



# **LION ASIAPAC LIMITED**

(Registration No: 196800586R)

Unaudited Condensed Interim Financial Statements

For the fourth quarter and full year ended 30 June 2023

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**LION ASIAPAC LIMITED**  
**Unaudited Condensed Interim Financial Statements**  
**For the fourth quarter and full year ended 30 June 2023**

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

	The Group						
	Note	Fourth Quarter Ended			Full year Ended		
		30.6.2023 S\$'000	30.6.2022 S\$'000	+/- %	30.6.2023 S\$'000	30.6.2022 S\$'000	+/- %
<b>Revenue</b>	7	5,534	8,349	(34)	30,357	29,719	2
Other income and gains	8	394	365	8	1,338	1,312	2
Goods, materials and consumables used		(4,181)	(7,161)	(42)	(25,087)	(23,205)	8
Depreciation of property, plant and equipment		(96)	(100)	(4)	(383)	(854)	(55)
Depreciation right-of-use assets		(50)	(50)	-	(178)	(203)	(12)
Employee benefits expense		(644)	(598)	8	(2,526)	(2,379)	6
Other expenses	9	(1,127)	(1,330)	(15)	(4,378)	(5,703)	(23)
Changes in inventories of finished goods		45	268	(83)	44	(10)	n.m
Finance costs		(25)	(24)	4	(93)	(96)	(3)
Other losses	8	(415)	(383)	8	(1,997)	(7)	n.m
<b>Loss before tax</b>		<b>(565)</b>	<b>(664)</b>	(15)	<b>(2,903)</b>	<b>(1,426)</b>	104
Income tax expense	10	(28)	(43)	(35)	(101)	(134)	(25)
<b>Loss, net of tax</b>		<b>(593)</b>	<b>(707)</b>	(16)	<b>(3,004)</b>	<b>(1,560)</b>	93
<b>Loss attributable to:</b>							
Equity holders of the Company		(593)	(707)	(16)	(3,004)	(1,560)	93
		<b>(593)</b>	<b>(707)</b>	(16)	<b>(3,004)</b>	<b>(1,560)</b>	93

n.m - denotes not meaningful

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

	The Group						
	Note	Fourth Quarter Ended			Full Year Ended		
		30.6.2023 S\$'000	30.6.2022 S\$'000	+/- %	30.6.2023 S\$'000	30.6.2022 S\$'000	+/- %
<b><u>Other comprehensive income/(loss):</u></b>							
<b>Items that will not be reclassified to profit or loss:</b>							
Fair value changes on equity instruments at fair value through other comprehensive income	15	(1,932)	(1,855)	4	1,762	(2,265)	n.m
<b>Items that may be reclassified subsequently to profit or loss:</b>							
Exchange differences on translating foreign operations		(1,617)	(1,088)	49	(4,399)	(438)	904
<b>Other comprehensive loss, net of tax</b>		<b>(3,549)</b>	<b>(2,943)</b>	21	<b>(2,637)</b>	<b>(2,703)</b>	(2)
<b>Total comprehensive loss</b>		<b>(4,142)</b>	<b>(3,650)</b>	13	<b>(5,641)</b>	<b>(4,263)</b>	32
Total comprehensive loss attributable to:							
Equity holders of the Company		(4,142)	(3,650)	13	(5,641)	(4,263)	32
		<b>(4,142)</b>	<b>(3,650)</b>	13	<b>(5,641)</b>	<b>(4,263)</b>	32
<b>Losses per share</b>							
Basic and diluted losses per share (cents)	11	<b>(0.73)</b>	<b>(0.87)</b>		<b>(3.70)</b>	<b>(1.92)</b>	

n.m - denotes not meaningful

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**B. Condensed interim statements of financial position**

