

IAG Holdings Limited 官酝控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(formerly known as IAG Holdings Limited 迎宏控股有限公司)
Stock code: 8513

FIRST
QUARTERLY
REPORT
2020

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This report, for which the directors (the “**Directors**”) of IAG Holdings Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

The original report is prepared in the English language. This report is translated into Chinese. In the event of any inconsistencies between the Chinese and the English version, the latter shall prevail and it is available on the Company’s website at www.inzign.com.

SUMMARY

- The unaudited revenue of the Group amounted to approximately S\$4.8 million for the three months ended 31 March 2020, representing an increase of approximately S\$2.2 million or 83.5% as compared with the revenue of approximately S\$2.6 million for the three months ended 31 March 2019.
- The unaudited loss of the Group was approximately S\$173,000 for the three months ended 31 March 2020 as compared to the loss of approximately S\$1.3 million for the three months ended 31 March 2019.
- Basic and diluted loss per share was 0.04 Singapore cents for the three months ended 31 March 2020 compared to basic and diluted loss per share of 0.31 Singapore cents for the three months ended 31 March 2019.
- No dividend is recommended by the Board for the three months ended 31 March 2020.

UNAUDITED FIRST QUARTERLY RESULTS

The board of Directors (the “**Board**”) is pleased to announce the unaudited condensed consolidated results of the Group for the three months ended 31 March 2020, together with the unaudited comparative figures for the corresponding period in 2019 as set out below:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2020

		Three months ended 31 March	
		2020	2019
	Notes	S\$'000	S\$'000
		(Unaudited)	(Unaudited)
Revenue	4	4,811	2,622
Cost of sales	6	(3,868)	(2,987)
Gross profit/(loss)		943	(365)
Other Income	5	254	50
Other losses — net		(3)	(6)
Selling and distribution expenses	6	(116)	(89)
Administrative expenses	6	(1,125)	(749)
Operating loss		(47)	(1,159)
Finance costs	7	(68)	(91)
Loss before tax		(115)	(1,250)
Income tax expenses	8	(58)	—
Loss for the period		(173)	(1,250)

		Three months ended 31 March	
		2020	2019
Notes		S\$'000	S\$'000
		(Unaudited)	(Unaudited)
Other comprehensive income:			
<i>Item that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations			
		42	—
Total comprehensive income		(131)	(1,250)
Loss attributable to:			
Equity holders of the Company			
		(185)	(1,250)
Non-controlling interests			
		12	—
		(173)	(1,250)
Total comprehensive income attributable to:			
Equity holders of the Company			
		(143)	(1,250)
Non-controlling interests			
		12	—
		(131)	(1,250)
Loss per share for loss attributable to equity holders of the Company			
— Basic and diluted			
		S cents	S cents
		(0.04)	(0.31)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2020

	Attributable to equity holders of the Company					Total S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Share premium S\$'000	Capital reserve S\$'000	Currency translation reserve S\$'000	Accumulated losses S\$'000			
At 1 January 2019	689	8,885	3,118	—	(3,037)	9,655	(8)	9,647
Total comprehensive income								
Loss for the period	—	—	—	—	(1,250)	(1,250)	—	(1,250)
Balance as at 31 March 2019	<u>689</u>	<u>8,885</u>	<u>3,118</u>	<u>—</u>	<u>(4,287)</u>	<u>8,405</u>	<u>(8)</u>	<u>8,397</u>
2020 (unaudited)								
At 1 January 2020	689	8,885	3,118	1	(4,697)	7,996	21	8,017
Total comprehensive income								
Loss for the period	—	—	—	—	(185)	(185)	12	(173)
Other comprehensive income for the period	—	—	—	42	—	42	—	42
Transactions with owners recognised directly in equity								
Issue of ordinary shares as consideration for a business combination	46	2,728	—	—	—	2,774	612	3,386
Balance as at 31 March 2020	<u>735</u>	<u>11,613</u>	<u>3,118</u>	<u>43</u>	<u>(4,882)</u>	<u>10,627</u>	<u>645</u>	<u>11,272</u>

NOTES TO FIRST QUARTERLY FINANCIAL INFORMATION

For the three months ended 31 March 2020

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 17 July 2017 as an exempted company with limited liability under Companies Law (Cap 22 Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company and its subsidiaries are principally engaged in the manufacturing and sales of injection molded plastic parts for disposable medical devices, the provision of tooling services, Chinese liquor trading and development, manufacturing and installation of amusement machines and equipment in the People's Republic of China ("**PRC**").

