



**First Quarter Unaudited Financial Statement Announcement
 For The Quarter Ended 30 September 2018**

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		
	1.7.2018 - 30.9.2018	1.7.2017 - 30.9.2017	Increase/ (Decrease)
	S\$'000	S\$'000	%
Continuing operations			
Revenue – sale of goods	14,051	2,373	492
Other income	256	986	(74)
Other (losses)/gains – net	(449)	81	n/m
Expenses:			
Purchases of inventories	(11,994)	(1,388)	764
Employee compensation	(520)	(442)	18
Depreciation	(226)	(258)	(12)
Others	(1,755)	(856)	105
Changes in inventories	147	45	227
Total expenses	(14,348)	(2,899)	395
(Loss)/profit before income tax	(490)	541	n/m
Income tax expense	(31)	(31)	--
Total (loss)/profit	(521)	510	n/m
(Loss)/profit attributable to:			
Equity holders of the Company	(521)	510	n/m
	(521)	510	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

Consolidated Statement of Comprehensive Income

	The Group		
	1.7.2018 - 30.9.2018	1.7.2016 - 30.9.2016	Increase/ (Decrease)
	S\$'000	S\$'000	%
Total (loss)/profit	(521)	510	n/m
Other comprehensive (loss)/income:			
Available-for-sale financial assets			
- Fair value gains	226	--	n/m
Currency translation differences arising from consolidation	(1,299)	179	n/m
Other comprehensive (loss)/income, net of tax	(1,073)	179	n/m
Total comprehensive (loss)/income	(1,594)	689	n/m
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company	(1,594)	689	n/m
	(1,594)	689	n/m

n/m - denotes not meaningful

1(a)(iii) **Additional disclosures**

	The Group	
	1.7.2018 - 30.9.2018	1.7.2017 - 30.9.2017
	S\$'000	S\$'000
(Loss)/profit before income tax is arrived after (charging)/crediting:		
Currency translation (losses)/gains	(500)	81
Depreciation	(226)	(258)
Insurance	(12)	(24)
Limekiln restart costs	(234)	--
Listing expenses	(12)	(12)
Maintenance expenses	(58)	(33)
Professional fee	--	(31)
Rental expenses	(60)	(51)
Transportation	(737)	(258)
Utilities	(320)	(287)
Reversal of impairment loss on trade receivables	--	552
Interest income:		
- bank deposits	181	231
- charged to related parties	8	12
- Shortfall claims on minimum purchases from related parties	51	11

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	
	30.9.2018	30.6.2018	30.9.2018	30.6.2018
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	62,295	72,060	10,390	474
Trade and other receivables	14,655	4,500	66,971	78,045
Inventories	5,391	5,539	--	--
Income tax receivables	50	47	9	9
Other current assets	139	143	17	--
	82,530	82,289	77,387	78,528
Non-current assets				
Financial assets at fair value through other comprehensive income	474	258	--	--
Investments in subsidiaries	--	--	337	337
Property, plant and equipment	3,173	3,345	31	63
	3,647	3,603	368	400
Total assets	86,177	85,892	77,755	78,928
LIABILITIES				
Current liabilities				
Trade and other payables	4,758	2,854	1,302	1,247
Other financial liabilities	15	30	15	30
Provision	420	430	--	--
	5,193	3,314	1,317	1,277
Non-current liabilities				
Deferred income tax liabilities	224	224	224	224
Other financial liabilities	--	--	--	--
	224	224	224	224
Total liabilities	5,417	3,538	1,541	1,501
NET ASSETS	80,760	82,354	76,214	77,427
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	47,494	47,494	47,494	47,494
Other reserves	(7,208)	(6,135)	--	--
Retained profits	40,474	40,995	28,720	29,933
	80,760	82,354	76,214	77,427
Non-controlling interests	--	--	--	--
TOTAL EQUITY	80,760	82,354	76,214	77,427

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

Amount repayable in one year or less, or on demand

The Group			
30.9.2018		30.6.2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
15	--	15	--

Details of any collateral

	The Group	
	30.9.2018	30.6.2018
	S\$'000	S\$'000
Borrowings		
Amount repayable in one year or less, or on demand		
Finance lease liabilities	15	30

As at 30 September 2018, the Group's finance lease liabilities of S\$15,000 (30 June 2018: S\$30,000) are secured by a motor vehicle

- 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

	The Group	
	1.7.2018 - 30.9.2018	1.7.2017 - 30.9.2017
	S\$'000	S\$'000
Cash flows from operating activities		
Total (loss)/profit	(521)	510
Adjustments for:		
- Income tax expenses	31	31
- Depreciation	226	258
- Property, plant and equipment written-off	4	1
- Reversal of impairment loss on trade receivables	--	(552)
- Interest income	(189)	(243)
- Unrealised currency translation losses/(gains)	506	(121)
	57	(116)
Change in working capital		
- Inventories	17	162
- Trade and other receivables	(10,260)	1,096
- Other current assets	2	(60)
- Trade and other payables	1,979	2
Cash (used in)/generated from operations	(8,205)	1,084
Income tax paid	(34)	(5)
Net cash (used in)/from operating activities	(8,239)	1,079
Cash flows from investing activities		
Additions to property, plant and equipment	(158)	(5)
Interest received	163	20
Cash subjected to foreign exchange controls	1,060	908
Net cash from investing activities	1,065	923
Cash flows from financing activities		
Repayment of lease payables	(15)	(15)
Net cash used in financing activities	(15)	(15)
Net (decrease)/increase in cash and cash equivalents	(7,189)	1,987
Cash and cash equivalent		
Beginning of financial period	30,043	23,790
Effects of currency translation on cash and cash equivalents	(88)	(88)
End of financial period	22,766	25,689

