

Miyoshi Limited

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

Fourth Quarter Financial Year 2019 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 ended 31 August 2019

	Note	Group Quarter			Group 12 Months		
		Aug-19 \$'000	Aug-18 \$'000	Change %	Aug-19 \$'000	Aug-18 \$'000	Change %
Revenue	(i)	13,937	12,816	8.7	53,452	51,318	4.2
Other income	(ii)	186	316	(41.1)	4,238	438	N.M.
Raw materials, consumables used & changes in inventories		(7,654)	(6,355)	20.4	(27,493)	(25,974)	5.8
Employee benefit expenses		(3,074)	(3,364)	(8.6)	(11,540)	(11,052)	4.4
Depreciation and amortisation expenses		(610)	(821)	(25.7)	(3,034)	(2,785)	8.9
Other operating expenses	(iii)	(6,169)	(3,017)	104.5	(13,663)	(9,878)	38.3
Finance costs		(109)	(158)	(31.0)	(418)	(416)	0.5
Share of results of associate		(1,306)	-	N.M.	(1,725)	-	N.M.
(Loss)/Profit before income tax		(4,799)	(583)	N.M.	(183)	1,651	N.M.
Income tax expense		(161)	(225)	(28.4)	(487)	(634)	(23.2)
(Loss)/Profit for the period		(4,960)	(808)	N.M.	(670)	1,017	N.M.
(Loss)/Profit attributable to:							
Owners of the parent		(5,218)	(747)	598.5	(502)	1,277	N.M.
Non-controlling interests		258	(61)	N.M.	(168)	(260)	(35.4)
(Loss)/Profit for the period		(4,960)	(808)	N.M.	(670)	1,017	N.M.
Other comprehensive income							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation of foreign operations		(540)	772	N.M.	316	589	(46.3)
<i>Items that will not be reclassified subsequently to profit or loss</i>							
Actuarial gain / (loss) on defined benefit plan		(242)	93	N.M.	(242)	93	N.M.
Other comprehensive income for the period, net of tax		(782)	865	N.M.	74	682	(89.1)
Total comprehensive income for the period		(5,742)	57	N.M.	(596)	1,699	N.M.
Total comprehensive income attributable to:							
Owners of the parent		(6,040)	120	N.M.	(545)	1,921	N.M.
Non-controlling interests		298	(63)	N.M.	(51)	(222)	(77.0)
Total comprehensive income for the period		(5,742)	57	N.M.	(596)	1,699	N.M.

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-19	Aug-18	Aug-19	Aug-18
	\$'000	\$'000	\$'000	\$'000
Sales of goods	13,192	12,126	50,437	48,647
Sales of scrap	465	458	1,758	1,656
Rental income	280	232	1,257	1,015
	13,937	12,816	53,452	51,318

1(a)(ii) Other income

	Group Quarter		Group 12 Months	
	Aug-19	Aug-18	Aug-19	Aug-18
	\$'000	\$'000	\$'000	\$'000
Gain on disposal of asset held for sale	-	-	3,888	-
Miscellaneous income	47	47	195	91
Fair value gain on investment properties	86	200	86	200
Gain on disposal of plant and equipment	53	63	54	128
Interest income	-	6	15	19
	186	316	4,238	438

1(a)(iii) Other operating expenses

	Group Quarter		Group 12 Months	
	Aug-19	Aug-18	Aug-19	Aug-18
	\$'000	\$'000	\$'000	\$'000
Supplies and services	1,252	953	4,834	4,209
Allowance for doubtful receivables	3,166	-	3,458	-
Utilities	479	478	1,849	1,768
Transportation and travelling	246	223	869	884
Others	191	331	625	591
Professional fees	131	271	570	764
Office and sundry expenses	116	179	513	490
Repair and maintenance	106	80	387	432
Impairment loss on plant and equipment	298	497	288	497
Loss on foreign exchange, net	184	-	270	238
Plant and equipment written off	-	5	-	5
	6,169	3,017	13,663	9,878