During the period, the Company acquired Savour Talent Global Limited ("**Savour**") and its subsidiaries that are principally engaged in the business of development, manufacturing and sales of amusement machines and equipment in the PRC.

The consolidated financial statements are presented in thousands of Singapore dollars ("**S\$'000**"), unless otherwise stated.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the three months ended 31 March 2020 has been prepared in accordance with International Financial Reporting Standards ("**IFRSs**") issued by International Accounting Standards Board.

The preparation of the condensed consolidated financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

NOTES TO FIRST QUARTERLY FINANCIAL INFORMATION

For the three months ended 31 March 2020

3. NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

The significant accounting policies that have been used in the preparation of the Group's condensed consolidated financial statements for the three months ended 31 March 2020 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2019, except as described below.

The Group has adopted and applied, for the first time, the following new standards and interpretations that have been issued and effective for the accounting periods beginning on 1 January 2020:

Amendments to IAS 1 and IAS 8	Definition of material
Amendments to IFRS 7, IFRS 9 and IAS 39	Interest rate benchmark reform
IFRS 3 (Amendment)	Definition of business
Conceptual framework for 2018 Reporting	Amendments to the Conceptual framework

NOTES TO FIRST QUARTERLY FINANCIAL INFORMATION

For the three months ended 31 March 2020

4. REVENUE

Revenue represents the net invoiced value of goods sold, net of returns, rebates, discounts and sales related tax, where applicable. Revenue recognised during the respective periods are as follows:

	Three months ended 31 March	
	2020	2019
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Sales of goods	4,811	2,622
	<u>4,811</u>	<u>2,622</u>
Timing of revenue recognition		
— At a point in time	3,024	1,790
— Over time	1,787	832
	<u>4,811</u>	<u>2,622</u>

5. OTHER INCOME

	Three months ended 31 March	
	2020	2019
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Government grants	24	36
Sale of scrap material	198	14
Repair and maintenance services	32	—
	<u>254</u>	<u>50</u>

NOTES TO FIRST QUARTERLY FINANCIAL INFORMATION

For the three months ended 31 March 2020

6. EXPENSES BY NATURE

	Three months ended	
	2020	2019
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Costs of inventories sold	2,140	1,427
Employee benefit expenses	1,495	1,303
Depreciation of property, plant and equipment	132	114
Amortisation of right-of-use assets	437	295
Amortisation of intangible assets	44	1
Rental expenses	41	91
Entertainment	2	1
Repair and maintenance of property, plant and equipment	119	93
Insurance	20	25
Travelling expenses	18	16
Printing and stationery	8	8
Telephone charges	7	7
Utilities	224	213
Advertisement	13	2
Professional fees	253	111
Auditor's remuneration	55	55
Postage and courier service	1	1
Research and development fees	48	10
Bank charges	3	11
Others	49	41
	5,109	3,825

NOTES TO FIRST QUARTERLY FINANCIAL INFORMATION

For the three months ended 31 March 2020

7. FINANCE COSTS

	Three months ended 31 March	
	2020	2019
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Interest expenses on:		
— Hire purchase loans	1	3
— Lease liabilities	60	75
— Trust receipts	7	13
	<u>68</u>	<u>91</u>

8. INCOME TAX EXPENSES

	Three months ended 31 March	
	2020	2019
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Current income tax	80	—
Deferred income tax	<u>(22)</u>	<u>—</u>
	<u>58</u>	<u>—</u>

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and is exempted from the Cayman Islands income tax.

The Group is subjected to income tax on an entity basis on profit arising in or derived from the jurisdiction in which members of the Group are domiciled and operate.

NOTES TO FIRST QUARTERLY FINANCIAL INFORMATION

For the three months ended 31 March 2020

8. INCOME TAX EXPENSES (CONTINUED)

Singapore corporate tax has been provided at the rate of 17% for the three months ended 31 March 2020 (2019: 17%) on the chargeable income arising in Singapore during the period after offsetting any tax losses brought forward.

