



# Annual Report

30 June 2024

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**Haodex Ltd**

ACN 623 392 325

**Financial Statements**

For the Year Ended 30 June 2024

# Haodex Ltd

ACN 623 392 325

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## Corporate Information

### DIRECTORS

Frank Huang  
Anne Huang  
Michael Pixley

### COUNTRY OF INCORPORATION

Australia

### AUDITORS

Connect National Audit Pty Ltd  
Level 11, 333 Collins Street  
Melbourne VIC 3000

### COMPANY SECRETARY

Miranda Yuan

### SHARE REGISTRY

Automic Group  
Level 5, 126 Phillip Street,  
Sydney NSW 2000  
Phone: +61 2 8072 1400

### STOCK EXCHANGE LISTING

National Security Exchange Ltd  
NSX code: HAO

### REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE

Suite 3/ 4 Edwards St,  
Summer Hill 2130

### INTERNET ADDRESS

[www.haodexinvestments.com](http://www.haodexinvestments.com)

### AUSTRALIAN BUSINESS NUMBER

ABN 80 623 392 325

## Haodex Ltd

ACN 623 392 325

# Review of Operations

30 June 2024

### Highlights

- **Mecclle gained significant traction across major social media platforms following its August 2023 launch**
- **Over 10 million impressions from targeted social media campaigns in early 2024**
- **Mecclle now serves over 50,000 customers, reflecting strong sales growth and increasing market penetration**
- **Significant growth in vendor onboarding, boosting product offering and revenue**
- **Established a new warehouse in Los Angeles to expand storage capacity and improve delivery efficiency**
- **Official admission into the Sichuan Provincial Council for Promotion of International Cooperation and Investment**
- **Investment discussions in Chengdu aligned with strategic expansion plans**

**Haodex Limited (NSX:HAO) (“Haodex” or the “Company”)** is pleased to update the market on its activities for the year end June 2024. Haodex highlights significant progress for its Mecclle e-commerce platform saw rapid growth after its August 2023 launch, gaining over 2,000 downloads, 1,500+ active users, and 3 million social media impressions. The company expanded its vendor network, achieved strong sales growth, and improved logistics with a new Los Angeles warehouse to support 50,000+ customers. Strategic partnerships, including admission to the Sichuan Provincial Council, position Mecclle for continued expansion and operational efficiency.

- **Social Media Success and Initial Traction**

Haodex’s Mecclle platform experienced rapid traction following its August 2023 launch, driven by strategic influencer marketing. Through partnerships with influencers who had a combined social media following of 8 million, Mecclle garnered over 372,000 views on TikTok, 23,000 on YouTube, and 33,000 on Instagram. This aggressive social media strategy resulted in significant visibility, with over 2,000 downloads and more than 1,500 monthly active users by the end of September 2023, an impressive accomplishment for a new platform. This initial traction validated Mecclle’s potential in the competitive e-commerce space.

- **Expansion of Channel Partner Network**

In a strategic move to enhance its vendor base, Haodex expanded its channel partner network with the support of local authorities, particularly in China. This development has allowed for the onboarding of Chinese manufacturers, improving the variety of goods offered on Mecclle. The continued expansion of this network is expected to drive further user engagement and improve the overall marketplace offering, as a broader selection of products becomes available.

- **Strong Growth in Social Media Impressions and User Engagement**

Haodex continued its upward trajectory by expanding its vendor network across China, onboarding new vendors through strategic marketing initiatives. Each vendor paid an onboarding fee, bolstering revenue streams and increasing the marketplace’s product variety. In tandem with these efforts, Mecclle achieved over 10 million impressions through targeted social media campaigns, leading to a significant boost in sales growth. This success demonstrated the effectiveness of Haodex’s innovative marketing strategies and underscored Mecclle’s strengthening position in the e-commerce sector.

- **Strategic Partnerships and Investment Discussion**

Haodex’s partnership with the Sichuan Provincial Council for Promotion of International Cooperation and Investment (SCPICI) has set the stage for fruitful investment discussions in Chengdu. These discussions are aimed at raising capital and securing resources to drive further expansion. The company is strategically focused on leveraging this partnership to facilitate market penetration in Chengdu and beyond, aligning with its long-term objectives.

- **Logistics and Fulfillment Optimization**

By mid-2024, Mecclle’s robust growth in customer base, surpassing 50,000 customers, necessitated enhanced logistics capabilities. The establishment of a new warehouse in Los Angeles was a key milestone in improving order dispatch efficiency and expanding storage capacity. This facility has allowed for faster delivery times and streamlined operations, a crucial factor in maintaining customer satisfaction as Mecclle scales its operations in the USA.

## Directors' Report

30 June 2024

The directors hereby present the following year ended report for the period ended 30 June 2024 for Haodex Limited ("Haodex" or the "Company") and its controlled entities. (the "Group").

The directors present their report, together with the financial statements of the Group, being the company and its controlled entities, for the year ended 30 June 2024.

### 1. General information Information on directors

The following person were directors of the Company during the whole of the year and up to the date of this report, unless otherwise stated:

Frank Huang  
Anne Huang (appointed 17 March 2022)  
Michael Pixley (appointed 22 November 2021)  
Alvin Tan (appointed 22 November 2021 and resigned 12 April 2023)

### Principal activities

The principal activities of the Group during the year were to invest in technology which offers a platform to buy and sell goods and services throughout China.

No other significant change in the nature of these activities occurred during the year.

### 2. Operating results and review of operations for the year

#### Operating results

The consolidated loss of the Group amounted to \$609,387 (30 June 2023 restated: loss \$1,242,310).

### 3. Review of Operations

Detailed comments on operations of this report are included separately in the Annual report under Review of Operations.

### 4. Review of Financial Condition

#### Capital Structure

At 30 June 2024, the Company had 151,995,338 ordinary shares on issue.

#### Financial Position

The net assets of the consolidated entity have decreased by \$609,387 from \$1,949,762 (restated) at 30 June 2023 to \$1,340,375 at 30 June 2024.

### 5. Dividends paid or recommended

There were no dividends paid or recommended during the financial period.

### 6. Significant changes in the State of Affairs

No matters or circumstances have arisen during the year which significantly affected the operations of the Group, the results of those operations, or the state of affairs of the Group.

### 7. Director's Interests

#### Interests in Shares and Options

	Ordinary shares	Options
Frank Huang	88,798,000	-
Anne Huang	6,250,000	-
Michael Pixley	-	-

## Directors' Report

30 June 2024

**Information on Directors**

The following persons were Directors of Haodex Limited ("Group", "consolidated entity" or "Haodex") during the financial year and up to the date of this report, unless otherwise stated:

<b>Director</b>	<b>Experience</b>	<b>Special responsibilities</b>
<b>Frank Huang B.Eng</b>	<ul style="list-style-type: none"> <li>- Bachelor of Aeronautical Engineering from China Civil Aviation University.</li> <li>- Managing Director of Chi Tel Global Holding Ltd; Managing Director of China Huge International Pty Ltd; General Manager of First Mobile Group Holding Ltd.</li> <li>- Frank has had over 25 years of executive management experience across a number of Australian and International companies and has been involved in a number of corporate leader roles within the technology sector.</li> <li>- Frank has extensive corporate leadership skills and strong financial and business planning capabilities. This provides him with the capacity to manage the complete cycle of commercial activity, from strategy development, corporate financing, operational implementation and ongoing growth via organic means and/or acquisition.</li> </ul>	Chairman and Executive Director
<b>Anne Huang B.Com</b>	<ul style="list-style-type: none"> <li>- Bachelor of Commerce (Marketing &amp; Accounting) from Macquarie University.</li> <li>- Sales executive at Bence Property Group, July 2016 -January 2017.</li> <li>- Business analyst in the Infant Nutrition division at Nestle Australia, January 2017 - May 2017.</li> <li>- Account executive for the National Pharmacy Sales division at Nestle Australia, May 2017 - December 2017.</li> <li>- Anne has been highly involved in various business development projects with Haodex and has helped to build the business of MonkeyKing.</li> </ul>	Executive Director
<b>Michael Pixley</b>	<ul style="list-style-type: none"> <li>- Over 30 years of experience in investment banking. Involved in providing financial advisory and investment banking services to various companies throughout Asia.</li> <li>- Non-Executive Director, Story-I Ltd (ASX:SRY).</li> <li>- Non-Executive Director, Enerco Refresh Ltd (ASX:ERG).</li> <li>- Director, Credit Intelligence Ltd (ASX:CL1).</li> </ul>	Non- executive Director
<b>Alvin Tan* B.Com (Hon)</b>	<ul style="list-style-type: none"> <li>- Over 25 years' experience in Australia and Asia, including mergers, acquisitions, capital raising and listings on the ASX, AIM, Bursa Malaysia and Frankfurt Stock Exchange.</li> <li>- Previously worked for KPMG in Kuala Lumpur as a financial consultant in 1993-1995.</li> <li>- Previously worked with Australian based stock broking firm DJ Carmichael as an investment advisor, in 1996-1997.</li> <li>- Previously served as Non-Executive Director, Advanced Share Registry Ltd (ASX:ASW).</li> <li>- Bachelor of Commerce with second class honours, the University of Western Australia.</li> <li>- Non-Executive Director, Pyx Resources Ltd (NSX:PYX).</li> <li>- Non-Executive Director, BKM Management Limited.</li> </ul>	Non-executive Director
<b>Miranda Yuan MFin, MCom</b>	<ul style="list-style-type: none"> <li>- Over 11 years in accounting services and auditing assistance to a number of public and listed companies. She has experience in Company secretarial work in a board range of ASX listed companies.</li> <li>- Extensive experience working as Finance Analyst to provide corporate advisory services for cross-border M&amp;A, capital raising, IPOs/RTOs and to as a Finance perform due diligence reviews.</li> <li>- Master of Commerce (Finance) from the University of UNSW</li> <li>- Master of Professional Accounting from Charles Sturt University</li> </ul>	Company Secretary

\*Resigned on 12 April 2023

## Directors' Report

30 June 2024

### 8. Directors' Benefits

With the exception of the matters referred to below, no director in the Group has, since the end of the financial year, received or become entitled to receive a benefit (other than a benefit included in the total amount of emoluments received or due and receivable by directors as shown in the financial statements) by reason of a contract made by the Company or related body corporate with the director or with a firm of which the director is a member, or with an entity in which the director has a substantial financial interest.

