*This announcement, for which the directors (the "**Director(s)**") of CMON Limited (the "**Company**", together with its subsidiaries, the "**Group**" or "**we**") 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 announcement 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 announcement misleading.*

CMON Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8278)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange (the "Main Board") and no assurance is given that there will be a liquid market in the securities traded on GEM.

ANNUAL RESULTS HIGHLIGHTS

- The revenue decreased by approximately 5.4% from approximately US$29.8 million for the year ended 31 December 2017 to approximately US$28.2 million for the year ended 31 December 2018.
- The gross profit increased by approximately 2.8% from approximately US$14.4 million for the year ended 31 December 2017 to approximately US$14.8 million for the year ended 31 December 2018.
- The professional service fees in respect of the Proposed Transfer of Listing was approximately US$0.9 million. Including such expenses, the profit and total comprehensive income for the year attributable to equity holders of the Company decreased by approximately 42.9% from approximately US$3.5 million for the year ended 31 December 2017 to approximately US$2.0 million for the year ended 31 December 2018.
- As at 31 December 2018, cash and cash equivalents were approximately US$2.8 million and the gearing ratio, calculated as total liabilities divided by total assets, increased to approximately 40.9%. For the year ended 31 December 2018, we achieved positive operating cash flow.
- As at 31 December 2018, we offered a total of 83 games, comprising 78 board games, three miniature war games, one mobile game and one computer game.

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2018

The board of Directors (the "**Board**") is pleased to announce the audited consolidated results of the Group for the year ended 31 December 2018 together with the comparative figures for the year ended 31 December 2017 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2018

	Note	**2018** *US$*	2017 *US$*
Revenue	3, 4	**28,207,411**	29,816,740
Cost of sales	5	**(13,405,569)**	(15,432,416)
Gross profit		**14,801,842**	14,384,324
Other income		**80,232**	111,502
Exchange gains/(losses)		**4,562**	(73,530)
Selling and distribution expenses	5	**(5,747,190)**	(4,618,091)
General and administrative expenses			
— Professional service fees in respect of the application for the proposed transfer of listing of the shares of the Company (the "**Shares**") from GEM to Main Board (the "**Proposed Transfer of Listing**")	5	**(949,756)**	—
— Others	5	**(5,633,085)**	(5,420,655)
Operating profit		**2,556,605**	4,383,550
Finance costs		**(229,650)**	(35,621)
Profit before income tax		**2,326,955**	4,347,929
Income tax expense	6	**(258,685)**	(851,310)
Profit for the year attributable to equity holders of the Company		**2,068,270**	3,496,619
Other comprehensive loss			
Items that may be reclassified to profit or loss			
Exchange difference on translation on foreign operations		**(21,325)**	(994)
Other comprehensive loss, net of tax		**(21,325)**	(994)
Profit and total comprehensive income for the year attributable to equity holders of the Company		**2,046,945**	3,495,625
Earnings per share ("EPS") attributable to equity holders of the Company for the year			
Basic and diluted EPS	7	**0.0011**	0.0019

CONSOLIDATED BALANCE SHEET
As at 31 December 2018

	Notes	2018 US$	2017 US$
ASSETS			
Non-current assets			
Property, plant and equipment	9	**12,346,061**	11,032,337
Intangible assets	10	**13,128,860**	11,472,024
		25,474,921	22,504,361
Current assets			
Inventories		**3,567,678**	4,423,442
Trade and other receivables	11	**1,105,242**	841,526
Prepayments and deposits		**4,862,240**	2,398,535
Pledged deposit		**200,000**	200,000
Cash and cash equivalents		**2,849,799**	2,850,318
		12,584,959	10,713,821
Total assets		**38,059,880**	33,218,182
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	13	**11,700**	11,700
Share premium	13	**12,384,133**	12,384,133
Retained earnings		**9,176,923**	7,025,430
Capital reserves		**780,499**	780,499
Share-based compensation reserves		**163,363**	—
Exchange reserves		**(22,319)**	(994)
Total equity		**22,494,299**	20,200,768

	Notes	2018 US$	2017 US$
LIABILITIES			
Non-current liabilities			
Borrowings		**4,408,357**	3,271,182
Deferred income tax liabilities		**265,458**	281,297
		4,673,815	3,552,479
Current liabilities			
Trade payables	12	**72,385**	1,917,091
Accruals and other payables		**1,088,823**	1,774,894
Borrowings		**3,864,897**	134,774
Amount due to ultimate holding company		**3**	3
Income tax payable		**2,174,295**	2,372,464
Contract liabilities		**3,691,363**	3,265,709
		10,891,766	9,464,935
Total liabilities		**15,565,581**	13,017,414
Total equity and liabilities		**38,059,880**	33,218,182

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 16 June 2015 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Offices of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its principal place of business is Singapore.

The Company is an investment holding company. The Company and its subsidiaries (together, the "**Group**") are principally engaged in design, development and sales of board games, miniatures and other hobby products (the "**Business**"). The Group has operations in Singapore and the United States of America ("**USA**").

The Company was listed on 2 December 2016 on GEM ("**GEM**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

These consolidated financial statements are presented in United States Dollars ("**US$**"), unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable International Financial Reporting Standards ("**IFRS**") under the historical cost convention.

The preparation of financial statements in conformity with IFRS 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.

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing on 1 January 2018:

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers
- Classification and Measurement of Share-based Payment Transactions — Amendments to IFRS 2

- Annual Improvements 2014–2016 Cycle
- Transfers to Investment Property — Amendments to IAS 40
- Interpretation 22 Foreign Currency Transactions and Advance Consideration

The Group had to change its accounting policies following the adoption of IFRS 9 and IFRS 15. Except for IFRS 9 and IFRS 15, standards and amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2018 reporting period and have not been early adopted by the Group.