Under the Law of the People's Republic of China ("PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

9. LOSS PER SHARE

	Three months ended 31 March	
	2020	2019
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Loss attributable to equity holders of the Company (<i>S\$'000</i>)	<u>(185)</u>	<u>(1,250)</u>
Weighted average number of ordinary shares in issue (<i>thousands</i>)	<u>426,081</u>	<u>400,000</u>
Basic and diluted loss per share (<i>S cents</i>)	<u>(0.04)</u>	<u>(0.31)</u>

The diluted loss per share is the same as the basic loss per share as the Group had no potentially dilutive ordinary shares in issue during the periods ended 31 March 2019 and 2020.

NOTES TO FIRST QUARTERLY FINANCIAL INFORMATION

For the three months ended 31 March 2020

10. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2020.

11. MATERIAL ACQUISITION AND DISPOSAL

On 3 January 2020, the Group acquired 100% of the issued share capital of Savour. Savour holds 100% equity interest of Jingchen International Co., Limited, which in turn holds 80% of 中山市星藝動漫科技有限公司 (“Xingyi”).

The principal activities of Savour and its subsidiaries (“**Savour Group**”) are that of development, manufacturing and sales and installation of amusement machines and equipment.

The consideration for the acquisition for Savour Group is HK\$16,000,000, satisfied by the allotment and issuance of 26,666,667 consideration shares at the issue price of HK\$0.60 per share (“**Consideration**”) by the Company to the vendors. The Company also agrees to pay the vendors performance bonuses if the net profit after tax of Xingyi for the year ended 31 December 2019 and the year ending 31 December 2020 exceeds HK\$3 million and HK\$4 million respectively. Any payment of performance bonuses shall be satisfied by the Company by way of the allotment and issuance of such number of new shares at the issue price if the relevant performance targets are met. The aggregate sum of the Consideration and performance bonuses shall not be more than HK\$48.0 million.

The Company has on 20 April 2020 issued 33,333,333 new shares as the net profit after tax for the year ended 31 December 2019 of Xingyi exceeds HK\$3 million.

The fair value of the Group’s share of the identifiable net assets of Savour Group at the date of acquisition has been provisionally determined at S\$7,885,000, including goodwill after deducted non-controlling interests. The acquisition-related costs of S\$150,000 have been incurred and included in administrative expenses.

The acquired business contributed revenue of S\$977,000 and net profit of S\$244,000 to the Group for the period from 3 January to 31 March 2020.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in i) the manufacturing and sales of injection molded plastics parts for disposable medical devices and the provision of tooling services; ii) trading of Chinese liquor in the PRC; and iii) the development, manufacturing and installation of amusement machines and equipment in the PRC.

On 3 January 2020, the Group acquired 100% of the issued share capital of Savour. Savour holds 100% equity interest of Jingchen International Co., Limited, which in turn holds 80% of Xinyi.

For the three months ended 31 March 2020, the Group recorded revenue of approximately S\$4.8 million, or the increase of 83.5% as compared with approximately S\$2.6 million for the same period last year. The Group recorded a net loss of approximately S\$173,000 as compared to a net loss of approximately S\$1.3 million for the three months ended 31 March 2019. The decrease in loss for the period was mainly attributable to the contribution from the increased in sales orders for injection molded plastic parts for disposable medical devices and the acquired Savour's business.

OUTLOOK

The Singapore Government has implemented strict measures to reduce the risk of a big COVID-19 outbreak for the period from 7 April 2020 to 1 June 2020 (“**circuit breaker**”). Most workplaces will be closed except for essential services and key economic services. Our Singapore subsidiary will continue its operations during the circuit breaker period as its manufacturing services are part of the essential supply chain.

The Chinese liquor markets have been impacted by the COVID-19 in the first quarter of FY2020. The market demand was greatly affected by lockdown in China due to the COVID-19 with measures like the temporary closure of restaurants and restriction of movement of the people. However, as the situation of the COVID-19 has become more stable and under control in China, the management is of the view that the Chinese liquor demand will gradually pick up. The management will be vigilant and continue to closely monitor the development of COVID-19.