### 9. Meeting of Directors

The number of meetings of Directors held during the year and the number of meetings attended by each Director was as follows:

	Number of meetings held	Meetings attended
Frank Huang	4	1
Anne Huang	4	4
Michael Pixley	4	4

### 10. Non-Audit Services

No non-audit services were provided by Haodex's auditor, Connect National Audit Pty Ltd during the financial year ended 30 June 2024 (2023: Nil).

### 11. Shares under option

There were no options issued during the year ended 30 June 2024 (2023: Nil)

### 12. Remuneration Report (Audited)

The Remuneration Committee comprising members of the Board makes recommendations and approves:

- Non-executive director fees
- Remuneration of executive directors and other executives

Due to the size and scale of operations, the Company does not have separately established Remuneration or Nomination Committees. The full Board carries out the functions of Remuneration and Nomination Committees and where necessary will seek advice of external advisors in relation to this role.

The objective is to ensure the remuneration and reward practices are fair and competitive.

#### **Non executive remuneration**

Fees and payments to directors reflect the demands which are made on, and the responsibilities of, the directors. The current base fee of \$36,000 per annum, payable quarterly, for each non-executive director. The base fee is fixed and exclusive of superannuation. The Remuneration Committee determines remuneration of non-executive directors from time to time.

#### **Executive and senior management remuneration**

All Executive and Senior Management have rolling contracts. The Group may terminate the employment agreement by providing one month's written notice or providing payment in lieu of the notice period with the exception of the Executive Director who has three months' notice period. The Group may terminate these contracts at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the Company may elect, at its discretion to make payment in lieu.

#### **Details of remuneration**

The key management personnel ("KMP") of Haodex are the directors of the Group and Company. Details of the remuneration of each director of the Company and the consolidated entities are set out in the following tables:

## Directors' Report

30 June 2024

2024	Short-Term Benefits			Post-Employment Superannuation	Termination Benefits	Share-based payments		Total	% Remuneration as equity
	Salary & Fees	Cash Bonus	Other short -term benefits			Equity- settled (options)	Cash- settled		
	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Directors</b>									
Frank Huang	113,077	-	7,693	22,157	-	-	-	142,927	-
Anne Huang	81,538	-	6,154	8,946	-	-	-	96,638	-
Michael Pixley	36,000	-	-	-	-	-	-	36,000	-
<b>Total</b>	<b>230,615</b>	<b>-</b>	<b>13,847</b>	<b>31,103</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>275,565</b>	<b>-</b>

2023	Short-Term Benefits			Post-Employment Superannuation	Termination Benefits	Share-based payments		Total	% Remuneration as equity
	Salary & Fees	Cash Bonus	Other short -term benefits			Equity- settled (options)	Cash- settled		
	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Directors</b>									
Frank Huang	81,266	-	8,036	17,116	-	-	-	106,417	-
Anne Huang	84,252	-	6,481	8,834	-	-	-	99,567	-
Michael Pixley	36,000	-	-	-	-	-	-	36,000	-
Alvin Tan*	27,000	-	-	-	-	-	-	27,000	-
<b>Total</b>	<b>228,518</b>	<b>-</b>	<b>14,516</b>	<b>25,950</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>268,984</b>	<b>-</b>

\*Resigned on 12 April 23

**Cash Bonus, Performance-related Bonuses and Share-based Payments**

KMP and other executives may be paid cash bonuses or performance -related bonuses. There were nil remuneration options on issue during the 2024 financial year to KMP.

**Shareholdings**

Details of ordinary shares held directly, indirectly or beneficially by KMP and their related parties are as follows:

	Balance 1 July 2023	Issued as Remuneration	On Exercise of Options	Net Change Other	Balance 30 June 2024 ●
<b>Directors</b>					
Frank Huang	88,798,000	-	-	-	88,798,000
Anne Huang	6,250,000	-	-	-	6,250,000
Michael Pixley	-	-	-	-	-
<b>Total</b>	<b>95,048,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95,048,000</b>

	Balance 1 July 2022	Issued as Remuneration	On Exercise of Options	Net Change Other	Balance 30 June 2023 ●
<b>Directors</b>					
Frank Huang	88,798,000	-	-	-	88,798,000
Anne Huang	6,250,000	-	-	-	6,250,000
Michael Pixley	-	-	-	-	-
Alvin Tan*	-	-	-	-	-
<b>Total</b>	<b>95,048,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95,048,000</b>

\*Resigned on 12 April 23

## Haodex Ltd

ACN 623 392 325

# Directors' Report

30 June 2024

### **Options holdings**

There were nil options held and share-based payments to KMP and other executives awarded and vested/unvested during the year ended 30 June 2024 and 30 June 2023.

### **Transactions with KMP and their related entities**

#### **Mr Frank Huang**

- As at 30 June 2024 director fees totaling \$Nil (2023:\$Nil) remain outstanding to Mr Huang.
- As at 30 June 2024, the Company has provided a director loan to Mr Huang totaling \$140,619 from the subsidiary in China. This loan is interest free.

#### **Ms Anne Huang**

- As at 30 June 2024 director fees totaling \$Nil (2023:Nil) remain outstanding to Ms Huang.

#### **Mr Michael Pixly**

- As at 30 June 2024 director fees totaling \$15,000 (2023:Nil) remain outstanding to Mr Pixley.

### **End of Remuneration Report**

## **13. Corporate Governance**

Refer to page 9 to 13 of this report for the Corporate Governance Statement.

## **14. Other items**

### **Environmental matters**

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

### **Indemnification and insurance of officers and auditors**

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an officer or auditor of Haodex Ltd and Controlled Entities.

## **15. Subsequent events to 30 June 2024**

No matters or circumstances have arisen since the end of the year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

## **16. Risks Specific to Haodex Business and Operations**

### *Sales and Marketing Risks*

The Company is seeking to increase its market share and expand into additional sections by focusing on sales and marketing. By its nature, there is no guarantee that Haodex's sales and marketing campaign will be successful. Even if Haodex does successfully commercialise its products, there is a risk that Haodex will not achieve a commercial return. Haodex may not be able to provide its services to customers at a rate which covers its operating and capital costs, or new technology may overtake Haodex's technology.



**16. Risks Specific to Haodex Business and Operations (con'd)**

*Protection of Intellectual Property Rights*

There may be circumstances where the Company's intellectual property cannot be protected or its subject to unauthorized disclosure, infringement or challenge by a third party. The Company may incur significant costs in asserting its rights in such circumstances. There can be no assurance that any trademarks the Group may own or control now and in the future, will provide the Company with a competitive advantage.

*Competition and New Technology Risks*

The industries in which Haodex is involved are subject to increasing domestic and global competition which is fast-paced and fast-changing. Haodex's future financial performance and overall success in the market will rest upon the successful implementation of strategies to compete with other businesses. There is no assurance that Haodex will succeed in developing its business. While Haodex will undertake all reasonable due diligence in its business decisions and operations, Haodex will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of the Haodex's projects and business. For instance, new technologies could overtake the advancements made by the Haodex's services. Alternatively, Haodex may be unable to compete successfully against future competitors where aggressive policies are employed to capture market share, or if competitors have advantageous access to capital and resources. Such cases could result in price reductions, reduced gross margins and loss of market share, any of which could materially adversely affect Haodex's potential future business, operating results and financial position.

**17. Auditor's Independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

Signed in accordance with a resolution of the Board of Directors:



Frank Huang  
Chairman  
Dated 30 September 2024

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

As lead auditor for the audit of Haodex Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Haodex Limited and its controlled entities.



**George Georgiou FCA**  
Managing Director  
Connect National Audit Pty Ltd  
ASIC Authorised Audit Company No.: 521888  
Melbourne, Victoria  
Date: 30 September 2024

# Corporate Governance Statement

30 June 2024

The Board is committed to best practice corporate governance and compliance arrangements for the Company. The ASX Corporate Governance Council has developed and released its fourth edition of the ASX Corporate Governance Principles and Recommendations for Australian listed entities ("Corporate Governance Principles") to promote investor confidence and to assist companies in meeting stakeholder expectations. While it is noted that the Company is not proposing to list on ASX the Company believes reference to the Corporate Governance Principles is still best practice so reports against them as set out in this Section.

