

Agri Skylight Limited (formerly I-Global Holdings Limited)**Final report****1. Company details**

Name of entity: Agri Skylight Limited (formerly I-Global Holdings Limited)
ABN: 28 611 470 010
Reporting period: For the year ended 31 December 2023
Previous period: For the year ended 31 December 2022

2. Results for announcement to the market

					A\$
Revenue from ordinary activities	down	-	%	to	-
Loss from ordinary activities after tax attributable to the owners of Agri Skylight Limited	down	(41.35)	%	to	(72,508)
Loss for the year attributable to the owners of Agri Skylight limited	down	(41.35)	%	to	(72,508)

Dividends

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

Comments

The loss for the company after providing for income tax amounted to \$72,508 (2022: loss of \$123,622).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security (cents)	(9.34)	(10.55)

4. Control gained over entities

Not applicable

5. Loss of control over entities

Not applicable

Agri Skylight Limited (formerly I-Global Holdings Limited)
Final report

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.

7. Dividend reinvestment plans

Not applicable

8. Details of associates and joint venture entities

Not applicable

9. Foreign entities

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

Not applicable

10. Audit qualification or review

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

The financial statements for the year ended 31 December 2023 have been audited and contains an unmodified audit opinion.

11. Attachments

Details of attachments (if any):

The audited financial report for the financial year ended 31 December 2023, together with the auditor's opinion, are attached.

12. Signed



Shelby Coleman
Company Secretary
On behalf of the Board of Directors
Agri Skylight Limited (formerly I-Global Holdings Limited)
15 March 2024

Agri Skylight Ltd (formerly I-Global Holdings Limited)

ABN 28 611 470 010

Financial Statements

For the Year Ended 31 December 2023

Agri Skylight Ltd (formerly I-Global Holdings Limited)

ABN 28 611 470 010

Contents

For the Year Ended 31 December 2023

	Page
Financial Statements	
Corporate Governance Statement	1
Directors' Report	2
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	16
Statement of Profit or Loss and Other Comprehensive Income	17
Statement of Financial Position	18
Statement of Changes in Equity	19
Statement of Cash Flows	20
Notes to the Financial Statements	21
Directors' Declaration	47
Independent Audit Report	48
Additional Information for Listed Public Companies	51

Corporate Governance Statement

For the Year Ended 31 December 2023

The Board is committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to refine and improve the governance framework and practices in place to ensure they meet the interests of shareholders. Although the Company is not listed on the Australian Securities Exchange (ASX), the Board has taken the view that the Company should, to the extent possible, comply with the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council (ASX Principles).

This Corporate Governance Statement discloses the extent to which the Company follows the recommendations of the ASX *Corporate Governance Council's Corporate Governance Principles and Recommendations 4th Edition*. The Recommendations are not mandatory, however the Recommendations that will not be followed have been identified and reasons provided for not following them along with what (if any) alternative governance practices the Company intends to adopt in lieu of the recommendation. The Company has adopted a Corporate Governance Plan which provides the written terms of reference for the Company's corporate governance duties.

Due to the current size and nature of the existing Board of Directors of the Company (Board) and the magnitude of the Company's operations, the Board does not consider that the Company will gain any benefit from individual Board committees and believe that the Company's resources would be better utilised in other areas as at this stage the experience and skill set of the current Board is sufficient to perform these roles. Under the Company's Board Charter, the duties that would ordinarily be assigned to individual committees are currently carried out by the full Board under the written terms of reference for those committees. The Company's Corporate Governance Plan is available on the Company's website at <https://agriskylight.com/investors/>.

Agri Skylight Ltd (formerly I-Global Holdings Limited)

ABN 28 611 470 010

Directors' Report For the Year Ended 31 December 2023

The directors submit the financial report of Agri Skylight Ltd (formerly I-Global Holdings Limited) ("the Company") for the year ended 31 December 2023.

On 22 June 2023, the Company, subsequent to receiving shareholder approval at the Annual General Meeting held on 31 May 2023, changed its name from i-Global Holdings Limited to Agri Skylight Ltd. The name, Agri Skylight, more accurately reflects the proposed future operations of the Company. The name change has been registered with ASIC and effective from 3 July 2023, Agri Skylight shares will trade with the NSX code AGS (NSX: AGS).

Information on directors

The names, qualifications, experience and special responsibilities of each person who has been a director during the year and to the date of this report are:

Dr Koon Lip Choo

Qualifications	Dr Koon Lip Choo holds a PhD and Doctorate of Business Administration in Investment Psychology, an MBA from the University of California, Los Angeles, and a BSc in Applied Mathematics from the National University of Singapore.
Experience	Based in Singapore and Hong Kong, Dr Choo began trading as a retail trader and investor in 2004, then eventually specialising in managing private equity and venture capital investment.
Interest in shares and options	1,740,000 fully paid ordinary shares
Special responsibilities	Executive Director; Chief Executive Officer
Other current directorships in listed entities	N/A
Other directorships in listed entities held in the previous three years	N/A

Mr Matthew Robert Leonard

Qualifications	Certificate in Event Management (Holmesglen TAFE); Certificate in Hospitality Operations (Academie Accor)
Experience	Matthew is an accomplished and internationally proven business development professional. He has over 12 years of outstanding record of achievement in demanding, complex and highly competitive markets. He possesses expertise across advertising, marketing and media event management sector, with recent focus on linking opportunities with high net worth individuals throughout Asia. Matthew is a member of Golden Venture Capital, an Australian company which provides corporate advisory and consultancy services throughout Australia and international markets. As part of this work, Matthew has assisted a number of companies with capital raising transactions throughout Asia and Australia Matthew has recently been appointed as non-executive director of GO-Dx Corporation.
Interest in shares and options	1,800,000 fully paid ordinary shares
Special responsibilities	Non-Executive Director
Other current directorships in listed entities	Managing Director of BPH Global Ltd (ASX: BP8) from 30 March 2023
Other directorships in listed entities held in the previous three years	N/A

Directors' Report

For the Year Ended 31 December 2023

Information on directors (continued)

Mr Michael Robin Beer

Qualifications

Business degree from RMIT;
Fellow of the Institute of Chartered Accountants in Australia, FCA;
Awarded the National Meritorious Service Award in 2001 for outstanding service to the Profession and particularly the Institute of Chartered Accountants in Australia;
Member of the Governance Institute of Australia

Experience

Mr Beer is a Chartered Accountant and Chartered Secretary and is a principal at Beer and Co Pty Ltd, a corporate advisory firm in Melbourne which assists various companies in a range of commercial activities.

Beer and Co retains an Australian Financial Services Licence and Michael is a Fellow of the Institute of Chartered Accountants, FCA. He has a wide range of auditing, managing and investment experience across various industries.

Michael was or is appointed to various Managing Director, Secretary and Financial positions at the following companies: Aphrodite Gold Ltd, Beer and Co Pty Ltd, Brunswick Ltd, Hydra Light International Ltd, Intersuisse and Phillip Capital, ION Ltd, Johnson Taylor Potter Corporate Finance Ltd, TNT Mines Ltd, Range River Gold Ltd, i-Global Holdings Ltd and K2O Potash Corp. Ltd.

Michael has also held various senior positions as Accountant, Auditor and/or Financial Controller for British Petroleum Group and Price Waterhouse and Co.

Interest in shares and options

2,000,000 fully paid ordinary shares

Special responsibilities

Non-Executive Chairperson

Other current directorships in listed entities

N/A

Other directorships in listed entities held in the previous three years

N/A

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities and significant changes in nature of activities

The principal activities of the Company during the financial year was to act as an investment holding company focusing in the agriculture, farming and fertilizer space predominantly in the region of Southeast Asia.

There were no significant changes in the nature of the Company's principal activities during the financial year.

Operating results

The loss of the Company after providing for income tax amounted to \$72,508 (2022: loss of \$123,622).

Review of operations

In October 2022, the Company 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 ("Ferlab Transaction" or "the Transaction"). Subsequent to the completion of the due diligence of Ferlab in March 2023, the Company entered into a binding Share Sale Agreement ("Share Sale Agreement") with Ferlab and the Ferlab Shareholder on or around 17 April 2023.

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".

Refer to Note 23 of the financial statements for further information on the Ferlab Transaction.

