

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

**Condensed Interim Financial Statements**  
**For the First Quarter of the 3-month financial period ended 30 November 2021**

The Singapore Exchange Regulation (“SGX RegCo”) had on 9 January 2020 announced the removal of the market capitalisation threshold for quarterly reporting (“QR”) of financial statements, and instead has taken a risk-based approach. With effect from 7 February 2020, the SGX RegCo will require QR for companies whose auditors have issued a qualified opinion, disclaimer of opinion or adverse opinion and companies that have a material uncertainty relating to going concern as highlighted by their auditors, both based on their latest financial statements. Under the amendments to the Catalist Rules, Miyoshi Limited is required to continue to do QR in view of the modified opinion issued by the statutory auditor of the Company for the latest audited consolidated financial statements for the financial years ended 31 August 2019 (“FY2019”), 31 August 2020 (“FY2020”) and 31 August 2021 (“FY2021”).

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**A. Condensed interim consolidated statement of profit or loss and other comprehensive Income  
For the first quarter of the 3-month financial period 30 November 2021 (“1Q2022”)**

	Note	The Group		
		3 Months		Change %
		Nov-21 \$'000	Nov-20 \$'000	
<b>Revenue</b>	4	<b>12,141</b>	<b>12,514</b>	<b>(3.0)</b>
Other income	6	97	176	(44.9)
Raw materials, consumables used and changes in inventories		(7,078)	(6,887)	2.8
Employee benefit expenses		(2,471)	(2,363)	4.6
Depreciation and amortisation expenses		(699)	(742)	(5.8)
Other expenses	6	(1,873)	(2,282)	(17.9)
Finance costs		(80)	(62)	29.0
<b>Profit before income tax</b>		<b>37</b>	<b>354</b>	<b>(89.5)</b>
Income tax expense	7	-	(26)	N.M
<b>Profit for the period</b>		<b>37</b>	<b>328</b>	<b>(88.7)</b>
<b>Profit attributable to:</b>				
Owners of the parent		(5)	360	N.M
Non-controlling interests		42	(32)	N.M
<b>Profit for the period</b>		<b>37</b>	<b>328</b>	<b>(88.7)</b>
<b>Other comprehensive income</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translation of foreign operations		448	(112)	N.M
<b>Total comprehensive income for the period</b>		<b>485</b>	<b>216</b>	<b>&gt;100.0</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent		479	237	>100.0
Non-controlling interests		6	(21)	N.M
		<b>485</b>	<b>216</b>	<b>&gt;100.0</b>
<b>Earnings per share</b>				
Basic and diluted (cents)	9	- <sup>1</sup>	0.06	

<sup>1</sup> please refer to note 9 for more information

N.M. denotes not meaningful

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

## B. Condensed interim statements of financial position

	Notes	The Group		The Company	
		As At		As At	
		30-Nov-21 \$'000	31-Aug-21 \$'000	30-Nov-21 \$'000	31-Aug-21 \$'000
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash and bank balances		3,350	3,045	107	236
Fixed deposits		153	152	-	-
Trade and other receivables		11,899	10,663	2,526	2,430
Prepayments		330	245	80	13
Inventories		8,012	7,188	4	3
Assets classified as held for sale		611	611	-	-
<b>Total current assets</b>		<b>24,355</b>	<b>21,904</b>	<b>2,717</b>	<b>2,682</b>
<b>Non-current assets:</b>					
Subsidiaries		-	-	27,733	27,362
Financial asset at fair value through profit or loss	11	-	-	-	-
Property, plant and equipment	12	24,550	23,996	2,576	2,809
Investment properties	13	6,383	6,303	-	-
Intangible assets	14	47	46	-	-
Right-of-use asset		6,303	5,931	365	-
Deferred tax assets		21	21	-	-
Other receivables		-	11	-	-
<b>Total non-current assets</b>		<b>37,304</b>	<b>36,308</b>	<b>30,674</b>	<b>30,171</b>
<b>Total assets</b>		<b>61,659</b>	<b>58,212</b>	<b>33,391</b>	<b>32,853</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities:</b>					
Trade and other payables		17,725	15,147	5,122	4,823
Current income tax payable		222	225	-	-
Bank borrowings	15	3,959	3,906	702	702
Lease liabilities		95	163	114	152
<b>Total current liabilities</b>		<b>22,001</b>	<b>19,441</b>	<b>5,938</b>	<b>5,677</b>
<b>Non-current liabilities:</b>					
Bank borrowings	15	5,190	5,313	1,943	2,121
Lease liabilities		172	105	127	85
Other payable		290	285	3,845	3,722
Provisions		953	926	-	-
Deferred tax liabilities		291	289	-	-
<b>Total non-current liabilities</b>		<b>6,896</b>	<b>6,918</b>	<b>5,915</b>	<b>5,928</b>
<b>Total liabilities</b>		<b>28,897</b>	<b>26,359</b>	<b>11,853</b>	<b>11,605</b>
<b>Equity:</b>					
Share capital	16	49,503	49,079	49,503	49,079
Treasury shares	17	(633)	(633)	(633)	(633)
Revaluation reserve		666	666	-	-
Other reserve		1,205	1,205	-	-
Currency translation reserve		(10,382)	(10,866)	(11,075)	(11,437)
Retained earnings		(9,519)	(9,514)	(16,257)	(15,761)
<b>Equity attributable to owners of the parent</b>		<b>30,840</b>	<b>29,937</b>	<b>21,538</b>	<b>21,248</b>
Non-controlling interests		1,922	1,916	-	-
<b>Total equity</b>		<b>32,762</b>	<b>31,853</b>	<b>21,538</b>	<b>21,248</b>
<b>Total liabilities and equity</b>		<b>61,659</b>	<b>58,212</b>	<b>33,391</b>	<b>32,853</b>