The Corporate Governance Principles are not prescriptions, but guidelines. However, under the NSX Listing Rules, the Company will be required to provide a statement in its annual report as to the main corporate governance practices that the Company had in place during the reporting period.

Section 6.8.4 sets out a brief summary of the approach currently adopted by the Company in relation to the Corporate Governance Principles and summarises the key aspects of the Company's corporate governance framework.

## 1. Board

### Composition of the Board

The Company's Constitution provides that the maximum number of Directors is 9 and the minimum number of Directors is 3. As at 30 June 2024, the Company has 3 Directors serving on the Board being Mr Frank Huang, Ms Anne Huang and Mr Michael Pixley.

### Independence of the Board

The Board is responsible for the overall governance of the Company. Issues of substance affecting the Company are considered by the Board, with advice from external advisors as required. Each Director must bring an independent view and judgment to the Board and must declare all actual or potential conflicts of interest on an ongoing basis. Any issue concerning a Director's ability to properly act as a Director must be discussed at a Board meeting as soon as practicable, and a Director may not participate in discussions or resolutions pertaining to any matter in which the Director has a material personal interest.

The Company considers that a Director is an independent Director where that Director is free from any business or other relationship that could materially interfere, or be perceived to interfere with, the independent exercise of the Director's judgement. The Company has also assessed the independence of its directors having regard to the requirement for independence which are set out in Principle 2 of the Corporations Governance Principles.

### Board Charter

The responsibilities of the Board are set down in the Company's Board Charter, which has been prepared having regard to the Corporate Governance Principles. A copy of the Company's Board Charter is available on the Company's Website. The Company will also send you a copy of its Board Charter, at no cost to you, should you request a copy during the Offer Period.

### Board's role in risk oversight

The Board's role in risk oversight includes receiving reports from management and the Audit and Risk Management Committee on a regular basis regarding material risks faced by the Company and applicable mitigation strategies and activities. Those reports detail the effectiveness of the risk management program and identify and address material business risks such as risks relating to conduct of business, regulatory and compliance risks, reputational risks, reporting and IT systems as they relate to business continuity. The Board and its committees consider these reports, discuss matters with management and identify and evaluate any potential strategic or operational risks including appropriate activity to address those risks.

## 2. Board Committees

### 2.1 Remuneration and Nomination Committees

Due to the size and scale of operations, the Company does not have separately established Remuneration or Nomination Committees. The full Board carries out the functions of Remuneration and Nomination Committees and where necessary will seek advice of external advisors in relation to this role. The Full Board oversees the appointment and induction process for directors, and the selection, appointment, evaluation and succession planning process of the Company's directors and senior executives. When a vacancy exists or there is a need for a particular skill, the Board determines the selection criteria that will be applied. The Board then identifies suitable candidates, with assistance from an external consultant if required, and will interview and assess the selected candidates.

# Corporate Governance Statement

30 June 2024

## 2. Board Committees (continued)

The Board also oversees the appointment and remuneration of directors and the company's executive officers. Remuneration levels are competitively set to attract and retain appropriately qualified and experienced directors and senior executives. The Board may seek independent advice on the appropriateness of remuneration packages, given trends in comparative companies both locally and internationally. Remuneration packages include a mix of fixed remuneration and equity-based remuneration. The Board shall, upon the consolidated entity reaching the requisite corporate and commercial maturity, form a remuneration and nomination committee to assist the Board in relation to the appointment and remuneration of Directors and senior management.

### 2.2 Audit Committee

The Board has established an Audit Committee, however this Committee is represented by the full Board. With only three members, the Board considers that the Board acting in its capacity as the Audit Committee is the appropriate forum to safeguard the integrity of the Group's financial reporting and oversee the independence of the external auditor. It is the Board's responsibility to ensure that an effective internal control framework exists within the Company. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations, such as the benchmarking of operational key performance indicators.

The Board's collective experience enables the identification of principal audit risks, and the Board reviews the financial reports. The Group's size enables specific focus to be given to large and/ or unusual items in the financial information.

The Board has received written assurances from the Executive Director and CFO that to the best of their knowledge and belief, the declaration provided by them in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

The external auditors are required to attend the annual general meeting and are available to answer any questions from security holders relevant to the audit.

The Audit Committee Charter has been made publicly available on the Company's website.

## 3. Corporate governance policies

The NSX has developed suggested content for corporate governance policies and procedures which is set out in the NSX's Practice Note 14 (Practice Note 14). The content outlined in Practice Note 14 is not prescriptive, but is intended to act as a guideline for listed entities' corporate governance.

The policies and procedures that listed entities may adopt as suggested by Practice Note 14, and the approach adopted by the Company to comply with such guidelines, is listed below:

**A. Policies and procedures adopted to ensure that the issuer acts according to law, including satisfying its reporting obligations under the Corporations Act and the Listing Rules.**

### **Code of Conduct**

The Company has adopted a Code of Conduct which outlines the standard of corporate and individual behaviour expected of the Company, the board, management and employees. The Code of Conduct also considers compliance and reporting of circumstances which may be a breach of law or the Company's internal governance policies.

### **Audit Committee Charter**

The Company also has an Audit Committee which is governed by the Company's Audit Committee Charter. The role of the Audit Committee is to safeguard the integrity of the Company's financial reporting and oversee the independence of external auditors engaged by the Company.

# Corporate Governance Statement

30 June 2024

<b>B. Policies and procedures adopted to ensure that the entity's board acts with due care and diligence and in the interests of shareholders</b>	<b><u>Board Charter</u></b> The Company has adopted a Board Charter which sets out the principles for operation of the Company board of directors. The board is accountable to shareholders for performance of the Company. <b><u>Securities Trading Policy</u></b> The Company has adopted a securities trading policy designed to maintain investor confidence in the integrity of the Company's internal controls and procedures and to provide guidance on avoiding any breach of the insider trading laws.
<b>C. Policies and procedures adopted to adequately identify and deal with conflicts of interest at board management and employee levels</b>	<b><u>Conflicts of Interest and Related Party Transactions Policy</u></b> The Company has adopted a conflicts of interest and related party transactions policy prior to listing on the NSX. The policy will outline the Company's approach to identifying, recording, and dealing with conflicts of interest at the board, management and employee levels. The Board also recognizes that any commercial arrangements between director related parties and the Company should be conducted on an arms length basis. This approach will also be outlined in the conflicts of interest and related party transactions policy.
<b>D. Policies and procedures adopted to protect shareholder interests, including access to information, voting rights, share of profits and equitable treatment</b>	<b><u>Continuous Disclosure Policy</u></b> The Company is committed to ensuring it complies with its continuous disclosure obligations and has adopted a continuous disclosure policy supporting this position. The Board has ultimate responsibility for ensuring the Company complies with its continuous disclosure obligations and recognizes that price sensitive information concerning the Company must be immediately disclosed. <b><u>Risk Management Framework</u></b> The Company has adopted a risk management framework which addresses the Company's approach to risk management and the responsibilities for risk management shared across the Board and Company.
<b>E. Policies and procedures adopted to protect the interests of stakeholders including employees, creditors and the wider community</b>	<b><u>Remuneration Committee Charter</u></b> The Company's Remuneration Committee assists the Board to fulfil its corporate governance responsibilities with respect to remuneration by reviewing and recommending remuneration packages of senior executives, employee incentive and equity-based plans, and recruitment retention and termination policies. The Committee's approach is guided by the Remuneration Committee Charter which outlines the board's approach to remuneration of employees.

In addition to the above corporate governance policies, the Company has also adopted:

- Corporate Governance Statement

The Company has followed the approach set by the 4<sup>th</sup> edition of the ASX Corporate Governance Council's Principles and Recommendations.

# Corporate Governance Statement

30 June 2024

- Diversity Policy

The Company will encourage diversity and foster an environment within that respects diversity in the workplace and promotes equal opportunities for employment and a work environment that is free from harassment.

The Company's corporate governance policies and statements can be accessed from the Company's Website.

