

Miyoshi Limited

(Incorporated in the Republic of Singapore)

(Company Registration No. 198703979K)

Fourth Quarter Financial Year 2020 Financial Statements And Dividend Announcement

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 take a risk-based approach. 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 was notified by the Singapore Exchange Securities Trading Limited that the Company will be required to continue to do QR with effect from 7 February 2020 in view of the modified opinion issued by the statutory auditor of the Company in the latest annual report for the financial year ended 31 August 2019 ("FY2019").

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) Statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Comprehensive Income

For the fourth quarter ended 31 August 2020

	Note	Group Quarter			Group 12 Months		
		Aug-20 \$'000	Aug-19 \$'000	Change %	Aug-20 \$'000	Aug-19 \$'000	Change %
Revenue	(i)	9,027	13,937	(35.2)	44,793	53,452	(16.2)
Other income	(ii)	175	186	(5.9)	307	4,238	(92.8)
Raw materials, consumables used & changes in inventories		(5,356)	(7,654)	(30.0)	(25,441)	(27,493)	(7.5)
Employee benefit expenses		(2,040)	(3,074)	(33.6)	(9,518)	(11,540)	(17.5)
Depreciation and amortisation expenses		(817)	(610)	33.9	(3,129)	(3,034)	3.1
Other operating expenses	(iii)	(19,337)	(6,472)	198.8	(28,595)	(13,966)	104.7
Finance costs		(79)	(109)	(27.5)	(356)	(418)	(14.8)
Share of results of associate		365	(1,306)	N.M.	(1,077)	(1,725)	(37.6)
Loss before income tax		(18,062)	(5,102)	254.0	(23,016)	(486)	N.M.
Income tax expense		(80)	(161)	(50.3)	(305)	(487)	(37.4)
Loss for the period		(18,142)	(5,263)	244.7	(23,321)	(973)	N.M.
(Loss)/Profit attributable to:							
Owners of the parent		(18,161)	(5,521)	228.9	(23,357)	(805)	N.M.
Non-controlling interests		19	258	(92.6)	36	(168)	N.M.
Loss for the period		(18,142)	(5,263)	244.7	(23,321)	(973)	N.M.
Other comprehensive income							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation of foreign operations		(930)	(542)	71.6	169	314	(46.2)
<i>Items that will not be reclassified subsequently to profit or loss</i>							
Actuarial loss on defined benefit plan		(90)	(239)	(62.3)	(90)	(239)	(62.3)
Other comprehensive income for the period, net of tax		(1,020)	(781)	30.6	79	75	5.3
Total comprehensive income for the period		(19,162)	(6,044)	217.0	(23,242)	(898)	N.M.
Total comprehensive income attributable to:							
Owners of the parent		(19,159)	(6,343)	202.0	(23,272)	(848)	N.M.
Non-controlling interests		(3)	299	N.M.	30	(50)	N.M.
		(19,162)	(6,044)	217.0	(23,242)	(898)	N.M.

N.M. denotes not meaningful

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

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

	Group Quarter		Group 12 Months	
	Aug-20	Aug-19	Aug-20	Aug-19
	\$'000	\$'000	\$'000	\$'000
Sales of goods	8,360	13,192	41,843	50,437
Sales of scrap	331	465	1,583	1,758
Rental income	336	280	1,367	1,257
	9,027	13,937	44,793	53,452

1(a)(ii) Other income

	Group Quarter		Group 12 Months	
	Aug-20	Aug-19	Aug-20	Aug-19
	\$'000	\$'000	\$'000	\$'000
Gain on disposal of asset held for sale	-	-	-	3,888
Government grants	122	-	165	-
Miscellaneous income	53	47	134	195
Fair value gain on investment properties	-	86	-	86
Gain on disposal of plant and equipment	-	53	-	54
Interest income	-	-	8	15
	175	186	307	4,238

1(a)(iii) Other operating expenses

	Group Quarter		Group 12 Months	
	Aug-20	Aug-19	Aug-20	Aug-19
	\$'000	\$'000	\$'000	\$'000
Impairment loss on investment in Core Power	17,674	-	17,674	-
Supplies and services	1,117	1,252	4,133	4,834
Utilities	302	479	1,541	1,849
Property, plant and equipment (write back) / written off	(1,388)	-	1,524	-
Transportation and travelling	95	246	635	869
Office and sundry expenses	188	116	628	513
Repair and maintenance	168	106	516	387
Others	156	191	497	625
Professional fees	81	131	477	570
Impairment loss on properties, plant and equipment	436	298	436	288
Fair value loss on investment properties	262	-	262	-
Allowance for doubtful other receivables	1	3,469	148	3,761
Loss on foreign exchange, net	162	184	68	270
Loss on disposal of plant and equipments	83	-	56	-
	19,337	6,472	28,595	13,966

