



AYONDO LTD.

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

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FOURTH QUARTER AND
FULL YEAR ENDED 31 DECEMBER 2019**

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.

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IMPORTANT NOTES

- 1) The Company is required under Catalist Rule 705(2) to report its financial statements quarterly.
- 2) The financial performance of the Group in 2018 was negatively impacted by various factors, including (i) regulatory changes relating to product intervention imposed by the European and UK regulators in 2018, (ii) unfavourable trading conditions in the Group's core CFD due mainly to low market volatility and (iii) the Group's reduced marketing expenditure. These factors have continued to impact on performance in 2019.
- 3) 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. On 16 January 2020, the Company announced that the AYG Insolvency has been completed.
- 4) As at 31 December 2019, the Company is in a net working capital and liability position of CHF2.9 million. The unaudited financial results announcement for the full year ended 31 December 2019 ("**FY2019**") has been prepared on a going concern basis. The validity of the going concern basis on which the unaudited financial statements for FY2019 are prepared, is subject to the successful completion and issuance of the convertible notes announced on 22 August 2019. The Company has been suspended from trading since 1 February 2019.

The Board would like to advise shareholders to read the above important notes and the following unaudited results announcement for FY2019 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 31 Dec 2019 (“4Q2019”) vs three months period ended 31 Dec 2018 (“4Q2018”)

Full year ended 31 Dec 2019 (“31-Dec-19”) vs full year ended 31 Dec 2018 (“31-Dec-18”)

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					
	4Q2019	4Q2018	Increase/ (Decrease)	31-Dec-19	31-Dec-18	Increase/ (Decrease)
	(Unaudited) CHF'000	(Unaudited) CHF'000	%	(Unaudited) CHF'000	(Audited) CHF'000	%
<u>Continuing operations</u>						
Trading revenue	-	4,826	n.m.	-	20,801	n.m.
Fees, rebates, client bonus and betting duty tax	-	(4,112)	n.m.	-	(12,505)	n.m.
Net operating income	-	714	n.m.	-	8,296	n.m.
Other income	15	11	36.4	265	40	n.m.
	15	725	(97.9)	265	8,336	(96.8)
<u>Other items of expense</u>						
Staff expenses	-	(426)	n.m.	(50)	(6,263)	(99.2)
Marketing expenses	-	(228)	n.m.	-	(1,916)	n.m.
Other operating expenses - Administrative	(198)	(2,923)	(93.2)	(779)	(10,125)	(92.3)
Other operating expenses - IPO cost	-	466	n.m.	-	(772)	n.m.
Impairment of assets	(28)	(37,102)	(99.9)	(965)	(37,102)	(97.4)
Finance costs	(62)	(4)	n.m.	(63)	(2,971)	(97.9)
Loss before tax	(273)	(39,492)	(99.3)	(1,592)	(50,813)	(96.9)
Income tax credit	-	140	n.m.	-	574	n.m.
Loss for the period/year	(273)	(39,352)	(99.3)	(1,592)	(50,239)	(96.8)

Note:

n.m. - Not meaningful

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 (continued)

