


LION ASIAPAC LIMITED

(Co. Reg. No. 196800586R)

(Incorporated in the Republic of Singapore)

**Third-Quarter and Nine-Month Unaudited Financial Statement Announcement
For The Period Ended 31 March 2021**
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		
	31.3.2021	31.3.2020	+ / (-)	31.3.2021	31.3.2020	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	4,136	4,199	(2)	13,104	13,338	(2)
Other income	327	335	(2)	977	1,708	(43)
Other gains	303	696	(56)	800	610	31
Expenses:						
Purchases of inventories	(2,483)	(2,620)	(5)	(7,765)	(8,182)	(5)
Employee compensation	(540)	(539)	--	(1,560)	(1,652)	(6)
Depreciation	(235)	(216)	9	(683)	(646)	6
Other operating expenses	(1,210)	(1,285)	(6)	(3,860)	(3,980)	(3)
Changes in inventories	(3)	232	n/m	9	113	(92)
Finance cost	(26)	(24)	8	(77)	(72)	7
Total expenses	(4,497)	(4,452)	1	(13,936)	(14,419)	(3)
Profit before income tax	269	778	(65)	945	1,237	(24)
Income tax expense	(34)	(35)	(3)	(104)	(89)	17
Total profit	235	743	(68)	841	1,148	(27)
Profit attributable to:						
Equity holders of the Company	235	743	(68)	841	1,148	(27)
	235	743	(68)	841	1,148	(27)

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		
	31.3.2021	31.3.2020	+ / (-)	31.3.2021	31.3.2020	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total profit	235	743	(68)	841	1,148	(27)
Other comprehensive income:						
Items that may be reclassified to profit or loss:						
- Currency translation arising from consolidation	169	1,182	(86)	987	736	34
Items that will not be reclassified to profit or loss:						
Financial assets at fair value through other comprehensive income						
- Fair value loss	--	--	n/m	--	--	n/m
Other comprehensive income, net of tax	169	1,182	(86)	987	736	34
Total comprehensive income	404	1,925	(79)	1,828	1,884	(3)
Total comprehensive income attributable to:						
Equity holders of the Company	404	1,925	(79)	1,828	1,884	(3)

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	
	31.3.2021	31.3.2020	31.3.2021	31.3.2020
	S\$'000	S\$'000	S\$'000	S\$'000
Profit before income tax is arrived after crediting/(charging):				
Currency exchange gains	218	588	577	291
Depreciation of property, plant and equipment	(184)	(161)	(530)	(484)
Depreciation of rights-of-use assets	(51)	(55)	(153)	(162)
Insurance	(38)	(36)	(104)	(107)
Maintenance expenses	(91)	(65)	(254)	(202)
Material handling	(78)	(85)	(256)	(263)
Transportation	(529)	(633)	(1,708)	(1,853)
Utilities	(305)	(293)	(900)	(832)
Reversal of impairment loss on trade receivables	-	80	-	758
Interest income:				
- bank deposits	231	303	759	816
- charged to related parties	8	5	23	25
Shortfall claims on minimum purchases from related parties	85	108	223	319

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	
	31.3.2021	30.6.2020	31.3.2021	30.6.2020
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	66,180	65,052	10,073	10,318
Trade and other receivables	3,996	4,588	11	81
Inventories	4,490	3,326	--	--
Income tax receivables	--	--	--	--
Other current assets	300	352	13	3
	74,966	73,318	10,097	10,402
Non-current assets				
Financial assets at fair value through other comprehensive income	--	--	--	--
Investments in subsidiaries	--	--	61,130	61,115
Property, plant and equipment	2,471	2,289	--	--
Rights-of-use assets	1,328	1,222	--	--
	3,799	3,511	61,130	61,115
Total assets	78,765	76,829	71,227	71,517
LIABILITIES				
Current liabilities				
Trade and other payables	2,320	2,372	1,197	1,252
Lease liabilities	136	68	--	--
Income tax payables	97	71	--	--
Provision	413	415	--	--
	2,966	2,926	1,197	1,252
Non-current liabilities				
Lease liabilities	1,256	1,188	--	--
Deferred income tax liabilities	224	224	224	224
	1,480	1,412	224	224
Total liabilities	4,446	4,338	1,421	1,476
NET ASSETS	74,319	72,491	69,806	70,041
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	47,494	47,494	47,494	47,494
Other reserves	(7,123)	(8,120)	--	--
Retained profits	33,948	33,117	22,312	22,547
TOTAL EQUITY	74,319	72,491	69,806	70,041

