

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF EU REGULATION 596/2014.

30 July 2018

For Immediate Release

AIQ Limited
(“AIQ” or the “Company”)

Interim Results

AIQ Limited, 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 unaudited interim results for the period from the incorporation of the Company on 11 October 2017 to 30 April 2018.

Highlights

- Joined the Official List of the London Stock Exchange (by way of a Standard Listing) and raised gross proceeds of approximately £4 million through a subscription for new ordinary shares
- Raised a further £115,000 through a placing and, post period in June 2018, approximately £250,000 through an 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
- At 30 April 2018, the Company had cash of £3.8 million

Graham Duncan, Chairman of AIQ, commented:

“We have taken significant strides in the first few months of AIQ’s existence, both by raising initial capital and building a strong management team. We remain focused on executing on our stated acquisition strategy and are encouraged by the breadth of potential opportunities in the e-commerce, social media and artificial intelligence sectors. 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 in due course on our progress.”

Enquiries

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Chairman's Statement

I am pleased to present the maiden interim report and financial statements of AIQ Limited for the period from our incorporation on 11 October 2017 to 30 April 2018 and following our listing on the London Stock Exchange in January 2018.

AIQ was formed as a special purpose acquisition company ("SPAC") to undertake one or more acquisitions of a company or businesses 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, we raised a further £115,000 (gross of expenses) by way of a placing of new Ordinary Shares and, post period, approximately £250,000 gross 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 have reviewed a number of opportunities in the e-commerce, social media and artificial intelligence sectors and have been encouraged by the breadth of potential acquisition candidates. Discussions are at an exploratory stage and we have not yet entered into negotiations with such parties. The Board looks forward to updating the market, as applicable, in due course.

Financial review

The loss for the period to 30 April 2018 was £620,984. This reflects the transaction costs of £416,812 associated with the Company's Standard Listing and fundraising as well as day-to-day administration expenses of £143,459 and foreign exchange losses of £69,488.

The loss per share was £0.02.

At 30 April 2018, the Company had cash of £3.8 million, derived both from the subscription and admission to the Standard Listing segment of the London Stock Exchange in January and the subsequent placing in April. As mentioned above, post period, in June 2018, we raised gross proceeds of approximately £250,000 through an oversubscribed open offer.

Dividends

The Directors do not propose a dividend for the period ended 30 April 2018.

Outlook

We have taken significant strides in the first few months of the Company's existence, both by raising initial capital and building a strong management team. The Board and management team of AIQ remain focused on executing on the Company's stated acquisition strategy to build a successful business and meet our commercial objectives.

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 on our investment strategy. With the growth in the global e-commerce markets showing no signs of abating, we are well-positioned to execute on our targets and deliver shareholder value.

Graham Duncan
Non-Executive Chairman

27 July 2018

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Note	Period from 11 Oct 2017 to 30 Apr 2018 Unaudited
		£
Administrative expenses		(143,459)
Transaction costs		(416,812)
Loss on foreign exchange		(69,488)
Operating loss		<u>(629,759)</u>
Finance income		8,775
Loss before taxation		<u>(620,984)</u>
Taxation	9	-
Total comprehensive loss attributable to equity holders of the Company for the period		<u><u>(620,984)</u></u>
Loss per share – basic and diluted (£ per share)	10	(0.02)

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

CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As at 30 April 2018

	Note	30 Apr 2018 Unaudited
		£
Assets		
Current assets		
Prepayments and other receivables		17,708
Cash and cash equivalents	11	3,797,742
Total current assets		<u>3,815,450</u>
Total assets		<u>3,815,450</u>
Equity and liabilities		
Capital and reserves		
Ordinary shares	13	505,750
Share premium		3,608,189
Accumulated losses		(620,984)
Total equity		<u>3,492,955</u>
Liabilities		
Current liabilities		
Accruals		47,083
Amounts due to a director	12	275,412
Total current liabilities		<u>322,495</u>
Total equity and liabilities		<u>3,815,450</u>

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

CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE PERIOD ENDED 30 APRIL 2018

	Note	Share capital £	Share premium £	Accumulated losses £	Total equity £
Issue of shares on incorporation on 11 October 2017	13	-	-	-	-
Total comprehensive loss for the financial period		-	-	(620,984)	(620,984)
Issue of shares during the period	13	505,750	3,608,189	-	4,113,939
Balance at 30 April 2018 (Unaudited)		505,750	3,608,189	(620,984)	3,492,955

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

CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

	Period from 11 Oct 2017 to 30 Apr 2018 Unaudited £
Cash flows from operating activities	
Loss before taxation	(620,984)
<i>Adjustment for:-</i>	
Interest income	8,775
Operating loss before working capital changes	(612,209)
Increase in receivables	(17,708)
Increase in payables	47,083
Increase in amount owing to a director	275,412
Cash used in operations	(307,422)
Interest received	(8,775)
Net cash used in operating activities	(316,197)
Cash flows from financing activities	
Proceeds from issue of ordinary shares	4,113,939
Net cash generated from financing activity	4,113,939
Net increase in cash and cash equivalents	3,797,742
Cash and cash equivalents at beginning of the period	-
Cash and cash equivalents at end of the period	3,797,742

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

NOTES TO THE UNAUDITED CONDENSED INTERIM 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.

