LOVE GROUP
Stock code: LVE

LOVE Group Global Ltd (ASX:LVE)
ABN: 82 009 027 178

LOVE GROUP GLOBAL LTD

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

APPENDIX 4E - GIVEN TO THE ASX UNDER LISTING RULE 4.3A

1. Details of reporting period

Reporting Period:	30 June 2017
Previous corresponding period:	30 June 2016

2. Results for Announcement to the Market

	Percentage change Up or Down	%		$'000
Revenue from ordinary activities	up	638%	to	2,125
(Loss) from continuing activities after tax attributable to members	up	34%	to	(3,501)
(Loss) for the period attributable to members	up	59%	to	(3,421)

3. Dividends and Distributions

Dividends	Amount per Security	Franked amount per security
Interim Dividend	Nil	Nil
Final Dividend	Nil	Nil
Record date for determining entitlements to dividends		
- Interim Dividend		Not Applicable
- Final Dividend		Not Applicable
Dividend payment date		
- Interim Dividend		Not Applicable
- Final Dividend		Not Applicable

LOVE Group Global Ltd (ASX:LVE)
ABN: 82 009 027 178

4. Net Tangible Assets per security

Net Tangible Assets (NTA)	June 2017	June 2016
Net Tangible Assets per security	1.6 Cents	8.4 Cents

5. Details of Entities over which control has been gained or lost during the period

Entities over which control has been gained during the period are as follows:

Name of Entity	Date control gained	Contribution to profit / (loss) from ordinary activities during the period $'000
Lovestruck Limited	31 July 2016	(1,189)
Noonswoon Co., Limited	19 December 2016	(58)

Entities over which control has been lost during the period are as follows:

Name of Entity	Date control lost	Contribution to profit / (loss) from ordinary activities during the period $'000	Contribution to profit / (loss) from ordinary activities during the previous corresponding period $'000
Enverro Inc	26 October 2016	-	(71)

6. Other information

There were no associated or joint venture entities during the reporting period.

This report is based on, and should be read in conjunction with, the attached audited Financial Report.

Any other information required pursuant to ASX Listing Rule 4.3A not contained in this Appendix 4E can be found in the Attached Annual Report.

Michael Ye
Director
30 August 2017

LOVE GROUP GLOBAL LTD

(formerly Datetix Group Ltd)

ABN 82 009 027 178

Annual Report
For the year ended 30 June 2017

TABLE OF CONTENTS

Dear shareholders,

It has been a year of major achievements for Love Group, with revenues growing substantially as a result of the Group's focus on our premium matchmaking business and our acquisitions of the Lovestruck and Noonswoon online dating platforms.

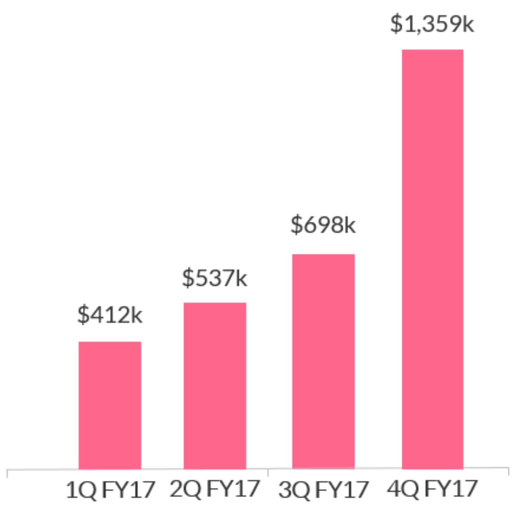
Revenues from our premium matchmaking business grew from $38k in FY16 to $889k in FY17, an increase of 2,242% year-on-year. The substantial growth was a result of multiple drivers, including increases in the total number of visitors to the company's premium matchmaking stores, higher visitor-to-customer conversion rates, and higher average selling prices.

In July 2016, we acquired Lovestruck, a premium online dating platform in Hong Kong, Singapore and the United Kingdom. Founded in 2006 in London, Lovestruck has established itself as a premium brand in a competitive yet burgeoning market. Genuinely regarded as a preeminent brand within the dating industry and a founding member of the Online Dating Association, Lovestruck has won numerous awards, most notably 'Online Dating Brand of the Year' for two years in a row at the UK Dating Awards.

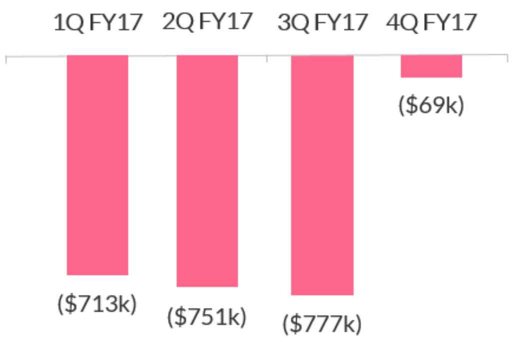
In December 2016, we acquired Noonswoon, a leading dating app in Thailand that introduces its members to a limited number of curated and high quality matches every day. The company has developed a scalable multilingual app that is readily adaptable to other geographic markets. Noonswoon was founded in 2013 and has won many awards and recognitions, including winning Thailand's national startups competition. The company has been funded by prominent investors including 500 Startups and Golden Gate Ventures.

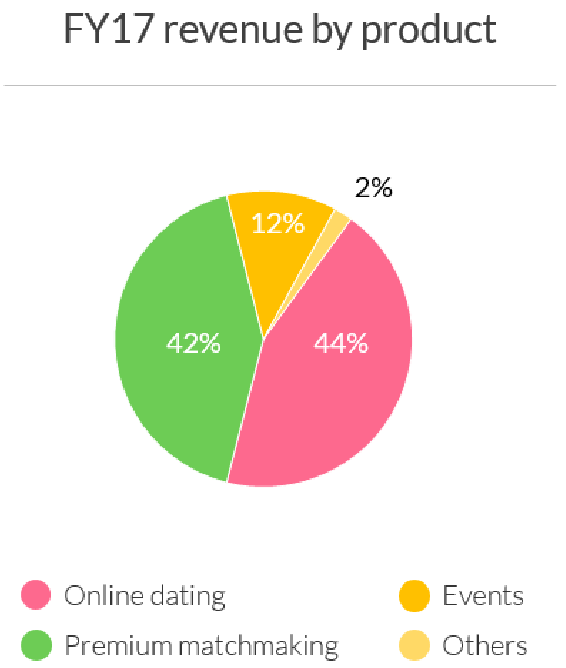
Our strategic focus going forward is to expand our portfolio of online dating platforms into target markets that have strong demand for both online dating and premium matchmaking services, with an initial focus on major Asian markets with large singles populations.

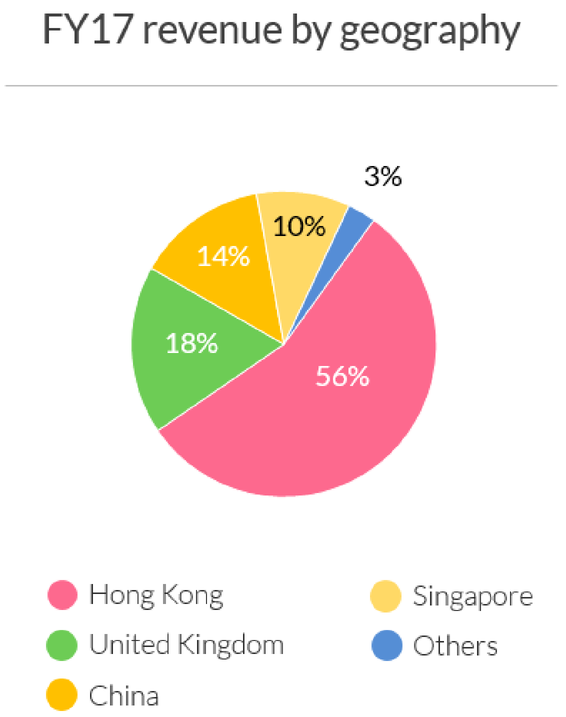
Quarterly receipts from customers



Net cash used in operating activities







A diversified portfolio of online dating platforms

Love Group currently owns and operates a portfolio of online dating brands: Lovestruck, DateTix and Noonswoon. Adopting a brand portfolio approach allows us to effectively target and capture multiple segments of the dating market, ranging from those seeking casual dating to those looking for long-term, committed relationships or marriage.

Online dating revenues primary consist of the sale of recurring membership subscriptions and virtual items. Currently the vast majority of the company's online dating revenues come from the Lovestruck online platform, which charges subscribers a fee that ranges from approximately $25 to $75 per month in order for users to communicate. The DateTix and Noonswoon apps are designed to be freemium based apps that allow users to communicate for free in order to increase user growth and engagement.

In addition to generating revenues, our online dating platforms also serve as scalable lead generation platforms for our premium matchmaking business, where we have the opportunity to upsell significantly higher priced matchmaking services to our online dating users.

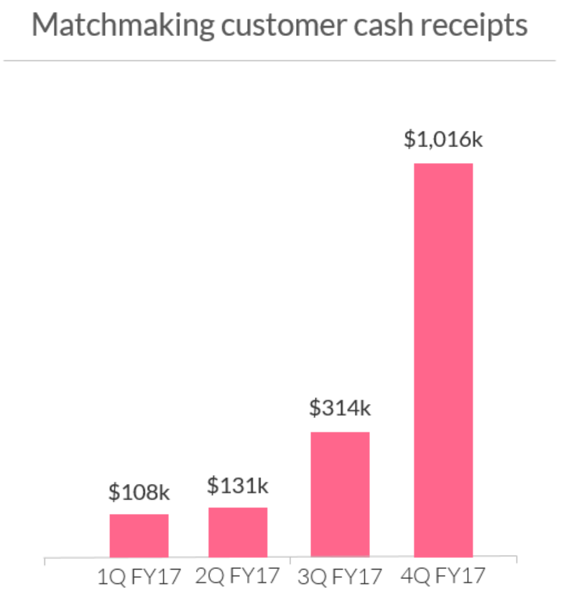
LOVESTRUCK DATETIX noonswoon

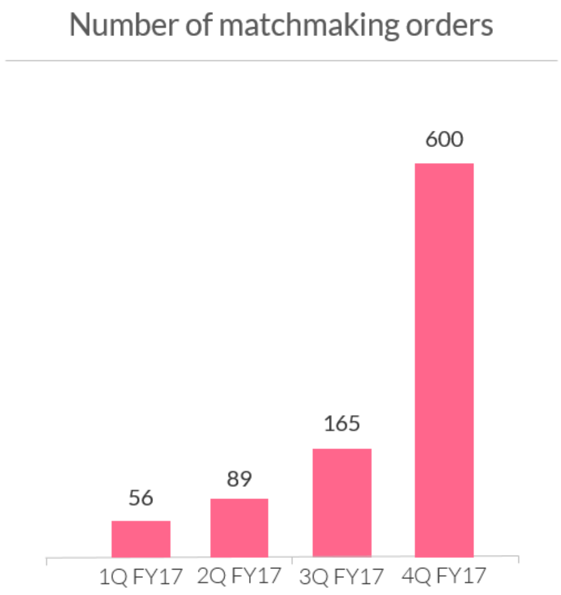
Exceptional growth of premium matchmaking business

Our premium matchmaking services primarily target singles who are seeking long-term, committed relationships or marriage. Revenue is generated through the sale of matchmaking packages that include a guaranteed number of personalised introductions based on the client's requirements. We currently operate premium matchmaking stores in Hong Kong, Singapore, London, Shenzhen, Bangkok and Delhi.

We have experienced significant growth in our premium matchmaking business in recent quarters, as we have significantly increased efforts on upselling premium matchmaking services to our large online user base.

Our matchmaking business enjoys substantial synergies with our online dating platforms by increasing average revenue per user, and by sharing marketing expenses and user acquisition costs. By leveraging the large online user base of our online dating platforms, high quality sales leads are identified for the premium matchmaking business to drive upselling.





FY18 Outlook

Love Group enters FY18 well positioned to drive growth and shareholder value. Our key growth drivers for FY18 are expected to be:

- *Growth in existing markets:* The Group's existing markets of Hong Kong, Singapore, London, Shenzhen, Bangkok and Delhi are expected to drive continued revenue growth. The strategy is to continue to increase local user density and market share in each target city to further increase brand recognition, reduce user acquisition costs, and increase ROI.

- *Growth in new markets:* The Group will opportunistically evaluate expansion opportunities into new markets, either organically or through partnerships or acquisitions. The focus will be large Asian markets with strong demand for both online dating and premium matchmaking services.

- *Love Academy:* The Group plans to launch the Love Academy brand to cross-sell complementary products and services to its existing client base and increase average revenue per client. These products and services include beauty products, image consulting, date coaching and relationship coaching.

Michael Ye
Founder and CEO

The Directors of Love Group Global Ltd (the "Company") submit herewith the Financial Report of the Company and its controlled entities (the "Group") for the financial year ended 30 June 2017.

