,431</b>	<b>10,435</b>
<b>Non-current assets</b>				
Investments in subsidiaries	--	--	65,306	65,305
Property, plant and equipment	2,583	2,707	--	--
Rights-of-use asset	1,066	--	--	--
	<b>3,649</b>	<b>2,707</b>	<b>65,306</b>	<b>65,305</b>
<b>Total assets</b>	<b>80,808</b>	<b>79,391</b>	<b>75,737</b>	<b>75,740</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	3,064	2,241	1,303	1,243
Lease liabilities	156	--	--	--
Income tax payables	31	51	--	--
Provision	420	416	--	--
	<b>3,671</b>	<b>2,708</b>	<b>1,303</b>	<b>1,243</b>
<b>Non-current liabilities</b>				
Lease liabilities	920	--	--	--
Deferred income tax liabilities	224	224	224	224
	<b>1,144</b>	<b>224</b>	<b>224</b>	<b>224</b>
<b>Total liabilities</b>	<b>4,815</b>	<b>2,932</b>	<b>1,527</b>	<b>1,467</b>
<b>NET ASSETS</b>	<b>75,993</b>	<b>76,459</b>	<b>74,210</b>	<b>74,273</b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	47,494	47,494	47,494	47,494
Other reserves	(8,456)	(8,190)	--	--
Retained profits	36,955	37,155	26,716	26,779
<b>TOTAL EQUITY</b>	<b>75,993</b>	<b>76,459</b>	<b>74,210</b>	<b>74,273</b>

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

**Amount repayable in one year or less, or on demand**

<b>The Group</b>			
<b>30.9.2019</b>		<b>30.6.2019</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
--	--	--	--

**Amount repayable after one year**

<b>The Group</b>			
<b>30.9.2019</b>		<b>30.6.2019</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
--	--	--	--

**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**

	<b>The Group</b>	
	<b>1.7.2019 - 30.9.2019</b>	<b>1.7.2018 - 30.9.2018</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from operating activities</b>		
Total loss	(200)	(521)
Adjustments for:		
- Income tax expenses	28	31
- Depreciation	211	226
- Property, plant and equipment written-off	--	4
- Interest expense	29	--
- Interest income	(277)	(189)
- Unrealised currency translation losses	219	506
	10	57
Change in working capital		
- Inventories	95	17
- Trade and other receivables	502	(10,260)
- Other current assets	17	2
- Trade and other payables	813	1,979
Cash generated from/(used in) operations	1,437	(8,205)
Income tax paid	(57)	(34)
<b>Net cash from/(used in) operating activities</b>	<b>1,380</b>	<b>(8,239)</b>
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment	(5)	(158)
Interest received	244	163
Cash subjected to foreign exchange controls	856	1,060
<b>Net cash from investing activities</b>	<b>1,095</b>	<b>1,065</b>
<b>Cash flows from financing activities</b>		
Repayment of finance lease payables	--	(15)
Repayment of lease liabilities	(39)	--
Interest paid	(29)	--
<b>Net cash used in financing activities</b>	<b>(68)</b>	<b>(15)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,407</b>	<b>(7,189)</b>
<b>Cash and cash equivalent</b>		
Beginning of financial period	31,925	30,043
Effects of currency translation on cash and cash equivalents	(46)	(88)
<b>End of financial period</b>	<b>34,286</b>	<b>22,766</b>

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

	<b>The Group</b>	
	<b>30.9.2019</b>	<b>30.9.2018</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Cash at bank and on hand	11,149	17,517
Time deposits	56,859	44,778
Cash and cash equivalent in the statement of financial position	68,008	62,295
Cash subjected to foreign exchange controls	(33,722)	(39,529)
Cash and cash equivalent in the statement of cash flows	34,286	22,766

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
<b>Balance at 1.7.2019</b>	47,494	--	180	(10,363)	2,112	(119)	37,155	76,459
Total comprehensive loss for the period	--	--	--	(266)	--	--	(200)	(466)
<b>Balance at 30.9.2019</b>	47,494	--	180	(10,629)	2,112	(119)	36,955	75,993
<b>Balance at 1.7.2018</b>	47,494	105	180	(8,650)	2,112	118	40,995	80,354
Total comprehensive /income for the period	--	--	--	(1,299)	--	226	(521)	(1,594)
<b>Balance at 30.9.2018</b>	47,494	105	180	(9,949)	2,112	344	40,474	80,760

**Statement of Changes in Equity – The Company**

	Share capital	Retained profits	Total
	S\$'000	S\$'000	S\$'000
<b>Balance at 1.7.2019</b>	47,494	26,779	74,273
Total comprehensive loss for the period	--	(63)	(63)
<b>Balance at 30.9.2019</b>	47,494	26,716	74,210
<b>Balance at 1.7.2018</b>	47,494	29,933	77,427
Total comprehensive loss for the period	--	(1,213)	(1,213)
<b>Balance at 30.9.2018</b>	47,494	28,720	76,214

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

	30.9.2019	30.6.2019
	No. of Shares	No. of Shares
Issued Share Capital (Note)	81,104,539	81,104,539

	30.9.2019	30.9.2018
	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 1/7/2019	81,104,539
Movement in share capital	--
<b>Balance at 30/9/2019</b>	<b>81,104,539</b>

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.

