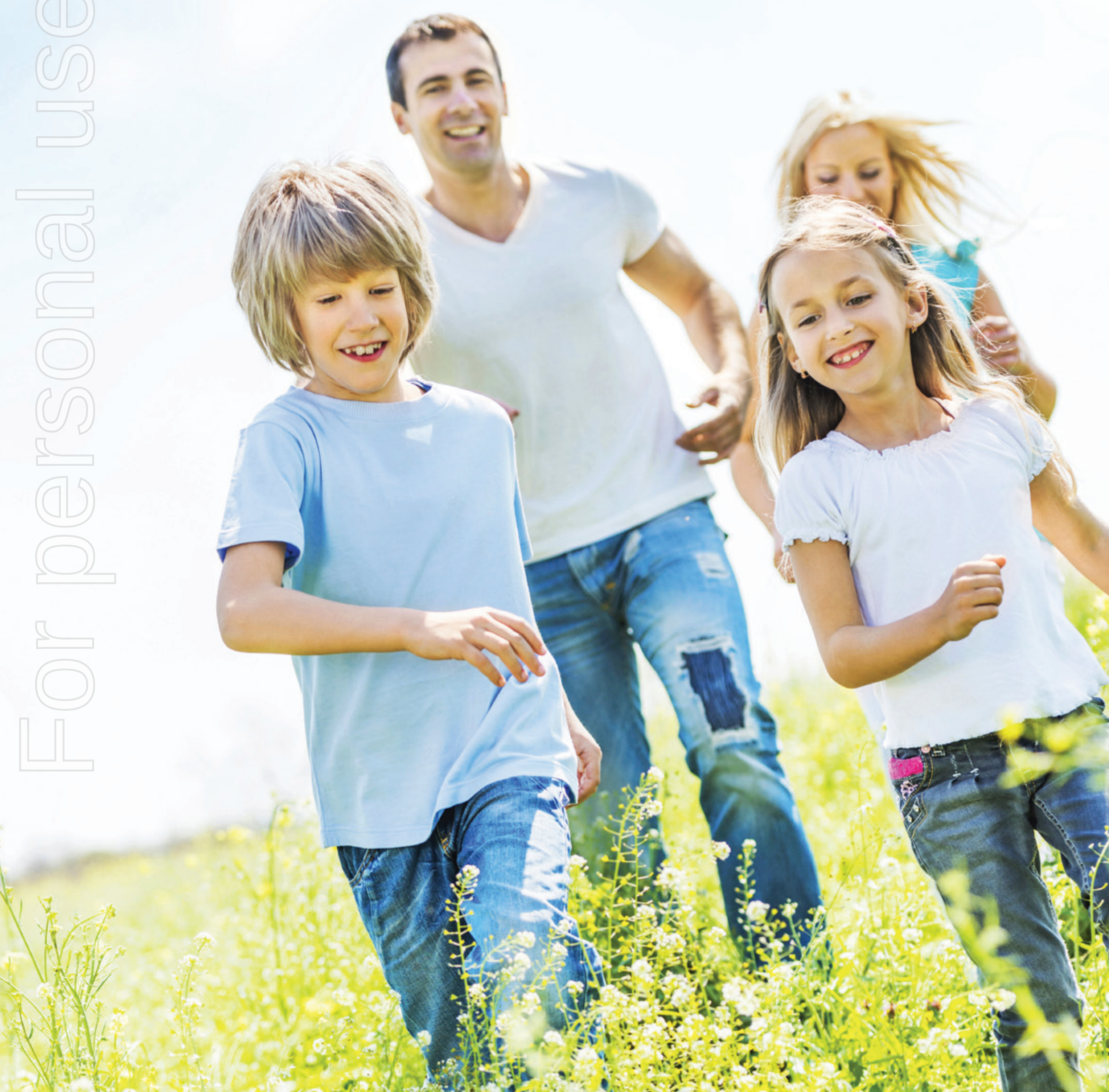
2023
ANNUAL REPORT

For the year ended 30 June 2023

JATCORP LIMITED ABN 31 122 826 242



Contents

Jatcorp's vision is to become one of the premier health and wellness companies in Asia Pacific.

Results Highlights

Marketing

4 International Expo
2 New markets and new clients
2 Flagship stores on Tmall / Tiktok

Productivity

90% Utilisation rate achieved in ANMA Factory
40% Increase of production output

R&D

1 New brand
6 New products and in-house research

Revenue

31% Increase of sales of self-owned branded products
$20m International Trading revenue

Efficiency

65% Increase of operating cash flow
19.6% Gross Margin, increased from 11.7% in FY22

Growth

78% EBITDA increased
8 New OEM customers
200% Increase of OEM production orders

Chair Report

With great challenges and changes always come great opportunities.

To Our Shareholders

The new leadership was appointed following the Shareholder meeting in September 2022, and has taken decisive steps to rebuild Jatcorp and bring the business back on track for the rest of FY23. Jatcorp's vision is to become one of the premier health and wellness companies in Asia Pacific.

I feel honoured to be the Chair of Jatcorp at such a pivotal stage in its history. The new strategy is firming and consistent. We will focus on creation of a long-term shareholder value through expansion of both organic growth and value accretive M&A. We also recognize the importance of maintaining high standards of corporate governance as well as attaining a goal of growth responsibly and sustainably.

For the past three quarters of FY23 with the new leadership on board, Jatcorp has performed well financially by increasing their earnings, net worth and cash flow. We take heart from the fact that Jatcorp will thrive on its people's ingenuity, adaptability, and determination in the coming years.

Since onboard, senior management has embarked on a journey to expand products, enhance the business opportunity, modernize manufacturing, and create a positive brand image – with the aim to reach more customers and to provide our distributors with better products.

Looking forward, FY2024 is a start of a new chapter – one that is both motivating and exciting. We are seeing promising development of new markets, as well as receiving more positive feedback and orders from the distributors. Despite the turbulence of recovery of the global economy, we are optimistic and will do our best to give desirable returns to our shareholders.

Thank you for your trust and support.

Peng Shen
Chairman

CHAIR REPORT
DIRECTOR'S REPORT
BOARD OF DIRECTORS
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FINANCIALS

Directors' Report

The directors present their report together with the consolidated financial statements of Jatcorp Limited (the 'Company') and its controlled entities (together referred to as 'Jatcorp', the 'Group', or the 'consolidated entity') for the year ended 30 June 2023.

Directors

The following were Directors of Jatcorp Limited during the whole of the financial year and up to the date of this report.

Name	Period of Directorship
Mr Peng Shen, Non-Executive Chairman	Appointed on 20 June 2022 as Non-Executive Director, Appointed on 1 September 2022 as Non-Executive Chairman
Mr Zhan Wang, Managing Director	Appointed on 20 June 2022 as Executive Director, Appointed on 8 September 2022 as Managing Director
Mr Sunny Jian Xin Liang, COO and Executive Director	Appointed 31 January 2023
Mr Zhi Guo Zhang, Ex-COO and Executive Director	Appointed 1 September 2022, Resigned 31 January 2023
Mr Bo Qiang, Non-Executive Director	Ceased as Managing Director 7 September 2022, Resigned as Non-Executive Director 25 November 2022
Mr Brett Crowley, Non-Executive Chairman	Removed 1 September 2022
Mr Bing Hui Gong, Non-Executive Director	Removed 1 September 2022

Principal Activity

Jatcorp is at the forefront of innovative technology servicing the Asia Pacific markets. With a track record of successful product development, Jatcorp is a leading producer of dairy and nutrient products in Australia. This activity encompasses:

- innovating, new product development and manufacture of a range of consumer products. JAT specialises in cow, goat, and camel milk powder-based formulations for infants through seniors. Many of our formulations contain lactoferrin which is highly effective in strengthening the immune system and enhancing intestinal health, as well as providing a range of other health benefits; and
- associated brand development, marketing and promotion; and the sale of client and in-house products, primarily in Australia and China via a multichannel strategy including traditional retail, and e-commerce platforms.

Review Of Operations

ANMA's factory is one of Jatcorp's core assets. In July 2022 and August 2022, the ANMA acquisition payable balance totalling $1,847,338 was paid in full. The company has invested in new machinery and upgraded the existing production line in this financial year.

Warehouse racking and layout were reconfigured and planned. Around 700 additional pallets holding capacity was secured. The factory has also implemented the new Inventory Management System (DEAR) to capture better stock control, it has been alive from September 2023. Working efficiency per shift has improved 30% and production cost was significantly reduced.

