

31 July 2023

Quarterly activities report and Quarterly cash flow report for the period ended 30 June 2023

The Directors of GoConnect Limited (NSX: GO8 (“GO8”)) provide the following report for the quarter ended 30 June 2023.

	June 23 quarter	March 23 quarter	change	%
Income from sale of investment	60,000	45,000	15,000	33%
Payment for Staff costs	-21,000	-25,500	4,500	-18%
Payment for operating expenses	-26,607	-16,698	-9,909	59%
Repayment of borrowings	-14,500	-12,000	-2,500	21%
Net cash outflows	-2,107	-9,198	7,091	-77%

	June 23 quarter	June 22 quarter	change	%
Income from sale of investment	60,000	-	60,000	N/A
Payment for Staff costs	-21,000	-30,000	9,000	-30%
Payment for operating expenses	-26,607	-26,205	-402	2%
Repayment of borrowings	-14,500	6,000	-20,500	-342%
Net cash outflows	-2,107	-50,205	48,098	-96%

GO8 continued to derive income from sale of investment. Go Green Holdings Ltd (“GGH”) co-founded by GO8 is expected to generate its own revenue and profits during the next 12 months and will then be in a position to distribute dividends to its shareholders including GO8. GO8 generated \$60,000 from GGH share sale income in the June quarter 2023, ending the quarter with a small cash outflow of \$2,107, a 96% improvement in net cash outflows compared to the previous corresponding June quarter. Since the end of the June 2023 quarter, GO8 has received commitments for additional GGH share sale of \$50,000.

GO8 continues to be supported, when required, by Sino Investment Services Pty Ltd with unused credit facility at the end of the June quarter. The unused credit facility together with the company’s ability to generate income from investment will be more than sufficient to cover GO8’s future expenses.

Quarterly Business Activities Report

GO8 Group investment and business portfolio

Together with its 43.6% owned associate GGH, which GO8 co-founded in late 2015 (“the Group”), the Group actively manages and operates a number of businesses and investments. These include: plant based meat sales and marketing (wholly owned by GGH); antiviral and anti-inflammatory drug development for treatment of Covid-19 via Covirix Medical Pty Ltd (“Covirix Medical”) about 24% owned by GGH; provision of diabetes and prediabetes management products via Global Diabetes Solutions Pty Ltd (“Global Diabetes Solutions”) 24.5% owned by GGH; GGH’s celebrity product endorsement and representation; crypto investment via GGH’s direct and indirect holdings in Zucoins; and development of Augmented Reality Hologram Chat technology GoARChat 80% owned by GGH, a unique hologram communication platform being developed for mass consumer communication. All these businesses and investments have significant growth prospects and can be expected to generate substantial long term enterprise value for the Group. The Group continues to work actively with its investee companies and business partners to make progress on all businesses in its portfolio. The following report will focus on what the Group regards as top priority in the current financial year.

Covid pandemic continues together with surges in other respiratory diseases including seasonal flu and RSV (Respiratory syncytial virus)

The world has gone from total panic towards the Covid pandemic in early 2020 to complacency by 2023. It is therefore all the more important now particularly with so much resistance to current Covid vaccines, that effective targeted antivirals as the alternative treatments be introduced soonest so as to more effectively manage the next phase of the pandemic. Failure to do so will not only lead to more Covid infections, more hospitalizations, more deaths, but will lead to significant negative economic consequences at a time when most Western economies may already be facing the prospect of a deep recession after the historically steepest rise in interest rates of the past 12 months.

Failure to manage the next phase of the pandemic will also exacerbate the problem with Long Covid as some 50% of the infected have already suffered Long Covid. As the number of Covid infections continue to grow, so too will the number of Long Covid cases. The healthcare and economic challenges ahead are becoming more serious by the month.

The global population is becoming much less interested in vaccination as a preventive treatment solution. While antiviral treatments for Covid have been introduced in the past 24 months, Paxlovid by Pfizer, and Molnupiravir by Merck, there is still an urgent need to expand the portfolio of targeted, economical, and more effective antiviral treatments with minimal side effects for the whole world.

We are starting to see a much stronger level of interest among healthcare experts and the community in accepting antivirals as effective treatments since vaccination has to date failed to stop infections or the spread of infections.

With the recent surges in a number of respiratory diseases, the Covirix team has decided to expand the scope of its antiviral applications to investigate the application of its patented antiviral treatment for a wide range of respiratory diseases including Covid. Due to its unique mechanism of action and being broad spectrum, Covirix Medical believes its same patented

antiviral treatment is likely to be applicable in treating a wide range of viral respiratory diseases for example and including, but not limited to, influenza, RSV, metapneumoviruses, seasonal coronaviruses.

It is against the historical perspective of the Covid pandemic and recent surges of other respiratory diseases, that it has become super urgent for Covirix Medical to progress to human clinical trials with its primary antiviral drug candidate CVX-20733. Upon successful human clinical trials of CVX-20733, it will be the first small molecule broad spectrum inhalable antiviral drug suitable to treat Covid and likely for a wide range of viral respiratory diseases. After successful phase 1 and phase 2 clinical trials, Covirix plans to apply for Emergency Use Authorization approval for CVX-20733. Covirix Medical may also be able to contribute towards preventing the next respiratory disease pandemic with its portfolio of broad spectrum antiviral drug candidates. As CVX-20733 will be administered by oral inhalation, it may also be used as a prophylactic therapeutic for disease preventive purpose.

