



artivision
technologies

Company Registration No. 200407031R

ARTIVISION TECHNOLOGIES LTD.

UNAUDITED RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst.

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 correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

1 (a) 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.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	12 months		+/-
	1-Apr-19 to 31-Mar-20 (Unaudited)	1-Apr-18 to 31-Mar-19 (Audited)	
	S\$'000	S\$'000	%
Continuing operations			
Revenue	-	-	-
Cost of sales	-	-	-
Gross profit	-	-	-
Other gains – net	-*	7	(100)
Expenses			
- Distribution	-	(10)	(100)
- Administrative	(844)	(1,094)	(23)
- Finance	(817)	(788)	4
Loss before income tax	(1,661)	(1,885)	(12)
Income tax expense	-	-	-
Loss from continuing operations	(1,661)	(1,885)	(12)
Discontinued operations⁽¹⁾			
Loss from discontinued operations	-	(717)	(100)
Total losses	(1,661)	(2,602)	(36)
Other comprehensive loss:			
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Gains	-	5	(100)
- Reclassification	-	(163)	(100)
Total comprehensive loss	(1,661)	(2,760)	(40)

*- Amount less than S\$1,000

1 (a) 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. (continued)

⁽¹⁾ Discontinued operations relate to the Contract Manufacturing Business of the Group undertaken by Colibri Assembly (Thailand) Co., Ltd (“CAT”).

The financial results of CAT were classified as discontinued operations following the Group’s announcement on 27 February 2018 that CAT will cease its operations and business, and the Company has started the process of undertaking a members’ voluntary winding up of CAT. Following the commencement of the members’ voluntary winding up of CAT, the Company has de-consolidated CAT from the results of the Group from 1 January 2019 as the appointed liquidator of CAT has taken over all relevant activities of CAT.

	12 months		+/-
	1-Apr-19 to 31-Mar-20	1-Apr-18 to 31-Mar-19	
	(Unaudited) S\$'000	(Audited) S\$'000	%
Discontinued operations			
Revenue	-	-	-
Cost of sales	-	-	-
Gross profit	-	-	-
Other gains – net	-	(600)	(100)
Expenses			
- Distribution	-	(3)	(100)
- Administrative	-	(114)	(100)
- Finance	-	-	-
Share of loss of a joint venture	-	-	-
Loss before income tax	-	(717)	(100)
Income tax expense	-	-	-
Loss from continuing operations	-	(717)	(100)
Cumulative expenses recognised in other comprehensive loss relating to discontinued operations are as follows:			
- Currency translation differences	-	5	(100)
- Reclassifications	-	(163)	(100)

1 (a) 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. (continued)

(i) Loss for the period is arrived at after (charging)/crediting the following:

	12 months		+/- %
	1-Apr-19 to 31-Mar-20 (Unaudited) S\$'000	1-Apr-18 to 31-Mar-19 (Audited) S\$'000	
<u>Continuing Operations:</u>			
Depreciation of property, plant and equipment	(12)	-	N.M
<u>Other gains – net</u>			
Currency translation gains – net	-	5	(100)
Interest income	-*	2	(100)
<u>Finance expenses</u>			
Interest expense on shareholder loans	(27)	-	N.M
Interest expense on bonds	(790)	(788)	-**
<u>Discontinued operations:</u>			
Depreciation of property, plant and equipment	-	(3)	(100)
<u>Other gains/(losses) – net</u>			
Currency translation (losses)/gains – net	-	40	(100)
Gain on disposal of property, plant and equipment	-	67	(100)
Interest income	-	2	(100)
Loss on disposal of subsidiary	-	(709)	(100)

N.M. – not meaningful

** - Amount less than S\$1,000*

*** - Less than 0.5%*

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.

STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31-Mar-20 (Unaudited) S\$'000	31-Mar-19 (Audited) S\$'000	31-Mar-20 (Unaudited) S\$'000	31-Mar-19 (Audited) S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	1,075	1,003	1,075	1,003
Other current assets	6	52	6	52
	1,081	1,055	1,081	1,055
Non-current assets				
Property, plant and equipment	-	-	-	-
	-	-	-	-
Total assets	1,081	1,055	1,081	1,055
LIABILITIES				
Current liabilities				
Trade payables and other liabilities	751	1,955	751	1,955
Loans from a shareholder	417	-	417	-
Bonds payable	-	6,875	-	6,875
	1,168	8,830	1,168	8,830
Non-current liabilities				
Bonds payable	6,875	-	6,875	-
Interest payable on bonds	2,471	-	2,471	-
	9,346	-	9,346	-
Total liabilities	10,514	8,830	10,514	8,830
NET LIABILITIES	(9,433)	(7,775)	(9,433)	(7,775)
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	71,777	71,777	71,777	71,777
Other reserves	2,515	2,515	2,515	2,515
Accumulated losses	(83,725)	(82,067)	(83,725)	(82,067)
TOTAL EQUITY	(9,433)	(7,775)	(9,433)	(7,775)

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

	As at 31 Mar 2020		As at 31 Mar 2019	
	(Unaudited)		(Audited)	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
<u>Amount repayable in one (1) year or less, or on demand</u>				
Loans from a shareholder	-	417	-	-
Bonds payable	-	-	-	6,875
<u>Amount repayable after one (1) year</u>				
Bonds payable	-	6,875	-	-

Loans from a shareholder as at 31 March 2020 relates to unsecured loans amounting to an aggregate of S\$417,450 at an interest rate of 10% per annum granted by the Company's controlling shareholder, Mr Ching Chiat Kwong ("**Mr Ching**"), who had undertaken to provide adequate funds to the Group to enable it to continue operating on a going concern basis.

Bonds payable as at 31 March 2020 and 31 March 2019 comprise the following:

- a) an aggregate principal amount of S\$2,875,000 as at 31 March 2020 and 31 March 2019, which bears interest at 10% per annum and is unsecured;
- b) an aggregate principal amount of S\$2,000,000 as at 31 March 2020 and 31 March 2019, which bears interest at 10% per annum and is unsecured; and
- c) an aggregate principal amount of S\$2,000,000 as at 31 March 2020 and 31 March 2019, which bears interest at 15% per annum and is unsecured.

As at 31 March 2020, the bonds were due and repayable on 31 July 2021. As at 31 March 2019, the bonds were due and repayable on 31 March 2020.

Details of any collateral

Not applicable, as there is no collateral on the Group's borrowings.

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 STATEMENT OF CASH FLOWS

	12 months ended 31 Mar 2020 (Unaudited) S\$'000	12 months ended 31 Mar 2019 (Audited) S\$'000
Cash flows from operating activities		
Net loss	(1,661)	(2,602)
Adjustments for		
- Depreciation of property, plant and equipment	12	3
- Interest income	-*	(4)
- Currency translation gains/(losses)	-	(2)
- Interest expense on shareholder loans	27	-
- Interest expense on bonds	790	788
- Gain on disposal of property, plant and equipment	-	(67)
- Loss on disposal of subsidiary	-	709
- Interest expense on lease	-*	-
	<u>(832)</u>	<u>(1,175)</u>
Change in working capital:		
- Trade and other receivables	-	(21)
- Other current assets	47	70
- Trade payables and other liabilities	449	(610)
	<u>(336)</u>	<u>(1,736)</u>
Cash used in operations	(336)	(1,736)
Interest received	-*	2
Net cash used in operating activities	(336)	(1,734)
Cash flows from investing activities		
Disposal of subsidiary, net of cash disposed of	-	385
Sales proceeds on disposal of property, plant and equipment	-	67
Net cash from investing activities	-	452
Cash flows from financing activities		
Payment on lease liabilities	(9)	-
Proceeds from loan from a shareholder	417	-
Net cash from financing activities	408	-
Net increase/(decrease) in cash and cash equivalents	72	(1,282)
Cash and cash equivalents		
Beginning of financial year	1,003	2,276
Effects of currency translation on cash and cash equivalents	-	9
End of financial year	<u>1,075</u>	<u>1,003</u>

* - Amount less than S\$1,000

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 (continued)

Additional disclosures on the statement of cash flows

The impact of the discontinued operations of CAT on the cash flows of the Group is as follows:

	12 months ended 31 Mar 2020 (Unaudited) S\$'000	12 months ended 31 Mar 2019 (Audited) S\$'000
Operating cash outflows	-	(793)
Investing cash inflows	-	67
Financing cash inflows	-	-
Net cash outflows	-	(726)

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.

