



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 2017**

**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		
	31.12.2017	31.12.2016	+ / (-)	31.12.2017	31.12.2016	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Continuing operations						
Revenue – sale of goods	2,955	1,902	55	5,328	3,795	40
Other income	759	421	80	1,745	853	n/m
Other gains – net	61	7	n/m	142	2	n/m
Expenses:						
Purchases of inventories	(1,859)	(1,238)	50	(3,247)	(2,436)	33
Employee compensation	(476)	(416)	14	(918)	(827)	11
Depreciation	(229)	(341)	(33)	(487)	(739)	(34)
Others	(1,083)	(815)	33	(1,939)	(1,623)	19
Changes in inventories	37	20	85	82	91	(10)
Total expenses	(3,610)	(2,790)	29	(6,509)	(5,534)	18
Profit/(loss) before income tax	165	(460)	n/m	706	(884)	n/m
Income tax (expenses)/credit	(37)	228	n/m	(68)	373	n/m
Total profit/(loss)	128	(232)	n/m	638	(511)	n/m
Profit/(Loss) attributable to:						
Equity holders of the Company	128	(232)	n/m	638	(511)	n/m
Non-controlling interests	--	--	n/m	--	--	n/m
	128	(232)	n/m	638	(511)	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		
	31.12.2017	31.12.2016	+ / (-)	31.12.2017	31.12.2016	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total profit/(loss)	128	(232)	n/m	638	(511)	n/m
Other comprehensive income/(loss):						
Available-for-sale financial assets						
- Fair value loss	(68)	(100)	(32)	(68)	29	n/m
Currency translation differences arising from consolidation	502	(53)	n/m	681	(182)	n/m
Other comprehensive income/(loss), net of tax	434	(153)	n/m	613	(153)	n/m
Total comprehensive income/(loss)	562	(385)	n/m	1,251	(664)	n/m
Total comprehensive income/(loss) attributable to:						
Equity holders of the Company	562	(385)	n/m	1,251	(664)	n/m
Non-controlling interests	--	--	n/m	--	--	n/m
	562	(385)	n/m	1,251	(664)	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	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	S\$'000	S\$'000	S\$'000	S\$'000
Profit/(loss) before income tax is arrived after (charging)/crediting:				
Currency exchange gain - net	61	9	142	3
Depreciation	(229)	(341)	(487)	(739)
Impairment loss on available-for-sale financial assets	--	--	--	(78)
Insurance	(33)	(32)	(57)	(58)
Listing expenses	(24)	(26)	(36)	(46)
Maintenance expenses	(51)	(21)	(84)	(50)
Material handling	(73)	(51)	(133)	(106)
Rental on operating lease	(54)	(52)	(105)	(106)
Transportation	(272)	(142)	(530)	(332)
Utilities	(372)	(285)	(659)	(491)
Reversal of impairment loss on trade receivables	503	359	1,055	428
Interest income:				
- bank deposits	236	172	467	332
- charged to related parties	11	(8)	23	38
Shortfall claims on minimum purchases from related parties	1	(107)	12	35

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.

Statements of Financial Position

	The Group		The Company	
	31.12.2017	30.6.2017	31.12.2017	30.6.2017
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	70,729	69,726	2,192	371
Trade and other receivables	3,624	3,271	85,772	68,803
Inventories	5,776	5,942	--	--
Income tax receivables	157	139	133	74
Other current assets	464	295	6	--
	80,750	79,373	88,103	69,248
Non-current assets				
Available-for-sale financial assets	134	203	--	--
Investments in subsidiaries	--	--	337	337
Property, plant and equipment	2,905	3,254	126	189
	3,039	3,457	463	526
Total assets	83,789	82,830	88,566	69,774
LIABILITIES				
Current liabilities				
Trade and other payables	2,177	2,033	1,201	1,320
Finance lease liabilities	60	60	60	60
	2,237	2,093	1,261	1,380
Non-current liabilities				
Other financial liabilities	--	30	--	30
Deferred income tax liabilities	224	224	224	224
	224	254	224	254
Total liabilities	2,461	2,347	1,485	1,634
NET ASSETS	81,328	80,483	87,081	68,140
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	47,494	47,494	47,494	47,494
Other reserves	(6,755)	(7,368)	--	--
Retained profits	40,589	40,357	39,587	20,646
	81,328	80,483	87,081	68,140
Non-controlling interests	--	--	--	--
TOTAL EQUITY	81,328	80,483	87,081	68,140

