



J LOGO HOLDINGS LIMITED

聚利寶控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code: 8527

FIRST
QUARTERLY
REPORT
2020

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (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 and no assurance is given that there will be a liquid market in the securities traded on GEM.


Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

*This report, for which the directors (the “**Directors**”) of JLogo Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM made by 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, and all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*



CONTENTS

| | |
|----|---|
| 3 | Corporate Information |
| | First Quarterly Results |
| 5 | Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income |
| 6 | Unaudited Condensed Consolidated Statements of Changes in Equity |
| 7 | Notes to the Unaudited Condensed Consolidated Financial Statements |
| 11 | Management Discussion and Analysis |
| 15 | Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations |
| 15 | Directors' Rights to Acquire Shares or Debentures |
| 16 | Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares and Underlying Shares of the Company |
| 16 | Related Party Transactions |
| 16 | Purchase, Sales or Redemption of the Company's Listed Securities |
| 17 | Share Option Scheme |
| 17 | Directors' Securities Transactions |
| 17 | Compliance with Corporate Governance Code |
| 17 | Directors' and Controlling Shareholders' Interests in Competing Businesses |
| 18 | Interest of the Compliance Adviser |
| 18 | Audit Committee |
| 18 | Dividends |
| 18 | Significant Investments, Material Acquisition and Disposal |
| 18 | Appreciation |





CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Ms. LOW Yeun Ching @Kelly Tan
(*Chairlady and Chief Executive Officer*)
Mr. Sean LOW Yew Hong (Sean Liu Yaoxiong)
Mr. CHIU Ka Wai

Independent Non-executive Directors

Mr. LU King Seng
Mr. LEE Alex Jao Jang
Mr. LIM Yeok Hua

AUDIT COMMITTEE

Mr. LU King Seng (*Chairman*)
Mr. LEE Alex Jao Jang
Mr. LIM Yeok Hua

REMUNERATION COMMITTEE

Mr. LIM Yeok Hua (*Chairman*)
Mr. LEE Alex Jao Jang
Ms. LOW Yeun Ching @Kelly Tan

NOMINATION COMMITTEE

Ms. LOW Yeun Ching @Kelly Tan (*Chairlady*)
Mr. LEE Alex Jao Jang
Mr. LIM Yeok Hua

COMPLIANCE OFFICER

Ms. LOW Yeun Ching @Kelly Tan

COMPANY SECRETARY

Mr. CHAN Pui Hang

AUTHORISED REPRESENTATIVES

Ms. LOW Yeun Ching @Kelly Tan (*Chairlady*)
Mr. Chan Pui Hang

AUDITOR

Ernst & Young LLP, Singapore
Public Accountants and Chartered Accountants,
Singapore
One Raffles Quay
North Tower #18-01
Singapore 048583

COMPLIANCE ADVISER

Messis Capital Limited
Room 1606, 16/F., Tower 2
Admiralty Centre
18 Harcourt Road
Hong Kong

PRINCIPAL BANKS

DBS Bank Limited
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

Malayan Banking Berhad
Level 14, Menara Maybank
100 Jalan Tun Perak
50050 Kuala Lumpur
Malaysia



HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL PLACE OF BUSINESS AND HEADQUARTERS IN SINGAPORE

124, Lorong 23 Geylang
#10-01 and #10-02 Arcsphere
Singapore 388405

REGISTERED OFFICE IN THE CAYMAN ISLANDS

PO Box 1350
Clifton House
75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 901, 9/F,
Prosperity Tower,
39 Queen's Road Central,
Central, Hong Kong

STOCK CODE

8527

COMPANY'S WEBSITE ADDRESS

www.jlogoholdings.com

FIRST QUARTERLY RESULTS

The Board of Directors of the Company (the “**Board**”) is pleased to report the unaudited condensed consolidated financial results of the Company and its subsidiaries (the “**Group**”) for the three months ended 31 March 2020 with comparative unaudited figures for the corresponding period in 2019 as follows. Unless otherwise defined herein, capitalised terms used in this report shall have the same meanings as those defined in the Company’s prospectus dated 20 April 2018 (the “**Prospectus**”):