	Group					
	4Q2019	4Q2018	Increase/ (Decrease)	31-Dec-19	31-Dec-18	Increase/ (Decrease)
	(Unaudited) CHF'000	(Unaudited) CHF'000	%	(Unaudited) CHF'000	(Audited) CHF'000	%
Discontinued operations						
(Loss)/Gain for the period/year from discontinued operations, net of income tax						
- Disposal of subsidiary	-	-	-	(1,423)	-	n.m.
- Deconsolidation of subsidiaries	(487)	-	n.m.	(1,901)	-	n.m.
Gain on disposal of subsidiary	-	-	-	7,172	-	n.m.
(Loss)/Gain on deconsolidation of subsidiaries	(8)	-	n.m.	49,811	-	n.m.
(Loss)/Profit for the period/year	(768)	(39,352)	(98.0)	52,067	(50,239)	n.m.
Other comprehensive income						
Foreign currency translation	1	(62)	n.m.	17	(106)	n.m.
Actuarial gain on defined benefit plans	-	150	n.m.	-	143	n.m.
Disposal of subsidiary	-	-	-	945	-	n.m.
Deconsolidation of subsidiaries	(1)	-	n.m.	(365)	-	n.m.
Other comprehensive income for the period/year, net of tax	-	88	(100.0)	597	37	n.m.
Total comprehensive income for the period/year	(768)	(39,264)	n.m.	52,664	(50,202)	n.m.
(Loss)/Profit for the period/year attributable to:						
Equity holders of the Company	(764)	(39,346)	(98.1)	52,088	(50,218)	n.m.
Non-Controlling Interest	(4)	(6)	(33.3)	(21)	(21)	-
(Loss)/Profit for the period/year	(768)	(39,352)	(98.0)	52,067	(50,239)	n.m.
Total comprehensive income for the period/year attributable to:						
Equity holders of the Company	(764)	(39,258)	(98.1)	52,685	(50,180)	n.m.
Non-Controlling Interest	(4)	(6)	(33.3)	(21)	(22)	(4.5)
Total comprehensive income for the period/year	(768)	(39,264)	(98.0)	52,664	(50,202)	n.m.

Note:

n.m. - Not meaningful

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

	Group					
	4Q2019	4Q2018	Increase/ (Decrease)	31-Dec-19	31-Dec-18	Increase/ (Decrease)
	(Unaudited) CHF'000	(Unaudited) CHF'000	%	(Unaudited) CHF'000	(Audited) CHF'000	%
Depreciation of property, plant and equipment	-	11	n.m.	-	84	n.m.
Gain on disposal of property, plant and equipment	-	-	n.m.	-	(9)	n.m.
Impairment of goodwill	-	33,360	n.m.	-	33,360	n.m.
Impairment of IT platform	-	3,494	n.m.	-	3,494	n.m.
Impairment of investment securities	-	248	n.m.	-	248	n.m.
Impairment of inter-company balances	28	-	n.m.	965	-	n.m.
Amortisation of intangibles	-	328	n.m.	-	1,180	n.m.
Net foreign exchange (gain)/loss	(15)	(22)	(31.8)	(265)	554	n.m.
Finance costs on loans from related parties	-	12	n.m.	-	36	n.m.
Convertible bond finance cost	-	(6)	n.m.	-	2,937	n.m.
Finance costs on loan from a former director	-	-	n.m.	1	-	n.m.
Finance costs on loans from third party	62	-	n.m.	62	-	n.m.
Changes in fair value of embedded derivatives of convertible bonds	-	-	-	-	(2,197)	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 31-Dec-19 (unaudited) CHF'000	As at 31-Dec-18 (audited) CHF'000	As at 31-Dec-19 (unaudited) CHF'000	As at 31-Dec-18 (audited) CHF'000
<u>Non-current assets</u>				
Property, plant and equipment	-	59	-	-
Intangible assets	-	19	-	-
Total non-current assets	-	78	-	-
<u>Current assets</u>				
Trade and other receivables	4	32,129	4	26
Cryptocurrency asset	-	291	-	-
Derivative financial instruments	-	42	-	-
Cash and bank balances	31	1,594	31	4
Total current assets	35	34,056	35	30
Total assets	35	34,134	35	30
<u>Current liabilities</u>				
Short-term loans	1,780	-	1,780	-
Trade and other payables	1,156	40,021	1,156	2,922
Loan from related parties	-	291	-	-
Loan from a former director	31	-	31	-
Derivative financial instruments	-	1,940	-	-
Bank overdraft	-	62	-	-
Total current liabilities	2,967	42,314	2,967	2,922
<u>Non-current liabilities</u>				
Employee benefit liabilities	-	99	-	-
Total non-current liabilities	-	99	-	-
Total liabilities	2,967	42,413	2,967	2,922
<u>Equity</u>				
Share capital	32,450	32,450	32,450	32,450
Merger reserve	-	50,536	-	-
Other reserves	2,988	(762)	2,988	2,988
Accumulated losses	(38,370)	(90,458)	(38,370)	(38,330)
	(2,932)	(8,234)	(2,932)	(2,892)
Non-controlling interests	-	(45)	-	-
Total equity	(2,932)	(8,279)	(2,932)	(2,892)
Total equity and liabilities	35	34,134	35	30

