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 2019

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

1. Details of reporting period

Reporting Period:	30 June 2019
Previous corresponding period:	30 June 2018

2. Results for Announcement to the Market

The consolidated entity has adopted Accounting Standards AASB9 'Financial Instruments' and AASB15 'Revenue from Contracts with Customers' for the year ended 30 June 2019. The Accounting Standards were adopted using the modified retrospective approach and as such comparatives have not been restated.

	Percentage change Up or Down	%		$'000
Revenue from ordinary activities	up	65%	to	6,333
Profit from continuing activities after tax attributable to members	up	107%	to	542
Profit for the year attributable to members	up	107%	to	542

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

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4. Net Tangible Assets per security

Net Tangible Assets (NTA)	**June 2019**	**June 2018**
Net Tangible Assets per security	0.7 Cents	-1.1 Cents

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

Name of Entity	**Date control gained**	**Contribution to profit / (loss) from ordinary activities during the period $'000**
Love Lounge Limited	21 January 2019	-
Lovestruck Sdn Bhd	15 May 2019	-2

Name of Entity	**Date control lost**	**Contribution to profit / (loss) from ordinary activities during the period $'000**
Datetix China Shenzhen Limited	17 January 2019	-

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 2019

LOVE GROUP

LOVE GROUP GLOBAL LTD

ABN 82 009 027 178

Annual Report
For the year ended 30 June 2019

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Dear shareholders,

We are pleased to deliver our first ever profitable fiscal year, driven by strong top line growth and six consecutive quarters of operating cash flow profitability. Our total cash receipts increased 21% year-on-year to $6,008k in FY19, up from $4,967k in FY18. Our personal matchmaking business continued its growth momentum and represented 91% of total cash receipts in FY19, up from 83% in FY18. Geographically, Hong Kong and Singapore remained our largest markets, accounting for 70% and 19%, respectively, of total cash receipts in FY19.

Cash receipts from our personal matchmaking business increased 32% year-on-year to $5,454k in FY19, up from $4,125k in FY18, primarily driven by an increase in the number of matchmaking consultations performed, for both new and existing clients. For existing clients, we have adopted a more streamlined approach to identifying high potential clients to upsell membership upgrades and cross-sell complementary services such as professional photoshooting, image coaching and date coaching, thereby increasing the number of selling opportunities we have to expand each client's total spend with us over time.

Cash receipts from our online dating business decreased 42% year-on-year to $450k in FY19, down from $780k in FY18, primarily as a result of a continued decrease in the number of online dating subscriptions purchased. We believe this decrease is directly attributable to our increased focus on upselling personal matchmaking services to our online dating users, which has led many of them to purchase our personal matchmaking packages instead of our online dating subscriptions.

Cash receipts from our events business increased 1% year-on-year to $61k in FY19, up from $60k in FY18. Most of our events are organized as speed dating events where attendees meet each other for one-on-one chats that last approximately 10 minutes. Our events are organized either within our matchmaking stores or at external venues that we partner with.

Cash receipts from our Love Lounge business totalled $47k in FY19, up from nil in FY18. Love Lounge is the brand name for the venues that we operate within our existing matchmaking stores to arrange dates for our members and generate revenue from the sale of drinks and snacks for consumption during their dates. We believe Love Lounge to be a steady and recurring revenue stream with potential for substantial future growth if we can continue to increase our active member base and the number of dates we arrange for our members.

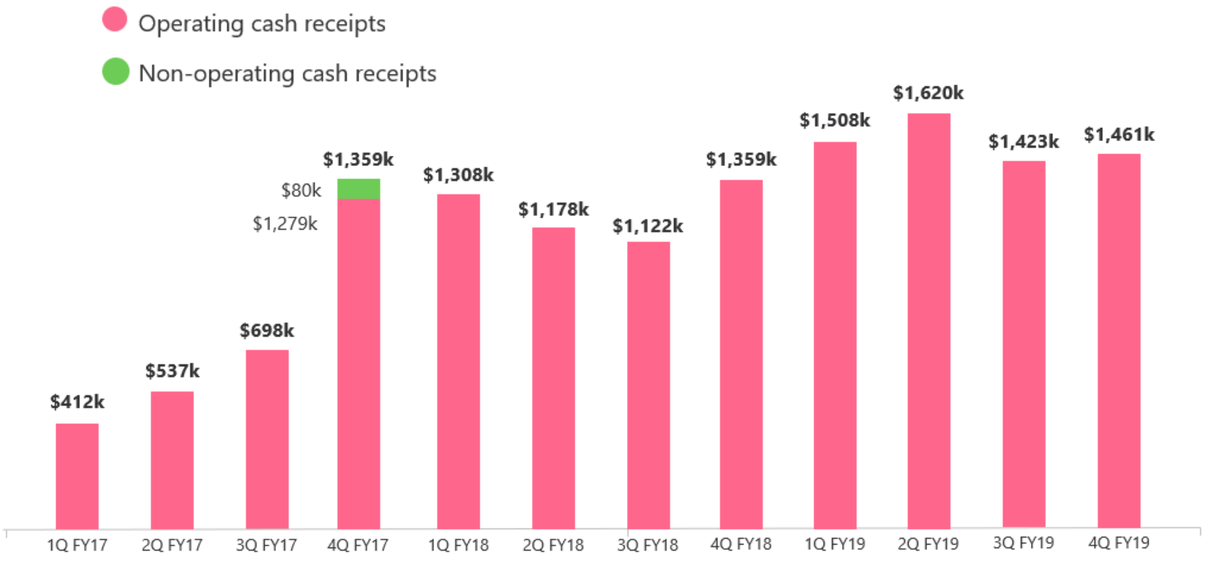
Geographically, we achieved strong growth in cash receipts across in FY19 across Hong Kong, Singapore and Bangkok, while cash receipts in London declined as a result of the suspension of personal matchmaking business and a decrease in online dating subscriptions:

- Hong Kong: 25% increase year-on-year in cash receipts to $4,205k in FY19, up from $3,359k in FY18
- Singapore: 157% increase year-on-year in cash receipts to $1,153k in FY19, up from $449k in FY18
- Bangkok: 19% increase year-on-year in cash receipts to $459k in FY19, up from $386k in FY18
- London: 75% decrease year-on-year in cash receipts to $174k in FY19, down from $695k in FY18

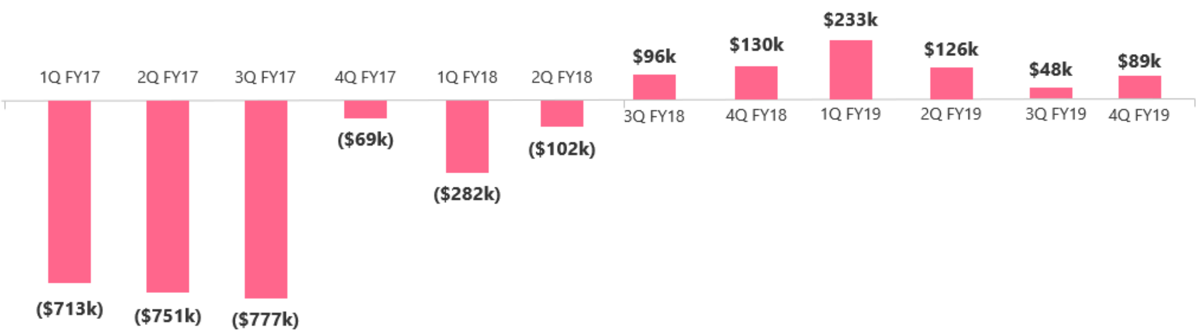
For FY20, we plan to strategically shift our growth focus from geographic expansion to deeper market penetration in our core cities of Hong Kong and Singapore, which represented 89% of our total cash receipts in FY19. To allow management to sharpen its focus on these two markets, operations in Bangkok and Kuala Lumpur will be wound down, and expansions to other cities such as Melbourne, Sydney, Mumbai, New York and Toronto will be put on hold.

Our long-term goal is to become the clear and dominant market leader in the dating services industry in every city that we operate in, in terms of revenue and size of active singles member base, which will allow us to provide superior dating services to our members, and give us long-term sustainable competitive advantages through local network effects and economies of scale that should drive superior operating margins and free cash flows over time.

