Ensogo Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Ensogo Limited
ACN:	165 522 887
Reporting period:	For the year ended 31 December 2017
Previous period:	For the year ended 31 December 2016

2. Results for announcement to the market

				$
Revenues from ordinary activities	down	100.0%	to	-
Loss from ordinary activities after tax attributable to the owners of Ensogo Limited	down	86.4%	to	(1,412,463)
Loss for the year attributable to the owners of Ensogo Limited	down	86.4%	to	(1,412,463)

Dividends
There were no dividends paid, recommended or declared during the current financial period.

Comments
The loss for the consolidated entity after providing for income tax amounted to $1,412,463 (31 December 2016: $10,397,259).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	9.16	12.77

4. Loss of control over entities

Not applicable.

5. Dividends

Current period
There were no dividends paid, recommended or declared during the current financial period.

Previous period
There were no dividends paid, recommended or declared during the previous financial period.

6. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited by the auditors. The audit report is attached as part of the Annual Report. The auditors audit report contains a qualified opinion regarding obtaining sufficient and appropriate audit evidence for the comparative financial information of the formerly controlled entities which have been placed in administration prior to, or post 30 June 2016.

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7. Attachments

Details of attachments (if any):

The Annual Report of Ensogo Limited for the year ended 31 December 2017 is attached.

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8. Signed

Signed: Mark Licciardo
Director

Date: 28 February 2018

Ensogo Limited

ACN 165 522 887

Annual Report - 31 December 2017

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Ensogo Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2017.

Directors
The following persons were directors of Ensogo Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mark Licciardo
Dinesh Ratnam (appointed 30 March 2017)
David Nairn (Appointed 14 December 2017)
Chris Lobb (Resigned 14 December 2017)
David Gu (Resigned 30 March 2017)
Lucas Elliott (Resigned 30 March 2017)

Principal activities
The Group ceased its provision of e-commerce business services in all locations effective 21 June 2016 following the collective decision of the Board of Directors.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $1,412,463 (31 December 2016: $10,397,259).

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 31 December 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
The Company will continue the process of liaising with appointed liquidators to all overseas operations and assist the liquidators as required to complete the various winding-up processes.

The withdrawal of financial support for its Asian operating subsidiaries followed progressively by the loss of management control as liquidators or administrators were appointed in each respective country, means that the Company no longer has any active consumer-facing operations. The Board of Directors is evaluating various paths available to the Company and will continue to do so over the coming months.

Environmental regulation
The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Dinesh Ratnam (Appointed 30 March 2017)
Title:	Executive Director
Qualifications:	Masters in Mechanical Engineering (MEng)
Experience and expertise:	Mr Ratnam is Director of the CEO's Office at Catcha Group. He provides critical support to the Group CEO in the evaluation of key management decisions and driving strategic execution across the Group's main priorities. Prior to Catcha Group, Dinesh had spent time in London and San Francisco as an investment banker with J.P. Morgan focusing on the Technology, Media and Telecommunications space, where he had worked on $25bn+ worth of transactions. Dinesh graduated from Imperial College London with a Masters in Mechanical Engineering.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit, Business Risk and Compliance Committee and the Remuneration and Nomination Committee
Interests in shares:	None

Name:	David Nairn (Appointed 14 December 2017)
Title:	Independent, non-executive Director
Qualifications:	GAICD, FCA, FCPA
Experience and expertise:	David Nairn is an experienced professional Chartered Accountant and has held senior executive and partner roles with Deloitte and HLB Mann Judd in Australia, New Zealand and Canada. He has strong expertise in financial reporting, accounting and assurance and extensive experience in governance and risk management, including conducting board performance reviews and consulting support. David has held non-executive director and audit and risk committee roles.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit, Business Risk and Compliance Committee and the Remuneration and Nomination Committee.
Interests in shares:	None

Name:	Mark Licciardo
Title:	Independent, Non-executive Director and Company Secretary
Qualifications:	B Bus (Acc), GradDip CSP, FGIA, GAICD
Experience and expertise:	Mark Licciardo is the founder and Managing Director of Mertons Corporate Services. He has extensive experience in working with Boards of Directors of high profile ASX-listed companies in the areas of corporate governance, accounting and finance, and company secretarial practices during a 30-year corporate career in banking and finance, funds management, investment, infrastructure development and in the establishment and management of a consulting business. A former Company Secretary of Top 50 ASX listed companies Transurban Group and Australian Foundation Investment Company Limited, Mark is also the current Chairman of the Academy of Design, former Chairman of the Governance Institute of Australia (GIA) Victoria division and Melbourne Fringe Festival, and a current non-executive Director of a number of public and private companies, with ASX-listed directorships below.
Other current directorships:	Frontier Digital Ventures Limited, Mobilicom Limited
Former directorships (last 3 years):	iCar Asia Limited
Special responsibilities:	Committee Chairman of the Audit, Business Risk and Compliance Committee and Committee Chairman of the Remuneration and Nomination Committee.
Interests in shares:	None

Name:	Chris Lobb (Resigned 14 December 2017)
Title:	Independent, Non-executive Director
Qualifications:	FGIA, CPA, MAICD
Experience and expertise:	Mr Lobb is currently Manager, Corporate Governance with corporate governance specialists, Mertons Corporate Services Pty Ltd. Prior to this Chris has been a Chartered Secretary for over 20 years having first held the role with the Gandel Group of Companies, an entity with interests in property (listed and un-listed), investment and funds management. After this initial role he has held positions with Colonial First State, MSF Sugar Limited and GSG Limited in both listed and non-listed environments. In addition to these appointments, Chris was a member of the National Board of Chartered Secretaries Australia (now Governance Institute of Australia) including serving as Chairman of the Victorian Division. Chris was also a non-executive director of Box Hill Institute of TAFE from 2005 to 2010 and holds a degree in accounting.
Other current directorships:	iCar Asia Limited
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit, Business Risk and Compliance Committee and member of the Remuneration and Nomination Committee
Interests in shares:	None

