

**I-Global Holdings Limited**  
**Preliminary final report**

**1. Company details**

Name of entity: I-Global Holdings Limited  
ABN: 28 611 470 010  
Reporting period: For the year ended 31 December 2019  
Previous period: For the year ended 31 December 2018

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**2. Results for announcement to the market**

Revenue from ordinary activities	down	(76.23) %	to	<b>A\$</b> 25,455
Loss from ordinary activities after tax attributable to the owners of I-Global Holdings Limited	down	(118.99) %	to	(77,577)
Loss for the year attributable to the owners of I-Global Holdings Limited	down	(118.99) %	to	(77,577)

*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 \$77,577 (2018: profit of \$408,461).

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**3. Net tangible assets**

	<b>Reporting period Cents</b>	<b>Previous period Cents</b>
Net tangible assets per ordinary security (cents)	<u>(0.45)</u>	<u>(0.55)</u>

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**4. Control gained over entities**

Not applicable

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**5. Loss of control over entities**

Name of the entity: I-Global Holdings Pte Ltd  
Date of loss of control: 23-Dec-19

	<b>Reporting period Cents</b>	<b>Previous period Cents</b>
	<b>A\$</b>	<b>A\$</b>
Contribution of I-Global Holdings Pte Ltd to I-Global Holdings Limited's loss from ordinary activities after tax	<u>215,293</u>	<u>16,865</u>

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**I-Global Holdings Limited**  
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**6. Dividends**

*Current period*

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

*Previous financial period*

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

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**7. Dividend reinvestment plans**

Not applicable

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**8. Details of associates and joint venture entities**

Not applicable

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**9. Foreign entities**

*Details of origin of accounting standards used in compiling the report:*

Not applicable

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**10. Audit qualification or review**

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

The financial statements are currently being audited

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**11. Attachments**

*Details of attachments (if any):*

The Preliminary Report of I-Global Holdings Limited for the year ended 31 December 2019 is attached.

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**12. Signed**



Justyn Stedwell  
Company Secretary  
On behalf of the Board of Directors  
I-Global Holdings Limited  
15 March 2020

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**I-Global Holdings Limited**

**ABN 28 611 470 010**

**Preliminary Report - 31 December 2019**

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2019

	Note	2019 \$	2018 \$
<b>Continuing operations</b>			
Revenue and other income	2	25,455	173,017
Employee benefits expense (including directors fees and remuneration)		(24,000)	(24,000)
Depreciation and amortisation expense	3	(244)	(9,488)
Accounting and audit fees		(64,739)	(96,397)
Consulting and professional fees		(30,000)	(34,453)
Share registry and listing fees		(21,612)	(39,232)
Other expenses		(7,059)	(13,829)
Finance costs	3	(15,517)	(10,090)
<b>Loss before income tax</b>	3	(137,716)	(54,472)
Income tax expense		-	-
<b>Loss from continuing operations</b>		(137,716)	(54,472)
Profit/(loss) from discontinued operations	4	215,293	462,933
<b>Net profit/(loss) for the year</b>		<u>77,577</u>	<u>408,461</u>
<b>Other comprehensive income, net of income tax</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>		-	-
<b>Items that will be reclassified to profit or loss when specific conditions are met:</b>			
- Exchange differences on translating foreign controlled entities		(3,398)	(52,883)
- Net fair value movements for available-for-sale financial assets		-	19,126
<b>Other comprehensive income for the year, net of tax</b>		<u>(3,398)</u>	<u>(33,757)</u>
<b>Total comprehensive income for the year</b>		<u>74,179</u>	<u>374,704</u>
<b>Profit attributable to:</b>			
Equity holders of the parent entity		<u>77,577</u>	<u>408,461</u>
		<u>77,577</u>	<u>408,461</u>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent entity		<u>74,179</u>	<u>374,704</u>
		<u>74,179</u>	<u>374,704</u>
<b>Earnings per share:</b>	10		
Basic, gain/(loss) for the year attributable to ordinary equity holders of the parent (cents)		0.10	0.55
Diluted, gain/(loss) for the year attributable to ordinary equity holders of the parent (cents)		0.10	0.55
<b>Earnings per share for continuing operations:</b>	10		
Basic, loss from continuing operations attributable to ordinary equity holders of the parent (cents)		(0.18)	(0.07)
Diluted, loss from continuing operations attributable to ordinary equity holders of the parent (cents)		(0.18)	(0.07)

