

I-Global Holdings Limited

ABN 28 611 470 010

Financial Statements

For the Half Year Ended 30 June 2022

I-Global Holdings Limited

ABN 28 611 470 010

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For the Half Year Ended 30 June 2022

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I-Global Holdings Limited

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Directors' Report **For the Half Year Ended 30 June 2022**

The directors present their report on I-Global Holdings Limited ("the Company") for the half year ended 30 June 2022.

Information on directors

The names of each person who has been a director during the half year and to the date of this report are:

Koon Lip Choo

Francesco Cannavo

Justyn Peter Stedwell

Principal activities and significant changes in nature of activities

The principal activities of I-Global Holdings Limited during the financial half year were the provision of management and corporate consulting services to Australian and international clients.

There were no significant changes in the nature of I-Global Holdings Limited's principal activities during the financial half year.

Review of operations

Operations during the period were focused on the continued growth of the management and corporate consulting business. The Company's chairman, Dr Koon Lip Choo, leads a small team of consultants in providing these services with specific focus on corporate management consulting. This business unit is expected to generate the main source of income for the Company.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the half year.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial half year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the half year ended 30 June 2022 has been received and can be found on page 2 of the financial report.

This report is signed in accordance with a resolution of the Board of Directors.

Director:
Dr Koon Lip Choo

Dated this 13th day of September 2022

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

As lead auditor for the review of I-Global Holdings Limited for the half-year ended 30 June 2022, 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 review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of I-Global Holdings Limited.



George Georgiou FCA
Managing Partner
Connect National Audit Pty Ltd
ASIC Authorised Audit Company No.: 521888
Melbourne, Victoria
Date: 13 September 2022

Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 30 June 2022

	30 June 2022 \$	30 June 2021 \$
Continuing Operations		
Employee benefits expense (including directors' fees and remuneration)	(5,000)	(30,000)
Depreciation and amortisation expense	(25)	(44)
Accounting and audit fees	(14,311)	(14,300)
Consulting and professional fees	(15,000)	(15,000)
Share registry and listing fees	(14,788)	(26,823)
Other expenses	(9,195)	(7,328)
Finance costs	(10,784)	(10,614)
Loss before income tax	(69,103)	(104,109)
Income tax expense	-	-
Loss from continuing operations	(69,103)	(104,109)
Net profit/(loss) for the half year	(69,103)	(104,109)
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 income for the half year	(69,103)	(104,109)
Earnings per share for profit/(loss) from continuing operations attributable to the ordinary equity holders of the Company:		
Basic earnings per share (cents)	(0.09)	(0.14)
Diluted earnings per share (cents)	(0.09)	(0.14)
Earnings per share for profit/(loss) attributable to the ordinary equity holders of the Company:		
Basic earnings per share (cents)	(0.09)	(0.14)
Diluted earnings per share (cents)	(0.09)	(0.14)

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Statement of Financial Position

As At 30 June 2022

		30 June 2022	31 December 2021
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		81	362
Trade and other receivables		4,234	7,201
Other assets		-	10,712
TOTAL CURRENT ASSETS		4,315	18,275
NON-CURRENT ASSETS			
Property, plant and equipment		74	99
TOTAL NON-CURRENT ASSETS		74	99
TOTAL ASSETS		4,389	18,374
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	4	141,461	109,565
Borrowings	5	253,156	239,267
TOTAL CURRENT LIABILITIES		394,617	348,832
NON-CURRENT LIABILITIES			
Borrowings	5	306,330	296,997
TOTAL NON-CURRENT LIABILITIES		306,330	296,997
TOTAL LIABILITIES		700,947	645,829
NET ASSETS/(NET DEFICIENCY)		(696,558)	(627,455)
EQUITY/(NET DEFICIENCY)			
Issued capital	6	2,447,510	2,447,510
Reserves		35,733	35,733
Accumulated losses		(3,179,801)	(3,110,698)
TOTAL EQUITY/(NET DEFICIENCY)		(696,558)	(627,455)

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the Half Year Ended 30 June 2022

	Issued Capital	Accumulated Losses	Convertible Instruments Reserve	Total
	\$	\$	\$	\$
Balance at 1 January 2022	2,447,510	(3,110,698)	35,733	(627,455)
Net profit/(loss) for the half year	-	(69,103)	-	(69,103)
Balance at 30 June 2022	2,447,510	(3,179,801)	35,733	(696,558)
Balance at 1 January 2021	2,447,510	(2,907,425)	-	(459,915)
Net profit/(loss) for the half year	-	(104,109)	-	(104,109)
Balance at 30 June 2021	2,447,510	(3,011,534)	-	(564,024)