Name:	David Gu (Resigned 30 March 2017)
Title:	Non-independent, Non-executive Director
Qualifications:	MBA, MIT Sloan
Experience and expertise:	Board member since February 2015, when Vipshop made an investment in Ensogo, Mr. Gu currently serves as Senior Director of Corporate Development and Corporate Strategy in Vipshop, a leading online discount retailer for brands in China. Before Vipshop, he was a venture capitalist, Vice President at Lightspeed Venture Partners in China, and a strategy consultant, Project Leader at BCG Shanghai office. He received MBA degree from the MIT Sloan School of Management, and Bachelor's degree in EE from Shanghai Jiao Tong University in China.
Other current directorships:	SRP GROUPE (www.showroomprive.com)
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	None

Name:	Lucas Elliott (Resigned 30 March 2017)
Title:	Non-independent, Non-executive Director
Qualifications:	B.COMM
Experience and expertise:	Board member since August 2013. Mr Elliott is a co-founder of Ensogo. He has over 15 years of Asian online experience, with a focus on developing fast moving online business models and monetising online assets. Mr Elliott is also a co-founder of Catcha Group, where he is responsible for all aspects of Catcha Group's corporate finance activities, including mergers and acquisitions, capital raisings and public listings. Mr Elliott has a Bachelor of Commerce degree with a major in Finance from the University of Sydney.
Other current directorships:	Mr Elliott is also a director of iCar Asia Ltd, an ASX-listed company, and Rev Asia Berhad, a Malaysian-listed company.
Former directorships (last 3 years):	iProperty Group Limited
Special responsibilities:	Member of the Audit, Business Risk and Compliance Committee and member of the Remuneration and Nomination Committee
Interests in shares:	Lucas Elliott has an effective 14.13% interest through Catcha Group which holds 5,310,023 shares in the company.

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
Mark Licciardo was appointed as Ensogo Limited's company secretary effective 1 January 2016. Mark Licciardo's qualifications, experience and expertise are disclosed in the Information of Directors section above.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 December 2017, and the number of meetings attended by each director were:

	Full Board		Remuneration and Nomination Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Mark Licciardo	7	7	1	-	3	3
Dinesh Ratnam *	4	5	-	-	-	1
David Nairn **	-	-	-	-	-	-
Chris Lobb ***	6	7	-	-	3	3
David Gu ****	1	2	-	-	-	-
Lucas Elliott ****	1	2	-	-	-	2

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

* Appointed 30 March 2017
** Appointed 14 December 2017
*** Resigned 14 December 2017
**** Resigned 30 March 2017

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency
- incentive for executives

The Remuneration and Nomination Committee is responsible for determining and reviewing remuneration arrangements for its executives. The performance of the group depends on the quality of the executive team and its ability to work together to deliver results. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel, and is structured to:

- reward capability and performance
- reflect competitive rewards for contribution to growth in shareholder wealth
- provide a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration
Under the Constitution, the directors decide the total amount paid to all directors as remuneration for their services as a director. Under the Listing Rules of the ASX, the total amount paid to all directors for their services must not exceed in aggregate in any financial year the amount fixed at an Ensogo Limited Annual General Meeting. This amount has been fixed by Ensogo at $650,000. Statutory superannuation is also payable on fees paid to directors.

Under its Charter, the Remuneration and Nomination Committee must have at least two members, all of whom must be non-executive directors; a majority of independent directors and the chairman of the committee must be independent. Currently Mark Licciardo and David Nairn are members of this committee with is chaired by Mr Licciardo.

Executive remuneration
The consolidated entity aims to reward executives with a level and mix of remuneration based on their position and responsibility, which has both fixed and variable components.

The executive remuneration and reward framework has the following components:

- base pay and non-monetary benefits
- short-term and long term performance incentives

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Remuneration and Nomination Committee based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example medical insurance paid for the Chief Executive Officer).

The short-term incentive ('STI') program is designed to align the strategic and financial goals of the business with the targets of those executives in charge of meeting the targets. STI payments are granted to executives at the discretion of the company and based on achievement of key performance indicators ('KPI's') as set from time to time by the company. STIs are payable in cash or a mix of cash and shares.

The long-term incentive ('LTI') program is designed to retain key executives and to reward performance that enhances shareholder value and will be made using share-based payments. Shares are awarded to executives at the discretion of the company based on long-term incentive measures. These may include increase in shareholders' value in absolute terms, relative to the entire market and the increase compared to the consolidated entity's direct competitors.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the directors of Ensogo Limited and the following persons:

- Mark Licciardo
- Dinesh Ratnam (appointed 30 March 2017)
- David Nairn (appointed 14 December 2017)
- Chris Lobb (resigned 14 December 2017)
- David Gu (resigned 30 March 2017)
- Lucas Elliott (resigned 30 March 2017)

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Other	
2017	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Termination benefit $	Total $
Non-Executive Directors:								
Mark Licciardo	-	-	-	-	-	-	-	-
David Nairn *	-	-	-	-	-	-	-	-
Chris Lobb **	-	-	-	-	-	-	-	-
David Gu ***	-	-	-	-	-	-	-	-
Lucas Elliott ***	-	-	-	-	-	-	-	-
Executive Directors:								
Dinesh Ratnam ****	90,000	-	-	-	-	-	-	90,000
	90,000	-	-	-	-	-	-	90,000

* Appointed 14 December 2017
** Resigned 14 December 2017
*** Resigned 30 March 2017
**** Appointed 30 March 2017

