Company No.: ARBN 618508964

JGY HOLDINGS LIMITED
(Incorporated in Cayman Islands)

FINANCIAL STATEMENTS

31 MARCH 2022

Registered office:
Grand Pavilion,
West Bay Road,
Grand Cayman,
Cayman Islands.

Company No.: ARBN 618508964

JGY HOLDINGS LIMITED
(Incorporated in Cayman Islands)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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Company No.: ARBN 618508964

JGY HOLDINGS LIMITED AND ITS SUBSIDIARIES
(Incorporated in Cayman Islands)

DIRECTORS' STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

The Directors are pleased to present their statement to the members together with the audited consolidated financial statements of the Group for the year ended 31 March 2022 and the statement of the financial position of the Group and of the Company as at 31 March 2022.

In the opinion of the Directors:

(a) the statement of financial position of the Group and of the Company as at 31 March 2022, 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 2022 and the financial performance, change in equity and cash flows of the Group for the 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 Directors authorised these financial statements for issue on the date of this report.

DIRECTORS

The Directors of the Company who held office during the year until the date of this report are:

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

ARRANGEMENT FOR ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

During and at the end of the 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 or debentures of the Company or any other corporate body, other than as disclosed in this report.

DIRECTORS' INTERESTS

None of the Directors who held office at the end of the year had any interests in the shares 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 31.3.2022	As at 31.3.2021	As at 31.3.2022	As at 31.12.2021
WANG Caifu	20,000,000	20,000,000	-	-
SHANG Zonggen	100,000	100,000	-	-
HE Ping	19,690,000	19,690,000	-	-

SHARES OPTIONS

During the year, no options have been granted by the Company to any parties during the year to take up unissued shares of the Company.

No shares have been issued during the year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the year, there were no unissued shares of the Company under options.

DIRECTORS' CONTRACTUAL BENEFITS

Except as disclosed in the financial statements, since the beginning of the 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, Messrs. HML PLT, have expressed their willingness to continue in office.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Messrs. HML PLT, 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 Messrs. HML PLT during and since the end of the year.

Signed on behalf of the Board of Directors,

WANG, CAIFU
Director

HE PING
Director

People's Republic of China
07 JUL 2022

Company No.: ARBN 618508964

HML PLT
LLP0004524-LCA & 201504000748
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1-23B Jalan Desa 1/3
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JGY HOLDINGS LIMITED

(Incorporated in Cayman Islands)

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of JGY HOLDINGS LIMITED (the "Company") and its subsidiaries (the "Group"), which comprise the statement of financial position of the Group and of the Company as at 31 March 2022, 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 32.

We do not express an opinion on the accompanying financial statements of the Group and 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

a) As disclosed in Note 9 to the financial statements, as at 31 March 2022, the cash and bank balances for a subsidiary held was A$39,034 we were unable to obtain sufficient appropriate audit evidence on the said cash and bank balances. Therefore, we could not determine the effect of adjustment, if any, on the financial statements of the subsidiary.

b) As disclosed in Note 13 to the financial statements, as at 31 March 2022, the trade and other payables for the subsidiaries were A$756,122. We were unable to obtain sufficient and appropriate audit evidence on the completeness of the liabilities. Therefore, we could not determine the effect of adjustment, if any, on the financial statements of the subsidiaries.

c) The Group incurred a net loss of A$345,553 during the year ended 31 March 2022 and as at the date, the Group's current liabilities exceeded its current assets by A$717,088. These events 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 access the ability to continue as a going concern. As at 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 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 the IESBA Code.

Company No.: ARBN 618508964

Responsibilities of Directors and Those In Charge of the Governance for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards ("IFRS"). The Directors are also responsible for such internal control as the Directors determine 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, the 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 the Directors either intend to liquidate the Group to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

Auditors' Responsibilities 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 International Standards on Auditing (ISAs), 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 audit 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 in our report, we do not express an opinion whether the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provision of the Act.

Other matters

This report is made solely the members of the Company, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

The financial statements of the Group and of the Company for the year ended 31 March 2021, were audited by another auditor who expressed a modified opinion on those statements on 3 March 2022.