In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

Details of the Directors of the Company in office at any time during or since the end of the financial year and at the date of this report are:

Anthony Harris	Chairman and Non-Executive Director
	Tony was appointed a director of the Company on 6 September 2014 and appointed as Chairman of the Board on 5 December 2014.
Experience and qualification	Tony has extensive experience at managing growing computer software companies, and has held senior as Senior Vice President of Tibco Software APAC and CEO of SAP Australia and New Zealand. Tony currently owns and runs his own software company BlinkMobile that he and two other partners founded eight years ago.
Other directorships in listed entities:	Nil
Former directorships in listed entities In last 3 years:	Nil
Interests in shares and options:	5,000 ordinary shares

Michael Ye	Executive Director and Chief Executive Officer
	Michael was appointed a director of the Company on 26 November 2015 and Chief Executive Officer on 1 February 2016.
Experience and qualification	Michael founded DateTix in 2013 and has led the company's strategic direction since its inception. Michael was previously an investment analyst at Imperial Investment Group in Hong Kong, focusing on the internet sector. Prior to that, Michael was a Senior Business Development Manager at GDC Technology Limited, where he led advised the CEO and board on potential acquisitions and investment opportunities. Michael has also worked in the investment banking divisions of Morgan Stanley, J.P. Morgan and Credit Suisse, with extensive experience advising technology and internet companies in Greater China and Asia.
	Michael holds a Bachelor of Mathematics degree in Computer Science from the University of Waterloo, and an MBA from The Wharton School at the University of Pennsylvania.
Other directorships in listed entities:	Nil
Former directorships in listed entities In last 3 years:	Nil
Interests in shares and options:	8,000,000 ordinary shares
	2,560,000 class A performance rights
	2,560,000 Class B performance rights
	2,560,000 Class C performance rights
	400,000 $0.40 employee options expiring 31 December 2020

Directors (continued)

Leigh Kelson	Non-Executive Director
	Leigh was appointed as an executive director on 12 May 1997 and transitioned to a non-executive role in February 2016.
Experience and qualification:	Leigh is CEO and Founder of Beach City Group Ltd, a social media company. A web technologies veteran, after commencing his career in the technology sector in the mid-1980s, Mr Kelson founded Datetix Group Ltd (formerly Enverro Ltd) in 1996 and pioneered cloud computing in Australia by establishing the first Salesforce.com professional services practice in Melbourne, which is now one of the longest serving Salesforce.com partners in Australia.
Other directorships in listed entities:	Nil
Former directorships in listed entities In last 3 years:	Nil
Interests in shares and options:	1,008,129 ordinary shares
Zhixian (Claire) Lin	Non-Executive Director until 2 December 2016
	Claire was appointed as director on 26 November 2015 and resigned on 2 December 2016.
Experience and qualification: in senior	Claire has extensive relationships with senior level executives the corporate world and financial services with over a decade of experience in executive search in Asia Pacific. Claire is a management member of Career International AP (Hong Kong) Limited. In recent years, Claire was involved in building up an Executive search and Staffing practice with coverage in Hong Kong, Singapore and Shanghai. Claire graduated with a Master of Business Administration from University of Technology, Sydney and a Bachelor of Commerce from Charles Sturt University.
Other directorships in listed entities:	Nil
Former directorships in listed entities In last 3 years:	Nil
Interests in shares and options:	100,000 $0.40 options expiring 31 December 2020

Company Secretaries

Matthew Foy, Daniel Smith	Joint Company Secretaries
	Matthew and Daniel were appointed as Joint Company Secretaries of the Company on 17 June 2016.
	Both have extensive experience in corporate governance as directors of Minerva Corporate Pty Ltd, a Perth based boutique corporate consulting firm.

Meetings of directors

The following table sets out the number of meetings of the Company's Directors during the year ended 30 June 2017 and the number of meetings attended by each director.

During the financial year, 11 board meetings were held in addition to the Company's Annual General Meeting held on 26 October 2016 and General Meeting on 25 May 2017.

In view of the size of the Board, the Board has elected not to appoint separate committees.

Director	**Board Meeting**	
	Attended	Held
Anthony Harris	11	11
Michael Ye	11	11
Leigh Kelson	11	11
Zhixian (Claire) Lin	6	11

Principal activities

The principal continuing activities of the Group during the year were:

- Dating Services: Provision of social and dating product and services, including the Datetix, Lovestruck and Noonswoon application, personalised matchmaking services and member events; and

- Enterprise Services: Provision of software solutions, including implementation and training support services.

Historically the Group's principal activity has been the provision of software solutions, including design, implementation and support; and development of proprietary software applications.

Review of operations and Financial Position

Consolidated Results	Year ended 30 June 2017 $	Year ended 30 June 2016 $
Revenue	2,124,510	276,811
Net (loss) before tax	(3,501,320)	(2,611,479)
Net cash flows used in operating activities	(2,318,604)	(1,928,982)
Net assets	7,538,515	8,274,414

During FY17, the Group grew revenues by 667% year-on-year, driven by both organic growth and acquisitions. Net loss before tax increased by 34% year-on-year, while net cash flows used in operating activities increased by 20% year-on-year.

Love Group's online dating revenues increased from $2k in FY16 to $928k in FY17, up 40,618% year-on-year. The growth is primarily the result of the acquisition of Lovestruck Limited on 31 July 2016, and to a lesser extent, the acquisition of Noonswoon Co., Ltd. Both companies are online dating platforms, with Lovestruck generating revenues from the sale of online membership subscriptions, and Noonswoon generating revenues from the sales of online membership subscriptions and virtual items.

Review of operations and Financial Position (continued)

Love Group's premium matchmaking revenues increased from $38k in FY16 to $889k in FY17, up 2,242% year-on-year. The growth was a result of multiple drivers, including increases in the total number of visitors to the company's premium matchmaking stores, higher visitor-to-customer conversion rates, and higher average selling prices.

Love Group's events revenues increased from $100k in FY16 to $244k in FY17, up 144% year-on-year. The growth was driven by an increase in the number of events hosted and the number of event attendees.

Significant changes in the state of affairs

Acquisition of Lovestruck Limited

On 31 July 2016, the Group completed the acquisition of 100% of the share capital of Lovestruck Limited, a leading premium online dating platform for serious long-term relationships. The consideration paid as part of the acquisition is detailed in Note 22 to the financial report, and comprises of both a cash component and an equity component, as well as a contingent earn out amount.

Acquisition of Noonswoon Co., Ltd and all key intellectual property of Noonswoon Inc.

On 19 December 2016, the Group completed the acquisition of 100% of the share capital of Noonswoon Co., Ltd, a Thailand based dating company with a dating application focus on serious dating. The consideration paid as part of the acquisition is detailed in Note 22 to the financial report, and consisted entirely of equity securities, escrowed for a period of 24 months from the date of settlement.

Capital raising

The Group also completed a capital raising through a private placement on 5 December 2016. As part of the placement, the Group issued 5,175,295 ordinary shares at a price of $0.34 per share, raising a total of $1,759,600 (prior to costs). The Group intends on using the proceeds of the placement to expand its product portfolio across Southeast Asia and Greater China.

Discontinued operations

Enverro Inc., the company incorporated in U.S.A. and dormant during the year dissolved on 26 October 2016.

Change of name and ticker

At the General Meeting held on 25 May 2017, Datetix Group Ltd shareholders approved the change of the Company's name from Datetix Group Ltd to Love Group Global Ltd.

The Australian Securities and Investments Commission recorded the change of name on 25 May 2017. For ASX purposes, the effective date of change of the ASX code and name is Wednesday 31 May 2017 and the new ASX code is LVE.

There were no other significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of financial year

On 24 July 2017, the conversion milestone for the Class A Performance Rights has been met. 4,000,000 Performance Rights held by the vendors of the Datetix business were converted to Ordinary shares. 3,760,000 of the shares are subjected to their remaining escrow period, being 25 November 2017.

Other than mentioned above, no matters or circumstances have arisen since 30 June 2017, which have significantly affected the Group's operations, results or state of affairs, or may do so in future years.

Likely developments and expected results of operations

Looking ahead to FY18, Love Group's top strategic priority will be to continue to increase penetration and market share in its existing markets. In general, as critical mass and brand recognition increases in a local market, network effects could be expected to further reduce user acquisition costs, increase ROI and create long-term barriers to entry for competitors, resulting in structurally higher operating profit margins versus competitors.

Love Group will also opportunistically evaluate potential expansions into new markets, either organically or through partnerships and acquisitions. A focus will be placed on Asian markets with large populations of singles that have strong demand for both online dating and premium matchmaking services.

The Group also plans to launch a new Love Academy brand in FY18 to cross-sell complementary products and services to its large and growing user base. These services include image consulting, date coaching and relationship coaching, and is expected to increase the average revenue per user.

Environmental regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Australian Commonwealth or of any jurisdiction where it intends to operate.

To the extent that any environmental regulations may have an incidental impact on the Company's operations, the Directors of the Company are not aware of any breach by the Company of those regulations.

Remuneration report (Audited)

The directors present the Love Group Global Ltd remuneration report, outlining key aspects of the Company's remuneration policy and framework, and remuneration awarded this year. The information provided in this remuneration report has been audited as required by the *Corporations Act 2001*.

The report is structured as follows:

- Key Management Personnel (KMP) covered in this report
- Remuneration policy and link to Group performance
- Use of remuneration consultants
- Non-executive director remuneration policy
- Executive remuneration and benefits
- Details of remuneration
- Service agreements
- Details of share-based compensation
- Equity instruments held by Key Management Personnel
- Other transactions with Key Management Personnel

Key Management Personnel disclosed in this report

Non-executive directors	Anthony (Tony) Harris – Chairman
	Leigh Kelson
	Zhixian (Claire) Lin, resigned on 2 December 2016
Executive director and CEO	Michael Ye
Other key management personnel	Wendy Hui – Chief Financial Officer Matthew Foy, Daniel Smith – Joint Company Secretaries – These KMP ceased being KMP from 1 July 2016.

Changes during the reporting period are noted above. There had been no changes since 30 June 2017.

Remuneration policy and link to Group performance

The Board's policy for determining the nature and amount of remuneration of key management personnel of the Company and the Group is designed to:

- Maintain the ability to attract and retain senior executives and directors;
- Avoid paying excessive remuneration;
- Remunerate fairly having regard to market conditions and individual contribution; and
- Align the interests of employees and directors with that of the Company and the Group as much as possible.

The Company was originally listed on the Australian Securities Exchange on 5 December 2014, and suspended on 12 October 2015 following approval by shareholders to change the Company's activities by the acquisition of Datetix Limited, a Hong Kong based on-demand dating platform business. The Company was reinstated to official quotation on ASX on 27 November 2015 following completion of the acquisition and, since reinstatement, the primary objectives of the Company have been:

- Consolidating the change of activities, including the sale of the non-core services business;
- Expanding a team of development and marketing personnel for the Datetix on-demand dating business in existing and new market areas;
- Developing, releasing and improving iOS and Android apps for the on-demand dating platform;
- Growing the suite of revenue sources associated with the platform; and
- Acquiring related businesses to generate synergies in marketing and product offerings.

During the year, the Company acquired both Lovestruck Limited and Noonswoon Co., Ltd and all key intellectual property of Noonswoon Inc.

The Company has generated losses since listing on the ASX as it initially sought to achieve market penetration from the Enverro workforce mobilisation platform. More recently, it has developed and marketed the Datetix, Noonswoon and Lovestruck on-demand dating platform and related business opportunities.

Remuneration policy and link to Group performance (continued)

Details of market price movements in the Company's ordinary share price at 30 June each year are:

	2017	2016
Share price at year end	$0.25	$0.40
Change in share price [1]	-$0.15	-$0.05
TSR - Year on year [2]	-37.5%	-11%
Market capitalisation [3]	$9,259,210	$11,624,618
Loss for the year	$3,420,163	$2,151,675
KMP remuneration	$608,763	$818,099

1. The change in share price as measured by the price at the end of the year from the opening share price.
2. Total shareholder return (TSR) – measured as the percentage change in the share price over the year.
3. Market capitalisation – calculated as the total ordinary shares on issue multiplied by the closing share price.

The link between remuneration, company performance and shareholder wealth generation is tenuous during the establishment and user acquisition phase of an internet based business.

The Company operates an Employee Incentive Plan. Under the plan, shares under a limited recourse loan were provided to a KMP and options have been granted to the Key Management Personnel (KMP) and other employees. Details of share based compensation granted to KMP are set out below.

Voting and comments made at the Company's 2016 Annual General Meeting (AGM)
At the 2016 AGM, 100% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2016. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Use of remuneration consultants

During the year the Company engaged an independent remuneration consultant for an extensive review of remuneration practices for employees and executives.