Mark Licciardo is engaged as the Company secretary of Ensogo Limited through a consultancy agreement between the Company and Mertons Corporate Services Pty Ltd, of which Mr Licciardo is a director. Mertons Corporate Services Pty Ltd charges Ensogo $5,075 per month for the provision of Mr Licciardo' services. Services amounting to $60,900 (2016: $60,000) were provided to the consolidated entity during the financial year.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Other	
2016	Cash salary and fees $	Cash bonus $	Equity--settled $	Super-annuation $	Long service leave $	Equity-settled $	Termination benefits $	Total $
Non-Executive Directors:								
Lucas Elliott	-	-	-	-	-	-	-	-
David Gu	-	-	-	-	-	-	-	-
Mark Licciardo *	-	-	-	-	-	-	-	-
Chris Lobb **	-	-	-	-	-	-	-	-
Erman Akinci ***	-	-	-	-	-	-	-	-
Patrick Grove ***	-	-	-	-	-	-	-	-
Nick Geddes ***	-	-	-	-	-	-	-	-
Sam Weiss ****	-	-	-	-	-	-	-	-
Thomas Baum *****	-	-	-	-	-	-	-	-
Frederique Covington ******	-	-	-	-	-	-	-	-
Other Key Management Personnel:								
Kris Marszalek *******	170,298	-	-	1,320	-	-	84,498	256,116
Rafael Melo ********	185,645	-	-	11,151	-	200,000	73,633	470,429
	355,943	-	-	12,471	-	200,000	158,131	726,545

* Appointed 3 October 2016
** Appointed 31 December 2016
*** Resigned 31 December 2016
**** Resigned1 October 2016
***** Resigned 16 June 2016
****** Appointed 23 March 2016, resigned 20 May 2016
******* Resigned 21 June 2016
******** Resigned 17 October 2016

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2017	2016	2017	2016	2017	2016
Non-Executive Directors:						
David Nairn	-	-	-	-	-	100%
Mark Licciardo	-	-	-	-	-	100%
Chris Lobb	-	-	-	-	-	100%
David Gu	-	-	-	-	-	100%
Lucas Elliott	-	-	-	-	-	100%
Patrick Grove	-	-	-	-	-	100%
Nick Geddes	-	-	-	-	-	100%
Sam Weiss	-	-	-	-	-	100%
Thomas Baum	-	-	-	-	-	100%
Erman Akinci	-	-	-	-	-	100%
Frederique Covington	-	-	-	-	-	100%
Executive Directors:						
Dinesh Ratnam	100%	-	-	-	-	-
Other Key Management Personnel:						
Kris Marszalek	-	100%	-	-	-	-
Rafael Melo	-	100%	-	-	-	-

Service agreements
There were no service agreements in place as at 31 December 2017.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 31 December 2017.

Options
There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 31 December 2017.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 31 December 2017.

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year / Date of appointment	Received as part of remuneration	Additions	Disposals/ Other / Date of resignation	Balance at the end of the year / Date of resignation
Ordinary shares					
Direct Interest					
Dinesh Ratnam	-	-	-	-	-
David Nairn	-	-	-	-	-
Mark Licciardo	-	-	-	-	-
Lucas Elliot	-	-	-	-	-
David Gu	-	-	-	-	-
Chris Lobb	-	-	-	-	-
Indirect interest					
Dinesh Ratnam	-	-	-	-	-
David Nairn	-	-	-	-	-
Mark Licciardo	-	-	-	-	-
Lucas Elliot	5,310,023	-	-	-	5,310,023
David Gu	-	-	-	-	-
Chris Lobb	-	-	-	-	-
	5,310,023	-	-	-	5,310,023

Lucas Elliott was one of the co-founders of Catcha Group Pte Ltd have an effective interest in the Company. The combined interest (with other founders) stand at 5,310,023 ordinary shares as at 31 December 2017.

David Gu is a director in Vipshop which holds 3,806,676 ordinary shares in the company as at 31 December 2017. David Gu did not own any shares in Vipshop during the period he was a member of the Board of Directors.

This concludes the remuneration report, which has been audited.

Shares under option
There were no unissued ordinary shares of Ensogo Limited under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of Ensogo Limited issued on the exercise of options during the year ended 31 December 2017 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former partners of ShineWing Australia Pty Ltd
There are no officers of the company who are former partners of ShineWing Australia Pty Ltd.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor
ShineWing Australia Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Mark Licciardo
Director

28 February 2018

ShineWing Australia
Accountants and Advisors
Level 8, 167 Macquarie Street
Sydney NSW 2000
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shinewing.com.au

Auditor's Independence Declaration under Section 307C of the *Corporations Act 2001* to the directors of Ensogo Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2017 there have been:

(i) No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and

(ii) No contraventions of any applicable code of professional conduct in relation to the audit.

ShineWing Australia

ShineWing Australia
Chartered Accountants

R Blayney Morgan

R Blayney Morgan
Partner

Sydney, 28 February 2018

General information

The financial statements cover Ensogo Limited as a consolidated entity consisting of Ensogo Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Ensogo Limited's functional and presentation currency.

Ensogo Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

C/O Mertons Corporate Services,
Level 7, 330 Collins Street,
MELBOURNE, VIC 3000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 February 2018. The directors have the power to amend and reissue the financial statements.

The corporate governance can be found in the company's website : http://ir.ensogo.com/corporate-governance/

Ensogo Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2017

	Note	Consolidated 2017 $	Consolidated 2016 $
Revenue			
Other income	4	14,892	148,436
Expenses			
Depreciation and amortisation expense	5	-	(35,272)
Impairment of assets		-	(633,518)
Marketing		-	(437,256)
Administration		(1,427,355)	(7,167,383)
Loss before income tax expense from continuing operations		(1,412,463)	(8,124,993)
Income tax expense	6	-	-
Loss after income tax expense from continuing operations		(1,412,463)	(8,124,993)
Loss after income tax expense from discontinued operations	7	-	(2,272,266)
Loss after income tax expense for the year attributable to the owners of Ensogo Limited	11	(1,412,463)	(10,397,259)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		-	(736,181)
Other comprehensive income for the year, net of tax		-	(736,181)
Total comprehensive income for the year attributable to the owners of Ensogo Limited		(1,412,463)	(11,133,440)
Total comprehensive income for the year is attributable to:			
Continuing operations		(1,412,463)	(11,133,440)
Discontinued operations		-	-
		(1,412,463)	(11,133,440)
		Cents	**Cents**
Earnings per share for loss from continuing operations attributable to the owners of Ensogo Limited			
Basic earnings per share	22	(3.61)	(21.03)
Diluted earnings per share	22	(3.61)	(21.03)
Earnings per share for loss from discontinued operations attributable to the owners of Ensogo Limited			
Basic earnings per share	22	-	(5.88)
Diluted earnings per share	22	-	(5.88)
Earnings per share for loss attributable to the owners of Ensogo Limited			
Basic earnings per share	22	(3.61)	(26.91)
Diluted earnings per share	22	(3.61)	(26.91)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Ensogo Limited
Statement of financial position
As at 31 December 2017