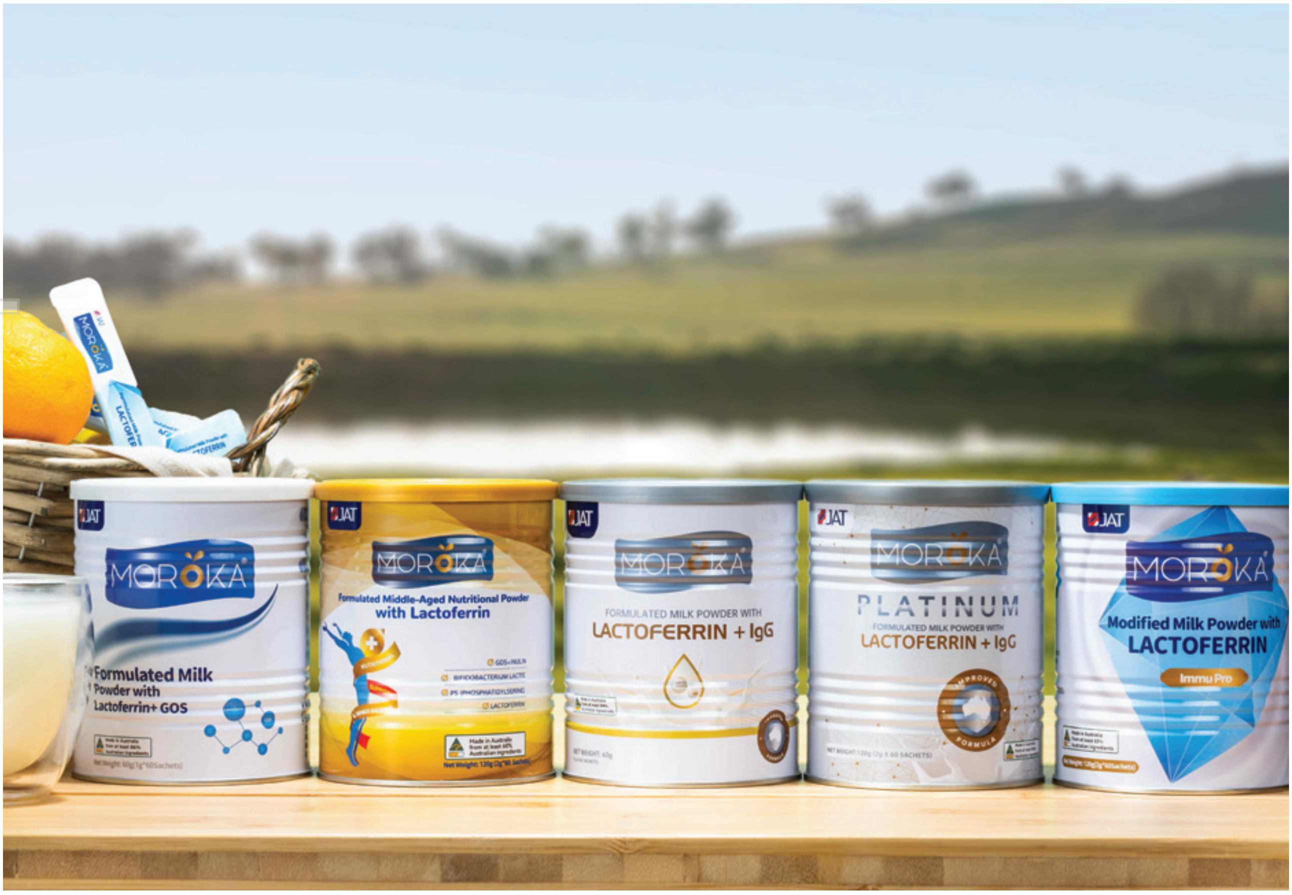
In October 2022, Jatcorp signed an important sales contract to supply milk powder products to BTNature Pty Ltd, a leading milk brand company selling predominantly into China. The Contract is for up to approximately $28 million in product sales over 12 months. For this financial year, JAT has received and completed approximately $20m of production order from BTNature, representing approximately 72% of yearly contract completed. The Company is confident of completing the remaining orders as planned and the extension of the contract for FY24 is under negotiation. In November 2022, Jatcorp launched its new corporate website, featuring a fresh look and feel, easy navigation and improved accessibility. The new website continued to attract interests from both investors and customers. Jatcorp closed its Melbourne office in January 2023 and relocated to Sydney in February 2023. On 1 June 2023, Jatcorp successfully attended the Vietnam Baby and Mother exhibition in Ho Chi Minh City. The company attracted good interests for Neurio products from both distributors and end consumers. JAT has also established a distribution channel to the Vietnam market. There are three SKU's under import registration in Vietnam. The first order is expected to be realised soon.

On 28 June 2023, Jatcorp has launched Moroka branded lactoferrin on the 23rd Shanghai International Children Baby and Maternity Products Industry Expo. Moroka products have been well accepted by distributors and are currently under promotion stage. The Moroka brand flagship store on Tmall is also established.

In June 2023, Jatcorp has produced and delivered the first order (over 13,000 units) of the diabetic supplement powder and Immune supplement powder for a Taiwan client. The Taiwan market for JAT is open now. More container orders are expected in the next quarter.

Results Highlights

- Revenue has grown by 68.02% to $57.4m in FY23.
- Gross profit has grown by 181% to $11.2m in FY23. Gross margin has improved from 11.7% to 19.6%.
- EBITDA of -$3.9m in FY23, representing an improvement of $3.8m from -$7.7m in FY22.
- Excluding the impairment loss, which is mainly from the provision of stock and the unrecoverable overseas investment incurred by the previous Board, the adjusted EBITDA is -$3.19m in FY23, representing an improvement of $3.27m from -$6.46m in FY22. Adjusted EBITDA is non-IFRS measure and presented to better understand operating efficiency.
- Operating cash flow has increased to -$963K in FY23, representing an improvement of $1.82m from -$2.78m in FY22. Cash balance was $3.8m at the end of June 2023.
- The loss from ordinary activities after tax attributable to the owners of Jatcorp Limited has greatly narrowed by 60% from -$6.3m in FY22 to -$2.5m in FY23.
- On a normalized basis the Company made breakeven based on the continuing business if the impact of professional fees of $2.42m in relation to legal proceedings against the former directors of Sunnya Pty Ltd and other related parties is excluded from the FY23 statutory results. Jatcorp expects to be successful against the defendants in these legal proceedings in the final hearings and if so will seek to recover a portion of these costs as well its claim of up to approximately $20m- $30m against those defendants.
- Revenue of our products from the international market was $24.2m, representing 42.2% of the revenue in FY23, an increase of 16.5 percentage points from 25.7% of the revenue in FY22.
- Jarcorp's subsidiary in Hong Kong has also achieved a record of international trading revenue of $20m in FY23.



Consolidated

	For the year ended 30 June 2023 (AUD 000)	**For the year ended 30 June 2022** (AUD 000)	**yoy** (+/-)%
Revenue	57,367	34,144	68%
Gross Profit	11,241	4,000	181%
Gross Profit Margin %	19.59%	11.72%	
EBITDA	(3,932)	(7,701)	-49%
EBITDA Margin %	-6.85%	-22.55%	
Adjusted EBITDA	(3,190)	(6,462)	
Adjusted EBITDA Margin %	-5.56%	-19%	
Profit /(Loss) after tax	(4,615)	(10,012)	-54%
Net Cash In Operating Activities	(963)	(2,784)	-65%

Note: Adjusted EBITDA means the operating EBITDA excluding impairment loss

Dividends

No dividends were paid or declared by the parent company, Jatcorp Ltd, since the start of the period. No recommendation for payment of dividends has been made (2022: nil).

Finance

In July 2022, the Company raised $4,282,203 before costs through completion of an Entitlement Offer and the issue of 356,850,263 fully paid ordinary JAT shares to investors at an issue price of $0.012 per share. Each subscriber for share received 1 free option for every 1 share. The option has a strike price of $0.032 each. On 8 July 2022 a total of 4,000,000 options lapsed.

In August 2022, the company also issued 275,500,000 options (Placement Options) with exercisable price of $0.032 each. These options were free attaching to the placement shares.

On 1 December 2022, Everblu, the lead manager of the placement was issued with 200,000,000 options at the exercisable price of $0.032 each and an expiry date of 24 August 2024 for placement services.

The 10,000,000 remaining Performance Rights on issue lapsed during the period, 5,000,000 lapsing on 1 September 22 and 5,000,000 lapsing on 24 December 22.

Significant Changes In The State Of Affairs

On 9th of March, the consolidated entity sold Green Forest International Pty Ltd and KTPD Holdings Pty Ltd ("Green Forest Group") for consideration of $200 resulting in a loss on disposal before income tax of $1,761,643. There is no possibility to generate a profit from management point of view, to dispose of the unprofitable operations it met the consolidated entity's long term strategy and the directors decided to dispose of it. Due to disposal of the unprofitable operations, the Group has reduced its accumulated losses by $3,319,327.

Matters Subsequent To The End Of The Financial Year

A general meeting of shareholders was held on 12 September 2023 where a resolution to consolidate the share capital of the Company on a 30 for one basis, with fractional holdings rounded up to the nearest whole number, was passed.

The consolidation both reduces the number of shares on issue and increase the share price, theoretically by a multiple of 30 times the share price prior to the consolidation.

The company currently has on issue 2,497,951,839 ordinary fully paid shares, the consolidation of capital proceeds, the number of shares on issue will be 83,265,061, subject to rounding discussed above.

The company currently has on issue 832,350,263 $0.032 options expiring 24 August 2024 listed on ASX (ASX code:JATO) (Options) ,the number of option on will be 27,745,009,subject to rounding, and the exercise price will be $0.96

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 these operations or the state of affairs of the Group in future financial years.

Outlook

Although the recovery of China's economy for the first half of 2023 was moderate, we anticipate that the depth of domestic consumption will continue to support the end demand. New growth drivers of China's economy are expected to chart the new course over the next decade, including middle-income spending, digital transition wave, transitioning of energy sector and new infrastructure plan.

We believe China's policymakers will emphasize strategically important areas and roll out effective stimulus measures to inspire domestic spending, and support for the private sector to raise investment and create jobs. We retain a good level of confidence on China's economy in FY2024 and an optimistic view on the demand for o ur products.

Likely Developments And Expected Results Of Operations

Any future developments required to be disclosed as per ASX Listings Rules have either been disclosed previously or are included in commentary or notes to this report. Any future items required to be disclosed will be done according to current listing rules requirements.