		Effective for accounting period beginning on or after
Annual Improvements Project	Annual Improvements 2015–2017 Cycle	1 January 2019
Conceptual Framework for Financial Report 2018	Revised Conceptual Framework for Financial Reporting	1 January 2020
IAS 1 and IAS 8 (Amendments)	Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2020
IAS 19 (Amendment)	Plan Amendment, Curtailment or Settlement	1 January 2019
IFRIC 23	Uncertainty over Income Tax Treatments	1 January 2019
IFRS 3 (Amendment)	Definition of a Business	1 January 2020
IFRS 9 (Amendment)	Prepayment Features with Negative Compensation	1 January 2019
IFRS 10 and IAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
IFRS 16	Leases	1 January 2019
IFRS 17	Insurance Contract	1 January 2021

The Group has commenced an assessment of the impact of these new standards and amendments to existing standards. Except for IFRS 16, "Leases" as discussed below, there are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

IFRS 16, "Leases", addresses the definition of a lease, recognition and measurement of leases and establishes principles for reporting useful information to users of financial statements about the leasing activities of both lessees and lessors. A key change arising from IFRS 16 is that almost all operating leases will be accounted for in the balance sheet for lessees. The accounting for lessors will not significantly change.

The Group is a lessee of certain office premises which are currently classified as operating leases. The Group's current accounting policy for such leases is to record the rental expenses in profit or loss when such expenses were incurred, with the related operating lease commitments being separately disclosed. IFRS 16 provides new provisions for the accounting treatment of leases which no longer allows lessees to recognise the leases outside the consolidated balance sheet. Instead, all non-current leases should be recognised in the form of assets (for the right-of-use) and financial liabilities (for the payment obligations) in the consolidated balance sheet. Short-term leases of less than twelve months and leases of low-value assets are exempt from such reporting obligation. The new standard will therefore result in a derecognition of prepaid operating leases, increase in right-of-use assets and increase in lease liabilities in the consolidated balance sheet. In the consolidated statement of comprehensive income, as a result, the annual rental and amortisation expenses of prepaid operating leases under otherwise identical circumstances will decrease, while depreciation of right-of-use of assets and interest expense arising from the lease liabilities will increase. The new standard will impact the consolidated balance sheet in terms of total assets and liabilities.

The Group has disclosed its non-cancellable operating lease commitments amounting to US$2,516,552 and US$1,827,933 as at 31 December 2017 and 2018, respectively. The standard will affect primarily the accounting for the Group's operating leases. The Group anticipates that the application of IFRS 16 in future will result in an increase in right-of-use of assets and financial liabilities, which is likely to have a significant impact on the financial position of the Group. However, the Group anticipates that the net impact on the financial performance of the Group is limited. The application of IFRS 16 is mandatory for financial years commencing on or after 1 January 2019. The Group does not intend to early adopt the standard before its effective date. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

2.2 Changes in accounting policies

This note explains the impact of the adoption of IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers on the Group's financial statements.

(a) IFRS 9 Financial Instruments

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of IFRS 9 from 1 January 2018 resulted in adjustments to the amounts recognised in the financial statements. In accordance with the transitional provisions in IFRS 9 (7.2.15) and (7.2.26), comparative figures have not been restated with the exception of certain aspects of hedge accounting. There is no significant impact on the Group's retained earnings as at 1 January 2018.

(i) Classification and measurement

On 1 January 2018 (the date of initial application of IFRS 9), management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate IFRS 9 categories. There are no significant reclassifications of these categories.

(ii) Impairment of financial assets

The Group has four types of financial assets that are subject to IFRS 9's new expected credit loss model:

— Trade receivables

— Cash and cash equivalents

— Pledged deposit

— Deposits and other receivables

The Group revised its impairment methodology under IFRS 9 for each class of assets. The change in impairment methodology did not result in any material impact on the Group's opening retained earnings and equity.

(b) IFRS 15 Revenue from Contracts with Customers

The Group has adopted IFRS 15 from 1 January 2018 using the modified retrospective approach. The adjustments are therefore not reflected in the consolidated balance sheet as at 31 December 2017, but are recognised in the opening consolidated balance sheet on 1 January 2018.

Accounting for costs to fulfil a contract

As at 31 December 2017, costs relating to the Kickstarter merchant fees amounted to US$83,223 were expensed to profit or loss as they did not qualify for recognition as an asset under any IFRS.

Under IFRS 15, as these costs relate directly to the Group's contracts with customers and are expected to be recovered, they are capitalised as costs to fulfil a contract and included within other current assets.

The impact on the Group's prepayments and deposits as at 1 January 2018 is as follows:

	IAS 18 carrying amount at 31 December 2017	**Remeasurements**	**IFRS 15 carrying amount at 1 January 2018**
	US$	*US$*	*US$*
Prepayments and deposits	2,398,535	83,223	2,481,758

The impact on the Group's retained earnings as at 1 January 2018 is as follows:

	US$
Retained earnings as at 31 December 2017	7,025,430
Recognition of asset for incremental costs of obtaining a sales contract	83,223
Opening retained earnings as at 1 January 2018 — IFRS 15	7,108,653

3 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's principal activity is the design, development and sales of board games, miniatures and other hobby products, and it has only one operating segment.

During the year, revenue is earned from customers located in the following geographical areas:

	2018	2017
	US$	*US$*
North America	**21,638,549**	15,602,540
Europe	**4,553,980**	11,230,864
Oceania	**416,832**	1,439,011
Asia	**1,542,619**	1,156,739
South America	**37,231**	373,586
Africa	**18,200**	14,000
	28,207,411	29,816,740

No individual customers of the Group contributed more than 10% of the Group's revenue during the years ended 31 December 2018 and 2017.

