AUSTRALIA SUNNY GLASS GROUP LIMITED

ACN 632 790 660

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Contents

30 June 2023

General information

The financial statements cover Australia Sunny Glass Group Limited (the Company or Parent Entity) and its controlled entities (together referred to hereafter as the Consolidated Entity or Group). The financial statements are presented in Australian dollar, which is Australia Sunny Glass Group Ltd's functional and presentation currency.

Australia Sunny Glass Group Ltd is a public listed company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Suite 6, 4 Riseley Street
Applecross, Western Australia 6153

Principle place of business for the parent entity and various subsidiaries

NSW: 239-251 Woodpark Road, Smithfield, NSW 2164

VIC: 142 Proximity Drive, Sunshine West, 3020

WA: 82 Belmont Avenue, Rivervale, WA 6103

A description of the nature of the company's operations and its principal activities are included in the director's report.

The financial report was authorised for issue, in accordance with a resolution of director, on 28 September 2023. The directors have the power to amend and reissue the financial statements.

Australia Sunny Glass Group Limited
Corporate Directory

Directors
Shengqiang "Sunny" Chi -Managing Director
David Sullivan - Executive Director
Sok Kiang Teoh - Executive Director
Seok San ('Susan') Tan - Non-Executive Director
Kunal Malhotra - Non-Executive Director

Company Secretary
Natalie Teo

Registered Office

Suite 6, 4 Riseley Street
Applecross, Western Australia 6153

Principal Place of Business

Western Australia:
82 Belmont Avenue
Rivervale, Western Australia 6103
Telephone: +61 8 6389 2688

Victoria:
142 Proximity Drive,
Sunshine West, 3020

Email: info@sunnyglass.com.au
Website: https://asgg.com.au/

Share Registry*

Advanced Share Registry Ltd
110 Stirling Highway
Nedlands, Western Australia 6009

Telephone: +61 8 9389 8033
Facsimile: +61 8 6370 4203

Auditor

HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
Perth, Western Australia 6000

Nominated Adviser*
ACTP Sdn Bhd
39A, Jalan Kenari 17C
Bandar Puchong Jaya, 47100 Puchong
Selangor, Malaysia

NSX Code

AG1

*These entities are included for information purposes only. They have not been involved in the preparation of this report.

New South Wales:
239-251 Woodpark Road
Smithfield NSW 2164
Telephone: +61 2 9756 6880

DIRECTORS' REPORT

The Directors present their report together with the consolidated financial statements of Australia Sunny Glass Group Limited (the **Company** or **Parent Entity**) and its controlled entities (together referred to hereafter as the **Consolidated Entity** or **Group**) for the year ended 30 June 2023 and the auditor's report thereon.

Directors's Information

The Directors of the Company at any time during or since the end of the year are:

• Mr Shengqiang (Sunny) Chi, Executive Director

Mr Chi is the founder of Sydney Sunny Glass Pty Ltd, a business acquired by the Company during the year. He holds a degree in Electrical Engineering Technology and Automation and has over 25 years' experience in the glass products industry, holding roles as general manager of production, planning and quality control and finally as the regional manager of sales and marketing of a glass manufacturing business listed on the Hong Kong Stock Exchange

• Mr Sok Kiang Teoh, Executive Director

Mr Teoh has a degree in in accounting and finance and is a member of CPA Australia. He has over 20 years of senior management experience with roles as a chief financial officer and director of finance for various listed companies in Malaysia, the U.S.A., and Australia.

• Ms Seok San (Susan) Tan, Non-Executive Director

Ms. Tan has over 15 years' experience in roles in the insurance, risk management, financial planning, and real estate industries in Malaysia. Ms. Tan is actively involved in the not-for-profit sector in Malaysia, with roles as Government Social Worker under the Welfare Department focusing on regulatory reporting and corporate governance. Ms. Tan is fluent in English, Mandarin, Malay languages, Cantonese, and a number of Chinese dialects. Ms. Tan is a citizen of Malaysia but resides in Perth and has applied for permanent residency in Australia.

• Mr Kunal Malhotra, Non-Executive Director

Mr. Malhotra posseses a Bachelor of Commerce & Law degree from the University of Western Australia and has had over 13 years' experience in corporate and commercial law, and litigation. He is currently a Solicitor with senior legal advisory experience with ASX listed and private companies, on acquisitions, corporate and regulatory compliance, governance, and commercial transactions, he is also an experienced company director and secretary and he is a Fellow of the Governance Institute of Australia and holds a certificate in Governance and Risk Management.

• Mr David Sullivan, Executive Director (Appointed 04-07-2023)

Mr. Sullivan is the director of DWS Sullivan Windows Pty Ltd, which was acquired by Australia Sunny Glass Group Ltd on 04-07-2023 and appointed executive director of the group on the same day. Mr Sullivan has over 30 years experience in windows and facade supply and install and has held major management positions in his past working history. Mr Sullivan was the founder of DWS Sullivan Windows Pty Ltd and has built the company to one with annual turnover of $30 million.

• Mr Joshua Letcher, Non-Executive Chairman (Resigned 31-01-2023)

Mr.Letcher currently holds senior management roles in both public and private sectors including the following:
Non Executive Chairman – Aldoro Resources Limited (ASX:ARN)
Non-Executive Director - Si6 Metals Limited (ASX:Si6)
Non-Executive Chairman - Aurum Resources Limited (ASX: AUE)
Mr. Letcher has previously had Engineering career with the Royal Australian Navy

Company secretary

• Ms Natalie Teo

Ms Teo graduated with Bachelor of Commerce majoring in Marketing and Management and a Masters in Accounting from Curtin University in Western Australia. She also holds a Graduate Diploma in Applied Corporate Governance with the Governance Institute of Australia. Ms Teo is a Chartered Secretary and an Associate of the Governance Institute of Australia. She is currently the secretary to several ASX-listed entities and is working with a firm which provides company secretarial and accounting services to principally listed entities.

