

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

26 July 2019

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 six months ended 30 April 2019.

Highlights

- Net loss reduced to £250,802 (H1 2017/18*: £620,984 loss)
- Strong cash position of £3.9 million at 30 April 2019 (31 October 2018: £4.1 million)
- The Board has been active in its search for acquisition opportunities and reviewed a number of potential candidates

* H1 2017/18 covers the period from the Company’s incorporation on 11 October 2017 to 30 April 2018

Chairman’s Statement

During the six months to 30 April 2019, the Board remained 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, however none have yet met the criteria for the Company to proceed to negotiations with those parties. The Board continues to review and assess potential acquisition targets, but discussions are at an exploratory stage and may or may not lead to negotiations. Nonetheless, the Board remains confident of identifying an appropriate target and delivering on our stated strategy of acquiring one or more businesses involved in the e-commerce sector.

Financial review

The net loss for the six months ended 30 April 2019 was £250,802 (H1 2017/18: £620,984 loss), reflecting day-to-day administrative expenses of £203,926 (H1 2017/18: £143,459) and foreign exchange losses of £56,519 (H1 2017/18: £69,488 loss). The reduction in loss compared with H1 2017/18 is primarily due to the transaction costs of £416,812 in the earlier period associated with the Company’s Standard Listing. The increase in administrative expenses primarily resulted from six months of full operations for the period to 30 April 2019 compared with approximately four months in the first half of the prior year from the Standard Listing on 9 January 2018 to 30 April 2018.

As a result of the lower net loss, the loss per share was reduced to 0.5p (H1 2017/18: 1.9p loss).

The Company had a strong cash position of £3.9 million at 30 April 2019 compared with £4.1 million at 31 October 2018 and £3.8 million at 30 April 2018.

Dividends

The Directors do not propose a dividend for the period ended 30 April 2019.

Outlook

The Board and management team of AIQ remain focused on executing on the Company's stated acquisition strategy and meet our commercial objectives.

On behalf of the Board, I would like to thank our shareholders for their support and we look forward to updating the market at the earliest opportunity regarding progress on our investment strategy. With the sustained growth in the global e-commerce markets, we continue to believe that we are well-positioned to execute on our targets and remain confident of delivering shareholder value.

Principal risks and uncertainties for the remaining six months of the financial year

The principal risks and uncertainties for the remainder of the financial year relate to the Company's ability to execute our acquisition strategy.

Graham Duncan
Non-Executive Chairman

26 July 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE CONDENSED INTERIM REPORT AND CONDENSED FINANCIAL STATEMENTS

The Directors confirm that the condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and that the Interim Report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed consolidated interim financial information, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months and any material changes in the related-party transactions described in the last Annual Report.

A list of current directors is maintained on the Company's website at: <http://www.aiqhub.com/web/keypeople.php>

There have been no changes since publication of the Company's annual report for the period ended 31 October 2018.

By order of the Board

Graham Duncan
Non-Executive Chairman

Enquiries

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CONDENSED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 April 2019

	Note	Six months ended 30 Apr 2019 Unaudited £	Period from 11 Oct 2017 to 30 Apr 2018 Unaudited £	Period from 11 Oct 2017 to 31 Oct 2018 Audited £
Administrative expenses		(203,926)	(143,459)	(381,806)
Transaction costs		-	(416,812)	(438,096)
(Loss)/gain on foreign exchange		(56,519)	(69,488)	147,078
Operating loss		(260,445)	(629,759)	(672,824)
Finance income		9,643	8,775	18,548
Loss before taxation		(250,802)	(620,984)	(654,276)
Taxation	9	-	-	-
Total comprehensive loss attributable to equity holders of the Company for the period		(250,802)	(620,984)	(654,276)
Loss per share – basic and diluted (pence per share)	10	(0.5)	(1.9)	(1.6)

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

CONDENSED STATEMENT OF FINANCIAL POSITION
As at 30 April 2019

	Note	30 Apr 2019 Unaudited £	31 Oct 2018 Audited £
Assets			
Current assets			
Prepayments and other receivables		12,300	15,708
Cash and cash equivalents		3,872,650	4,103,928
Total current assets		<u>3,884,950</u>	<u>4,119,636</u>
Total assets		<u>3,884,950</u>	<u>4,119,636</u>
Equity and liabilities			
Capital and reserves			
Ordinary shares	12	518,394	518,394
Share premium		3,848,420	3,848,420
Accumulated losses		(905,078)	(654,276)
Total equity		<u>3,461,736</u>	<u>3,712,538</u>
Liabilities			
Current liabilities			
Accruals and other payables		134,403	118,287
Amounts due to a director	11	288,811	288,811
Total current liabilities		<u>423,214</u>	<u>407,098</u>
Total equity and liabilities		<u>3,884,950</u>	<u>4,119,636</u>

