JGY HOLDINGS LIMITED

(ARBN 618508964)
(Incorporated in Cayman Islands)

ANNUAL REPORT
For the financial year ended 31 March 2021

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The Directors are pleased to present their statement to the members together with the audited consolidated financial statements of the Group for the financial year ended 31 March 2021 and the statement of financial position of the Company as at 31 March 2021.

In the opinion of the directors,

(a) The statement of financial position of the Company and of the Group as at 31 March 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2021 and the financial performance, change in equity and cash flows of the Group for the financial year ended on that date in accordance with the International Financial Reporting Standards; 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.

The board of the Directors authorised these financial statements for issued on the date of this report.

Name of Directors

The Directors of the Company in office at the date of this report are:

Name	**Particulars**
WANG Caifu	Chief Executive Director, Chairman
SHANG Zonggen	Independent Non-executive Director
HE Ping	Executive Director

Arrangements for enable Directors to acquire shares or debentures

During and at the end of the financial year, neither the Company nor any of its controlled entities was a party to any arrangement of which the object was to enable the Directors to acquire benefits through the acquisition of shares in or debentures of the Company or any other corporate body, other than as disclosed in this report.

Directors' interest in shares

None of the Directors who held office at the end of the financial year or period had any interests in the share of the Company or its related corporation, except as follows:

	Holdings registered in the Name of Director or nominee		**Holdings in which Director is Deemed to have an interest**	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
WANG Caifu	20,000,000	20,000,000	-	-
SHANG Zonggen	100,000	100,000	-	-
He Ping	19,690,000	19,690,000	-	-

Share Options

During the financial year, no options were granted to take up unissued shares of the Company and no shares were issued by virtue of the exercise of options to take up unissued shares of the Company. At the end of the financial year, there were no unissued shares of the Company under option.

Directors' contractual benefits

Except as disclosed in the financial statements, since the beginning of the financial year, no Director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Auditors

The auditors, Ivan & Ho, have expressed their willingness to continue in office.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ivan & Ho, as part of the terms of its audit engagement against claims by third parties arising from the audit for an unspecified amount. No payment has been made to indemnify Ivan & Ho during and since the end of the financial year.

On behalf of the directors,

....
WANG Caifu
Chief Executive Director, Chairman

....
HE Ping
Executive Director

Dated: 03 MAR 2022

IVAN & HO

(A Member Firm of the Malaysian Institute of Accountants)
(Firm No. AF 002224)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JGY HOLDINGS LIMITED

Disclaimer of Opinion

We were engaged to audit the financial statements of JGY Holdings Limited (the "Company) and its subsidiaries (collectively, the "Group"), which comprise the statement of financial position of the Company and of the Group as at 31 March 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 5 to 23.

We do not express an opinion on the accompanying financial statements of the Group and of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. Going concern

   The Group incurred net loss of $30,774,976 during the year ended 31 March 2021, and, as of that date, the Company's total liabilities exceeded their total assets by $18,691,026. These events of or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. The Group applies going concern basis accounting in preparing the consolidated financial statements for the current reporting year.

   The Group shall assess the ability to continue as a going concern. As of the date of this report, the Group has not made a specific assessment of the Group's ability to continue as a going concern.

   We were unable to obtain sufficient appropriate audit evidence to determine whether the Group's use of the going concern basis in the preparation of the financial statements of the Group was appropriate.

Independence and Other Ethical Responsibilities

We are independent of the Group in accordance with the International Ethics Standards Board for Accountant's *International Code of Ethics for Professional Accountants* (*including International Independence Standards*) ("IESBA Code"), and we have fulfilled our ethical responsibilities in accordance with IESBA Code.

Responsibilities of Directors and those charged with governance for the Financial Statements

Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards ("IFRS") and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, directors are responsible for assessing the Group'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 Group or to cease operation, or has no realistic alternative but to do so.

The responsibilities of those charged with governance include overseeing the Group's financial reporting process

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JGY HOLDINGS LIMITED

Auditor's responsibility for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Group's and of the Company's financial statements in accordance with approved standards on auditing and International Standards in Auditing, and to issue an auditors' report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate evidence to provide a basis for an audit opinion on these financial statements.

Report on Other Legal and Regulatory Requirements

In our opinion, because of the significance of the matter described in the *'Basis for disclaimer of opinion'* section of our report, we do not express an opinion on whether 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.