STATEMENT OF CHANGES IN EQUITY

Group	Share capital	Currency translation reserve	Share-based compensation reserve	Capital reserve	Accumulated losses	Total attributable to equity holders of the Company
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
(Audited)						
Balance as at 1 April 2018	71,777	158	2,515	-*	(79,465)	(5,015)
Loss for the year	-	5	-	-	(2,602)	(2,597)
Reclassification to income during the year	-	(163)	-	-	-	(163)
Total comprehensive loss for the year	-	(158)	-	-	(2,602)	(2,760)
Balance as at 31 March 2019	71,777	-	2,515	-*	(82,067)	(7,775)
(Unaudited)						
Balance as at 1 April 2019, as previously reported	71,777	-	2,515	-*	(82,067)	(7,775)
Impact on change in accounting policy (see paragraph 5 below)	-	-	-	-	3	3
Adjusted balance as at 1 April 2019	71,777	-	2,515	-*	(82,064)	(7,772)
Total comprehensive loss for the year	-	-	-	-	(1,661)	(1,661)
Balance as at 31 March 2020	71,777	-	2,515	-*	(83,725)	(9,433)

*- Amount less than S\$1,000

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).

STATEMENT OF CHANGES IN EQUITY

Company	Share capital S\$'000	Share-based compensation reserve S\$'000	Capital reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
(Audited)					
Balance as at 1 April 2018	71,777	2,515	-*	(79,982)	(5,690)
Total comprehensive loss for the year	-	-	-	(2,085)	(2,085)
Balance as at 31 March 2019	71,777	2,515	-*	(82,067)	(7,775)
(Unaudited)					
Balance as at 1 April 2019, as previously reported	71,777	2,515	-*	(82,067)	(7,775)
Impact on change in accounting policy (see paragraph 5 below)	-	-	-	3	3
Adjusted balance as at 1 April 2019	71,777	2,515	-*	(82,064)	(7,772)
Total comprehensive loss for the year	-	-	-	(1,661)	(1,661)
Balance as at 31 March 2020	71,777	2,515	-*	(83,725)	(9,433)

*- Amount less than S\$1,000

1 (d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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.

	Number of Shares	Share Capital S\$'000
Issued and fully paid-up ordinary shares		
Balance as at 30 September 2019 and 31 March 2020	1,797,792,986	71,777

As at 31 March 2020, there were 200,000,000 outstanding convertibles or options that may be converted into new shares in the capital of the Company (31 March 2019: 759,755,555).

The details of the outstanding convertibles or options are as follows:

Description of outstanding convertibles or options		As at 31 March 2020	As at 31 March 2019
Employee share options	(a)	-	4,200,000
2016 DECEMBER Options	(b)	-	555,555,555
2017 APRIL Options	(c)	200,000,000	200,000,000
Total		200,000,000	759,755,555

(a) Employee share options

As at 31 March 2020, there were no outstanding employee share options (31 March 2019: 4,200,000).

(b) 2016 DECEMBER Options

On 29 December 2016, the Company announced that it had, on 27 December 2016, entered into two separate subscription agreements (the “**2016 DECEMBER Subscription Agreements**”) with Mr Low See Ching (“**Mr Low**”) and Mr Tee Wee Sien (“**Mr Tee**”) (together, the “**2016 DECEMBER Subscribers**”), pursuant to which the 2016 DECEMBER Subscribers agreed to subscribe for bonds in aggregate principal amount of S\$4,875,000 to be issued by the Company (“**2016 DECEMBER Bonds**”) (of which S\$2,875,000 is subscribed for by Mr Low and S\$2,000,000 is subscribed for by Mr Tee) at a subscription price of 100% of the principal amount of the 2016 DECEMBER Bonds (“**2016 DECEMBER Issuance of Bonds**”). The 2016 DECEMBER Issuance of Bonds have an interest rate of 10% per annum, payable when the 2016 DECEMBER Bonds mature at the end of six months from the date of the 2016 DECEMBER Bonds are issued or such other date as may be agreed between the Company and the 2016 DECEMBER Subscribers. On 5 June 2017, the Company entered into two supplemental agreements with Mr Low and Mr Tee respectively, to amend the respective repayment dates from 30 June 2017 and 19 July 2017 to 31 August 2018. On 27 August 2018, the Company obtained the written agreement of each of Mr Low and Mr Tee to further extend the repayment date of the 2016 DECEMBER Bonds (together with the corresponding interests) from 31 August 2018 to 31 March 2019.