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 31 Dec 2019 CHF'000		As at 31 Dec 2018 CHF'000	
Secured	Unsecured	Secured	Unsecured
-	1,780	-	353

Amount repayable by the Group after one year

As at 31 Dec 2019 CHF'000		As at 31 Dec 2018 CHF'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of collateral

Included in the unsecured loan of approximately CHF1.8 million, approximately CHF0.03 million and CHF0.5 million were unsecured interest-bearing loans provided by a former director and a third-party lender respectively.

There were no secured borrowings as at 31 December 2019 and 31 December 2018.

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			
	4Q2019 (Unaudited) CHF'000	4Q2018 (Unaudited) CHF'000	31-Dec-19 (Unaudited) CHF'000	31-Dec-18 (Audited) CHF'000
Cash flows from operating activities				
(Loss)/Profit before tax				
Continuing operations	(273)	(39,492)	(1,592)	(50,813)
Discontinued operations	(495)	-	53,421	-
Adjustments for:				
Depreciation of property, plant and equipment	-	9	43	84
Gain on disposal of property, plant and equipment	-	-	-	(9)
Amortisation of intangibles	-	297	2	1,180
Gain on disposal of subsidiaries	-	-	(7,172)	-
Reversal of gain on deconsolidation of subsidiaries	8	-	(49,811)	-
Employee share based payments	-	-	-	464
Changes in fair value of embedded derivatives of convertible bonds	-	-	-	(2,197)
Unrealised loss/(gain) on derivatives	-	1,716	-	(83)
Pension costs	-	(600)	-	(555)
Interest income on loans and receivables	-	(1)	-	(2)
Finance costs	-	6	1	2,973
Issuance of adjustment shares for CB conversion	-	-	-	1,869
Issuance of shares to Sponsor	-	464	-	464
Capitalised IPO cost	-	-	-	(895)
Impairment of assets	-	37,102	-	37,102
Unrealised exchange (gain)/loss	(6)	38	(10)	(187)
Operating cash flows before changes in working capital	(766)	(461)	(5,118)	(10,605)
(Increase)/decrease in trade and other receivables and cryptocurrency assets	(252)	16,073	(341)	19,149
Increase/(decrease) in trade and other payables	440	(14,896)	(4,039)	(15,052)
Cash flows (used in)/generated from operations	(578)	716	(9,498)	(6,508)
Interest paid	-	-	-	(1)
Interest received	-	1	-	2
Income tax received	-	554	-	554
Net cash flows (used in)/generated from operating activities	(578)	1,271	(9,498)	(5,953)
Cash flows from investing activities				
Purchase of property, plant and equipment & intangibles	-	-	-	(25)
Proceed from disposal of property, plant and equipment	-	-	-	9
Capitalisation of internally generated intangibles	-	(489)	-	(1,729)
Proceed from sale of financial investments	-	380	-	380
Net proceed from disposal of investment in subsidiary	-	-	6,532	-
Net cash outflow on deconsolidation of subsidiaries	-	-	(291)	-
Net cash flows (used in)/generated from investing activities	-	(109)	6,241	(1,365)
Cash flows from financing activities				
Proceeds from issue of new shares	-	(464)	-	14,715
Repayment of convertible bonds	-	-	-	(4,393)
Repayment of convertible bonds interest coupon	-	-	-	(1,517)
Repayment of shareholders' loan	-	-	-	(799)
Receipts of loan from a former director	-	-	31	-
Receipts of short-term loans	486	-	1,782	-
Net cash flows (used in)/generated from financing activities	486	(464)	1,813	8,006
Net (decrease)/increase in cash and cash equivalents	(92)	698	(1,444)	688
Effects of exchange rate changes on cash and cash equivalents	-	(12)	(57)	(38)
Cash and cash equivalents at the beginning of the period	123	846	1,532	882
Cash and cash equivalents at the end of the period	31	1,532	31	1,532

