

*Directors' Statement and
Audited Financial Statements*

GO-DX Corporation Pte. Ltd.

(Formerly known as Go Diagnostics Pte. Ltd.)

(Formerly known as Fego Founders Pte. Ltd.)

(Co. Reg. No. 201925421H)

For the year ended 30 June 2022

GO-DX Corporation Pte. Ltd.
(Co. Reg. No. 201925421H)

General Information

Directors

Lim Kah Meng	
Chong Joo San	(Appointed on 5 April 2023)
Leow Yong Kin	(Appointed on 5 April 2023 and resigned on 20 April 2023)

Secretaries

Yeo Chee Seng	(Appointed on 27 January 2022)
Ng Siew Hoong	(Resigned on 29 November 2021)

Independent Auditor

HLB Atrede LLP

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Directors' Statement

The directors are pleased to present their statement to the members together with the audited financial statements of GO-DX Corporation Pte. Ltd. (the "Company") for the financial year ended 30 June 2022.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- (a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 30 June 2022 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The directors of the Company in office at the date of this statement are:

Lim Kah Meng
Chong Joo San

3. CHANGE OF COMPANY NAME

With effect from 11 April 2022, the Company changed its name from Fego Founders Pte. Ltd. to Go Diagnostics Pte. Ltd..

With effect from 11 May 2023, the Company changed its name from Go Diagnostics Pte. Ltd. to GO-DX Corporation Pte. Ltd..

4. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

5. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following director, who held office at the end of the financial year, had, according to the register of directors' shareholdings, required to be kept under section 164 of the Singapore Companies Act 1967, an interest in shares and share options of the Company and related corporations as stated below:

Name of director	Ordinary shares Held in the name of director	
	At beginning of year	At end of year
Lim Kah Meng	1,000	1,000

GO-DX Corporation Pte. Ltd.
(Co. Reg. No. 201925421H)

Directors' Statement – continued

5. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (continued)

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of financial year or at the end of financial year.

6. SHARE OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

7. INDEPENDENT AUDITOR

The independent auditor, HLB Atrede LLP, has expressed its willingness to accept re-appointment as auditor.



Lim Kah Meng
Director

Singapore

22 MAY 2023



Chong Joo San
Director

Independent Auditor's Report
to the members of GO-DX Corporation Pte. Ltd.
(Co. Reg. No. 201925421H)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of GO-DX Corporation Pte. Ltd. (the "Company"), which comprise the balance sheet as at 30 June 2022, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 30 June 2022 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements. The Company incurred a net loss of \$17,878 during the financial year ended 30 June 2022 and as at that date, the Company's current and total liabilities exceeded its current and total assets by \$35,063. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The validity of the going concern assumption on which the financial statements are prepared depends on the continual financial support of one of the Director cum shareholder. In the event that there is no such financial support, the going concern basis would be invalid and provision would have to be made for any loss on realisation of the Company's assets and further costs which might arise. Our opinion is not modified in respect of this matter.

Independent Auditor's Report
to the members of GO-DX Corporation Pte. Ltd. – continued
(Co. Reg. No. 201925421H)

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 SSAs 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 these financial statements.

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**Independent Auditor's Report
to the members of GO-DX Corporation Pte. Ltd. – continued**
(Co. Reg. No. 201925421H)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Independent Auditor's Report
to the members of GO-DX Corporation Pte. Ltd. – continued
(Co. Reg. No. 201925421H)**

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.



HLB Atrede LLP
Public Accountants and
Chartered Accountants

Singapore

22 MAY 2023

GO-DX Corporation Pte. Ltd.
(Co. Reg. No. 201925421H)

Balance Sheet as at 30 June 2022

	Note	2022 \$	2021 \$
Current asset			
Cash and cash equivalents		960	1,000
		<u>960</u>	<u>1,000</u>
Current liabilities			
Other payables	5	33,990	16,152
Amounts due to a related company	6	2,033	2,033
		<u>36,023</u>	<u>18,185</u>
Net liabilities		<u>(35,063)</u>	<u>(17,185)</u>
Equity attributable to owners of the Company			
Share capital	7	1,000	1,000
Accumulated losses		<u>(36,063)</u>	<u>(18,185)</u>
Equity deficit		<u>(35,063)</u>	<u>(17,185)</u>

The accompanying accounting policies and explanatory notes form an integral part of financial statements.