HML PLT
201504000748 (LLP0004524-LCA) & AF 002152
Chartered Accountants

HO MEE LING
02094/12/2022 J
Chartered Accountant

Kuala Lumpur, Malaysia
7 July 2022

Company No.: ARBN 618508964

JGY HOLDINGS LIMITED AND ITS SUBSIDIARIES
(Incorporated in Cayman Islands)

STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2022

		Group		Company	
		2022	**2021**	**2022**	**2021**
	Note	**A$**	**A$**	**A$**	**A$**
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiary	5	-	-	-	-
Investment in an associate	6	-	-	-	-
		-	-	-	-
CURRENT ASSETS					
Inventories	7	-	-	-	-
Trade and other receivables	8	-	-	-	-
Cash and bank balances	9	39,034	38,137	-	-
TOTAL ASSETS		39,034	38,137	-	-
EQUITY AND LIABILITIES					
EQUITY					
Share capital	10	6,300,000	6,300,000	6,300,000	6,300,000
Foreign currency translation reserves	11	66,087	871,544	-	-
Accumulated losses		(7,083,175)	(25,862,570)	(6,360,000)	(6,360,000)
CAPITAL DEFICIENCY		(717,088)	(18,691,026)	(60,000)	(60,000)
NON-CURRENT LIABILITY					
Amount owing to Directors	12	-	18,455,615	-	-
CURRENT LIABILITY					
Trade and other payables	13	756,122	273,548	60,000	60,000
		756,122	273,548	60,000	60,000
TOTAL LIABILITIES		756,122	18,729,163	60,000	60,000
TOTAL EQUITY AND LIABILITIES		39,034	38,137	-	-

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

Company No.: ARBN 618508964

JGY HOLDINGS LIMITED AND ITS SUBSIDIARIES
(Incorporated in Cayman Islands)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Group 2022 A$	Group 2021 A$
Revenue	14	-	-
Cost of sales		-	(315,023)
Gross profit		-	(315,023)
Other operating income		314,720	-
Administration expenses		-	(19,938,794)
Other operating expenses		(314,720)	(9,606,194)
Loss from operations	15	-	(29,860,011)
Income tax expenses	16	-	-
Loss for the year		-	(29,860,011)
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		(345,553)	(914,965)
Total comprehensive loss for the year		(345,553)	(30,774,976)
Losses per share:			
Basic loss per share	17	(0.0004)	(0.36)
Diluted loss per share	17	(0.0004)	(0.36)

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

Company No.: ARBN 618508964

JGY HOLDINGS LIMITED AND ITS SUBSIDIARIES
(Incorporated in Cayman Islands)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Share capital	Foreign currency translation reserves	Accumulated losses	Total
	A$	A$	A$	A$
Group				
As at 1 April 2020	6,300,000	1,786,509	3,997,441	12,083,950
Total comprehensive loss for the year	-	(914,965)	(29,860,011)	(30,774,976)
As at 31 March 2021	6,300,000	871,544	(25,862,570)	(18,691,026)
Effect of deconsolidation during the year	-	(459,904)	18,779,395	18,319,491
Total comprehensive loss for the year	-	(345,553)	-	(345,553)
As at 31 March 2022	6,300,000	66,087	(7,083,175)	(717,088)

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

Company No.: ARBN 618508964

JGY HOLDINGS LIMITED AND ITS SUBSIDIARIES
(Incorporated in Cayman Islands)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Group	
	2022	**2021**
	A$	**A$**
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	-	(29,860,011)
Adjustment for:		
Allowance for impairment loss in trade receivables	-	2,691,304
Allowance for impairment loss in others receivables		6,914,890
Allowance for obsolete inventories	-	17,775,421
Depreciation of property, plant and equipment	-	315,023
Gain on deconsolidation of subsidiary	(314,720)	-
Impairment loss of investment in an associate	314,720	-
Property, plant and equipment written off	-	2,103,373
Unrealised foreign exchange loss	(479,794)	(616,959)
Operating loss before working capital changes	(479,794)	(676,959)
Decrease in inventories	-	2,180,881
Decrease in trade and other receivables	-	8,093,482
Increase/(Decrease) in trade and other payables	482,574	(3,238,939)
(Decrease)/Increase in amount owing to Directors	-	552,105
Net increase in cash and cash equivalents	2,780	6,910,570
Cash and cash equivalents at beginning of the year	38,137	43,748
Effect of exchange rate changes on cash and cash equivalents	(1,883)	(1,291)
Cash and cash equivalents at end of the year	39,034	6,953,027

Cash and cash equivalents comprise:

Cash and bank balances	39,034	38,137

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

1 GENERAL 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 in National Stock Exchage of Australia ("NSX") on 21 December 2017. The registered office of the Company is located at Grand Pavillion, West Bay Road, Grand Cayman, Cayman Islands.