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 As At		Company As At	
	31-Aug-19 \$'000	31-Aug-18 \$'000	31-Aug-19 \$'000	31-Aug-18 \$'000
ASSETS				(Restated)
Current assets:				
Cash and bank balances	3,139	5,342	299	218
Trade and other receivables	13,839	16,596	2,543	11,089
Prepayments	185	175	32	44
Inventories	6,776	5,249	1	12
Assets classified as held for sale	-	3,601	-	3,601
Total current assets	23,939	30,963	2,875	14,964
Non-current assets:				
Subsidiaries	-	-	29,636	27,746
Associate	18,360	17,010	20,167	17,010
Property, plant and equipment	34,543	32,049	2,810	3,037
Investment properties	6,933	6,827	-	-
Intangible assets	39	15	-	-
Deferred tax assets	51	33	-	-
Other receivables	88	117	12	-
Total non-current assets	60,014	56,051	52,625	47,793
Total assets	83,953	87,014	55,500	62,757
LIABILITIES AND EQUITY				
Current liabilities:				
Trade and other payables	10,514	10,093	3,757	5,835
Current income tax payable	112	168	-	-
Finance lease	29	29	29	29
Bank borrowings	6,155	6,121	792	2,593
Total current liabilities	16,810	16,411	4,578	8,457
Non-current liabilities:				
Finance lease	60	89	60	89
Bank borrowings	2,095	3,785	177	533
Other payable	-	103	3,180	2,619
Provisions	829	528	-	-
Deferred tax liabilities	332	265	-	-
Total non-current liabilities	3,316	4,770	3,417	3,241
Total liabilities	20,126	21,181	7,995	11,698
Equity:				
Share capital	49,079	49,079	49,079	49,079
Treasury shares	(253)	(203)	(253)	(203)
Revaluation reserve	666	666	-	-
Other reserve	851	1,073	-	-
Share awards reserve	24	6	24	6
Currency translation reserve	(10,777)	(10,851)	(11,022)	(11,192)
Retained earnings	22,343	24,055	9,677	13,369
Equity attributable to owners of the parent	61,933	63,825	47,505	51,059
Non-controlling interests	1,894	2,008	-	-
Total equity	63,827	65,833	47,505	51,059
Total liabilities and equity	83,953	87,014	55,500	62,757

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 2019 \$'000		As at 31 August 2018 \$'000	
Secured	Unsecured	Secured	Unsecured
6,184	-	5,621	529

Amount repayable after one year

As at 31 August 2019 \$'000		As at 31 August 2018 \$'000	
Secured	Unsecured	Secured	Unsecured
2,155	-	3,874	-

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 2019 were \$6,155,000 and \$2,095,000 (31 August 2018: \$5,592,000 and \$3,785,000). Included in the current balances of the secured bank borrowings as at 31 August 2019 was a bank overdraft of \$415,000 (31 August 2018: \$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 2019 were \$29,000 and \$60,000 (31 August 2018: \$29,000 and \$89,000). The net book value of the motor vehicle under this finance lease as at 31 August 2019 was \$147,000 (31 August 2018: \$195,000).

