



ANNUAL REPORT

2026

1. Managing Director's Statement

On behalf of the board of directors of VGX Limited (the "Company"), I am pleased to present our tenth Annual Report for the financial year from 1 July 2025 to 30 June 2026 (the "Financial Year Under Review"), and the directors' review of operations for that period. The Annual Report incorporates the audited financial statements for the Financial Year Under Review for the Company and its subsidiaries (the "Group"). A copy of the audited financial statements is attached to this Annual Report as Appendix A.

For the Financial Year Under Review, the Group's revenue decreased by 32.1% to AUD72,454 from AUD106,727 in the preceding financial period and its loss before tax decreased by 19.1% to AUD126,364 from AUD156,169 in the preceding financial period.

Looking forward

Referring to its announcement dated 12 May 2026, the Company has proposed to expand its existing business into waste-to-energy conversion through the licensing of the "Novel Bio-optimization Technology," which enables the efficient industrial conversion of organic waste into clean energy.

Under the licensing arrangement, all related proprietary intellectual property rights have been exclusively licensed to the Company on a worldwide basis, excluding Mainland China, with full sublicensing rights.

The technology addresses the efficiency limitations of conventional microbial fermentation processes by systematically optimizing complex microbial consortia, thereby enhancing energy conversion efficiency and supporting large-scale industrial applications.

The technology was jointly developed by a research team led by Professor Li Shengping of Tsinghua University and the former Deputy Director Yu Weimin of the Shenzhen Design Institute of China Nuclear Power Engineering Co., Ltd. Mr Yu Weimin is also a director of the Company. The related patent applications have been accepted by the China National Intellectual Property Administration.

The Company is currently undertaking a private placement to raise AUD 3.57 million to fund Phase One of its three-phase expansion strategy, which will span 18 months.

2. Principal Activities of the Group

The principal activity of the Company is that of an investment holding company while the principal activities of its controlled entity and operating subsidiary is research, development and commercialisation of food and agriculture related technologies.

3. Subsidiary

Name of subsidiary	Country of incorporation	Interest held	Principal activities
Virgin Greens X Sdn Bhd	Malaysia	49%*	The company carries on research, development and commercialisation of food and agriculture related technologies. The company is a Malaysia <i>Bionexus Status</i> company. <i>Bionexus Status</i> is a special status awarded by the Malaysia government to qualified international and Malaysian biotechnology companies that participate and undertake value-added biotechnology activities.
<u>Subsidiary of Virgin Greens X Sdn Bhd</u>			
MG Agriworks Sdn Bhd	Malaysia	100%	The Company engages in application of biotechnology in agriculture with its business activities covering production and distribution of sustainable products for plant nutrition, growth and protection.

*The Company has the entire voting power of Virgin Greens X Sdn Bhd through a Block Voting Agreement.

4. Directors' Interests in Securities

As at 30 June 2026 (the end of the Financial Year Under Review) and 15 October 2026 (the latest practicable date before the 2026 Annual Report is issued), the interests of directors and officers of the Company in equity securities (shares and CDIs) of the Company are as follows:

	Directly Held		Deemed interests	
	As at 29.06.2016	30.06.2026 and 15.10.2026	As at 29.06.2016	30.06.2026 and 15.10.2026
Eric CHUNG Chi Kong	40,114,060	7,874,000	20,000,000	2,640,000
KONG Teck Chin	1	2,640,000	60,114,059	7,874,000
YAP Poh Yee	15,200,000	2,484,000	NIL	NIL
YU Weimin	NIL	NIL	NIL	11,908,330

Save as disclosed above, no director or officer of the Company has a vested right to receive any distribution made on the securities or is entitled to exercise or direct the exercise of the voting rights attaching to the securities.

As of the end of the Financial Year Under Review:

- a) the Company and its subsidiaries do not have on issue any debt security; and
- b) the Company has not granted any right to subscribe for any equity or debt security of the Company to any person, including a director or officer of the Company.

5. Forecast

The Company has not published any forecast in relation to the Financial Year Under Review.

6. Directors' Service Contract

During the Financial Period Under Review, the Company had 2 Directors' service contract in force with Eric CHUNG Chi Kong and YAP Poh Yee respectively and their remuneration packages have been disclosed accordingly in the Financial Statements.

7. Material or Significant Contracts

Save as disclosed in the Company's Information Memorandum dated 30 September 2016 and in the Financial Statements:

- (a) there is no other material contract the Company had entered into during the Financial Period Under Review; and
- (b) there is no contract subsisting during or at the end of the Financial Period Under Review:
 - i) in which a director of the issuer is or was materially interested, either directly or indirectly; or
 - ii) between the Company, or one of its subsidiaries, and a controlling shareholder or any of its subsidiaries; or
 - iii) for the provision of services to the Group by a controlling shareholder or any of its subsidiaries.

8. Disclosable Arrangements with Directors and Shareholders

During the Financial Period Under Review, there is no disclosable arrangements with directors and shareholders.

9. Directors' Review of Operations

Directors' review of operations is incorporated in the Managing Director's statement set out in paragraph 1.

10. Statement of Main Corporate Governance Practices

The Company's annual corporate governance statement for the Financial Year Under Review was disclosed on the NSX announcements portal on 15 October 2026.

11. Directors in Office

As of the end of the Financial Year Under Review, the board comprises the following:

Name	Particulars
Eric CHUNG Chi Kong	Managing Director
KONG Teck Chin	Non-Independent Non-Executive Director
YAP Poh Yee	Executive Director
YU Weimin	Non-Independent Non-Executive Director

At present, the board does not have a fixed number of meetings it will hold per annum. The board meets as frequently as may be required to deal with matters arising.

