

**GOCONNECT LIMITED**  
**ACN 089 240 353**

AND CONTROLLED ENTITIES

**ANNUAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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# COMPANY PARTICULARS

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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## **Board of Directors**

Mr. Richard Li  
Mr. Philip Chan  
Mr. Kevin Wong

## **Company Secretary**

Mr. Eric Pong

## **Registered Office**

1<sup>st</sup> Floor, 237 East Boundary Road  
Bentleigh East VIC 3165  
Australia  
Telephone: 61-3-8833-7242  
Website: <http://www.goconnect.com.au>  
Email: [info@goconnect.com.au](mailto:info@goconnect.com.au)

## **Auditors**

### **RSM Australia Partners**

Chartered Accountants  
Level 21, 55 Collins St  
Melbourne, Vic 3000  
Telephone: +61 3 9286 1800

## **Share Registry**

### **Boardroom Pty Ltd**

Level 8, 210 George Street  
Sydney NSW 2000  
Telephone: 1300 737 760 (within Australia)  
+61 2 9290 9600 (international)  
Email: [enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au)  
Website: [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

# CORPORATE GOVERNANCE STATEMENT

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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The board of directors are responsible for overseeing the corporate governance of GoConnect Limited (“the Company”) and are responsible for setting its major objectives and ensuring the strategic direction of the Company is in the best interests of all shareholders.

The board is first and foremost accountable to provide value to its shareholders through delivery of timely and balanced disclosures.

The board’s governance document has been made publicly available on the Company’s website. This document details the adopted practices and processes in relation to matters reserved for the board’s consideration and decision-making and specifies the level of authorisation provided to other key management personnel (KMP). The board is ultimately responsible for ensuring its actions are in accordance with key corporate governance principles.

The Company has considered and set up a framework for embracing the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (“Recommendations”). The board has adopted appropriate corporate governance policies and practices. The Company’s main corporate governance policies are summarised below:

## ***The board composition***

The skills, experience and expertise relevant to the position of each director who is in office at the date of the annual report and their term of office are detailed in the directors’ report.

## ***Board charter and composition***

The board’s composition is determined by all directors pursuant to the Company’s constitution on the following principles:

- the board shall not consist of more than eight directors, with a minimum of three;
- the board may appoint directors either to acquire additional expertise or to fill a vacancy. Non-executive directors bring a fresh perspective to the board’s consideration of strategy, risk and performance matters and are best placed to exercise independent judgement and review and constructively challenge the performance of management;
- the Company shall maintain a mix of directors on the board from different backgrounds with complementary skills and experience;
- the Company shall undertake an annual board performance review and consider the appropriate mix of skills required by the board to maximise its effectiveness and its contribution to the Company;
- the board, being mindful of the resources and the small management team currently available and the unique drive and skill currently required and available to execute the business model of the Company, deemed it appropriate that the Chairman should act as Executive Chairman until such time when it deemed it appropriate to appoint a Chief Executive Officer or Managing Director; and
- the board shall comprise a majority of non-executive directors.

## ***Responsibilities***

The responsibilities of the board include:

- providing strategic guidance to the Company including input into and approval of management’s development of corporate strategy and performance objectives;
- overseeing the operation of the Company, including its operations and accountability systems;
- appointment, performance assessment and, if necessary, removal of the Chief Executive Officer (or Managing Director);
- ratifying the appointment and/or removal, and contributing to the performance assessment of senior management, including the Chief Financial Officer and the Company Secretary;

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- reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct, and legal compliance;
- monitoring and approving financial and other compliance reporting, and liaison with the Company's auditors;
- monitoring management's implementation of strategy, and ensuring appropriate resources are available; and
- approving and monitoring the progress of major capital expenditure and other significant corporate projects including any acquisitions and divestments.

The responsibilities delegated to senior executives include:

- development of corporate strategy, business plans and performance objectives;
- execution of the above, including development and implementation of systems, procedures and structures;
- management of operations, projects, staff and other resources; and
- reporting on performance.

All senior executives have formal job descriptions and letters of appointment describing their terms of appointment, duties, rights, responsibilities and entitlements on termination. The Executive Chairman reviews the performance of each senior executive at regular intervals according to relevant appropriate yardsticks.

The Corporate Governance Statement containing information on matters reserved for the board, matters delegated to senior executives, and the board charter is available to the public on the Company's corporate web site.

## ***Structure of the board***

The board has been structured to add value to the Company's circumstances.

## ***Directors' independence***

The board has deemed directors to be independent if they are free from any interest and any business or other relationship that could, or could reasonably be perceived to, materially interfere with their ability to act in the best interest of the Company.

Materiality for these purposes is determined on both quantitative and qualitative bases. An amount of over 5% of annual turnover of the Company or Group is considered quantitatively material for these purposes. A transaction of any amount or a relationship is deemed qualitatively material if knowledge of it may impact the shareholders' understanding of the director's performance. In addition, independent directors should hold less than 10% of the Company shares directly and indirectly.

All directors have undertaken to promptly inform the board of any changes in interests that may affect their independence.

In accordance with the above criteria, Philip Chan is considered non-executive independent director of the board.

Recommendation 2.1 states that the board should establish a nomination committee. Recommendation 2.4 requires a majority of the board to be independent directors. Recommendation 2.5 requires that the chairperson should be an independent director and the roles of chairperson and chief executive officer should not be exercised by the same individual. Recommendations 2.1, 2.4, and 2.5 were not followed by the Company during the reporting period. The board considers specific personal expertise and industry experience to be important attributes of board members and mindful of the resources available to the Company, believes that the composition of the board is appropriate given the size and business development of the Company at the present stage.

## ***Performance assessment***

The board undertakes an annual self-assessment of its collective performance and individual directors' performance.

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## ***Appointment and retirement of directors***

The appointment and retirement of non-executive directors are determined by the board on a case by case basis and in conformity with all legal requirements. The directors may from time to time appoint one of their members to the office of Managing Director for a period not exceeding 5 years, and subject to the terms on any agreement entered into in any particular case, may revoke any such appointment.

The Company's governing constitution requires that all directors apart from the Managing Director are to be re-elected every three years, and at each annual general meeting at least one-third of all non-executive directors shall retire from office. Where eligible, a director may stand for re-election.

## ***Independent professional advice***

Independence is clearly delineated by the separation of executive and non-executive directors. It is the board's policy that all directors in the exercise of their duties and responsibilities have the right to seek independent professional advice at the Company's expense. Prior consent of the Chairman is required, and professional advice obtained is to be made available to the board.

A Corporate Governance Statement containing information on procedures for the appointment and retirement of directors, assessment of their independence and performance, and provision for independent professional advice is available to the public on the Company's corporate web site.

## ***Code of conduct - Ethical standards***

The Company is committed to the highest standard of business and ethical conduct. The board has adopted a Code of Conduct setting out the standards required for executives, management and employees in the exercise and performance of their duties and responsibilities.

The Code of Conduct provides that all employees are to:

- act in the best interest of the Company;
- act with integrity, fairness and honesty;
- comply with the law;
- avoid conflict of interests;
- maintain confidentiality of the Company's business dealings; and
- be accountable for their own actions.

## ***Equity participation***

The Company encourages directors, employees and related parties to own shares in the Company.

## **Diversity Policy**

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The Company is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefiting from all available talent. Accordingly, the Company has established a diversity policy.

This diversity policy outlines requirements for the board to develop measurable objectives for achieving diversity, and annually assess both the objectives and the progress in achieving those objectives. Due to the small number of employee and board, the objectives of the diversity including gender diversity could not be met.

## ***Securities Trading Policy***

The Company's internal control policies require all directors and employees to observe confidentiality of information on negotiations and developments of the Company until announced to the relevant stock exchange. The Company's securities trading policy further provides that directors, employees and related parties should not deal in securities in the Company while in possession of any information which if generally available might have a material effect on the value of such securities. Directors and employees are advised only to deal in the

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Company's shares after a reasonable time gap has elapsed following the issue of an announcement to the relevant stock exchange. These requirements are included in the Employee Handbook given to all new employees.

A Corporate Governance Statement containing information on the Company's code of conduct and policy on trading in the Company's securities for directors, senior executives and other employees, is available to the public on the Company's corporate web site.

## ***Audit Committee***

During the financial year ended 30 June 2023, the Audit Committee was chaired by Richard Li, the executive chairman. Due to the small number of directors available, the requirements of Recommendation 4.1 on the number of members and independence of directors on the Audit Committee could not be met.

The charter/principal functions of the Audit Committee are to:

- establish and monitor the effectiveness of internal control procedures;
- review interim and annual financial statements of the Company;
- appoint, remove and review the scope and performance of external auditors;
- review external audit reports against internal risk management practices;
- ensure compliance in financial matters with all legal and regulatory requirements;
- review and monitor internal procedures for compliance with laws, regulations and industry guidelines affecting the Company's businesses;
- liaise with industry groups of which the Company is a member and developing and recommending policies to the board in connection with the Company's role as an industry advocate; and
- monitor changes to the law and regulation of the media and Internet industries and recommending to the board operational and policy responses to such changes.

## ***External auditors***

The Audit Committee meets with the external auditor twice each year in the course of the preparation of the half-year and full year financial reports to ensure that these have been prepared in accordance with the Corporations Act and relevant stock exchange requirements.

The Audit Committee receive from the external auditor each year a statement confirming that the conduct of the audit meets required auditing standards including those on independence and rotation of external audit engagement partners.

The external auditor is requested to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

## ***Corporate reporting***

The Executive Chairman and Chief Financial Officer are required, in relation to annual and half-yearly financial reports, to make the following certifications to the board:

- that the Company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Company and the consolidated entity and are in accordance with the relevant accounting standards;
- that the above statement (including the Corporations Act S.295A declaration) is founded on a sound system of risk management and internal compliance and control and which implements the policies adopted by the board, and the Company's risk management and internal compliance and control is operating efficiently and effectively in all material respects in relation to financial risk reporting.