Directors' Report

For the Year Ended 31 December 2023

Significant changes in state of affairs

The following significant changes in the state of affairs of the Company occurred during the financial year:

- On 11 January 2023, the Company successfully raised \$300,000 via the issue of 300,000 unlisted convertible notes at \$1 each to a professional and sophisticated investor ("noteholder") in Malaysia, with a maturity date of 30 June 2023. Interest calculated at 5% per annum is payable on the maturity date. All or part of the convertible notes can be converted into shares at the election of the Company at any time prior to maturity and the number of shares to be issued in respect of each convertible note will be calculated by dividing the face value of the notes by the conversion price of \$0.05 (post 10:1 share consolidation). On 1 August 2023, the Company and the noteholder extended the maturity date based on mutual understanding and it is expected that the convertible notes will be converted to shares following the completion of the Ferlab Sdn. Bhd. acquisition and NSX re-listing.
- On 9 March 2023, the Company executed a Director's Service Agreement with each of the three Directors. A summary of the key terms of each agreement are as follows:
 - Dr Koon Lip Choo:
 - New agreement terminates the initial letter of appointment dated 28 February 2017;
 - Appointment to the position of "Executive Director and CEO" of the Company;
 - Commencement date: 1 September 2022;
 - Cash salary of \$48,000 per annum (exclusive of GST and plus any superannuation payable) is payable in equal monthly instalments in arrears;
 - 900,000 fully-paid ordinary shares in the Company with a deemed issue price of \$0.05 per share to be issued on or about the date of completion of the Company's proposed acquisition of a 49% interest in Ferlab Sdn. Bhd. and re-admission to the official list of the NSX under Chapter 4 of the NSX Listing Rules ("RTO Transaction"). The issuance of the shares remains subject to and conditional upon the Company completing the RTO Transaction and obtaining all necessary shareholder and/or NSX approvals; and
 - 3 months; notice in writing is required for termination by either the Company or the Director.
 - Mr Matthew Robert Leonard:
 - Appointment as non-executive director of the Company;
 - Commencement date: 13 September 2022;
 - Cash salary of \$36,000 per annum (exclusive of GST and plus any superannuation payable) is payable in equal monthly instalments in arrears; and
 - 1,800,000 fully-paid ordinary shares in the Company with a deemed issue price of \$0.05 per share to be issued on or about the date of completion of the Company's proposed acquisition of a 49% interest in Ferlab Sdn. Bhd. and re-admission to the official list of the NSX under Chapter 4 of the NSX Listing Rules ("RTO Transaction"). The issuance of the shares remains subject to and conditional upon the Company completing the RTO Transaction and obtaining all necessary shareholder and/or NSX approvals.

Directors' Report

For the Year Ended 31 December 2023

Significant changes in state of affairs (continued)

- Mr Michael Robin Beer:
 - Appointment as non-executive chairperson of the Board of the Company;
 - Commencement date: 26 October 2022
 - Cash salary of \$36,000 per annum (exclusive of GST and plus any superannuation payable) is payable in equal monthly instalments in arrears; and
 - 2,000,000 fully-paid ordinary shares in the Company with a deemed issue price of \$0.05 per share to be issued on or about the date of completion of the Company's proposed acquisition of a 49% interest in Ferlab Sdn. Bhd. and re-admission to the official list of the NSX under Chapter 4 of the NSX Listing Rules ("RTO Transaction"). The issuance of the shares remains subject to and conditional upon the Company completing the RTO Transaction and obtaining all necessary shareholder and/or NSX approvals.
- On 21 June 2023, the Company, subsequent to receiving shareholder approval at the Annual General Meeting (AGM) held on 31 May 2023, completed a ten to one (10:1) share consolidation. In accordance with the terms of the resolution approved at the AGM, where the consolidation resulted in a fraction of a share being held, the Company rounded that fraction down to the nearest whole share. Due to this rounding, the total number of fully paid ordinary shares post consolidation is 7,457,696.
- On 22 June 2023, the Company, subsequent to receiving shareholder approval at the AGM held on 31 May 2023, changed its name from i-Global Holdings Limited to Agri Skylight Ltd. The name, Agri Skylight, more accurately reflects the proposed future operations of the Company. The name change has been registered with ASIC and Agri Skylight shares will trade with the NSX code AGS (NSX: AGS) effective from 3 July 2023.
- On 18 September 2023, the Company received firm commitments to raise \$140,000 before costs via a two-tranche placement to professional and sophisticated investors of fully paid ordinary shares at a price of \$0.07 per share. The first tranche, issued on 18 September 2023, comprises \$78,306 for 1,118,654 shares. The second tranche comprising \$61,694 for 881,346 shares was issued subsequent to year end on 19 January 2024 after receiving shareholder approval at the Extraordinary General Meeting held on 22 November 2023.

Events after the reporting date

On 19 January 2024, the second tranche of the two-tranche placement to professional and sophisticated investors at \$0.07 per share comprising 881,346 shares was issued subsequent to receiving shareholder approval at the Extraordinary General Meeting held on 22 November 2023. This issue of shares enabled the release of funds previously held in a solicitor's trust fund totalling \$61,694 to the Company to be applied towards general working capital and strengthening the Company's balance sheet.

On 19 January 2024, the Company issued shares to its Directors in lieu of remuneration subsequent to receiving shareholder approval at the AGM held on 31 May 2023. The deemed issue price of these shares was \$0.05 per share and were issued to the following Directors:

- Dr Koon Lip Choo - 900,000 fully paid ordinary shares;
- Mr Matthew Robert Leonard - 1,800,000 full paid ordinary shares; and
- Mr Michael Robin Beer - 2,000,000 fully paid ordinary shares.

Directors' Report
For the Year Ended 31 December 2023

Events after the reporting date (continued)

The Company is still in the process of completing the acquisition of 49% of the shares in Ferlab Sdn. Bhd. from the Ferlab shareholder ("Ferlab Transaction"). On 23 January 2024, the Company received a letter from NSX granting conditional approval for re-compliance with the NSX Listing Rules. The Company is currently working towards and fulfilling the conditions set out in the letter. See Note 23 for further information regarding the Ferlab Transaction.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Dividends paid or recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Meetings of directors

During the financial year, 7 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Dr Koon Lip Choo
Mr Matthew Robert Leonard
Mr Michael Robin Beer

Directors' Meetings	
Number eligible to attend	Number attended
7	7
7	7
7	7

Agri Skylight Ltd (formerly I-Global Holdings Limited)

ABN 28 611 470 010

Directors' Report

For the Year Ended 31 December 2023

Company secretary

The following persons jointly held the position of Company secretary during and at the end of the financial year:

- Ms Shelby Coleman was appointed on 17 October 2023.
- Ms Nova Anne Taylor was appointed on 1 September 2017 and resigned from the position on 17 October 2023.

Options

There have been no unissued shares or interests under option in the Company or a controlled entity during or since reporting date.

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Agri Skylight Ltd (formerly I-Global Holdings Limited).

Proceedings on behalf of the Company

No person has applied for leave of court under Section 237 of the *Corporations Act 2001* to bring proceedings on behalf of the Company or 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 any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Remuneration report (audited)

The remuneration report, which has been audited, outlines the Director and executive remuneration arrangements for the Company, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

Principles Used to Determine the Nature and Amount of Remuneration

The performance of the Company depends upon the quality of its Directors and Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives. To that end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives;
- Focus on creating sustained shareholder value;
- Placing a portion of executive remuneration at risk, dependent upon meeting predetermined performance benchmarks; and
- Differentiation of individual rewards commensurate with contribution to overall results and according to individual accountability, performance and potential.

The Board's policy for determining the nature and amount of remuneration for Key Management Personnel ("KMP") for the Company is based on the following:

- The remuneration policy is to be developed and approved by the Board after professional advice is sought from independent external consultants (where applicable);

Directors' Report

For the Year Ended 31 December 2023

Remuneration report (audited) (continued)

Principles Used to Determine the Nature and Amount of Remuneration (continued)

- All executive KMP receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and performance incentives, where appropriate;
- Performance incentives (in the form of a cash bonus) are generally only paid once predetermined key performance indicators (KPIs) have been met;
- Apart from those detailed in this report no other share based/options incentives have been offered to KMP during this reporting financial year; and
- The Board, which also serves as the remuneration committee, reviews the remuneration packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors.

All remuneration paid to KMP are valued at the cost to the Company and expensed.

KMP or closely related parties of KMP are prohibited from entering hedge arrangements that would have the effect of limiting the risk exposure relating to their remuneration. In addition, the Board's remuneration policy prohibits Directors and KMP from using the Company's shares as collateral in any financial transaction.

Engagement of remuneration consultants

During the year, the Company did not engage any remuneration consultants.

Remuneration structure

The structure of Non-Executive, Executive Director and Senior Manager remuneration is separate and distinct.

A. Non-Executive Director Remuneration

The Board's policy is to remunerate Non-Executive Directors at market rates for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders.

Each Director receives a fee for being a Director of the Company.

B. Senior Management and Executive Director Remuneration

The Company aims to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company to:

- Reward Executives for the Company, business unit and individual performance against targets set by reference to appropriate benchmarks;
- Align the interests of Executives with those of shareholders;
- Link reward with the strategic goals and performance of the Company;
- Ensure total remuneration is competitive by market standards; and

Directors' Report

For the Year Ended 31 December 2023

Remuneration report (audited) (continued)

Principles Used to Determine the Nature and Amount of Remuneration (continued)

- Executive remuneration is designed to support the Company's reward philosophies and to underpin the Company's growth strategy. The program comprises the following available components:
 - Fixed remuneration component; and
 - Variable remuneration component including cash bonuses paid.

Fixed Remuneration

The level of fixed remuneration is set to provide a based level of remuneration which is both appropriate to the position and is competitive in the market. The fixed (primary) remuneration is provided in cash.

Variable Remuneration

The performance of KMP is measured against criteria agreed annually with each Executive. All bonuses and incentives must be linked to predetermined performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long-term growth in shareholder wealth.

The objective of the Short-Term Incentive ("STI") program is to link the achievement of the Company's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential STI available is set at a level to provide sufficient incentive to achieve the operational targets and such that the cost to the Company is reasonable.

Actual STI payments granted depend on the extent to which specific operating targets are met. The operational targets consist of a number of Key Performance Indicators (KPIs) covering both financial and non-financial measures of performance.

On an annual basis, the individual performance of each executive is rated and taken into account when determining the amount, if any, of the short-term incentive pool allocated to each executive. The aggregate of annual STI payments available for executives across the Company are usually delivered in the form of a cash bonus.