1 (d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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. (continued)

On 13 May 2019, the Company obtained the written agreement of each of Mr Low and Mr Tee to further extend the repayment date of the 2016 DECEMBER Bonds (together with the corresponding interests) from 31 March 2019 to 31 March 2020. On 18 February 2020 and 19 February 2020, the Company obtained the written agreement of each of Mr Low and Mr Tee, respectively, to further extend the repayment date of the 2016 DECEMBER Bonds (together with the corresponding interests) from 31 March 2020 to 31 July 2021, with the interest rate in respect of the 2016 DECEMBER Bonds to be adjusted from 10% to 12% per annum with effect from 1 April 2020, in consideration of the agreement of Mr Low and Mr Tee to extend the repayment date as set out above, and to compensate each of them for the expiry of the 2016 DECEMBER Options held by them (which expired on 29 December 2019 and 18 January 2020 respectively, details as set out below).

All other terms in the respective 2016 DECEMBER Subscription Agreements with Mr Low and Mr Tee remained unchanged.

In connection with the 2016 DECEMBER Issuance of Bonds, the Company had, on 27 December 2016, entered into two separate option deeds with the 2016 DECEMBER Subscribers respectively, pursuant to which the Company granted the 2016 DECEMBER Subscribers a total of 740,740,740 share options ("**2016 DECEMBER Options**"), whereby each of the 2016 DECEMBER Subscribers is granted 370,370,370 2016 DECEMBER Options, with each 2016 DECEMBER Option carrying the right to subscribe for one new Share ("**2016 DECEMBER Option Share**") at the exercise price of S\$0.0162 for each 2016 DECEMBER Option Share.

At the extraordinary general meeting ("**EGM**") of the Company held on 10 February 2017, shareholders of the Company approved the grant of an aggregate of 370,370,370 2016 DECEMBER Options each to Mr Low and Mr Tee.

On 7 April 2017, the Company announced that an exercise notice was received from Mr Tee to exercise 185,185,185 2016 DECEMBER Options Shares, together with the amount payable pursuant to the exercise of these Options of S\$3.0 million, in accordance with the Option Deed. The exercise of 185,185,185 2016 DECEMBER Options Shares was completed on 11 April 2017 and 185,185,185 2016 DECEMBER Options Shares were duly allotted and issued to Mr Tee on the same day.

As at 31 March 2019, 555,555,555 2016 DECEMBER Options have not been exercised.

On 29 December 2019, all of Mr Low's 370,370,370 2016 DECEMBER Options expired. On 18 January 2020, all of the balance of Mr Tee's 185,185,185 2016 DECEMBER Options expired. As such, there were no outstanding 2016 DECEMBER Options as at 31 March 2020.

(c) 2017 APRIL Options

On 6 April 2017, the Company announced that it had, on 5 April 2017, entered into a subscription agreement (the "**2017 APRIL Subscription Agreement**") with Mr Tang Boo Teck ("**Mr Tang**") (the "**2017 APRIL Subscriber**"), pursuant to which the 2017 APRIL Subscriber agreed to subscribe for bonds in aggregate principal amount of S\$2,000,000 to be issued by the Company ("**2017 APRIL Bonds**") at a subscription price of 100% of the principal amount of the 2017 APRIL Bonds ("**2017 APRIL Issuance of Bonds**"). The 2017 APRIL Issuance of Bonds have an interest rate of 15% per annum, payable when the 2017 APRIL Bonds mature at the end of six months from the date of the 2017 APRIL Bonds are issued or such other date as may be agreed between the Company and the 2017 APRIL Subscriber.