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 31 March 2020

| | Notes | Three months ended 31 March | |
|---|-------|--------------------------------|--------------------------------|
| | | 2020 S\$'000 (Unaudited) | 2019 S\$'000 (Unaudited) |
| Revenue | 3 | 3,986 | 4,897 |
| Cost of inventories sold and consumed | | (1,092) | (1,315) |
| Gross profit | | 2,894 | 3,582 |
| Other income and gains, net | 3 | 99 | 106 |
| Employee benefits expense | | (1,717) | (1,656) |
| Depreciation of property, plant and equipment | | (235) | (221) |
| Depreciation of right-of-use assets | | (1,038) | (662) |
| Amortisation of an intangible asset | | (12) | (12) |
| Rentals and related expenses | | (83) | (498) |
| Utility expenses | | (253) | (241) |
| Marketing and advertising expenses | | (8) | (20) |
| Other expenses | | (873) | (669) |
| Finance costs | | (166) | (17) |
| LOSS BEFORE TAX | | (1,392) | (308) |
| Income tax expense | 4 | (16) | (13) |
| LOSS FOR THE PERIOD | | (1,408) | (321) |
| OTHER COMPREHENSIVE INCOME/(LOSS) | | | |
| Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods: | | | |
| Exchange differences on translation of foreign operations | | 181 | (25) |
| OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX | | (1,227) | (346) |
| TOTAL COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX | | (1,227) | (346) |
| LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT | 6 | | |
| — Basic (S\$ cents) | | (0.28) | (0.07) |
| — Diluted (S\$ cents) | | N/A | N/A |

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three months ended 31 March 2020

| | Share capital S\$'000 | Share premium S\$'000 | Merger reserve S\$'000 | Exchange fluctuation reserve S\$'000 | Accumulated losses S\$'000 | Total S\$'000 |
|---|--------------------------|--------------------------|---------------------------|---|-------------------------------|------------------|
| At 1 January 2020 (audited) | 869 | 13,311 | 1,735 | 20 | (7,849) | 8,086 |
| Loss for the period | – | – | – | – | (1,408) | (1,408) |
| Other comprehensive income for the period: | | | | | | |
| Exchange differences on translation of foreign operations | – | – | – | 181 | – | 181 |
| Total comprehensive income for the period | – | – | – | 181 | (1,408) | (1,227) |
| At 31 March 2020 (unaudited) | 869 | 13,311 | 1,735 | 201 | (9,257) | 6,859 |
| At 1 January 2019 (audited) | 869 | 13,311 | 1,735 | 25 | (4,977) | 10,963 |
| Loss for the period | – | – | – | – | (321) | (321) |
| Other comprehensive income for the period: | | | | | | |
| Exchange differences on translation of foreign operations | – | – | – | (25) | – | (25) |
| Total comprehensive income for the period | – | – | – | (25) | (321) | (346) |
| At 31 March 2019 (unaudited) | 869 | 13,311 | 1,735 | – | (5,298) | 10,617 |



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands on 22 May 2017. The registered office of the Company is situated at PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The principal place of business in Hong Kong under Part 16 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) is at Room 901, 9/F, Prosperity Tower, 39 Queen's Road Central, Central, Hong Kong.

The Company's Shares were listed on GEM of the Stock Exchange on 9 May 2018.

The Company is an investment holding company. The Company's subsidiaries are principally engaged in the business of:

- (1) dining operations in Singapore; and
- (2) artisanal bakery chains in Malaysia.

2. BASIS OF PRESENTATION

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability on 22 May 2017 and became the ultimate holding company of our Group on 11 August 2017 subsequent to our Reorganisation in preparation for the Listing. For further information about the Reorganisation, please see the section headed "History, Reorganisation and Corporate Structure — Reorganisation" in the Prospectus. The companies now comprising our Group were under the common control of our Controlling Shareholder, Ms. Low Yeun Ching @Kelly Tan ("**Ms. Low**"), before and after the Reorganisation. Accordingly, the financial information has been prepared on a consolidated basis by applying the principles of merger accounting as if the Reorganisation had been completed at the beginning of the relevant periods.

