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JLOGO HOLDINGS LIMITED

聚利寶控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8527)

2021 THIRD QUARTERLY RESULTS ANNOUNCEMENT

The board (the “**Board**”) of directors (the “**Directors**”) of JLogo Holdings Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated financial results of the Company and its subsidiaries (the “**Group**”) for the nine months ended 30 September 2021. This announcement, containing the full text of the 2021 Third Quarterly Report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of quarterly results.

By order of the Board of
JLogo Holdings Limited
Ms. LOW Yeun Ching@Kelly Tan
Chairlady & Chief Executive Officer

Hong Kong, 12 November 2021

As at the date of this announcement, the executive Directors are Ms. LOW Yeun Ching@Kelly Tan, Mr. Sean LOW Yew Hong, Mr. CHIU Ka Wai and Mr. WU Guangliang; and the independent non-executive Directors are Mr. LU King Seng, Mr. John Chi Chung MAN and Mr. CHAN Pak Hung.

This announcement, for which the Directors 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 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 in this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its posting. This announcement will also be published on the website of the Company at www.jlogoholdings.com.



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.

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*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 of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading, and all opinions expressed in this report have been arrived at after due and careful consideration and are founded on basis and assumptions that are fair and reasonable.*

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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
Mr. WU Guangliang (*appointed on 26 August 2021*)

Independent Non-executive Directors

Mr. LU King Seng
Mr. John Chi Chung MAN
Mr. CHAN Pak Hung

AUDIT COMMITTEE

Mr. LU King Seng (*Chairman*)
Mr. John Chi Chung MAN
Mr. CHAN Pak Hung

REMUNERATION COMMITTEE

Mr. CHAN Pak Hung (*Chairman*)
Ms. LOW Yeun Ching @Kelly Tan
Mr. John Chi Chung MAN

NOMINATION COMMITTEE

Ms. LOW Yeun Ching @Kelly Tan (*Chairlady*)
Mr. John Chi Chung MAN
Mr. CHAN Pak Hung

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

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Public Accountants and Chartered Accountants,
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PRINCIPAL PLACE OF BUSINESS IN HONG KONG UNDER PART 16 OF THE COMPANIES ORDINANCE (CAP. 622)

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STOCK CODE

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COMPANY'S WEBSITE ADDRESS

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THIRD 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 (collectively, the “**Group**”) for the three months and nine months ended 30 September 2021 with comparative unaudited figures for the corresponding period in 2020 as follows.

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

For the three months and nine months ended 30 September 2021

		For the three months ended 30 September		For the nine months ended 30 September	
		2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
	Notes	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	3	2,451	3,619	9,369	8,570
Cost of inventories sold and consumed		(737)	(961)	(2,507)	(2,366)
Gross profit		1,714	2,658	6,862	6,204
Other income and gains, net	3	1,163	589	2,107	2,344
Employee benefits expense		(1,339)	(1,425)	(4,303)	(4,239)
Depreciation of property, plant and equipment		(191)	(239)	(620)	(706)
Depreciation of right-of-use assets		(996)	(1,040)	(3,034)	(3,129)
Amortisation of an intangible asset		(12)	(12)	(36)	(36)
Utility expenses		(170)	(136)	(598)	(558)
Marketing and advertising expenses		(4)	(7)	(39)	(21)
Other expenses		(598)	(493)	(2,061)	(1,846)
Finance costs		(116)	(152)	(373)	(469)
LOSS BEFORE TAX		(549)	(257)	(2,095)	(2,456)
Income tax expense	4	(6)	(6)	(23)	(34)
LOSS FOR THE PERIOD (Attributable to owner of the Company)		(555)	(263)	(2,118)	(2,490)
OTHER COMPREHENSIVE INCOME					
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations		14	(52)	50	61
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		14	(52)	50	61
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX (Attributable to owners of the Company)		(541)	(315)	(2,068)	(2,429)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	6				
– Basic (S\$ cents)		(0.11)	(0.05)	(0.42)	(0.50)
– Diluted (S\$ cents)		N/A	N/A	N/A	N/A

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the nine months ended 30 September 2021

