



# **LION ASIAPAC LIMITED**

(Registration No: 196800586R)

## **Unaudited Condensed Interim Financial Statements**

**For the third quarter and nine-month ended 31 March  
2023**

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**Unaudited Condensed Interim Financial Statements**  
**For the third quarter and nine-month ended 31 March 2023**

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

	The Group						
	Note	Third Quarter Ended			Nine Months Ended		
		31.3.2023 S\$'000	31.3.2022 S\$'000	+/- %	31.3.2023 S\$'000	31.3.2022 S\$'000	+/- %
<b>Revenue</b>	7	9,567	6,783	41	24,823	21,370	16
Other income and gains	8	329	402	(18)	944	1,323	(29)
Goods, materials and consumables used		(8,206)	(5,267)	56	(20,906)	(16,045)	30
Depreciation of property, plant and equipment		(95)	(167)	(43)	(287)	(754)	(62)
Depreciation right-of-use assets		(50)	(51)	(2)	(128)	(152)	(16)
Employee benefits expense		(604)	(617)	(2)	(1,882)	(1,781)	6
Other expenses	9	(1,062)	(1,434)	(26)	(3,251)	(4,373)	(26)
Changes in inventories of finished goods		(27)	(51)	(47)	(1)	(278)	(100)
Finance costs		(25)	(24)	4	(68)	(72)	(6)
Other losses	8	61	--	n.m	(1,582)	--	n.m
<b>Loss before tax</b>		<b>(112)</b>	<b>(426)</b>	(74)	<b>(2,338)</b>	<b>(762)</b>	207
Income tax expense	10	(13)	(30)	(57)	(73)	(91)	(20)
<b>Loss, net of tax</b>		<b>(125)</b>	<b>(456)</b>	(73)	<b>(2,411)</b>	<b>(853)</b>	183
<b>Loss attributable to:</b>							
Equity holders of the Company		(125)	(456)	(73)	(2,411)	(853)	183
		<b>(125)</b>	<b>(456)</b>	(73)	<b>(2,411)</b>	<b>(853)</b>	183

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	Third Quarter Ended			Nine Months Ended		
		31.3.2023 S\$'000	31.3.2022 S\$'000	+/- %	31.3.2023 S\$'000	31.3.2022 S\$'000	+/- %
<b><u>Other comprehensive income:</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	3,694	629	487	3,694	(410)	n.m
<b>Items that may be reclassified subsequently to profit or loss:</b>							
Exchange differences on translating foreign operations		(97)	98	n.m	(2,782)	650	n.m
<b>Other comprehensive income, net of tax</b>		<b>3,597</b>	<b>727</b>	395	<b>912</b>	<b>240</b>	280
<b>Total comprehensive income/(loss)</b>		<b>3,472</b>	<b>271</b>	1,181	<b>(1,499)</b>	<b>(613)</b>	145
Total comprehensive income/(loss) attributable to:							
Equity holders of the Company		3,472	271	1,181	(1,499)	(613)	145
		<b>3,472</b>	<b>271</b>	1,181	<b>(1,499)</b>	<b>(613)</b>	145
<b>Losses per share</b>							
Basic and diluted losses per share (cents)	11	<b>(0.15)</b>	<b>(0.56)</b>		<b>(2.97)</b>	<b>(1.05)</b>	

