

Miyoshi Limited

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

Second 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 second quarter ended 28 February 2019

	Note	Group Quarter			Group 6 Months		
		Feb-19 \$'000	Feb-18 \$'000	Change %	Feb-19 \$'000	Feb-18 \$'000	Change %
Revenue	(i)	12,809	12,778	0.2	27,322	26,550	2.9
Other income	(ii)	111	108	2.8	4,042	115	N.M.
Raw materials, consumables used & changes in inventories		(6,428)	(6,520)	(1.4)	(14,162)	(13,422)	5.5
Employee benefit expenses		(2,565)	(2,514)	2.0	(5,475)	(5,252)	4.2
Depreciation and amortisation expenses		(778)	(685)	13.6	(1,587)	(1,399)	13.4
Other operating expenses	(iii)	(2,555)	(2,480)	3.0	(4,866)	(4,983)	(2.3)
Finance costs		(96)	(67)	43.3	(216)	(184)	17.4
Share of results of associate		(165)	-	N.M.	(308)	-	N.M.
Profit before income tax		333	620	(46.3)	4,750	1,425	N.M.
Income tax expense		(120)	(161)	(25.5)	(235)	(283)	(17.0)
Profit for the period		213	459	(53.6)	4,515	1,142	N.M.
Profit attributable to:							
Owners of the parent		229	564	(59.4)	4,568	1,310	N.M.
Non-controlling interests		(16)	(105)	(84.8)	(53)	(168)	(68.5)
Profit for the period		213	459	(53.6)	4,515	1,142	N.M.
Other comprehensive income							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation of foreign operations		(115)	(456)	(74.8)	(231)	(736)	(68.6)
Total comprehensive income for the period		98	3	N.M.	4,284	406	N.M.
Total comprehensive income attributable to:							
Owners of the parent		68	81	(16.0)	4,290	523	N.M.
Non-controlling interests		30	(78)	N.M.	(6)	(117)	(94.9)
		98	3	N.M.	4,284	406	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 6 Months	
	Feb-19	Feb-18	Feb-19	Feb-18
	\$'000	\$'000	\$'000	\$'000
Sales of goods	12,024	12,108	25,734	25,234
Sales of scrap	485	428	973	776
Rental income	300	242	615	540
	12,809	12,778	27,322	26,550

1(a)(ii) Other income

	Group Quarter		Group 6 Months	
	Feb-19	Feb-18	Feb-19	Feb-18
	\$'000	\$'000	\$'000	\$'000
Gain on disposal of asset held for sale	-	-	3,888	-
Miscellaneous income	102	45	135	45
Reversal of impairment of plant and equipment	3	-	10	-
Interest income	5	6	8	9
Gain on disposal of plant and equipment	1	57	1	61
	111	108	4,042	115

1(a)(iii) Other operating expenses

	Group Quarter		Group 6 Months	
	Feb-19	Feb-18	Feb-19	Feb-18
	\$'000	\$'000	\$'000	\$'000
Supplies and services	1,158	1,125	2,261	2,304
Utilities	443	431	909	895
Transportation and travelling	195	230	388	445
Professional fees	65	146	310	314
Others	140	226	302	354
Office and sundry expenses	171	121	289	250
Repair and maintenance	91	106	177	240
Loss on foreign exchange, net	303	95	139	181
(Reversal of) / allowance for doubtful trade receivables	(11)	-	91	-
	2,555	2,480	4,866	4,983

