



Miyoshi Limited

(Incorporated in the Republic of Singapore)
(Company Registration No. 198703979K)

First Quarter Financial Year 2017 Financial Statements And Dividend Announcement

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS

- 1(a) Statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

UNAUDITED RESULTS FOR THE PERIOD ENDED 30 NOVEMBER 2016

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Note	Group		
		3 months ended		
		30-Nov-16 S\$'000	30-Nov-15 S\$'000	Change %
Revenue		12,723	11,836	7.5%
Other income	(i)	878	771	13.9%
Raw materials, consumables used and changes in inventories		(6,969)	(6,755)	3.2%
Employee benefit expenses		(2,954)	(2,270)	30.1%
Depreciation and amortisation expenses		(805)	(898)	-10.4%
Other operating expenses	(ii)	(2,194)	(2,211)	-0.8%
Finance costs		(174)	(100)	74.0%
Profit before income tax		505	373	35.4%
Income tax expense		(94)	(77)	22.1%
Profit for the period	(iii)	411	296	38.9%
Profit attributable to:				
Owners of the parent		325	426	-23.7%
Non-controlling interests		86	(130)	N.M
Profit for the period		411	296	38.9%
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translation of foreign operations		2,159	79	N.M
Total comprehensive income for the period		2,570	375	N.M
Total comprehensive income attributable to:				
Owners of the parent		2,459	502	N.M
Non-controlling interests		111	(127)	N.M
		2,570	375	N.M

N.M. denotes not meaningful

Notes:

1(a)(i) Other income includes the following:

OTHER INCOME	Group	
	3 months ended	
	30-Nov-16 S\$'000	30-Nov-15 S\$'000
Income from sales of scrap	253	396
Rental income	212	171
Gain on foreign exchange, net	-	92
Reversal of impairment of plant and equipment	48	-
Interest income	44	13
Gain on disposal of plant and equipment	286	78
Miscellaneous income	35	21
	878	771

1(a)(ii) Other operating expenses include the following:

OTHER OPERATING EXPENSES	Group	
	3 months ended	
	30-Nov-16 S\$'000	30-Nov-15 S\$'000
Supplies and services	1,002	980
Utilities	486	461
Transportation and travelling	197	221
Maintenance	166	154
Professional fees	117	116
Loss on foreign exchange, net	42	-
Others	184	279
	2,194	2,211

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	Group		Company	
	As At		As At	
	30-Nov-16 S\$'000	31-Aug-16 S\$'000	30-Nov-16 S\$'000	31-Aug-16 S\$'000
ASSETS				
Current assets:				
Cash and bank balances	12,519	12,559	4,594	5,638
Trade and other receivables	14,683	14,065	4,803	4,430
Prepayments	179	96	47	21
Inventories	5,809	5,203	35	70
Total current assets	33,190	31,923	9,479	10,159
Non-current assets:				
Subsidiaries	-	-	20,468	19,839
Available-for-sale financial assets	9,447	9,031	9,432	9,017
Property, plant and equipment	29,331	28,883	4,805	4,598
Investment properties	7,715	7,503	-	-
Deferred tax assets	4	3	-	-
Other receivables	335	320	335	320
Total non-current assets	46,832	45,740	35,040	33,774
Total assets	80,022	77,663	44,519	43,933
LIABILITIES AND EQUITY				
Current liabilities:				
Trade & other payables	10,573	8,476	5,681	3,422
Current income tax payable	45	32	-	-
Bank loans	6,166	6,241	1,889	1,892
Total current liabilities	16,784	14,749	7,570	5,314
Non-current liabilities:				
Bank loans	4,603	5,009	1,826	2,276
Other loan	-	-	700	781
Other payable	781	824	-	-
Provisions	484	463	-	-
Deferred tax liabilities	420	427	-	-
Total non-current liabilities	6,288	6,723	2,526	3,057
Total liabilities	23,072	21,472	10,096	8,371
Equity:				
Share capital	39,309	39,309	39,309	39,309
Revaluation reserve	666	666	-	-
Fair value reserve	(12)	(12)	-	-
Other reserve	823	823	-	-
Share options reserve	217	217	217	217
Currency translation reserve	(9,380)	(11,514)	(9,815)	(11,388)
Retained earnings	22,705	24,191	4,712	7,424
Equity attributable to owners of the parent	54,328	53,680	34,423	35,562
Non-controlling interests	2,622	2,511	-	-
Total equity	56,950	56,191	34,423	35,562
Total liabilities and equity	80,022	77,663	44,519	43,933

1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

As At 30 November 2016 SS\$'000		As At 31 August 2016 SS\$'000	
Secured	Unsecured	Secured	Unsecured
5,492	674	5,566	675