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 Quarter		Group 12 Months	
	Aug-19	Aug-18	Aug-19	Aug-18
	\$'000	\$'000	\$'000	\$'000
Operating activities:				
(Loss)/Profit before income tax	(4,799)	(583)	(183)	1,651
Adjustments for:				
(Reversal of) / allowance for doubtful trade receivables	(82)	-	210	-
Allowance for doubtful other receivables	3,248	-	3,248	-
Depreciation and amortisation expenses	610	821	3,034	2,785
Fair value (gain) / loss on investment property	(86)	(200)	(86)	(200)
Interest expense	109	158	418	416
Interest income	-	(6)	(15)	(19)
Gain on disposal of asset held for sale	-	-	(3,888)	-
Gain on disposal of plant and equipment	(53)	(63)	(54)	(128)
Plant and equipment written off	-	5	-	6
Allowance for / (reversal of) inventory obsolescence	39	159	61	(41)
Impairment loss on plant and equipment	298	497	288	497
Share awards expenses	5	-	127	154
Share of results of associate	1,306	-	1,725	-
Unrealised exchange differences	(500)	184	(414)	391
Operating cash flows before changes in working capital	95	972	4,471	5,512
Trade and other receivables	(1,120)	(638)	(1,096)	1,525
Prepayments	(15)	(21)	(10)	19
Inventories	942	(346)	(1,599)	252
Trade and other payables	2,275	2,449	2,947	1,121
Cash generated from operations	2,177	2,416	4,713	8,429
Interest paid	(109)	(158)	(418)	(416)
Interest received	-	6	15	19
Income tax paid	(81)	(119)	(457)	(447)
Net cash from operating activities	1,987	2,145	3,853	7,585
Investing activities:				
Investment in associate	(176)	(7,951)	(3,076)	(7,951)
Proceeds from disposal of asset held for sale	-	-	5,929	-
Proceeds from disposal of plant and equipment	52	703	61	794
Purchase of investment property	-	(57)	-	(57)
Repayment of advances	-	208	-	208
Additions of intangible assets	(24)	-	(24)	-
Purchase of plant and equipment	(919)	(2,407)	(5,804)	(8,273)
Net cash used in investing activities	(1,067)	(9,504)	(2,914)	(15,279)
Financing activities:				
Proceeds from bank borrowings	-	-	4,346	3,385
Purchase of treasury shares	-	-	(153)	(151)
Dividend payments	-	-	(1,211)	(1,976)
Dividends paid to non-controlling interests	-	-	(64)	(124)
Proceeds from share placement	-	-	-	6,820
Repayment of bank borrowings	(623)	(703)	(4,844)	(5,064)
Repayment of finance leases	(7)	(7)	(29)	(47)
Net cash used in financing activities	(630)	(710)	(1,955)	2,843
Increase / (decrease) in cash and cash equivalents	290	(8,069)	(1,016)	(4,851)
Effect of exchange rate changes on cash and cash equivalents	(458)	(190)	(33)	(221)
Cash and cash equivalents at beginning of period	2,744	11,884	3,625	8,697
Cash and cash equivalents at end of period	2,576	3,625	2,576	3,625
Cash and bank balances	3,139	5,342	3,139	5,342
Bank overdraft	(415)	(1,572)	(415)	(1,572)
Restricted cash	(148)	(145)	(148)	(145)
Cash and cash equivalents at end of period	2,576	3,625	2,576	3,625

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	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
Balance at 1 September 2018	49,079	(203)	666	1,073	6	(10,851)	24,055	63,825	2,008	65,833
Effect on Adoption of SFRS (I) 9	-	-	-	-	-	-	(104)	(104)	-	(104)
Adjusted balance at 1 September 2018	49,079	(203)	666	1,073	6	(10,851)	23,951	63,721	2,008	65,729
Profit / (loss) for the period	-	-	-	-	-	-	4,716	4,716	(426)	4,290
Other comprehensive income for the period										
Foreign currency translation	-	-	-	-	-	779	-	779	77	856
Total comprehensive income for the period	-	-	-	-	-	779	4,716	5,495	(349)	5,146
Transactions with owners of the parent recognised directly in equity										
Share-based payments	-	103	-	-	13	-	-	116	-	116
Total transactions with owners of the parent recognised directly in equity	-	103	-	-	13	-	-	116	-	116
Transactions with non-controlling interests										
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	(63)	(63)
Total transactions with non-controlling interests	-	-	-	-	-	-	-	-	(63)	(63)
Contributions by and distributions to owners										
Dividends	-	-	-	-	-	-	(1,211)	(1,211)	-	(1,211)
Purchase of treasury shares	-	(153)	-	-	-	-	-	(153)	-	(153)
Total contributions by and distributions to owners	-	(153)	-	-	-	-	(1,211)	(1,364)	-	(1,364)
Balance at 31 May 2019	49,079	(253)	666	1,073	19	(10,072)	27,456	67,968	1,596	69,564
Profit / (loss) for the period	-	-	-	-	-	-	(5,218)	(5,218)	258	(4,960)
Other comprehensive income for the period										
Actuarial gain on defined benefit plan	-	-	-	(239)	-	(3)	-	(242)	-	(242)
Foreign currency translation	-	-	-	-	-	(702)	122	(580)	40	(540)
Total comprehensive income for the period	-	-	-	(239)	-	(705)	(5,096)	(6,040)	298	(5,742)
Transactions with owners of the parent recognised directly in equity										
Statutory reserve by a subsidiary	-	-	-	17	-	-	(17)	-	-	-
Share-based payments	-	-	-	-	5	-	-	5	-	5
Total transactions with owners of the parent recognised directly in equity	-	-	-	17	5	-	(17)	5	-	5
Balance at 31 Aug 2019	49,079	(253)	666	851	24	(10,777)	22,343	61,933	1,894	63,827

