

# Appendix 4E

## Preliminary Final Report

Rule 4.3A  
Introduced 1/1/2003

**Name Of entity** : R3D Global Limited  
**ABN** : 53 111 398 040

### 1. Details of the Reporting Period

Reporting Period ("current period") : Year ended 30 June 2017  
Previous corresponding period : Year ended 30 June 2016

### 2. Result for announcement to the market

		Amount Change AUD\$	Change %
Revenue from ordinary activities	Down	(64,895)	23.31%
Profit/(Loss) from ordinary activities after tax attributable to members	Down	(6,301,505)	1,188.27%
Net Profit/(Loss) for the period attributable to members	Down	(6,301,505)	1,188.27%

#### Explanation of Revenue from ordinary activities

Revenue for the year ended 30 June 2017 is mainly business revenue for investor relations and digital media services.

#### Explanation of Profit/(loss) from ordinary activities after tax

The Company re-structured its business and appointed new directors and management in order to move the business forward and expand its digital media services in the Asia Pacific region. The loss from ordinary activities in 2017 is mainly due to the full impairment of the licence purchased from RedChip Companies Inc. This is a one-off factor along with the the cessation of the Support Services Agreement (SSA) with RedChip Companies Inc which resulted in this amount being written off during the year. Following the cessation of the SSA, the Company and its third-party suppliers are set up to perform all back office, operational and sales and marketing functions itself.

Dividend	Amount Per Share Cents	Franked amount Per Share Cents
Final	-	-
Interim	-	-

Record date for determining entitlements to dividends: N/A

### 3. Statement of Profit or Loss and Other Comprehensive Income

	Note	2017 \$	2016 \$
<b>Continuing operations</b>			
<b>Revenue</b>			
Business income	3a	192,732	272,639
Other income	3a	20,798	5,786
Professional fees		(345,458)	(239,847)
ASX listing fee		(15,753)	(27,582)
Employment expenses		(232,721)	(189,089)
Support Services Agreement		(256,069)	(93,931)
Amortisation expense		(601,663)	(162,295)
Impairment expense		(5,237,705)	-
Other expenses		(355,976)	(69,625)
Interest on related party loan		-	(26,367)
<b>Profit/(Loss) before income tax</b>		<b>(6,831,815)</b>	<b>(530,311)</b>
Income tax expense	3b	-	-
<b>Profit/(Loss) for the year</b>		<b>(6,831,815)</b>	<b>(530,311)</b>
<b>Other comprehensive income/(loss):</b>			-
<b>Total comprehensive income/(loss) for the year</b>		<b>(6,831,815)</b>	<b>(530,311)</b>
<b>Net loss attributable to:-</b>			
Owners of the Company		(6,831,815)	(530,311)
<b>Total comprehensive income/(loss) attributable to:-</b>			
Owners of the Parent		(6,831,815)	(530,311)
<b>Loss per share</b>			
<b>From continuing operations:</b>			
Basic earnings/(loss) per share (cents)		(10.93)	(1.35)
Diluted earnings/(loss) per share (cents)		(10.93)	(1.35)

### 3a. Revenue and Other Income

	2017 \$	2016 \$
<b>Income</b>		
Other revenue		
Business income	192,732	272,639
Interest received	20,798	5,786
	213,530	278,425
<b>Expenses</b>		
Professional fees	(345,458)	(239,847)
ASX listing fee	(15,753)	(27,582)
Employment expenses	(232,721)	(189,089)
Support Services Agreement	(256,069)	(93,931)
Amortisation expense	(601,663)	(162,295)
Impairment expense	(5,237,705)	-

### 3b. Income Tax

	2017 \$	2016 \$
<b>a. The components of tax expense/(benefit) comprise:</b>		
Current tax	-	-
Deferred tax	-	-
	-	-
<b>b. The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax as follows:</b>		
Prima facie tax (benefit)/expense on (loss)/profit from ordinary activities before income tax at 27.5% (2016: 30%)	(1,878,749)	(159,093)
Non-assessable income	-	-
Non deductible amounts	44,664	64,330
Tax losses not recognised	1,834,085	94,763
	-	-

#### 4. Statement of Financial Position

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,057,920	1,896,886
Trade and other receivables		31,900	309,110
<b>TOTAL CURRENT ASSETS</b>		<u>1,089,820</u>	<u>2,205,996</u>
<b>NON CURRENT ASSETS</b>			
Intangible assets		-	5,837,705
Office equipment		5,021	3,756
Investments		20,435	23,450
<b>TOTAL NON CURRENT ASSETS</b>		<u>25,456</u>	<u>5,864,911</u>
<b>TOTAL ASSETS</b>		<u>1,115,276</u>	<u>8,070,907</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	4a	56,996	180,812
<b>TOTAL CURRENT LIABILITIES</b>		<u>56,996</u>	<u>180,812</u>
<b>TOTAL LIABILITIES</b>		<u>56,996</u>	<u>180,812</u>
<b>NET ASSETS</b>		<u>1,058,280</u>	<u>7,890,095</u>
<b>EQUITY</b>			
Issued capital		55,770,160	61,770,160
Accumulated losses	4b	(54,711,880)	(53,880,065)
<b>TOTAL EQUITY</b>		<u>1,058,280</u>	<u>7,890,095</u>

##### 4a. Trade and Other Payable

	2017 \$	2016 \$
Other payables	56,996	180,812
Total current trade and other payables	<u>56,996</u>	<u>180,812</u>