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position

	Group As At		Company As At	
	31-Aug-20	31-Aug-19	31-Aug-20	31-Aug-19
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current assets:				
Cash and bank balances	3,074	2,991	356	299
Fixed deposits	149	148	-	-
Trade and other receivables	11,007	13,867	1,941	2,545
Prepayments	168	185	20	32
Inventories	6,017	6,776	2	1
Assets classified as held for sale	611	-	-	-
Total current assets	21,026	23,967	2,319	2,877
Non-current assets:				
Subsidiaries	-	-	29,020	29,741
Associate	-	18,640	-	20,433
Financial asset at fair value through profit or loss	-	-	-	-
Property, plant and equipment	31,106	34,543	2,261	2,810
Investment properties	6,755	6,933	-	-
Intangible assets	41	39	-	-
Deferred tax assets	26	51	-	-
Other receivables	27	60	5	12
Total non-current assets	37,955	60,266	31,286	52,996
Total assets	58,981	84,233	33,605	55,873
LIABILITIES AND EQUITY				
Current liabilities:				
Trade and other payables	8,872	11,097	4,934	4,327
Current income tax payable	26	112	-	-
Bank borrowings	4,823	6,145	283	782
Lease liability	187	29	170	29
Total current liabilities	13,908	17,383	5,387	5,138
Non-current liabilities:				
Bank borrowings	3,126	2,105	1,406	187
Lease liability	207	60	193	60
Other payable	-	-	3,298	3,180
Provisions	1,092	829	-	-
Deferred tax liabilities	353	332	-	-
Total non-current liabilities	4,778	3,326	4,897	3,427
Total liabilities	18,686	20,709	10,284	8,565
Equity:				
Share capital	49,079	49,079	49,079	49,079
Treasury shares	(253)	(253)	(253)	(253)
Revaluation reserve	666	666	-	-
Other reserve	785	851	-	-
Share awards reserve	37	24	37	24
Currency translation reserve	(10,481)	(10,655)	(11,167)	(11,029)
Retained earnings	(1,462)	21,918	(14,375)	9,487
Equity attributable to owners of the parent	38,371	61,630	23,321	47,308
Non-controlling interests	1,924	1,894	-	-
Total equity	40,295	63,524	23,321	47,308
Total liabilities and equity	58,981	84,233	33,605	55,873

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

As at 31 August 2020 \$'000		As at 31 August 2019 \$'000	
Secured	Unsecured	Secured	Unsecured
4,758	94	6,174	-

Amount repayable after one year

As at 31 August 2020 \$'000		As at 31 August 2019 \$'000	
Secured	Unsecured	Secured	Unsecured
1,752	1,406	2,165	-

Detail of collaterals**Bank borrowings**

The Group's secured borrowings comprise bank borrowings of the Company and its subsidiaries, Miyoshi Precision Huizhou Co., Ltd ("MPH"), Wuxi Miyoshi Precision Co., Ltd ("WMP"), Miyoshi Precision (Malaysia) Sdn Bhd ("MPM") and Miyoshi Technologies Phils, Inc. ("MTP"). The bank borrowings are secured against assets and properties of the Company and its subsidiaries. The Company provided a corporate guarantee and a letter of comfort for the bank borrowings to MPM. The current and non-current balances of the secured bank borrowings as at 31 August 2020 were approximately \$4,729,000 and \$1,720,000 (31 August 2019: \$5,730,000 and \$2,105,000). Included in the current balances of the secured bank borrowings as at 31 August 2020 was a bank overdraft of \$Nil (31 August 2019: \$415,000).

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. The current and non-current balances of the unsecured bank borrowings as at 31 August 2020 were approximately \$94,000 and \$1,406,000.

Lease Liabilities

Included in the lease liabilities, there is a finance lease which is secured against a motor vehicle of the Company. The current and non-current balances of the finance lease as at 31 August 2020 were approximately \$29,000 and \$32,000 (31 August 2019: \$29,000 and \$60,000). The net book value of the motor vehicle under this finance lease as at 31 August 2020 was \$97,000 (31 August 2019: \$147,000).

