

**AYONDO LTD.**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 201728417D)

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**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2020**

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This announcement has been prepared by ayondo Ltd. (the "**Company**") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.

**IMPORTANT NOTES**

- 1) The Company is required under Catalist Rule 705(2) to report its financial statements quarterly.
- 2) In 2019, the Group disposed its key operating subsidiary, ayondo Markets Ltd ("**AML**") to BUX following the Extraordinary General Meeting on 3 June 2019. The rationale for the disposal was set out in the circular to shareholders dated 19 May 2019. On 14 August 2019, the Company announced that the managing director of indirect subsidiary, ayondo GmbH has filed for insolvency of ayondo GmbH and a preliminary administrator has been appointed ("**AYG Insolvency**"). On 22 August 2019, the Company announced that consequent to the AYG Insolvency, ayondo Holding AG ("**AHAG**") was advised to commence insolvency proceedings given its over-indebtedness resulting from the write-off of ayondo GmbH in its accounts. As such, an application has been filed with the competent court in Zug, Switzerland (the "**Court**") to commence insolvency proceedings over the assets of AHAG ("**AHAG Insolvency**"). Following from the AHAG Insolvency, the Group no longer controls AHAG and hence has deconsolidated AHAG from the Group in 3Q2019.

The Board would like to advise shareholders to read the above important notes and the following unaudited results announcement for 3Q2020 carefully. Shareholders should also consult their stockbroker, bank manager, solicitor, or other professional adviser if they have any doubt about the actions that they should take.

UNAUDITED CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

Three months period ended 30 Sep 2020 ("3Q2020") vs three months period ended 30 Sep 2019 ("3Q2019")

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEARLY AND FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group					
	3Q2020	3Q2019	Increase/ (Decrease)	9M2020	9M2019	Increase/ (Decrease)
	(Unaudited) CHF'000	(Unaudited) CHF'000	%	(Unaudited) CHF'000	(Unaudited) CHF'000	%
Trading revenue	-	-	n.m.	-	-	n.m.
Fees, rebates, client bonus and betting duty tax	-	-	n.m.	-	-	n.m.
<b>Net operating income</b>	-	-	n.m.	-	-	n.m.
Other income	44	22	n.m.	213	424	(49.8)
	44	22	n.m.	213	424	(49.8)
<b>Other items of expense</b>						
Staff expenses	(17)	(31)	(45.2)	(69)	(50)	38.0
Other operating expenses	(139)	(345)	(59.7)	(450)	(1,518)	(70.4)
Finance costs	(48)	(1)	n.m.	(128)	(1)	n.m.
<b>Loss before tax</b>	(160)	(355)	(54.9)	(434)	(1,145)	(62.1)
Income tax expense	-	-	n.m.	-	-	n.m.
<b>Loss for the period</b>	<b>(160)</b>	<b>(355)</b>	<b>(54.9)</b>	<b>(434)</b>	<b>(1,145)</b>	<b>(62.1)</b>
<b>Discontinued operations</b>						
Profit/(loss) for the period from discontinued operations, net of income tax	-	89	n.m.	-	(3,011)	n.m.
- Gain on disposal of subsidiary	-	-	n.m.	-	7,172	n.m.
- Gain on deconsolidation of subsidiaries arising from liquidation	-	49,819	n.m.	-	49,819	n.m.
<b>(Loss)/Profit for the period</b>	<b>(160)</b>	<b>49,553</b>	<b>n.m.</b>	<b>(434)</b>	<b>52,835</b>	<b>n.m.</b>
<b>Other comprehensive income</b>						
Foreign currency translation	-	115	n.m.	-	597	n.m.
<b>Other comprehensive income for the period, net of tax</b>	<b>-</b>	<b>115</b>	<b>n.m.</b>	<b>-</b>	<b>597</b>	<b>n.m.</b>
<b>Total comprehensive income for the period</b>	<b>(160)</b>	<b>49,668</b>	<b>n.m.</b>	<b>(434)</b>	<b>53,432</b>	<b>n.m.</b>
<b>(Loss)/Profit for the period attributable to:</b>						
Equity holders of the Company	(160)	49,553	n.m.	(434)	52,852	n.m.
Non-Controlling Interest	-	-	n.m.	-	(17)	n.m.
<b>(Loss)/Profit for the period</b>	<b>(160)</b>	<b>49,553</b>	<b>n.m.</b>	<b>(434)</b>	<b>52,835</b>	<b>n.m.</b>
<b>Total comprehensive income for the period attributable to:</b>						
Equity holders of the Company	(160)	49,668	n.m.	(434)	53,449	n.m.
Non-Controlling Interest	-	-	n.m.	-	(17)	n.m.
<b>Total comprehensive income for the period</b>	<b>(160)</b>	<b>49,668</b>	<b>n.m.</b>	<b>(434)</b>	<b>53,432</b>	<b>n.m.</b>

