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**27 January 2020**

**For Immediate Release**

**AIQ Limited**  
(“AIQ” or the “Company”)

### **Final Results and Publication of Annual Report**

AIQ Limited, a special purpose acquisition company formed to undertake one or more acquisitions of a company or business in the e-commerce sector, announces its final results for the year ended 31 October 2019.

#### **Highlights**

- Entered into conditional, non-binding heads of terms to acquire the entire issued share capital of Alchemist Codes Sdn. Bhd. for a non-cash consideration of approximately £2.3 million
- Net loss reduced to £503,608 (2018: £654,276 loss)
- Strong cash position of £3.7 million at 31 October 2019 (31 October 2018: £4.1 million)
- Basic loss per share of 1.0 pence (2018: 1.6 pence loss)

#### **Chairman's Statement**

I am pleased to present the final results of AIQ Limited for the year ended 31 October 2019.

During the year, the Board remained active in its search for acquisition opportunities. The Directors reviewed a number of opportunities in the e-commerce, social media and artificial intelligence sectors, and in September signed non-binding heads of terms to acquire the entire issued share capital of Alchemist Codes Sdn. Bhd. (“Alchemist” or “AI Codes”) for a consideration of approximately £2.3 million to be satisfied through the issue of new ordinary shares in the Company (the “Potential Acquisition”).

Alchemist is a Malaysian incorporated information technology solutions developer for the e-commerce sector. Alchemist has two primary lines of business: an IT consultancy business, which engages in online app development for clients, and an e-commerce app, OCTAPLUS, which leverages proprietary data analytic tools, including artificial intelligence technology, for user targeting. Alchemist's key customer regions are currently Malaysia, Singapore and Hong Kong, with expansion plans to grow into China and Europe.

The Potential Acquisition is conditional upon, among other things, the completion of satisfactory due diligence, the negotiation and the entry into of legal documentation, any requisite third party consents being obtained and (as described further below) the readmission of the Company's enlarged share capital to the Standard Listing segment of the Official List of the Financial Conduct Authority (the “FCA”), and return to trading of the Ordinary Shares (existing and new) on the London Stock Exchange's (the “LSE”) Main Market for listed securities.

Due to the nature of the Potential Acquisition, it will constitute a reverse takeover under the FCA's Listing Rules since, inter alia, in substance it will result in a fundamental change in the business of the Company. As a consequence, the Company requested the suspension of the listing in the Ordinary Shares on the Standard Listing segment of the Official List of the FCA, and trading in the Ordinary Shares on the LSE's Main Market for listed securities was suspended with effect from 16 September, until the Company publishes a prospectus in relation to the Potential Acquisition or it being announced that the Potential Acquisition will not proceed.

On behalf of the Board, I would like to thank our shareholders for their continued support and we very much look forward to updating the market at the earliest opportunity regarding progress in our negotiations with Alchemist.

**Graham Duncan**  
**Non-Executive Chairman**

## **Financial Review**

The net loss for the year ended 31 October 2019 was £503,608 (2018: £654,276 loss), comprising day-to-day administrative expenses of £487,791 (2018: £381,806) and foreign exchange losses of £35,630 (2018: £147,078 gain). The reduction in loss compared with 2018 is primarily due to the transaction costs of £438,096 in the earlier period associated with the Company's Standard Listing. The increase in administrative expenses primarily resulted from consultancy and professional fees in relation to identifying and assessing acquisition targets. In addition, there was a full year of operations for 2019 compared with approximately ten months in the comparative period from the Standard Listing on 9 January 2018 to 31 October 2018.

As a result of the lower net loss, the loss per share was reduced to 1.0 pence (2018: 1.6 pence loss).

The Company had a strong cash position of £3.7 million at 31 October 2019 compared with £4.1 million at 31 October 2018.

## **Dividends**

The Directors do not propose a dividend for the year ended 31 October 2019.

## **Growth Strategy and Outlook**

The Company's near-term goals are to execute its acquisition strategy. In the event of the completion of the Potential Acquisition, the Board expects the immediate focus to be on increasing the registered user base of OCTAPLUS via social media-based marketing while seeking to raise awareness of Alchemist and OCTAPLUS through broader marketing and supporting development of the business through targeted recruitment. The Board looks forward to updating the market, as applicable, in due course.

## **Publication of Annual Report**

The Company's annual report and accounts for the year ended 31 October 2019 has been published today and is available on the AIQ website at: <http://www.aiqhub.com/web/investor.php>.