Other Matters

This report is made solely to the Members of the Company, as a body, in accordance with the Act and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ivan & Ho
Firm number AF 002224
Chartered Accountants

Ho Tze Lih BKM.
Approval number 03286/10/2022 J
Chartered Accountant

JGY HOLDINGS LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	The Group 31.03.2021 $	The Group 31.03.2020 $	The Company 31.03.2021 $	The Company 31.03.2020 $
Assets					
Non-current assets					
Plant and equipment	5	-	2,715,111	-	-
Investments in subsidiaries	6	-	-	-	6,300,000
		-	2,715,111	-	6,300,000
Current assets					
Inventories	7	-	19,956,302	-	-
Trade and other receivables	8	-	10,784,786	-	-
Cash and bank balances	9	38,137	43,748	-	-
		38,137	30,784,836	-	-
Total assets		38,137	33,499,947	-	6,300,000
Liabilities and equity					
Non-current liability					
Amounts due to directors	10	18,455,615	17,903,510	-	-
Current liability					
Trade and other payables	11	273,548	3,512,487	60,000	-
Total liabilities		18,729,163	21,415,997	60,000	-
Equity					
Share capital	12	6,300,000	6,300,000	6,300,000	6,300,000
Foreign exchange translation reserve		871,544	1,786,509	-	-
(Accumulated losses)/retained earnings		(25,862,570)	3,997,441	(6,360,000)	-
		(18,691,026)	12,083,950	(60,000)	6,300,000
Total liabilities and equity		38,137	33,499,947	-	6,300,000

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

JGY HOLDINGS LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

		The Group	
		From 01.04.2020 31.03.2021	From 01.04.2019 31.03.2020
	Note	$	$
Revenue	13	-	2,328,275
Cost of sales		(315,023)	(1,638,120)
Gross (loss)/profit		(315,023)	690,155
Other income		-	287
Administrative expenses		(19,938,794)	(459,532)
Other operating expenses		(9,606,194)	(1,057,108)
Loss before tax	14	(29,860,011)	(826,198)
Income tax expense	16	-	(3,174)
Loss for the financial year		(29,860,011)	(829,372)
Attributable to:			
Equity holders of the parent		(29,860,011)	(829,372)
Non-controlling interests		-	-
		(29,860,011)	(829,372)
Exchange differences on translation of foreign controlled entities		(914,965)	1,056,660
Total comprehensive (loss)/profit for the year		(30,774,976)	227,288
Attributable to:			
Equity holders of the parent		(30,774,976)	227,288
Non-controlling interests		-	-
		(30,774,976)	227,288

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

JGY HOLDINGS LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	The Group			
	Share capital	Foreign exchange translation reserve	Retained earnings/ (accumulated losses)	Total
	$	$	$	$
As at 01.04.2019	6,300,000	729,849	4,826,813	11,856,662
Lossfor the year	-	-	(829,372)	(829,372)
Currency translation reserve	-	1,056,660	-	1,056,660
As at 31.03.2020	6,300,000	1,786,509	3,997,441	12,083,950
Loss for the year	-	-	(29,860,011)	(29,860,011)
Currency translation reserve	-	(914,965)	-	(914,965)
As at 31.03.2021	6,300,000	871,544	(25,862,570)	(18,691,026)

The above Statement of Changes In Equity should be read in conjunction with the accompanying notes.

JGY HOLDINGS LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Notes	The Group From 01.04.2020 31.03.2021 $	 From 01.04.2019 31.03.2020 $
Cash flows from operating activities			
Loss before tax		(29,860,011)	(826,198)
Adjustments for:			
Depreciation of plant and equipment		315,023	326,638
Bad debts written off		5,276,556	-
Written off on inventories		19,956,302	-
Written off on plant and equipment		2,058,558	-
Unrealised foreign exchange loss		(572,144)	(951,821)
Operating cash flows before changes in working capital		(2,825,716)	(1,451,381)
Inventories		-	40,485
Trade and other receivables		5,508,230	7,927,898
Trade and other payables		(3,238,939)	(9,437,039)
Amounts due to directors		552,105	1,556,826
Net cash used in operations		(4,320)	(1,363,211)
Tax paid		-	(23,226)
Net cash used in operating activities		(4,320)	(1,386,437)
Net changes in cash and cash equivalents		(4,320)	(1,386,437)
Cash and cash equivalents at the beginning of the year		43,748	1,402,142
Exchange difference on translation of cash and cash equivalents		(1,291)	28,043
Cash and cash equivalents at the end of the year	9	38,137	43,748

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. CORPORATE INFORMATION

JGY Holdings Limited is the Group's ultimate parent company. The Company was incorporated in and under the laws of the Cayman Islands on 23 October 2017.