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows

	Group Quarter		Group 12 Months	
	Aug-20 \$'000	Aug-19 \$'000	Aug-20 \$'000	Aug-19 \$'000
Operating activities:				
Loss before income tax	(18,062)	(5,102)	(23,016)	(486)
Adjustments for:				
Allowance / (reversal of) doubtful trade receivables	1	(82)	62	210
Allowance for doubtful other receivables	-	3,551	86	3,551
Allowance for inventory obsolescence	346	39	617	61
Depreciation and amortisation expenses	817	610	3,129	3,034
Fair value loss / (gain) on investment property	262	(86)	262	(86)
Fair value loss on financial asset at fair value through profit or loss	17,674	-	17,674	-
Gain on disposal of asset held for sale	-	-	-	(3,888)
Impairment loss on plant and equipment	436	298	436	288
Interest expense	79	109	356	418
Interest income	-	-	(8)	(15)
Loss / (gain) on disposal of plant and equipment	83	(53)	56	(54)
Property, plant and equipment (write back) / written off	(1,388)	-	1,524	-
Share awards expenses	3	5	13	121
Share of results of associate	(365)	1,306	1,077	1,725
Unrealised exchange differences	111	(500)	(51)	(414)
Operating cash flows before changes in working capital	(3)	95	2,217	4,465
Trade and other receivables	(3,108)	(1,120)	2,953	(1,089)
Prepayments	201	(15)	14	(10)
Inventories	360	942	142	(1,599)
Trade and other payables	1,389	2,275	(2,205)	2,948
Cash (used in) / generated from operations	(1,161)	2,177	3,121	4,715
Interest paid	(79)	(109)	(356)	(418)
Interest received	-	-	8	15
Income tax paid	20	(81)	(339)	(458)
Net cash (used in) / from operating activities	(1,220)	1,987	2,434	3,854
Investing activities:				
Investment in associate	-	(176)	-	(3,076)
Proceeds from disposal of asset held for sale	-	-	-	5,929
Proceeds from disposal of plant and equipment	1	52	29	61
Additions of club shares	(2)	(24)	(2)	(24)
Purchase of plant and equipment	(738)	(919)	(1,823)	(5,804)
Net cash used in investing activities	(739)	(1,067)	(1,796)	(2,914)
Financing activities:				
Proceeds from bank borrowings	1,180	-	3,967	4,346
Purchase of treasury shares	-	-	-	(153)
Dividend payments	-	-	-	(1,211)
Dividends paid to non-controlling interests	-	-	-	(64)
Repayment of bank borrowings	(871)	(623)	(3,853)	(4,845)
Interest paid on lease liabilities	(21)	-	(21)	-
Principal repayment of lease liabilities	(93)	(7)	(182)	(29)
Net cash from / (used in) financing activities	195	(630)	(89)	(1,956)
Increase / (decrease) in cash and cash equivalents	(1,764)	290	549	(1,016)
Effect of exchange rate changes on cash and cash equivalents	(57)	(458)	(51)	(33)
Cash and cash equivalents at beginning of period	4,895	2,744	2,576	3,625
Cash and cash equivalents at end of period	3,074	2,576	3,074	2,576
Cash and cash equivalents as at 31 August comprised of:				
Cash and bank balances	3,223	3,139	3,223	3,139
Bank overdraft	-	(415)	-	(415)
Restricted cash	(149)	(148)	(149)	(148)
Total	3,074	2,576	3,074	2,576

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 2019	49,079	(253)	666	851	24	(10,655)	21,918	61,630	1,894	63,524
(Loss) / profit for the period	-	-	-	-	-	-	(5,196)	(5,196)	17	(5,179)
Other comprehensive income for the period										
Foreign currency translation	-	-	-	-	-	1,079	-	1,079	16	1,095
Total comprehensive income for the period	-	-	-	-	-	1,079	(5,196)	(4,117)	33	(4,084)
Transactions with owners of the parent recognised directly in equity										
Statutory reserve by a subsidiary	-	-	-	23	-	-	(23)	-	-	-
Share-based payments	-	-	-	-	10	-	-	10	-	10
Total transactions with owners of the parent recognised directly in equity	-	-	-	23	10	-	(23)	10	-	10
Balance at 31 May 2020	49,079	(253)	666	874	34	(9,576)	16,699	57,523	1,927	59,450
(Loss) / profit for the period	-	-	-	-	-	-	(18,161)	(18,161)	19	(18,142)
Other comprehensive income for the period										
Actuarial loss on defined benefit plan	-	-	-	(89)	-	-	-	(89)	-	(89)
Foreign currency translation	-	-	-	-	-	(905)	-	(905)	(22)	(927)
Total comprehensive income for the period	-	-	-	(89)	-	(905)	(18,161)	(19,155)	(3)	(19,158)
Transactions with owners of the parent recognised directly in equity										
Statutory reserve by a subsidiary	-	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	3	-	-	3	-	3
Total transactions with owners of the parent recognised directly in equity	-	-	-	-	3	-	-	3	-	3
Balance at 31 August 2020	49,079	(253)	666	785	37	(10,481)	(1,462)	38,371	1,924	40,295