	Note	The Group		The Company	
		30.6.2023 S\$'000	30.6.2022 S\$'000	30.6.2023 S\$'000	30.6.2022 S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	13	1,531	1,721	--	--
Right-of-use assets	13	1,083	1,073	--	--
Investments in subsidiaries	14	--	--	56,696	63,054
Other financial assets	15	1,784	--	--	--
<b>Total non-current assets</b>		<b>4,398</b>	<b>2,794</b>	<b>56,696</b>	<b>63,054</b>
<b>Current assets</b>					
Inventories		5,409	5,401	--	--
Trade and other receivables	16	6,116	9,551	67	11
Other non-financial assets		925	330	--	--
Cash and cash equivalents	17	48,046	59,636	3,431	5,436
<b>Total current assets</b>		<b>60,496</b>	<b>74,918</b>	<b>3,498</b>	<b>5,447</b>
<b>Total assets</b>		<b>64,894</b>	<b>77,712</b>	<b>60,194</b>	<b>68,501</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	18	47,494	47,494	47,494	47,494
Retained earnings		20,569	31,683	11,196	19,540
Other reserves (adverse balance)		(9,804)	(7,167)	--	--
<b>Capital and reserves attributable to owners of the Company</b>		<b>58,259</b>	<b>72,010</b>	<b>58,690</b>	<b>67,034</b>
<b>Total equity</b>		<b>58,259</b>	<b>72,010</b>	<b>58,690</b>	<b>67,034</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities		224	224	224	224
Lease liabilities		967	1,097	--	--
<b>Total non-current liabilities</b>		<b>1,191</b>	<b>1,321</b>	<b>224</b>	<b>224</b>
<b>Current liabilities</b>					
Income tax payables		61	76	--	--
Lease liabilities		236	76	--	--
Trade and other payables		4,778	3,827	1,280	1,243
Provision		369	402	--	--
<b>Total current liabilities</b>		<b>5,444</b>	<b>4,381</b>	<b>1,280</b>	<b>1,243</b>
<b>Total liabilities</b>		<b>6,635</b>	<b>5,702</b>	<b>1,504</b>	<b>1,467</b>
<b>Total equity and liabilities</b>		<b>64,894</b>	<b>77,712</b>	<b>60,194</b>	<b>68,501</b>

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**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
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Opening balance at 1 July 2022</b>	<b>47,494</b>	<b>--</b>	<b>(9,459)</b>	<b>2,112</b>	<b>180</b>	<b>31,683</b>	<b>72,010</b>
Loss for the year	--	--	--	--	--	(3,004)	(3,004)
Other comprehensive income/(loss)	--	1,762	(4,399)	--	--	--	(2,637)
<b>Total comprehensive loss for the year</b>	<b>--</b>	<b>1,762</b>	<b>(4,399)</b>	<b>--</b>	<b>--</b>	<b>(3,004)</b>	<b>(5,641)</b>
Dividend paid	--	--	--	--	--	(8,110)	(8,110)
<b>Closing balance at 30 June 2023</b>	<b>47,494</b>	<b>1,762</b>	<b>(13,858)</b>	<b>2,112</b>	<b>180</b>	<b>20,569</b>	<b>58,259</b>
<b>Opening balance at 1 July 2021</b>	<b>47,494</b>	<b>2,265</b>	<b>(9,021)</b>	<b>2,112</b>	<b>180</b>	<b>34,054</b>	<b>77,084</b>
Loss for the year	--	--	--	--	--	(1,560)	(1,560)
Other comprehensive loss	--	(2,265)	(438)	--	--	--	(2,703)
<b>Total comprehensive loss for the year</b>	<b>--</b>	<b>(2,265)</b>	<b>(438)</b>	<b>--</b>	<b>--</b>	<b>(1,560)</b>	<b>(4,263)</b>
Dividend paid	--	--	--	--	--	(811)	(811)
<b>Closing balance at 30 June 2022</b>	<b>47,494</b>	<b>--</b>	<b>(9,459)</b>	<b>2,112</b>	<b>180</b>	<b>31,683</b>	<b>72,010</b>

