Actcelerate International Group Ltd
Company Number 295464, ARBN Number 621 882 424
P.O. Box 31119 Grand Pavilion Hibiscus way,
802 West Bay Road, Grand Cayman KY1-1205,
Cayman Islands.

31 July 2019

Ms Ingrid Wei
Market Surveillance Analyst
National Stock Exchange of Australia
1 Blight Street
Sydney, NSW 2000

By email: ingrid.wei@nsx.com.au

Dear Ms Wei,

Actcelerate International Group Ltd – Response to NSX Periodic Disclosure Query

Actcelerate International Group Ltd (**AIG** or the **Company**) refers to your Periodic Disclosure Query letter dated 29 July 2019 and provides the following responses:

1. i) *Carrying value of the investment in Eyeport*
   As disclosed in note 10 of the Company's 2018 annual report, the Company initially measured the investment in Eyeport Sdn Bhd (Eyeport) using the purchase price agreed between Vision Venturers Management Berhad (VVM) and PEG International Sdn Bhd (PEGI) in August 2015. No independent valuation was performed on Eyeport in June 2017 as the directors of both Eyeport and the Company assessed that the value had not changed since the original purchase.

   ii) *Carrying value of the share of net income/loss for the period*
   The audit of Eyeport's financial statements for the year ended 31 December 2018 have not yet been completed, and as a result the Company made a significant judgement with respect to the Company's share of profit/loss of Eyeport. The Company has not identified any factors that would indicate that the Company's share of profit/loss to be incorrect.

   Impairment
   The Company has assessed its investment in Eyeport, including goodwill, for impairment at the reporting date. The Company has not identified any factors since its acquisition on 30 June 2017 which would indicate that, at the date of the annual report, the investment in Eyeport is impaired.

   iii) *Carrying amount of the convertible preference shares as at 31 December 2018*
   The Company has measured the Redeemable Convertible Preference Shares (RCPS) at cost plus accrued interest at the coupon rate. The Company follows the guidance of AASB 9 *Financial Instruments* to determine if the RCPS are impaired.

This determination requires significant judgement. The Company has not identified any factors which would indicate that the RCPS investment is impaired.

iv) *Fair value movements in the statement of profit or loss and other comprehensive income*
Investments in associates are initially recognised at cost (fair value of consideration provided plus directly attributable costs) and are subsequently adjusted for the post-acquisition change in the investor's share of net assets of the investee.

The Company has not identified any factors that would indicate that the Company's share of profit/loss in Eyeport to be incorrect.

2. As at the date of this response Eyeport's 2018 annual accounts are yet to be finalised. The audit process has taken longer than originally anticipated due to Eyeport having insufficient resources in its accounts team. The Company has been in regular communication with Eyeport and its management, and have been advised that the audit process will be complete in or around mid-August. Additionally, Eyeport is in the process of recruiting a suitable candidate to assist with its bookkeeping and financial reporting.

3. Refer attached – not for public release.

4. The Company has ensured that Eyeport is aware of the Company's periodic reporting requirements, and the need for the timely provision of information required for its financial reporting and audit sign-off. Going forward, the Company considers that Eyeport will be able to meet the agreed reporting deadlines to ensure that the auditors are able to provide an unqualified opinion.

For and On Behalf of the Board of

Actcelerate International Group Ltd

Dan Smith

Company Secretary