## C. Condensed interim statements of changes in equity

The Group	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
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 September 2021</b>	<b>49,079</b>	<b>(633)</b>	<b>666</b>	<b>1,205</b>	<b>-</b>	<b>(10,866)</b>	<b>(9,514)</b>	<b>29,937</b>	<b>1,916</b>	<b>31,853</b>
(Loss) / profit for the period	-	-	-	-	-	-	(5)	(5)	42	37
<b>Other comprehensive income for the period</b>										
Foreign currency translation	-	-	-	-	-	484	-	484	(36)	448
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>484</b>	<b>(5)</b>	<b>479</b>	<b>6</b>	<b>485</b>
<b>Contributions by and distributions to owners</b>										
Share placement	424	-	-	-	-	-	-	424	-	424
<b>Total contributions by and distributions to owners</b>	<b>424</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>424</b>	<b>-</b>	<b>424</b>
<b>Balance at 30 November 2021</b>	<b>49,503</b>	<b>(633)</b>	<b>666</b>	<b>1,205</b>	<b>-</b>	<b>(10,382)</b>	<b>(9,519)</b>	<b>30,840</b>	<b>1,922</b>	<b>32,762</b>

The Group	Share Capital	Treasury Share	Revaluation Reserve	Other Reserve	Share Awards 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
<b>Balance at 1 September 2020</b>	<b>49,079</b>	<b>(253)</b>	<b>666</b>	<b>785</b>	<b>37</b>	<b>(10,481)</b>	<b>(1,462)</b>	<b>38,371</b>	<b>1,924</b>	<b>40,295</b>
Profit / (loss) for the period	-	-	-	-	-	-	360	360	(32)	328
<b>Other comprehensive income for the period</b>										
Foreign currency translation	-	-	-	-	-	(123)	-	(123)	11	(112)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(123)</b>	<b>360</b>	<b>237</b>	<b>(21)</b>	<b>216</b>
<b>Transactions with owners of the parent recognised directly in equity</b>										
Share-based payments	-	-	-	-	3	-	-	3	-	3
<b>Total transactions with owners of the parent recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>3</b>
<b>Contribution by and distribution to owners</b>										
Purchase of treasury shares	-	(155)	-	-	-	-	-	(155)	-	(155)
<b>Total contribution by and distribution to owners</b>	<b>-</b>	<b>(155)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(155)</b>	<b>-</b>	<b>(155)</b>
<b>Balance at 30 November 2020</b>	<b>49,079</b>	<b>(408)</b>	<b>666</b>	<b>785</b>	<b>40</b>	<b>(10,604)</b>	<b>(1,102)</b>	<b>38,456</b>	<b>1,903</b>	<b>40,359</b>

### C. Condensed interim statements of changes in equity (continued)

The Company	Share Capital	Treasury Shares	Share Awards Reserve	Currency Translation Reserve	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 September 2021</b>	<b>49,079</b>	<b>(633)</b>	<b>-</b>	<b>(11,437)</b>	<b>(15,761)</b>	<b>21,248</b>
Loss for the period	-	-	-	-	(496)	(496)
<b>Other comprehensive income for the period</b>						
Foreign currency translation	-	-	-	362	-	362
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>362</b>	<b>(496)</b>	<b>(134)</b>
<b>Transactions with owners of the parent recognised directly in equity</b>						
Share placement	424	-	-	-	-	424
<b>Total transactions with owners of the parent recognised directly in equity</b>	<b>424</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>424</b>
<b>Balance at 30 November 2021</b>	<b>49,503</b>	<b>(633)</b>	<b>-</b>	<b>(11,075)</b>	<b>(16,257)</b>	<b>21,538</b>

The Company	Share Capital	Treasury Shares	Share Awards Reserve	Currency Translation Reserve	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 September 2020</b>	<b>49,079</b>	<b>(253)</b>	<b>37</b>	<b>(11,167)</b>	<b>(14,375)</b>	<b>23,321</b>
Loss for the period	-	-	-	-	(342)	(342)
<b>Other comprehensive income for the period</b>						
Foreign currency translation	-	-	-	(360)	-	(360)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(360)</b>	<b>(342)</b>	<b>(702)</b>
<b>Transactions with owners of the parent recognised directly in equity</b>						
Share-based payments	-	-	3	-	-	3
<b>Total transactions with owners of the parent recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>3</b>
<b>Contributions by and distribution to owners</b>						
Purchase of treasury shares	-	(155)	-	-	-	(155)
<b>Total contribution by and distribution to owners</b>	<b>-</b>	<b>(155)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(155)</b>
<b>Balance at 30 November 2020</b>	<b>49,079</b>	<b>(408)</b>	<b>40</b>	<b>(11,527)</b>	<b>(14,717)</b>	<b>22,467</b>

