



**LION ASIAPAC LIMITED**

(Co. Reg. No. 196800586R)  
(Incorporated in the Republic of Singapore)

**Second Quarter and Half Year Unaudited Financial Statement Announcement  
For The Period Ended 31 December 2018**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1 and Q2),  
HALF-YEAR RESULTS**

**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**

	The Group					
	Second Quarter Ended			Half Year Ended		
	31.12.2018	31.12.2017	+ / (-)	31.12.2018	31.12.2017	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Continuing operations</b>						
Revenue – sale of goods	8,490	2,955	187	22,541	5,328	323
Other income	229	758	(70)	485	1,733	(72)
Other (losses)/gains – net	(22)	62	n.m	(471)	154	n.m
Expenses:						
Purchases of inventories	(6,431)	(1,859)	246	(18,425)	(3,247)	467
Employee compensation	(504)	(476)	6	(1,024)	(918)	12
Depreciation	(204)	(229)	(11)	(430)	(487)	(12)
Others	(1,517)	(1,083)	40	(3,272)	(1,939)	69
Changes in inventories	(98)	37	n.m	49	82	(40)
Total expenses	(8,754)	(3,610)	142	(23,102)	(6,509)	255
<b>(Loss)/profit before income tax</b>	<b>(57)</b>	<b>165</b>	n.m	<b>(547)</b>	<b>706</b>	n.m
Income tax expenses	(32)	(37)	(14)	(63)	(68)	(7)
<b>Total (loss)/profit</b>	<b>(89)</b>	<b>128</b>	n.m	<b>(610)</b>	<b>638</b>	n.m
<b>(Loss)/profit attributable to:</b>						
Equity holders of the Company	(89)	128	n.m	(610)	638	n.m
	<b>(89)</b>	<b>128</b>	n.m	<b>(610)</b>	<b>638</b>	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					
	Second Quarter Ended			Half Year Ended		
	31.12.2018	31.12.2017	+ / (-)	31.12.2018	31.12.2017	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total (loss)/profit	(89)	128	n.m	(610)	638	n.m
<b>Other comprehensive (loss)/income:</b>						
Items that may be reclassified to profit or loss						
Available-for-sale financial assets						
- Fair value loss	--	(68)	n.m	--	(68)	n.m
Currency translation differences arising from consolidation	(144)	502	n.m	(1,443)	681	n.m
	(144)	434	n.m	(1,443)	613	n.m
Items that will not be reclassified to profit or loss:						
Financial assets at fair value through other comprehensive income						
- Fair value (loss)/gain	(63)	--	n.m	163	--	n.m
<b>Other comprehensive (loss)/income, net of tax</b>	(207)	434	n.m	(1,280)	613	n.m
<b>Total comprehensive (loss)/income</b>	(296)	562	n.m	(1,890)	1,251	n.m
<b>Total comprehensive (loss)/income attributable to:</b>						
Equity holders of the Company	(296)	562	n.m	(1,890)	1,251	n.m
	(296)	562	n.m	(1,890)	1,251	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			
	Second Quarter Ended		Half Year Ended	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
	S\$'000	S\$'000	S\$'000	S\$'000
(Loss)/profit before income tax is arrived after (charging)/crediting:				
Currency exchange (loss)/gain - net	(79)	61	(579)	142
Depreciation	(204)	(229)	(430)	(487)
Insurance	(62)	(33)	(74)	(57)
Limekiln restart costs	4	--	(230)	--
Listing expenses	(24)	(24)	(36)	(36)
Maintenance expenses	(69)	(51)	(127)	(84)
Material handling	(107)	(73)	(218)	(133)
Rental on operating lease	(55)	(54)	(115)	(105)
Transportation	(721)	(272)	(1,458)	(530)
Utilities	(301)	(372)	(621)	(659)
Reversal of impairment loss on trade receivables	--	503	--	1,055
Interest income:				
- bank deposits	195	236	376	467
- charged to related parties	21	11	29	23
Shortfall claims on minimum purchases from related parties	57	1	108	12