Relationship between remuneration policy and company performance

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. Two methods have been applied to achieve this aim, the first being a performance-based bonus based on key performance indicators, and the second being the issue of options to directors and executives to encourage the alignment of personal and shareholder interests.

Due to the current financial status of the Company, there were no performance-based bonuses paid or options issued during the year ended 31 December 2023 (31 December 2022: None).

The following table shows the gross revenue, profits and dividends for the last three years for the Company (since listing), as well as the share prices at the end of the respective financial years.

	2023	2022	2021
	\$	\$	\$
Revenue	-	-	-
Net Profit/(Loss)	(72,508)	(123,622)	(203,273)
Share Price at Year-end *	2.50	0.25	0.25

Agri Skylight Ltd (formerly I-Global Holdings Limited)

ABN 28 611 470 010

Directors' Report

For the Year Ended 31 December 2023

Remuneration report (audited) (continued)

* On 21 June 2023, the Company, subsequent to receiving shareholder approval at the Annual General Meeting (AGM) held on 31 May 2023, completed a ten to one (10:1) share consolidation. In accordance with the terms of the resolution approved at the AGM, where the consolidation resulted in a fraction of a share being held, the Company rounded that fraction down to the nearest whole share. Due to this rounding, the total number of fully paid ordinary shares post consolidation is 7,457,696. Accordingly, the share price post share consolidation is \$2.50 per share.

Details of Remuneration

Details of the remuneration of the Directors and other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the Company) are set out in the tables in the following pages.

Key Management Personnel - Directors and Executives

The key management personnel ("KMP") of the Company consisted of the following Directors and executives during the year:

Non-Executive Directors	Position
Mr Matthew Robert Leonard	Non-Executive Director
Mr Michael Robin Beer	Non-Executive Chairperson
Executive Director	Position
Dr Koon Lip Choo	Chief Executive Officer and Executive Director

Key Management Personnel - Service Agreements

Executive Director Letter of Appointment - Dr Koon Lip Choo (Executive Director and Chief Executive Officer (CEO))

Prior to 1 September 2022

On 28 February 2017, the Company entered into a letter of appointment with Dr Koon Lip Choo ("Director Agreement") pursuant to which Dr Choo was appointed as an executive director of the Company.

Dr Choo's executive director fees are paid pursuant to the i-Global Singapore Employment Agreement and he is not paid any additional fees under his Director Agreement. Dr Choo's fee shall be subject to annual review by the board of the Company. Dr Choo is entitled to reasonable expenses properly incurred whilst undertaking his respective duties.

The Director Agreement also contains various other terms and conditions that are considered standard for an agreement of this nature, including those relating to termination and vacation of office.

All director and executive fees ceased accruing from 1 February 2022 until the new board of directors was formed in September 2022.

Post 1 September 2022

On 9 March 2023, the Company executed a Director's Service Agreement with each Directors. A summary of the key terms of each agreement are as follows:

- New agreement terminates the initial letter of appointment dated 28 February 2017;
- Appointment to the position of "Executive Director and CEO" of the Company;

Directors' Report

For the Year Ended 31 December 2023

Remuneration report (audited) (continued)

Details of Remuneration (continued)

- Commencement date: 1 September 2022;
- Cash salary of \$48,000 per annum (exclusive of GST and plus any superannuation payable) is payable in equal monthly instalments in arrears;
- 900,000 fully-paid ordinary shares in the Company with a deemed issue price of \$0.05 per share to be issued on or about the date of completion of the Company's proposed acquisition of a 49% interest in Ferlab Sdn. Bhd. and re-admission to the official list of the NSX under Chapter 4 of the NSX Listing Rules ("RTO Transaction"). The issuance of the shares remains subject to and conditional upon the Company completing the RTO Transaction and obtaining all necessary shareholder and/or NSX approvals; and
- 3 months' notice in writing is required for termination by either the Company or the Director.

Director Service Agreement - Mr Matthew Robert Leonard (Non-Executive Director - Appointed 13 September 2022)

On 9 March 2023, the Company executed a Director's Service Agreement with each Director. A summary of the key terms of each agreement are as follows:

- Appointment as non-executive director of the Company;
- Commencement date: 13 September 2022
- Cash salary of \$36,000 per annum (exclusive of GST and plus any superannuation payable) is payable in equal monthly instalments in arrears; and
- 1,800,000 fully-paid ordinary shares in the Company with a deemed issue price of \$0.05 per share to be issued on or about the date of completion of the Company's proposed acquisition of a 49% interest in Ferlab Sdn. Bhd. and re-admission to the official list of the NSX under Chapter 4 of the NSX Listing Rules ("RTO Transaction"). The issuance of the shares remains subject to and conditional upon the Company completing the RTO Transaction and obtaining all necessary shareholder and/or NSX approvals.

Director Service Agreement - Mr Michael Robin Beer (Non-Executive Chairperson - Appointed 26 October 2022)

On 9 March 2023, the Company executed a Director's Service Agreement with each Director. A summary of the key terms of each agreement are as follows:

- Appointment as non-executive chairperson of the board of the Company;
- Commencement date: 26 October 2022
- Cash salary of \$36,000 per annum (exclusive of GST and plus any superannuation payable) is payable in equal monthly instalments in arrears; and
- 2,000,000 fully-paid ordinary shares in the Company with a deemed issue price of \$0.05 per share to be issued on or about the date of completion of the Company's proposed acquisition of a 49% interest in Ferlab Sdn. Bhd. and re-admission to the official list of the NSX under Chapter 4 of the NSX Listing Rules ("RTO Transaction"). The issuance of the shares remains subject to and conditional upon the Company completing the RTO Transaction and obtaining all necessary shareholder and/or NSX approvals.

Agri Skylight Ltd (formerly I-Global Holdings Limited)

ABN 28 611 470 010

Directors' Report

For the Year Ended 31 December 2023

Remuneration report (audited) (continued)

Details of Remuneration (continued)

Non-Executive Director Letter of Appointment - Mr Francesco Cannavo (Resigned 13 September 2022)

The key terms of the contract are as follows:

- (a) Commenced on 1 September 2017 with no fixed term;
- (b) Position of Non-executive Director;
- (c) Fee of A\$2,000 (plus GST) per month inclusive of pension and other benefits; and
- (d) Agreement can be terminated in writing by either party or by mutual consent.

All director and executive fees ceased accruing from 1 February 2022 until the new board of directors is formed in September 2022.

Mr Cannavo resigned as director of the Company on 13 September 2022.

Non-Executive Director Letter of Appointment - Mr Justyn Peter Stedwell (Resigned 26 October 2022)

The key terms of the contract are as follows:

- (a) Commenced on 30 August 2017 with no fixed term;
- (b) Position of Non-executive Director;
- (c) Fee of A\$1 (plus GST) per month, inclusion of pension and other benefits; and
- (d) Agreement can be terminated in writing by either party or by mutual consent.

All director and executive fees ceased accruing from 1 February 2022 until the new board of directors is formed in September 2022.

Mr Stedwell resigned as director of the Company on 26 October 2022.

Company Secretary Agreement - Mr Justyn Peter Stedwell (Resigned 26 October 2022)

The key terms of the contract are as follows:

- (a) Commenced on 30 August 2017 with no fixed term;
- (b) Position of Company Secretary;
- (c) Fee of A\$2,499 (plus GST) per month; and
- (d) Agreement can be terminated in writing by either party or by mutual consent.

Mr Stedwell resigned as company secretary of the Company on 26 October 2022.

Agri Skylight Ltd (formerly I-Global Holdings Limited)

ABN 28 611 470 010

Directors' Report

For the Year Ended 31 December 2023

Remuneration report (audited) (continued)

Remuneration details for the year

The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the key management personnel of the Company:

Table of benefits and payments

	Short Term Employment Benefits and Consulting & Professional Fee			Termination Payment	Equity Based Payments	
	Cash Salary and Fees	Leave Provision	Cash Bonus		Shares	Total
	\$	\$	\$	\$	\$	\$
2023						
Directors						
<i>Executive Director:</i>						
Koon Lip Choo	48,000	-	-	-	-	48,000
<i>Non-Executive Directors:</i>						
Mr Matthew Robert Leonard	36,000	-	-	-	-	36,000
Mr Michael Robin Beer	33,600	-	-	-	-	33,600
Total	117,600	-	-	-	-	117,600
2022						
Directors						
<i>Executive Director:</i>						
Koon Lip Choo	19,000	-	-	-	-	19,000
<i>Non-Executive Directors:</i>						
Matthew Robert Leonard	12,000	-	-	-	-	12,000
Michael Robin Beer	9,000	-	-	-	-	9,000
Francesco Cannavo	2,000	-	-	-	-	2,000
Justyn Peter Stedwell	1,677	-	-	-	-	1,677
Total	43,677	-	-	-	-	43,677

Cash performance-related bonuses

There were no cash bonuses granted as remuneration during the year that was paid or payable to key management personnel.

Securities received that are not performance related

No members of key management personnel are entitled to receive securities which are not performance-based as part of their remuneration package.