## D. Condensed interim consolidated statements of cash flows

	The Group	
	3 Months	
	Nov-21 \$'000	Nov-20 \$'000
<b>Operating activities:</b>		
Profit before income tax	37	354
Adjustments for:		
Loss / (reversal of) allowance on trade receivables	25	(39)
Depreciation and amortisation expenses	699	742
Interest expense	80	62
Interest income	(2)	(6)
Gain on disposal of plant and equipment	(41)	(40)
Reversal of inventory obsolescence	(59)	-
Share awards expenses	-	3
Unrealised exchange differences	(179)	304
<b>Operating cash flows before changes in working capital</b>	<b>560</b>	<b>1,380</b>
Trade and other receivables	(1,496)	(1,917)
Prepayments	(85)	(202)
Inventories	(766)	136
Trade and other payables	2,839	474
<b>Cash generated from / (used in) operations</b>	<b>1,052</b>	<b>(129)</b>
Interest paid	(80)	(62)
Interest received	2	6
Income tax paid	-	(42)
<b>Net cash from / (used in) operating activities</b>	<b>974</b>	<b>(227)</b>
<b>Investing activities:</b>		
Proceeds from disposal of asset held for sale	-	2,521
Proceeds from disposal of plant and equipment	140	57
Purchase of plant and equipment	(920)	(1,657)
<b>Net cash (used in) / from investing activities</b>	<b>(780)</b>	<b>921</b>
<b>Financing activities:</b>		
Proceeds from bank borrowings	410	3,116
Purchase of treasury shares	-	(155)
Proceeds from share placement	424	-
Repayment of bank borrowings	(481)	(1,635)
Interest paid on lease liabilities	(10)	(3)
Principal repayment of lease liabilities	(245)	(34)
<b>Net cash from financing activities</b>	<b>98</b>	<b>1,289</b>
Increase in cash and cash equivalents	292	1,983
Effect of exchange rate changes on cash and cash equivalents	13	(33)
Cash and cash equivalents at beginning of period	3,045	3,074
<b>Cash and cash equivalents at end of period</b>	<b>3,350</b>	<b>5,024</b>
<b>Cash and cash equivalents as at 30 November comprised of:</b>		
Cash and bank balances	3,503	5,175
Restricted cash	(153)	(151)
<b>Total</b>	<b>3,350</b>	<b>5,024</b>

## **E. Notes to the condensed interim consolidated financial statements**

### **1. Corporate information**

Miyoshi Limited (“the Company”) is a limited liability company incorporated and domiciled in Singapore. The Company is listed on the Catalist board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Company’s registration number is 198703979K. Its principal place of business and registered office is 26 Boon Lay #01-80, Singapore 609970. The condensed interim consolidated financial statements as at and for the 3 months ended 30 November 2021 comprise the Company and its subsidiaries (collectively, “the Group”).

The principal activities of the Company are those of designing and manufacturing of mould and precision pressed parts and trading in related products.

The principal activities of the Group include the following:

- (a) Investment holding and trading of machine
- (b) Metal stamping, fabrication of parts and components of machine tools
- (c) Metal stamping and plastic injection moulding
- (d) Metal stamping and assembly of electronic components
- (e) Rental income from investment properties

### **2. Basis of preparation**

The condensed interim financial statements for the 3 months ended 30 November 2021 have been prepared in accordance with *SFRS(I) 1-34 Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last unaudited financial results announcement for the period ended 31 August 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar. The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (“functional currency”). The Company’s functional currency is United States dollar. The financial statements of the Group and the statement of financial position of the Company are presented in Singapore dollar and all values are rounded to the nearest thousand (\$’000) except where otherwise indicated as the Company is listed on the Singapore Exchange Securities Trading Limited, and management is of the opinion that the Singapore dollar is the currency which would best facilitate trading in its shares.

#### **2.1. New and amended standards adopted by the Group**

The Group has adopted all the applicable new and revised Singapore Financial Reporting Standards (International) (“SFRS(I)”) and Interpretations of (“SFRS(I) INTs”) that are mandatory for the accounting periods beginning on or after 1 September 2021. The adoptions of these new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Group for the current and prior financial period reported on.

#### **2.2. Use of judgements and estimates**

The preparation of financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the Group’s application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management’s best knowledge of current events and actions, actual results may differ from those estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 August 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



## 2. Basis of preparation (continued)

### 2.2. Use of judgements and estimates (continued)

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

#### (i) Investment in Miyoshi International Philippines Inc

The Group determines that Miyoshi International Philippines Inc (“MIP”) is a subsidiary of the Group although the Group only holds a 40% equity interest in MIP. Due to the land ownership restriction in the Philippines, the remaining 60% equity interest are held in trust by employees on behalf of the Company.

Management determined that the Group has the power to appoint and remove the board of directors of MIP that has the power to direct relevant activities of MIP. Management concluded that the Group has the practical ability to direct the relevant activities of MIP unilaterally and hence the Group has control over MIP.

#### (ii) Classification between investment properties and property, plant and equipment

In accordance with SFRS(I) 1-40 Investment Property, the Group has established certain criteria in making judgement on whether a property qualifies as an investment property. Investment property is a property held for capital appreciation or to earn rentals or both. Certain properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is leasing to tenants under operating leases. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property. In addition, depending on the Group’s latest corporate strategies, from time to time, the management may change the usage of its landed properties between property, plant and equipment and investment properties.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following notes:

#### (i) Impairment loss on investments in subsidiaries and loans deemed as investment in subsidiaries

For those subsidiaries with indication of impairment, management determined impairment of investment in subsidiaries and loans deemed as investment in subsidiaries in CGU, the management has applied expected credit losses model in accordance with SFRS (I) 9. Subsequently, management determined the recoverable amounts of investment in subsidiaries and loans deemed as investment in subsidiaries based on fair value less costs of disposal method using the adjusted net tangible assets, which approximate the fair value less costs of disposal based on the following key assumptions in accordance with SFRS(I) 1-36 as at end of the financial year.