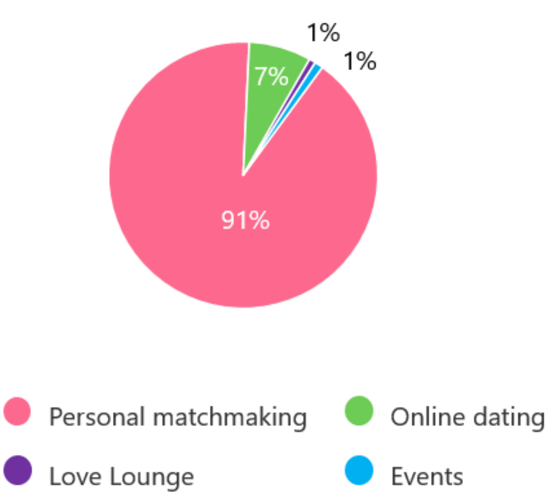
Customer cash receipts



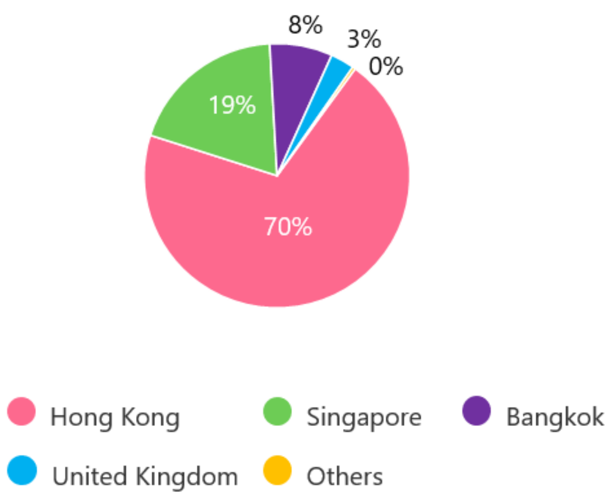
Net cash from operating activities



FY19 cash receipts by product



FY19 cash receipts by geography



FY20 Outlook

Looking ahead to FY20, Love Group will prioritize its strategic focus on growing its Hong Kong and Singapore businesses, which we believe offer substantial room for further growth and market penetration. We will focus on increasing the number of active members, consultations and dates arranged to drive revenue growth across the matchmaking, online dating and Love Lounge businesses.

To further increase our market share in Hong Kong, we are evaluating the potential opening of a second store location in a popular neighborhood in the Kowloon district of Hong Kong. Operating two store locations in the same city will broaden consumer reach and allow us to better service our growing existing member base by offering increased convenience for consultations and dates.

We also look forward to the launch of the Lovestruck 2.0 dating app and website, expected in the first quarter of FY20. Lovestruck 2.0 is expected to boost new member acquisition as well as existing member retention and engagement. Key features of Lovestruck 2.0 include streamlined profile creation, live online chat with consultants, real-time notifications of date requests, automated date reminders and post-date feedback.

Key growth drivers for FY20

- Further market share gains in Hong Kong and Singapore, our core strategic focus for FY20
- Growth from our new Love Lounge business in Hong Kong and Singapore, driven by increasing the number of dates arranged for members at Love Lounge locations
- Increase in the number of consultations and dates as a result of the expected opening of a second Hong Kong store in the Kowloon district that should broaden consumer reach and improve service and convenience to our existing members
- Increase in the number of active members and average number of dates arranged per active member, driven by new matchmaking features in the Lovestruck 2.0 dating app and website

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 2019.

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:

Terence Grigg	Chairman and Non-Executive Director
	Terry was appointed a director and Chairman of the Company on 30 November, 2017.
Experience and qualification	Terry has had 25 years' experience as an Executive Financial Director of Ausfine Foods International Pty Ltd (1988-2013) - Importer and Exporter of meat and dairy products worldwide and is currently a Non-Executive Director of Enevis Limited ASX : ENE appointed February 2017 (formerly Stokes Limited ASX: SKS).
	Terry's vast knowledge and experience in purchasing, sales and marketing, import and export logistics, accounting and financial management, foreign currency hedging and mitigation and banking facility negotiation will support the Company in achieving its market growth strategy and enhance the existing capabilities on the Board.
Other directorships in listed entities:	Nil
Former directorships in listed entities In last 3 years:	Non-Executive Director of Enevis Limited
Interests in shares and options:	Nil
Michael Ye	Managing 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

Directors (continued)

Michael Ye (continued)

Interests in shares and options:	12,560,000 ordinary shares 666,667 Class B performance rights 666,666 Class C performance rights 2,560,000 Class C performance rights 400,000 $0.40 employee options expiring 31 December 2020
Tod McGrouther	Non-Executive Director Tod was appointed as an non-executive director on 1 February, 2018.
Experience and qualification:	Tod has over 30 years of financial services and corporate advisory service. He is a co-founder and current director at KTM Capital, a Sydney-based boutique investment bank specialising in corporate advisory and underwriting services for high-growth companies. Since KTM's inception in 1988, the Company has assisted over 60 clients in more than 150 transactions, raising over $600 million of equity capital. Prior to founding KTM Capital, Tod was a Director of the Corporate Finance Department of Prudential Bache Securities Limited, and prior to that, he was an Associate Director at Bankers Trust Australia. Tod specialises in the provision of strategic advice in the areas of valuation, capital raising and investor relations services for ASX listed companies.
Other directorships in listed entities:	Director of Urbanise Limited
Former directorships in listed entities In last 3 years:	Director of IOT Group Limited
Interests in shares and options:	3,457,000 ordinary shares

Company Secretary

Nicholas Ong	Company Secretary Nicholas Ong was appointed as Company Secretary of the Company on 11 February 2019. Daniel Smith resigned on 11 February 2019. Nicholas was a principal adviser at the Australian Securities Exchange in Perth and brings 15 years of experience in listing rules compliance and corporate governance.

Meetings of directors

The following table sets out the number of meetings of the Company's Directors during the year ended 30 June 2019 and the number of meetings attended by each director.

During the financial year, 12 board meetings were held in addition to the Company's Annual General Meeting held on 16 November 2018.

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

Director	**Board Meeting**	
	Attended	Held
Terence Grigg	12	12
Michael Ye	12	12
Tod McGrouther	11	12

Principal activities

The principal continuing activities of the Group during the year:

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

Review of operations and Financial Position

Consolidated Results	Year ended 30 June 2019 $	Year ended 30 June 2018 $
Revenue	6,329,263	3,779,640
Net profit / (loss) before tax	543,391	(7,906,339)
Net cash from/(used in) operating activities	495,191	(142,471)
Net assets/Net liabilities	288,340	(467,296)

The financial result for the year ended 30 June 2019 is a net profit after tax of $543k (2018: net loss after tax of $7,906k).

Love Group's revenue increased from $3,780k in FY18 to $6,329k in FY19, up 67% year-on-year. Major contributors are Hong Kong and Singapore which are the company's core strategic focus for fiscal year 2020.

Net cash from operating activities is $495k (2018: -$143k).

Significant changes in the state of affairs

A new entity named Love Lounge Limited was registered on 21 January 2019 in Hong Kong for new business development in Asia.

The Share Sales Facility for holders of small parcels of shares in the Company closed on 18 January, 2019. The final number of shares eligible to be sold under the Facility was 607,672 ordinary shares from 183 shareholders, which represents approximately 43% of the total number of shareholders presently holding shares in the Company. 607,672 ordinary shares were cancelled on 1 February 2019.

On 22 January 2019, the Group has completed the de-registration of Datetix China Shenzhen Limited. Datetix China Limited will be kept for business operations in China.

The Group announced for on-market buy back on 1 February 2019 up to a maximum of 10% of the issued ordinary shares in the Company, being 4,037,416 shares. The Buyback is being conducted to buy shares that are trading at a value below what the Board believes is the intrinsic value of the shares. It commenced no earlier than 11 February 2019 and will end within 12 months from the date of announcement.

1,000,000 employee options exercisable at $0.40 on or before 31 December 2020 were cancelled on 4 February 2019.

Nicholas Ong was appointed as Company Secretary effective from 11 February 2019, following the resignation of Daniel Smith.

A new entity named Lovestruck Sdn. Bhd was registered on 15 May 2019 in Malaysia for new business development in Malaysia.

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

There were no matters 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 fiscal year 2020, Love Group will prioritize its strategic focus on growing its Hong Kong and Singapore businesses, which the company believes offer substantial room for further growth and market penetration. The company will focus on increasing the number of active members, consultations and dates arranged to drive revenue growth across the matchmaking, online dating and Love Lounge businesses.