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

**The Company**

	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Opening balance at 1 July 2022</b>	<b>47,494</b>	<b>19,540</b>	<b>67,034</b>
Total comprehensive loss for the year	--	(234)	(234)
Dividend paid	--	(8,110)	(8,110)
<b>Closing balance at 30 June 2023</b>	<b>47,494</b>	<b>11,196</b>	<b>58,690</b>
<b>Opening balance at 1 July 2021</b>	<b>47,494</b>	<b>24,601</b>	<b>72,095</b>
Total comprehensive loss for the year	--	(4,250)	(4,250)
Dividend paid	--	(811)	(811)
<b>Closing balance at 30 June 2022</b>	<b>47,494</b>	<b>19,540</b>	<b>67,034</b>

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**D. Condensed interim consolidated statement of cash flows**

	<b>The Group</b>	
	<b>Full Year Ended</b>	
	<b>30.6.2023</b> <b>S\$'000</b>	<b>30.6.2022</b> <b>S\$'000</b>
<b><u>Cash flows from operating activities</u></b>		
Loss before tax	(2,903)	(1,426)
Adjustments for :		
- Depreciation of property, plant and equipment	383	854
- Depreciation of right-of-use assets	178	203
- Property, plant and equipment written off	82	19
- Interest income	(761)	(901)
- Interest expense	93	96
- Unrealised currency translation losses	2,779	74
- Reversal of impairment loss on trade receivables	--	(9)
<b>Operating cash flows before changes in working capital</b>	<b>(149)</b>	<b>(1,090)</b>
- Inventories	(472)	(828)
- Trade and other receivables	2,625	(3,535)
- Other non-financial assets	(965)	20
- Trade and other payables	1,037	1,556
<b>Net cash flows from/(used in) operations</b>	<b>2,076</b>	<b>(3,877)</b>
Income tax paid, net	--	(12)
<b>Net cash flows from/(used in) operating activities</b>	<b>2,076</b>	<b>(3,889)</b>
<b><u>Cash flows from investing activities</u></b>		
Purchases of property, plant and equipment	(417)	(274)
Interest received	335	309
<b>Net cash flows (used in)/from investing activities</b>	<b>(82)</b>	<b>35</b>
<b><u>Cash flows from financing activities</u></b>		
Lease liabilities	(242)	(268)
Dividends paid to owners of the Company	(8,110)	(811)
<b>Net cash used in financing activities</b>	<b>(8,352)</b>	<b>(1,079)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(6,358)</b>	<b>(4,933)</b>
Cash and cash equivalents, statement of cash flows, beginning balance	24,042	29,073
Effects of currency translation on cash and cash equivalents	(1,445)	(98)
<b>Cash and cash equivalents, statement of cash flows, ending balance (Note 17)</b>	<b>16,239</b>	<b>24,042</b>



**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) Lime sales;
- (b) Trading of steel consumables and mining equipment; and
- (c) Investment holding.

The condensed interim financial statements for the twelve months ended 30 June 2023 have not been audited or reviewed.

**2. Basis of preparation**

The interim financial statements for the twelve months ended 30 June 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 2022.

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.

<b>SFRS (I) No.</b>	<b>Title</b>
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

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**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:

<b>SFRS (I) No.</b>	<b>Title</b>	<b>Effective date for periods beginning on or after</b>
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 2022.

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

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**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>Fourth quarter ended</u>		<u>Full year ended</u>	
	<u>30.6.2023</u>	<u>30.6.2022</u>	<u>30.6.2023</u>	<u>30.6.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Significant related party transactions:</u>				
Revenue – sale of goods and services	2,849	5,505	19,852	14,375
Purchase of goods	(49)	46	(161)	120
Rental	(28)	28	(111)	117

**5. Financial information by operating segments**

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

- a) Lime sales – production and sales of quicklime, hydrated lime and quicklime powder.
- b) Trading – trading of consumables required for steel product manufacturing and trading of mining equipment
- c) Investment holding – managing investments.

