

31 January 2024

Quarterly activities report and Quarterly cash flow report for the period ended 31 December 2023

The Directors of GoConnect Limited (NSX: GO8) (“GO8”) provide the following report for the quarter ended 31 December 2023.

	December 23 quarter	September 23 quarter	change	%
Income from sale of investment	102,800	70,000	32,800	47%
Payment for Staff costs	-34,600	-16,000	-18,600	116%
Payment for operating expenses	-35,054	-42,317	7,263	-17%
Repayment of borrowings	-23,900	-12,100	-11,800	98%
Net cash flows	9,246	-417	9,663	2,318%

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 \$102,800 from GGH share sale income in the December quarter 2023, an improvement of 47% on the September 2023 quarter, ending the quarter with positive net cash flows of \$9,246, a 2,318% improvement in net cash flows compared to the September quarter. However excluding repayment of borrowing, operating cash flows for the December quarter was a positive \$33,146.

GO8 continues to be supported, when required, by Sino Investment Services Pty Ltd with unused credit facility at the end of the December 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 improve the value of all businesses in its portfolio. The following report will focus on what the Group regards as top priority in the current financial year.

COVIRIX Medical

Covid pandemic continues together with surges in other respiratory diseases including seasonal flu and RSV (Respiratory syncytial virus) with the recent trend in viral infections often referred to as the “tripledeemic”.

Most of the population of the world have become resistant to receiving more Covid booster vaccines as it has become obvious to most people that vaccination does not stop Covid infection nor the spread of infection. Reports of adverse side effects from vaccination are also discouraging many people from getting vaccinated. However, the emergence of the latest variant JN.1 since September 2023 and its designation as the new Variant of Interest by the WHO has significantly raised the concern of health regulators around the world. Indeed JN.1 is the most infectious Covid variant to-date since the start of the pandemic in late 2019. Whether JN.1 will evolve to be a more virulent strain is still to be determined. However many who have experienced JN.1 infection have reported more severe diseases. Despite the lack of Covid testing and under reporting of test results for those who tested positive, we have witnessed in recent weeks a significant rise in infections and hospitalizations due to Covid in the Northern Hemisphere and in Australia. Fortunately, death counts in Australia have not had noticeable increase but Europe, Russia, and the US are not as fortunate with the increasing death counts probably exacerbated by the extreme cold winter weather.

With vaccine hesitancy and lack of information on Covid test results, it is all the more important that effective targeted antivirals as the alternative to vaccines 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 and more hospitalizations, but more deaths are already becoming evident. Meanwhile the entire healthcare system remains fragile after four long years of the Covid pandemic with loss of significant skilled human resources. It would be very difficult for the world healthcare system to manage even more stress from a tripledeemic.

We are starting to see a much stronger level of interest among healthcare experts and the investment community in seeking alternative antivirals to Paxlovid by Pfizer, and Molnupiravir by Merck as more effective and targeted treatments compared to these existing antivirals.

With the recent surges in a number of respiratory diseases, the COVIRIX Medical team has decided to expand the scope of its antiviral applications to investigate the application of its patented antiviral treatment for a wider 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, subject to successful clinical trials, is likely to be applicable in treating a wide range of viral respiratory diseases including, but not limited to, influenza, RSV, metapneumoviruses, seasonal coronaviruses.

COVIRIX Medical is progressing to human clinical trials with its primary antiviral drug candidate CVX-20733 and to conduct virology studies on a range of respiratory viruses other than SARS CoV-2. 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 and or the tripledemic with its portfolio of broad spectrum antiviral drug candidates some of which are much more potent than CVX-20733. As CVX-20733 will be administered by oral inhalation, it may also be used as a prophylactic therapeutic for disease prevention.

During the September quarter 2023, COVIRIX Medical concluded a binding MOU with an influential business group in South Africa the Numolux Group. COVIRIX Medical and Numolux Group have entered into a strategic partnership that will focus on establishing an inhaled antiviral drug development platform by repurposing, starting with South Africa for the African continent, then extending to the entire BRICS Plus Alliance for treatment of diseases, starting with viral respiratory diseases using COVIRIX Medical's portfolio of antiviral drug candidates to be delivered via oral and intranasal / inhalational delivery routes. The Numolux Group has been planning the clinical trials for COVIRIX Medical in the past few months.