The Company is an investment holding company and the principal activities of the subsidiaries are disclosed in Note 5 of the financial statements.

The financial statements of the Group and of the Company for the year ended 31 March 2022 were authorised for issue in accordance with a resolution of the Directors on the date of the Statement by Directors.

2 BASIS OF PREPARATION

2.1 BASIS OF PREPARATION

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

The financial statements have been prepared under historical cost convention and modified to include other based of valuation as disclosed in other sections under significant accounting policies, and in compliance with IFRSs.

The financial statements are presented in Australian Dollar ("AUD") which is the Company's functional currency. All financial information is presented in AUD, unless otherwise stated.

2.2 COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standard Board ("IASB").

Adoption Of New And Amended Standards

During the year, the Group have adopted all the amendments to IFRS that are mandatory for the current year. The adoption of the amendments to IFRS did not have any significant impact on the financial statements of the Group.

Standards Issued But Are Not Yet Effective

The Group did not adopt an earlier application of the following new and revised IFRSs which have been issued by the IASB but are not yet effective for current year ended 31 March 2022.

The following are accounting standards, amendments and interpretations of the IFRS framework that have been issued by the IASB but have not been adopted by the Group.

IFRSs, IFRIC and amendments effective for annual periods beginning on or after 1 January 2022:

- Amendments to IFRS 3, Reference to the Conceptual Framework
- Amendments to IAS 37, Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to IAS 16, Property, Plant and Equipment – Proceeds before Intended Use
- Annual Improvements to IFRS Standards 2018 – 2020

IFRSs, IFRIC and amendments effective for annual periods beginning on or after 1 January 2023:

- IFRS 17, Insurance Contracts
- Amendments to IFRS 17, Insurance Contracts
- Amendments to IAS 1 and IFRS Practice Statement 2, Disclosure of Accounting Policies
- Amendments to IAS 1, Classification of Liabilities as Current or Non-current
- Amendments to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to IFRS 12, Income taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

IFRSs, IFRIC 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

The Group will adopt the above IFRSs in the respective financial years when they become effective. The initial application of the above-mentioned IFRSs are not expected to have any significant impacts on the financial statements of the Group.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 March 2022. 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:

i) Power over the investee (i.e. existing rights that give it the current liability to direct the relevant activities of the investee)

ii) Exposure, or rights, to variable returns from its investment with the investee; and

iii) The ability to use its power over the investee to affect its returns.

The Group re-accesses 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 subsidaiary and ceases when the Group losses control of the subsidiary.

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

3.2 INVESTMENT IN SUBSIDIARIES

The subsidiaries are companies in which a group has power to exercise control over the financial and operating policies so as to obtain benefits from its activities.

Investment in subsidiaries company which are eliminated on consolidation is stated at cost less impairment losses, if any.

3.3 INVESTMENT IN AN ASSOCIATE

An associate is defined as a company in which the investor has significant influence and which is neither a subsidiary nor a joint venture of the investor.

Investment in associated company is stated at cost unless, in the opinion of the Directors, a permanent diminution in value of the investment has arisen.

When the Group's share of losses of an associated company exceeds the carrying amount of the investment, recognition of further losses is discontinued, unless the Group has incurred obligation to satisfy obligations of the associated company that the Group has guaranteed or otherwise committed, whether funded or not.

The operating results of the associated company are not equity accounted as the Group need not present consolidated financial statements.

3.4 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour costs and overheads, where applicable, that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average 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.

3.5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash and bank balances, short-term deposits and other short-term, highly liquid investments that are readily convertible to a known amount of cash with an insignificant risk of changes in value.

3.6 IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, the Group and the Company 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 Group and the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of the 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 (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit and loss, 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 (or a 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 (or a cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, 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.

3.7 FINANCIAL INSTRUMENTS

i) Initial Recognition And Measurement

The Group recognises a financial asset or a financial liability (including derivative instruments) in the statement of financial position when, and only when, an entity in the Group becomes a party to the contractual provisions of the instrument.