12. List of Top 20 Shareholders

The list of top 20 holders of the Company's CDI's was disclosed on NSX announcements portal on 15 October 2026.

On behalf of the board of directors,



Eric CHUNG Chi Kong
Managing Director
Petaling Jaya, Selangor, Malaysia
15 October 2026

VGX LIMITED

Company No. ARBN 612834572
(Incorporated in British Virgin Islands)

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026**

VGX LIMITED
(Incorporated in British Virgin Islands)
AND ITS SUBSIDIARY

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026**

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NO. 5, 1ST FLOOR, SUSURAN JINGGA,
KOMPLEKS PERNIAGAAN MERGONG,
LEBUHRAYA SULTANAH BAHYAH,
05150, ALOR SETAR, KEDAH.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF VGX LIMITED**

Company No. ARBN 612834572
(Incorporated in British Virgin Islands)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of VGX LIMITED, which comprise the statements of financial position as at 30 June 2026 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 8 to 35.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT (CONT'D) TO THE MEMBERS OF VGX LIMITED

Company No. ARBN 612834572

(Incorporated in British Virgin Islands)

Key Audit Matters

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

In addition to the matter described in the "Material Uncertainty Related to Going Concern" section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Inventories (Note 7 to the financial statements)

We focused on this area because the review of saleability and valuation of the inventories, in particular finished goods, at lower of cost and net realisable value by the Group are major source of estimation

Our responses:

Our audit procedures included, among others:

- understanding the design and implementation of controls associated with monitoring and detection and write down/off of slow-moving inventories as at period end;
- understanding of processes and internal controls, including management reviews, with respect to revenue recognition;
- checking subsequent sales and evaluating Group's assessment on estimated net realisable value on selected inventory items; and
- evaluating whether the inventories have been written down to their net realisable value for inventory items with net realisable value lower than their cost.

Company

We have determined that there are no key audit matters to communicate in our report which arose from the audit of the financial statements of the Company.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.2 to the financial statements, which discloses that the Group's and the Company's net loss of A\$126,364 and A\$43,839 (2025: A\$156,169 and A\$53,882), and the Group's and the Company's current liabilities exceeded its current assets by A\$147,752 and A\$698,956 (2025: A\$122,189 and A\$680,126) respectively. The Group recorded a capital deficiency of A\$1,025,232 (2025: A\$922,695), thereby indicating the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**INDEPENDENT AUDITORS' REPORT (CONT'D)
TO THE MEMBERS OF VGX LIMITED**

Company No. ARBN 612834572

(Incorporated in British Virgin Islands)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Statement by Directors but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with ISAs.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and 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 the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

The Directors of the Company are responsible for overseeing the Group's financial reporting process.

INDEPENDENT AUDITORS' REPORT (CONT'D) TO THE MEMBERS OF VGX LIMITED

Company No. ARBN 612834572

(Incorporated in British Virgin Islands)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs 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.

As part of an audit in accordance with ISAs, 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 of the Group and of the Company, 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 Group's or 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 auditors' report to the related disclosures in the financial statements of the Group and of the Company 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 auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

**INDEPENDENT AUDITORS' REPORT (CONT'D)
TO THE MEMBERS OF VGX LIMITED**

Company No. ARBN 612834572

(Incorporated in British Virgin Islands)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- I. The financial statements of the Group and of the Company for the financial year ended 30 June 2025 were audited by another auditor who expressed an unmodified opinion on those statements on 30 September 2025, which also drew attention to a material uncertainty related to going concern under Note 2.2.
- II. This report is made solely to the members of the Company, as a body and for no other purposes. We do not assume responsibility to any other person for the content of this report.



HO ASSOCIATES
Firm No.: AF 0215
Chartered Accountants



HO TZE LIH
03286/10/2026 (J)
Chartered Accountant

Dated: 9 September 2026
Alor Setar

VGX LIMITED

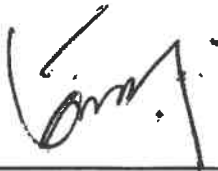
(Incorporated in British Virgin Islands)

AND ITS SUBSIDIARY

STATEMENT BY DIRECTORS

In the opinion of the Directors of VGX LIMITED, the accompanying financial statements are drawn up in accordance with IFRS Accounting Standards so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2026 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors.



ERIC CHUNG CHI KONG

Director



YAP POH YEE

Director

Petaling Jaya, Selangor

Dated: 9 September 2026

VGX LIMITED

(Incorporated in British Virgin Islands)

AND ITS SUBSIDIARY**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026**

		Group		Company	
	Note	2026	2025	2026	2025
		A\$	A\$	A\$	A\$
NON-CURRENT ASSETS					
Property, plant and equipment	5	1,208	656	-	-
Intangible assets	6	4	4	-	-
Total non-current assets		1,212	660	-	-
CURRENT ASSETS					
Inventories	7	2,272	4,820	-	-
Trade and other receivables	8	9,464	15,160	2,548	2,903
Cash and cash equivalents	9	1,578	1,378	57	196
Total current assets		13,314	21,358	2,605	3,099
TOTAL ASSETS		14,526	22,018	2,605	3,099
EQUITY					
Share capital	10	338,781	338,781	338,781	338,781
Accumulated losses		(1,136,609)	(1,055,773)	(1,015,338)	(971,499)
Foreign currency translation reserve	11	(63,284)	(87,111)	(40,801)	(57,442)
		(861,112)	(804,103)	(717,358)	(690,160)
Non-controlling interests		(164,120)	(118,592)	-	-
CAPITAL DEFICIENCY		(1,025,232)	(922,695)	(717,358)	(690,160)
NON-CURRENT LIABILITY					
Amount due to directors	12	878,692	801,166	18,402	10,034
Total non-current liability		878,692	801,166	18,402	10,034
CURRENT LIABILITIES					
Trade and other payables	13	113,304	122,408	26,774	26,225
Amount due to subsidiary	14	-	-	627,025	635,861
Amount due to shareholders	15	47,762	21,139	47,762	21,139
Total current liabilities		161,066	143,547	701,561	683,225
TOTAL LIABILITIES		1,039,758	944,713	719,963	693,259
TOTAL EQUITY AND LIABILITIES		14,526	22,018	2,605	3,099

The accompanying notes form an integral part of the financial statements.