n.m - denotes not meaningful

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

	Note	The Group		The Company	
		31.3.2023 S\$'000	30.6.2022 S\$'000	31.3.2023 S\$'000	30.6.2022 S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	13	1,575	1,721	--	--
Right-of-use assets	13	1,167	1,073	--	--
Investments in subsidiaries	14	--	--	57,693	63,054
Other financial assets	15	3,694	--	--	--
<b>Total non-current assets</b>		<b>6,436</b>	<b>2,794</b>	<b>57,693</b>	<b>63,054</b>
<b>Current assets</b>					
Inventories		4,195	5,401	--	--
Trade and other receivables	16	9,844	9,551	27	11
Other non-financial assets		359	330	11	--
Cash and cash equivalents	17	46,314	59,636	3,455	5,436
<b>Total current assets</b>		<b>60,712</b>	<b>74,918</b>	<b>3,493</b>	<b>5,447</b>
<b>Total assets</b>		<b>67,148</b>	<b>77,712</b>	<b>61,186</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		21,162	31,683	12,279	19,540
Other reserves (adverse balance)		(6,255)	(7,167)	--	--
<b>Capital and reserves attributable to owners of the Company</b>		<b>62,401</b>	<b>72,010</b>	<b>59,773</b>	<b>67,034</b>
<b>Total equity</b>		<b>62,401</b>	<b>72,010</b>	<b>59,773</b>	<b>67,034</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities		224	224	224	224
Lease liabilities		1,012	1,097	--	--
<b>Total non-current liabilities</b>		<b>1,236</b>	<b>1,321</b>	<b>224</b>	<b>224</b>
<b>Current liabilities</b>					
Income tax payables		80	76	--	--
Lease liabilities		271	76	--	--
Trade and other payables		2,777	3,827	1,189	1,243
Provision		383	402	--	--
<b>Total current liabilities</b>		<b>3,511</b>	<b>4,381</b>	<b>1,189</b>	<b>1,243</b>
<b>Total liabilities</b>		<b>4,747</b>	<b>5,702</b>	<b>1,413</b>	<b>1,467</b>
<b>Total equity and liabilities</b>		<b>67,148</b>	<b>77,712</b>	<b>61,186</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 period	--	--	--	--	--	(2,411)	(2,411)
Other comprehensive income	--	3,694	(2,782)	--	--	--	912
<b>Total comprehensive loss for the period</b>	<b>--</b>	<b>3,694</b>	<b>(2,782)</b>	<b>--</b>	<b>--</b>	<b>(2,411)</b>	<b>(1,499)</b>
Dividend paid	--	--	--	--	--	(8,110)	(8,110)
<b>Closing balance at 31 March 2023</b>	<b>47,494</b>	<b>3,694</b>	<b>(12,241)</b>	<b>2,112</b>	<b>180</b>	<b>21,162</b>	<b>62,401</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 period	--	--	--	--	--	(853)	(853)
Other comprehensive income	--	(410)	650	--	--	--	240
<b>Total comprehensive loss for the period</b>	<b>--</b>	<b>(410)</b>	<b>650</b>	<b>--</b>	<b>--</b>	<b>(853)</b>	<b>(613)</b>
Dividend paid	--	--	--	--	--	(811)	(811)
<b>Closing balance at 31 March 2022</b>	<b>47,494</b>	<b>1,855</b>	<b>(8,371)</b>	<b>2,112</b>	<b>180</b>	<b>32,390</b>	<b>75,660</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 gain for the period	--	849	849
Dividend paid	--	(8,110)	(8,110)
<b>Closing balance at 31 March 2023</b>	<b>47,494</b>	<b>12,279</b>	<b>59,773</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 period	--	(1,981)	(1,981)
Dividend paid	--	(811)	(811)
<b>Closing balance at 31 March 2022</b>	<b>47,494</b>	<b>21,809</b>	<b>69,303</b>

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

	<b>The Group</b>	
	<b>Nine Months Ended</b>	
	<b>31.3.2023</b>	<b>31.3.2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b><u>Cash flows from operating activities</u></b>		
Loss before tax	(2,338)	(762)
Adjustments for :		
- Depreciation of property, plant and equipment	287	754
- Depreciation of right-of-use assets	128	152
- Property, plant and equipment written off	19	13
- Interest income	(577)	(666)
- Interest expense	68	72
- Unrealised currency translation losses/(gains)	1,546	(401)
- Reversal of impairment loss on trade receivables	--	(9)
<b>Operating cash flows before changes in working capital</b>	<b>(867)</b>	<b>(847)</b>
- Inventories	965	(148)
- Trade and other receivables	(860)	(1,199)
- Other non-financial assets	(44)	(8)
- Trade and other payables	(941)	955
<b>Net cash flows used in operations</b>	<b>(1,747)</b>	<b>(1,247)</b>
Income tax paid, net	--	--
<b>Net cash flows used in operating activities</b>	<b>(1,747)</b>	<b>(1,247)</b>
<b><u>Cash flows from investing activities</u></b>		
Purchases of property, plant and equipment	(276)	(247)
Interest received	178	253
<b>Net cash flows (used in)/from investing activities</b>	<b>(98)</b>	<b>6</b>
<b><u>Cash flows from financing activities</u></b>		
Lease liabilities	(176)	(202)
Dividends paid to owners of the Company	(8,110)	(811)
<b>Net cash used in financing activities</b>	<b>(8,286)</b>	<b>(1,013)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(10,131)</b>	<b>(2,254)</b>
Cash and cash equivalents, statement of cash flows, beginning balance	24,042	29,073
Effects of currency translation on cash and cash equivalents	(1,188)	161
<b>Cash and cash equivalents, statement of cash flows, ending balance (Note 17)</b>	<b>12,723</b>	<b>26,980</b>