Non-executive Director remuneration policy

Non-executive directors' fees and payments reflect the demands made on, and the responsibilities of, the non-executive directors. The fees are determined within a pool limit, which is periodically reviewed and proposed changes recommended for approval by shareholders. The pool is currently limited to $300,000 per annum. Non–executive directors do not receive performance–based pay. There are no retirement allowances for non-executive directors. No additional fees are payable to non-executive directors.

The following base fees, exclusive of superannuation contributions required under the Australian superannuation guarantee legislation currently apply.

Non-executive Director remuneration policy (Continued)

	Date	Per Annum
Chairman - Anthony (Tony) Harris	From listing on 5 December 2014	$60,000
Non-executive director - Leigh Kelson	From 1 August 2016	$40,000
Non-executive director - Zhixian (Claire) Lin	From 26 November 2015 and resigned on 2 December 2016	$35,252 (HK$200,000)

Executive remuneration and benefits

Executive payments currently consist of base salary plus statutory superannuation, other benefits and in the case of the former CEO, the provision of a loan to acquire shares or the issue of options under the Employee Incentive Plan. Base pay is structured as a total employment package which may be delivered as a combination of prescribed non-financial benefits at the executives' discretion. There are no guaranteed base pay increases in any executives' contracts.

Throughout the year all remuneration for key management personnel was fixed and not linked to performance except for shares and options issued under the employee incentive plan.

Details of remuneration

2017

	Short term benefit			Post-employment benefit		
Name	Cash Salary, Consultancy & fees $	Other $	Equity settled Share Base Payment $	Superannuation $	Termination Benefit $	Total $
Non-executive directors						
A Harris	55,000	-	-	5,225	-	60,225
L Kelson	50,677	23,756	-	5,872	-	80,305
Z Lin	14,419	-	-	-	-	14,419
Executive directors						
M Ye	271,693	3,912	17,715	3,114	-	296,434
Other key management personnel						
W Hui	124,924	-	29,342	3,114	-	157,380
Total	516,713	27,668	47,057	17,325	-	608,763

No long service leave accrued in respect of any key management personnel.

2016

	Short term benefit			Post-employment		
Name	Cash Salary, Consultancy & fees $	Other $	Equity settled Share Base Payment $	Superannuation $	Termination Benefit $	Total $
Non-executive directors						
A Harris	60,000	-	-	5,700	.	65,700
Z Lin	20,564	-	11,514	-	-	32,078
Executive directors						
M Ye	151,876		14,921	1,912		168,709
L Kelson	250,000	7,781	-	23,750	-	281,531
C Doran	101,645	837	3,709	-	-	106,191
Other key management personnel						
W Hui	12,208	-	-	445	-	12,653
G Edwards	133,978	-	1,811	14,414	-	150,203
M Foy	-	517	-	-	-	517
D Smith	-	517	-	-	-	517
Total	730,271	9,652	31,955	46,221	-	818,099

Service agreements

On appointment to the Board, all non-executive directors sign a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of director.

Remuneration and other terms of engagement for the Chief Executive Officer, and the Chief Financial Officer are also formalised in service agreements which include provision for participation in the Employee Incentive Plan.

Name	Term of agreement	Base salary including any superannuation	Other benefits
A Harris[1] ***Chairman***	Ongoing, commenced 5 December 2014	$60,000	Not Applicable
L Kelson[1] **former *Chief Executive Officer***	Ongoing, commenced 1 August 2016	$40,000	Not Applicable
Z Lin[1] ***Non-Executive Director***	Ongoing, commenced 26 November 2015 and resigned 2 December 2016	$34,605 (HK$200,000)	Not Applicable
M Ye[1] ***Chief Executive Officer***	Ongoing, commenced 1 February 2016. commenced 1 June 2017 Notice period six months.	$291,222 (US$216,000) + MPF contribution $286,000 + MPF contribution + Cash bonus under STI + Performance rights under LTI[2]	Mobile phone and associated costs. Participation in Group health insurance plan

Service agreements (Continued)

W Hui[1] ***Chief Financial Officer***	Ongoing, commenced 10 May 2016 commenced 1 July 2017 Notice period one month.	$124,578 (HK$720,000) + MPF contribution + Discretionary Bonus $145,341 (HK$840,000) + MPF contribution + Discretionary Bonus	Participation in Group health insurance plan. Professional association memberships.
M Foy & D Smith ***Joint Company Secretaries***	Ongoing, commenced 17 June 2016	$24,000	Not Applicable

1 Key management personnel have no entitlement to any termination benefit. Options lapse on termination are the decision of the board.
2 Subject to shareholder approval, as per ASX announcement 2 August 2017.

Details of Equity Settled share based compensation

2017①

Name	Type	Grant Date	Granted		Exercised		Forfeited	
			Number	Value	Number	Value	Number	Value
Non-executive directors								
A Harris	N/A	N/A	NIL	NIL	NIL	NIL	NIL	NIL
L Kelson	N/A	N/A	NIL	NIL	NIL	NIL	NIL	NIL
Z Lin	L-T Options	N/A	NIL	NIL	NIL	NIL	100,000	$11,514
Executive directors								
M Ye	L-T Options	N/A	NIL	$17,715②	NIL	NIL	NIL	NIL
Other key management personnel								
W Hui	L-T Options	23 November 2015	NIL	$4,342③	NIL	NIL	NIL	NIL
W Hui	Performance Rights	30 June 2017	400,000	NIL④	NIL	NIL	NIL	NIL
W Hui	Ordinary Shares	30 June 2017	100,000	$25,000④	NIL	NIL	NIL	NIL

(1) The shares, performance rights and options granted as compensation for the year 30 June 2017.
(2) This relates to share based payment 400,000 options issued to M Ye on 23 November 2015. Refer to details in note 2 in 2016 Equity Settled share based compensation table.
(3) This relates to share based payment 100,000 options issued to W Hui on 23 November 2015. Refer to details in note 3 in 2016 Equity Settled share based compensation table.
(4) On 30 June 2017, the Company issued 100,000 shares and 400,000 performance rights to Chief Financial Officer Wendy Hui, for no cash consideration. Performance rights vesting in four tranches subject to employment continuity from FY2018 to FY2020. The fair value of the shares on grant date was measured at a total of $25,000 and recorded as an expense and credited to the Share capital at 30 June 2017. No value was recognised in the 30 June 3017 financial year for the 400,000 performance rights as the performance rights were granted on 30 June 2017.

Details of Equity Settled share based compensation (Continued)

2016

Name	Type	Grant Date	Granted		Exercised		Forfeited	
			Number	Value	Number	Value	Number	Value
Non-executive directors								
A Harris	N/A	N/A	NIL	NIL	NIL	NIL	NIL	NIL
Z Lin①	L-T Options	23 November 2015	100,000	$11,514	NIL	NIL	NIL	NIL
Executive directors								
M Ye①	L-T Options	23 November 2015	400,000	$48,463②	NIL	NIL	NIL	NIL
L Kelson	N/A	N/A	NIL	NIL	NIL	NIL	NIL	NIL
C Doran	N/A	N/A	NIL	NIL	NIL	NIL	NIL	NIL
Other key management personnel								
W Hui①	L-T Options	23 November 2015	100,000	$2,533③	NIL	NIL	NIL	NIL
G Edwards①	L-T Options	23 November 2015	39,000	$4,639	NIL	NIL	39,000	$4,639
M Foy	N/A	N/A	NIL	NIL	NIL	NIL	NIL	NIL
D Smith	N/A	N/A	NIL	NIL	NIL	NIL	NIL	NIL

(1) Options granted as compensation for the year 30 June 2016.
(2) The fair value of the 400,000 Employee options issued to Michael Ye was measured as 11.5, 11.5, 12.3, and 13.1 cents per option for the four vesting tranches respectively, a total of $48,463, which will be expensed over the vesting period of the options.
(3) The fair value of the 1,100,000 Employee options issued to other employees was measured as 10.6, 11.5, 12.3, 13.1 cents per option for the four vesting tranches respectively, a total of $130,856, which will be expensed over the vesting period of the option. Of which, 100,000 options issued to W Hui.

Terms and conditions of share based compensation

	Grant date	Vesting date	Expiry date	Exercise price	Value per security at grant date	Hurdle to be achieved	% vested
Long term options granted during the year ended 30 June 2017							
1	23 May 2017	Immediately	31 Dec 2018	$0.40	$0.22	n/a	100%
Performance rights granted during the year ended 30 June 2017							
2	30 June 2017						
	Escrowed 30 June 2020	30 June 2018 - 20%	30 June 2018	$0.00	$0.25	n/a	-
	Escrowed 30 June 2020	30 June 2019 - 20%	30 June 2019		$0.25		-
	Escrowed 30 June 2021	30 June 2020 - 20%	30 June 2020		$0.25		-
	Escrowed 30 June 2022	30 June 2021 - 20%	30 June 2021		$0.25		-
Shares issued during the year ended 30 June 2017							
3	30 June 2017 (Escrowed 30 June 2020)	30 June 2017	30 June 2017	$0.00	$0.25	n/a	100%
Long term options (2016)							
4	23 Nov 2015 (Escrowed until 27 Nov 2017)	23 Nov 2016 -25%	31 Dec 2020	$0.40	$0.115	n/a	100%
		23 Nov 2017 -25%			$0.115		-
		23 Nov 2018 -25%			$0.123		-
		23 Nov 2019 -25%			$0.131		-
5	23 Nov 2015 (Escrowed until 27 Nov 2017)	Immediate	31 Dec 2020	$0.40	$0.115	n/a	100%
6	23 Nov 2015	23 Nov 2016 -25%	31 Dec 2020	$0.40	$0.106	n/a	100%
		23 Nov 2017 -25%			$0.115		-
		23 Nov 2018 -25%			$0.123		-
		23 Nov 2019 -25%			$0.131		-
Shares issued subject to repayment of interest free loan, with recourse limited to the shares issued (2015)							
7	11 Nov 2014	11 Nov 2014	Loan term ends 11 Nov 2021 or earlier if employment ceases	Repay loan of $1 per share	$0.329	No hurdle specified, however, the share price needs to exceed $1.00 per share to deliver a benefit.	100%
Long term options (2015)							
8	13 Oct 2014	13 Oct 2015 -30%	13 Oct 2019	$1.00	$0.136	Share price of $1.25	-
		13 Oct 2016 -30%			$0.129	Share price of $1.50	-
		13 Oct 2017 -40%			$0.123	Share price of $1.75	-
9	10 Nov 2014	10 Nov 2015 -30%	10 Nov 2019	$1.00	$0.121	Share price of $1.25	-
		10 Nov 2016 -30%			$0.119	Share price of $1.50	-
		10 Nov 2017 -40%			$0.115	Share price of $1.75	-

Equity instruments held by Key Management Personnel

The number of shares and options in the Company held during the financial year by each Director of the Company and other Key Management Personnel of the Group, including their associates, are set out below. There were 100,000 shares and 400,000 performance rights issued to W Hui during the year as compensation. (2016: 100,000 options issued to W Hui; 100,000 options issued to Z Lin; 400,000 options, 8,000,000 shares and 2,560,000 class A performance rights, 2,560,000 class B performance rights, 2,560,000 class C performance rights were issued to M Ye).

2017		Balance at the start of the year	Options Granted as compensation	Received during the year on exercise of options	Other changes during the year	Balance at the end of the year
Directors						
A Harris	Shares	5,000	-	-	-	5,000
	Options	-	-	-	-	-
L Kelson	Shares	1,008,129	-	-	-	1,008,129
	Options	-	-	-	-	-
M Ye	Shares	8,000,000	-	-	-	8,000,000
	A Performance rights	2,560,000	-	-	-	2,560,000
	B Performance rights	2,560,000	-	-	-	2,560,000
	C Performance rights	2,560,000	-	-	-	2,560,000
	Options	400,000	-	-	-	400,000
Z Lin (1)	Shares	-	-	-	-	-
	Options	100,000	-	-	(100,000) (2)	-
Other Key Management Personnel of the Group						
W Hui	Shares	-	-	-	100,000	100,000
	Performance rights	-	-	-	400,000	400,000
	Options	100,000	-	-	-	100,000

(1) Resigned on 2 December 2016.
(2) Other changes due to resignation of director.

2016		Balance at the start of the year	Options Granted as compensation	Received during the year on exercise of options	Other changes during the year	Balance at the end of the year
Directors						
A Harris	Shares	2,000	-	-	3,000	5,000
	Options	-	-	-	-	-
L Kelson	Shares	1,008,129	-	-	-	1,008,129
	Options	-	-	-	-	-
C Doran (1)	Shares	2,000	-	-	(2,000) (4)	-
	Options	136,500	-	-	-	136,500
M Ye	Shares	-	-	-	8,000,000	8,000,000
	A Performance rights	-	-	-	2,560,000	2,560,000
	B Performance rights	-	-	-	2,560,000	2,560,000
	C Performance rights	-	-	-	2,560,000	2,560,000
	Options	-	400,000	-	-	400,000
Z Lin	Shares	-	-	-	-	-
	Options	-	100,000	-	-	100,000
Other Key Management Personnel of the Group						
G Edwards (2)	Shares	4,000	-	-	(4,000) (4)	-
	Options	39,000	-	-	-	39,000
W Hui	Shares	-	-	-	-	-
	Options	-	100,000	-	-	100,000
M Foy(3)	Shares	-	-	-	-	-
	Options	-	-	-	-	-
D Smith (3)	Shares	-	-	-	-	-
	Options	-	-	-	-	-

(1) Resigned on 13 January 2016.
(2) Resigned on 17 June 2016.
(3) Ceased to be KMP from 1 July 2016.
(4) Other changes due to resignation of director and KMP.