The consolidated statements of profit or loss and other comprehensive income and the statement of changes in equity of our Group for the relevant periods include the results of all companies now comprising our Group from the earliest date presented or since the date when the subsidiaries first came under the common control of our Controlling Shareholder.

All intra-group transactions and balances have been eliminated on combination.

The unaudited condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**") (which comprise all standards and interpretations) approved by the International Accounting Standards Board (the "**IASB**").

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention, except for an available-for-sale investment, which has been measured at fair value. The unaudited condensed consolidated financial statements are presented in Singapore dollar ("**S\$**") and all values in the tables are rounded to the nearest thousand ("**S\$'000**"), except when otherwise indicated.

The basis of preparation and accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements for the three months ended 31 March 2020 are consistent with those adopted in the preparation of the Group's consolidated financial statements for the year ended 31 December 2019 included in the 2019 Annual Report.

The Group has not adopted the new and revised IFRSs, which have been issued but are not yet effective.

Basis of consolidation

The unaudited condensed consolidated financial statements include the financial statements of the Company and its subsidiaries now comprising the Group for the three months ended 31 March 2020. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group. All intra-group income and expenses relating to transactions between members of the Group are eliminated in full on consolidation.

3. REVENUE, OTHER INCOME AND GAINS

Revenue represents the amounts received and receivable from operation and management of restaurants and bakery retail outlets, net of discounts. An analysis of the Group's revenue, other income and gains is as follows:

| | Three months ended 31 March | |
|--|--------------------------------|--------------------------------|
| | 2020 S\$'000 (Unaudited) | 2019 S\$'000 (Unaudited) |
| Revenue | | |
| Dining operations | 3,025 | 3,694 |
| Artisanal bakery: | | |
| – sale of bread and flour confectionary products | 953 | 1,151 |
| – franchise and royalty fee income | 8 | 52 |
| | 3,986 | 4,897 |
| Other income and gains | | |
| Government grants | 65 | 85 |
| Interest income | 28 | 2 |
| Others | 6 | 19 |
| | 99 | 106 |

4. INCOME TAX EXPENSE

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

Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax in the Cayman Islands.

Subsidiaries in Singapore and Malaysia are subject to taxation at rates of 17% and 24% on the estimated profits arising in Singapore and Malaysia, respectively for the three months ended 31 March 2020 and 2019.

| | Three months ended 31 March | |
|--|-----------------------------|------------------------|
| | 2020 | 2019 |
| | S\$'000 (Unaudited) | S\$'000 (Unaudited) |
| Current income tax: | | |
| – Current period | 16 | 13 |
| – Under/(over) provision in respect of previous period | – | – |
| Tax expense for the period | 16 | 13 |

5. DIVIDENDS

The Board did not recommend the payment of any interim dividend for the three months ended 31 March 2020 (three months ended 31 March 2019: Nil).

6. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic loss per share is based on the following data:

| | Three months ended 31 March | |
|---|-----------------------------|------------------------|
| | 2020 | 2019 |
| | S\$'000 (Unaudited) | S\$'000 (Unaudited) |
| Loss for the period | (1,408) | (321) |
| Weighted average number of ordinary Shares ('000) | 500,000 | 490,625 |

Basic loss per share for the three months ended 31 March 2020 is S\$(0.28) cents (three months ended 31 March 2019: S\$(0.07) cents).

The weighted average number of ordinary Shares for calculating the basic loss per share has been retrospectively adjusted, assuming the reorganisation had been effective on 1 January 2017.

The Group had no potentially dilutive ordinary share in issue for the three months ended 31 March 2020 and 2019.

7. EVENTS AFTER THE END OF THE REPORTING PERIOD

There were no important events affecting the Group that have occurred after the end of the reporting period and up to the date of this report.