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

	The Group	
	30.9.2018	30.9.2017
	S\$'000	S\$'000
Cash at bank and on hand	17,517	6,424
Time deposits	44,778	64,615
Cash and cash equivalent in the statement of financial position	62,295	71,039
Cash subjected to foreign exchange controls	(39,529)	(45,350)
Cash and cash equivalent in the statement of cash flows	22,766	25,689

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
Balance at 1.7.2018	47,494	105	180	(8,650)	2,112	118	40,995	82,354
Total comprehensive (loss)/income for the period	--	--	--	(1,299)	--	226	(521)	(1,594)
Balance at 30.9.2018	47,494	105	180	(9,949)	2,112	344	40,474	80,760
Balance at 1.7.2017	47,494	105	180	(9,822)	2,112	57	40,357	80,483
Total comprehensive income for the period	--	--	--	179	--	--	510	689
Balance at 30.9.2017	47,494	105	180	(9,643)	2,112	57	40,867	81,172

Statement of Changes in Equity – The Company

	Share capital	Retained profits	Total
	S\$'000	S\$'000	S\$'000
Balance at 1.7.2018	47,494	29,933	77,427
Total comprehensive loss for the period	--	(1,213)	(1,213)
Balance at 30.9.2018	47,494	28,720	76,214
Balance at 1.7.2017	47,494	20,646	68,140
Total comprehensive income for the period	--	61	61
Balance at 30.9.2017	47,494	20,707	68,201

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

	30.9.2018	30.6.2018
	No. of Shares	No. of Shares
Issued Share Capital (Note)	81,104,539	81,104,539
Treasury Shares held	--	--
Shares to be issued pursuant to the exercise of all the outstanding convertibles	--	--

Note

	No. of Shares
Balance at 1/7/2018	81,104,539
Movement in share capital	--
Balance at 30/9/2018	81,104,539

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.

	30.9.2018	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. (Loss)/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

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

		The Group	
		30.9.2018	30.9.2017
(i)	Based on weighted average number of shares (cents)	(0.64)	0.63
	- Weighted average number of shares ('000 shares)	81,105	81,105
(ii)	On a fully diluted basis (cents)	(0.64)	0.63
	- Weighted average number of shares ('000 shares)	81,105	81,105

(Loss)/earnings per ordinary share is computed based on the weighted average number of issued shares of 81,104,539 (30.9.2017: 81,104,539).

On a fully diluted basis, there were no outstanding convertibles during the financial periods ended 30 September 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	
	30.9.2018	30.6.2018	30.9.2018	30.6.2018
	cents	Cents	cents	Cents
Net asset value per ordinary share based on total number of issued shares excluding treasury shares	99.57	101.54	93.97	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

The Group's revenue of S\$14.1m for the first quarter ended 30 September 2018 was an increase of S\$11.7m as compared to S\$2.4m in the last corresponding quarter. This was attributable to an increase in sales volume for lime products and the resumption of steel consumables trading.

Net Earnings

Owing to the absence of reversal of impairment on trade receivables of S\$0.6m in the first quarter of the previous year, other income decreased by 74% to S\$0.3m.

Other losses comprise mainly unrealised foreign exchange loss of S\$0.5m which arises from the depreciating Renminbi.

The recommencement of steel consumables trading as well as the higher demand for lime products, resulted in the increase in purchases by S\$10.6m from S\$1.4m to S\$12.0m.

Other expenses increased by 105% to S\$1.8m which is in line with the higher production for this quarter, and staff cost increased by 18% to S\$0.5m.

As a result, the Group reported a net loss of S\$0.5 million for the quarter, against a net profit of S\$0.5 million in the last corresponding quarter.

Cash Flows and Financial Position

As at 30 September 2018, the financial position of the Group remained positive, with working capital of S\$77.6m as compared to S\$79.2m as at 30 June 2018. Cash balance decreased by S\$9.8m mainly due to usage in operating activities of S\$8.2m and effects of currency translation loss of S\$1.5m.

The increase in trade and other receivables of S\$10.2m is in line with the higher sales for the period. Correspondingly, increased purchases has resulted in the hike in trade and other payables of S\$1.9m. Inventories decreased marginally by S\$0.1m, while financial assets at fair value through other comprehensive income increased by S\$0.2m due to 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.**

Amidst the current challenging environment, the Group aims to improve profitability through increasing sales and cost containment. Additionally, the Group intends to capitalise on the recovery of the steel industry in Malaysia through the resumption of trading of steel consumables.

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 2018.

13. Interested Person Transactions (“IPTs”)

For the financial period ended 30.9.2018		
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	--	9,781

14. 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 2018, 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, 31 October 2018