

Miyoshi Limited

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

Fourth Quarter Financial Year 2018 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.

Consolidated Statement of Comprehensive Income

For the fourth quarter and full year ended 31 August 2018

	Note	Group Quarter			Group 12 Months		
		Aug-18 \$'000	Aug-17 \$'000	Change %	Aug-18 \$'000	Aug-17 \$'000	Change %
Revenue	(i)	12,816	14,065	(8.9)	51,318	52,763	(2.7)
Other income	(ii)	316	830	(61.9)	438	1,406	(68.8)
Raw materials, consumables used & changes in inventories		(6,355)	(7,301)	(13.0)	(25,974)	(27,012)	(3.8)
Employee benefit expenses		(3,364)	(2,549)	32.0	(11,052)	(11,027)	0.2
Depreciation and amortisation expenses		(821)	(483)	70.0	(2,785)	(2,867)	(2.9)
Other operating expenses	(iii)	(3,017)	(3,345)	(9.8)	(9,878)	(10,101)	(2.2)
Finance costs		(158)	(108)	46.3	(416)	(488)	(14.8)
Profit before income tax		(583)	1,109	N.M.	1,651	2,674	(38.3)
Income tax expense		(225)	85	N.M.	(634)	(472)	34.3
(Loss) / Profit for the period		(808)	1,194	N.M.	1,017	2,202	(53.8)
(Loss) / Profit attributable to:							
Owners of the parent		(747)	1,302	N.M.	1,276	2,207	(42.2)
Non-controlling interests		(61)	(108)	(0.4)	(259)	(5)	N.M.
(Loss) / Profit for the period		(808)	1,194	N.M.	1,017	2,202	(53.8)
Other comprehensive income							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation of foreign operations		772	(778)	N.M.	589	162	2.6
<i>Items that will not be reclassified subsequently to profit or loss</i>							
Actuarial gain / (loss) on defined benefit plan		93	119	(0.2)	93	119	(0.2)
Other comprehensive income for the period, net of tax		865	(659)	N.M.	682	281	1.4
Total comprehensive income for the period		57	535	(0.9)	1,699	2,483	(31.6)
Total comprehensive income attributable to:							
Owners of the parent		120	639	(0.8)	1,921	2,438	(21.2)
Non-controlling interests		(63)	(104)	(0.4)	(222)	45	N.M.
		57	535	(0.9)	1,699	2,483	(31.6)

N.M. denotes not meaningful

*Throughout this report, all figures are in Singapore Dollars and Singapore Cents, unless otherwise stated.

Notes:**1(a)(i) Revenue**

	Group Quarter		Group 12 Months	
	Aug-18	Aug-17	Aug-18	Aug-17
	\$'000	\$'000	\$'000	\$'000
Sales of goods	12,126	13,396	48,647	50,668
Sales of scrap	458	344	1,656	1,121
Rental income	232	326	1,015	974
	12,816	14,066	51,318	52,763

1(a)(ii) Other income

	Group Quarter		Group 12 Months	
	Aug-18	Aug-17	Aug-18	Aug-17
	\$'000	\$'000	\$'000	\$'000
Gain on disposal of plant and equipment	63	590	128	932
Reversal of impairment of plant and equipment	-	210	-	259
Gain on disposal of club membership	-	-	-	41
Fair value gain on investment properties	200	-	200	-
Gain on foreign exchange, net	47	-	-	-
Interest income	6	7	19	19
Miscellaneous income	-	23	91	155
	316	830	438	1,406

1(a)(iii) Other operating expenses

	Group Quarter		Group 12 Months	
	Aug-18	Aug-17	Aug-18	Aug-17
	\$'000	\$'000	\$'000	\$'000
Supplies and services	953	587	4,209	3,759
Utilities	478	468	1,768	1,886
Transportation and travelling	223	268	884	876
Fair value loss on investment properties	-	730	-	730
Professional fees	271	226	764	598
Office and sundry expenses	179	475	490	678
Repair and maintenance	80	86	432	568
Allowance for doubtful trade and other receivables	-	195	-	308
Loss on foreign exchange, net	-	18	238	146
Allowance for inventory obsolescence	159	159	-	120
Allowance for impairment of plant and equipment	497	-	497	-
Plant and equipment written off	5	1	5	1
Bad debts written off - trade	-	2	-	3
Others	172	130	632	428
	3,017	3,345	9,919	10,101

