

IGNIS



May 14, 2020

Company name: IGNIS LTD.
Representative: Representative Director CEO Qian Kun
(TSE Mothers Code: 3689)
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Notice of deletion of “Notice concerning precaution about the going concern assumption”

IGNIS LTD. announces that the "Notice concerning precaution about the going concern assumption" section in its financial results for the second quarter of the fiscal year ending September 30, 2020, released today, has been deleted.

In the fiscal year ended September 2018 (October 1, 2017 to September 30, 2018) and in the previous fiscal year, we recorded operating losses, ordinary losses, net losses attributable to owners of parent, and negative operating cash flows. In the first quarter of the fiscal year, we recorded operating profit and ordinary profit, but recorded net losses attributable to owners of parent, so we were under circumstances in which material doubt about its assumed going concern.

However, for the six months of the current fiscal year, we recorded operating profit, ordinary profit and positive operating cash flow, and, as announced in the "notice concerning large volume exercise of the 14th stock acquisition rights through third-party allotment (Moving strike warrant), The completion of the exercise status for the month" released on May 13, 2020, the company has resolved any event or circumstance that could cause significant doubt about the company's going concern as a result of the exercise and payment for a portion of the 14th stock acquisition rights issued on March 22, 2018 through third-party allotment.

We would like to express our sincere gratitude to all of our shareholders and other stakeholders for their continued support with striving to further enhance our corporate value.