<u>Category</u>	<u>Methods and assumptions</u>
Investment property	Independent professional valuation using the sales comparison method by making reference to market evidence of comparable properties in similar locations, adjusted for differences in key attributes.
Freehold and leasehold land	Sales comparison method by reference to the market evidence of recent transaction prices, adjusted for difference in size.
Buildings and improvements and leasehold buildings	Cost approach reference to the replacement cost of each replaceable asset, adjusted for accrued depreciation.
Plant and equipment	Selling price for similar plant and equipment, adjusted for age.
Other assets and liabilities	The carrying amount of current assets and current liabilities approximate their fair values in view of the relative short-term maturity.

#### (ii) Impairment of property, plant and equipment

The Group assesses whether there are any indicators of impairment for its property, plant and equipment at each reporting date. Property, plant and equipment are tested for impairment when there are indicators that the carrying amount may not be recoverable. Please refer to Note 12 to this announcement.

## 2. Basis of preparation (continued)

### 2.2. Use of judgements and estimates (continued)

#### (iii) Estimating expected credit loss allowance

Management estimates expected credit loss allowance using a forward-looking expected credit loss (“ECL”) model. On initial recognition of the financial asset, management determines the ECL rates by considering the profile of the customers, historical observed default rates and adjusts for forward looking information.

#### (iv) Net realisable value of inventories

In determining the net realisable value of the Group’s and the Company’s inventories, an estimation of the recoverable amount of inventories on hand is performed based on the most reliable evidence available at the time the estimates are made. This represents the value of the inventories which are expected to realise as estimated by the management. These estimates take into consideration the fluctuation of price or cost, or any inventories on hand that may not be realised, directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the financial year.

#### (v) Measurement of lease liabilities

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term. The management has determined the discount rate by reference to the respective lessee’s incremental borrowing rate when the rate inherent in the lease is not readily determinable. The management obtains the relevant market interest rate after considering the applicable geographical location where the lessee operates as well as the term of the lease. Management considers its own credit spread information from its recent borrowings, industry data available as well as any security available in order to adjust the market interest rate obtained from similar economic environment, term and value of the lease.

#### (vi) Fair value of investment properties

The Group’s investment properties are stated at fair value which is based on certain assumptions that are subject to uncertainty and might differ from the actual results. In making the judgement, consideration has been given to the assumptions that are mainly based on market conditions existing as at the end of the financial year. These estimates are regularly compared to actual market data. Please refer to Note 13 to this announcement.

## 3. Seasonal operations

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial period.

## 4. Segment and revenue information

### 4.1. Reportable segment revenue, profit or loss, assets and liabilities and other material items

The Group is primarily engaged in four segments, namely:

- Data Storage – manufacturing of metal semi-finished components for hard disk drives and removable storage devices.
- Consumer Electronics – manufacture of metal semi-finished components for photocopier, scanners and printers.
- Automotive – manufacturing of finished products of light electric vehicles and semi-finished metal components for motor vehicles.
- Rental – Rental income arising from investment properties

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive director who makes strategic decisions.

The Group’s segment assets include all operating assets used by a reportable segment and consist principally of property, plant and equipment, investment properties, inventories and operating receivables net of allowances and provisions. Segment liabilities include all operating liabilities and consist principally of trade and other payables, lease liabilities and borrowings.

Revenue is analysed by the location of the customers.

Non-current assets excluding available-for-sale financial assets and deferred tax assets are analysed by the location of the assets.

#### 4. Segment and revenue information (continued)

##### 4.1. Reportable segment revenue, profit or loss, assets and liabilities and other material items (continued)

	Data Storage \$'000	Consumer Electronics \$'000	Automotive \$'000	Rental \$'000	Unallocated \$'000	Consolidated \$'000
<b>1Q2022</b>						
<b>Revenue</b>						
Total segment revenue	797	6,127	5,141	415	-	12,480
Inter-segment revenue	-	(278)	-	(61)	-	(339)
Revenue from external parties	797	5,849	5,141	354	-	12,141
<b>Profit or (loss)</b>						
Fair value gain or loss on investment properties	-	-	-	-	-	-
Allowance for impairment of:						
-trade and other receivables	-	(25)	-	-	-	(25)
-plant and equipment	-	-	-	-	-	-
Reversal of allowance of inventory obsolescence	-	59	-	-	-	59
Gain on disposal of plant and equipment	-	-	-	-	41	41
Plant and equipment written off	-	-	-	-	-	-
Depreciation expense	(33)	(359)	(307)	-	-	(699)
Interest expense	(1)	(51)	(3)	(25)	-	(80)
Interest income	-	-	-	-	2	2
(Loss) / profit before income tax	(54)	2	(221)	310	-	37
Income tax expense						-
Loss after income tax						37
<b>Assets and liabilities</b>						
Additions to plant and equipment	74	542	477	-	-	1,093
Segment assets	3,078	31,235	19,080	8,245	21	61,659
Segment liabilities	1,551	16,882	6,451	294	3,719	28,897
<b>1Q2021</b>						
<b>Revenue</b>						
Total segment revenue	906	5,609	5,983	407	-	12,905
Inter-segment revenue	-	(329)	-	(62)	-	(391)
Revenue from external parties	906	5,280	5,983	345	-	12,514
<b>Profit or (loss)</b>						
Fair value gain or loss on investment properties	-	-	-	-	-	-
Allowance for impairment of:						
- trade and other receivables	-	39	-	-	-	39
- plant and equipment	-	-	-	-	-	-
- inventory obsolescence	-	-	-	-	-	-
Gain on disposal of plant and equipment	-	-	-	-	40	40
Gain on disposal of assets held for sales	-	-	-	-	-	-
Loss arising from valuation of retained interest in former associate	-	-	-	-	-	-
Plant and equipment written back	-	-	-	-	-	-
Depreciation expense	(65)	(416)	(261)	-	-	(742)
Interest expense	-	-	-	-	(62)	(62)
Interest income	-	-	-	-	6	6
(Loss) / profit before income tax	358	(627)	326	298	-	355
Income tax expense						(27)
Loss after income tax						328
<b>Assets and liabilities</b>						
Additions to plant and equipment	135	719	803	-	-	1,657
Segment assets	3,103	29,246	22,188	8,908	23	63,468
Segment liabilities	1,353	13,976	4,718	258	2,804	23,109