	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 2021 (audited)	869	13,311	1,735	3	(9,852)	6,066
Loss for the period	–	–	–	–	(2,118)	(2,118)
Exchange differences on translation of foreign operations	–	–	–	50	–	50
Total comprehensive income for the period	–	–	–	50	(2,118)	(2,068)
At 30 September 2021 (unaudited)	869	13,311	1,735	53	(11,970)	3,998
At 1 January 2020 (audited)	869	13,311	1,735	20	(7,849)	8,086
Loss for the period	–	–	–	–	(2,490)	(2,490)
Exchange differences on translation of foreign operations	–	–	–	61	–	61
Total comprehensive income for the period	–	–	–	61	(2,490)	(2,429)
At 30 September 2020 (unaudited)	869	13,311	1,735	81	(10,339)	5,657



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2021

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 P.O. Box 1350, Windward 3, Regatta Office Park, 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, 9th Floor, 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) Asian full services restaurant operations in Singapore; and
- (2) Artisanal bakery chains in Malaysia.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**"), which include all International Financial Reporting Standards, International Accounting Standards ("**IASs**") and interpretations issued by the International Accounting Standards Board (the "**IASB**"), and the disclosure requirements of accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance.

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention. The unaudited condensed consolidated financial statements are presented in Singapore dollar ("**SGD**" or "**S\$**") and all values in the tables are rounded to the nearest thousand ("**S\$'000**"), except where otherwise indicated.

The basis of preparation and accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements for the nine months ended 30 September 2021 are consistent with those adopted in the preparation of the of the Group's consolidated financial statements for the year ended 31 December 2020 included in the 2020 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 Group for the nine months ended 30 September 2021. 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.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, or the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

3. REVENUE, AND OTHER INCOME AND GAINS

Revenue represents the amounts received and receivable from the Group's 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 30 September		Nine months ended 30 September	
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
Revenue	1,851	2,712	7,345	6,344
Dining operations				
Artisanal bakery:				
– sale of bread and flour				
confectionery products	598	902	2,015	2,211
– franchise and royalty fee income	2	5	9	15
	2,451	3,619	9,369	8,570
Other income and gains				
Government grants*	500	340	1,232	1,153
COVID-19 related rent concessions				
from lessors	611	246	803	1,115
Interest income	1	28	2	88
Others	51	(25)	70	(12)
	1,163	589	2,107	2,344

* The amount mainly represents rewards or subsidies under the Job Support Scheme and Wage Subsidy Program which were received from the Singapore and Malaysia governments.

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 nine months ended 30 September 2021 and 2020.

	Three months ended 30 September		Nine months ended 30 September	
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
Current income tax	6	6	23	34
Tax expense for the period	6	6	23	34

5. DIVIDENDS

The Board did not recommend the payment of any interim dividend for the nine months ended 30 September 2021 (nine months ended 30 September 2020: 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 30 September		Nine months ended 30 September	
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
Loss for the period	(555)	(263)	(2,118)	(2,490)
Weighted average number of ordinary Shares ('000)	500,000	500,000	500,000	500,000

Basic loss per share for the nine months ended 30 September 2021 is S\$(0.42) cents (nine months ended 30 September 2020: S\$(0.50) cents).

The Group had no potentially dilutive ordinary share in issue for the nine months ended 30 September 2021 and 2020.

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 our “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.


The outbreak of COVID-19 has posed a great challenge to every business, and particularly the food and beverage business. The Group has gone through most challenging period in the year 2020 and with the improvement in the control of such outbreak as well as the gradual relief of the disease-control measures imposed by the authority, the performance of the Group and its restaurants have been improved since the beginning of 2021. However, COVID-19 has been developed into an endemic and it is difficult to foresee when the food and beverage business and the social life of people in Singapore and Malaysia will return to the pre-COVID-19 condition, or at all. The Group shall remain prudent in its operation and business development and maintain its food and beverage operation in Singapore and Malaysia.

OUTLOOK

The Company’s shares (the “**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 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.

Singapore sees a spike in COVID-19 cases despite the island nation has fully vaccinated more than 80% of its population of 5.7 million. In response to the surge after the ease in restrictions, Singapore clarified that it is still in a transition phase, where restrictions will continue or be eased depending on the caseload and the burden on the healthcare system, and that the endemic stage is still a while away.



There may be government reliefs via wages and rentals but this may only contribute to a fraction of a much needed assistance with the loss and compromise of income over a prolonged period. The Group will continue to implement cost-saving measures with the aim to offset the impacts brought by the anti-pandemic measures on the business in Singapore and Malaysia.

The Directors will continue to adopt a prudent approach in adjusting its business strategy with the aim to minimising loss and improve the performance of the Company.