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 2018	49,079	(203)	666	1,073	6	(10,851)	24,055	63,825	2,008	65,833
Effect on adoption of SFRS(I) 9	-	-	-	-	-	-	(104)	(104)	-	(104)
Adjusted balance at 1 September 2018	49,079	(203)	666	1,073	6	(10,851)	23,951	63,721	2,008	65,729
Profit / (loss) for the period	-	-	-	-	-	-	4,716	4,716	(426)	4,290
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Foreign currency translation	-	-	-	-	-	779	-	779	77	856
Total comprehensive income for the period	-	-	-	-	-	779	4,716	5,495	(349)	5,146
Transactions with owners of the parent recognised directly in equity										
Share-based payments	-	103	-	-	13	-	-	116	-	116
Total transactions with owners of the parent recognised directly in equity	-	103	-	-	13	-	-	116	-	116
Contribution by and distribution to owners										
Dividends	-	-	-	-	-	-	(1,211)	(1,211)	-	(1,211)
Purchase of treasury shares	-	(153)	-	-	-	-	-	(153)	-	(153)
Total contribution by and distribution to owners	-	(153)	-	-	-	-	(1,211)	(1,364)	-	(1,364)
Transactions with non-controlling interests										
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	(63)	(63)
Total transactions with non-controlling interests	-	-	-	-	-	-	-	-	(63)	(63)
Balance at 31 May 2019	49,079	(253)	666	1,073	19	(10,072)	27,456	67,968	1,596	69,564
Profit / (loss) for the period	-	-	-	-	-	-	(5,521)	(5,521)	258	(5,263)
Other comprehensive income for the period										
Actuarial loss on defined benefit plan	-	-	-	(239)	-	(3)	-	(242)	-	(242)
Foreign currency translation	-	-	-	-	-	(580)	-	(580)	40	(540)
Total comprehensive income for the period	-	-	-	(239)	-	(583)	(5,521)	(6,343)	298	(6,045)
Transactions with owners of the parent recognised directly in equity										
Statutory reserve by a subsidiary	-	-	-	17	-	-	(17)	-	-	-
Share-based payments	-	-	-	-	5	-	-	5	-	5
Total transactions with owners of the parent recognised directly in equity	-	-	-	17	5	-	(17)	5	-	5
Balance at 31 August 2019	49,079	(253)	666	851	24	(10,655)	21,918	61,630	1,894	63,524

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 2019	49,079	(253)	24	(11,029)	9,487	47,308
Loss for the period	-	-	-	-	(2,054)	(2,054)
Other comprehensive income for the period						
Foreign currency translation	-	-	-	1,237	-	1,237
Total comprehensive income for the period	-	-	-	1,237	(2,054)	(817)
Transactions with owners of the parent recognised directly in equity						
Share-based payments	-	-	10	-	-	10
Total transactions with owners of the parent recognised directly in equity	-	-	10	-	-	10
Balance at 31 May 2020	49,079	(253)	34	(9,792)	7,433	46,501
Loss for the period	-	-	-	-	(21,808)	(21,808)
Other comprehensive income for the period						
Foreign currency translation	-	-	-	(1,375)	-	(1,375)
Total comprehensive income for the period	-	-	-	(1,375)	(21,808)	(23,183)
Transactions with owners of the parent recognised directly in equity						
Share-based payments	-	-	3	-	-	3
Total transactions with owners of the parent recognised directly in equity	-	-	3	-	-	3
Balance at 31 August 2020	49,079	(253)	37	(11,167)	(14,375)	23,321

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity

Company	Share Capital \$'000	Treasury Shares \$'000	Share Awards Reserve \$'000	Currency Translation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 September 2018 (Restated)	49,079	(203)	6	(11,192)	13,369	51,059
Profit for the period	-	-	-	-	2,455	2,455
Other comprehensive income for the period						
Foreign currency translation	-	-	-	168	-	168
Total comprehensive income for the period	-	-	-	168	2,455	2,623
Transactions with owners of the parent recognised directly in equity						
Share-based payments	-	-	13	-	-	13
Total transactions with owners of the parent recognised directly in equity	-	-	13	-	-	13
Contributions by and distribution to owners						
Dividends	-	-	-	-	(1,211)	(1,211)
Purchase of treasury shares	-	(50)	-	-	-	(50)
Total contribution to owners	-	(50)	-	-	(1,211)	(1,261)
Balance at 31 May 2019	49,079	(253)	19	(11,024)	14,613	52,434
Loss for the period	-	-	-	-	(5,126)	(5,126)
Other comprehensive income for the period						
Foreign currency translation	-	-	-	(5)	-	(5)
Total comprehensive income for the period	-	-	-	(5)	(5,126)	(5,131)
Transactions with owners of the parent recognised directly in equity						
Share-based payments	-	-	5	-	-	5
Total transactions with owners of the parent recognised directly in equity	-	-	5	-	-	5
Balance at 31 August 2019	49,079	(253)	24	(11,029)	9,487	47,308

- 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.**

There were no 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 31 May 2020 to 31 August 2020.

There were no outstanding share options or convertibles as at 31 August 2020 and 31 August 2019.

As at 31 August 2020, the Company did not have any subsidiary holdings and held 5,065,900 treasury shares which represented approximately 0.8% of the total issued shares (excluding treasury shares and subsidiary holdings) comprising 607,603,590 shares. As at 31 August 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.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Company	As at 31 August 2020	As at 31 August 2019
Total number of issued shares	612,669,490	612,669,490
Less: Treasury shares	(5,065,900)	(5,065,900)
Total number of issued shares excluding treasury shares	607,603,590	607,603,590

- 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.**

There were no sale, transfer, cancellation and/or use of treasury shares as the end of the current financial period reported on.

- 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.