**Note:**

n.m. - Not meaningful

**1(a)(ii) Notes to consolidated statement of comprehensive income**

Loss from operations is arrived at after charging/ (crediting) the following items:

	Group					
	3Q2020	3Q2019	Increase/ (Decrease)	9M2020	9M2019	Increase/ (Decrease)
	(Unaudited) CHF'000	(Unaudited) CHF'000	%	(Unaudited) CHF'000	(Unaudited) CHF'000	%
Net foreign exchange gain	(35)	(22)	59.1	(204)	(424)	(51.9)
Finance costs on loans	19	1	n.m.	79	1	n.m.
Interest on convertible notes	29	-	n.m.	49	-	n.m.

**Note:**

n.m. - Not meaningful

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

	Group		Company	
	As at 30-Sep-20 (unaudited) CHF'000	As at 31-Dec-19 (Audited) CHF'000	As at 30-Sep-20 (unaudited) CHF'000	As at 31-Dec-19 (Audited) CHF'000
<b><u>Current assets</u></b>				
Trade and other receivables	39	4	39	4
Cash and bank balances	154	31	154	31
<b>Total current assets</b>	<b>193</b>	<b>35</b>	<b>193</b>	<b>35</b>
<b>Total assets</b>	<b>193</b>	<b>35</b>	<b>193</b>	<b>35</b>
<b><u>Equity</u></b>				
Share capital	33,754	32,450	33,754	32,450
Other reserves	3,066	2,988	3,066	2,988
Accumulated losses	(39,139)	(38,705)	(39,139)	(38,705)
<b>Total equity</b>	<b>(2,319)</b>	<b>(3,267)</b>	<b>(2,319)</b>	<b>(3,267)</b>
<b><u>Non-current liabilities</u></b>				
Convertible notes	401	-	401	-
Borrowings	91	1,033	91	1,033
<b>Total non-current liabilities</b>	<b>492</b>	<b>1,033</b>	<b>492</b>	<b>1,033</b>
<b><u>Current liabilities</u></b>				
Trade and other payables	1,426	1,381	1,426	1,381
Convertible notes	-	-	-	-
Borrowings	562	856	562	856
Loan from a former director	32	32	32	32
<b>Total current liabilities</b>	<b>2,020</b>	<b>2,269</b>	<b>2,020</b>	<b>2,269</b>
<b>Total liabilities</b>	<b>2,512</b>	<b>3,302</b>	<b>2,512</b>	<b>3,302</b>
<b>Total equity and liabilities</b>	<b>193</b>	<b>35</b>	<b>193</b>	<b>35</b>

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**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

**Amount repayable by the Group in one year or less, or on demand**

As at 30 Sep 2020 CHF'000		As at 31 Dec 2019 CHF'000	
Secured	Unsecured	Secured	Unsecured
-	562	-	856

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**Amount repayable by the Group after one year**

As at 30 Sep 2020 CHF'000		As at 31 Dec 2019 CHF'000	
Secured	Unsecured	Secured	Unsecured
-	492	-	1,033

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**Details of collateral**

All the unsecured borrowings and convertible notes of approximately CHF1.1 million were unsecured, interest-bearing loans provided by Golden Nugget Jinzhuan Limited, Mr Mamoru Taniya and Speed Success Group Limited, respectively.

There were no secured borrowings as at 30 September 2020 and 31 December 2019.