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	
	28-Feb-19	31-Aug-18	28-Feb-19	31-Aug-18
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current assets:				
Cash and bank balances	3,281	5,342	373	218
Trade and other receivables	16,733	16,596	5,150	5,669
Prepayments	219	175	205	44
Inventories	6,438	5,249	-	12
Assets classified as held for sale	-	3,601	-	3,601
Total current assets	26,671	30,963	5,728	9,544
Non-current assets:				
Subsidiaries	-	-	27,056	27,746
Associate	19,298	17,010	19,323	17,010
Property, plant and equipment	33,628	32,049	2,908	3,037
Investment properties	6,789	6,827	-	-
Intangible assets	15	15	-	-
Deferred tax assets	32	33	-	-
Other receivables	117	117	28	-
Total non-current assets	59,879	56,051	49,315	47,793
Total assets	86,550	87,014	55,043	57,337
LIABILITIES AND EQUITY				
Current liabilities:				
Trade and other payables	8,424	10,093	4,058	5,835
Current income tax payable	129	168	-	-
Finance lease	29	29	29	29
Bank borrowings	4,118	6,121	594	2,593
Total current liabilities	12,700	16,411	4,681	8,457
Non-current liabilities:				
Finance lease	75	89	75	89
Bank borrowings	4,186	3,785	356	533
Other payable	-	103	3,141	2,619
Provisions	518	528	-	-
Deferred tax liabilities	270	265	-	-
Total non-current liabilities	5,049	4,770	3,572	3,241
Total liabilities	17,749	21,181	8,253	11,698
Equity:				
Share capital	49,079	49,079	49,079	49,079
Treasury shares	(356)	(203)	(356)	(203)
Revaluation reserve	666	666	-	-
Fair value reserve	(12)	(12)	-	-
Other reserve	1,085	1,085	-	-
Share awards reserve	117	6	117	6
Currency translation reserve	(11,129)	(10,851)	(11,782)	(11,090)
Retained earnings	27,412	24,055	9,732	7,847
Equity attributable to owners of the parent	66,862	63,825	46,790	45,639
Non-controlling interests	1,939	2,008	-	-
Total equity	68,801	65,833	46,790	45,639
Total liabilities and equity	86,550	87,014	55,043	57,337

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

As at 28 February 2019 \$'000		As at 31 August 2018 \$'000	
Secured	Unsecured	Secured	Unsecured
3,792	355	5,621	529

Amount repayable after one year

As at 28 February 2019 \$'000		As at 31 August 2018 \$'000	
Secured	Unsecured	Secured	Unsecured
4,261	-	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 28 February 2019 were \$3,792,000 and \$4,261,000 (31 August 2018: \$5,621,000 and \$3,874,000). Included in the current balances of the secured bank borrowings as at 31 August 2018 was a bank overdraft of \$1,572,000 (28 February 2019: Nil).

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 28 February 2019 were \$29,000 and \$75,000 (31 August 2018: \$29,000 and \$89,000). The net book value of the motor vehicle under this finance lease as at 28 February 2019 was \$175,000 (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 6 Months	
	Feb-19	Feb-18	Feb-19	Feb-18
	\$'000	\$'000	\$'000	\$'000
Operating activities:				
Profit before income tax	333	620	4,750	1,425
Adjustments for:				
(Reversal of) / allowance for doubtful trade receivables	(11)	-	91	-
Depreciation and amortisation expenses	778	685	1,587	1,399
Interest expense	96	67	216	184
Interest income	(5)	(6)	(8)	(9)
Gain on disposal of asset held for sale	-	-	(3,888)	-
Gain on disposal of plant and equipment	(1)	(57)	(1)	(61)
(Reversal of) / allowance for inventory obsolescence	(10)	14	(10)	14
Reversal of impairment loss on plant and equipment	(3)	-	(10)	-
Share awards expenses	109	118	111	118
Share of results of associate	165	-	308	-
Unrealised exchange differences	238	263	136	341
Operating cash flows before changes in working capital	1,689	1,704	3,282	3,411
Trade and other receivables	634	305	(585)	1,903
Prepayments	(251)	49	(44)	37
Inventories	(394)	819	(1,217)	219
Trade and other payables	(832)	(1,695)	(35)	(2,600)
Cash generated from operations	846	1,182	1,401	2,970
Interest paid	(96)	(67)	(216)	(184)
Interest received	5	6	8	9
Income tax paid	(249)	(164)	(252)	(234)
Net cash from operating activities	506	957	941	2,561
Investing activities:				
Investment in associate	(2,181)	-	(2,597)	-
Proceeds from disposal of asset held for sale	-	-	5,929	-
Proceeds from disposal of plant and equipment	2	95	8	116
Purchase of plant and equipment	(2,402)	(2,374)	(3,402)	(3,527)
Net cash used in investing activities	(4,581)	(2,279)	(62)	(3,411)
Financing activities:				
Proceeds from bank borrowings	1,184	1,085	2,555	1,085
Purchase of treasury shares	(153)	-	(153)	-
Dividend payments	(1,211)	(1,976)	(1,211)	(1,976)
Dividends paid to non-controlling interests	(63)	(124)	(63)	(124)
Repayment of bank borrowings	(1,913)	(843)	(2,584)	(1,681)
Repayment of finance leases	(7)	(27)	(14)	(32)
Net cash used in financing activities	(2,163)	(1,885)	(1,470)	(2,728)
Decrease in cash and cash equivalents	(6,238)	(3,207)	(591)	(3,578)
Effect of exchange rate changes on cash and cash equivalents	179	83	101	139
Cash and cash equivalents at beginning of period	9,194	8,382	3,625	8,697
Cash and cash equivalents at end of period	3,135	5,258	3,135	5,258
Cash and bank balances	3,281	6,577	3,281	6,577
Bank overdraft	-	(1,175)	-	(1,175)
Restricted cash	(146)	(144)	(146)	(144)
Cash and cash equivalents at end of period	3,135	5,258	3,135	5,258