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**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
- (c) Investment holding.

The condensed interim financial statements for the period ended 31 March 2023 have not been audited or reviewed.

**2. Basis of preparation**

The interim financial statements for the nine months ended 31 March 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>
SFRS (I) 1 -39, 7 and 9	Interest Rate Benchmark Reform – amendments to the Conceptual Framework of Financial Reporting
SFRS (I) 16	Covid-19 Related Rent Concessions - Amendment to (The 2021 amendment extends the limit from 30 June 2021 to 30 June 2022)

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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:

<u>SFRS (I) No.</u>	<u>Title</u>	<u>Effective date for periods beginning on or after</u>
SFRS (I) 1-1	Presentation of Financial Statements- amendment relating to Classification of Liabilities as Current or Non-current	1 Jan 2023
SFRS (I) 1-8	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
Various	Amendments to SFRS (I) 1-1 and SFRS (I) Practice Statement 2: Disclosure of Accounting Policies	1 Jan 2023

**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
- 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 period.

**4. Related party transactions**

	<u>Third quarter ended</u>		<u>Nine months ended</u>	
	<u>31.3.2023</u>	<u>31.3.2022</u>	<u>31.3.2023</u>	<u>31.3.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>

Significant related party transactions:

Revenue – sale of goods and services	<b>6,669</b>	3,051	17,165	8,870
Purchase of goods	<b>4</b>	21	114	74
Rental	<b>28</b>	30	84	89

**5. Financial information by operating segments**

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

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

<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>Nine months ended 31 March 2023</b>				
<b>Revenue</b>	10,674	14,149	--	24,823
<b>Segment results</b>	(905)	(349)	(446)	(1,700)
Other income and gains	292	197	455	944
Other losses	(447)	(336)	(799)	(1,582)
Loss before tax				(2,338)
Income tax expense				(73)
<b>Loss for the period</b>				(2,411)
<b>Non-cash expenses</b>				
Depreciation	328	81	6	415
<b>Reportable segment assets and consolidated total assets</b>	20,542	5,706	40,900	67,148
<b>Reportable segment liabilities</b>	3,587	332	604	4,523
Unallocated:				
Deferred tax liabilities				224
<b>Consolidated total liabilities</b>				4,747
<b>Other reportable segment item</b>				
Capital expenditure	276	--	--	276

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

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

The Group	Lime sales S\$'000	Trading S\$'000	Investment holding S\$'000	Total S\$'000
<b>Nine months ended 31 March 2022</b>				
<b>Revenue</b>	14,736	6,634	--	21,370
<b>Segment results</b>	(1,233)	(457)	(395)	(2,085)
Other income and gains	200	263	860	1,323
Loss before tax				(762)
Income tax expense				(91)
<b>Loss for the period</b>				(853)
<b>Non-cash expenses</b>				
Depreciation	798	102	6	906
<b>Reportable segment assets and consolidated total assets</b>	21,046	15,385	44,400	80,831
<b>Reportable segment liabilities</b>	4,162	170	615	4,947
Unallocated:				
Deferred tax liabilities				224
<b>Consolidated total liabilities</b>				5,171
<b>Other reportable segment item</b>				
Capital expenditure	247	--	--	247

**Geographical information**

As at 31 March 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.

