

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

Condensed Interim Financial Statements
For the Fourth Quarter and Full Year ended 31 August 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") and 31 August 2020 ("FY2020").

Table of Contents

A. Condensed interim consolidated statement of profit or loss and other comprehensive income.....	1
B. Condensed interim statements of financial position.....	2
C. Condensed interim statements of changes in equity.....	3
D. Condensed interim consolidated statement of cash flows.....	7
E. Notes to the condensed interim consolidated financial statements.....	8
F. Other information required by Catalyst Rule Appendix 7C.....	20

**A. Condensed interim consolidated statement of profit or loss and other comprehensive Income
For the fourth quarter (“4Q2021”) and full year (“FY2021”) ended 31 August 2021**

		The Group					
Note	Quarter			12 Months			
	Aug-21 \$'000	Aug-20 \$'000	Change %	Aug-21 \$'000	Aug-20 \$'000	Change %	
Revenue	4	10,685	9,027	18.4	45,458	44,793	1.5
Other income	6	123	175	(29.7)	1,611	306	>100.0
Raw materials, consumables used and changes in inventories		(7,141)	(5,356)	33.3	(26,395)	(25,441)	3.7
Employee benefit expenses		(2,558)	(2,040)	25.4	(9,949)	(9,518)	4.5
Depreciation and amortisation expenses		(572)	(817)	(30.0)	(2,809)	(3,128)	(10.2)
Other expenses	6	(3,826)	(1,662)	>100.0	(10,035)	(10,859)	(7.6)
Impairment loss on property, plant and equipment ¹		(4,995)	-	N.M	(4,995)	-	N.M
Loss arising from valuation of retained interest in former associate		-	(17,674)	N.M	-	(17,674)	N.M
Loss / (reversal of) allowance on trade receivables		(36)	(1)	>100.0	20	(62)	N.M
Finance costs		(93)	(79)	17.7	(342)	(356)	(3.9)
Share of results of associate, net of tax		-	365	N.M	-	(1,077)	N.M
Loss before income tax		(8,413)	(18,062)	(53.4)	(7,436)	(23,016)	(67.7)
Income tax expense	7	(262)	(80)	>100.0	(296)	(305)	(3.0)
Loss for the period		(8,675)	(18,142)	(52.2)	(7,732)	(23,321)	(66.8)
Loss attributable to:							
Owners of the parent		(8,752)	(18,161)	(51.8)	(7,824)	(23,357)	(66.5)
Non-controlling interests		77	19	>100.0	92	36	>100.0
Loss for the period		(8,675)	(18,142)	(52.2)	(7,732)	(23,321)	(66.8)
Other comprehensive income							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation of foreign operations		210	(930)	N.M	(293)	169	N.M
<i>Items that will not be reclassified subsequently to profit or loss</i>							
Actuarial loss on defined benefit plan		-	(90)	N.M	-	(90)	N.M
Other comprehensive income for the period, net of tax		210	(1,020)	N.M	(293)	79	N.M
Total comprehensive income for the period		(8,465)	(19,162)	(55.8)	(8,025)	(23,242)	(65.5)
Total comprehensive income attributable to:							
Owners of the parent		(8,504)	(19,159)	(55.6)	(8,017)	(23,272)	(65.6)
Non-controlling interests		39	(3)	N.M	(8)	30	N.M
		(8,465)	(19,162)	(55.8)	(8,025)	(23,242)	(65.5)
Loss per share							
Basic and diluted (cents)	9	(1.47)	(2.99)		(1.30)	(3.84)	

¹ attributable to the subsidiary in the Philippines

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	
		31-Aug-21	31-Aug-20	31-Aug-21	31-Aug-20
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets:					
Cash and bank balances		3,045	3,074	236	356
Fixed deposits		152	149	-	-
Trade and other receivables		10,663	11,007	2,430	1,941
Prepayments		245	168	13	20
Inventories		7,188	6,017	3	2
Assets classified as held for sale		611	611	-	-
Total current assets		21,904	21,026	2,682	2,319
Non-current assets:					
Subsidiaries		-	-	27,362	29,020
Financial asset at fair value through profit or loss		-	-	-	-
Property, plant and equipment	12	29,938	31,106	2,809	2,261
Investment properties	13	6,303	6,755	-	-
Intangible assets	14	46	41	-	-
Deferred tax assets		21	26	-	-
Other receivables		-	27	-	5
Total non-current assets		36,308	37,955	30,171	31,286
Total assets		58,212	58,981	32,853	33,605
LIABILITIES AND EQUITY					
Current liabilities:					
Trade and other payables ¹		15,356	8,583	1,525	4,645
Current income tax payable		16	26	-	-
Bank borrowings	15	3,906	4,823	702	283
Lease liabilities		172	187	152	170
Other loan		-	-	3,298	-
Total current liabilities		19,450	13,619	5,677	5,098
Non-current liabilities:					
Bank borrowings	15	5,313	3,126	2,121	1,406
Lease liabilities		96	207	85	193
Other payable		285	289	285	3,587
Other loan		-	-	3,437	-
Provisions		926	1,092	-	-
Deferred tax liabilities		289	353	-	-
Total non-current liabilities		6,909	5,067	5,928	5,186
Total liabilities		26,359	18,686	11,605	10,284
Equity:					
Share capital	16	49,079	49,079	49,079	49,079
Treasury shares	17	(633)	(253)	(633)	(253)
Revaluation reserve		666	666	-	-
Other reserve		1,205	784	-	-
Share awards reserve		-	37	-	37
Currency translation reserve		(10,866)	(10,480)	(11,437)	(11,167)
Retained earnings		(9,514)	(1,462)	(15,761)	(14,375)
Equity attributable to owners of the parent		29,937	38,371	21,248	23,321
Non-controlling interests		1,916	1,924	-	-
Total equity		31,853	40,295	21,248	23,321
Total liabilities and equity		58,212	58,981	32,853	33,605