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	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
Balance at 1 September 2017	42,259	(200)	666	952	-	(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	-	148	-	-	-	-	-	148	-	148
Total transactions with owners of the parent recognised directly in equity	-	148	-	-	-	-	-	148	-	148
Contribution by and distribution 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 contribution by and distribution to owners	6,820	(151)	-	-	-	-	(1,976)	4,693	-	4,693
Transactions with non-controlling interests										
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	(124)	(124)
Total transactions with non-controlling interests	-	-	-	-	-	-	-	-	(124)	(124)
Balance at 31 May 2018	49,079	(203)	666	952	-	(11,625)	24,830	63,699	2,071	65,770
Profit / (loss) for the period	-	-	-	-	-	-	(747)	(747)	(61)	(808)
Other comprehensive income for the period										
Actuarial gain 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	(203)	666	1,073	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.

Statement of Changes in Equity

Company	Share Capital \$'000	Treasury Shares \$'000	Share Awards Reserve \$'000	Currency Translation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 September 2018 (Restated)	49,079	(203)	6	(11,192)	13,369	51,059
Profit for the period	-	-	-	-	2,455	2,455
Other comprehensive income for the period						
Foreign currency translation	-	-	-	168	-	168
Total comprehensive income for the period	-	-	-	168	2,455	2,623
Contributions by and distributions to owners						
Dividends	-	-	-	-	(1,211)	(1,211)
Purchase of treasury shares	-	(50)	-	-	-	(50)
Total contributions by and distributions to owners	-	(50)	-	-	(1,211)	(1,261)
Transactions with owners of the parent recognised directly in equity						
Share-based payments	-	-	13	-	-	13
Total transactions with owners of the parent recognised directly in equity	-	-	13	-	-	13
Balance at 31 May 2019	49,079	(253)	19	(11,024)	14,613	52,434
Loss for the period	-	-	-	-	(4,936)	(4,936)
Other comprehensive income for the period						
Foreign currency translation	-	-	-	2	-	2
Total comprehensive income for the period	-	-	-	2	(4,936)	(4,934)
Transactions with owners of the parent recognised directly in equity						
Share-based payments	-	-	5	-	-	5
Total transactions with owners of the parent recognised directly in equity	-	-	5	-	-	5
Total contributions by and distributions to owners	-	-	-	-	-	-
Balance at 31 Aug 2019	49,079	(253)	24	(11,022)	9,677	47,505

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

Company	Share Capital \$'000	Treasury Shares \$'000	Share Awards Reserve \$'000	Currency Translation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 September 2017 (Restated)	42,259	(200)	-	(11,771)	18,022	48,310
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)
Transactions with owners of the parent recognised directly in equity						
Statutory reserve by a subsidiary	-	-	-	-	-	-
Share-based payments	-	148	-	-	-	148
Total transactions with owners of the parent recognised directly in equity	-	148	-	-	-	148
Contributions by and distribution to owners						
Dividends	-	-	-	-	(1,976)	(1,976)
Share placement	6,820	-	-	-	-	6,820
Purchase of treasury shares	-	(151)	-	-	-	(151)
Total contribution to owners	6,820	(151)	-	-	(1,976)	4,693
Balance at 31 May 2018	49,079	(203)	-	(12,297)	15,255	51,834
Loss for the period	-	-	-	-	(1,886)	(1,886)
Other comprehensive income for the period						
Foreign currency translation	-	-	-	1,105	-	1,105
Total comprehensive income for the period	-	-	-	1,105	(1,886)	(781)
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 (Restated)	49,079	(203)	6	(11,192)	13,369	51,059

- 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 11 December 2018, 13 December 2018 and 21 December 2018, the Company purchased 1,200,000, 1,300,000 and 1,200,000 shares respectively by way of market acquisition.

On 14 February 2019, 2,230,600 treasury shares ("PSP Shares") were transferred to certain employees of the Group pursuant to the Miyoshi Limited Performance Share Plan 2016.

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 2019 to 31 August 2019.