	Note	Consolidated 2017 $	2016 $
Assets			
Current assets			
Cash and cash equivalents	8	4,032,023	5,246,600
Other receivables		32,899	-
Total current assets		4,064,922	5,246,600
Total assets		4,064,922	5,246,600
Liabilities			
Current liabilities			
Other payables	9	481,977	251,192
Total current liabilities		481,977	251,192
Total liabilities		481,977	251,192
Net assets		3,582,945	4,995,408
Equity			
Issued capital	10	163,083,293	163,083,293
Accumulated losses	11	(159,500,348)	(158,087,885)
Total equity		3,582,945	4,995,408

The above statement of financial position should be read in conjunction with the accompanying notes

Ensogo Limited
Statement of changes in equity
For the year ended 31 December 2017

Consolidated	Issued capital $	Foreign currency reserve $	Accumulated losses $	Total equity $
Balance at 1 January 2016	162,112,809	736,181	(147,690,626)	15,158,364
Loss after income tax expense for the year	-	-	(10,397,259)	(10,397,259)
Other comprehensive income for the year, net of tax	-	(736,181)	-	(736,181)
Total comprehensive income for the year	-	(736,181)	(10,397,259)	(11,133,440)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 10)	970,484	-	-	970,484
Balance at 31 December 2016	163,083,293	-	(158,087,885)	4,995,408

Consolidated	Issued capital $	Foreign currency reserves $	Accumulated losses $	Total equity $
Balance at 1 January 2017	163,083,293	-	(158,087,885)	4,995,408
Loss after income tax expense for the year	-	-	(1,412,463)	(1,412,463)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(1,412,463)	(1,412,463)
Balance at 31 December 2017	163,083,293	-	(159,500,348)	3,582,945

The above statement of changes in equity should be read in conjunction with the accompanying notes

Ensogo Limited
Statement of cash flows
For the year ended 31 December 2017

	Note	Consolidated 2017 $	2016 $
Cash flows from operating activities			
Receipts from customers		-	33,413,190
Payments to suppliers and employees		(1,226,648)	(55,854,540)
		(1,226,648)	(22,441,350)
Interest received		12,071	147,220
Net cash used in operating activities	21	(1,214,577)	(22,294,130)
Cash flows from investing activities			
Payments for property, plant and equipment		-	(166,747)
Proceeds from disposal of property, plant and equipment		-	23,065
Cash outflow on loss on control of subsidiaries		-	(1,322,229)
Net cash used in investing activities		-	(1,465,911)
Cash flows from financing activities			
Net cash from financing activities		-	-
Net decrease in cash and cash equivalents		(1,214,577)	(23,760,041)
Cash and cash equivalents at the beginning of the financial year		5,246,600	29,006,641
Cash and cash equivalents at the end of the financial year	8	4,032,023	5,246,600

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern
In the year ended 31 December 2017 the Group incurred a loss after income tax of $1,412,403 (2016: $10,397,259) and has net cash outflow from operations of $1,214,577 (2016: $22,294,130).

In 2016, the Company withdrew financial support for its Asian operating subsidiaries followed progressively by the loss of management control as liquidators or administrators were appointed for each respective entity. Refer to Note 7 for further information regarding the discontinued operations.

There is uncertainty related to the time taken, costs to be incurred, and other potential liabilities the company may be required to fund as the subsidiaries are liquidated. However, the Company does not believe it has any obligations to provide financial support to these Asian operating subsidiaries and no claims, demands or requests for support have been received at the current time.

The continuing viability of the company and its ability to continue as a going concern and meet its commitments as they fall due is dependent upon the following events occurring:

• Completion of the liquidation processes of the subsidiaries without the need for the Company to make material additional contributions; and

• Offsetting $4,904,770 liabilities of the Company to the subsidiaries against the receivable balances held by the Company from these subsidiaries of $92,097,167 without any requirement to settle these liabilities.

While the Board of Directors continues to actively evaluate various paths forward available to the Company, including potential merger and acquisitions activity or a return of capital to shareholders, the Directors believe the preparation of the financial statements on a going concern basis remains appropriate as the Group has net current assets of $3,582,945 which includes cash and cash equivalents of $4,032,023 which they believe to be sufficient to support operations until a decision on the future path of the company can be determined.

These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern and to be able to pay its debts as and when they fall due, and therefore the Group may be unable to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Note 1. Significant accounting policies (continued)

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 18.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Ensogo Limited ('company' or 'parent entity') as at 31 December 2017 and the results of all subsidiaries for the year then ended. Ensogo Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

In preparing the consolidated financial information, all inter-company balances and transactions, income and expenses and profit and losses resulting from intra-group transactions, have been eliminated in full. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. The financial information of subsidiaries is prepared for the same reporting period as the parent using consistent accounting policies. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation
Ensogo Limited’s functional currency is Australian dollars. The functional currency of the Ensogo subsidiaries in Hong Kong is the Hong Kong dollar and Singapore is the Singapore dollar. For the purposes of the consolidated financial statements of Ensogo Limited, the results and financial position of each entity is expressed in Australian Dollars, which is the presentation currency for the consolidated financial statements.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

Note 1. Significant accounting policies (continued)

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Note 1. Significant accounting policies (continued)

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of cash and short-term deposits are net of outstanding bank overdrafts.