Other transactions with Key Management Personnel

(a) Transactions with Key Management Personnel and their related parties

30 June 2017

No transactions with Key Management Personnel and their related parties during the year ended 30 June 2017.

30 June 2016

During the year ended 30 June 2016, the Company paid fee of $2,000 (excl. GST) to Minerva Corporate Pty Ltd for the Company Secretarial Services provided by Matthew Foy and Daniel Smith, and registered office of the Company.

On 23 November 2015 the Company acquired 100% of the issued shares in Datetix Limited. The consideration for the acquisition of Datetix HK consisted entirely of equity securities as detailed in Note 22 to the Financial Statements.

Michael Ye, CEO, became a director of the Company at the time of the acquisition of Datetix Limited. Pursuant to shareholder approval he received 4,545,455 fully paid ordinary shares and 4,363,635 performance rights in the Company as consideration for his shareholding in Datetix Limited. That portion of the consideration was valued at $2,228,645.

During the year a director purchased a vehicle from the Company which had become surplus to requirements for $11,980 plus GST.

(b) Outstanding balances arising from sales/purchases of goods and services, transactions

No outstanding balances with related parties during the year ended 30 June 2017. At 30 June 2016, the amount payable to Minerva Corporate Pty Ltd was $1,037 (before excl. GST).

(c) Loans to Key Management Personnel and their related parties

Details of loans made to Key management Personnel of the Group, including their personally related parties are set out below.

Name	Balance at the start of the year	Amount advanced during the year	Interest paid and payable for the year	Amount written off	Balance at the end of the year	Highest indebtedness during the year
2017 L Kelson	155,000	-	-	-	**155,000**	**155,000**
2016 L Kelson	155,000	-	-	-	**155,000**	**155,000**

Pursuant to shareholder approval, the Company advanced $155,000 to Director Leigh Kelson to acquire 155,000 shares in the Company on 11 November 2014. The loan is for seven years or less if the CEO ceases employment with the Company. It is interest free and recourse is limited to the amount which the Company may recover by selling the shares and any share benefits or, in the absolute discretion of the Company, exercising its rights to have the shares and any share benefits forfeited. The loan for shares arrangement was treated as a Share based payment and is reflected in the Share based payments reserve.

No other transactions occurred between Key Management Personnel and their related entities with the Group during the year (2016: Nil), not disclosed above or in note 21.

END OF AUDITED REMUNERATION REPORT

Shares under option

Ordinary shares of the Company under option at the date of this report are as follows:

2017

Date options granted	Expiry date	Escrowed until	Issue price of shares	Number under option
23 May 2017	31 Dec 2018	n/a	$0.40	350,000
23 Nov 2015	31 Dec 2020	27 Nov 2020	$0.40	400,000
23 Nov 2015	31 Dec 2020	27 Nov 2020	$0.40	200,000
23 Nov 2015	31 Dec 2020	n/a	$0.40	1,100,000
18 July 2014	18 July 2019	28 Nov 2016	$0.84	1,200,004
13 Oct 2014	13 Oct 2019	5 Dec 2016	$1.00	136,500
10 Nov 2014	10 Nov 2019	n/a	$1.00	59,000

2016

Date options granted	Expiry date	Escrowed until	Issue price of shares	Number under option
23 Nov 2015	31 Dec 2020	27 Nov 2020	$0.40	400,000
23 Nov 2015	31 Dec 2020	27 Nov 2020	$0.40	200,000
23 Nov 2015	31 Dec 2020	n/a	$0.40	1,100,000
18 July 2014	18 July 2019	28 Nov 2016	$0.84	1,200,004
13 Oct 2014	13 Oct 2019	5 Dec 2016	$1.00	136,500
10 Nov 2014	10 Nov 2019	n/a	$1.00	59,000

The option granted will give the option holder the right to acquire ordinary shares in capital of the Company upon exercise (option). Option holders also have the right to participate in future share issues.

Insurance of officers and auditors

During the financial year the Company paid a premium in respect of a contract insuring directors, secretaries and executive officers of the Company and its controlled entities against any liability incurred as director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or any of its controlled entity against a liability incurred as such an officer or auditor.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to 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 part of those proceedings.

Non-audit services

The Directors are satisfied that the provision of non-audit services during the period by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Board assesses the provision of non-audit services by the auditors to ensure that the auditor independence requirements of the Corporations Act 2001 in relation to the audit are met.

Details of amounts paid or payable to the auditor for non-audit services provided during the period by the auditor are outlined in note 19 to the financial statements.

The directors are of the opinion that the services as disclosed in note 19 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the company who are former partners of RSM Australia Partners

There are no officers of the company who are former partners of RSM Australia Partners.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, RSM Australia Partners, to provide the directors of Love Group Global Ltd with an Independence Declaration in relation to the audit of the attached Financial Statements. This Independence Declaration is included in this Financial Report and forms part of this Directors' Report.

Signed in accordance with a resolution of the Board of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

Michael Ye
Director
30 August 2017

Corporate Governance

The Company's Corporate Governance Statement, prepared in accordance with the third edition of Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council, can be found at: http://www.lovegroup.co/documents

RSM Australia Partners

8 St Georges Terrace Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Love Group Global Ltd for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 30 August 2017

Love Group Global Ltd
Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2017

	Note	30 JUN 2017 $	30 JUN 2016 $
Revenue from continuing operations			
Dating Services		2,061,487	140,212
Enterprise Services		27,267	83,032
Interest Income		35,756	53,567
	5	2,124,510	276,811
Other Income	5	293	11,221
Expenses			
Advertising expenses		1,863,559	250,977
Auditing and accounting fees		141,357	146,463
Bad Debts		1,219	-
Consulting fees		232,054	76,648
Depreciation and amortisation	6	97,204	53,518
Employee benefits expense - SG&A		1,640,251	1,120,543
Employee benefits expense - R&D		337,308	174,225
Event expenses		238,649	103,597
Finance costs	6	478	8,500
Insurance expenses		50,256	36,434
Legal fees		23,190	59,353
Marketing expenses		166,094	281,951
Matchmaking expenses		113,106	-
Office Rent	6	208,272	55,474
Other expenses		269,999	229,842
Payment process fees		132,218	-
Recruitment expenses		30,403	-
Research & Development		13,038	81,828
Software expenses		39,332	-
Transaction cost on acquisition		3,500	194,160
Travel expenses		16,477	13,321
Foreign exchange gains and losses		8,159	12,677
		5,626,123	2,899,511
Loss before income tax		(3,501,320)	(2,611,479)
Income tax	8	-	-
Loss for the year from continuing operations		(3,501,320)	(2,611,479)
Profit from Discontinuing operations	23	81,157	459,804
Loss for the year		(3,420,163)	(2,151,675)
Other comprehensive income for the year			
Exchange difference on conversion of foreign operations		(718)	5,082
Total Comprehensive Loss for the year		(3,420,881)	(2,146,593)
Earnings per share for loss from continuing operations attributable to the ordinary equity holders of the Company		**Cents**	**Cents**
Basic (loss) per share	29	(10.2)	(12.4)
Diluted (loss) per share	29	(10.2)	(12.4)
Earnings per share for loss attributable to the ordinary equity holders of the Company		**Cents**	**Cents**
Basic (loss) per share	29	(10.0)	(10.3)
Diluted (loss) per share	29	(10.0)	(10.3)

The above statement should be read in conjunction with the accompanying notes.

Love Group Global Ltd
Consolidated Statement of Financial Position

As at 30 June 2017

	Note	30 Jun 2017 $	30 Jun 2016 $
ASSETS			
Current assets			
Cash and cash equivalents	9	1,723,166	2,634,671
Trade and other receivables	10	19,805	9,432
Other assets	11	102,804	58,353
Total Current Assets		**1,845,775**	**2,702,456**
Non-current assets			
Plant and equipment	12	82,945	43,934
Intangible assets	13	6,928,600	5,831,775
Total Non-Current Assets		**7,011,545**	**5,875,709**
Total assets		**8,857,320**	**8,578,165**
LIABILITIES			
Current liabilities			
Trade and other payables	14	498,400	218,433
Prepaid Income from customers	14	820,405	67,810
Borrowings	15	-	17,508
Total Current liabilities		**1,318,805**	**303,751**
Total liabilities		**1,318,805**	**303,751**
Net assets		**7,538,515**	**8,274,414**
EQUITY			
Contributed equity	16	16,177,350	13,565,617
Reserves	17	1,520,728	1,448,197
Accumulated losses		(10,159,563)	(6,739,400)
Total Equity		**7,538,515**	**8,274,414**

The above statement should be read in conjunction with the accompanying notes.

Love Group Global Ltd
Consolidated Statement of Changes in Equity

For the year ended 30 June 2017

	Contributed equity $	Share based payments reserve $	Accumulated losses $	Foreign currency translation reserve $	Total equity $
At 1 July 2015	5,868,520	234,970	(4,587,725)	(6,862)	1,508,903
Loss for the year	-	-	(2,151,675)	-	(2,151,675)
Other comprehensive income	-	-	-	5,082	5,082
Total comprehensive income for the year	-	-	(2,151,675)	5,082	(2,146,593)
Transactions with owners in their capacity as owners					
Issue of shares for					
* Cash	3,000,000	-	-	-	3,000,000
* business combination	5,000,000	-	-	-	5,000,000
* investor relations services	39,900	-	-	-	39,900
Cost of share issues	(331,289)	-	-	-	(331,289)
Share based payments expense on security granted for:					
* capital raising fee	(11,514)	11,514	-	-	-
* employee services	-	50,913	-	-	50,913
* director servicecs	-	23,806	-	-	23,806
* business combination	-	1,128,774	-	-	1,128,774
	7,697,097	1,215,007	-	-	8,912,104
As at 30 June 2016	13,565,617	1,449,977	(6,739,400)	(1,780)	8,274,414
At 1 July 2016	13,565,617	1,449,977	(6,739,400)	(1,780)	8,274,414
Loss for the year	-	-	(3,420,163)	-	(3,420,163)
Other comprehensive income	-	-	-	(718)	(718)
Total comprehensive income for the year	-	-	(3,420,163)	(718)	(3,420,881)
Transactions with owners in their capacity as owners					
Issue of shares for					
* Cash	1,759,600	-	-	-	1,759,600
* business combination	970,000	-	-	-	970,000
Cost of share issues	(142,867)	-	-	-	(142,867)
Share based payments expense on security granted for:					
* employee services	25,000	73,249	-	-	98,249
	2,611,733	73,249	-	-	2,684,982
As at 30 June 2017	16,177,350	1,523,226	(10,159,563)	(2,498)	7,538,515

The above statement should be read in conjunction with the accompanying notes.

Love Group Global Ltd
Consolidated Statement of Cash Flows

For the year ended 30 June 2017

	Note	30-Jun-17 $	30-Jun-16 $
Cash flows from operating activities			
Receipts from customers		3,005,335	1,401,353
Payments to suppliers and employees		(5,363,576)	(3,393,882)
Other revenue		293	7,054
Interest received		39,344	58,101
Interest and other costs of finance paid		-	(1,608)
Net cash (outflow) from operating activities	28	(2,318,604)	(1,928,982)
Cash flows from investing activities			
Payments for property plant and equipment		(65,018)	(33,175)
Payment to acquire business		(350,038)	-
Transaction cost in business combination		(17,301)	-
Cash acquired in business combination		238,292	311,896
Net cash (outflow)/inflow from investing activities		(194,065)	278,721
Cash flows from financing activities			
Proceeds from issue of shares		1,759,600	3,000,000
Share issue costs		(140,475)	(331,289)
Repayment of borrowings		(17,961)	(6,005)
Net cash inflow from financing activities		1,601,164	2,662,706
Net (decrease) / increase in cash held		(911,505)	1,012,445
Cash and cash equivalents at the beginning of the year		2,634,671	1,622,226
Cash and cash equivalents at the end of the year	9	1,723,166	2,634,671

The above statement should be read in conjunction with the accompanying notes.