## ***Continuous disclosure and shareholder communication***

The Company has established policies and procedures on information disclosure that focus on continuous disclosure of any information concerning the Company and its controlled entities that a reasonable person would expect to have a material effect on the price of the Company's securities. These policies and procedures also

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include the arrangements the Company has in place to promote communications with shareholders and encourage effective participation at general meetings.

The Company Secretary has been nominated as the person responsible for communications with the relevant stock exchange. This role includes responsibility for ensuring compliance with the continuous disclosure requirements in relevant stock exchange listing rules and overseeing and co-ordinating information disclosure to relevant stock exchange, analysts, brokers, shareholders, the media and the public.

All information disclosed to the relevant stock exchange is posted on the Company's web site as soon as it is disclosed to the relevant stock exchange. Procedures are established to ensure any information provided to analysts or media during briefings is also immediately released to relevant stock exchange.

All shareholders receive a full copy of the Company's annual report. Other measures to facilitate communication with shareholders include making all Company announcements, media briefings, press releases, details of general meetings, and the annual report for the last year available on the Company's website.

A copy of the Company's Corporate Governance Statement, including policies on continuous disclosure and shareholder communication are posted on the Company's corporate website.

Shareholders are entitled to vote on significant matters impacting on the business, which include the election and remuneration of directors, changes to the constitution and receipt of annual and interim financial statements. Shareholders are strongly encouraged to attend and participate in the Annual General Meetings of the Company, to lodge questions to be responded by the board, and are able to appoint proxies.

## ***Risk management***

The board is primarily responsible for the identification and monitoring of principal risks faced by the business. The Company is continuously undertaking detailed reviews of potential risks in the ever-changing market. The Company has sound internal management control procedures that require regular reporting of the nature of those risks to the board, and practical measures that mitigate against those risks.

A copy of the Company's Corporate Governance Statement, including policies on risk management and internal controls are posted on the Company's corporate website.

## ***Remuneration Policies and Committee***

The Company's policies on remuneration, including entitlements and restrictions under any equity based remuneration schemes, are detailed in the Remuneration Report of the Annual Report to shareholders.

During the financial year ended 30 June 2023, the Remuneration Committee was chaired by Richard Li, the executive chairman. Due to the small number of directors available, the requirements of Recommendation 8.1 on the number of members and independence of directors on the Remuneration Committee could not be met.

The committee reviews the remuneration arrangements for all directors taking into account the range of skills, experience and expertise of the current members, and the resources available to and required by the Company.

The board sets out below its "if not why not" report in relation to those matters of corporate governance where the Company's practices depart from the Recommendations.

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Corporate Governance Council recommendation		GoConnect Ltd compliance
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
1. 1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Yes
1. 2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	Yes
1. 3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes
1. 4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes
1. 5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them.	Not currently satisfied. Due to the small number of directors on the board, the objectives of the diversity policy including gender diversity could not be met.
1. 6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes
1. 7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>		
2. 1	The board of a listed entity should: (a) have a nomination committee (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	Not currently satisfied. The board considers specific personal expertise and industry experience to be important attributes of board members and, mindful of the resources available to the Company, believes that the composition of the board is appropriate given the size and business development of the Company at the present stage.
2. 2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Yes



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Corporate Governance Council recommendation		GoConnect Ltd compliance
2. 3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	Yes
2. 4	A majority of the board of a listed entity should be independent directors.	Not currently satisfied. The board considers specific personal expertise and industry experience to be important attributes of board members and, mindful of the resources available to the Company, believes that the composition of the board is appropriate given the size and business development of the Company at the present stage.
2. 5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Not currently satisfied. The board considers specific personal expertise and industry experience to be important attributes of board members and, mindful of the resources available to the Company, believes that the composition of the board is appropriate given the size and business development of the Company at the present stage.
2. 6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>		
3. 1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	Yes
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>		
4. 1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	Partially satisfied. Due to the small number of directors available, the requirements of ASX Corporate Governance Council Recommendation 4.1 on the number of members and independence of directors on the Audit Committee could not be met.

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Corporate Governance Council recommendation		GoConnect Ltd compliance
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Yes
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>		
5.1	A listed entity should: <ul style="list-style-type: none"> <li>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</li> <li>(b) disclose that policy or a summary of it.</li> </ul>	Yes
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>		
7.1	The board of a listed entity should: <ul style="list-style-type: none"> <li>(a) have a committee or committees to oversee risk</li> <li>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</li> </ul>	Partially satisfied. Due to the small number of directors available, the requirements of ASX Corporate Governance Council Recommendation 7.1 'have a committee to oversee risk' could not be met.
7.2	The board or a committee of the board should: <ul style="list-style-type: none"> <li>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</li> <li>(b) disclose, in relation to each reporting period, whether such a review has taken place.</li> </ul>	Yes
7.3	A listed entity should disclose: <ul style="list-style-type: none"> <li>(a) if it has an internal audit function, how the function is structured and what role it performs; or</li> <li>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</li> </ul>	Yes
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Yes
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>		

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Corporate Governance Council recommendation		GoConnect Ltd compliance
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>Partially satisfied. Due to the small number of directors available, the requirements of ASX Corporate Governance Council Recommendation 8.1 on the number of members and independence of directors on the Audit Committee could not be met.</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>Yes</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>Yes</p>

# SHAREHOLDER INFORMATION

GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

The directors of GoConnect Limited (“the Parent Entity” or “the Company”) present their report together with the consolidated financial statements of the Company and its controlled entities (together “the Consolidated Entity” or “the Group”) for the year ended 30 June 2023 and the auditors’ report thereon.

## INFORMATION ON DIRECTORS

<b>Richard Li</b>	<ul style="list-style-type: none"><li>• Executive Chairman</li><li>• B. Bus</li></ul>
Experience	<ul style="list-style-type: none"><li>• Board member since 1999. Over 40 years in investment research, equity fund management, investment advisory service, stock broking with major Australian institutions, and management of ASX/NSX listed companies.</li></ul>
Special responsibilities	<ul style="list-style-type: none"><li>• Chairman of Audit Committee</li><li>• Chairman of Remuneration Committee</li></ul>
Directorship of other listed entities – in the past 3 years	<ul style="list-style-type: none"><li>• None</li></ul>
Interest in shares and options	<ul style="list-style-type: none"><li>• 50,000,000 Fully Paid Ordinary shares and 30,000,000 options to acquire ordinary shares held by personal or related entities</li></ul>
<b>Kevin Wong</b>	<ul style="list-style-type: none"><li>• Executive Director</li><li>• MEngSc(EE), MAppSc(IT), BE(EE)</li></ul>
Experience	<ul style="list-style-type: none"><li>• Board member since 2015. Kevin has more than 20 years’ experience in the IT industry. He joined GoConnect in 2000 and was one of the core developers of GoConnect’s patented GoTrek IPTV technology and then head of the Operations department. Prior to GoConnect, he worked for Telstra Research Laboratories and HSBC.</li></ul>
Special responsibilities	<ul style="list-style-type: none"><li>• None</li></ul>
Directorship of other listed entities – in the past 3 years	<ul style="list-style-type: none"><li>• None</li></ul>
Interest in shares and options	<ul style="list-style-type: none"><li>• 18,000,000 options to acquire ordinary shares</li></ul>
<b>Philip Chan</b>	<ul style="list-style-type: none"><li>• Non-executive Independent Director</li></ul>
Experience	<ul style="list-style-type: none"><li>• Board member since 2007. Philip joined the entertainment industry in 1976 and by 1990 was well celebrated for his roles as actor, director and producer of 14 movies. His management skills were proven by successes as General Manager of Capital Artists, responsible for promoting many singing artists to superstardom, and as Managing Director responsible for turning Hong Kong’s newest radio station, Metro Broadcasts, into a profitable operation. He has also been successful in establishing a chain of Planet Hollywood restaurants and in promoting concerts and marketing events in South East Asia. He was the Chief Operating Officer of Emperor Motion Pictures, Life Chairman of the Hong Kong Film Directors’ Guild, and a committee member of the Hong Kong Performing Artists Guild.</li></ul>
Special responsibilities	<ul style="list-style-type: none"><li>• None</li></ul>
Directorship of other listed entities – in the past 3 years	<ul style="list-style-type: none"><li>• None</li></ul>
Interest in shares and options	<ul style="list-style-type: none"><li>• 4,000,000 options to acquire ordinary shares</li></ul>

# DIRECTORS' REPORT

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## INFORMATION ON COMPANY SECRETARY

### Eric Pong

Eric has been involved with accounting, finance and administration of ASX/NSX listed public companies throughout his career. He is also the Group Accountant of GoConnect Ltd and Go Green Holdings Ltd group of businesses.

## PRINCIPAL ACTIVITIES

The principal activities of the Consolidated Entity during the reporting period were:

- Development of the business of Go Green Holdings Ltd (“GGH”) in brand marketing product endorsement representation, Virtual Reality (VR) and Augmented Reality (AR) communication technology development, and the plant based meat marketing, branding and distribution businesses via Natures inspired Food Services Pty Ltd, development of the business of Covirix Medical Pty Ltd (“Covirix Medical”) and Global Diabetes Solutions Pty Ltd (“GDS”) for GGH in partnership with healthcare and pharmaceutical professionals.
- The Company applies its expertise in business development, media communications, marketing, and branding, to found and/or co-found businesses which the Company or GGH will hold either a majority or minority stake as investments. To generate trading revenue, the Company disposes of minor stakes in such investments from time to time to generate revenue for the Company. Revenue generated also helps to finance the Company as well as the operating activities of these investments. As the operating activities of these investments commence generating reasonable revenue in their own right, the Company and GGH will receive dividends from these investments. .