Notes:

For the purpose of the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

Cash and bank balances	31	1,594	31	1,594
Less: Bank overdraft	-	(62)	-	(62)
Cash and bank balances per consolidated statement of cash flow	31	1,532	31	1,532

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Unaudited financial statements for the fourth quarter and full year ended 31 December 2019

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	Merger reserve ⁽¹⁾ 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
2019									
At 1 Jan 2019	32,450	50,536	(597)	2,988	(3,153)	(90,458)	(8,234)	(45)	(8,279)
Profit for the year	-	-	-	-	-	52,088	52,088	(21)	52,067
<u>Other comprehensive income</u>									
Foreign currency translation	-	-	17	-	-	-	17	-	17
Disposal of subsidiary	-	-	945	-	-	-	945	21	966
Gain on deconsolidation of subsidiaries	-	(50,536)	(365)	-	3,153	-	(47,748)	45	(47,703)
Other comprehensive income for the year	-	(50,536)	597	-	3,153	-	(46,786)	66	(46,720)
At 31 Dec 2019	32,450	-	-	2,988	-	(38,370)	(2,932)	-	(2,932)

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.

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Unaudited financial statements for the fourth quarter and full year ended 31 December 2019

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 ⁽¹⁾ CHF'000	Foreign currency translation reserve CHF'000	Employee share option reserve CHF'000	Gain on reissuance of treasury shares 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
2018										
At 1 Jan 2018 (As previously stated)	50,006	-	(491)	2,524	92	(3,153)	(40,079)	8,899	(23)	8,876
Effect of adoption of IFRS 9 ⁽²⁾	-	-	-	-	-	-	(304)	(304)	-	(304)
At 1 Jan 2018 (As restated)	50,006	-	(491)	2,524	92	(3,153)	(40,383)	8,595	(23)	8,572
Loss for the year	-	-	-	-	-	-	(50,218)	(50,218)	(21)	(50,239)
Other comprehensive income										
Actuarial gains/(losses) on measurement of post-employment benefit plan, net of tax	-	-	-	-	-	-	143	143	-	143
Foreign currency translation	-	-	(106)	-	-	-	-	(106)	(1)	(107)
Other comprehensive income for the year	-	-	(106)	-	-	-	143	37	(1)	36
Contributions by and distributions to owners										
Merger reserve arising from restructuring	(50,006)	50,098	-	-	(92)	-	-	-	-	-
Share swap pursuant to restructuring	12,314	(12,314)	-	-	-	-	-	-	-	-
Capital contribution	-	12,752	-	-	-	-	-	12,752	-	12,752
Conversion of debt instruments	3,161	-	-	-	-	-	-	3,161	-	3,161
Issuance of shares pursuant to IPO	14,715	-	-	-	-	-	-	14,715	-	14,715
Issuance of shares to Starland ⁽³⁾	822	-	-	-	-	-	-	822	-	822
Issuance of adjustment shares to CB conversion	1,869	-	-	-	-	-	-	1,869	-	1,869
Issuance of shares to Sponsor	464	-	-	-	-	-	-	464	-	464
Capitalised IPO costs ⁽⁴⁾	(895)	-	-	-	-	-	-	(895)	-	(895)
Modification of employee share option scheme	-	-	-	398	-	-	-	398	-	398
Grant of share options to employees	-	-	-	66	-	-	-	66	-	66
Total contributions by and distributions to owners	(17,556)	50,536	-	464	(92)	-	-	33,352	-	33,352
At 31 Dec 2018	32,450	50,536	(597)	2,988	-	(3,153)	(90,458)	(8,234)	(45)	(8,279)

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.

