

VGX LIMITED
(Incorporated in British Virgin Islands)
(Company reg no: ARBN 612 834 572)

INTERIM FINANCIAL STATEMENTS

31 DECEMBER 2024

VGX LIMITED
(Incorporated in British Virgin Islands)
(Company reg no: ARBN 612 834 572)

**INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2024**

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The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with any public announcements made by VGX Limited during the interim reporting period in accordance with the continuous disclosure requirements of the National Stock Exchange of Australia ("NSX") Listing Rules.

**VGX LIMITED
DIRECTORS' REPORT
FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 TO 31 DECEMBER 2024**

The Directors are pleased to present their report and the interim financial statements of VGX Limited and its controlled entities ("the Group") for the six months ended 31 December 2024.

DIRECTORS

The Directors of the Company in office during the period until the date of this report are:

Yu Weimin	(Appointed on 17.1.2025)
Eric Chung Chi Kong	
Kong Teck Chin	
Yap Poh Yee	
Chong Ying Choy	(Resigned on 10.1.2025)
Teddy Chua	(Resigned on 10.1.2025)

REVIEW OF OPERATIONS

The principal activity of the Company is an investment holding company. The principal activities of its controlled entities are to carry on business of research, development and commercialisation of food and agriculture related technologies. There have been no significant changes in the nature of these activities during the six months ended 31 December 2024.

The Company and its controlled entities for the six months ended 31 December 2024 produced a loss, which comprise mainly administrative, distribution and other operating expenses incurred from the Group.

On behalf of the Board of Directors



**ERIC CHUNG CHI KONG
Director**



**YAP POH YEE
Director**

Kuala Lumpur
13 March 2025

VGX LIMITED
STATEMENT BY DIRECTORS

In the opinion of the Directors, the accompanying condensed consolidated statement of financial position, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows, together with notes thereon, are drawn up so as to give a true and fair view of the financial position of VGX Limited and its controlled entities as at 31 December 2024 and of the results of the business, changes in equity and cash flows of VGX Limited and its controlled entities for the six months ended on that date and as at the date of this statement there are reasonable grounds to believe that VGX Limited and its controlled entities will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors



ERIC CHUNG CHI KONG
Director



YAP POH YEE
Director

Kuala Lumpur
13 March 2025

**INDEPENDENT AUDITORS' REPORT ON
REVIEW OF
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
TO THE MEMBERS OF VGX LIMITED**
(Company Regn. No. ARBN 612 834 572)

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position as at 31 December 2024 and the condensed consolidated statements of comprehensive income, statement of changes in equity and statement of cash flows for the six months then ended, and selected explanatory notes and a summary of significant accounting policies (“Financial Information”) of VGX LIMITED AND ITS CONTROLLED ENTITIES (“the Group”). Directors are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34 Interim Financial Reporting. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Emphasis of Matter

We draw attention to Note 3 of the financial statements, which highlights that the Group incurred a net loss of A\$59,661 during the interim period ended 31 December 2024 and as of that date, the Group has a capital deficiency of A\$842,824 as a result of losses sustained over the years. This indicates that a material uncertainty exists that may cast doubt on the Company’s ability to continue as a going concern.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements as at and for the six months ended 31 December 2024 are not prepared, in all material aspects, in accordance with IAS 34 Interim Financial Reporting.

HML PLT

HML PLT
201504000748 (LLP0004524-LCA) & AF 002152
Chartered Accountants
Kuala Lumpur, Malaysia
13 March 2025

VGX LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

		Group	
	Note	31.12.2024	30.6.2024
		A\$	A\$
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	336	363
Intangible asset	7	<u>3</u>	<u>3</u>
		<u>339</u>	<u>366</u>
CURRENT ASSETS			
Inventories	8	3,333	5,589
Trade receivables	9	3,215	7,495
Other receivables, deposits and prepayments	10	7,491	4,122
Cash and bank balances		<u>2,385</u>	<u>1,646</u>
		<u>16,424</u>	<u>18,852</u>
TOTAL ASSETS		<u><u>16,763</u></u>	<u><u>19,218</u></u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Share capital	11	338,781	338,781
Accumulated losses		(1,005,871)	(946,210)
Foreign currency translation reserve		<u>(78,797)</u>	<u>10,782</u>
		(745,887)	(596,647)
Minority interest		<u>(96,937)</u>	<u>(71,986)</u>
CAPITAL DEFICIENCY		<u>(842,824)</u>	<u>(668,633)</u>
NON-CURRENT LIABILITIES			
Amount owing to Directors	12	735,226	589,828
Amount owing to a Shareholder	13	<u>9,023</u>	<u>-</u>
		<u>744,249</u>	<u>589,828</u>
CURRENT LIABILITIES			
Trade payables		26,856	22,588
Other payables and accruals	14	<u>88,482</u>	<u>75,435</u>
		<u>115,338</u>	<u>98,023</u>
TOTAL LIABILITIES		<u>859,587</u>	<u>687,851</u>
TOTAL EQUITY AND LIABILITIES		<u><u>16,763</u></u>	<u><u>19,218</u></u>