Note 1: Summary of significant accounting policies

Love Group Global Ltd is a listed public company domiciled in Australia. The address of the Company's registered office is Unit 5, Ground Floor, 1 Centro Avenue, Subiaco WA 6008. The financial statements are for the year ended 30 June 2017.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001.* The Group is a for-profit entity for the purpose of preparing the financial statements. These general purpose financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

The financial statements were authorised for issue on 30 August 2017 by the Board of Love Group Global Ltd.

i) Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements of the Group comply with International Financial Reporting Standards (IFRS).

ii) Historical cost convention

These financial statements have been prepared under the historical cost convention.

b) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in Note 24.

c) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Love Group Global Ltd ('the Company' or 'the Parent entity') as at 30 June 2017 and the results of all subsidiaries for the year then ended. Love Group Global Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Note 1: Summary of significant accounting policies (continued)

c) Principles of consolidation

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

d) Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Note 1: Summary of significant accounting policies (continued)

d) Business combinations (continued)

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

e) Discontinued operations

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

f) Operating segments

Operating segments are presented using the 'management approach' where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers (CODM). The CODM is responsible for the allocation of resources to operating segments and assessing their performance. Further information is contained in Note 4.

g) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

Note 1: Summary of significant accounting policies (continued)

h) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of discounts, refunds, rebates and amounts collected on behalf of third parties. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that the future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Revenue is recognised for the major business activities as follows:

(i) Dating Services

It comprises of online, subscription fee, events and matchmaking services.

- Online Apps Income:
  Revenue derived from the provision of workforce mobilisation services and dating services via the internet is recognised when the Group has delivered services to the purchaser and there is no unfulfilled obligation that could affect the purchasers' acceptance of service. This applied to Datetix and Noonswoon Apps.

  For Lovestruck apps, as service packages offered ranged from one month to twelve months, revenue will be recognised over the service period.

- Event Income:
  This relates to events held. Income is mainly derived through the sales of tickets. Revenue is recognised upon delivery of the service to the customer.

- Matchmaking Income:
  This relates to revenue derived from Premium matchmaking services targeting singles seeking serious relationships and marriage. Service packages offered range from one month to twelve months. Revenue will be recognised over the service period.

(ii) Enterprise Services

This relates to revenue derived from the provision of licence and support services. Revenue recognition will be recognised over the service period with the customers.

Note 1: Summary of significant accounting policies (continued)

i) Income Tax

The income tax expense or benefit for the year is the tax payable on the current year's taxable income based on the national income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable, profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

j) Leases

Leases of property, plant and equipment, where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term liabilities. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the term of the lease.

k) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Note 1: Summary of significant accounting policies (continued)

l) Cash and cash equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in current liabilities on the Statement of Financial Position.

m) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss. When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

n) Plant and equipment

Plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable the future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting year in which it is incurred.

Depreciation is calculated using the diminishing value method to allocate the cost or revalued amounts, net of their residual values, over the estimated useful lives as follows:

– Vehicles; 3-6 years
– Office leasehold, furniture and equipment; 1-3 years

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Note 1: Summary of significant accounting policies (continued)

o) Intangible Assets and Goodwill

(i) Goodwill

Goodwill is not amortised but is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units, or groups of cash generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or group of units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

Impairment is determined by assessing the recoverable amount of the cash generating unit (group of cash generating units) to which the goodwill relates. When the recoverable amount of the cash generating unit (group of cash generating units) is less than the carrying amount, an impairment loss is recognised.

When goodwill forms part of a cash generating unit (group of cash generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

(ii) Intangible assets

- **Software development costs**

  Costs incurred in developing products or systems and costs incurred in acquiring software and licences that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service, employee costs and an appropriate portion of relevant overheads.

  IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the group has an intention and ability to use the asset.

  The group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

  - Capitalised software development costs; 6 years

- **Website and Platform**

  Website and Platform acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit and loss using the straight line method over 3 years.

Note 1: Summary of significant accounting policies (continued)

o) Intangible Assets and Goodwill (continued)

(ii) Intangible asset

- **APPS**

  APPS acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit and loss using the straight line method over 3 years.

- **Brands**

  Brands acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit and loss using the straight line method over 3 years.

p) Impairment of Assets

The Group assesses at the end of each reporting period whether there is objective evidence that an asset or group of assets is impaired. An asset, or a group of assets, is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the asset or group of assets that can be reliably estimated.

q) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the year which are unpaid. The amounts are unsecured and are usually paid within 30 – 60 days of recognition. Amounts received in respect of subscriptions for software products or services are also included in trade and other payables until the product or service is delivered.

r) Borrowings

All loans and borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the loans and borrowings using the effective interest method. Fees paid for establishing loan facilities are recognised as transaction costs if it is probable that some or all of the facility will be drawn down, and deferred until the draw down occurs. If it is not probable that the facility will be drawn down, fees are capitalised as prepayments for liquidity services and amortised over the period to which the facility relates.

Borrowings are derecognised from the statement of financial position when the obligation specified in the contract has been discharged, cancelled or expires. The difference between the carrying amount of the borrowing derecognised and the consideration paid is recognised in profit or loss as other income or finance costs.

Note 1: Summary of significant accounting policies (continued)

r) Borrowings (continued)

Where the terms of a borrowing are renegotiated and the Group issues equity instruments to a creditor to extinguish all or part of a borrowing, the equity instruments issued as part of the debt for equity swap are measured at the fair value of the equity instruments issued, unless the fair value cannot be measured reliably, in which case, they are measured at the fair value of the debt extinguished. The difference between the carrying amount of the debt extinguished and the fair value of the equity instruments issued is recognised as a gain or loss in profit or loss.

All borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

s) Employee benefits

(i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled wholly within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Share-base payments

The Company established an Employee Share Ownership Plan, and issued share options to employees under the Plan. The share options constitute equity based payments in accordance with AASB 2 Share Based Payments, and the options have been valued in accordance with the requirements of AASB 2. The options have been valued by independent consultants who used appropriate pricing models to determine the value of the options.

t) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

u) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the financial year but not distributed at reporting date.

Note 1: Summary of significant accounting policies (continued)

v) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- Costs of servicing equity (other than dividends) and preference share dividends;
- The after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and

  Other non-discretionary changes in revenues or expenses during the year that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

w) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. Where the GST is not recoverable from the taxation authority it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

x) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

y) New Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published that are not yet mandatory for 30 June 2017 reporting periods.

AASB 9 Financial Instruments
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets.

A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI').

For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 July 2018.

The consolidated entity expects the impact to be insignificant as there is no hedge instrument in the consolidated entity.

AASB 15 Revenue from Contracts with Customers
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue.

For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied.

Note 1: Summary of significant accounting policies (continued)

y) New Accounting Standards and Interpretations (continued)

Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The consolidated entity will adopt this standard from 1 July 2018.

The consolidated entity from its preliminary assessment has considered there is no impact on variable consideration as the full contract amount relating to matchmaking income is received upfront. Income relating to service packages is recognised over the service period. The consolidated entity expects the impact to be insignificant.

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term.

The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred.

A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs).

In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16.

For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The consolidated entity will adopt this standard from 1 July 2019.

As the consolidated entity has no significant leases of over 12 months it is not expected that the introduction of this standard will have a significant impact on the financial statements.

Note 2: Financial risk management

(a) General Objectives, Policies and Processes

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The principal financial instruments from which financial instrument risk arises are:

Financial Assets:
- Cash and cash equivalents
- Trade and other receivables

Financial Liabilities:
- Trade and other payables
- Borrowings

Note 2: Financial risk management (continued)

(a) General Objectives, Policies and Processes (continued)

The carrying amounts of the Group's financial assets and liabilities at the reporting date are:

	Year ended 30 June 2017 $	Year ended 30 June 2016 $
Financial Assets		
Cash and cash equivalents	1,723,166	2,634,671
Trade and other receivables	122,609	67,785
Non-Traded Financial Assets	1,845,775	2,702,456
Financial Liabilities		
Trade and other payables	1,318,805	286,243
Borrowings	-	17,508
Non-Traded Financial Liabilities	1,318,805	303,751

The Board has overall responsibility for the determination of the Group's risk management objectives and policies.

The Group's activities expose it to a variety of financial risks: market risk (interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Group uses different methods to measure different types of risk to which it is exposed.

Risk management is carried out under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas, such as, interest rate risk, credit risk and investment of excess liquidity.

(b) Interest rate risk

The Group's exposure to interest rates related primarily to the Group's cash deposits.

	Year ended 30 June 2017 $	Year ended 30 June 2016 $
Cash and cash equivalents	1,723,166	2,634,671

The Group regularly analyses its interest rate opportunity and exposure. Within this analysis consideration is given to existing positions and alternative arrangements for its deposits.

The following sensitivity analysis is based on the interest rate risk relating to cash deposits at reporting date.

Note 2: Financial risk management (continued)

(b) Interest rate risk (continued)

At 30 June 2017, if interest rates had increased or decreased by 50 basis points from the year end rates, as illustrated in the table below, with all other variables held constant, post-tax loss for the year would have been affected as follows:

	Year ended 30 June 2017 $	Year ended 30 June 2016 $
Judgement of reasonable possible movement		
+0.5% (50 basis points)	8,616	13,173
-0.5% (50 basis points)	-8,616	-13,173

The movement in losses are due to higher/lower interest received. As the Group does not have any derivative instruments the movements in equity are those of profit only. A movement of + and - 0.5% is selected because this historically is within a range of rate movements.

(c) Foreign currency risk

The group operates internationally and is exposed to foreign currency risk from various currency exposures, primarily with respect to the HK dollar, Sterling pound, Singapore dollars, Thai Bhat and Chinese Renminbi.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were not significant.

(d) Credit risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. The maximum exposure to credit risk at reporting date is the balances recognised in cash and trade and other receivables. Cash is deposited with major banks in Australia, London, China, Hong Kong and Singapore. Trade and other receivables are closely monitored and in most cases services are invoiced in advance or progressively, which limits the chance of financial loss.

In addition, receivables balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

(e) Fair value

The carrying value of cash and cash equivalents, receivables, payables and current borrowings represent reasonable approximations of their fair values due to their short-term nature. The fair value of non-current borrowings approximates the carrying amount as the impact of discounting is not significant.

Note 2: Financial risk management (continued)

(f) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The objective of managing liquidity risk is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when they fall due.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through access to debt or equity funding sources. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group has Total Liabilities of $1,318,805 (2016: $303,751) of which $820,405 (2016: $67,810) is recorded as payment received for services not yet delivered. The group has trade and other receivables of $19,805 (2016: $9,432), trade and other payables (excluding prepaid income from customers) of $498,400 (2016: $218,433), and Total Assets of $8,857,320 (2016: $8,578,165) of which $1,723,166 (2016: $2,634,671) consists of cash or cash equivalents providing the Board with comfort that the Group is solvent and can meet its payment obligations in full as they fall due.

Maturities of financial liabilities
The table below analyses the Group's financial liabilities into relevant maturity groupings based on the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

2017	**$**	**$**	**$**	**$**
	0-6 Months	6-12 Months	>12 Months	Carring Amounts
Trade and other payables*	1,257,352	61,453	-	1,318,805
Borrowings	-	-	-	-
	1,257,352	61,453	-	1,318,805

	$	**$**	**$**	**$**
Trade and other payables*	286,243	-	-	286,243
Borrowings	3,332	14,176	-	17,508
	289,575	14,176	-	303,751

*Trade and other payables include prepaid income from customers.

Note 3: Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Goodwill

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill has suffered any impairment, in accordance with the accounting policy stated above. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

(b) Purchase Price Allocation

On 31 July 2016 the Company acquired Lovestruck Limited for a consideration of $1,102,680. Included in the net assets acquired amounted to $138,909 were cash and cash equivalents, prepayment and deposits, trade and other payables. The remaining purchase consideration of $963,771 has been allocated to goodwill.

On 19 December 2016 the Company acquired Noonswoon Co. Ltd for a consideration of $210,000. $5,067 were cash and cash equivalents and the remaining $204,933 has been allocated to goodwill.

At the time of these financial statements were authorised for issue, the Company had not yet completed the accounting for the acquisition of the business of Lovestruck Limited and Noonswoon Co. Ltd. In particular, the fair value of assets and liabilities disclosed in Note 22 had only been determined provisionally as the independent valuations were not finalised.

(c) Income tax

The Company has incurred tax losses and has no tax liabilities for the financial year (2016: nil).

Note 4: Operating segments

(a) Identification of reportable operating segments

The consolidated entity is organised into three operating segments based on differences in products and services provided: Dating services, Enterprise services and Corporate.

The operating segments are based on the units identified in the operating reports reviewed by the

Board and executive management who are identified as the Chief Operating Decision Makers (CODM) and that are used to make strategic decisions and in assessing performance. The Board considers the Group from both a business unit and geographic perspective and has identified three reportable segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported is on a monthly basis.

Type of products and services

The principal products and services of each of these operating segments are as follows:

Dating Services	the online, events and matchmaking services in China, Hong Kong, London, Singapore and Thailand
Enterprise Services	the licence and support services in Australia
Corporate	indirect expenses likes auditing and accounting fees, employee benefits expenses for General and Administrative and Research and Development staff, transaction costs and office rent.