- 3A. 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.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

As disclosed in the Company's annual report for FY2019, the Group's independent auditors, BDO LLP (the "**Auditors**"), have included a qualified opinion on the financial statements of the Group for FY2019 which arose mainly in connection with the accounting and audit issues of 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

As at date of this announcement, the management of the Company had held numerous discussions via telephone calls with Core Power on the outstanding audit issues. However, the successful resolution of the issues is beyond the Company's management control as the completion and clearance of all issues are dependant on Core Power's management. Due to the financial difficulties and decreased resources in finance personnel coupled with the current travel restrictions, the outstanding audit issues remain unresolved.

Since the end of previous reported period on 31 May 2020 to 31 Aug 2020 and the difficulties faced in resolving the issues, the management of the Company has taken steps to make necessary adjustments towards the Group's investment in Core Power in order to address the outstanding audit issues. The details have been disclosed in paragraph 8 of this announcement.

The Board confirms that the impact of the outstanding audit issues on the financial statements have been adequately disclosed.

- 4. Whether the same accounting policies and 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 2019.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted SFRS(I) 16 Leases with effect from this current financial period beginning on 1 September 2019 using the modified retrospective method in accordance with the transitional provisions, where comparative amounts for the year prior to first adoption will not be restated. The Group capitalised its operating leases and reclassified certain leased assets from property, plant and equipment on the statement of financial position by recognising 'right-of-use' assets and their corresponding lease liabilities for the present value of future lease payments on its date of initial adoption. The Group chooses not to present the right-of-use assets separately on the face of statements of financial position and included these right-of-use assets within property, plant and equipment. The right-of-use assets are measured at amounts equal to the lease liabilities, adjusted by the amounts of any prepaid or accrued lease payments relating to those leases recognised in the statement of financial position immediately before 1 September 2019. Accordingly, the adoption of SFRS(I) 16 Leases does not result in any adjustment to the opening balance of retained earnings as at 1 September 2019.

Subsequently, the lease assets will be depreciated over the lease term on a straight-line basis and the lease liabilities will be measured at amortised cost. Each lease payment is allocated between the lease liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Quarter ended 31 August		12 months ended 31 August	
	2020	2019	2020	2019
	Cents	Cents	Cents	Cents
Based on weighted average number of ordinary shares in issue	(2.99)	(0.91)	(3.84)	(0.13)
On a fully diluted basis	(2.98)	(0.91)	(3.84)	(0.13)
Weighted average number of ordinary share in issue for basic earnings / (loss) per share	607,603,590	607,603,590	607,603,590	607,675,320
Weighted average number of ordinary share in issue for diluted earnings / (loss) per share	608,817,290	608,817,290	608,817,290	608,532,848

Earnings/(Loss) per ordinary share is calculated based on the Group's profit/(loss) for the financial periods attributable to owners of the parent divided by the weighted average number of ordinary shares for 4Q2020 of 607,603,590 (4Q2019: 607,603,590) and for FY2020 of 607,603,590 (FY2019: 607,675,320).

Earnings/(Loss) per ordinary share (diluted basis) is calculated based on the Group's profit/(loss) for the financial periods attributable to owners of the parent divided by the weighted average number of ordinary shares and adjusted to include all dilutive ordinary shares up to 31 August 2020. The adjusted weighted average number of ordinary shares for 4Q2020 is 608,817,290 (4Q2019: 608,817,290) and for FY2020 of 608,817,290 (FY2019: 608,532,848).

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

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuers at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

Net asset value ("NAV")	Group	Company
NAV per share as at 31 August 2020	6.32 cents	3.84 cents
NAV per share as at 31 August 2019	10.14 cents	7.79 cents

Net asset value per share is calculated based on share capital of 607,603,590 ordinary shares in issue, excluding treasury shares and subsidiary holdings, as at 31 August 2020 and 31 August 2019.

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

4Q2020

Business Segment Revenue (\$'000)	4Q2020	4Q2019	Change %
Consumer electronics	4,572	6,742	(32.2)
Automotive	3,440	4,142	(16.9)
Data storage	679	2,773	(75.5)
Rental	336	280	20.0
Total	9,027	13,937	(35.2)

Revenue decreased by \$4.9 million or 35.2% from \$13.9 million in 4Q2019 to \$9.0 million in 4Q2020. The overall decrease was mainly due to slow down in business volume arising from the COVID-19 pandemic and fire incident in the Philippines reported on 28 May 2020 ("Fire Incident"). The significant decrease in revenue from the data storage segment was largely due to disruptions caused by the Fire Incident. The decrease in revenue from consumer electronics and automotive segments were mainly due to decreased business volume arising from COVID-19. The higher rental income was mainly due to renewed tenancy agreement for our investment properties in the Philippines.