(2) The fair value adjustment to investment securities as a result of the initial application of IFRS 9.

(3) There was an issuance of shares to Starland Holdings Limited for the reimbursement of expenses pursuant to the IPO.

(4) Certain IPO costs were capitalised in Q22018 with the completion of IPO and finalising of accounting treatments.

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	Employee share option reserve CHF'000	Accumulated losses CHF'000	Total CHF'000
2019				
At 1 Jan 2019	32,450	2,988	(38,330)	(2,892)
Profit net of tax, representing total comprehensive income for the financial year	-	-	(40)	(40)
At 31 Dec 2019	32,450	2,988	(38,370)	(2,932)
2018				
At 1 Jan 2018	-*	-	-	-*
Loss net of tax, representing total comprehensive income for the financial year	-	-	(38,330)	(38,330)
<u>Contributions by and distributions to owners</u>				
Share swap pursuant to restructuring	12,314	-	-	12,314
Conversion of debt instruments	3,161	-	-	3,161
Issuance of shares pursuant to IPO	14,715	-	-	14,715
Issuance of shares to Starland ⁽¹⁾	822	-	-	822
Issuance of adjustment shares to CB conversion	1,869	-	-	1,869
Issuance of shares to Sponsor	464	-	-	464
Capitalised IPO costs ⁽²⁾	(895)	-	-	(895)
Transfer of employee share option	-	2,524	-	2,524
Modification of employee share option scheme	-	398	-	398
Grant of share options to employees	-	66	-	66
As at 31 Dec 2018	32,450	2,988	(38,330)	(2,892)

Notes:

(1) There was an issuance of shares to Starland Holdings Limited for the reimbursement of expenses pursuant to the IPO.

(2) Certain IPO costs were capitalised in Q22018 with the completion of IPO and finalising of accounting treatments.

* Less than CHF 1,000

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 Sep 2019	509,785,570	32,449,753
Balance as at 31 Dec 2019	509,785,570	32,449,753

There were no changes in the Company's share capital since 30 Sep 2019 to 31 Dec 2019.

Details of convertibles

Options had been granted by ayondo Holding AG ("**ayondo AG**") to employees, directors and consultants of ayondo AG and its subsidiaries and certain third parties, giving them the right to purchase 95,270 shares in ayondo AG ("**AG options**"). On 12 March 2018, the Company granted pre-IPO options to replace the AG options. As at 30 June 2018, there were pre-IPO options granted on 51,445,800 ayondo Ltd. shares. During 3Q2018, pre-IPO options on 3,888,000 ayondo Ltd. shares lapsed due to termination of Group's employees. As at 31 December 2018, there were pre-IPO options granted on 47,557,800 ayondo Ltd. shares. Please refer to page 205 to 208 of the Offer Document for details on the pre-IPO options.

As at 31 December 2019, there were outstanding pre-IPO options granted on 30,720,600 shares of the Company. 20,725,200 pre-IPO options lapsed. Please refer to page 205 to 208 of the Offer Document for details on the pre-IPO options.

Save for the above, the Group had no outstanding convertibles as at 31 December 2019 and 31 December 2018.

Details of treasury shares and subsidiary holdings

The Company did not have any treasury shares and subsidiary holdings as at 31 December 2019 and 31 December 2018.

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 31 Dec 2019	As at 31 Dec 2018
Total number of issued shares (excluding treasury shares) *	509,785,570	509,785,570

* The Company did not have any treasury shares as at 31 December 2019 and 31 December 2018.

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 24 May 2019, in the Company's Annual Report 2018, which was subjected to a disclaimer of opinion.