If a contract, whether financial or non-financial, contains an embedded derivative, the Group assesses whether the embedded derivative shall be separated from the host contract on the basis of the economic characteristics and risks of the embedded derivative and the host contract at the date when the Group becomes a party to the contract. If the embedded derivative is not closely related to the host contract, it is separated from the host contract and accounted for as a stand-alone derivative. The Group does not make a subsequent reassessment of the contract unless there is a change in the terms of the contract that significantly modifies the expected cash flows or when there is a reclassification of a financial asset out of the fair value through profit or loss category.

On initial recognition, all financial assets and financial liabilities (including government loans at below market interest rates) are measured at fair value plus transaction costs if the financial asset or financial liability is not measured at fair value through profit or loss. For instruments measured at fair value through profit or loss, transaction costs are expensed to profit or loss when incurred.

ii) Derecognition Of Financial Instruments

For derecognition purposes, the Group first determines whether a financial asset or a financial liability should be derecognised in its entirely as a single item or derecognised part-by-part of a single item or of a group of similar items.

A financial asset, whether as a single item or as a part, is derecognised when, and only 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 of the financial asset, including circumstances when the Group acts only as a collecting agent of the transferee, and retains no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

A financial liability is derecognised when, and only when, it is legally extinguished, which is either when the obligation specified in the contract is discharged or cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. For this purpose, the Group considers a modification as substantial if the present value of the revised cash flows of the modified terms discounted at the original effective interest rate is different by 10% or more when compared with the carrying amount of the original liability.

iii) Subsequent Measurement Of Financial Assets And Financial Liabilities

For the purpose of subsequent measurement, the Group classifies trade and other receivables, advance payments, and cash and cash equivalents in the category of loans and receivables. The Group has no other categories of financial assets.

After initial recognition, the Group measures:

(a) financial assets in the loans and receivables category as at amortised cost using the effective interest method; and

(b) financial liabilities comprise trade and other payables, deposit received, accruals and advances from related parties. After initial recognition, the Group measures all financial liabilities at amortised cost using the effective interest method.

iv) Recognition Of Gains And Losses

For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognised in profit or loss only when the financial asset or financial liability is derecognised or impaired, and through the amortisation process of the instrument.

v) Impairment And Uncollectibility Of Financial Assets

The Group applies the expected credit losses 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 or a group of financial assets is impaired. Evidence of trigger loss events include:

(a) significant difficulty of the issuer or obligor;

(b) a breach of contract, such as a default or delinquency in interest or principal payment;

(c) granting exceptional concession to a customer;

(d) it is probable that a customer will enter bankruptcy or other financial reorganisation;

(e) the disappearance of an active market for that financial asset because of financial difficulties; or

(f) any observable market data indicating that there may be a measurable decrease in the estimated future cash flows from a group of financial assets.

For a non-current loan and receivable carried at amortised cost, the revised estimated cash flows are discounted at its original effective interest rate. Any impairment loss is recognised in profit or loss and a corresponding amount is recorded in an allowance account. Any subsequent reversal of impairment loss of the financial asset is reversed in profit or loss with a corresponding adjustment to the allowance account, subject to the limit that the reversal should not result in the revised carrying amount of the financial asset exceeding the amount that would have been determined had no impairment loss been recognised previously.

For short-term trade and other receivables, where the effect of discounting is immaterial, impairment loss is tested for each individually significant receivable wherever there is any indication of impairment. Individually significant receivables for which no impairment loss is recognised are grouped together with all other receivables by classes based on credit risk characteristics and aged according to their past due periods. A collective allowance is estimated for a class group based on the Group's experience of loss ratio in each class, taking into consideration current market conditions.

3.8 SHARE CAPITAL, OTHER EQUITY INSTRUMENTS AND DISTRIBUTIONS

The Group and the Company classifies and presents an issued financial instrument (or its component parts), on initial recognition as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument.

i) Share Capital

Ordinary shares and non-redeemable preference shares issued that carry no mandatory contractual obligation:

(a) to deliver cash or another financial asset; or

(b) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group and the Company, are classified as equity instruments.

When ordinary shares and other equity instruments are issued in a public offering or in a rights issue to existing shareholders, they are recorded at the issue price.

When ordinary shares and other equity instruments are issued as consideration transferred in a business combination or as settlement of an existing financial liability, they are measured at fair value at the date of the exchange transaction.