To further increase its market share in Hong Kong, the company is evaluating the potential opening of a second store location in a popular neighborhood in the Kowloon district of Hong Kong. Operating two store locations in the same city will broaden consumer reach and allow the company to better service its growing existing member base by offering increased convenience for consultations and dates.

The company also looks forward to the launch of the Lovestruck 2.0 dating app and website, expected in the first quarter of fiscal year 2020. Lovestruck 2.0 is expected to boost new member acquisition as well as existing member retention and engagement. Key features of Lovestruck 2.0 include streamlined profile creation, live online chat with consultants, real-time notifications of date requests, automated date reminders and post-date feedback.

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	Terence Grigg
	Tod McGrouther
Executive director and CEO	Michael Ye
Other key management personnel	Wendy Hui – Chief Financial Officer

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 (now known as Love Group Hong Kong 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.

Remuneration policy and link to Group performance (continued)

Company acquired both Lovestruck Limited and Noonswoon Co., Ltd and all key intellectual property of Noonswoon Inc. during FY2017.

The Company has started generated profit this year. It has developed and marketed the Datetix, Noonswoon and Lovestruck on-demand dating platform and related business opportunities.

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

	2019	2018	2017
Share price at year end	$0.090	$0.081	$0.25
Change in share price [1]	+$0.009	-$0.169	-$0.15
TSR - Year on year [2]	+11.1%	-67.6%	-37.5%
Market capitalisation [3]	$3,648,075	$3,332,084	$9,259,210
Profit / (Loss) for the year	$543,391	($7,906,339)	$3,420,163
KMP remuneration	$610,703	$587,768	$608,763

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 2018 Annual General Meeting (AGM)
At the 2018 AGM, 100% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2018. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Use of remuneration consultants

During the year the Company did not engage an independent remuneration consultant to review remuneration practices for the Key Management Personnel.

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.

	Date	Per Annum
Chairman - Terence Grigg	From 30 November 2017	$36,000
Non-executive director - Tod McGrouther	From 1 February 2018	$30,000

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

2019

	Short term benefit			Post-employment benefit		
Name	Cash Salary Consultancy & fees $	Other $	Equity settled Share Base Payment $	Superannuation $	Termination Benefit $	Total $
Non-executive directors						
T Grigg	36,000	-	-	-	-	36,000
T McGrouther	30,000	-	-	-	-	30,000
Executive directors						
M Ye	286,000	49,519	4,911	3,100	-	343,530
Other key management personnel						
W Hui	159,307	-	38,766	3,100	-	201,173
Total	511,307	49,519	43,677	6,200	-	610,703

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

Executive remuneration and benefits (continued)

Details of remuneration (continued)

2018

	Short term benefit			Post-employment benefit		
Name	Cash Salary Consultancy & fees $	Other $	Equity settled Share Base Payment $	Superannuation $	Termination Benefit $	Total $
Non-executive directors						
T Grigg	21,000	-	-	-	-	21,000
T McGrouther	12,500	-	-	-	-	12,500
A Harris	25,000	-	-	2,375	-	27,375
L Kelson	26,682	-	-	-	-	26,682
Executive directors						
M Ye	289,250	22,409	9,674	3,061	-	324,394
Other key management personnel						
W Hui	142,864	4,892	25,000	3,061	-	175,817
Total	517,296	27,301	34,674	8,497	-	587,768

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
Non-executive directors						
T Grigg	100%	100%	-	-	-	-
T McGrouther	100%	100%	-	-	-	-
A Harris	-	100%	-	-	-	-
L Kelson	-	100%	-	-	-	-
Executive directors						
M Ye	85%	90%	14%	7%	1%	3%
Other key management personnel						
W Hui	81%	83%	-	3%	19%	14%

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
T Grigg[1] ***Chairman***	Ongoing, commenced 30 November 2017	$36,000	Not Applicable
T McGrouther[1] ***Non-Executive Director***	Ongoing, commenced 1 February 2018	$30,000	Not Applicable
M Ye[1] ***Chief Executive Officer***	Ongoing, commenced 1 June 2017 Notice period six months.	$286,000 + MPF contribution + Cash bonus under STI + Performance rights under LTI	Mobile phone and associated costs. Participation in Group health insurance plan
W Hui[1] ***Chief Financial Officer***	Ongoing, commenced 1 July 2017 Notice period one month.	$165,335 (HK$960,000) + MPF contribution + Shares allotment	Participation in Group health insurance plan. Professional association memberships.

[1] Key management personnel have no entitlement to any termination benefit. Options lapse on termination are the decision of the board.

Details of Equity Settled share-based compensation

2019

Name	**Type**	**Grant Date**	**Granted**		**Exercised**		**Forfeited**	
			Number	**Value**	**Number**	**Value**	**Number**	**Value**
Non-executive directors								
T Grigg	N/A	N/A	NIL	NIL	NIL	NIL	NIL	NIL
T McGrouther	N/A	N/A	NIL	NIL	NIL	NIL	NIL	NIL
Executive directors								
M Ye	L-T Options	N/A	NIL	$4,911①	NIL	NIL	NIL	NIL
M Ye	Performance Rights	16 November 2018	2,000,000③	NIL	NIL	NIL	(666,667)	NIL
Other key management personnel								
W Hui	Ordinary Shares	30 June 2019	100,000	$25,000②	NIL	NIL	NIL	NIL
W Hui	Performance Rights	30 June 2017	200,000	$13,766②	NIL	NIL	NIL	NIL

(1) This relates to share-based payment 400,000 options issued to M Ye on 23 November 2015.
(2) On 30 June 2019, the Company issued 100,000 shares to Chief Financial Officer Wendy Hui, for no cash consideration. 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 2019. $13,766 share-based payment expense was pertaining to the remaining 200,000 performance rights.
(3) 2,000,000 performance rights with three tranches were granted on 16 November 2018 for no cash consideration upon approval at the Annual General Meeting. The fair value of the performance rights on grant date was valued at $NIL due to the probability of meeting the vesting condition is less than probable. 666,667 Class A Performance Rights under tranche 1 were lapsed on 30 June 2019 due to share price condition was not met. Refer to Equity instruments held by Key Management Personnel for details on vesting conditions.

2018

Name	Type	Grant Date	Granted		Exercised		Forfeited	
			Number	Value	Number	Value	Number	Value
Non-executive directors								
T Grigg	N/A	N/A	NIL	NIL	NIL	NIL	NIL	NIL
T McGrouther	N/A	N/A	NIL	NIL	NIL	NIL	NIL	NIL
A Harris	N/A	N/A	NIL	NIL	NIL	NIL	NIL	NIL
L Kelson	N/A	N/A	NIL	NIL	NIL	NIL	NIL	NIL
Executive directors								
M Ye	L-T Options	N/A	NIL	9,674①	NIL	NIL	NIL	NIL
Other key management personnel								
W Hui	Performance Rights	30 June 2017	NIL	NIL	NIL	NIL	300,000	NIL②
W Hui	Ordinary Shares	30 June 2017	100,000	25,000②	NIL	NIL	NIL	NIL

(1) 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.
(2) 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. 100,000 performance rights have vested on 30 June 2018 and have been converted into Ordinary shares. Balance 300,000 performance rights have been cancelled on 30 June 2018.

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
Shares issued during the year ended 30 June 2019							
1	30 June 2019 (Escrowed 30 June 2021)	30 June 2019	30 June 2019	$0.00	$0.25	n/a	100%
Performance rights granted during the year ended 30 June 2019							
2	23 November 2018						
	Escrowed 30 June 2020	30 June 2019 - 34%	30 June 2019	$0.00		$0.40 share price over any 20-day WAPP on or before 30 June 2019, escrowed until 30 June 2020, and remaining employed at end of FY19	-
	Escrowed 30 June 2021	30 June 2020 - 33%	30 June 2020	$0.00	$0.00	$0.60 share price over any 20-day WAPP on or before 30 June 2020, escrowed until 30 June 2021, and remaining employed at end of FY20	-
	Escrowed 30 June 2022	30 June 2021 - 33%	30 June 2021	$0.00		$0.80 share price over any 20-day WAPP on or before 30 June 2021, escrowed until 30 June 2022, and remaining employed at end of FY21	-
Performance rights granted during the year ended 30 June 2018							
3	21 May 2018						
	Escrowed 30 June 2021	30 June 2019 - 20%	30 June 2021		$0.053		100%
	Escrowed 30 June 2021	30 June 2020 - 20%	30 June 2021		$0.053		-
	Escrowed 30 June 2021	30 June 2021 - 20%	30 June 2021	$0.00	$0.053	n/a	-
	Escrowed 30 June 2022	30 June 2022 - 20%	30 June 2022		$0.053		-
	Escrowed 30 June 2023	30 June 2023 - 20%	30 June 2023		$0.053		-
Long term options granted during the year ended 30 June 2017							
4	23 May 2017	Immediately	31 Dec 2018	$0.40	$0.22	n/a	100%
Performance rights granted during the year ended 30 June 2017							
5	30 June 2017						
	Escrowed 30 June 2020	30 June 2018 - 20%	30 June 2018	$0.00	$0.25	n/a	100%
Shares issued during the year ended 30 June 2017							
6	30 June 2017 (Escrowed 30 June 2020)	30 June 2017	30 June 2017	$0.00	$0.25	n/a	100%
Long term options (2016)							
7	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		-
8	23 Nov 2015 (Escrowed until 27 Nov 2017)	Immediate	31 Dec 2020	$0.40	$0.115	n/a	100%
9	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		-
Long term options (2015)							
10	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	-
11	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, performance rights 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.