VGX LIMITED

(Incorporated in British Virgin Islands)

AND ITS SUBSIDIARY**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026**

		Group		Company	
	Note	2026	2025	2026	2025
		A\$	A\$	A\$	A\$
Revenue	16	72,454	106,727	-	-
Cost of sales		(24,753)	(36,207)	-	-
Gross profit		47,701	70,520	-	-
Other operating income		1,589	109	1,512	109
Impairment loss on trade receivables		-	(3,092)	-	-
Administrative expenses	17	(148,813)	(158,712)	(45,351)	(53,991)
Distribution expenses		(15,984)	(20,876)	-	-
Other operating expenses	18	(370)	(166)	-	-
Research and development expenses		(10,487)	(43,952)	-	-
Loss before tax		(126,364)	(156,169)	(43,839)	(53,882)
Taxation	19	-	-	-	-
Loss after tax		(126,364)	(156,169)	(43,839)	(53,882)
Other comprehensive loss					
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences		23,827	(97,893)	16,641	(78,918)
Total comprehensive loss for the year		(102,537)	(254,062)	(27,198)	(132,800)
Loss attributable to:					
Owners of the parent		(80,836)	(109,563)	(43,839)	(53,882)
Non-controlling interests		(45,528)	(46,606)	-	-
		(126,364)	(156,169)	(43,839)	(53,882)

The accompanying notes form an integral part of the financial statements.

VGX LIMITED

(Incorporated in British Virgin Islands)

AND ITS SUBSIDIARY

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (CONT'D)**

		Group		Company	
		2026	2025	2026	2025
	Note	A\$	A\$	A\$	A\$
Total comprehensive loss attributable to:					
Owners of the parent		(69,161)	(157,531)	(27,198)	(132,800)
Non-controlling interests		(33,376)	(96,531)	-	-
		<u>(102,537)</u>	<u>(254,062)</u>	<u>(27,198)</u>	<u>(132,800)</u>
Loss per share:					
Basic - cents per share	20	<u>(0.15)</u>	<u>(0.21)</u>		

The accompanying notes form an integral part of the financial statements.

VGX LIMITED

(Incorporated in British Virgin Islands)

AND ITS SUBSIDIARY**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026**

Group	Share capital A\$	Foreign currency translation reserves A\$	Accumulated losses A\$	Non- controlling interests A\$	Total A\$
At 01 July 2024	338,781	10,782	(946,210)	(71,986)	(668,633)
Loss for the financial year	-	(97,893)	(109,563)	(46,606)	(254,062)
At 30 June 2025 / 01 July 2025	338,781	(87,111)	(1,055,773)	(118,592)	(922,695)
Loss for the financial year	-	23,827	(80,836)	(45,528)	(102,537)
At 30 June 2026	338,781	(63,284)	(1,136,609)	(164,120)	(1,025,232)

Company	Share capital A\$	Foreign currency translation reserves A\$	Accumulated losses A\$	Non- controlling interests A\$	Total A\$
At 01 July 2024	338,781	21,476	(917,617)	-	(557,360)
Loss for the financial year	-	(78,918)	(53,882)	-	(132,800)
At 30 June 2025 / 01 July 2025	338,781	(57,442)	(971,499)	-	(690,160)
Loss for the financial year	-	16,641	(43,839)	-	(27,198)
At 30 June 2026	338,781	(40,801)	(1,015,338)	-	(717,358)

The accompanying notes form an integral part of the financial statements.

VGX LIMITED

(Incorporated in British Virgin Islands)

AND ITS SUBSIDIARY**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026**

	Note	Group 2026 A\$	2025 A\$	Company 2026 A\$	2025 A\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before tax		(126,364)	(156,169)	(43,839)	(53,882)
Adjustments for:					
Depreciation of property, plant and equipment		370	166	-	-
Impairment loss on trade receivables		-	3,092	-	-
Operating loss before working capital changes		(125,994)	(152,911)	(43,839)	(53,882)
Changes in inventories		2,548	769	-	-
Changes in receivables		5,696	(6,635)	355	(2,903)
Changes in amount due to directors		77,526	211,338	8,368	10,034
Changes in payables		(9,104)	24,385	549	7,901
Changes in amount due to subsidiary		-	-	(8,836)	96,293
Changes in amount due to shareholder		26,623	21,139	26,623	21,139
Net change in operating activities		(22,705)	98,085	(16,780)	78,582
CASH FLOWS FROM INVESTING ACTIVITY					
Purchase of property, plant and equipment		(950)	(399)	-	-
Net change in investing activity		(950)	(399)	-	-

The accompanying notes form an integral part of the financial statements.

VGX LIMITED

(Incorporated in British Virgin Islands)

AND ITS SUBSIDIARY

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (CONT'D)**

	Note	Group 2026 A\$	2025 A\$	Company 2026 A\$	2025 A\$
NET CHANGE IN CASH AND CASH EQUIVALENTS		(23,655)	97,686	(16,780)	78,582
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		1,378	1,646	196	532
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		23,855	(97,954)	16,641	(78,918)
CASH AND CASH EQUIVALENTS CARRIED FORWARD	I	1,578	1,378	57	196

NOTE

I. Cash and cash equivalents

Cash and cash equivalents included in the statement above comprise the following amounts:

	2026 RM	2025 RM	2026 RM	2025 RM
Cash and bank balances	1,578	1,378	57	196
	1,578	1,378	57	196

The accompanying notes form an integral part of the financial statements.