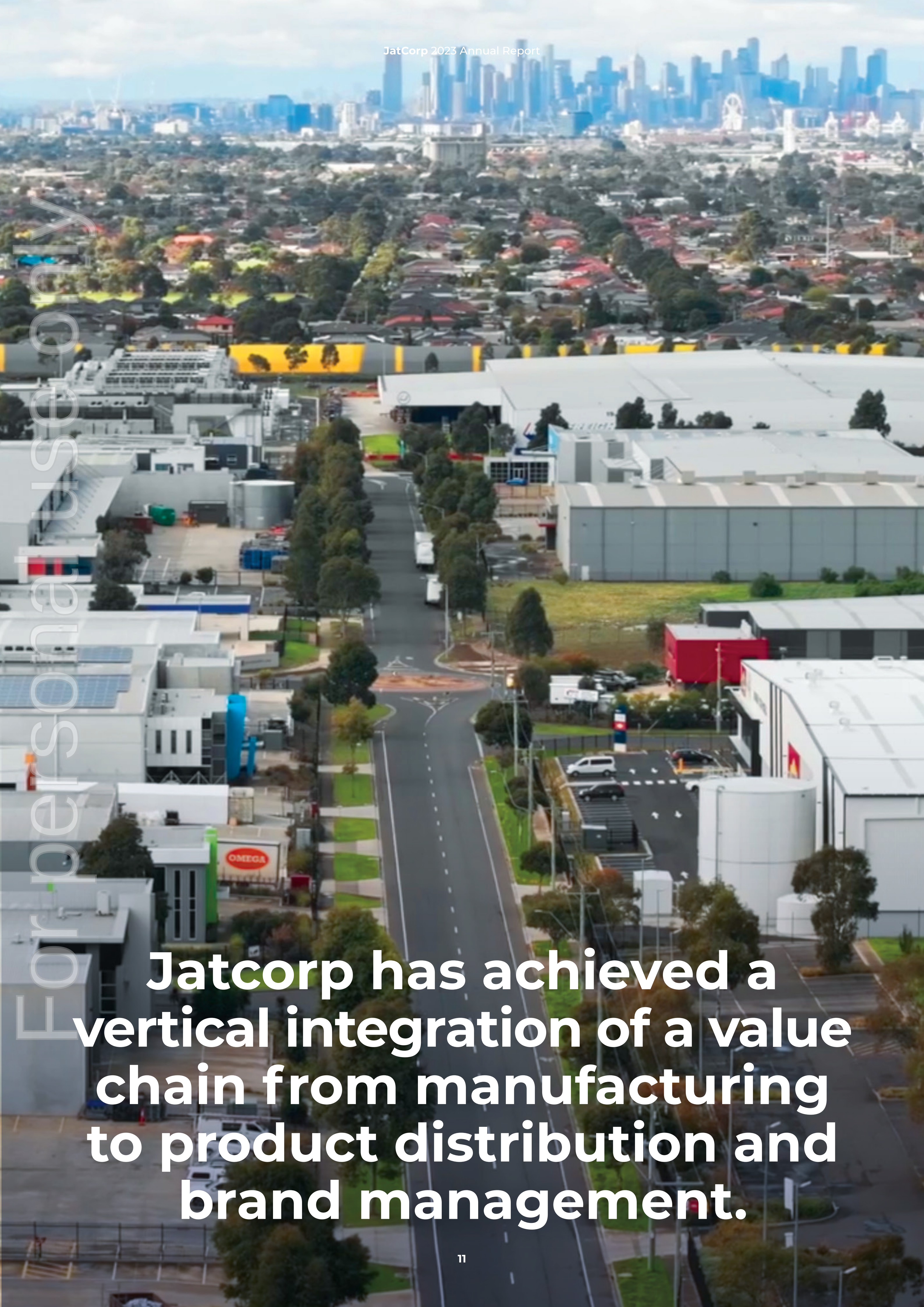
Environmental Regulations

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

Corporate Governance

The Board of Directors of Jatcorp is responsible for the corporate governance of the Group. The Board guides and monitors the business and affairs of Jatcorp on behalf of the shareholders by whom they are elected and to whom they are accountable.

Jatcorp's corporate governance practices were in place for the year and were compliant with the ASX Governing council's best practice recommendations. In compliance with the "If not why not" reporting regime, where the Company's corporate governance practices do not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the company has adopted instead of those in the recommendation. Information on corporate governance is listed on JAT website (www.jatcorp.com) and further information can be requested from the Company's head office.



Jatcorp has achieved a vertical integration of a value chain from manufacturing to product distribution and brand management.

Risk Management

The Group takes a proactive approach to risk management. Management, through the Managing Director, is responsible for designing, implementing and reporting on the adequacy of the Group's risk management and internal control system.

Management reports to the Board on the Company's key risks and the extent to which it believes these risks are being managed. This is performed informally on a six-monthly basis or more frequently as required by the Board.

The Group has developed a series of risks which the Group believes to be inherent in the business and industry in which the Group operates. These include:

- Operating risk
- Environmental risk
- Competitor and market risk
- Intellectual property risk
- Branding and reputation risk
- Legal, compliance and regulatory risk
- Occupational health and safety risk
- Financing and adequacy of capital risk

Jatcorp will strengthen and constantly review its risk mitigation strategies to improve its resilience to future shocks and take advantage of changing conditions. The mitigation strategies are:

- Secure and re-engineer its supply chain and operations
- Refine and optimize its portfolio of offerings to tailor to consumer needs
- Establish a robust omnichannel capability now and in the future
- Consider synergistic, personalized nutrition partnership opportunities
- Improve the business sustainability, particularly in relation to ESG

These risk areas are provided here to assist investors to understand better the nature of the risks faced by our Group and the industry in which we operate. This is not necessarily an exhaustive list. The Board receives regular reports on addressing and management of the key risks associated with the Group's business. The Board has the right to appoint external professional advisers to carry out investigations into control mechanisms and report their findings and recommendations in relation to control improvements, processes, and procedures to the Board.

Near Term Focus

Market Penetration

China: Through official brand stores on major e-commerce platforms and partnerships with local sales channels, including Taiwan and Hong Kong.

Southeast Asia: Market penetration plan through well-known exhibitions and strong local partnerships, particularly targeting the Vietnam market.

Brand Building

Actively seeking innovative health solutions through product development rooted in scientific research.

To create a positive brand image for own brands through AI or other cutting-edge techs.

To deliver diabetic and Immune supplement powder to Taiwan. And co-develop products with local distributors.

ESG - good for stakeholders and the company

We will progress self-assessment under ESG framework and prepare ESG reporting aligned with GRI standard in near future.

Our future ESG reporting will focus on:

Environmental Management:

Safety reporting to ensure worker well-being. Tracking waste, energy consumption, and carbon emissions.

Social Initiatives:

Policies for diversity, employee satisfaction, and supply chain ethics.

Corporate Governance:

Adhering to ASX Corporate Governance Principles where appropriate to the Company.

Board Of Directors

Peng Shen
BEcon Hon, M.Fin
Non-Executive Chairman – appointed 1 September 2022
Non-Executive Director – appointed on 20 June 2022

Mr Shen has more than 23 years of experience in management and operation of listed public companies. Mr Shen was formerly CFO of Yancoal Australia, a S&P/ASX 100 company, where he managed billions worth of M&A transactions and gained leadership experience in Australia.

Prior to Yancoal, Mr Shen held the offices of Director and Company Secretary in China Shenhua Energy Ltd, one of the world's largest and leading integrated energy companies, where he lead the investor relations and managed IPOs over 13 billion USD on HKSE and SHSE.

As a senior business consultant, Mr Shen also has practiced and advised extensively in the fields of resources, fund management and business generally. Prior to his career with China Shenhua, Mr Shen held senior consultant position at Deloitte Touche Tohmatsu.

Zhan Wang
Managing Director – appointed 8 September 2022
Executive Director – appointed on 20 June 2022

Mr Wang has ten years of experience in cross-border e-commerce and eight years' experience in retail of maternity and infant products. Mr Wang's business footprint extends across China, Korea, Japan, and Southeast Asia, and he has rich experience in market development and sales.

Mr Wang is currently the Managing Director of Pacific Healthy International Pty Ltd, and Pacific Healthy ANZ Pty Ltd, the leading distributors in the industries of dairy products, vitamin and cosmetics focusing on the Australian and Asian markets.

Mr Wang is the co-founder of HK Huibeijia Brand Manage Co., Ltd, which was established in 2014 and has more than 500 stores in mainland China. Mr Wang is also the sole director of Gold Brick Capital Pty Ltd.

Sunny Jianxin Liang
Executive Director - appointed 31 January 2023

Mr Liang has more than ten years' experience in the export industry including infant formula, health supplements, skin care and personal care categories.

Mr Liang was previously a senior business development director for a major export and E-Commerce company, where he led the company through a period of significant growth and contract wins, achieved brand expansion and market penetration for clients, and built to annual turnover of over $400m. In that role he oversaw operations in Australia, China, Vietnam, and other Asia countries.

Other Directors And Company Secretary

Zhiguo Zhang

Former Executive Director - appointed 1 September 2022, Resigned 31 January 2023

Mr Zhang has over 10 years' industry experience in managing product inspection and certification and in examining factory/product systems for Australian-made general foods, dairy, skincare and nutrition products.

Bo Qiang

Former Non-Executive Director - Appointed 7 September 2022, Resigned 25 November 2022
Former Managing Director - Ceased 7 September 2022

Mr Qiang has a strong background in rural business and trading with China, particularly in relation to the Shandong and Hebei provinces. In Australia, he has ownership of cattle stations in outback of SA and NT, exporting livestock and livestock products to Asia.

Brett Crowley

Former Non-Executive Chairman - Removed 1 September 2022
Former Company Secretary - Resigned 1 September 2022

Mr Crowley is a practicing solicitor and a former Partner of Ernst & Young in Hong Kong and Australia, and of KPMG in Hong Kong.

Bing Hui Gong

Former Non-Executive Director - Removed 1 September 2022

Mr Gong has had an extensive career in business management, especially marketing and sales, since 1995. He was Head of Sales of Guangdong Apollo Group Co., Ltd from 1995 to 2000. He is one of the founders and partners of By-Health Co., Ltd, one of China's largest science-based nutritional supplement suppliers.