Transaction costs of an equity transaction are accounted for as a deduction from equity.

ii) Compound Financial Instruments

The Group and the Company evaluates the terms of an issued financial instrument to determine whether it contains both a liability and an equity component. The proceeds of a convertible bond or other compound instruments are allocated to the liability component measured at fair value, using the discounted cash flow method, and balance to the equity component. Transaction costs are allocated pro rata based on the relative carrying amounts. Any tax effect arising from temporary differences of the liability component is charged or credited to the equity component.

iii) Distributions

The Group and the Company establishes a distribution policy whereby cash dividends can only be paid out of retained profits.

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

A dividend declared is recognised as a liability only after it has been appropriately authorised, which is the date when the Management declares an interim dividend, or in the case of a proposed final dividend, the date the shareholders of the Group approve the proposed final dividend in an annual general meeting of shareholders.

3.9 PROVISIONS

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

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 risk 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.

3.10 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at fair value of consideration received or receivable and represents amounts receivables for goods and services provided in the normal course of business, net of discounts.

Net gain or loss on financial assets and liabilities at fair value through profit or loss

This items include changes in the fair value of financial assets and liabilities held for trading or designated upon initial recognition as at fair value through profit or loss and excludes interest and dividend income and expenses.

Unrealised gains or losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and lossess for financial instruments which were realised in the reporting period.

Sale of goods

Reveunue from the sale of goods is recoginised when the significant risk and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

3.11 FOREIGN CURRENCY TRANSLATION

i) Functional And Presentation Currency

The consolidated historical financial statements are measured using Chinese Renminbi ("RMB"), the currency of the primary economic environment in which entity operates ("the functional currency") and presented in AUD ("the presentation currency") for the purpose of this consolidated financial statements which was prepared in connection with the Group.

ii) Foreign Currency Transaction 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 carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. 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 profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial instrument designated as a hedge of currency risk, which are recognised in other comprehensive income.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve ("FCTR") in equity.

The closing rates of exchange of the foreign currencies used as at the end of the year are as follow:

	2022 **A$**	**2021** **A$**
1 Chinese Yuan Renminbi	0.2107	0.2005

3.12 EMPLOYMENT BENEFITS

i) Short-Term Employment Benefits

Short-term employment benefits, such as wages, salaries and social security contributions, are recognised as an expense in the year in which the associated services are rendered by employees of the Group and the Company.

Short-term accumulating compensated absences, such as paid annual leave, are recognised when the employees render services that increase their entitlement to future compensated absences. Non-accumulating compensated absences, such as sick and medical leaves, are recognised when the absences occur.

The expected cost of accumulating compensated absences is measured as the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date.

Profit-sharing and bonus plans are recognised when the Group and the Company has a present legal or constructive obligation to make payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when, and only when the Group and the Company has no realistic alternative but to make the payments.

ii) ***Defined Contribution Plan***

Contributions to the statutory pension scheme are recognised as an expense in profit or loss in the year to which they relate.

3.13 INCOME TAX

A current tax for current and prior periods, to the extent unpaid, is recognised as a current tax liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as a current tax asset.

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

i) the initial recognition of goodwill; or

ii) the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (or tax loss). The exceptions for initial recognition differences include items of property, plant and equipment that do not qualify for depreciation allowances for tax purposes.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affect neither accounting profit nor tax taxable profit (or tax losses).

A deferred tax asset is recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Current and deferred taxes are measured using tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred taxes reflect the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets or liabilities.

At the end of each reporting period, the carrying amount of a deferred tax asset is reviewed, and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Any such reduction will be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

A current or deferred tax is recognised as income or expense in profit or loss for the period, except to the extent that the tax arises from items recognised outside profit or loss. For an income or expense item recognised in other comprehensive income, the current or deferred tax expense or tax income is recognised in other comprehensive income. For items recognised directly in equity, the related tax effect is also recognised directly 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 Group intends to settle its current tax assets and liabilities on a net basis.

3.14 CONTINGENT LIABILITIES

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

3.15 FAIR VALUE MEASUREMENTS

Fair value of an asset or a liability, except for share-based payment and lease transactions, 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. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company uses observable market data as far as possible. Fair value are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3.16 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 Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group.

b) An entity is related to the Group if any of the following conditions applies:

(i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to 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 Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

4 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements in conformity with IFRSs 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

4.1 IMPAIRMENT OF LOANS AND RECEIVABLES

The Group and the Company recognises impairment losses for receivables using the expected credit losses model. At the end of each reporting period, the Group and the Company assesses whether there is any objective evidence that loans and receivables is impaired. Individually significant loans and receivables are tested for impairment separately by estimating the cash flows expected to be recoverable. The actual eventual losses may be different from the allowance made and this may affect the Group and the Company's financial position and results.