The Company was listed on the National Stock Exchange of Australia on 21 December 2017. The registered office of the Company is located at Grand Pavilion, West Bay Road, Grand Cayman, Cayman Islands.

The Company is an investing holding company. The Group comprises two operating companies which are Tianchang Jinguixiang Agriculture Co., Limited (Farmco) growing grains, mainly rice and wheat for sale and Pizhou Yinxingyuan Liquor Industry Co., Limited (Wineco) producing and selling of bai-jiu products.

The financial statements of the Company and of the Group for the year ended 31 March 2021 were authorised for issue in accordance with a resolution of the Directors on the date of the Statement by Directors.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a historical cost basis and are presented in Australian Dollar which is the Company's functional currency. All financial information is presented in Australian Dollar, unless otherwise stated.

2.2 Adoption of new and amended IFRSs

The Group has adopted all the new and revised standards and interpretations of FRS (INTFRS) that are effective for financial periods beginning on or after 1 April 2018. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Company and the Group.

2.3 Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 March 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. exiting rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a controlled entity begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are stated at cost or valuation less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on a straight-line method so as to write off the cost or valuation of the plant and equipment net of the estimated residual values over their estimated useful lives as follows:

	Estimated useful lives	Estimated residual value as a percentage of cost
Computer	3 years	5%
Office equipment	5 years	5%
Motorcycle	5 years	5%
Plant and machinery	10 years	5%
Workshop	20 years	5%

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial period end to ensure that the amount, method and year of depreciation are consistent with previous estimates and expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the proforma statement of comprehensive income in the period the asset is derecognised.

2.5 Intangible assets

Intangible assets are accounted for using the cost model with the exception of goodwill. Capitalised costs are amortised on a straight-line basis over their estimated useful lives for those considered as finite useful lives. After initial recognition, they are carried at cost less accumulated amortisation and accumulated impairment losses, if any. In addition, they are subject to annual impairment testing. Indefinite life intangibles are not amortised but are subject to annual impairment testing.

Intangible assets are written off where, in the opinion of the Directors, no further economic benefits are expected to arise.

2.6 Financial assets

The Group classifies its financial assets, at initial recognition, into one of the following categories: investments at fair value through profit or loss, loans and receivables, derivative financial instruments and other financial assets, as appropriate, depending on the purpose for which the asset was acquired. The Group's accounting policy for each category is as follows:

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.6 Financial assets (Cont'd.)

Investments at fair value through profit or loss

These financial assets are designated by the Board of Directors at fair value through profit or loss at inception, which include investment in debt and equity securities upon initial recognition on the basis that they are part of a group of financial assets which are managed and have their performance evaluated on a fair value basis in accordance with risk management and investment strategies of the Group.

Recognition / Derecognition:

Regular acquisitions and disposals of investments are recognised on the trade date on which the Company received acquisitions of investments or delivered disposals of Investments. A fair value through profit or loss asset is derecognised when the Company loses control over the contractual rights that comprise that assets. This occurs when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. Fair value through profit or loss assets that are derecognised and corresponding receivables from the buyer for the payment are recognised as of the date the Company commits to sell the assets.

Measurement:

Financial assets held at fair value through profit or loss is initially recognised at fair value. Transaction costs are expensed in the profit or loss. Subsequent to initial recognition, all financial assets and financial liabilities are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets held at fair value through profit or loss are presented in the profit or loss in the period in which they arise.

Dividend income from investments at fair value through profit or loss is recognised in the profit or loss within other income when the Company' right to receive payments is established.

Fair value estimation:

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques in accordance with the Guidelines.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in and active market. The Company's loans and receivables comprise bridging loans and other receivables in the statement of financial position. Subsequent to initial recognition, loan and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortization process.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.7 Financial liabilities

Trade and other payables are initially measured at fair value net of transaction costs, and are subsequently measured at amortised cost, using effective interest rate method, with interest expenses recognised on an effective yield basis. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.9 Impairment of tangible assets

At each statement of financial position date, the Group reviews the carrying amounts of its 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 (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset /cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset/cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit and loss statement, unless the relevant asset is carried at a revalued amount in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset /cash generating unit is increased to the revised estimate of its recoverable amount, to the extent the increased carrying amount does not exceed the carrying amount that would have been determined had no impairments loss been recognised for the asset/cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.10 Inventories

Inventories are measured at the lower of cost and net realisable value (which is the estimated selling price less costs to complete and sell). Cost comprises purchase price and directly attributable costs of bringing the inventories to their present location and condition. Inventory cost is determined on the weighted average cost basis. Net realisable value is determined on an item-by-item basis or on Proforma Group of similar items basis.