Amount repayable after one year

As At 30 November 2016 SS\$'000		As At 31 August 2016 SS\$'000	
Secured	Unsecured	Secured	Unsecured
3,603	1,000	3,856	1,153

Detail of collaterals

The Group's secured borrowing comprises bank loans of the Company and its subsidiaries, Miyoshi Precision Huizhou Co., Ltd ("MPH"), Wuxi Miyoshi Precision Co., Ltd ("WMP"), Miyoshi Precision (Malaysia) Sdn Bhd ("MPM") and Miyoshi Technologies Phils, Inc. ("MTP"). The bank loans are secured against assets and properties of the Company and its subsidiaries. The Company provided a corporate guarantee and a letter of comfort for the bank loan to MPM. The current and non-current balances of the secured bank loans as at 30 November 2016 were \$5,492,000 and \$3,603,000 (31 August 2016: \$5,566,000 and \$3,856,000).

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.

CONSOLIDATED STATEMENT OF CASH FLOWS	Group	
	3 months ended	
	30-Nov-16 S\$'000	30-Nov-15 S\$'000
Operating activities:		
Profit before income tax	505	373
Adjustments for:		
Depreciation and amortisation expenses	805	898
Interest expense	174	100
Interest income	(44)	(13)
Gain on disposal of plant and equipment	(286)	(78)
Reversal of impairment loss on plant and equipment	(48)	-
Unrealised exchange differences	129	(55)
Operating cash flows before movements in working capital	1,235	1,225
Trade and other receivables	(567)	1,817
Inventories	(437)	(1,389)
Trade and other payables	104	(458)
Cash generated from operations	335	1,195
Interest paid	(174)	(100)
Interest received	44	13
Income tax paid	(63)	(54)
Net cash from operating activities	142	1,054
Investing activities:		
Proceeds from disposal of plant and equipment	311	84
Addition of Intangible assets	-	(216)
Purchase of plant and equipment	(343)	(1,178)
Net cash used in investing activities	(32)	(1,310)
Financing activities:		
Repayment of bank loans	(858)	(305)
Net cash used in financing activities	(858)	(305)
Decrease in cash and cash equivalents	(748)	(561)
Effect of exchange rate changes on cash and cash equivalents	713	4
Cash and cash equivalents at beginning of period	12,422	6,679
Cash and cash equivalents at end of period	12,387	6,122
Cash and bank balances	12,519	6,254
Restricted cash	(132)	(132)
Cash and cash equivalents at end of period	12,387	6,122

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 FOR THE PERIOD ENDED 30 NOVEMBER 2016	Share Capital	Revaluation Reserve	Fair Value Reserve	Other Reserve	Share Options Reserve	Currency Translation Reserve	Retained Earnings	Equity Attributable to Owners of the Parent	Non- Controlling Interests	Total Equity
GROUP	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 September 2016	39,309	666	(12)	823	217	(11,514)	24,191	53,680	2,511	56,191
Profit for the period	-	-	-	-	-	-	325	325	86	411
Other comprehensive income for the period										
Foreign currency translation	-	-	-	-	-	2,134	-	2,134	25	2,159
Total comprehensive income for the period	-	-	-	-	-	2,134	325	2,459	111	2,570
Contribution to owners										
Dividends	-	-	-	-	-	-	(1,811)	(1,811)	-	(1,811)
Total contribution to owners	-	-	-	-	-	-	(1,811)	(1,811)	-	(1,811)
Balance at 30 November 2016	39,309	666	(12)	823	217	(9,380)	22,705	54,328	2,622	56,950

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 NOVEMBER 2015	Share Capital	Revaluation Reserve	Fair Value Reserve	Other Reserve	Share Options Reserve	Currency Translation Reserve	Retained Earnings	Equity Attributable to Owners of the Parent	Non- Controlling Interests	Total Equity
GROUP	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 September 2015	39,309	687	(12)	727	220	(9,311)	23,211	54,831	3,252	58,083
Profit / (loss) for the period	-	-	-	-	-	-	426	426	(130)	296
Other comprehensive income for the period										
Foreign currency translation	-	-	-	-	-	76	-	76	3	79
Total comprehensive income for the period	-	-	-	-	-	76	426	502	(127)	375
Balance at 30 November 2015	39,309	687	(12)	727	220	(9,235)	23,637	55,333	3,125	58,458

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 FOR THE PERIOD ENDED 30 NOVEMBER 2016	Share Capital	Share Options Reserve	Currency Translation Reserve	Retained Earnings	Total Equity
COMPANY	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 September 2016	39,309	217	(11,388)	7,424	35,562
Loss for the period	-	-	-	(901)	(901)
Other comprehensive income for the period					
Foreign currency translation	-	-	1,573	-	1,573
Total comprehensive income for the period	-	-	1,573	(901)	672
Contribution to owners					
Dividends	-	-	-	(1,811)	(1,811)
Total contribution to owners	-	-	-	(1,811)	(1,811)
Balance at 30 November 2016	39,309	217	(9,815)	4,712	34,423