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
Profit / (loss) for the period	-	-	-	-	-	-	4,339	4,339	(37)	4,302
Other comprehensive income for the period										
Foreign currency translation	-	-	-	-	-	(117)	-	(117)	1	(116)
Total comprehensive income for the period	-	-	-	-	-	(117)	4,339	4,222	(36)	4,186
Transactions with owners of the parent recognised directly in equity										
Share-based payments	-	-	-	-	2	-	-	2	-	2
Total transactions with owners of the parent recognised directly in equity	-	-	-	-	2	-	-	2	-	2
Contributions by and distributions to owners										
Dividends	-	-	-	-	-	-	(1,211)	(1,211)	-	(1,211)
Total contributions by and distributions to owners	-	-	-	-	-	-	(1,211)	(1,211)	-	(1,211)
Balance at 30 November 2018	49,079	(203)	666	1,073	8	(10,968)	27,183	66,838	1,972	68,810
Profit / (loss) for the period	-	-	-	-	-	-	229	229	(16)	213
Other comprehensive income for the period										
Foreign currency translation	-	-	-	-	-	(161)	-	(161)	46	(115)
Total comprehensive income for the period	-	-	-	-	-	(161)	229	68	30	98
Transactions with owners of the parent recognised directly in equity										
Share-based payments	-	-	-	-	109	-	-	109	-	109
Total transactions with owners of the parent recognised directly in equity	-	-	-	-	109	-	-	109	-	109
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										
Purchase of treasury shares	-	(153)	-	-	-	-	-	(153)	-	(153)
Total contributions by and distributions to owners	-	(153)	-	-	-	-	-	(153)	-	(153)
Balance at 28 February 2019	49,079	(356)	666	1,073	117	(11,129)	27,412	66,862	1,939	68,801

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	-	-	-	-	-	-	746	746	(63)	683
Other comprehensive income for the period										
Foreign currency translation	-	-	-	-	-	(304)	-	(304)	24	(280)
Total comprehensive income for the period	-	-	-	-	-	(304)	746	442	(39)	403
Contribution by and distribution to owners										
Dividends	-	-	-	-	-	-	(1,976)	(1,976)	-	(1,976)
Total contribution by and distribution to owners	-	-	-	-	-	-	(1,976)	(1,976)	-	(1,976)
Balance at 30 November 2017	42,259	(200)	666	952	-	(11,706)	23,552	55,523	2,315	57,838
Profit / (loss) for the period	-	-	-	-	-	-	564	564	(105)	459
Other comprehensive income for the period										
Foreign currency translation	-	-	-	-	-	(483)	-	(483)	27	(456)
Total comprehensive income for the period	-	-	-	-	-	(483)	564	81	(78)	3
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)
Balance at 28 February 2018	42,259	(82)	666	952	30	(12,189)	24,116	55,752	2,113	57,865

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	49,079	(203)	6	(11,090)	7,847	45,639
Profit for the period	-	-	-	-	3,176	3,176
Other comprehensive income for the period						
Foreign currency translation	-	-	-	28	-	28
Total comprehensive income for the period	-	-	-	28	3,176	3,204
Contributions by and distributions to owners						
Dividends	-	-	-	-	(1,211)	(1,211)
Total contributions by and distributions to owners	-	-	-	-	(1,211)	(1,211)
Transactions with owners of the parent recognised directly in equity						
Share-based payments	-	-	2	-	-	2
Total transactions with owners of the parent recognised directly in equity	-	-	2	-	-	2
Balance at 30 November 2018	49,079	(203)	8	(11,062)	9,812	47,634
Loss for the period	-	-	-	-	(80)	(80)
Other comprehensive income for the period						
Foreign currency translation	-	-	-	(720)	-	(720)
Total comprehensive income for the period	-	-	-	(720)	(80)	(800)
Transactions with owners of the parent recognised directly in equity						
Share-based payments	-	-	109	-	-	109
Total transactions with owners of the parent recognised directly in equity	-	-	109	-	-	109
Contributions by and distributions to owners						
Purchase of treasury shares	-	(153)	-	-	-	(153)
Total contributions by and distributions to owners	-	(153)	-	-	-	(153)
Balance at 28 February 2019	49,079	(356)	117	(11,782)	9,732	46,790