**1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

**Consolidated Cash Flow Statement**

	Group			
	3Q2020 (Unaudited) CHF'000	3Q2019 (Unaudited) CHF'000	9M2020 (Unaudited) CHF'000	9M2019 (Unaudited) CHF'000
<b><u>Cash flows from operating activities</u></b>				
Loss before tax				
<b>Continuing operations</b>	(160)	(355)	(434)	(1,145)
<b>Discontinued operations</b>	-	49,908	-	53,742
<b><u>Adjustments for:</u></b>				
Depreciation of property, plant and equipment	-	-	-	43
Amortisation of intangibles	-	-	-	2
Gain on disposal of subsidiaries	-	-	-	(7,172)
Gain on deconsolidation of subsidiaries arising from liquidation	-	(49,819)	-	(49,819)
Finance costs	48	1	128	1
Unrealised exchange gain	(129)	(2)	(128)	(4)
<b>Operating cash flows before changes in working capital</b>	<b>(241)</b>	<b>(267)</b>	<b>(434)</b>	<b>(4,352)</b>
Decrease/(Increase) in trade and other receivables	1	2	(35)	(89)
Increase/(Decrease) in trade and other payables	22	(108)	45	(4,480)
<b>Cash flows used in operations</b>	<b>(218)</b>	<b>(373)</b>	<b>(424)</b>	<b>(8,921)</b>
Interest paid	-	-	-	-
<b>Net cash flows used in operating activities</b>	<b>(218)</b>	<b>(373)</b>	<b>(424)</b>	<b>(8,921)</b>
<b><u>Cash flows from investing activities</u></b>				
Net proceed from disposal of investment in subsidiary	-	-	-	6,532
Net cash outflow on deconsolidation of subsidiaries	-	(291)	-	(291)
<b>Net cash flows generated from investing activities</b>	<b>-</b>	<b>(291)</b>	<b>-</b>	<b>6,241</b>
<b><u>Cash flows from financing activities</u></b>				
Receipts of short-term loans	-	517	91	1,327
Receipts of convertible notes	-	-	458	-
<b>Net cash flows generated from/(used in) financing activities</b>	<b>-</b>	<b>517</b>	<b>549</b>	<b>1,327</b>
Net (decrease)/increase in cash and cash equivalents	(218)	(147)	125	(1,353)
Effects of exchange rate changes on cash and cash equivalents	-	(39)	(2)	(57)
Cash and cash equivalents at the beginning of the period	372	309	31	1,532
Cash and cash equivalents at the end of the period	154	123	154	122

ayondo Ltd.  
 Unaudited financial statements for the third quarter ended 30 September 2020

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group	Share capital CHF'000	Convertible notes reserve CHF'000	Employee share option reserve CHF'000	Accumulated losses CHF'000	Total equity CHF'000
<b>2020</b>					
<b>At 1 Jan 2020</b>	<b>32,450</b>	-	<b>2,988</b>	<b>(38,705)</b>	<b>(3,267)</b>
Loss net of tax, representing total comprehensive income for the financial period	-	-	-	(274)	(274)
<u>Contributions by and distributions to owners</u>					
Issuance of convertible notes	-	348	-	-	348
Total contributions by and distributions to owners	-	348	-	-	348
<b>At 30 Jun 2020</b>	<b>32,450</b>	<b>348</b>	<b>2,988</b>	<b>(38,979)</b>	<b>(3,193)</b>
<b>At 1 Jul 2020</b>	<b>32,450</b>	<b>348</b>	<b>2,988</b>	<b>(38,979)</b>	<b>(3,193)</b>
Loss net of tax, representing total comprehensive income for the financial period	-	-	-	(160)	(160)
<u>Contributions by and distributions to owners</u>					
Issuance of new shares arising from conversion of convertible notes	1,304	(270)	-	-	1,034
Total contributions by and distributions to owners	1,304	(270)	-	-	1,034
<b>At 30 Sep 2020</b>	<b>33,754</b>	<b>78</b>	<b>2,988</b>	<b>(39,139)</b>	<b>(2,319)</b>

ayondo Ltd.  
Unaudited financial statements for the third quarter ended 30 September 2020

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (continued)