There were no outstanding share options or convertibles as at 31 August 2019 and 31 August 2018.

As at 31 August 2019, the Company did not have any subsidiary holdings and held 5,065,900 treasury shares which represented approximately 0.8% of the total issued shares (excluding treasury shares and subsidiary holdings) comprising 607,603,590 shares. 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.

- 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 2019	As at 31 August 2018
Total number of issued shares	612,669,490	612,669,490
Less: Treasury shares	(5,065,900)	(3,596,500)
Total number of issued shares excluding treasury shares	607,603,590	609,072,990

- 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	Current financial period ended	12 months ended
	31 August 2019	31 August 2019
Balance at beginning of financial period	5,065,900	3,596,500
Purchase of treasury shares	-	3,700,000
Less: Transferred on vesting of PSP shares	-	(2,230,600)
Balance as at end of financial period	5,065,900	5,065,900

- 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 2018, except for reversal of impairment in trade and other receivables. During the financial year, the Company made a prior year adjustment to reverse an impairment of \$5.4 million which was previously recorded to fully impair its intercompany balances of a subsidiary in Malaysia. In the current financial year, the Company classified the loans from the Company of S\$15.7million as equity contribution in view of intercompany balances restructuring and that the management has deemed the balances to be capital contribution in a subsidiary in Malaysia. Following the intercompany balances restructuring, the management carried out impairment assessment on the investment in subsidiaries (including loans deemed as investments). The management has determined the recoverable amount of the subsidiary by the fair value less costs of disposal. Based on the impairment assessment, the impairment of investments in subsidiary in Malaysia had been overstated by \$5.5 million in the previous financial years. The impairment provision has therefore been reversed retrospectively and the comparative financial statements have been restated. There is no financial impact to the Group.

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.

Singapore-incorporated companies listed on the Singapore Exchange are required to apply a new financial reporting framework identical to the International Financial Reporting Standards ("IFRS"), Singapore Financial Reporting Standards (International) ("SFRS(I)", for annual periods beginning on or after 1 January 2018.

SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)

The Group has adopted SFRS(I) on 1 September 2018 and has prepared its first set of financial information under SFRS(I) for the financial year ended 31 August 2019. The Group has consistently applied the same accounting policies in its opening SFRS(I) statement of financial position as at 1 September 2018 and throughout the comparable periods presented, as if these policies had always been in effect. In adopting SFRS(I), the Group is required to apply all the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)* and new SFRS(I), amendments to and interpretation of SFRS(I) that are effective from 1 January 2018. The transition to SFRS(I) did not have any significant impact to the Group.

SFRS(I) 9 Financial Instruments

SFRS(I) 9 introduces a new forward-looking impairment model based on expected credit losses to replace the incurred loss model. Lifetime expected losses will be recognised on these assets when there is a significant increase in credit risk from initial recognition. The new impairment requirements resulted in increases in impairment loss allowances on trade receivables and other receivables, due to earlier recognition of credit losses. The Group has adopted the simplified model for its trade receivables and recorded an allowance for lifetime expected losses from initial recognition. Upon application of the expected credit loss model, the impairment loss allowance on trade and other receivables as at 1 September 2018 has increased by \$104,000 at the Group level. There is no impact at the Company level. The changes in accounting policies resulting from the adoption of SFRS(I) 9 should be applied by the Group retrospectively. However, the Group

applied the short-term exemption under SFRS(I) 1 to adopt SFRS(I) 9 on 1 September 2018. Therefore, the financial instruments recognised for the financial year ended 31 August 2018 were measured in accordance with FRS39 and the comparative information in the financial statement for financial year ended 31 August 2019 would not need to be restated. The differences in the carrying amounts of financial assets resulting from the adoption of SFRS(I) 9 are recognised in retained earnings as at 1 September 2018.

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 2019	31 August 2018	31 August 2019	31 August 2018
	Cents	Cents	Cents	Cents
Based on weighted average number of ordinary shares in issue	(0.89)	(0.12)	(0.11)	0.24
On a fully diluted basis	(0.89)	(0.12)	(0.11)	0.24
Weighted average number of ordinary share in issue for basic earnings per share	607,603,590	609,072,990	607,652,961	527,646,334
Weighted average number of ordinary share in issue for diluted earnings per share	608,817,290	609,493,990	608,512,661	527,883,939

Earnings per ordinary share is calculated based on the Group profit for the financial periods attributable to owners of the parent divided by the weighted average number of ordinary shares for 4Q2019 of 607,603,590 (4Q2018: 609,072,990) and for FY2019 of 607,652,961 (FY2018: 527,646,334).