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	42,259	(200)	-	(11,625)	12,230	42,664
Loss for the period	-	-	-	-	(571)	(571)
Other comprehensive income for the period						
Foreign currency translation	-	-	-	(289)	-	(289)
Total comprehensive income for the period	-	-	-	(289)	(571)	(860)
Contributions by and distribution to owners						
Dividends	-	-	-	-	(1,976)	(1,976)
Total contribution to owners	-	-	-	-	(1,976)	(1,976)
Balance at 30 November 2017	42,259	(200)	-	(11,914)	9,683	39,828
Profit for the period	-	-	-	-	460	460
Other comprehensive income for the period						
Foreign currency translation	-	-	-	(752)	-	(752)
Total comprehensive income for the period	-	-	-	(752)	460	(292)
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 28 February 2018	42,259	(82)	30	(12,666)	10,143	39,684

- 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 30 November 2018 to 28 February 2019.

There were no outstanding share options or convertibles as at 28 February 2019 and 28 February 2018.

As at 28 February 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 28 February 2018, the Company did not have any subsidiary holdings and held 1,494,500 treasury shares which represented approximately 0.3% of the total issued shares (excluding treasury shares and subsidiary holdings) comprising 496,174,992 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 28 February 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	Quarter ended	6 months ended
	28 February 2019	28 February 2019
Balance at beginning of financial period	3,596,500	3,596,500
Purchase of treasury shares	3,700,000	3,700,000
Less: Transferred on vesting of PSP shares	(2,230,600)	(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.

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.

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.

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		6 months ended	
	28 February 19	28 February 18	28 February 19	28 February 18
	Cents	Cents	Cents	Cents
Based on weighted average number of ordinary shares in issue	0.04	0.11	0.75	0.26
On a fully diluted basis	0.04	0.11	0.75	0.26
Weighted average number of ordinary share in issue for basic earnings per share	606,318,090	494,410,912	607,703,150	494,219,147
Weighted average number of ordinary share in issue for diluted earnings per share	606,897,630	494,513,823	608,202,982	494,270,319

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 2Q2019 of 606,318,090 (2Q2018: 494,410,912) and for 1H2019 of 607,703,150 (1H2018: 494,219,147).

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 28 February 2019. The adjusted weighted average number of ordinary shares for 2Q2019 is 606,897,630 (2Q2018: 494,513,823) and for 1H2019 is 608,202,982 (1H2018: 494,270,319).

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 28 February 2019	11.00 cents	7.70 cents
NAV per share as at 31 August 2018	10.48 cents	7.49 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 28 February 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:**
- (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

2Q2019

Business Segment Revenue (\$'000)	2Q2019	2Q2018	Change %
Consumer electronics	5,463	5,733	4.7
Automotive	3,893	3,628	7.3
Data storage	3,153	3,175	(0.7)
Rental	300	242	24.0
Total	12,809	12,778	0.2

Revenue increased marginally by \$31,000 or 0.2% compare to 2Q2018. The increase was mainly due to an increase in revenue from the automotive segment.

1H2019

Business Segment Revenue (\$'000)	1H2019	1H2018	Change %
Consumer electronics	11,058	11,426	(3.2)
Automotive	8,835	7,710	14.6
Data storage	6,814	6,874	(0.9)
Rental	615	540	13.9
Total	27,322	26,550	2.9

Revenue increased by \$0.7 million or 2.9% from \$26.6 million in 1H2018 to \$27.3 million in 1H2019. The overall increase was mainly due to an increase in revenue from the automotive segment.

B. Other Income

2Q2019

Other income remained approximately the same for both 2Q2018 and 2Q2019.

1H2019

Other income increased by \$3.9 million from \$0.1 million in 2Q2018 to \$4.0 million in 2Q2019, mainly due to gain on disposal of our industrial property in Singapore at 5 Second Chin Bee Road of \$3.9 million.

C. Total Costs and Expenses

2Q2019

Total costs and expenses increased by \$0.1 million from \$12.3 million in 2Q2018 to \$12.4 million in 2Q2019, in line with our slight increase in revenue.

1H2019

Total cost and expenses increased by \$1.1 million from \$25.2 million in 1H2018 to \$26.3 million in 1H2019. The increase was mainly due to the increase of raw materials and consumables used of \$0.8 million, employee benefits expenses of \$0.2 million and depreciation expense of \$0.2 million, in line with the increase in revenue from our automotive segment, offset by decrease of other operating expenses of \$0.1 million.