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	
	31-Aug-18	31-Aug-17	31-Aug-18	31-Aug-17
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current assets:				
Cash and bank balances	5,342	8,830	218	1,545
Trade and other receivables	19,238	18,372	8,311	6,958
Prepayments	175	195	44	98
Inventories	5,249	5,449	12	-
Assets classified as held for sale	3,601	3,569	3,601	3,569
Total current assets	33,605	36,415	12,186	12,170
Non-current assets:				
Subsidiaries	-	-	27,746	27,758
Associate	15,928	-	15,928	-
Available-for-sale financial assets	-	8,978	-	8,978
Property, plant and equipment	32,049	27,504	3,037	931
Investment properties	6,827	6,584	-	-
Intangible assets	15	13	-	-
Deferred tax assets	33	20	-	-
Other receivables	117	103	-	-
Total non-current assets	54,969	43,202	46,711	37,667
Total assets	88,574	79,617	58,897	49,837
LIABILITIES AND EQUITY				
Current liabilities:				
Trade and other payables	11,878	9,053	7,395	2,743
Current income tax payable	168	110	-	-
Finance lease	29	-	29	-
Bank borrowings	6,121	7,348	2,593	1,702
Total current liabilities	18,196	16,511	10,017	4,445
Non-current liabilities:				
Finance lease	89	-	89	-
Bank borrowings	3,785	2,665	533	642
Other payable	103	436	2,619	2,086
Provisions	303	368	-	-
Deferred tax liabilities	265	226	-	-
Total non-current liabilities	4,545	3,695	3,241	2,728
Total liabilities	22,741	20,206	13,258	7,173
Equity:				
Share capital	49,079	42,259	49,079	42,259
Treasury shares	(233)	(200)	(233)	(200)
Revaluation reserve	666	666	-	-
Fair value reserve	(12)	(12)	-	-
Other reserve	1,115	964	-	-
Share awards reserve	6	-	36	-
Currency translation reserve	(10,851)	(11,402)	(11,090)	(11,625)
Retained earnings	24,055	24,782	7,847	12,230
Equity attributable to owners of the parent	63,825	57,057	45,639	42,664
Non-controlling interests	2,008	2,354	-	-
Total equity	65,833	59,411	45,639	42,664
Total liabilities and equity	88,574	79,617	58,897	49,837

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

As at 31 August 2018 \$'000		As at 31 August 2017 \$'000	
Secured	Unsecured	Secured	Unsecured
5,621	529	6,676	672

Amount repayable after one year

As at 31 August 2018 \$'000		As at 31 August 2017 \$'000	
Secured	Unsecured	Secured	Unsecured
3,874	-	2,139	526

Detail of collaterals**Bank borrowings**

The Group's secured borrowings comprise bank borrowings 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 borrowings 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 borrowings to MPM. The current and non-current balances of the secured bank borrowings as at 31 August 2018 were \$5,621,000 and \$3,874,000 (31 August 2017: \$6,676,000 and \$2,139,000). Included in the current balances of the secured bank borrowings is a bank overdraft of \$1,572,000.

Finance Lease

The finance lease is secured against a motor vehicle of the Company. The current and non-current balances of the finance lease as at 31 August 2018 were \$29,000 and \$89,000 (31 August 2017: Nil). The net book value of the motor vehicle under this finance lease as at 31 August 2018 was \$195,000 (31 August 2017: Nil).