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	
	31.12.2018	30.6.2018	31.12.2018	30.6.2018
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	62,890	72,060	10,262	474
Trade and other receivables	12,543	4,500	66,003	78,045
Inventories	5,658	5,539	--	--
Income tax receivables	10	47	--	9
Other current assets	100	143	8	--
	81,201	82,289	76,273	78,528
<b>Non-current assets</b>				
Available-for-sale financial assets	--	258	--	--
Financial assets at fair value through other comprehensive income	401	--	--	--
Investments in subsidiaries	--	--	337	337
Property, plant and equipment	3,006	3,345	--	63
	3,407	3,603	337	400
<b>Total assets</b>	<b>84,608</b>	<b>85,892</b>	<b>76,610</b>	<b>78,928</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	3,902	2,854	1,145	1,247
Finance lease liabilities	--	30	--	30
Income tax payables	4	--	4	--
Provision	420	430	--	--
	4,326	3,314	1,149	1,277
<b>Non-current liabilities</b>				
Deferred income tax liabilities	224	224	224	224
	224	224	224	224
<b>Total liabilities</b>	<b>4,550</b>	<b>3,538</b>	<b>1,373</b>	<b>1,501</b>
<b>NET ASSETS</b>	<b>80,058</b>	<b>82,354</b>	<b>75,237</b>	<b>77,427</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	(7,415)	(6,135)	--	--
Retained profits	39,979	40,995	27,743	29,933
	80,058	82,354	75,237	77,427
<b>TOTAL EQUITY</b>	<b>80,058</b>	<b>82,354</b>	<b>75,237</b>	<b>77,427</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>31.12.2018</b>		<b>30.6.2018</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>
--	--	30	--

Details of any collateral

	<b>The Group</b>	
	<b>31.12.2018</b>	<b>30.6.2018</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Amount repayable in one year or less, or on demand</b>		
Finance lease liabilities	--	30

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

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group			
	Second Quarter		Half Year Ended	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash flows from operating activities</b>				
Total (loss)/profit	(89)	128	(610)	638
Adjustments for				
- Income tax expenses	32	37	63	68
- Depreciation	204	229	430	487
- Property, plant and equipment written-off	--	33	4	34
- Reversal of impairment loss on trade receivables	--	(503)	--	(1,055)
- Interest income	(216)	(247)	(405)	(490)
- Unrealised currency translation losses/(gains)	81	(78)	587	(199)
	12	(401)	69	(517)
Change in working capital				
- Inventories	(248)	162	(231)	324
- Trade and other receivables	2,203	(8)	(8,057)	1,088
- Other current assets	40	(103)	42	(163)
- Development property for sale	--	--	--	--
- Trade and other payables	(875)	119	1,104	121
Cash generated from/(used in) operations	1,132	(231)	(7,073)	853
Income tax refunded/(paid)	12	(68)	(22)	(73)
<b>Net cash generated from /(used in) operating activities</b>	<b>1,144</b>	<b>(299)</b>	<b>(7,095)</b>	<b>780</b>
<b>Cash flows from investing activities</b>				
Additions to property, plant and equipment	(36)	(65)	(194)	(70)
Interest received	109	182	272	202
Cash subjected to foreign exchange controls	1,905	2,005	2,965	2,913
<b>Net cash generated from investing activities</b>	<b>1,978</b>	<b>2,122</b>	<b>3,043</b>	<b>3,045</b>
<b>Cash flows from financing activities</b>				
Repayment of lease payables	(15)	(15)	(30)	(30)
Dividends paid to equity holders of the Company	(406)	(406)	(406)	(406)
<b>Net cash used in financing activities</b>	<b>(421)</b>	<b>(421)</b>	<b>(436)</b>	<b>(436)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,701</b>	<b>1,402</b>	<b>(4,488)</b>	<b>3,389</b>
<b>Cash and cash equivalent</b>				
Beginning of financial period	22,766	25,689	30,043	23,692
Effects of currency translation on cash and cash equivalents	3	66	(85)	76
<b>End of financial period</b>	<b>25,470</b>	<b>27,157</b>	<b>25,470</b>	<b>27,157</b>