At 31 December 2018 and 2017, the total non-current assets other than intangible assets and deferred income tax assets were located in the following locations:

	2018	2017
	US$	*US$*
Singapore	**4,995,474**	5,073,242
Mainland China	**5,567,678**	3,711,001
North America	**1,714,460**	2,141,253
Others	**68,449**	106,841
	12,346,061	11,032,337

4 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue from the transfer of goods and services in the following major revenue streams:

	At a point in time	
	2018	2017
	US$	*US$*
Sales of products	**26,863,849**	26,933,567
Shipping income in connection with sale of products	**1,088,680**	2,516,905
Forfeiture revenue	**254,882**	366,268
	28,207,411	29,816,740
Timing of revenue recognition		
— At a point in time	**27,118,731**	27,299,835
— Over time	**1,088,680**	2,516,905
	28,207,411	29,816,740

5 EXPENSES BY NATURE

Included in cost of sales, selling and distribution expenses and general and administrative expenses are the following:

	2018	2017
	US$	*US$*
Cost of inventories	**7,592,042**	10,459,716
Shipping and handling charges	**3,374,618**	3,358,625
Employee benefit expenses	**3,350,820**	3,468,684
Professional service fees in respect of the Proposed Transfer of Listing	**949,756**	—
Auditors remuneration		
— Audit services	**220,000**	220,000
— Non-audit services	**10,420**	23,567
Other professional fees	**642,641**	639,736
Merchant account fees	**1,201,252**	1,300,544
Royalty expenses	**423,129**	95,560
Marketing expenses	**832,703**	691,670
Depreciation	**1,765,063**	1,150,803
Amortisation	**1,574,274**	924,702
Games development expenses	**911,523**	675,967
Website maintenance fees	**490,949**	362,952
Operating lease rentals	**543,597**	389,792
Travelling expenses	**824,886**	876,297
Bad debt written off	**—**	31,949
Loss allowance *(Note 11)*	**25,332**	34,597
Write-down of inventories	**200,000**	102,732
Other expenses	**802,595**	663,269
	25,735,600	25,471,162

Cost of sales comprises principally cost of inventories of US$7,592,042 (2017: US$10,459,716), shipping and handling charges of US$3,374,618 (2017: US$3,358,625), depreciation of US$823,683 (2017: US$658,533), amortisation of US$1,415,226 (2017: US$852,810), and write-down of inventories of US$200,000 (2017: US$102,732) for the year ended 31 December 2018.

6 INCOME TAX EXPENSE

The Group is exempted from taxation in the Cayman Islands and the British Virgin Islands. The companies comprising the Group are subject to U.S. corporate tax at the rate of 21% (2017: 35%) and Singapore corporate income tax at the rate of 17% (2017: 17%).

	2018	2017
	US$	*US$*
Current income tax	**274,524**	974,814
Deferred income tax	**(15,839)**	80,602
	258,685	1,055,416
Overprovision of tax in prior years		
— Current income tax	**—**	(139,079)
— Deferred income tax	**—**	(65,027)
	258,685	851,310

7 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share are calculated by dividing the net profit of the Group attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

	2018	2017
Net profit attributable to equity holders of the Company *(US$)*	**2,068,270**	3,496,619
Weighted average number of ordinary shares outstanding for basic earnings per share	**1,806,000,000**	1,806,000,000
Basic earnings per share *(US$)*	**0.0011**	0.0019

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

The Company has one (2017: Nil) category of dilutive potential ordinary shares: share options (2017: Nil). For the share options, a calculation was performed to determine the number of shares that could have been issued at fair value (determined as the average market price of the Company's shares for the period) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of share options.

Diluted earnings per share for the year ended 31 December 2018 is the same as the basic earnings per share as the conversion of potential ordinary shares in relation to the outstanding share options would have an anti-dilutive effect to the basic earnings per share.

There were no potential dilutive ordinary shares outstanding during the year ended 31 December 2017.

8 DIVIDENDS

No dividends were declared during the years ended 31 December 2018 and 2017.

9 PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2018, the Group acquired property, plant and equipment amounting to approximately US$3.1 million (2017: approximately US$8.4 million).

10 INTANGIBLE ASSETS

During the year ended 31 December 2018, the Group spent approximately US$3.2 million on acquisition of intangible assets (2017: approximately US$4.8 million).

11 TRADE AND OTHER RECEIVABLES

	2018	2017
	US$	*US$*
Trade receivables	**1,020,574**	758,437
Less: loss allowance	**(25,332)**	(34,597)
	995,242	723,840
Other receivables	**110,000**	117,686
	1,105,242	841,526

The Group's trade receivables are primarily due from its wholesale customers and are all denominated in US$.

During the years ended 31 December 2018 and 2017, the Group granted credit terms of 0 to 30 days to its customers.

At 31 December 2018 and 2017, the ageing analysis of trade receivables by the date on which the respective sales invoices were issued is as follows:

	2018	2017
	US$	*US$*
Less than 30 days	**499,791**	499,844
30 days to 90 days	**345,525**	175,424
91 days to 180 days	**48,864**	33,814
181 days to 365 days	**126,394**	49,355
	1,020,574	758,437

Impairment and credit risk exposure

The Group applies IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Impairment on other receivables are measured as 12-month expected credit losses. The impact of the change in impairment methodology on the Group's opening retained earnings and equity was assessed to be immaterial.

Impairment losses are recognised in profit or loss within general and administrative expenses. Subsequent recoveries of amounts previously written off are credited against other expenses.

12 TRADE PAYABLES

Payment terms with majority of the suppliers are on open account. Certain suppliers grant credit period ranging from 7 to 60 days.

An ageing analysis of trade payables as at the balance sheet dates based on invoice dates is as follows:

	2018	2017
	US$	*US$*
Less than 60 days	**429**	1,917,091
Over 120 days	**71,956**	—
	72,385	1,917,091

The carrying amounts approximate their fair value due to their short-term maturities.