Other receivables
Other receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when there is objective evidence that collection of the full amount is no longer probable. Bad debts are written off when identified.

Investments and other financial assets
Investments and financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are categorised as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired or originated. When financial assets are recognised initially, they are measured at fair value, plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs. All regular way purchases and sales of financial assets are recognised on the trade date i.e., the date that the consolidated entity commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the market place. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the entity has transferred substantially all the risks and rewards of ownership. If the entity neither retains nor transfers substantially all of the risks and rewards, it derecognises the asset if it has transferred control of the assets.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 - 60 days of recognition.

Employee benefits
Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables. The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expect future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Issued capital
Ordinary shares are classified as equity issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 1. Significant accounting policies (continued)

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Ensogo Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 December 2017. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments and its consequential amendments
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 January 2018 and the adoption is unlikely to have a material impact to the consolidated entity.

Note 1. Significant accounting policies (continued)

AASB 15 Revenue from Contracts with Customers
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The adoption of the new standard from 1 January 2018 will not have a material impact on the consolidated entity.

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The adoption of the new standard from 1 July 2019 will not have a material impact on the consolidated entity.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

Note 3. Operating segments

Segment revenue and segment results information provided to the Board of Directors for the Ensogo segment, the one reportable segment for the year ended 31 December 2017 is contained in the consolidated statement of profit or loss and other comprehensive income.

Segment assets were $4,064,922 at 31 December 2017 compared to $5,246,600.

Segment liabilities were $481,977 at 31 December 2017 compared to $251,192.

Note 4. Other income

	Consolidated	
	2017	**2016**
	$	**$**
Interest income	14,892	148,436

Note 5. Expenses

	Consolidated	
	2017	**2016**
	$	**$**
Loss before income tax from continuing operations includes the following specific expenses:		
Depreciation and amortisation		
Depreciation	-	6,032
Amortisation	-	29,240
Total depreciation and amortisation	-	35,272
Employment expenses		
Salaries and wages including other employment related expenses	292,674	5,124,073
Impairment of assets	-	633,518

In 2016, the Company ceased its operation of flash sales and marketplace businesses in Southeast Asia. The Company also informed its Asian operating subsidiaries that it was withdrawing financial support and that it believed that the withdrawal of such support would require the entities to seek voluntary administration or liquidation. Consequently, the loss of control led to the presentation of its subsidiaries (see Note 7. Discontinued Operations) as a discontinued operation and an impairment charge of $330,830 on intangible assets and $274,516 on other receivables.

Note 6. Income tax expense

	Consolidated 2017 $	Consolidated 2016 $
Income tax benefit		
Current tax	-	-
Deferred tax - reversal of deferred tax liability on amortisation of intangibles	-	-
Aggregate income tax benefit	-	-
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense from continuing operations	(1,412,463)	(8,124,993)
Loss before income tax expense from discontinued operations	-	(2,272,266)
	(1,412,463)	(10,397,259)
Tax at the statutory tax rate of 27.5% (2016: 30%)	(388,427)	(3,119,178)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Impairment of assets	-	181,604
Gain on deconsolidation of subsidiaries	-	(2,813,180)
	(388,427)	(5,750,754)
Current year tax losses not recognised	388,427	5,750,754
Income tax expense	-	-

Note 7. Discontinued operations

Description
The Company entered into a deed of guarantee with Ernst & Young Solutions LLP on 27 July 2016 (“Deed”) for the funding of the winding-up processes and coordination of the liquidation process for its Asian operating subsidiaries. The total potential payable under the Deed by the Company is capped at SGD 1,000,000, and provides recourse to Ernst & Young Solutions LLP should they not be able to recover agreed upon consideration from the assets of the companies in liquidation. As at December 31, 2017 SGD 657,000 has been paid out under the deed of guarantee and a provision of AUD 329,000 has been recognized to account for remaining obligations of the Company under the Deed.

Additionally, on 1 August 2016 Ensogo Limited entered into an engagement with Ernst & Young (China) Advisory Limited for the funding of the winding-up of Buy Together Technology (Shenzhen) Limited. The fees payable to Ernst & Young (China) Advisory Limited are capped at USD 148,000 and at December 31, 2017 the capped amount was fully paid.

On 20 June 2016 the Company informed its Asian operating subsidiaries that it was withdrawing financial support and that it believed that the withdrawal of such support would require the entities to seek voluntary administration or liquidation. Since the withdrawal of financial support, all Asian operating subsidiaries have progressively entered some form of liquidation and consequently Ensogo Limited no longer retains management control. Therefore these subsidiaries have been presented as discontinued operations at 31 December 2016.

Note 7. Discontinued operations (continued)

Financial performance information

	Consolidated 2017 $	Consolidated 2016 $
Revenue	-	14,707,968
Expenses	-	(26,357,500)
Loss before income tax expense	-	(11,649,532)
Income tax expense	-	-
Loss after income tax expense	-	(11,649,532)
Gain on loss of control of the subsidiaries from the deconsolidation of net liabilities	-	96,569,663
Intercompany debt forgiveness	-	(87,192,397)
Income tax expense	-	-
Gain on disposal after income tax expense	-	9,377,266
Loss after income tax expense from discontinued operations	-	(2,272,266)
Exchange differences on translation of discontinued operation	-	(736,181)
Other comprehensive income from discontinued operation	-	(736,181)

The Company has offset liabilities to the subsidiaries of $4,904,770 against receivables from the subsidiaries of $92,097,167. The net receivable of $87,192,397 has been fully impaired by the Company and treated as debt forgiveness by the discontinued operations.