Agri Skylight Ltd (formerly I-Global Holdings Limited)

ABN 28 611 470 010

Directors' Report

For the Year Ended 31 December 2023

Remuneration report (audited) (continued)

Key management personnel shareholdings

The number of ordinary shares in Agri Skylight Ltd (formerly I-Global Holdings Limited) held by each key management person of the Company during the financial year is as follows:

	Balance at beginning of year	Granted as payment of remuneration	Other changes during the year *	Balance at end of year/ date of resignation
31 December 2023				
Directors				
<i>Executive Director:</i>				
Koon Lip Choo	18,800,001	-	(17,760,001)	1,040,000
<i>Non-Executive Directors:</i>				
Mr Matthew Robert Leonard	-	-	-	-
Mr Michael Robin Beer	-	-	-	-
Total	18,800,001	-	(17,760,001)	1,040,000
	Balance at beginning of year	Granted as payment of remuneration	Other changes during the year	Balance at end of year/ date of resignation
31 December 2022				
Directors				
<i>Executive Director:</i>				
Koon Lip Choo	18,800,001	-	-	18,800,001
<i>Non-Executive Directors:</i>				
Francesco Cannavo	-	-	-	-
Justyn Peter Stedwell	-	-	-	-
Mr Matthew Robert Leonard	-	-	-	-
Mr Michael Robin Beer	-	-	-	-
Total	18,800,001	-	-	18,800,001

* Net movement relates to:

- completion of a ten to one (10:1) share consolidation on 21 June 2023, where 18,800,001 fully paid ordinary shares was consolidated and the number of fully paid ordinary shares post consolidation is 1,880,000; and
- off market share sale of 840,000 fully paid ordinary shares.

There were no options issued to key management personnel during the year ended 31 December 2023 (31 December 2022: None).

Directors' Report

For the Year Ended 31 December 2023

Remuneration report (audited) (continued)

KMP related party transactions

The Company undertook the following transactions during the year with:

- Key management personnel (KMP);
- A close member of the family of that person; or
- An entity over which the key management person or family member has, directly or indirectly, control, joint control or significant influence.

Information regarding share-based payment transactions with these persons or entities are included elsewhere in the remuneration report.

Loans received from KMP

The following information relates to KMP loans made during the reporting period on an aggregate basis.

	Balance at beginning of the year	Foreign exchange differences	Net loans advanced/ (forgiven)	Interest charged	Balance at the end of the year	Highest indebtedness during the year
	\$	\$	\$	\$	\$	\$
Due to Dr Koon Lip Choo	13,889	-	(1,389)	-	12,500	13,889

Pending the completion of the Ferlab Sdn. Bhd. acquisition project ("Ferlab Transaction"), all terms and conditions relating to loans payable to key management personnel have been suspended from 1 October 2022. It is anticipated that these amounts will be settled in either cash or equity subsequent to the completion of Ferlab Transaction.

End of Audited Remuneration Report

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 31 December 2023 has been received and can be found on page 16 of the financial report.

This director's report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.



Executive Director & CEO :
Dr Koon Lip Choo

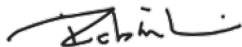
Dated this 15th day of March 2024

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

As lead auditor for the audit of Agri Skylight Ltd for the year ended 31 December 2023,
I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Agri Skylight Ltd.



Robin King Heng Li
Director
Connect National Audit Pty Ltd
ASIC Authorised Audit Company No.: 521888
Level 14, 333 Collins Street Melbourne, Victoria
Date: 15 March 2024

Agri Skylight Ltd (formerly I-Global Holdings Limited)

ABN 28 611 470 010

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2023

	Note	2023 \$	2022 \$
Continuing operations			
Other income	4	198,141	34,287
Employee benefits expense (including directors fees and remuneration)		(117,600)	(43,677)
Depreciation and amortisation expense	5	-	(34)
Accounting and audit fees		(36,966)	(35,589)
Consulting and professional fees (including directors' professional fee)		(35,599)	(24,045)
Share registry and listing fees		(52,384)	(25,936)
Travelling and accommodation expenses		(3,708)	-
Foreign exchange losses	5	-	(5,819)
Other expenses		(9,835)	(6,483)
Finance costs	5	(14,557)	(16,326)
Loss before income tax	5	(72,508)	(123,622)
Income tax expense	6	-	-
Net loss for the year		<u>(72,508)</u>	<u>(123,622)</u>
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified to profit or loss when specific conditions are met		-	-
Total comprehensive loss for the year		<u>(72,508)</u>	<u>(123,622)</u>
Loss attributable to:			
Equity holders of the parent entity		(72,508)	(123,622)
		<u>(72,508)</u>	<u>(123,622)</u>
Total comprehensive loss attributable to:			
Equity holders of the parent entity		(72,508)	(123,622)
		<u>(72,508)</u>	<u>(123,622)</u>
Earnings per share:			
Basic, loss for the year attributable to ordinary equity holders of the parent (cents)	17	(0.93)	(1.66)
Diluted, loss for the year attributable to ordinary equity holders of the parent (cents)	17	(0.93)	(1.66)

The accompanying notes form part of these financial statements.

Agri Skylight Ltd (formerly I-Global Holdings Limited)

ABN 28 611 470 010

Statement of Financial Position**As At 31 December 2023**

		2023	2022
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	5,039	1
Trade and other receivables	9	70,389	6,833
Other assets	10	110,559	39,822
TOTAL CURRENT ASSETS		185,987	46,656
TOTAL ASSETS		185,987	46,656
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	197,243	153,716
Borrowings	12	789,447	679,750
TOTAL CURRENT LIABILITIES		986,690	833,466
TOTAL LIABILITIES		986,690	833,466
NET ASSETS/(NET DEFICIENCY)		(800,703)	(786,810)
EQUITY/(NET DEFICIENCY)			
Issued capital	13	2,499,415	2,447,510
Reserves	14	6,710	-
Accumulated losses	15	(3,306,828)	(3,234,320)
TOTAL EQUITY/(NET DEFICIENCY)		(800,703)	(786,810)

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2023

2023

	Note	Issued Capital \$	Accumulated Losses \$	Convertible Instruments Reserve \$	Total \$
Balance at 1 January 2023	13,14,15	2,447,510	(3,234,320)	-	(786,810)
Net profit/(loss) for the year	15	-	(72,508)	-	(72,508)
Transactions with owners in their capacity as owners					
Contribution of equity, net of transaction costs	13	51,905	-	-	51,905
Issue of convertible notes	14	-	-	6,710	6,710
Balance at 31 December 2023		2,499,415	(3,306,828)	6,710	(800,703)
Balance at 1 January 2022	13,14,15	2,447,510	(3,110,698)	35,733	(627,455)
Net profit/(loss) for the year	15	-	(123,622)	-	(123,622)
Reversal of convertible note at maturity	14	-	-	(35,733)	(35,733)
Balance at 31 December 2022		2,447,510	(3,234,320)	-	(786,810)

Agri Skylight Ltd (formerly I-Global Holdings Limited)

ABN 28 611 470 010

Statement of Cash Flows**For the Year Ended 31 December 2023**

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Payments to suppliers and employees	(270,068)	(55,803)
Net GST refund received/(GST paid)	(1,862)	368
Net cash provided by/(used in) operating activities	16 (271,930)	(55,435)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Prepayment for investment	(74,928)	(30,534)
Net cash provided by/(used in) investing activities	(74,928)	(30,534)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares	78,305	-
Proceeds from the issue of convertible notes	300,000	-
Payment of interest on convertible notes	(12,500)	-
Proceeds from KMP loan	12,500	5,000
Proceeds from third party loans	-	80,599
Payment of share issue costs	(26,400)	-
Net cash provided by financing activities	351,905	85,599
Net increase/(decrease) in cash and cash equivalents held	5,047	(370)
Cash and cash equivalents at beginning of the year	(8)	362
Cash and cash equivalents at end of financial year	8(a) 5,039	(8)

The accompanying notes form part of these financial statements.

Agri Skylight Ltd (formerly I-Global Holdings Limited)

ABN 28 611 470 010

Notes to the Financial Statements

For the Year Ended 31 December 2023

The financial report covers Agri Skylight Ltd (formerly I-Global Holdings Limited) ("the Company") as an individual entity

Agri Skylight Ltd (formerly I-Global Holdings Limited) is a for-profit Company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the National Stock Exchange of Australia ("NSX").

The functional and presentation currency of Agri Skylight Ltd (formerly I-Global Holdings Limited) is Australian dollars.

The financial report was authorised for issue by the Directors on 15 March 2024.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and the *Corporations Act 2001*.

These financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Going concern

The Company made a loss from continuing operations for the year of \$72,508 (2022: loss of \$123,622) and as at 31 December 2023, the Company was in a net liability position of \$800,703 (2022: net liability of \$786,810) and a net current liability position of \$800,703 (2022: net current liability of \$786,810). These factors, among others indicate the existence of a material uncertainty that may cast doubt over the Company's ability to continue as a going concern and therefore whether it will be able to realise its assets and discharge its liabilities in the normal course of business and at the amounts shown in the financial report.

At the date of this report, the Directors have considered the above factors and are of the opinion that the Company will be able to continue as a going concern and will be able to pay its debts as and when they fall due. This statement is underpinned by the following factors:

- During the year ended 31 December 2023, \$197,991 of balances owing to Dr Koon Lip Choo and other entities related to Dr Koon Lip Choo, has been forgiven.
- Dr Koon Lip Choo, Mr Wei Ming Goh and Mr Francesco Cannavo, authorised signatories of the respective entities to which the Company has balances payable to, have signed a letter of support confirming that, as the Company is currently in the midst of a significant transaction ("Ferlab transaction"), all terms and conditions, including interest calculations, for the convertible notes, loans or similar agreements currently in place, have been put on hold from 1 October 2022 pending the completion of the Ferlab transaction. They have further confirmed that the outstanding amounts will not be called upon before the completion of the Ferlab Transaction (refer to Note 23) and that they will only call on the outstanding amounts when the Company is able to repay either in cash or conversion to equity.