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

Amount repayable in one year or less, or on demand

The Group			
31.12.2017		30.6.2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
60	--	60	--

Amount repayable after one year

The Group			
31.12.2017		30.6.2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
--	--	30	--

Details of any collateral

	The Group	
	31.12.2017	30.6.2017
	S\$'000	S\$'000
Amount repayable in one year or less, or on demand Finance lease liabilities	60	60
Amount repayable after one year Finance lease liabilities	--	30

As at 31 December 2017, the Group's finance lease liabilities of S\$60,000 (30 June 2017: S\$90,000) 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	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Total profit/(loss)	128	(232)	638	(511)
Adjustments for				
- Income tax expenses/(credit)	37	(228)	68	(373)
- Depreciation	229	341	487	739
- Property, plant and equipment written-off	33	--	34	2
- Impairment loss on available-for-sale financial assets	--	--	--	78
- Reversal of impairment loss on trade receivables	(503)	(359)	(1,055)	(428)
- Interest income	(247)	(164)	(490)	(370)
- Loss on disposal of property, plant and equipment	--	1	--	1
- Unrealised currency translation gains	(78)	(3)	(199)	(10)
	(401)	(644)	(517)	(872)
Change in working capital				
- Inventories	162	218	324	216
- Trade and other receivables	(8)	377	1,088	523
- Other current assets	(103)	(28)	(163)	(47)
- Development property for sale	--	(12)	--	(30)
- Trade and other payables	119	(54)	121	844
Cash (used in)/generated from operations	(231)	(143)	853	634
Income tax paid	(68)	(48)	(73)	(106)
Net cash (used in)/provided by operating activities	(299)	(191)	780	528
Cash flows from investing activities				
Additions to property, plant and equipment	(65)	(79)	(70)	(101)
Interest received	182	96	202	130
Net cash provided by investing activities	117	17	132	29
Cash flows from financing activities				
Repayment of lease payables	(15)	(15)	(30)	(30)
Dividends paid to equity holders of the Company	(406)	(405)	(406)	(405)
Net cash used in financing activities	(421)	(420)	(436)	(435)
Net (decrease)/increase in cash and cash equivalents	(603)	(594)	476	122
Cash and cash equivalent				
Beginning of financial period	71,039	51,050	69,726	50,128
Effects of currency translation on cash and cash equivalents	293	341	527	547
End of financial period	70,729	50,797	70,729	50,797

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	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at bank and on hand	7,887	3,809	7,887	3,809
Short-term bank deposits	62,842	46,988	62,842	46,988
	70,729	50,797	70,729	50,797

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 1.7.2017	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
Total comprehensive income for the period	--	19,286	19,286
Dividend paid	--	(406)	(406)
Balance at 31.12.2017	47,494	39,587	87,081
Balance at 1.7.2016	47,494	20,632	68,126
Total comprehensive income for the period	--	900	900
Balance at 30.9.2016	47,494	21,532	69,026
Total comprehensive income for the period	--	389	389
Dividend paid	--	(405)	(405)
Balance at 31.12.2016	47,494	21,516	69,010

1(d)(i) (cont'd)