Cash flow information

	Consolidated 2017 $	Consolidated 2016 $
Net cash used in operating activities	-	(15,918,195)
Net cash used in investing activities	-	(1,444,810)
Net decrease in cash and cash equivalents from discontinued operations	-	(17,363,005)

Note 7. Discontinued operations (continued)

Carrying amounts of assets and liabilities disposed

	Consolidated 2017 $	Consolidated 2016 $
Cash and cash equivalents	-	1,322,228
Trade and other receivables	-	3,527,259
Inventories	-	970,262
Plant and equipment	-	575,036
Total assets	-	6,394,785
Trade payables	-	12,974,423
Other payables	-	2,061,447
Amount due to related parties (net)	-	87,192,397
Total liabilities	-	102,228,267
Net liabilities	-	(95,833,482)

Details of the disposal

	Consolidated 2017 $	Consolidated 2016 $
Carrying amount of net liabilities disposed	-	95,833,482
Derecognition of foreign currency reserve	-	736,181
Gain on disposal before income tax	-	96,569,663
Gain on disposal after income tax	-	96,569,663

Accounting policies related to Discontinued Operations

Revenue
Revenue is measured at the fair value of the consideration received or receivable. The consolidated entity recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the consolidated entity and the specific criteria have been met for each of the group’s activities described below.

The consolidated entity assesses its revenue arrangements against specific criteria to determine if it is acting as the principal or the agent. This determination requires judgement and consideration of all relevant facts and circumstances. A principal recognises the gross sales price. Whereas for an agent, the amounts collected on behalf of the principal is not revenue. Instead, revenue is the amount of commission.

An entity is acting as a principal when it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services. Features that indicate that the entity is acting as a principal include:
(a) the entity has the primary responsibility for providing the goods or services to the customer or for fulfilling the order,
(b) the entity has inventory risk before or after the customer order, during shipping or return,
(c) the entity has latitude in establishing prices, either directly or indirectly, for example by providing additional goods or services, and
(d) the entity bears the customer’s credit risk for the amount receivable from the customer.

The entity is acting as an agent when it does not have exposure to the significant risks and rewards associated with the sale of goods or the rendering of services.

Note 7. Discontinued operations (continued)

Sale of goods
Product revenue represents revenue from the sale of products where it is determined the entity is the principal. Product sales, net of return allowances, are recorded when the products are sold and the significant risks and rewards of ownership of the goods are transferred to the buyer at the point of despatch.

Rendering of services
Services revenue represent third-party seller fees earned (including commissions), and non-retail activities such as advertising services. Services revenue, net of refund allowances, is recognised when services have been rendered. Return and refund allowances, which reduce revenue, are estimated using historical experience. Revenue from product sales and services rendered is recorded net of sales and consumption taxes.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Discontinued operations
A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	20 - 50%
Fixture & fittings	10 - 20%
Computer equipment	20 - 33%
Office equipment	20%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Inventories
Inventories, consisting of products available for sale, are primarily accounted for using the FIFO method, and are valued at the lower of cost or net realisable value. This valuation requires the company to make judgements, based on currently-available information, about the likely method of disposition and expected recoverable values of each disposition category. Where third party sellers use our websites to transact directly with customers, the third party sellers maintain ownership of their inventory, and therefore these products are not included in the inventory of the entity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Intangible assets
Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Significant costs associated with these intangibles are amortised on a straight-line basis over the period of their expected benefit. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated profit and loss statements in the

Note 7. Discontinued operations (continued)

expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit (CGU) level. The CGUs identified are the businesses in which the intangible assets form part. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Customer lists and brand names
Customer lists and brand names acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being 3 years.

Other finite life intangibles
Significant costs associated with software, intellectual property and domain names are deferred and amortised on a straight-line basis over the period of their expected benefit, being 5 years.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Fair value measurement
Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 8. Current assets - cash and cash equivalents

	Consolidated	
	2017 $	2016 $
Cash at bank	1,522,549	5,246,600
Term deposit	2,509,474	-
	4,032,023	5,246,600

The term deposit carries an interest of 1.54% (2016: nil) per annum.

Note 9. Current liabilities - other payables

	Consolidated	
	2017	2016
	$	$
Other payables	481,977	251,192

Refer to note 13 for further information on financial instruments.

Note 10. Equity - issued capital

	Consolidated			
	2017	2016	2017	2016
	Shares	Shares	$	$
Ordinary shares - fully paid	39,128,220	39,128,220	163,083,293	163,083,293

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 January 2016	37,566,978		162,112,809
Issue of shares *	22 March 2016	485,242	$2.00	970,484
Treasury shares **	12 May 2016	1,076,000	$0.00	-
Balance	31 December 2016	39,128,220		163,083,293
Balance	31 December 2017	39,128,220		163,083,293

* Shares were issued to certain employees for fulfilling contractual performance incentives.

** Performance rights were offered to selected employees as part of the Ensogo Limited Employee Retention Plan. The rights are subject to a vesting condition that recipients be employed by the Company or a subsidiary as at 1 March 2017. Given the substantial probability that recipients will not be able to satisfy the vesting condition as all material subsidiaries are scheduled to be imminently wound-down, these shares are accounted for as treasury shares and no share-based compensation expense has been recognised.

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Note 10. Equity - issued capital (continued)

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Note 11. Equity - accumulated losses

	Consolidated	
	2017 $	2016 $
Accumulated losses at the beginning of the financial year	(158,087,885)	(147,690,626)
Loss after income tax expense for the year	(1,412,463)	(10,397,259)
Accumulated losses at the end of the financial year	(159,500,348)	(158,087,885)

Note 12. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 13. Financial instruments

Financial risk management objectives
The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

Risk management is carried out by senior finance executives under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits.

Market risk

Foreign currency risk
The Group is exposed to foreign currency risk through foreign exchange rate fluctuations where transactions are denominated in foreign currency other than the entity's functional currency. The functional currencies of the Group's subsidiaries are Hong Kong Dollars (HKD) and Singapore Dollars (SGD). As there are no material exposure to foreign currency risk within the financial assets and liabilities outside of each operating entity's functional currency, no sensitivity analysis has been prepared.