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 Quarter		Group 12 Months	
	Aug-18 \$'000	Aug-17 \$'000	Aug-18 \$'000	Aug-17 \$'000
Operating activities:				
Profit before income tax	(583)	1,109	1,651	2,674
Adjustments for:				
Allowance for doubtful trade and other receivables	-	195	-	308
Bad debts written off - trade	-	2	-	3
Depreciation and amortisation expenses	821	483	2,785	2,867
Fair value (gain) / loss on investment property	(200)	730	(200)	730
Interest expense	158	108	416	488
Interest income	(6)	(7)	(19)	(19)
Gain on disposal of plant and equipment	(63)	(590)	(128)	(932)
Gain on disposal of club membership	-	-	-	(41)
Plant and equipment written off	5	1	5	1
Reversal of inventory obsolescence	159	159	(41)	120
Reversal of impairment loss on plant and equipment	497	(210)	497	(259)
Share awards expenses	-	-	154	-
Unrealised exchange differences	184	(180)	392	(10)
Operating cash flows before changes in working capital	972	1,800	5,512	5,930
Trade and other receivables	(3,072)	(216)	(909)	(641)
Prepayments	(21)	(66)	19	(99)
Inventories	(346)	(207)	252	(348)
Trade and other payables	4,009	1,448	2,681	98
Cash generated from operations	1,542	2,759	7,555	4,940
Interest paid	(158)	(108)	(416)	(488)
Interest received	6	7	19	19
Income tax paid	(119)	(77)	(447)	(463)
Net cash from operating activities	1,271	2,581	6,711	4,008
Investing activities:				
Deposit paid for proposed investment	-	(3,780)	-	(3,780)
Investment in associate	(6,869)	-	(6,869)	-
Proceeds from disposal of club membership	-	-	-	41
Proceeds from disposal of plant and equipment	703	636	794	1,092
Purchase of property, plant and equipment	(2,407)	(3,991)	(8,273)	(4,825)
Net cash used in investing activities	(8,573)	(7,135)	(14,348)	(7,472)
Financing activities:				
Proceeds from bank loans	-	3,168	1,085	5,009
Purchase of treasury shares	-	-	(151)	(200)
Dividend payments	-	-	(1,976)	(1,811)
Dividends paid to non-controlling interests	-	-	(124)	(202)
Proceeds from share placement	-	2,950	6,820	2,950
Repayment of bank loans	(703)	(700)	(2,764)	(6,246)
Repayment of finance leases	(7)	-	(47)	-
Net cash (used in) / from financing activities	(710)	5,418	2,843	(500)
(Decrease) / increase in cash and cash equivalents	(8,012)	864	(4,794)	(3,964)
Effect of exchange rate changes on cash and cash equivalents	(247)	(2)	(278)	239
Cash and cash equivalents at beginning of period	11,884	7,835	8,697	12,422
Cash and cash equivalents at end of period	3,625	8,697	3,625	8,697

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	Share Capital	Treasury Shares	Revaluation Reserve	Fair Value Reserve	Other Reserve	Share Awards Reserve	Currency Translation Reserve	Retained Earnings	Equity Attributable to Owners of the Parent	Non-Controlling Interests	Total Equity
GROUP	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 September 2017	42,259	(200)	666	(12)	964	-	(11,402)	24,782	57,057	2,354	59,411
Profit / (loss) for the period	-	-	-	-	-	-	-	2,024	2,024	(198)	1,826
Other comprehensive income for the period											
Foreign currency translation	-	-	-	-	-	-	(223)	-	(223)	39	(184)
Total comprehensive income for the period	-	-	-	-	-	-	(223)	2,024	1,801	(159)	1,642
Transactions with owners of the parent recognised directly in equity											
Share-based payments	-	118	-	-	30	-	-	-	148	-	148
Total transactions with owners of the parent recognised directly in equity	-	118	-	-	30	-	-	-	148	-	148
Transactions with non-controlling interests											
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	(124)	(124)
Total transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	(124)	(124)
Contributions by and distributions to owners											
Dividends	-	-	-	-	-	-	-	(1,976)	(1,976)	-	(1,976)
Share placement	6,820	-	-	-	-	-	-	-	6,820	-	6,820
Purchase of treasury shares	-	(151)	-	-	-	-	-	-	(151)	-	(151)
Total contributions by and distributions to owners	6,820	(151)	-	-	-	-	-	(1,976)	4,693	-	4,693
Balance at 31 May 2018	49,079	(233)	666	(12)	994	-	(11,625)	24,830	63,699	2,071	65,770
Loss for the period	-	-	-	-	-	-	-	(747)	(747)	(61)	(808)
Other comprehensive income for the period											
Actuarial loss on defined benefit plan	-	-	-	-	93	-	-	-	93	-	93
Foreign currency translation	-	-	-	-	-	-	774	-	774	(2)	772
Total comprehensive income for the period	-	-	-	-	93	-	774	(747)	120	(63)	57
Transactions with owners of the parent recognised directly in equity											
Statutory reserve by a subsidiary	-	-	-	-	28	-	-	(28)	-	-	-
Share-based payments	-	-	-	-	-	6	-	-	6	-	6
Total transactions with owners of the parent recognised directly in equity	-	-	-	-	28	6	-	(28)	6	-	6
Balance at 31 August 2018	49,079	(233)	666	(12)	1,115	6	(10,851)	24,055	63,825	2,008	65,833