The Company's auditor had reported two 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 CHF8.3 million and CHF8.3 million respectively as at 31 December 2018. Additionally, the Company's current liabilities and total liabilities exceeded its current assets and total assets by CHF2.9 million and CHF2.9 million respectively as at 31 December 2018.

The Group has completed the disposal of its key operating subsidiary, ayondo Markets Limited, on 5 June 2019 as announced on 6 June 2019.

The Group has obtained funding through loans from, among others, Golden Nugget JinZhuan Limited (“iMaibo”) to address the Group’s existing working capital requirements and financial needs. The Company has subsequently entered into convertible note agreements with certain parties for the issue of convertible notes to them in place of the loans. The Company will be convening an extraordinary general meeting on 3 March 2020 (“Forthcoming EGM”) to seek shareholders’ approval to issue convertible notes in aggregate of up to S\$9.9 million.

(2) Information Technology (“IT”) platform costs

The Group had engaged an external IT consultancy company to provide both research and development services. The auditors are not able to ascertain the appropriateness of the split between research expense and development cost.

The Group has subsequently amortised all the development cost.

(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 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 2018.

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.

The financial statements have been prepared in accordance with the same accounting policies and methods of computation adopted in the most recently audited financial statements for the financial year ended 31 December 2018, except for the adoption of IFRS 16/SFRS(I) 16 Leases. The adoption of IFRS 16/SFRS(I) 16 Leases does not have any material impact on the financial statements of the Group and the Company for the current financial period under review.

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			
	4Q2019	4Q2018	31-Dec-19	31-Dec-18
(Loss)/Profit attributable to owners of the Company (CHF'000)	(764)	(39,346)	52,088	(50,218)
<u>Earnings/(Loss) per ordinary shares (Basic and fully diluted)</u>				
Based on weighted average number of ordinary shares in issue (CHF cents)	(0.15) ⁽¹⁾	(7.72)	10.22 ⁽¹⁾	(11.91)
Weighted average number of ordinary shares in issue	<u>509,785,570</u>	<u>509,630,801</u>	<u>509,785,570</u>	<u>421,791,607</u>

Notes:

- (1) The basic and fully diluted loss per share were the same as the basic EPS assuming that no potential ordinary shares are to be issued under the convertible securities due to the exercise price for most of the convertible securities being higher than the prevailing market price as at 31 December 2018 and 31 December 2019.

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	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
Net liability value (CHF'000)	(2,932)	(8,234)	(2,932)	(2,892)
Number of ordinary shares in issue	<u>509,785,570</u>	<u>509,785,570</u>	<u>509,785,570</u>	<u>509,785,570</u>
Net liability value per share attributable to owners of the Company (CHF cents)	<u>(0.58)</u>	<u>(1.62)</u>	<u>(0.58)</u>	<u>(0.57)</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

As explained on page 1 of this announcement, the Group had been impacted by the disposal of AML and the insolvency proceedings of its other subsidiaries. As such there were minimal operating activities and only holding company's and other expenses incurred in 4Q2019. During the period under review, approximately CHF0.3 million was accrued mainly for the interest cost on loan from third party and professional expenses such as audit fee, corporate secretarial expenses as well as directors' fees. The loss from discontinued operations arising from deconsolidation of subsidiaries of approximately CHF0.5 million were expenses paid by the Company on behalf of one of the subsidiaries of AHAG's Group which was deemed not recoverable due to the commencement of insolvency proceedings.

REVIEW OF STATEMENT OF FINANCIAL POSITION

As explained on page 1 of this announcement, the Group had disposed of AML and insolvency proceedings had commenced against its other subsidiaries, which led to the movements in the Group's balance sheet.

The Company's short-term loans of approximately CHF1.8 million was provided by iMaibo, a third-party investor and a third-party lender. An interest-bearing loan of approximately CHF0.03 million and CHF0.5 million were provided by a former director and a third-party lender respectively. The other payables of approximately CHF1.2 million consists of outstanding non-trade payables.