Notes to the Financial Statements

For the Year Ended 31 December 2023

1 Basis of Preparation (continued)

Going concern (continued)

- On 11 January 2023, the Company successfully raised \$300,000 via the issue of 300,000 unlisted convertible notes at \$1 each to a professional and sophisticated investor ("noteholder") in Malaysia, with a maturity date of 30 June 2023. Interest calculated at 5% per annum is payable on the maturity date. All or part of the convertible notes can be converted into shares at the election of the Company at any time prior to maturity and the number of shares to be issued in respect of each convertible note will be calculated by dividing the face value of the notes by the conversion price of \$0.05 (post 10:1 share consolidation). Subsequent to year end, the maturity date of the convertible note has been extended by understanding between the Company and the noteholder and it is expected that the convertible notes will be converted to shares following the completion of the Ferlab Transaction and NSX re-listing.
- On 18 September 2023, the Company received firm commitments to raise \$140,000 before costs via a two-tranche placement to professional and sophisticated investors of fully paid ordinary shares at a price of \$0.07 per share. The first tranche, issued on 18 September 2023, comprised \$78,306 for 1,118,654 shares. The second tranche comprising \$61,694 for 881,346 shares was issued subsequent to year end on 19 January 2024 after receiving shareholder approval at the Extraordinary General Meeting held on 22 November 2023.
- The Directors of the Company have prepared a cash flow forecast for the period ending 31 July 2025 which indicates that, with further capital raising, the Company will have sufficient funds to meet its expenditure commitments and to support its current level of corporate overheads. Historically, the Company has been successful in raising funds via capital raisings and convertible note issues and the Directors are confident that further capital can be raised through these avenues, if required.

On the basis of the above factors, the Directors have deemed it appropriate to prepare the financial statements on the going concern basis. If the Company is not successful in meeting its cash flow forecasts, the going concern basis may not be appropriate and the Company may be required to realise its assets and discharge its liabilities other than in the normal course of business.

2 Summary of Material Accounting Policies

(a) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the financial statements.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Material Accounting Policies (continued)

(a) Income Tax (continued)

- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(b) Revenue and other income

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue from consultancy and brand royalty fees over time when it provides the relevant service to the customer.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(c) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following category, those measured at:

- amortised cost.

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Material Accounting Policies (continued)

(c) Financial instruments (continued)

Financial assets (continued)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Material Accounting Policies (continued)

(c) Financial instruments (continued)

Financial assets (continued)

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables has been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, and borrowings.

(d) Foreign currency transactions and balances

Transaction and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Material Accounting Policies (continued)

(d) Foreign currency transactions and balances (continued)

Transaction and balances (continued)

- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

(e) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 1 January 2023, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

(f) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the Company.

3 Critical Accounting Estimates and Judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The directors have not made any significant accounting estimates or judgements which are likely to affect the future results of the Company, other than those outlined in Note 1 Going Concern.

Notes to the Financial Statements

For the Year Ended 31 December 2023

4 Other Income

Revenue from continuing operations

	2023	2022
	\$	\$
Other income:		
- Reversal of provision no longer required	-	34,287
- Forgiveness of loan	197,991	-
- Foreign currency translation gains	150	-
Total other income	198,141	34,287

5 Result for the Year

The result for the year includes the following specific expenses:

	2023	2022
	\$	\$
Depreciation expenses		
Depreciation - office equipment	-	34
Total depreciation expenses	-	34
Foreign currency translation losses	-	5,819
Finance costs:		
Interest on loan	14,557	16,326
Total finance costs	14,557	16,326

6 Income Tax Expense

Reconciliation of income tax to accounting profit:

	2023	2022
	\$	\$
Loss before income tax	(72,508)	(123,622)
Income tax rate	25.00 %	25.00 %
Prima facie tax payable on loss from ordinary activities before income tax	(18,127)	(30,906)
Adjusted for tax effect of:		
- tax losses not brought to account	18,127	30,906
Income tax expense	-	-

Notes to the Financial Statements

For the Year Ended 31 December 2023

7 Operating Segments

Segment information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

Management has determined that the Company has one reportable segment, being investment in the agriculture, farming and fertilizer space predominantly in the region of Southeast Asia. As the Ferlab Transaction has not been completed yet as at 31 December 2023, the Company does not conduct material activities outside the Australia geographic area.

8 Cash and Cash Equivalents

		2023	2022
	Note	\$	\$
Cash on hand		1	1
Cash at bank		5,038	-
Total cash and cash equivalents	8(a)	5,039	1

(a) Reconciliation of cash

Cash and cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents	8	5,039	1
Bank overdrafts	12	-	(9)
Balance as per statement of cash flows		5,039	(8)

9 Trade and Other Receivables

	2023	2022
	\$	\$
CURRENT		
GST receivable	8,590	6,728
TFN withholding credits	105	105
Funds held in trust	61,694	-
Total current trade and other receivables	70,389	6,833

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.

Notes to the Financial Statements

For the Year Ended 31 December 2023

10 Other Assets

	2023	2022
	\$	\$
CURRENT		
Prepayments	110,559	39,822
Total current other assets	110,559	39,822

11 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
<i>Unsecured liabilities:</i>		
Trade payables and accruals	135,549	153,716
Share subscription account	61,694	-
Total current trade and other payables	197,243	153,716

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.

12 Borrowings

		2023	2022
	Note	\$	\$
CURRENT			
<i>Unsecured liabilities:</i>			
Convertible notes	12(a)	295,347	-
Payable to key management personnel	12(c)	12,500	13,889
Other loans from third party	12(b), 12(c)	481,600	665,852
		789,447	679,741
<i>Secured liabilities:</i>			
Bank overdraft		-	9
		-	9
Total current borrowings		789,447	679,750

(a) January 2023 convertible notes

On 11 January 2023, the Company successfully raised \$300,000 via the issue of 300,000 unlisted convertible notes at \$1 each to a professional and sophisticated investor ("noteholder") in Malaysia, with a maturity date of 30 June 2023. Interest calculated at 5% per annum is payable on the maturity date. All or part of the convertible notes can be converted into shares at the election of the Company at any time prior to maturity and the number of shares to be issued in respect of each convertible note will be calculated by dividing the face value of the notes by the conversion price of \$0.05 (post 10:1 share consolidation). On 1 August 2023, the maturity date of the convertible note has been extended by understanding between the Company and the noteholder and it is expected that the convertible notes will be converted to shares following the completion of the Ferlab Transaction and NSX re-listing.

Notes to the Financial Statements

For the Year Ended 31 December 2023

12 Borrowings (continued)

(b) Convertible notes - GS Skylight Berhad

The Company entered into a converting loan note agreement with GA Skylight Berhad, a company related to Dr Koon Lip Choo, for an amount of \$275,000 on 7 October 2021. The convertible notes are issued at \$1.00 per note, do not accrue any interest and have a term of 12 months. Notes that do not convert at the end of the term will accrue interest at 10% per annum until the amount is repaid. See Note 12(c) below for the current status of these convertible notes.

(c) Suspended terms and conditions of loans

Pending the completion of the Ferlab Transaction, all terms and conditions relating to loans from third parties, including the convertible notes (except for the January 2023 convertible notes), as well as the amounts payable to key management personnel have been suspended from 1 October 2022. It is anticipated that these amounts will be settled in either cash or equity subsequent to the completion of project.

(d) Loans forgiven

During the year ended 31 December 2023, the following amounts were forgiven:

- Payable to key management personnel \$13,889; and
- Other loans from third party \$184,102.

13 Issued Capital

	2023	2022
	\$	\$
8,576,350 (2022: 74,587,001) fully paid ordinary shares	2,852,971	2,774,666
Share issue costs	(353,556)	(327,156)
Total issued capital	2,499,415	2,447,510

(a) Ordinary shares

	2023	2022
	No.	No.
At the beginning of the reporting period	74,587,001	74,587,001
Shares issued during the reporting period:		
- 10:1 share consolidation completed on 21 June 2023	(67,129,305)	-
- issued via private placement at \$0.07 per share	1,118,654	-
At the end of the reporting period	8,576,350	74,587,001

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.

Notes to the Financial Statements

For the Year Ended 31 December 2023

13 Issued Capital (continued)

(b) Capital Management

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

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

The Company 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.

14 Reserves

	2023 \$	2022 \$
Convertible instruments reserve		
Opening balance	-	35,733
Issue of convertible notes	6,710	-
Reversal of convertible note at maturity	-	(35,733)
Closing balance	6,710	-
Total reserves	6,710	-

(a) Convertible instruments reserve

The convertible instruments reserve records the equity component of the issued convertible notes. The liability component is reflected in borrowings, in Note 12.

