

MIYOSHI LIMITED

(Incorporated in the Republic of Singapore)

Company Registration Number: 198703979K

RESPONSES TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON THE COMPANY'S ANNOUNCEMENT DATED 7 DECEMBER 2019 IN RELATION TO THE QUALIFIED OPINION BY AUDITORS ON THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2019

The Board of Directors of Miyoshi Limited (the "Company" and together with its subsidiaries, collectively the "Group") refers to the Company's announcements dated 7 December 2019 in relation to the qualified opinion ("the Qualified Opinion") by our independent auditors, BDO LLP (the "Auditors"). The Company sets out below its responses to queries from the Singapore Exchange Securities Trading Limited (the "SGX-ST") on the Qualified Opinion.

Q1. Board's confirmation on sufficient information has been disclosed to enable trading of the Company's shares to continue in an orderly manner and the bases for its views.

Company's Response:

The Board confirms the information as disclosed is sufficient. No further adjustment will be made in the Financial Statement for the year ended 31 August 2019 ("FY2019"). The Board also believes that it had, in its results announcement for the full financial year ended 31 August 2019, released on 30 October 2019, made appropriate disclosures regarding the difficulties faced in the accounting and audit matters arising from the audit of Core Power (Fujian) New Energy Co., Ltd ("Core Power") and the risk in the event that such matters cannot be completed prior to the finalisation of the Group's audit for FY2019. The management of the Company is in active discussions with Core Power to resolve this matter. The Company will make further announcements to update Shareholders of any developments, as and when appropriate.

Q2. Is the investment in Core Power material to the Group and Company?

Company's Response:

The investment in Core Power to the Group and Company as at financial year ended 31 August 2019 represented approximately 22.2% and 36.6% of the total assets respectively. The Group's largest assets, Property, plant and equipment represented 41.0% of the total assets as at financial year ended 31 August 2019.

The audited financial statement as at 31 August 2019 included the share of loss of associate of \$1.7 million attributable to Core power.

Q3. Why was the component auditor unable to obtain sufficient appropriate audit evidence?

Company's Response:

Due to financial difficulties of Core Power and insufficiency of resources experienced at Core Power which was attributable to, among others, cost cutting measures and the departure of finance personnel, the timely supply of documents and information to the auditors during the audit for the financial year ended 31 August 2019 was adversely affected.

The management is in discussion with Core Power to address financial reporting requirements.

Q4. Why was the impairment assessment not finalized? When will it be finalized? What will be the impact?

Company's Response:

Due to the reasons disclosed in the response to Query 3 above, the impairment assessment was not finalised. The management of the Company is in active discussions with Core Power to resolve this matter. The Company will make further announcements to update Shareholders of any developments, as and when appropriate. As at the date of this response, the Company is unable to quantify the final impact, however, for illustrative purposes, assuming a full impairment, the maximum impact to the Group's Consolidated Statement of Comprehensive Income would be \$18,640,000, an impairment in respect of the Group's investment in associate.

Q5. Board's confirmation that the operations of the Group are not affected and that all material information has been announced.

Company's Response:

The Board confirms that the operations of the Group are not affected and all material information has been announced.

BY ORDER OF THE BOARD

Andrew Sin Kwong Wah
Executive Director and CEO

13 December 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"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST"), this being the SGX-ST Listing Manual Section B: Rules of Catalyst.

The document has not been examined or approved by the SGX-ST and the SGX-ST assumes 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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