¹ Please refer to section F (3 F)

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
Balance at 1 September 2020	49,079	(253)	666	784	37	(10,480)	(1,462)	38,371	1,924	40,295
Profit for the period	-	-	-	-	-	-	928	928	15	943
Other comprehensive income for the period										
Foreign currency translation	-	-	-	-	-	(441)	-	(441)	(62)	(503)
Total comprehensive income for the period	-	-	-	-	-	(441)	928	487	(47)	440
Contributions by and distributions to owners										
Purchase of treasury shares	-	(380)	-	-	-	-	-	(380)	-	(380)
Total contributions by and distributions to owners	-	(380)	-	-	-	-	-	(380)	-	(380)
Transactions with owners of the parent recognised directly in equity										
Transfer to statutory reserve	-	-	-	228	-	-	(228)	-	-	-
Share-based payments	-	-	-	-	(37)	-	-	(37)	-	(37)
Total transactions with owners of the parent recognised directly in equity	-	-	-	228	(37)	-	(228)	(37)	-	(37)
Balance at 31 May 2021	49,079	(633)	666	1,012	-	(10,921)	(762)	38,441	1,877	40,318
(Loss) / profit for the period	-	-	-	-	-	-	(8,752)	(8,752)	77	(8,675)
Other comprehensive income for the period										
Actuarial gain on defined benefit plan	-	-	-	193	-	-	-	193	-	193
Foreign currency translation	-	-	-	-	-	55	-	55	(38)	17
Total comprehensive income for the period	-	-	-	193	-	55	(8,752)	(8,504)	39	(8,465)
Balance at 31 August 2021	49,079	(633)	666	1,205	-	(10,866)	(9,514)	29,937	1,916	31,853

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

The Group	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
	\$'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										
Transfer to statutory reserve	-	-	-	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	-	-	-	(90)	-	-	-	(90)	-	(90)
Foreign currency translation	-	-	-	-	-	(904)	-	(904)	(22)	(926)
Total comprehensive income for the period	-	-	-	(90)	-	(904)	(18,161)	(19,155)	(3)	(19,158)
Transactions with owners of the parent recognised directly in equity										
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	784	37	(10,480)	(1,462)	38,371	1,924	40,295

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
Balance at 1 September 2020	49,079	(253)	37	(11,167)	(14,375)	23,321
Loss for the period	-	-	-	-	(744)	(744)
Other comprehensive income for the period						
Foreign currency translation	-	-	-	292	-	292
Total comprehensive income for the period	-	-	-	292	(744)	(452)
Transactions with owners of the parent recognised directly in equity						
Share-based payments	-	-	(37)	-	-	(37)
Total transactions with owners of the parent recognised directly in equity	-	-	(37)	-	-	(37)
Balance at 31 May 2021	49,079	(253)	-	(10,875)	(15,119)	22,832
Loss for the period	-	-	-	-	(642)	(642)
Other comprehensive income for the period						
Foreign currency translation	-	-	-	(562)	-	(562)
Total comprehensive income for the period	-	-	-	(562)	(642)	(1,204)
Contributions by and distributions to owners						
Purchase of treasury shares	-	(380)	-	-	-	(380)
Total contributions by and distributions to owners	-	(380)	-	-	-	(380)
Balance at 31 August 2021	49,079	(633)	-	(11,437)	(15,761)	21,248

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
Balance at 1 September 2019 (Restated)	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