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	Share Capital	Treasury Share Reserve	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
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
GROUP											
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	-	-	-	-	-	-	-	905	905	103	1,008
Other comprehensive income for the period											
Foreign currency translation	-	-	-	-	-	-	894	-	894	46	940
Total comprehensive income for the period	-	-	-	-	-	-	894	905	1,799	149	1,948
Transactions with owners of the parent recognised directly in equity											
Share options lapsed	-	-	-	-	-	(217)	-	217	-	-	-
Total transactions with owners of the parent recognised directly in equity	-	-	-	-	-	(217)	-	217	-	-	-
Contribution by and distribution to owners											
Dividends	-	-	-	-	-	-	-	(1,811)	(1,811)	-	(1,811)
Purchase of treasury shares	-	(200)	-	-	-	-	-	-	(200)	-	(200)
Total contribution by and distribution to owners	-	(200)	-	-	-	-	-	(1,811)	(2,011)	-	(2,011)
Transactions with non-controlling interests											
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	(202)	(202)
Total transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	(202)	(202)
Balance at 31 May 2017	39,309	(200)	666	(12)	823	-	(10,620)	23,502	53,468	2,458	55,926
Profit / (loss) for the period	-	-	-	-	-	-	-	1,302	1,302	(108)	1,194
Other comprehensive income for the period											
Actuarial gain on defined benefit plan	-	-	-	-	119	-	-	-	119	-	119
Foreign currency translation	-	-	-	-	-	-	(782)	-	(782)	4	(778)
Total comprehensive income for the period	-	-	-	-	119	-	(782)	1,302	639	(104)	535
Transactions with owners of the parent recognised directly in equity											
Statutory reserve by a subsidiary	-	-	-	-	22	-	-	(22)	-	-	-
Total transactions with owners of the parent recognised directly in equity	-	-	-	-	22	-	-	(22)	-	-	-
Contribution by and distribution to owners											
Share placement	2,950	-	-	-	-	-	-	-	2,950	-	2,950
Total contribution by and distribution to owners	2,950	-	-	-	-	-	-	-	2,950	-	2,950
Balance at 31 August 2017	42,259	(200)	666	(12)	964	-	(11,402)	24,782	57,057	2,354	59,411

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

COMPANY	Share Capital	Treasury Shares	Share Awards Reserve	Currency Translation Reserve	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 September 2017	42,259	(200)	-	(11,625)	12,230	42,664
Loss for the period	-	-	-	-	(791)	(791)
Other comprehensive income for the period						
Foreign currency translation	-	-	-	(526)	-	(526)
Total comprehensive income for the period	-	-	-	(526)	(791)	(1,317)
Contributions by and distributions to owners						
Dividends	-	-	-	-	(1,976)	(1,976)
Share placement	6,820	-	-	-	-	6,820
Purchase of treasury shares	-	(151)	-	-	-	(151)
Total contributions by and distributions to owners	6,820	(151)	-	-	(1,976)	4,693
Transactions with owners of the parent recognised directly in equity						
Share-based payments	-	118	30	-	-	148
Total transactions with owners of the parent recognised directly in equity	-	118	30	-	-	148
Balance at 31 May 2018	49,079	(233)	30	(12,151)	9,463	46,188
Loss for the period	-	-	-	-	(1,616)	(1,616)
Other comprehensive income for the period						
Foreign currency translation	-	-	-	1,061	-	1,061
Total comprehensive income for the period	-	-	-	1,061	(1,616)	(555)
Transactions with owners of the parent recognised directly in equity						
Share-based payments	-	-	6	-	-	6
Total transactions with owners of the parent recognised directly in equity	-	-	6	-	-	6
Balance at 31 August 2018	49,079	(233)	36	(11,090)	7,847	45,639