Oliver Carton

Company secretary - Appointed 4 July 2022

Oliver Carton is an experienced lawyer and company secretary, having provided outsourced company secretarial services for over 20 years. Prior to this he held roles as a director at KPMG, and a senior legal officer at ASIC.

Meetings of Directors

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2023 and the numbers of meetings attended by each Director.

Name	Meetings attended	Meetings held
Peng Shen	13	14
Zhan Wang	14	14
Sunny Jianxin Liang (appointed on 31 January 2023)	4	4
Zhiguo Zhang (resigned on 31 January 2023)	6	6
Bo Qiang (resigned on 25 November 2022)	9	9
Binghui Gong (removed on 1 September 2022)	3	4
Brett Crowley (removed on 1 September 2022)	4	4

Remuneration Report (audited)

This report outlines the remuneration arrangements in place for Directors and key management personnel (KMP) of the Group.

These disclosures have been audited, as required by section 308(3C) of the Corporations Act 2001.

Role Of The Remuneration Committee

Currently the role of the Remuneration Committee is undertaken by the Board given the number of directors and the nature and size of the Company. Its role is to make recommendations on:

- non-executive director fees;
- executive remuneration (directors and other executives including KMP); and
- the over-arching executive remuneration framework and incentive plan policies.

Their objective is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Company. In doing this, the remuneration committee seeks advice from independent remuneration consultants.

Principles Used To Determine The Nature And Amount Of Remuneration

The performance of the Group depends on the quality of its Directors, Executives and other KMP.

To prosper, the Group must attract, motivate and retain highly skilled Directors, Executives and other KMP. To this end, the Group embodies the following principles in its remuneration framework:

- provide competitive rewards to attract high calibre executives;
- link executive rewards to shareholder value;
- ensure that a significant portion of executive remuneration is 'at risk', and therefore dependent on meeting pre-determined performance benchmarks; and
- establish appropriate performance hurdles in relation to variable executive remuneration.

The Board of Directors assesses the appropriateness of the nature and amount of remuneration of Directors and senior managers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team. Currently the Board has determined that Directors and senior managers will be remunerated at fixed rates per month to enable the Group to have control of its costs and cash flows.

Non-Executive Director Remuneration

The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain Directors of the highest calibre, while incurring costs that are acceptable to shareholders.

The constitution and the ASX Listing Rules specify that the maximum aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting of shareholders. At the general meeting of shareholders held on 17 November 2020 this maximum amount was set at $350,000 per annum.

The Group had three Non-Executive Directors during the year.

Peng Shen (appointed on 20 June 2022, appointed as Non-Executive Chairman on 1 September 2022) received $163K in FY2023 (2022: $ Nil)

Binghui Gong (removed on 1 September 2022) received $ Nil in FY2023 (2022: $ Nil)

Brett Crowley (removed on 1 September 2022) received $21,692 in FY2023 (2022: $98,862).

The amount of aggregate remuneration sought to be approved by shareholders and the fixed fees paid to Directors are reviewed annually. The Board considers fees paid to Non-Executive Directors of market comparable companies when undertaking the annual review process.

Executive And Key Management Personnel Remuneration

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group and so as to:

- reward executives for group and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of executives with those of shareholders;
- link reward with the strategic goals and performance of the Group; and
- ensure total remuneration is competitive by market standards.

A policy of the Board is to establish employment or consulting contracts with the chairman, managing director and other senior executives.

The former Managing Director, Wilton Yao, who resigned before the EGM in lateon 20 June 2022, had appointed himself CEO of the Company and entered into an employment agreement with Company early on 6 June 2022. The terms of that agreement were very favourable to Mr Yao, including that:

i. Jatcorp had to give Wilton Yao 12 months' notice to terminate or payment in lieu (Clause 9.2);

ii. By contrast, Wilton Yao had to give Jatcorp only four (4) weeks' notice to terminate (Clause 9.3)

iii. Included a salary of $30,000 per month gross (Clause 3.1 and Schedule);

iv. Included a term that if Wilton Yao's employment lasted at least one (1) year, then Jatcorp could only terminate him by giving one year's notice plus one year's salary plus bonuses (effectively, if paid in lieu, Jatcorp could only terminate by paying two year's salary plus bonuses equating to $720,000 gross plus bonuses);

v. Did not include any performance or KPI requirements despite significant losses incurred under Wilton Yao's leadership as Managing Director in the past years.

The Board has since terminated Mr Yao's employment on multiple grounds including certain alleged improper conduct on 24 December 2022. Mr Yao has commenced legal proceedings alleging wrongful termination of his employment. The Company is vigorously defending the claims and is confident of maintaining its position.

The Company is currently reviewing its remuneration policies.

Voting And Comments Made At The Company's 2022 Annual General Meeting ('AGM')

At the 2022 AGM, 98.29% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2022. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details Of Remuneration

The remuneration of the Directors and other KMP of Jatcorp are set out below. KMP for the year ended 30 June 2023 are as disclosed below.

	Short-term benefits		Post-employment benefits	Long-term benefits	
Name	***Cash salary and fees**	**Non-monetary**	**Super-annuation**	**Long service leave**	**Total**
FY 2023	**$**	**$**	**$**	**$**	**$**
Non-executive directors					
Peng Shen (Appointed on 20 June 2022 as Non-Executive Director, appointed on 1 September 2022 as Non-Executive Chairman)	143,068	4,332	15,022	-	162,422
Binghui Gong (Removed on 1 September 2022)	-	-	-	-	-
Brett Crowley (Removed on 1 September 2022)	19,822		1,871	-	21,693
Total non-executive directors	**162,890**	**4,332**	**16,893**	**-**	**184,115**
Executive directors					
Zhan Wang (Appointed on 20 June 2022 as Executive Director, appointed on 8 September 2022 as Managing Director)	254,033	3,150	24,584	429	282,196
Sunny Jianxin Liang (Appointed on 31 January 2023)	135,898	-	13,256	21	149,175
Zhiguo Zhang (Appointed on 1 September 2022,resigned on 31 January 2023)	61,188	-	7,875	-	69,063
Bo Qiang (Appointed 7 September 2022, Resigned on 25 November 2022 Former Managing Director - Ceased on 7 September 2022)	89,850	-	2,184	-	92,034
Total executive directors	**540,969**	**3,150**	**47,899**	**450**	**592,468**
Other Key Management Personnel					
Li Yang (CFO) (Appointed on 8 July 2022)	160,367	-	15,688	-	176,055
Wilton Yao (Former CEO, terminated on 24 December 2022)	192,386	6,598	20,942	-	219,926
Jennifer Liu (Former CFO, on resigned 4 July 2022)	1,926	-	188	-	2,114
Total	**1,058,538**	**14,080**	**101,610**	**450**	**1,174,678**

* Including annual leave accrual

Name	Short-term benefits		Post-employment benefits	Long-term benefits	Share-based payments	
	*Cash salary and fees	Non-monetary	Super-annuation	Long service leave	Equity-settled shares	Total
FY 2022	**$**	**$**	**$**	**$**		**$**
Non-executive directors						
Xin Sun (removed 20 June 2022)	-	-	-	-	-	-
Peng Shen (appointed 20 June 2022)	-	-	-	-	-	-
Bing Hui Gong (appointed 3 June 2022, removed 1 September 2022)	-	-	-	-	-	-
Brett Crowley (removed 1 September 2022)	90,462	-	8,400	-	-	98,862
Total non-executive directors	**90,462**	**-**	**8,400**	**-**	**-**	**98,862**
Executive directors						
Wilton Yao (resigned 17 June 2022, reappointed as alternate director 17 June 2022, resigned 18 August 2022)	330,150	-	-	-	85,000	415,150
Bo Qiang (appointed 3 June 2022)	3,990	-	-	-	-	3,990
Zhan Wang (appointed 20 June 2022)	-	-	-	-	-	
Total executive directors	**334,140**	**-**	**-**	**-**	**85,000**	**419,140**
Other Key Management Personnel						
Jennifer Liu (resigned 4 July 2022)	188,198	-	15,500	-	-	203,698
Total	**612,800**	**-**	**23,900**	**-**	**85,000**	**721,700**

· Including annual leave accrual

Service Agreements

The following executives are employed under consulting contracts. The major provisions of the agreements are as follows.

Name: Zhan Wang

Title: Managing Director
Agreement commenced: 8 September 2022
Term of agreement: 3 years
Details: Base salary for the year ending 30 June 2023 of $250,000 plus superannuation, 5 month termination notice by either party.

Name: Sunny Jianxin Wang

Title: COO
Agreement commenced: 31 January 2023
Term of agreement: 2 years
Details: Base salary for the year ending 30 June 2023 of $300,000 plus superannuation, 5 month termination notice by either party.

Name: Li Yang

Title: CFO
Agreement commenced: 4 July 2022
Term of agreement: Permanent
Details: Base salary of $150,000 plus superannuation, 1 month termination notice by either party, non-solicitation and non-compete clauses.

Non-executive Director is appointed subject to their election and annual re-election by shareholders. The Chair's appointment may be terminated by either party giving one months' notice.