1(c) (cont'd)

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

	The Group			
	Second Quarter Ended		Half Year Ended	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at bank and on hand	18,273	7,887	18,273	7,887
Short-term bank deposits	44,617	62,842	44,617	62,842
Cash and cash equivalent in the statement of financial position	62,890	70,729	62,890	70,729
Cash subjected to foreign exchange controls	(37,420)	(43,572)	(37,420)	(43,572)
Cash and cash equivalent in the statement of cash flows	25,470	27,157	25,470	27,157

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
<b>Balance at 1.7.2018</b>	<b>47,494</b>	<b>29,933</b>	<b>77,427</b>
Total comprehensive loss for the period	--	(1,213)	(1,213)
<b>Balance at 30.9.2018</b>	<b>47,494</b>	<b>28,720</b>	<b>76,214</b>
Total comprehensive loss for the period	--	(571)	(571)
Dividend paid	--	(406)	(406)
<b>Balance at 31.12.2018</b>	<b>47,494</b>	<b>27,743</b>	<b>75,237</b>
<b>Balance at 1.7.2017</b>	<b>47,494</b>	<b>20,646</b>	<b>68,140</b>
Total comprehensive income for the period	--	61	61
<b>Balance at 30.9.2017</b>	<b>47,494</b>	<b>20,707</b>	<b>68,201</b>
Total comprehensive income for the period	--	19,286	19,286
Dividend paid	--	(406)	(406)
<b>Balance at 31.12.2017</b>	<b>47,494</b>	<b>39,587</b>	<b>87,081</b>

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
<b>Balance at 1.7.2018</b>	<b>47,494</b>	<b>105</b>	<b>180</b>	<b>(8,650)</b>	<b>2,112</b>	<b>118</b>	<b>40,995</b>	<b>82,354</b>
Total comprehensive (loss)/income for the period	--	--	--	(1,299)	--	226	(521)	(1,594)
<b>Balance at 30.09.2018</b>	<b>47,494</b>	<b>105</b>	<b>180</b>	<b>(9,949)</b>	<b>2,112</b>	<b>344</b>	<b>40,474</b>	<b>80,760</b>
Dividend paid	--	--	--	--	--	--	(406)	(406)
Total comprehensive (loss) for the period	--	--	--	(144)	--	(63)	(89)	(296)
<b>Balance at 31.12.2018</b>	<b>47,494</b>	<b>105</b>	<b>180</b>	<b>(10,093)</b>	<b>2,112</b>	<b>281</b>	<b>39,979</b>	<b>80,058</b>
<b>Balance at 1.7.2017</b>	<b>47,494</b>	<b>105</b>	<b>180</b>	<b>(9,822)</b>	<b>2,112</b>	<b>57</b>	<b>40,357</b>	<b>80,483</b>
Total comprehensive income for the period	--	--	--	179	--	--	510	689
<b>Balance at 31.09.2017</b>	<b>47,494</b>	<b>105</b>	<b>180</b>	<b>(9,643)</b>	<b>2,112</b>	<b>57</b>	<b>40,867</b>	<b>81,172</b>
Dividend paid	--	--	--	--	--	--	(406)	(406)
Total comprehensive income/(loss) for the period	--	--	--	502	--	(68)	128	562
<b>Balance at 31.12.2017</b>	<b>47,494</b>	<b>105</b>	<b>180</b>	<b>(9,141)</b>	<b>2,112</b>	<b>(11)</b>	<b>40,589</b>	<b>81,328</b>

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.

	31.12.2018	30.9.2018
	No. of Shares	No. of Shares
Issued Share Capital	81,104,539	81,104,539

	31.12.2018	31.12.2017
	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.

	31.12.2018	30.6.2018
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 2018.