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 NOVEMBER 2015	Share Capital	Share Options Reserve	Currency Translation Reserve	Retained Earnings	Total Equity
COMPANY	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 September 2015	39,309	220	(10,251)	4,755	34,033
Loss for the period	-	-	-	(56)	(56)
Other comprehensive income for the period					
Foreign currency translation	-	-	84	-	84
Total comprehensive income for the period	-	-	84	(56)	28
Balance at 30 November 2015	39,309	220	(10,167)	4,699	34,061

- 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.**

There are no changes in the Company's share capital arising from any 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.

The Company did not hold any treasury shares as at 30 November 2016 (30 November 2015: Nil).

The number of ordinary shares that may be issued upon exercise of all share options outstanding as at 30 November 2016 was 1,044,000 (30 November 2015: 1,070,000).

The total number of issued shares excluding treasury shares of the Company as at 30 November 2016 was 452,669,490 (30 November 2015: 452,669,490).

- 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.**

Company	As At 30 November 2016	As At 31 August 2016
Total number of issued shares	452,669,490	452,669,490
Add: New shares issued	-	-
Total number of issued shares excluding treasury shares	452,669,490	452,669,490

- 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.**

There were no treasury shares sold, transferred, disposed, cancelled and/or used as at the end of the current financial period reported on.

- 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 our auditors.

- 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.**

Saved as disclosed in paragraph 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the period ended 31 August 2016.

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 has adopted all the applicable new and revised Financial Reporting Standards (“FRS”) and Interpretations of Financial Reporting Standards (“INT FRS”) that are mandatory for the accounting periods beginning on or after 1 September 2016. The adoption of these new and revised FRS and INT FRS, did not result in any substantial changes of the Group’s and the Company’s accounting policies and has no significant impact on the financial statements for the current financial reporting period.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	3 months ended	
	30-Nov-16	30-Nov-15
	Cents	Cents
(i) Based on weighted average /actual number of ordinary shares in issue	0.07	0.09
(ii) On a fully diluted basis	0.07	0.09
Weighted average number of ordinary share in issue for basic and diluted earnings per share	452,669,490	452,669,490

Earnings per ordinary share is calculated on the Group profit/(loss) for the financial periods attributable to owners of the parent divided by the weighted average number of ordinary share for 1Q2017 is 452,669,490 (1Q2016: 452,669,490).

Earnings per ordinary share (diluted basis) is computed based on the same basis as earnings per share by applying the weighted average number of ordinary shares in issuance during the period under review and adjusted to include all potential dilutive ordinary shares up to 30 November 2016. The Company has only one type of potential dilutive shares which are the share options granted under its share option schemes.

For the share options, the weighted average number of shares in issue is adjusted as if all share options that are dilutive were exercised. The number of shares that could have been issued upon the exercise of all dilutive share options less the number of shares that could have been issued at fair value (determined as the Company’s average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration with no adjustment to earnings (numerator).

The share options did not have dilutive effect on the Group’s earnings per share in the current and previous financial periods because the average market price per ordinary share of the Company was below the exercise price of the share option granted.

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 issuers at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	Group	Company
As at 30 November 2016	12.00 cents	7.60 cents
As at 31 August 2016	11.86 cents	7.86 cents

Net asset value per share is calculated based on share capital of 452,669,490 ordinary shares in issue, excluding treasury shares, as at 30 November 2016 and 31 August 2016.

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.**

A. Revenue

The Group recorded a 7.5% increase in revenue from \$11.8 million in 1Q2016 to \$12.7 million in 1Q2017. The increase is mainly due to more orders from automotive and data storage customers.

B. Other Income

Other income increased by \$0.1 million from \$0.8 million in 1Q2016 to \$0.9 million in 1Q2017. The increase was mainly due to an increase in gain on disposal of plant and equipment of \$0.2 million which was offset by a decrease in income from sales of scrap of \$0.1 million.

C. Total Costs and Expenses

Total costs and expenses increased by \$0.9 million from \$12.2 million in 1Q2016 to \$13.1 million in 1Q2017, in line with the increase in revenue. The increase was mainly due to an increase in employee benefit expenses of \$0.7 million and raw materials and consumables used of \$0.2 million, and offset by a decrease in depreciation and amortisation expenses of \$0.1 million.

D. Profit After Income Tax

Profit after income tax increased slightly by \$0.1 million from \$0.3 million in 1Q2016 to \$0.4 million in 1Q2017.