D. Condensed interim consolidated statements of cash flows

	The Group			
	Quarter		12 Months	
	Aug-21 \$'000	Aug-20 \$'000	Aug-21 \$'000	Aug-20 \$'000
Operating activities:				
Loss before income tax	(8,413)	(18,062)	(7,436)	(23,016)
Adjustments for:				
Loss / (reversal of) allowance on trade receivables	36	1	(20)	62
Depreciation and amortisation expenses	572	817	2,809	3,128
Fair value loss on investment property	316	262	316	262
Loss arising from valuation of retained interest in former associate	-	17,674	-	17,674
Impairment loss on property, plant and equipment	4,995	436	4,995	436
Interest expense	94	79	342	356
Interest income	(2)	-	(23)	(8)
(Gain) / loss on disposal of plant and equipment	(62)	83	(273)	56
Property, plant and equipment written off / (write back)	1,416	(1,388)	1,416	1,524
(Reversal of) / allowance of inventory obsolescence	(22)	346	(630)	617
Share awards expenses	-	3	(36)	13
Share of results of associate	-	(365)	-	1,077
Unrealised exchange differences	(392)	111	(186)	35
Operating cash flows before changes in working capital	(1,462)	(3)	1,274	2,216
Trade and other receivables	500	(3,108)	962	3,306
Prepayments	56	201	(77)	17
Inventories	(67)	360	(541)	142
Trade and other payables	752	1,389	4,018	(1,894)
Cash (used in) / generated from operations	(221)	(1,161)	5,636	3,787
Interest paid	(94)	(79)	(342)	(356)
Interest received	2	-	23	8
Income tax paid	(17)	20	(494)	(339)
Net cash (used in) / from operating activities	(330)	(1,220)	4,823	3,100
Investing activities:				
Investment in associate	-	-	-	(294)
Proceeds from disposal of asset held for sale	-	-	2,521	-
Proceeds from disposal of plant and equipment	118	1	196	30
Advance paid for purchase of plant and equipment	(437)	-	(437)	(356)
Purchase of plant and equipment	(738)	(738)	(7,896)	(1,842)
Net cash used in investing activities	(1,057)	(737)	(5,616)	(2,462)
Financing activities:				
Proceeds from bank borrowings	1,456	1,180	7,348	3,967
Purchase of treasury shares	-	-	(380)	-
Repayment of bank borrowings	(1,340)	(871)	(6,078)	(3,853)
Interest paid on lease liabilities	(11)	(21)	(24)	(21)
Principal repayment of lease liabilities	(23)	(93)	(156)	(180)
Net cash from / (used in) financing activities	82	195	710	(87)
(Decrease) / increase in cash and cash equivalents	(1,305)	(1,762)	(83)	551
Effect of exchange rate changes on cash and cash equivalents	128	(59)	54	(53)
Cash and cash equivalents at beginning of period	4,222	4,895	3,074	2,576
Cash and cash equivalents at end of period	3,045	3,074	3,045	3,074
Cash and cash equivalents as at 31 August comprised of:				
Cash and bank balances	3,197	3,223	3,197	3,223
Restricted cash	(152)	(149)	(152)	(149)
Total	3,045	3,074	3,045	3,074

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 31 August 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 31 August 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 May 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 2020. 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 2020.

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) Determine the lease term

The Group leases leasehold land and building from non-related parties. Included in the lease arrangement, there are extension and termination option held and exercisable only by the Group. In determining the lease term, management considers the likelihood of either to exercise the extension option, or not to exercise the termination option. Management considers all facts and circumstances that create an economic incentive to extend and economic penalty or costs relating to the termination of lease.

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 of investments in subsidiaries

In determining whether investments in subsidiaries are impaired requires an estimation of the recoverable amount of the investment as at end of the financial year. For those subsidiaries with indication of impairment, management determined the recoverable amount using the fair value less costs of disposal based on the following methods and key assumptions:

<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.

(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.

(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.

2. Basis of preparation (continued)

2.2. Use of judgements and estimates (continued)

(v) 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
FY2021						
Revenue						
Total segment revenue	3,452	20,589	21,281	1,635	-	46,957
Inter-segment revenue	-	(1,255)	-	(244)	-	(1,499)
Revenue from external parties	3,452	19,334	21,281	1,391	-	45,458
Profit or (loss)						
Fair value gain on investment properties	-	-	-	316	-	316
Reversal of impairment of trade and other receivables	-	20	-	-	-	20
Reversal of impairment of inventory obsolescence	255	31	344	-	-	630
Allowance for impairment of property, plant and equipment	(259)	(3,280)	(1,456)	-	-	(4,995)
Gain on disposal of plant and equipment	-	-	-	-	269	269
Plant and equipment written off	(1,416)	-	-	-	-	(1,416)
Depreciation expense	(287)	(1,565)	(957)	-	-	(2,809)
Interest expense	-	-	-	-	(342)	(342)
Interest income	-	-	-	-	23	23
(Loss) / profit before income tax	(1,445)	(6,361)	(512)	882	-	(7,436)
Income tax expense	-	-	-	-	-	(296)
Loss after income tax	-	-	-	-	-	(7,732)
Assets and liabilities						
Additions to plant and equipment	655	3,496	3,854	-	-	8,005
Segment assets	2,846	26,824	20,351	8,170	21	58,212
Segment liabilities	1,543	15,943	5,382	294	3,199	26,361
FY2020						
Revenue						
Total segment revenue	8,422	20,699	15,555	1,615	-	46,291
Inter-segment revenue	-	(1,196)	(54)	(248)	-	(1,498)
Revenue from external parties	8,422	19,503	15,501	1,367	-	44,793
Profit or (loss)						
Fair value loss on investment properties	-	-	-	(262)	-	(262)
Allowance for impairment of:						
- trade and other receivables	-	(45)	(17)	-	-	(62)
- plant and equipment	(37)	(191)	(208)	-	-	(436)
- inventory obsolescence	(263)	(32)	(322)	-	-	(617)
Loss on disposal of plant and equipment	-	-	-	-	(56)	(56)
Gain on disposal of assets held for sales	-	-	-	-	3,888	3,888
Loss arising from valuation of retained interest in former associate	-	-	(17,674)	-	-	(17,674)
Plant and equipment written off	(903)	(422)	(199)	-	-	(1,524)
Depreciation expense	(785)	(1,480)	(863)	-	-	(3,128)
Interest expense	-	-	-	-	(356)	(356)
Interest income	-	-	-	-	8	8
(Loss) / profit before income tax	(597)	(3,070)	(20,177)	828	-	(23,016)
Income tax expense	-	-	-	-	-	(305)
Loss after income tax	-	-	-	-	-	(23,321)
Assets and liabilities						
Additions to plant and equipment	357	827	658	-	-	1,842
Segment assets	8,417	24,915	16,446	9,177	26	58,981
Segment liabilities	7,078	3,364	1,650	353	6,241	18,686