## REVIEW

The consolidated operating revenue of GoConnect Limited group (“the Group” or “the Company” or “GoConnect”) increased by 56.25% to \$250,000 for the financial year compared to \$160,000 in the previous year.

The consolidated operating profit after income tax of the Group was \$199,406 for the financial year compared to \$193,343 loss in the previous year.

## Review of Operations

### Overview

During the financial year ended 30 June 2023, GGH continued to make progress in the development of its business. Having secured representation for a wide portfolio of plant based food products from its Taiwanese producer, GGH's next major task is to ensure that it can distribute these products successfully worldwide, starting with the markets that GGH and its partners already have trusted relationships with. GGH has established Natures Inspired Food Services Pty Ltd (“Natures Inspired”), a B2C business, as an extension of GGH's plant based marketing business, delivering plant based ready-to-serve healthy nutritious meals directly to the consumers. GGH has partnered with Taiwan based Nature's Friend Ltd (“Nature's Friend”), a company founded in 2019, that specializes in plant based food production and provides total solutions from R&D to manufacturing of plant based food. GGH has entered into an exclusive long term product supply agreement with Nature's Friend to support the retail food service business of Natures Inspired.

Natures Inspired will initially be offering ready-to-serve healthy and nutritious plant based meals via its online distribution platform [naturesinspired.com](https://naturesinspired.com) directly to customers. A full menu of ready-to-serve meals were jointly developed with our Taiwanese partner Nature's Friend. The business plan of Natures Inspired will be implemented geographically in the order of Australia, Taiwan, Hong Kong, and Mainland China and will include a franchising strategy for these territories. However, in the past 12 months, major Western economies of the US, EU, UK, and Australia have experienced the steepest rise in interest rates by their central banks in order to combat inflationary pressures, it has become extremely difficult to implement the current business plan of Natures Inspired with many consumers struggling to make ends meet due to the rising cost of living. Accordingly GGH management has

# DIRECTORS' REPORT

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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shelved the business plan until there is more clarity in the economic environment particularly with that of the first test market of Australia.

A representation agreement that was entered into between GGH, Chris Pang, and Zukaz LLP (“Zukaz Representation Agreement”) is expected to deliver substantial value to Chris Pang and GGH in the current financial year ending 30 June 2024 when Zukaz’s associated crypto currency Zucoins will finally be listed and traded on a number of major crypto exchanges. Representation fee for the Zukaz Representation Agreement was paid in Zucoins and will be realisable into cash upon the listing of Zucoins. No revenue from the Zucoins fee has been brought to the account of GGH as yet, and not until realization into cash. GGH’s investee companies Covirix Medical and GDS also have significant holdings of Zucoins of 80,000 and 10,000 respectively which were negotiated by GGH for these companies.

The launch of 5G compatible smartphones in 2021, and expected launch of Smart Glasses in 2024 will bring the day for our final development of GoARChat closer to reality during 2024. Upon the launch of the GoARChat communication application, GGH will deploy its own viral communication platform with the ability to target market and brand products to a worldwide user base. The GoARChat communication platform will be unique to GGH and the much talked about Metaverse. The use of such a viral communication platform will only be made possible due to the experience and new media technology expertise of GGH’s co-founding shareholder GoConnect.

The Company and GGH will continue to seek business and investment opportunities that will help to improve the health of the environment and that of the human race particularly in light of the Covid pandemic. GGH management is of the opinion that the health and pharmaceutical industries are recession proof. Against an environment of slowdown in consumer demand and rapidly rising cost of living, GGH has devoted most of its management resources during the financial year on expanding Covirix Medical and developing the business of GDS.

Covirix Medical is raising US\$10 million in pre-listing capital to finance clinical trials and stock exchange listing expenses. Listing on a major stock exchange is planned for in the current financial year of 2023/2024. GGH holds about 24% of Covirix Medical before the pre-listing capital raise. Covirix Medical is in advanced discussions with a number of offshore investors on the pre-listing capital raise.

On 18 August 2023, Covirix Medical became the first Australian pharmaceutical company to enter into a strategic partnership with the Numolux Group of South Africa, thereby positioning the company uniquely to capture significant business and investment opportunities from the economic renaissance of the African continent, a market of 1.4 billion people. In May 2023, the Numolux Group established the BRICS Health and Pharmaceutical Association of Africa. Leveraging on its strategic business relationship with the Numolux Group of South Africa, Covirix Medical will also benefit from the rapidly expanding BRICS Plus Alliance which is expected to eventually represent 87% of the global population and majority of the global GDP.

The Covirix Medical-Numolux Group partnership will focus on establishing an inhaled antiviral drug development platform by repurposing, starting with South Africa for the African continent, and 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 with oral and intranasal inhalational delivery routes.

The parties will co-operate with each other in the areas of pre-clinical and clinical research, registration, marketing, and distribution of antiviral products in South African and other African markets

In line with the focus on the health and pharmaceutical industries, during the 2022/2023 financial year GGH co-founded GDS to focus on providing diabetes and pre-diabetes management solutions to the silent pandemic of diabetes which affects, on average, 10% of the world’s population with another 1/3 of the population at risk of pre-diabetes. Currently GGH owns 24.5% of GDS.

# DIRECTORS' REPORT

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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GDS believes that a major percentage of the current economic and health burden of disease associated with diabetes, can be alleviated by changing the current mindset, from type 2 diabetes prevention to pre-diabetes prevention. In this regard, on 30 July 2023 GDS made a formal submission to the House of Representative on Health, Aged Care and Sport of the Australian Federal government's inquiry into diabetes. With this belief,, GDS has developed a new, convenient, point of care, evidence-based insulin resistance test (IRT), for prevention of prediabetes. Global provisional patent has also been filed for the IRT.

While total liabilities stood at \$2,121,477 as at 30 June 2023, the Company is continuing to market GGH shares to professional and offshore investors to generate revenue and additional working capital, to reduce liabilities and to finance its expenses. The Company has continued to reduce its Net External Liabilities (defined as liabilities net of liabilities already discharged by agreement and exclude liabilities related to outstanding director fees and associates). Net External Liabilities totalled \$120,502 as at 30 June 2023 which reflects a more realistic financial position of the Company.

It is expected that net cash flows, to be generated from GGH share sale income less the much reduced overheads and liabilities of the Company relative to the past, and further supported by unused credit facility from Sino Investment Services Pty Ltd (“SISL”), will be more than sufficient to support the Company’s cash requirements. the Company’s cash flows can be expected to be further improved by GGH’s distribution of dividends in the coming months.

## **FUTURE DEVELOPMENT, PROSPECTS AND BUSINESS STRATEGIES**

The Company’s primary corporate objective is to establish the company as a strategic investor holding investments in a number of high growth businesses founded and/or co-founded by the Company together with GGH.

Continuing progress is being made of the businesses of GGH. The Company has also derived substantial savings from its reorganization of the past few years. The restructured company is now cost effective, revenue focused, and has been transformed by the substantial asset value and earnings prospects via its holding in GGH.

To improve operating cash flows and maximize shareholder wealth, the Company will focus on the following developments in the next 12 months:

- Developing the AR communication platform of GoARChat in conjunction with GGH;
- Reducing liabilities of the Company so as to be debt free within 12 months;
- Assisting GGH to develop its global plant based business with a focus initially on Australia;
- Further develop the business of GGH, and Covirix Medical to improve the earnings and future dividend flow to the Company.

These developments are expected to deliver positive cash flows and increase enterprise value of the Company.

The outbreak of Covid-19 since 2020 has had a significant impact on world economies and may have an impact on the activities of the Company. However, though the impact on the operations and results of the Company remains uncertain, the Covid-19 pandemic has in fact provided the opportunity for the Group to improve its prospects via the co-founding by GGH of Covirix Medical and GDS.

## **MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR**

Since balance date to the date of this report, the Group has generated revenue from sale of investment of \$90,000.

The Directors are not aware of any other material matters subsequent to the end of the financial year which will impact this report or the operations of the business.

# DIRECTORS' REPORT

GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

## FINANCIAL POSITION

The Consolidated Entity generated an operating profit and but limited operating cash flows during the year ended 30 June 2023. The continuing viability of the Consolidated Entity and its ability to continue as a going concern and meet its debts and commitments as they fall due is dependent on it being successful in continuing to achieve positive cash inflow. The Directors believe that the Consolidated Entity will be successful in the above matters and have prepared the financial report on a going concern basis.

## MEETINGS OF DIRECTORS

The number of meetings of the Company's board of directors and of each board committee held during the year ended 30 June 2023, and the number of meetings attended by each director were:

	Board Meeting		Audit Committee		Remuneration Committee	
	A	B	A	B	A	B
Richard Li	2	2	2	2	2	2
Kevin Wong	2	2	*	*	*	*
Philip Chan	2	2	*	*	*	*

A= Number of meetings attended.

B= Number of meetings held during the time the director held office or was a member of the committee during the year.

\*= Not a member of the relevant committee at the time of the meeting.

## REMUNERATION REPORT

### Directors

The following persons were key management personnel of GoConnect Limited during the financial year:

Richard Li	Chairman – Executive
Kevin Wong	Executive Director
Philip Chan	Non-executive Director

### *Principles used to determine the nature and amount of remuneration*

The principal objectives of the Consolidated Entity's executive reward policies are to ensure reward for performance is competitive and appropriate for the results delivered. The policies seek to align reward with the achievement of strategic targets and the growth of shareholder value. The criteria being used include competitiveness, equitable to shareholders and employees, performance linkage, transparency and capital management. The policies provide for a mix of fixed and variable rewards, blended with long term incentives.