FY2020

Business Segment Revenue (\$'000)	FY2020	FY2019	Change %
Consumer electronics	19,503	22,646	(13.9)
Automotive	15,501	16,604	(6.6)
Data storage	8,422	12,945	(34.9)
Rental	1,367	1,257	8.8
Total	44,793	53,452	(16.2)

Revenue decreased by \$8.7 million or 16.2% from \$53.5 million in FY2019 to \$44.8 million in FY2020. The overall decrease across all the business segments were mainly due to slow down in business volume arising from the COVID-19 pandemic and Fire Incident. Similar to 4Q2020, the decrease in revenue from the data storage segment was mainly due to disruptions caused by the Fire Incident. Similarly, the decrease in revenue from consumer electronics and automotive segments were mainly due to decreased business volume arising from COVID-19. The decrease in revenue was partially offset by an increase in rental income from renewed tenancy agreement for our investment properties in the Philippines.

B. Other Income

4Q2020

Other income decreased by \$11,000 from \$186,000 in 4Q2019 to \$175,000 in 4Q2020, mainly due to the absence of the fair value gain on investment properties of \$86,000 and the absence of the gain on disposal of plant and equipment of \$53,000, partially offset by the government support scheme ("Government Grant") received in 4Q2020 as part of the financial relief for business disruptions from the COVID-19 pandemic and an increase in miscellaneous income \$6,000.

FY2020

Excluding the one-off gain on disposal of industrial property in Singapore at 5 Second Chin Bee Road of \$3.9 million and plant and equipment of \$54,000 in FY2019, the increase in other income was \$11,000 mainly due to the Government Grant of \$165,000 received during the financial year, partially offset by the decrease of \$61,000 in miscellaneous income, decrease in interest income of \$7,000 and the absence of the fair value gain of \$86,000 on investment properties in previous financial year.

C. Total Costs and Expenses

4Q2020

Total costs and expenses increased by \$9.7 million from \$17.9 million in 4Q2019 to \$27.6 million in 4Q2020 mainly due to :

- (a) Fair value loss of investment in Core Power of \$17.7 million;
- (b) Impairment loss of properties, plant and equipment (“PPE”) of \$0.1 million for industrial properties in Singapore;
- (c) Fair value loss on investment properties of \$0.3 million in the Philippines and Malaysia; and
- (d) Allowance for inventories obsolescence of \$0.3 million due to Fire Incident.

The increase in total costs and expenses were partially offset by:

- (a) The absence of the impairment loss for doubtful receivables of \$3.5 million in 4Q2019 which was non-recurring in 4Q2020; and
- (b) Write back of PPE cost of \$1.4 million resulted from an over provision of book value in 3Q2020 arising from the Fire Incident following the completion of management’s assessment in 4Q2020. The estimated recovery cost for reconstruction of the production plant and machineries is disclosed in paragraph 10 of this announcement.

Excluding the above one-off expenses of \$13.5 million (net of non-recurring loss and writebacks), total costs and expenses decreased by \$3.8 million mainly due to the decreases in raw material consumables used of \$2.6 million, employee benefit expenses of \$1.0 million and other operating expenses of \$0.4 million which were in line with the decrease in revenue for 4Q2020. The decrease in total costs and expenses were partially offset by the increase in depreciation and amortisation expenses of \$0.2 million mainly due to the adoption of SFRS(I) 16 which requires the lease assets to be depreciated over the lease term on a straight-line basis.

Fair value loss of investment in Core Power

The fair value loss of investment in Core Power of \$17.7 million reflects the Group’s loss making investment in Core Power which was further impacted by the COVID-19 pandemic and the change of government regulations in China in relation to the industry in which Core Power operates. Accordingly, the operations of Core Power remained in a dormant state since February 2020. In view of the financial difficulties of Core Power, the management is of the view that the investment in Core Power will be impaired and the Group has recognised a fair value loss of \$17.7 million in FY2020. The auditors are in the midst of reviewing the key assumptions used by the management of the Company in deriving the fair value loss of investment in Core Power.

FY2020

Total costs and expenses increased by \$10.5 million from \$56.5 million in FY2019 to \$67.0 million in FY2020 mainly due to:

- (a) Impairment loss and fair value losses totalling \$18.1 million (as mentioned in 4Q2020 (a) to (c) above);
- (b) Write-off of PPE book value of \$1.5 million pertaining to the Fire Incident; and
- (c) Allowance for inventories obsolescence of \$0.6 million pertaining to the Fire Incident.

The increase in total costs and expenses are partially offset by:

- (a) The absence of the Impairment loss for doubtful receivables of \$3.7 million in FY2019 which was non-recurring in FY2020.

Excluding the above one-off expenses of \$16.5 million (net of non-recurring loss), total costs and expenses decreased by \$6.0 million mainly due to the decreases in raw material consumables used of \$2.6 million due to lower production volume arising from the COVID-19 pandemic and Fire Incident, employee benefit expense of \$2.0 million, other operating expenses of \$1.3 million and lower loss on foreign exchange of \$0.2 million as a result of stronger USD against SGD. The decrease in total cost and expenses was in line with the decrease in revenue for FY2020. The decrease in total costs and expenses were partially offset by the increase in depreciation and amortisation expenses of \$0.1 million mainly due to the adoption of SFRS(I) 16.