4.2 INVENTORIES WRITTEN OFF

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 7 to the financial statements.

4.3 MEASUREMENT OF INCOME TAXES

The Group's controlled entity in China is subject to income taxes in the People's Republic of China. 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 which such determinations are made.

5 INVESTMENT IN SUBSIDIARIES

	2022 **A$**	**2021** **A$**
Unquoted shares, at cost	5,985,280	6,300,000
Less: Impairment loss of investment in subsidiaries	(5,985,280)	(6,300,000)
	-	-

Details of the subsidiaries are as follows:

Name	Country of incorporation	Equity interest (%) 2022	2021	Principal activities
Microbatt Singapore Pte Ltd #	Singapore	100%	100%	Investment holding
Tianchang Danguixiang Agricultrual Products Co., Limited #	People's Republic of China	100%	100%	Investment holding
Subsidiaries of Tianchang Danguixiang Agricultrual Products Co., Limited				
Tianchang Jinguixiang Agricultrue Co., Limited (Farmco) #	People's Republic of China	100%	100%	Growing rice and wheat for sales
Pizhou Yinxingyuan Liquor Industry Co., Limited (Wineco) #	People's Republic of China	-	100%	Manufacture and sale of bai-jiu products

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

On 4 August 2021, Pizhou Yinxingyuan Liquor Industry Co., Limited ("Pizhou") issued new shares to the third party and Tianchang Danguixiang Agricultrual Products Co., Limited voting rights was diluted from 100% to 40%.

Arising from the above, the Group has recognised a gain on derecognition of Pizhou during the year and the Company has treated Pizhou purely as an investment in associate.

Not audited by HML PLT

6 INVESTMENT IN AN ASSOCIATE

	2022 A$	2021 A$
Unquoted shares, at cost	314,720	-
Less: Impairment loss of investment in an associate	(314,720)	-
	-	-

The associated company is Pizhou Yinxingyuan Liquor Industry Co., Limited ("Pizhou")., a company incorporated in People's Republic of China and its principal activity is involved in the manufacture and sale of bai-jiu products. The Group's effective interest in the equity of the associated company is 40%.

The investment in an associate is fully impaired during the year 31 March 2022.

7 INVENTORIES

	2022 A$	2021 A$
Finished goods	-	17,396,690
Less: Allowance for obsolete inventories	-	(17,396,690)
	-	-
Allowance for obsolete inventories		
Balance at beginning of the year	17,396,690	-
Exchange difference	-	(378,731)
Allowance recognised in statement of comprehensive income		17,775,421
Derecognition due to deconsolidation	(17,396,690)	-
Balance at end of the year	-	17,396,690

8 TRADE AND OTHER RECEIVABLES

	2022 A$	2021 A$
Trade receivables	2,759,419	2,633,962
Less: Allowance for impairment loss	(2,759,419)	(2,633,962)
	-	-
Other receivables	6,802,175	6,767,559
Less: Allowance for impairment loss	(6,802,175)	(6,767,559)
	-	-
Trade receivables		
Allowance for impairment loss:		
Balance at beginning of the year	2,633,962	-
Exchange difference	134,032	(57,342)
Additions of impairment loss in statement of comprehensive income	-	2,691,304
Derecognition due to deconsolidation	(8,575)	-
Balance at end of the year	2,759,419	2,633,962
Other receivables		
Allowance for impairment loss:		
Balance at beginning of the year	6,767,559	-
Exchange difference	330,398	(147,331)
Additions of impairment loss in statement of comprehensive income	-	6,914,890
Derecognition due to deconsolidation	(295,782)	-
Balance at end of the year	6,802,175	6,767,559

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

9 CASH AND BANK BALANCES

The currency exposure profile of cash and bank balances is as follows:

	2022 A$	2021 A$
Cash at bank, representing total cash and cash equivalents	39,034	38,137

10 SHARE CAPITAL

Group and Company	Number of shares 2022 Units	2022 A$	Number of shares 2021 Units	2021 A$
Issued and fully paid:				
Ordinary shares				
At beginning/end of the year/period	85,000,000	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 form the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

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

11 FOREIGN CURRENCY TRANSLATION RESERVES

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

12 AMOUNT OWING TO DIRECTORS

The amount owing to Directors are non-trade in nature, unsecured, interest free and repayable on demand and denominated in Chinese Renminbi.