2.11 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) where as a result of a past event, and it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.11 Provisions (Cont'd.)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.12 Employment benefits

Defined contribution plan

The employees of the Group are required to participate in a central pension scheme operated by the government. The company are required to contribute a certain percentage of its payroll costs to the central pension scheme.

These contributions are charged to the profit or loss in the period to which the contributions relate. The Company's obligations under these plans are limited to the fixed percentage contributions payable.

2.13 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is calculated using tax rates that have been enacted at the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates that have been enacted or substantively enacted by the balance sheet. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income tax levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.14 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 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 control 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 past-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); 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).

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Depreciation of plant and equipment

The Group's management exercises its judgment in estimating the useful lives of the depreciable assets. The estimated useful lives reflect management's estimate of the periods the Company intends to derive future economic benefits from the use of these assets based on historical experience. Changes in expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The company depreciated plant and equipment in accordance with the accounting policies stated in Note 2.

Income Taxes

The Group's controlled entity in China is subject to income taxes in the PRC. The Group recognises liabilities for anticipated tax issues based on estimations of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences may impact the income tax and deferred income tax provision in the year in which such determinations are made.

4. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital rations in order to support its business and maximize shareholders' value. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions. The Group is not subject to any externally imposed capital requirements. No charges were made in the objectives, policies or processes for managing capital during the financial year from 1 April 2020 to 31 March 2021.

5. PLANT AND EQUIPMENT

The Group	Computer	Office equipment	Motor cycle	Plant and machinery	Workshop	Total
	$	$	$	$	$	$
Cost:						
As at 01.04.2019	2,217	9,844	3,360	1,924,844	2,937,907	4,878,172
Exchange difference	211	938	320	183,319	279,801	464,589
As at 31.03.2020	2,428	10,782	3,680	2,108,163	3,217,708	5,342,761
Exchange difference	258	(1,952)	(472)	(270,395)	(412,707)	(685,268)
Written off	(2,686)	(8,830)	(3,208)	(1,837,768)	(2,805,001)	(4,657,493)
As at 31.03.2021	-	-	-	-	-	-
Accumulated depreciation:						
As at 01.04.2019	2,138	4,080	3,139	879,299	1,186,181	2,074,837
Depreciation for the year	-	1,901	54	184,136	140,547	326,638
Exchange difference	203	555	303	99,850	125,263	226,174
As at 31.03.2020	2,341	6,536	3,496	1,163,285	1,451,991	2,627,649
Depreciation for the year	169	1,500	-	177,216	136,138	315,023
Exchange difference	42	(1,116)	(448)	(158.138)	(184,077)	(343,737)
Written off	(2,552)	(6,920)	(3,048)	(1,182,363)	(1,404,052)	(2,598,935)
As at 31.03.2021	-	-	-	-	-	-

5. PLANT AND EQUIPMENT (CONT'D.)

Carrying amount:

As at 31.03.2020	87	4,246	184	944,878	1,765,716	2,715,111
As at 31.03.2021	-	-	-	-	-	-

6. INVESTMENT IN SUBSIDIARIES

	The Company 2021 $	2020 $
Unquoted shares at cost	6,300,000	6,300,000
Impairment loss	(6,300,000)	-
	-	6,300,000

The consolidated financial statements include the financial statements of JGY Holdings Limited and its subsidiaries listed in the following table.

As at 31 March 2021

Name of company	Country of incorporation	Principal activities	Percentage of equity held 2020	Percentage of equity held 2021
Microbatt Singapore Pte Ltd	Singapore	Investment holding	100%	100%
Tianchang Danguixiang Agricultural Products Co., Limited	China	Investment holding	100%	100%
Tianchang Jinguixiang Agricultrue Co., Limited (Farmco)	China	Growing rice and wheat for sales	100%	100%
Pizhou Yinxingyuan Liquor Industry Co., Limited (Wineco)	China	Manufacture and sale of bai-jiu products	100%	100%

The investment in subsidiaries are fully impaired during the financial year 31 March 2021.