2019		Balance at the start of the year	Granted as compensation	Received during the year on exercise of options	Other changes during the year	Note	Balance at the end of the year
Directors							
T Grigg	Shares	-	-	-	-		-
	Options	-	-	-	-		-
T McGrouther	Shares	3,457,000	-	-	-		3,457,000
	Options	-	-	-	-		-
M Ye	Shares	10,885,694	-	-	1,674,306	(1)	12,560,000
	A Performance rights	-	666,667	-	(666,667)	(2)	-
	B Performance rights	-	666,667	-	-	(2)	666,667
	C Performance rights	-	666,666	-	-	(2)	666,666
	B Performance rights	2,560,000	-	-	(2,560,000)	(1)	-
	C Performance rights	2,560,000	-	-	-		2,560,000
	Options	400,000	-	-	-		400,000
Other Key Management Personnel of the Group							
W Hui	Shares	200,000	-	-	100,000	(3)	300,000
	Options	100,000	-	-	(100,000)	(3)	-
	Performance rights	-	300,000	-	(100,000)	(3)	200,000

(1) 1,674,306 shares were purchased from open market. 2,560,000 B Performance rights were lapsed on 3 December 2018.
(2) 2,000,000 performance rights with three tranches were granted on 16 November 2018 upon approval at the Annual General Meeting. 666,667 Class A Performance Rights under tranche 1 were lapsed on 30 June 2019 due to share price condition was not met. The vesting conditions are as follows:
i. Class A performance rights:666,667 shares vesting upon achievement of $0.40 share price over any 20-day WAPP on or before 30 June 2019, escrowed until 30 June 2020, and remaining employed at end of FY19.
ii. Class B performance rights:666,667 shares vesting upon achievement of $0.60 share price over any 20-day WAPP on or before 30 June 2020, escrowed until 30 June 2021, and remaining employed at end of FY20.
iii. Class C performance rights:666,660 shares vesting upon achievement of $0.80 share price over any 20-day WAPP on or before 30 June 2021, escrowed until 30 June 2022, and remaining employed at end of FY21.
(3) 100,000 options have been cancelled on 4 February 2019. 300,000 performance rights which were cancelled on 30 June 2018 were re-issued during the year and 100,000 performance rights have vested on 30 June 2019 and converted to ordinary shares.

2018		Balance at the start of the year	Granted as compensation	Received during the year on exercise of options	Other changes during the year	Balance at the end of the year
Directors						
T Grigg (1)	Shares	-	-	-	-	-
	Options	-	-	-	-	-
T McGrouther (2)	Shares	-	-	-	3,457,000	3,457,000
	Options	-	-	-	-	-
A Harris (3)	Shares	5,000	-	-	(5,000)	-
	Options	-	-	-	-	-
L Kelson (4)	Shares	1,008,129	-	-	(1,008,129)	-
	Options	-	-	-	-	-
M Ye	Shares	8,000,000	-	2,560,000	325,694	10,885,694
	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
Other Key Management Personnel of the Group						
W Hui (5)	Shares	100,000	-	-	100,000	200,000
	Performance rights	400,000	-	-	(400,000)	-
	Options	100,000	-	-	-	100,000

(1) Appointed on 30 November 2017
(2) Appointed on 1 February 2018.
(3) Resigned on 30 November 2017. Other changes of 5,000 due to resignation of director.
(4) Resigned on 1 February 2018. Personal disposal of shares of 695,000, Other changes of 313,129 due to resignation of director.
(5) 100,000 performance rights have vested on 30 June 2018 and converted to ordinary shares. Balance of 300,000 performance rights have been cancelled on 30 June 2018.

Other transactions with Key Management Personnel

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

No transactions with Key Management Personnel and their related parties during the year ended 30 June 2019 (2018: Nil).

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

No outstanding balances with related parties during the year ended 30 June 2019 (2018: Nil).

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

No outstanding loans to Key Management Personnel and their related parties during the year ended 30 June 2019 (2018: Nil).

No other transactions occurred between Key Management Personnel and their related entities with the Group during the year (2018: Nil), not disclosed above or in note 20.

END OF AUDITED REMUNERATION REPORT

Shares under option

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

2019

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	100,000
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

2018

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

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.

Shares issued on the exercise of options

The Company did not issue any shares during the year ended 30 June 2019 and up to date of this report on the exercise of options granted.

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 18 to the financial statements.

The directors are of the opinion that the services as disclosed in note 18 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 2019

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/investors.htm

RSM Australia Partners

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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 2019, 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 2019

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

For the year ended 30 June 2019

	Note	30 Jun 2019	30 Jun 2018
		$	$
Revenue from continuing operations			
Dating Services		6,318,865	3,764,069
Interest Income		10,398	15,571
	5	6,329,263	3,779,640
Other Income	5	4,029	62,685
Expenses			
Auditing and accounting fees		65,344	61,438
Bad debts		-	1,980
Consulting fees		40,437	182,932
Depreciation and amortisation	6	125,109	89,764
Employee benefits expense - SG&A	6	2,014,465	1,742,850
Employee benefits expense - R&D	6	175,664	225,861
Event expenses		23,272	36,271
Impairment of intangible assets		-	6,895,873
Insurance		53,709	45,861
Loss on disposal of assets		-	8,822
Marketing expenses		2,041,662	1,287,528
Matchmaking expenses		191,923	249,103
Office Rent	6	439,649	416,231
Other expenses		154,584	155,924
Payment process fees		267,373	209,583
Recruitment expenses		15,897	6,939
Research and development		129,980	38,842
Share-based payment expense		(2,276)	35,046
Software expenses		42,990	50,920
Travel expenses		10,029	13,227
Foreign exchange gains and losses		1,498	1,105
		5,791,309	11,756,100
Profit / (Loss) before income tax		541,983	(7,913,775)
Income tax	8	-	-
Profit / (Loss) for the year from continuing business		541,983	(7,913,775)
Profit from Discontinuing Business	5	1,408	7,436
Profit / (Loss) for the year		543,391	(7,906,339)
Other comprehensive income for the year			
Exchange difference on conversion of foreign operation		(155,310)	(134,517)
Total comprehensive income / (loss) for the year		388,081	(8,040,856)
Earnings/(loss) per share for profit / (loss) for continuing operations attributable to the ordinary equity holders of the Company		Cents	Cents
Basic earnings / (loss) per share		1.3	(19.4)
Diluted earnings / (loss) per share		1.3	(19.4)
Earnings/(loss) per share for profit / (loss) attributable to the ordinary equity holders of the Company		Cents	Cents
Basic earnings / (loss) per share		1.3	(19.4)
Diluted earnings / (loss) per share		1.3	(19.4)

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 2019

	Note	30 Jun 2019 $	30 Jun 2018 $
ASSETS			
Current assets			
Cash and cash equivalents	9	1,658,004	1,309,373
Trade and other receivables	10	79,901	49,723
Other assets	11	147,460	241,325
Total Current Assets		1,885,365	1,600,421
Non-current assets			
Plant and equipment	12	222,391	205,985
Total Non-Current Assets		222,391	205,985
Total Assets		2,107,756	1,806,406
LIABILITIES			
Current liabilities			
Trade and other payable	13	471,048	359,522
Contract liabilities	14	1,348,368	1,914,180
Total Current Liabilities		1,819,416	2,273,702
Total Liabilities		1,819,416	2,273,702
Net Assets		288,340	(467,296)
EQUITY			
Contributed equity	15	16,500,232	16,681,389
Reserves	16	884,275	917,217
Accumulated loss		(17,096,167)	(18,065,902)
Total Equity		288,340	(467,296)