The Group	Lime sales S\$'000	Trading S\$'000	Investment holding S\$'000	Total S\$'000
<b>Financial year ended 30 June 2023</b>				
<b>Revenue</b>	14,166	16,191	--	30,357
<b>Segment results</b>	(1,141)	(539)	(564)	(2,244)
Other income and gains	476	273	589	1,338
Other losses	(443)	(336)	(1,218)	(1,997)
Loss before tax				(2,903)
Income tax expense				(101)
<b>Loss for the year</b>				(3,004)
<b>Non-cash expenses</b>				
Depreciation	438	123	--	561
<b>Reportable segment assets and consolidated total assets</b>	21,606	14,892	28,396	64,894
<b>Reportable segment liabilities</b>	5,309	434	668	6,411
Unallocated:				
Deferred tax liabilities				224
<b>Consolidated total liabilities</b>				6,635
<b>Other reportable segment item</b>				
Capital expenditure	415	273	--	688

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

**5. Financial information by operating segments (Cont'd)**

<b>The Group</b>	<b>Lime sales S\$'000</b>	<b>Trading S\$'000</b>	<b>Investment holding S\$'000</b>	<b>Total S\$'000</b>
<b>Financial year ended 30 June 2022</b>				
<b>Revenue</b>	18,610	11,109	--	29,719
<b>Segment results</b>	(1,638)	(600)	(493)	(2,731)
Other income and gains	299	360	653	1,312
Other losses	--	--	(7)	(7)
Loss before tax				(1,426)
Income tax expense				(134)
<b>Loss for the year</b>				(1,560)
<b>Non-cash expenses</b>				
Depreciation	913	136	8	1,057
<b>Reportable segment assets and consolidated total assets</b>	20,997	15,422	41,293	77,712
<b>Reportable segment liabilities</b>	4,648	176	654	5,478
Unallocated:				
Deferred tax liabilities				224
<b>Consolidated total liabilities</b>				5,702
<b>Other reportable segment item</b>				
Capital expenditure	274	--	--	274

**Geographical information**

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

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

	<b>Revenue</b>		<b>Non-current assets</b>	
	<b>Full year ended</b>		<b>Full year ended</b>	
	<b>30.6.2023</b>	<b>30.6.2022</b>	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Malaysia	30,167	29,700	2,396	2,727
Australia	--	--	1,784	--
Singapore	9	19	218	67
China	172	--	--	--
Others	9	--	--	--
	<b>30,357</b>	<b>29,719</b>	<b>4,398</b>	<b>2,794</b>

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**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>30.6.2023</u>	<u>30.6.2022</u>	<u>30.6.2023</u>	<u>30.6.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Financial assets:</u>				
Financial assets at amortised cost	<b>54,162</b>	69,187	<b>3,498</b>	5,447
Financial assets at fair value through other comprehensive income	<b>1,784</b>	--	<b>--</b>	--
At end of the year	<b>55,946</b>	69,187	<b>3,498</b>	5,447
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	<b>5,981</b>	5,000	<b>1,280</b>	1,243
At end of the year	<b>5,981</b>	5,000	<b>1,280</b>	1,243

**7. Revenue**

Revenue from contracts with customers

	<u>Fourth quarter ended</u>		<u>Full year ended</u>	
	<u>30.6.2023</u>	<u>30.6.2022</u>	<u>30.6.2023</u>	<u>30.6.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
- Lime sales	<b>3,492</b>	3,874	<b>14,166</b>	18,610
- Trading	<b>2,042</b>	4,475	<b>16,191</b>	11,109
Sales	<b>5,534</b>	8,349	<b>30,357</b>	29,719

**8. Other income and gains**

	<u>Fourth quarter ended</u>		<u>Full year ended</u>	
	<u>30.6.2023</u>	<u>30.6.2022</u>	<u>30.6.2023</u>	<u>30.6.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Other income and gains:</u>				
Interest income	<b>184</b>	235	<b>761</b>	901
Penalties from shortfall on minimum purchases	<b>118</b>	53	<b>324</b>	162
Rental recharged	<b>25</b>	24	<b>98</b>	95
Reversal of impairment loss on receivables	--	--	--	9
Incentive claim income	<b>6</b>	31	<b>52</b>	31
Others	<b>61</b>	22	<b>103</b>	114
	<b>394</b>	365	<b>1,338</b>	1,312
<u>Other losses:</u>				
Exchange losses	<b>(419)</b>	(383)	<b>(1,554)</b>	(7)
Inventories adjustment	<b>4</b>	--	<b>(443)</b>	--
	<b>(415)</b>	(383)	<b>(1,997)</b>	(7)
Net	<b>(21)</b>	(18)	<b>(659)</b>	1,305