## 4. Corporate Governance Principles and Recommendations

<p><b>Principle 1</b></p>	<p><b>Lay solid foundations for management and oversight</b></p>	<p>The respective roles and responsibilities of the Board and executives are defined in the Board Charter, a copy of which is available on the Company's Website. The Board is responsible for managing the strategic and financial performance of the Company and must remain accountable to shareholders for the performance of the Company.</p> <p>The Remuneration Committee Charter, a copy of which is available on the Company's Website provides that the Remuneration Committee is to assist the Board in fulfilling its corporate governance responsibilities with respect to remuneration.</p> <p>The Company has adopted a Diversity Policy, a copy of which is available on the Company's Website. The Diversity Policy requires the Board to establish measurable objectives to assist the Company in achieving diversity and to review the Company's progress in meeting these objectives.</p>
<p><b>Principle 2</b></p>	<p><b>Structure the Board to add value</b></p>	<p>The Board is comprised of 2 Executive and 1 Non-Executive Directors. The Board believes that the size, composition and skills of the Board are appropriate for the Company's business and circumstances and are in the best interests of Shareholders as a whole.</p> <p>The Company's Remuneration Committee is responsible for regularly reviewing the performance of the CEO.</p> <p>As the Company is still in an early stage of development, it has not yet undertaken a formal review of the Board's performance. However, the Board Charter provides for an annual self-assessment of the Board's performance to be provided to the Group's Remuneration and Board Nomination Committee.</p>
<p><b>Principle 3</b></p>	<p><b>Promote ethical and responsible decision making</b></p>	<p>The Company has adopted a Code of Conduct which applies to all Directors, officers, employees, contractors or consultants of the Company as well as a Securities Trading Policy. Each of these are available on the Company's Website.</p>

# Corporate Governance Statement

30 June 2024

<p><b>Principle 4</b></p>	<p><b>Safeguard integrity in financial reporting</b></p>	<p>The Company have disclosed the fact that the Company does not have an audit committee and the processes the Company employ 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.</p> <p>The Board has disclosed the Audit Committee Charter, a copy of which is available on the Company's Website.</p>
<p><b>Principle 5</b></p>	<p><b>Make timely and balanced disclosure</b></p>	<p>The Company is committed to providing timely and balanced disclosure to the market in accordance with its Continuous Disclosure Policy, a copy of which is available on the Company's Website.</p>
<p><b>Principle 6</b></p>	<p><b>Respect the rights of security holders</b></p>	<p>The Company provides investors with comprehensive and timely access to information about itself and its governance on its Website.</p> <p>The Company seeks to recognise numerous modes of communication, including electronic communication, to ensure that its communication with Shareholders is frequent, clear and accessible.</p> <p>All Shareholders are invited to attend the Company's annual meeting, either in person or by representative. The Board regards the annual meeting as an excellent forum in which to discuss issues relevant to the Company and accordingly encourages full participation by Shareholders. Shareholders have an opportunity to submit questions to the Board and to the Company's auditor.</p>
<p><b>Principle 7</b></p>	<p><b>Recognise and manage risk</b></p>	<p>The Company has adopted a Code of Conduct, which is designed to assist the Company to identify, evaluate and mitigate conflicts of interest affecting the Company.</p> <p>Regular internal communication between the Company's management and Board supplements the Company's policies which are designed to address various forms of risks.</p>
<p><b>Principle 8</b></p>	<p><b>Remunerate fairly and responsibly</b></p>	<p>The Company has disclosed the fact that the Company does not have a remuneration committee and the processes to employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive. A copy of which is available on the Company's Website.</p> <p>The Company will provide disclosure of its Directors' and executives' remuneration in its annual report.</p>

## Statement of Profit or Loss and Other Comprehensive Income

### For the Year Ended 30 June 2024

	Note	2024 \$	2023 \$ (Restated)
Revenue	5	1,926,460	2,515,316
Finance income	5	3,303	9,242
Other income	5	7,973	13,277
Cost of sales		(17,382)	(95,294)
Employee benefits expense		(493,180)	(1,061,026)
Depreciation, amortisation and impairment expense	11b	(309,383)	(245,821)
Corporate expenses		(218,984)	(179,137)
Other expenses	11b	(1,445,240)	(1,388,112)
<b>Profit (loss) before income tax</b>		<b>(546,433)</b>	<b>(431,555)</b>
Income tax expense	6	(62,954)	(810,755)
<b>Profit (loss) for the year</b>		<b>(609,387)</b>	<b>(1,242,310)</b>
<b>Other comprehensive income, net of income tax</b>			
Exchange difference on translation of foreign operations		-	(29,485)
<b>Total comprehensive income (loss) for the year</b>		<b>(609,387)</b>	<b>(1,271,795)</b>
Profit (loss) attributable to:			
Members of the parent entity		(647,797)	(1,463,718)
Non-controlling interest		38,410	221,408
		<b>(609,387)</b>	<b>(1,242,310)</b>
Total comprehensive income (loss) attributable to:			
Members of the parent entity		(647,797)	(1,463,718)
Non-controlling interest		38,410	191,922
		<b>(609,387)</b>	<b>(1,271,795)</b>
Earnings per share contributable to owners of Haodex Limited		Cents	Cents
Basic and Diluted Earnings/(loss) per Share		<b>(0.40)</b>	<b>(0.82)</b>



## Statement of Financial Position

As At 30 June 2024

	Note	30 June 2024 \$	30 June 2023 \$ (Restated)
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	7	102,379	1,601,511
Trade and other receivables	8	2,403,762	1,806,905
Inventories		36,290	19,839
Other assets	12	13,926	15,702
<b>TOTAL CURRENT ASSETS</b>		<b>2,556,357</b>	<b>3,443,957</b>
NON-CURRENT ASSETS			
Trade and other receivables	8	124,316	124,316
Plant and equipment	9	928	1,359
Deferred tax assets	14a,14b	-	-
Intangible assets	11a,11b	620,173	584,961
Right of Use assets	10	20,751	44,023
<b>TOTAL NON-CURRENT ASSETS</b>		<b>766,168</b>	<b>754,659</b>
<b>TOTAL ASSETS</b>		<b>3,322,525</b>	<b>4,198,616</b>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	13	101,598	101,036
Current tax liabilities	14a	763	-
Employee entitlements	15	91,328	84,422
Leased liabilities	10	20,469	42,609
Other financial liabilities (unearned income)		917,440	1,233,211
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,131,598</b>	<b>1,461,278</b>
NON-CURRENT LIABILITIES			
Trade and other payables	13	1,866	1,844
Deferred tax liabilities	14b	848,686	785,732
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>850,552</b>	<b>787,576</b>
<b>TOTAL LIABILITIES</b>		<b>1,982,150</b>	<b>2,248,854</b>
<b>NET ASSETS</b>		<b>1,340,375</b>	<b>1,949,762</b>
<b>EQUITY</b>			
Issued capital	16	3,383,600	3,383,600
Reserves	17	2,369,277	2,369,277
Retained earnings		(4,848,050)	(4,200,253)
Non-controlling interest		435,548	397,138
<b>TOTAL EQUITY</b>		<b>1,340,375</b>	<b>1,949,762</b>

The accompanying notes form part of these financial statements.

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## Statement of Changes in Equity For the Year Ended 30 June 2024

2024

	Issued Capital \$	Retained Earnings \$	Share Based Payment Reserve \$	Translation Reserve \$	Non-controlling Interests \$	Total \$
<b>Balance at 1 July 2023</b>	<b>3,383,600</b>	<b>(4,200,253)</b>	<b>2,392,233</b>	<b>(22,956)</b>	<b>397,138</b>	<b>1,949,762</b>
Loss attributable to members of the parent entity	-	(647,797)	-	-	-	(647,797)
Loss attributable to non-controlling interests	-	-	-	-	38,410	38,410
Movements in foreign currency translation reserve	-	-	-	-	-	-
<b>Transactions with owners in their capacity as owners</b>	-	-	-	-	-	-
<b>Balance at 30 June 2024</b>	<b>3,383,600</b>	<b>(4,848,050)</b>	<b>2,392,233</b>	<b>(22,956)</b>	<b>435,548</b>	<b>1,340,375</b>

2023  
(Restated)

	Issued Capital \$	Retained Earnings \$	Share Based Payment Reserve \$	Translation Reserve \$	Non-controlling Interests \$	Total \$
<b>Balance at 1 July 2022</b>	<b>3,383,600</b>	<b>(2,736,536)</b>	<b>2,392,233</b>	<b>6,529</b>	<b>9,725</b>	<b>3,055,551</b>
Reclassification	-	(166,005)	-	-	166,005	-
Reclassification in relation to intangible asset*	-	158,468	-	-	44,696	203,164
Reclassification in relation to deferred tax liability^	-	(337,428)	-	-	(95,172)	(432,600)
Loss attributable to members of the parent entity	-	(1,118,752)	-	-	-	(1,118,752)
Loss attributable to non-controlling interests	-	-	-	-	271,884	271,884
Movements in foreign currency translation reserve	-	-	-	(29,485)	-	(29,485)
<b>Transactions with owners in their capacity as owners</b>	-	-	-	-	-	-
<b>Balance at 30 June 2023</b>	<b>3,383,600</b>	<b>(4,200,253)</b>	<b>2,392,233</b>	<b>(22,956)</b>	<b>397,138</b>	<b>1,949,762</b>

\*Refer to note 11b

^Refer to note 14b

The accompanying notes form part of these financial statements.

## Statement of Cash Flows

### For the Year Ended 30 June 2024

	2024	2023
Note	\$	\$ Restated
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	1,081,885	2,119,767
Payments to suppliers and employees	(2,204,243)	(2,625,049)
Interest received	3,304	9,243
Interest paid	-	13,277
Other payments	(60,079)	914,646
Net cash provided by/(used in) operating activities	18 <u><u>(1,179,133)</u></u>	<u><u>431,884</u></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for intangible assets	(319,999)	(361,218)
Net cash provided by/(used in) investing activities	<u><u>(319,999)</u></u>	<u><u>(361,218)</u></u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net cash provided by/(used in) financing activities	<u><u>-</u></u>	<u><u>-</u></u>
Net increase/(decrease) in cash and cash equivalents held	(1,499,132)	70,666
Cash and cash equivalents at beginning of year	1,601,511	1,530,845
Cash and cash equivalents at end of financial year	7 <u><u>102,379</u></u>	<u><u>1,601,511</u></u>

The accompanying notes form part of these financial statements.