### *Non-executive directors*

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of the directors. Non-executive directors' fees and payments are reviewed annually by the board. Non-executive directors' fees are determined within an aggregate directors' fees pool limit currently at \$250,000, which is periodically recommended for approval by shareholders.

### *Retirement allowances for directors*

The board has not resolved its position on retirement allowances for non-executive directors.



# DIRECTORS' REPORT

GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

## REMUNERATION REPORT (CONT.)

### *Executive pay*

The executive pay and reward framework has three components:

- base pay
- long term incentives through participation in the GoConnect Employee Option Plan, and
- other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration.

### *Base pay*

Structured as a total employment cost package which may be delivered as a mix of cash and prescribed non-financial benefits at the executives' discretion.

There are no guaranteed base pay increases fixed in any senior executives' contracts.

### *Retirement benefits*

Retirement benefits are delivered by contribution to an approved complying superannuation fund nominated by the executives. Other retirement benefits may be provided directly by the Consolidated Entity if approved by shareholders.

### *Service agreements and details of remuneration*

Remuneration and other terms of employment for the executives are formalised in service agreements. These agreements provide for base salaries, bonuses at directors' discretion, superannuation, other benefits, participation in the GoConnect Employees Option Plan, and termination procedures. These agreements can be terminated by the Consolidated Entity on 3 months' notice or payment in lieu of notice or a combination of both. The agreements may be terminated by the executives on the giving of 3 months' notice.

### Employment Details of Members of Key Management Personnel

The following table provides employment details of persons who were, during the financial year, members of KMP of the consolidated group.

Name	Position Held as at 30 June 2022 and any Change during the Year	Contract Details (Duration and Termination)	Proportions of Elements of Remuneration Related to Performance			Proportions of Elements of Remuneration Not Related to Performance		
			Non-Salary Cash-based Incentives	Shares	Options	Fixed Salary/ Fee	Options	Total
			%	%	%	%	%	%
Richard Li	Chairman – Executive	No fixed term. 3 months' notice required to terminate.	-	-	-	100	100	100
Kevin Wong	Executive Director	No fixed term. 3 months' notice required to terminate.	-	-	-	100	100	100
Philip Chan	Non-executive Director	No fixed term. 3 months' notice required to terminate.	-	-	-	100	100	100

# DIRECTORS' REPORT

GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

## REMUNERATION REPORT (CONT.)

Details of the remuneration of each key management personnel, including each director of GoConnect Limited and Group executives of the Consolidated Entity, including their personally-related entities, are set out in the following tables.

2023	Short-term benefits			Post-employment	Long-term benefits	Equity	Total
	Salary, fees and leave	Cash bonus	Non-monetary benefits	Superannuation	LSL	Options*	
Name	\$	\$	\$	\$	\$	\$	\$
Richard Li	27,000	-	-	-	-	-	27,000
Kevin Wong	11,000	-	-	-	-	-	11,000
Philip Chan	30,000	-	-	-	-	-	30,000
Total	68,000	-	-	-	-	-	68,000

2022	Short-term benefits			Post-employment	Long-term benefits	Equity	Total
	Salary, fees and leave	Cash bonus	Non-monetary benefits	Superannuation	LSL	Options*	
Name	\$	\$	\$	\$	\$	\$	\$
Richard Li	29,000	-	-	-	-	-	29,000
Kevin Wong	29,000	-	-	-	-	-	29,000
Philip Chan	30,000	-	-	-	-	-	30,000
Total	88,000	-	-	-	-	-	88,000

### Options granted

Name	Balance 1.7.2022	Granted as compensation	Options exercised	Options lapsed	Other Changes	Balance 30.6.2023	Vested and exercisable 30.6.2023
Richard L	20,000,000	10,000,000	-	-	-	30,000,000	30,000,000
Philip Chan	2,000,000	2,000,000	-	-	-	4,000,000	4,000,000
Kevin Wong	15,000,000	4,000,000	-	(1,000,000)	-	18,000,000	18,000,000
Total	37,000,000	16,000,000	-	(1,000,000)	-	52,000,000	52,000,000

Name	Balance 1.7.2021	Granted as compensation	Options exercised	Options lapsed	Other Changes	Balance 30.6.2022	Vested and exercisable 30.6.2022
Richard L	60,000,000	-	(40,000,000)	-	-	20,000,000	20,000,000
Philip Chan	2,000,000	-	-	-	-	2,000,000	2,000,000
Kevin Wong	15,000,000	-	-	-	-	15,000,000	15,000,000
Total	77,000,000	-	-	-	-	37,000,000	37,000,000

\* On the 6th of January 2022, related party of Richard Li has exercised 40,000,000 issued options at a consideration of \$0.02 per share. The cash consideration receivable of \$800,000 from exercise of the options was set off against the loan payable to this related party.

# DIRECTORS' REPORT

GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

## REMUNERATION REPORT (CONT.)

### *Description of Options issued*

*Details of the options granted to those KMP listed in the previous table are as follows:*

Grant date	Issuer	Entitlement on Exercise	Dates Exercisable	Exercise price \$	Value per option at grant date \$	Amount Paid/ Payable by Recipient \$
20.11.2017	GoConnect Ltd	1:1 Ordinary Shares in GoConnect	From vesting date to 20.11.2022	0.020	0.000	0.00
01.02.2021	GoConnect Ltd	1:1 Ordinary Shares in GoConnect	From vesting date to 01.02.2026	0.020	0.000	0.00
28.11.2022	GoConnect Ltd	1:1 Ordinary Shares in GoConnect	From vesting date to 01.11.2027	0.020	0.000	0.00

Options are granted to the directors and Group executives as part of their remuneration. The options are not issued based on performance criteria for individuals, but are intended to increase goal congruence between executives, directors and shareholders. The terms and conditions of each grant of options affecting remuneration in this or future reporting periods are as follows:

These Options were granted under the GoConnect Employee Option Plan and the GoConnect Non-executive Directors Option Plan.

Options were granted under the Plans for no consideration.

Options granted under the Plans carry no dividend or voting rights.

When exercisable, each option is convertible into one ordinary share.

Options granted and vested but not exercised prior to the termination or retirement of a director from office, will be cancelled automatically.

Value was attributed to this reporting period on the options granted above using a Black–Scholes pricing model which incorporates all market vesting conditions including:

- the life, vesting condition, non-transferability, and exercise price of the options,
- the current price of the underlying shares,
- the expected volatility of the share price,
- the dividends that can be expected from the shares, and
- the risk free interest rate for the life of the options.

No option holder has any right under the options to participate in any other share issue of the Company or of any other entity.

## SHAREHOLDINGS

Number of shares held by Key Management Personnel, including their personal and related entities

Name	Balance 1.7.2022	Received as compensation	Options exercised	Other changes	Balance 30.6.2023
Richard Li	50,000,000	-	-	-	50,000,000
Kevin Wong	-	-	-	-	-
Philip Chan	-	-	-	-	-

\* Sino Investment Services Pty Ltd (“SIS”) exercised 40,000,000 options, Richard is director of SIS.

# DIRECTORS' REPORT

GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

## REMUNERATION REPORT (CONT.)

Name	Balance 1.7.2021	Received as compensation	Options exercised	Other changes	Balance 30.6.2022
Richard Li	10,000,000	-	*40,000,000	-	50,000,000
Kevin Wong	-	-	-	-	-
Philip Chan	-	-	-	-	-

\* Sino Investment Services Pty Ltd ("SIS") exercised 40,000,000 options, Richard is director of SIS.

### *Other transactions with key management personnel and their related parties*

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	2023 \$	2022 \$
(i) The Company has received continuing credit facility from Sino Investment Services Pty Ltd ("SISL"). This amount represents the total balance that has been drawn down under the facility:	303,272	337,148
(ii) The Company paid for secretarial services at below market rates to a related party of Richard Li.	27,000	29,000
(iii) The Company has made payments on behalf of Go Green Holdings Ltd	43,320	33,552

### **THIS CONCLUDES THE REMUNERATION REPORT.**

### **INSURANCE OF OFFICERS**

The Consolidated Entity as at 30 June 2022 does not maintain a directors' and officers' insurance policy for the benefit of the directors and executive officers of the Consolidated Entity. The Board is looking to reinstate the insurance policy in the 2023/24 financial year which will grant indemnity against liabilities permitted to be indemnified by the Consolidated Entity under Section 199B of the Corporations Act 2001.

### **INDEMNITY AND INSURANCE OF AUDITOR**

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

### **DIVIDENDS PAID OR RECOMMENDED**

The Directors do not recommend the declaration of any dividend for the year ended 30 June 2023.

### **ENVIRONMENTAL REGULATION**

The operations of the Consolidated Entity are not subject to any particular and significant environmental regulation.

### **PROCEEDINGS ON BEHALF OF THE COMPANY**

Other than what has been disclosed of business of a material nature in the section under Contingent Assets and Liabilities, and Events occurring after reporting date, no person has applied to the Court for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

# DIRECTORS' REPORT

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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No proceedings have been brought or intervened in on behalf of the Company with leave of the Court.

## **ROUNDING OF AMOUNTS**

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

## **NON-AUDIT SERVICES**

There were no non-audit services provided by the auditors during the financial year.

## **AUDITOR'S INDEPENDENCE DECLARATION**

The auditors' independence declaration for the year ended 30 June 2023 has been received and can be found on page 22.

This report is made in accordance with a resolution of the board of directors of the Company.



**RICHARD LI**  
CHAIRMAN

Dated at Melbourne this 28<sup>th</sup> day of September 2023.