#### 4. Segment and revenue information (continued)

##### 4.2 Revenue

	<b>The Group</b>	
	<b>1Q2022</b>	<b>1Q2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Sales of goods	11,786	12,169
Rental income	355	345
	<b>12,141</b>	<b>12,514</b>

##### 4.3 Disaggregation of revenue

	<b>The Group</b>	
	<b>1Q2022</b>	<b>1Q2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Type of goods</b>		
Consumer electronics	5,849	5,280
Automotive	5,141	5,983
Data storage	796	906
	<b>11,786</b>	<b>12,169</b>

The revenue generated from the above sale of goods is recognised at point in time.

##### 4.4 Geographical segments

	<b>The Group</b>	
	<b>1Q2022</b>	<b>1Q2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue</b>		
China	4,428	3,778
Philippines	4,340	5,308
Thailand	1,220	1,202
Mexico	663	705
Malaysia	500	159
Germany	500	143
Hungary	175	32
Singapore <sup>1</sup>	172	1,048
Others	143	139
<b>Total</b>	<b>12,141</b>	<b>12,514</b>

<sup>1</sup> included an one-off sales order from Vietnam in 1Q2021

#### 5. Financial assets and financial liabilities

	<b>The Group</b>		<b>The Company</b>	
	<b>Nov-21</b>	<b>Aug-21</b>	<b>Nov-21</b>	<b>Aug-21</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>				
Cash and bank balances	3,350	3,045	107	236
Fixed deposits	153	152	-	-
Trade and other receivables (excluding advances and GST recoverable)	11,433	10,197	2,593	2,426
Financial assets at amortised cost	<b>14,936</b>	<b>13,394</b>	<b>2,700</b>	<b>2,662</b>
Financial assets at FVTPL	-	-	-	-
<b>Financial liabilities</b>				
Trade and other payables <sup>1</sup>	18,968	15,641	8,967	8,545
Bank borrowings	9,149	9,219	2,645	2,823
Lease liabilities	267	268	241	237
Financial liabilities at amortised cost	<b>28,384</b>	<b>25,128</b>	<b>11,853</b>	<b>11,605</b>

<sup>1</sup> refer to section F (2F)

## 6. Profit before taxation

### 6.1. Significant items

	The Group	
	1Q2022	1Q2021
	\$'000	\$'000
<b>Income</b>		
Government grants	8	56
Miscellaneous income	46	74
Gain on disposal of plant and equipment	41	40
Interest income	2	6
	<b>97</b>	<b>176</b>
<b>Expenses</b>		
Supplies and services	1,037	1,049
Utilities	367	352
Transportation and travelling	136	115
Office and sundry expenses	65	85
Repair and maintenance	92	99
Others	180	154
Professional fees	139	100
Allowance for / (reversal of) doubtful other receivables	25	(39)
(Gain) / loss on foreign exchange, net	(168)	367
	<b>1,873</b>	<b>2,282</b>

### 6.2. Related party transactions

	The Group	
	1Q2022	1Q2021
	\$'000	\$'000
Purchases	1	-
Lease rental	19	25

The remuneration of Directors and other members of key management during the financial year was as follows:

	The Group	
	1Q2022	1Q2021
	\$'000	\$'000
Short-term employee benefits	275	274
Post-employment benefits	11	11
	<b>285</b>	<b>284</b>
Directors' remuneration		
- of the Company	130	130
- of the subsidiaries	40	41
	<b>170</b>	<b>171</b>

## 7. Income tax expense

	The Group	
	1Q2022 \$'000	1Q2021 \$'000
<b>Current tax</b>		
- current financial year	-	26
- under provision in prior financial years	-	-
- withholding tax	-	-
	-	26
<b>Deferred tax</b>		
- current financial year	-	-
	-	26

## 8. Dividends

	The Group	
	2022 \$'000	2021 \$'000
Ordinary dividend paid:		
Final tax exempt dividend	-	-
Interim tax exempt dividend	-	-
	-	-
Dividend per share (net of tax)	-	-

## 9. Earnings per share ("EPS")

	The Group	
	1Q2022	1Q2021
<b>Profit / (loss) per share (cents)</b>		
- Basic	- <sup>1</sup>	0.06
- Diluted	- <sup>1</sup>	0.06

<sup>1</sup> Loss per share for 1Q2022 was \$0.0008, computed based on loss attributable to owners of the Company of \$5,000 divided by total weighted average number of ordinary shares of 606,079,000 shares

### Weighted average number of ordinary shares ('000)

for the purpose of:

- basic share	606,079	606,709
- effect of dilution from outstanding RSP share awards	-	895
- diluted EPS	606,079	607,604

For the purpose of calculating EPS, the number of shares in issue during the period excludes treasury shares and subsidiary holdings.

Diluted EPS is the same as the basic EPS for 1Q2022 because the Company did not have any potentially dilutive instruments as at 30 November 2021.

Diluted EPS is the same as the basic EPS for 1Q2021 because the potential ordinary shares to be issued from the RSP were anti-dilutive as the effect of the shares conversion would be to decrease the loss per share.