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

CONDENSED STATEMENT OF CHANGES IN EQUITY
For the six months ended 30 April 2019

	Share capital £	Share premium £	Accumulated losses £	Total equity £
Issue of shares on incorporation on 11 October 2017	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 (Audited)	518,394	3,848,420	(654,276)	3,712,538
Total comprehensive loss for the financial period	-	-	(250,802)	(250,802)
Balance at 30 April 2019 (Unaudited)	518,394	3,848,420	(905,078)	3,461,736

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

CONDENSED STATEMENT OF CASH FLOWS
For the six months ended 30 April 2019

	Six-month period ended 30 Apr 2019 Unaudited £	Period from 11 Oct 2017 to 30 Apr 2018 Unaudited £	Period from 11 Oct 2017 to 31 Oct 2018 Audited £
Cash flows from operating activities			
Loss before taxation	(250,802)	(620,984)	(654,276)
<i>Adjustment for:-</i>			
Interest income	(9,643)	(8,775)	(18,548)
Loss/(gain) on foreign exchange	56,519	69,488	(147,078)
Operating loss before working capital changes	(203,926)	(560,271)	(819,902)
Decrease/(increase) in receivables	3,408	(17,708)	(15,708)
Increase in payables	16,116	47,083	118,287
Increase in amount owing to a director	-	275,412	288,811
Cash used in operations	(184,402)	(255,484)	(428,512)
Interest received	9,643	8,775	18,548
Net cash used in operating activities	(174,759)	(246,709)	(409,964)
Cash flows from financing activities			
Proceeds from issue of ordinary shares	-	4,113,939	4,366,814
Net cash generated from financing activity	-	4,113,939	4,366,814
Net (decrease)/increase in cash and cash equivalents	(174,759)	3,867,230	3,956,850
Cash and cash equivalents at beginning of the period	4,103,928	-	-
Effect of exchange rates on cash and cash equivalents	(56,519)	(69,488)	147,078
Cash and cash equivalents at end of the period	3,872,650	3,797,742	4,103,928

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. Other than as noted below, the accounting policies applied by the Company in these condensed interim financial statements are the same as those set out in the Company’s audited financial statements for the period ended 31 October 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 the audited financial statements for the period ended 31 October 2018.

The condensed interim financial statements are unaudited and have not been reviewed by the auditors and were approved by the Board of Directors on 25 July 2019.

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 raised on admission to the London Stock Exchange and subsequently. It has £3.9m 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 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.

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 period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit and loss.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (contd.)

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

A forward-looking expected credit loss (ECL) review is required for debt instruments measured at amortised cost or held at fair value through other comprehensive income, financial guarantees not measured at fair value through profit or loss and other receivables that give rise to an unconditional right to consideration.

As permitted by IFRS 9, the Company applies the “simplified approach” to trade receivables, contract assets and lease receivables and the “general approach” to all other financial assets. The general approach incorporates a review for any significant increase in counterparty credit risk since inception. The ECL reviews include assumptions about the risk of default and expected loss rates.

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.

h) 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 (contd.)

4. RECENT ACCOUNTING PRONOUNCEMENTS

a) New interpretations and revised standards effective for the period ended 30 April 2019

The Company has adopted the following new standards and interpretations which became effective on 1 January 2018 with no significant impact on these financial statements:

- IFRS 9 'Financial instruments'.
- IFRS 15 'Revenue from Contracts with Customers'
- IFRIC 22 'Foreign currency transactions and advance consideration'.
- IFRIC 23 'Uncertainty over income tax treatments'.
- Amendments to IFRS 2 'Classification and measurement of share-based payment transactions'.
- Annual improvements to IFRS standards 2014–2016 cycle: IFRS 1 and IAS 28.

For IFRS 9, there have been no reclassifications of financial assets or liabilities on adoption. The approach to credit losses will change from an incurred loss model to expected loss, though no such allowance is considered necessary.

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 2019. 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 16 'Leases' has been issued by the International Accounting Standards Board which the Company has decided not to adopt early.