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

Amount repayable in one year or less, or on demand

The Group			
31.3.2021		30.6.2020	
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	
	31.3.2021	31.3.2020	31.3.2021	31.3.2020
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Total profit	235	743	841	1,148
Adjustments for				
- Income tax expenses	34	35	104	89
- Depreciation of property, plant and equipment	184	161	530	484
- Depreciation of right-of-use assets	51	55	153	162
- Reversal of impairment loss on trade receivables	--	--	--	--
- Interest income	(239)	(308)	(782)	(841)
- Interest expense	26	24	77	72
- Property, plant and equipment written off	1	--	9	--
- Reversal of impairment loss on trade receivables	--	(80)	--	(758)
- Unrealised currency translation gains	(68)	(599)	(509)	(306)
	224	31	423	50
Changes in working capital				
- Trade and other receivables	264	152	391	1,038
- Inventories	262	349	(1,131)	456
- Other current assets	16	(156)	54	(171)
- Trade and other payables	(17)	(596)	--	84
Cash generated from/(used in) operations	749	(220)	(263)	1,457
Income tax refund/(paid)	50	(11)	(13)	--
Net cash generated from/(used in) operating activities	799	(231)	(276)	1,457
Cash flows from investing activities				
Purchases of property, plant and equipment	(18)	(90)	(735)	(109)
Interest received	223	99	472	500
Cash subjected to foreign exchange controls	--	225	--	2,660
Net cash generated from/(used in) investing activities	205	234	(263)	3,051
Cash flows from financing activities				
Finance lease repayments	(42)	(42)	(115)	(133)
Interest paid	(26)	(24)	(77)	(72)
Dividends paid to equity holders of the Company	--	--	--	(406)
Net cash used in financing activities	(68)	(66)	(192)	(611)
Net increase/(decrease) in cash and cash equivalents	936	(63)	(731)	3,897
Cash and cash equivalents at beginning of financial period	30,903	35,809	32,175	31,925
Effects of currency translation on cash and cash equivalents	(267)	433	128	357
Cash and cash equivalents at end of financial period	31,572	36,179	31,572	36,179

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	
	31.3.2021	31.3.2020	31.3.2021	31.3.2020
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at bank and on hand	3,626	4,392	3,626	4,392
Short-term bank deposits	62,554	65,131	62,554	65,131
Cash and cash equivalent in the statement of financial position	66,180	69,523	66,180	69,523
Cash subjected to foreign exchange controls	(34,608)	(33,344)	(34,608)	(33,344)
Cash and cash equivalent in the statement of cash flows	31,572	36,179	31,572	36,179

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 1.7.2020	47,494	22,547	70,041
Total comprehensive loss for the period	--	(195)	(195)
Balance at 31.12.2020	47,494	22,352	69,846
Total comprehensive income for the period	--	(40)	(40)
Balance at 31.3.2021	47,494	22,312	69,806
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

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 1.7.2020	47,494	--	180	(10,412)	2,112	--	33,117	72,491
Total comprehensive (loss)/income for the period	--	--	--	818	--	--	606	1,424
Transfer to retained earning	--	--	--	10	--	--	(10)	--
Balance at 31.12.2020	47,494	--	180	(9,584)	2,112	--	33,713	73,915
Total comprehensive income/(loss) for the period	--	--	--	169	--	--	235	404
Balance at 31.3.2021	47,494	--	180	(9,415)	2,112	(119)	33,948	74,319
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/(loss) 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

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.

	31.3.2021	31.12.2020
	No. of Shares	No. of Shares
Issued Share Capital	81,104,539	81,104,539

	31.3.2021	31.3.2020
	No. of Shares	No. of Shares
Shares to be issued pursuant to the exercise of all the outstanding convertibles	--	--
Treasury Shares held	--	--

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.

	31.3.2021	30.6.2020
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 2020.

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 adopted all applicable new and revised Singapore Financial Reporting Standards (International) that becomes effective during the new financial year and has no significant impact on 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	
		31.3.2021	31.3.2020	31.3.2021	31.3.2020
a)	Based on weighted average number of shares (cents)	0.29	0.92	1.04	1.42
	Weighted average number of shares ('000 shares)	81,105	81,105	81,105	81,105
b)	On a fully diluted basis (cents)	0.29	0.92	1.04	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 (31.3.2020: 81,104,539).

On a fully diluted basis, there were no outstanding convertibles during the financial periods ended 31 March 2021 and 31 March 2020.

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	
	31.3.2021	30.6.2020	31.3.2021	30.6.2020
	cents	cents	cents	cents
Net asset value per ordinary share based on total number of issued shares excluding treasury shares	91.63	89.38	86.07	86.36

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's lime manufacturing generated a revenue of S\$4.1m and S\$13.1m for the third quarter and nine-month period ended March 2021, respectively. Both periods recorded a 2% reduction against their corresponding periods.

There were no consumables trading for the current period and the corresponding period.

Net Earnings

Quarter on quarter, higher exchange gain in the corresponding quarter resulted in a drop of S\$0.4m to S\$0.3m in other gains. Net earnings for the quarter fell from S\$0.7m to S\$0.2m.

For the nine-month reporting period, owing to a reversal of impairment of S\$0.8m in the corresponding period, other income reduced by S\$0.7m to S\$1.0m.

With the strengthening Renminbi, an unrealised foreign exchange gain of S\$0.6m for the nine-month period was recorded against a S\$0.3m gain in the previous period.

Expenses were reduced by 3% to S\$13.9m for the nine-month period, against \$14.4m in the previous period, primarily due to lower production and lower sales.

Cash Flow and Financial Position

The Group's working capital stood at S\$71.7m, a S\$0.7 increase year on year, largely due to the addition of inventory by S\$1.2m, and reduced trade and other receivables by S\$0.6m. Trade and other payable remained largely unchanged.

With an operating profit of S\$0.8m, cash of S\$0.3m was used for the S\$1.1m addition to inventories. Together with interest received of S\$0.5m, cash of S\$0.2m was used for the acquisition of a S\$0.7m plant. Additionally, a translation gain of S\$1.4m was recorded. As a result, total cash and cash equivalents increased by S\$1.1m to S\$66.2m.

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

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 31 March 2021, as the Company considered it necessary to conserve cash for future operations in view of the Group's business strategy.

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	--	2,308

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 third quarter and nine months ended 31 March 2020, to be false or misleading in any material aspects.

15. 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, 11 May 2021