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

**9. Other expenses**

The major and other selected components include the following:

	<b><u>Fourth quarter ended</u></b>		<b><u>Full year ended</u></b>	
	<b><u>30.6.2023</u></b>	<b><u>30.6.2022</u></b>	<b><u>30.6.2023</u></b>	<b><u>30.6.2022</u></b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
Limekiln restart cost	--	--	-	203
Limekiln refurbishment cost	--	207	16	348
Maintenance expense	134	86	476	252
Material handling	89	109	376	427
Transportation expense	298	380	1,210	2,190
Utilities	362	304	1,275	1,315

**10. Income tax**

	<b><u>Fourth quarter ended</u></b>		<b><u>Full year ended</u></b>	
	<b><u>30.6.2023</u></b>	<b><u>30.6.2022</u></b>	<b><u>30.6.2023</u></b>	<b><u>30.6.2022</u></b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
Current income tax expense	28	43	101	134

**11. Losses per share**

	<b><u>Fourth quarter ended</u></b>		<b><u>Full year ended</u></b>	
	<b><u>30.6.2023</u></b>	<b><u>30.6.2022</u></b>	<b><u>30.6.2023</u></b>	<b><u>30.6.2022</u></b>
Loss, net of tax attributable to owners of the Company (S\$'000)	(593)	(707)	(3,004)	(1,560)
Weighted average number of ordinary shares ('000)	81,105	81,105	81,105	81,105
Losses per share (cents)	(0.73)	(0.87)	(3.70)	(1.92)

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).

**12. Net asset value**

	<b><u>Group</u></b>		<b><u>Company</u></b>	
	<b><u>30.6.2023</u></b>	<b><u>30.6.2022</u></b>	<b><u>30.6.2023</u></b>	<b><u>30.6.2022</u></b>
Net asset value per ordinary share (cents)	71.83	88.79	69.48	82.65

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**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 subsidiary, Compact Energy Sdn Bhd.

There is no impairment considered necessary for the PPE and ROU for the current financial reporting year.

**14. Investments in subsidiaries**

	Company	
	<u>30.6.2023</u>	<u>30.6.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Unquoted equity shares at cost	5,087	5,087
Loan receivables <sup>(a)</sup>	101,567	108,095
Allowance for impairment	(49,958)	(50,128)
Carrying value	<u>56,696</u>	<u>63,054</u>

(a) Loan receivables from subsidiaries are classified as investment in subsidiaries as these are deemed as long-term receivables in nature.

	Company	
	<u>30.6.2023</u>	<u>30.6.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Movements during the year. At carrying value:		
Balance at beginning of the year	63,054	63,497
Reversal/(Allowance) of impairment loss <sup>(b)</sup>	170	(3,858)
(Repayment)/Additions of loan receivables	(6,528)	3,415
Balance at end of the year	<u>56,696</u>	<u>63,054</u>
Movements in allowance for impairment:		
Balance at beginning of the year	50,128	46,270
(Reversal)/Allowance of impairment loss to profit or loss of Company <sup>(b)</sup>	(170)	3,858
Balance at end of the year	<u>49,958</u>	<u>50,128</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 in 2023, which has resulted in a reversal of impairment of S\$170,000. While in 2022, there was an allowance for impairment of S\$3,858,000, as a result of a weakened subsidiaries' financial positions.

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**15. Other financial assets**

	<u>Group</u>
	<u>30.6.2023</u>
	<u>S\$'000</u>
Movements during the year:	
Fair value at beginning of the year	2,265
Increase/(Decrease) in fair value through other comprehensive income	(2,265)
Currency translation differences	22
Fair value at end of the year	<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. As the security recommenced trading on 1 March 2023, the Company has accordingly accounted for the investment at fair value through comprehensive income.