**RSM Australia Partners**

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## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of GoConnect 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:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



**RSM AUSTRALIA PARTNERS**



**R B MIANO**  
Partner

Melbourne, VIC  
28 September 2023

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR YEAR ENDED 30 JUNE 2023

GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

	Notes	Consolidated Group	
		2023 \$	2022 \$
<b>Continuing operations</b>			
Revenue	3	250,000	160,000
Other income	3	216,483	24,875
Virtual Internet Service network operating costs		(3,267)	(3,194)
Employee benefits expense		(125,000)	(146,000)
Depreciation expenses		(19,030)	(19,030)
Other expenses		(16,581)	(15,288)
Share registry and listing expenses		(38,638)	(64,070)
Professional fees		(22,315)	(26,900)
Unrealized foreign currency exchange gain/ (loss)		(42,246)	(103,736)
<b>Profit / (loss) before income tax</b>		<b>199,406</b>	<b>(193,343)</b>
Income tax expense		-	-
<b>Profit / (loss) from continuing operations</b>		<b>199,406</b>	<b>(193,343)</b>
Other comprehensive income		-	-
<b>Total comprehensive income (loss)</b>		<b>199,406</b>	<b>(193,343)</b>
<b>Profit / (loss) attributable to:</b>			
Members of the parent entity		199,406	(193,343)
Non-controlling interest		-	-
		<b>199,406</b>	<b>(193,343)</b>
<b>Total comprehensive profit/ (loss) attributable to:</b>			
Members of the parent entity		199,406	(193,343)
Non-controlling interest		-	-
		<b>199,406</b>	<b>(193,343)</b>
<b>Profit / (loss) per share</b>			
<i>From continuing and discontinued operations:</i>			
Basic profit per share (cents)		0.0188	(0.0186)
Diluted profit per share (cents)		0.0188	(0.0186)
<i>From continuing operations:</i>			
Basic profit per share (cents)		0.0188	(0.0186)
Diluted profit per share (cents)		0.0188	(0.0186)

*The accompanying notes form part of these financial statements.*

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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		Consolidated Group	
	Notes	2023	2022
		\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	3,201	3,356
Trade and other receivables	9	43,320	33,552
<b>Total current assets</b>		<b>46,521</b>	<b>36,908</b>
<b>Non-current assets</b>			
Trade and other receivables	9	5,500	5,500
Right-of-use assets	10	53,919	72,949
Investments	11	-	-
<b>Total non-current assets</b>		<b>59,419</b>	<b>78,449</b>
<b>Total assets</b>		<b>105,940</b>	<b>115,357</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Lease liability	10	19,914	18,118
Trade and other payables	12	1,512,459	1,669,289
<b>Total current liabilities</b>		<b>1,532,373</b>	<b>1,687,407</b>
<b>Non-current liabilities</b>			
Lease liability	10	41,532	61,445
Trade and other payables	12	244,300	244,300
Borrowings	13	303,272	337,148
<b>Total non-current liabilities</b>		<b>589,104</b>	<b>642,893</b>
<b>Total liabilities</b>		<b>2,121,477</b>	<b>2,330,300</b>
<b>Net assets (liabilities)</b>		<b>(2,015,537)</b>	<b>(2,214,943)</b>
<b>EQUITY</b>			
Issued capital	14	46,621,170	46,621,170
Reserves	14	445,035	445,035
Accumulated losses		(49,081,742)	(49,281,148)
<b>Total equity</b>		<b>(2,015,537)</b>	<b>(2,214,943)</b>

*The accompanying notes form part of these financial statements.*



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR YEAR ENDED 30 JUNE 2023

GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

Notes	Consolidated Group					Total
	Share Capital Ordinary	Accumulated Losses	Option Reserve	Asset Revaluation Reserve	Non-controlling interests	
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2021</b>	45,821,170	(49,087,805)	445,035	-	-	(2,821,600)
Loss for the year	-	(193,343)	-	-	-	(193,343)
<b>Other comprehensive income for the year</b>	-	-	-	-	-	-
Total comprehensive income for the year	-	(193,343)	-	-	-	(193,343)
Transfers between reserves	-	-	-	-	-	-
<b>Transactions with owners, recorded directly in equity</b>						
Share issued	800,000	-	-	-	-	800,000
Total transactions with owners	800,000	-	-	-	-	800,000
<b>Balance at 30 June 2022</b>	46,621,170	(49,281,148)	445,035	-	-	(2,214,943)
<b>Balance at 1 July 2022</b>	46,621,170	(49,281,148)	445,035	-	-	(2,214,943)
<b>Profit for the year</b>	-	199,406	-	-	-	199,406
<b>Other comprehensive income for the year</b>	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	199,406	-	-	-	199,406
Transfers between reserves	-	-	-	-	-	-
<b>Transactions with owners, recorded directly in equity</b>						
Share issued	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-
<b>Balance at 30 June 2023</b>	46,621,170	(49,081,742)	445,035	-	-	(2,015,537)

The accompanying notes form part of these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR YEAR ENDED 30 JUNE 2023

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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		<b>Consolidated Group</b>	
	<b>Notes</b>	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Proceeds from sale of equity investments		250,000	160,000
Proceeds from other revenue		-	20,000
Payments to suppliers and employees		(198,161)	(224,968)
<b>Net cash (used in)/ provided by operating activities</b>	<b>15(B)</b>	<b>51,839</b>	<b>(44,968)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issues of shares		-	-
Proceeds/(repayment) from borrowings		(33,876)	(23,500)
Payments for repayment of lease liability		(18,118)	(16,440)
<b>Net cash (used in)/provided by financing activities</b>		<b>(51,994)</b>	<b>(39,940)</b>
Net increase (decrease) in cash held		(155)	(84,908)
Cash at beginning of financial year		3,356	88,264
<b>Cash at end of financial year</b>	<b>15(A)</b>	<b>3,201</b>	<b>3,356</b>

*The accompanying notes form part of these financial statements.*

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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These consolidated financial statements and notes represent those of GoConnect Limited and controlled entities ('Consolidated Group' or 'Group').

The separate financial statements of the parent entity, GoConnect Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### **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.

### **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 note 1(x).

### **(a) 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 2.

### **(b) Principles of Consolidation**

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by GoConnect Limited at the end of the reporting period. A controlled entity is any entity over which GoConnect Limited has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. 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.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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contained in Note 21 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the Equity section of the consolidated Statement of Financial Position and Statement of Comprehensive Income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

### (c) Income tax

The income tax expense (benefit) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

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.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

### Tax Consolidation

GoConnect Limited and its wholly-owned subsidiaries have formed an income tax consolidated entity under tax consolidation legislation. Each entity in the tax consolidated entity recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The Group notified the Australian Tax Office that

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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it had formed an income tax consolidated entity to apply from 1 July 2003. The tax consolidated entity has entered a tax funding arrangement whereby each company in the tax consolidated entity contributes to the income tax payable by the Group in proportion to their contribution to the Group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.

### (d) Financial instruments

#### Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

#### Classification and Subsequent Measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost.

*Amortised cost* is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

*Fair value* is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

*The effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

#### *i. Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

#### *ii. Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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## **Impairment**

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

## **Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

### **(e) Impairment of assets**

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associate or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

### **(f) Investment in associate**

Associate companies are companies in which the Group has significant influence through holding, directly or indirectly, 20% or more of the voting power of the company. Investments in associates are accounted for in the financial statements by applying the equity method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate company. In addition, the Group's share of the profit or loss of the associate company is included in the Group's profit or loss and the share of the movements in equity is recognised in other comprehensive income.

Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the investor's share of the associate's profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the relation to the Group's investment in the associate.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Group will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

Details of the Group's investments in associates are shown at Note 11.

### **(g) Foreign currency transactions and balances**

#### **Transactions and balances**

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

### (h) 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.

### (i) Equity-settled combination

The Group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black–Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

### (j) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

### (k) Revenue recognition

#### *Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

### *Sale of Shares*

Revenue from the disposal of Go Green Holdings' shares are recorded as revenue when the buyer gains control of the shares.

### *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.

### **(l) Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

### **(m) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

### **(n) Trade and other payables**

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

### **(o) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

### **(p) Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**(q) Issued Capital**

Ordinary shares are classified as equity.

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

**(r) Earnings per share**

*Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Pinnacle Listed Comprehensive Limited, 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.

*Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

**(s) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

**(t) Comparative figures**

Where required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When the Group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

**(u) Going concern**

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, at 30 June 2023, the Group had cash balances of \$3,201 (2022: \$3,356), net current liabilities of \$1,485,852 (2022: 1,650,499) and net liabilities of \$2,015,537 (2022: \$2,214,943).

These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the annual report.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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Despite these factors, the directors believe the Group will be able to pay its debts as and when they fall due and that it is appropriate to prepare the financial report on a going concern basis after considering the following factors:

- As at 30 June 2023, the Group has a loan of \$303,273 owing to a related party. The Group has received confirmation from the related party that the amount outstanding at 30 June 2023 will not be called upon in the 12 months from date of signing this annual report.
- The Group has prepared budgets and cash flow forecasts for the next 12 months from the date of this report which indicate the Group will have a positive cash balance during this period. The Group has in total 95,883,548 shares in Go Green Holdings (“GGH”), representing 43.6 per cent of GGH as at the date of this report.
- The Directors have provided continuous support to the Group by not requesting the repayment of outstanding Director fees for a period of at least 12 months from the date of signing this annual report.
- The Directors believe they will achieve a satisfactory resolution of long outstanding payables of \$1,512,459, as disclosed in the Consolidated Statement of Financial Position, that will not require settlement within 12 months from the date of signing this annual report.

The annual report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

### (v) **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 consolidated entity'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 consolidated entity'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.

### (w) **Critical Accounting Estimates and Judgments**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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### 2. PARENT INFORMATION

	2023	2022
	\$	\$
The following information has been extracted from the books and records of the parent and has been prepared in accordance with Accounting Standards.		