## Haodex Ltd

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# Notes to the Financial Statements

## For the Year Ended 30 June 2024

The financial report covers Haodex Ltd and its controlled entities ('the Group'). Haodex Ltd is a for-profit Company limited by shares, incorporated and domiciled in Australia.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 30 September 2024. Comparatives are consistent with prior years, unless otherwise stated.

### 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001*.

These financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### 2 Going Concern

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

For the year ended 30 June 2024 the Group recorded a loss before income tax of \$546,433 (30 June 2023 restated: loss of \$431,555) and a net operating cash outflow \$1,179,134 (30 June 2023: cash inflow \$73,174).

As at 30 June 2024, the Group's current assets exceeded the current liabilities by \$1,424,759 (30 June 2023 restated: \$1,982,679) and had net assets \$1,340,375 (30 June 2023 restated: \$1,949,762).

A significant portion of the current liabilities consists of unearned revenue of \$917,440, which represents revenue to be recognized in the future. This means that the Group is not required to make payments to creditors beyond its available funds at the time.

The Group's ability to continue as a going concern depends on the recovery of trade and other receivables, securing funds from franchisees, and generating sales revenue from the platform. As of 30 June 2024, some of the Group's trade and other receivables were in arrears, which underscores the importance of their recoverability for the Group's ongoing operations.

The Group continues to develop its online platform, Mecle, in China and expanded its business to the U.S. market during this financial year. This expansion contributed to the cash outflow due to marketing expenses related to developing the new overseas market. However, sales revenue from Mecle is steadily increasing, and management has prepared detailed cash flow forecasts for the next 12 months to maintain positive operating cash flow.

Additionally, the Group is in discussions with external parties regarding a debt financing facility, which will be used to further develop the online platform and ensure sufficient liquidity over the medium term. The Group received a letter of support from the directors for the continued operations of Haodex Limited and its controlled entity, ensuring they can meet their liabilities as they fall due and continue their business without significant curtailment of operations.

The Directors are confident that the ongoing development of Mecle will enable the Group to successfully expand into new markets. They believe that the steadily growing revenue from the platform, along with the recoverability of trade and other receivables, will allow the Group to meet its working capital requirements and continue its operations. As a result, the financial report has been prepared on a going concern basis.

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 3 Summary of Material Accounting Policies

##### (a) Basis for consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

A list of controlled entities is contained in Note 19 to the financial statements.

##### *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent 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 relevant activities of the entity.

##### (b) Business combinations

Business combinations are accounted for by applying the acquisition method which requires an acquiring entity to be identified in all cases. The acquisition date under this method is the date that the acquiring entity obtains control over the acquired entity.

The fair value of identifiable assets and liabilities acquired are recognised in the consolidated financial statements at the acquisition date.

Goodwill or a gain on bargain purchase may arise on the acquisition date, this is calculated by comparing the consideration transferred and the amount of non-controlling interest in the acquiree with the fair value of the net identifiable assets acquired. Where consideration is greater than the net assets acquired, the excess is recorded as goodwill. Where the net assets acquired are greater than the consideration, the measurement basis of the net assets are reassessed and then a gain from bargain purchase recognised in profit or loss.

All acquisition-related costs are recognised as expenses in the periods in which the costs are incurred except for costs to issue debt or equity securities.

Any contingent consideration which forms part of the combination is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity then it is not remeasured and the settlement is accounted for within equity. Otherwise subsequent changes in the value of the contingent consideration liability are measured through profit or loss.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2024**

#### **3 Summary of Material Accounting Policies (continued)**

##### **(c) Revenue and other income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Group and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

##### **Revenue from contracts with customers**

Revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

##### **Platform sign-up fees**

Platform sign-up fees are received upfront. The Group recognises these as revenue over time. As the Group has only started to sign-up customers to the platform in the current financial year the Group has estimated a reasonable period of time to recognise these fees as revenue is over 3 years.

##### **Interest revenue**

Interest is recognised using the effective interest method.

##### **Grant revenue**

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

##### **Other income**

Other income is recognised on an accruals basis when the Group is entitled to it.

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 3 Summary of Material Accounting Policies (continued)

#### (d) Leases

When the Group enters into a lease a right of use asset representing its right to use the underlying asset and a lease liability representing the present value of its obligation to make lease payments is recognised. The related expense is recorded as depreciation, on the right of use asset, and interest expense on the lease liability.

#### (e) Foreign currency transactions and balances

##### Transaction and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction. At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 3 Summary of Material Accounting Policies (continued)

##### (f) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

##### (g) Financial instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs.



## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 3 Summary of Material Accounting Policies (continued)

##### (h) Financial instruments (continued)

###### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

###### *Classification*

On initial recognition, the Group classifies its financial assets at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

###### *Amortised cost*

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less allowance for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

###### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 3 Summary of Material Accounting Policies (continued)

##### (i) Financial instruments (continued)

The Group uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Group in full, without recourse to the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Group in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

##### *Trade receivables and contract assets*

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Group renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

##### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced a significant increase in credit risk then the lifetime losses are estimated and recognised.

##### **Financial liabilities**

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade payables, bank and other loans and lease liabilities.

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 3 Summary of Material Accounting Policies (continued)

##### (i) Intangibles Assets

###### Software development

Research expenditure is recognised as an expense as incurred. Research costs are largely made up of employee labour which is included in employee costs in the consolidated Income Statement.

Development expenditure is only capitalised if the recognition requirements with AASB 138 Intangible Assets have been fulfilled and an economic benefit of more than 12 months is expected.

Costs that are directly associated with the development of this software are recognised as an intangible asset where the following criteria are met:

- (a) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) Intention to complete the intangible asset and use or sell it;
- (c) Ability to use or sell the intangible asset;
- (d) How the intangible asset will generate probable economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- (e) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and;
- (f) Ability to measure reliably the expenditure attributable to the intangible asset during its development.

Capitalised development expenditure is carried at cost less any accumulated amortisation and any accumulated impairment losses.

Other development expenditure is recognised as an expense when incurred.

###### Amortisation

Amortisation is calculated using a straight-line method to allocate the cost of the intangible asset over its estimated useful life, which is generally 5 years. Amortisation commences when the intangible asset is available for use.

##### (k) Impairment of non-financial assets

At the end of each reporting period the Group determines whether there is any evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless of goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2024**

#### **3 Summary of Material Accounting Policies (continued)**

##### **(l) Adoption of new and revised accounting standards**

The Group has adopted all standards which became effective for the first time at 30 June 2024, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group.

##### **(m) New Accounting Standards and Interpretations**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the Group.

#### **4 Critical Accounting Estimates and Judgements**

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

##### **Key estimates - impairment**

In accordance with AASB 136 Impairment of Assets, the Group is considers whether there are any indicators of impairment of non-current assets.

Impairment testing is an area involving management judgement, requiring assessment as to whether there are any indicators of impairment and if so comparing the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate and using a terminal value to incorporate expectations of growth thereafter.

## Haodex Ltd

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# Notes to the Financial Statements

## For the Year Ended 30 June 2024

### 5 Revenue and Other Income

	2024	2023
	\$	\$
- Sale of goods – recognised as a point in time	6,090	9,828
- Provision of services – recognised over time and at a point in time	1,920,370	2,505,488
	<b>1,926,460</b>	<b>2,515,316</b>
- Interest received	3,303	9,242
- Other income	7,973	13,277
	<b>11,276</b>	<b>22,518</b>

#### Platform sign-up fees

The Group receives platform sign-up fees upfront and recognises them as revenue over time. Since the Group only began signing up customers to the platform in the 2022 financial year, it has estimated a reasonable period of 3 years over which to recognise these fees as revenue.

### 6 Income Tax Expense

Reconciliation of income tax to accounting profit:

	2024	2023
	\$	\$
		Restated
Profit (loss)	(546,433)	(431,555)
Tax	25%	25%
	<b>(136,608)</b>	<b>(107,888)</b>
Add:		
Tax effect of:		
- tax losses not recognised	199,562	918,643
Income tax expense (benefit)	<b>(62,954)</b>	<b>(810,755)</b>

### 7 Cash and Cash Equivalents

	2024	2023
	\$	\$
Cash at bank and in hand	102,379	1,601,511
	<b>102,379</b>	<b>1,601,511</b>

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 8 Trade and Other Receivables

	2024	2023
	\$	\$
CURRENT		
Receivable from shareholder and director	277,701	20,000
Receivable from franchisee	949,195	961,432
Receivable from platform commission	1,045,924	705,454
Other receivables	130,942	120,019
	<b>2,403,762</b>	<b>1,806,905</b>
NON CURRENT		
Receivable from Shareholder and director	124,316	124,316
	<b>124,316</b>	<b>124,316</b>

Receivables from shareholders and directors are interest-free and typically settle within 12 months. \$16,303 is secured by securities, while \$261,398 is unsecured.

Non-current receivables from shareholders and directors are interest-free and typically settle after 12 months. \$124,316 is secured.

The carrying value of receivables from shareholders and directors is considered a reasonable approximation of fair value due to the short-term nature of the balances.