VGX LIMITED

(Incorporated in British Virgin Islands)

AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

1. GENERAL CORPORATE INFORMATION AND NATURE OF OPERATION

VGX Limited is a company limited by shares incorporated and domiciled in the British Virgin Islands and listed on the National Stock Exchange of Australia, with its registered office in Australia located at INP Perth Pty Ltd, Office 20, 217 Hay Street, Subiaco WA 6008, Australia.

The Company is an investment holding company and it holds 49% of the issued share capital of Virgin Greens X Sdn. Bhd., a Malaysian BioNexus Status company which carries on business of research, development and commercialisation of food and agriculture related technologies. BioNexus Status is a special status awarded by the Malaysian government to qualified international and Malaysian biotechnology companies that participate in and undertake value-added biotechnology activities.

The subsidiary, Virgin Greens X Sdn. Bhd. holds 100% equity interest in MG AgriWorks Sdn. Bhd., a Malaysian company which engages in the application of biotechnology in agriculture with its business activities covering production and distribution of sustainable products for plant nutrition, growth and protection.

2. BASIS OF PREPARATION

2.1 Basis of Measurement, Functional and Presentation Currency

The financial statements have been prepared on a historical cost basis.

The financial statements have been prepared based on the currency of the primary economic environment in which the entity operates (i.e., its functional currency). The functional currency of the Company and its subsidiaries is Ringgit Malaysia ("RM"), while the presentation currency of the Group and of the Company is Australian Dollars ("A\$"). All financial information is presented in Australian Dollars, unless otherwise stated.

2.2 Going Concern Basis of Preparation for the Group and the Company

The Group and the Company incurred a net loss of A\$126,364 and A\$43,839, respectively during the year ended 30 June 2026 and, as of that date, the Group and the Company have capital deficiency of A\$1,025,232 and A\$717,358 respectively as a result of losses sustained over the years. Also, the Group's and the Company's current liabilities exceeded its current assets by A\$147,752 and A\$698,956 respectively. Accordingly, the ability of the Group and the Company to meet their obligations is therefore dependent on the viable operations existence for the foreseeable future, adjustments may have to be made to reflect the situation that assets may need to be realised other than the amounts at which they are currently recorded in the financial position.

VGX LIMITED

(Incorporated in British Virgin Islands)

AND ITS SUBSIDIARY

2. BASIS OF PREPARATION (CONT'D)

2.2 Going Concern Basis of Preparation for the Group and the Company (Cont'd)

In addition, the Company may have to provide for further liabilities that might arise. The financial statements do not include such adjustment, as the Directors have undertaken to provide appropriate financial support to the Group and the Company to enable them to meet their obligations as and when they fall due. Accordingly, they believe that it is appropriate for the financial statements of the Group and of the Company to be prepared on the going concern basis.

2.3 Compliance with International Financial Reporting Standards

The financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

ADOPTION OF NEW AND AMENDED STANDARDS

During the financial year, the Group and the Company have adopted the following new standards and amendments to IFRSs that are mandatory for the current year:

- Amendments to IAS 21, Lack of Exchangeability
- Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments
- Amendments to IFRS 9 and IFRS 7, Contracts Referencing Nature-dependent Electricity
- Annual Improvements to IFRS Accounting Standards - Volume 11

STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Group and the Company did not adopt an earlier application of the following new and amendments to IFRSs which have been issued by the IASB but are not yet effective for the current year ended 30 June 2026.

IFRSs, IFRIC and amendments effective for annual periods beginning on or after 1 January 2027:

- IFRS 18, Presentation and Disclosure in Financial Statements
- IFRS 19, Subsidiaries without Public Accountability: Disclosures

IFRSs and amendments effective for annual periods beginning on or after a date yet to be confirmed:

- Amendments to IFRS 10 and IAS 28, Sale or Contribution of Assets between an Investor and its Associates or Joint Venture

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2. BASIS OF PREPARATION (CONT'D)

2.3 Compliance with International Financial Reporting Standards (Cont'd)

The Group and the Company intend to adopt the abovementioned IFRSs and amendments, if applicable, when they become effective.

The initial application of the abovementioned IFRSs and amendments is not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company except as mentioned below:

IFRS 18, Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after January 1, 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of income, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Company is still in the process of assessing the impact of the new standard.

IFRS 19, Subsidiaries without Public Accountability: Disclosures

IFRS 19 is an optional, disclosure-only Standard which permits eligible subsidiaries to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. The eligible subsidiary that applies IFRS 19 is required to apply the requirements in the other IFRS Accounting Standards for recognition, measurement and presentation requirements. The Group is currently assessing impact that may arise from the adoption of IFRS 19.

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3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of Consolidation

I. Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group 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 over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

II. Change In Ownership Interests In Subsidiaries Without Change Of Control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions—that is, as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

III. Disposal Of Subsidiaries

If the Group loses control of a subsidiary, the assets and liabilities of the subsidiary, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value.

IV. Goodwill On Consolidation

The excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequently when there is objective evidence that the carrying amount may be impaired.

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3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.2 Foreign Currency Translation

I. Foreign Currency Transactions And Balances

Transactions in foreign currency are recorded in the functional currency of the respective Group entities using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign currency differences arising on retranslation are recognised in statements of comprehensive income.