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
4Q2021						
Revenue						
Total segment revenue	829	5,553	4,280	411	-	11,073
Inter-segment revenue	-	(327)	-	(61)	-	(388)
Revenue from external parties	829	5,226	4,280	350	-	10,685
Profit or (loss)						
Fair value gain or loss on investment properties	-	-	-	(316)	-	(316)
Allowance for impairment of:						
- trade and other receivables	-	(36)	-	-	-	(36)
- plant and equipment	(259)	(3,280)	(1,456)	-	-	(4,995)
Reversal of allowance of inventory obsolescence	-	4	18	-	-	22
Gain on disposal of plant and equipment	-	-	-	-	59	59
Plant and equipment written off	(1,416)	-	-	-	-	(1,416)
Depreciation expense	(54)	(395)	(123)	-	-	(572)
Interest expense	-	-	-	-	(93)	(93)
Interest income	-	-	-	-	2	2
(Loss) / profit before income tax	(1,613)	(5,499)	(1,284)	(17)	-	(8,413)
Income tax expense	-	-	-	-	-	(262)
Loss after income tax	-	-	-	-	-	(8,675)
Assets and liabilities						
Additions to plant and equipment	69	370	408	-	-	847
Segment assets	2,846	26,824	20,351	8,170	21	58,212
Segment liabilities	1,543	15,943	5,382	294	3,199	26,361
4Q2020						
Revenue						
Total segment revenue	679	4,838	3,493	403	-	9,413
Inter-segment revenue	-	(266)	(53)	(67)	-	(386)
Revenue from external parties	679	4,572	3,440	336	-	9,027
Profit or (loss)						
Fair value gain or loss on investment properties	-	-	-	(262)	-	(262)
Allowance for impairment of:						
- trade and other receivables	-	16	(17)	-	-	(1)
- plant and equipment	(37)	(191)	(208)	-	-	(436)
- inventory obsolescence	(160)	(27)	(159)	-	-	(346)
Gain on disposal of plant and equipment	-	-	-	-	(83)	(83)
Gain on disposal of assets held for sales	-	-	-	-	-	-
Loss arising from valuation of retained interest in former associate	-	-	(17,674)	-	-	(17,674)
Plant and equipment written back	812	397	179	-	-	1,388
Depreciation expense	(86)	(496)	(234)	-	-	(816)
Interest expense	-	-	-	-	(79)	(79)
Interest income	-	-	-	-	(14)	(14)
(Loss) / profit before income tax	772	(1,098)	(17,625)	(111)	-	(18,062)
Income tax expense	-	-	-	-	-	(80)
Loss after income tax	-	-	-	-	-	(18,142)
Assets and liabilities						
Additions to plant and equipment	147	340	270	-	-	757
Segment assets	8,417	24,915	16,446	9,177	26	58,981
Segment liabilities	7,078	3,364	1,650	353	6,241	18,686

4. Segment and revenue information (continued)

4.2 Revenue

	The Group			
	4Q2021	4Q2020	FY2021	FY2020
	\$'000	\$'000	\$'000	\$'000
Sales of goods	10,335	8,691	44,067	43,426
Rental income	350	336	1,391	1,367
	10,685	9,027	45,458	44,793

4.3 Disaggregation of revenue

	The Group			
	4Q2021	4Q2020	FY2021	FY2020
	\$'000	\$'000	\$'000	\$'000
Type of goods				
Consumer electronics	5,226	4,572	19,334	19,503
Automotive	4,280	3,440	21,281	15,501
Data storage	829	679	3,452	8,422
	10,335	8,691	44,067	43,426

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

4.4 Geographical segments

	4Q2021	4Q2020	FY2021	FY2020
	\$'000	\$'000	\$'000	\$'000
Revenue				
Philippines	3,774	3,813	17,157	20,068
China	3,739	2,730	15,148	11,455
Thailand	1,101	1,248	4,764	5,541
Mexico	706	253	3,266	1,933
Hungary	169	63	1,422	1,269
Malaysia	478	205	1,211	1,114
Singapore	202	497	873	1,013
Germany	496	120	899	262
Others	20	98	718	2,138
Total	10,685	9,027	45,458	44,793

	The Group	
	FY2021	FY2020
	\$'000	\$'000
Non-current assets		
Philippines	19,994	21,891
China	5,692	6,331
Thailand	3,400	2,636
Malaysia	3,531	3,895
Singapore	3,691	3,149
Total	36,308	37,902

Non-current assets excluding financial assets at FVTPL, other receivables and deferred tax assets are analysed by the location of the assets.