Group	Share capital CHF'000	Merger reserve <sup>(1)</sup> CHF'000	Foreign currency translation reserve CHF'000	Employee share option reserve CHF'000	Premium paid on acquisition of non-controlling interest CHF'000	Accumulated losses CHF'000	Total CHF'000	Non-controlling interest CHF'000	Total equity CHF'000
<b>2019</b>									
<b>At 1 Jan 2019</b>	<b>32,450</b>	<b>50,536</b>	<b>(597)</b>	<b>2,988</b>	<b>(3,153)</b>	<b>(90,458)</b>	<b>(8,234)</b>	<b>(45)</b>	<b>(8,279)</b>
Loss for the period	-	-	-	-	-	3,302	3,302	(17)	3,285
<u>Other comprehensive income</u>									
Foreign currency translation	-	-	482	-	-	-	482	21	503
Other comprehensive income for the period	-	-	482	-	-	-	482	21	503
<b>At 30 Jun 2019</b>	<b>32,450</b>	<b>50,536</b>	<b>(115)</b>	<b>2,988</b>	<b>(3,153)</b>	<b>(87,156)</b>	<b>(4,450)</b>	<b>(41)</b>	<b>(4,491)</b>
<b>At 1 Jul 2019</b>	<b>32,450</b>	<b>50,536</b>	<b>(115)</b>	<b>2,988</b>	<b>(3,153)</b>	<b>(87,156)</b>	<b>(4,450)</b>	<b>(41)</b>	<b>(4,491)</b>
Loss for the period	-	-	-	-	-	49,553	49,553	-	49,553
<u>Other comprehensive income</u>									
Foreign currency translation	-	-	115	-	-	-	115	-	115
Deconsolidation of subsidiaries	-	(50,536)	-	-	3,153	-	(47,383)	41	(47,342)
Other comprehensive income for the period	-	(50,536)	115	-	3,153	-	(47,268)	41	(47,227)
<b>At 30 Sep 2019</b>	<b>32,450</b>	<b>-</b>	<b>-</b>	<b>2,988</b>	<b>-</b>	<b>(37,603)</b>	<b>(2,165)</b>	<b>-</b>	<b>(2,165)</b>

Notes:

(1) The merger reserve represents the difference between the consideration paid and the share capital of the subsidiaries under common control are accounted for by applying the pooling of interest method.



1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (continued)

Company	Share capital CHF'000	Convertible notes reserve CHF'000	Employee share option reserve CHF'000	Accumulated losses CHF'000	Total CHF'000
<b>2020</b>					
<b>At 1 Jan 2020</b>	<b>32,450</b>	-	<b>2,988</b>	<b>(38,705)</b>	<b>(3,267)</b>
Loss net of tax, representing total comprehensive income for the financial period	-	-	-	(274)	(274)
<u>Contributions by and distributions to owners</u>					
Issuance of convertible notes	-	348	-	-	348
Total contributions by and distributions to owners	-	348	-	-	348
<b>At 30 Jun 2020</b>	<b>32,450</b>	<b>348</b>	<b>2,988</b>	<b>(38,979)</b>	<b>(3,193)</b>
<b>At 1 Jul 2020</b>	<b>32,450</b>	<b>348</b>	<b>2,988</b>	<b>(38,979)</b>	<b>(3,193)</b>
Loss net of tax, representing total comprehensive income for the financial period	-	-	-	(160)	(160)
<u>Contributions by and distributions to owners</u>					
Issuance of new shares arising from conversion of convertible notes	1,304	(270)	-	-	1,034
Total contributions by and distributions to owners	1,304	(270)	-	-	1,034
<b>At 30 Sep 2020</b>	<b>33,754</b>	<b>78</b>	<b>2,988</b>	<b>(39,139)</b>	<b>(2,319)</b>
<b>2019</b>					
<b>At 1 Jan 2019</b>	<b>32,450</b>	-	<b>2,988</b>	<b>(38,330)</b>	<b>(2,892)</b>
Profit net of tax, representing total comprehensive income for the financial period	-	-	-	1,099	1,099
<b>As at 30 Jun 2019</b>	<b>32,450</b>	-	<b>2,988</b>	<b>(37,231)</b>	<b>(1,793)</b>
<b>At 1 Jul 2019</b>	<b>32,450</b>	-	<b>2,988</b>	<b>(37,231)</b>	<b>(1,793)</b>
Profit net of tax, representing total comprehensive income for the financial period	-	-	-	(372)	(372)
<b>As at 30 Sep 2019</b>	<b>32,450</b>	-	<b>2,988</b>	<b>(37,603)</b>	<b>(2,165)</b>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

**Issued and fully paid ordinary shares of the Company**

	No. of issued share	Issued and paid up share capital (CHF)
Balance as at 30 Jun 2020	509,785,570	32,449,753
Issuance of new shares arising from conversion of convertible notes	273,481,721	1,304,068
Balance as at 30 Sep 2020	<u>783,267,291</u>	<u>33,753,821</u>

On 22 July 2020, the Company has issued and allotted an aggregate of 273,481,721 new ordinary shares in the share capital of the Company arising from the conversion of convertible notes.