II. Foreign Operations

The results and financial position of operations that have a functional currency different from the presentation currency ("A\$") are translated into A\$ as follows:

(a) Assets and liabilities for each statement of financial position presented are translated at the closing rate prevailing at the reporting date;

(b) Income and expenses for each income statement are translated at the average exchange rate; and

(c) All resulting exchange differences are taken to the foreign currency translation reserve ("FCTR") within other comprehensive income.

3.3 Property, Plant and Equipment

I. Recognition And Measurement

Property, plant and equipment are measured at costs less any accumulated depreciation and any accumulated impairment losses. Costs include expenditures that are directly attributable to the acquisition of the asset and bringing it to working condition for its intended use.

II. Subsequent Costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group and the Company, and its cost can be measured reliably.

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3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 Property, Plant and Equipment (Cont'd)

III. Depreciation

Depreciation is recognised in statements of comprehensive income on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. The estimated useful lives are as follows:

	<u>Rate</u>
Computer	33%
Lab equipment	20%
Motor vehicle	20%
Office equipment	20%

3.4 Impairment of Non-Financial Assets

At each reporting date, the Group and the Company review the carrying amounts of their assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Recoverable amount is the higher of fair value less costs to sell and value in use. An impairment loss is recognised immediately in the statements of comprehensive income.

3.5 Intangible Assets

Intangible assets acquired separately are measured at cost initially. Subsequently, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Intellectual property rights are amortised on a straight-line method over the estimated useful lives of 10 years.

3.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour costs and overheads, calculated using the first-in first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

3.7 Financial Instruments

I. Initial Recognition And Measurement

The Group recognises a financial asset or a financial liability in the statements of financial position when, and only when, an entity in the Group becomes a party to the contractual provisions of the instrument. On initial recognition, all financial assets and financial liabilities are measured at fair value plus transaction costs.

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3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.7 Financial Instruments (Cont'd)

II. Derecognition

A financial asset is derecognised when the contractual rights to receive the cash flows from the financial asset expire, or when the Group transfers the contractual rights to receive cash flows. A financial liability is derecognised when it is legally extinguished, which is either when the obligation specified in the contract is discharged, cancelled or expires.

III. Subsequent Measurement

For the purpose of subsequent measurement, financial assets and financial liabilities are measured at amortised cost using the effective interest method.

IV. Impairment of Financial Assets

The Group applies the expected loss model to recognise impairment losses of financial assets. At the end of each reporting period, the Group examines whether there is any objective evidence that a financial asset is impaired.

3.8 Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less.

3.9 Share Capital, Other Equity Instruments and Distributions

I. Share Capital

Ordinary shares carry no mandatory contractual obligation to deliver cash or another financial asset and are classified as equity instruments. Transaction costs of an equity transaction are accounted for as a deduction from equity.

II. Distributions

Distributions to holders of an equity instrument are debited directly in equity, net of any related income tax benefit.

3.10 Provisions

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

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3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.11 Leases

Finance leases are capitalised at the inception of the lease at the fair value of the lease asset or, if lower, at the present value of the minimum lease payments. Operating lease payments are recognised as an expense in the statements of comprehensive income on a straight-line basis over the lease term. Right-of-use assets and lease liabilities are exempt for short-term leases and leases of low value assets.

3.12 Revenue Recognition

Revenue is measured based on the consideration specified in a contract with a customer, excluding amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer at a point in time.

3.13 Employment Benefits

I. Short-Term Employment Benefits

Wages, salaries, and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees.

II. Defined Contribution Plan

Contributions to the statutory pension scheme (EPF) are recognised as an expense in the statements of comprehensive income in the year to which they relate.

3.14 Income Tax

No provision has been made for tax of the Company as it is registered in the British Virgin Islands and is exempted from tax. Income tax for the Group's Malaysia operations has been provided at the rate of 24% on the estimated assessable profit derived from Malaysia.

3.15 Operating Segments

Operating segment results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance.

3.16 Contingent Liabilities

Where it is not probable that an outflow of economic benefits will be required, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability.

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3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.17 Fair Value Measurement

Fair value is determined as 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.

3.18 Related Parties

Related parties comprise individuals or entities where there exists the ability, directly or indirectly, to control or exercise significant influence over financial and operating decisions.

3.19 Earnings per Ordinary Share

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

4.1 Impairment of Loans and Receivables

The Group and the Company recognise impairment losses for receivables by assessing the expected credit losses and past historical collectibility trends.

4.2 Depreciation Of Property, Plant And Equipment

Estimates are applied in the selection of the depreciation method, useful lives, and residual values of property, plant and equipment.

4.3 Impairment Of Goodwill And Intangible Asset

Determining whether goodwill or intellectual property is impaired requires an estimation of the value-in-use of the cash-generating units, requiring significant judgement over future sales metrics and discount rates.

4.4 Inventories

Inventories are reviewed periodically and written down to net realisable value if the estimated selling prices less direct marketing costs fall below cost values.

4.5 Measurement of Income Taxes

Significant judgement is required in determining the Group's provision for tax based on local tax authority standards and interpretations.