4.5 Breakdown of revenue

	The Group		
	FY2021	FY2020	Change
	\$'000	\$'000	%
Sales reported for first half year	23,600	27,854	(15.3)
Operating profit / (loss) after tax before deducting non controlling interests reported for first half year	633	(999)	N.M
Sales reported for second half year	21,858	16,939	29.0
Operating loss after tax before deducting non controlling interests reported for second half year	(8,365)	(22,322)	(62.5)

5. Financial assets and financial liabilities

	The Group		The Company	
	Aug-21 \$'000	Aug-20 \$'000	Aug-21 \$'000	Aug-20 \$'000
Financial assets				
Cash and bank balances	3,045	3,074	236	356
Fixed deposits	152	149	-	-
Trade and other receivables (excluding advances and GST recoverable)	10,197	10,433	2,426	1,589
Financial assets at amortised cost	13,394	13,656	2,662	1,945
Financial assets at FVTPL	-	-	-	-
Financial liabilities				
Trade and other payables ¹	15,641	8,872	1,810	8,232
Bank borrowings	9,219	7,949	2,823	1,689
Lease liabilities	268	394	237	363
Financial liabilities at amortised cost	25,128	17,215	4,870	10,284

¹ refer to section F (3F)

6. Loss before taxation

6.1. Significant items

	The Group			
	4Q2021 \$'000	4Q2020 \$'000	FY2021 \$'000	FY2020 \$'000
Income				
Government grants	9	122	156	164
Miscellaneous income	40	53	261	134
Gain on disposal of plant and equipment	62	-	273	-
Interest income	2	-	23	8
Insurance claim, net	10	-	898	-
	123	175	1,611	306
Expenses				
Impairment loss on investment in Core Power	-	17,674	-	17,674
Supplies and services	1,030	1,117	4,088	4,133
Utilities	367	302	1,419	1,541
Property, plant and equipment written off / (write back) ¹	1,416	(1,388)	1,416	1,524
Transportation and travelling	149	95	502	635
Office and sundry expenses	303	188	635	628
Repair and maintenance	100	168	436	516
Others	349	156	726	497
Professional fees	127	81	437	477
Impairment loss on properties, plant and equipment ¹	4,995	436	4,995	436
Fair value loss on investment properties	316	262	316	262
Allowance for / (reversal of) doubtful other receivables	36	1	(20)	148
Gain on foreign exchange, net	(365)	162	(49)	68
Loss on disposal of plant and equipment	-	83	-	56
Other tax	34	-	109	-
	8,857	19,337	15,010	28,595

¹ attributable to subsidiary in the Philippines for 4Q2021 and FY2021

6. Loss before taxation (continued)

6.2. Related party transactions

	The Group			
	4Q2021	4Q2020	FY2021	FY2020
	\$'000	\$'000	\$'000	\$'000
Sales	-	-	-	12
Disposal of assets	-	-	-	29
Purchases	-	-	-	1
Lease rental	18	24	90	99

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

	The Group			
	4Q2021	4Q2020	FY2021	FY2020
	\$'000	\$'000	\$'000	\$'000
Short-term employee benefits	275	274	1,098	1,094
Post-employment benefits	11	11	43	42
Share-based payments	-	-	-	-
	285	284	1,141	1,136
Directors' remuneration				
- of the Company	130	132	580	589
- of the subsidiaries	41	38	165	151
	171	170	745	740

7. Income tax expense

	The Group			
	4Q2021	4Q2020	FY2021	FY2020
	\$'000	\$'000	\$'000	\$'000
Current tax				
- current financial year	261	42	287	215
- under provision in prior financial years	-	8	-	8
- withholding tax	51	-	59	52
	312	50	346	275
Deferred tax				
- current financial year	(50)	30	(50)	30
	262	80	296	305

8. Dividends

	The Group	
	2021	2020
	\$'000	\$'000
Ordinary dividend paid:		
Final tax exempt dividend	-	-
Interim tax exempt dividend	-	-
	-	-
Dividend per share (net of tax)	-	-

9. Loss per share

	The Group			
	4Q2021	4Q2020	FY2021	FY2020
Loss per share (cents)				
- Basic	(1.47)	(2.99)	(1.30)	(3.84)
- Diluted	(1.47)	(2.99)	(1.30)	(3.84)
Weighted number of ordinary shares ('000)				
for the purpose of:				
- basic share	596,311	607,604	599,666	607,604
- effect of dilution from outstanding RSP share awards	-	895	-	895
- diluted EPS	596,311	608,499	599,666	608,499

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

Diluted loss per share is the same as the basic loss per share for 4Q2021 and FY2021 because the Company did not have any potentially dilutive instruments as at 31 August 2021.