Trade payables are denominated in the following currencies:

	2018	2017
	US$	*US$*
US$	**71,956**	1,917,091
CAD	**429**	—
	72,385	1,917,091

13 SHARE CAPITAL AND SHARE PREMIUM

	Number of shares of the Company	**Share capital**	**Share premium**
		US$	*US$*
Authorised:			
Ordinary shares of HK$0.00005 each at 31 December 2018 and 2017	7,600,000,000	49,147	
Issued and fully paid:			
At 1 January 2017, 31 December 2017, 1 January 2018 and 31 December 2018	1,806,000,000	11,700	12,384,133

14 RELATED PARTY TRANSACTIONS

Related parties refer to entities to which the Group has the ability, directly or indirectly, to control or exercise significant influence in making financial and operating decisions, or directors or officers of the Group. The Directors are of the view that the following individuals and companies that had transactions or balances with the Group are related parties:

(a) Balances with related party

Name	**Relationship with the Group**
CMON Holdings Limited	Ultimate holding company

As at 31 December 2018 and 2017, amount due to ultimate holding company was unsecured, interest-free, denominated in US$ and repayable on demand.

(b) Key management compensation

The aggregate amount of emoluments paid/payable to Directors of the Group is as follows:

	2018	2017
	US$	*US$*
Wages and salaries	**542,060**	510,637
Discretionary bonuses	**—**	421,647
Directors' fees	**144,000**	144,000
Pension costs — defined contribution plans	**18,496**	38,340
	704,556	1,114,624

Details of the remunerations of the remaining 2 highest paid individuals (2017: 2) not in the capacity as a Director during the years are set out below:

	2018	2017
	US$	*US$*
Basic salaries, other allowances and benefits in kind	**269,244**	239,872
Contribution to pension scheme	**—**	—
	269,244	239,872

15 OPERATING LEASE COMMITMENTS

As at 31 December 2018 and 2017, the Group had future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings as follows:

	2018	2017
	US$	*US$*
No later than 1 year	**544,927**	550,468
Later than 1 year and no later than 5 years	**1,283,006**	1,966,084
	1,827,933	2,516,552

16 CONTINGENCIES

The Group did not have any significant contingent liabilities as at 31 December 2018 and 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

Business model and business overview

We are a hobby games publisher specialising in developing and publishing mainly tabletop games (including board games and miniature war games). We had also started developing and launching mobile games since 2015. In 2018, we launched our first computer game.

We publish both self-owned games and licensed games. We also distribute third party tabletop games. We sell our tabletop games mainly through Kickstarter and to wholesalers. We also sell directly to end users through our own online store and at game conventions.

As at 31 December 2018, we offered a total of 83 games, comprising 78 board games, three miniature war games, one mobile game and one computer game. Five of our board games, namely *Arcadia Quest: Riders, Cthulhu: Death May Die, HATE, Zombicide: Invader* and *Starcadia Quest*; and one of our miniature war games, namely *A Song of Ice & Fire: Tabletop Miniatures Game,* launched on Kickstarter were shipped during the year ended 31 December 2018.

Long-term strategies and outlook

It is the Group's strategies to achieve long-term growth through product diversification and channel diversification. Our strategies continue to be three pronged — refocusing our marketing efforts on our end users and the gamers, expanding into the largely untapped markets of Asia, particularly China, and further strengthening our game design, licensing and intellectual property ("**IP**") creation capabilities. We have successfully hired various award winning creatives since the Company's listing on 2 December 2016. The above strategies are in line with our objective to continuously expand our sales and marketing capabilities and to reach out to more gamers and at the same time, to publish more high-quality tabletop games and mobile games.

We strive to become a leading developer and publisher of quality games in the hobby game industry and we are optimistic about the growth and development of the tabletop game industry. During the year ended 31 December 2018, we launched seven Kickstarter games, namely *Arcadia Quest: Riders, Blood Rage Digital, Cthulhu: Death May Die, HATE, Project: ELITE, Starcadia Quest* and *Zombicide: Invader* and raised approximately US$0.3 million, US$0.8 million, US$2.4 million, US$1.5 million, US$0.6 million, US$0.9 million and US$3.4 million, respectively. We also launched a Kickstarter game, namely *Munchkin Dungeon* in January 2019 and raised approximately US$0.7 million. We will continue to launch games that attract and retain a significant number of players so that we can grow our revenue base and sustain our competitive position. Besides, we will continue to strengthen our efforts to expand our geographical coverage with an aim to increase market share and capture more exposure. In order to increase our presence in China, we have set up a wholly-owned subsidiary in China which has already commenced operation since October 2018.

On 6 July 2018, we submitted a formal application to the Stock Exchange for the Proposed Transfer of Listing pursuant to Chapter 9A and Appendix 28 to the Rules Governing the Listing of Securities on the Stock Exchange. The Directors believe that the Proposed Transfer of Listing will further enhance our profile, brand and product awareness, which in turn will facilitate us to realise our objectives as stated above. Besides, a Main Board listing status will help us to explore future possible partnership opportunities with more sizable and reputable targets, which is favourable to our long-term business growth. Apart from business related advantages, the Proposed Transfer of Listing may also help to strengthen our shareholders base and value through improvement in the trading liquidity of the Shares, strengthening of confidence of the existing shareholders of the Company (the "**Shareholders**") as well as enhancing recognition by potential investors, in particular institutional investors. Therefore, the Directors consider that the listing of the Shares on the Main Board will be beneficial to our future growth and business development and is in the interest of the Company and its Shareholders as a whole. However, as at the date of this announcement, the application has automatically lapsed as the process of the application has taken more than six months since the submission on 6 July 2018. We intend to make a re-submission in accordance with the published rules and guidance of the Stock Exchange for the renewal of the application. Further announcement(s) will be made to keep the Shareholders informed of the progress of the Proposed Transfer of Listing as and when appropriate.