#### STATEMENT OF FINANCIAL POSITION

##### ASSETS

<b>Current assets</b>	46,521	36,908
<b>Non-Current assets</b>	59,419	78,449
<b>Total assets</b>	105,940	115,357

##### LIABILITIES

<b>Current liabilities</b>	1,532,373	1,687,407
<b>Non-Current liabilities</b>	589,104	642,893
<b>Total liabilities</b>	2,121,477	2,330,300

##### EQUITY

Issued capital	46,621,170	46,621,170
Reserves	445,035	445,035
Accumulated loss	(49,081,742)	(49,281,148)
<b>Total equity</b>	(2,015,537)	(2,214,943)

#### STATEMENT OF COMPREHENSIVE INCOME

Total profit/ (loss)	199,406	(193,343)
Total comprehensive profit/(loss)	199,406	(193,343)

### 3. REVENUE

	<b>Consolidated Group</b>	
Note	2023	2022
	\$	\$
Operating revenue	250,000	160,000
Government grants	-	24,875
Reversal of over provision of other payables	216,483	-
	<b>466,483</b>	<b>184,875</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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### 4. PROFIT FOR THE YEAR

	Note	Consolidated Group	
		2023	2022
		\$	\$
Profit (Loss) before income tax from continuing operations			
includes the following specific expenses:			
<b>Expenses</b>			
Depreciation expenses		19,030	19,030
Share registry and listing expenses		38,638	64,070

### 5. AUDITOR'S REMUNERATION

Remuneration for audit or review of the financial reports of the Parent Entity or any entity in the Consolidated Entity:		26,900	26,900
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### 6. INCOME TAX EXPENSE

(A) The prima facie tax (credit) on profit (loss) before income

Prima facie tax payable (credit provided) on profit (loss) from continuing operations before income tax at 25% (2022: 25%)

- Consolidated Entity		49,852	(48,336)
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Tax effect of

- deferred tax assets not previously brought to account		(49,852)	48,336
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Income tax attributable to the entity

The applicable weighted average effective tax rates are as follows:

-	-
0%	0%

(B) The directors estimate that the potential deferred tax asset at balance date in respect of tax losses not brought to account is:

21,974,293	22,024,145
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### 7. EARNINGS PER SHARE

	Note	Consolidated Group	
		2023	2022
		Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share		1,058,014,133	1,037,301,804

### 8. CASH AND CASH EQUIVALENTS

	Note	Consolidated Group	
		2023	2022
		\$	\$
Cash at bank and in hand		3,201	3,356
The weighted effective rate on cash at bank		0%	0%

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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## 9. TRADE AND OTHER RECEIVABLES

	Note	Consolidated Group	
		2023	2022
		\$	\$
<b>CURRENT</b>			
Trade receivables		-	-
Provision for impairment		-	-
		<hr/>	<hr/>
		-	-
<b>Other receivables</b>			
Amounts receivable from associated companies		43,320	89,762
Provision for impairment from associated companies	9a(i)	-	(56,210)
Total current trade and other receivables	22	<hr/>	<hr/>
		43,320	33,552
<b>NON-CURRENT</b>			
<b>Other receivables</b>			
Rental Bond		5,500	5,500
Total non-current trade and other receivables		<hr/>	<hr/>
		5,500	5,500

### Provision For Impairment of Receivables

Current trade and term receivables are non-interest bearing loans and generally on 30 day terms. Non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. These amounts have been included in the other expenses item.

Movement in the provision for impairment of receivables is as follows:

	Note	Consolidated Group	
		2023	2022
		\$	\$
<b>a(i) Provision for amounts receivable from associated companies</b>			
Opening balance at beginning of year		56,210	56,210
Amounts written off		(56,210)	-
Charge for the year		-	-
Closing balance at end of year		<hr/>	<hr/>
		-	56,210

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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### 9. TRADE AND OTHER RECEIVABLES (CONTINUED)

The Group has no significant concentration of credit risk with respect to any single counter party or group of counter parties other than those receivables specifically provided for and mentioned within Note 9. The class of assets described as Trade and other receivables is considered to be the main source of credit risk related to the Group.

On a geographical basis, the Group has significant credit risk exposures in Australia only.

The following table details the Group's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, with the terms and conditions agreed between the Group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

Consolidated	Gross amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			<30	31-60	61-90	>90	
<b>2023</b>	\$	\$	\$	\$	\$	\$	\$
Other receivables	5,500	-	-	-	-	-	5,500
Amounts receivable from associated companies	43,320	-	-	-	-	-	43,320
<b>Total</b>	<b>48,820</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48,820</b>
<b>2022</b>							
Other receivables	5,500	-	-	-	-	-	5,500
Amounts receivable from associated companies	89,762	56,210	-	-	-	-	33,552
<b>Total</b>	<b>95,262</b>	<b>56,210</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,052</b>

Neither the group nor parent entity holds any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

	Note	Consolidated Group	
		2023	2022
		\$	\$
<b>b. Financial assets classified as loans and receivables</b>			
Trade and other receivables	18	-	-

#### c. Collateral held as security

No Collateral has been received for amounts owing to the Group and Parent Entity.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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## 9. TRADE AND OTHER RECEIVABLES (CONTINUED)

### d. Collateral pledged

No charge over trade receivables has been provided for during the year.

## 10. RIGHT-OF-USE ASSETS / LEASE LIABILITY

	Note	Consolidated Group	
		2023	2022
		\$	\$
Land and buildings - right of use		111,009	111,009
Less: accumulated depreciation		(57,090)	(38,060)
		<u>53,919</u>	<u>72,949</u>

The lease liability payable amount on Land and buildings - right of use are

Current	19,914	18,118
Non-current	41,532	61,445
	<u>61,446</u>	<u>79,563</u>
Interest paid on lease liability	3,204	4,430

## 11. INVESTMENTS

	Note	Consolidated Group	
		2023	2022
		\$	\$
Investment in an associate	11a	-	-

### a. Investments in associates

Investment in an associate is accounted for in the consolidated financial statements using the equity method of accounting and is carried at cost by the holding entity. Information relating to the associate is set out below.

Name of company	Principal activity	Ownership interest		Consolidated carrying amount		Holding entity carrying amount	
		2023	2022	2023	2022	2023	2022
				\$	\$	\$	\$
<b>Unlisted</b>							
Go Green Holdings Limited	Investment company	43.60 %	43.96 %	-	-	-	-
		Fully paid ordinary shares	Fully paid ordinary shares				

The company holds an investment in Go Green Holdings Ltd of 95,928,548 shares, representing 43.60% of the issued capital as at 30 June 2023. Under AASB 128, a company that holds 20% or more of an investment is deemed to have significant influence and as such is accounted for using the equity method. Investments in associates are carried in the statement of financial position at cost plus changes in the company's share of net assets of the associate. The company's share of losses exceeds its interest in Go Green Holdings and thus the investment is held at \$0.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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### 11. INVESTMENTS (CONTINUED)

Whilst the company's investment in Go Green Holdings Ltd is disclosed at a nil balance, the Directors note that the most recent sale of Go Green Holdings shares received by the company was for \$160,000 for the financial year ended 30 June 2023.

#### *SUMMARISED FINANCIAL INFORMATION OF ASSOCIATE – GO GREEN HOLDINGS LTD*

	Note	<i>as at 30 June 2023</i>	<i>as at 30 June 2022</i>
		<i>A\$</i>	<i>A\$</i>
<b><i>Summarised statement of financial position</i></b>			
Current assets		39	37
Non-current assets		6,858	6,591
Total assets		<u>6,897</u>	<u>6,628</u>
Current liabilities		704,711	415,086
Total liabilities		<u>704,711</u>	<u>415,086</u>
Net (liabilities)/assets		(697,814)	(408,458)

#### ***Summarised statement of profit or loss and other comprehensive income***

Revenue	-	-
Expenses	(272,790)	(8,329)
Loss before income tax	(272,790)	(8,329)
Other comprehensive income	-	-
Total comprehensive loss	(272,790)	(8,329)
	<i>as at 30 June 2023</i>	<i>as at 30 June 2022</i>
	<i>A\$</i>	<i>A\$</i>

#### ***Reconciliation of the Group's carrying amount***

Opening carrying amount	-	-
Comprehensive loss for the period#	-	-
Closing carrying amount	-	-



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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#Under AASB 128, The company's share of losses exceeds its opening carrying interest amount interest in Go Green Holdings, thus share of losses is not included in the reconciliation.

### 12. TRADE AND OTHER PAYABLES

	Note	Consolidated Group	
		2023	2022
		\$	\$
CURRENT			
<i>Unsecured liabilities</i>			
Other payables & accrued expenses		1,512,459	1,669,289
NON-CURRENT			
<i>Unsecured liabilities</i>			
Other payables & accrued expenses		244,300	244,300
		1,756,759	1,913,589
<b>Financial liabilities at amortised cost classified as trade and other payables</b>			
Trade and other payables		1,756,759	1,913,589
Financial liabilities as trade and other payables	18	1,756,759	1,913,589

### 13. BORROWINGS

	Note	Consolidated Group	
		2023	2022
		\$	\$
<i>Unsecured liabilities</i>			
Interest bearing loan from:			
NON-CURRENT			
- Related entities		303,272	337,148
Total Borrowings	22	303,272	337,148

### 14. ISSUED CAPITAL AND RESERVES

	Consolidated Group	
	2023	2022
	\$	\$
<b>Issued and paid up capital</b>		
1,058,014,133 (2022: 1,058,014,133) ordinary shares fully paid	46,621,170	46,621,170

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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### 14. ISSUED CAPITAL AND RESERVES (CONTINUED)

(A) Ordinary Shares	No.	No.
At the beginning of the reporting period:	1,058,014,133	1,018,014,133
Option exercised on 6/01/2022 @ \$0.02 each		40,000,000
At the end of the reporting period	1,058,014,133	1,058,014,133

The Company has issued capital amounting to 1,058,014,133 ordinary shares.