Name: Peng Shen

Title: Chairman
Agreement commenced: 1 September 2022

Additional Disclosures Relating To Key Management Personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Name	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year*
2023 Ordinary shares	**No. of Shares**	**No. of Shares**	**No. of Shares**	**No. of Shares**	**No. of Shares**
Peng Shen	-	-	-	-	-
Gold Brick Capital Holding Shares (Zhan Wang)	424,703,461	-	82,945,751	-	507,649,212
Sunny Jianxin Liang (appointed on 31 January 2023)	-	-	926,316	-	926,316
Li Yang	23,600	-	-	-	23,600
*ZHBK PTY LTD and ZLIBJ PTY LTD (Zhiguo Zhang resigned on 31 January 2023)	6,572,222	-	1,000,000	-	7,572,222
*Bo Qiang (resigned on 25 November 2022)	73,287,207	-	-	-	73,287,207
*Binghui Gong (removed 1 September 2022)	13,000,000	-	-	13,000,000	-
*Brett Crowley (removed 1 September 2022)	4,578,948	-	763,158	-	5,342,106
*JIN & YAO INVESTMENTS PTY LTD (Witon Yao terminated 24 December 2022)	28,390,059	-	-	-	28,390,059
Total	**550,555,497**	**-**	**85,635,225**	**13,000,000**	**623,190,722**

* represents holding of ordinary shares at the date of resignation or removal.

Directors and KMP	Balance at the start of the year	Changes during the year	Balance at the end of the year
2022	**No. of Shares**	**No. of Shares**	**No. of Shares**
Xin Sun (removed 20 June 2022)	-	-	-
Wilton Yao * (resigned 17 June 2022, reappointed as alternate director 17 June 2022, resigned 18 August 2022)	21,811,111	6,578,948	28,390,059
Brett Crowley* (removed 1 September 2022)	1,334,533	3,244,415	4,578,948
Bo Qiang (appointed 3 June 2022)	55,555,555	17,731,652	73,287,207
Binghui Gong (appointed 3 June 2022, removed 1 September 2022)	-	13,000,000	13,000,000
Gold Brick Capital Holding Shares (Zhan Wang)	102,140,000	322,563,461	424,703,461
Peng Shen (appointed 20 June 2022)	-	-	-

* Indirect interest through a related party. Refer to note 27.

Option Holding

Name	Balance at the start of the year	Granted	Exercised	Expired/other	Balance at the end of the year
Options over ordinary shares					
Gold Brick Capital Holding Shares (Zhan Wang)	-	192,500,000	-	-	192,500,000
Wilton Yao *(resigned 17 June 2022, reappointd as alternate director 17 June 2022, resigned 18 August 2022)	5,000,000	-	-	5,000,000	-
Brett Crowley* (removed 1 September 2022)	5,000,000	2,148,739	-	5,000,000	2,148,739
Binghui Gong (removed 1 September 2022)	13,000,000	-	-	-	13,000,000
Total	**23,000,000**	**194,648,739**	**-**	**10,000,000**	**207,648,739**

No options were granted as remuneration in the financial year ended 30 June 2023. There were no other options held by KMP in FY2023 (2022: nil).

Other Transactions With Key Management Personnel And Their Related Parties

During the financial year, payments for marketing services from Pacific Healthy ANZ Pty Ltd and Pacific Healthy International Holding Pty Ltd (director-related entity of Zhan Wang) of $18,182 and $271,121 were made, payments for marketing services from HLW Investments Pty Ltd (director-related entity of Yin Hang He) of $72,000 was made. The current trade payable balance as at 30 June 2023 was Nil. The payments for sales from Pacific Healthy International Holding Pty Ltd (director-related entity of Zhan Wang) of $2,376,814 was received. The current trade receivable balance as at 30 June 2023 was $160,672 not due. All transactions were made on normal commercial terms and conditions and at market rates. This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of the company under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
2023			
Various - options are listed on ASX	24.08.2024	$0.96	27,745,009

Shares Issued On The Exercise Of Options

No ordinary shares of the company were issued during the year ended 30 June 2023 and up to the date of this report on the exercise of options granted.

Indemnity And Insurance Of Officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith. During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity And Insurance Of Auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor. During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings On Behalf Of The Company

Legal Proceedings of Sunnya Pty Ltd

The Company had previously announced that it has regained control over one of its key subsidiaries, Sunnya Pty Ltd, and that legal action is being taken with respect to some former directors. Those legal proceedings have resulted in the granting of several injunctions by the Court to prevent the former directors and their related parties from taking over the IP of Sunnya and interfering with its business. Freezing orders have also been obtained by the Company and Sunnya against the assets of the former directors and some of their related parties to prevent further dissipation.

Additional injunctions have also been obtained to prevent the defendants from further damage to Sunnya's business by bringing identical products into China via a similar brand. In the course of the proceedings, the Company has also discovered that a large amount of profits of Sunnya for FY2021-FY2023 had been improperly retained by the former directors' related parties in China and the proceedings have now been expanded to include additional parties related to the former directors as well as a New Zealand based supplier who has an alleged trademark infringement and supplied unauthorised products to the related parties to former directors of Sunnya in China.

In May and June, the Supreme Court of NSW made new orders against the defendants, and restrained them from taking steps to distribute, manufacture, sell, market or export any "Neurio" branded products and other related branded products.

The former directors of Sunnya, using their related party shareholder entity, have recently filed a new cross claim against the Company, alleging, amongst other things, oppression. The Company considers such attempt to be a litigation tactic to hinder Sunnya's case for breach of duty. That case will be heard alongside the main case by Sunnya and the Company and Sunnya are confident that those claims will be dismissed.

After the first failed attempt to mediate, the parties have recently conducted a mediation which did not result in any settlement.

The case is now set down for the hearing on the issue of liability starting in late November 2023. There is a possibility that if the case runs on time, a judgment may be issued before the end of the year.

Sunnya's opposition of the Chinese proceedings commenced by the former directors' related party supplier entity continues and is yet to be decided. Sunnya has now learned of new cases which have been started in China by the associate parties of the former directors, however, they are yet to be served with those proceedings.

The Company will provide further update as the various proceedings continues.

The Company does not believe that the Sunnya legal proceedings will have a material impact on the Company's financial performance.

Legal Proceedings vs Wilton Yao

As announced on 10 January 2023, the employment of, former director and CEO of the Company, Wilton Yao, was terminated. He has since brought proceedings against the Company claiming damages for the termination of his employment contract. The Company has rejected his claim as without merit and will defend the proceedings. The Company will further update on the progress.

Apart from the above, no other matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Group, the results of these operations or the state of affairs of the group in future financial years.

Non-audit Services

There were no non-audit services provided by the auditors during the financial year ended 30 June 2023.

Officers Of The Company Who Are Former Partners Of RSM Australia

There are no officers of the company who are former partners of RSM Australia.

Rounding Of Amounts

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

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 immediately after this directors' report.

Auditor

RSM Australia Partners was appointed as the auditor on 14 June 2023.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Zhan Wang
Managing Director

28 September 2023
Sydney

Auditor's Independence Declaration

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Jatcorp Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM Australia Partners — Digitally signed by RSM Australia Partners Date: 2023.09.28 17:54:20 +10'00'

RSM AUSTRALIA PARTNERS

Louis Quintal — Digitally signed by Louis Quintal Date: 2023.09.28 17:54:47 +10'00'

Louis Quintal
Partner

Sydney, NSW
Dated: **28 September 2023**

Financial Statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2023

	Note	2023 $	2022 $
Revenue	5	57,367,372	34,143,512
Cost of Sales	7	(46,126,688)	(30,143,333)
Gross Profit		**11,240,684**	**4,000,179**
Other Income		262,340	227,788
Advertising & Marketing		(3,551,846)	(4,200,361)
Consultancy & Professional Fees		(3,117,428)	(520,949)
Employee Benefits		(3,214,248)	(3,017,086)
Directors' Fees		(797,725)	(327,990)
Administration Expenses		(1,247,136)	(615,407)
Other Expenses		(275,882)	(490,678)
Finance Costs	6	(190,530)	(1,166,409)
Share Based Payments		-	(109,789)
Depreciation & Amortisation	6	(1,021,026)	(1,011,236)
Impairment Loss	6	(742,312)	(1,238,867)
Loss before income tax expense from continuing operations		**(2,655,109)**	**(8,470,805)**
Income tax benefit/(expense)	8	206,250	(133,170)
Loss after income tax expense from continuing operations		(2,448,859)	(8,603,975)
Loss after income tax expense from discontinued operations	9	(2,165,833)	(1,407,790)
Loss after income tax expense for the year		**(4,614,692)**	**(10,011,765)**
Total comprehensive loss for the year		(4,614,692)	(10,011,765)
Loss for the year is attributable to:			
- Members of parent entity		(4,476,085)	(6,971,913)
- Non-controlling interest		(138,607)	(3,039,852)
Total comprehensive loss after income tax expense for the year		**(4,614,692)**	**(10,011,765)**
Loss for the year is attributable to:			
Continuing operations		76,676	(2,290,145)
Discontinued operations		(215,283)	(749,707)
Non-controlling interest		**(138,607)**	**(3,039,852)**
Continuing operations		(2,525,535)	(6,313,829)
Discontinued operations		(1,950,550)	(658,084)
Owners of Jatcorp Limited		**(4,476,085)**	**(6,971,913)**
Loss after income tax expense for the year		**(4,614,692)**	**(10,011,765)**

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

	Note	2023 $ Cents	2022 $ Cents
Losses per share for loss from continuing operations attributable to the owners of Jatcorp Ltd			
Basic Losses per share	4	(0.10)	(0.34)
Diluted Losses per share		(0.10)	(0.34)
Losses per share for loss from discontinued operations attributable to the owners of Jatcorp Ltd			
Basic Losses per share	4	(0.08)	(0.03)
Diluted Losses per share		(0.08)	(0.03)
Losses per share for loss attributable to the owners of Jatcorp Ltd			
Basic Losses per share	4	(0.18)	(0.37)
Diluted Losses per share		(0.18)	(0.37)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position
As at 30 June 2023