With the global outbreak of the COVID-19, the Group is unable to ascertain the impact of the virus on the global economy. The Group believes that the diversification of its business segments can promote sustainable growth of the Group. The Group will continue to strive for excellence in its products and services, in order to maintain its competitiveness and attract more customers. The Group will also continue to strive and execute its business strategies to further enhance its market position.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately S\$2.2 million or 83.5% from approximately S\$2.6 million for the three months ended 31 March 2019 to approximately S\$4.8 million for the three months ended 31 March 2020. The increase in revenue was mainly attributable to i) the increase in customers order for injection molded plastic parts for disposable medical devices of approximately S\$1.2 million and ii) sales of amusement machineries and equipment of approximately S\$1.0 million.

Our subsidiary, Honour Goal International Limited ("**Honour**") has not commenced its Chinese liquor trading due to COVID-19 lockdown in PRC.

Cost of sales

The Group's cost of sales increased by approximately S\$0.9 million or 29.5% from approximately S\$3.0 million for the three months ended 31 March 2019 to approximately S\$3.9 million for the three months ended 31 March 2020. The increase was in line with the increase in revenue.

Gross profit/(loss) and gross profit/(loss) margin

The Group's overall gross profit increased by approximately S\$1.3 million or 358.4% from gross loss of approximately S\$0.4 million for the three months ended 31 March 2019 to gross profit of approximately S\$0.9 million for the three months ended 31 March 2020. The Group's overall gross profit margin has increased from gross loss margin of approximately 13.9% for the three months ended 31 March 2019 to gross profit margin of approximately 19.6% for the three months ended 31 March 2020. Such increase was mainly due to the increase in sales orders and contribution from the acquisition of Savour's business of approximately S\$0.4 million.

Administrative expenses

The Group's administrative expenses increased by approximately S\$0.3 million or 50.2% from approximately S\$0.8 million for the three months ended 31 March 2019 to approximately S\$1.1 million for the three months ended 31 March 2020.

Our administrative expenses mainly comprise salaries and benefits paid to our staff in the administrative function, directors' remuneration, rental and utilities expenses, legal and professional fees, travelling and transportation expenses, depreciation expenses, amortisation expenses, insurance expenses and other expense items such as repair and maintenance fees, entertainment fees, telephone and bank charges.

Such increase was mainly due to the administrative expenses of Honour and Savour of approximately S\$0.3 million in total.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATION

As at 31 March 2020, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Law of Hong Kong) (the "SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long positions in shares of the Company

Name	Capacity/ Nature of interest	Number of shares held/interested ⁽¹⁾	Percentage of shareholding
Mr. Phua Swee Hoe ("Mr. Phua")	Interest in controlled corporation ⁽²⁾	204,000,000 (L)	47.81%
Ms. Ng Hong Kiew ("Ms. Ng")	Interest of spouse ⁽³⁾	204,000,000 (L)	47.81%

Notes:

1. The letter "L" denotes the person's long position in the relevant shares of the Company.
2. All the issued shares of Team One Global Limited are legal and beneficially owned as to 87.9% and 12.1% by Mr. Phua and Ms. Ng, respectively. Accordingly, Mr. Phua is deemed to be interested in 204,000,000 shares of the Company held by Team One Global Limited by virtue of the SFO.
3. Mr. Phua and Ms. Ng are spouses. Therefore, Ms. Ng is deemed to be interested in shares of the Company held by Mr. Phua, pursuant to the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Save as disclosed above, as at the date of this report, none of the Directors or chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which was required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

So far as is known to the Directors, as at 31 March 2020, the following persons/entities (other than the Directors or chief executives of the Company) had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under Division 2 and 3 of Part XV of the SFO or as recorded in the register of the Company required to be kept under section 336 of the SFO:

Long positions in shares of the Company

Name	Capacity/ Nature of interest	Number of shares held/interested ⁽¹⁾	Percentage of shareholding
Team One Global Limited	Beneficial owner ⁽²⁾	204,000,000 (L)	47.81%
Xu Kaihe	Beneficial owner	47,432,000 (L)	11.10%

Notes:

1. The letter "L" denotes the person's long position in the relevant shares of the Company.
2. All the issued shares of Team One Global Limited are legal and beneficially owned as to 87.9% and 12.1% by Mr. Phua and Ms. Ng, respectively. Accordingly, Mr. Phua is deemed to be interested in 204,000,000 shares of the Company held by Team One Global Limited by virtue of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Save as disclosed above, as at 31 March 2020, the Company has not been notified of any other interests or short positions in the shares or underlying shares of the Company which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO or were recorded in the register required to be kept by the Company under section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the three months ended 31 March 2020.