**16. 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>Gross amount</u>	<u>Loss allowance</u>
	<u>S\$'000</u>	<u>S\$'000</u>
<u>Group</u>		
<u>30.6.2023:</u>		
Within credit limit	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	<u>5,488</u>	<u>--</u>
	<u>Gross amount</u>	<u>Loss allowance</u>
	<u>S\$'000</u>	<u>S\$'000</u>
<u>Group</u>		
<u>30.6.2022:</u>		
Current	6,782	--
1 to 30 days past due	714	--
31 to 60 days past due	640	--
61 to 90 days past due	646	--
Over 90 days past due	138	--
Total	<u>8,920</u>	<u>--</u>

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.



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**17. Cash and cash equivalents**

	<u>Group</u>		<u>Company</u>	
	<u>30.6.2023</u>	<u>30.6.2022</u>	<u>30.6.2023</u>	<u>30.6.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Cash at bank and on hand	10,996	3,043	467	378
Fixed deposits	37,050	56,593	2,964	5,058
Cash at end of the year	<u>48,046</u>	<u>59,636</u>	<u>3,431</u>	<u>5,436</u>

Cash and cash equivalents in the statement of cash flows:

	<u>Group</u>	
	<u>30.6.2023</u>	<u>30.6.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Amount as shown above	48,046	59,636
Cash subjected to foreign exchange control	(31,807)	(35,594)
Cash and cash equivalents in the statement of cash flows	<u>16,239</u>	<u>24,042</u>

**18. Share capital**

	<u>Number of shares issued</u>	<u>Share capital S\$'000</u>
<b>Issued share capital</b>		
Balances as 30.6.2022, 31.3.2023, and 30.6.2023	<u>81,104,539</u>	<u>47,494</u>
<b>Treasury shares</b>		
Balances as 30.6.2022, and 30.6.2023	<u>--</u>	<u>--</u>
<b>Total number of issued shares excluding treasury shares</b>		
Balances as 30.6.2022, and 30.6.2023	<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 2022.

**19. Subsequent events**

Following the Company's earlier announcement today, the Company, through its subsidiary, LAP Energy Sdn Bhd, has entered into a conditional share sales and purchase agreement, to acquire 100% interest in Semangat Meriah Sdn Bhd ("Semangat"), a company incorporated in Malaysia, for a cash consideration of RM14 million (approximately S\$4.1 million).

The adjusted net tangible asset value of Semangat as at 30 June 2023 was approximately RM 22.5 million, and taking into account the dividend amount of RM 9 million declared and paid on 18 August 2023 as well as the potential for appreciation in the value of industrial land owned by the Semangat which is currently held at book value.

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

**19. Subsequent events (Cont'd)**

Semangat is in the business of providing high-end premium roofing and wall cladding systems to the building industry in Malaysia. It is an investment holding company, which holds:

- a) 96.79% of the shares in Swissma Building Technologies Sdn. Bhd. ("Swissma"); and
- b) 65% of the shares in Associated Steel Industries (M) Sdn. Bhd. ("ASIM").

The acquisition was not completed at the time these unaudited financial statements were issued.

**Other information Required by Listing Rule  
Appendix 7.2**

**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 June 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**

**Turnover and net earnings**

Quarter on quarter, the Group's revenue decreased by 34% to S\$5.5 million. This has resulted from reduced orders from steel trading and lime sales, and the commencement of mining equipment trading in this quarter.

Reduced steel trading and lime sales have decreased the 'Purchase of inventories' by 42% to S\$4.2 million.

The absence of kiln refurbishment has reduced 'Other expenses' by 15% to S\$1.1 million. Salary increments has increased employee expenses by S\$0.1 million.

For the quarter, a net loss of S\$0.6 million was registered against a net loss of S\$0.7 million in the corresponding quarter.

Year on year, higher orders for steel and mining equipment trading offset by lower lime sales have increased Group's revenue by 2% to S\$30.4 million.

Higher steel trading and mining equipment orders have increased purchases by 8% to S\$25.1 million.

Almost fully depreciated property, plant, and equipment have reduced depreciation by 55% to S\$0.4 million.