Covirix Medical has strengthened its intellectual property position. An Australian patent has been formally granted by IP Australia during the March 2023 quarter. Further applications to major offshore jurisdictions were made during the June 2023 quarter. Accordingly, Covirix Medical's invention is also now patent pending in the US, the EU, China and Japan.

On the corporate front, Covirix Medical is making steady progress in its capital raise. Since the grant of the Australian patent, and with increasing level of interest among investors towards antiviral treatments for Covid, Covirix Medical has attracted institutional investor and corporate interests in the company. Significant institutional investment is targeted to be achieved during this financial year.

Covirix Medical has in the past few weeks been exploring the opportunity to list the company on a major offshore stock exchange. The successful listing of Covirix Medical is expected to contribute to the significant revaluation of the company.

Global Diabetes Solutions to help manage the silent pandemic of diabetes and prediabetes

In line with the strategy to emphasize health science investments, during the June 2023 quarter, GGH has devoted much time and management resources into Global Diabetes Solutions, a company that specializes in providing management solutions and related products for diabetes and prediabetes. GGH has a 24.5% equity interest in Global Diabetes Solutions.

Diabetes is a silent pandemic. Type 1 and 2 diabetes affect 1 in 10 adults in the world with a further 1 in 3 adults living with prediabetes. An estimated 12% or US\$673 billion of annual global health expenditure is spent on diabetes. The disease is continuing to steadily increase throughout the global population.

A number of revenue generating products including a prediabetes diagnostic product will be launched in the next 18 months by Global Diabetes Solutions firstly in Australia before a global launch. Samples of the first product to be launched "HypoGuard" are at the pre-production stage.

Crypto asset in Zucoins improves income and asset value

GGH has significant direct and indirect holdings in Zucoins: total of 61,700 Zucoins: consisting of 40,000 Zucoins owned directly by GGH, 80,000 Zucoins owned by Covirix Medical, 10,000 Zucoins owned by Global Diabetes Solutions. The Zucoins token is to be listed and trading on 6 major global crypto exchanges, as advised by Zucoins, between September and November

2023. An additional Zucoins trading platform “Zutopia” facilitated by Visa Card is expected to be operational by end of November 2023. The listing of Zucoins is expected to further improve the income and asset value of GGH in the next 12 months which improved value will flow through to GO8’s enterprise value through its significant interest in GGH.

GGH underpins GO8 asset value

GO8 currently holds 43.6% of the issued shares of GGH. The value of GGH shares will ultimately be dependent on the underlying fundamental value of its portfolio of businesses and investments. Management of the Group has set the goal, with active management, to continue to improve the enterprise value of these businesses and investments. It is the objective of GGH management, once a dividend paying track record has been achieved by GGH, to commence work on a stock exchange listing of GGH. Upon the successful listing of Covirix Medical on a major offshore stock exchange, it will provide management of GGH the opportunity to distribute additional dividend and/or a capital return to shareholders.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Richard Li', is written over a large, stylized, light-colored scribble or watermark.

Richard Li
Chairman

Quarterly Report

Name of entity

GoConnect Ltd

ABN

14 089 240 353

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A	Year to date (12 months) \$A
1.1 Receipts from customers	60,000	250,000
1.2 Payments for		
(a) staff costs	-21,000	-95,000
(b) advertising and marketing		
(c) research and development		
(d) leased assets		
(e) other working capital	-26,607	-121,279
1.3 Dividends received		
1.4 Interest and other items of a similar nature received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other – NSX listing expense		
Net operating cash flows	12,393	33,721

	Current quarter \$A	Year to date (12 months) \$A
1.8 Net operating cash flows (carried forward)	12,393	33,721
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
Net investing cash flows		
1.14 Total operating and investing cash flows	12,393	33,721
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings	-14,500	-33,876
1.19 Dividends paid		
1.20 Other (provide details if material)		
Net financing cash flows	-14,500	-33,876
Net increase (decrease) in cash held	-2107	-155
1.21 Cash at beginning of quarter/year to date	5,308	3,356
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	3,201	3,201

Payments to directors of the entity and associates of the directors**Payments to related entities of the entity and associates of the related entities**

	Current quarter \$A
1.24 Aggregate amount of payments to the parties included in item 1.2	7,000
1.25 Aggregate amount of loans to the parties included in item 1.11	

1.26 Explanation necessary for an understanding of the transactions

This amount was payment of directors' remuneration for the quarter ended 30 June 2023

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A	Amount used \$A
3.1 Loan facilities	2,000,000	303,272
3.2 Credit standby arrangements		

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A	Previous quarter \$A
4.1 Cash on hand and at bank	3,201	5,308
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	3,201	5,308


Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to NSX.
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:



(Director)

Date: .31 July 2023

Print name: Richard Li.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** NSX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.