## 10. Net asset value

	<u>The Group</u>		<u>The Company</u>	
	<u>30 Nov 21</u>	<u>31 Aug 21</u>	<u>30 Nov 21</u>	<u>31 Aug 21</u>
Net assets value per ordinary share (\$ cents)	5.02	5.02	3.50	3.56

Net asset value per share is calculated based on share capital of 614,829,408 and 596,310,890 ordinary shares in issue, excluding treasury shares and subsidiary holdings, as at 30 November 2021 and 31 August 2021 respectively.

## 11. Financial assets at fair value through profit or loss ("FVTPL")

	<u>The Group and the Company</u>	
	<u>1Q2022</u>	<u>1Q2021</u>
	<u>\$'000</u>	<u>\$'000</u>
Unquoted equity shares, at fair value:		
Balance as at the beginning of the financial year	-	-
Reclassified from investment in Associate	-	-
Balance as at the end of the financial year	-	-

As at 31 August 2020, the management has performed the valuation of the unquoted shares and categorised into Level 3 of the fair value hierarchy as the assessment included unobservable inputs as follows:

<u>Category</u>	<u>Methods and assumptions</u>
- Land and buildings	Fair value is derived using reproduction method under the cost approach less accumulated depreciation, adjusted for land use rights growth rate and sales price indices of buildings
- Plant and equipment	Residual value of the production machinery and mould
- Inventories	Market price of battery and scrap material based on the average weight
- Other assets	The carrying amount of assets deemed to be zero in view of the non-collectibility
- Other liabilities	The carrying amount of liabilities approximate their fair values in view of the relative short-term maturity

As at 30 November 2021 as the management was unable to obtain any relevant information from the investee company, management has determined the fair value of the financial asset at FVTPL remains to be Nil based on the valuation work performed in the financial year ended 31 August 2020 and the investee company has been inactive during the financial year ended 31 August 2021 and 1Q2022.

## 12. Property, plant and equipment

During the 1Q2022, the Group acquired assets amounting to \$1,093,000 (1Q2021: \$1,657,000) and disposed of assets, net of accumulated depreciation, amounting to \$51,000 (1Q2021: \$15,000).

Key assumptions used by the management for assessing the fair value less cost of disposal of the plant and equipment and motor vehicle included the selling price for similar plant and equipment, adjusted for age and adjusted costs of disposal.

### 13. Investment properties

The Group's investment properties consist of industrial properties held for long-term yields and/or capital appreciation and are not substantially occupied by the Group. They are mainly leased to third parties under operating leases.

	The Group	
	1Q2022 \$'000	FY2021 \$'000
Balance as at the beginning of the financial year	6,303	6,755
Net fair value loss recognised in profit or loss	-	(316)
Currency realignment	80	(136)
Balance as at the end of the period	6,383	6,303

#### 13.1 Valuation

The Group's investment properties were valued annually by certain independent professional valuation firms with recent experience in the location and category of the investment properties held by the Group. The valuation were derived at by using:

- (i) the sales comparison approach whereby sales prices of comparable properties in similar location are adjusted for unobservable inputs such as tenure, age, size, designed, floor level, condition and standard of finishes amongst other factors. The most unobservable input into this valuation approach is selling price per square metre.
- (ii) the cost approach whereby value of the property or another asset that consider as a substitute for the purchase of a given property, the possibility of constructing another property that is equivalent to the original or one that could furnish equal utility with no undue cost resulting from delay. The most significant unobservable input into this valuation approach is reproduction or replacement cost of the subject property or asset, less total (accrued) depreciation.

The valuation is based on the asset's highest and best use, which is in line with its actual use. The resulting fair value of investment property is considered level 3 recurring fair value measurement.

For the quarter ended 30 November 2021, the management believes that the fair value used in the preceding year end is still representative of the fair value at this period end as there are minimal significant events which would affect the valuation.

### 14. Intangible assets

Intangible assets represent club memberships acquired at cost.



## 15. Borrowings

	The Group		Company	
	1Q2022 \$'000	FY2021 \$'000	1Q2022 \$'000	FY2021 \$'000
<b>Current</b>				
Secured				
- Term loans	3,257	3,204	-	-
Unsecured				
- Term loans	702	702	702	702
	<b>3,959</b>	<b>3,906</b>	<b>702</b>	<b>702</b>
<b>Non-Current</b>				
Secured				
- Term loans	3,247	3,192	-	-
Unsecured				
- Term loans	1,943	2,121	1,943	2,121
	<b>5,190</b>	<b>5,313</b>	<b>1,943</b>	<b>2,121</b>
Total borrowings	<b>9,149</b>	<b>9,219</b>	<b>2,645</b>	<b>2,823</b>

### Bank borrowings

The Group's secured borrowings comprise bank borrowings of the Company and its subsidiaries, Wuxi Miyoshi Precision Co., Ltd ("WMP") and Miyoshi Technologies Phils, Inc. ("MTP"). The bank borrowings are secured against assets and properties of the Company and its subsidiaries.

The Group's unsecured borrowing comprises of a temporary bridging loan from United Overseas Bank Limited to the Company. The temporary bridging loan is a government assisted financing scheme as announced during the Singapore budget 2020 on 6 April 2020.

## 16. Share capital

	The Group and the Company			
	30-Nov-21		31-Aug-21	
	Number of shares '000	\$'000	Number of shares '000	\$'000
<u>Issued and fully paid</u>				
Share capital	631,188	49,503	612,670	49,079

The ordinary shares have no par value. All ordinary shares carry one vote per share without restrictions. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company.

The Company had on 14 October 2021, completed the placement of 18,518,518 new ordinary shares in the Company to raise net proceeds of approximately S\$424,000.