Price risk
The consolidated entity is not exposed to any significant price risk.

Interest rate risk
As the Group does not have any long-term borrowings its exposure to interest rate risk is considered to be minimal. In addition, the interest rate on the Group's bank deposits does not have any significant impact to the Group's financial results.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

Note 13. Financial instruments (continued)

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to the debtors, including outstanding receivables.

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2017	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Other payables	-	481,977	-	-	-	481,977
Total non-derivatives		481,977	-	-	-	481,977

Consolidated - 2016	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Other payables	-	251,192	-	-	-	251,192
Total non-derivatives		251,192	-	-	-	251,192

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 14. Key management personnel disclosures

Directors
The following persons were directors of Ensogo Limited during the financial year:

Mark Licciardo	Non-Executive Director and Company Secretary
Dinesh Ratnam	Executive Director (Appointed 30 March 2017)
David Nairn	Non-Executive Director (Appointed 14 December 2017)
David Gu	Non-Executive Director (Resigned 30 March 2017)
Lucas Elliott	Non-Executive Director (Resigned 30 March 2017)
Chris Lobb	Non-Executive Director (Resigned 14 December 2017)

Note 14. Key management personnel disclosures (continued)

Compensation
The aggregate compensation made to directors of the consolidated entity is set out below:

	Consolidated	
	2017 $	2016 $
Short-term employee benefits	90,000	355,943
Post-employment benefits	-	12,471
Termination benefits	-	158,131
Share-based payments	-	200,000
	90,000	726,545

	Consolidated	
	2017 $	2016 $
Remuneration paid to entities related to certain key management personnel		
Mertons Corporate Services Pty Ltd for Mark Licciardo's company secretarial services	60,900	60,000

Note 15. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by ShineWing, the auditor of the company:

	Consolidated	
	2017 $	2016 $
Audit services - ShineWing (2016: PricewaterhouseCoopers)		
Audit or review of the financial statements	40,000	165,000

Note 16. Contingent liabilities

Withdrawal of financial support

On 20 June 2016 the Company informed its Asian operating subsidiaries that it was withdrawing financial support and that it believed that the withdrawal of such support would require the entities to seek voluntary administration or liquidation. At that time, the Company had intercompany accounts payable with its subsidiaries of $4,904,770 which has been removed from these financial statements and highlighted here as a contingent liability as the Company does not believe it is likely these obligations will ever be called. The materially larger sum owed by the subsidiaries to the Company, as well as a provision in the deed of guarantee with Ernst & Young Solutions LLP that prevents them from using such funds for any investigation of the Company in relation to any claims or proceedings against the Company provide the basis of this decision. In general, the Company does not believe it has any obligation to provide financial support to the Asian operating subsidiaries and no claims, demands or requests for support have been received at the current time. Accordingly a provision for any potential obligation has not been recognized at 31 December 2017 and 31 December 2016.

Note 17. Related party transactions

Parent entity
Ensogo Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 19.

Key management personnel
Disclosures relating to key management personnel are set out in note 14 and the remuneration report included in the directors' report.

Transactions with related parties
There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Note 18. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2017	**2016**
	$	**$**
Loss after income tax	(1,412,463)	(22,014,609)
Total comprehensive income	(1,412,463)	(22,014,609)

Statement of financial position

	Parent	
	2017	**2016**
	$	**$**
Total current assets	4,064,922	5,246,600
Total assets	4,064,922	5,246,600
Total current liabilities	481,977	251,192
Total liabilities	481,977	251,192
Equity		
Issued capital	163,083,293	163,083,293
Accumulated losses	(159,500,348)	(158,087,885)
Total equity	3,582,945	4,995,408

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 31 December 2017 and 31 December 2016

Note 18. Parent entity information (continued)

Contingent liabilities

Withdrawal of financial support
On 20 June 2016 the Company informed its Asian operating subsidiaries that it was withdrawing financial support and that it believed that the withdrawal of such support would require the entities to seek voluntary administration or liquidation. The Company does not believe it has any obligations to provide financial support to these Asian operating subsidiaries and no claims, demands or requests for support have been received at the current time. Accordingly a provision for any potential obligation has not been recognized at 31 December 2017 and 31 December 2016.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 31 December 2017 and 31 December 2016.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 19. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest 2017 %	Ownership interest 2016 %
iBuy Group Pte Ltd	Singapore	100.00%	100.00%
Ensogo Holdings Limited	Hong Kong	100.00%	100.00%

Note 20. Events after the reporting period

No matter or circumstance has arisen since 31 December 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 21. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 2017 $	Consolidated 2016 $
Loss after income tax expense for the year	(1,412,463)	(10,397,259)
Adjustments for:		
Depreciation and amortisation	-	35,272
Impairment of intangibles	-	330,830
Impairment of receivables	-	274,516
Assets write offs	-	28,172
Gain on loss of control of the subsidiaries from the deconsolidation of net liabilities	-	(96,569,663)
Other non-cash items included in discontinued operations	-	89,432,897
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(32,899)	3,031,652
Decrease in inventories	-	601,178
Increase/(decrease) in trade and other payables	230,785	(9,061,725)
Net cash used in operating activities	(1,214,577)	(22,294,130)

Note 22. Earnings per share

	Consolidated 2017 $	Consolidated 2016 $
Earnings per share for loss from continuing operations		
Loss after income tax attributable to the owners of Ensogo Limited	(1,412,463)	(8,124,993)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	39,128,220	38,631,407
Weighted average number of ordinary shares used in calculating diluted earnings per share	39,128,220	38,631,407
	Cents	**Cents**
Basic earnings per share	(3.61)	(21.03)
Diluted earnings per share	(3.61)	(21.03)

	Consolidated 2017 $	Consolidated 2016 $
Earnings per share for loss from discontinued operations		
Loss after income tax attributable to the owners of Ensogo Limited	-	(2,272,266)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	-	38,631,407
Weighted average number of ordinary shares used in calculating diluted earnings per share	-	38,631,407