**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 2018. The adoption of SFRS (I) did not result in any material impact on the financial position or financial performance of the Group.

**6. (Losses)/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.**

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

		The Group			
		Second Quarter Ended		Half Year Ended	
		31.12.2018	31.12.2017	31.12.2018	31.12.2017
a)	Based on weighted average number of shares (cents)	(0.11)	0.16	(0.75)	0.79
	Weighted average number of shares ('000 shares)	81,105	81,105	81,105	81,105
b)	On a fully diluted basis (cents)	(0.11)	0.16	(0.75)	0.79
	Weighted average number of shares ('000 shares)	81,105	81,105	81,105	81,105

(Losses)/earnings per ordinary share is computed based on the weighted average number of issued shares of 81,104,539 (31.12.2017: 81,104,539).

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

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.**

**Net Asset Value per ordinary share**

	The Group		The Company	
	31.12.2018	30.6.2018	31.12.2018	30.6.2018
	cents	cents	cents	cents
Net asset value per ordinary share based on total number of issued shares excluding treasury shares	98.71	101.54	92.76	95.47

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

Turnover for the second quarter ended 31 December 2018 recorded at S\$8.5m. This represented a 187% increase as compared to S\$3.0m in the last corresponding quarter. The growth in revenue was driven by a stronger demand for lime products and the resumption of steel consumables trading.

As a result, turnover went up by 323% to S\$22.5m for the half year ended December 2018.

#### Net Earnings

On a half year basis, other income decreased by 72% which was primarily owing to a S\$1.1m reversal of impairment on trade receivables last year. Interest income dipped by S\$0.1m in line with lower short term bank deposits.

Other gains/(losses) mainly comprise of exchange differences. The weakening Renminbi against Singapore dollar resulted in a currency exchange loss of S\$0.6m, versus an exchange gain of S\$0.1m in the first half of the previous year.

Expenses increased from S\$6.5m to S\$23.1m mainly due to purchases of inventories for the resumption of steel consumables trading and the surge in lime production. Net loss of the Group amounted to S\$0.1m for this second quarter and S\$0.6m for the half year.

#### Cash Flow and Financial Position

The Group's financial position remained robust with a working capital of S\$76.8m as at 31 December 2018, as compared to S\$78.8m as at 30 June 2018. Cash balance decreased by S\$9.2m, of which S\$7.1m was used in operating activities, S\$0.4m was disbursed as dividend, and a balance of S\$1.7m was lost in currency translation.

Trade receivables and payables went up by S\$8.0m and S\$1.0m respectively, in tandem with the higher sales and purchases during the period. Inventory balances are largely unchanged at S\$5.7m.

Property, plant and equipment depreciated by S\$0.4m. This depreciation was partly offset by additions of S\$0.2m arising from the relocation exercise by a subsidiary in Malaysia.

Financial assets at fair value through other comprehensive income (previously termed as Available-for-sale financial assets) increased by S\$0.1m arising from a higher market price.

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. Under the current economic condition, the Group maintains a cautious approach to overcoming the weak market sentiments in Malaysia.

**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	3 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 20 February 2019.

**(d) Books closure date**

The Share Transfer Books and Register of Members of the Company will be closed on 12 February 2019, for the purpose of determining shareholders' entitlements to the one-time special dividend of 3 cents per ordinary share (tax-exempt one-tier) for the financial year ending 30 June 2019.

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 11 February 2019 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 11 February 2019 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")**

<b>For the financial period ended 31.12.2018</b>		
<b>Name of Interested Person</b>	<b>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)</b>	<b>Aggregate value of all IPTs conducted under IPT Mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Amsteel Mills Sdn. Bhd.	--	4,320

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

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the interim financial results of Lion Asiapac Limited for the second quarter and half year ended 31 December 2018, to be false or misleading in any material aspect

**15. Confirmation Pursuant to Rule 720(1) of the SGX Listing Manual**

The Company confirms that undertakings under Rule 720(1) 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 January 2019