We will be reporting more and updates in our next quarter report and looking after the interests of all our stakeholders remains our motivation and key.

On the other hand, the control of COVID-19 in the Mainland China in the past year was impressive and its economy started to pick up again. While the consumption power in Singapore and Malaysia were impacted by COVID-19 and room for market development in Singapore may be limited, the economic performance and consumption power in the Mainland China remains strong in comparison with much room for business expansion. Therefore, to improve and expand the business performance of the Group, the Company has been exploring business development or cooperation opportunity in the Mainland China. As part of such effort, the Company has previously established new subsidiaries in Hong Kong and China as a preparation work for such business exploration, which will be focused on provision of food and beverage service.

Throughout the past few months, the Company has identified certain potential business opportunities, and has been in preliminary study on possible projects. Leveraging on the actual operational conditions of the Group, our business and management experience in the food and beverages industry and considering the local guidelines in relation to relevant policy incentives and competitive strategies, the Company identified the market of healthy food and beverages and healthcare for the elderly, which is part of the holistic healthcare industry being promoted in the PRC in recent years, as a new business operation opportunity to start. The Group has planned to initially start from providing healthy food and beverages services for the elderly in mid to high-end smart healthcare residence parks in regions such as Jiangsu, Zhejiang, Shanghai and Beijing. As our business develops and our experience broadens, we might as well further develop by launching other healthy food and beverages and healthcare services for the elderly to satisfy the needs in their later lives. In the long run, the Group is bullish on the holistic healthcare industry market in the PRC, and considered that the Group will be able to rely on its existing business experience to achieve good development in the market of healthy food and beverages and special diet for the elderly. We are optimistic about entering the holistic healthcare industry market in the PRC with our elderly food and beverages services. The Company will provide further update when the new business development is realised.



FINANCIAL REVIEW

Revenue

Our revenue increased by approximately S\$0.80 million or 9.3% from approximately S\$8.57 million for the nine months ended 30 September 2020 to S\$9.37 million for the nine months ended 30 September 2021. The increase in our revenue was primarily due to the business recovery from the partial relief of anti-pandemic measures from beginning of the year till mid of May 2021 when dine-in at F&B establishments was allowed during that period. However, our revenue was subsequently affected by the cessation of dine-in activities under Phase 2 (Heightened Alert) from 15 May 2021 till 20 June 2021 as well as the dine-in restrictions on limiting dining group size and diners' vaccination status imposed by the Singapore government.

Cost of inventories sold and consumed

Our cost of inventories sold and consumed increased by approximately S\$0.14 million or 6.0% from approximately S\$2.37 million for the nine months ended 30 September 2020 to approximately S\$2.51 million for the nine months ended 30 September 2021. The slight improvement in our cost of inventories sold and consumed was mainly due to better raw material costs control during the period under review.

Other income

Our other income decreased by approximately S\$0.24 million or 10.1% from approximately S\$2.34 million for the nine months ended 30 September 2020 to approximately S\$2.11 million for the nine months ended 30 September 2021. The decrease was primarily due to lesser grants and rent concessions offered by the local governments and landlords respectively, in response to the impact brought by the COVID-19 pandemic, as the government and landlords gradually tapered the level of grants provided to the F&B sector from the second half of year 2020.



Depreciation of property, plant and equipment

Depreciation of property, plant and equipment decreased by approximately S\$0.09 million or 12.2% from approximately S\$0.71 million for the nine months ended 30 September 2020 to approximately S\$0.62 million for the nine months ended 30 September 2021. The decrease was mainly due to closure of one underperformed restaurant prior to the lease maturity date.

Other expenses

Other expenses primarily consist of legal and professional fees, rental and related expenses, cleaning fee, repair and maintenance expenses, kitchen and bar utensils expenses, bank charges relating to credit card settlement, unrealised foreign currency exchange losses and other miscellaneous expenses. Our other expenses had increased by S\$0.21 million or 11.6% from approximately S\$1.85 million for the nine months ended 30 September 2020 to approximately S\$2.06 million for the nine months ended 30 September 2021. The increase was mainly due to increase in professional fee, a non-recurring course fee incurred for a key management and fixed assets written off attributed to closure of one restaurant during this quarter.

Finance costs

Finance costs decreased by approximately S\$0.10 million or 20.5% from approximately S\$0.47 million for the nine months ended 30 September 2020 to S\$0.37 million for the nine months ended 30 September 2021. The decrease was mainly due to the decrease in the lease-related interest expense attributed to the lease liabilities on the balance sheet.