REVIEW OF THE GROUP'S STATEMENT OF CASH FLOW

In 4Q2019, the Group recorded a net cash outflow of approximately CHF0.6 million from operating activities, which comprises mainly current period losses and changes in working capital.

In 4Q2019, there was no cash movement from investing activities.

In 4Q2019, the company received an unsecured, interest-bearing short-term loan of CHF0.5 million from a third-party lender.

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

Not applicable. The Group has not previously disclosed any forecast or prospect statements to its shareholders.

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.**

On 22 August 2019, the Company entered into three convertible note agreements for an aggregate principle amount of up to S\$9.9 million. The Company will be seeking shareholders' approval for the issue of the convertible notes in the Forthcoming EGM. Please refer to the circular dated 17 February 2020 for further details. The Company is also actively reviewing opportunities for asset injection with a view towards resumption of trading.

On 16 January 2020, the Company announced that the liquidation proceedings for its indirect subsidiary, ayondo GmbH (“**AYG**”), has been completed. Accordingly, AYG has been liquidated and ceased to be a subsidiary of the Group.

On 31 January 2020, the Company announced that it has made an application, through the Company’s sponsor, to the SGX-ST for an extension of time of three (3) months under Rule 1304(1) of the Section B: Rules of Catalist of the SGX-ST Listing Manual to submit a proposal with a view to resuming trading in the Company’s securities from the deadline of 31 January 2020 to 30 April 2020 (the “**Extension**”). The Company has applied for the Extension as more time is required to identify suitable targets for injection into the Company, following which a resumption proposal can be submitted. As announced on 26 February 2020, SGX-ST has informed that it has no objection to the Company’s application for the Extension.

On 31 January 2020, the Company announced that it intends to undertake a change of auditors from Messrs Ernst & Young LLP to Messrs Foo Kon Tan LLP (“**FKT**”) to act as the new auditors of the Company and its Singapore-incorporated subsidiary, namely ayondo Asia Pte. Ltd. (“**AAPL**”) for the financial year ended 31 December 2019. The Company will be seeking shareholder’s approval for the change of auditors in the Forthcoming EGM. Please refer to the circular dated 17 February 2020 for further details.

Pursuant to the disposal of its key operating subsidiary, AML and deconsolidation of the AHAG from the Group due to the commencement of insolvency proceedings, the Group only consist of the Company. The functional and presentation currency of the Company is mainly denominated in Singapore Dollars (“**SGD**”). As such, the board of directors of the Company has deemed it appropriate to change the presentation currency of the financial statements from Swiss Francs to SGD with effect from 1 January 2020.

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 4Q2019.

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

Not applicable. No dividend has been recommended or declared for 4Q2018.

(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 4Q2019 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 FY2019.

- 14. 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.

- 14A. 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 fourth quarter of 2019.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

Not applicable. The Group has only the trading business segment.

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

Please refer to paragraph 8 above.

17. **A breakdown of sales as follows:**

	Group FY2019 CHF'000 (Unaudited)	Group FY2018 CHF'000 (Audited)	Increase/ (decrease) %
a) Trading revenue reported for first half year	252	11,978	(97.9)
b) Operating loss after tax for first half year	(2,465)	(9,300)	(73.5)
c) Trading revenue reported for second half year[#]	(252)	8,823	n.m.
d) Operating profit/(loss) after tax for second half year[#]	873	(40,939)	n.m.

Note:

n.m. - Not meaningful.

[#]AHAG Group has been deconsolidated from the Group in 3Q2019. Accordingly, its trading revenue and operating losses have been reclassified under discontinued operations – Deconsolidation of subsidiaries.

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

Not applicable. No dividend has been declared for FY2019 and FY2018.

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(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

None of the persons occupying managerial positions in the Company or any of its principal subsidiaries, is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Foo Fatt Kah
Non-Executive Director
28 February 2020