#### 9 Plant and equipment

	2024	2023
	\$	\$
Plant and Equipment		
At cost	9,151	9,151
Accumulated depreciation	(8,223)	(7,792)
	<b>928</b>	<b>1,359</b>

#### 10 Lease

	2024	2023
	\$	\$
<b>Right-of-Use - Asset</b>		
Balance at beginning of year	44,023	48,025
Additional leases during the year	4,891	-
Amortisation	(28,163)	(4,002)
Balance at end of year	<b>20,751</b>	<b>44,023</b>
<b>Lease liabilities</b>		
Current	20,469	42,609
	<b>20,469</b>	<b>42,609</b>

# Haodex Ltd

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## Notes to the Financial Statements For the Year Ended 30 June 2024

### 11a Intangible Assets

	2024 \$	2023 \$ Restated
<b>Computer software</b>		
At cost	1,306,003	1,306,003
Accumulated amortisation and impairment	(1,306,003)	(1,234,011)
	<u>-</u>	<u>71,992</u>
<b>Platform software</b>		
At cost	832,968	668,514
Accumulated amortization and impairment	(212,795)	(155,545)
	<u>620,173</u>	<u>512,969</u>

### Movements in carrying amounts of intangible assets

	Computer software \$	Total \$
<b>Year ended 30 June 2023</b>		
Balance at the beginning of the year	71,992	71,992
Disposals	-	-
Amortisation	(71,992)	(71,992)
<b>Closing value at 30 June 2024</b>	<u>-</u>	<u>71,992</u>
	Platform software \$ Restated	Total \$
<b>Year ended 30 June 2023</b>		
Balance at the beginning of the year	512,969	512,969
Disposals	-	-
Addition	319,999	319,999
Amortisation	(212,795)	(212,795)
<b>Closing value at 30 June 2024</b>	<u>620,173</u>	<u>620,173</u>

## Haodex Ltd

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# Notes to the Financial Statements

For the Year Ended 30 June 2024

### 11b Correction of material error in the capitalisation of intangible assets

In June 2024, a subsidiary identified a material deviation from the Group's accounting policy regarding the capitalisation of intangible assets, specifically research and development costs, which also impacted amortisation. This error led to a material understatement of intangible assets and a corresponding understatement of amortisation expenses for the 2023 and prior financial years.

The error has been corrected by restating each of the affected financial statement line items for the prior periods as follows:

Balance sheet (extract)	30 June 2021	Increase/ (Decrease)	30 June 2021 (Restated)	30 June 2022	Increase/ (Decrease)	30 June 2022 (Restated)	30 June 2023	Increase/ (Decrease)	30 June 2023 (Restated)
Intangible Assets	304,316	101,636	405,952	156,525	309,804	466,329	71,992	512,969	584,961
Total non-current assets	310,250	101,636	411,886	557,115	309,804	866,919	241,691	512,969	754,660
Total assets	5,312,339	101,636	5,413,975	4,092,677	309,804	4,402,481	3,685,647	512,969	4,198,616
Net assets	3,458,543	101,636	3,560,179	3,098,878	(43,328)	3,055,550	2,222,525	(272,763)	1,949,762
Retained earnings	959,403	79,276	1,038,679	(2,702,741)	(33,795)	(2,736,536)	(3,987,498)	(212,755)	(4,200,253)
<b>Total equity</b>	<b>3,458,543</b>	<b>101,636</b>	<b>3,560,179</b>	<b>3,098,878</b>	<b>(43,328)</b>	<b>3,055,550</b>	<b>2,222,525</b>	<b>(272,763)</b>	<b>1,949,762</b>

Profit and Loss (extract)	30 June 2021	(Increase)/ Decrease	30 June 2021 (Restated)	30 June 2022	(Increase)/ Decrease	30 June 2022 (Restated)	30 June 2023	(Increase)/ Decrease	30 June 2023 (Restated)
Depreciation, amortisation and impairment expenses	(597,697)	(25,409)	(623,106)	(148,289)	(83,803)	(232,092)	(90,275)	(155,546)	(245,821)
Other expenses	(561,164)	127,045	(434,119)	(1,173,479)	291,972	(881,507)	(1,580,816)	192,704	(1,388,112)
<b>Profit (loss) attributable to:</b>									
Member of the parent entity	(139,031)	81,718	(57,313)	(3,662,144)	(113,071)	(3,775,215)	(1,118,752)	(344,966)	(1,463,717)
Non-controlling interest	(21,139)	19,918	(1,221)	(59,086)	(31,892)	(90,978)	271,884	50,476	221,408
<b>Total Profit (loss)</b>	<b>(160,170)</b>	<b>101,636</b>	<b>(58,534)</b>	<b>(3,714,701)</b>	<b>(144,693)</b>	<b>(3,859,664)</b>	<b>(876,353)</b>	<b>(395,442)</b>	<b>(1,271,795)</b>
<b>Total comprehensive income (loss) attributable to:</b>									
Member of the parent entity	(139,031)	81,718	(57,313)	(3,665,615)	(109,600)	(3,775,215)	(1,118,752)	(344,965)	(1,463,717)
Non-controlling interest	(21,139)	19,918	(1,221)	(59,086)	(25,363)	(84,449)	242,398	50,476	191,922
<b>Total comprehensive income (loss)</b>	<b>(160,170)</b>	<b>101,636</b>	<b>(58,534)</b>	<b>(3,714,701)</b>	<b>(144,693)</b>	<b>(3,859,664)</b>	<b>(876,353)</b>	<b>(395,442)</b>	<b>(1,271,795)</b>

Note: The variations in the Preliminary Final Report (NSX Announcement: 13 September 2024) refer to the restated figures for the financial year 2023, as presented in the table above.



## Haodex Ltd

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# Notes to the Financial Statements

## For the Year Ended 30 June 2024

### 12 Other Assets

	2024	2023
	\$	\$
CURRENT		
Prepayments	13,926	15,702
	<u>13,926</u>	<u>15,702</u>

### 13 Trade and Other Payables

	2024	2023
	\$	\$
CURRENT		
Trade payables	39,835	89,466
Other payables	61,763	11,570
	<u>101,598</u>	<u>101,036</u>
NON-CURRENT		
Other payables	1,866	1,844
	<u>1,866</u>	<u>1,844</u>

Payables to shareholders are short-term, interest free and are unsecured.

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

### 14a Tax assets and liabilities

	2024	2023
	\$	\$
Income tax payable	763	-
	<u>763</u>	<u>-</u>

#### Deferred tax liabilities

	2024	2023
	\$	\$
Opening balance	785,732	353,132
Movements	62,954	432,600
Closing balance	<u>848,686</u>	<u>785,732</u>

## Haodex Ltd

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# Notes to the Financial Statements

## For the Year Ended 30 June 2024

### 14b Correction of material error in calculating deferred tax liabilities

In September 2024, a subsidiary identified a material deviation from the Group's accounting policy regarding the calculation of deferred tax liabilities, which impacted total non-current liabilities. The error resulted in a material understatement of deferred tax liabilities for the 2023 and prior financial years, along with a corresponding overstatement of net assets.

The error has been corrected by restating each of the affected financial statement line items for the prior periods and the variations in the Preliminary Final Report (NSX Announcement: 13 September 2024), as presented in the table below:

Balance sheet (extract)	30 June 2022	Increase/ (Decrease)	30 June 2022 (Restated)	30 June 2023	Increase/ (Decrease)	30 June 2023 (Restated)
Deferred Tax liabilities	-	353,132	353,132	-	785,732	785,732
Total non-current liabilities	4,652	353,132	357,784	1,844	785,732	787,576
Total liabilities	993,799	353,132	1,346,931	1,463,122	785,732	2,248,854
Net assets	3,098,878	(43,328)	3,055,550	2,222,525	(272,763)	1,949,762
Retained earnings	(2,702,741)	(33,795)	(2,736,536)	(3,987,498)	(212,755)	(4,200,253)
<b>Total equity</b>	<b>3,098,878</b>	<b>(43,328)</b>	<b>3,055,550</b>	<b>2,222,525</b>	<b>(272,763)</b>	<b>1,949,762</b>

Profit and Loss (extract)	30 June 2022	Increase/ (Decrease)	30 June 2022 (Restated)	30 June 2023	(Increase)/ Decrease	30 June 2023 (Restated)
Income Tax expenses/(benefit)	673,586	(353,132)	320,454	(378,155)	(432,600)	(810,755)
<b>Profit (loss) attributable to:</b>						
Member of the parent entity	(3,662,144)	(113,071)	(3,775,215)	(1,118,752)	(344,966)	(1,463,717)
Non-controlling interest	(59,086)	(31,892)	(90,978)	242,399	50,476	221,408
Total Profit (loss)	(3,714,701)	(144,693)	(3,859,664)	(876,353)	(395,442)	(1,271,795)
<b>Total comprehensive income (loss) attributable to:</b>						
Member of the parent entity	(3,665,615)	(109,600)	(3,775,215)	(1,118,752)	(344,965)	(1,463,717)
Non-controlling interest	(59,086)	(25,363)	(84,449)	242,398	50,476	191,922
Total comprehensive income (loss)	(3,714,701)	(144,693)	(3,859,664)	(876,353)	(395,442)	(1,271,795)

### 15 Employee Entitlements

	2024	2023
	\$	\$
CURRENT		
Annual leave	91,328	84,422
	<b>91,328</b>	<b>84,422</b>

## Haodex Ltd

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# Notes to the Financial Statements

For the Year Ended 30 June 2024

### 16 Issued Capital

	2024	2023
	\$	\$
151,995,338 authorised and fully paid ordinary shares (30 June 2023: 151,995,338)		
Opening balance	3,383,600	3,383,600
Movement	-	-
Closing balance	<u>3,383,600</u>	<u>3,383,600</u>

The key objectives of the Group when managing capital is to safeguard its ability to continue as a going concern and maintain optimal benefits to stakeholders. The Group defines capital as its equity and net debt.