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 2019

	Contributed equity	Share based payments reserve	Accumulated losses	Foreign currency translation reserve	Total equity
	$	$	$	$	$
Balance at 1 July 2017	16,177,350	1,523,226	(10,159,563)	(2,498)	7,538,515
Loss for the year	-	-	(7,906,339)	-	(7,906,339)
Other comprehensive loss	-	-	-	(134,517)	(134,517)
Total comprehensive loss for the year	-	-	(7,906,339)	(134,517)	(8,040,856)
Transactions with owners in their capacity as owners					
Issue of shares for					
* Conversion of Class A Performance Rights	479,039	(479,039)	-	-	-
Share base payments expense on equity granted for:					
* employee services	25,000	10,045	-	-	35,045
	504,039	(468,994)	-	-	35,045
Balance at 30 June 2018	16,681,389	1,054,232	(18,065,902)	(137,015)	(467,296)
Balance at 1 July 2018	16,681,389	1,054,232	(18,065,902)	(137,015)	(467,296)
Adjustment for change in accounting policy (note 1)	-	-	426,344	-	426,344
Balance at 1 July 2018 - restated	16,681,389	1,054,232	(17,639,558)	(137,015)	(40,952)
Profit for the year	-	-	543,391	-	543,391
Other comprehensive loss	-	-	-	(155,310)	(155,310)
Total comprehensive income for the year	-	-	543,391	(155,310)	388,081
Transactions with owners in their capacity as owners					
Shares buyback	(56,513)	-	-	-	(56,513)
Loan for director shares written off	(155,000)	104,061	-	-	(50,939)
Performance rights lapsed due to vesting conditions not met granted for:					
* employee services	30,356	18,307	-	-	48,663
	(181,157)	122,368	-	-	(58,789)
Balance at 30 June 2019	16,500,232	1,176,600	(17,096,167)	(292,325)	288,340

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 2019

	Note	30 June 2019 $	30 June 2018 $
Cash flows from operating activities			
Receipts from customers		6,007,687	4,966,767
Payments to suppliers and employees		(5,527,756)	(5,188,592)
Other revenue		4,029	62,685
Interest received		11,231	16,669
Net cash from/(used in) operating activities	25	495,191	(142,471)
Cash flows from investing activities			
Payments for plant and equipment		(140,230)	(199,619)
Payment to acquire domain name and website		-	(3,213)
Proceeds from disposal of plant and equipment		-	13,933
Net cash used in investing activities		(140,230)	(188,899)
Cash flows from financing activities			
Payment for shares buyback		(56,513)	-
Net cash used in financing activities		(56,513)	-
Net increase/(decrease) in cash held and cash equivalents		298,448	(331,370)
Cash and cash equivalents at the beginning of the year		1,309,373	1,723,166
Effects of exchange rate changes on cash and cash equivalents		50,183	(82,423)
Cash and cash equivalents at the end of the year	9	1,658,004	1,309,373

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 Level 8, 99 St Georges Terrace, Perth WA 6000. The financial statements are for the year ended 30 June 2019.

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, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 9 Financial Instruments
The consolidated entity has adopted AASB 9 from 1 July 2018. The standard introduced 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 that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are 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 or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, 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 use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using 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. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

Impact of adoption
There is immaterial impact on transactions and balances recognised in the financial statements.

AASB 15 Revenue from Contracts with Customers
The consolidated entity has adopted AASB 15 from 1 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are 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. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

Note 1: Summary of significant accounting policies

New or amended Accounting Standards and Interpretations adopted (continued)

Impact of adoption
AASB 15 was adopted using the modified retrospective approach and as such comparatives have not been restated. The impact of adoption on opening accumulated losses as at 1 July 2018 was as follows:

	1 July 2018 $
Contract Liabilities	426,344
Impact on opening accumulated losses as at 1 July 2018	(426,344)

The impact of the new Accounting Standards compared with the previous Accounting Standards on the current reporting year is as follows:

Current and New Accounting Standards - Overall

	Current	Previous	Difference
	$	$	$
Revenue	6,318,865	5,520,204	798,661
Profit/(loss) before income tax	541,983	(256,678)	798,661
Profit/(loss) for the year	543,391	(255,270)	798,661
Contract Liabilities	1,348,368	2,147,029	(798,661)
Net Assets / (Liabilities)	288,340	(510,321)	798,661

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 2019 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.

Note 1: Summary of significant accounting policies (continued)

iii) Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The consolidated entity earned a profit of $541,983 for the year ended 30 June 2019. As at that date, the consolidated entity had net assets of $288,340, net current assets of $65,949 and net cash from operating activities of $495,191.

The Directors believe that it is reasonably foreseeable that the consolidated entity will continue as a going concern and that it is appropriate for it to adopt the going concern basis in the preparation of the financial report, due to the contract liabilities of $1,348,368 which is recognised as a current liability as at 30 June 2019 (refer to note 14) which no cash outflows are expected to be required to settle this liability, other than the cash outflows that will be incurred as a result of providing the services to fulfil the contract liabilities. The contract liabilities will unwind when the service is provided by the consolidated entity during the years ended 30 June 2020 and 30 June 2021.

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 21.

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 2019 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' or ‘Group’.

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.

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.

Note 1: Summary of significant accounting policies (continued)

c) Principles of consolidation (continued)

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) 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.

e) 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.

f) Revenue recognition

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone

Note 1: Summary of significant accounting policies (continued)

f) Revenue recognition (continued)

selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised. 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 at a point in time 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 twenty-four months. Revenue will be recognised over the service period and upon satisfaction of performance obligation.

- F&B Income:
  This relates to revenue derived from restaurant commission and lounge business income. Revenue is recognised at a point in time upon delivery of the service to the customer.

g) 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

Note 1: Summary of significant accounting policies (continued)

g) Income Tax (continued)

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.

h) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the consolidated entity will obtain ownership at the end of the lease term.

Operating lease payments, 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.

i) 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.

j) 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.

Note 1: Summary of significant accounting policies (continued)

k) 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 any allowance for unexpected credit losses. 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.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

l) 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 straight line 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; 1-5 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.

m) 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.

Note 1: Summary of significant accounting policies (continued)

m) Goodwill (continued)

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.

n) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Note 1: Summary of significant accounting policies (continued)

o) 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.

p) Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

q) 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.

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.

r) 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.

Note 1: Summary of significant accounting policies (continued)

r) Employee benefits (continued)

(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-based payments

The Company established an Employee Share Ownership Plan, and issued share options and performance rights to employees under the Plan. The share options and performance rights constitute equity based payments in accordance with AASB 2 Share-Based Payments, and the options and performance rights 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. Performance rights are measured at fair value on grant date.

s) 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.

t) 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.

u) 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.

Note 1: Summary of significant accounting policies (continued)

v) 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.

w) Comparatives

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

x) Discontinued operations

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

y) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2019. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

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.

Note 1: Summary of significant accounting policies (continued)

y) New Accounting Standards and Interpretations not yet mandatory or early adopted (continued)

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 and its impact on adoption is expected to result in total assets increasing by $765,659 and total liabilities increasing by $765,659 with no impact to net assets.

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

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

	Year ended 30 June 2019 $	Year ended 30 June 2018 $
Financial Assets		
Cash and cash equivalents	1,658,004	1,309,373
Trade and other receivables	79,901	49,723
Total Financial Assets	1,737,905	1,359,096
Financial Liabilities		
Trade and other payables	471,048	359,522
Total Financial Liabilities	471,048	359,522

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.

Note 2: Financial risk management (continued)

a) General Objectives, Policies and Processes

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.

(a) Interest rate risk

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

	Year ended 30 June 2019 $	Year ended 30 June 2018 $
Cash and cash equivalents	1,658,004	1,309,373

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.

At 30 June 2019, 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 2019 $	Year ended 30 June 2018 $
Judgement of reasonable possible movement		
+0.5% (50 basis points)	8,290	6,547
-0.5% (50 basis points)	-8,290	-6,547

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 dollars, 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.

Note 2: Financial risk management (continued)

(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.

The consolidated entity has a credit risk exposure, which as at 30 June 2019 owed the consolidated entity $79,901 (2018: $49,723). This balance was within its terms of trade and no impairment was made as at 30 June 2019. There are no guarantees against this receivable but management closely monitors the receivable balance on a monthly basis and is in regular contact with this customer to mitigate risk.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

(e) Fair value

The carrying value of cash and cash equivalents, receivables and payables represent reasonable approximations of their fair values due to their short-term nature.

