

Final Results

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Fragrant Prosperity Holdings Ltd

21 August 2018

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FRAGRANT PROSPERITY HOLDINGS LIMITED

("FPP" or "the Company")

Fragrant Prosperity Holdings Limited (LSE: FPP) announces its audited annual financial results for the financial year ended 31 March 2018.

Chairman's statement for the financial year ended 31 March 2018

I have pleasure in presenting the financial statements of Fragrant Prosperity Holdings Limited (the "Company" or "FPP") for the financial year ended 31 March 2018.

During the financial year, the Company reported a net loss of £259,763 (2017: £455,932) which represents ongoing administrative expenses as well as any costs incurred in identifying potential transactions. As at 31 March 2018, the Company had cash in bank balance of £227,340 (2017: £499,192).

The Board continued to review a number of potential acquisition opportunities across the sector but none of which has met the necessary criteria for selection.

The Board would provide further updates to shareholders in due course.

Abd Jalil Bin Bohari

Chairman

The Annual Report and Accounts will be available shortly at the Company's website <http://fragrantprosperity.com>.

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		Year ended 31 March 2018	Period from 28 January 2016 (inception) to 31 March 2017
	Notes	£	£
Listing expenses		-	(168,137)
Other operating expenses		(259,763)	(287,795)
OPERATING LOSS BEFORE TAXATION		(259,763)	(455,932)
Income tax expense	3	-	-
LOSS FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		(259,763)	(455,932)
OTHER COMPREHENSIVE INCOME			
Other comprehensive income		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(259,763)	(455,932)

Basic and diluted loss per share	5	(0.006))	(0.015)
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	As at	As at
	31 March 2018	31 March 2017
Notes	£	£

CURRENT ASSETS

Cash and cash equivalents	227,340	499,192
Prepayments	21,839	-
Other debtors	5,000	-
TOTAL ASSETS	254,179	499,192

CURRENT LIABILITIES

Accruals	(39,750)	(25,000)
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TOTAL LIABILITIES	(39,750)	(25,000)
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NET ASSETS	214,429	474,192
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EQUITY ATTRIBUTABLE TO EQUITY HOLDERS
OF THE COMPANY

Share capital	6	930,124	930,124
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Retained earnings		(715,695)	(455,932)
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TOTAL EQUITY		214,429	474,192
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Year ended
31 March 2018

£

Period from 28
January 2016
(inception) to 31
March 2017

£

Cash flow from operating activities

Loss before tax	(259,763)	(455,932)
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Changes in working capital

Movement in other payables	14,750	25,000
Movement in prepayments and other debtor	(26,839)	-
Net cash outflow from operating activities	(271,852)	(430,932)

Cash flow from financing activities

Net proceeds from issue of shares	-	930,124
Net cash flow from financing activities	-	930,124

Net (decrease)/increase in cash and cash equivalents	(271,852)	499,192
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Cash and cash equivalents at beginning of period	499,192	-
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Cash and cash equivalents at end of period	227,340	499,192
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	Share capital	Retained earnings	Total
	£	£	£
As at 28 January 2016	-	-	-
Loss for the period	-	(455,932)	(455,932)
Total comprehensive loss for the period	-	(455,932)	(455,932)
Issue of ordinary shares	1,100,000	-	1,100,000
Share issue costs	(169,876)		(169,876)
As at 31 March 2017	930,124	(455,932)	474,192
Loss for the year	-	(259,763)	(259,763)
Total comprehensive loss for the year	-	(259,763)	(259,763)
As at 31 March 2018	930,124	(715,695)	214,429

1. GENERAL INFORMATION

The Company was incorporated in the British Virgin Islands on 28 January 2016 as an exempted company with limited liability under the Companies Law.

The Company's Ordinary shares are currently admitted to a standard listing on the Official List and to trading on the London Stock Exchange.

On the 12 December 2017 the company changed its name from Vale International Group Ltd to Fragrant Prosperity Holdings Ltd.