Earnings per ordinary share (diluted basis) is calculated based 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 2019. The adjusted weighted average number of ordinary shares for 4Q2019 is 608,817,290 (4Q2018: 609,493,990) and for FY2019 is 608,512,661 (FY2018: 527,883,939).

Diluted loss per share is the same as the basic loss per share because the potential ordinary shares to be converted are anti-dilutive as the effect of the shares conversion would be to decrease the loss per share.

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 2019	10.19 cents	7.82 cents
NAV per share as at 31 August 2018	10.48 cents	8.38 cents

Net asset value per share is calculated based on share capital of 607,603,590 and 609,072,990 ordinary shares in issue, excluding treasury shares and subsidiary holdings, as at 31 August 2019 and 31 August 2018 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:
- 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
 - 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

4Q2019

Business Segment Revenue (\$'000)	4Q2019	4Q2018	Change %
Consumer electronics	6,742	5,031	34.0
Automotive	4,142	4,123	0.5
Data storage	2,773	3,430	(19.2)
Rental	280	232	20.7
Total	13,937	12,816	8.7

Revenue increased by \$1.1 million or 8.7% from \$12.8 million in 4Q2018 to \$13.9 million in 4Q2019. The increase was mainly due to an increase in rental income from our investment properties in the Philippines and the increase in orders from the consumer electronics and automotive segments. The revenue was partially offset by a decrease in revenue from the data storage segment.

FY2019

Business Segment Revenue (\$'000)	FY2019	FY2018	Change %
Consumer electronics	22,646	21,528	5.2
Automotive	16,604	15,315	8.4
Data storage	12,945	13,460	(3.8)
Rental	1,257	1,015	23.8
Total	53,452	51,318	4.2

Revenue increased by \$2.1 million or 4.2% from \$51.3 million in FY2018 to \$53.4 million in FY2019. The overall increase was mainly due to an increase in rental income from a new tenancy agreement for our investment properties in the Philippines and revenue from higher orders secured from the automotive and consumer electronics segment. The revenue was partially offset by a decrease in revenue from the data storage segment. This is in line with the business strategy of focusing on the consumer electronics and automotive segment as disclosed in the Company's financial results for the full year ended 31 August 2018.

B. Other Income

4Q2019

Other income decreased by \$0.1 million from \$0.3 million in 4Q2018 to \$0.2 million in 4Q2019. Mainly due to a lower fair value gain on investment properties.

FY2019

Other income increased by \$3.8 million from \$0.4 million in FY2018 to \$4.2 million in FY2019, mainly from gain on disposal of our industrial property in Singapore at 5 Second Chin Bee Road of \$3.9 million which was completed in 1Q2019 of this financial year.

C. Total Costs and Expenses

4Q2019

Total costs and expenses increased by \$3.9 million from \$13.7 million in 4Q2018 to \$17.6 million in 4Q2019. The increase was mainly due to the impairment of doubtful receivables of \$3.2 million from a refundable deposit in relation to the Group's investment in Core Power (Fujian) New Energy Automobile Co., Ltd ("Core Power"). Excluding the impairment which was non-recurring in 4Q2018, the overall increase of \$0.7 million or 5.1% is in line with the increase in revenue for our consumer electronics and automotive segments.

FY2019

Total costs and expenses increased by \$6.0 million from \$50.1 million in FY2018 to \$56.1 million in FY2019. The increase was mainly due to the impairment of doubtful receivables of \$3.2 million from a refundable deposit in relation to Core Power and \$0.3 million from general impairment of doubtful receivables which registered in other operating expenses, increase in raw materials and consumables used of \$1.5 million, employee benefits expenses of \$0.5 million and depreciation expense of \$0.2 million from increase in capital expenditure in the Philippines subsidiary. Excluding the impairment which was non-recurring in FY2018, the increase was S\$2.7 million or 5.4% which is in line with the increase in revenue for consumer electronics and automotive segments.