D. Profit / (loss) after Income Tax

4Q2020

Loss after income tax increased by \$12.8 million from \$5.3 million in 4Q2019 to \$18.1 million in 4Q2020 mainly due to:

- (a) The one-off expenses of \$13.5 million, as explained in 8C; and
- (b) The lower revenue of \$4.9 million, as explained in 8A.

The higher loss is partially offset by:

- (a) The decrease in total costs and expenses of \$3.8 million, as explained in 8C;
- (b) Decrease in share of loss of associate of \$1.7 million from the investment in Core Power up to 30 July 2020. As explained in 8C, the Company has reclassified the investment in Core Power to FVTPL effective from 30 July 2020; and
- (c) Decrease in income tax expense of \$0.1 million.

Excluding the fair value loss of investment in Core Power of \$17.7 million, the Group would have reported a loss after income tax of \$0.4 million in 4Q2020.

FY2020

Loss after income tax increased by \$22.3 million from \$1.0 million in FY2019 to \$23.3 million in FY2020 mainly due to:

- (a) The one-off expenses of \$16.5 million, as explained in 8C;
- (b) The lower revenue of \$8.7 million, as explained in 8A; and
- (c) The absence of the gain on disposal in FY2019 relating our industrial property in Singapore at 5 Second Chin Bee Road of \$3.9 million which was non-recurring in FY2020.

The higher loss is partially offset by:

- (a) The decrease in total costs and expenses of \$6.0 million, as explained in 8C;
- (b) Decrease in share of loss of associate of \$0.6 million from the investment in Core Power up to 30 July 2020; and
- (c) Decrease in income tax expense of \$0.2 million.

Excluding the fair value loss of investment in Core Power of \$17.7 million and total loss arising from the Fire Incident based on book value of \$2.1 million, the Group would have reported a loss after income tax of \$3.5 million in FY2020.

E. Assets and Liabilities

Current assets decreased by \$3.0 million from \$24.0 million as at 31 August 2019 to \$21.0 million as at 31 August 2020. This was mainly due to the decrease of trade and other receivables of \$2.9 million and lower inventories of \$0.8 million due to the lower revenue arising from the COVID-19 pandemic, partially offset by an increase in assets classified as held for sale (“**AHS**”) of \$0.6 million and an increase in cash and bank balances of \$0.1 million from the proceeds of bank borrowings. The AHS 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**”).

Current liabilities decreased by \$3.5 million from \$17.4 million as at 31 August 2019 to \$13.9 million as at 31 August 2020, mainly due to the decrease in trade and other payables of \$2.2 million mainly attributable to the lower purchase orders due to slow down in business operations arising from the COVID-19 pandemic. In additions, there is a decrease in bank borrowings of \$1.3 million due to loan repayments and decrease in income tax payable of \$0.1 million, partially offset by the recognition of lease liability of \$0.2 million upon the adoption of SFRS(I) 16 Leases on 1 September 2019.

Non-current assets decreased by \$22.3 million from \$60.3 million as at 31 August 2019 to \$38.0 million as at 31 August 2020 mainly due to the reclassification of investment in associate to financial asset measured at Fair Value Through Profit or Loss (“**FVTPL**”) of \$18.6 million, lower PPE of \$9.6 million and fair value loss on investment properties of \$0.1 million, partially offset by the recognition of right-of-use asset (“**ROU**”) of \$6.2 million which comprises of the an existing PPE of \$5.9 million and additions to ROU of \$0.3 million which relates to office and office equipment rental.

On 30 July 2020, the management of the Company and Core Power have agreed to revise the Article of Association of Core Power. Following the revision, the Company no longer has the right to appoint a board representative in Core Power and accordingly the Company has relinquished its directorship and board representation in Core Power. The management is of the view that the Company does not have any significant influence over Core Power as the Company is not able to participate in any decision makings of Core Power. Accordingly, the investment is reclassified to financial asset measured at FVTPL. Core Power ceased to be an associate from 30 July 2020 and the management discontinued the use of equity method of accounting. The auditors are in the midst of reviewing the key assumptions used by the management of the Company in deriving the fair value of investment in Core Power, the fair value assessment exercise and the appropriateness of the classification of investment in Core Power.

As explained in paragraph 8C, the Company has recognised fair value loss of \$17.7 million and accordingly, the carrying value of the financial asset of FVTPL is \$nil as at 31 August 2020.

Non-current liabilities increased by \$1.5 million from \$3.3 million as at 31 August 2019 to \$4.8 million as at 31 August 2020, mainly due to the proceeds from bank borrowings of \$1.0 million, increase in provision of \$0.3 million and the recognition of lease liability of \$0.2 million arising from the adoption of SFRS(I) 16 Leases.