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At the shareholders' meeting each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

### (B) OPTION RESERVES

	Note	Consolidated Group	
		2023	2022
		\$	\$
Option reserves at the beginning of the year		445,035	445,035
Option reserves at the end of the year		445,035	445,035

#### Option Reserve

The option reserve records items recognised as expenses on valuation of employee share options.

### Capital Management

Management controls the capital of the Consolidated Entity in order to ensure that the group can fund its operations and continue as a going concern.

The Consolidated Entity's debt and capital include ordinary share capital and long term loan from the related parties, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the group's capital by assessing the group's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

These include the management of debt levels, plan to generate surpluses from operations, plan to realise the value of investments in associated entities and the issue of new shares.

There have been no changes in the strategy adopted by management to control the capital of the Consolidated Entity since the prior year.

Considering the equity position of the Consolidated Entity as at 30 June 2023 and 30 June 2022, gearing ratios have not been calculated.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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### 15. CASH FLOWS INFORMATION

#### (A) RECONCILIATION OF CASH

For the purpose of the statements of cash flows, cash includes cash on hand and on call deposits with banks or financial institutions, net of bank overdrafts. Cash at the end of the reporting period is shown in the statement of financial position as:

	Note	Consolidated Group	
		2023	2022
		\$	\$
Cash at bank and on hand		3,201	3,356

#### (B) RECONCILIATION OF CASH FLOWS FROM OPERATIONS WITH OPERATING LOSS AFTER INCOME TAX

	Note	Consolidated Group	
		2023	2022
		\$	\$
Operating profit /(loss) after income tax		199,406	(193,343)
Cash flows excluded from profit attributable to operating activities			
- Settlement of debt with disposal of equity investments		-	-
<i>Non-cash flows in operating loss</i>			
Shares of net loss of an associate and joint venture using the equity method		-	-
Depreciation expenses		19,030	19,030
Unrealised exchange (gain)/ loss		42,246	103,736
<i>Changes in assets and liabilities, net of the effects of purchase and disposal of controlled entities</i>			
(Increase) / decrease in operating receivables		(9,768)	(8,284)
Increase / (decrease) in operating payables		(199,075)	33,893
<i>Net cash (used in)/ provided by operating activities</i>		51,839	(44,968)

#### (C) LOAN FACILITIES

Loan facilities	2,000,000	2,000,000
Amount utilised	(303,272)	(337,148)
Amount un-utilised	1,696,728	1,662,852

The Company has received continuing loan facility with a limit of \$2,000,000 (2022: \$2,000,000) from Sino Investment Services Pty Ltd. It matures on 31 December 2024 with no interest cost.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

## 16. KEY MANAGEMENT PERSONNEL COMPENSATION

### (A) NAMES AND POSITIONS HELD OF CONSOLIDATED AND PARENT ENTITY KEY MANAGEMENT PERSONNEL IN OFFICE AT ANY TIME DURING THE FINANCIAL YEAR

Key management personnel	Position
Richard Li	Chairman - Executive
Philip Chan	Director – Non-executive
Kevin Wong	Director – Executive

Refer to the Remuneration Report section of the Directors Report for the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2022.

The totals of remuneration paid to key management personnel of the Company and the Group during the year are as follows:

	2023	2022
	\$	\$
Short-term employee benefits	68,000	88,000
Post-employment benefits	-	-
Other long-term benefits	-	-
Share-based payments - options	-	-
	68,000	88,000

### (B) OPTIONS AND RIGHTS HOLDINGS

Number of options held by Key Management Personnel

Name	Balance 1.7.2022	Granted as compensation	Options exercised	Options lapsed	Other Changes	Balance 30.6.2023	Vested and exercisable 30.6.2023
Richard L	20,000,000	10,000,000	-	-	-	30,000,000	30,000,000
Philip Chan	2,000,000	2,000,000	-	-	-	4,000,000	4,000,000
Kevin Wong	15,000,000	4,000,000	-	(1,000,000)	-	18,000,000	18,000,000
Total	37,000,000	16,000,000	-	(1,000,000)	-	52,000,000	52,000,000

Name	Balance 1.7.2021	Granted as compensation	Options exercised	Options lapsed	Other Changes	Balance 30.6.2022	Vested and exercisable 30.6.2022
Richard Li	60,000,000	-	(40,000,000)	-	-	20,000,000	20,000,000
Philip Chan	2,000,000	-	-	-	-	2,000,000	2,000,000
Kevin Wong	15,000,000	-	-	-	-	15,000,000	15,000,000
Total	77,000,000	-	(40,000,000)	-	-	37,000,000	37,000,000

\* On the 6th of January 2022, related party of Richard Li exercised 40,000,000 issued options at a consideration of \$0.02 per share. The cash consideration receivable of \$800,000 from exercise of the options was set off against the loan repayable to this related party.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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### 17. SHARE-BASED PAYMENTS

The following share-based payment arrangements existed at 30 June 2023:

On 28 November 2022, 20,000,000 options were granted to GoConnect directors and senior management, to take up ordinary shares at an exercise price of \$0.02 each. The options vested on 28 November 2022 and can be exercised on or before 27 November 2027. The options hold no voting or dividend rights.

On 1 February 2021, 70,000,000 options previously approved by shareholders were formally granted by the board to GoConnect directors and senior management, to take up ordinary shares at an exercise price of \$0.02 each. The options vested on 1 February 2021 and can be exercised on or before 1 February 2026. The options hold no voting or dividend rights.

On 20 November 2017, 22,000,000 options were granted to GoConnect directors and senior management, to take up ordinary shares at an exercise price of \$0.02 each. The options vested on 20 November 2017 and can be exercised on or before 20 November 2022. The options hold no voting or dividend rights.

All options granted are for ordinary shares in GoConnect Limited, which confer a right of one ordinary share for every option held. Options granted to directors and vested but not exercised will be automatically cancelled upon the resignation or retirement of the directors.

A summary of the movements of all listed company options issued is as follows:

	2023		2022	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
Outstanding at the beginning of the year	52,000,000	0.020	92,000,000	0.020
Granted	20,000,000	0.020	-	-
Forfeited	-	-	-	-
Exercised	-	-	(40,000,000)	0.020
Expired	(2,000,000)	0.020	-	-
Outstanding at year-end	70,000,000	0.020	52,000,000	0.020
Exercisable at year-end	70,000,000	0.020	52,000,000	0.020

The options outstanding at 30 June 2022 had a weighted average exercise price of \$0.020 and a weighted average remaining contractual life of 3.47 years. Exercise price for all options outstanding at 30 June 2022 is \$0.020.

Options granted as share-based payments are as follow:

Grant date	Vesting date	Number	Exercise price	Life of the option
28 November 2022	28 November 2022	20,000,000	\$0.020	5 years
1 February 2021	1 February 2021	70,000,000	\$0.020	5 years
20 November 2017	20 November 2017	22,000,000	\$0.020	5 years

Included under employee benefits expense in the statement of comprehensive income is \$nil (2022: \$nil) which relates to equity-settled share-based payment transactions.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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## 18. FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable loans to and from related parties.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated Group	
		2023	2022
		\$	\$
<b>Financial Assets</b>			
Cash and cash equivalents	8	3,201	3,356
Loans and receivables	9	43,320	33,552
		<u>46,521</u>	<u>36,908</u>
<b>Financial Liabilities</b>			
Lease liability	10	61,446	79,696
Trade and other payables	12	1,756,759	1,913,590
Borrowings	13	303,272	337,148
		<u>2,121,477</u>	<u>2,330,434</u>

All financial instruments carried by the Group are subsequently at amortized costs.

### Financial Risk Management Policies

The main purpose of non-derivative financial instruments is to raise finance for operations.

Derivatives are not used by the Group. The Group does not speculate in the trading of derivative instruments.

Senior management meets with members of the Board of Directors regularly to evaluate treasury management strategies and financial risks in the context of recent economic conditions and forecasts.

The Consolidated Entity manages exposure to fluctuations in foreign currencies by minimizing transactions, assets and liabilities in foreign currencies.

The Consolidated Entity manages liquidity risk by monitoring forecast cash flows and ensuring that it has access to adequate new capital and borrowing facilities when required.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognized 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 Consolidated Entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Consolidated Entity.

### Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

#### a. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows. The Group is also exposed to earnings volatility on floating rate instruments.

Interest rate risk of the Group is not a significant risk and interest rate swaps are not used.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

## 18. FINANCIAL RISK MANAGEMENT (CONTINUED)

The net effective variable interest rate borrowings (i.e. unhedged debt) exposes the Group to interest rate risk which will impact future cash flows and interest charges and is indicated by the following floating interest rate financial liabilities:

	Note	Consolidated Group	
		2023	2022
		\$	\$
<b>Floating rate instruments</b>			
Borrowings	13	303,272	337,148

### b. Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities
- monitoring undrawn credit facilities
- obtaining funding from a variety of sources
- managing credit risk related to financial assets
- investing only in surplus cash with major financial institutions
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets

The Group's policy is to ensure no more than 10% of borrowings should mature in any 12-month period.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

### Financial liability and financial asset maturity analysis

Consolidated Entity	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial liabilities due for payment</b>								
Lease liability	19,914	18,118	41,532	61,578	-	-	61,446	79,696
Trade and other payables	1,512,459	1,669,290	-	-	-	-	1,512,459	1,913,590
Amount payable to related parties	-	-	547,572	581,448	-	-	547,572	337,148
Total expected outflows	1,532,373	1,687,408	589,104	643,026	-	-	2,121,477	2,330,434
<b>Financial assets – cash flows realisable</b>								
Cash and cash equivalents	3,201	3,356	-	-	-	-	3,201	3,356
Trade and other receivables	43,320	33,552	-	-	-	-	43,320	33,552
Total anticipated inflows	46,521	36,908	-	-	-	-	46,521	36,908
Net outflow on financial instruments	-1,485,852	-1,650,500	-589,104	-643,026	-	-	-2,074,956	-2,293,526

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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## 18. FINANCIAL RISK MANAGEMENT (CONTINUED)

### c. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties to contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counter parties), ensuring to the extent possible, that customers and counter parties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Credit terms are generally 7 to 30 days from the invoice date.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating. Where the Group is unable to ascertain a satisfactory credit risk profile in relation to a customer or counter party, payment is required prior to delivery of goods and/or services.

