

Appendix 4E

Preliminary Final Report to the Australian Securities Exchange

Part 1

Name of Entity	Global Gold Holdings Limited
ABN	53 123 879 416
Financial Period	Year ended 30 JUNE 2014
Previous Corresponding Reporting Period	Year ended 30 JUNE 2013

Part 2 – Results for Announcement to the Market

	\$'000	Percentage increase /(decrease) over previous corresponding period
Revenue from ordinary activities	50	(100%)
Loss from ordinary activities after related income tax expense	(1,057)	95%

Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Record date for determining entitlements to the dividends (if any)	Not Applicable	

Brief explanation of any of the figures reported above necessary to enable the figures to be understood:

Refer Part 9 for commentary on the results for the year.

Part 3 – Contents of ASX Appendix 4E

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Part 4 – Consolidated Statement of Profit and Loss and Other Comprehensive Income for the year ended 30 June 2014

	2014	2013
	\$	\$
Revenue	49,837	33,487,366
Other revenue	428	7,102
Cost of sales	(49,837)	(36,189,642)
Gross Profit/(Loss) from continuing operation	428	(2,695,174)
Other Income	5,178	616,515
Administrative expenses	(522,604)	(1,049,564)
Other expenses	(539,079)	(18,438,661)
(Loss) before income tax	(1,056,077)	(21,566,884)
Income tax (expense) / benefit	(583)	347,867
(Loss) after income tax from continuing operations	(1,056,660)	(21,219,017)
DISCONTINUED OPERATION		
-loss of discontinued operation for the year	-	(266,031)
-gain on disposal of subsidiaries	-	284,482
GAIN / (LOSS) FOR THE YEAR FROM DISCONTINUED OPERATION	-	18,451
Net (loss) for the year	(1,056,660)	(21,200,566)

Part 4 – Consolidated Statement of Comprehensive Income for the year ended 30 June 2014(cont'd)

Other comprehensive income / (loss)

	2014	2013
	\$	\$
Items that may be reclassified to profit or loss:		
Net gain/(loss) on re-measurement of available for sale financial assets and associates, net of tax expense	246,155	1,576,024
Foreign exchange gains / (losses) arising from translations of financial statements of foreign operations	(129,628)	370,099
Other comprehensive income for the period, net of tax	116,527	1,946,123
Total comprehensive (loss) for the year	(940,133)	(19,254,443)

Net (loss) attributable to:

-Equity holders of the parents	(1,056,660)	(21,094,154)
-Non-controlling interests	-	(106,412)
	(1,056,660)	(21,200,566)

Total comprehensive income / (loss) attributable to :

-Equity holders of the parents	(940,133)	(19,432,088)
-Non-controlling interests	-	177,645
	(940,133)	(19,254,443)

Part 5 – Retained earnings

	2014	2013
	\$	\$
Accumulated profit / (loss) at the beginning of the year	(22,865,742)	(1,771,588)
(Loss) for the year	<u>(1,056,660)</u>	<u>(21,094,154)</u>
Retained earnings/(accumulated losses) at the end of the year	<u>(23,922,402)</u>	<u>(22,865,742)</u>

Part 6 – Consolidated Statement of Financial Position as at 30 June 2014

	2014	2013
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	714,193	453,292
Trade and other receivables	1,847,820	1,919,868
Inventories	-	263,688
Other current assets	13,824	2,312
Held for trading investments	1,416	5,688
Total Current Assets	<u>2,577,253</u>	<u>2,644,848</u>
NON CURRENT ASSETS		
Available for sale investments	702,905	961,484
Property, plant and equipment	208,877	298,602
Investment properties	-	419,018
Other	-	61,383
Total Non-Current Assets	<u>911,782</u>	<u>1,740,487</u>
TOTAL ASSETS	<u>3,489,035</u>	<u>4,385,335</u>

Part 6 – Consolidated Statement of Financial Position as at 30 June 2014

	2014 \$	2013 \$
CURRENT LIABILITIES		
Current tax liability	(661)	(219,964)
Trade and other payables	60,373	227,147
Provisions	-	8,696
Total Current Liabilities	<u>59,712</u>	<u>15,879</u>
Total Liabilities	<u>59,712</u>	<u>15,879</u>
NET ASSETS	<u>3,429,323</u>	<u>4,369,456</u>
EQUITY		
Issued capital	28,178,986	28,178,986
Reserves	(827,261)	(943,788)
Accumulated losses	(23,922,402)	(22,865,742)
TOTAL EQUITY	<u>3,429,323</u>	<u>4,369,456</u>