	Note	30 Jun 23 $	30 Jun 22 $
Current Assets			
Cash & Cash Equivalents	10	3,805,928	3,859,919
Trade And Other Receivables	11	7,274,918	1,836,039
Inventory	12	4,734,383	4,946,768
Tax Receivable		247,434	194,350
Total Current Assets		**16,062,663**	**10,837,076**
Non-Current Assets			
Property, Plant And Equipment	13	4,847,841	5,101,509
Trade And Other Receivables	11	160,125	67,848
Right Of Use Asset	14	2,493,394	3,529,811
Investment In Joint Ventures		-	301,633
Intangible Assets	15	2,714,644	2,960,343
Deferred Tax Assets	21	28,047	-
Total Non-Current Assets		**10,244,051**	**11,961,144**
Total Assets		**26,306,714**	**22,798,220**
Current Liabilities			
Trade And Other Payable	16	1,804,521	3,410,384
Contract Liabilities	17	7,578,507	3,698,395
Borrowings	18	3,173,617	1,782,797
Lease Liabilities	19	540,666	476,837
Provision	20	335,978	332,053
Total Current Liabilities		**13,433,289**	**9,700,466**

	Note	30 Jun 23	30 Jun 22
Non-Current Liabilities			
Borrowings	18	-	1,602,819
Lease Liabilities	19	2,223,663	3,555,458
Provision	20	213,886	-
Deferred Tax Liabilities	21	-	458,100
Total Non-Current Liabilities		**2,437,549**	**5,616,377**
Total Liabilities		**15,870,838**	**15,316,843**
Net Assets		**10,435,876**	**7,481,377**

Consolidated Statement of Financial Position (Continued)

	Note	30 Jun 23 $	30 Jun 22 $
Equity			
Issued Capital	22	90,231,570	85,981,706
Share Options Reserve		-	1,024,789
Accumulated Losses	23	(81,952,519)	(80,167,772)
Equity Attributable To The Owners Of Jatcorp Limited		8,279,051	6,838,723
Non-Controlling Interests	24	2,156,825	642,654
Total Equity		**10,435,876**	**7,481,377**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity
For the year ended 30 June 2023

	Contributed Equity	Non-Controlling Interest	Accumulated losses	Share Options Reserve	Total Equity
Balance at 1 July 2021	77,859,269	4,858,505	(73,195,855)	400,000	9,921,919
Loss for the year	-	(3,039,851)	(6,971,917)	-	(10,011,768)
Dividend declared by Subsidiaries	-	(1,176,000)	-	-	(1,176,000)
Shares issued during the year net of cost	8,037,437	-	-	-	8,122,437
Share Option	-	-	-	709,789	709,789
De-recognition of unissued shares	85,000	-	-	(85,000)	(85,000)
Balance at 30 June 2022	**85,981,706**	**642,654**	**(80,167,772)**	**1,024,789**	**7,481,377**
Balance at 1 July 2022	85,981,706	642,654	(80,167,772)	1,024,789	7,481,377
Loss for the year	-	(138,607)	(4,476,085)	-	(4,614,692)
Shares issued during the year net of cost	4,249,864	-	-	-	4,249,864
De-recognition of discontinued operations	-	1,652,778	1,666,549	-	3,319,327
Option expired	-	-	1,024,789	(1,024,789)	-
Balance at 30 June 2023	**90,231,570**	**2,156,825**	**(81,952,519)**	**-**	**10,435,876**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cashflows
For the year ended 30 June 2023

	Note	2023 $	2022 $
Cash Flows From Operating Activities			
Receipts From Customers		60,692,028	40,352,059
Payments To Suppliers And Employees		(61,206,442)	(41,276,624)
Interest Received		19,525	2,632
Interest And Other Finance Cost Paid		(190,530)	(1,185,789)
Income Taxes Paid		(332,981)	(919,435)
Government Grants And Tax Incentives		54,910	243,027
Net Cash Outflow In Operating Activities	31	**(963,490)**	**(2,784,130)**
Cash Flows From Investing Activities			
Payments For Property, Plant And Equipment		235,285	(1,381,513)
Proceeds From Sale Of Investments		200	-
Payments For The Acquisition Of Controlled Entities		(1,847,338)	(216,600)
Net Cash Inflow/(Outflow) In Investing Activities		**(1,611,852)**	**(1,598,113)**
Cash Flows From Financing Activities			
Proceeds From Issue Of Shares, Net Of Costs		4,249,864	8,037,437
Net Repayment Of Borrowings		(1,174,008)	(4,613,732)
Lease Payments		(554,505)	(420,256)
Dividends Declared By Subsidiary		-	(1,176,000)
Net Cash Inflow In Finance Activities		**2,521,351**	**1,827,449**
Net Decrease In Cash And Cash Equivalents		**(53,991)**	**(2,554,794)**
Cash And Cash Equivalents At The Beginning Of The Period		3,859,919	6,414,713
Cash And Cash Equivalents At The End Of The Period		**3,805,928**	**3,859,919**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to Financial Statements
For the year ended 30 June 2023

Note 1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of Preparation

Jatcorp Limited is a public company limited by shares, incorporated and domiciled in Australia. The registered office and principal place of business is Suite 502, 2 Bligh Street, Sydney NSW 2000.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The Group is a for-profit entity for financial reporting purposes. This consolidated financial report covers the parent entity Jatcorp Limited and its controlled entities (the Group). The consolidated financial statements are presented in Australian dollars, the Group's functional and presentation currency.

The financial report was authorised for issue by the Directors on 28 September 2023. The Company has the power to amend and reissue the financial report.

All press releases, financial reports and other information are available on our website: www.jatcorp.com

Comparative Figures

Comparatives figures have been adjusted to conform to changes in presentation for the current financial year where required by Accounting Standards or as a result of changes in accounting policy.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Going concern basis of accounting

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

As disclosed in the financial statements, the consolidated entity incurred a loss of $4,614,692 and had net cash outflows from operating activities of $963,490 for the year ended 30 June 2023. As at that date the consolidated entity had net current assets of $2,629,374 and net assets of $10,435,876. The ability of the consolidated entity to continue as a going concern is dependent on a number of factors, the most significant of which is the ability to generate positive operating cash flows through its continued operations.

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

The Directors believe that there are reasonable grounds to believe that the consolidated entity will be able to continue as a going concern, after consideration of the following factors:

- The Group has cash balance of $3,805,928 as at the end of current financial year;
- The Directors have considered the Group's cash flow forecast which indicates the Group to continue to operate within the limits of its available cash reserves; and
- If required, the Group has the ability to reduce discretionary spending in its consultancy expenditures.

Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

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

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 30.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Jatcorp Limited ('company' or 'parent entity') as at 30 June 2023 and the results of all subsidiaries for the year then ended. Jatcorp Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Jatcorp Limited 's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue and other income

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: Identifying the contract with a customer; Identifying the performance obligations; Determining the transaction price; Allocating the transaction price to the performance obligations; and Recognising revenue when/as performance obligations are satisfied.

Principal revenue streams are recognised as follows.

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts. the transfer to the customer of the goods or services promised.

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

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Other income

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

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Jatcorp Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Discontinued operations

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and Cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts

Trade and other receivables

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

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

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

Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings: 40 years

Plant and equipment: 3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Trade names and customer relationships

Separately acquired trade names and customer relationships are shown at historical cost. Trade names and customer relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. Trade names have an estimated useful life of ten years and customer relationships have an estimated useful life of five years.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

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

Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

Borrowings

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

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Issued capital

Ordinary shares are classified as equity.

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

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Jatcorp Limited , excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

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

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2023. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

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

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 11, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Goodwill and other indefinite life intangible assets

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows. Refer to note 15 for further information.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax

The Provision for income tax is determined based on the assumption that Jatcorp Limited and its wholly owned subsidiaries have formed an income tax consolidated group.

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Note 3. Segment reporting

The Group has identified its geographic segments based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the chief operating decision makers) in assessing performance and determining the allocation of resources. Geographic segments are determined based on location of its markets and customers which are Australia, China and New Zealand.

	Australia $	China $	New Zealand $	Total $
Consolidated - 2023				
Revenue				
Sales to external customers	34,376,522	23,984,635	147,477	58,508,634
Total sales revenue	34,376,522	23,984,635	147,477	58,508,634
Other revenue	282,547	30,281	-	312,828
Total segment revenue	34,659,069	24,014,916	147,477	58,821,462
Interest revenue	19,525	-	-	19,525
Total revenue	**34,678,594**	**24,014,916**	**147,477**	**58,840,987**
EBITDA	**(4,004,836)**	**367,416**	**(260,277)**	**(3,897,697)**
Depreciation and amortisation	(1,067,735)	-	-	(1,067,735)
Interest revenue	19,525	-	-	19,525
Finance costs	(198,072)	-	-	(198,072)
Profit before income tax expense	**(5,251,118)**	**367,416**	**(260,277)**	**(5,143,979)**
Income tax expense	474,732	(33,018)	87,573	529,287
Profit after income tax expense	**(4,776,386)**	**334,397**	**(172,704)**	**(4,614,692)**
Material items include: Write off of inventories	1,036,812	-	-	1,036,812
Assets				
Segment assets	15,503,077	5,064,566	625,832	21,193,475
Unallocated assets:				
Cash and cash equivalents	3,647,223	158,705	-	3,805,928
Land and buildings	1,279,264	-	-	1,279,264
Deferred tax asset	28,047	-	-	28,047
Total assets	**20,457,611**	**5,223,271**	**625,832**	**26,306,714**
Segment liabilities	(11,099,818)	(4,743,653)	(27,367)	(15,870,838)
Total liabilities	**(11,099,818)**	**(4,743,653)**	**(27,367)**	**(15,870,838)**

Note 3. Segment reporting (Continued)