	<b><u>Revenue</u></b>		<b><u>Non-current assets</u></b>	
	<b><u>Third quarter ended</u></b>		<b><u>Nine months ended</u></b>	
	<b><u>31.3.2023</u></b>	<b><u>31.3.2022</u></b>	<b><u>31.3.2023</u></b>	<b><u>31.3.2022</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>
Malaysia	<b>24,805</b>	21,362	<b>2,493</b>	2,893
Australia	--	--	<b>3,694</b>	1,913
Singapore	<b>9</b>	8	<b>249</b>	103
Others	<b>9</b>	--	--	--
	<b><u>24,823</u></b>	<u>21,370</u>	<b><u>6,436</u></b>	<u>4,909</u>

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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 period/year:

	<u>Group</u>		<u>Company</u>	
	<u>31.3.2023</u>	<u>30.6.2022</u>	<u>31.3.2023</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	56,158	69,187	3,482	5,447
At end of the period/year	<u>56,158</u>	<u>69,187</u>	<u>3,482</u>	<u>5,447</u>
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	4,060	5,000	1,189	1,243
At end of the period/year	<u>4,060</u>	<u>5,000</u>	<u>1,189</u>	<u>1,243</u>

**7. Revenue**

Revenue from contracts with customers

	<u>Third quarter ended</u>		<u>Nine months ended</u>	
	<u>31.3.2023</u>	<u>31.3.2022</u>	<u>31.3.2023</u>	<u>31.3.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
- Lime sales	3,577	4,627	10,674	14,736
- Trading	5,990	2,156	14,149	6,634
Sales	<u>9,567</u>	<u>6,783</u>	<u>24,823</u>	<u>21,370</u>

**8. Other income and gains**

	<u>Third quarter ended</u>		<u>Nine months ended</u>	
	<u>31.3.2023</u>	<u>31.3.2022</u>	<u>31.3.2023</u>	<u>31.3.2022</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	153	216	577	666
Exchange gain	--	76	--	376
Penalties from shortfall on minimum purchases	133	66	206	109
Rental recharged	25	24	73	71
Reversal of impairment loss on receivables	--	--	--	9
Incentive claim income	11	--	46	--
Others	7	20	42	92
	<u>329</u>	<u>402</u>	<u>944</u>	<u>1,323</u>
<u>Other losses:</u>				
Exchange losses	61	--	(1,135)	--
Stock adjustment	--	--	(447)	--
	<u>61</u>	<u>--</u>	<u>(1,582)</u>	<u>--</u>
Net	<u>390</u>	<u>402</u>	<u>(638)</u>	<u>1,323</u>

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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:

	<u>Third quarter ended</u>		<u>Nine months ended</u>	
	<u>31.3.2023</u>	<u>31.3.2022</u>	<u>31.3.2023</u>	<u>31.3.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Limekiln restart cost	--	52	--	204
Limekiln refurbishment cost	--	141	<b>16</b>	141
Maintenance expense	<b>49</b>	54	<b>342</b>	166
Material handling	<b>87</b>	115	<b>287</b>	318
Transportation expense	<b>294</b>	517	<b>912</b>	1,810
Utilities	<b>399</b>	338	<b>913</b>	1,011

**10. Income tax**

	<u>Third quarter ended</u>		<u>Nine months ended</u>	
	<u>31.3.2023</u>	<u>31.3.2022</u>	<u>31.3.2023</u>	<u>31.3.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Current income tax expense	<b>13</b>	30	<b>73</b>	91

**11. Losses per share**

	<u>Third quarter ended</u>		<u>Nine months ended</u>	
	<u>31.3.2023</u>	<u>31.3.2022</u>	<u>31.3.2023</u>	<u>31.3.2022</u>
Loss, net of tax attributable to owners of the Company (S\$'000)	<b>(125)</b>	(456)	<b>(2,411)</b>	(853)
Weighted average number of ordinary shares ('000)	<b>81,105</b>	81,105	<b>81,105</b>	81,105
Losses per share (cents)	<b>(0.15)</b>	(0.56)	<b>(2.97)</b>	(1.05)

The diluted losses per share was the same as the basic losses per share as there were no share options outstanding (31.3.2022: Nil).