The comparatives included in these financial statements are for the period from incorporation (28 January 2016) to and as at 31 March 2017.

The Company's nature of operations is to act as a special purpose acquisition company.

2. ACCOUNTING POLICIES

The Board has reviewed the accounting policies set out below and considers them to be the most appropriate to the Company's business activities.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and IFRIC interpretations applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified for financial assets carried at fair value.

The financial information of the Company is presented in British Pound Sterling ("£").

Standards and interpretations issued but not yet applied

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2018, and have not yet been early adopted in preparing these financial statements. The Company has considered the impact of these, including IFRS 9 and IFRS 15, and concluded that none of these are expected to have a significant effect on the financial position or results of the Company.

Going concern

Until such time as the Company makes a significant investment it will meet its day to day working capital requirements from its existing cash reserves and by raising new equity finance.

In the year ended 31 March 2018 the Company recorded a loss after tax of £259,764 (2017: £455,932) and a net cash outflow from operating activities of £271,853 (2016: £430,932).

The directors have prepared cash flow forecasts covering a period of at least 12 months from the date of approval of the financial statements which assume that no significant investment activity is undertaken unless sufficient funding is in place.

The Company had cash of £227,340 at 31 March 2018. Although the level of cash outgoings prior to making an investment is expected to be modest, the cash flow forecasts indicate that the Company needs to raise additional funds in the coming months.

Although the directors believe that the Company will be successful in raising the funds required there can be no guarantee of success of that fundraising.

Based on their assessment, the Directors have a reasonable expectation that the Company has adequate resources, supplemented by the additional funds to be raised, to continue as a going concern for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these financial statements.

The requirement to raise additional funds constitutes a material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern.

If the Company was unable to secure sufficient funding to enable it to continue on a going concern basis then adjustments would be necessary to write down assets to their recoverable amounts and provide for additional liabilities.

Critical Accounting Estimates and Judgements

The preparation of financial statements in compliance with IFRS as adopted for use by the European Union requires the use of certain critical accounting estimates or judgements. The directors do not consider there to be

any key estimation uncertainty. In respect of critical judgements, the only key judgement is the adoption of going concern on the basis for preparing the financial statements, details of which are set out in note 2.

3. INCOME TAX EXPENSE

The Company is regarded as resident for the tax purposes in British Virgin Islands.

No tax is applicable to the Company for the year ended 31 March 2018. No deferred income tax asset has been recognised in respect of the losses carried forward, due to the uncertainty as to whether the Company will generate sufficient future profits in the foreseeable future to prudently justify this.

4. LOSS PER SHARE

Basic loss per ordinary share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period. 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. There are currently no dilutive potential ordinary shares.

Loss per share attributed to ordinary shareholders

	Period from 1 April 2017 to 31 March 2018	Period from 28 January 2016 (inception) to 31 March 2017
Loss for the period (£)	(259,764)	(455,932)
Weighted average number of shares (Unit)	43,214,287	29,670,331
Loss per share (£)	(0.006)	(0.015)

5. SHARE CAPITAL

	Number of shares	£
On incorporation	1	-
Issue of shares - 22 April 2016	27,500,000	550,000
Issue of shares -5 September 2016	15,714,286	550,000
Less: issuance costs	-	(169,876)

Balance at 31 March 2017	43,214,287	930,124
Balance at 31 March 2018	43,214,287	930,124

On 28 January 2016, the Company was authorised to issue 50,000 shares with no par value of one class. On 5 May 2016, subsequent to a Board meeting held on 22 April 2016, the Company adopted amended and restated articles of association (the Articles) authorising the Company to issue an unlimited number of shares with no par value of one class, designated as Shares.

On 22 April 2016, the Company issued 27,500,000 Shares in aggregate to Patrick Tsang and to certain unrelated investors at 2p each.

On 5 September 2016, the Company issued 15,714,286 Shares at 3.5p each as part of the Initial Public Offering of the Company's shares.

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