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

	Share Capital	Treasury Shares	Share Options Reserve	Currency Translation Reserve	Retained Earnings	Total Equity
COMPANY	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 September 2016	39,309	-	217	(11,388)	7,424	35,562
Loss for the period	-	-	-	-	(1,310)	(1,310)
Other comprehensive income for the period						
Foreign currency translation	-	-	-	640	-	640
Total comprehensive income for the period	-	-	-	640	(1,310)	(670)
Transactions with owners of the parent recognised directly in equity						
Share options lapsed	-	-	(217)	-	217	-
Total transactions with owners of the parent recognised directly in equity	-	-	(217)	-	217	-
Contributions by and distribution to owners						
Dividends	-	-	-	-	(1,811)	(1,811)
Purchase of treasury shares	-	(200)	-	-	-	(200)
Total contribution to owners	-	(200)	-	-	(1,811)	(2,011)
Balance at 31 May 2017	39,309	(200)	-	(10,748)	4,520	32,881
Profit for the period	-	-	-	-	7,710	7,710
Other comprehensive income for the period						
Foreign currency translation	-	-	-	(877)	-	(877)
Total comprehensive income for the period	-	-	-	(877)	7,710	6,833
Contributions by and distribution to owners						
Share placement	2,950	-	-	-	-	2,950
Total contribution to owners	2,950	-	-	-	-	2,950
Balance at 31 August 2017	42,259	(200)	-	(11,625)	12,230	42,664

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

On 13 February 2018, 2,145,500 treasury shares ("PSP Shares") were transferred to certain employees of the group pursuant to the Miyoshi Limited Performance Share Plan 2016.

On 15 March 2018, 19 March 2018 and 23 March 2018, the Company purchased 710,000, 687,000 and 705,000 shares respectively by way of market acquisition.

On 21 May 2018, the Company completed the placement of 115,000,000 new ordinary shares in the capital of the Company in accordance with the terms of the placement agreement entered into with CGS-CIMB Securities (Singapore) Pte. Ltd. as the placement agent ("Share Placement"). Following the completion, as at the date of this announcement, the total issued share capital of the Company increased to 609,072,990 shares, being the enlarged issued and paid up capital (excluding treasury shares and subsidiary holdings).

Save for the above, there were no changes in the Company's share capital since the end of the previous period reported on 31 May 2018.

There were no outstanding share options or convertibles as at 31 August 2018 and 31 August 2017.

As at 31 August 2018, the Company did not have any subsidiary holdings and held 3,596,500 treasury shares which represented approximately 0.6% of the total issued shares (excluding treasury shares and subsidiary holdings) comprising 609,072,990 shares. As at 31 August 2017, the Company did not have any subsidiary holdings and held 3,640,000 treasury shares which represented 0.7% of the total issue shares (excluding treasury shares and subsidiary holdings) comprising 494,029,490 shares

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 31 August 2018	As at 31 August 2017
Total number of issued shares	612,669,490	497,669,490
Less: Treasury shares	(3,596,500)	(3,640,000)
Total number of issued shares excluding treasury shares	609,072,990	494,029,490

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.

Treasury Shares	Quarter ended	12 months ended
	31 August 2018	31 August 2018
Balance at beginning of financial period	3,596,500	3,640,000
Transferred on award of PSP Shares	-	(2,145,500)
Purchase of treasury shares	-	2,102,000
Balance as at end of financial period	3,596,500	3,596,500

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.

There were no subsidiary holdings 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 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 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 2017. 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.

	Quarter ended		12 months ended	
	31-August-18	31-August-17	31-August-18	31-August-17
	Cents	Cents	Cents	Cents
Based on weighted average number of ordinary shares in issue	(0.12)	0.27	0.24	0.48
On a fully diluted basis	(0.12)	0.27	0.24	0.48
Weighted average number of ordinary share in issue for basic earnings per share	609,072,990	490,821,664	526,724,164	462,285,928
Weighted average number of ordinary share in issue for diluted earnings per share	609,493,990	490,821,664	527,145,164	462,285,928

Earnings per ordinary share is calculated on the Group profit for the financial periods attributable to owners of the parent divided by the weighted average number of ordinary shares for 4Q2018 is 609,072,990 (4Q2017: 490,821,664) and for FY2018 is 526,724,164 (FY2017: 462,285,928).