Note 22. Earnings per share (continued)

	Cents	Cents
Basic earnings per share	-	(5.88)
Diluted earnings per share	-	(5.88)

	Consolidated	
	2017 $	2016 $
Earnings per share for loss		
Loss after income tax attributable to the owners of Ensogo Limited	(1,412,463)	(10,397,259)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	39,128,220	38,631,407
Weighted average number of ordinary shares used in calculating diluted earnings per share	39,128,220	38,631,407
	Cents	**Cents**
Basic earnings per share	(3.61)	(26.91)
Diluted earnings per share	(3.61)	(26.91)

Note 23. Commitments

The Group has no capital or operating lease commitments at 31 December 2017 and 31 December 2016.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2017 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Mark Licciardo
Director

28 February 2018

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ENSOGO LIMITED

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Ensogo Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, except for the effect, if any, of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 31 December 2017 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Qualified Opinion

As disclosed in Note 1 of the financial report, the Group withdrew financial support to a number of its formerly controlled entities on 20 June 2016. These entities are in the process of being liquidated, as a result they no longer have any operational employees and we are unable to access management or sufficient financial information of those entities to obtain sufficient and appropriate audit evidence regarding their operations. As a result, we are unable to form an opinion for the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on 31 December 2016 which are disclosed as the comparative financial information in this financial report.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

Without further modifying our opinion, we draw attention to Note 1 in the financial statements, which indicates that the Group incurred a net loss of $1,412,463 and had operating cash outflows of $1,214,577 for the year ended 31 December 2017. As stated in Note 1, these conditions, along with other matters as stated in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the matter was addressed during the audit
Completeness of liabilities associated with the formerly controlled entities that are in liquidation or administration There is uncertainty related to the time taken, costs to be incurred, and other potential liabilities the Group may be required to fund as the formerly controlled entities are liquidated. However, the Group does not believe it has any obligations to provide financial support to these formerly controlled entities and no claims, demands or requests for support have been received to date. Accordingly, other than the fee payable to the liquidators or administrators, no provision for any potential obligations has been recognised at 31 December 2017. The completeness of these liabilities are considered a key area of audit focus as this is based on the outcome and process of the ongoing liquidation of the formerly controlled entities which may have significant uncertainty as to the final outcome.	Our audit procedures included, among others: • Evaluating the completeness of the costs that have been incurred and expected to be incurred. • Assessing whether any other potential material liabilities may be incurred due to claims from formerly controlled entities or to complete the liquidation process. • Agreeing the liabilities recorded by management in the financial statements to the letter of engagement or agreements signed with the liquidators or administrators. • Sample testing the invoices received and payments made subsequent to the year-end date to ensure the corresponding payables or accruals have been recorded in the appropriate financial period. • Confirming with management that all liabilities associated with the formerly controlled entities that are in liquidation or administration have been recorded in the financial statements. • Assessing the disclosures in the financial statements in relation to the liabilities associated with the formerly controlled entities.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

We conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them, all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 4 to 9 of the Directors' Report for the year ended 31 December 2017.

In our opinion, the Remuneration Report of Ensogo Limited for the year ended 31 December 2017 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

ShineWing Australia

ShineWing Australia
Chartered Accountants

R Blayney Morgan

R Blayney Morgan
Partner

Sydney, 28 February 2018

Ensogo Limited
Shareholder information
31 December 2017

The shareholder information set out below was applicable as at 20 February 2018.

Distribution of equitable securities

Analysis of numbers of equity security holders by size of holding:

	Total holders of Ordinary Shares	Units
1 to 1000	448	213,720
1,001 to 5000	331	834,082
5,001 to 10,000	89	648,987
10,001 to 100,000	84	2,496,552
100,001 and over	20	34,934,879
	972	**39,128,220**
Holding less than a marketable parcel	350	123,744

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	**% of total shares issued**
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,596,005	19.41
CITICORP NOMINEES PTY LIMITED	6,745,053	17.24
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	4,936,582	12.62
E&A BELINA INVESTMENTS LIMITED	3,806,676	9.73
REBATE NETWORKS GMBH	2,746,942	7.02
MIDDLE KINGDOM CAPITAL GROUP	2,544,419	6.50
CS FOURTH NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD	1,278,478	3.27
UBS NOMINEES PTY LTD	1,035,185	2.65
CA THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD	1,028,685	2.70
MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY	710,659	1.82
MONEX BOOM SECURITIES (HK) LTD <CLIENTS ACCOUNT>	706,275	1.81
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT	399,277	1.02
ABSOLUTE INVESTMENTS AUSTRALIA PTY LTD	300,000	0.77
CROENI FOUNDATION LTD	200,000	0.51
RAFAEL DE MARCO E MELO	173,000	0.44
BRISPOT NOMINEES PTY LTD <HOUSE HEAD NOMINEE A/C>	161,923	0.41
PAKASOLUTO PTY LIMITED <BARKL FAMILY SUPER FUND A/C>	156,142	0.40
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	125,492	0.32
CHARLES LIM CAPITAL LIMITED	125,000	0.32
TIMOTHY JAMES HITCHENS	123,000	0.31
	34,898,793	**89.19**

Substantial holders

Substantial holders in the Company are set out below:

	Number of shares at time notice was given	% of total shares at time notice was given
Catcha Media Group Pte Ltd	5,310,023	14.13%
Vipshop Holdings Limited	2,973,204	12.20%
W F Asian Reconnaissance Fund Limited	3,789,826	10.09%
FIL Limited	3,741,390	9.96%
Middle Kingdom Capital Group	2,544,419	6.77%
Rebate Networks Gmbh	2,702,081	7.33%

Voting rights

The voting rights attaching to each class of equity securities are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Securities subject to voluntary escrow

There is no voluntary escrow in the Group as at 31 December 2017.