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. (continued)

On 5 June 2017, the Company entered into a supplemental agreement with Mr Tang to amend the repayment date from 6 October 2017 to 31 August 2018. On 27 August 2018, the Company obtained the written agreement of Mr Tang to further extend the repayment date of the 2017 APRIL Bonds (together with the corresponding interests) from 31 August 2018 to 31 March 2019. On 13 May 2019, the Company obtained the written agreement of Mr Tang to further extend the repayment date of the 2017 APRIL Bonds (together with the corresponding interests) from 31 March 2019 to 31 March 2020. On 19 February 2020, the Company obtained the written agreement of Mr Tang to further extend the repayment date of the 2017 APRIL Bonds (together with the corresponding interests) from 31 March 2020 to 31 July 2021, with the interest rate in respect of the 2017 APRIL Bonds to be adjusted from 15% to 17% per annum with effect from 1 April 2020, in consideration of the agreement of Mr Tang to extend the repayment date as set out above, and to compensate Mr Tang for the expiry of the 2017 APRIL Options held by him on 4 April 2020 (details as set out below).

All other terms in the 2017 APRIL Subscription Agreement remained unchanged.

In connection with the 2017 APRIL Issuance of Bonds, the Company had, on 5 April 2017, entered into an option deed with the 2017 APRIL Subscriber, pursuant to which the Company granted the 2017 APRIL Subscriber 200,000,000 share options ("**2017 APRIL Options**"), with each 2017 APRIL Option carrying the right to subscribe for one new Share ("**2017 APRIL Option Share**") at the exercise price of S\$0.0216 for each 2017 APRIL Option Share.

As at 31 March 2020 and 31 March 2019, none of the 200,000,000 2017 APRIL Options was exercised, and hence, all of the 200,000,000 2017 APRIL Options remained outstanding. All of the 200,000,000 2017 APRIL Options expired on 4 April 2020.

Save as disclosed above, the Company did not have any treasury shares, subsidiary holdings or other convertibles as at 31 March 2020 and 31 March 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.

	As at 31 March 2020	As at 31 March 2019
Number of issued shares excluding treasury shares	1,797,792,986	1,797,792,986

The Company did not have any treasury shares as at 31 March 2020 and 31 March 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 have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any modifications 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.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial reporting period as those applied in the preparation of the audited financial statements for the financial year ended 31 March 2019 except for the adoption of SFRS(I) 16 – Leases, details as set out in paragraph 5 below.

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.

On 1 April 2019, the Company adopted SFRS(I) 16 – Leases which came into effect for annual period beginning on or after 1 January 2019. SFRS(I) 16 removes the distinction between operating and finance lease. Under this standard, an asset (the right-of-use of the leased item) and a financial liability to pay rentals are recognised.

In accordance with the standard, the Company has applied the standard retrospectively by adjusting the cumulative effect of initially applying the standard on 1 April 2019. As at 1 April 2019, the Company has a lease for an office which expired on 15 May 2019. In accordance with the standard, the remaining lease was recognised on the balance sheet of the Company by recognising the right-of-use of the leased asset at a net book value of S\$12k and lease liability at its net present value of S\$9k. The Company's accumulated losses as previously reported on 31 March 2019 has been adjusted from S\$82,067,000 to S\$82,064,000 being cumulative effect on prior years' net income had the standard been adopted at the inception of the lease.

6. Loss 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:

(a) Basic loss per share based on the weighted average number of ordinary shares on issue; and

Basic loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial period.

(b) Diluted loss per share on a fully diluted basis (detailing any adjustments made to the earnings)

For the purpose of calculating diluted loss per share, net loss attributable to equity holders of the Company and the weighted average number of ordinary shares in issue are adjusted for the dilutive effects of potential ordinary share issues.

The Company has potentially dilutive ordinary shares, namely call options as at 31 March 2020 (31 March 2019: two categories of potentially dilutive ordinary shares, namely employees' share options and call options).

For share options, the weighted average number of shares in issue has been adjusted as if all dilutive share options were exercised at the end of reporting date. The number of shares that could have been issued upon the exercise of all dilutive share options, which condition is fulfilled less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the net loss.

	12 months	
	1-Apr-19 to 31-Mar-20	1-Apr-18 to 31-Mar-19
Net loss from continuing operations (S\$'000)	(1,661)	(1,885)
Less: Net loss arising from discontinued operations (S\$'000)	-	(717)
Net loss attributable to equity holders of the Company (S\$'000)	<u>(1,661)</u>	<u>(2,602)</u>
Weighted average number of ordinary shares outstanding for basic loss per share	1,797,792,986	1,797,792,986
Adjustments for dilutive options (if any)	-	-
Weighted average number of ordinary shares outstanding for diluted loss per share	<u>1,797,792,986</u>	<u>1,797,792,986</u>
(a) Basic Loss Per Share		
Basic loss per share from continuing operations (S\$ cents)	(0.09)	(0.10)
Basic loss per share from discontinued operations (S\$ cents)	-	(0.04)
Basic loss per share (S\$ cents)	<u>(0.09)</u>	<u>(0.14)</u>
(b) Diluted Loss Per Share		
Diluted loss per share from continuing operations (S\$ cents)	(0.09)	(0.10)
Diluted loss per share from discontinued operations (S\$ cents)	-	(0.04)
Diluted loss per share (S\$ cents)	<u>(0.09)</u>	<u>(0.14)</u>