The accompanying notes form an integral part of the financial statements

VGX LIMITED
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JULY 2024 TO 31 DECEMBER 2024

		Group	
		Six Months	Six Months
		Ended	Ended
		31.12.2024	31.12.2023
		A\$	A\$
Revenue		68,212	56,930
Cost of sales		(26,457)	(15,989)
Gross profit		<u>41,755</u>	<u>40,941</u>
Other operating income		10	213
Administration expenses		(106,506)	(109,738)
Distribution expenses		(14,781)	(21,788)
Research and development expenses		(5,006)	(5,059)
Other operating expenses	15	<u>(84)</u>	<u>(210,293)</u>
Loss from operations		(84,612)	(305,724)
Finance costs		-	(91)
Loss before tax		<u>(84,612)</u>	<u>(305,815)</u>
Income tax expense		-	-
Loss and total comprehensive loss for the period		<u>(84,612)</u>	<u>(305,815)</u>
Minority interest		<u>24,951</u>	<u>41,972</u>
Loss and total comprehensive loss for the period		<u><u>(59,661)</u></u>	<u><u>(263,843)</u></u>
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		<u>(89,579)</u>	<u>12,568</u>
Loss and total comprehensive loss for the period		<u><u>(149,240)</u></u>	<u><u>(251,275)</u></u>
Loss per share:			
Basic - cents per share		<u><u>(0.29)</u></u>	<u><u>(0.48)</u></u>

The accompanying notes form an integral part of the financial statements

VGX LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 1 JULY 2024 TO 31 DECEMBER 2024

	Share capital	Accumulated	Foreign	Non-	Total
	AS	losses	currency	controlling	AS
	AS	AS	reserve	interest	AS
	AS	AS	AS	AS	AS
As at 1 July 2024	338,781	(946,210)	10,782	(71,986)	(668,633)
Loss and total comprehensive loss for the period	-	(59,661)	(89,579)	(24,951)	(174,191)
As at 31 December 2024	<u>338,781</u>	<u>(1,005,871)</u>	<u>(78,797)</u>	<u>(96,937)</u>	<u>(842,824)</u>
	Share capital	Accumulated	Foreign	Non-	Total
	AS	losses	currency	controlling	AS
	AS	AS	reserve	interest	AS
	AS	AS	AS	AS	AS
As at 1 July 2023	338,781	(650,201)	(584)	18,084	(293,920)
Loss and total comprehensive loss for the period	-	(263,843)	12,568	(41,972)	(293,247)
As at 31 December 2023	<u>338,781</u>	<u>(914,044)</u>	<u>11,984</u>	<u>(23,888)</u>	<u>(587,167)</u>

The accompanying notes form an integral part of the financial statements

VGX LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1 JULY 2024 TO 31 DECEMBER 2024

	Group	
	Six Months Ended 31.12.2024 AS	Six Months Ended 31.12.2023 AS
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(84,612)	(305,815)
Adjustments for:		
Depreciation of property, plant and equipment	84	42
Impairment loss on goodwill	-	70,946
Impairment loss on intangible asset	-	122,183
Interest expenses	-	91
Impairment losses on trade receivables	-	17,122
Operating loss before working capital changes	(84,528)	(95,431)
Decrease in inventories	2,256	1,320
Decrease in trade receivables	4,280	22,464
(Increase)/Decrease in other receivables, deposits and prepayment	(3,369)	6,117
Increase/(Decrease) in trade payables	4,268	(2,068)
Increase/(Decrease) in other payables and accruals	13,047	(5,065)
Net cash used in operations	(64,046)	(72,663)
Interest paid	-	(91)
Net cash used in operating activities	(64,046)	(72,754)
CASH FLOWS FROM INVESTING ACTIVITY		
Purchase of property, plant and equipment	(14)	-
Net cash used in investing activity	(14)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance from Directors	145,398	93,850
Advance from a Shareholder	9,023	93,850
Repayment of finance lease payable	-	(3,422)
Net cash from financing activities	154,421	90,428
Net increase in cash and cash equivalents	90,361	17,674
Currency translation	(89,622)	9,926
Cash and cash equivalents at beginning of the period	1,646	5,461
Cash and cash equivalents at end of the period	2,385	33,061
Cash and cash equivalents comprise:		
Cash and bank balances	2,385	33,061

The accompanying notes form an integral part of the financial statements

VGX LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JULY 2024 TO 31 DECEMBER 2024

1 GENERAL CORPORATE INFORMATION AND NATURE OF OPERATIONS

The condensed consolidated financial statements are for the six months ended 31 December 2024 and are presented in Australian Dollars. They have been prepared in accordance with *IAS 34 Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with International Financial Reporting Standards (“IFRSs”), and were authorised for issue in accordance with the resolution of the Directors on the date of this statement.