Diluted loss per share is the same as the basic loss per share for 4Q2020 and FY2020 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

	The Group		The Company	
	31 August		31 August	
	2021	2020	2021	2020
Net assets value per ordinary share (\$ cents)	5.02	6.32	3.56	3.84

Net asset value per share is calculated based on share capital of 596,310,890 and 607,603,590 ordinary shares in issue, excluding treasury shares and subsidiary holdings, as at 31 August 2021 and 31 August 2020 respectively.

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

	The Group and the Company	
	2021	2020
	\$'000	\$'000
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	-	-

No valuation is performed as the Company has determined the fair value of FVTPL as at 31 August 2021 to be \$nil.

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:

Category	Methods and assumptions
- 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

12. Property, plant and equipment

During the 4Q2021, the Group acquired assets amounting to \$848,000 (4Q2020: \$960,000), provided for impairment loss amounting to \$4,995,000 (4Q2020: \$432,000) and disposed and wrote off assets, net of accumulated depreciation, amounting to \$1,343,000 (4Q2020: \$2,220,000).

During the twelve months ended 31 August 2021, the Group acquired assets amounting to \$8,060,000 (31 August 2020: \$1,842,000), provided for impairment loss amounting to \$4,995,000 (31 August 2020: \$432,000) and disposed and wrote off assets, net of accumulated depreciation amounting to \$1,343,000 (31 August 2020: \$2,221,000).

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	
	2021	2020
	\$'000	\$'000
At fair value		
Balance as at the beginning of the financial year	6,755	6,933
Net fair value loss recognised in profit or loss	(316)	(262)
Currency realignment	(136)	84
Balance as at the end of the financial year	6,303	6,755

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.

14. Intangible assets

Intangible assets represent club memberships acquired at cost.

15. Borrowings

	The Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current				
Secured				
- Term loans	3,204	4,729	-	189
- Bank overdrafts	-	-	-	-
Unsecured				
- Term loans	702	94	702	94
	3,906	4,823	702	283
Non-Current				
Secured				
- Term loans	3,192	1,720	-	-
Unsecured				
- Term loans	2,121	1,406	2,121	1,406
	5,313	3,126	2,121	1,406
Total borrowings	9,219	7,949	2,823	1,689

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			
	31-Aug-21		31-Aug-20	
	Number of shares '000	\$'000	Number of shares '000	\$'000
<u>Issued and fully paid</u>				
Share capital	612,670	49,079	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.

There were no changes in the Company's share capital since the end of the previous period reported on 31 May 2021 to 31 August 2021.

There were no outstanding share options or convertibles as at 31 August 2021 and 31 August 2020. The Company did not have any subsidiary holdings as at 31 August 2021 and 31 August 2020.

17. Treasury shares

	The Group and the Company			
	31-Aug-2021		31-Aug-2020	
	Number of shares '000	\$'000	Number of shares '000	\$'000
Balance as at the beginning of the financial year	5,066	253	5,066	253
Repurchase during the financial year	11,293	380	-	-
Balance as at the end of the financial year	16,359	633	5,066	253

17. Treasury shares (continued)

There were no sales, transfer, cancellation and/or use of treasury shares as at the end of 4Q2021.

	The Group and the Company	
	Number of shares ('000)	
	31-Aug-21	31-Aug-20
Total number of issued shares	612,670	612,670
Treasury shares	(16,359)	(5,066)
Total number of issued shares, excluding treasury shares	596,311	607,604

As at 31 August 2021, the Company held 16,358,600 (31 August 2020: 5,965,900) treasury shares which represented approximately 2.7% (31 August 2020: 0.8%) of the total issued shares (excluding treasury shares and subsidiary holdings) comprising 596,310,890 (31 August 2020: 607,603,590) 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 31 August 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 and twelve-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 report for 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 FY2020 and 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

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)	4Q2021	4Q2020	Change %	FY2021	FY2020	Change %
Automotive	4,280	3,440	24.4	21,281	15,501	37.3
Consumer electronics	5,226	4,572	14.3	19,334	19,503	(0.9)
Data storage	829	679	22.1	3,452	8,422	(59.0)
Rental	350	336	4.2	1,391	1,367	1.8
Total	10,685	9,027	18.4	45,458	44,793	1.5

4Q2021 vs 4Q2020

Revenue for the current quarter increased by \$1.7 million or 18.4% to \$10.7 million from a relatively low base of \$9.0 million for the same quarter of last year. 4Q2020 revenue was low due mainly to low business volume arising from poor business sentiments due to the COVID-19 pandemic and the fire incident in the Philippines as announced on SGXNET on 28 May 2020 ("Fire Incident"). The increase in revenue in 4Q2021 across all the segments are mainly due to improved sales orders from customers and the replenishment of inventory from customers, following the disruptions during the COVID-19 pandemic and the Fire Incident.

FY2021 vs FY2020

Revenue for the current financial year increased marginally by \$0.7 million or 1.5% to \$45.5 million. The revenue from automotive increased by 37.3% mainly due to increased sales orders from customers in China. Revenue from data storage decreased significantly mainly due to cancellation of sales orders from customers in the Philippines, as the customers have diverted their orders to alternative suppliers after the Fire Incident.