Note: Figures may not tie arithmetically due to rounding

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	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Net liability value per ordinary share (S\$ cents)	(0.52)	(0.43)	(0.52)	(0.43)

Net liability value per ordinary share is calculated based on 1,797,792,986 shares in issue as at 31 March 2020 (31 March 2019: 1,797,792,986 shares in issue).

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.

GROUP FINANCIAL PERFORMANCE

Consolidated Statement of Comprehensive Income

Continuing operations

After cessation of CAT's business in February 2018, the Group does not have any business since then and as at the date of this announcement. The discontinued operations relating to CAT's business had been separately disclosed in the Group's income statement. As such, the Group did not report any revenue and gross profit from its continuing operations in the financial year ended 31 March 2020 ("**12MFY2020**") and the financial year ended 31 March 2019 ("**12MFY2019**").

In both 12MFY2020 and 12MFY2019, the Group's expenses comprised mainly administrative expenses and finance cost.

In 12MFY2020, the Group's administrative expenses amounted to S\$844k which comprised mainly professional fees relating to the reverse take-over of Mobile Credit Payment Pte Ltd (S\$440k), administrative professional fees (S\$111k), remuneration and emoluments (S\$105k) and SGX listing related expenses (S\$87k). Finance cost of S\$817k arose from bonds payable of S\$6.9 million as at 31 March 2020 with coupon rates ranging from 10% to 15% per annum and loans from a shareholder of S\$417k as at 31 March 2020 with an interest rate of 10% per annum.

In 12MFY2019, the Group's administrative expenses amounted to S\$1.1 million which comprised mainly professional fees relating to the reverse take-over of Mobile Credit Payment Pte Ltd (S\$310k), administrative professional fees (S\$138k), remuneration and emoluments (S\$309k), SGX listing related expenses (S\$121k) and rental expenses (S\$101k). Finance cost of S\$788k arose from bonds payable of S\$6.9 million as at 31 March 2019 with coupon rates ranging from 10% to 15% per annum.

There was no income tax expense incurred for both 12MFY2020 and 12MFY2019.

As a result of the above, the Group's continuing operations recorded a net loss of S\$1.7 million for 12MFY2020, as compared to a net loss of S\$1.9 million for 12MFY2019.

Discontinued operations

Following the commencement of the members' voluntary winding up of CAT, the Company has de-consolidated CAT from the Group from 1 January 2019 as the appointed liquidator of CAT has taken over all relevant activities of CAT.

The Group incurred a net loss of S\$768k for H2FY2019 and a net loss of S\$717k for 12MFY2019 from its discontinued operations.

Statement of Financial Position

Current Assets

Current assets increased by S\$26k, from S\$1.06 million as at 31 March 2019 to S\$1.08 million as at 31 March 2020 due mainly to an increase in cash and cash equivalents of S\$72k, partially offset by a decrease in other current assets of S\$46k. The decrease in other current assets was due mainly to the refund of deposits in respect of the lease of the Company's office which expired on 15 May 2019. Please refer to the section on "Consolidated Statement of Cash Flows" below for reasons for the increase in cash and cash equivalents.

Current liabilities

Current liabilities decreased by S\$7.7 million, from S\$8.8 million as at 31 March 2019 to S\$1.2 million as at 31 March 2020 due mainly to the extension of the maturity date of the bonds payable of S\$6.9 million and its corresponding interest payable of S\$2.5 million from 31 March 2020 to 31 July 2021. As a result of this extension, these balances have been reclassified as non-current liabilities as at 31 March 2020. The decrease in current liabilities was partially offset by an increase in loans received from a shareholder of S\$417k and trade payables and other liabilities (excluding the interest payable on the bonds) of S\$477k.

