



AYONDO LTD.

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

(A) INSOLVENCY APPLICATION FOR INDIRECT SUBSIDIARY
(B) FUTURE PLANS

(A) INSOLVENCY APPLICATION FOR INDIRECT SUBSIDIARY

The Board of Directors (the "**Board**") of ayondo Ltd. (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce that an application has been filed with the competent court in Germany (the "**Court**") to commence insolvency proceedings over the assets of ayondo GmbH ("**AYG**"), a wholly-owned subsidiary of ayondo Holding AG which is in turn a 99.97%-owned subsidiary of the Company ("**Insolvency Application**").

Given the deteriorating conditions of the European CFD trading market, together with the inability to initiate any marketing efforts to grow the European social trading business, the business of AYG has been on the decline since Q2 2018. This has led to limited revenues to cover the high operational costs. Following the Company's extraordinary general meeting on 3 June 2019 in relation to the disposal of ayondo markets Limited ("**AML**") to BUX Holding B.V. ("**BUX**"), the Group managed to negotiate a temporary moratorium with BUX, under which BUX agreed to delay the payment by the Group of the full settlement of Group's share of the further loss of AML and the amount in excess of the amounts owing by the Group to AML which was disclosed in the Company's circular dated 19 May 2019. The Group also managed to procure third party loans to pay outstanding salaries, taxes and other expenses up to July 2019. The Group in the meantime also embarked on a restructuring exercise in Germany which involved the termination of employees with the aim to further reduce costs.

However, despite the restructuring to reduce costs, AYG continued to shoulder liabilities which it is not able to settle without funding. Given the Group's current financial position, the Group is unable to fully pay the salaries for August 2019 and to fund the continuing operating and restructuring costs in Germany. The Company is not able to obtain any commitment from investors to fund for such purpose. Under German law, once there is an over indebtedness or illiquidity, the managing director of the respective company has to file for insolvency. Accordingly, the managing director of AYG filed for insolvency and a preliminary administrator has been appointed.

The Board is currently not able to determine the impact to the Group arising from the Insolvency Application. As far as the Board is aware, there should not be any liabilities accrued to the Company arising from the Insolvency Application.

The Company will make further announcements on the outcome of the Insolvency Application as well as any other material developments on the Insolvency Application.

(B) FUTURE PLANS

The insolvency of AYG will effectively cease the Group's business-to-consumer European social trading business. The Company is currently considering several business opportunities through the strategic alliance with its partner, Golden Nugget Jinzhuan Limited (“**iMaibo**”).

iMaibo has been actively introducing potential business opportunities to the Group which the Board is in discussion with potential business partners on. Appropriate announcements will be made if any definitive agreements arising from these discussions are entered into.

The Board further wishes to update the shareholders that the Company is currently working with investors to finalise the agreements relating to a fundraising exercise. The investors have been informed of and are supportive of the Insolvency Application. The Company will make such further announcement on the fundraising exercise upon the signing of the agreements with the investors.

By Order of the Board

Foo Fatt Kah
Non-Executive Director
14 August 2019

ayondo Ltd. (the “**Company**”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 26 March 2018. The initial public offering of the Company was sponsored by UOB Kay Hian Private Limited (the “**Sponsor**”).

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of 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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