Directors' Interests

The relevant interests of each director in the securities of the Company at the date of this report are as follows:

Director	*Shares*	*Options*
Mr Shengqiang (Sunny) Chi	34,801,532	-
Mr Sok Kiang Teoh	1,500,000	-
Ms Seok San (Susan) Tan	12,000,000	-
Mr Joshua Letcher	-	-
Mr Kunal Malhotra	-	-
Mr David Sullivan [1]	10,666,667	-

Directors' Meetings

Director	*Held while Director*	*Attended*
Mr Shengqiang (Sunny) Chi	2	2
Mr Sok Kiang Teoh	2	2
Ms Seok San (Susan) Tan	2	2
Mr Joshua Letcher	2	2
Mr Kunal Malhotra	2	2

1. Mr David Sullivan was appointed 4 July 2023 on completion of acquisition of DW Sullivan Windows Pty Ltd

Principal activities

During the financial year the principal continuing activities of the consolidated entity consisted of:

• the manufacture and supply of a comprehensive range of custom built and specialist architectural glass products to the commercial and residential building industry in Australia, predominantly in the east coast markets of New South Wales and Victoria;

• the operation of a fully automated and integrated glass processing plant in a 20,000 sqm manufacturing facility in Smithfield, New South Wales;

• the provision of design and glass supply solutions for structural building facades through the operation of a 9,000 sqm warehousing and distribution centre in Victoria; and

• the provision of integrated glass supply solutions on a project basis to developers and construction companies.

Review of operations

Group operations

Group Revenue of $4.15m for FY23 was recorded. Gross Profit achieved was $2.51m for the year. The loss after income tax of $2.81m (2022: $4.67m) for the year included $0.12m incurred as a non-recurrent cost relating to the Company's efforts to seek listing on the Australia Stock Exchange ("ASX").

Strategic Business Review

During the latter part of the year, the Directors commenced a strategic business review of the Group's operations with the broad objective of pursuing expansion opportunities and other markets to optimise shareholder value. The Group will also examine opportunities to grow its operations into other part of the vertical value chain to take advantage of its extensive experience and contacts in the glass manufacturing and business. The Directors have also commenced a review of various strategies to improve the corporate and funding perspective of its business.

Signifcant changes in the state of affairs

Other than the events noted in the "Review of Operations" above, there were no other significant changes in the state of affairs of the Consolidated Entity during the financial year.

Events subsequent to the reporting period

On 3 May 2023, the Group announced a binding term sheet to acquire a 100% interest in Sullivan Facades, a specialist provider of windows, cladding and curtain wall solutions for Australia's top tier builders in Melbourne, Victoria, through the acquisition of 100% of the issued capital of DW Sullivan Windows Pty Ltd (Sullivans). The transformational acquisition includes a robust projects pipeline and custom manufacturing and supply capabilities from the Sullivans' factory in Melbourne's West.

The acquisition of Sullivans from its shareholders (Vendors) will be funded through the issue of AG1 shares and two separate cash payments.

In part consideration for the acquisition, AG1 will pay the Vendors A$150,000 as an upfront cash consideration, in accordance with the terms of the binding term sheet (Upfront Payment). An additional payment of A$150,000 to the Vendors will occur one year after completion, in accordance with the terms of the transaction (Final Payment). The cash payments will be made to the Vendors on a pro rata basis. The Group will issue 13,333,333 fully paid ordinary shares at a deemed issue price of A$0.30 per share pro-rata to the Vendors to complete the acquisition.

This was completed and shares were issued on 4 July 2023. Please refer to note 21 for the provisional accounting adopted on acquisition.

David Sullivan was appointed to the board on completion of the transaction.

Likely developments

The Consolidated Entity will continue to develop its principal activities as set out above in "Principal activities" and "Review of operations".

Environmental regulation

The Directors are not aware of any particular and significant environment regulation under a law of the Commonwealth, State or Territory relevant to the Consolidated Entity.

Corporate Governance

The Company's 2021 Corporate Governance Statement can be found on the Company's website: www.asgg.com.au.

Dividends

No dividends were paid or declared during the year.

Options

No options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Indemnification and insurance of officers

The Company has agreed to indemnify the Directors of the Company and the Company Secretary against all liabilities to any other person (other than the Company) that may arise from their position as Directors and Officers of the Company, except where the liability arises out of conduct involving lack of good faith.

The Company has paid premium during or after the financial year in respect of insuring the Directors and Officers of the Company for these indemnities.

Insurance

The Company paid a premium during the year in respect of a director and officer liability insurance policy, insuring the Directors, the Company Secretary, and all executive officers of the Company against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The Directors have not included details of the nature of the liabilities covered in respect of the directors' and officers' liability and legal expenses' insurance contracts, as such disclosure is prohibited under the terms of the contract.

The Company has not, during or since the year indemnified or agreed to indemnify the auditor of the Company or any related entity against liability incurred by the auditor. During the year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 20 to the consolidated financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 20 to the consolidated financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is partly for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

REMUNERATION REPORT - AUDITED

The remuneration report, which has been audited, outlines the key management personnel remuneration arrangements for the Company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

For the purposes of this report, key management personnel of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Remuneration

(a) Remuneration policies and framework

(i) Principles of remuneration

The remuneration structures explained below are competitively set to attract, motivate and retain suitably qualified and experienced candidates, reward the achievement of strategic objectives and achieve the broader outcome of creation of value for shareholders. The remuneration structures take into account:

- the capability and experience of the key management personnel;
- the key management personnel’s ability to control the achievement of strategic objectives; and
- the Company’s performance including:
  - the growth in share price; and
  - the amount of incentives within each key management person’s compensation.

Given the evaluation and developmental nature of the Company’s principal activity, the overall level of compensation does not have regard to the earnings of the Company.

(b) Link between remuneration and performance

The Board of Directors determines the Company’s remuneration policy and structure to ensure it aligns with the Company’s needs and meet remuneration principles set out in section (c) of this Remuneration Report. Remuneration is not linked to performance using generally accepted measures such as profitability or total shareholder returns but linked to achievement of strategic objectives or service criteria aimed at advancing the goals set out to achieve project outcomes which the Board believes aligns with creation of positive shareholder value.

In considering the Company’s performance and benefits for shareholder wealth, the board have recorded the following indices in respect of the current and previous 3 financial years.

REMUNERATION REPORT – AUDITED (continued)

	2023	2022	2021	2020
Revenue and other income	4,151,804	6,901,422	10,469,422	24,000
Net Loss	(2,812,891)	(4,678,182)	(913,087)	(41,600)
Loss per share (cents)	(3.04)	(5.42)	(1.06)	(0.13)
Share price ($)	0.37	0.37	0.37	0.37

The key management personnel of the Company include the following Directors and executive officers:
- Shengqiang (Sunny) Chi
- Sok Kiang Teoh
- Seok San (Susan) Tan
- Joshua Letcher (Resigned 31 Jan 2023)
- Kunal Malhotra

Details of the remuneration of the Directors of the Company and key management personnel are set out in the following tables.