Non-current liabilities

Non-current liabilities increased by S\$9.3 million as at 31 March 2020 (31 March 2019: Nil) due to the reclassification of bonds payable of S\$6.9 million and its corresponding interest payable of S\$2.5 million from current liabilities to non-current liabilities. This reclassification arose from the extension of the maturity date of the bonds payable from 31 March 2020 to 31 July 2021.

Equity and Working Capital

The Group's negative equity and negative working capital increased by S\$1.7 million, from S\$7.7 million as at 31 March 2019 to S\$9.4 million as at 31 March 2020. This was due to the total comprehensive loss of S\$1.7 million incurred in 12MFY2020.

Mr Ching, the controlling shareholder of the Company, had undertaken to provide adequate funds to the Group to enable it to continue operating as a going concern.

Consolidated Statement of Cash Flows

The Group's cash and cash equivalents increased by S\$72k, from S\$1.003 million as at 31 March 2019 to S\$1.075 million as at 31 March 2020 due mainly to the proceeds received from loans from a shareholder of S\$417k. This increase was partially offset by the net cash used in operating activities amounting to S\$336k in 12MFY2020.

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

Not applicable.

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.

Due to the circuit breaker and the subsequent practical restrictions that were imposed as a result of the COVID-19 pandemic, the due diligence exercise on the proposed acquisition of Mobile Credit Payment Pte. Ltd. (the “**Proposed Acquisition**”) could not progress as smoothly as planned. The Company (through its Sponsor) will be applying for a further 6-month extension of time to end February 2021 to complete the Proposed Acquisition and to meet the requirements for a new listing pursuant to Rule 1017(2) of the Catalist Rules. The Company will make an announcement as and when material developments arise.

11. Dividends.

Not applicable.

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

No dividend has been declared or recommended for 12MFY2020 as the Group recorded net loss in 12MFY2020.

13. Use of proceeds

Use of net proceeds from the disposal of Artimedia Pte. Ltd. and its wholly-owned subsidiary, Artimedia IL (“Artimedia Group”)

On 11 August 2017, the Company completed the disposal of Artimedia Group and received the first tranche payment of the total consideration of S\$3.00 million (“**First Tranche Consideration**”). On 8 February 2018, the Company received the second tranche payment of the total consideration of S\$1.00 million (“**Second Tranche Consideration**”). On 6 July 2018, the Company received the third and final tranche payment of the total consideration of S\$1.00 million (“**Final Tranche Consideration**”).

As announced by the Company on 5 April 2018, pursuant to the “no objections” letter issued by the SGX-ST on the same date in relation to, *inter alia*, the Company’s application for waiver from compliance with Rule 1017(1)(a) of the Catalist Rules, the Final Tranche Consideration will have to be placed in an escrow account to be opened by the Company with and operated by an escrow agent which is part of any financial institution licensed and approved by the Monetary Authority of Singapore. Please refer to the Company’s announcements dated 5 April 2018 and 11 July 2018 for further information.

As announced by the Company on 12 November 2018, the First Tranche Consideration and Second Tranche Consideration had been fully utilized, and the Final Tranche Consideration stood at S\$1.00 million as at 30 September 2018. As at 31 December 2018, the Final Tranche Consideration remained at S\$1.00 million, which had been placed in an escrow account opened by the Company in December 2018.

14. 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 Company does not have a general mandate from shareholders for interested person transactions.

15. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statement, with comparative information for the immediately preceding year.

Not relevant, as the Company did not record any revenue and has no operations in 12MFY2020, and is deemed as a cash company under Rule 1017 of the Catalist Rules.

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable as the Company did not record any revenue and has no operations in 12MFY2020.

17. A breakdown of sales.

Not applicable as the Company did not record any revenue and has no operations in 12MFY2020.

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

There is no person occupying a managerial position in the Group who is a relative of a director, chief executive officer, or substantial shareholder of the Company pursuant to Rule 704(10) of the Catalist Rules.

20. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company confirms that all the required undertakings under Rule 720(1) of the Catalist Rules have been obtained from its Directors and Executive Officers (if any) in the format set out in Appendix 7H of the Catalist Rules.

BY ORDER OF THE BOARD

Harry Ng
Non-Executive Chairman and Independent Director
24 July 2020