F. Equity

Equity attributable to owners of the parent decreased by \$23.2 million from \$61.6 million as at 31 August 2019 to \$38.4 million as at 31 August 2020. The decrease was mainly due to the loss attributable to owners of the parent of \$23.4 million which mainly arising from the fair value loss of investment in Core Power of \$17.7 million reclassified as FVTPL.

G. Cash Flows

Cash and cash equivalents increased by \$0.5 million from \$2.6 million as at 31 August 2019 to \$3.1 million as at 31 August 2020. 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 from operating activities for FY2020 amounted to \$2.4 million. The cash from operations of \$2.2 million before changes in working capital increased mainly as a result of lower trade and other receivables of \$3.0 million, partially offset by lower trade and other payables of \$2.2 million, income tax paid of \$0.3 million and net interest paid of \$0.3 million.

Net cash used in investing activities for FY2020 amounted to \$1.8 million. This was mainly due to purchase of plant and equipment of \$1.8 million, mainly by our subsidiaries in the Philippines, partially offset by proceeds from disposal of plant and equipment of \$29,000.

Net cash used in financing activities for FY2020 amounted to \$89,000 mainly due to the repayment of bank borrowings of \$3.9 million and payment of principal lease liabilities and interest of \$203,000, partially offset by the proceeds from bank borrowings of \$4.0 million obtained by the Company and our subsidiaries in China.

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

The Group's results for FY2020 are in line with the Company's profit guidance announcement dated 5 October 2020.

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 on-going COVID-19 pandemic continues to cause disruptions in the operations of the Group's factories due to their respective country's travel and movement restrictions. Despite the gradual resumption of the Group's operations, the Group expects its business performance and financial outlook to remain negative for the next 12 months.

On 28 May 2020, the Company announced the fire incident at the Group's production plant in the Philippines. The affected production plant is in the process of reconstruction and is expected, barring any unforeseen circumstances, to be completed by early FY2021. The total estimated costs to reconstruct the production plant including the purchasing of new production machineries is approximately \$6.0 million. The Company is working with its insurer on the insurance compensation.

On 4 September 2020, the Company announced the Proposed Disposal of land and building of a subsidiary in China. The management is working on the completion of Proposed Disposal and the Company will update shareholders in respect to the completion of the Proposed Disposal.

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 4Q2020.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Name of interested person	Aggregate Value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate Value of all interested person transactions conducted during the financial year under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Total	Nil	Nil

Note: There were interest person transactions occurring during the period under the shareholders' mandate but the individual transactions were less than \$100,000.

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

Analysis by business segments	Data Storage		Consumer Electronics		Automotive		Rental		Group	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Revenue										
External sales	8,422	12,945	19,503	22,646	15,501	16,604	1,367	1,257	44,793	53,452
Results										
(Loss) / profit from operations	(555)	(652)	(2,772)	80	(1,192)	1,167	1,300	1,249	(3,219)	1,844
Interest expense									(356)	(418)
Interest income									8	15
Fair value loss on investment properties									(262)	86
Impairment loss / (gain) on plant and equipment									(436)	(288)
Fair value loss on investment in Core Power									(17,674)	-
Share of results of associate									(1,077)	(1,725)
Loss before income tax									(23,016)	(486)
Income tax expense									(305)	(487)
Loss after income tax									(23,321)	(973)
Attributable to:										
Owners of the parent									(23,357)	(805)
Non-controlling interests									36	(168)
									(23,321)	(973)

Analysis by Geographical Segments	Revenue		Non-current assets	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Philippines	20,068	25,241	21,914	21,900
China	11,455	12,841	6,331	25,789
Thailand	5,541	5,899	2,636	2,497
Mexico	1,933	4,763	-	-
Hungary	1,269	1,463	-	-
Malaysia	1,114	1,301	3,895	4,455
Singapore	1,013	529	3,153	23,874
Others	2,400	1,415	-	-
Total	44,793	53,452	37,929	78,515

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.

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

Business Segment - As explained in paragraph 8 above.

16. A breakdown of sales.

Group	2020 \$'000	2019 \$'000	Change %
(a) Sales reported for first half year	27,854	27,322	1.9%
(b) Operating (loss) / profit after tax before deducting non controlling interests reported for first half year	(999)	4,515	N.M.
(c) Sales reported for second half year	16,939	26,130	-35.2%
(d) Operating loss after tax before deducting non controlling interests reported for second half year	(22,322)	(5,488)	N.M.

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

Total annual dividend	2020 \$'000	2019 \$'000
Ordinary final dividend, tax exempt (one-tier)	-	-

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

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Sin Kwong Wah, Andrew	67	Husband of Pek Yee Chew, substantial shareholder.	CEO, since 1991	Nil

19. Confirmation by the Board pursuant to Rule 720(1) of the Listing Manual

The Company hereby confirms that it has procured undertakings from all its Directors and executive officers in the format set out in Appendix 7H of the Catalist Rules in accordance with Rule 720(1) of the Catalist Rules.

On Behalf of the Board,

Sin Kwong Wah, Andrew
Executive Director and CEO
30 Oct 2020

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

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

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