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Group	At 01.07.2025 A\$	Additions A\$	Disposals A\$	Exchange Difference A\$	At 30.06.2026 A\$
Cost					
Computer	6,364	47	-	(155)	6,256
Lab equipment	17,053	903	-	(431)	17,525
Motor vehicle	42,726	-	-	(1,037)	41,689
Office equipment	2,779	-	-	(66)	2,713
	<u>68,922</u>	<u>950</u>	<u>-</u>	<u>(1,689)</u>	<u>68,183</u>

	At 01.07.2025 A\$	Current Charge A\$	Disposals A\$	Exchange Difference A\$	At 30.06.2026 A\$
Accumulated Depreciation					
Computer	5,995	142	-	(148)	5,989
Lab equipment	17,039	93	-	(414)	16,718
Motor vehicle	42,725	-	-	(1,036)	41,689
Office equipment	2,507	135	-	(63)	2,579
	<u>68,266</u>	<u>370</u>	<u>-</u>	<u>(1,661)</u>	<u>66,975</u>

	2026 A\$	2025 A\$
Carrying Amount		
Computer	267	369
Lab equipment	807	14
Motor vehicle	-	1
Office equipment	<u>134</u>	<u>272</u>
	<u>1,208</u>	<u>656</u>

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	Group		Company	
	2026	2025	2026	2025
	A\$	A\$	A\$	A\$
Intellectual property rights				
<u>Cost</u>				
At beginning of the year	302,084	302,084	302,081	302,081
Impairment in value	(302,081)	(302,081)	(302,081)	(302,081)
Exchange difference	1	1	-	-
At end of the year	4	4	-	-
<u>Accumulated Amortisation</u>				
At beginning of the year	180,752	180,752	180,752	180,752
Impairment in value	(180,752)	(180,752)	(180,752)	(180,752)
Exchange difference	-	-	-	-
At end of the year	-	-	-	-
Carrying Amount	4	4	-	-

7. INVENTORIES

	Group	
	2026	2025
	A\$	A\$
At cost:		
- Finished goods	434	-
- Packaging materials	1,838	4,820
	2,272	4,820
Inventories recognised as an expense	24,753	36,207

8. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2026	2025	2026	2025
	A\$	A\$	A\$	A\$
Trade receivables (Note (a))	3,473	7,781	-	-
Deposits	2,250	2,305	-	-
Prepayments	3,741	5,074	2,548	2,903
	9,464	15,160	2,548	2,903

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8. TRADE AND OTHER RECEIVABLES (CONT'D)

Note (a)

Trade receivables

Trade receivables are non-interest-bearing and subject to normal credit terms offered by the Group, ranging from 14 days to 120 days from the invoice date. Other credit terms are assessed and approved on a case by case basis.

9. CASH AND CASH EQUIVALENTS

The Group's and the Company's cash management policy is to use cash and bank balances to manage cash flows to ensure sufficient liquidity to meet the Group's and the Company's obligations.

	Group		Company	
	2026	2025	2026	2025
	A\$	A\$	A\$	A\$
Cash and bank balances	<u>1,578</u>	<u>1,378</u>	<u>57</u>	<u>196</u>

10. SHARE CAPITAL

	Group or Company			
	2026		2025	
	Number of Shares Unit	Amount of Shares A\$	Number of Shares Unit	Amount of Shares A\$
Issued and fully paid ordinary shares:				
At beginning and end of the financial year	<u>52,343,270</u>	<u>338,781</u>	<u>52,343,270</u>	<u>338,781</u>

11. FOREIGN CURRENCY TRANSLATION RESERVE

Foreign currency translation reserve comprises all foreign exchange differences arising from translation of the financial statements of the Group and foreign operations with different functional currencies from that of the Group's presentation currency.

12. AMOUNT DUE TO DIRECTORS

These amounts are unsecured, interest-free and repayable on demand. However, these amounts are not expected to be settled within the twelve months after the reporting date.

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13. TRADE AND OTHER PAYABLES

	Group		Company	
	2026	2025	2026	2025
	A\$	A\$	A\$	A\$
Trade payables	25,702	26,573	-	-
Non-trade payables	81,615	85,944	23,231	18,963
Accruals	5,987	9,891	3,543	7,262
	<u>113,304</u>	<u>122,408</u>	<u>26,774</u>	<u>26,225</u>

Included in the above are the following related party balances:

	Group	
	2026	2025
	A\$	A\$
Non-trade payables		
- Owing to other related party	<u>5,056</u>	<u>8,605</u>

The related party balances are unsecured, interest-free and repayable on demand.

14. AMOUNT DUE TO SUBSIDIARY

This is a non-trade amount which is unsecured, interest-free and repayable on demand.

15. AMOUNT DUE TO SHAREHOLDERS

This is a non-trade amount which is unsecured, interest-free and repayable on demand.

16. REVENUE

	Group		Company	
	2026	2025	2026	2025
	A\$	A\$	A\$	A\$
Sales	<u>72,454</u>	<u>106,727</u>	<u>-</u>	<u>-</u>

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	Group		Company	
	2026	2025	2026	2025
	A\$	A\$	A\$	A\$
Administrative expenses				
Employee benefits expenses	76,295	85,442	4,884	12,599
License and registration fees	14,804	9,927	14,804	9,926
Listing fees	16,587	17,608	16,587	17,608
Professional fees	8,103	4,028	3,610	3,912
Rental of premises	6,281	6,103	-	-
Travelling expenses	4,364	2,811	43	14
Other expenses	22,379	32,793	5,423	9,932
	148,813	158,712	45,351	53,991

18. OTHER OPERATING EXPENSES

The following items have been charged in arriving at other operating expenses:

	Group	
	2026	2025
	A\$	A\$
Depreciation of property, plant and equipment	370	166

19. TAXATION

No provision has been made for tax of the Company as it is registered in the British Virgin Islands and is exempt from tax. Income tax for the Group's Malaysia operations has been provided at the rate of 24% on the estimated assessable profit derived from Malaysia.

	Group		Company	
	2026	2025	2026	2025
	A\$	A\$	A\$	A\$
Loss before tax	(126,364)	(156,169)	(43,839)	(53,882)
Tax at Malaysian statutory tax rate of 24%	(30,327)	(37,480)	(10,521)	(12,932)
Non-deductible expenses	8,766	10,055	7,570	7,844
Tax exempted loss	1,331	5,088	2,951	5,088
Deferred tax asset not recognised during the year	20,230	22,337	-	-
	-	-	-	-

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19. TAXATION (CONT'D)

The Group discloses the corporate income tax rate applicable in the jurisdiction in which its principal subsidiary is domiciled, which is Malaysia.