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 condensed interim financial statements have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and International Accounting Standard 34 “Interim Financial Reporting” (IAS 34) as adopted by the European Union. The accounting policies applied by the Company in these condensed interim financial statements are the same as those set out in the Company’s Prospectus dated 4 January 2018. No material new standards, amendments to standards or interpretations are effective in the period ending 30 April 2018. These financial statements have been prepared under the historical cost convention.

These condensed financial statements do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company’s financial position and performance since inception.

The condensed interim financial statements are unaudited and have not been reviewed by the auditors and were approved by the Board of Directors on 27 July 2018.

The first audited statutory accounts for the Company are expected to be drawn up for the period from incorporation to 31 October 2018, in accordance with Adopted IFRS effective at that date, and will contain an unreserved statement of compliance with Adopted IFRS.

The financial information is presented in Pounds Sterling (£), which is the Company’s functional and presentational currency.

A summary of the principal accounting policies of the Company are set out below.

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 £3.8m in cash which is sufficient for its present needs. The Company is likely to need to raise additional funds for planned acquisitions and this will likely be obtained through further transactions through the market.

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 from the date of signing the financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the interim financial statements.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

c) Foreign currency translation

The financial statements of the Company are presented in the currency of the primary environment in which the Company operates (its functional currency).

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 and 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.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

e) Impairment of financial assets

An assessment for impairment is undertaken when there is objective evidence that a financial asset is impaired. Impairment loss on financial assets is recognised when there is objective evidence that the Company will not be able to collect all the amounts due to it in accordance with the original terms of the receivables. The amount of the impairment loss is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

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) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held on call with banks and other short term (having maturity within 3 months) highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

e) 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.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

4. RECENT ACCOUNTING PRONOUNCEMENTS

a) New interpretations and revised standards effective for the period ended 30 April 2018

The Company has adopted the new interpretations and revised standards effective for the year ended 31 October 2018. The adoption of these interpretations and revised standards had no material impact on the disclosures and presentation of the financial statements.

b) Standards and interpretations in issue but not yet effective

A number of new standards and amendments to existing standards have been issued, but are not effective for the period ended 30 April 2018. The Directors do not anticipate that the adoption of these revised standards and interpretations will have a significant impact on the figures included in the financial statements in the period of initial application other than the following:

IFRS 9: Financial Instruments

The standard makes substantial changes to the measurement of financial assets and financial liabilities. There will only be three categories of financial assets whereby financial assets are recognised at either fair value through profit and loss, fair value through other comprehensive income or measured at amortised cost. On adoption of the standard, the Company will have to re-determine the classification of its financial assets based on the business model for each category of financial asset. This is not considered likely to give rise to any significant adjustments other than the re-categorisation.

The principal change to the measurement of financial assets measured at amortised cost or fair value through other comprehensive income is that impairments will be recognised on an expected loss basis compared to the current incurred loss approach. As such, where there are expected to be credit losses these are recognised in profit or loss. For financial assets measured at amortised cost the carrying amount of the asset is reduced for the loss allowance. For financial assets measured at fair value through other comprehensive income the loss allowance is recognised in other comprehensive income and does not reduce the carrying amount of the financial asset.

Most financial liabilities will continue to be carried at amortised cost, however, some financial liabilities will be required to be measured at fair value through profit or loss, for example derivative financial instruments, with changes in the liabilities' credit risk recognised in other comprehensive income.

The Company does not expect a significant impact on its balance sheet or equity on applying the classification and measurement requirements of IFRS 9. It expects to continue measuring at fair value all financial assets currently held at fair value. The Company will apply the option to present fair value changes in other comprehensive income, and, therefore, the application of IFRS 9 will not have a significant impact. Loans as well as trade receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest.

Impairment - IFRS 9 requires the Company to record expected credit losses on all of its receivables, either on a 12-month or lifetime basis. The Company will apply the simplified approach and record lifetime expected losses on all receivables.

The standard is effective for periods beginning on or after 1 January 2018.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

IFRS 2: Classification and Measurement of Share-based Payment Transactions

Amendments to IFRS 2 The IASB issued amendments to IFRS 2 Share-based Payment that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled.

On adoption, entities are required to apply the amendments without restating prior periods, but retrospective application is permitted if elected for all three amendments and other criteria are met. The amendments are effective for annual periods beginning on or after 1 January 2018, with early application permitted.

ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparation of financial information in conformity with IFRS 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:

	Period from 11 Oct 2017 to 30 Apr 2018 £
Financial assets	
Loans and receivables (including cash and cash equivalents)	3,815,450
Financial liabilities	
Financial liabilities at amortised cost	322,495

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.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

i) Interest rate risks

All cash holdings and cash equivalents are held in accounts with variable rates.

ii) Currency risks

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

At 30 April 2018 the Company had £2,884,695 of cash and cash equivalents in a United States Dollar account. At 30 April 2018, 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 £288,469 / loss of £288,469.