There has been no change to capital risk management policies during the year.

### 17 Reserves

	2024	2023
	\$	\$
<b>Share Based Payment Reserve</b>		
Opening balance	2,392,233	2,392,233
Movement	-	-
Closing balance	<u>2,392,233</u>	<u>2,392,233</u>
<b>Translation Reserve</b>		
Opening balance	(22,956)	6,529
Movement	-	(29,485)
Closing balance	<u>(22,956)</u>	<u>(22,956)</u>

Share based payments comprise ordinary shares issued to employees and to third parties for services performed for the Company. The value was determined with reference to the average paid-up amounts on capital raisings throughout the period as it was not possible to reliably estimate the fair value of the services received due to the unique nature of the services provided. The shares granted vested on issue.

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 18 Cash Flow Information

##### Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2024	2023
	\$	\$
		<b>Restated</b>
Profit (loss) for the year	(609,387)	(1,242,310)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation and amortisation	309,383	245,821
- provision for annual leave	6,906	50,664
- foreign exchange movement	-	(29,485)
- repayment for leases	22,140	42,609
- deferred tax liabilities	62,954	810,755
Changes in assets and liabilities:		
-(increase)/ decrease in trade and other receivables	(596,856)	(395,549)
- (increase)/decrease in other assets	1,776	546,999
- (increase)/decrease in inventories	(16,452)	10,822
- (increase)/decrease in other non current assets	(360,157)	(29,909)
- increase/(decrease) in trade and other payables	560	443,517
- increase/(decrease) in income taxes	-	(22,050)
Cashflows from operations	<b>(1,179,133)</b>	<b>431,884</b>

#### 19 Interests in Subsidiaries

##### Composition of the Group

	Principal place of business / Country of Incorporation	Percentage Owned (%)*	Percentage Owned (%)*
		2024	2023
<b>Subsidiaries:</b>			
Monkey King Australia Pty Ltd	Australia	78	78
Chendu Bulkbuyworld E-Commerce Co.,Ltd	China	78	78

\*The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2024**

#### **20 Financial Risk Management**

The Group is exposed to financial risks through its use of financial instruments.

The Group's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The financial risks to which the Group is exposed to are noted below:

##### **Specific risks**

- Liquidity risk;
- Credit risk; and
- Market risk - primarily currency risk.

The key risks faced by the Company is market risk, primarily foreign currency risk.

##### **Objectives, policies and processes**

The Board of Directors have overall responsibility for the establishment of the Group's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, liquidity risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The day-to-day risk management is carried out by the Group's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements.

The Board of Directors receives regular reports which provide details of the effectiveness of the processes and policies in place.

Mitigation strategies for specific risks faced are described below:

##### **Liquidity risk**

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Group maintains cash to meet its liquidity requirements.

At the reporting date, these reports indicate that the Group expected to have sufficient liquid resources to meet its obligations under reasonably expected circumstances.

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 20 Financial Risk Management (continued)

##### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

Credit risk arises from cash and cash equivalents and balances recorded as receivable.

The credit risk for liquid funds and is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

##### *Trade receivables and contract assets*

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

On a geographical basis, the Group has significant credit risk exposures in Australia and China given the location of its operations in those regions.

##### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

##### *(i) Foreign exchange risk*

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

The following table shows the material exposure to foreign currency risk.

<b>2024</b>	<b>CNY</b>
Nominal amounts	<b>\$</b>
Financial assets	<b><u>186,873</u></b>

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 21 Key Management Personnel Remuneration

Key management personnel remuneration included within employee expenses for the year is shown below:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	244,462	243,034
Post employment benefits	31,103	25,950
	<b>275,565</b>	<b>268,984</b>

#### 22 Auditors' Remuneration

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Remuneration of the auditor National Connect Audit Pty Ltd, for:		
- reviewing and auditing the financial statements	18,489	18,156
	<b>18,489</b>	<b>18,156</b>

#### 23 Related Parties

##### Transactions from related parties

The Group has the following amounts receivable to shareholders. The amounts receivable are not due within 12 months and after 12 months and are interest free.

- Amounts provided to director and shareholder amount to \$140,619 from the subsidiary in China

#### 24 Contingencies

In the opinion of the Directors, the Group did not have any contingencies at 30 June 2024 (30 June 2023: None).

#### 25 Parent entity

The following information has been extracted from the books and records of the parent, Haodex Ltd and has been prepared in accordance with Accounting Standards.

The financial information for the parent entity, Haodex Ltd has been prepared on the same basis as the financial statements except as disclosed below.

##### *Investments in subsidiaries, associates and joint ventures*

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of the parent entity. Dividends received from associates are recognised in the parent entity profit or loss, rather than being deducted from the carrying amount of these investments.

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 25 Parent entity (continued)

	2024	2023
	\$	\$
<b>Statement of Financial Position</b>		
Assets		
Current assets	305,197	714,556
Non-current assets	53,275	148,539
<b>Total Assets</b>	<b>358,472</b>	<b>863,095</b>
Liabilities		
Current liabilities	1,590,630	1,311,276
Non-current liabilities	-	-
<b>Total Liabilities</b>	<b>1,590,630</b>	<b>1,311,276</b>
Equity		
Issued capital	3,383,600	3,383,600
Retained earnings	(7,007,991)	(6,224,014)
Reserves	2,392,233	2,392,233
<b>Total Equity</b>	<b>(1,232,158)</b>	<b>(448,181)</b>
<b>Statement of Profit or Loss and Other Comprehensive Income</b>		
Total profit or loss for the year	(783,977)	(2,097,612)
<b>Total comprehensive income</b>	<b>(783,977)</b>	<b>(2,097,612)</b>

As of 30 June 2024, the parent entity's current liabilities exceeded its current assets by \$1,232,158, primarily due to an inter-company loan from BulkbuyWorld. The Company has reviewed the nature and maturity profile of its liabilities and believes these obligations can be managed through the inter-company loan and operational cash flows generated from sales revenue received from BulkbuyWorld.

The Company has established an online platform, Meccle, in China, and sales through Meccle accounted for 99% of the Company's total revenue for the year. The parent entity's subsidiary has historically generated positive cash flows, contributing approximately \$1 million annually.

Management has prepared a detailed cash flow forecast for the next 12 months. These projections assume a moderate recovery in sales over the period, along with cost savings from operational activities.

The parent entity is currently in discussions with external lenders and shareholders to secure additional funding, which will be used to strengthen the balance sheet and ensure sufficient liquidity over the medium term.

Based on the current liquidity position, cash flow projections, and potential access to additional financing, management believes the parent entity has adequate resources to continue operating for the foreseeable future.

However, management acknowledges the existence of material uncertainty related to the timing and successful completion of certain financing activities. This uncertainty may cast significant doubt on the Company's ability to continue as a going concern, and appropriate disclosures have been included in the financial statements.



## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 26 Operating Segments

##### (a) Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

Operating segments are determined on the basis of financial information reported to the Directors which is revenue and gross profit from Mainland China (BulkbuyWorld) and Business from Australia.

Therefore, management identified the Group as having two reportable segments. The financial results from these reportable segments are equivalent to the financial statements of the Group as a whole. Geographical sales information is disclosed below to assist in the understanding of the Group.

##### (b) Accounting policies adopted

All amounts reported to the Directors are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Group.

##### (c) Segment assets

Assets and liabilities of the Group are maintained in Australia and China.

	Assets		Liabilities		Net Asset	
	2024 \$	2023 \$	2024 \$	2023 \$	2024 \$	2023 \$
		Restated		Restated		Restated
Australia	238,038	938,697	185,739	190,344	52,299	748,353
Mainland China	3,084,487	3,259,919	1,796,411	2,058,510	1,288,076	1,201,409
<b>Total</b>	<b>3,322,525</b>	<b>4,198,616</b>	<b>1,982,150</b>	<b>2,248,854</b>	<b>1,340,375</b>	<b>1,949,762</b>

##### (d) Geographical information

The company established an online platform Meccle in China. Sales through Meccle represented 99% of the Company's total revenue in the year.