Loss for the period

Our Group recorded a loss of approximately S\$2.12 million and S\$2.49 million for the nine months ended 30 September 2021 and 2020, respectively. The loss for the nine months ended 30 September 2021 was mainly attributable to the overall decrease in revenue due to the recurring impact of COVID-19 in the middle of 2021. However, the adverse impact was partially mitigated by the rent concessions and grants obtained from landlords and the government of Singapore and Malaysia, respectively.

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 Percentage 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 30 September 2021, the Group has applied the net proceeds as follows:

	Proposed amount to be used up to 30 September 2021 HK\$'million	Actual usage up to 30 September 2021 HK\$'million	Unutilised net proceeds up to 30 September 2021 HK\$'million
Continue to expand our dining operations in Singapore	18.1	16.2	1.9
Setting up new head office and enhance our workforce	2.2	2.2	–
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	3.0	3.0	–
Total	23.7	21.8	1.9

On 2 July 2021, the Company announced the further change in use of proceeds from the Share Offer. For details thereof please refer to the announcement of the Company dated 2 July 2021 headed “Change in Use of Proceeds”.

For further details of the Group’s originally 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 as 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 30 September 2021, the unutilised net proceeds amounted to approximately HK\$1.9 million, the delay in the application of 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 due to COVID-19 pandemic.

For the unutilised net proceeds, the Company intends to use them in the manner and proportions as described in the announcement of the Company dated 2 July 2021 in relation to the change in use of proceeds. The completion time will be based on the future development of the Company. As at the date of this report, any unutilised net proceeds have been temporarily placed as short term deposits with licensed institutions in Singapore.

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 30 September 2021.

Business objectives as set out in the Prospectus	Actual implementation plan up to 30 September 2021
Continue to expand our dining operations in Singapore	The Group had secured a location to open a new cafe at Orchard Road under the “Café Q Classified by Black Society” brand, the new cafe commenced its operations on 25 October 2021.
Setting up new head office and enhance our workforce	The Group has fully utilised the funds on setting up the new head office and enhancement of workforce in Singapore.
Further enhance our brand recognition in Singapore and Malaysia	The Group has fully utilised 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 utilised the funds on 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 30 September 2021:

Name of Director/Chief Executive	Capacity/ Nature of interest	Shares held as at 30 September 2021	
		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 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 30 September 2021, 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 30 September 2021 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 30 September 2021, 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 in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

Long Positions in the Shares as at 30 September 2021:

Name	Capacity/ Nature of interest	Aggregate number of Shares or underlying Shares	Approximate percentage of interest in our Company as at the Date of this report
JingXin Healthcare International Limited 淨心療養院(國際)有限公司 ("JingXin") ⁽¹⁾	Beneficial interest	90,500,000 ordinary Shares ⁽²⁾	18.1%

Notes:

- (1) JingXin Healthcare International Limited 淨心療養院(國際)有限公司(formerly known as Bright Honor Investment International Limited) is held as to 100% by Peaceful and Land International Limited 祥和國際有限公司, which in turn is held as to 100% by Ms. Hu Changmei and therefore Ms. Hu Changmei is deemed to be interested in the 90,500,000 Shares held by JingXin Healthcare International Limited 淨心療養院(國際)有限公司, pursuant to the SFO.
- (2) These Shares are held in long position.

Save as disclosed above, as at 30 September 2021, 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 executive 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 nine months ended 30 September 2021, 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 since the Listing Date and up to 30 September 2021.



SHARE OPTION SCHEME

The Company has 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 been granted since the adoption of the Scheme up to 30 September 2021.

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 nine months ended 30 September 2021.

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 nine months ended 30 September 2021 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 30 September 2021, 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.



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 30 September 2021, the Audit Committee comprises Mr. Lu King Seng (chairman of the Audit Committee), Mr. John Chi Chung Man and Mr. Chan Pak Hung, all of whom are independent non-executive Directors. The Audit Committee has reviewed the unaudited interim results of the Group for the nine months ended 30 September 2021. A meeting of the Audit Committee was held with the management of the Company for, amongst other things, reviewing the unaudited interim results of the Group for the nine months ended 30 September 2021.

DIVIDENDS

The Board did not recommend the payment of any interim dividend for the nine months ended 30 September 2021 (nine months ended 30 September 2020: 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 nine months ended 30 September 2021.

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

12 November 2021, Hong Kong