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

We are a food and beverage group which owns and operates award-winning restaurants in Singapore under different brands and owns one of the largest artisanal bakery chains in Malaysia in terms of revenue and the number of bakery retail outlets in Malaysia. We operate our dining operations in Singapore under two self-owned brands and one franchised brand. Our “Central Hong Kong Café” brand is primarily focused on offering a casual and authentic Cha Chaan Teng experience in a full service environment while our “Black Society” brand offers Chinese cuisines with a contemporary twist in a full service environment. The franchised “Greyhound Café” brand provides stylish and trendy ambience which serves a specialised Thai menu with creative twists. Our artisanal bakery chain in Malaysia offers a wide selection of artisan breads, pastries and cakes under the “Bread Story” brand.

We believe that our Group is competitively positioned based on our operating history of more than ten years, our strong brand recognition and reputation, diversified customer base, innovative product offerings, unique dining experience and experienced management. In addition, the locations of our restaurants in Singapore and our bakery retail outlets in Malaysia are vital to our Group’s strategy of targeting areas which are high in customer traffic and easily accessible by our target customers that will help in promoting our brands image and awareness.

OUTLOOK

The Company’s Shares were successfully listed on GEM of the Stock Exchange on 9 May 2018 (the “**Listing Date**”) by way of share offer of a total of 125,000,000 Shares, at the offer price of HK\$0.50 per Share (the “**Share Offer**”). The amount of the net proceeds from the Share Offer received by the Company was approximately HK\$23.7 million.

The Directors believe that the listing of the Company on GEM of the Stock Exchange (the “**Listing**”) would facilitate the implementation of our business plans to capture more market share in the industry. The Listing would (i) strengthen our Group’s corporate profile; (ii) provide a fund-raising platform for our Group; and (iii) diversify our shareholder base.

The outbreak of the novel coronavirus (COVID-19) pandemic and the corresponding anti-pandemic measures implemented by the authority such as social distancing, self-isolation and city-wide lockdown which had adverse impacts on the number of customers in visiting our restaurants and bakery outlets where we have seen a sharp decline in terms of consumer spending starting from the beginning of February 2020 till now, and the extent of the impact on the Group’s financial performance and operations cannot be determined at this stage as the duration and extent of the damage impacted by the lockdown measures is still uncertain.

We have thus halted any expansion plans, and our expenditure is carefully watched to maintain a healthy cashflow, which is key in this global pandemic situation. In the face of this serious global pandemic, giving rise to further uncertainty of the global economy, we will continue to focus our resources in sustaining our current operations. We urge our shareholders to be patient and have faith in our management where looking after the interest of all our stakeholders remains key.



FINANCIAL REVIEW

Revenue

Our revenue decreased by approximately S\$0.91 million or 18.6% from approximately S\$4.90 million for the three months ended 31 March 2019 to S\$3.99 million for the three months ended 31 March 2020. The substantial decrease in our revenue was primarily due to the impact of the current novel coronavirus (COVID-19) global pandemic and the corresponding anti-pandemic measures implemented by the authority which had adverse impacts on the number of customers in visiting our restaurants and bakery outlets.

Cost of inventories sold and consumed

Our cost of inventories sold and consumed decreased by approximately S\$0.22 million or 17.0% from approximately S\$1.32 million for the three months ended 31 March 2019 to approximately S\$1.09 million for the three months ended 31 March 2020. The decrease in our cost of inventories sold and consumed was in line with the decrease in revenue.

Employee benefits expense

Despite a substantial decline in revenue, our employee benefits expense had increased by approximately S\$0.06 million or 3.7% from approximately S\$1.66 million for the three months ended 31 March 2019 to approximately S\$1.72 million for the three months ended 31 March 2020. The slight increase in our employee benefits expense was primarily due to the increase in headcounts from the expansion of our dining operations, including the opening of two new MASA by Black Society Café in the mid of year 2019.

Depreciation of right-of-use assets

Depreciation of right-of-use assets increased by approximately S\$0.38 million or 56.8% from approximately S\$0.66 million for the three months ended 31 March 2019 to approximately S\$1.04 million for the three months ended 31 March 2020. The increase was mainly due to increase in recognition of right-of-use assets arisen from new leases entered and renewal of existing leases thus resulted the increase in recognition of lease related depreciation.