Earnings per ordinary share (diluted basis) is calculated on the Group profit for the financial periods attributable to owners of the parent divided by the weighted average number of ordinary shares and adjusted to include all dilutive ordinary shares up to 31 August 2017. The adjusted weighted average number of ordinary shares for 4Q2018 is 609,493,990 (4Q2017: 490,821,664) and for FY2018 is 527,145,164 (FY2017: 462,285,928).

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.**

Net asset value ("NAV")	Group	Company
NAV per share as at 31 August 2018	10.48 cents	7.49 cents
NAV per share as at 31 August 2017	11.55 cents	8.64 cents

Net asset value per share is calculated based on share capital of 609,072,990 and 494,029,490 ordinary shares in issue, excluding treasury shares and subsidiary holdings, as at 31 August 2018 and 31 August 2017 respectively.

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

4Q2018

Revenue decreased by \$1.3 million or 8.9% from \$14.1 million in 4Q2017 to \$12.8 million in 4Q2018. The overall decrease was mainly due to fewer orders from data storage customers partially offset by an increase in revenue from the consumer electronics and automotive segment. Revenue from data storage segment decreased by 18.9% year-on-year and it is part of the Group's business strategy to move away from the data storage business and focus on the consumer electronics and automotive business segments.

FY2018

Revenue decreased by \$1.5 million or 2.8% from \$52.8 million in FY2017 to \$51.3 million in FY2018. The overall decrease was mainly due to fewer orders from data storage customers partially offset by an increase in revenue from the consumer electronics and automotive segment. Revenue from data storage segment decreased by 34.2% year-on-year and it is part of the Group's business strategy to move away from the data storage business and focus on the consumer electronics and automotive business segments.

B. Other Income

4Q2018

Other income decreased by \$0.5 million from \$0.8 million in 4Q2017 to \$0.3 million in 4Q2018. Other income included training cost subsidies, gain on disposal of plant and equipment, gain on disposal of club membership and fair value gain on investment properties. The decrease was mainly due to lower gain on disposal of property, plant and equipment of \$0.5 million and the absence of a reversal of impairment plant and equipment of \$0.2 million which were non-recurring in 4Q2018. The decrease was partially offset by fair value gain on investment properties of \$0.2 million.

FY2018

Other income decreased by \$1.0 million from \$1.4 million in FY2017 to \$0.4 million in FY2018. The decrease was mainly due to lower gain on disposal of property, plant and equipment of \$0.8 million, the absence of a reversal of impairment of plant and equipment of \$0.3 million and the absence of a gain on disposal of club membership of \$41,000 in FY2017 which were non-recurring in FY2018. The decrease was partially offset by fair value gain on investment properties of \$0.2 million.

C. Total Costs and Expenses

4Q2018

Total costs and expenses decreased slightly by \$0.1 million from \$13.8 million in 4Q2017 to \$13.7 million in 4Q2018.

FY2018

Total costs and expenses decreased by \$1.4 million from \$51.5 million in FY2017 to \$50.1 million in FY2018. The decrease was mainly due to the decrease of raw materials and consumables used of \$1.1 million, other operating expenses of \$0.2 million and depreciation expense of \$0.1 million, in line with the decrease in revenue. Included in other operating expenses is impairment of plant and equipment of \$0.4 million and \$0.4 million for Thailand and Malaysia operations respectively, offset by reversal of impairment of plant and equipment of \$0.3 million.

D. Profit / (loss) after Income Tax**4Q2018**

Loss after income tax increased by \$2.0 million from a profit of \$1.2 million in 4Q2017 to a loss of \$0.8 million in 4Q2018. This was mainly due to the decrease in revenue of \$1.3 million, decrease in other income of \$0.5 million and an increase in income tax expense of \$0.3 million which was mainly arising from higher fair value of investment properties in the Philippines.

FY2018

Profit after income tax decreased by \$1.2 million from \$2.2 million in FY2017 to \$1.0 million in FY2018. The decrease was mainly due to the middecrease in revenue of \$1.5 million and a decrease in other income of \$1.0 million, offset by the decrease in total costs and expenses of \$1.4 million which in line with the decrease in revenue.