Pursuant to Section 8 of the Finance Act 2021 (Act 833) the amendment to Section 44 (5F) of Income Tax 1967, a time limit has been imposed on the unutilised business loss, to be carried forward for a maximum of ten consecutive years. This amendment is deemed to have effect for the year of assessment 2019 and subsequent year of assessment.

Subject to terms and conditions set out by the Inland Revenue Board of Malaysia, any unutilised business losses brought forward from year of assessment 2018 can be carried forward for another ten consecutive years of assessment (i.e. from years of assessment 2019 to 2028).

The unused tax losses are available for offset against future taxable profits of the Group and of the Company up to the following years:

	Group		Company	
	2026	2025	2026	2025
	A\$	A\$	A\$	A\$
Unutilised tax losses to be carried forward until:				
- Year of Assessment 2028	88,384	85,877	-	-
- Year of Assessment 2029	48,995	47,605	-	-
- Year of Assessment 2030	25,162	24,448	-	-
- Year of Assessment 2031	20,392	19,814	-	-
- Year of Assessment 2032	106,979	103,945	-	-
- Year of Assessment 2033	146,835	142,670	-	-
- Year of Assessment 2034	220,539	214,283	-	-
- Year of Assessment 2035	98,648	95,850	-	-
- Year of Assessment 2036	30,419	-	-	-
	786,353	734,492	-	-

20. LOSS PER ORDINARY SHARE

I. Basic Losses per Ordinary Share

The basic loss per ordinary share is calculated by dividing the Group's loss attributable to owners of the Company of A\$80,836 (2025: A\$109,563) by the weighted average number of ordinary shares outstanding of 52,343,270 (2025: 52,343,270).

II. Diluted Losses per Ordinary Share

The diluted loss per ordinary share is the same as the basic loss per ordinary share of the Group, as the Group has no dilutive potential ordinary shares during the current and prior financial years.

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21. INVESTMENT IN SUBSIDIARIES

	Company	
	2026	2025
	A\$	A\$
Unquoted shares - at cost		
At beginning of the year	158,725	158,725
Impairment in value	(158,725)	(158,725)
Exchange difference	-	-
At end of the year	-	-

Upon conducting an impairment test, it was revealed that the recoverable amount of the investment in subsidiaries was lower than its carrying amount. Consequently, no reversal of impairment was required during the year.

Details of the Company's subsidiaries are as follows:

Subsidiary company	Country of incorporation	Group effective interest		Principal activities
		2026	2025	
** Virgin Greens X Sdn. Bhd.	Malaysia	49%	49%	Research, development and commercialisation of food and agriculture related technologies with its business activities covering microbial product and biological process development, manufacturing and marketing of its proprietary solutions designed for the food and agriculture sector.
<u>Subsidiary of Virgin Greens X Sdn. Bhd.</u>				
** MG Agriworks Sdn. Bhd.	Malaysia	100%	100%	Engage in application of biotechnology in agriculture with its business activities covering production and distribution of sustainable products for plant nutrition, growth and protection.

* The Company has the entire voting power of Virgin Greens X Sdn. Bhd. Through a Block Voting Agreement.

** The financial statements of the companies are audited by HO ASSOCIATES.

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	Group		Company	
	2026	2025	2026	2025
	A\$	A\$	A\$	A\$
Audit of financial statements:				
- Current year	6,101	9,610	3,610	7,015
- Under / (Over) Provision	258	261	-	(175)

23. OPERATING SEGMENT

Segmental reporting is not presented as the Group is principally engaged in research, development and commercialisation of food and agriculture related technologies, which are substantially within a single business segment and this is consistent with the current practice of internal reporting. The Group operates primarily in Malaysia.

24. RELATED PARTY DISCLOSURES**I. Significant Related Party Transactions**

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed in Notes 11, 14, 15, 16 and 17, the significant related party transactions of the Group and of the Company are as follows:

	Group		Company	
	2026	2025	2026	2025
	A\$	A\$	A\$	A\$
Net advances from directors	97,007	211,338	8,613	10,034
Net advances (to)/from related cor	(3,340)	6,330	-	-
Net advances from subsidiary	-	-	6,618	96,293
Net advances from Shareholder	27,848	21,139	27,848	21,139

25. KEY MANAGEMENT PERSONNEL DISCLOSURES

The aggregate compensation made to directors and other members of key management personnel of the Group and of the Company are set out below:

	Group		Company	
	2026	2025	2026	2025
	A\$	A\$	A\$	A\$
Directors' fee	-	3,508	-	3,508
Directors' remuneration	4,332	76,604	4,332	8,419
Remuneration for others	71,415	105,379	-	-

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The table below provides an analysis of financial instruments categorised as follows:

- (a) Financial assets and financial liabilities measured at amortised cost (AC).