'Other expenses' were reduced by 23% to S\$4.4 million. These comprised decreased limekiln restart cost of S\$0.2 million, decreased limekiln refurbishment cost of S\$0.3 million, reduced transportation cost of S\$1.0 million, offset by increased maintenance expenses of S\$0.2 million.

The S\$2.0 million in 'Other losses' included a stock take adjustment of S\$0.4 million and an exchange loss of S\$1.6 million from the weakening Renminbi.

For the lime sales segment, escalating production cost has caused losses in both current and previous years, of S\$1.1 million and S\$1.6 million respectively. The Group incurred losses of S\$0.5 million and S\$0.6 million respectively, for trading and investment holding for the year.

For the year, the Group incurred a loss after tax of S\$3.0 million for the current reporting year.

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

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

**Financial position review**

As of June 2023, the Group's assets and liabilities stood at S\$64.9 million and S\$6.6 million, respectively. Its working capital remained healthy at S\$54.1 million, a decrease of S\$16.1 million from the corresponding year.

Collections from debtors has reduced trade and other receivables by S\$3.4 million to S\$6.1 million.

Advanced payment made to suppliers for the purchase of mining equipment has increased 'Other non-financial assets' by S\$0.6 million to S\$0.9 million.

'Other financial assets' comprise Mindax Limited equity shares, valued at S\$1.8 million since the security recommenced trading on the ASX on 1<sup>st</sup> March 2023.

Depreciation has reduced fixed assets by S\$0.2 million. Additional purchases have increased 'Trade and other payables' by S\$1.0 million.

'Other reserves (adverse balance)' increased from S\$7.2 million to S\$9.8 million primarily owing to fair value changes on the equity investment of Mindax Limited, which resumed trading on the ASX on 1<sup>st</sup> March 2023, offset by translation reserve from the weakening of the Renminbi and the Ringgit.

**Cash flow statement review**

Cash flows used in operating activities amounted to S\$2.1 million. The Group utilised S\$0.1 million in investing activities mainly for the purchase of PPE of S\$0.4 million, cushioned by interest received of S\$0.3 million. The Group utilised S\$8.4 million in financing activities for dividend payment and repayment of lease liabilities.

The foreign currency translation losses from the weakening Renminbi have reduced the balances in the China bank accounts by S\$3.8 million to S\$31.8 million.

In summary, the group's cash balances were reduced by S\$11.6 million to S\$48.0 million as at the year's end.

**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.

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

**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**

With uncertainty in the global economy, we continue to face challenges in our businesses.

The Group's operations are subject to market conditions, challenges of the steel industry, and the energy prices in Malaysia.

Escalating costs will continue to impose constraints on the Group's businesses. The Group will continue to exercise prudence in managing these challenges and will take advantage of any new opportunities that may arise.

Following the acquisition of Semangat Meriah Sdn Bhd, the Group looks forward to consolidating the contribution of this new acquisition.

**5. Dividend**

**(a) Current Financial Period Reported On**

None

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Name of Dividend	One-time special
Dividend Type	Cash
Dividend Rate	10 cents per ordinary share
Tax Rate	One-tier tax-exempt

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**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.

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

**7. A breakdown of sales**

	The Group		
	Latest Financial Year (30.6.2023)	Previous Financial Year (30.6.2022)	Increase/ (Decrease)
	S\$'000	S\$'000	%
(a) Sales reported for first half year	15,256	14,587	5
(b) Operating loss after tax before deducting minority interests reported for first half year	(2,286)	(397)	n/m
(c) Sales reported for second half year	15,101	15,132	--
(d) Operating loss after tax before deducting minority interests reported for second half year	(718)	(1,163)	(38)

**8. Interested person transactions**

**Interested Person Transactions ("IPTs")**

For the financial year ended 30.6.2023			
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.	--	3,661
<u>Sales of steel consumables</u> Amsteel Mills Sdn Bhd		--	16,019
<u>Sales of mining equipments</u> Lion Mining Sdn Bhd		--	172
<u>Maintenance expense</u> Amsteel Mills Sdn Bhd		--	167

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

**9. Confirmation pursuant to rule 704(13) of the Listing Manual**

The Company confirms that there is no person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer.

**10. 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, 21 August 2023