Following is the table of remuneration for the year ended 30 June 2023:

Name	Short-term benefits (salaries & fees) $	Non-monetary [3] $	Post-employment benefits (Superannuation) $	Share-based payments (options) $	Total $	Performance Related %
Directors						
Mr Sok Kiang Teoh	120,000	39,596	12,600	-	172,196	-
Mr Shengqiang (Sunny) Chi	150,000	53,630	15,750	-	219,380	-
Ms Seok San (Susan) Tan	-	-	-	-	-	-
Mr Joshua Letcher [1]	11,667		1,225	-	12,892	-
Mr Kunal Malhotra	20,000		2,100	-	22,100	-
Total	**301,667**	**93,226**	**31,675**	**-**	**426,568**	**-**

Notes in relation to the above table:
1. Mr Letcher resigned on 31 January 2023.
2. Non-monetary remuneration includes annual leave and vehicle fringe benefit.

Following is the table of remuneration for the year ended 30 June 2022:

Name	Short-term benefits (salaries & fees) $	Non-monetary [3] $	Post-employment benefits (Superannuation) $	Share-based payments (options)	Total $	Performance Related %
Directors						
Mr Sok Kiang Teoh	120,000	39,596	11,400	-	170,996	-
Mr Shengqiang (Sunny) Chi	150,000	53,630	14,250	-	217,880	-
Ms Seok San (Susan) Tan	-	-	-	-	-	-
Mr Joshua Letcher [1]	14,354		1,435	-	15,789	-
Mr Kunal Malhotra	14,354		1,435	-	15,789	-
Mr Michael Liew [2]	5,591		559	-	6,150	-
Total	**304,299**	**93,226**	**29,079**	**-**	**426,604**	**-**

Notes in relation to the above table:
1. Mr Letcher and Mr Malhotra were appointed on 12 October 2021.
2. Mr Liew resigned on 12 October 2021.
3. Non-monetary remuneration includes annual leave and vehicle fringe benefit.

REMUNERATION REPORT – AUDITED (continued)

Bonuses

The payment of bonuses is at the discretion of the Board, having regard to the overall performance of the Company and the performance of the individual. At the end of the financial year no bonuses were paid.

(c) Use of remuneration consultants

The Company did not engage the services of a remuneration consultant during the year.

Employment agreement

Executive Directors

The Company has entered into an employment agreement with its Executive Director, Mr Shengqiang (Sunny) Chi, effective from 7 August 2020 (**Employment Agreement**). The Employment Agreement outlines the components of remuneration paid to Mr Chi and will be reviewed on an annual basis. The Employment Agreement specifies the duties and obligations to be fulfilled by Mr Chi in the role of Executive Director. The Company currently pays to Mr Chi $150,000 per annum (exclusive of statutory superannuation) for his services.

Either Executive Director or Australia Sunny Glass Group Ltd (ASGG) may terminate the agreement at any time by giving three months' written notice to the Company. Executive Directors have no entitlement to termination payment should they terminate the agreement by written notice. ASGG may, by giving written notice to either Executive Directors, immediately terminate the agreement should a number of specified occurrences happen, including a serious breach of the agreement or serious misconduct. Executive Directors have no entitlement to termination payment in the event of removal for misconduct.

Termination benefits are within the limits set by the *Corporations Act 2001* such that they do not require shareholder approval.

Shareholdings

Following is the table of shareholdings for the period ended 30 June 2023:

30 June 2023	Balance 1 July 2022	Net Change Other	Balance 30 June 2023
Director Interest			
Directors			
Mr Sok Kiang Teoh	-	-	-
Ms Seok San Tan	12,000,000	-	12,000,000
Mr Shengqiang (Sunny) Chi	15,201,532	-	15,201,532
Mr Kunal Malhotra (1)	-	-	-
	27,201,532	-	27,201,532
Indirect Interest			
Directors			
Mr Sok Kiang Teoh	1,500,000	-	1,500,000
Ms Seok San Tan	-	-	-
Mr Shengqiang (Sunny) Chi	19,600,000	-	19,600,000
Mr Kunal Malhotra (1)	-	-	-
	21,100,000	-	21,100,000
Total	**48,301,532**	**-**	**48,301,532**

REMUNERATION REPORT – AUDITED (continued)

Following is the table of shareholdings for the period ended 30 June 2022:

30 June 2022	Balance 1 July 2021	Net Change Other	Balance 30 June 2022
Director Interest			
Directors			
Mr Sok Kiang Teoh	-	-	-
Ms Seok San Tan	12,000,000	-	12,000,000
Mr Shengqiang (Sunny) Chi	15,201,532	-	15,201,532
	27,201,532	-	27,201,532
Indirect Interest			
Directors			
Mr Sok Kiang Teoh	1,500,000	-	1,500,000
Ms Seok San Tan	-	-	-
Mr Shengqiang (Sunny) Chi	19,600,000	-	19,600,000
	21,100,000	-	21,100,000
Total	**48,301,532**	**-**	**48,301,532**

Notes in relation to the above table:

1. Mr Letcher and Mr Malhotra were appointed on 12 October 2021.

2. Mr Liew resigned on 12 Oct 2021.

Other Transaction with Key Management Personnel

There were no other transactions with key management personnel and related parties during the year other than reported below:

Legal fees for services provided by Mr Kunal Malhotra's legal firm for the year totalled $22,917

Loans to key management personnel

There was a short term loan provided to Mr Shengqiang Chi for $24,000 during the year (2022: nil).

This concludes the Remuneration Report, which has been audited

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

HLB Mann Judd continues in office in accordance with section 327 of the Corporations Act 2001.