## STATEMENT OF COMPREHENSIVE INCOME

		Year ended 31 October 2019	Period from 11 October 2017 to 31 October 2018
	Note	£	£
Administrative expenses	7	(487,791)	(381,806)
Transaction costs	13	-	(438,096)
(Losses) / gains on foreign exchange (net)		(35,630)	147,078
<b>Operating loss</b>		<u>(523,421)</u>	<u>(672,824)</u>
Finance income		19,813	18,548
<b>Loss before taxation</b>	7	<u>(503,608)</u>	<u>(654,276)</u>
Taxation	9	-	-
<b>Loss and total comprehensive income for the year/period</b>		<u>(503,608)</u>	<u>(654,276)</u>
Loss per share – basic and diluted (£ per share)	10	(0.010)	(0.016)

The accompanying notes form an integral part of these financial statements.

**STATEMENT OF FINANCIAL POSITION**  
**As at 31 October**

	Note	31 Oct 2019 £	31 Oct 2018 £
<b>Assets</b>			
<b>Current assets</b>			
Rental deposit		12,300	15,708
Cash and cash equivalents	11	3,703,592	4,103,928
<b>Total current assets</b>		<u>3,715,892</u>	<u>4,119,636</u>
<b>Total assets</b>		<u>3,715,892</u>	<u>4,119,636</u>
<b>Equity and liabilities</b>			
<b>Capital and reserves</b>			
Ordinary shares	13	518,394	518,394
Share premium		3,848,420	3,848,420
Accumulated losses		(1,157,884)	(654,276)
<b>Total equity</b>		<u>3,208,930</u>	<u>3,712,538</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accruals and other payables		218,151	118,287
Amounts due to a director	12	288,811	288,811
<b>Total current liabilities</b>		<u>506,962</u>	<u>407,098</u>
<b>Total equity and liabilities</b>		<u>3,715,892</u>	<u>4,119,636</u>

The accompanying notes form an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 24 January 2020 and signed on its behalf by:

**Soon Beng Gee (Nicholas)**

**Director**

**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 31 October 2019**

	Share capital £	Share premium £	Accumulated losses £	Total equity £
On incorporation	152	-	-	152
Total comprehensive loss for the financial period	-	-	(654,276)	(654,276)
Issue of shares during the period	518,242	3,848,420	-	4,366,662
<b>Balance at 31 October 2018</b>	<b>518,394</b>	<b>3,848,420</b>	<b>(654,276)</b>	<b>3,712,538</b>
Total comprehensive loss for the financial year	-	-	(503,608)	(503,608)
<b>Balance at 31 October 2019</b>	<b>518,394</b>	<b>3,848,420</b>	<b>(1,157,884)</b>	<b>3,208,930</b>

The accompanying notes form an integral part of these financial statements.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 OCTOBER 2019

	<b>Year ended 31 October 2019 £</b>	<b>Period from 11 October 2017 to 31 October 2018 £</b>
<b>Cash flows from operating activities</b>		
Loss before taxation	(503,608)	(654,276)
<i>Adjustment for:-</i>		
Interest income	(19,813)	(18,548)
Loss / (gain) on foreign exchange	35,630	(147,078)
Operating loss before working capital changes	(487,791)	(819,902)
Decrease / (increase) in receivables	3,408	(15,708)
Increase in payables	99,864	118,287
Increase in amount owing to a director (Note 15)	-	288,811
<b>Cash used in operations</b>	(384,519)	(428,512)
Interest received	19,813	18,548
<b>Net cash used in operating activities</b>	(364,706)	(409,964)
<b>Cash flows from financing activities</b>		
Proceeds from issue of ordinary shares	-	4,366,814
<b>Net cash generated from financing activities</b>	-	4,366,814
<b>Net (decrease) / increase in cash and cash equivalents</b>	(364,706)	3,956,850
Cash and cash equivalents at beginning of the period	4,103,928	-
Effect of exchange rates on cash and cash equivalents	(35,630)	147,078
<b>Cash and cash equivalents at end of the period</b>	3,703,592	4,103,928

The accompanying notes form an integral part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

AIQ Limited ("The Company") was incorporated and registered in The Cayman Islands as a private company limited by shares on 11 October 2017 under the Companies Law (as revised) of The Cayman Islands, with the name AIQ Limited, and registered number 327983.

The Company's registered office is located at 5th Floor Genesis Building, Genesis Close, PO Box 446, Cayman Islands, KY1-1106.

The Company has a standard listing on the London Stock Exchange.

### 2. PRINCIPAL ACTIVITIES

The principal activity of the Company is to seek acquisition opportunities, initially focusing on the e-commerce sector.

### 3. ACCOUNTING POLICIES

#### a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

The comparative figures for the Statement of Comprehensive Income are for a period from 11 October 2017 to 31 October 2018 and consequently are not directly comparable.

The Company has adopted all standards and interpretations which became effective during the period, none of which had a significant impact on these financial statements.