	2024 \$	2023 \$
		Restated
<b>Revenue</b>		
Australia	6,090	13,874
Mainland China	1,920,370	2,501,442
<b>Total</b>	<b>1,926,460</b>	<b>2,515,316</b>
<b>Profit</b>		
Australia	(798,251)	(2,154,325)
China	188,864	912,015
<b>Total</b>	<b>(609,387)</b>	<b>(1,242,310)</b>

## Haodex Ltd

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# Notes to the Financial Statements

## For the Year Ended 30 June 2024

### 27 Events Occurring After the Reporting Date

The financial report was authorised for issue on 30 September 2024 by the board of directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

### 28 Earnings Per Share

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Basic earnings per share (cents)	(0.40)	Restated (0.82)
The calculation of the basic earnings per share is based on the following data:		
<b>Earnings</b>		
Earnings for the purpose of basic earnings per share being net loss attributable to owners of the Company	(609,387)	(1,242,310)
<b>Numbers of shares</b>		
Weighted average number of shares used in calculating basic earnings per share	151,995,338	151,995,338

### 29 Statutory Information

The registered office of the company is:

Haodex Ltd  
3/44 Edward Street  
Summer Hill NSW 2130

## Haodex Ltd

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# Consolidated Entity Disclosure Statement

Set out below is relevant information relating to entities that are consolidated in the consolidated financial statements at the end of the financial year as required by the *Corporations Act 2001* (s.295 (3A) (a)).

For the year ended 30 June 2024

Entity name	Entity type	Body Corporates		Tax residency	
		Place formed or incorporated	% of share capital held	Australian or foreign	Foreign jurisdiction
Haodex Limited	Body corporate	Australia	N/A	Australian <sup>(i)</sup>	N/A
Monkey King Australia Pty Ltd	Body corporate	Australia	78%	Australian	N/A
Chendu Bulkbuyworld E-Commerce Co.,Ltd	Body corporate	China	78%	Foreign	China

Note:

Not mandatory: (i) This entity is part of a tax- consolidated group under Australian taxation law, for which Haodex Limited is the head entity

### ***Key assumptions and judgements***

#### *Determination of Tax Residency*

Section 295(3A) of the *Corporations Acts 2001* required that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

#### *Australian tax residency*

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in *Tax Ruling TR 2018/5*.

#### *Foreign tax residency*

The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

**Haodex Ltd**


ACN 623 392 325

**Directors' Declaration**

The directors of the Group declare that:

1. the financial statements and notes for the year ended 30 June 2024 are in accordance with the *Corporations Act 2001* and:
  - a. comply with Accounting Standards, which, as stated in basis of preparation 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 and performance of the consolidated group;
  - c. the information disclosed in the attached consolidated entity disclosure statement is true and correct.
2. In the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
3. The Directors have been given the declarations by the Chairman required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors.

Director .....  
  
Frank Huang

Dated 30 September 2024

**Independent Auditor's Report  
To the Members of Haodex Limited  
Report on the Audit of the Financial Report**

**Opinion**

We have audited the accompanying financial report of Haodex Limited and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the financial year ended on that date, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement, and the directors' declaration of the company as set out on page 42.

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

- (a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

**Basis for opinion**

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

We 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.

**Key Audit Matters**

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

Key Audit Matter	How our audit addressed the key audit matter
<p><b>Platform commission receivables</b></p> <p>The valuation and recoverability of platform commission receivables is considered a key audit matter because the determination of the valuation of platform commission receivables includes significant judgments and estimates</p>	<p>The audit procedures which we performed, among other matters based on our judgement, included the following:</p> <ul style="list-style-type: none"> <li>● Tested the Group's procedures for controlling platform commission receivables.</li> </ul>

<p>that may have a material impact on the Group's consolidated financial statements.</p> <p>Management makes significant judgements, estimates and assumptions to measure and record the provision of services excluding platform sign up fees.</p> <p>As indicated in the statement of financial position, the total balance of platform commission receivables as of 30 June 2024 amounted to \$1,045,923.58 disclosed in Note 8.</p>	<ul style="list-style-type: none"> <li>● Tested samples of platform commission receivable balances being provided for during the year to determine the appropriateness of judgements, estimates and assumptions set by the Management.</li> <li>● Tested the subsequent receipts post year end for the purpose of assessing the recoverability of platform commission receivables.</li> <li>● Tested the provision of doubtful debts for debtors more than 1 years.</li> <li>● We also considered the appropriateness of the related disclosure in Note 8 to the financial statements.</li> </ul>
<p><b>Capitalisation of Research and Development ("R&amp;D")</b></p>	
<p>We focus on the capitalisation of R&amp;D as this represents a significant asset of the Group and that the capitalisation of this amount is significantly affected by management's judgement.</p> <p>The Group has incurred significant R&amp;D expenditures. The accounting treatment of these expenditures (whether as capital or expense) can have a significant impact on the financial report. As such it is necessary to assess whether the facts and circumstances existed to suggest that these expenditures were properly capitalised in accordance with accounting standard.</p>	<p>We carried out the following work in accordance with the guidance set out in AASB 138 Intangible Assets:</p> <p>We reviewed the Group's accounting policy specifying which expenditures are recognised as R&amp;D and its consistent application of the policy.</p> <p>We tested sample of capitalised expenditures to ensure that these expenditures are associated with R&amp;D.</p> <p>We have obtained sufficient appropriate audit evidence with regards to the capitalised amount as disclosed in the note to financial statements.</p> <p>We tested the calculation of the related restatement disclosure in Note 11b to the financial statements.</p> <p>We also considered the appropriateness of the related disclosure in Note 11 to the financial statements.</p>

Deferred Tax Liabilities	
We focus on the deferred tax liabilities as this represents a significant liability of the Group.	We reviewed the income tax returns lodged in China.
Chengdu Bulkbuyworld E-Commerce Co., Ltd (BBCD), the Group's Subsidiary in China identified a material deviation from the Group's accounting policy regarding the calculation of deferred tax liabilities, which impacted total non-current liabilities.	We assessed the appropriateness of tax rate used in the calculation.
	We recalculate the deferred tax liabilities recorded.
	We tested the calculation of the related restatement disclosure in Note 14b to the financial statements.
	We also considered the appropriateness of the related disclosure in Note 14 to the financial statements.

### Emphasis of Matter – Material uncertainty related to going concern

Without modifying the opinion expressed above, we draw attention to Note 2 which indicates the group incurred a loss for the period ended 30 June 2024 of \$546,433 and operating cash outflows of \$1,179,134. These conditions along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

As of 30 June 2024, the parent company's current liabilities exceeded its current assets by \$1,232,158, primarily due to an inter-company loan from BulkbuyWorld. These conditions along with other matters as set forth in Note 25, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

### 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 2024, but does not include the financial report and our auditor's report thereon.

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

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

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

## Matters Relating to the Electronic Presentation of the Audited Financial Report

This audit report relates to the financial report of Haodex Limited for the year ended 30 June 2024 included on Haodex Limited's web site. The directors are responsible for the integrity of the Haodex Limited's web site. We have not been engaged to report on the integrity of the Haodex Limited's web site. The audit report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report resent on this web site.

## Responsibilities of the directors for the financial report

The directors of the consolidated entity are responsible for the preparation of :

- a. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b. The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

For such internal control as the directors determine is necessary to enable the preparation of :

- c. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- d. The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In the basis of preparation, the directors also state that the financial statements have been prepared in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Group's ability 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: <http://www.auasb.gov.au/Home.aspx>. 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 in pages 4 to 6 of the directors' report for the financial year ended 30 June 2024.

In our opinion the Remuneration Report of Haodex Limited for the financial year ended 30 June 2024, 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.

*Connect National Audit*

**CONNECT NATIONAL AUDIT PTY LTD**

Authorised Audit Company No. 521888



**GEORGE GEORGIU** FCA RCA

**MANAGING DIRECTOR**

Date: 30 September 2024

# Haodex Ltd

ACN 623 392 325

Additional information required by the NSX Listing Rules clause 6.9 and not disclosed elsewhere in this report is as follows. The information is current as at 18 September 2024.

## 1. Historical Summary Table

Item	2024 \$	2023 \$ Restated	2022 \$ Restated	2021 \$ Restated	2020 \$
Profit/(loss)	(609,387)	(1,463,717)	(3,775,215)	(57,313)	351,994
Assets	3,322,525	4,198,616	4,402,481	5,413,975	5,322,938
Liabilities	1,982,150	1,461,278	1,346,931	1,853,796	1,704,225

## 2. Ten Largest Shareholders

	Holder Name	Number of shares	% of total shares
1	FRANK HUANG	88,798,000	58.42%
2	ENOCH INVESTMENT HOLDINGS PTY LTD	39,168,768	25.77%
3	MINIMUM RISK PTY LTD <THE CDM FAMILY A/C>	7,425,000	4.89%
4	ANNE HUANG	6,250,000	4.11%
5	BIN CHEN	2,500,000	1.64%
5	NG KOK	2,500,000	1.64%
6	SOLIS HOLDINGS PTY LTD	1,650,000	1.09%
7	MRS LISA VAN KOLCK & MR JOHNSON RUHAI HAN VAN KOLCK	537,695	0.35%
8	ENOCH GLOBAL INVESTMENTS PTY LTD	497,900	0.33%
9	MS HONG YU ZHU	485,850	0.32%
10	MISS JESSIE Y LI	343,100	0.23%

## 3. Shareholder Distribution Table

	Ordinary shares		
	Number of holders	Number of shares	% of Total Issued Capital
1 – 1,000	1	250	0.00%
1,001 – 5,000	39	195,000	0.13%
5,001 – 10,000	43	346,000	0.23%
10,001 – 100,000	15	447,200	0.29%
100,001 and over	16	151,006,888	99.35%
<b>Total</b>	<b>114</b>	<b>151,995,338</b>	<b>100.00%</b>