Share of loss from associate reflects the share of results of Core Power (Fujian) New Energy Automobile Co., Ltd (“Core Power”). 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 28 February 2019, the Group’s equity interest was 24.34% based on the paid-up share capital of Core Power (28 February 2018: 15.0% equity interest in Core Power).

D. Profit after Income Tax

2Q2019

Profit after income tax decreased by \$0.3 million from \$0.5 million in 2Q2018 to \$0.2 million in 2Q2019. The decrease was due to share of loss of associate of \$0.2 million and increase in total cost and expenses of \$0.1 million.

1H2019

Profit after income tax increased by \$3.4 million from \$1.1 million in 1H2018 to \$4.5 million in 1H2019. The increase was mainly due to the gain on disposal of our industrial property in Singapore at 5 Second Chin Bee Road of \$3.9 million, increase in revenue of \$0.7 million, offset by the increase in total costs and expenses of \$1.1 million and share of loss of associate of \$0.3 million.

E. Assets and Liabilities

Current assets decreased by \$4.3 million from \$31.0 million as at 31 August 2018 to \$26.7 million as at 28 February 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 \$2.1 million mainly due to the repayment of bank borrowings of \$2.0 million, offset by increase in inventories of \$1.2 million for our automotive segment in line with an increase in revenue for that segment and trade and other receivables of \$0.1 million.

Current liabilities decreased by \$3.7 million from \$16.4 million as at 31 August 2018 to \$12.7 million as at 28 February 2019. This was mainly due to the repayment of bank borrowings of \$2.0 million and decrease in trade and other payables of \$1.7 million.

Non-current assets increased by \$3.8 million from \$56.1 million as at 31 August 2018 to \$59.9 million as at 28 February 2019, mainly due to increases in investment in associate of \$2.6 million and property, plant and equipment (“PPE”) of \$1.6 million, offset by the share of loss of associate of \$0.3 million.

Non-current liabilities increased by \$0.2 million from \$4.8 million as at 31 August 2018 to \$5.0 million as at 28 February 2019, due to an increase in bank borrowings of \$0.4 million offset by the decrease in other payable of \$0.1 million. The proceeds from the bank borrowings were used for the construction of industrial buildings in the Philippines.

F. Equity

Equity attributable to owners of the parent increased by \$3.1 million from \$63.8 million as at 31 August 2018 to \$66.9 million as at 28 February 2019. The increase was mainly due to an increase in profit attributable to owners of the parent of \$4.6 million, offset by a dividend paid of \$1.2 million and loss in foreign currency translation of \$0.3 million due to weaker USD against SGD.

G. Cash Flows

Cash and cash equivalents decreased by \$0.5 million from \$3.6 million as at 31 August 2018 to \$3.1 million as at 28 February 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 1H2019 amounted to \$0.9 million. The cash from operations of \$3.3 million before changes in working capital decreased as a result of higher inventories of \$1.2 million, trade and other receivables of \$0.6 million, income tax paid of \$0.3 million and interest paid of \$0.2 million.

Net cash used in investing activities for 1H2019 amounted to \$62,000. This was mainly due to additional investment in Core Power of \$2.6 million, the construction of two industrial buildings (Philippines) and the purchase of plant and equipment (Philippines and Wuxi) of \$3.4 million, offset by proceeds from disposal of property, plant and equipment of \$5.9 million.

Net cash used in financing activities for 1H2019 amounted to \$1.5 million mainly due to repayment of bank loans and finance lease of \$2.6 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 by the Philippines and China subsidiaries of \$2.6 million.

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 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 its 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 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") to increase the Company's investment from 15% interest to 32% interest by way of new capital injection into Core Power (Fujian) New Energy Automobile Co., Ltd (the "Investment").

On 28 December 2018, the shareholders of the Company have approved the Group's diversification of its current core business to include new businesses.

The Company will make further announcements to update Shareholders in respect of the Investment and future business developments, as and when appropriate.

In 1H2019, the Group has invested approximately \$3.0 million in the construction of two industrial buildings in the Philippines which the Group intends to utilise part of the facility for its future production capacity and the remainder for rental income. The construction of the two industrial buildings is expected to be completed by 3Q2019.

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)

Not applicable

(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 1H2019.

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. 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 second quarter ended 28 February 2019 to be false or misleading in any material aspect.

On Behalf of the Board,

Sin Kwong Wah, Andrew
Executive Director and CEO

Pek Ee Perh, Thomas
Director

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
5 April 2019

*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.

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