Statement of Comprehensive Income for the financial year ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue		–	–
Administrative expenses		(17,878)	(17,885)
Loss before tax	8	(17,878)	(17,885)
Income tax expense	9	–	–
Loss for the year		(17,878)	(17,885)
Other comprehensive income		–	–
Total comprehensive loss for the year		(17,878)	(17,885)

Statement of Changes in Equity
Year ended 30 June 2022

	Share capital \$	Accumulated losses \$	Total \$
Balance at 1 July 2020	1,000	(300)	700
Total comprehensive loss for the year	–	(17,885)	(17,885)
Balance at 30 June 2021	1,000	(18,185)	(17,185)
Total comprehensive loss for the year	–	(17,878)	(17,878)
Balance at 30 June 2022	1,000	(36,063)	(35,063)

The accompanying accounting policies and explanatory notes form an integral part of financial statements.

Cash Flow Statement for the financial year ended 30 June 2022

	2022	2021
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(17,878)	(17,885)
Working capital changes		
Increase in other payables	17,838	15,852
Net cash flows used in operating activities	<u>(40)</u>	<u>(2,033)</u>
CASH FLOWS FROM FINANCING ACTIVITY		
Increase in amounts due to a related company	–	2,033
Net cash flows from financing activity	<u>–</u>	<u>2,033</u>
Net decrease in cash and cash equivalents	(40)	–
Cash and cash equivalents at beginning of year	1,000	1,000
Cash and cash equivalents at end of year	<u>960</u>	<u>1,000</u>

The accompanying accounting policies and explanatory notes form an integral part of financial statements.

Notes to the Financial Statements – 30 June 2022

These notes are an integral part of and should be read in conjunction with the accompanying financial statements.

1. FUNDAMENTAL ACCOUNTING CONCEPT

The Company incurred a net loss of \$17,878 during the financial year ended 30 June 2022 and as at that date, the Company's current and total liabilities exceeded its current and total assets by \$35,063. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The validity of the going concern assumption on which the financial statements are prepared depends on the continual financial support of one of the Director cum shareholder.

If the Company is unable to continue in operational existence for the foreseeable future, the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheet. In addition, the Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

2. CORPORATE INFORMATION

The Company is a private company limited by shares, incorporated and domiciled in Singapore.

The registered office of the Company is located at 3 Little Road, #07-02 CRF Building, Singapore 536982.

The principal activities of the Company are those relating to research and experimental development on medical science. The Company did not carry out any business activities during the year.

With effect from 11 April 2022, the Company changed its name from Fego Founders Pte. Ltd. to Go Diagnostics Pte. Ltd..

With effect from 11 May 2023, the Company changed its name from Go Diagnostics Pte. Ltd. to GO-DX Corporation Pte. Ltd..

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of preparation*

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except where otherwise described in the accounting policies below.

The financial statements are presented in Singapore Dollars ("SGD" or "\$") and all values are rounded to the nearest dollar unless otherwise stated.

Notes to the Financial Statements – 30 June 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) *Basis of preparation (continued)*

The accounting policies adopted are consistent with those used in the previous financial year except in current financial year, the Company has adopted all applicable new and amended standards that are relevant to its operations and effective for the current financial year. The adoption of these standards did not have any material effect on the financial position or performance of the Company for the current or prior financial years.

Standards issued but not yet effective

The Company has not adopted the following standards and interpretations that are potentially relevant to the Company that has been issued but not yet effective:

	Effective date (Annual periods beginning on or after)
Amendment to FRS 1: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to FRS 1 and FRS Practice Statement 2: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendment to FRS 8: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendment to FRS 1: <i>Conceptual classification of Liabilities as Current or Non-current</i>	1 January 2024

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

(b) *Functional and foreign currency*

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be SGD.

Foreign currency transactions

Transactions in foreign currencies are measured in the functional currency and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the rate of exchange ruling at the end of the reporting period. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) *Financial instruments*

(i) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when the Company becomes a party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVPL”), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement

The Company’s debt instruments comprise of cash and cash equivalents, other receivables and receivables from related corporations. These debt instruments are subsequently measured at amortised cost.

Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) *Financial instruments (continued)*

(ii) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

(iii) *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(d) *Impairment of financial assets*

The Company recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Impairment of financial assets (continued)*

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(e) *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and at bank.

(f) *Other payables*

Other payables are non-interest bearing and have an average term of six months.

(g) *Provisions*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to the Financial Statements – 30 June 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) *Taxes*

(i) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

Current income taxes are recognised in the profit or loss except to the extent that tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Deferred tax liabilities are recognised for all temporary differences.

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) *Related parties*

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Company or of a parent of the Company.
- (b) An entity is related to the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Notes to the Financial Statements – 30 June 2022

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of the revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

(i) *Judgement made in applying accounting policies*

There were no material judgements made by management in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(ii) *Estimates and assumptions*

There were no material key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5. OTHER PAYABLES

	2022	2021
	\$	\$
Financial liabilities		
Accrued liabilities	31,704	16,152
Sundry payables	2,286	–
	<u>33,990</u>	<u>16,152</u>

6. AMOUNTS DUE TO A RELATED COMPANY

The amounts due are non-trade related, unsecured, interest-free, repayable upon demand and to be settled in cash.