There were no outstanding share options or convertibles as at 30 November 2021.

As at 30 November 2020, there were 895,000 outstanding share awards under the Miyoshi Restricted Share Plan ("RSP") which can be converted into 895,000 ordinary shares of the Company. Save for the aforementioned, there were no other outstanding share options or convertibles as at 30 November 2020.

The Company did not have any subsidiary holdings as at 30 November 2021 and 30 November 2020.

## 17. Treasury shares

	<b>The Group and the Company</b>			
	<b>30-Nov-2021</b>		<b>31-Aug-2021</b>	
	<b>Number of shares</b>		<b>Number of shares</b>	
	<b>'000</b>	<b>\$'000</b>	<b>'000</b>	<b>\$'000</b>
Balance as at the beginning of the financial period	16,359	(633)	5,066	(253)
Repurchase during the financial period	-	-	11,293	(380)
Balance as at the end of the financial period	16,359	(633)	16,359	(633)

There were no sales, transfer, cancellation and/or use of treasury shares as at the end of 1Q2022.

	<b>The Group and the Company</b>	
	<b>Number of shares ('000)</b>	
	<b>30-Nov-21</b>	<b>30-Nov-20</b>
Total number of issued shares	631,188	612,670
Treasury shares	(16,359)	(11,355)
Total number of issued shares, excluding treasury shares	614,829	601,315

As at 30 November 2021, the Company held 16,358,600 (30 November 2020: 11,355,400) treasury shares which represented approximately 2.7% (30 November 2020: 1.9%) of the total issued shares (excluding treasury shares and subsidiary holdings) comprising 614,829,408 (30 November 2020: 601,314,090 shares).

## 18. Subsequent events

There are no known subsequent events which led to adjustments to this set of interim financial statements.

## F. Other information required by Catalyst Rule Appendix 7C

### 1. Review

The condensed consolidated statement of financial position of Miyoshi Limited and its subsidiaries as at 30 November 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the three-month period then ended and certain explanatory notes have not been audited or reviewed by auditors.

### 2. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

#### (a) Updates on the efforts taken to resolve each outstanding audit issue.

As disclosed in the Company's annual reports for FY2021, FY2020 and FY2019, the Group's independent auditors, BDO LLP (the "Auditors"), have included a qualified opinion on the financial statements of the Group for FY2021, FY2020 and FY2019 respectively which arose mainly in connection with the accounting and audit issues of the Group's and Company's investment in Core Power (Fujian) New Energy Automobile Co., Ltd ("Core Power"), a foreign company incorporated in the Republic of China.

#### Outstanding audit issues of Core Power

The management of the Company still maintains regular communications with Core Power. To date, there has been no significant progress and the outstanding audit issues remain unresolved. The Company will make further announcements to update shareholders of any developments, as and when appropriate.

#### (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

The Board confirms that the operations of the Group are not affected by the above issues and all material information has been announced. The Board confirms that the impact of the outstanding audit issues on the financial statements have been adequately disclosed.

### 3. Review of performance of the Group

#### A. Revenue

Business Segment Revenue (\$'000)	1Q2022	1Q2021	Change %
Automotive	5,141	5,280	(2.6)
Consumer electronics	5,849	4,913	19.1
Data storage	796	3,111	(74.4)
Rental	355	345	29.0
<b>Total</b>	<b>12,141</b>	<b>12,514</b>	<b>(3.0)</b>

Revenue for the current quarter fell by \$0.4 million or 3.0% to \$12.1 million from \$12.5 million for the same quarter of last year. Except for revenue from consumer electronics, the decrease in revenue in 1Q2022 across all other segments are mainly due to slow down in sales orders from customers. The decrease in revenue from the data storage segment is a result of loss of customers after the fire incident in the Philippines as previously mentioned in the Company's announcements dated 30 October 2021 and 24 December 2021. The increase in revenue from the consumer electronics segment was due to the increase in sales orders from customers from overseas subsidiaries.

#### B. Raw materials and consumables used & changes in inventories

Raw materials and consumables used increased by \$0.2 million or 2.8% for the current quarter, which was mainly due to the increase in the price of raw materials as previously mentioned in paragraph 5 of Section F of the 4th quarter and full year ended 31 August 2021 results announcement dated 30 October 2021.

#### C. Other Income

Other income decreased by \$0.1 million from \$0.2 million in 1Q2021 mainly due to the absence of government grants received in 1Q2021 as part of temporary relief measures implemented by the Government enacted on 7 April 2020 in light of the COVID-19 pandemic.

## **D. Other Expenses**

Total costs and expenses decreased by \$0.4 million or 17.9% for the current quarter. The decrease was mainly due to the gain on foreign exchange of \$0.4 million from the strengthening of USD and RMB against SGD in 1Q2022 compared with 1Q2021. The increase in interest expense was mainly due to the additional loan obtained by the Company and subsidiary in the Philippines during 1Q2022 for working capital purposes and acquisition of motor vehicle under finance lease.

## **E. Profit after Income Tax**

Profit after income tax decreased by \$0.3 million to \$37,000 in 1Q2022 from \$0.3 million in 1Q2021 mainly due to the decrease in revenue of \$0.4 million and other income of \$0.1 million in 1Q2022 as compared to 1Q2021 and an increase in raw material cost of \$0.2 million, partially offset by the decrease in other expenses as mentioned above.