#### *Credit Risk Exposures*

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Group has no significant concentration of credit risk with any single counter party or group of counter parties.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 9.

Credit risk related to balances with banks and other financial institutions is managed by senior management in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counter parties with a Standard & Poor's rating of at least AA.

The following table provides information regarding credit risk relating to cash and money market securities based on Standard & Poor's counter party credit ratings.

	Note	Consolidated Group	
		2023	2022
		\$	\$
<b>Cash and cash equivalents</b>			
- AA Rated		3,201	3,356

#### **Fair Values**

##### Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

## 18. FINANCIAL RISK MANAGEMENT (CONTINUED)

Consolidated Entity	Footnote	2023		2022	
		Net Carrying Value	Fair Value	Net Carrying Value	Fair Value
		\$	\$	\$	\$
<b>Financial assets</b>					
Cash and cash equivalents	(i)	3,201	3,201	3,356	3,356
Trade and other receivables	(i)	43,320	43,320	33,552	33,552
Total financial assets		46,521	46,521	36,908	36,908
<b>Financial liabilities</b>					
Lease liability	(i)	61,446	61,446	79,696	79,696
Trade and other payables	(i)	1,756,759	1,756,759	1,913,590	1,913,590
Borrowings	(ii)	303,272	303,272	337,148	337,148
Total financial liabilities		2,121,477	2,121,477	2,330,434	2,330,434

The fair values disclosed in the above table have been determined based on the following methodologies:

Cash and cash equivalents, trade and other receivables, royalty advances and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for relating to annual leave which is not considered a financial instrument.

Fair values are determined using a discounted cash flow model incorporating current commercial borrowing rates. The fair values of fixed rate bank debt will differ to the carrying values.

### Financial Instruments Measured at Fair Value through Profit or Loss

The Group does not have any financial instruments measured at fair value through profit or loss.

### Sensitivity Analysis

The following table illustrates sensitivities to the Group's exposure to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Note	Consolidated Group Profit	Consolidated Group Equity
		\$	\$
<b>Year Ended 30 June 2023</b>			
+/- 2% in interest rates		-/+6,065	-/+6,743
<b>Year Ended 30 June 2022</b>			
+/- 2% in interest rates		-/+6,065	-/+6,743

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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### 19. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets.

### 20. OPERATING SEGMENTS

The Group's operating business activities were focused on strategic investment in businesses founded and cofounded by the Company and GGH. All assets held by the Group during the reporting period were located within Australia. Revenue attributable to external customers was within Australia.

### 21. CONTROLLED ENTITIES

#### a. Controlled Entities Consolidated

Name of the above controlled entities	Class of shares	Country of incorporation	% owned 2023	% owned 2022
Uctv.fm	ordinary	Australia	100	100

### 22. OTHER RELATED PARTY DISCLOSURES

#### (A) The Group's main related parties are as follows:

##### (i) Key management personnel:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, are considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 16.

#### (B) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	Note	Consolidated Group	
		2023	2022
		\$	\$
(i) The Company has received continuing credit facility from Sino Investment Services Pty Ltd. This amount represents the total balance that has been drawn down under the facility:	13	(303,272)	(337,148)
(ii) The Company paid for secretarial services at below market rates to a related party of Richard Li.		(27,000)	(29,000)
(iii) The Company has made payments on behalf of Go Green Holdings Ltd	9	43,320	33,552

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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## 23. RESERVES

### a. Option Reserve

The option reserve records items recognised as expenses on valuation of employee share options.

### b. Asset Revaluation Reserve

The asset revaluation reserve records revaluation of financial assets.

## 24. EVENTS OCCURRING AFTER REPORTING DATE

Since balance date to the date of this report, the Group has generated revenue from sale of investment of \$90,000.

The Directors are not aware of any other material matters subsequent to the end of the financial year which will impact this report or the operations of the business.

## 25. COMPANY DETAILS

The registered office and the principal place of business of the Company is

1<sup>st</sup> Floor, 237 East Boundary Road,  
Bentleigh East, VIC 3165  
Australia

# DIRECTORS' DECLARATION

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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The directors declare that:

1. the financial statements and disclosures that are detailed within the Remuneration Report in the Directors' Report and notes set out on pages 27 to 51, are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
  - (b) give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the company and consolidated group;
2. The directors' have declared that:
  - (a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
  - (b) the financial statements and notes for the financial year comply with the Accounting Standards and the International Financial Reporting Standards (IFRS); and
  - (c) the financial statements and notes for the financial year give a true and fair view.
3. In the directors' opinion:
  - (a) the financial statements and notes are in accordance with the Corporations Act 2001;
  - (b) the remuneration disclosures on pages 16-20 in the remuneration report in the directors' report comply with Australian Accounting Standard AASB 124 Related Party Disclosures; and
  - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors of the Company.



**RICHARD LI**  
CHAIRMAN

Dated at Melbourne this 28<sup>th</sup> day of September 2023.

**RSM Australia Partners**

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## INDEPENDENT AUDITOR'S REPORT To the Members of GoConnect Limited

### Opinion

We have audited the financial report of GoConnect Limited ("the Company") and its subsidiaries ("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:

- (i) 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
- (ii) 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* (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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Without modifying our opinion, we draw attention to Note 1(u) in the financial report, which indicates that the Group had cash balances of \$3,201 (2022: \$3,356), net current liabilities of \$1,485,852 (2022: 1,650,499) and net liabilities of \$2,015,537 (2022: \$2,214,943). As stated in Note 1(u), these events or conditions, along with other matters as set forth in Note 1(u), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

**Key Audit Matters**

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

**Other Information**

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 the 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 the 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf). This description forms part of our auditor's report.

**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 GoConnect 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.



**RSM AUSTRALIA PARTNERS**



**R B MIANO**

Partner

Melbourne, VIC

28 September 2023

# SHAREHOLDER INFORMATION

GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

The shareholder information set out below was applicable as at 27 September 2023.

## A. DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of equity security holders by size of holding:

	Class of equity security	
	Ordinary shares	Options
	Shares	Options
1 – 1,000	46	-
1,001 – 5,000	29	-
5,001 – 10,000	196	-
10,001 – 100,000	462	-
100,001 and over	520	-
	<b>1,253</b>	<b>4</b>

## B. EQUITY SECURITY HOLDERS

### Twenty largest shareholders.

The names of the twenty largest shareholders are listed below:

Holder Name	Number Held	Percentage of Issued Shares
SSI NOMINEES PTY LTD	178,234,763	16.85%
LEET INVESTMENTS PTY LTD	70,111,367	6.63%
MR KEITH KNOWLES	54,892,718	5.19%
BNP PARIBAS NOMS PTY LTD <DRP>	43,681,567	4.13%
LEET INVESTMENTS PTY LIMITED <SUPERANNUATION FUND A/C>	42,700,000	4.04%
SSI NOMINEES PTY LTD	33,148,000	3.13%
GENERAL & PRIVATE FUNDS MANAGEMENT PTY LTD	26,750,000	2.53%
B & M LAWS SUPER FUND PTY LTD <B & M LAWS SUPER FUND A/C>	23,000,000	2.17%
MR HO TONG KHOO	21,500,000	2.03%
ALCARDO INVESTMENTS LIMITED <STYLED 102501 A/C>	14,025,000	1.33%
B N W REAL ESTATE GROUP PTY LTD	14,000,000	1.32%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	13,230,034	1.25%
MR ANTONIO MINUZZO	12,390,523	1.17%
MR NIKOLAI SHIROBOKOV & MRS SVETLANA SHIROBOKOV	11,500,000	1.09%
SYRAX INVESTMENTS PTY LTD	11,500,000	1.09%
RONAY INVESTMENTS PTY LTD	11,442,909	1.08%
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	10,361,846	0.98%
BOURSE SECURITIES PTY LTD	9,960,000	0.94%
LIM & TAN SECURITIES PTE LTD <LIM & TAN CLIENT A/C>	8,999,500	0.85%
LWP TECHNOLOGIES LTD <INVESTMENT PORTFOLIO A/C>	8,500,000	0.80%
<b>Total</b>	<b>619,928,227</b>	<b>58.59%</b>
<b>Total issued capital</b>	<b>1,058,014,133</b>	<b>100.00%</b>



# SHAREHOLDER INFORMATION (CONTINUED)

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GOCONNECT LIMITED ACN 089 240 353 AND CONTROLLED ENTITIES

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## Substantial holders

Substantial holders in the Company are set out below:

Holder Name	Number Held	Percentage of Issued Shares
SSI NOMINEES PTY LTD	178,234,763	16.85%
LEET INVESTMENTS PTY LTD	70,111,367	6.63%

## Other unquoted equity securities

	Number on issue	Number of holders
Options issued	70,000,000	4

## C. VOTING RIGHTS

The voting rights attaching to each class of equity securities are set out below:

- (a) Ordinary shares  
On a show of hands every member present at the meeting or by proxy shall have one vote and upon a poll each share shall have one vote.
- (b) Options  
No voting rights.

## E. ON-MARKET BUY BACK

There is no current on-market buy-back.