Note 4: Operating segments (continued)

(b) Operating segment information

Consolidated - 2017	Dating Services $	Enterprise Services $	Corporate $	Total $
Revenue				
Sales to external customers	2,061,487	27,267	-	2,088,754
Other Revenue	-	-	293	293
Total segment revenue	2,061,487	27,267	293	2,089,047
Interest revenue				35,756
Total Revenue				2,124,803
EBITDA	(1,682,502)	(1,541)	(1,755,351)	(3,439,394)
Depreciation and amortisation				(97,204)
Interest revenue				35,756
Finance costs				(478)
Profit before income tax expense				(3,501,320)
Income tax expense				-
Profit after income tax expense				(3,501,320)
				-

Asset and Liabilities

Asset	Dating Services $	Enterprise Services $	Corporate $	Total $
Segment assets	7,116,246	2,765	15,143	7,134,154
Unallocated assets:				
Cash and cash equivalents				1,723,166
Total assets				8,857,320

Liabilities	Dating Services $	Enterprise Services $	Corporate $	Total $
Segment Liabilities	1,217,952	7,210	93,643	1,318,805
Total Liabilities				1,318,805

Consolidated - 2016	Dating Services $	Enterprise Services $	Corporate $	Total $
Revenue				
Sales to external customers	140,212	83,032	-	223,244
Other Revenue	-	-	11,221	11,221
Total segment revenue	140,212	83,032	11,221	234,465
Interest revenue				53,567
Total Revenue				288,032
EBITDA	(158,101)	(30,549)	(2,414,378)	(2,603,028)
Depreciation and amortisation				(53,518)
Interest revenue				53,567
Finance costs				(8,500)
Profit before income tax expense				(2,611,479)
Income tax expense				-
Profit after income tax expense				(2,611,479)

Asset and Liabilities

Asset	Dating Services $	Enterprise Services $	Corporate $	Total $
Segment assets	5,914,077	8,183	21,234	5,943,494
Unallocated assets:				
Cash and cash equivalents				2,634,671
Total assets				8,578,165

Liabilities	Dating Services $	Enterprise Services $	Corporate $	Total $
Segment Liabilities	141,103	39,066	123,582	303,751
Total Liabilities				303,751

Note 4: Operating segments (continued)

Geographical information

	Sales to exernal customers	
	2017	2016
	$	$
Oceania	27,267	83,032
Asia	1,685,553	140,212
Europe	375,934	-
	2,088,754	223,244

No individual customer constitue more than 10% of revenue.

Note 5: Revenue

	2017	2016
	$	$
From continuing operations		
Sales revenue		
Dating Services	2,061,487	140,212
Enterprise Services	27,267	83,032
Interest Income	35,756	53,567
	2,124,510	276,811
Other Income		
Profit on disposal of assets	-	6,559
Bad Debt recovered	-	4,093
Other Income	293	569
	293	11,221
Total revenue and other income	2,124,803	288,032

Note 6: Expenses

Profit/(loss) before income tax includes the following specific expenses:	**2017**	**2016**
	$	**$**
Continuing Operation		
Depreciation		
Vehicles	2,181	2,726
Office furniture and equipment	23,144	8,863
Amortisation		
Intangible asset		
- Website & Platform	41,929	24,459
- APPS	17,970	10,482
- Brand	11,980	6,988
Total depreciation and amortisation	97,204	53,518
Discontinued Operation		
Amortisation		
Intangible asset - Proprietary Software	-	52,368
Total depreciation and amortisation	-	52,368
Finance Cost		
Interest and finance charges paid / payable	478	8,500
Rental expenses relating to operating leases		
Minimum lease payments	208,272	55,474
Superannuation contribution expense	69,793	86,955

Note 7: Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using the appropriate pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

All changes in the liability are recognised in profit or loss.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

(a) Share based payments to a Director and employees

On 23 November 2015, pursuant to shareholder approval, the Company issued a total of 1,500,000 Employee Options to employees, including Michael Ye, founder of Datetix Limited, director and Chief Executive Officer of DateTix Group Ltd. The options were issued for no cash consideration, exercisable at $0.40, expiring on 31 December 2020 and vesting in four equal tranches 12, 24, 36 and 48 months after grant date. 400,000 options issued to Michael Ye are restricted by ASX for two years.

The fair value of the options has been measured using the Black - Scholes model with the following inputs to the model:

• Weighted average share price	$0.40
• Exercise price	$0.40
• Expected volatility	35%
• Option life	5.1 years
• Expected dividends	Nil
• Risk-free interest rate	2.15 – 2.23

- Assumptions made in respect of expected early exercise were that the options would be exercised 3.1, 3.6, 4.1 and 4.6 years after grant.

Note 7: Share-based payments (Continued)

(a) Share based payments to a Director and employees (Continued)

- There were no other features of the options used in the model to determine fair value.

The fair value of the 400,000 Employee options issued to Michael Ye was measured as 11.5, 11.5, 12.3, and 13.1 cents per option for the four vesting tranches respectively, a total of $48,463, which will be expensed over the vesting period of the options. For the year ended 30 June 2016, an amount of $14,859 was recorded as an expense and also included within the share based payments reserve. For the year ended 30 June 2017, an amount of $17,715 was recorded as an expense and also included within the share based payments reserve.

The fair value of the 1,100,000 Employee options issued to other employees was measured as 10.6, 11.5, 12.3, 13.1 cents per option for the four vesting tranches respectively, a total of $130,856, which will be expensed over the vesting period of the option. For the year ended 30 June 2016, an amount of $39,406 was recorded as an expense and also included within the share based payments reserve. For the year ended 30 June 2017, an amount of $30,474 was recorded as an expense and also included within the share based payments reserve.

During the year ended 30 June 2017, 650,000 options were cancelled due to the cessation of employment of the employees.

(b) Share based payments to Chief Financial Officer

On 30 June 2017, the Company issued 100,000 shares and 400,000 performance rights to Chief Financial Officer Wendy Hui, for no cash consideration. Performance rights vesting in four tranches subject to employment continuity from FY2018 to FY2020. The fair value of the shares on grant date was measured at a total of $25,000 and recorded as an expense and credited to the Share capital at 30 June 2017. No value was recognised in the 30 June 3017 financial year for the 400,000 performance rights as the performance rights were granted on 30 June 2017.

(c) Options granted as consultancy fee

On 23 May 2017 the Company issued 350,000 options, exercisable at $0.40 at any time on or before 31 December 2018 for no cash consideration.

The grant of share options as consultancy fee has been recognised during the year. For the year ended 30 June 2017, an amount of $25,060 was recorded as an expense and also included within the share based payment reserve.

The fair value of the options has been measured using the Black - Scholes model with the following inputs to the model;

• Weighted average share price	$0.22
• Exercise price	$0.40
• Expected volatility	100%
• Option life	1.6 years
• Expected dividends	Nil
• Risk-free interest rate	1.60%

Note 8: Income tax

	2017 $	2016 $
Tax losses available for subsequent financial year	182,985	79,226

The Company has incurred tax losses and no tax liability for the financial year (2016: nil).

Deferred tax assets have not been recognised in the Statement of Financial Position as the recovery of these benefits is uncertain. The benefit of these deferred tax assets will only be obtained if:

(1) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the temporary differences to be realised;

(2) the Company continues to comply with the conditions for deductibility imposed by tax legislation; and

(3) no changes in tax legislation adversely affect the entity in realising the benefit from the deductions for the temporary differences.

Note 9: Current assets – Cash and cash equivalents

	2017 $	2016 $
Cash at bank	523,166	491,833
Term deposits	1,200,000	2,138,378
Bond	-	4,460
Cash at bank and in hand	1,723,166	2,634,671

Cash at bank and in hand earn no interest (2016: nil). Deposits earn between 2.35% to 2.55% (2016: 1.75% - 2.95%).

Note 10: Current assets – Trade and other receivables

	2017 $	2016 $
Trade debtors	17,873	3,956
Interest receivables	1,932	5,476
	19,805	9,432

Trade debtors ageing as follows:

2017	**$**	**$**	**$**	**$**
	0-6 Months	6-12 Months	>12 Months	Carrying Amounts
Trade debtors	17,873	-	-	17,873
	17,873	-	-	17,873

2016	**$**	**$**	**$**	**$**
	0-6 Months	6-12 Months	>12 Months	Carrying Amounts
Trade debtors	3,956	-	-	3,956
	3,956	-	-	3,956

Note 11: Current assets – Other assets

	2017 $	2016 $
Deposits	86,103	31,101
Prepayments	16,701	27,252
	102,804	58,353

Note 12: Non-current assets – Plant and equipment

	Vehicles	Office furniture & eqipment	Total
	$	$	$
Year ended 30 June 2017			
Opening Net book amount	14,540	29,394	43,934
Additions	-	64,336	64,336
Disposals	-	-	-
Depreciation expense	(2,181)	(23,144)	(25,325)
Closing net book amount	12,359	70,586	82,945
At 30 June 2017			
Cost	32,854	115,188	148,042
Accumulated depreciation	(20,495)	(44,602)	(65,097)
Net Book amount	12,359	70,586	82,945
Year ended 30 June 2016			
Opening Net book amount	28,195	1,739	29,934
Additions	-	36,518	36,518
Disposals	(10,929)	-	(10,929)
Depreciation expense	(2,726)	(8,863)	(11,589)
Closing net book amount	14,540	29,394	43,934
At 30 June 2016			
Cost	32,854	51,185	84,039
Accumulated depreciation	(18,314)	(21,791)	(40,105)
Net Book amount	14,540	29,394	43,934

Note 13: Non-current assets – Intangible assets

	2017	2016
	$	$
Goodwill	6,826,772	5,658,068
Less: Accumulated Depreciation	-	-
	6,826,772	5,658,068
Proprietary software - at cost	231,573	231,573
Less: Accumulated Depreciation	(231,573)	(231,573)
	-	-
Website and Platform - at cost	125,787	125,787
Less: Accumulated Depreciation	(66,388)	(24,459)
	59,399	101,328
APPS - at cost	53,909	53,909
Less: Accumulated Depreciation	(28,452)	(10,482)
	25,457	43,427
Brand - at cost	35,940	35,940
Less: Accumulated Depreciation	(18,968)	(6,988)
	16,972	28,952
	6,928,600	5,831,775

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Goodwill	Proprietary software	Website & Platform	APPS	Brand	Total
	$	$	$	$	$	$
Balance at 1 July 2015	-	135,000	-	-	-	135,000
Additions	5,658,068	-	125,787	53,909	35,940	5,873,704
Impairment of assets	-	(82,632)	-	-	-	(82,632)
Amortisation expense	-	(52,368)	(24,459)	(10,482)	(6,988)	(94,297)
Balance at 30 June 2016	5,658,068	-	101,328	43,427	28,952	5,831,775
Additions through business combinations (note 22)	1,168,704	-	-	-	-	1,168,704
Impairment of assets	-	-	-	-	-	-
Amortisation expense	-	-	(41,929)	(17,970)	(11,980)	(71,879)
Balance at 30 June 2017	6,826,772	-	59,399	25,457	16,972	6,928,600

Goodwill is subjected to annual impairment testing. The goodwill related to acquisition of Datetix Limited in Hong Kong, Lovestruck Limited in United Kingdom and Noonswoon Co., Ltd in Thailand (Details refer to note 22 – business combination).

Note 13: Non-current assets – Intangible assets (continued)

The carrying amount of the goodwill was allocated to cash generating business units as follows:

	2017 $	2016 $
Dating Services		
Datetix Business & Matchmaking Division	5,658,068	5,658,068
Lovestruck Business Division	963,771	-
Noonswoon Business Division	204,933	-
	6,826,772	5,658,068

Recoverable amount of goodwill – DateTix Business & Matchmaking, Lovestruck, and Noonswoon Division:

The recoverable amount of the consolidated entity's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 4-year projection period approved by management and extrapolated for a further 1 year using a steady rate, together with a terminal value.

The key assumptions used in generating the cash flow projections for the Datetix, Lovestruck and Noonswoon divisions are as follows:

- Revenue growth is based upon expected sales based on existing revenue plus other provinces penetration in China, Singapore, London, Bangkok and Delhi under budget in the first four years;
- 5% year-on-year growth in revenue from year 4 to year 5. The growth rate is derived from management's past experience, as well as potential penetration rate from market research reports into the Dating Industry in countries mentioned above;
- Direct costs are based on the existing cost of sales model with inflation applied and increases in line with revenue growth;
- Indirect costs to grow over the period with inflation applied and increases in line with revenue growth. This is in line with expected budgeted plans; and
- A pre-tax discount factor of 12.28% has been applied to the cash flows. This discount factor is based reflects management's estimate of the time value of money, the consolidated entity's weighted average cost of capital adjusted for the Datetix, Lovestruck and Noonswoon business and the risk-free rate.

Based on the above, the recoverable amount of the Datetix division exceeded the carrying amount by $7,347,561.