	Group		Company	
	AC	Carrying	AC	Carrying
	A\$	Amount	A\$	Amount
		A\$		A\$
2026				
<u>Financial Assets</u>				
Trade and other receivables	9,464	9,464	2,548	2,548
Cash and cash equivalents	1,578	1,578	57	57
Total financial assets	<u>11,042</u>	<u>11,042</u>	<u>2,605</u>	<u>2,605</u>
<u>Financial Liabilities</u>				
Amount due to directors (non-current)	878,692	878,692	18,402	18,402
Trade and other payables	113,304	113,304	26,774	26,774
Amount due to subsidiary	-	-	627,025	627,025
Amount due to shareholders	47,762	47,762	47,762	47,762
Total financial liabilities	<u>1,039,758</u>	<u>1,039,758</u>	<u>719,963</u>	<u>719,963</u>
2025				
<u>Financial Assets</u>				
Trade and other receivables	15,160	15,160	2,903	2,903
Cash and cash equivalents	1,378	1,378	196	196
Total financial assets	<u>16,538</u>	<u>16,538</u>	<u>3,099</u>	<u>3,099</u>
<u>Financial Liabilities</u>				
Amount due to directors (non-current)	801,166	801,166	10,034	10,034
Trade and other payables	122,408	122,408	26,225	26,225
Amount due to subsidiary	-	-	635,861	635,861
Amount due to shareholders	21,139	21,139	21,139	21,139
Total financial liabilities	<u>944,713</u>	<u>944,713</u>	<u>693,259</u>	<u>693,259</u>

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AND ITS SUBSIDIARY

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management is integral to the development of the Group's and the Company's business. The Group and the Company have in place the financial risk management policies to manage its exposure to a variety of risks to an acceptable level. The Group's and the Company's principal financial risk management policies are as follows:

I. Credit Risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers, advances to related parties and deposits with licensed banks.

The Group has adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The carrying amounts of the financial assets recorded on the statements of financial position at the reporting date represent the Group's and the Company's maximum exposure to credit risk in relation to financial assets.

The Group has no significant concentration of credit risk as its exposure spread over a large number of customers.

The Group has no significant concentration of credit risk as its exposure spread over a large number of customers.

The Group maintains an ageing analysis in respect of trade receivables only. The ageing of trade receivables as at the end of the reporting period was:

	2026 A\$	2025 A\$
Not past due	4	4,226
Past due more than 120 days	25,062	25,685
	25,066	29,911
Less: Impairment loss	(21,593)	(21,378)
Exchange difference	-	(752)
	<u>3,473</u>	<u>7,781</u>

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Company.

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27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

I. Credit Risk (Cont'd)

As at 30 June 2026, trade receivables of A\$3,489 (2025: A\$3,555) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default.

II. Liquidity Risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables and borrowings.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company monitor their cash flows and ensures that sufficient funding is in place to meet the obligations as and when they fall due.

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Contractual cash flows			
	Carrying amount A\$	On demand		Total A\$
		or within a year A\$	1 year to 5 years A\$	
Group				
2026				
<u>Financial Liabilities</u>				
Amount due to directors (non-current)	878,692	-	878,692	878,692
Trade and other payables	113,304	113,304	-	113,304
Amount due to shareholders	47,762	47,762	-	47,762
Total financial liabilities	<u>1,039,758</u>	<u>161,066</u>	<u>878,692</u>	<u>1,039,758</u>
2025				
<u>Financial Liabilities</u>				
Amount due to directors (non-current)	801,166	-	801,166	801,166
Trade and other payables	122,408	122,408	-	122,408
Amount due to shareholders	21,139	21,139	-	21,139
Total financial liabilities	<u>944,713</u>	<u>143,547</u>	<u>801,166</u>	<u>944,713</u>

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AND ITS SUBSIDIARY**27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)****II. Liquidity Risk (Cont'd)**

	Carrying amount A\$	Contractual cash flows		Total A\$
		On demand or within a year A\$	1 year to 5 years A\$	
Company				
2026				
<u>Financial Liabilities</u>				
Amount due to directors (non-current)	18,402	-	18,402	18,402
Trade and other payables	26,774	26,774	-	26,774
Amount due to subsidiary	627,025	627,025	-	627,025
Amount due to shareholders	47,762	47,762	-	47,762
Total financial liabilities	<u>719,963</u>	<u>701,561</u>	<u>18,402</u>	<u>719,963</u>
2025				
<u>Financial Liabilities</u>				
Amount due to directors (non-current)	10,034	-	10,034	10,034
Trade and other payables	26,225	26,225	-	26,225
Amount due to subsidiary	635,861	635,861	-	635,861
Amount due to shareholders	21,139	21,139	-	21,139
Total financial liabilities	<u>693,259</u>	<u>683,225</u>	<u>10,034</u>	<u>693,259</u>

III. Interest Rate Risk

The Group manages its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debt portfolio to ensure favourable rates are obtained. The Group does not utilise interest rate swap contracts or other derivative instruments for trading or speculative purposes.

Interest rate risk sensitivity analysis**Fair value sensitivity analysis for fixed rate instruments**

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in market interest rates at the end of the reporting period would not affect statement of comprehensive income.

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28. SIGNIFICANT EVENTS DURING THE YEAR

During the financial year ended 30 June 2026, the Company made the following material disclosures on the National Stock Exchange of Australia (NSX):

- I. 12 May 2026 – Proposed Addition to Business, Licence Agreement, and Fundraising Exercise
The Company announced a strategic corporate proposal involving an expansion to its existing biotechnology core business operations. This operational change was executed in tandem with a technology Licence Agreement and a concurrent global fundraising exercise aimed at securing fresh working capital.
- II. 26 May 2026 – Corporate Progress Update and Information Memorandum
Following up on the 12 May corporate expansion proposal, the Company released a comprehensive market progress update. The Board published the official Fundraising Information Memorandum, which was distributed globally in both English and Chinese language editions.

29. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Subsequent to the financial year end of 30 June 2026 and up to the date of authorization of these financial statements, the following material corporate events occurred:

- I. 07 July 2026 – Resignation and Appointment of Independent Auditors
The Company announced the resignation of its independent external auditors, HML PLT. Following the resignation, the Board of Directors formally appointed Ho Associates as the new independent external auditors to fill the casual vacancy.

30. AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Board of Directors on 9 September 2026.