Financial review

Revenue

Our revenue decreased by approximately 5.4% from approximately US$29.8 million for the year ended 31 December 2017 to approximately US$28.2 million for the year ended 31 December 2018, primarily due to the decrease in revenue from board games. Revenue from board games decreased by approximately 20.6% from approximately US$29.3 million for the year ended 31 December 2017 to approximately US$23.3 million for the year ended 31 December 2018, which was mainly due to the decrease in the recognition of sales from new Kickstarter board games for the year ended 31 December 2018. During the year ended 31 December 2017, we recognized revenue from Kickstarter board games including *Massive Darkness, Rising Sun, The World of SMOG: Rise of Moloch* and *Zombicide: Green Horde* with a total fund raising amount of approximately US$14.0 million. However, during the year ended 31 December 2018, we recognized revenue from Kickstarter board games including *Arcadia Quest: Riders, Cthulhu: Death May Die, HATE, Starcadia Quest* and *Zombicide: Invader* with a total fund raising amount of approximately US$8.5 million only.

In terms of sales channels, revenue via Kickstarter decreased from approximately US$20.6 million for the year ended 31 December 2017 to approximately US$15.2 million for the year ended 31 December 2018, which was mainly due to the decrease in recognition of sales from new Kickstarter games. During the year ended 31 December 2018, revenue via Kickstarter was mainly contributed by the shipment of *A Song of Ice & Fire: Tabletop Miniatures Game, Arcadia Quest: Riders, Cthulhu: Death May Die, HATE, Starcadia Quest* and *Zombicide: Invader* with a total fund raising amount of approximately US$10.2 million while the fund raising amount for new Kickstarter games shipped in 2017 was approximately US$14.0 million.

North America and Europe remained as our major markets, with North American and European sales making up approximately 92.8% and 90.0% of our total revenue combined for the years ended 31 December 2018 and 2017 respectively.

The following tables set out the breakdowns of our revenue by categories, by sales channels and by geographical markets in absolute amounts and as percentages of our revenue for the years indicated:

By categories

	Year ended 31 December			
	2018		2017	
	US$	*%*	*US$*	*%*
Board games	**23,261,711**	**82.5**	29,301,745	98.3
Miniatures war games	**4,583,409**	**16.2**	365,440	1.2
Mobile games	**4,007**	**—**	9,098	—
Sub-total	**27,849,127**	**98.7**	29,676,283	99.5
Other products	**358,284**	**1.3**	140,457	0.5
Total	**28,207,411**	**100.0**	29,816,740	100.0

By sales channels

	Year ended 31 December			
	2018		2017	
	US$	*%*	*US$*	*%*
Direct				
Kickstarter	**15,237,000**	**54.0**	20,597,558	69.1
Online store and game conventions	**1,235,755**	**4.4**	870,213	2.9
Mobile games	**4,007**	**—**	9,098	—
Wholesalers	**11,730,649**	**41.6**	8,339,871	28.0
Total	**28,207,411**	**100.0**	29,816,740	100.0

By geographical markets

	Year ended 31 December			
	2018		2017	
	US$	*%*	*US$*	*%*
North America	**21,638,549**	**76.7**	15,602,540	52.3
Europe	**4,553,980**	**16.1**	11,230,864	37.7
Asia	**1,542,619**	**5.5**	1,156,739	3.9
Oceania	**416,832**	**1.5**	1,439,011	4.8
South America	**37,231**	**0.1**	373,586	1.3
Africa	**18,200**	**0.1**	14,000	—
Total	**28,207,411**	**100.0**	29,816,740	100.0

Cost of sales

Our cost of sales decreased by approximately 13.0% from approximately US$15.4 million for the year ended 31 December 2017 to approximately US$13.4 million for the year ended 31 December 2018.

The decrease was primarily due to the decrease in cost of inventories by approximately 27.6% from approximately US$10.5 million for the year ended 31 December 2017 to approximately US$7.6 million for the year ended 31 December 2018, which was primarily due to the more favourable prices offered by our major supply chain managers after taking into account of our order size, expected business growth and the expected long term business relationship. However, the decrease in cost of inventories was offset by the increase in depreciation and amortization from approximately US$1.5 million for the year ended 31 December 2017 to approximately US$2.2 million for the year ended 31 December 2018, which was generally in line with the increase in our scale of operations and game portfolio.

Gross profit and gross profit margin

Our gross profit increased by approximately 2.8% from approximately US$14.4 million for the year ended 31 December 2017 to approximately US$14.8 million for the year ended 31 December 2018 mainly due to the decrease in cost of inventories primarily resulting from the more favourable prices offered by our major supply chain managers as discussed above.

Our gross profit margin improved by approximately 4.3 percentage points from approximately 48.2% for the year ended 31 December 2017 to approximately 52.5% for the year ended 31 December 2018.

Other income

Other income decreased from US$111,502 for the year ended 31 December 2017 to US$80,232 for the year ended 31 December 2018, which was mainly attributable to the decrease in sales of advertising space on the Group's website.

Exchange gains/losses

We recorded exchange gains of US$4,562 for the year ended 31 December 2018 as compared to exchange losses of US$73,530 for the year ended 31 December 2017, which was mainly resulted from the translation of loan repayments which are denominated in Singapore dollars.

Selling and distribution expenses

Our selling and distribution expenses increased from approximately US$4.6 million for the year ended 31 December 2017 to approximately US$5.7 million for the year ended 31 December 2018. This was primarily due to (i) an increase in employee benefit expenses from approximately US$1.7 million for the year ended 31 December 2017 to approximately US$2.3 million for the year ended 31 December 2018 due to (a) the one-off bonus paid to our former employees upon their resignation; and (b) increased headcount in our marketing team during the first half of the year; (ii) an increase in royalty expenses from US$95,560 for the year ended 31 December 2017 to US$423,129 for the year ended 31 December 2018 resulting from the recognition of sales of *A Song of Ice & Fire: Tabletop Miniatures Game* in 2018; and (iii) an increase in marketing expenses from US$691,670 for the year ended 31 December 2017 to US$832,703 for the year ended 31 December 2018 resulting from the increased marketing activities, such as the participation in large scale game conventions to raise brand awareness to our customers.