Based on the above, the recoverable amount of the Lovestruck division exceeded the carrying amount by $3,168,085.

Based on the above, the recoverable amount of the Noonswoon division exceeded the carrying amount by $3,207,619.

Note 13: Non-current assets – Intangible assets (continued)

Sensitivity
As disclosed in note 3, the directors have made judgements and estimates in respect of impairment testing of goodwill. Should these judgements and estimates not occur the resulting goodwill carrying amount may decrease. The key sensitivities are as follows:

a) Forecast revenue would need to decrease by more than 25% per year for the Datetix division, by more than 14% per year for the Lovestruck division and by more than 40% per year for the Noonswoon division before goodwill would need to be impaired, with all other assumptions remaining constant.

b) The gross margin would need to decrease by more than 30% for the Datetix division, by more than 15% for the Lovestruck division and by more than 40% for the Noonswoon division before goodwill would need to be impaired, with all other assumptions remaining constant.

An impairment charge to reduce the carrying value of the goodwill balance may be necessary should the acquired DateTix, Lovestruck and Noonswoon business not generate positive cash flows from its operations going forward. Any impairment of goodwill would result in an expense being recognised in the Statement of Profit or Loss and Other Comprehensive Income in the year of impairment.

Management believes that no reasonably possible changes in the key assumptions on which the value in use calculation is based would cause the aggregate carrying amount to exceed the aggregate recoverable amount.

Note 14: Current liabilities – Trade and other payables

	2017 $	2016 $
Trade payables	99,339	37,678
Other payables and accruals	213,947	52,500
Payment received for services not yet delivered	820,405	67,810
Employee benefits	185,114	128,255
	1,318,805	286,243

Note 15: Current liabilities – Borrowings

	2017 $	2016 $
Lease liabilities	-	17,508
	-	17,508

Note 16: Contributed equity

	NUMBER OF SHARES		SHARE CAPITAL	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
			$	$
Ordinary shares - fully paid (no par value)	37,036,841	29,061,546	16,177,350	13,565,617
Total Share Capital			16,177,350	13,565,617

(a) Movements in ordinary share capital

DETAILS	ORDINARY SHARES	Issue Price $	30-Jun-17 $	30-Jun-16 $
	No.			
Balance at start of period	29,061,546		13,565,617	5,868,520
Issue of Shares as consideration for business combination				
- Datetix Limited	-	-	-	5,000,000
- Lovestruck Limited (note i)	2,000,000	0.38	760,000	-
- Noonswoon Inc. (note ii)	700,000	0.30	210,000	-
Issue of Shares as consideration for investor relations services	-	-	-	39,900
Issue of Shares for employee services	100,000	0.25	25,000	-
Issue of Shares for cash	5,175,295	0.34	1,759,600	3,000,000
Cost of share issue	-	-	(142,867)	(331,289)
Share based payments expense on securities granted for capital raising fee	-	-	-	(11,514)
Balance at end of period	37,036,841		16,177,350	13,565,617

Note:
(i) 2,000,000 ordinary shares were issued at $0.38 (38 cents) per share as part of consideration for the acquisition of Lovestruck Limited.
(ii) 700,000 ordinary shares were issued at $0.30 (30 cents) per share as consideration for the acquisition of Noonswoon Inc.

(b) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(c) Shares in escrow

There were 14,550,000 shares in escrow at 30 June 2017 (2016: 13,992,695).

(d) Options

There were 3,445,504 shares under option as at 30 June 2017 (2016: 3,095,504).

(e) Capital risk management

The Company’s objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Note 17: Reserves

	30-Jun-17	30-Jun-16
	A$	A$
Share-based payment reserve	1,523,226	1,449,977
Foreign Currency Translation Reserve	(2,498)	(1,780)
	1,520,728	1,448,197

	30-Jun-17	30-Jun-16
	$	$
Share-based payment reserve		
Balance at the beginning of the year	1,449,977	234,970
Movement during the year	73,249	1,215,007
Balance at the end of the year	1,523,226	1,449,977
Foreign Currency Translation Reserve		
Balance at the beginning of the year	(1,780)	(6,862)
Movement during the year	(718)	5,082
Balance at the end of the year	(2,498)	(1,780)
Total reserves	1,520,728	1,448,197

Share-based payment reserve

The share-based payments reserve is used to recognise the expense of the fair value at grant date of options and performance rights granted to employees but not exercised and to recognise the fair value of shares issued to an employee under a limited recourse loan which is not yet due to be repaid.

	30-Jun-17		30-Jun-16	
	No	$	No	$
Options over fully paid ordinary shares				
Balance at beginning of year	3,095,504	321,203	1,395,504	234,970
Recognised directly in equity			-	-
Recognised directly in equity				
Options issued as equity raising fee with an exercise price of 40c	-	-	100,000	11,514
Total recognised directly in equity	-	-	100,000	11,514
Recognised in income statement				
Amortisation of options issued to employees with an exercise price of $1.00			-	8,940
Options issued to a director with an exercise price of 40c			100,000	11,514
Options issued to director and employees with an exercise price of 40c			1,500,000	54,265
Amortisation of options issued to a director with an exercise price of 40c	-	17,715	-	-
Amortisation of options issued to employees with an exercise price of 40c	-	30,474	-	-
Options issued to a consultant with an exercise price of 40c	350,000	25,060	-	-
Total recognised in income statement	350,000	73,249	1,600,000	74,719
Balance at end of year	3,445,504	394,452	3,095,504	321,203
Weighted average exercise price of outstanding options (Cents)		59		61
Weighted average exercise price of outstanding options (Year)		2.7		3.9
Performance Rights				
Balance at beginning of year	12,000,000	1,128,774	-	-
Recognised directly in equity	-	-	-	-
Performance rights granted	400,000	-	12,000,000	1,128,774
Performance rights exercised	-	-	-	-
Balance at end of year	12,400,000	1,128,774	12,000,000	1,128,774
Total share based payment reserves		1,523,226		1,449,977

Note 18: Key management personnel disclosures

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the consolidated entity's Key Management Personnel.

The aggregate compensation made to Key Management Personnel is set out below:

	2017 $	2016 $
(a) Key management personnel compensation		
Short term employee benefits	516,713	730,271
Post-employment benefits	17,325	46,221
Other benefits	27,668	9,652
Share based payments	47,057	31,955
	608,763	**818,099**

Note 19: Remuneration of auditors

		2017 $	2016 $
i)	Audit services:		
	Pitchers Partners Australia: Audit and review of financial statements	46,550	57,000
	RSM Australia: Audit of financial statements	25,000	-
	RSM Hong Kong: Audit of financial statements	6,500	-
	Total remuneration for audit services	**78,050**	**57,000**
ii)	Other services:		
	Pitchers Partners Australia: Taxation services	10,000	9,250
	Pitchers Partners Australia: Financial due diligence	-	45,000
	Total remuneration for other services	**10,000**	**54,250**
	Total remuneration	**88,050**	**111,250**

No other services were provided by RSM Australia during the period. During the year, the Company changed its auditors with Pitchers Partners completing the review of the Company's Interim Financial Statements for the half-year ended 31 December 2016 and RSM Australia completing the audit of the Financial Statements for the year ended 30 June 2017.

Note 20: Commitments

(a) Capital commitments

The Group had no commitments in relation to capital expenditure contracted for at the reporting date but not recognised as liabilities (2016: nil).

Note 20: Commitments (Continued)

(b) Operating leasing commitments - Premises

	2017 $	2016 $
Non cancellable operating lease contracted for but not capitalised in financial statements		
Payable - minimum lease payment		
- not later than 12 months	316,704	155,518
- between 12 months and 5 years	87,758	20,928

Note 21: Related party transactions

Key Management Personnel and transactions with other related parties

Disclosures relating to Key Management Personnel are set out in Note 18 and the Remuneration Report included in the Directors' Report.

(a) Transactions with Key Management Personnel and their related parties

30 June 2017

No transactions with Key Management Personnel and their related parties during the year ended 30 June 2017.

30 June 2016

During the year ended 30 June 2016, the Company paid fee of $2,000 (excl. GST) to Minerva Corporate Pty Ltd for the Company Secretarial Services provided by Matthew Foy and Daniel Smith, and registered office of the Company.

On 23 November 2015 the Company acquired 100% of the issued shares in Datetix Limited. The consideration for the acquisition of Datetix HK consisted entirely of equity securities as detailed in Note 22 to the Financial Statements.

Michael Ye, CEO, became a director of the Company at the time of the acquisition of Datetix Limited. Pursuant to shareholder approval he received 4,545,455 fully paid ordinary shares and 4,363,635 performance rights in the Company as consideration for his shareholding in Datetix Limited. That portion of the consideration was valued at $2,228,645.

During the year a director purchased a vehicle from the Company which had become surplus to requirements for $11,980 plus GST.

(b) Outstanding balances arising from sales/purchases of goods and services, transactions

No outstanding balances with related parties during the year ended 30 June 2017. At 30 June 2016, the amount payable to Minerva Corporate Pty Ltd was $1,037 (before excl. GST).

Note 21: Related party transactions (Continued)

(c) Loans to Key Management Personnel and their related parties

Details of loans made to Key management Personnel of the Group, including their personally related parties are set out below.

Name	Balance at the start of the year	Amount advanced during the year	Interest paid and payable for the year	Amount written off	Balance at the end of the year	Highest indebtedness during the year
2017 L Kelson	155,000	-	-	-	**155,000**	**155,000**
2016 L Kelson	155,000	-	-	-	**155,000**	**155,000**

Pursuant to shareholder approval, the Company advanced $155,000 to Director Leigh Kelson to acquire 155,000 shares in the Company on 11 November 2014. The loan is for seven years or less if the CEO ceases employment with the Company. It is interest free and recourse is limited to the amount which the Company may recover by selling the shares and any share benefits or, in the absolute discretion of the Company, exercising its rights to have the shares and any share benefits forfeited. The loan for shares arrangement was treated as a Share based payment and is reflected in the Share based payments reserve.

No other transactions occurred between Key Management Personnel and their related entities with the Group during the year (2016: Nil).

Note 22: Business combination

Noonswoon Inc.

The acquisition completed on 19 December 2016 of 100% share capital of Noonswoon Co., Ltd, the primary operating subsidiary of Noonswoon Inc. based in Thailand and all key intellectual property of Noonswoon Inc.

Noonswoon is a pioneering dating company operated in Thailand. The company’s primary product is a mobile app targeting people who are serious daters.

At the time these financial statements were authorised for issue, the Company had not yet completed the accounting for the acquisition of the business of Noonswoon Co. Ltd. In particular, the fair value of assets and liabilities disclosed below had only been determined provisionally as the independent valuations were not finalised.

Note 22: Business combination (Continued)

Details of the acquisition are as follows:	Fair Value
	$
Cash and cash equivalents	5,067
Goodwill	204,933
Acquisition-date fair value of the total consideration transferred	210,000
Representing:	
700,000 fully paid ordinary shares at a notional issue price of $0.30 per share	210,000

Value of shares issued as part of the purchase consideration is based on fair value of the shares on the acquisition date.

Lovestruck Limited

The acquisition completed on 31 July 2016 of 100% share capital of Lovestruck Limited, which is a leading premium online dating platform for serious long-term relationships, and currently operates primarily in Hong Kong, Singapore and the United Kingdom.

At the time these financial statements were authorised for issue, the Company had not yet completed the accounting for the acquisition of the business of Lovestruck Limited. In particular, the fair value of assets and liabilities disclosed below had only been determined provisionally as the independent valuations were not finalised.

Note 22: Business combination (Continued)

Details of the acquisition are as follows:	Fair Value
	$
Cash and cash equivalents	236,802
Prepayments and deposits	34,903
Trade and other payables	(132,796)
Net tangible assets acquired	138,909
Goodwill	963,771
Acquisition-date fair value of the total consideration transferred	1,102,680
Representing:	
2,000,000 fully paid ordinary shares at a notional issue price of $0.38 per share	760,000
Cash Consideration	207,680
Contingent Consideration	135,000
	1,102,680

Value of shares issued as part of the purchase consideration is based on fair value of the shares on the acquisition date.

Note 23: Discontinued operations

(a) Description

On 7 March 2016 the Company signed an asset sale agreement to sell the non-core services business it operated as PRM Cloud Solutions. The business was sold on 1 April 2016 and is reported in the current period as a discontinued operation. Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

(b) Financial performance and cash flow information

The financial performance presented are for the year ended 30 June 2017 and nine months ended 31 March 2016 (2016 column).