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.

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

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.

6. SEGMENT REPORTING

IFRS 8 defines operating segments as those activities of an entity about which separate financial information is available and which are evaluated by the Board of Directors to assess performance and determine the allocation of resources. The Board of Directors are of the opinion that under IFRS 8 the Company has only one operating segment and one geographic market in the UK. The Board of Directors assess the performance of the operating segment using financial information which is measured and presented in a manner consistent with that in the Financial Statements. Segmental reporting will be reviewed and considered in light of the development of the Company's business over the next reporting period.

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

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

7. STAFF COSTS AND KEY MANAGEMENT EMOLUMENTS

	Period from 11 Oct 2017 to 30 Apr 2018 £
Key management emoluments	
Remuneration	<u>46,333</u>

The annual remuneration of the key management was as follows, with no other cash or non-cash benefits.

Executive Directors	
Soon Beng Gee	14,000
Lee Chong Liang	14,000
Non-executive Directors	
Graham Duncan	10,000
Harry Chathli	8,333
	<u>46,333</u>

Included within accruals is £32,583, which relates to unpaid directors' remuneration.

8. TAXATION

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

9. EARNINGS PER SHARE

The Company presents basic and diluted earnings per share information for its ordinary shares. Basic earnings per share are calculated by dividing the profit or 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.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

10. EARNINGS PER SHARE (CONT'D)

	Period from 11 Oct 2017 to 30 Apr 2018
Loss attributable to ordinary shareholders	(620,984)
Weighted average number of shares	31,350,007
Loss per share (expressed as £ per share)	(0.02)

11. CASH AND CASH EQUIVALENTS

	30 Apr 2018 £
Cash at bank	<u>3,797,742</u>

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

12. AMOUNTS DUE TO A DIRECTOR

	30 Apr 2018 £
Amount due to a director	<u>275,412</u>

The amounts due to a director are unsecured, interest free and repayable on demand.

13. SHARE CAPITAL

	Number	Nominal value £
Authorised		
Ordinary shares of £0.01 each	800,000,000	8,000,000
	-	-
Issued and fully paid		
On incorporation – 200 shares of US\$1.00 each	<u>200</u>	<u>152</u>
Subdivided share capital into £0.01 each	15,160	152
Issue of shares in the period	<u>50,559,840</u>	<u>505,598</u>
At 30 April 2018	<u>50,575,000</u>	<u>505,750</u>

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

13. SHARE CAPITAL (CONT'D)

The Company was incorporated and registered in The Cayman Islands as a private company limited by shares on 11 October 2017 and was authorised to issue 50,000 shares of USD1 each. The total issued shares on incorporation were 200 shares of USD1 each.

On 17 November 2017, the denominated currency of the Company's share capital was changed from US Dollars to Pounds Sterling. On the same date, the Company's authorised share capital was increased by £8,000,000 by the creation of an additional 800,000,000 Ordinary Shares of nominal value of £0.01 each. Concurrently, the existing 200 issued shares at US\$1.00 each were repurchased and new shares were issued in their place, resulting in 15,160 shares of £0.01 each.

On 6 December 2017, the Company issued 1,250,000 Ordinary Shares at £0.08 each to GBS Infinity Holding Ltd, a BVI company wholly owned by Soon Beng Gee, and 1,250,000 Ordinary Shares at £0.08 each to ML Infinity Holding Ltd, a BVI company wholly owned by Lee Chong Liang, for an aggregate consideration of £200,000 in cash.

On 21 December 2017 and pursuant to the Founder Subscription Letters, the Company issued 17,242,420 Ordinary Shares at £0.08 each to GBS Infinity Holding Ltd and 17,242,420 Ordinary Shares at £0.08 each to ML Infinity Holding Ltd, for an aggregate consideration of £2,758,787 in cash.

On 9 January 2018, and pursuant to the Admission Subscription, the Company issued 13,000,000 Ordinary Shares of £0.01 to Subscribers at a price of £0.08 each for an aggregate consideration of £1,040,000 in cash.

On 13 April 2018, the Company issued by way of an open offer, 575,000 Ordinary Shares of £0.01 to Subscribers at a price of £0.20 each for a gross aggregate consideration of £115,000 in cash.

14. SUBSEQUENT EVENTS

On 14 June 2018, the Company issued 1,264,375 Ordinary Shares of £0.01 by way of an Open Offer at £0.20 per share for an aggregate consideration of £252,875 in cash.

15. 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 30 April 2018 consisted of Ordinary Shares and equity attributable to the shareholders of the Company, totalling £3,492,955 (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.

16. RELATED PARTY TRANSACTIONS

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

As at 30 April 2018, there is a balance due to a director of £275,412 (see note 12).