D. Profit / (loss) after Income Tax4Q2019

Loss after income tax increased by \$4.2 million from \$0.8 million in 4Q2018 to \$5.0 million in 4Q2019. The higher loss was due to impairment of doubtful receivables of \$3.2 million, share of loss of associate in relation to Core Power of \$1.3 million and lower fair value gain on investment properties of \$0.1 million.

FY2019

Profit after income tax decreased by \$1.7 million from \$1.0 million in FY2018 to a loss after income tax of \$0.7 million in FY2019. The decrease was mainly due to impairment of doubtful receivables of \$3.5 million and share of loss of associate of \$1.7 million and \$0.8 million in losses attributable to the Group's subsidiaries in Malaysia and Thailand which are in a loss making position, offset by the gain on disposal of our industrial property in Singapore at 5 Second Chin Bee Road of \$3.9 million,

Share of loss from associate of \$1.7 million reflects the share of results of Core Power that is in a loss making position. The business is affected by among others, the scale back of subsidy support for electric vehicle makers in China.

Under the equity method, the investment in Core Power, are carried in balance sheet at cost plus post-acquisition changes in the Group's share of net assets of Core Power. As at 31 August 2019, the Group's equity interest was 32.0% based on the paid-up share capital of Core Power (31 August 2018: 32.0% equity interest in Core Power).

As at the date of this announcement, the accounting for business combination for the Group's acquisition in relation to Group's investment in an associate, Core Power has yet to be completed. The delay in completion is mainly due to matters arising from the audit of Core Power. The Group is uncertain whether this exercise can be completed prior to the finalisation of the audit of the Group's consolidated financial statements for FY2019 and 2019 annual report. The audited profit / loss for 4Q and FY2019 may be materially different from the profit / loss as presented in this announcement in the event that audit matters in connection with the audit of Core Power cannot be completed prior to the finalisation of the Group's audit for FY2019 and in such event, there can be no assurance that there will not be any qualification in opinion from the Group's auditors and / or further potential impairments to the Group's investment in associate.

E. Assets and Liabilities

Current assets decreased by \$7.1 million from \$31.0 million as at 31 August 2018 to \$23.9 million as at 31 August 2019. This was mainly due to the disposal of asset held for sale of \$3.6 million and the decrease in cash and bank balances of \$2.2 million mainly due to repayment of bank borrowings, trade and other receivables of \$2.8 million, offset by an increase in inventories of \$1.5 million for our automotive segment, in line with an increase in revenue for that segment.

Current liabilities decreased by \$0.4 million from \$16.4 million as at 31 August 2018 to \$16.8 million as at 31 August 2019. This was mainly due to an increase in trade and other payables of \$0.4 million.

Non-current assets increased by \$3.9 million from \$56.1 million as at 31 August 2018 to \$60.0 million as at 31 August 2019, mainly due to increases in investment in associate in relation to Core Power of \$3.1 million and property, plant and equipment (“PPE”) of \$2.5 million mainly from our subsidiary in the Philippines, offset by the share of loss of associate in relation to Core Power of \$1.7 million.

Non-current liabilities increased by \$1.5 million from \$4.8 million as at 31 August 2018 to \$3.3 million as at 31 August 2019, mainly due to an increase in provision of \$0.3 million from the retirement benefit of our subsidiary in the Philippines and lower bank borrowings of \$1.7 million.

F. Equity

Equity attributable to owners of the parent decreased by \$1.9 million from \$63.8 million as at 31 August 2018 to \$61.9 million as at 31 August 2019. The decrease was mainly due to the loss attributable to owners of the parent of \$0.5 million, a dividend payment of \$1.2 million and actuarial loss on defined benefit plan of \$0.2 million, offset by a gain in foreign currency translation of \$0.1 million due to stronger USD against SGD

G. Cash Flows

Cash and cash equivalents decreased by \$1.0 million from \$3.6 million as at 31 August 2018 to \$2.6 million as at 31 August 2019. 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 FY2019 amounted to \$3.9 million. The cash from operations of \$4.5 million before changes in working capital decreased mainly as a result of higher inventories of \$1.6 million, higher trade and other receivables of \$1.1 million, income tax paid of \$0.5 million and interest paid of \$0.4 million which in line with the overall increase in revenue, offset by lower trade and other payables of \$2.9 million mainly the refundable deposit from the disposal of a property at 5 Second Chin Bee Road of \$1.6 million which received in last financial year .