15 Accumulated losses

	2023 \$	2022 \$
Accumulated losses at the beginning of the year	(3,234,320)	(3,110,698)
Net profit/(loss) for the year	(72,508)	(123,622)
Accumulated losses at end of the year	(3,306,828)	(3,234,320)

Notes to the Financial Statements

For the Year Ended 31 December 2023

16 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

	2023	2022
	\$	\$
Net profit/(loss) for the year	(72,508)	(123,622)
Non-cash flows in profit:		
- depreciation expense	-	34
- forgiveness of loan	(197,991)	-
- accrued finance costs	14,557	16,326
- unrealised foreign exchange losses/(gains)	(150)	5,819
- reversal of provision no longer required	-	(34,287)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(1,862)	368
- (increase)/decrease in other assets	4,191	1,424
- increase/(decrease) in trade and other payables	(18,167)	78,503
Cashflows from operations	(271,930)	(55,435)

(b) Changes in liabilities arising from financing activities

	2022	Cash flows	Non-cash changes		2023
	\$	\$	Foreign exchange movement	Other non-cash movement	\$
Payable to key management personnel	13,889	12,500	-	(13,889)	12,500
Other loans from third party	665,852	-	(150)	(184,102)	481,600
Convertible notes	-	287,500	-	7,847	295,347
Total liabilities from financing activities	679,741	300,000	(150)	(190,144)	789,447

	2021	Cash flows	Non-cash changes		2022
	\$	\$	Foreign exchange movement	Other non-cash movement	\$
Payable to key management personnel	8,889	5,000	-	-	13,889
Other loans from third party	288,108	80,599	5,819	291,326	665,852
Convertible notes	239,267	-	-	(239,267)	-
Total liabilities from financing activities	536,264	85,599	5,819	52,059	679,741

Notes to the Financial Statements

For the Year Ended 31 December 2023

16 Cash Flow Information (continued)

(c) Borrowing facilities

The following facilities were available at the end of the reporting period:

	2023 \$	2022 \$
Total facilities		
Loan from director	12,500	450,000
	<u>12,500</u>	<u>450,000</u>
Used at reporting date		
Loan from director	12,500	13,889
	<u>12,500</u>	<u>13,889</u>
Unused at reporting date		
Loan from director	-	436,111
	<u>-</u>	<u>436,111</u>

17 Earnings per Share

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

	2023 \$	2022 \$
Loss from continuing operations	(72,508)	(123,622)
Earnings used to calculate basic EPS from continuing operations	<u>(72,508)</u>	<u>(123,622)</u>
Earnings used in the calculation of dilutive EPS from continuing operations	<u>(72,508)</u>	<u>(123,622)</u>

(b) Earnings used to calculate overall earnings per share

Earnings used to calculate overall earnings per share	<u>(72,508)</u>	<u>(123,622)</u>
--	-----------------	------------------

(c) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	2023 No.	2022 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS (post consolidation)	7,779,501	7,457,696
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	<u>7,779,501</u>	<u>7,457,696</u>

Notes to the Financial Statements

For the Year Ended 31 December 2023

18 Financial Risk Management

The Company's principal financial instruments comprise of trade receivables, trade payables, borrowings and cash at bank. The main purpose of holding these instruments is to invest surplus members' funds in order to maximise returns while not exposing the Company to high levels of risk.

This note presents information about the Company's exposure to financial instrument risks, its objectives, policies and processes for measuring and managing risk.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2023 \$	2022 \$
Financial Assets			
Financial assets at amortised cost:			
- Cash and cash equivalents	8	5,039	1
- Trade and other receivables	9	61,799	105
Total financial assets		66,838	106
Financial Liabilities			
Financial liabilities at amortised cost:			
- Trade and other payables	11	197,243	153,716
- Borrowings	12	789,447	679,750
Total financial liabilities		986,690	833,466

Note: The total amounts disclosed here exclude statutory amounts (e.g. GST input tax credit recoverable and taxes payable).

Objectives, policies and processes

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The day-to-day risk management is carried out by the Company's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Executive Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements.

It is, and has been throughout the period under review, the Company's policy that no trading of financial instruments shall be undertaken. The main risks arising from holding these financial instruments are foreign exchange risk, interest rate risk, liquidity risk and credit risk. The Company is not exposed to price risk. Mitigation strategies for specific risks faced are described below:

Notes to the Financial Statements

For the Year Ended 31 December 2023

18 Financial Risk Management (continued)

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

At the reporting date, whilst the Company is reporting a net deficiency position, the Board of Directors is confident that the Company will have sufficient liquid resources to meet its obligations under all reasonably expected circumstances, based on the factors outlined in Note 1 under "Going Concern".

The table below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Notes to the Financial Statements

For the Year Ended 31 December 2023

18 Financial Risk Management (continued)

Liquidity risk (continued)

The Company's liabilities have contractual maturities which are summarised below:

	Not later than 1 month		1 to 3 months		3 months to 1 year		1 to 5 years		Total Contractual Cashflow/ Carrying Amount	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Trade and other payables	197,243	153,716	-	-	-	-	-	-	197,243	153,716
Payable to key management personnel	-	-	-	-	12,500	13,889	-	-	12,500	13,889
Other loans from third party	-	-	-	-	481,600	665,852	-	-	481,600	665,852
Convertible notes	-	-	-	-	295,347	-	-	-	295,347	-
Bank overdraft	-	9	-	-	-	-	-	-	-	9
Total	197,243	153,725	-	-	789,447	679,741	-	-	986,690	833,466

Notes to the Financial Statements

For the Year Ended 31 December 2023

18 Financial Risk Management (continued)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

The Board receives monthly reports summarising the turnover, trade receivables balance and aging profile of each of the key customers individually and the Company's other customers analysed by industry sector as well as a list of customers currently transacting on a prepayment basis or who have balances in excess of their credit limits.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

On a geographical basis, the Company has significant credit risk exposures in Australia, given the substantial operations in that region.

The Company applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 December 2023 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect the Company's detailed assessment of their customers' ability to settle their debts.

Notes to the Financial Statements

For the Year Ended 31 December 2023

18 Financial Risk Management (continued)

Credit risk (continued)

On that basis, the loss allowance as at 31 December 2023 was determined as follows for trade receivables:

		Past due but not impaired (days overdue)				Within initial trade terms
	Gross amount \$	Past due and impaired \$	< 30 \$	31-60 \$	61-90 \$	> 90 \$
2023						
Expected loss rate		- %	- %	- %	- %	- %
Trade and other receivables	61,799	-	-	-	-	61,799
Loss allowance	-	-	-	-	-	-
2022						
Expected loss rate		- %	- %	- %	- %	- %
Trade and other receivables	105	-	-	-	-	105
Loss allowance	-	-	-	-	-	-

The Company does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Interest rate risk

The Company is exposed to interest rate risk as surplus funds are invested at floating rates. Borrowings from non-related parties are interest bearing and carries interest rate risk. Related party borrowings are non-interest bearing and does not create any interest rate risk.

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date, the Company is exposed to changes in market interest rates through its bank deposits, which are subject to variable interest rates.

	2023 \$	2022 \$
Floating rate instruments		
Cash at bank	5,038	-
Total floating rate instruments	5,038	-

Notes to the Financial Statements

For the Year Ended 31 December 2023

18 Financial Risk Management (continued)

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +0.10% and -0.10% (2022: +0.10%/-0.10%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions.

The calculations are based on the financial instruments held at each reporting date. All other variables are held constant.

	2023		2022	
	+0.10%	-0.10%	+0.10%	-0.10%
	\$	\$	\$	\$
Net results	5	(5)	-	-
Equity	5	(5)	-	-

(ii) Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Company holds financial instruments which are other than the AUD functional currency of the Company.

Exposures to currency exchange rates arise from the Company's borrowings, some of which are denominated in Singapore Dollars ("SGD") and US Dollar ("USD").

The Company does not hedge nor apply hedge accounting. The implications of this decision are that unrealised foreign exchange gains and losses are recognised in profit and loss in the period in which they occur.

Generally, the Company's risk management procedures distinguish short-term foreign currency cash flows (due within 6 months) from longer-term cash flows. Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no further hedging activity is undertaken.

Foreign currency denominated financial assets and liabilities, translated into Australian Dollars ("AUD") at the closing rate, are as follows:

	SGD	USD	AUD	Total AUD
	\$	\$	\$	\$
2023				
<i>Nominal amounts</i>				
Financial assets	-	-	66,838	66,838
Financial liabilities	-	-	(986,690)	(986,690)
Short-term exposure	-	-	(919,852)	(919,852)
2022				
<i>Nominal amounts</i>				
Financial assets	-	-	106	106
Financial liabilities	(31,733)	(48,355)	(753,378)	(833,466)
Short-term exposure	(31,733)	(48,355)	(753,272)	(833,360)

The following table illustrates the sensitivity of the net result for the year and equity in regards to the Company's financial assets and financial liabilities, the SGD–AUD exchange rate, and the USD–AUD exchange rate.

Notes to the Financial Statements

For the Year Ended 31 December 2023

18 Financial Risk Management (continued)

There have been no changes in the assumptions calculating this sensitivity from prior years.

It assumes a +/- 0.0071% (2022: +/- 0.0284%) change of the AUD/SGD exchange rate and a +/- 0.0022% (2022: +/- 0.0281%) change of the AUD/USD exchange rate for the year ended 31 December 2023. These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months.

The year end rates at 31 December 2023 are 0.9014 SGD (2022: 0.9102 SGD) and 0.6840 USD (2022: 0.6775 USD), respectively.

The sensitivity analysis is based on the foreign currency financial instruments held at the reporting date.