(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 $1,819,416 (2018: $2,273,702) of which $1,348,368 (2018: $1,914,180) is recorded as payment received for services not yet delivered. The group has trade and other receivables of $79,901 (2018: $49,723), trade and other payables of $471,048 (2018: $359,522), and total assets of $2,107,756 (2018: $1,806,406) of which $1,658,004 (2018: $1,309,373) 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.

Note 2: Financial risk management (continued)

(f) Liquidity risk (continued)

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.

2019	$	$
	0-6 Months	Carrying Amounts
Trade and other payables	471,048	471,048
	471,048	471,048

2018	$	$
	0-6 Months	Carrying Amounts
Trade and other payables	359,522	359,522
	359,522	359,522

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. In the opinion of the Directors, there are no estimates and assumptions in the financial report that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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 (Discontinued from 1 July 2019).
Corporate	indirect expenses which include auditing and accounting fees, employee benefits expenses for General and Administrative and Research and Development staff and office rent.

Note 4: Operating segments (continued)

b) Operating segment information

Consolidated - 2019	Dating Services $	Enterprise Services $	Other $	Total $
Revenue				
Sales to external customers	6,318,865	1,408	-	6,320,273
Other Revenue	-	-	4,029	4,029
Total segment revenue	6,318,865	1,408	4,029	6,324,302
Interest revenue				10,398
Total Revenue				6,334,700
EBITDA	1,661,323	1,408	(1,004,629)	658,102
Depreciation and amortisation				(125,109)
Interest revenue				10,398
Profit before income tax expense				543,391
Income tax expense				-
Profit after income tax expense				543,391

Asset and Liabilities

Asset	Dating Services $	Enterprise Services $	Other $	Total $
Segment assets	221,905	-	5,456	227,361
Unallocated assets:				
Cash and cash equivalents				1,658,004
Plant and equipment				222,391
Total assets	221,905	-	5,456	2,107,756

Liabilities	Dating Services $	Enterprise Services $	Other $	Total $
Segment Liabilities	1,722,683	-	96,733	1,819,416
Total Liabilities	1,722,683	-	96,733	1,819,416

Consolidated - 2018	Dating Services $	Enterprise Services $	Other $	Total $
Revenue				
Sales to external customers	3,764,069	7,436	-	3,771,505
Other Revenue	-	-	62,685	62,685
Total segment revenue	3,764,069	7,436	62,685	3,834,190
Interest revenue				15,571
Total Revenue				3,849,761
EBITDA	304,338	(3,265)	(1,237,346)	(936,273)
Depreciation and amortisation				(89,764)
Impairment of intangible assets				(6,895,873)
Interest revenue				15,571
Loss before income tax expense				(7,906,339)
Income tax expense				-
Loss after income tax expense				(7,906,339)

Asset and Liabilities

Asset	Dating Services $	Enterprise Services $	Other $	Total $
Segment assets	289,968	-	1,080	291,048
Unallocated assets:				
Cash and cash equivalents				1,309,373
Plant and equipment				205,985
Total assets	289,968	-	1,080	1,806,406

Liabilities	Dating Services $	Enterprise Services $	Other $	Total $
Segment Liabilities	2,223,172	1,569	48,961	2,273,702
Total Liabilities	2,223,172	1,569	48,961	2,273,702

Note 4: Operating segments (continued)

	2019 $	2018 $
Oceania	2,324	7,436
Asia	6,140,308	3,171,615
Europe	177,641	592,454
	6,320,273	3,771,505

No individual customer constitute more than 10% of revenue.

Note 5: Revenue

	2019 $	2018 $
From continuing operations		
Sales revenue		
Dating Services	6,318,865	3,764,069
Interest Income	10,398	15,571
	6,329,263	3,779,640
From discontinuing operations		
Enterprise Services	1,408	7,436
	1,408	7,436
Other Income	4,029	62,685
	4,029	62,685
Total revenue and other income	6,334,700	3,849,761

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

Consolidated - 2019	Event	F&B	Matchmaking	Online	Interest Income	Others	Total
	$	$	$	$	$	$	$
Australia	-	-	916	-	9,878	1,408	12,202
Bangkok	-	347	442,538	32,415	376	-	475,676
China	-	-	-	-	18	-	18
Hong Kong	59,745	35,029	4,287,276	270,431	126	-	4,652,607
London	-	-	52,502	125,140	-	-	177,642
Singapore	2,698	8,659	889,631	102,438	-	4,030	1,007,456
Others	-	-	5,691	3,408	-	-	9,099
	62,443	44,035	5,678,554	533,832	10,398	5,438	6,334,700
Timing of revenue recognition							
Goods transferred at a point in time	62,443	44,035	-	-	-	5,438	111,916
Services transferred over time	-	-	3,795,754	533,832	10,398	-	4,339,984
Services transferred at a point in time	-	-	1,882,800	-	-		1,882,800
	62,443	44,035	5,678,554	533,832	10,398	5,438	6,334,700

AASB 15 was adopted using the modified retrospective approach and as such comparatives have not been provided for disaggregation of revenue.

Note 6: Expenses

Profit/(Loss) before income tax includes the following specific expenses:	2019 $	2018 $
Continuing Operation		
Depreciation		
Vehicles	-	618
Office furniture, equipment and leasehold	125,109	53,206
Amortisation		
Intangible asset		
- Website & Platform	-	20,965
- APPS	-	8,985
- Brand	-	5,990
Total depreciation and amortisation	125,109	89,764
Rental expenses relating to operating leases		
Office rental expenses	439,649	416,231
Superannuation contribution expense	89,087	59,997

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. For the year ended 30 June 2018, an amount of $9,674 was recorded as share-based payment expense and also included within the share-based payment reserve. For the year ended 30 June 2019, an amount of $4,911 was recorded as share-based payment expense and also included within the share-based payment 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 2019, 1,000,000 options were cancelled due to the cessation of employment of the employees (2018: nil option were cancelled).

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.

On 30 June 2018, 100,000 performance rights have vested and been converted into ordinary shares. The fair value of the shares was measured at a total of $25,000 and recorded as share-based payment expense and credited to the share capital at 30 June 2018. The balance of 300,000 performance rights have been cancelled on 30 June 2018.

During the year ended 30 June 2019, 300,000 performance rights were re-granted to Chief Financial Officer. $13,766 was debited to share-based payment expense and credited to share-based payment reserve.

On 30 June 2019, the Company issued 100,000 shares on conversion of performance rights. The fair value of the shares was measured at a total of $25,000 and recorded as share-based payment expense and credited to the share capital at 30 June 2019.

Note 7: Share-based payments (Continued)

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 consultancy 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%

During the year ended 30 June 2019, 350,000 options were cancelled due to the options expired (2018: nil option were cancelled).

d) Share-based payments to an employee

On 21 May 2018, the Company 300,000 granted performance rights to an employee for no cash consideration. Performance rights vesting in five tranches subject to employment continuity from FY2019 to FY2023. The fair value of the performance rights on grant date was measured at a total of $370 and was recorded as share-based payment expense and also included within the share-based payments reserve on 30 June 2018.

On 30 June 2019, 60,000 performance rights have vested and been converted into ordinary shares. The fair value of the shares was measured at a total of $4,986 and recorded as share-based payment expense and $5,356 was credited to the share capital at 30 June 2019, which was the accumulated share-based payment amount.

Note 8: Income tax

	2019 $	2018 $
Unused tax losses for which no deferred tax asset has been recognised:		
Losses	1,199,961	971,035
Potential tax benefit at 27.5%	329,989	267,035

The Company has incurred tax losses and no tax liability for the financial year (2018: 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

	2019 $	2018 $
Cash at bank	575,830	416,782
Terms deposits	461,921	508,714
Restricted cash	620,253	383,877
	1,658,004	1,309,373

Cash at bank and in hand earn no interest (2018: Nil). Deposits earn between 2.3% to 2.4% (2018: 2.3% - 2.4%).

Note 10: Current assets – Trade and other receivables

	2019 $	2018 $
Trade receivables	79,901	48,890
Interest receivables	-	833
	79,901	49,723

Note 10: Current assets – Trade and other receivables (Continued)

Allowance for expected credit losses
The consolidated entity did not recognise any loss (2018:Nil) in profit and loss in respect of the expected credit losses for the year ended 30 June 2019.