General and administrative expenses

Our general and administrative expenses for the year ended 31 December 2018 were approximately US$6.6 million, representing an increase of approximately 22.2% from approximately US$5.4 million for the year ended 31 December 2017. The increase was primarily due to (i) the professional service fees in respect of our application regarding the Proposed Transfer of Listing of US$949,756 incurred for the year ended 31 December 2018; and (ii) an increase in games development expenses from US$675,967 for the year ended 31 December 2017 to US$911,523 for the year ended 31 December 2018 resulting from more intensive game development work for new games.

Finance costs

Finance costs increased from US$35,621 for the year ended 31 December 2017 to US$229,650 for the year ended 31 December 2018. This was primarily due to the finance costs from the bank borrowings for (i) the acquisition of two properties located at 201 Henderson Road #07/08–01, Apex @ Henderson, Singapore 159545 as global head office for business expansion (the "**Headquarters**") and 201 Henderson Road #09–23/24, Apex @ Henderson, Singapore 159545 as a retail shop, show room and play test centre (the "**Property**"); and (ii) financing our operation.

Income tax expense

Our income tax expense decreased by approximately 69.6% from US$851,310 for the year ended 31 December 2017 to US$258,685 for the year ended 31 December 2018 mainly due to the decrease in profit before income tax and decrease in United States corporate tax rate applicable to us.

Profit and total comprehensive income for the year attributable to equity holders of the Company

Profit and total comprehensive income for the year attributable to equity holders of the Company decreased by approximately 42.9% from approximately US$3.5 million for the year ended 31 December 2017 to approximately US$2.0 million for the year ended 31 December 2018, which was mainly due to the increase in selling and distribution expenses and the recognition of the professional service fees in respect of the Proposed Transfer of Listing as mentioned above. Without taking into account the professional service fees in respect of the Proposed Transfer of Listing, profit and total comprehensive income for the year attributable to equity holders of the Company decreased by approximately 14.3% from approximately US$3.5 million for the year ended 31 December 2017 to approximately US$3.0 million for the year ended 31 December 2018.

Liquidity and financial resources

During the year ended 31 December 2018, we financed our operations primarily through cash generated from our internally generated funds and bank borrowings. As at 31 December 2017 and 2018, the Group had cash and cash equivalents of approximately US$2.9 million and US$2.8 million, respectively, which were cash at banks and on hand, denominated in United States dollars, Canadian dollars, Singapore dollars, Hong Kong dollars and Euro.

The short-term and long-term bank borrowings of the Group increased from US$134,774 and approximately US$3.3 million as at 31 December 2017 to approximately US$3.9 million and approximately US$4.4 million, respectively, as at 31 December 2018. The increase in bank borrowings was due to the application of the proceeds of the bank borrowings by the Group to finance the operation of the Group for the year ended 31 December 2018.

The bank borrowings as at 31 December 2017 and 31 December 2018 were secured by the Headquarters and the Property, a corporate guarantee from the Company and a charge over all fixed deposits placed with the relevant bank. As at 31 December 2018, the Group's total bank borrowings of approximately US$8.3 million consisted of (i) approximately US$3.3 million which were denominated in Singapore dollars, with a tenor of 20 years and interests charged at fixed rates from drawdown date till the end of the second year from the respective dates of the banking facility letters and at floating rates for subsequent years; and (ii) approximately US$5.0 million which were denominated in United States dollars, with a tenor of 120 days to 4 years and interests charged at floating rates.

At 31 December 2018, the Group's borrowings were repayable as follows:

	2018	2017
	US$	*US$*
Within 1 year	**3,864,897**	134,774
Between 1 and 2 years	**579,200**	116,312
Between 2 and 5 yeas	**1,017,223**	252,191
Over 5 years	**2,811,934**	2,902,679
	8,273,254	3,405,956

Going forward, we intend to continue to use external bank borrowings and internally generated funds to fund our working capital, game development activities, acquisition of IPs as well as the expansion plans as stated in the prospectus of the Company dated 25 November 2016 (the "**Prospectus**").

Treasury policies

The proceeds from our sales made through Kickstarter are generally received prior to product delivery and therefore we are not exposed to significant credit risk. Our trade receivables are primarily related to sales to wholesalers. We have policies in place to assess and monitor the credit worthiness of our wholesalers. We perform periodic credit evaluation of our wholesalers and will adjust the credit extended to the wholesalers accordingly. Normally we do not require collaterals from trade debtors. Management makes periodic collective assessment as well as individual assessment on the recoverability of trade receivables based on historical payment records, the length of the overdue period, the financial strength of the trade debtors and whether there are any disputes with the debtors in relation to the relevant receivables.

Capital structure

During the year ended 31 December 2018, our capital structure consisted of bank borrowings, capital and reserves attributable to equity holders of the Company, comprising share capital, share premium, retained earnings, capital reserves and other reserves.

New games and their impact on the financial performance

During the year ended 31 December 2018, the Group shipped six Kickstarter games of which one, namely *A Song of Ice & Fire: Tabletop Miniatures Game*, was launched in 2017 and five, namely *Arcadia Quest: Riders, Cthulhu: Death May Die, HATE, Starcadia Quest,* and *Zombicide: Invader* were launched in 2018. These six Kickstarter games raised approximately US$10.2 million via Kickstarter in total, all of which were recognized as revenue of the Group during the year ended 31 December 2018.