E. Assets and Liabilities

Current assets increased by \$1.3 million from \$31.9 million as at 31 August 2016 to \$33.2 million as at 30 November 2016. The was mainly due to increase in trade and other receivables of \$0.6 million and inventories of \$0.6 million.

Current liabilities increased by \$2.1 million from \$14.7 million as at 31 August 2016 to \$16.8 million as at 30 November 2016. The increase in trade and other payables of \$2.1 million was offset by a decrease in bank loans of \$0.1 million.

Non-current assets increased by \$1.1 million from \$45.7 million as at 31 August 2016 to \$46.8 million as at 30 November 2016. This was mainly due to an increase in property, plant and equipment of \$0.4 million and currency re-alignment in available for sale financial assets and investment properties of \$0.6 million.

Non-current liabilities decreased by \$0.4 million from \$6.7 million as at 31 August 2016 to \$6.3 million as at 30 November 2016 mainly due to repayment of bank loans.

F. Equity

Equity attributable to owners of the parent increased to \$54.3 million as at 30 November 2016, from \$53.7 million as at 31 August 2016. The profit attributable to owners of the parent of \$0.3 million and exchange translation of foreign operations of \$2.1 million due to stronger USD and RMB against the SGD, and were offset by dividend payable of \$1.8 million.

G. Cash Flows

Cash and cash equivalents decreased by \$35,000 from \$12.4 million as at 31 August 2016 to \$12.4 million as at 30 November 2016. Cash and cash equivalents comprised of cash and bank balances, fixed deposits and excluding restricted cash.

Net cash from operating activities for 1Q2017 amounted to \$0.1 million. The cash from operations of \$1.2 million before movements in working capital were reduced by higher trade and other receivables of \$0.6 million, higher inventory of S\$0.4 million, interest payment of \$0.1 million and income tax payment of \$0.1 million, offset by lower trade and other payables of \$0.1 million.

Net cash used in investing activities for 1Q2017 amounted to \$32,000. This is mainly due to capital expenditure of \$0.3 million offset by proceeds from disposal of plant and equipment of \$0.3 million.

Net cash used in financing activities for 1Q2017 amounted to \$0.9 million mainly due to repayment of bank loans.

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

No forecast or prospect statement had been previously disclosed to shareholders for the financial period under review.

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 economic environment continues to present challenges as the Group faced business headwinds.

Against this backdrop, the focus of the Group will be to develop new customers, streamline costs and improve capacity utilisation for the Group's operations. Going forward, the Group hopes to benefit from enhanced operational efficiencies and margin improvements.

The outlook for both the consumer electronics and automotive segments are stable while the demand for data storage products is expected to be sluggish.

The investment properties of the Group, comprising of industrial properties in the Philippines and Malaysia, will continue to provide a recurrent income stream.

As an update to the Group's announcement on completion of the investment in Core Power, the primary operations of Core Power are the production and sales of light electric vehicles. Core Power have just completed the construction of the four major manufacturing facilities of stamping, welding, painting and final assembly in June 2016.

As part of the consideration for the investment in Core Power, the Green Galaxy Limited Group of Companies ("GGL Group") were sold to the JV Partner. The JV Partner, in turn, injected the inventories, assets, systems and headcount of the GGL Group into the the Joint Venture, Core Power. As such, there is no overlap of businesses of GGL Group and Core Power. They are working together now under Core Power and there is no conflict of interests.

11. **Dividend**

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No

(b) (i) Amount per share (cents)

Not applicable

(b) (ii) Previous corresponding period (cents)

Nil

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable

(d) Date payable

Not applicable

(e) Books closure date

Not applicable

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been recommended by the Board.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Name of interested person	Aggregate Value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate Value of all interested person transactions conducted during the financial year under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Total	Nil	Nil

Note: There were interest person transactions occurring during the period under the shareholders' mandate but the individual transactions were less than S\$100,000.

14. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

We, Sin Kwong Wah, Andrew and Pek Ee Perh, Thomas, being two directors of Miyoshi Limited (the "Company"), do hereby confirm on behalf of the directors of the Company (the "Board") that, to the best of their knowledge, nothing has come to the attention of the Board, which may render the financial statements for the first quarter ended 30 November 2016 to be false or misleading in any material aspect.

15. Confirmation by the Board pursuant to Rule 720(1) of the Listing Manual

The Company hereby confirms that it has procured undertakings from all its Directors and executive officers in the format set out in Appendix 7H of the Catalist Rules in accordance with Rule 720(1) of the Catalist Rules, such format as revised by the SGX-ST on 21 January 2016.

On Behalf of the Board,

Sin Kwong Wah, Andrew
Executive Director and CEO
11 January 2017

Pek Ee Perh, Thomas
Director

This document has been prepared by the Company and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore branch ("Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"), this being the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this document.

The document has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this document including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr Tony Toh, Director, Investment Banking. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 6337 5115.