Trade receivables ageing as follows:

2019	$	$	$	$
	0-6 Months	6-12 Months	>12 Months	Carrying Amounts
Trade receivables	78,005	-	1,897	79,901
	78,005	-	1,897	79,901

2018	$	$	$	$
	0-6 Months	6-12 Months	>12 Months	Carrying Amounts
Trade receivables	48,890	-	-	48,890
	48,890	-	-	48,890

Note 11: Current assets – Other assets

	2019	2018
	$	$
Deposits	114,959	128,727
Prepayments	32,501	112,598
	147,460	241,325

Note 12: Non-current assets – Plant and equipment

	Vehicles	Office furniture & equipment	Leasehold Improvement	Total
	$	$	$	$
Year ended 30 June 2019				
Net carrying amount at the beginning of the year	-	60,354	145,631	205,985
Additions	-	29,787	111,728	141,515
Depreciation expense	-	(36,404)	(88,705)	(125,109)
Net carrying amount at the end of the year	-	53,737	168,654	222,391
At 30 June 2019				
Cost	-	163,238	270,156	433,394
Accumulated depreciation	-	(109,501)	(101,502)	(211,003)
Net carrying amount	-	53,737	168,654	222,391
Year ended 30 June 2018				
Net carrying amount at the beginning of the year	12,359	70,586	-	82,945
Reclassification	-	(5,128)	5,128	-
Additions	-	47,931	151,687	199,618
Diposals - Cost	(32,854)	(23,260)	-	(56,114)
- Accumulated depreciations	21,113	12,247	-	33,360
Depreciation expense	(618)	(42,022)	(11,184)	(53,824)
Net carrying amount at the end of the year	-	60,354	145,631	205,985
At 30 June 2018				
Cost	-	133,451	158,428	291,879
Accumulated depreciation	-	(73,097)	(12,797)	(85,894)
Net carrying amount	-	60,354	145,631	205,985

Note 13: Current liabilities – Trade and other payables

	2019 $	2018 $
Trade payables	145,656	5,340
Other payables and accruals	91,351	202,389
Employee benefits	234,041	151,793
	471,048	359,522

Note 14: Current liabilities - contract liabilities

	2019 $	2018 $
Contract liabilities	1,348,368	1,914,180
	1,348,368	1,914,180

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

	2019 $	2018 $
Opening balance	1,914,180	820,405
Payment received in advance in current financial year	6,072,917	4,803,496
Transfer to revenue - included in the opening balance	(426,344)	-
Transfer to revenue - performance obligations satisfied in current financial year	(6,212,385)	(3,709,721)
Closing balance	1,348,368	1,914,180

Unsatisfied performance obligations
The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was $1,348,368 as at 30 June 2019 ($1,914,180 as at 30 June 2018) and is expected to be recognised as revenue in future periods as follows:

	2019 $	2018 $
Within 6 months	1,069,069	1,338,591
6-12 months	241,978	445,058
12-18 months	33,218	106,442
18-24 months	4,103	24,089
	1,348,368	1,914,180

Note 15: Contributed equity

	NUMBER OF SHARES		SHARE CAPITAL	
	2019	2018	2019	2018
			$	$
Ordinary shares - fully paid (no par value)	40,534,169	41,136,841	16,500,232	16,681,389
Total Share Capital			16,500,232	16,681,389

a) Movements in ordinary share capital

Movements in ordinary share capial:

DETAILS	ORDINARY SHARES No.	Issue Price $	2019 $	2018 $
	No.			
Balance at start of period	41,136,841		16,681,389	16,177,350
Issue of shares as conversion of class A performance rights	-	-	-	479,039
Issue of shares for employee performance rights	60,000	0.089	5,356	-
Issue of shares for employee services	100,000	0.250	25,000	25,000
Shares buy back from director loan and cancelled	(155,000)	1.000	(155,000)	-
Shares buy back	(607,672)	0.093	(56,513)	-
Balance at end of period	40,534,169		16,500,232	16,681,389

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 360,000 shares in escrow at 30 June 2019 (2018: 2,800,000).

d) Options

There were 2,095,504 shares under option as at 30 June 2019 (2018: 3,445,504).

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 16: Reserves

	30-Jun-19	30-Jun-18
	$	$
Share-based payment reserve	1,176,600	1,054,232
Foreign currency translation reserve	(292,325)	(137,015)
	884,275	917,217

	30-Jun-19	30-Jun-18
	$	$
Share-based payment reserve		
Balance at the beginning of the year	1,054,232	1,523,226
Movement during the year	122,368	(468,994)
Balance at the end of the year	1,176,600	1,054,232
Foreign currency translation reserve		
Balance at the beginning of the year	(137,015)	(2,498)
Movement during the year	(155,310)	(134,517)
Balance at the end of the year	(292,325)	(137,015)
Total reserves	884,275	917,217

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.

Note 16: Reserves (continued)

	30-Jun-19		30-Jun-18	
	No	**$**	**No**	**$**
Options over fully paid ordinary shares				
Balance at beginning of year	**3,445,504**	**404,126**	**3,445,504**	**394,452**
Recognised in income statement				
Amortisation of option issued to a director with an exercise price of 40c	-	4,911	-	9,674
Expiry of option issued to extenal party	(350,000)	-	-	-
Cancellation of option issued to employees	(1,000,000)	-	-	-
Total recognised in income statement	(1,350,000)	4,911	-	9,674
Balance at end of year	**2,095,504**	**409,037**	**3,445,504**	**404,126**
Weighted average exercise price of outstanding options (Cents)		71		59
Weighted average remaining life of outstanding options (Year)		1.7		1.7
Performance Rights				
Balance at beginning of year	**8,300,000**	**650,106**	**12,400,000**	**1,128,774**
Recognised directly in equity	-	-	-	-
Loan for director shares written off	-	104,061	-	-
Performance rights granted	-	13,766	300,000	371
Performance rights forfeited	-	-	(300,000)	-
Performance rights lapsed due to vesting conditions not met	(4,000,000)	-	-	-
Performance rights exercised	(60,000)	(370)	(4,100,000)	(479,039)
Performance rights granted [1]	2,000,000	-	-	-
Performance rights forfeited [1]	(666,667)	-	-	-
Balance at end of year	**5,573,333**	**767,563**	**8,300,000**	**650,106**
Total share-based payment reserves		**1,176,602**		**1,054,232**

[1] 2,000,000 performance rights with three tranches were granted to Chief Executive Officer, Michael Ye on 16 November 2018 for no cash consideration upon approval at the Annual General Meeting. The fair value of the performance rights on grant date was valued at $Nil due to the probability of meeting the vesting condition is less than probable. 666,667 Class A Performance Rights under tranche 1 were lapsed on 30 June 2019 due to share price condition was not met.

Note 17: 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:

	2019	2018
	$	$
Key management personnel compensation		
Short term employee benefits	511,307	517,296
Post-employment benefits	6,200	8,497
Other benefits	49,519	27,301
Share-based payments	43,677	34,674
	610,703	587,768

Note 18: Remuneration of auditors

	2019 $	2018 $
i) Audit and other assurance services: RSM Australia Partners		
Audit and review financial statements	40,000	38,500
Total remuneration for audit and assurance services	**40,000**	**38,500**
ii) Audit and other assurance services provided by related practice of the auditor		
Audit and review financial statements	6,931	6,648
Total remuneration for audit and assurance services	**6,931**	**6,648**
ii) Non-assurance services provided by related practice of the auditor:		
Taxation services	6,250	-
Total non-assurance services	**6,250**	-
Total remuneration	**53,181**	**45,148**

No other services were provided by RSM Australia Partners during the year.

Note 19: 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 (2018: Nil).

b) Operating leasing commitments - Premises

	2019 $	2018 $
Non cancellable operating lease contracted for but not capitalised in financial statements		
Payable - minimum lease payment		
- not later than 12 months	413,663	349,630
- between 12 months and 5 years	316,561	596,738
	730,224	946,368

Note 20: Related party transactions

Key Management Personnel and transactions with other related parties

Disclosures relating to Key Management Personnel are set out in Note 17 and the Remuneration Report included in the Directors' Report.

a) Transactions with Key Management Personnel and their related parties

No transactions with Key Management Personnel and their related parties during the year ended 30 June 2019 (2018: Nil).