13 TRADE AND OTHER PAYABLES

	Group 2022 A$	Group 2021 A$	Company 2022 A$	Company 2021 A$
Trade payables	284,061	273,548	-	-
Other payables	472,061	-	60,000	60,000
	756,122	273,548	60,000	60,000

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

14 REVENUE

Revenue represents invoiced value of goods sold less returns and trade discounts.

15 LOSS BEFORE TAX

	2022 A$	2021 A$
This is stated after charging:		
Allowance for impairment loss in trade receivables	-	2,691,304
Allowance for impairment loss in other receivables	-	6,914,890
Allowance for obsolete inventories	-	17,775,421
Depreciation of property, plant and equipment	-	315,023
Impairment loss of investment in an associate	314,720	-
Property, plant and equipment written off	-	2,103,373
And crediting:		
Gain on deconsolidation of subsidiary	(314,720)	-

16 INCOME TAX EXPENSE

Provision for enterprise income tax of the subsidiaries operating in the PRC is made in accordance with the Income Tax Law of PRC concerning Foreign Investment Enterprise and Foreign Enterprise 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 year. These rates generally range from 16.5% to 25% for the reporting period.

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

	2022 A$	2021 A$
Loss before tax	-	(29,860,011)
Tax at the applicable rate of 25%	-	(7,465,003)
Tax effect of:		
- non-taxable income	(78,680)	-
- non-deductible expenses	78,680	-
Deferred tax assets not recognised during the year	-	7,465,003
Tax charge	-	-

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 LOSSES PER ORDINARY SHARE

17.1 BASIC LOSSES PER ORDINARY SHARE

The basic losses per ordinary share is calculated by dividing the Group's loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding of 85,000,000 (2021: 85,000,000) during the year.

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

	2022 A$	2021 A$
Weighted average number of ordinary shares for the purpose of calculating diluted loss per share	85,000,000	85,000,000
Loss for the purpose of calculating basic and diluted loss per share	(345,553)	(30,774,976)

18 FINANCIAL INSTRUMENTS

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

a) Loans and receivables ("LR"); and
b) Other financial liabilities measured at amortised cost ("OL")

	Carrying Amount A$	LR/(OL) A$
2022		
Financial assets		
Cash and bank balances	39,034	39,034
Financial liabilities		
Trade and other payables	(756,122)	(756,122)
2021		
Financial assets		
Cash and bank balances	38,137	38,137
Financial liabilities		
Trade payables	(273,548)	(273,548)
Amount owing to Directors	(18,455,615)	(18,455,615)
	(18,729,163)	(18,729,163)

19 SUMMARY OF EFFECT ON DECONSOLIDATION OF INVESTMENT IN SUBSIDIARY COMPANY

On 4 August 2021, Pizhou Yinxingyuan Liquor Industry Co., Limited ("Pizhou") issued new shares to the third party and Tianchang Danguixiang Agricultrual Products Co., Limited voting rights was diluted from 100% to 40%. Its effect on the financial statements of the Group are as follows:

	2021 RM
Cash and bank balances	(933)
Amount owing to Directors	18,005,704
Gain on deconsolidation of subsidiary	314,720
	18,319,491

20 RELATED PARTY TRANSACTIONS

20.1 IDENTIFYING RELATED PARTIES

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individual or other entities.

Related parties also included key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors of the Company.

20.2 RELATED PARTY TRANSACTIONS

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

	2022 A$	2021 A$
Advances from Directors	-	552,105

20.3 COMPENSATION OF KEY MANAGEMENT PERSONNEL

Key management personnel comprise Directors of the Company and other senior management personnel in the Company, having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly.

21 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of receivables and payables and cash and cash equivalents approximate their fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

22 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 has 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:

22.1 CREDIT RISK

Credit risk is the risk that one party to a financial instrument will fail to discharge the obligation and cause the Group's 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 Group and the Company adopt the policy of dealing only with high credit quality counterparties.

The Group's and the Company'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 ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity leavl by the respective management.

Exposure to credit risk

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

	Group		Company	
	2022	2021	2022	2021
	A$	A$	A$	A$
Cash and cash equivalents	39,034	38,137	-	-

22.2 LIQUIDITY RISK

Liquidity risk is the risk that the Group and the Company will not 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 exposure to liquidity risk are managed arises primarily mismatches of the maturities of financial assets and liabilities. The Group and the Company monitors its cash flows and ensures that sufficient funding is in place to meet the obligations as and when they fall due.