Note 23: Discontinued operations (Continued)

	2017	1 July 2016 to 31 March 2016 (9 months)
	$	$
Profit and Loss		
Revenue	81,157	680,277
Expenses		
Consulting fees	-	(212,714)
Depreciation and amortisation	-	(52,368)
Employee benefits expense - G&A	-	(337,748)
Impairment of software development asset	-	(82,632)
Marketing	-	(10,289)
Travel expense	-	(5,979)
Profit / (Loss) before income tax	81,157	(21,453)
Income tax expenses	-	-
Profit / (Loss) after income tax of discontined operation	81,157	(21,453)
Gain on sales of business after income tax (see (c) below)	-	481,257
Profit / (Loss) from discontinued operation	81,157	(459,804)
Asset and Liabilities	$	$
Assets		
Work in Progress	-	18,743
Liabilities		
Accounts Payable	-	16,500
Cash Flow	$	$
Net cash inflow / (outflow) from operating activities	81,157	594,804
Net increase / (decrease) generated by the discontinued business	81,157	594,804

(c) Details of the sale of the business

	2016
	$
Consideration received or receivable:	
Cash	500,000
Fair Value of contingent consideration	238,045
Total disposal consideration	738,045
Carrying amount of net asset sold (note 1)	(256,788)
Gain on sales before income tax	481,257
Income tax expense on gain	-
Gain on sales after income tax	481,257
Note 1	
Fair Value of contingent consideration	254,545
WIP	18,743
Account Payable	(16,500)
	256,788

Note 23: Discontinued operations (Continued)

(c) Contingent consideration

30 June 2017

If the operations of the business achieve certain performance criteria during the period from 1 April 2016 to 31 March 2017 as specified in the "earn out" clause in the sales agreement, further cash consideration of up to $200,000 will be receivable. Up to the date of issuance of this financial statements, both parties have not come to agreement on the performance criteria. In view of this uncertainty, no accrual of this potential consideration has been recognised at the reporting date.

30 June 2016

Provided the business retains two key employees until 1 April 2017, additional cash consideration of $80,000 will be receivable. In additional, if the operations of the business achieve certain performance criteria during the period of 1 April 2016 to 31 March 2017 as specific as "earn out" clause in the sales agreement, further cash consideration of up to $200,000 will be receivable. At the time of the sales, the fair value of the contingent consideration was determined to be $238,045.

Note 24: Parent entity disclosures

As at, and throughout, the financial year ended 30 June 2017, the parent entity of the Group was Love Group Global Ltd. The following information relates to the parent entity and has been prepared using accounting policies that are consistent with those presented in Note 1.

a) Summary financial information

	2017 $	2016 $
Result of parent entity		
Loss for the year after tax	(453,366)	(845,718)
Total comprehensive loss for the year	**(453,366)**	**(845,718)**
Financial position of parent entity at year end		
Current assets	1,412,064	2,177,952
Non-current assets	10,415,824	7,638,621
Total assets	**11,827,888**	**9,816,573**
Current liabilities	77,655	286,132
Total liabilities	**77,655**	**286,132**
Net assets	**11,750,233**	**9,530,441**
EQUITY		
Contributed equity	16,177,350	13,565,617
Reserves	1,409,258	1,347,833
Accumulated loss	(5,836,375)	(5,383,009)
Total Equity	**11,750,233**	**9,530,441**

b) Guarantees entered into by the parent entity

The parent entity has not entered into any guarantees in respect of its subsidiaries (2016: Nil).

c) Contingent liabilities

The parent entity has no contingent liabilities (2016: Nil).

d) Contractual commitments for the acquisition of property, plant and equipment

Nil (2016: Nil).

Note 25: Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b).

Name of entity	Country of incorporation	Class of shares	Equity holding 2017 %	Equity holding 2016 %
Enverro Asia Pacific Pty Ltd (incorporated 18 August 2014)	Australia	Ordinary	100	100
Datetix Solutions Pty Ltd (formerly PRM Cloud solutions Pty Ltd) (incorporated 18 August 2014)	Australia	Ordinary	100	100
Enverro Inc (incorporated 11 August 2014 and dissolved on 26 October 2016)	U.S.A	Common	-	100
Datetix Limited (incorporated 18 February 2013, acquired 23 November 2015)	Hong Kong	Common	100	100
Datetix Pte Limited (incorporated 4 January 2016)	Singapore	Common	100	100
Datetix China Limited (incorporated 6 January 2016)	Shenzhen, China	Common	100	100
Datetix China Shenzhen Limited (incorporated 17 June 2016)	Shenzhen, China	Common	100	100
Lovestruck Limited (incorporated 27 June 2006, acquired 31 July 2016)	London	Common	100	-
Noonswoon Co., Limited (incorporated 10 May 2013, acquired 19 December 2016)	Bangkok	Common	100	-

Note 26: Events occurring after the reporting period

On 24 July 2017, the conversion milestone for the Class A Performance Rights has been met. 4,000,000 Performance Rights held by the vendors of Datetix have converted to Ordinary shares. 3,760,000 of the shares are subjected to remaining escrow period, being 25 November 2017.

There are no other matters or circumstances, other than those disclosed within the financial statements, which have arisen since 30 June 2017 that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

Note 27: Contingent liabilities

There were no contingent liabilities for the Group at 30 June 2017 (2016: nil).

Note 28: Reconciliation of (loss) after income tax to net cash outflow from operating activities

	2017 $	2016 $
(Loss) for the year	(3,420,163)	(2,151,675)
Adjustment for:		
Depreciation and amortisation	97,204	105,886
Impairment of intangible asset	-	82,632
Share based payments	98,545	26,529
Foreign exchange differences	8,158	12,677
Net non-cash operating expenses	(62,578)	37,259
Change in operating assets and liabilities:		
Trade and other receivables	(10,373)	191,218
Other assets	(44,451)	(51,365)
Trade and other payables	1,015,054	(182,143)
Net cash outflows from operating activities	(2,318,604)	(1,928,982)

Note 29: Earnings per share

	2017 Cents	2016 Cents
(a) Basic and Diluted[1] earnings/(loss) per share		
From continuing operations attributable to the ordinary equity holders of the Company	(10.2)	(12.4)
From discontinued operations	0.2	2.1
Total basic loss attributable to the ordinary equity holders of the Company	(10.0)	(10.3)
(b) Reconciliation of earnings/(loss) used in calculating earnings per share	**$**	**$**
Net earnings/(loss) for the year attributable to the ordinary equity holders of the Company used to calculate loss per share – basic and diluted[1].		
From continuing operations	(3,501,320)	(2,611,479)
From discontinued operations	81,157	459,804
	(3,420,163)	(2,151,675)
	Number	**Number**
Weighted average number of ordinary shares outstanding during the year used to calculate earnings/(loss) per share	34,239,387	21,116,025

[1]Diluted earnings per share are the same as basic earnings per share because the options and performance rights on issue are anti-dilutive.

Directors' declaration

In the opinion of the directors:

(a) The attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including:

i) Giving a true and fair view of the Group's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
ii) Complying with Accounting Standards, *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
iii) Complying with International Financial Reporting Standards as disclosed in Note 1(a); and

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

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

Michael Ye
Director
Hong Kong
30 August 2017

RSM Australia Partners

8 St Georges Terrace Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
LOVE GROUP GLOBAL LTD

Opinion

We have audited the financial report of Love Group Global Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended; and

(ii) 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 Group 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.

RSM

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed this matter
Acquisition of Noonswoon Co. Ltd and Lovestruck Limited Refer to Note 22 in the financial statements	
During the year ended 30 June 2017, Datetix Limited, a wholly owned subsidiary of Love Group Global Ltd completed the acquisition of Noonswoon Co. Ltd and Lovestruck Limited. Accounting for both acquisitions have been completed on a provisional basis as at the reporting date. The final acquisition accounting will be determined in the year ended 30 June 2018. The accounting for this acquisition is considered a Key Audit Matter because it involved significant management judgements on the fair value of the assets acquired and liabilities assumed, the purchase consideration and the contingent consideration.	Our audit procedures in relation to the business combination included: • Reviewing the Heads of Agreement for the key terms and conditions of the transaction and the assets acquired and liabilities assumed; • Critically evaluating management's determination that both acquisitions met the definition of a business in accordance with AASB 3 *Business Combinations;* • Assessing management's determination of the fair value of the purchase consideration and contingent consideration; • Checking the mathematical accuracy in deriving the intangible amount; and • Assessing the appropriateness of the Group's financial statements disclosures in relation to the acquisition.
Impairment of goodwill Refer to Note 13 in the financial statements	
The Group has consolidated goodwill of $7 million relating to its acquisition of the businesses in the prior year and the current year. Management performs an annual impairment test on the recoverability of the goodwill as required by Australian Accounting Standards. We determined this area to be a key audit matter due to the size of the goodwill balance and because the directors' assessment of the 'value in use' of the cash generating units ("CGUs") involves judgement about the future underlying cash flows of the businesses, their profit margin and the discount rates applied to them.	Our audit procedures in relation to management's impairment assessment included: • Assessing management's determination that the goodwill should be allocated to three different CGUs based on the nature of the Group's business; • Assessing the valuation methodology used; • Challenging the reasonableness of key assumptions, including the cash flow projections, expected revenue growth rates and the discount rate; • Reviewing management's sensitivity analysis over the key assumptions used in the models; and • Checking the mathematical accuracy of the cash flow model and reconciling input data to supporting evidence, such as approved budgets and considering the reasonableness of these budgets.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and the 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.

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 ability of the Group 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 Group 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/auditors_responsibilities/ar2.pdf. 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 within the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Love Group Global Ltd, for the year ended 30 June 2017, 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.

RSM

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 30 August 2017

Shareholder information

Information required by Australian Securities Exchange Limited and not shown elsewhere in this report is as follows:-

STATEMENT OF QUOTED SECURITIES AS AT 29 AUGUST 2017

(a) Distribution of equity securities

Analysis of number of equity security holders by size of holding:

Size of holding	Number of Shareholders
100,001 and Over	37
10,001 - 100,000	130
5,001 - 10,000	54
1,001 - 5,000	235
1 - 1,000	19
Total	475

There were no holders of less than a marketable parcel of ordinary shares.

(b) Quoted Equity security holders

Twenty largest quoted equity security holders

Name	Quoted Ordinary Share held	Percentage of issue shares
SANDHURST TRUSTEES LTD <JMFG CONSOL A/C>	8,540,019	20.811%
MICHAEL YE	6,000,000	14.621%
GOLD RESOURCES LTD	4,950,000	12.062%
GLOBAL MARKETPLACE LIMITED	4,560,000	11.112%
RYDER INVESTMENT MANAGEMENT PTY LTD	1,364,841	3.326%
CAREN GOLLAN <LECARLIA A/C>	1,008,129	2.457%
MR BRETT PAUL HARDING	816,000	1.988%
DOULEV PTY LTD <LEVERSHA DOUGLAS FAMILY A/C>	686,972	1.674%
MR BENJAMIN PHILLIPE GRENIER	652,927	1.591%
DIXTRU PTY LIMITED	559,164	1.363%
GOODE NICHOLSON PTY LTD <GOODE NICHOLSON FAMILY A/C>	536,863	1.308%
ONE MANAGED INVESTMENT FUNDS LIMITED <TECHNICAL INVESTING ABSOLUTE RETURN A/C>	465,244	1.134%
BANNABY INVESTMENTS PTY LTD <SUPER FUND A/C>	300,001	0.731%
UBS NOMINEES PTY LTD	300,000	0.731%
MR LAURENCE PETER HOLLOWAY	272,000	0.663%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	249,000	0.607%
CITICORP NOMINEES PTY LIMITED	242,736	0.592%
MR WAYNE JOHN KELSON <KELSON FAMILY A/C>	241,811	0.589%
EAST MIDLANDS EARLY GROWTH FUND LTD	240,000	0.585%
KAVIN ASAVANANT	198,822	0.484%
	32,184,529	78.428%

Shareholder information (Continued)

(c) Substantial holders

Substantial holders in the Company are set out below:

Ordinary Shares	Number Held	Percentage
Sandhurst Trustees Ltd <IMFG CONSOL A/C>	8,540,019	20.81%
Michael Ye	6,000,000	14.62%
	14,540,019	**35.43%**

(d) Voting rights

The voting rights attaching to each class of equity securities are set out below.

(i) 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 will have one vote.

Corporate Directory

Board of Directors
Anthony Harris, Non-executive Chairman
Michael Ye, Chief Executive Officer
Leigh Kelson, Non-executive director

Company Secretary
Minerva Corporate Pty Ltd
-Daniel Smith
-Matthew Foy

Websites
www.lovegroup.co
www.enverro.com

Lawyers
Mills Oakley Lawyers
Level 4, 145 Ann Street
Brisbane QLD 4000
Australia
www.millsoakley.com.au

Registered Office
Unit 5, Ground Floor,
1 Centro Avenue
Subiaco WA 6008
Australia

Auditor
RSM Australia Partners
8 St Georges Terrace
WA 6000
Australia
www.rsm.com.au

Share Registry
Boardroom Pty Ltd (until 1 October 2017)
Level 12, 225 George Street
Sydney NSW 2000
www.boardroomlimited.com.au

Advanced Share Registry Services Limited (effective 2 October 2017)
110 Stirling Highway
Nedlands, WA 6009
www.advancedshare.com.au