Signed in accordance with a resolution of the Director:

Sok Kiang Teoh
Director
29 September 2023
Perth

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Australia Sunny Glass Group Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia	**B G McVeigh**
29 September 2023	**Partner**

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849
T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Notes	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
Assets			
Current Assets			
Cash and cash equivalents	6	215,945	173,172
Trade receivables	7	694,406	804,083
Other receivables	8	482,211	274,731
Inventory	9	1,007,132	1,601,455
Total current assets		**2,399,694**	**2,853,441**
Non-current Assets			
Property, plant and equipment	10	1,647,383	2,608,298
Right of use assets	11	6,573,506	5,570,419
Financial assets at amortised cost		250,000	-
Total non-current assets		**8,470,889**	**8,178,717**
Total assets		**10,870,583**	**11,032,158**
Liabilities			
Current Liabilities			
Trade and other payables	12	2,027,601	2,737,363
Borrowings	13	713	119,105
Lease Liabilities	14	323,766	577,269
Total current liabilities		**2,352,080**	**3,433,737**
Non-current Liabilities			
Borrowings	13	168,628	168,013
Lease liabilities	14	6,352,384	5,471,025
Total non-current liabilities		**6,521,012**	**5,639,038**
Total liabilities		**8,873,092**	**9,072,776**
Net assets (liabilities)		**1,997,491**	**1,959,382**
Equity			
Issued capital	15	13,928,944	11,077,944
Reserves	16	(3,474,146)	(3,474,146)
Retained profits/ (Accumulated Losses)	17	(8,457,307)	(5,644,416)
Total Equity		**1,997,491**	**1,959,382**

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
Revenue	3	4,151,804	6,901,421
Cost of goods sold		(1,645,983)	(5,922,736)
Gross profit		2,505,821	978,685
Other Income			
Other Income	4	431,717	517,625
Net gain from disposal of property, plant and equipment		5,746	-
Expenses			
Distribution expenses		-	-
Marketing expenses		(951,705)	(338,321)
Employment expenses		(1,971,185)	(1,741,237)
Repairs and maintenance expenses		(241,598)	(290,922)
Occupancy costs		(569,997)	(633,901)
Depreciation expenses	5	(1,068,112)	(2,225,820)
Finance costs		(198,318)	(315,971)
Corporate and administration expenses		(635,935)	(439,029)
IPO related expenses		(119,325)	(171,876)
Foreign currency translation		-	(17,415)
Loss before income tax expense from continuing operations		(2,812,891)	(4,678,182)
Income tax expense	2	-	-
Loss after income tax expense for the year attributable to the owners of Australia Sunny Glass Group Ltd		(2,812,891)	(4,678,182)
Other comprehensive income, net of tax		-	-
Total comprehensive loss for the year attributable to the owners of Australia Sunny Glass Group Ltd		**(2,812,891)**	**(4,678,182)**
Loss per share for loss attributable to the owners of Australia Sunny Glass Group Limited		**Cents**	
Basic and diluted loss per share (cents)		**(3.04)**	(5.42)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

	Issued Capital $	Reserves $	(Accumulated Losses) $	Total Equity $
Balance at 1 July 2022	**11,077,944**	**(3,474,146)**	**(5,644,416)**	**1,959,382**
Profit/ (Loss) after income tax expense for the year	-	-	(2,812,891)	(2,812,891)
Total comprehensive income/ (Loss) for the year	**-**	**-**	**(2,812,891)**	**(2,812,891)**
Issue of shares as part of capital raising	3,001,000			3,001,000
Cost of share issue	(150,000)			(150,000)
Balance as at 30 June 2023	**13,928,944**	**(3,474,146)**	**(8,457,306)**	**1,997,491**
Balance at 1 July 2021	11,077,944	**(3,474,146)**	(966,234)	6,637,564
Profit/ (Loss) after income tax expense for the year	-	-	(4,678,182)	(4,678,182)
Total comprehensive income for the year	**-**	**-**	**(4,678,182)**	**(4,678,182)**
Balance at 30 June 2022	**11,077,944**	**(3,474,146)**	**(5,644,416)**	**1,959,382**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

	Notes	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
Cash Flow from operating activities			
Receipts from customers (incl GST)		3,244,533	7,316,234
Payments to suppliers and employees (inclusive of GST)		(5,066,328)	(7,309,311)
Government grants and tax incentives received		401,092	503,873
Interest received		3,221	252
Interest paid		(340,055)	(315,971)
Net cash (used in)/provided by operating activities	27(a)	**(1,757,537)**	**195,077**
Cash Flow from investing activities			
Payments for property, plant and equipment		-	(45,405)
Proceeds from sale of property, plant and equipment		50,537	-
Payments for investments		(250,000)	-
Net cash provided by/(used in) investing activities		**(199,463)**	**(45,405)**
Cash flow from financing activities			
Proceeds from the issue of shares (net of costs)		2,851,000	23,100
Proceeds from borrowings	27(b)	-	48,691
Repayment of borrowings	27(b)	(851,226)	(1,664,519)
Net cash provided by/(used in) financing activities		**1,999,774**	**(1,592,728)**
Net increase/(decrease) in cash and cash equivalents		42,773	(1,443,057)
Cash and cash equivalents at the beginning of the financial year		173,172	1,616,229
Cash and cash equivalents at the end of the financial year	6	**215,945**	**173,172**

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

1. Significant accounting policies

Statement of compliance

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The onsolidated entity has not yet assessed the impact of the new or amended Accounting Standards.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The consolidated entity has adopted the revised Conceptual Framework. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in notes hereafter.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 26.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Australia Sunny Glass Group Limited ('company' or 'parent entity') as at 30 June 2023 and the results of all subsidiaries for the year then ended. Australia Sunny Glass Group Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Pinnacle Listed Comprehensive Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss

Inventories

Inventory only consists of raw materials and are stated at the lower of cost and net realisable value on a 'weighted average' basis. Cost comprises of direct materials and delivery costs, direct labour for raw material handling, import duties and other taxes. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a double accelerated declining value method to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	3-10 years
Plant and equipment	1-15 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Revenue recognition

Construction Revenue

The Group derives revenue from construction of buildings projects. The construction of each project is generally taken as one performance obligation. Where contracts are entered with several performance obligations, the total transaction price is allocated to each performance obligation based on stand-alone selling prices. As per normal practice, the transaction price of a project is fixed at the start containing bonus and penalty elements based on performance construction criteria known as variable consideration. The performance obligation is fulfilled over time and as such revenue is recognised over time. As work is performed on the assets being constructed, they are controlled by the customer and have no alternative use for the Group. Revenue earned is recognised on the measured input of each process based on resources consumed per appraisals that are agreed with the customer on a regular basis.