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

	Less than 1 year amount	Between 2 – 5 years cash flows	Total
	A$	A$	A$
2022			
Financial liabilities			
Trade and other payables	-	756,122	756,122
2021			
Financial liabilities			
Trade payables	273,548	-	273,548
Amount owing to Directors	-	18,455,615	18,455,615
	273,548	18,455,615	18,729,163

22.3 FOREIGN CURRENCY RISK

The Group is exposed to foreign currency risk on sales that are denominated in a currency other than the functional currency of the company. The currencies giving rise to this risk is primarily Australian Dollar ("AUD").

22.4 MARKET RISK

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

23 CAPITAL MANAGEMENT

The Group's objectives of managing capital are to safeguard the Group's to continue in operations as a going concern and to provide fair returns for shareholders. The Group manages its capital structure and make adjustments to it in the light of changes in economic conditions. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year from 1 April 2021 to 31 March 2022.

24 SIGNIFICANT EVENTS DURING THE YEAR

a) Effect of outbreak of coronavirus pandemic

The Directors of the Group and the Company have closely monitored the development of the outbreak of coronavirus pandemic ("COVID-19") infection in Malaysia that may affect the business performance, financial performance and financial position of the Group and the Company mainly due to travel and movement restriction and other precautionary measures imposed by relevant local authorities that affected the Group and the Company business operations and such restrictions will have a disruptive impact on their economic activities and supply chains.

As at the date of this report, the financial impact of the COVID-19 outbreak to the Group and the Company cannot be reasonably estimated due to the inherent unpredictable nature and rapid development relating to COVID-19, the extent of the impact depends on the on-going precautionary measures introduced by each country to address this pandemic and the durations of the pandemic. As such, the Directors of the Group and the Company will continue to closely monitor the situations and respond proactively to mitigate the impact on the Group's and the Company's financial performance and financial position.

b) On 4 August 2021, Pizhou Yinxingyuan Liquor Industry Co., Limited ("Pizhou") issued new shares to the third party and Tianchang Danguixiang Agricultrual Products Co., Limited voting rights was diluted from 100% to 40%.

c) On 10 December 2021, the Company entered into a Reverse Acquisition Agreement to acquire 100% interest in Guizhou Bainian Lai's Liquor Co., Limited and Guizhou Lai's Liquor Co., Limited ("the China operating entities") for a total consideration of AUD14million. The consideration will be fulfilled by the issuance of new consolidated shares of the Company.

   The said acquisition is not completed as at year end and is subject to the fulfillment of the conditions precedent as stated in the agreement.

25 SIGNIFICANT EVENT AFTER THE BALANCE SHEET DATE

There is no significant event after the balance sheet date.

26 CONTIGENT LIABILITIES AND CAPITAL COMMITMENTS

There are no contingent liabilities and capital commitments as at the date of this financial statements.

27 AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company were authorised for issue by the Board of Directors on .

28 PRIOR YEAR RECLASSIFICATION

In prior year, bad debts and inventories written off which were now reclassified to allowance for impairment loss in trade and other receivables and obsolete inventories due to their nature.

a) The impact of the above reclassification has been disclosed in Note 15 in the financial statements:

	As previously reported RM	Increase/ (Decrease) RM	As restated RM
Loss before tax			
Allowance for impairment loss in trade receivables	-	2,691,304	2,691,304
Allowance for impairment loss in other receivables	-	6,914,890	6,914,890
Allowance for obsolete inventories	-	17,775,421	17,775,421
Bad debts written off	5,276,556	(5,276,556)	-
Written off on inventories	19,956,302	(19,956,302)	-

b) Reconciliation for the statement of cash flows:

	As previously reported RM	Increase/ (Decrease) RM	As restated RM
Cash flows from operating activities			
Adjustment for:			
Allowance for impairment loss in trade receivables	-	2,691,304	2,691,304
Allowance for impairment loss in other receivables	-	6,914,890	6,914,890
Allowance for obsolete inventories	-	17,775,421	17,775,421
Bad debts written off	5,276,556	(5,276,556)	-
Written off on inventories	19,956,302	(19,956,302)	-

29 COMPARATIVE FIGURES

The financial statements of the previous year which is presented for the comparative purpose were examined and reported on by another firm of auditors.