E. Assets and Liabilities

Current assets decreased by \$2.8 million from \$36.4 million as at 31 August 2017 to \$33.6 million as at 31 August 2018. This was mainly due to the decreases in cash and bank balances of \$3.5 million and inventories of \$0.2 million, offset by increase in trade and other receivables of \$0.8 million.

Current liabilities increased by \$1.7 million from \$16.5 million as at 31 August 2017 to \$18.2 million as at 31 August 2018. This was mainly due to the repayment of bank loans of \$2.8 million offset by bank overdraft of \$1.6 million taken in this financial year and the increase in trade and other payables of \$2.7 million. The increase was mainly a refundable deposit of \$1.6 million from the proposed sale of our industrial property

Non-current assets increased by \$11.8 million from \$43.2 million as at 31 August 2017 to \$55.0 million as at 31 August 2018, mainly due to an investment in associate of \$15.9 million, increase in property, plant and equipment ("PPE") of \$4.5 million from the purchase of an industrial property in Singapore, the construction of two industrial buildings in the Philippines as well as plant and equipment for our operations mainly in the Philippines and Wuxi, fair value gain on investment properties of \$0.2 million, offset by the decrease in available-for-sale financial assets of \$9.0 million.

Non-current liabilities increased by \$0.9 million from \$3.7 million as at 31 August 2017 to \$4.5 million as at 31 August 2018, due to an increase in bank borrowings of \$1.1 million. The proceeds from the bank borrowings were used for the purchase of an industrial property in Singapore.

F. Equity

Equity attributable to owners of the parent increased by \$6.7 million from \$57.1 million as at 31 August 2017 to \$63.8 million as at 31 August 2018. The increase was mainly due to net proceeds from the share placement of \$6.8 million, an increase in profit attributable to owners of the parent of \$1.3 million and gain in foreign currency translation of \$0.6 million due to stronger USD against SGD, offset by a dividend payment of \$2.0 million.

G. Cash Flows

Cash and cash equivalents decreased by \$5.1 million from \$8.7 million as at 31 August 2017 to \$3.6 million as at 31 August 2018. Cash and cash equivalents comprised of cash and bank balances, fixed deposits, less bank overdraft and fixed deposit pledged for bank borrowings.

Net cash from operating activities for FY2018 amounted to \$6.7 million. The cash from operations of \$5.5 million before changes in working capital were increased by higher trade and other payables of \$2.7 million and lower inventories of \$0.3 million, offset by higher trade and other receivables of \$0.9 million, interest paid of \$0.4 million and income tax paid of \$0.4 million.

Net cash used in investing activities for FY2018 amounted to \$14.3 million. This was mainly due to increase in investment in Core Power of \$6.9 million, the construction of two industrial buildings (Philippines) and the purchase of plant and equipment (Philippines and Wuxi) of \$6.6 million, and the purchase of an industrial property in Singapore of \$1.6 million, offset by proceeds from disposal of plant and equipment of \$0.8 million.

Net cash from financing activities for FY2018 amounted to \$2.8 million mainly due to net proceeds from share placement of \$6.8 million and bank borrowings of \$1.1 million, offset by the repayment of bank loans of \$2.8 million, dividends payment of \$2.0 million and purchase of treasury shares of \$0.2 million.

H. Update on the Use of Share Placement Proceeds

The Company had on 18 May 2018, completed the placement of 115,000,000 new ordinary shares in the Company to raise net proceeds of approximately \$6.8 million.

The board of directors ("Directors") of the Company wishes to update that \$682,000 in net proceeds from the Share Placement had been re-allocated ("Re-allocation") as follows:

	Allocation of Net Proceeds	Amount re- allocated	Revised allocation of Net Proceeds	Net Proceeds utilised	Balance of Net Proceeds
Purpose	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Additional investment in Core Power	6,138	682	6,820	(6,820)	-
General working capital purposes	682	(682)	-	-	-
TOTAL	6,820	-	6,820	(6,820)	-

The Directors are of the view that it is in the Company's best interest to re-allocate the unutilised proceeds from the Share Placement allocated for general working capital purposes, to fund the additional investment in Core Power. The Company's disbursement of the net proceeds of the Share Placement is in accordance with the intended use as stated in the Company's announcement dated 9 May 2018, and the Re-allocation.