7. SHARE CAPITAL

	2022		2021	
	Number of shares	\$	Number of shares	\$
Issued and fully paid:				
Ordinary shares	1,000	1,000	1,000	1,000

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value carry one vote per share without restriction.

Notes to the Financial Statements – 30 June 2022

8. LOSS BEFORE TAX

The loss before tax is arrived at after charging:

	2022	2021
	\$	\$
Professional fee	<u>14,400</u>	<u>14,400</u>

9. INCOME TAX EXPENSE

(i) *Major components of income tax expense*

The major components of income tax expense for the years ended 30 June 2022 and 2021 are:

Statement of comprehensive income:

Current tax	<u>—</u>	<u>—</u>
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(ii) *Relationship between tax benefit and accounting loss*

The reconciliation between the tax benefit and the product of accounting loss multiplied by the applicable tax rate for the years ended 30 June 2022 and 2021 are as follows:

Loss before tax	<u>(17,878)</u>	<u>(17,885)</u>
Tax benefit on loss before tax at 17%	(3,039)	(3,040)
Adjustments:		
Non-deductible expenses	<u>3,039</u>	<u>3,040</u>
Total tax expense	<u>—</u>	<u>—</u>

10. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

A reconciliation of liabilities arising from financing activities is as follows:

	1.7.2021	Cash flows Repayment	30.6.2022
	\$	\$	\$
Amounts due to a related company	<u>(2,033)</u>	<u>—</u>	<u>(2,033)</u>

	1.7.2020	Cash flows Repayment	30.6.2021
	\$	\$	\$
Amounts due to a related company	<u>—</u>	<u>(2,033)</u>	<u>(2,033)</u>

Notes to the Financial Statements – 30 June 2022

11. RELATED PARTY DISCLOSURES

In addition to those related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and related parties that took place at terms agreed between the parties during the financial year:

(i) *Significant related party transactions*

	2022 \$	2021 \$
<i>Other director's interest</i>		
Settlement of liabilities on behalf by	—	2,033

12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk and liquidity risk. The Company's risk management policies focus on the unpredictability of financial markets and seek to, where appropriate, minimise potential adverse effects on the financial performance of the Company. The Company does not have any written financial risk management policies and guidelines and there has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

(i) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from other receivables. Guidelines on credit terms provided to other financial assets including cash and cash equivalents, the Company minimises credit risk by dealing exclusively with reputable and well-established local and foreign banks, and companies with high credit ratings and no history of defaults.

(ii) *Liquidity risk*

Liquidity risk arises in the general funding to the Company's operating activities. It includes the risk of not being able to fund operating activities at settlement dates and liquidate positions in a timely manner at a reasonable price. The Company manages its liquidity risk based on the continued financial support from one of the Director cum shareholder.

The maturity profile of the Company's financial liabilities at the end of the reporting period, based on contractual undiscounted repayment obligations is within one year.

Notes to the Financial Statements – 30 June 2022

13. FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amount of financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

However, the Company does not anticipate that the carrying amounts recorded at the end of the reporting period would be significantly different from the values that would eventually be received or settled.

At the end of the reporting period, the Company does not have any other financial instruments carried at fair value.

14. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting period.

	2022	2021
	\$	\$
<i>Financial assets at amortised cost</i>		
Cash and cash equivalents	960	1,000
	<u>960</u>	<u>1,000</u>
<i>Financial liabilities at amortised cost</i>		
Other payables	33,990	16,152
Amounts due to a related company	2,033	2,033
	<u>36,023</u>	<u>18,185</u>

15. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy working capital ratios in order to support its business and maximise shareholder value.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value.

In view of the net equity deficit position, the Company manages its capital structure by means of funding and financial support from one of the Director cum shareholder in order to support its business activities.

The Company manages capital by regularly monitoring its current and expected liquidity requirements. The Company is not subject to either externally imposed capital requirements.

Notes to the Financial Statements – 30 June 2022

16. EVENT OCCURRING AFTER THE REPORTING PERIOD

- (a) On 16 February 2023 and 10 March 2023, 8,300,000 non-voting preference shares were issued to investors at a total subscription price of \$830,000.
- (b) On 28 April 2023, the Company converted the 8,300,000 non-voting preference shares into 8,300,000 ordinary shares.
- (c) On 28 April 2023, 140,149,000 ordinary shares were issued to the existing shareholders at a total subscription price of \$15,140.

17. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the financial year ended 30 June 2022 were authorised for issue in accordance with a resolution of the directors on the date of these statements.