B. Raw materials and consumables used & changes in inventories

4Q2021 vs 4Q2020

Raw materials and consumables used increased by \$1.8 million or 33.3% for the current quarter, which was mainly due to the increase in price of raw materials and changes in product mix.

FY2021 vs FY2020

Raw materials and consumables used increased by \$1.0 million or 3.7% for the current financial year, which was mainly due to the increase in price of raw materials and changes in product mix. Despite the increase in revenue, the price of raw materials rises faster than the revenue.

C. Other Income**4Q2021 vs 4Q2020**

Other income decreased by \$0.1 million from \$0.2 million in 4Q2020 mainly due to the decrease in government grants. The government grants are related to wages subsidies as part of temporary relief measures implemented by the Government enacted on 7 April 2020 in light of the COVID-19 pandemic.

FY2021 vs FY2020

Other income increased by \$1.3 million from \$0.3 million in FY2020 to \$1.6 million in FY2021. The increase was mainly due to the partial proceeds from insurance claim of \$0.9 million received in relation to the Fire Incident, gain on disposal of properties, plant and equipment ("PPE") of \$0.3 million and increase in miscellaneous income of \$0.1 million which is one-off.

D. Total Costs and Expenses**4Q2021 vs 4Q2020**

Total costs and expenses decreased by \$8.4 million or 29.4% for the current quarter, mainly due to the absence of \$17.7 million attributable to the loss arising from valuation of retained interest in former associate upon the derecognition of investment in associate in the last financial year and the reversal of PPE impairment in 4Q2020. Excluding these one-off expenses, the total costs and expenses increased by \$7.9 million mainly due to i) the impairment of property plant and equipment ("PPE") of \$4.9 million pursuant to the impairment review of the Group's PPE, (ii) the write-off of plant and equipment of \$1.4 million (iii) increase in raw materials and consumables used of \$1.8 million as mentioned above, (iv) increase in employee benefit expenses of \$0.5 million due to increase of production activity as compared with 4Q2020, (v) provision for claim from a customer of \$0.2 million on the damaged equipment caused by the Fire Incident and (vi) increase in fair value loss on investment properties of \$0.1 million. The impairment of PPE and the write-off of plant and equipment in 4Q2021 was attributable to the subsidiary in the Philippines mainly as a result of (i) change in business conditions in the Philippines as the customers have diverted to alternative suppliers after the fire incident in May 2020 and ii) loss of project in the Philippines as announced by the Company on SGXNET on 8 September 2021.

The increase in costs and expenses was partially offset by the increase in foreign exchange gain of \$0.5 million due to the strengthening of USD and RMB against SGD in 4Q2021 compared with 4Q2020 and the decrease in depreciation and amortisation expenses of \$0.2 million as certain PPE have been fully depreciated.

FY2021 vs FY2020

Total costs and expenses decreased by \$12.5 million or 18.7% for the current financial year, mainly due to the absence of \$17.7 million attributable to the loss arising from valuation of retained interest in former associate upon the derecognition of investment in associate. Excluding this, the total costs and expenses increased by \$5.1 million mainly due to i) impairment of PPE of \$4.9 million in connection with the impairment review of Group's PPE, ii) increase in raw material and consumables used of \$1.0 million as mentioned above, iii) increase in employee benefit expenses of \$0.4 million due to increase of production activity, (iv) provision for customer claim of \$0.2 million as mentioned above and (v) increase in fair value loss on the investment properties of \$0.1 million, partially offset by the reversal of allowance for inventory obsolescence of \$0.6 million upon disposal during the current financial year and decrease in depreciation and amortisation expenses of \$0.3 million as certain PPE have been fully depreciated. The impairment of PPE and the write-off of plant and equipment in FY2021 was attributable to the subsidiary in the Philippines mainly as a result of (i) change in business conditions in the Philippines as the customers have diverted to alternative suppliers after the fire incident in May 2020 and ii) loss of project in the Philippines as announced by the Company on SGXNET on 8 September 2021.

E. Loss after Income Tax**4Q2021 vs 4Q2020**

Loss after income tax decreased by \$9.4 million from \$18.1 million in 4Q2020 to \$8.7 million in 4Q2021 mainly due to the decrease in total costs and expenses of \$8.4 million as mentioned above and increase in revenue of \$1.7 million, partially offset by the absence of share of results of associate of \$0.4 million upon derecognition of investment in associate in FY2020, and an increase in income tax expense of \$0.2 million.

FY2021 vs FY2020

Loss after income tax decreased by \$15.6 million from \$23.3 million in FY2020 to \$7.7 million in FY2021 mainly due to the decrease in total costs and expenses of \$12.5 million as mentioned above, increase in other income of \$1.3 million, the absence of share of loss of associate of \$1.1 million upon derecognition of investment in associate in FY2020, and increase in the revenue of \$0.7 million.

F. Assets and Liabilities

Current assets increased by \$1.0 million from \$21.0 million as at 31 August 2020 to \$22.0 million as at 31 August 2021. This was mainly due to the increase in inventories of \$1.2 million from the Group's subsidiaries in the Philippines and China, in line with the increase in revenue. 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**"). The Company is still working with various local authorities including 惠州市住房和城乡建设局, 惠州市自然资源局 and 惠州市房产管理局 on the administrative procedures for the transfer of land ownership. The Company will update shareholders in respect of the completion of the Proposed Disposal as and when there are any material developments.