The Group had launched *Project: ELITE* and *Blood Rage Digital* in October 2018 and December 2018 respectively with a total fund raising amount of approximately US$1.4 million and *Munchkin Dungeon* in January 2019 with fund raising amount of approximately US$0.7 million via Kickstarter. The shipments of these three games are expected to take place in the second half of 2019, second half of 2019 and first half of 2020, respectively.

Significant investments, material acquisitions and disposals

During the year ended 31 December 2018, the Group had no material acquisitions and disposals of subsidiaries, associates and joint ventures.

Information on employees

As at 31 December 2018, the Group had 51 employees (31 December 2017: 66). Employees are remunerated according to their performance and work experience. On top of basic salaries, discretionary bonus and/or share options may be granted to eligible staff by reference to the Group's performance as well as individual's performance. The total staff cost (including remuneration of the Directors and mandatory provident fund contributions) for the year ended 31 December 2018 amounted to approximately US$3.4 million (2017: approximately US$3.5 million).

Charges on assets

As at 31 December 2018, the Headquarters and the Property with a total net book value of approximately US$4.5 million and pledged deposit of US$200,000 were charged as collateral for the Group's bank borrowings (31 December 2017: approximately US$4.6 million and US$200,000, respectively).

Future plans for material investments

As at the date of this announcement, the Group does not have any concrete plan for material investments. However, as stated in the Prospectus, we intend to increase our market share by adding more high-quality games into our portfolio through title acquisition or licensing. We also intend to consider and explore game developers, publishers and European-based distributors as potential strategic acquisitions and licensing targets in the future. We intend to finance our expansion plans primarily through internally generated funds and external borrowings.

Gearing ratio

As at 31 December 2018, the Group had short-term and long-term bank borrowings of approximately US$3.9 million (31 December 2017: US$134,774) and approximately US$4.4 million (31 December 2017: approximately US$3.3 million), respectively.

As at 31 December 2018, the gearing ratio of the Group, calculated as total liabilities divided by total assets was approximately 40.9% (31 December 2017: approximately 39.2%).

Exposure to foreign exchange

The Group mainly operates in the United States and Singapore with the majority of its transactions denominated and settled in United States dollars. The Group currently does not have a foreign currency hedging policy. However, the Group will continuously monitor foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Contingent liabilities

As at 31 December 2018, the Group did not have any significant contingent liabilities (31 December 2017: nil).

Commitments

Other than operating lease commitments for our leased properties, we had no other capital and lease commitments as at 31 December 2017 and 2018. As at 31 December 2018, the Group's operating lease commitments were approximately US$1.8 million (31 December 2017: approximately US$2.5 million).

Principal risks and uncertainties

The Directors are of the view that the Group is exposed to the following key risks and uncertainties:

Outsourced manufacturers

The Group relies on a limited number of outsourced manufacturers for the production of tabletop games. To manage this risk, the Group has a practice of maintaining a good working relationship with the outsourced manufacturers by, amongst others, creating goodwill and honouring payments. Besides, the Group will explore and develop business relationship with other suitable outsourced manufacturers and suppliers as part of the contingency planning.

Loss of key personnel

The Group relies to a significant extent on the executive Directors and certain key senior management. In view of this, we provide a remuneration package that rewards their performance and ties to the Group's results in order to retain our employees. Besides, the Group has implemented controls to minimise the potential loss of key personnel, such as ensuring the executive Directors and certain key senior management do not take the same flight in their air travels. The Group is also developing and training potential new management members.

Kickstarter

During the year ended 31 December 2018, most of the Group's bestselling tabletop games were launched on Kickstarter. To manage this risk, the Group has identified alternative internet crowd funding platforms for game launching in the event the Group is unable to continue launching games on Kickstarter. Besides, the Group is enhancing its in-house capability to launch tabletop games on its own website if required.

Comparison between expected implementation plans with actual business progress

An analysis comparing the implementation plans as set out in the Prospectus with the Group's actual business progress for the period from 15 November 2016, being the Latest Practicable Date as defined in the Prospectus, to 31 December 2018 is set out below:

Strategy	Business objectives for the period from 15 November 2016 to 31 December 2018	Actual business progress for the period from 15 November 2016 to 31 December 2018
Achieve organic growth by developing more high-quality games	• Develop, launch and deliver the games as set out in the paragraph headed "Business — Game Pipeline" in the Prospectus (the "**Game Pipeline**") and fulfil the outstanding Kickstarter projects which products have not yet been shipped as at 15 November 2016 (the "**Outstanding Kickstarter Projects**") • Develop, launch and deliver at least four new games • Maintain two newly hired in-house game developers	• Continued to develop the games as set out in the Game Pipeline, save as nine pipeline games which launch were either delayed or cancelled after assessing the expected market reaction and demand on the products • Shipped all the Outstanding Kickstarter Projects namely *Arcadia Quest: Inferno, Masmorra: Dungeons of Arcadia, Rum & Bones: Second Tide* and *Massive Darkness* • Launched and shipped nine Kickstarter projects namely *A Song of Ice & Fire: Tabletop Miniatures Game, Arcadia Quest: Riders, Cthulhu: Death May Die, HATE, Rising Sun, Starcadia Quest, The World of SMOG: Rise of Moloch, Zombicide: Green Horde* and *Zombicide: Invader*