**I-Global Holdings Limited**

ABN 28 611 470 010

**Consolidated Statement of Financial Position****As At 31 December 2019**

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		837	11,350
Trade and other receivables	5	12,785	33,870
Other assets		11,239	9,021
<b>TOTAL CURRENT ASSETS</b>		<b>24,861</b>	<b>54,241</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		313	682
<b>TOTAL NON-CURRENT ASSETS</b>		<b>313</b>	<b>682</b>
<b>TOTAL ASSETS</b>		<b>25,174</b>	<b>54,923</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	112,332	320,449
Borrowings	7	247,074	142,885
<b>TOTAL CURRENT LIABILITIES</b>		<b>359,406</b>	<b>463,334</b>
<b>TOTAL LIABILITIES</b>		<b>359,406</b>	<b>463,334</b>
<b>NET ASSETS/(NET DEFICIENCY)</b>		<b>(334,232)</b>	<b>(408,411)</b>
<b>EQUITY/(NET DEFICIENCY)</b>			
Issued capital	8	2,447,510	2,447,510
Reserves		(59,253)	(55,855)
Accumulated losses		(2,722,489)	(2,800,066)
<b>TOTAL EQUITY/(NET DEFICIENCY)</b>		<b>(334,232)</b>	<b>(408,411)</b>

The accompanying notes form part of these financial statements.

## Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2019

2019

		Issued Capital	Accumulated Losses	Foreign Currency Translation Reserve	Other Reserve	Total
	Note	\$	\$	\$	\$	\$
<b>Balance at 1 January 2019</b>	8	2,447,510	(2,800,066)	(55,855)	-	<b>(408,411)</b>
Net profit/(loss) for the year		-	77,577	-	-	<b>77,577</b>
Foreign currency translation gain		-	-	(3,398)	-	<b>(3,398)</b>
<b>Balance at 31 December 2019</b>		<b>2,447,510</b>	<b>(2,722,489)</b>	<b>(59,253)</b>	<b>-</b>	<b>(334,232)</b>
<b>Balance at 1 January 2018</b>	8	2,447,510	(3,198,248)	(2,972)	(29,405)	(783,115)
Net profit/(loss) for the year		-	408,461	-	-	408,461
Foreign currency translation gain		-	-	(52,883)	-	(52,883)
Fair value adjustment on available-for-sale financial assets		-	-	-	19,126	19,126
Transfer from other reserve to accumulated losses on sale of available-for-sale assets		-	(10,279)	-	10,279	-
<b>Balance at 31 December 2018</b>		<b>2,447,510</b>	<b>(2,800,066)</b>	<b>(55,855)</b>	<b>-</b>	<b>(408,411)</b>

The accompanying notes form part of these financial statements.

# I-Global Holdings Limited

ABN 28 611 470 010

## Consolidated Statement of Cash Flows For the Year Ended 31 December 2019

	2019	2018
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	25,455	105,160
Payments to suppliers and employees	(155,346)	(181,183)
GST refund received	21,085	-
<b>Net cash provided by/(used in) operating activities</b>	<b>9 (108,806)</b>	<b>(76,023)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Subsidiary cash paid in divestment	-	(43,162)
<b>Net cash provided by/(used in) investing activities</b>	<b>-</b>	<b>(43,162)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from KMP loan	2,340	(14,148)
Proceeds from KMP loan	12,015	-
Proceeds from third party loans	88,672	30,000
<b>Net cash provided by financing activities</b>	<b>103,027</b>	<b>15,852</b>
Effects of exchange rate changes on cash and cash equivalents	(4,734)	(11,039)
Net increase/(decrease) in cash and cash equivalents held	(10,513)	(114,372)
Cash and cash equivalents at beginning of the year	11,350	125,722
<b>Cash and cash equivalents at end of financial year</b>	<b>837</b>	<b>11,350</b>

The accompanying notes form part of these financial statements.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2019**

#### **1 Adoption of new and revised accounting standards**

##### **Leases - Adoption of AASB 16**

The Group has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 January 2019 and therefore the comparative information for the year ended 31 December 2018 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

Under this approach, the right-of-use asset relating to the operating lease and the lease liability is measured at the present value of remaining lease payments and discounted using the Group's incremental borrowing rate at the date of initial application of AASB 16.