IFRS 16 supersedes IAS 17 'Leases' and introduces a new single lessee accounting model which eliminates the current distinction between operating and finance leases for lessees. IFRS 16 requires lessees to capitalise all leases on the statement of financial position by recognising a 'right-of-use' asset and a corresponding lease liability for the present value of the obligation to make lease payments, except for certain short-term leases and leases of low-value assets. Subsequently, the lease assets will be amortised and the lease liabilities will be measured at amortised cost.

IFRS 16 removes the distinction between finance and operating leases. IFRS 16 also requires enhanced disclosures by both lessees and lessors.

IFRS 16 is mandatory for periods beginning after 1 January 2019, with earlier application permitted.

On initial adoption of IFRS 16 the Company will be required to capitalise rented properties at the lease commencement date in the statement of financial position by recognising them as right-of-use assets and their corresponding lease liabilities. The right-of use assets will be amortised over the term of each lease and a finance charge will be made by reference to the lease liability and discount rate. The liability is initially to be measured at the present value of future minimum lease payments. The discount rate is the rate implicit in the lease, if readily determinable.

The Company plans to adopt the standard in the financial year beginning on 1 November 2019 and will include required additional disclosures in its financial statements for that financial year.

As at 30 April 2019, the Company had entered into one short-term property lease which had commenced prior to the period-end.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (contd.)

5. 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.

6. 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:

	As at 30 Apr 2019 £	As at 31 Oct 2018 £
Financial assets		
Loans and receivables (including cash and cash equivalents)	3,884,950	4,119,636
Financial liabilities		
Financial liabilities at amortised cost	423,214	407,098

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

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 2019, the Company had £3,034,000 of cash and cash equivalents in a United States Dollar account. At 30 April 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 £303,400 / loss of £303,400 respectively.

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. The Company's financial assets comprise cash and cash equivalents. As described in Note 3(e), the Company has adopted the expected credit loss approach under IFRS 9. No allowance was considered necessary at the period-end.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (contd.)

The Company only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty.

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.

7. 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 is 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 assesses the performance of the operating segment using financial information that 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.

8. STAFF COSTS AND KEY MANAGEMENT EMOLUMENTS

	Six months ended 30 Apr 2019 Unaudited £	Period from 11 Oct 2017 to 30 Apr 2018 Unaudited £	Period from 11 Oct 2017 to 31 Oct 2018 Audited £
Key management emoluments			
Salaries and benefits	69,500	46,333	115,833
Total	69,500	46,333	115,833
Executive Directors			
Soon Beng Gee	21,000	14,000	35,000
Lee Chong Liang	21,000	14,000	35,000
Non-executive Directors			
Graham Duncan	15,000	10,000	25,000
Harry Chathli	12,500	8,333	20,833
Total	69,500	46,333	115,833

Included within accruals is £112,000 (31 October 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 period ended 30 April 2019.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (contd.)

9. TAXATION

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

10. 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.

	Six months ended 30 Apr 2018 Unaudited £	Period from 11 Oct 2017 to 30 Apr 2018 Unaudited £	Period from 11 Oct 2017 to 31 Oct 2018 Audited £
Loss after tax attributable to owners of the Company	(250,802)	(620,983)	(654,276)
Weighted average number of shares:			
- Basic	51,839,375	31,350,007	41,007,680
Loss per share (pence)			
- Basic	(0.5)	(1.9)	(1.6)

11. AMOUNTS DUE TO A DIRECTOR

	As at 30 Apr 2019 Unaudited £	As at 31 Oct 2018 Audited £
Due to a director	288,811	288,811
Total	<u>288,811</u>	<u>288,811</u>

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

12. SHARE CAPITAL

	Six months ended 30 Apr 2019 Unaudited £	Period ended 31 Oct 2018 Audited £
As at beginning of period	518,394	-
Issued during the period	-	518,394
As at end of period	<u>518,394</u>	<u>518,394</u>

During the six months ended 30 April 2019, there were no changes in the issued share capital of the Company.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (contd.)

13. SUBSEQUENT EVENTS

There have been no events after the reporting date that require disclosure in line with IAS10 events after the reporting period.

14. 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 2019 consisted of ordinary shares and equity attributable to the shareholders of the Company, totalling £3,461,736 (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.

15. 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 2019, there is a balance due to a director of £288,811 (see note 11).

16. SEASONALITY OF THE COMPANY'S OPERATIONS

There are no seasonal factors that materially affect the operations of the Company.