Rentals and related expense

Rentals and related expenses primarily consist of rentals from the short-term leases and variable rents, our rentals and related expenses had decreased significantly by approximately S\$0.42 million or 83.3% from approximately S\$0.50 million for the three months ended 31 March 2019 to approximately S\$0.08 million for the three months ended 31 March 2020. Such decrease was mainly due to the decrease in rental contribution from the available short-term leases and cheaper variable rents as a result of the decrease in revenue.

Other expenses

Other expenses primarily consist of legal and professional fee, cleaning fee, repair and maintenance expenses for our restaurants and bakery outlets, kitchen and bar utensils expenses, bank charges relating to credit card settlement, foreign currency exchange losses and other miscellaneous expenses. Our other expenses had increased by S\$0.20 million from approximately S\$0.67 million for the three months ended 31 March 2019 to approximately S\$0.87 million for the three months ended 31 March 2020. The increase was mainly due to the increase in other operating expenses arisen from the expansion of our dining operations, including the opening of two new MASA by Black Society Cafe in the mid of year 2019.

Finance costs

Finance costs increased significantly by approximately S\$0.15 million or 876.5% from approximately S\$0.02 million for the year ended 31 March 2019 to S\$0.17 million for the three months ended 31 March 2020. The increase was mainly due to the increase in the recognition of lease-related interest expense attributed to the amortization of the lease liabilities on the balance sheet.

Loss for the period

Our Group recorded a loss of approximately S\$1.41 million and S\$0.32 million for the three months ended 31 March 2020 and 2019, respectively. The loss for the three months ended 31 March 2020 was mainly attributable to the overall decrease in revenue due to the impact of the current novel coronavirus (COVID-19) global pandemic.

USE OF PROCEEDS FROM THE SHARE OFFER

The amount of the net proceeds from the Share Offer received by the Company, after deducting the expenses related to the Share Offer payable by the Company, is approximately HK\$23.7 million. The Company intends to apply such net proceeds for the following purposes:

| | Total HK\$' million | Approximate % of net proceeds |
|--|------------------------|----------------------------------|
| Continue to expand our dining operations in Singapore | 18.1 | 76.4 |
| Setting up new head office and enhance our workforce | 3.2 | 13.5 |
| Further enhance our brand recognition in Singapore and Malaysia | 0.2 | 0.8 |
| Upgrade our information technology systems | 0.2 | 0.8 |
| General working capital | 2.0 | 8.5 |
| Total | 23.7 | 100 |

Up to 31 March 2020, the Group has applied the net proceeds as follows:

| | Proposed amount to be used up to 31 March 2020 HK\$' million | Actual usage up to 31 March 2020 HK\$' million | Unutilised net proceeds up to 31 March 2020 HK\$' million |
|--|---|---|--|
| Continue to expand our dining operations in Singapore | 18.1 | 11.6 | 6.5 |
| Setting up new head office and enhance our workforce | 3.2 | 2.2 | 1.0 |
| Further enhance our brand recognition in Singapore and Malaysia | 0.2 | 0.2 | – |
| Upgrade our information technology systems | 0.2 | 0.2 | – |
| General working capital | 2.0 | 2.0 | – |
| Total | 23.7 | 16.2 | 7.5 |

For further details of the Group's intended use of the net proceeds from the Share Offer, please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus. The business objectives, future plans and planned use of proceeds stated in the Prospectus were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus while the proceeds were applied based on the actual development of the Group's business. As at the date of this report, the unutilized net proceeds have been temporarily placed as short term deposits with licensed institutions in Hong Kong and Singapore.

During the period up to 31 March 2020, there was an unutilized net proceeds of approximately HK\$7.5 million, the reason for the delay in the use of proceeds is mainly due to the reduction in the pace of the Group's expansion as a result of the unfavourable condition in the Singapore food and beverage market. As disclosed in the announcement of the Company dated 19 July 2019, the Group had planned to use approximately HK\$8.4 million of the net proceeds to open the second "Greyhound Café" restaurant. Although the Group had made attempts to identify suitable locations, there was no location available which the Group considered to be suitable for the new "Greyhound Café" restaurant. As the Company considered that there would be growth potential in dim sum café business in Singapore, the Board therefore decided to re-allocate approximately HK\$8.4 million which was originally planned for opening of new restaurant under the franchised "Greyhound Café" brand to be applied towards the opening of the second new restaurant under "MASA by Black Society" brand. For details, please refer to the announcements of the Company dated 19 July 2019 and 22 July 2019.