**Details of convertibles**

As at both dates on 30 September 2019 and 30 September 2020, there were outstanding pre-IPO options granted on 30,720,600 shares of the Company.

The Group has outstanding convertible notes of S\$675,000 in principal amount as at 30 September 2020. Based on the conversion price of S\$0.007 per share, an aggregate of 96,428,571 new shares will be issued upon the exercise of the convertible notes (not including accrued interest). This represents 12.31% of the total number of issued shares as at 30 September 2020. There were no outstanding convertible notes as at 30 September 2019.

**Details of treasury shares and subsidiary holdings**

The Company did not have any treasury shares and subsidiary holdings as at 30 September 2020 and 30 September 2019.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares (excluding treasury shares) as at the end of the current financial period and as at the end of the immediately preceding year are as follows:

	As at 30 Sept 2020	As at 31 Dec 2019
Total number of issued shares (excluding treasury shares) *	783,267,291	509,785,570

\* The Company did not have any treasury shares as at 30 September 2020 and 31 December 2019.

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures presented above have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**3A. 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**

We refer to the Independent Auditor's Report dated 2 August 2020 ("**Financial Statements**") in the Company's Annual Report 2019, which was subject to a disclaimer of opinion.

The Company's auditor had reported eight matters, being the basis for the disclaimer of opinion, namely:

(1) Going concern assumption

The Group's current liabilities and total liabilities exceeded its current assets and total assets by approximately CHF2.2 million and CHF3.3 million respectively as at 31 December 2019.

As previously announced and also set out in Note 2(a) of the Financial Statements, the Company had entered into a S\$8.1 million convertible note agreement ("**CN3**") with Golden Nugget Jinzhuang Limited ("**GN**").

On 3 June 2020, the Company received approximately S\$0.7 million (“**Tranche 1**”) from issuance of the first tranche of CN3 to GN. GN has the option to subscribe for the remaining S\$7.4 million in subsequent tranche multiples of approximately S\$0.1 million at any time within three years from the issue of the Tranche 1.

The ability of the Company to continue as a going concern would depend on the continued support from GN to finance the Company via subscribing for the remaining convertible notes of approximately S\$7.4 million and/or the completion of the reverse takeover of the Company as further described in paragraph 10.

(2) Opening balances

The financial statements for the financial year ended 31 December 2018 were audited by another firm of auditors whose audit report dated 24 May 2019 expressed a disclaimer of opinion.

The auditors are not able to satisfy themselves as to whether the opening balances and the comparative figures were free from material misstatement.

(3) Deconsolidation of subsidiaries

All employees of the Group left during the current financial year ended 31 December 2019.

On 5 June 2019, the Group disposed of ayondo Markets Ltd to an unrelated party.

The Group filed for insolvency proceedings in Germany for liquidation of ayondo GmbH on 14 August 2019 and in Switzerland for liquidation of ayondo Holding AG on 22 August 2019. ayondo GmbH is a wholly-owned subsidiary of ayondo Holding AG.

The accounting records of the subsidiaries were not available for the auditors to carry out their audit.

As a result, the auditors are unable to ascertain the accuracy of gain on disposal of subsidiary of approximately CHF17.6 million and gain on deconsolidation of subsidiaries on liquidation of approximately CHF2.4 million recognised for the year ended 31 December 2019 in respect of these subsidiaries.

(4) Profit from discontinued operations

As a result of the above scope limitations in respect of deconsolidation, the auditors are not able to carry out their audit to ascertain the accuracy of the net operating income and line item expenses in the profit and loss accounts and balance sheets of the subsidiaries as at the Disposal and Liquidation Dates (as explained in the Financial Statements).

(5) Results from continuing operations

The auditors are not provided with the underlying accounting records to support the line items in the profit and loss accounts. Consequently, the auditors are not able to satisfy themselves of the accuracy and occurrence of the line items in the profit and loss accounts.

(6) Trade and other payables

Some of the accrual items amounting to approximately CHF0.3 million which were not supported by evidence that underlying services had been received by the Group. The auditors, therefore, are not able to verify.

(7) Adoption of SFRS(I) 16 Leases

The Group was required to adopt SFRS(I) 16 Leases on 1 January 2019. The Group did not assess lease liabilities and the associated lease assets as at 1 January 2019. This is not in compliance with SFRS(I) 16.

(8) Key management personnel compensation

Disclosure of key management personnel compensation for the year ended 31 December 2019 was not presented in the Financial Statements due to unavailability of information. This non-disclosure is not in compliance with SFRS(I) 1-24 Related Party Disclosures.