SHARE OPTION SCHEME

The Company has adopted a share option scheme (the "**Scheme**") on 19 December 2017. The purpose of the Scheme is to advance the interests of the Company and the shareholders of the Company by enabling the Company to grant options to attract, retain and reward the eligible persons and to provide the eligible persons an incentive or reward for their contribution to the Group and by enabling such persons' contribution to further advance the interests of the Group. The principal terms of the Scheme are summarised in the section headed "Share Option Scheme" in Appendix IV of the prospectus dated 29 December 2017. Up to the date of this report, no share options were granted by the Company.

COMPETING BUSINESS AND CONFLICT OF INTERESTS

As at the date of this report, none of the Directors, substantial shareholders of the Company and any of their respective associates (as defined in the GEM Listing Rules) has engaged in any business that competes or may compete, either directly, or indirectly, with the business of the Group or has any other conflict of interests with the Group.

COMPLIANCE ADVISER'S INTERESTS

As at the date of this report, save and except for the compliance adviser's agreement entered into between the Company and Fortune Finance Capital Limited (the "**Compliance Adviser**") dated 26 August 2017, neither the Compliance Adviser nor its directors, employees or associates had any interest in relation to the Company which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to achieving high standards of corporate governance to safeguard the interests of its shareholders and to enhance corporate value. The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code (the "**Code**") in Appendix 15 to the GEM Listing Rules. Save for Code Provision A.2.1, the Company had complied with the code provisions in the Code for the three months ended 31 March 2020.

Paragraph A.2.1 of the Code stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Mr. Phua currently holds both positions. Considering that Mr. Phua has been operating and managing the Group since 1981, the Board consider Mr. Phua is the best candidate for both positions and the present arrangement is beneficial and in the interests of the Company and its shareholders as a whole.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding Directors' securities transactions in securities of the Company. Based on specific enquiry made with all the Directors, each of them has confirmed that they have fully complied with the required standard of dealings throughout the three months ended 31 March 2020, and no incident of non-compliance during the three months ended 31 March 2020.

AUDIT COMMITTEE

The Company established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and the CG Code. As at 31 March 2020, the Audit Committee comprised three independent non-executive Directors being Mr. Ong Kian Guan, Mr. Tan Yew Bock and Mr. Chow Wen Kwan. Following the resignation of Mr. Ong Kian Guan as an independent non-executive Director with effect from 30 April 2020 and the resignation of Mr. Chow Wen Kwan as an independent non-executive Director with effect from 8 May 2020, the Audit Committee currently consists of three members, namely Mr. Kwa Teow Huat (who was appointed as an independent non-executive Director on 22 April 2020), Mr. Tan Yew Bock and Mr. Au Chi Fung (who was appointed as an independent non-executive Director on 8 May 2020). Mr. Kwa Teow Huat is the Chairman of the Audit Committee. The primary duties of the Audit Committee are to make recommendations

CORPORATE GOVERNANCE AND OTHER INFORMATION

to the Board on the appointment and dismissal of the external auditor, review the financial statements and information and provide advice in respect of financial reporting and oversee the internal control procedures of the Company.

The Audit Committee has discussed and reviewed the unaudited condensed consolidated financial information of the Group for the three months ended 31 March 2020, and is of the opinion that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

On behalf of the Board

IAG Holdings Limited

Phua Swee Hoe

Chairman and Executive Director

Singapore, 15 May 2020

As at the date of this report, the executive Directors are Mr. Phua Swee Hoe, Ms. Ng Hong Kiew and Mr. Yang Jianguan; the non-executive Director is Mr. Tay Koon Chuan; and the independent non-executive Directors are Mr. Tan Yew Bock, Mr. Kwa Teow Huat and Mr. Au Chi Fung.

This report will remain on the Stock Exchange's website at www.hkexnews.hk and on the "Latest Company Announcements" page of the GEM website (www.hkgem.com) for a minimum period of seven days from the date of this posting. This report will also be published on the Company's website at www.inzign.com.