Variable Consideration

Contracts may include performance bonuses or penalties assessed against the timeliness or cost effectiveness of work completed or other performance related KPIs. Revenue recognition of variable consideration is only satisfied when there are no uncertainties to its entitlement, this is known as the “constraint” requirements. The Group assess the constraint requirements on a periodic basis when estimating the variable consideration to be included in the transaction price. The estimate is based on all available information including historic performance. Where modifications to contracts are made, the transaction price is updated to reflect these. Where the modification price is not confirmed, an estimate is made of the amount of revenue to recognise whilst also considering the constraint requirement.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Research and Development tax incentive benefit

Research and Development tax incentive benefit includes Research and Development ("R&D) concessions received or receivable in respect of eligible R&D as registered with Ausindustry. The R&D concession is brought to account when the eligible R&D expenditure has been identified and the resulting expected R&D incentive amount receivable has been quantified.

The R&D concession amount is recognised in other income as it relates to spending that has been expensed to the statement of profit or loss and other comprehensive income.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Retirement benefit obligations

All employees of the consolidated entity are entitled to benefits from the consolidated entity's superannuation plan on retirement, disability or death. The consolidated entity has a defined benefit section and a defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from entities in the consolidated entity and the consolidated entity's legal or constructive obligation is limited to these contributions.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Share based payments to other parties are valued based on the value of services provided or goods acquired if reliably measured.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition date fair values of the assets transferred and/or liabilities incurred by the acquirer. All acquisition costs are expensed as incurred to profit or loss.

On acquisition of a business, the Company assesses the financial assets acquired and liabilities assumed for 1ppropriate classification in accordance with the contractual terms, economic conditions, the Company's accounting policies and other pertinent conditions in existence at the acquisition date.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and recognises additional assets and liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition date.

he measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Going Concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group has incurred a net loss for the year ended 30 June 2023 of $2.8m (2022: loss of $4.7m) and had net cash outflow from operating activities of $1,757,537 (2022: inflow $195,075). As at 30 June 2023 the Group had a working capital of $47,614 (2022: ($580,296) including cash and cash equivalents of $215,945 (2022: $173,172).

Given the financials position of the group and forecast expenditure, there is a material uncertainty which may cast significant doubt in relation to the group's ability to remain a going concern.
Management note the following mitigating factors:
- The entity is listed on the NSX and the Group is also working towards capital raising initiatives and the Directors are confident that is will receive sufficient additional funding from major shareholders or other parties if required;
and
- Expenditure can be reduced where necessary.

Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report. Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements or raise additional capital through equity or debts raisings and that the financial reports does not include any adjustments relating to the recoverability and classification or recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern and meet its debts as and when they become due and payable.

Estimates and judgements

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, the impact of the Coronavirus (COVID-19) pandemic is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. The company reviews intangible assets for impairment once a year or more frequently if events or changes in circumstance s indicate that there is impairment.

Operating segments

Identification of reportable operating segments

The entity's management operates the business as a whole without any special responsibilities for any separately identifiable segments of the business.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently at amortised cost less any expected credit losses recognised. Collectability of trade receivables is reviewed on an ongoing basis. The Company applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company.

Investments and other financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

· those to be measured subsequently at fair value (either through other comprehensive income (OCI), or through profit or loss), and

· those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

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

Equity instruments

The Company subsequently measures all equity investments at fair value through profit and loss. In this case all fair value gains and losses on equity investments are recognised in the profit and loss. Dividends from such investments are also recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the Statement of Profit or Loss and Other Comprehensive Income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Earnings per share

Basic earnings/loss per share

Basic earnings/loss per share is calculated by dividing the profit/loss attributable to the owners of the consolidated entity, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
2. Taxation		
Income Tax Expense		
- Current tax expense	-	-
- Deferred tax expense	-	-
- Under/(over) provision	-	-
	-	-
Reconciliation of income tax expense to prima facie tax:		
Accounting profit/(loss) before income tax	(2,812,891)	(4,678,182)
At the statutory income tax rate of 25%	(703,223)	(1,169,545)
- Non deductible expenditure	20	4,313
- Non assessable income	(100,273)	21
- Temporary differences not recognised	803,476	1,165,211
- Under/(over) provision	-	-
Income tax reported in statement of comprehensive income	-	-
Deferred income tax		
Deferred income tax relates to the following:		
Net deferred income tax assets		
- Tax losses	2,007,949	1,339,618
- Other	326,875	353,512
Net deferred tax assets not recognised	(2,334,824)	(1,693,130)
Net deferred tax asset/(liability)	-	-

3. Revenue

	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
Revenue from sale of goods	4,151,804	3,686,084
Revenue from construction contracts	-	3,215,338
Total	4,151,804	6,901,422

Please note that all revenue is earned in Australia. All revenue from sale of goods is recognised at a point in time. Revenue from construction contracts is recognised over time

During the year there were 3 significant customers contributing over 10% to the company's gross revenue (2022 : 3 customers)

4. Other income

	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
Interest Received	3,221	252
Research and development grant received	401,092	237,729
Other government incentives	-	266,144
Other Income	27,404	13,500
Total	431,717	517,625

All revenues are earned in Australia.

	Consolidated 30 Jun 2023	Consolidated 30 Jun 2022
5. Depreciation Expenses	$	$
Furniture & office equipment	6,602	7,456
Motor vehicles	65,626	89,841
Factory equipment	823,901	1,345,209
Right of use assets	171,983	783,314
Total	1,068,112	2,225,820
6. Current Assets - Cash and Cash Equivalent		
Cash at bank	215,945	83,797
Term deposits	-	89,375
Total	**215,945**	**173,172**
7. Current Assets - Trade Receivables		
Trade receivables	1,507,657	1,222,308
Allowance for expected credit loss	(813,251)	(418,225)
Total	694,406	804,083

Note: The carrying value of trade receivables reflect their Fair Value due to their short term nature.
There is no trade and other receivables that are past due but not impaired.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2023	2022	2023	2022	2023	2022
Consolidated	%	%	$	$	$	$
1 to 30 days	2.0%	1.6%	362,420	216,288	7,130	3,473
31 to 60 days	8.0%	8.0%	-8,799	242,435	-704	19,395
61 to 90 days	50.0%	50.0%	196,506	85,329	98,253	42,664
90+ days	74.0%	52.0%	957,530	678,256	708,572	352,693
			1,507,657	**1,222,308**	**813,251**	**418,225**

	Consolidated 30 Jun 2023	Consolidated 30 Jun 2022
8. Current Assets - Other Receivables	$	$
Prepayments[1]	104,773	776
GST Paid/Received	(41,589)	(71,445)
Deposits to suppliers	261,168	30,000
Other receivables[2]	157,859	315,400
Total	482,211	274,731