**12. Net asset value**

	<u>Group</u>		<u>Company</u>	
	<u>31.3 2023</u>	<u>30.6.2022</u>	<u>31.3 2023</u>	<u>30.6.2022</u>
Net asset value per ordinary share (cents)	<b>76.94</b>	88.79	<b>73.70</b>	82.65

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

**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 period.

**14. Investments in subsidiaries**

	Company	
	<u>31.3.2023</u>	<u>30.6.2022</u>
	S\$'000	S\$'000
Unquoted equity shares at cost	5,087	5,087
Loan receivables <sup>(a)</sup>	101,566	108,095
Allowance for impairment	<u>(48,960)</u>	<u>(50,128)</u>
Carrying value	<u>57,693</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>31.3.2023</u>	<u>30.6.2022</u>
	S\$'000	S\$'000
Movements during the period/year. At carrying value:		
Balance at beginning of the year	63,054	63,497
Reversal/(Allowance) of impairment loss <sup>(b)</sup>	1,168	(3,858)
(Repayment)/Additions of loan receivables	<u>(6,529)</u>	<u>3,415</u>
Balance at end of the period/year	<u>57,693</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>	<u>(1,168)</u>	<u>3,858</u>
Balance at end of the period/year	<u>48,960</u>	<u>50,128</u>

(b) The net tangible assets/liabilities of subsidiaries were used to determine the allowance for impairment. For the period, an improvement in subsidiaries' financial position resulted in a reversal of impairment of S\$1,168,000. In 2022, there were decreasing performance of subsidiaries' financial positions, hence resulting in an allowance of impairment amounting to S\$3,858,000.

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

**15. Other financial assets**

	<u>Group</u>	
	<u>31.3.2023</u>	<u>30.6.2022</u>
	S\$'000	S\$'000
Movements during the period/year:		
Fair value at beginning of the year	--	2,265
Increase/(Decrease) in fair value through other comprehensive income	<u>3,694</u>	<u>(2,265)</u>
Fair value at end of the period/year	<u><u>3,694</u></u>	<u><u>--</u></u>

This relates to the quoted shares of Mindax Limited, which was listed on the Australian Securities Exchange ("ASX"). This investment was classified as level 1 in the fair value hierarchy as it was traded in an active market. Since the security has recommenced trading on 1 March 2023, the Company has accordingly accounted for the investment at fair value.

**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>
	S\$'000	S\$'000
<u>Group</u>		
<b>31.3.2023:</b>		
Within credit limit	<b>8,193</b>	--
1 to 30 days past due	<b>547</b>	--
31 to 60 days past due	<b>337</b>	--
61 to 90 days past due	<b>298</b>	--
Over 90 days past due	<b>82</b>	--
Total	<u><u>9,457</u></u>	<u><u>--</u></u>
	<u>Gross amount</u>	<u>Loss allowance</u>
	S\$'000	S\$'000
<u>Group</u>		
<b>30.6.2022:</b>		
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><u>8,920</u></u>	<u><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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**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**17. Cash and cash equivalents**

	<u>Group</u>		<u>Company</u>	
	<u>31.3.2023</u> <u>S\$'000</u>	<u>30.6.2022</u> <u>S\$'000</u>	<u>31.3.2023</u> <u>S\$'000</u>	<u>30.6.2022</u> <u>S\$'000</u>
Cash at bank and on hand	15,211	3,043	491	378
Fixed deposits	31,103	56,593	2,964	5,058
Cash at end of the period/year	<u>46,314</u>	<u>59,636</u>	<u>3,455</u>	<u>5,436</u>

Cash and cash equivalents in the statement of cash flows:

	<u>Group</u>	
	<u>31.3.2023</u> <u>S\$'000</u>	<u>30.6.2022</u> <u>S\$'000</u>
Amount as shown above	46,314	59,636
Cash subjected to foreign exchange control	(33,591)	(35,594)
Cash and cash equivalents in the statement of cash flows	<u>12,723</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 31.12.2022, and 31.3.2023	<u>81,104,539</u>	<u>47,494</u>
<b>Treasury shares</b>		
Balances as 31.3.2022, 30.6.2022, and 31.3.2023	<u>--</u>	<u>--</u>
<b>Total number of issued shares excluding treasury shares</b>		
Balances as 31.3.2022, 30.6.2022, and 31.3.2023	<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**

There were no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

**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 31 March 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 grew 41% to S\$9.6 million. This was owing to higher steel trading volume offset by lower lime sales.

Higher trading orders resulted in the increase in the purchase of inventories by 56% to S\$8.2 million.