	Australia $	China $	New Zealand $	Total $
Consolidated - 2022				
Revenue				
Sales to external customers	28,058,861	9,655,395	141,791	37,856,047
Total sales revenue	28,058,861	9,655,395	141,791	37,856,047
Other revenue	331,254	26,884	-	358,138
Total segment revenue	28,390,115	9,682,279	141,791	38,214,185
Interest revenue	2,631			2,631
Total revenue	**28,392,746**	**9,682,279**	**141,791**	**38,216,816**
EBITDA	**(8,234,524)**	**644,438**	**25,049**	**(7,565,037)**
Depreciation and amortisation	(1,130,403)	-	-	(1,130,403)
Interest revenue	2,631	-	-	2,631
Finance costs	(1,185,788)	-	-	(1,185,788)
Profit before income tax expense	**(10,548,084)**	**644,438**	**25,049**	**(9,878,597)**
Income tax expense	(131,051)	(2,120)	-	(133,171)
Profit after income tax expense	**(10,679,135)**	**642,318**	**25,049**	**(10,011,768)**
Write off of inventories	3,498,556	-	-	3,498,556
Assets				
Segment assets	10,363,895	5,064,566	625,832	17,659,037
Unallocated assets:				
Cash and cash equivalents	3,859,919	-	-	3,859,919
Land and buildings	1,279,264	-	-	1,279,264
Total assets	**15,503,077**	**5,064,566**	**625,832**	**22,798,220**
Liabilities				
Segment liabilities	(12,426,666)	(2,422,067)	(10,010)	(14,858,743)
Deferred tax liability	(458,100)	-	-	(458,100)
Total liabilities	**(12,884,766)**	**(2,422,067)**	**(10,010)**	**(15,316,843)**

Economic dependency

The Group is dependent on the sales to the People's Republic of China which makes up 40% of total revenue (2022: 25%).

Note 4. Losses per share

	Consolidated	
	2023 $	2022 $
Losses per share for loss from continuing operations		
Loss after income tax	(2,448,859)	(8,603,975)
Non-controlling interest	76,676	(2,290,145)
Loss after income tax attributable to the owners of Jatcorp Ltd	(2,525,535)	(6,313,829)
Loss after income tax attributable to the owners of Jatcorp Ltd used in calculating diluted earnings per share	(2,525,535)	(6,313,829)
	Cents	Cents
Basic losses per share	(0.10)	(0.34)
Diluted Losses per share	(0.10)	(0.34)

	Consolidated	
	2023 $	2022 $
Losses per share for Loss from discontinued operations		
Loss after income tax attributable to the owners of Jatcorp Ltd	(1,950,550)	(658,084)
	Cents	Cents
Basic losses per share	(0.08)	(0.03)
Diluted losses per share	(0.08)	(0.03)

	Consolidated	
	2023 $	2022 $
Losses per share for Loss		
Loss after income tax	(4,614,692)	(10,011,765)
Non-controlling interest	(138,607)	(3,039,852)
Loss after income tax attributable to the owners of Jatcorp Ltd	(4,476,085)	(6,971,913)
Loss after income tax attributable to the owners of Jatcorp Ltd used in calculating diluted Losses per share	(4,476,085)	(6,971,913)
	Cents	Cents
Basic losses per share	(0.18)	(0.37)
Diluted losses per share	(0.18)	(0.37)
	Number	Number
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic and diluted losses per share	2,496,484,264	1,877,313,581

Note 5. Revenue

	Consolidated	
	2023 $	**2022** $
From continuing operations		
Sales of product	57,367,372	34,143,512
Total revenue	**57,367,372**	**34,143,512**

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	2023 $	**2022** $
Australia	33,204,979	24,319,442
China	24,014,916	9,682,279
New Zealand	147,477	141,791
	57,367,372	**34,143,512**
Timing of revenue recognition		
Goods transferred at a point in time	57,367,372	34,143,512

Note 6. Expenses

	Consolidated	
	2023 $	**2022** $
Loss before income tax from continuing operations includes the following specific expenses:		
Finance Costs		
Interest Expense on $5 M Loan $5M @20% interest rate	-	666,667
Other Interest Expense	67,156	303,939
Finance Costs - Lease	123,374	195,803
Total	**190,530**	**1,166,409**

	Consolidated	
	2023 $	**2022** $
Depreciation & Amortisation		
Plant and equipment	307,335	310,510
Buildings	9,598	9,641
Buildings right-of-use assets	458,393	445,385
Total depreciation	**775,326**	**765,536**
Amortisation		
Trade names and Customer relationships	245,700	245,700
Total amortisation	**245,700**	**245,700**
Total depreciation and amortisation	**1,021,026**	**1,011,236**
Impairment Loss		
Bad Debts	340,553	1,175,233
Investment assets	401,759	63,634
Total impairment loss	**742,312**	**1,238,867**
Superannuation expense		
Defined contribution superannuation expense	457,453	360,529
Total superannuation expense	**457,453**	**360,529**

Note 7. Cost of sales

	Consolidated	
	2023 $	**2022** $
Inventory write-down	1,036,812	3,498,556
Raw materials, consumables used and overheads	45,089,876	26,644,777
Total cost of Sales	**46,126,688**	**30,143,333**

Note 8. Income tax expense

	Consolidated	
	2023 $	**2022** $
Current tax	332,479	133,170
Deferred tax - origination and reversal of temporary differences	(486,147)	-
Adjustment recognised for prior periods	(375,620)	-
Aggregate Income tax (benefit)/expense	**(529,287)**	**133,170**
Income tax expense is attributable to:		
Loss from continuing operations	(206,250)	133,170
Loss from discontinued operations (note 9)	(323,037)	-
Aggregate Income tax (benefit)/expense	**(529,287)**	**133,170**
Deferred tax included in income tax expense comprises:		
Increase/(decrease) in deferred tax liabilities (note 21)	(486,147)	-
Deferred tax - origination and reversal of temporary differences	(486,147)	-
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense from continuing operations	(2,655,109)	(8,470,805)
Loss before income tax expense from discontinued operations (note 9)	(727,227)	(1,407,790)
	(3,382,336)	(9,878,595)
Tax at the statutory tax rate of 25%	(845,584)	(2,469,649)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Loss on disposal of subsidiary	440,411	-
Entertainment Expenses	10,543	722
Fines & Penalties	3,061	-
Share Based Payments	-	27,447
Loan Forgiveness	50,000	-
Sundry items	19,545	128,464
	(322,025)	(2,313,015)
Adjustment recognised for prior periods	(375,620)	-
Tax losses not brought to account	168,358	2,446,185
Income tax (benefit)/expense	**(529,287)**	**133,170**

Note 9. Discontinued operations

Description

On 9th of March 2023, the consolidated entity sold Green Forest International Pty Ltd and KTPD Holdings Pty Ltd ("Green Forest Group") for consideration of $200 resulting in a loss on disposal before income tax of $1,761,643. There is no possibility to generate a profit from management point of view, to dispose of the unprofitable operations, it met the consolidated entity's long term strategy and the directors decided to dispose of it. Due to disposal of the unprofitable operations, the Group has reduced its accumulated losses by $3,319,327.

Financial performance information
Green Forest Group
Condensed consolidated statement of Loss or loss

	Consolidated	
	2023 $	**2022** $
Revenue	1,162,874	3,712,535
Cost of Sales	(1,098,614)	(3,497,149)
Gross Income	64,260	215,386
Other Income	72,678	132,980
Advertising & Marketing	(9,797)	(117,162)
Consultancy & Professional Fees	(322,081)	(871,454)
Employee Benefits	(300,691)	(494,243)
Administration Expenses	(82,144)	(133,211)
Other Expenses	(2,665)	-
Finance Costs	(7,542)	(19,380)
Depreciation & Amortisation	(46,690)	(119,167)
Impairment Loss	(92,555)	(1,539)
Loss Before Income Tax	(727,227)	(1,407,790)
Income Tax benefit	323,037	-
Total Comprehensive Loss for the year	(404,190)	(1,407,790)
Loan written off	(1,761,643)	-
Loss after income tax expense from discontinued operation	**(2,165,833)**	**(1,407,790)**
Net cash used in operating activities	(357,873)	(1,234,068)
Net cash from financing activities	274,627	777,986
Net cash from investing activities	15,169	16,721
Net decrease in cash and cash equivalents from discontinued operations	**(68,077)**	**(439,361)**
		-
Current assets		
Cash & cash equivalents	94,040	
Trade and Other Receivables	75,702	
Inventory	156,686	
Total current assets	**326,428**	

Note 9. Discontinued operations (Continued)

	Consolidated	
	2023 $	**2022** $
Non-current assets		
Property, Plant and Equipment	68,799	
Total non-current assets	68,799	
Total assets	**395,227**	
Current liabilities		
Trade and Other Payable	51,151	
Borrowings	313,655	
Provision for Employee Benefits	30,193	
Total current liabilities	**394,999**	
Non-current liabilities		
Borrowings	3,274,755	
Total non-current liabilities	3,274,755	
Total liabilities	**3,669,754**	
Net liabilities	**(3,274,527)**	
Total sale consideration	200	
Derecognition of loan receivable	(1,761,843)	
Loss on disposal before income tax	(1,761,643)	
Loss on disposal after income tax	**(1,761,643)**	

Note 10. Cash and cash equivalents

	Consolidated	
	2023 $	**2022** $
Cash at bank	1,805,928	3,714,881
Cash on deposit	2,000,000	145,038
Total	**3,805,928**	**3,859,919**

Reconciliation to cash and cash equivalents at the end of the financial year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

	Consolidated	
	2023 $	**2022** $
Balances as above	3,805,928	3,859,919
Balance as per statement of cash flows	3,805,928	3,859,919