7. INVENTORIES

	The Group 2021 $	The Group 2020 $	The Company 2021 $	The Company 2020 $
Finished goods	-	19,956,302	-	-

8. TRADE AND OTHER RECEIVABLES

	The Group 2021 $	The Group 2020 $	The Company 2021 $	The Company 2020 $
Trade receivables	-	3,021,502	-	-
Other receivables – Third parties	-	3,424,100	-	-
Other receivables – Related parties	-	4,336,786	-	-
Amount due from staff	-	2,398	-	-
Total trade and other receivables	-	10,784,786	-	-

Other receivables are non-trade in nature, unsecured, interest-free and repayable on demand and denominated in Chinese Renminbi.

Receivables that are past due but not impaired

The company has trade receivables amounting to $Nil (2020: $3,021,502) that are past due at the financial position date but not impaired. These receivables are unsecured and the analysis of their aging at the financial position date is as follows:

Trade receivables past due:

	The Group 2021 $	The Group 2020 $	The Company 2021 $	The Company 2020 $
- More than 90 days	-	3,021,502	-	-

9. CASH AND BANK BALANCES

	The Group 2021 $	The Group 2020 $	The Company 2021 $	The Company 2020 $
Cash at bank, representing total cash and cash equivalents	38,137	43,748	-	-

10. AMOUNTS DUE TO DIRECTORS

Amounts due to directors are non-trade in nature, unsecured, interest-free and repayable on demand and denominated in Chinese Renminbi.

11. TRADE AND OTHER PAYABLES

	The Group 2021 $	The Group 2020 $	The Company 2021 $	The Company 2020 $
Trade payables	273,548	244,967	-	-
Accruals			60,000	-
Other payables – Related parties	-	3,267,520	-	-
Total trade and other receivables	273,548	3,512,487	60,000	-

Other payables are non-trade in nature, unsecured, interest-free and repayable on demand and denominated in Chinese Renminbi.

12. SHARE CAPITAL

	2021 The Group Number of shares Units	2021 The Group Amount $	2020 The Group Number of shares Units	2020 The Group Amount $
As at 01.04/31.03	85,0000,000	6,300,000	85,000,000	6,300,000

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

At the shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder or its proxy, attorney or representative has one vote on a show of hands.

13. REVENUE

	The Group From 01.04.2020 to 31.03.2021 $	The Group From 01.04.2019 to 31.03.2020 $
Sales of goods	-	2,328,275

14. LOSS BEFORE TAX

	The Group	
	From 01.04.2020 to 31.03.2021 $	From 01.04.2019 to 31.03.2020 $
Loss before tax has been arrived at after charging:		
Depreciation on plant and equipment	315,023	
Bad debts written off	5,276,556	-
Written off on inventories	19,956,302	-
Written off on plant and equipment	2,058,558	-
Depreciation of plant and equipment	-	326,638
Employee benefit expense (Note 15)	-	40,385

15. EMPLOYEE BENEFIT EXPENSE

	The Group	
	From 01.04.2020 to 31.03.2021 $	From 01.04.2019 to 31.03.2020 $
Employee benefit expense (including key management personnel)		
- Salaries	-	40,385

16. INCOME TAX EXPENSE

	The Group	
	From 01.04.2020 to 31.03.2021 $	From 01.04.2019 to 31.03.2020 $
Current tax for the financial year	-	3,174

Provision for enterprise income tax of the subsidiaries operating in the PRC is made in accordance with the Income Tax Law of the PRC concerning Foreign Investment Enterprises and Foreign Enterprises and various local income tax laws.

Taxation has been provided at the appropriate tax rates prevailing in Singapore, Hong Kong and the PRC in which the Group operates on the estimated assessable profits for the financial year. These rates generally range from 16.50% to 25% for the reporting year.

The reconciliation of income tax expense applicable to the loss before income tax at the statutory income tax rates to the income tax expense for the reporting period is as follows:

16. INCOME TAX EXPENSE (CONT'D.)

The reconciliation of income tax expense applicable to the loss before tax at the statutory income tax rates to the income tax expense for the reporting year is as follows:

	The Group	
	From 01.04.2020 to 31.03.2021 $	From 01.04.2019 to 31.03.2020 $
Loss before tax	(29,860,011)	(826,198)
Tax at applicable tax rates	(7,465,003)	(206,550)
Tax effect of non-taxable revenue	-	(97,240)
Tax effect of non-deductible expenses	-	306,964
Deferred tax assets not recognised	7,465,003	-
Current tax for the financial year	-	3,174

No deferred tax has been provided, as the Group did not have any significant temporary differences which gave rise to a deferred tax asset or liability at the reporting date.