As most of the property, plant, and equipment have been fully depreciated, this quarter's depreciation has been reduced by 43% to S\$0.1 million.

The transportation and kiln refurbishment costs were reduced by S\$0.2million and S\$0.1million respectively. Other expenses have dropped by 26% to S\$1.1 million.

Net loss for the quarter was S\$0.1 million, against a loss of S\$0.5 million in the corresponding quarter. This was primarily caused by a decrease in, depreciation charge (S\$0.1 million), transportation cost (S\$0.2 million) and, kiln refurbishment cost (S\$0.1 million).

For the 9-month period, higher orders in steel trading offset by lower lime sales have increased Group's revenue by 16% to S\$24.8 million.

Other income and gains has reduced by 29% to S\$0.9 million primarily owing to an exchange gain of S\$0.4 million last year.

Higher trading orders have resulted in an increase in purchases by 30% to S\$20.9 million.

Other expenses reduced by 26% to S\$3.3 million, comprising decreased limekiln restart cost of S\$0.2 million, decreased limekiln refurbishment cost of S\$0.1 million, reduced transportation cost of S\$0.9 million, decreased utilities of S\$0.1 million offset by increased maintenance expenses of S\$0.2 million.

The S\$1.5 million in 'other losses' comprised the stock take adjustment of S\$0.4 million and an exchange loss of S\$1.1 million arising from the weakening of the Renminbi.

For the lime sales segment, escalating production cost has resulted in losses for both current and previous periods, of S\$0.9 million and S\$1.2 million respectively. The Group incurred losses of S\$0.3 million and S\$0.4 million respectively, for trading and investment holding for the period.

Overall, the Group incurred a loss after tax of S\$2.4 million for the 9-month period ended March 2023.

**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 March 2023, the Group's assets and liabilities stood at S\$67.1 million and S\$4.7 million, respectively. Its working capital remained healthy at S\$56.8 million, a decrease of S\$13.4 million from the corresponding period.

Other financial assets comprise Mindax Limited equity shares, worth S\$3.7 million since the security recommenced trading on the ASX on 1<sup>st</sup> March 2023.

Inventories decreased by S\$1.2 million owing to a stocktake adjustment of S\$0.4 million and utilisation in production of S\$0.8 million.

Settlements to suppliers have reduced trade and other payables by S\$1.0 million.

'Other reserves (adverse balance)' decreased from S\$7.2 million to S\$6.3 million mainly due to fair value changes on the equity investment of Mindax Limited which resumed trading in ASX on 1<sup>st</sup> March 2023 and translation reserve resulted from the weakening of the Renminbi and the Ringgit.

**Cash flow statement review**

Cash flows used in operating activities amounted to S\$1.7 million. The Group utilised S\$0.1 million in investing activities mainly for the purchase of PPE of S\$0.3 million, cushioned by interest received of S\$0.2 million. The Group utilised S\$8.3 million in financing activities for dividend payment and repayment of lease liabilities.

The foreign currency translation losses from the weakening Renminbi have resulted in the reduction of the balances in the China bank accounts by S\$2.0 million to S\$33.6 million.

In summary, the group's cash balances were reduced by S\$13.3 million to S\$46.3 million as at the period'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.

**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 increase in energy prices in Malaysia. Escalating costs will continue to pose constraints to the Group's core businesses. The Group will continue to exercise prudence in managing these challenges and will take advantage of any new opportunities that may arise.

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

**5. 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.

**6. If no dividend has been declared/recommendeded, 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. Interested person transactions**

**Interested Person Transactions (“IPTs”)**

<b>For the financial period ended 31.3.2023</b>			
<b>Name of Interested Person</b>	<b>Nature of relationship</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) S\$'000</b>	<b>Aggregate value of all IPTs conducted under IPT Mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) S\$'000</b>
<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.	--	3,017
<u>Sales of steel consumables</u> Amsteel Mills Sdn Bhd		--	14,149
<u>Maintenance expense</u> Amsteel Mills Sdn Bhd		--	168

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

The Directors confirmed that, to the best of their knowledge, nothing has come to their attention which may render the interim financial results of Lion Asiapac Limited for the third quarter and nine-month ended 31 March 2023 to be false or misleading in any material aspects.

**9. 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, 11 May 2023