As a result of apply the modified retrospective approach, there are no reclassifications or adjustments arising from the new leasing rules that are required to be recognised in the opening balance sheet on 1 January 2019. There is no impact on retained earnings on 1 January 2019.

##### **Impact of adopting AASB 16**

As the Group has not entered into any lease agreements, there is no impact on the Group on the adoption of AASB 16.



## Notes to the Financial Statements

### For the Year Ended 31 December 2019

#### 2 Revenue and Other Income

##### Revenue from continuing operations

	2019	2018
	\$	\$
<b>Revenue from contracts with customers:</b>		
<i>Revenue earned over time</i>		
- Consultancy fees *	13,455	71,104
- Royalty fees	12,000	36,000
<b>Finance income:</b>		
<b>Other revenue:</b>		
- Government grant	-	2,049
- Forgiveness of loan	-	63,864
<b>Total revenue and other income</b>	<b>25,455</b>	<b>173,017</b>

\* All revenue from contracts with customers is derived from the Group's operations in Australia and recognised "over time". The total income earned in the year ended 31 December 2019 is from three clients.

#### 3 Result for the Year

The result for the year includes the following specific expenses:

	2019	2018
	\$	\$
<b>Depreciation and amortisation expenses:</b>		
Depreciation - office equipment	244	7,711
Amortisation - computer software	-	1,777
<b>Total depreciation and amortisation expenses</b>	<b>244</b>	<b>9,488</b>
<b>Finance costs:</b>		
Interest on loan	15,517	10,090
<b>Total finance costs</b>	<b>15,517</b>	<b>10,090</b>

#### 4 Discontinued Operations

Following a review of its operations and corporate structure, the Group decided to dispose of i-Global Holdings Pte Ltd ("IGH SG"), thereby discontinuing its operations in this business segment.

The sale of this division was settled on 23 December 2019 and is reported in these consolidated financial statements as a discontinued operation.

On 8 May 2018, the Group completed the settlement of the sale of Avant Group Sdn Bhd ("Avant"), and this was reported in the consolidated financial statements as a discontinued operation in the comparative information.

Financial information relating to the discontinued operation to the date of disposal is set out below.

## Notes to the Financial Statements

### For the Year Ended 31 December 2019

#### 4 Discontinued Operations (continued)

The financial performance of the discontinued operation to the date of sale which is included in profit / (loss) from discontinued operations is as follows:

	2019 \$	2018 \$
Revenue	221,740	-
Expenses	(6,448)	(20,397)
<b>Profit/(loss) before income tax</b>	<b>215,292</b>	<b>(20,397)</b>
Income tax expense	-	-
<b>Profit/(loss) after income tax of discontinued operation</b>	<b>215,292</b>	<b>(20,397)</b>
Gain on sale of the subsidiary after income tax (see below)	1	483,330
<b>Profit from discontinued operation</b>	<b>215,293</b>	<b>462,933</b>
Exchange differences on translation of discontinued operation	-	-
<b>Other comprehensive income from discontinued operations</b>	<b>-</b>	<b>-</b>
Basic earnings per share of discontinued operation (cents)	0.29	0.62
Diluted earnings per share of discontinued operation (cents)	0.29	0.62
The net cash flows of the discontinuing division which have been incorporated into the consolidated statement of cash flows are as follows:		
Net cash inflow/(outflow) from operating activities	(16,156)	7,500
Net cash inflow/(outflow) from financing activities	11,546	(30,385)
<b>Net cash increase/(decrease) in cash generated by the discontinued division</b>	<b>(4,610)</b>	<b>(22,885)</b>
<b>Net gain on sale of discontinued division</b>		
<b>Consideration received or receivable:</b>		
Initial cash consideration	1	517,955
Liabilities waived/offset	-	(114,749)
<b>Total disposal consideration</b>	<b>1</b>	<b>403,206</b>
Carrying amount of net (assets)/liabilities sold	-	90,934
<b>Gain on sale before income tax and reclassification of foreign currency translation reserve</b>	<b>1</b>	<b>494,140</b>
Reclassification of foreign currency translation reserve	-	(10,810)
Income tax expense on gain	-	-
<b>Gain on sale after income tax</b>	<b>1</b>	<b>483,330</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2019

#### 5 Trade and Other Receivables

	2019 \$	2018 \$
CURRENT		
Trade receivables	163	163
GST receivable	12,517	3,830
TFN withholding credits	105	105
Other receivables	-	29,772
<b>Total current trade and other receivables</b>	<b>12,785</b>	<b>33,870</b>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

None of the receivables are considered past due but not impaired.