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

No outstanding balances with related parties during the year ended 30 June 2019 (2018: Nil).

c) Loans to Key Management Personnel and their related parties

No outstanding loans to Key Management Personnel and their related parties during the year ended 30 June 2019 (2018: Nil).

No other transactions occurred between Key Management Personnel and their related entities with the Group during the year (2018: Nil).

Note 21: Parent entity disclosures

As at, and throughout, the financial year ended 30 June 2019, 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

	2019 $	2018 $
Result of parent entity		
Loss for the year after tax	(177,987)	(11,391,836)
Total comprehensive loss for the year	(177,987)	(11,391,836)
Financial position of parent entity at year end		
Current assets	486,645	547,435
Non-current assets	-	596
Total assets	486,645	548,031
Current liabilities	(63,353)	(49,300)
Total liabilities	(63,353)	(49,300)
Net assets	423,292	498,731
EQUITY		
Contributed equity	16,500,232	16,681,389
Reserves	1,214,296	930,591
Accumulated loss	(17,291,236)	(17,113,249)
Total Equity	423,292	498,731

b) Guarantees entered into by the parent entity

The parent entity has not entered into any guarantees in respect of its subsidiaries (2018: Nil).

c) Contingent liabilities

The parent entity has no contingent liabilities (2018: Nil).

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

The parent entity has no contractual commitments for the acquisition of property, plant and equipment (2018: Nil).

Note 22: 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 30-Jun-19	Equity Holding 30-Jun-18
Enverro Asia Pacific Pty Ltd (incorporated on 18 August 2014)	Australia	Ordinary	100%	100%
Datetix Solutions Pty Ltd (formerly PRM Clound Solutions Pty Ltd) (incorporated on 18 August 2014)	Australia	Ordinary	100%	100%
Love Group Hong Kong Limited (formerly Datetix Limited) (incorporated on 18 February 2013, acquired on 23 November 2015)	Hong Kong	Ordinary	100%	100%
Datetix Pte Limited (incorporated on 4 January 2016)	Singapore	Ordinary	100%	100%
Datetix China Limited (incorporated on 6 January 2016)	China	Ordinary	100%	100%
Datetix China Shenzhen Limited (incorporated on 17 June 2016 and deregistered on 17 January 2019)	China	Ordinary	100%	100%
Lovestruck Limited (incorporated on 27 June 2006, acquired on 31 July 2016)	London	Ordinary	100%	100%
Noonswoon Co., Ltd (incorporated on 10 May 2013, acquired on 19 December 2016)	Bangkok	Ordinary	100%	100%
Love Lounge Limited (incorporated on 21 January 2019)	Hong Kong	Ordinary	100%	-
Lovestruck Sdn Bhd (incorporated on 21 January 2019)	Malaysia	Ordinary	100%	-

Note 23: Events occurring after the reporting period

There are no other matters or circumstances, other than those disclosed within the financial statements, which have arisen since 30 June 2019 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 24: Contingent liabilities

There were no contingent liabilities for the Group at 30 June 2019 (2018:Nil).

Note 25: Reconciliation of Profit/(loss) after income tax to net cash outflow from operating activities

	2019 $	2018 $
Profit/(Loss) for the year	543,391	(7,906,339)
Adjustment for:		
Depreciation and amortisation	125,109	89,764
Impairment of intangible asset	-	6,895,873
Share based payments	(2,276)	35,045
Loss on disposal	-	8,822
Foreign exchange differences	205,493	(52,094)
Net non-cash operating expenses	14,073	-
Change in operating assets and liabilities:		
Change in trade and other receivables	(30,178)	(29,918)
Change in other assets	93,865	(138,521)
Change in trade and other payables	(454,286)	954,897
Net Cash from/(used in) operating activities	495,191	(142,471)

Note 26: Earnings per share

	2019 Cents	2018 Cents
a) Basic and Diluted[1] earnings/(loss)per share		
From continuing operations attributable to the ordinary equity holders of the Company	1.3	(19.4)
From discontinued operations	-	-
Total basic earnings/(loss) attributable to the ordinary equity holders of the Company	1.3	(19.4)

	2019	2018
b) Reconciliation of profit/(loss) used in calculating earnings per share	**$**	**$**
Net profit/(loss) for the year attributable to the ordinary equity holders of the Company used to calculate earnings/(loss) per share – basic and diluted[1].		
From continuing operations	541,983	(7,913,775)
From discontinued operations	1,408	7,436
	543,391	(7,906,339)
	Number	**Number**
Weighted average number of ordinary shares outstanding during the year used to calculate earnings/(loss) per share	40,825,504	40,773,827

[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 2019 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)(i); 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 2019

RSM Australia Partners

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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 2019, 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 2019 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.

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.

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed this matter</th></tr>
<tr><td colspan="2">Revenue
Refer to Note 5 in the financial statements</td></tr>
<tr><td>As disclosed in the statement of profit or loss and other comprehensive income for the year ended 30 June 2019, the Group has recognised revenue of $6,333,292 from continuing operations and $1,408 from discontinued operations, which consisted primarily of dating services income. We determined revenue recognition to be a key audit matter due to the following:

• The balance is material to the Group and there are risks associated with management judgements including the identification of contracts and performance obligations, determination of the transaction price and the timing of revenue recognition; and
• Revenue recognition is a presumed fraud risk under the Australian Auditing Standards.</td><td>Our audit procedures included:

• Ensuring the Group’s revenue recognition policies were in compliance with accounting standards;
• On a sample basis, we agreed revenue transactions to supporting documentation to assess whether the revenue recognition criteria were met;
• Reviewing revenue transactions before and after the reporting date to ensure that revenue is recognised in the correct financial period;
• Testing the appropriateness of journal entries impacting revenue recognition; and
• Reviewing the disclosures in the financial statements.</td></tr>
</table>

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 2019 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 in the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Love Group Global Ltd, for the year ended 30 June 2019, 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 2019

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 28 AUGUST 2019

(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	26
10,001 - 100,000	95
5,001 - 10,000	37
1,001 - 5,000	44
1 - 1,000	5
Total	207

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
1	SANDHURST TRUSTEES LTD <JMFG CONSOL A/C>	11,820,191	29.161%
2	MICHAEL YE	8,000,000	19.736%
3	GLOBAL MARKETPLACE LIMITED	4,560,000	11.250%
4	PACIFIC DEVELOPMENT CAPITAL LIMITED	3,457,000	8.529%
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,398,557	3.450%
6	RYDER INVESTMENT MANAGEMENT PTY LTD	1,364,841	3.367%
7	CITICORP NOMINEES PTY LIMITED	658,997	1.626%
8	MR BENJAMIN PHILLIPE GRENIER	652,927	1.611%
9	DIXTRU PTY LIMITED	483,032	1.192%
10	ONE MANAGED INVESTMENT FUNDS LIMITED <TECHNICAL INVESTING ABSOLUTE RETURN A/C>	465,244	1.148%
11	BANNABY INVESTMENTS PTY LTD <SUPER FUND A/C>	300,001	0.740%
12	UBS NOMINEES PTY LTD	300,000	0.740%
13	MS HUI KAR LING	300,000	0.740%
14	JOKEN NOMINEES PTY LTD <JOKEN SUPER FUND A/C>	273,530	0.675%
15	MR LAURENCE PETER HOLLOWAY	272,000	0.671%
16	MR WAYNE JOHN KELSON <KELSON FAMILY A/C>	241,811	0.597%
17	EAST MIDLANDS EARLY GROWTH FUND LTD	240,000	0.592%
18	MR MARK WILLIAM THACKER <THE BLACKTHACK FAMILY A/C>	211,501	0.522%
19	KAVIN ASAVANANT	198,822	0.491%
20	ONE MANAGED INVESTMENT FUNDS LIMITED <TI GROWTH A/C>	188,713	0.466%
		35,387,167	87.302%

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>	11,820,191	29.20%
Michael Ye	8,000,000	19.70%
	19,820,191	**48.90%**

(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
Terence Grigg, Non-executive Chairman
Michael Ye, Chief Executive Officer
Tod McGrouther, Non-executive director

Company Secretary
Minerva Corporate Pty Ltd
- Nicholas Ong

Websites
www.lovegroup.co

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

Registered Office
Level 8, 99 St Georges Terrace
Perth WA 6000
Australia

Auditor
RSM Australia Partners
Level 32 Exchange Tower
2 The Esplanade
Perth WA 6000
Australia
www.rsm.com.au

Share Registry
Advanced Share Registry Services Limited
110 Stirling Highway
Nedlands, WA 6009
www.advancedshare.com.au