1.Deposit to supplier includes a deposit for the acquisition of DW Sullivan Windows Pty Ltd of $250,000

2. Other receivables include retentions receivable which has not been invoiced

9. Inventories		
Inventory Raw Materials	1,007,132	1,601,455

Note: Inventory is recorded at the lower of cost and Net Realisable Value. There has been nil write down of inventory to Net Realisable Value during the year ended 30 June 2023. (2022: nil)

10. Non-Current Assets - Property, Plant and Equipment	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
Plant & Equipment	4,872,868	4,872,868
Less: Accumulated Depreciation	(3,443,052)	(2,619,151)
	1,429,816	2,253,717
Office Furniture & Equipment	49,750	47,494
Less: Accum Dep Furniture & Equipment	(40,152)	(33,550)
	9,598	13,944
Motor Vehicles	677,072	792,081
Less: Accumulated Depreciation	(469,103)	(451,444)
	207,969	340,637
Total Plant and Equipment	1,647,383	2,608,298
Total Property, Plant and Equipment	1,647,383	2,608,298

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Plant & Equipment	Furniture & Equipment	Motor Vehicles	Total
Balance at 30 June 2022	2,253,717	13,944	340,637	2,608,298
Additions	-	2,256		2,256
Disposals	-	-	(115,008)	(115,008)
Depreciation expense	(823,901)	(6,602)	(65,626)	(896,129)
Balance at 30 June 2023	1,429,816	9,598	160,003	1,599,417
Balance at 1 July 2021	3,561,926	12,995	430,478	4,005,399
Additions	37,000	8,405	-	45,405
Disposals	-	-	-	-
Depreciation expense	(1,345,209)	(7,456)	(89,841)	(1,442,506)
Balance at 30 June 2022	2,253,717	13,944	340,637	2,608,298

Plant and equipment is measured at cost. During the year an independent valuation was performed to assess the fair market value. The valuation is based on current prices for similar assets in the same condition and valued the plant and equipment at $3.6m.

11. Non-Current Assets - right-of-use assets	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
Land and buildings - right-of-use	6,741,800	7,566,452
Less: Accumulated Depreciation	(168,294)	(1,996,033)
	6,573,506	5,570,419
Reconciliations		
Opening balance	5,570,419	6,144,826
Adjustments to leases	1,609,657	208,907
Depreciation expense	(606,570)	(783,314)
Carrying value as at 30 June	6,573,506	5,570,419
12. Trade and other payables		
Trade payables	(1,263,635)	(1,583,452)
Other payables [1]	(691,921)	(595,211)
Customers Deposits	(72,045)	(558,701)
Total	**(2,027,601)**	**(2,737,364)**

Note: The carrying value of trade payables reflect their Fair Value due to their short term nature.

[1] Other payables include BAS liabilities, customers deposits and payroll liabilities payable like superannuation, PAYG, annual leave acruals

13. Borrowings	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
Current		
Motor vehicles	(24,713)	(70,414)
Director's loan (Note 25)	24,000	(48,691)
Total	**(713)**	**(119,105)**
Non Current		
Motor vehicles	(168,628)	(168,013)
Total	**(168,628)**	**(168,013)**

There are no covenants in relation to borrowings. Refer note 18 for further information on financial instruments.

14. Leases

AASB 16 Leases

The company has adopted AASB 16. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

When applying AASB 16, the company has applied the following practical expedients:
●applying a single discount rate to the portfolio of leases with reasonably similar characteristics;
●accounting for leases with a remaining lease term of 12 months as at 1 July 2022 as short-term leases;
● excluding any initial direct costs from the measurement of right-of-use assets;
● using hindsight in determining the lease term when the contract contains options to extend or terminate the lease; and
● not apply AASB 16 to contracts that were not previously identified as containing a lease.

Current Lease Liabilities		
Right of use - building	(323,766)	(577,269)
	(323,766)	(577,269)
Non-current leases		
Right of use - building	(6,352,384)	(5,471,025)
	(6,352,384)	(5,471,025)
Total Leases		
Right of use - building	(6,676,150)	(6,048,294)
	(6,676,150)	(6,048,294)

Refer to note 19 for further information on financial instruments.

15. Issued Capital	Consolidated 30 Jun 2023 Number	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 Number	Consolidated 30 Jun 2022 $
Balance at beginning of the year	86,294,836	11,077,944	86,294,836	11,077,944
Issue of shares	10,003,333	3,001,000	-	-
Share Issue Costs	-	(150,000)	-	-
Total	96,298,169	13,928,944	86,294,836	11,077,944

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Group does not have a limited amount of authorised capital. There was no movement of ordinary shares for the year.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

16. Reserves	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
Assets acquisition reserve	(3,474,146)	(3,474,146)
This is the pre-acquisition accumulated losses of the acquired subsidiary, Sydney Sunny Glass Pty Ltd		

17. Retained Profits/(Accumulated Losses)

Accumulated losses at the beginning of the financial year	(5,644,416)	(966,234)
Loss after income tax expense for the year	(2,812,891)	(4,678,182)
Accumulated losses at the end of the financial year	(8,457,307)	(5,644,416)

18. Loss per share

Net loss for the year	(2,812,891)	(4,678,182)
Number of shares issued	92,388,059	86,294,836
EPS (cents per share)	**(3.04)**	**(5.42)**

19. Risk Management

General

Capital management

The capital of the Group consists of issued capital (shares). The directors aim to maintain a capital structure that ensures the lowest cost of capital available to the entity at the time when funds are obtained. The directors will assess the options available to the Group to issue more shares while taking into account the effect on current shareholder ownership percentages (dilution) or alternatively other forms of funding.

