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## **IGH ENTERS INTO TERM SHEET FOR PROPOSED ACQUISITION OF FERLAB SDN. BHD**

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i-Global Holdings Limited ("**IGH**" or the "**Company**") is pleased to announce that it has signed a non-binding term sheet ("**Term Sheet**") with Ferlab Sdn. Bhd. ("**Ferlab**") and its sole shareholder ("**Ferlab Shareholder**") to acquire 49% of the shares in Ferlab from the Ferlab Shareholder ("**Transaction**").

Ferlab is a company incorporated in Malaysia and conducts agricultural manufacture, processing, wholesale and retail business operations based in Malaysia. Ferlab is principally focused on the manufacturing and supply of fertilizer products, equipment, accessories and related products under the name "GT Tiger" and the operation of a franchise of food convenience retail outlets under the name "V-Agromart".

The Key terms for the Transaction as detailed in the Term Sheet include following:

1. The Company will be conducting legal and commercial due diligence on Ferlab and its business operations with a view to the parties entering into a binding Share Purchase Agreement as soon as possible, but by no later than 31 December 2022.
2. The Company currently has 74,577,001 ordinary shares ("**IGH Shares**") on issue. It is intended that IGH will complete a 10:1 share consolidation of all the IGH Shares on issue prior to completing the Transaction.
3. Prior to completion of the Transaction, the Company shall facilitate the conversion of part of the convertible notes issued by IGH to Dr Koon Lip Choo (and/or his related entities) and director loans from Dr Koon Lip Choo (and/or his related entities) in the aggregate amount of approximately A\$440,000 into 8,800,000 IGH Shares (on a post-consolidation basis) at an issue price per share of A\$0.05.
4. In consideration for the acquisition of 49% of the issued share capital of Ferlab, the Company will issue an aggregate of 12,250,000 IGH Shares to the Ferlab shareholder for a deemed aggregate issue price of A\$612,500. The Ferlab Shareholder will receive 8,250,000 IGH Shares totalling approximately 19% of IGH upon completion of the Transaction. The balance of the consideration totalling 4,000,000 IGH Shares will be issued to the Ferlab Shareholder by way of 4 equal 6-monthly instalments of 1,000,000 IGH Shares each subject to IGH in each case obtaining all necessary shareholder and NSX approvals.

5. The Ferlab Shareholder will also be granted Performance Rights entitling the Ferlab Shareholder to be issued up to an additional 11,000,000 IGH Shares in four (4) tranches subject to and conditional upon the achievement of certain business performance milestones for the 2022 and 2023 financial years (noting Ferlab operates under a January to December financial year). The issuance of IGH Shares under the Performance Rights remains in each case subject to IGH obtaining all necessary shareholder and NSX approvals.
6. The Company agrees to provide additional future capital contributions to Ferlab up to A\$200,000 in aggregate.
7. Following completion of the Transaction, the balance of the convertible notes issued by IGH to, and director loans from, Dr Koon Lip Choo (and/or his related entities) in the aggregate amount of approximately A\$151,220 will be converted into approximately an additional 3,024,400 IGH Shares (on a post-consolidation basis) at a deemed issue price of A\$0.05 per share. This times and instalments of these further conversions shall be at IGH and/or Dr Koon Lip Choo's discretion, subject at all times to IGH obtaining all necessary shareholder and NSX approvals.
8. With effect from completion of the Transaction, one (1) Ferlab nominated director shall be appointed to the board of directors of IGH. The Company's directors will be issued in aggregate up to 4,700,000 IGH Shares in consideration for their new or continued appointment to the IGH board.
9. Upon completion of the Transaction, the Company will issue an additional 250,000 IGH Shares to its corporate advisors as consideration for services rendered.
10. The Company plans to change its name to "AGRI Skylight Ltd" (or such other company name as agreed between the parties) to better reflect its new focus and direction following completion of the Transaction.
11. An Extraordinary General Meeting of IGH shareholders will be convened to allow IGH shareholders to vote on the various resolutions for the proposed acquisition of Ferlab.
12. The Term Sheet is governed by the laws in Victoria, Australia. Any dispute arising under or in connection with the Term Sheet will be referred initially to the parties' respective representatives to attempt to resolve and where the dispute remains unresolved after such referral, any party may refer the dispute to mediation to be administered by the Australian Commercial Disputes Centre.

The Term Sheet is non-binding and the parties are not bound to complete the Transaction until such time as they have entered into a binding Share Purchase Agreement and satisfied the terms and conditions of such binding agreement.

### **Proposed Capital Raising**

This Transaction will be supported by completing a pre-Transaction capital raising to raise up to \$600,000 across October and November 2022 to cover Transaction costs, working capital for IGH, and to provide initial investment capital for Ferlab.

## Proposed Capital Structure

Upon completion of the Transaction, the proposed capital structure of the Company shall be as follows:

Item	No of Shares	% of Equity
IGH existing shareholders <i>(after consolidation of 74,577,001 IGH shares on a 10:1 basis)</i>	7,457,700	17.99%
Pre-Transaction capital raising investors in IGH (\$600,000)	12,000,000	28.95%
Conversion of part IGH Convertible Notes and Director Loans held by Dr Koon Lip Choo (and/or his related entities)	8,800,000	21.23%
Ferlab Shareholder*	8,250,000	19.90%
Directors / Management	4,700,000	11.34%
Advisors	250,000	0.60%
<b>Total</b>	<b>41,457,700</b>	<b>100%</b>

\* Subject to IGH obtaining in each case all necessary shareholder and NSX approvals the Ferlab Shareholder will be issued an additional 4,000,000 deferred consideration IGH Shares in the following instalments:

- (a) 1,000,000 IGH Shares 6 months after completion of the Transaction;
- (b) 1,000,000 IGH Shares 12 months after completion of the Transaction;
- (c) 1,000,000 IGH Shares 18 months after completion of the Transaction; and
- (d) 1,000,000 IGH Shares 24 months after completion of the Transaction.

The Ferlab Shareholder will also be granted Performance Rights entitling it to up to an additional 11,000,000 IGH Shares subject to the satisfaction of various business performance milestones.

## Indicative Transaction Timetable

The following table outlines an indicative timetable for the completion of the Transaction:

No	Steps	Date
1.	Execution of Term Sheet	14 October 2022
2.	IGH undertake initial share placement to raise up to \$600,000	October/November 2022
3.	Completion of due diligence on Ferlab	11 November 2022
4.	Enter Binding Share Purchase Agreement	18 November 2022

5.	Issue Notice of Meeting to IGH shareholders	December 2022
6.	Hold IGH Extraordinary General Meeting	January 2023
7.	Completion of acquisition of Ferlab	February 2023

Please note the above timetable is indicative only and subject to change.

The Company will provide a further update to shareholders in due course.

For further information please contact:

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