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Statement of Cash Flows For the Half Year Ended 30 June 2022

	30 June 2022 \$	30 June 2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Payments to suppliers and employees	(12,248)	(56,409)
GST recovered/(paid)	2,967	(746)
Net cash provided by/(used in) operating activities	(9,281)	(57,155)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from loans and borrowings	9,000	61,146
Net cash provided by/(used in) financing activities	9,000	61,146
Net increase/(decrease) in cash and cash equivalents held	(281)	3,991
Cash and cash equivalents at beginning of the half year	362	7,296
Cash and cash equivalents at end of the half year	81	11,287

The accompanying notes form part of these financial statements.

I-Global Holdings Limited

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Notes to the Financial Statements For the Half Year Ended 30 June 2022

The interim condensed financial report covers I-Global Holdings Limited ("the Company") as an individual entity for the six months ended 30 June 2022.

I-Global Holdings Limited ("the Company") is a for-profit Company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded.

The functional and presentation currency of I-Global Holdings Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 13 September 2022.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

This interim financial report for the reporting period ended 30 June 2022 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

The interim financial report is intended to provide users with an update on the latest annual financial statements of I-Global Holdings Limited. As such it does not contain information that represents relatively insignificant changes occurring during the half year within I-Global Holdings Limited. This condensed financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of I-Global Holdings Limited for the year ended 31 December 2021, together with any public announcements made during the half year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except for the adoption of new standards and interpretations effective as of 1 January 2022 included in Note 2(a) to the financial statements. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

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.

Going concern

The Company made a loss from continuing operations for the half year of \$69,103 (6 months to 30 June 2021: loss of \$104,109) and as at 30 June 2022, the Company was in a net liability position of \$696,558 (2021: net liability of \$627,455) and a net current liability position of \$390,302 (2021: net current liability of \$330,557). 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:

Notes to the Financial Statements

For the Half Year Ended 30 June 2022

1 Basis of Preparation (continued)

Going concern (continued)

- On 19 March 2021, Dr Koon Lip Choo has provided a supplement loan agreement which documents his agreement to provide a further facility of up to \$150,000 to the Company from 1 June 2021 to 31 January 2023. This \$150,000 may be drawn down as and when required by the Company in monthly amounts of no greater than \$15,000 per month. The loan is unsecured and interest of 1% of the total drawn down amount is payable on repayment date. The loan is repayable on 15 June 2023. In the event that the Company completes a capital raising of more than \$300,000, this agreement will be terminated and any funds repayable by the Company under this agreement will remain repayable on 15 June 2023. As at the date of this report, \$13,889 is outstanding in respect of this loan facility.
- Mr Wei Ming Goh has signed a letter of support confirming that he will not call upon the amount of \$147,754 payable to him by the Company before 14 December 2023.
- Director of GACH Limited, Mr Wei Ming Goh, has signed a letter of support confirming that the company will not call upon the amount of \$70,136 payable by the Company before 2 December 2023.
- Director of i-Global Capital Limited, Mr Wei Ming Goh, has signed a letter of support confirming that the company will not call upon the amount of \$19,003 payable by the Company before 29 October 2023.
- Director of Global Asset Inc. Limited has signed a letter of support confirming that the company will not call upon the amount of \$65,437 payable by the Company before 22 August 2023.
- 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.
- The Directors of the Company have prepared a cash flow forecast which indicates that, the Company will be able to meet its debts as and when they fall due. The forecast assumptions include the Company drawing down on the \$150,000 loan facility from Dr Koon Lip Choo in full during the 12 months to September 2023. Further, the Directors of the Company have agreed to forego their fees.

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 Changes to Key Policies Not Previously Disclosed

(a) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 1 January 2022, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

Notes to the Financial Statements

For the Half Year Ended 30 June 2022

3 Operating Segments

Segment information

Identification of reportable segments

The Company 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 consultancy and investment in Australia. The Company does not conduct material activities outside the Australia geographic area.

4 Trade and Other Payables

	30 June 2022 \$	31 December 2021 \$
CURRENT		
<i>Unsecured liabilities:</i>		
Trade payables and accruals	108,055	76,159
Other payables	33,406	33,406
Total current trade and other payables	141,461	109,565

Trade payables and accruals 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.