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

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

The Company’s subsidiary, Virgin Greens X Sdn. Bhd., holds 100% of the issued share capital of MG AgriWorks Sdn. Bhd., a Malaysian company which engage in application of biotechnology in agriculture and distribution of sustainable products for plant nutrition, growth and protection.

There have been no significant changes in the nature of these activities during the six months ended 31 December 2024.

2 BASIS OF PREPARATION

BASIS OF PRESENTATION CURRENCY AND COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

These condensed consolidated financial statements (“interim financial statements”) as at and for the six months ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as “the Group”) and are presented in Australian Dollars. They have been prepared in accordance with *IAS 34 Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with International Financial Reporting Standards (“IFRSs”).

These interim financial statements are intended to provide users with an update on the annual financial statements of VGX LIMITED. As such, it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. It is therefore recommended that this financial report to be read in conjunction with the last annual financial statements of the Group as at and for the year ended 30 June 2024.

3 GOING CONCERN BASIS

The Group incurred a net loss of A\$59,661 during the interim period ended 31 December 2024, and as of that date, the Group has a capital deficiency of A\$842,824 as a result of losses sustained over the years. Accordingly, the ability of the Group to meet its obligations is therefore dependent on the continuous financial support from Directors, adjustments may have to be made to reflect the situation that assets may need to be realised other than the amounts at which they are currently recorded in the financial position. In addition, the Group may have to provide for further liabilities that might arise. The financial statements do not include such adjustment, as the Directors are optimistic that the Group will operate in a profitable manner in the foreseeable future, and accordingly they believe that it is appropriate for the financial statements of the Group to be prepared on the going concern basis.

4 SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated interim financial statements have been prepared in accordance with the accounting policies adopted on the last annual financial statements for the year ended 30 June 2024.

5 SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD

- a) A significant decrease in the other operating expenses from AUD210,293 to AUD84 was due to the impairment losses recognised on the intangible assets and goodwill of the Group.
- b) A significant decrease in the gross profit margin from 72% to 61% was due to more sales of higher margin products for the six-month period ended 31.12.2023 as compared to the six-month period ended 31.12.2024

6 PROPERTY, PLANT AND EQUIPMENT

	As at 1 July 2024 A\$	Additions A\$	Disposals A\$	Exchange difference A\$	As at 31 December 2024 A\$
<u>Cost</u>					
Computer	5,240	-	-	665	5,905
Lab equipment	14,968	14	-	1,902	16,884
Motor vehicle	37,538	-	-	4,764	42,302
Office equipment	2,442	-	-	309	2,751
	60,188	14	-	7,640	67,842

	As at 1 July 2024	Charges for the period	Disposals	Exchange difference	As at 31 December 2024
	A\$	A\$	A\$	A\$	A\$
<u>Accumulated Depreciation</u>					
Computer	5,238	2	-	665	5,905
Lab equipment	14,967	-	-	1,899	16,866
Motor vehicle	37,536	-	-	4,764	42,300
Office equipment	2,084	82	-	269	2,435
	59,825	84	-	7,597	67,506

	31.12.2024	30.6.2024
	A\$	A\$
<u>Carrying Amounts</u>		
Computer	-	2
Lab equipment	18	1
Motor vehicle	2	2
Office equipment	316	358
	336	363

7 INTANGIBLE ASSET

GROUP	Intellectual property rights A\$	Total A\$
<u>Cost</u>		
At beginning of the period/year	296,682	296,682
Impairment in value	(316,629)	(316,629)
Exchange difference	19,950	19,950
At end of the period/year	3	3
<u>Accumulated amortisation</u>		
At beginning of the period/year	178,007	178,007
Impairment in value	(189,978)	(189,978)
Exchange difference	11,971	11,971
At end of the period/year	-	-
<u>Carrying amounts</u>		
As at 31 December 2024	3	3
As at 30 June 2024	3	3