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

The Group's results for FY2018 are in line with the Company's profit guidance announcement dated 12 October 2018, and the trends and competitive conditions previously disclosed in the Company's results announcement dated 6 July 2018 for the 9 months period ended 31 May 2018.

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 global economic environment continues to present challenges as the Group faces business headwinds, especially with the continuing decrease in revenue from the data storage segment. At the same time, geopolitical uncertainty and policy direction of the US and China will have a bearing on Asia's economic growth.

Against this backdrop, the focus of the Group is to increase our revenue from other business segments, especially from the automotive and consumer electronics segments, 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.

On 31 July 2018, the Company has entered into an agreement (“Agreement”) with Core Power (Fujian) Electric Co., Ltd (中科动力(福建)电气科技有限公司) (“Core Power Fujian”), Fujian Kaibote Technology Co., Ltd (福州凯博特能源科技有限公司) (“Kaibote Fujian”) (collectively known as “JV Partners”) to increase the Company’s investment from 15% interest to 32% interest by way of new capital injection into the JV Company (the “Investment”).

On 13 September 2018, the Company has received the approval letter from Jurong Town Corporation (“JTC”) in respect of the assignment/transfer of lease of our industrial property. Legal completion of the disposal is subject to the terms and conditions of the SPA and shall be within 3 months from the date of JTC’s approval letter. The proposed sales of the property will provide our Group with additional funds for business opportunities, reducing borrowings and working capital requirements.

The Company will make further announcements to update Shareholders in respect to the Investment and disposal of the industrial property, as and when appropriate.

11. Dividend

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

Yes

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

0.2 cents

(c) (ii) Previous corresponding period (cents)

0.4 cents

(d) 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).

Tax exempt (one-tier) dividend

(e) Date payable

To be announced at a later date

(f) Books closure date

To be announced at a later date

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

Not applicable

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 \$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 \$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 \$100,000.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

ANALYSIS BY BUSINESS SEGMENTS	Data Storage		Consumer Electronics		Automotive		Others		Group	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Revenue										
External sales	13,003	19,747	19,209	17,622	14,797	11,675	4,309	3,719	51,318	52,763
Results										
Profit / (loss) from operations	(155)	967	1,453	749	1,518	2,179	(471)	(232)	2,345	3,663
Interest expense									(416)	(488)
Interest income									19	19
Fair value gain / (loss) on investment properties									200	(730)
Allowance for impairment of plant and equipment									(497)	210
Profit before tax									1,651	2,674
Income tax expense									(634)	(472)
Profit after tax									1,017	2,202
Attributable to:										
Owners of the parent									1,276	2,207
Non-controlling interests									(259)	(5)
									1,017	2,202

ANALYSIS BY GEOGRAPHICAL SEGMENTS	Revenue		Non-current assets	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Philippines	21,008	16,504	19,850	16,007
Thailand	6,496	13,160	2,569	2,952
China	13,092	13,176	23,892	8,549
Hungary	2,012	4,102	-	-
Singapore	757	1,495	3,924	1,799
Malaysia	1,243	1,272	4,585	4,794
Mexico	5,022	2,043	-	-
Others	1,688	1,011	-	-
Total	51,318	52,763	54,820	34,101

Revenue is analysed by the location of the customers. Non-current assets excluding available-for-sale financial assets, deferred tax assets and other receivables are analysed by the location of the assets.

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Business Segment - As explained in paragraph 8 above.

16. A breakdown of sales.

Group	2018 \$'000	2017 \$'000	Change %
(a) Sales reported for first half year	26,550	25,305	4.9%
(b) Operating profit after tax before deducting non controlling interests reported for first half year	1,142	552	106.9%
(c) Sales reported for second half year	24,776	27,458	-9.8%
(d) Operating (loss) / profit after tax before deducting non controlling interests reported for second half year	(125)	1,650	N.M.

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total annual dividend	2018 \$'000	2017 \$'000
Ordinary final dividend, tax exempt (one-tier)	1,218	1,976

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Sin Kwong Wah, Andrew	65	Husband of Pek Yee Chew, substantial shareholder.	CEO, since 1991	Nil

19. 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
26 October 2018

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 Ken Lee, Associate Director, Investment Banking. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 6337 5115.