The Directors regularly evaluate the Group's business objective and may change or modify plans against the changing market conditions to ascertain the business growth of the Group. Accordingly, we will make further announcement as and when necessary if there is any such change or modification of plans.

Comparison of business objectives with actual business progress

The following is a comparison of the Group's business plan as set out in the Prospectus with actual business progress up to 31 March 2020.

| Business objectives as set out in the Prospectus | Actual implementation plan up to 31 March 2020 |
|---|---|
| Continue to expand our dining operations in Singapore | <p>The renovation works of the new restaurant under "MASA by Black Society" brand was completed and commenced operation on 22 June 2019.</p> <p>The renovation works of the second new restaurant under "MASA by Black Society" brand was completed and commenced operation on 22 July 2019.</p> <p>The Group has confirmed a new location to open new restaurant under "Central Hong Kong Café" brand in January this year, before the COVID-19 outbreak in Singapore. Due to the ongoing pandemic and "circuit breaker" which is equivalent to a soft lockdown measure in Singapore, the management has negotiated for the handover date of the premises be extended till further date to be agreed between both parties.</p> |
| Setting up new head office and enhance our workforce | <p>The renovation of the new office was completed in early January 2020, all head office staffs have started working in the new office since mid of January 2020.</p> <p>The Group will continue to employ additional staffs in headquarter to improve efficiency of administrative functions.</p> |
| Further enhance our brand recognition in Singapore and Malaysia | The Group has fully utilized the funds on marketing activities and brand exposure campaigns. Nevertheless, the management will continue working with marketing consultants towards marketing and advertising activities. |
| Upgrade our information technology systems | The Group has fully utilized the funds on upgrading the point-of-sale and CCTV systems in our restaurants and bakery outlets. |

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at the date of this report, the interests and short positions of the Directors and chief executive of the Company or any of their respective associates 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 (Cap. 571 of the laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise 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 position in the Shares as at 31 March 2020:

| Name of Director/Chief Executive | Capacity/ Nature of Interest | Shares held as at the date of this report | |
|--|---------------------------------|---|---------------------------|
| | | Number of Underlying Shares | Approximate Percentage |
| Ms. Low Yeun Ching @Kelly Tan ⁽¹⁾ | Beneficial interest | 282,000,000 ordinary Shares ⁽²⁾ | 56.4% |

Notes:

- (1) Ms. Low Yeun Ching @Kelly Tan is an executive Director, the chairlady of the Board and the chief executive officer of our Company.
- (2) These Shares are held in long position.

Save as disclosed above, as at 31 March 2020, none of the Directors, chief executive of the Company or their respective associates 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) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise, notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of its Company and its Associated Corporations" above, at no time from the Listing Date to 31 March 2020 was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or chief executive of the Company or their respective spouse or children under 18 years of age to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

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

As at 31 March 2020, the interests and short positions of substantial shareholders and other persons (other than a Director or chief executive of the Company) in the Shares and underlying Shares which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered into the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

Long Positions in the Shares as at 31 March 2020:

| Name | Capacity/ Nature of Interest | Aggregate number of Shares of Underlying Shares | Percentage of Interest in our Company as at the Date of this Report |
|--|---------------------------------|---|---|
| Bright Honor Investment International Limited (" Bright Honor ") ⁽¹⁾ | Beneficial interest | 93,000,000 ordinary Shares ⁽²⁾ | 18.6% |

Notes:

- (1) Bright Honor (formerly known as Zhengqi Capital Holdings Limited) is held as to 100% by Mr. Wei Kai. Pursuant to the disclosure of interests form filed by Bright Honor on 18 April 2020, the number of Shares held by it was changed to 90,500,000 Shares, representing 18.1% of the entire issued share capital of the Company.
- (2) These Shares are held in long position.