Consolidated Statement of Changes in Equity – The Group

	Attributable to equity holders of the Company								Non-Controlling Interests	Total
	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 1.7.2017	47,494	105	180	(9,822)	2,112	57	40,357	80,483	--	80,483
Total comprehensive income for the period	--	--	--	179	--	--	510	689	--	689
Balance at 30.09.2017	47,494	105	180	(9,643)	2,112	57	40,867	81,172	--	81,172
Dividend paid	--	--	--	--	--	--	(406)	(406)	--	(406)
Total comprehensive (loss)/income for the period	--	--	--	502	--	(68)	128	562	--	562
Balance at 31.12.2017	47,494	105	180	(9,141)	2,112	(11)	40,589	81,328	--	81,328
Balance at 1.7.2016	47,494	105	180	(7,721)	2,112	--	25,215	67,385	134	67,519
Total comprehensive (loss)/income for the period	--	--	--	(129)	--	129	(279)	(279)	--	(279)
Balance at 31.09.2016	47,494	105	180	(7,850)	2,112	129	24,936	67,106	134	67,240
Dividend paid	--	--	--	--	--	--	(405)	(405)	--	(405)
Total comprehensive loss for the period	--	--	--	(53)	--	(100)	(232)	(385)	--	(385)
Balance at 31.12.2016	47,494	105	180	(7,903)	2,112	29	24,299	66,316	134	66,450

- 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.

	31.12.2017	31.12.2016
	No. of Shares	No. of Shares
Issued Share Capital	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 1/10/2017	81,104,539
Movement in share capital	--
Balance at 31/12/2017	81,104,539

There were no unissued ordinary shares for the financial periods ended 31 December 2017 and 31 December 2016.

- 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.

	31.12.2017	30.6.2017
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.

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 by the Company's auditor.

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 as those applied for the most recent audited financial statements for the year ended 30 June 2017.

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 FRS that becomes effective during the new financial year and has no significant impact to 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			
		Second Quarter Ended		Half Year Ended	
		31.12.2017	31.12.2016	31.12.2017	31.12.2016
(a)	Based on weighted average number of shares (cents)	0.16	(0.29)	0.79	(0.63)
	Weighted average number of shares ('000 shares)	81,105	81,105	81,105	81,105
(b)	On a fully diluted basis (cents)	0.16	(0.29)	0.79	(0.63)
	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 (31.12.2016: 81,104,539).

On a fully diluted basis, there were no outstanding convertibles during the financial periods ended 31 December 2017 and 2016.

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	
	31.12.2017	30.6.2017	31.12.2017	30.6.2017
	cents	cents	cents	cents
Net asset value per ordinary share based on total number of issued shares excluding treasury shares	100.27	99.23	107.37	84.00

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

During the second quarter ended 31 December 2017, the Group recorded a 55% increase in turnover to S\$3.0 million, from S\$1.9 million in the last corresponding quarter. This was attributable to the increased demand for lime products.

Accordingly, turnover went up by 40% from S\$3.8 million to S\$5.3 million for the half year ended December 2017.

Net Earnings

On a half year basis, owing to an increase in costs of production, expenditure for the Group went up by 18% to S\$6.5 million. Depreciation reduced by 34% to S\$0.5 million, as a result of an impairment on plant and equipment last year. Following the recovery of trade receivables, impairment of S\$1.1 million was reversed.

Net earnings of the Group amounted to S\$0.1 million for this quarter and S\$0.6 million for the half year.

Financial Position

The Group's financial position remained positive, with a working capital of S\$78.0 million as at 31 December 2017, compared with S\$77.0 million as at 30 June 2017. Cash balance has increased to S\$70.7 million as at 31 December 2017, after S\$0.8 million was generated from operating activities, and S\$0.4 million was paid out as dividend.

Higher sales has increased trade and other receivables to S\$3.6 million as at 31 December 2017. Inventories remained largely unchanged at S\$5.8 million.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group's operations continue to face challenging market conditions. Nonetheless, the Group will remain vigilant and prudent in the conduct of its business.

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 December 2017.

13. Interested Person Transactions (“IPTs”)

For the financial period ended 31.12.2017		
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.	--	2,190
Antara Steel Mills Sdn. Bhd.	--	306

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 2017, 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 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**

Tan Yen Hui
Company Secretary

Singapore, 8 February 2018

LAP (2Q 31.12.17)