Current liabilities increased by \$5.8 million from \$13.6 million as at 31 August 2020 to \$19.4 million as at 31 August 2021, mainly due to the increase in trade and other payables of \$6.7 million which is largely attributable to (i) the increase in trade payables of \$4.8 million in our China subsidiary which experienced an increase in production activities as compared to the end of the preceding financial year; and (ii) the post-tax net proceeds of approximately \$1.9 million from the Proposed Disposal, offset by the decrease in bank borrowings of \$0.9 million due to repayment.

Non-current assets decreased by \$1.7 million from \$38.0 million as at 31 August 2020 to \$36.3 million as at 31 August 2021 mainly due to an decrease in the PPE by \$1.2 million due to the acquisition of PPE of \$8.0 million in the Philippines and China, offset by the impairment of PPE of \$4.9 million and PPE written off of \$1.4 million and depreciation expenses of \$2.8 million and decrease in the fair value of investment properties of \$0.5 million (note 14).

Non-current liabilities increased by \$1.8 million from \$5.1 million as at 31 August 2020 to \$6.9 million as at 31 August 2021, mainly due to the proceeds of new bank borrowings of \$4.5 million for working capital purposes, offset by the repayment of bank borrowings and obligation of lease liability of \$2.6 million and \$0.1 million respectively during the financial year.

G. Equity

Equity attributable to owners of the parent decreased by \$8.5 million from \$38.4 million as at 31 August 2020 to \$29.9 million as at 31 August 2021. The decrease was mainly due to loss after tax of \$7.8 million, with \$0.2 million of statutory reserve transferred from retained earnings in accordance with the statutory requirement in the Group's subsidiary in China and Thailand, \$0.4 million attributable to the Company's purchases of its shares pursuant to its share buy-back mandate where the shares purchased were held as treasury shares and loss in foreign currency translation of \$0.4 million due to weaker USD against SGD as compared with financial year ended 31 August 2020, offset by the actuarial gain on defined benefit plan of \$0.2 million, net of tax.

H. Cash Flows

4Q2021 vs 4Q2020

Cash and cash equivalents decreased by \$0.1 million from \$3.1 million as at 31 August 2020 to \$3.0 million as at 31 August 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 used in operating activities amounted to \$0.3 million during 4Q2021. The cash used in operations of \$1.5 million before changes in working capital decreased mainly as a result of, net increase in inventories of \$0.1 million, interest paid and income tax paid of \$0.1 million, partially offset by higher trade and other payables of \$0.8 million and the decrease in trade and other receivables of \$0.5 million.

Net cash used in investing activities amounted to \$1.1 million in 4Q2021, which was mainly due to the purchase of plant and equipment by our subsidiaries in the Philippines and China.

Net cash from financing activities amounted to \$0.1 million in 4Q2021 mainly due to the proceeds from bank borrowings of \$1.5 million obtained by Group's subsidiaries in China, partially offset by the repayment of bank borrowings of \$1.3 million and payment of principal lease liabilities and interest of \$34,000.

FY2021 vs FY2020

Net cash from operating activities amounted to \$4.8 million during FY2021. The cash from operations of \$1.3 million before changes in working capital increased mainly as a result of, higher trade and other payables of \$4.0 million and the decrease in trade and other receivables of \$1.0 million, offset by an net increase in inventories of \$0.5 million, interest paid of \$0.3 million and income tax paid of \$0.5 million.

Net cash used in investing activities amounted to \$5.6 million in FY2021, which was mainly due to the purchase of plant and equipment by our subsidiaries in the Philippines and China of \$8.3 million offset by the proceeds from the disposal of asset held for sale of \$2.5 million and proceeds from disposal of plant and equipment of \$0.2 million.

Net cash from financing activities amounted to \$0.7 million in FY2021 mainly due to the proceeds from bank borrowings of \$7.3 million obtained by the Company and Group's subsidiaries in the Philippines and China, partially offset by the repayment of bank borrowings of \$6.1 million, \$0.4 million attributable to the purchase of shares mentioned above and payment of principal lease liabilities and interest of \$0.2 million.

4. 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 FY2021 are in line with the Company's profit guidance announcement dated 19 October 2021. Save for the aforementioned, no forecast of 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.

The global economic outlook remains uncertain with the prolonged COVID-19 pandemic, and coupled with the rising raw material costs and shortages, the Group maintains a cautious outlook in the next 12 months.

The Group will continue to explore various business opportunities as and when they arise.

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 4Q2021.

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)
Total	Nil	Nil

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, as of the date of this results announcement, no placement proceeds 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 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 Catalist Rules.

11. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to paragraph 3 above.

12. 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(10) 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	68	Husband of Pek Yee Chew, substantial shareholder.	CEO, since 1991	Nil

13. Additional information required pursuant to Rule 706A

During 4Q2021, 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
30 Oct 2021

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.