#### *IFRSs published but not yet effective*

At the date of authorisation of the financial statements, certain new standards, amendments and interpretations to existing standards applicable to the Company have been published but are not yet effective.

The Directors anticipate that the adoption of such IFRSs in future periods, if applicable, will not have a material impact on the financial statements of the Company in the period of initial adoption.

#### b) Going concern

The Company meets its day-to-day working capital requirements through cash generated from the capital it has raised on admission to the London Stock Exchange and subsequently. It has £3.7 million in cash which is sufficient for its present needs.

Taking its cash position into account, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and for a period of not less than 12 months. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### c) Foreign currency transactions and translation

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rate of exchange prevailing on the date of the transaction.

The functional currency of the Company is the British Pound Sterling. This is based on the principal currency of expenditure and the Company's equity raise, all being in Sterling. At the end of each

financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

#### **d) Financial instruments**

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

#### **Non-derivative financial instruments**

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, and trade and other payables.

##### *Trade and other receivables*

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

##### *Trade and other payables*

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits.

#### **e) Financial assets**

##### **(i) Initial recognition and measurement**

The Company classifies its existing financial assets as financial assets carried at amortised cost. The classification depends on the nature of the assets and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and this designation at every reporting date.

##### *Financial assets carried at amortised cost*

Financial assets carried at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than twelve months after the reporting date which are classified as non-current assets. They include cash and bank balances, and a rental deposit.

Subsequent to initial recognition, these assets are measured at amortised cost using the effective interest rate method, less impairment.

Impairment of financial assets is considered using a forward-looking expected credit loss (ECL) review.

(ii) De-recognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

**f) Financial liabilities**

The Company's financial liabilities include amounts due to a director and other payables and accruals. Financial liabilities are recognised when the Company becomes a party to the contractual provision of the instrument. All financial liabilities are recognised initially at their fair value, net of transaction costs, and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

**g) Share capital**

Proceeds from issuance of ordinary shares are classified as equity. Amounts in excess of the nominal value of the shares issued is recognised as share premium.

Transaction costs that are directly attributable to the issue of share capital are deducted from share premium.

**h) Current and deferred income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The Company is incorporated in the Cayman Islands, and its activities are subject to taxation at a rate of 0%. Therefore, the Company's activities are not currently exposed to taxation.

**i) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**j) Leases**

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

**k) Finance income and expense**

Finance income comprises interest receivable on funds invested.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

## I) Earnings per share

Basic earnings per share is computed using the weighted average number of shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of shares during the period plus the dilutive effect of dilutive potential ordinary shares outstanding during the period.

## 4. ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparation of financial information in conformity with IFRSs as adopted by the European Union requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

It is the Directors' view that there are no significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect on the amount recognised in the financial information for the period.

## 5. FINANCIAL RISK MANAGEMENT

### a) Categories of financial instruments

The carrying amounts and fair value of the Company's financial assets and liabilities as at the end of the reporting period are as follows:

#### Financial assets:

	<b>As at 31 October 2019 £</b>	<b>As at 31 October 2018 £</b>
Rental deposit	12,300	15,708
Cash and cash equivalents	3,703,592	4,103,928
	<u>3,715,892</u>	<u>4,119,636</u>

#### Financial liabilities at amortised cost:

	<b>As at 31 October 2019 £</b>	<b>As at 31 October 2018 £</b>
Accruals and other payables	218,151	118,287
Amounts due to a director	288,811	288,811
	<u>506,962</u>	<u>407,098</u>

The financial assets and financial liabilities maturing within the next 12 months approximate their fair values due to the relatively short-term maturity of the financial instruments.

## b) Financial risk management objectives and policies

The Company is exposed to a variety of financial risks: market risk (including interest rate risk and currency risk), credit risk and liquidity risk. The risk management policies employed by the Company to manage these risks are discussed below. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risk stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures to minimise operational and legal risks.

### i) Interest rate risks

Certain cash holdings and cash equivalents are held in accounts with variable rates. If interest rates were to increase or decrease by 1%, the effect would be to increase/decrease interest income by approximately £30,000 (2018: £30,000) per annum.

### ii) Currency risks

The Company is exposed to exchange rate fluctuations as certain transactions are denominated in foreign currencies.

At 31 October 2019 the Company had £3,036,744 (2018: £3,095,270) of cash and cash equivalents in a United States Dollar account. At 31 October 2019, had the exchange rate between the Pound Sterling and United States Dollar increased/decreased by 10%, the effect on the result in the period would be a gain of £303,674 (2018: £309,527) / loss of £303,674 (2018: £309,527).

### iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit allowances are made for estimated losses that have been incurred by the reporting date. No such amounts have been made to date.