The Group has the following financial instruments:	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
Cash at bank and in hand	215,945	173,172
Trade and other receivables	1,176,617	1,078,814
Financial asset - unsecured bond	250,000	-
	1,642,562	1,251,986
Trade and other payables	(2,027,601)	(2,178,663)
Borrowings	(169,341)	(287,119)
Lease liabilities	(6,676,150)	(6,048,294)
	(8,873,092)	(8,514,076)

19. Risk Management (continued)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

There is a credit risk relating to the cash and cash equivalents that the Group holds in deposits and loan receivable. The Group does not presently have customers and consequently does not have credit exposure to trade receivables

Exposure to credit risk	Consolidated 30 Jun 2023	Consolidated 30 Jun 2022
The Group's maximum exposure to credit risk at the reporting date was:	$	$
Cash at bank	215,945	173,172
Other receivables from once-off transactions with third parties	1,176,617	1,078,814
Financial asset - unsecured bond	250,000	-
Total	**1,642,562**	**1,251,986**

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	Counterparties with external credit rating(1) AA-(S&P)	Other third parties without external credit rating No Default	Total
Credit quality of financial assets			
At 30 June 2023			
Cash at bank	215,945	-	215,945
Trade and other receivables from once-off transactions with third parties(2)	-	1,176,617	1,176,617
	215,945	**1,176,617**	**1,392,562**
At 30 June 2022			
Cash at bank	173,172	-	173,172
Other receivables from once-off transactions with third parties(2)	-	1,078,814	1,078,814
	173,172	**1,078,814**	**1,251,986**

(1) *The equivalent S&P rating of the financial assets represents that rating of the counterparty with whom the financial asset is held rather than the rating of the financial asset itself.*

(2) *Other receivables represent sundry debtors and loan to other entities.*

19. Risk Management (continued)

Allowance for expected credit loss

The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group's individual assessment of an ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

For loans and other receivables, the Group assesses the contractual requirements of the loan and assesses the counter party's performance under the instrument terms. Where there is significant variation between the contractual cash flows and actual cash flows, the Group will assess the counterparties ability to repay the debts by requesting financial information and performing an assessment of the credit worthiness of the Counterparty. Where objective evidence shows that the counterparty may be unable to repay part or all of the debt, the Group will record an expected credit loss up to the level of the expected loss taking into account the Group's ability to recover its debts through the operation of guarantees and or security.

Expected credit loss recognised by the Group for the financial year was $813,251 (2022: $418,225).

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	Weighted average interest rate	**1 year or less**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Remaining contractual maturities**
Consolidated - 2023	%	$	$	$	$	$
Non-derivatives						
Non-interest bearing						
Trade payables	-	1,263,635	-	-	-	1,263,635
Other payables	-	691,921	-	-	-	691,921
Interest-bearing - fixed rate						
Lease liability	5.82%	323,766	385,013	1,593,406	4,373,966	6,676,151
Total non-derivatives		2,279,322	385,013	1,593,406	4,373,966	8,631,707

19. Risk Management (continued)

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
Consolidated - 2022	%	$	$	$	$	$
Non-derivatives						
Trade payables	-	1,583,452	-	-	-	1,583,452
Other payables	-	1,153,911	-	-	-	1,153,911
Interest-bearing - fixed rate						
Lease liability	5.82%	969,885	491,430	1,424,447	3,163,131	6,048,893
Total non-derivatives		3,707,248	491,430	1,424,447	3,163,131	8,786,256

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

20. Remuneration of the auditor

	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
Audit and review of the financial statements	55,000	55,000
	55,000	55,000

21. Events arising since the end of the reporting period

On 3 May 2023, the Group announced a binding term sheet to acquire a 100% interest in Sullivan Facades, a specialist provider of windows, cladding and curtain wall solutions for Australia's top tier builders in Melbourne, Victoria, through the acquisition of 100% of the issued capital of DW Sullivan Windows Pty Ltd (Sullivans). The transformational acquisition includes a robust projects pipeline and custom manufacturing and supply capabilities from the Sullivans' factory in Melbourne's West.

The acquisition of Sullivans from its shareholders (Vendors) will be funded through the issue of AG1 shares and two separate cash payments.

In part consideration for the acquisition, AG1 will pay the Vendors A$150,000 as an upfront cash consideration, in accordance with the terms of the binding term sheet (Upfront Payment). An additional payment of A$150,000 to the Vendors will occur one year after completion, in accordance with the terms of the transaction (Final Payment). The cash payments will be made to the Vendors on a pro rata basis. The Group will issue 13,333,333 fully paid ordinary shares at a deemed issue price of A$0.30 per share pro-rata to the Vendors to complete the acquisition.

Details of the provisional accounting for the business acquisition are as follow:

Fair Value ($)	**2023 $**
Cash and cash equivalents	81,268
Trade and other receivables	4,866,806
Inventory	550,000
Other current assets	42,750
Plant and equipment	307,669
Trade and other payables	(9,195,169)
Financial Liabilities	(198,179)
Other non-current liabilities	(437,623)
Net liabilities acquired	**(3,982,478)**
Excess consideration over net assets acquired	**8,282,478**
Acquisition Date Fair Value of Total Consideration Transferred	
Representing:	
Cash Paid or payable to vendor	300,000
Share based consideration	4,000,000

22. Contingent liabilities

The was no contingent liabilities as at end of the financial year.

23. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

Given the nature of the entity, its size and current operations, management does not treat any part of the entity as a separate operating segment. Internal financial information used by the Group's decision makers is presented on a "whole of entity" manner without dissemination to any separately identifiable segments.

The entity's management operates the business as a whole without any special responsibilities for any separately identifiable segments of the business.

24. Commitments

There was no other commitment for the financial year

25. Related Party Transactions

Key management personnel compensation

The following were key management personnel of the Group at any time during the year and unless otherwise indicated were key management personnel for the year:

Mr Shengqiang (Sunny) Chi (Managing Director)
Mr Joshua Letcher (Non-executive Chairman, resigned 31 Jan 2023)
Mr Sok Kiang Teoh (Executive Director)
Ms Seok San Tan (Executive Director/ Non-Executive Director)
Mr Kunal Malhotra (Non-executive Director)

The aggregate compensation made to Directors and other members of Key Management Personnel of the Group during the year is set out below:

	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
Short-term employee benefits	301,667	304,299
Short-term non-monetary benefits	93,226	93,226
Short-term post-employment benefits	31,675	29,079
Total	**426,568**	**426,604**

Loan advanced to Directors as at 30 June 2023 include $24,000 short term loan to Mr. Shengqiang Chi

26. Parent entity information

Statement of profit or loss and other comprehensive income	Parent 30 Jun 2023 $	Parent 30 Jun 2022 $
Loss after income tax	(2,810,341)	(6,708,816)
Total comprehensive income	(2,810,341)	(6,708,816)
Statement of financial position		
Total current assets	350,533	172,848
Total assets	2,406,918	2,824,833
Total current liabilities	327,468	770,646
Total liabilities	409,428	868,001
Equity		
Issued capital	11,893,864	9,042,864
Accumulated loss	(9,896,373)	(7,086,032)
Total equity	1,997,491	1,956,832

Shares in controlled entities (all shares being ordinary fully paid shares)	Beneficial Interest 2023	Beneficial Interest 2022
Sydney Sunny Glass Pty Ltd (incorporated in New South Wales)	100%	100%
Melbourne Glass Façade Pty Ltd (incorporated in Victoria)	100%	100%

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity and some of its subsidiaries are party to a deed of cross guarantee under which each company guarantees the debts of the others. No deficiencies of assets exist in any of these subsidiaries.