In relation to items (2) to (8), the Board wishes to highlight that these issues had arose during a period which the Group had undergone significant restructuring including the disposal of its key operating subsidiary, ayondo Markets Limited (“**AML**”) and the insolvency and / or liquidation proceedings of its remaining subsidiaries, following which the Group ceased to have any operating business activities. This has led to challenges in obtaining the necessary information for the conduct of the audit. As a result of the above restructuring, the Group also experienced a complete turnover of its key management team including its chief executive officer, chief financial officer, chief operating officer, chief talent officer and general counsel. The Company appointed an interim chief executive officer in January 2019 who also departed in August 2019 after seeing through the disposal of AML. The Company has since hired another interim CEO in October 2019.

Presently, the finance function is outsourced to a third-party service provider in Singapore, with oversight by the interim CEO and the Audit Committee of the Company. Given that the Company have minimal activities currently, the Board believes that the set-up is adequate to manage the accounting, financial reporting and compliance functions of the Company.

**(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 impact of all outstanding audit issues on the financial statements for the financial year ended 31 December 2019 have been adequately disclosed.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared to the audited consolidated financial statements for the financial year ended 31 December 2019.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

A number of new standards and interpretations and amendments to standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The Group has assessed and does not expect the application of these standards to have a significant impact on the financial statements.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	Group			
	3Q2020	3Q2019	9M2020	9M2019
(Loss)/Profit attributable to owners of the Company (CHF'000)	(160)	49,553	(434)	52,852
<b>Loss per ordinary shares (Basic and fully diluted)</b>				
Based on weighted average number of ordinary shares in issue (CHF cents)	(0.02) <sup>(1)</sup>	9.72	(0.07) <sup>(1)</sup>	10.37
Weighted average number of ordinary shares in issue	<u>720,842,116</u>	<u>509,785,570</u>	<u>580,651,271</u>	<u>509,785,570</u>

**Note:**

The Group was making losses for the 3Q2020 and 9M2020 respectively. As such, it is anti-dilutive and not meaningful to calculate the diluted loss per share.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: -**

- (a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	Group		Company	
	30-Sep-20	31-Dec-19	30-Sep-20	31-Dec-19
Net liability value (CHF'000)	(2,319)	(3,267)	(2,319)	(3,267)
Number of ordinary shares in issue	<u>783,267,291</u>	<u>509,785,570</u>	<u>783,267,291</u>	<u>509,785,570</u>
Net liability value per share attributable to owners of the Company (CHF cents)	<u>(0.30)</u>	<u>(0.64)</u>	<u>(0.30)</u>	<u>(0.64)</u>

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

#### **REVIEW OF CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

##### Staff and other operating expenses

During the period under review, the Company incurred expenses approximately CHF0.2 million comprises salary and related cost, professional expenses such as audit fee, corporate secretarial expenses, legal and consultancy fees, sponsor fee, accounting, and directors' fees. Other income comprises mainly exchange gain due to the strengthening of CHF against SGD.

#### **REVIEW OF STATEMENT OF FINANCIAL POSITION**

Trade and other receivables of approximately CHF0.04 million comprises deposits, prepayments, and others.

The Company's total borrowings of approximately CHF0.7 million was provided by Mr Mamoru Taniya and Speed Success Group Limited, respectively, and are interest-bearing.

GN and Mr Mamoru Taniya have exercised their right to convert CN1 & CN2 respectively to ordinary shares on 22 July 2020 and as a result, the convertible notes balance at period end was approximately CHF0.5 million of which, CHF0.1 million was recognised as equity component because of fair valuation.

The trade and other payables of approximately CHF1.4 million consists of expenses accrued and outstanding non-trade payable.

During the period under review, the Company has issued and allotted new ordinary shares of approximately CHF1.3 million arising from the conversion of convertible notes.

#### **NEGATIVE WORKING CAPITAL AND NET LIABILITIES POSITION**

The Company was in a negative working capital position of approximately CHF1.8 million and CHF2.2 million as at 30 September 2020 and 31 December 2019, respectively.

Net liabilities position improved from approximately CHF3.3 million as at 31 December 2019 to approximately CHF2.3 million as at 30 September 2020 due to: (1) the issuance of new ordinary shares approximately CHF1.3 million arising from conversion of convertible notes; (2) recognition of the equity component of the convertible notes of approximately CHF0.1 million; and (3) offset by losses incurred approximately CHF0.4 million in 9M2020.