Concentrations of credit risk exist to the extent that the Company's cash balances were all held with RHB Bank Berhad in Singapore.

S&P Global Ratings affirmed on 31 October 2019 the issuer credit ratings of RHB Bank Bhd at BBB+/Stable/A-2, while their ASEAN regional scale ratings were affirmed at "axA+/"axA-1."

### iv) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's financial liabilities are primarily amounts due to a director. The amounts are unsecured, interest-free and repayable on demand. There are no immediate plans for these amounts to be settled.

## 6. SEGMENT REPORTING

AIQ Limited has no activities at present other than reviewing possible investment opportunities.



Included within accruals is £154,000 (2018: £70,000), which relates to remuneration of the Executive Directors, who have not yet taken payment for their fees. The Company did not have any employees during the year ended 31 October 2019 or the period ended 31 October 2018.

## 9. TAXATION

The Company is incorporated in the Cayman Islands, and its activities are subject to taxation at a rate of 0%.

## 10. LOSS PER SHARE

The Company presents basic and diluted loss per share information for its ordinary shares. Basic loss per share is calculated by dividing the loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the reporting period. Diluted earnings per share are determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

There is no difference between the basic and diluted earnings per share, as the Company has no potential ordinary shares.

	Year ended 31 October 2019	Period from 11 October 2017 to 31 October 2018
Loss attributable to ordinary shareholders (£)	(503,608)	(654,276)
Weighted average number of shares	51,839,375	41,007,680
<b>Loss per share (expressed as £ per share)</b>	<b>(0.010)</b>	<b>(0.016)</b>

## 11. CASH AND CASH EQUIVALENTS

	31 October 2019 £	31 October 2018 £
Cash at bank	3,703,592	4,103,928

Cash at bank earns interest at floating rates based on daily bank deposit rates.

## 12. AMOUNTS DUE TO A DIRECTOR

	31 October 2019 £	31 October 2018 £
Amounts due to a director	288,811	288,811

The amounts due to a director are unsecured, interest free and repayable on demand. The balance arose from administrative expenses and transaction costs settled by the director on behalf of the Company in the period ended 31 October 2018, prior to the Company's bank account being opened.

### 13. SHARE CAPITAL

	Number	Nominal value £
<b>Authorised</b>		
Ordinary shares of £0.01 each	800,000,000	8,000,000
<b>Issued and fully paid</b>		
On incorporation – 200 shares of US\$1.00 each	200	152
Subdivided share capital into £0.01 each	15,160	152
Issue of shares in the period ended 31 October 2018	51,824,215	518,242
At 31 October 2018 and 31 October 2019	51,839,375	518,394

The holders of Ordinary Shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

The transaction costs expensed in the period ended 31 October 2018 related to the costs of admission to the Official List of the London Stock Exchange. These principally involved the listing of shares already issued; hence the costs were not directly related to the issue of equity instruments.

### 14. LEASE COMMITMENTS

As at the reporting date, the Company had commitments for future minimum lease payments under non-cancellable operating leases as follows:

	As at 31 October 2019 £	As at 31 October 2018 £
Within one year	-	10,008
	-	10,008
Amount recognised in profit or loss:		
Lease expenses	30,014	39,912

These lease commitments related to the lease of the Company's office which was terminated in the year.

### 15. NOTE TO THE STATEMENT OF CASH FLOWS

#### Reconciliation of amounts due to a director

	Director's loan £
Balance at 11 October 2017	-
Settlement of payables on behalf of the Company (note 12)	288,811
<b>Balance at 31 October 2018 and 31 October 2019</b>	<b>288,811</b>

### 16. SUBSEQUENT EVENTS

There are no events subsequent to the year-end that require disclosure in these financial statements.

## **17. CAPITAL MANAGEMENT**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the balance between debt and equity.

The capital structure of the Company as at 31 October 2019 consisted of Ordinary Shares and equity attributable to the shareholders of the Company, totalling £3,208,930 (2018: £3,712,538) (disclosed in the statement of changes in equity).

The Company reviews the capital structure on an on-going basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. The Company will balance its overall capital structure through the payment of dividends, new share issues and the issue of new debt or the repayment of existing debt.

## **18. RELATED PARTY TRANSACTIONS**

The remuneration of the Directors, the key management personnel of the Company, is set out in Note 8.

A total £21,000 (2018: £15,000) was paid during the year to Luther Pendragon Limited for financial PR services, a company in which Harry Chathli is a director and shareholder.

As at 31 October 2019, there is a balance due to a director of £288,811 (2018: £288,811) (see Note 12).

## **19. ULTIMATE CONTROLLING PARTY**

As at 31 October 2019, no one entity owns greater than 50% of the issued share capital. Therefore, the Company does not have an ultimate controlling party.