8 INVENTORIES

	Group	
	31.12.2024	30.6.2024
	A\$	A\$
At cost:		
Biotech products (finished goods)	459	1,990
Packaging material	2,874	3,599
	<u>3,333</u>	<u>5,589</u>
Inventories recognised as cost of sales in statement of comprehensive income	<u>26,457</u>	<u>23,883</u>

9 TRADE RECEIVABLES

	Group	
	31.12.2024	30.6.2024
	A\$	A\$
Trade receivables	21,956	24,125
Less: Impairment losses on trade receivables	<u>(18,741)</u>	<u>(16,630)</u>
	<u>3,215</u>	<u>7,495</u>
Allowance for impairment losses:		
Balances at beginning of the period	(16,630)	-
Exchange differences	(2,111)	303
Impairment loss recognised in statement of comprehensive income	<u>-</u>	<u>(16,933)</u>
Balance at end of the period	<u>(18,741)</u>	<u>(16,630)</u>

10 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENT

	Group	
	31.12.2024	30.6.2024
	A\$	A\$
Other receivables	3,454	34
Deposits	2,283	1,882
Prepayment	<u>1,754</u>	<u>2,206</u>
	<u>7,491</u>	<u>4,122</u>

Included in other receivables is an amount of A\$3,417 (30.6.2024: A\$Nil) owing by a company controlled by two Directors of the Company. This amount is unsecured, interest-free and repayable on demand.

11 CAPITAL AND RESERVES

11.1 SHARE CAPITAL

	Group	
	31.12.2024	30.6.2024
Number of shares (units)		
At beginning/end of the period/year	<u>52,343,270</u>	<u>52,343,270</u>
Issued and Paid-up (A\$)		
At beginning/end of the period/year	<u>338,781</u>	<u>338,781</u>

11.2 FOREIGN CURRENCY TRANSLATION RESERVE

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

12 AMOUNT OWING TO DIRECTORS

The amount is unsecured, interest free and no fixed term of repayment.

13 AMOUNT OWING TO A SHAREHOLDER

The amount is unsecured, interest free and no fixed term of repayment.

14 OTHER PAYABLES AND ACCRUALS

	Group	
	31.12.2024	30.6.2024
	A\$	A\$
Other payables	83,169	68,867
Accruals	<u>5,313</u>	<u>6,568</u>
	<u>88,482</u>	<u>75,435</u>

Included in other payables is an amount of A\$2,564 (30.6.2024: A\$2,275) owing to a company controlled by two Directors of the Company. This amount is unsecured, interest-free and repayable on demand.

15 OTHER OPERATING EXPENSES

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

	Group	
	31.12.2024	31.12.2023
	A\$	A\$
Impairment losses on trade receivables	-	17,122
Depreciation of property plant and equipment	84	42
Impairment of goodwill	-	70,946
Impairment of intangible assets	-	122,183
	<u>-</u>	<u>122,183</u>

16 NEGATIVE NET TANGIBLE ASSET BACKING PER SHARE

	31.12.2024	30.6.2024
	A\$	A\$
Negative net tangible assets	<u>842,824</u>	<u>668,633</u>
Number of issued shares	<u>52,343,270</u>	<u>52,343,270</u>
Negative net tangible asset backing per share	<u>1.61 cents</u>	<u>1.28 cents</u>

17 RELATED PARTY TRANSACTIONS

17.1 SIGNIFICANT RELATED PARTY TRANSACTION

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed in Notes 10 and 14, the significant related party transactions of the Group are as follows:

	Group	
	31.12.2024	30.6.2024
	A\$	A\$
Net advances from/(to) Directors	145,398	(199,880)
Net advance from a company controlled by two Directors of the Company	3,417	378,872
Net advance from Shareholder	<u>9,023</u>	<u>-</u>

17.2 COMPENSATION OF KEY MANAGEMENT PERSONNEL

	Group	
	1.7.2024 to 31.12.2024 A\$	1.7.2022 to 31.12.2023 A\$
Short term benefits	<u>33,163</u>	<u>38,604</u>

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

18 SEASONAL/CYCLICAL FACTORS

The operations of the Group were not significantly affected by seasonality and cyclical factors.

19 ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENCE

There was no material item of an unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows during the period ended 31 December 2024.

20 MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in the prior financial year that have a material effect in the six months ended 31 December 2024.

21 DEBT AND EQUITY SECURITIES

There were no issuance, repurchase and repayments of debt and equity securities during the six months ended 31 December 2024.

22 DIVIDEND PAID

No dividend paid during the reporting period.

23 SEGMENT INFORMATION

No segmental reporting is presented as the Group is primarily engaged in research, development and commercialisation of food and agriculture related technologies.