Part 7 – Consolidated Statement of Cash Flows for the year ended 30 June 2014

	2014 \$	2013 \$
Cash flow from operation activities		
Cash receipts in the course of operations	49,837	34,161,021
Cash payments in the course of operations	(336,154)	(34,676,406)
Interest received	4,837	7,102
Finance costs	-	(1,569,719)
Income tax (paid)/refunded	219,303	(63,995)
Net Cash for / (used in) operating activities	(62,177)	(2,141,997)
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	27,849	87,544
Proceeds from sale of investment properties	207,270	-
Proceeds from sale of investments	210,745	613,165
Acquisition of investments	-	(584,012)
Loss of cash from disposal of a subsidiary	-	(239,596)
Net cash used in investing activities	445,864	(122,899)
Cash flows from financing activities		
Proceeds from borrowings	-	1,378,810
Advancement / (repayment) of loans by/(to) other entities	(92,582)	(33,895)
Net cash provided by financing activities	(92,582)	1,344,915
Net decrease in cash held	291,105	(919,981)
Cash at the beginning of the year	453,292	1,309,184
Effect of exchange rate fluctuations on cash held	(30,204)	64,089
CASH AT THE END OF THE YEAR	714,193	453,292

Part 8 – Other income and expenses

	2014 \$	2013 \$
(a) Other revenue		
Interest	428	7,102
	<u>428</u>	<u>7,102</u>
(b) Other income		
Net gain on disposal of property, plant and equipment	-	357
Net gain on foreign exchange (realized)	18	505,424
Net gain on disposal of investments classified as held for trading	-	31,739
Fair value gain on investments classified as held for trading	100	1,174
Interest income from money lending business	4,409	77,664
Other	651	157
	<u>5,178</u>	<u>616,515</u>
(c) Other expenses		
Interest expenses incurred	-	934,617
Loss on disposal of property, plant and equipment	18,547	-
Loss on disposal of investment properties	226,869	-
Impairment loss on fair value of inventory gold	178,888	481,026
Impairment loss on fair value of held for trading investment	4,371	-
Impairment loss on fair value of available for sale investments	-	16,246,042
Impairment loss on trade receivables	-	296,682
Bad debts written off on other receivables	58,019	-
Bad debts written off (amount due from former subsidiary)	-	169,794
Loan written off (amount due from former available for sale investment)	61,081	-
Loss on disposal of investments classified as held for trading	-	310,500
Reversal of previously provision on employee entitlement	(8,696)	-
	<u>539,079</u>	<u>18,438,661</u>

(d) Personnel expenses

Wages and salaries costs	76,952	394,057
Superannuation costs	-	9,908
Other employee benefits expenses	2,878	24,054
	<u>79,830</u>	<u>428,019</u>

Part 9 – Commentary on Results

FINANCIAL & BUSINESS

GOLD TRADING

The Group has ceased trading in gold and gold related products due to the lack of confidence in the gold market but is seriously discussing with a potential business group to add value to the listed entity.

MONEY LENDING

Money lending with full collateral to stable borrowers is still on going on a prudent basis as past experience has made us take an extremely cautious stand.

INVESTMENTS

The Group's biggest investment was in Noble and this went sour after Noble's Largest Creditor and Investor decided to allow Noble to go under administration. There is very little or virtually no hope of recovering this investment.

OTHER INVESTMENTS

The group's other investments in land & buildings have held its position as stable investments. When discussions with the potential business group mentioned under gold trading materialises, these investments in land and building will be realised to raise the liquidity position.

Part 10– Notes to the Consolidated Statement of Cash Flows

	2014 \$	2013 \$
(a) Reconciliation of cash		
For the purposes of the consolidated statement of cash flow, cash and cash equivalents are comprised of the followings:		
Cash at bank and on hand	714,193	453,292
	<u>714,193</u>	<u>453,292</u>
(b) Reconciliation of net cash flows used in operating activities to profit/(loss)after income tax		
(Loss) for the year after tax	(1,056,660)	(21,200,566)
Adjustment for:		
- Impairment losses on investments classified as available-for-sale	-	16,246,042
- Gain on revaluation of investment classified as held for trading	4,271	(1,174)
- Impairment loss on fair value of inventory gold	178,888	481,026
- Net (gain)/loss on disposal of investments	226,869	278,761
- Depreciation	30,665	282,629
- Bad debt written off	59,920	-
- Loss on disposal of property, plant and machinery	18,547	-
- Gain on disposal of subsidiary	-	(284,482)
- Loan to former investment classified as available-for-sale written off	61,081	-
- Impairment of trade & other receivables	-	469,350
- Other	34,672	266,890
- Income tax benefit	219,303	(347,978)
	<u>(222,444)</u>	<u>(3,809,502)</u>
Operating loss before changes in working capital and provisions		
Change in trade and other receivables	72,049	(183,533)
Change in inventories	263,688	20,705,558
Change in trade and other payables	(175,470)	18,854,520
Net cash from / (used in) operating activities	<u>(62,177)</u>	<u>(2,141,997)</u>

