

25 February 2019

AIQ Limited
("AIQ" or the "Company")

Full Year Results and Publication of Annual Report

AIQ (LSE: AIQ), a special purpose acquisition company ("SPAC") formed to undertake one or more acquisitions of a company or business in the e-commerce sector, announces its results for the period from the incorporation of the Company on 11 October 2017 to 31 October 2018.

Summary

- £4.0 million (gross of expenses) raised through a subscription on admission to the Official List of the London Stock Exchange in January 2018
- Raised a further £367,000 (gross of expenses), in aggregate, through a placing and oversubscribed open offer
- The Board has been active in its search for acquisition opportunities and reviewed a number of potential candidates in the e-commerce, social media and artificial intelligence sectors
- Pre-tax loss of £654,276 for the period to 31 October 2018 - primarily based on IPO-related costs and expenditure on the implementation of the Company's investment strategy
- Strong cash position of £4.1 million as at 31 October 2018
- Basic loss per share of 1.6 pence

Graham Duncan, Chairman of AIQ, commented:

"I am pleased to present our first annual results following our listing in January 2018. We have been active in our search for acquisitions and continue to review a number of opportunities in the e-commerce, social media and artificial intelligence sectors, within the UK, Europe and Asia. During the year, we were also successful in raising further capital.

"On behalf of the Board, I would like to thank our shareholders for their support and we very much look forward to updating the market at the earliest opportunity regarding progress in our execution on our investment strategy. With the growth in the global e-commerce markets showing no signs of abating, and a strong balance sheet, we are well-positioned to execute on our targets and deliver shareholder value."

Enquiries

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Introduction

AIQ was formed as a special purpose acquisition company ("SPAC") to undertake one or more acquisitions of a company or businesses involved in the e-commerce sector. The Company raised gross proceeds of approximately £4.0 million (net proceeds of approximately £3.6 million) by way of a subscription from its founding directors and other investors and its Ordinary Shares were admitted to trading on the Official List of the London Stock Exchange (by way of a Standard Listing) ("Admission") on 9 January 2018.

In April 2018, the Company raised a further £115,000 (gross of expenses) by way of a placing of new Ordinary Shares and, in June 2018, approximately £252,000 (gross of expenses) through an open offer. These funds were raised to provide additional capital for acquisitions and to increase liquidity in the Company's shares.

Since Admission, the Board has been active in its search for acquisition opportunities. The Directors continue to review a number of opportunities in the e-commerce, social media and artificial intelligence sectors, within the UK, Europe and Asia. Discussions are at an exploratory stage and the Company has not yet entered into negotiations with such parties.

Financial Review

The Company's cash balances at 31 October 2018 totaled £4.1 million, derived both from the subscription at the time of Admission to the Standard Listing segment of the London Stock Exchange in January and the subsequent placing and open offer in April and June respectively.

No investments were made during the period to 31 October 2018.

The loss for the period to 31 October 2018 was £654,276. The Company did generate any revenues and the majority of the loss reflects the transaction costs of £438,096 associated with the Company's Standard Listing and fundraisings as well as day-to-day administrative expenses of £381,806, partially offset by net foreign exchange gains of £147,078.

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

The loss per share was 1.6 pence.

Dividends

The Directors of AIQ do not propose to declare a dividend for the period ended 31 October 2018.

Growth Strategy and Outlook

The Company's near-term goals are to execute its acquisition strategy in the e-commerce sector. As noted above, the Directors are focusing on businesses located in the UK, Europe and Asia. In particular, the acquisition strategy is focused on identifying businesses or companies that:

- are run by a management team with a strong track record of generating growth for shareholders and a proven experienced business record; and/or
- have attractive commercial prospects within the e-commerce or social marketing sectors in general; and/or
- have existing members or consumers; and/or
- are within lower risk jurisdictions, within countries with a strong focus on protecting investors' interests, low sovereign risk and those that encourage and incentivise investment; and/or
- have revenues that offer the potential for near-term positive cash flows; and/or
- can be funded adequately to be capable of delivery of a realistic plan of achieving credible milestones and significant growth opportunities for shareholders.

The Directors believe that these markets offer significant growth potential. The global e-commerce market is predicted to be worth \$2.3 trillion in 2019, with double-digit growth projected until at least 2022. Asia-Pacific remains the largest market globally, where e-commerce is already the leading retail channel thanks to the region's advanced digital infrastructure and propensity to embrace technology innovation. The

UK is the largest market in Western Europe for e-commerce sales, despite being only the third-largest retailing market, and this year e-commerce is expected to become the main retail channel in the UK, ahead of its neighbours in Europe.

As a result, the Board remains greatly encouraged by the opportunities with which it is being presented. With the growth in the global e-commerce markets showing no signs of abating, and a strong balance sheet, the Company is well-positioned to execute on its targets and deliver shareholder value. 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 period from incorporation on 11 October 2017 to 31 October 2018 has been published today and is available on the AIQ website at: <http://www.aiqhub.com/web/investor.php>.

STATEMENT OF COMPREHENSIVE INCOME

	Period from 11 October 2017 to 31 October 2018
Continuing operations	
	£
Administrative expenses	(381,806)
Transaction costs	(438,096)
Gains on foreign exchange (net)	147,078
Operating loss	<u>(672,824)</u>
Finance income	18,548
Loss before taxation	<u>(654,276)</u>
Taxation	-
Total comprehensive loss attributable to equity holders of the Company for the period	<u><u>(654,276)</u></u>
Loss per share - basic and diluted (£ per share)	(0.016)

There is no other comprehensive income for the period.

STATEMENT OF FINANCIAL POSITION

As at 31 October 2018

	31 October 2018
	£
Assets	
Current assets	
Prepayments and other receivables	15,708
Cash and cash equivalents	4,103,928
Total current assets	<u>4,119,636</u>
Total assets	<u>4,119,636</u>
Equity and liabilities	

Capital and reserves

Ordinary shares	518,394
Share premium	3,848,420
Accumulated losses	(654,276)
Total equity	3,712,538

Liabilities

Current liabilities

Accruals and other payables	118,287
Amounts due to a director	288,811
Total current liabilities	407,098

Total equity and liabilities

4,119,636

The financial statements were approved and authorised for issue by the Board of Directors on 22 February 2019 and signed on its behalf by:

Soon Beng Gee (Nicholas)

Director

STATEMENT OF CHANGES IN EQUITY

For the period from 11 October 2017 to 31 October 2018

	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
Balance at 31 October 2018	518,394	3,848,420	(654,276)	3,712,538

STATEMENT OF CASH FLOWS

	Period from 11 October 2017 to 31 October 2018 £
Cash flows from operating activities	
Loss before taxation	(654,276)
<i>Adjustment for:-</i>	
Interest income	(18,548)
Gain on foreign exchange	(147,078)

Operating loss before working capital changes	(819,902)
Increase in receivables	(15,708)
Increase in payables	118,287
Increase in amount owing to a director	288,811
Cash used in operations	(428,512)
Interest received	18,548
Net cash used in operating activities	(409,964)
Cash flows from financing activities	
Proceeds from issue of ordinary shares	4,366,814
Net cash generated from financing activities	4,366,814
Net increase in cash and cash equivalents	3,956,850
Cash and cash equivalents at beginning of the period	-
Effect of exchange rates on cash and cash equivalents	147,078
Cash and cash equivalents at end of the period	4,103,928

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