An Australian patent has been formally granted by IP Australia during the March 2023 quarter. COVIRIX Medical's invention is also now patent pending in the US, the EU, China, Hong Kong, Macau, 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 is in serious discussions with institutional and corporate investors to become cornerstone investors in the company. Significant institutional investment is targeted to be achieved during this financial year. The company is also in advanced discussions with a number of parties regarding licensing the distribution of its antivirals as sole agents in a number of jurisdictions.

COVIRIX Medical has in the past few months 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.

Go-AI

Since the end of the December 2023 quarter, following months of planning, GGH has incorporated a new subsidiary Go-AI Pty Ltd. Since incorporation, Go-AI has made rapid progress already and has assembled a highly experienced technical advisory board of Artificial Intelligence ("AI") experts, experienced oncologist, and renowned virologist. Go-AI's technical advisory board will continue to expand with additional appointments. The company's first mission is to apply AI to rapidly identify the appropriate drugs to repurpose as immunotherapy drugs to treat cancers. The initial focus will be on prostate cancer and breast cancer. GGH believes that cancer will become the next major pandemic and the single biggest killer disease in 2024.

The next mission of Go-AI is to apply AI to help with improving efficiency and predictability in the logistics industry.

Capital raise for Go-AI is already making good progress with more than half of the first tranche offer of \$500,000 completed from professional and corporate investors. The first tranche offer is planned to close within the next few weeks. In the long term, GGH plans to maintain an 87% equity interest in Go-AI after completion of its capital raise.

Crypto asset in Zucoins improves income and asset value

In recent weeks the crypto market has been trending positively supported by the recent US SEC approval of a number of Spot Bitcoin ETF investment products providing much confidence for this new asset class to investors. These ETF products are being launched by some of the world's largest asset managers including BlackRock, Fidelity, Ark Invest, etc. The Bitcoin price has risen sharply from the March 2023 low of about US\$22,000 to the current market price of over US\$43,000. Projections reported of the Bitcoin price reaching over US\$100,000 during 2024 have also fuelled buying activities.

GGH has significant direct and indirect holdings in Zucoins with a total of 61,700 Zucoins as at 31 December 2023: consisting of 40,000 Zucoins owned directly by GGH, 80,000 Zucoins owned by Covirix Medical, and 10,000 Zucoins owned by Global Diabetes Solutions. Since the end of the December 2023 quarter, following the founding of Go-AI, GGH's portfolio of direct and indirect holding in Zucoins tokens has increased by 50,000. As advised by Zucoins, Zucoins token is to be trading on the "Zutopia" platform, facilitated by Visa Card. Zutopia app development is reaching its final testing phase. Despite much delay, Zutopia is expected to be available for trading Zucoins in late March 2024. Zucoins is targeting in the long term to reach 20% of the Bitcoin market price with many of its features superior to that of Bitcoin. It will be interesting to see if Zucoins can deliver its promised returns upon listing.

The listing and trading 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. 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



Richard Li
Chairman

Quarterly Report

Name of entity

GoConnect Ltd

ABN

14 089 240 353

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A	Year to date (6 months) \$A
1.1 Receipts from customers	102,800	172,800
1.2 Payments for		
(a) staff costs	-34,600	-50,600
(b) advertising and marketing		
(c) research and development		
(d) leased assets		
(e) other working capital	-35,054	-77,371
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		
Net operating cash flows	33,146	44,829

	Current quarter \$A	Year to date (6 months) \$A
1.8 Net operating cash flows (carried forward)	33,146	44,829
Cash flows related to investing activities		
1.9 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	33,146	44,829
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	-23,900	-36,000
1.19 Dividends paid		
1.20 Other (provide details if material)		
Net financing cash flows	-23,900	-36,000
Net increase (decrease) in cash held	9,246	8,829
1.21 Cash at beginning of quarter/year to date	2,784	3,201
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	12,030	12,030

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	17,300
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 31 December 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	267,272
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	12,030	2,784
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	12,030	2,784


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 January 2024

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.