As at 31 December 2023, if the AUD had strengthened and weakened against SGD and USD by 0.0071% (2022: 0.0284%) and 0.0022% (2022: 0.0281%) respectively, then these would have had the following impact:

	2023		2022	
	Increase	Decrease	Increase	Decrease
	\$	\$	\$	\$
SGD				
Net results	-	-	(9)	9
Equity	-	-	(9)	9
USD				
Net results	-	-	(13)	14
Equity	-	-	(13)	14

Exposures to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Company's exposure to foreign currency risk.

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables and payables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments. None of the Company's financial instruments are revalued at fair value post initial recognition.

Notes to the Financial Statements

For the Year Ended 31 December 2023

19 Key Management Personnel Remuneration

The names of directors who have held office during the financial year are outlined in the Directors' Report. Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the KMP for the year ended 31 December 2023.

Key management personnel remuneration included within employee expenses for the year is shown below:

	2023	2022
	\$	\$
Short-term employee benefits and consulting & professional fee	117,600	43,677
Total key management personnel remuneration	117,600	43,677

20 Related Parties

(a) The Company's main related parties are as follows:

Key management personnel - refer to Note 19.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following table provides the total amount of transactions that have been entered into with related parties during the periods ended 31 December 2023 and 2022, as well as balances with related parties as at 31 December 2023 and 31 December 2022:

	Sales	Purchases	Balance outstanding	
	\$	\$	Owed to the Company	Owed by the Company
			\$	\$
KMP related parties				
Loan from Dr Koon Lip Choo, Director:				
2023	13,889	-	-	12,500
2022	-	-	-	13,889

(c) Other transactions with related parties

Transactions with I-Global Capital Limited

I-Global Capital Limited ("IGC") is a company incorporated in the British Virgin Islands that was a subsidiary of the Company owned via i-Global Holdings Pte Ltd prior to its disposal for consideration of US\$1 via an agreement dated 1 December 2017.

The directors have assessed the relationship between IGC, the Company, its directors and key management personnel, and determined that no related party relationship exists under the requirements of AASB 124 *Related Party Disclosures*. However, given the significance of the relationship with IGC, and the nature of certain transactions between the parties, the directors have deemed it appropriate to disclose the following transactions in the interest of transparency.

Notes to the Financial Statements

For the Year Ended 31 December 2023

20 Related Parties (continued)

(c) Other transactions with related parties (continued)

As at 31 December 2023, the Company had amounts payable to IGC of \$7,181 (2022: \$19,381). Further, the Company has amounts payable to Mr Wei Ming Goh of \$77,484 (2022: \$150,274) and GACH Limited, of which Mr Wei Ming Goh is a director, of \$41,334 (2022: \$73,067). Mr Wei Ming Goh is a shareholder and director of IGC.

During the year ended 31 December 2023, the following amounts have been forgiven:

- IGC \$12,200;
- Mr Wei Ming Goh \$72,790; and
- GACH Limited \$32,043.

Pending the completion of the Ferlab Transaction, all terms and conditions relating to the above-mentioned balances have been suspended from 1 October 2022. It is anticipated that these amounts will be settled in either cash or equity subsequent to the completion of project.

Transactions with GA Skylight Berhad

The Company entered into a converting loan note agreement with GA Skylight Berhad, a company related to Dr Koon Lip Choo, for an amount of \$275,000 on 7 October 2021. The convertible notes are issued at \$1.00 per note, do not accrue any interest and have a term of 12 months. Notes that do not convert at the end of the term will accrue interest at 10% per annum until the amount is repaid. Dr Koon Lip Choo is a director and major shareholder of GA Skylight Berhad.

During the year ended 31 December 2022, GA Skylight Berhad advanced the Company a further \$76,600. This advance does not accrue any interest and have not fixed repayment terms.

Pending the completion of the Ferlab Transaction, all terms and conditions relating to the above-mentioned balances have been suspended from 1 October 2022. It is anticipated that these amounts will be settled in either cash or equity subsequent to the completion of project.

21 Auditor's Remuneration

During the year, the following fees were paid or payable for services provided to the auditor of the Company:

	2023	2022
	\$	\$
Connect National Audit:		
- auditing or reviewing the financial statements	15,000	15,000
Total auditors' remuneration	15,000	15,000

22 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2023 (31 December 2022: None).

Notes to the Financial Statements

For the Year Ended 31 December 2023

23 Commitments

Proposed Acquisition of Ferlab Sdn. Bhd.

On 14 October 2022, the Company signed a non-binding term sheet ("Term Sheet") with Ferlab Sdn. Bhd. ("Ferlab") and Mr Teo Bee Thai, its sole shareholder ("Ferlab Shareholder") to acquire 49% of the shares in Ferlab ("Ferlab Transaction" or "the 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".

Ferlab currently has 300,000 fully paid ordinary shares on issue, all of which are held by the Ferlab Shareholder. The Ferlab Shareholder is also the sole director of Ferlab.

Progress of Ferlab Transaction since the 31 December 2022

The due diligence of Ferlab was completed in March 2023 and the Company entered into a binding Share Sale Agreement ("Share Sale Agreement") with Ferlab and the Ferlab Shareholder on or around 17 April 2023 to acquire 49% of the shares in Ferlab from the Ferlab Shareholder ("Ferlab Transaction"). The key terms for the Ferlab Transaction as detailed in the Share Sale Agreement include the following:

1. Subject to satisfaction or waiver of the conditions described below, 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 (on a post-consolidation basis) to the Ferlab Shareholder for a deemed aggregate issue price of A\$612,500. The Ferlab Shareholder will receive 6,000,000 IGH Shares (on a post-consolidation basis) upon completion of the Ferlab Transaction, subject to shareholder approval at the Annual General Meeting ("AGM") of the Company held on 31 May 2023. The balance of the consideration totalling 6,250,000 IGH shares (on a post-consolidation basis) will be issued to the Ferlab Shareholder by way of 5 equal 6-monthly instalments of 1,000,000 IGH shares each, plus a sixth and final instalment of 1,250,000 IGH shares, subject to IGH in each case obtaining all necessary shareholder and NSX approvals. Approval is being sought for the first instalment of 1,000,000 IGH shares pursuant to Resolution 9, to be issued 6 months after completion of the Ferlab Transaction.
2. Subject to satisfaction or waiver of the conditions described below, 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 (on a post-consolidation basis) in four (4) tranches subject to and conditional upon the achievement of certain business performance milestones for the 2023 and 2024 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.
3. Completion of the Ferlab Transaction under the Share Sale Agreement remains subject to and conditional upon the satisfaction of various conditions precedent including:
 - a. the Company convening a meeting of its members to obtain shareholder approval for the matters included in the Notice of Meeting and such other matters requiring shareholder approval under the *Corporations Act 2001* and the NSX Listing Rules, or otherwise as required by the NSX or ASIC;
 - b. completion of the Share Consolidation;
 - c. the Company obtaining approval from the NSX to its re-admission to the official list on completion of the Ferlab Transaction;

Notes to the Financial Statements

For the Year Ended 31 December 2023

23 Commitments (continued)

Proposed Acquisition of Ferlab Sdn. Bhd. (continued)

- d. Ferlab and/or the Ferlab Shareholder obtaining all necessary government and regulatory approvals for the Ferlab Transaction;
 - e. the Company, the Ferlab Shareholder and Ferlab entering a shareholder agreement to govern the relationship of the parties with respect to the Company post Completion;
 - f. the Ferlab Shareholder being appointed as a non-executive director of the Company and entering a Director Service Agreement on customary terms;
 - g. a nominee of the Company being appointed a Director of Ferlab;
 - h. the Company completing financial, tax and legal due diligence on Ferlab, and being satisfied with the results of those due diligence enquiries; and
 - i. to the extent necessary, the Company obtaining Foreign Investment Review Board ("FIRB") approvals to the Ferlab Transaction.
4. The Ferlab Shareholder will be subject to restraint of trade obligations preventing him from engaging in any competing business of Ferlab and soliciting any customers or employees of Ferlab. The scope of the restraints are for a maximum area of South East Asia and period of three (3) years, subject to usual cascading provisions.
 5. The Ferlab Shareholder has provided comprehensive vendor warranties with respect to the sale shares, Ferlab and Ferlab's assets and business operations which are customary of a transaction of this nature.
 6. The Share Sale Agreement is governed by the laws in Victoria, Australia.

Pursuant to the non-binding term sheet, the Company has in connection with the Ferlab Transaction also agreed in principle to the following:

1. To provide additional future contributions to Ferlab up to A\$200,000 in aggregate.
2. Following completion of the Ferlab Transaction, the balance of the convertible notes issued by IGH to Dr Koon Lip Choo (and/or his nominee) and the remaining unpaid director fees and outstanding director loans owing to Dr Koon Lip Choo (and/or his nominee) shall be converted into additional new IGH shares (on a post-consolidation basis) at a deemed issue price of A\$0.05 per share. The times and instalments of these future 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.
3. The Company's Directors (not including the Ferlab nominated Director) will be issued in aggregate up to 4,700,000 IGH shares (on a post-consolidation basis), in consideration for their appointment or continued appointment to the IGH board.