Save as disclosed above, as at 31 March 2020, according to the register of interests required to be kept by the Company under Section 336 of the SFO, there was no other person or corporation (other than the Directors and chief executives of the Company) who had any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 or Part XV of the SFO.

RELATED PARTY TRANSACTIONS

For the three months ended 31 March 2020, the Group has not entered into any related party transactions.

PURCHASE, SALES 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 conditionally adopted a share option scheme on 4 April 2018 (the “**Scheme**”). The terms of the Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules. No share option has lapsed, or has been granted, executed or cancelled since the adoption of the Scheme up to 31 March 2020.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for securities transactions by Directors on terms equivalent to the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “**Model Code**”). The Company had made specific enquiries with written guidelines in relation to the Model Code to all Directors, and all Directors have confirmed that they complied with the required standards and code of conduct for Directors’ securities transactions as set out in the Model Code during the three months ended 31 March 2020.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to achieving high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential for the continuing growth of the Group and for safeguarding and maximising shareholders’ interests.

Pursuant to code provision A.2 of the Corporate Governance Code contained in Appendix 15 to the GEM Listing Rules (the “**CG Code**”), the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. However, we do not have a separate chairlady and chief executive officer and Ms. Low currently performs these two roles. Our Board believes that vesting the roles of both chairlady and chief executive officer in the same person has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning of our Group. Our Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively. Our Board will continue to review and consider splitting the roles of chairlady of our Board and chief executive officer of our Company at a time when it is appropriate and suitable by taking into account the circumstances of our Group as a whole.

Save as disclosed above, the Directors consider that during the three months ended 31 March 2020 and up to the date of this report, the Company has applied the principles and complied with all the applicable code provisions set out in the CG Code.

DIRECTORS’ AND CONTROLLING SHAREHOLDERS’ INTERESTS IN COMPETING BUSINESSES

Save as disclosed in the Prospectus, as at 31 March 2020, each of the Directors, the Controlling Shareholder and their respective close associates (as defined in the GEM Listing Rules) has confirmed that none of them had an interest in a business (other than those businesses where the Director were appointed as directors to represent the interests of the Company and/or any member of the Group) which are considered to compete or are likely to compete, either directly or indirectly, with the business of the Group.

INTEREST OF THE COMPLIANCE ADVISER

As at 31 March 2020, as notified by the Company's compliance adviser, Messis Capital Limited ("**Messis**"), except for the compliance adviser agreement dated 21 March 2018 entered into between the Company and Messis, neither Messis nor any of its directors, employees or close associates had any interest in the share capital of the Company or any member of the Group (including options or rights to subscribe for such securities) or otherwise in relation to the Company which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

AUDIT COMMITTEE

Pursuant to Rule 5.28 of the GEM Listing Rules, the Company established an audit committee (the "**Audit Committee**") with written terms of reference aligned with the provision of the code provisions set out in the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control procedures of the Group. As at 31 March 2020, the Audit Committee comprises Mr. Lu King Seng (chairman of the Audit Committee), Mr. Lee Alex Jao Jang and Mr. Lim Yeok Hua, all of whom are independent non-executive Directors. The Audit Committee has reviewed the unaudited first quarterly results report of the Group for the three months ended 31 March 2020. A meeting of the Audit Committee was held with the management of the Company for, amongst other things, reviewing the unaudited first quarterly results report of the Group for the three months ended 31 March 2020.

DIVIDENDS

The Board did not recommend the payment of any interim dividend for the three months ended 31 March 2020 (three month ended 31 March 2019: Nil).

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITION AND DISPOSAL

The Group did not have any significant investments, material acquisition or disposal of subsidiaries or associates during the three months ended 31 March 2020.

APPRECIATION

On behalf of the Board, I would like to extend our sincere thanks to our shareholders, business partners and customers for their continuous support to the Group. I would also extend my gratitude and appreciation to all the Directors, management and staff for their hard work and dedication throughout the period.

By Order of the Board
JLogo Holdings Limited
LOW Yeun Ching @Kelly Tan
Chairlady and Chief Executive Officer

15 May 2020, Hong Kong