	30.9.2019	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.**

The Group has adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases with effect from 1 July 2019. The modified retrospective approach is applied without restatement of comparative information.

On the date of initial application, all leases are brought onto the statement of financial position under a single model (except for leases of less than 12 months and leases of low-value assets), eliminating the distinction between operating and finance leases.

A rights-of-use ("ROU") asset representing the right to use an underlying asset is recognised along with a corresponding lease liability for the obligation to make lease payments. The ROU asset is measured at the equal amount to the lease liability based on present value of future lease payments.

Subsequent to initial recognition, the ROU asset is depreciated over the lease term and carried at cost less any accumulated depreciation and impairment. Interest expenses are recognised on the lease liabilities which are reduced by lease payments.

**6. Losses 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**

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

		The Group	
		30.9.2019	30.9.2018
(i)	Based on weighted average number of shares (cents)	(0.25)	(0.64)
	- Weighted average number of shares ('000 shares)	81,105	81,105
(ii)	On a fully diluted basis (cents)	(0.25)	(0.64)
	- Weighted average number of shares ('000 shares)	81,105	81,105

Losses per ordinary share is computed based on the weighted average number of issued shares of 81,104,539 (30.9.2018: 81,104,539).

On a fully diluted basis, there were no outstanding convertibles during the financial periods ended 30 September 2019 and 2018.



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	
	30.9.2019	30.6.2019	30.9.2019	30.6.2019
	cents	Cents	cents	Cents
Net asset value per ordinary share based on total number of issued shares excluding treasury shares	93.70	94.27	91.50	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

The Group posted revenue of S\$4.8m for the first quarter ended 30 September 2019, a decline of 66% from the last corresponding period.

Whilst the sales of lime remained stable at S\$4.8m, the absence of steel consumables trading contributed to the drop in turnover.

Net Earnings

Other income and gains rose 38% for this quarter, which corresponded with the increased interest income from higher deposits.

The dormancy of steel consumables trading has resulted in the drop in purchases by 75% to S\$3.0m. Other operating expenses went down 26% to \$1.3m. This was derived from lower utilities, transportation expenses, and no expenditure incurred for the restart of lime kiln.

With the adoption of SFRS(I) 16, finance costs of \$29k and depreciation on right-of-use assets of \$49k were recognised for leased office space and factory land.

The loss for the quarter was caused by an unrealised exchange loss of S\$0.2m from the depreciated Renminbi. This same reason was also responsible for the previous quarter loss of S\$0.5m.

Cash Flows and Financial Position

Throughout the quarter, the financial position of the Group remained positive, with working capital hovering just above S\$73.0m.

The S\$1.0m increase in cash balances comprising bank interests of S\$0.2m and an operating cash inflow of S\$1.5m. This was partially offset by S\$0.1m leasing expenses and S\$0.6m loss in unrealised translation.

Trade and other receivables dipped S\$0.4m to S\$4.5m, while inventory remained flat at S\$4.3m. Property, plant and equipment reduced by S\$0.1m from depreciation.

\$1.1m rights-of-use assets were capitalised after the application of the new accounting standard on leases, and correspondingly, lease liabilities of S\$1.1m are recognised.

Trade and other payables rose \$0.8m, from a recent replenishment of raw materials.

**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's operations are subject to the market conditions and challenges of the steel industry.

Amidst macroeconomic uncertainty, the Group will continue to focus on capitalising any potential upturn in the market while maintaining stringent cost containment initiatives.

**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 dividend has been declared for the quarter ended 30 September 2019.

**13. Interested Person Transactions (“IPTs”)**

For the financial period ended 30.9.2019		
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	--	1,080
Antara Steel Mills Sdn Bhd	--	100

**14. Subsequent events**

On 23 August 2019, the Company had announced in its results announcement for the fourth quarter and full year ended 30 June 2019 (“Full Year Results”) that the loss for its Full Year Results was due to impairment made to related party balances as well as currency exchange loss from the holding of Renminbi.

The Board wishes to update that the Company has received the full settlement of the amount previously impaired.

**15. 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 2019, 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, 31 October 2019