In respect of the items mentioned above, during the AGM of the Company held on 31 May 2023, in addition to other matters included in the Notice of Meeting, the shareholders have approved the following resolutions that are related to the Ferlab Transaction:

1. Election of Mr Teo Bee Thai (a.k.a. Mr Vincent Teo) as a Director of the Company;
2. Approval of Ferlab acquisition;

Notes to the Financial Statements

For the Year Ended 31 December 2023

23 Commitments (continued)

Proposed Acquisition of Ferlab Sdn. Bhd. (continued)

3. Approval of issue of fully paid ordinary shares to the Ferlab Shareholder;
4. Approval of grant of performance rights to the Ferlab Shareholder;
5. Approval of issue of fully paid ordinary shares (on a post-consolidation basis) to Koon Lip Choo, Director of the Company;
6. Approval of issue of fully paid ordinary shares (on a post- consolidation basis) to Michael Beer, Director of the Company;
7. Approval of issue of fully paid ordinary shares (on a post-consolidation basis) to Matthew Leonard, Director of the Company;
8. Approval of 10:1 share consolidation;

On 21 June 2023, the Company, subsequent to receiving shareholder approval at the AGM held on 31 May 2023, completed a ten to one (10:1) share consolidation. In accordance with the terms of the resolution approved at the AGM, where the consolidation resulted in a fraction of a share being held, the Company rounded that fraction down to the nearest whole share. Due to this rounding, the total number of fully paid ordinary shares post consolidation is 7,457,696.

On 22 June 2023, the Company, subsequent to receiving shareholder approval at the AGM held on 31 May 2023, changed its name from i-Global Holdings Limited to Agri Skylight Ltd. The name, Agri Skylight, more accurately reflects the proposed future operations of the Company. The name change has been registered with ASIC and Agri Skylight shares will trade with the NSX code AGS (NSX: AGS) effective from 3 July 2023. Where i-Global Holdings Limited or IGH is mentioned in the Share Sale Agreement or Term Sheet, these will be replaced with Agri Skylight Ltd or AGS respectively.

On 19 January 2024, the Company issued shares to its Directors in lieu of remuneration pursuant to the relevant resolutions approved at the AGM. The deemed issue price of these shares was \$0.05 per share and were issued to the following Directors:

- Dr Koon Lip Choo - 900,000 fully paid ordinary shares;
- Mr Matthew Robert Leonard - 1,800,000 full paid ordinary shares; and
- Mr Michael Robin Beer - 2,000,000 fully paid ordinary shares.

On 23 January 2024, the Company received a letter from NSX granting conditional approval for re-compliance with the NSX Listing Rules. The Company is currently working towards and fulfilling the conditions set out in the letter.

Notes to the Financial Statements

For the Year Ended 31 December 2023

24 Events Occurring After the Reporting Date

On 11 January 2023, the Company raised \$300,000 via the issue of 300,000 unlisted convertible notes at \$1 each to a professional and sophisticated investor ("noteholder") in Malaysia, with a maturity date of 30 June 2023. Interest calculated at 5% per annum is payable on the maturity date. All or part of the convertible notes can be converted into shares at the election of the Company at any time prior to maturity and the number of shares to be issued in respect of each convertible note will be calculated by dividing the face value of the notes by the conversion price of \$0.005. It is noted that the Company intends to undertake a 10:1 share consolidation of all of its issued shares. In the event that the share consolidation is completed prior to the date a conversion notice is given, the issue price per share to be issued to the noteholder for the purposes of calculating the "number of shares" in the above formula shall be \$0.05.

On 19 January 2024, the second tranche of the two-tranche placement to professional and sophisticated investors at \$0.07 per share comprising 881,346 shares was issued subsequent to receiving shareholder approval at the Extraordinary General Meeting held on 22 November 2023. This issue of shares enabled the release of funds previously held in a solicitor's trust fund totalling \$61,694 to the Company to be applied towards general working capital and strengthening the Company's balance sheet.

On 19 January 2024, the Company issued shares to its Directors in lieu of remuneration subsequent to receiving shareholder approval at the AGM held on 31 May 2023. The deemed issue price of these shares was \$0.05 per share and were issued to the following Directors:

- Dr Koon Lip Choo - 900,000 fully paid ordinary shares;
- Mr Matthew Robert Leonard - 1,800,000 full paid ordinary shares; and
- Mr Michael Robin Beer - 2,000,000 fully paid ordinary shares.

The Company is still in the process of completing the acquisition of 49% of the shares in Ferlab Sdn. Bhd. from the Ferlab shareholder ("Ferlab Transaction"). On 23 January 2024, the Company received a letter from NSX granting conditional approval for re-compliance with the NSX Listing Rules. The Company is currently working towards and fulfilling the conditions set out in the letter. See Note 23 for further information regarding the Ferlab Transaction.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

25 Statutory Information

The registered office of and principal place of business of the Company is:

Agri Skylight Ltd (formerly I-Global Holdings Limited)
'Block Arcade'
Suite 324
Level 3, 96 Elizabeth Street
Melbourne VIC 3000

Directors' Declaration

The directors of the Company declare that:

- 1. the financial statements and notes for the year ended 31 December 2023 as set out on pages 17 to 46, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position and performance of the Company;
- 2. the Chief Executive Officer and Chief Finance Officer have given the declarations required by Section 295A of the *Corporations Act 2001* that:
 - a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - b. the financial statements and notes for the financial year comply with the Accounting Standards; and
 - c. the financial statements and notes for the financial year give a true and fair view.
- 3. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, based on the factors outlined in Note 1 under "Going Concern" to the financial statements.

This declaration is made in accordance with a resolution of the Board of Directors.



Executive Director & CEO
Dr Koon Lip Choo

Dated this 15th day of March 2024

**Independent Auditor's Report
To the Members of Agri Skylight Ltd
Report on the Audit of the Financial Report**

Opinion

We have audited the financial report of Agri Skylight Ltd (the "Company"), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended, and notes to the financial statements, including a summary of material accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Agri Skylight Ltd, is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2023 and of its performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

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 Company 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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates the existence of a material uncertainty which may cast a significant doubt on the company's ability to continue as a going concern and therefore, the company may be unable to realise their assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report. Our opinion is not modified in respect of this matter.

Key Audit Matters

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's financial report for the year ended 31 December 2023, 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.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This review report relates to the financial report of Agri Skylight Ltd for the year ended 31 December 2023 included on Agri Skylight Ltd web site. The directors are responsible for the integrity of the Agri Skylight Ltd web site. We have not been engaged to report on the integrity of the Agri Skylight Ltd web site. The review report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report resented on this web site.

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 Company's ability 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 Company 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 the 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 15 of the directors' report for the financial year ended 31 December 2023.

In our opinion the Remuneration Report of Agri Skylight Ltd for the financial year ended 31 December 2023 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.

Connect National Audit

CONNECT NATIONAL AUDIT PTY LTD

Authorised Audit Company No. 521888



**ROBIN KING HENG LI CA RCA
DIRECTOR**

Date 15 March 2024

Additional Information for Listed Public Companies

For the Year Ended 31 December 2023

NSX Additional Information

Additional information required by the NSX Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 05 March 2024.

Substantial shareholders

The number of substantial shareholders and their associates are set out below:

Shareholders	Number of shares
Michael Beer	2,000,000
Zulkifli Bin Mohd Sharif	2,000,000
Matthew Leonard	1,800,000
Koon Lip Choo	1,740,000
Eng Yeo Nyo	1,397,680
	<u>8,937,680</u>

Voting rights

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.

Distribution of equity security holders

Holding	Ordinary shares
1 - 1,000	520
1,001 - 5,000	217,386
5,001 - 10,000	184,365
10,001 - 100,000	2,614,480
100,000 and over	11,140,945
	<u>14,157,696</u>

Based on the price per security, there was 68 holders of less than a marketable parcel of ordinary shares. This equates to a total of 312,271 ordinary shares (2.21% of total issued capital).

Additional Information for Listed Public Companies

For the Year Ended 31 December 2023

Ten largest shareholders

	Ordinary shares Number held
Michael Beer	2,000,000
Zulkifli Bin Mohd Sharif	2,000,000
Matthew Leonard	1,800,000
Koon Lip Choo	1,740,000
Eng Yeo Nyo	1,397,680
Constance Chai Ai Tan	600,000
Angelina Chiu Ling Tan	585,120
Jun Xiong Chua	235,345
Zhen Peng Lim	230,000
Hoo Keng Goh	155,000
Grace Chye Tee Tan	146,280
Yoon Chon Sung	146,280
	11,035,705

Results of the Company for the last 5 years

As specified in the NSX Listing Rules 6.9(9), a summary table of the Company's results as well as assets and liabilities for the last five years is required to be disclosed. The table below provides the comparison of the results, assets and liabilities:

	2023 \$	2022 \$	2021 \$	2020 \$	2019 \$
For the year/period ended 31 December:					
Loss from continuing operations	(72,508)	(123,622)	(203,273)	(125,683)	(137,716)
Profit from discontinued operations	-	-	-	-	156,040
Net profit/(loss) for the year	(72,508)	(123,622)	(203,273)	(125,683)	18,324
As at 31 December:					
Total assets	185,987	46,656	18,374	23,546	25,174
Total liabilities	986,690	833,466	645,829	483,461	359,406
Net deficiency	(800,703)	(786,810)	(627,455)	(459,915)	(334,232)

Shareholder dividend arrangements

No shareholder of the Company has waived or agreed to waive any dividends during the financial year. The Company did not declare any dividends for the year ended 31 December 2023 (31 December 2022: None).

Securities exchange

The Company is listed on the National Stock Exchange of Australia Limited ("NSX").