5 Borrowings

	30 June 2022 \$	31 December 2021 \$
CURRENT		
<i>Unsecured liabilities:</i>		
Convertible notes *	239,267	239,267
Payable to key management personnel	13,889	-
Total current borrowings	253,156	239,267

* 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.

NON-CURRENT

Unsecured liabilities:

Payable to key management personnel	4,000	8,889
Other loans from third parties **	302,330	288,108
Total non-current borrowings	306,330	296,997

** These amounts are interest bearing at 10% per annum with the outstanding amounts repayable between 13 August and 18 December 2023.

Notes to the Financial Statements

For the Half Year Ended 30 June 2022

6 Issued Capital

	30 June 2022	31 December 2021
	\$	\$
74,587,001 (2021: 74,587,001) fully paid ordinary shares	2,774,666	2,774,666
Share issue costs	(327,156)	(327,156)
Total issued capital	2,447,510	2,447,510

(a) Ordinary shares

	30 June 2022	31 December 2021
	No.	No.
At the beginning of the reporting period	74,587,001	74,587,001
At the end of the reporting period	74,587,001	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.

(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 half 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.

7 Contingent liabilities

There has been no change in contingent liabilities since the last annual reporting period.

8 Related Parties

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

Key management personnel - refer to list of Directors included in the Directors' report.

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.

Notes to the Financial Statements

For the Half Year Ended 30 June 2022

8 Related Parties (continued)

(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 30 June 2022 and 2021, as well as balances with related parties as at 30 June 2022 and 31 December 2021:

	Sales \$	Purchases \$	Balance outstanding Owed to the Group \$	Owed by the Group \$
KMP related parties				
Loan from Dr Koon Lip Choo, Director:				
30 June 2022	-	-	-	13,889
31 December 2021	-	-	-	8,889
Loan from Francesco Cannavo, Director:				
30 June 2022	-	-	-	4,000
31 December 2021	-	-	-	-

(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.

As at 30 June 2022, the Company had amounts payable to IGC of \$19,003. Further, the Company has amounts payable to Mr Wei Ming Goh of \$147,754 and GACH Limited, of which Wei Ming Goh is a director, of \$70,136. Wei Ming Goh is a shareholder and director of IGC.

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.

I-Global Holdings Limited

ABN 28 611 470 010

Notes to the Financial Statements **For the Half Year Ended 30 June 2022**

9 Events Occurring After the Reporting Date

The financial report was authorised for issue on 13 September 2022 by the board of directors.

No matters or circumstances have arisen since the end of the financial half year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

10 Statutory Information

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


I-Global Holdings Limited
Suite 103, Level 1, 2 Queen Street
MELBOURNE VIC 3000

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 3 to 12 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134 *Interim Financial Reporting*; and
 - (b) give a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the half-year ended on that date.
2. 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 Going Concern.

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

Director

Dr Koon Lip Choo

Dated this 13th day of September 2022

Independent Auditor's Review Report

To the members of I-Global Holdings Limited

Report on the Half-year Financial Report

Conclusion

We have reviewed the accompanying Half-year Financial Report of I-Global Holdings Limited. Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of I-Global Holdings Limited is not in accordance with the Corporations Act 2001, including:

- Giving a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the Half-year ended on that date; and
- Complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

The Half-year Financial Report comprises:

- Statement of financial position as at 30 June 2022;
- Statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the Half-year ended on that date;
- Notes 1 to 10 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

Responsibilities of the Directors for the Half-year Financial Report

The Directors of the Company are responsible for:

- The preparation of the Half-year Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and Corporations Act 2001
- For such internal control as the Directors determine is necessary to enable the preparation of the Half-year Financial Report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the Half-year Financial Report

Our responsibility is to express a conclusion on the Half-year Financial Report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the Half-year Financial Report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 30 June 2022 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As auditor of I-Global Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Material Uncertainty Regarding Going Concern

We draw attention to the Going Concern section in Note 1 of the half-year financial report, which indicates that the Company incurred a loss from continuing operations of \$69,103 during the half-year ended 30 June 2022 and, as of that date, the Company's current liabilities exceeded its current assets by \$390,302. The Company's ability to continue as a going concern is reliant on various assumptions outlined in Note 1, including funding via a director provided loan facility and the generation of forecast future revenues. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.



George Georgiou FCA

Managing Partner

Connect National Audit Pty Ltd

ASIC Authorised Audit Company No.: 521888

Melbourne, Victoria

Date: 13 September 2022