Strategy	Business objectives for the period from 15 November 2016 to 31 December 2018	Actual business progress for the period from 15 November 2016 to 31 December 2018
		• Launched two Kickstarter projects namely *Project: ELITE* and *Blood Rage Digital* • Maintained the two newly hired in-house game developers
Further strengthen our sales and marketing capability and broaden reach into new markets	• Maintain seven newly hired staff in our sales and marketing team	• The Group has successfully maintained five staff (Note)
	• Set up and maintain the existing sales office in Canada	• The Group has set up its sales office in Canada, which commenced operation in October 2017
	• Increase publicity across all of our existing marketing channels, including participation in game conventions, advertisements and cooperation with online game websites	• Continued to promote the Company's products through online advertising and social networking websites • Maintained regular contact with existing wholesalers
	• Increase or initiate contact with existing or new wholesalers to enhance or initiate business relationships	• Initiated contact with five new wholesalers • The Group has set up Foshan CMON Tabletop Games Trading Co., Ltd. in China, which commenced to conduct marketing activities in China in the second half of 2018

Strategy	Business objectives for the period from 15 November 2016 to 31 December 2018	Actual business progress for the period from 15 November 2016 to 31 December 2018
Further expansion into the mobile game market	• Develop our second mobile game, *Zombicide (mobile)*	• Continued to develop *Zombicide (mobile)*, which is expected to be launched in 2019

Note: The Group had successfully maintained seven staff up to the resignation of Mr. Jules Vautour as chief operating officer and Ms. Roumpini Nikolopaolou as marketing director in June 2018 due to their personal commitments. Their jobs and duties have been taken up by other senior management and staff who have relevant experiences.

USE OF NET PROCEEDS FROM THE PLACING

The net proceeds received by the Company from the placing of 306,000,000 Shares at a price of HK$0.23 per Share on GEM (the "**Placing**"), after deducting underwriting commission and professional expenses in relation to the Placing, amounted to approximately HK$53.8 million, which were higher than the estimated net proceeds of approximately HK$49.3 million as disclosed in the Prospectus due to lower than expected listing expenses.

During the period from 15 November 2016, being the Latest Practicable Date as defined in the Prospectus, to 31 December 2018, the Group has utilised approximately HK$51.9 million of the net proceeds as follows:

	Adjusted use of proceeds in the proportion as stated in the Prospectus from 15 November 2016 to 31 December 2018 *HK$ million*	Actual use of proceeds up to 31 December 2018 *HK$ million*
Developing high-quality tabletop games	21.5	21.5
Strengthening sales and marketing capability and broadening reach into new markets	17.2	17.2
Expanding into the mobile game market	1.6	—
Pursuing acquisition and licensing opportunities	8.6	8.3
Working capital and other general corporate purposes	4.9	4.9

As the mobile app development costs incurred during the period from 15 November 2016 to 31 December 2018 for *Zombicide (mobile)* have been recharged to a business partner which has agreed (contractually) to pay for such development costs in return for a future revenue sharing arrangement, no net proceeds have been used for expanding into the mobile game market during the period. The Group currently plans to utilise such portion of the net proceeds for marketing *Zombicide (mobile)* when it launches.

Besides, the Group has applied approximately HK$8.3 million of the net proceeds for the acquisition of the IPs of *The Others: 7 Sins, The Grizzled* and *The World of SMOG*.

Save as disclosed above, the Directors confirm that there were no material discrepancies between the actual and proposed use of proceeds from the Placing. The Directors intend to continue to apply the remaining net proceeds from the Placing of approximately HK$1.9 million in accordance with the uses and in the proportions as stated in the Prospectus.

DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 December 2018 (2017: nil).

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 26 April 2019 to Thursday, 2 May 2019, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the annual general meeting of the Company to be held on 2 May 2019 (the "**AGM**"), during which period no share transfer will be registered. To be eligible to attend the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 25 April 2019.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix 15 to the GEM Listing Rules as its own code of corporate governance. Save as disclosed in this announcement, the Company has, to the best knowledge of the Board, complied with all applicable code provisions of the CG Code during the year ended 31 December 2018. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and performed by different individuals. Mr. Ng Chern Ann is currently the chairman and chief executive officer of the Company (the "**Chief Executive Officer**"). In view of Mr. Ng being one of the founders of the Group, and his responsibilities in corporate strategic planning and overall business development, the Board believes that it is in the interests of both the Group and the Shareholders to have Mr. Ng taking up both roles for effective management and business development. The Board also meets regularly on a quarterly basis to review the operation of the Group led by Mr. Ng. Accordingly, the Board believes that this arrangement will not impact on the balance of power and authorisations between the Board and the management of the Company. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of the chairman and the Chief Executive Officer is necessary.

COMPLIANCE WITH THE REQUIRED STANDARD OF DEALINGS IN SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.46 to 5.67 of the GEM Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries of all the Directors, each of the Directors has confirmed that he has complied with the required standard of dealings during the year ended 31 December 2018.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2018, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The audit committee of the Company has reviewed with the management the accounting policies and practices adopted by the Group and discussed with the management internal control and financial reporting matters of the Company, including the review of the Group's audited consolidated financial results for the year ended 31 December 2018.

REVIEW OF ANNUAL RESULTS

The figures in respect of the Group's results for the year ended 31 December 2018 as set out in this annual results announcement have been agreed by the auditor of the Company, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2018. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this annual results announcement.

PUBLICATION OF THE ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

The annual report of the Company for the year ended 31 December 2018 will be despatched to the Shareholders and available on the Company's website (http://cmon.com) and the designated website of the Stock Exchange (www.hkexnews.hk) in due course.

By order of the Board
CMON Limited
Ng Chern Ann
Chairman, Chief Executive Officer and Executive Director

Singapore, 21 March 2019

As at the date of this announcement, the executive Directors are Mr. Ng Chern Ann, Mr. David Doust and Mr. Koh Zheng Kai; the non-executive Director is Mr. Frederick Chua Oon Kian; and the independent non-executive Directors are Mr. Chong Pheng, Mr. Tan Lip-Keat and Mr. Seow Chow Loong Iain.

This announcement will remain on the "Latest Company Announcements" page of the website of GEM of the Stock Exchange at www.hkgem.com for a minimum period of 7 days from the date of publication and on the website of the Company at http://cmon.com.