Part 11 – Details Relating to Dividends

Date the dividend is payable	Not Applicable
Record date to determine entitlement to the dividend	Not Applicable
Amount per security	Not Applicable
Total dividend	Not Applicable
Amount per security of foreign sourced dividend or distribution	Not Applicable
Details of any dividend reinvestment plans in operation	Not Applicable
The last date of receipt of an election notice for participation in any dividend reinvestment plans	Not Applicable

Part 12 – Profit / (Loss) per share

	2014	2013
	\$	\$
Basis (loss)/earnings per share	(0.17) cents	(3.34) cents
Ordinary shares	No	No
Weighted average number of ordinary shares used as the denominator in the calculation of basic earnings per shares	632,120,001	632,120,001
There are no potential ordinary shares on issue		

Part 13 – Net Tangible Assets per Security

	2014	2013
Net tangible asset backing per ordinary security	0.54 cents	0.69 cents

Part 14– Details of Entities over Which Control has been Gained or Lost

NA

Part 15 – Details of Associates

NA

Part 16 – Issued Capital

	2014 \$	2013 \$
Issued capital		
632,120,001(2013: 632,120,001) fully paid ordinary shares	<u>28,178,986</u>	<u>28,178,986</u>

Part 17 - Subsequent Events

There has not arisen in the interval between the end of the year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect significantly the operations of consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Part 18 – Segment Reporting

(i)Segment Performance

The following table presents segment revenue and profit information for the respective year ends.

	Gold Trading	
	2014	2013
	\$	\$
Revenue		
Sales to external customers	49,837	33,487,366
Interest income	4,599	80,686
Total segment revenue	<u>54,436</u>	<u>33,568,052</u>
Total segment result before tax from continuing operations	<u>(622,081)</u>	<u>(5,565,044)</u>

Part 18 – Segment Reporting(cont'd)

(i)Segment Performance

	Investments in gold equities & gold related entities	
	2014	2013
	\$	\$
Revenue		
Profit on sales of investment classified as held for trading	-	28,916
(Loss)/ Gain on fair value revaluation of investments classified as held for trading	(4,271)	1,174
Loss on disposal of investments classified as held for trading	-	(310,500)
Interest and dividend income from investments classified as held for available for sale	238	4,079
Total segment revenue	(4,033)	(276,331)
Total Segment Result before tax	(434,665)	(16,507,421)

Reconciliation of segment result to net profit /(loss)before tax

Amounts not included in segment result but reviewed by the Board:

Unallocated items :

	Consolidated	
	2014	2012
	\$	\$
• Net gain on foreign exchange	18	505,424
• Other income	651	157
Net profit / (loss) before tax	(1,056,077)	(21,566,884)

	Consolidated	
	2014	2013
	\$	\$
Segment Assets		
Gold Trading	939,540	1,080,411
Investment in gold equities & gold related entities	704,321	1,028,555
Increase for the period		
• capital expenditure	-	-
• acquisitions	-	-
<i>Reconciliation of segment assets to group assets</i>		
Unallocated assets:		
• Trade receivables - money lending	1,845,174	1,857,351
• Investments properties	-	419,018
Total assets as at 30 June	3,489,035	4,385,335

(a) Segment Liabilities

All liabilities of the consolidated entity are related to the investment in gold entities & gold trading segments.

(b) Revenue by geographical region

Revenue attributable to external customers is disclosed below, based on the location of the external customer:

	Consolidated	
	2014	2013
	\$	\$
Hong Kong	-	33,487,366
Malaysia	49,837	-
Total Revenue – continuing operations	49,837	36,623,334

(c) Assets by geographical region

Australia	710,285	544,201
Malaysia	2,495,498	3,093,349
Hong Kong	283,252	744,785
Total Assets	3,489,035	4,385,335

(d) Major customers

The consolidated entity has one major customer in the gold trading segment which accounts for 100% of the external revenue. (2013: 100%). The total revenue derived from the customer during the years ended 30 June 2014 and 2013 were \$49,837 and \$33,487,366 respectively.

Part 19 – Audit Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited		The accounts have been subject to review	
The accounts are in the process of being audited or subject to review	V	The accounts have not yet been audited or reviewed	

Accounting Standards

For foreign entities, International Financial Reporting Standards (IFRS) are used in compiling their financial reports.

If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:

Not Applicable

If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:

Not Applicable