The unaudited financial results announcement for the 3Q2020 has been prepared on a going concern basis. The validity of the going concern basis on which the unaudited financial statements for 3Q2020 are prepared, is subject to the continued support from GN to finance the Company via subscribing for the remaining convertible notes of approximately S\$7.4 million and/or the completion of the reverse takeover of the Company as further described in paragraph 10.

The Company will update shareholders via SGXNET as and when there are any material developments on the aforementioned.

**REVIEW OF THE GROUP'S STATEMENT OF CASH FLOW**

In 3Q2020, the Group recorded a net cash outflow of approximately CHF0.2 million from operating activities, which comprises mainly current period losses and changes in working capital.

In 3Q2020, there was no cash movement from investing and financing activities.

**Use of proceeds from convertible notes**

The Company had raised proceed from the convertible notes of approximately S\$2.5 million.

As at 30 September 2020, the Company has utilized an aggregate of approximately S\$2.3 million as follows:

	Amount allocated as disclosed in the Circular (S\$'000)	Amount raised as at 30 Sep 2020 (S\$'000)	Amount utilised as at 30 Sep 2020 (S\$'000)	Balance of net proceeds as at 30 Sep 2020 (S\$'000)
<b><u>Use of proceeds</u></b>				
Repayment of loan and outstanding payments owing by the Group	2,430	230	179	51
Payment of the cost and expenses relating to the Notes	41	19	19	-
General working capital	4,997	1,961	1,911	50
Business expansion through investment, acquisitions and joint ventures	2,430	263	137	126
	<u>9,898</u>	<u>2,473</u>	<u>2,246</u>	<u>227</u>

The use of the proceeds for general working capital mainly for staff salary, accounting service fees, audit fees, sponsor fees, legal and professional fees.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No specific forecast and prospect statements has been disclosed previously.

**10. 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.**

As announced on 14 October 2020, ayondo Holding AG (“AHAG”) has been deregistered from the commercial register of Zug, Switzerland. The deregistration of AHAG has no material impact on the Company as AHAG had been deconsolidated as a subsidiary of the Company since 3Q2019.

On 30 July 2020, the Company announced that the Company had on 29 July 2020 entered into a conditional Sale and Purchase Agreement with Speed Success Group Limited in relation to the proposed acquisition of the entire equity interest in Rich Glory International Investment Limited by the Company (the “Proposed Acquisition”).

The Proposed Acquisition, if undertaken and completed, is expected to result in a “Reverse Take-over” of the Company and is subject to, inter alia, the approval of shareholders of the Company at an extraordinary general meeting to be convened and the approval of the Singapore Exchange Securities Trading Limited.



**11. Dividend**

**If a decision regarding dividend has been made:**

**(a) Whether an interim (final) dividend has been declared (recommended); and**

No dividend has been recommended or declared for 3Q2020.

**(b) Amount per share (cents) and previous corresponding period (cents).**

Not applicable. No dividend has been recommended or declared for 3Q2019.

**(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) The date the dividend is payable.**

Not applicable

**(e) The date on which Registrable Transfer receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Not applicable

**12. If no dividend has been declared (recommended), a statement to that effect and reason(s) for the decision.**

No dividend has been declared or recommended for 3Q2020 as the Company is not in the financial position to declare dividends.

**13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have a general mandate from shareholders for IPTs. There was no interested person transaction of S\$100,000 and more for 3Q2020.

**14. Negative confirmation pursuant to Rule 705(5) of the Catalist Rules**

The Board of Directors of the Company has confirmed that, to the best of their knowledge, other as highlighted in the Important Note on Page 1, nothing has come to their attention which may render the unaudited financial results of the Company and the Group for 3Q2020 to be false or misleading in any material respect.

**15. Confirmation pursuant to Rule 720(1) of the Catalist Rules**

The Company confirms that it has procured the undertakings from all its Directors and executive officers pursuant to Rule 720 (1) of the Catalist Rules.

**15A. Disclosure of acquisition (including incorporations) and sale of shares under Catalist Rule 706A.**

Not applicable. The Company did not acquire and dispose shares in any companies during the third quarter of 2020.

**BY ORDER OF THE BOARD**

Foo Fatt Kah  
Non-Executive Director  
14 November 2020

Foong Daw Ching  
Lead Independent Director