17. (LOSS)/PROFIT PER SHARE

The Group

The (loss)/profit per share is calculated based on the consolidated (loss)/profit attributable to owners of the parent divided by the weighted average number of shares on issue of 85,000,000 (2020: 85,000,000) shares during the financial year.

The following table reflects the profit or loss and share data used in the computation of diluted (loss)/profit per share from continuing operations for the financial year ended 31 March:

	The Group	
	From 01.04.2020 to 31.03.2021 $	From 01.04.2019 to 31.03.2020 $
Weighted average number of ordinary shares for the purpose of calculating diluted (loss)/profit per share	85,000,000	85,000,000

	The Group	
	From 01.04.2020 to 31.03.2021 $	From 01.04.2019 to 31.03.2020 $
(Loss)/profit for the purpose of calculating basic and diluted profit per share	(30,774,976)	227,288

18. FOREIGN EXCHANGE RATES

The principal closing foreign exchange rates used (expressed on the basis of one unit of foreign currency to AUD equivalent) for the translation of foreign currency balances at the statement of financial position date are as follows:

	The Group	
	2021	**2020**
	$	**$**
Chinese Renminbi	0.2005	0.2300

19. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in marking financial and reporting decisions. Parties are also considered to be related if they are subject to common control.

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the company and related parties took place at term agreed between the parties during the financial period:-

Compensation of key management personnel

Key management personnel of the company are those person having the authority and responsibility for planning, directing and controlling the activities of the company.

	The Group	
	2021	**2020**
	$	**$**
Amounts due to directors	18,455,615	17,903,510

20. FAIR VALUES AND FAIR VALUES HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amount of cash and cash equivalents, other receivables, other payables and amount due from/to controlled entity/directors approximate their respective fair values due to the relative short term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statement.

The Company and the Group are exposed to financial risks arising from its operations and use of financial instruments. The key financial risks included credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk. The Company's and the Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Company's and the Group's financial performance.

Risk management is carried out by the Finance Division under policies approved by the Board of Directors. The Finance Division identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investing excess liquidity.

20. FAIR VALUES AND FAIR VALUES HIERARCHY OF FINANCIAL INSTRUMENTS (CONT'D.)

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. The Group's exposure to credit risk arises primarily from cash and cash equivalents and other receivables. For other receivables, the Company and the Group adopt the policy of dealing only with high credit quality counterparties.

The Company's and the Group's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure. Cash and cash equivalents are held with reputable financial institutions. Credit exposure to an individual counterparty is restricted by credit limits that are approved by the management based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management.

Exposure to credit risk

The maximum exposure to credit risk for each class of the Company's and the Group's financial instruments areas following:

	The Group		The Company	
	2021	2020	2021	2020
	$	$	$	$
Cash and cash equivalents	38,137	43,748	-	-
Trade and other receivables	-	10,784,786	-	-
	38,137	10,828,534	-	-

Liquidity risk

Liquidity risk is the risk that the Company or the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company's and the Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company and the Group manage liquidity risk by monitoring forecast cash flows. As at the financial year end the Group has cash and cash equivalent of $38,137 (2020: $43,748).

The table below analyses the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows:

Total Group	**Less than 1 year**	**Between 2 – 5 years**	**Over 5 years**	**Total**
2021	$	$	$	$
Trade and other payables	273,548	-	-	273,548
Amounts due to directors	-	18,455,615	-	18,455,615
	273,548	18.455.615	-	18,729,163

20. FAIR VALUES AND FAIR VALUES HIERARCHY OF FINANCIAL INSTRUMENTS (CONT'D.)

Total Group 2020	**Less than 1 year** $	**Between 2 – 5 years** $	**Over 5 years** $	**Total** $
Trade and other payables	3,512,487	-	-	3,512,487
Amounts due to directors	-	17,903,510	-	17,903,510
	3,512,487	17,903,510	-	21,415,997

Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Group is not exposed to any significant foreign currency risk because the main operation for the Group is in China which is not exposed any significant foreign currency risk.

Market price risk

Given that the Group does not have any available-for-sale financial assets, the Group is not exposed to any significant market price risk.

21. CONTINGENCIES AND COMMITMENTS

The Company and Group had neither contingent liabilities/assets nor any financial commitments as at 31 March 2021.

22. EVENTS OCCURRING AFTER THE REPORTING DATE

No matter or circumstance has arisen since 1 April 2021 that has significantly affected, or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

23. AUTHORISATION OF FINANCIAL STATEMENTS

The financial report for the financial year ended 31 March 2021 were authorised for issue in accordance with a resolution of the directors on the date of this report.