#### 6 Trade and Other Payables

	2019 \$	2018 \$
CURRENT		
<i>Unsecured liabilities:</i>		
Trade payables and accruals	76,037	75,435
<b>Related party payables:</b>		
- Payable to key management personnel *	2,889	149,342
- Payable to director related entity *	-	62,267
Other payables	33,406	33,405
<b>Total current trade and other payables</b>	<b>112,332</b>	<b>320,449</b>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

\* These amounts are non-interest bearing.

#### 7 Borrowings

	2019 \$	2018 \$
CURRENT		
<i>Unsecured liabilities:</i>		
Other loans from third party *	247,074	142,885
<b>Total current borrowings</b>	<b>247,074</b>	<b>142,885</b>

\* These amounts are interest bearing at 10% per annum with the outstanding amounts repayable between 13 August 2020 and 18 December 2021.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2019**

#### **8 Issued Capital**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
74,587,001 (2018: 74,587,001) fully paid ordinary shares	<b>2,774,666</b>	2,774,666
Share issue costs	<b>(327,156)</b>	(327,156)
<b>Total issued capital</b>	<b><u>2,447,510</u></b>	<b><u>2,447,510</u></b>

#### **(a) Ordinary shares**

	<b>2019</b>	<b>2018</b>
	<b>No.</b>	<b>No.</b>
At the beginning of the reporting period	<b>74,587,001</b>	74,587,001
<b>At the end of the reporting period</b>	<b><u>74,587,001</u></b>	<b><u>74,587,001</u></b>

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

#### **(b) Capital Management**

The key objectives of the Group when managing capital is to safeguard its ability to continue as a going concern and maintain optimal benefits to stakeholders. The Group defines capital as its equity and net debt.

There has been no change to capital risk management policies during the financial year.

The Group manages its capital structure and makes funding decisions based on the prevailing economic environment and has a number of tools available to manage capital risk.

The Board monitors a range of financial metrics including return on capital employed and gearing ratios.

## Notes to the Financial Statements

### For the Year Ended 31 December 2019

#### 9 Cash Flow Information

##### Reconciliation of result for the year to cashflows from operating activities

	2019	2018
	\$	\$
Net profit/(loss) for the year	77,577	408,461
Non-cash flows in profit:		
- depreciation and amortisation expense	244	9,488
- forgiveness of loan	-	(63,864)
- accrued finance costs	15,517	10,090
- net (gain)/loss on sale of division	(221,614)	(462,933)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	21,085	(7,413)
- (increase)/decrease in other assets	(2,218)	2,540
- increase/(decrease) in trade and other payables	603	27,608
<b>Cashflows from operations</b>	<b>(108,806)</b>	<b>(76,023)</b>

#### 10 Earnings per Share

##### (a) Reconciliation of earnings/(loss) to profit or loss from continuing operations

	2019	2018
	\$	\$
Loss from continuing operations	(137,716)	(54,472)
<b>Earnings used to calculate basic EPS from continuing operations</b>	<b>(137,716)</b>	<b>(54,472)</b>
<b>Earnings used in the calculation of dilutive EPS from continuing operations</b>	<b>(137,716)</b>	<b>(54,472)</b>

##### (b) Reconciliation of earnings to profit or loss from discontinued operations

Profit from discontinued operations	215,293	462,933
<b>Earnings used to calculate basic EPS from discontinued operations</b>	<b>215,293</b>	<b>462,933</b>

##### (c) Earnings used to calculate overall earnings per share

<b>Earnings used to calculate overall earnings per share</b>	<b>77,577</b>	<b>408,461</b>
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##### (d) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	2019	2018
	No.	No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	74,587,001	74,587,001
<b>Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS</b>	<b>74,587,001</b>	<b>74,587,001</b>