## **F. Assets and Liabilities**

Current assets increased by \$2.5 million from \$21.9 million as at 31 August 2021 to \$24.3 million as at 30 November 2021. This was mainly due to (i) the increase in trade and other receivables of \$1.2 million with an average credit period of 30-90 days as a result of the increase in sales orders in the previous quarter reported on; and ii) inventories increased by \$0.8 million as at 30 November 2021 mainly to meet the delivery schedule of the following month with the more frequent shut down in the Philippines's production plant due to the holiday festive season in the month of December. The assets classified as held for sale is relating to the proposed disposal of land and building of a wholly-owned subsidiary in China as announced on 4 September 2020 (the "**Proposed Disposal**"). As announced on 15 December 2021, the Company had on 15 December 2021 completed the transfer of land ownership and the Company will recognise the gain on disposal in 2Q2022 accordingly.

Current liabilities increased by \$2.6 million from \$19.4 million as at 31 August 2021 to \$22.0 million as at 30 November 2021, largely attributable to the increase in trade payables in our China subsidiary which experienced an increase in production activities as compared to the preceding financial period and the extended credit period for trade payable of the subsidiary in the Philippines as a result of the delay in the insurance compensation. The Company is still working with the insurer on the insurance compensation.

Non-current assets increased by \$1.0 million from \$36.3 million as at 31 August 2021 to \$37.3 million as at 30 November 2021 arising from acquisition of plant and machinery of \$0.5 million by subsidiaries in China and right-of-use asset of \$0.5 million in Singapore,

Non-current liabilities remained at \$6.9 million as at 30 November 2021 and 31 August 2021.

## **G. Equity**

Equity attributable to owners of the parent increased by \$1.0 million from \$29.9 million as at 31 August 2021 to \$30.8 million as at 30 November 2021. The increase was mainly due to profit after tax of \$37,000, \$0.4 million attributable to the Company's share placement pursuant to the Amended and Restated Framework Agreement as announced on 12 October 2021, offset by \$0.2 million attributable to the Company's share purchase pursuant to share buy-back mandate where the shares purchased were held as treasury shares.

## **H. Cash Flows**

Cash and cash equivalents increased by \$0.3 million from \$3.0 million as at 31 August 2021 to \$3.3 million as at 30 November 2021. Cash and cash equivalents comprised of cash and bank balances, less bank overdraft and restricted cash, representing fixed deposit pledged for bank borrowings.

Net cash generated from operating activities amounted to \$1.0 million during 1Q2022. The cash generated from operations of \$1.1 million increased mainly as a result of higher trade and other payables of \$2.8 million, offset by the increase in inventories of \$0.8 million and trade and other receivables of \$1.5 million.

Net cash used in investing activities amounted to \$0.8 million in 1Q2022, which was mainly due to the purchase of plant and equipment by our subsidiaries in the Philippines and China, offset by proceeds from the disposal of plant and equipment.

Net cash from financing activities amounted to \$98,000 in 1Q2022 mainly due to the proceeds from Company's share placement of \$0.4 million and proceeds from bank borrowings obtained by subsidiary in the Philippines, offset by repayment of bank borrowings and lease liability of \$0.5 million and \$0.2 million respectively.

**4. 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.

**5. 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.**

As the global economic outlook remains uncertain due to the COVID-19 pandemic, the Group continues to maintain a cautious outlook in the next 12 months.

Following the recent shareholders' approval of the Company's diversification into the business of trading of commodities at the extraordinary general meeting, the Group is in the midst of discussing potential contracts with various parties and will update shareholders as and when there are any material developments.

**6. Dividend information**

**(a) Whether an interim (final) ordinary dividend has been declared**

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

**7. 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 dividend has been declared for 1Q2022.

## 8. Interested person transactions

The Company does not have a general mandate from its shareholders in relation to IPTs pursuant to Rule 920 of the Catalist Rules.

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)
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

Note: There were interested person transactions during the period but the individual transactions were less than \$100,000.

## 9. Update on the Use of Share Placement Proceeds

The Company had on 14 October 2021, completed the placement of 18,518,518 new ordinary shares in the Company to raise net proceeds of approximately S\$424,000.

The board of directors of the Company wishes to update that \$84,800 in net proceeds from the Share Placement had been utilised as follows:

	Allocation of the Proceeds \$	Amount utilised \$	Balance \$
Expansion via mergers and acquisition, joint ventures, partnerships and investments	339,200	-	339,200
General working capital <sup>1</sup>	84,800	84,800	-
<b>Total</b>	<b>424,000</b>	<b>84,800</b>	<b>339,200</b>

Note:

1) General working capital includes operating expenses such as professional fees, staff salaries and loan repayment.

The above utilisations are in accordance with the intended use of the proceeds from the Share Placement and the percentage allocated, as stated in the announcements dated 20 September 2021 and 12 October 2021.

On 27 December 2021, the Company had completed the second placement of 48,309,179 new ordinary shares in the Company to raise net proceeds of approximately S\$874,000. The Company wishes to update, as of the date of this results announcement, no proceeds from the second placement have been utilised.

The Company will make periodic announcements on the utilisation of the placement proceeds as and when such placement proceeds are materially disbursed, and whether the use of the placement proceeds is in accordance with the stated use and in accordance with the percentage allocated.

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

On behalf of the Board of Directors of the Company, we the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the 3-months period ended 30 November 2021 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Sin Kwong Wah, Andrew  
Executive Director and CEO

Pek Ee Perh, Thomas  
Director

## 11. 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 under Rule 720(1) of the Catalyst Rules.

## 12. Additional information required pursuant to Rule 706A

During 1Q2022, the Company did not acquire or dispose of any shares resulting in any of the prescribed situations under Rule 706A.

On Behalf of the Board,

Sin Kwong Wah, Andrew  
Executive Director and CEO  
14 January 2022

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange 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.*

*The contact person for the Sponsor is Ms. Jennifer Tan, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg..*