Contingent liabilities

The parent entity had no contingent liabilities as year end.

Capital commitments - property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment contracted but not recognised as liabilities as at balance date.

27. Reconciliation to statement of cash flows

(a) Reconciliation of loss to net cashflows from operating activities	Consolidated 30 Jun 2023 $	Consolidated 30 Jun 2022 $
Loss after income tax expense for the year	(2,812,892)	(4,678,182)
Adjustments for:		
Depreciation and amortisation of property & equipment	1,504,160	2,225,820
Bad Debts	778,495	1,133,008
Non-cash disposal	(577,980)	-
(Profit)/loss on disposal of property plant & equipment	(41,052)	
Change in operating assets and liabilities:		
Increase/(decrease) in accounts payables and accruals	(651,386)	(196,261)
(Increase)/decrease in trade and other receivables	(551,206)	789,457
(Increase)/decrease in inventories	594,323	859,775
Increase in employee benefits	-	61,460
Cash flows from/(used in) operating activities	**(1,757,537)**	**195,077**

(b) Reconciliation in liabilities from financing activities

	Bank loans	Lease liabilities	Other	Total
Opening Balance 1 July 2021	1,257,791	6,483,687	856	7,742,334
Proceeds from borrowings	-	-	48,691	48,691
Interest	11,468	304,503	-	315,971
Repayment of borrowings	(979,492)	(684,171)	(856)	(1,664,519)
Non-cash movement	(51,338)	(55,725)		(107,063)
Closing balance 30 June 2022	**238,429**	**6,048,294**	**48,691**	**6,335,414**
Opening Balance 1 July 2022	**238,429**	**6,048,294**	**48,691**	**6,335,414**
Proceeds from borrowings				-
Interest	7,514	332,340		339,854
Repayment of borrowings	(52,602)	(725,933)	(72,691)	(851,226)
Non-cash movement	-	1,021,450		1,021,450
Closing balance 30 June 2023	**193,341**	**6,676,151**	**(24,000)**	**6,845,492**

DIRECTORS' DECLARATION

30 June 2023

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Corporations Regulation;
- the attached financial statements and notes comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Sok Kiang Teoh

Director

29 September 2023

Perth

INDEPENDENT AUDITOR'S REPORT
To the Members of Australia Sunny Glass Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australia Sunny Glass Group Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

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

Key Audit Matter	How our audit addressed the key audit matter
Revenue from contracts with customers Refer Note 3 of the financial report	
The Group generates revenue from the sale of glass products and project revenue. The Group is required to record revenue in accordance with accounting standard AASB 15 *Revenue from Contracts with Customers*. The Group's disclosures relating to revenue recognition are included in the summary of accounting policies in Note 1 of the financial report. This was considered a key audit matter given the significance of revenue to the financial report.	Our procedures included but were not limited to: – Assessing the Group's revenue recognition policy for compliance with AASB 15; – Selecting a sample of sale transactions around year end to ensure that they have been recognised in the correct accounting period; – Selecting a sample of sales transactions during the year to ensure that they have been recognised in accordance with AASB 15; and – Assessing the adequacy of the related disclosures in the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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

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

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

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Australia Sunny Glass Group Limited for the year ended 30 June 2023 complies with Section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
29 September 2023

B G McVeigh
Partner

ADDITIONAL INFORMATION

Top holders

The 20 largest registered holders of each class of quoted equity security as at 27 September 2023 were:

Fully paid ordinary shares - quoted

	Name	No. of shares	%
1	Shengqiang Chi	15,201,532	13.87
2	Seok San Tan	12,000,000	10.95
3	Baumart Holdings Limited	11,666,667	10.64
4	Liwei Chi	11,200,000	10.22
5	David Sullivan + Linda Sullivan <D&L Sullivan Family Inv A/C>	10,666,667	9.73
6	Xianjin Yan	8,400,000	7.66
7	Wonder Holdings Pty Ltd	5,000,000	4.56
8	Goodrich Capital Pty Ltd	5,000,000	4.56
9	Kreatif Investments Pty Ltd	4,750,000	4.33
10	Mutual Street Pty Ltd	4,107,897	3.75
11	Shi Long Chen	3,400,000	3.1
12	Kingsfield Pty Ltd	2,500,000	2.28
13	Xian Jun Yan	2,266,667	2.07
14	Mr Choh Nam Quek	2,000,000	1.82
15	Kaw Hon Lim	1,666,667	1.52
16	Serng Yee Liew	1,500,000	1.37
17	Sok Kiang Teoh <T&Q Family Trust>	1,500,000	1.37
18	Koray Konstructions Pty Ltd <The Barkut A/C>	1,333,333	1.22
19	Antony Kimber <The Kimber Family A/C>	1,333,333	1.22
20	Luniarty Kartosudiro	1,000,000	0.91
		106,492,763	97.15

Distribution schedules

A distribution schedule of each class of equity security as at 27 September 2023

Ordinary fully paid shares

Range	Holders	Units	%
1 - 1,000	15	9,320	0.01%
1,001 - 5,714	10	26,665	0.02%
5,715 - 10,000	33	264,092	0.24%
10,001 - 100,000	20	650,304	0.59%
100,001 - 999,999,999,999	27	108,681,121	99.14%
TOTAL	105	109,631,502	100%

Substancial shareholders

The names of substantial shareholders in the Company as at 27 September 2023, and the number of shares to which each substantial shareholder and their associates have a relevant interest, as disclosed in substantial shareholding notices given to the Company, are set out below:

Name	No. of shares	%
Shengqiang Chi	15,201,532	13.87
Seok San Tan	12,000,000	10.95
Baumart Holdings Limited	11,666,667	10.64
Liwei Chi	11,200,000	10.22
David Sullivan + Linda Sullivan <D&L Sullivan Family Inv A/C>	10,666,667	9.73
Xianjin Yan	8,400,000	7.66