Net cash used in investing activities for FY2019 amounted to \$2.9 million. This was mainly due to additional investment in Core Power of \$3.1 million, the construction of two industrial buildings (Philippines) and the purchase of plant and equipment (Philippines and Wuxi) of \$5.8 million, offset by proceeds from disposal of a property at 5 Second Chin Bee Road of \$5.9 million and plant and equipment of \$61,000.

Net cash used in financing activities for FY2019 amounted to \$2.0 million mainly due to repayment of bank loans and finance lease of \$4.9 million, payment of dividend of \$1.2 million and the purchase of treasury shares of \$0.2 million, offset by the proceeds from bank borrowings drawn down by the Group’s Philippines and China subsidiaries of \$4.3 million. The proceeds from the bank borrowings of the Philippines were used for the construction of the two industrial buildings in the Philippines.

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 FY2019 are in line with the Company’s profit guidance announcement dated 18 October 2019. Except for the allowances made in respect of impairment of PPE and doubtful receivables, actual results are in line with our expectations.

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. The trade tensions between US and China which started during the last financial year continues to exert negative impact on our business performance in our associated company in China. We maintain a cautious outlook for the next 12 months.

On 31 July 2018, the Company 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”) for investment of 32.0% interest by way of new capital injection into Core Power (Fujian) New Energy Automobile Co., Ltd (the “Investment”).

The Company will make further announcements to update Shareholders in respect to the Investment as and when appropriate.

The business outlook for CP for the coming year is expected to be challenging due to among others, the volatile and uncertain macro economic conditions in China coupled with the effect of the aforementioned trade tensions and also the changes in government policies in China as mentioned in paragraph 8.

11. Dividend

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

No

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

Not applicable

(ii) Previous corresponding period (cents)

0.2 cents

(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 and the reason(s) for the decision.

After deliberation, the board has adopted a prudent approach to conserve cash amidst the current challenging business environment. As such, no interim dividend has been declared for 4Q2019.

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.

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		Rental		Group	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Revenue										
External sales	12,945	13,461	22,646	21,526	16,604	15,316	1,257	1,015	53,452	51,318
Results										
(Loss) / profit from operations	(600)	(1,038)	207	1,200	1,291	1,195	1,249	988	2,147	2,345
Interest expense									(418)	(416)
Interest income									15	19
Allowance for impairment of plant and equipment									(288)	(497)
Fair value gain on investment properties									86	200
Share of results of associate									(1,725)	-
(Loss) / profit before tax									(183)	1,651
Income tax expense									(487)	(634)
(Loss) / profit after tax									(670)	1,017
Attributable to:										
Owners of the parent									(502)	1,277
Non-controlling interests									(168)	(260)
									(670)	1,017

ANALYSIS BY GEOGRAPHICAL SEGMENTS	Revenue		Non-current assets	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Philippines	25,241	21,008	21,900	19,833
China	12,841	13,092	7,149	7,963
Thailand	5,899	6,496	2,497	2,569
Mexico	4,763	5,022	-	-
Hungary	1,463	2,012	-	-
Malaysia	1,301	1,243	4,455	4,585
Singapore	529	757	23,874	3,941
Others	1,415	1,688	-	-
Total	53,452	51,318	59,875	38,891

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	2019 \$'000	2018 \$'000	Change %
(a) Sales reported for first half year	27,322	26,550	2.9%
(b) Operating profit after tax before deducting non controlling interests reported for first half year	4,515	1,142	295.4%
(c) Sales reported for second half year	26,130	24,768	5.5%
(d) Operating loss after tax before deducting non controlling interests reported for second half year	(5,185)	(125)	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	2019 \$'000	2018 \$'000
Ordinary final dividend, tax exempt (one-tier)	-	1,211

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	66	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.

On Behalf of the Board,
Sin Kwong Wah, Andrew
Executive Director and CEO
30 Oct 2019

This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor") in accordance with Rule 226(2)(b) of the Catalist Rules.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Ken Lee, Associate Director, Investment Banking, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.