##### 4b. Accumulated Losses

	2017 \$	2016 \$
<b>Balance at beginning of year</b>	(53,880,065)	(53,291,592)
Total comprehensive loss for the year	(6,831,815)	(530,311)
Adjustment on conversion of loan to shares and extinguishment of loan	-	(58,162)
Share buy-back	6,000,000	-
<b>Balance at end of financial year</b>	<u>(54,711,880)</u>	<u>(53,880,065)</u>

## 5. Statement of Cash Flows

	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from clients	175,265	237,064
Payments to suppliers and employees	(1,020,820)	(752,490)
Interest received	9,517	5,786
Interest paid	-	(1,563)
<b>Net cash provided by (used in) operating activities</b>	<b>(836,038)</b>	<b>(511,203)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for office equipment	(2,928)	(3,759)
<b>Net cash provided by (used in) investing activities</b>	<b>(2,928)</b>	<b>(3,759)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	-	150,000
Repayments of borrowings	-	(50,000)
Net proceeds from issued share capital	-	2,229,506
<b>Net cash provided by (used in) financing activities</b>	<b>-</b>	<b>2,329,506</b>
Net increase/(decrease) in cash and cash equivalents held	1,896,886	1,814,544
Cash and cash equivalents at beginning of financial year	(838,966)	82,342
<b>Cash and cash equivalents at end of financial year</b>	<b>1,057,920</b>	<b>1,896,886</b>

## 6. Statement of changes in equity

	Issued capital \$	Accumulated Losses \$	Total \$
<b>Balance at 1 July 2015</b>	53,103,984	(53,291,592)	(187,608)
Total Comprehensive Loss	-	(530,311)	(530,311)
Conversion of Petra Commodities loan to equity	-	(58,162)	(58,162)
Shares issued	8,940,000	-	8,940,000
Costs of issuing equity	(273,824)	-	(273,824)
<b>Balance at 30 June 2016</b>	<b>61,770,160</b>	<b>(53,880,065)</b>	<b>7,890,095</b>
<b>Balance at 1 July 2016</b>	61,770,160	(53,880,065)	7,890,095
Total Comprehensive Loss	-	(6,831,815)	(6,831,815)
Share buy-back	(6,000,000)	6,000,000	-
<b>Balance at 30 June 2017</b>	<b>55,770,160</b>	<b>(54,711,880)</b>	<b>1,058,280</b>

**7. Dividends**

There is no dividend paid during the year ended 30 June 2017.

**8. Dividend reinvestment plans**

There is no dividend paid during the year ended 30 June 2017.

**9. Net Tangible assets**

R3D Global Ltd purchased \$2,928 of computer equipment during the year ended 30 June 2017.

**10. Details of entities over which control has been gained or lost**

N/A

**11. Details of associates and joint venture entities**

N/A

**12. Any Other significant information**

**Intellectual Property Deed**

During the year ended 30 June 2017, the Company fully impaired the cost of the Intellectual Property Deed (IP Deed) agreement with RedChip Companies Inc. The IP Deed allowed for R3D Global Ltd to acquire and exploit all the materials as set out in the IP Deed for the world outside of North and South America and online. The Company has re-structured this aspect of its business and moved to expand its digital media services with focus in the Asia Pacific region.

**Share buy-back**

During the year ended 30 June 2017, the Company bought back 30,000,000 ordinary shares and Deferred Consideration Shares in accordance with the terms of the Buy-back Agreement entered into between the Company and RedChip Companies Inc. The shares were bought back for \$1 and subsequently cancelled, resulting in the percentage holdings of all other Shareholders increasing on a proportionate basis.

**Support Services Agreement**

During the year ended 30 June 2017, the Company terminated the Support Services Agreement (SSA) with RedChip Companies Inc. pursuant to the terms of the SSA, which permitted termination for more than 4 breaches of the SSA. As a result of the termination of the SSA, the Company was no longer using the services of RedChip Companies Inc. under the SSA. The Company and its third party suppliers now perform all back office, operational and sales and marketing functions itself.

**13. Accounting Standard – for foreign entities**

N/A

## 14. Results for the period

### 14.1 Earnings per security

	2017	2016
	\$	\$
Profit/(Loss) for the year attributable to members	(6,831,815)	(530,311)
	No.	No.
Weighted average number of ordinary shares for basic earnings per share	62,516,921	39,291,867
Effect of dilution	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	62,516,921	39,291,867

### 14.2 Returns to shareholders

N/A

### 14.3 Significant features of operating performances

N/A

### 14.4 Trends in performance

Revenue for the year ended 30 June 2017 is mainly business revenue.

The loss from ordinary activities in 2017 was mainly due to the full impairment of the licence purchased from RedChip Companies Inc and the cessation of the Support Services Agreement with RedChip Companies Inc which resulted in this amount being written off during the year. This is a one-off factor and the Company and its third-party suppliers are set up to perform all back office, operational and sales and marketing functions itself. The Company is developing its own digital brand assets to replace the former SSA.

### 14.5 Any other factors which have affected the results in the period or which are likely to affect results in the future including those where the effect could not be quantified

N/A

## 15. Compliance Statement

This report is based on accounts that are currently being audited by HLB Mann Judd.

## 16. If the accounts have been audited and contain an independent audit report that is subject to a modified opinion, emphasis of matter or other matter paragraph, a description of the modified opinion, emphasis of matter or other matter paragraph.

N/A

On behalf of the board of Directors



Yuen Loke Chin  
Director

31 August 2017