Note 11. Trade and other receivables

	Consolidated	
	2023 $	**2022** $
Current		
Trade receivables	1,563,411	569,542
Supplier deposits	5,886,370	1,424,245
Other receivables	350,551	336,711
Expected credit loss allowances*	(525,414)	(494,459)
Total	**7,274,918**	**1,836,039**
Non-Current		
Non-current term deposit	160,125	67,848
Total	**160,125**	**67,848**

Allowance for expected credit losses

The consolidated entity has recognised a loss of $30,955 in profit or loss in respect of the expected credit losses for the year ended 30 June 2023. The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
Consolidated	**2023** %	**2022** %	**2023** $	**2022** $	**2023** $	**2022** $
Trade receivable						
Not overdue	0%	0%	1,468,994	202,780	-	-
0 to 3 months overdue	0%	0%	6,864	269,000	-	-
3 to 6 months overdue	0%	0%	220	97,762	-	-
Over 6 months overdue	100%	100%	87,333	-	(20,532)	-
			1,563,411	**569,542**	**(20,532)**	-

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
Consolidated	**2023** %	**2022** %	**2023** $	**2022** $	**2023** $	**2022** $
Supplier deposit						
Not overdue	0%	0%	5,381,488	929,786	-	-
0 to 3 months overdue	0%	0%	-	-	-	-
3 to 6 months overdue	0%	0%	-	-	-	-
Over 6 months overdue	100%	100%	504,882	494,459	(504,882)	(494,459)
			5,886,370	**1,424,245**	**(504,882)**	(494,459)

Note 12. Inventories

	Consolidated	
	2023 $	**2022** $
Finished goods	1,302,271	2,587,699
Raw materials	3,670,362	1,822,326
Stocks in transit	70,971	905,974
Packaging materials	611,138	226,987
Impairment allowance	(920,358)	(596,218)
Total	**4,734,383**	**4,946,768**

Note 13. Property, plant and equipment

	Consolidated	
	2023 $	**2022** $
Property at cost	1,279,264	1,279,264
Less: accumulated depreciation	(30,579)	(20,981)
Total property	**1,248,685**	**1,258,283**
Plant and equipment at cost	5,287,080	5,046,121
Less: accumulated depreciation	(1,687,924)	(1,368,717)
Total plant and equipment	**3,599,156**	**3,677,404**
Motor vehicles at cost	-	203,057
Less: accumulated depreciation	-	(37,235)
Total motor vehicles	**-**	**165,822**
Total property, plant and equipment	**4,847,841**	**5,101,509**

Movements in carrying amounts

	Property $	**Plant and equipment** $	**Motor vehicles** $	**Total** $
Balance at the beginning of year	1,267,924	3,750,059	203,057	5,221,040
Additions	-	251,968	-	251,968
Disposal	-	(35,415)	-	(35,415)
Depreciation	(9,641)	(289,208)	(37,235) *	(336,084)
Balance at the end of the year 2022	**1,258,283**	**3,677,404**	**165,822**	**5,101,509**
Balance at the beginning of year	1,258,283	3,677,404	165,822	5,101,509
Additions	-	229,087	-	229,087
Disposal	-		(165,822)	(165,822)
Depreciation	(9,598)	(307,335)	-	(316,933)
Balance at the end of the year 2023	**1,248,685**	**3,599,156**	**-**	**4,847,841**

*Including depreciation cost of $15,979 on fixed assets from discontinued business.

Note 14. Right-of-use assets

	Consolidated	
	2023 $	**2022** $
Carrying amount at the beginning of the period	3,529,811	4,078,384
Add: new lease entered into	404,217	-
Less:		
- adjustment due to change of management estimation of lease term	(982,041)	-
- depreciation	(458,393)	(548,573) **
Carrying amount at the end of the period	**2,493,394**	**3,529,811**

Additions to the right-of-use assets during the year were $404,217 relating to the Sydney office lease.

Change of management estimation of lease term

The consolidated entity leases land and buildings for its offices, warehouses and retail outlets under agreements of between five to fifteen years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

** Including depreciation cost of $103,188 on right of use assets from discontinued business.

Note 15. Intangible assets

	Consolidated	
	2023 $	**2022** $
Goodwill	**2,347,482**	**2,347,482**
Trade Names at cost	597,000	597,000
Less: accumulated amortisation	(281,817)	(222,117)
Carrying value	**315,183**	**374,883**
Customer Relationship at cost	2,830,000	2,830,000
Less: accumulated amortisation	(1,975,337)	(1,789,337)
Impairment loss	(802,684)	(802,685)
Carrying value	**51,979**	**237,978**
Import Licence at cost	12,353,275	12,353,275
Less: accumulated amortisation	(1,703,900)	(1,703,900)
Impairment loss	(10,649,375)	(10,649,375)
Carrying value	-	-
Total intangible assets	**2,714,644**	**2,960,343**
Movements in carrying amount of intangible assets		
Goodwill		
Balance as at 1 July	5,951,081	5,951,081
Impairment Loss	(3,603,599)	(3,603,599)
Carrying Value	**2,347,482**	**2,347,482**
Trade Names		
Balance as at 1 July	374,883	434,583
Amortisation	(59,700)	(59,700)
Carrying Value	**315,183**	**374,883**
Customer Relationships		
Balance as at 1 July	237,978	423,978
Amortisation	(185,999)	(186,000)
Carrying Value	**51,979**	**237,978**
Import Licence		
Balance as at 1 July	-	12,353,275
Impairment Loss	-	(10,649,375)
Amortisation	-	(1,703,900)
Carrying Value	-	-
Total	**2,714,644**	**2,960,343**
The total impairment charge to profit in the year comprises:		
Sunnya goodwill	-	3,603,599
Total impairment	-	**3,603,599**

Note 15. Intangible assets (Continued)

Impairment testing

Goodwill acquired through business combinations have been allocated to the following cash-generating units:

The recoverable amount of the consolidated entity's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 3 year projection period approved by management and a further 2 years using a steady rate together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

The following key assumptions were used in the discounted cash flow model for Sunnya:

- 12.5% (2022: 12.5%) pre-tax discount rate;
- 13% (2022: 34%) per annum projected revenue growth rate;
- 8% (2022: 32%) per annum increase in operating costs and overheads.

The discount rate of 12.5% pre-tax reflects management's estimate of the time value of money and the consolidated entity's weighted average cost of capital adjusted for Sunnya , the risk free rate and the volatility of the share price relative to market movements.

Management believes the projected 13% revenue growth rate is prudent and justified, based on the general slowing in the market.

Compared to prior years, management have reduced their estimation of the increase in operating costs and overheads, due to the lower legal fee and also an effort by the consolidated entity to contain costs.

There were no other key assumptions for Sunnya.

Based on the above, no impairment charge has been applied as the carrying amount of goodwill exceeded its recoverable amount for Sunnya.

Sensitivity

As disclosed in note 2, the directors have made judgements and estimates in respect of impairment testing of goodwill. Should these judgements and estimates not occur the resulting goodwill carrying amount may decrease. The sensitivities are as follows:

- Revenue would need to decrease by more than 27% before goodwill would need to be impaired, with all other assumptions remaining constant.
- The discount rate would be required to increase by 61% before goodwill would need to be impaired, with all other assumptions remaining constant.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of computer distribution division's goodwill is based would not cause the cash-generating unit's carrying amount to exceed its recoverable amount.

If there are any negative changes in the key assumptions on which the recoverable amount of goodwill is based, this would result in a further impairment charge for the Sunnya's goodwill.

Note 16. Trade and other payables

	Consolidated	
	2023 $	**2022** $
Trade payables	1,681,436	774,954
Sundry accruals and other payables	123,085	788,092
ANMA acquisition payable	-	1,847,338
Total	**1,804,521**	**3,410,384**

Note 17. Contract liabilities

	Consolidated	
	2023 $	**2022** $
Opening balance	3,698,395	281,928
Payment received in advance	18,216,041	16,318,586
Transfer to revenue - included in the opening balance	(14,335,929)	(12,902,119)
Closing balance	**7,578,507**	**3,698,395**

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was $7,578,507 as at 30 June 2023 ($3,698,395 as at 30 June 2022) and is expected to be recognised as revenue in future periods as follows:

	Consolidated	
	2023 $	**2022** $
Within 6 months	7,578,507	3,698,395

Note 18. Borrowings

	Consolidated	
	2023 $	**2022** $
Current		
Loans from shareholders (interest rate 0%)	1,390,917	1,390,917
Loan from others (interest rate 0%)	3,330	258,679
Loan from BTNature (Interest rate 9.6%)	1,007,890	-
Credit card facility (late payment rate 3% on the balance)	771,480	133,201
Total	**3,173,617**	**1,782,797**
Non-current		
Loans from shareholders (interest rate 0%)	-	1,523,555
HP Liability (interest rate between 5% to 6%)	-	79,264
Total	**-**	**1,602,819**
Total Borrowings	**3,173,617**	**3,385,616**

1. Assets pledged as security; none.

2. Loans from shareholders; no payment terms

3. Loan from BTN, interest rate 9.6% ,6 months term with extension to November 2023

4. Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

Credit card facility	Consolidated	
	2023 $	**2022** $
Total facilities	900,000	700,000
Credit card	900,000	700,000
Used at the reporting date	771,480	133,201
Credit card	771,480	133,201
Unused at the reporting date	128,520	566,799
Credit card	128,520	566,799

Note 19. Lease liabilities

	Consolidated	
	2023 $	**2022** $
Current liabilities – lease liabilities	540,666	476,837
Non-current liabilities – lease liabilities	2,223,663	3,555,458
Total	**2,764,329**	**4,032,295**

Refer to note 25 for further information on financial instruments.

Note 20. Provision

	Consolidated	
	2023 $	**2022** $
Current		
Employee benefits	335,978	332,053
Total	**335,978**	**332,053**
Non-current		
Employee benefits	40,041	-
Make Good Provision	173,845	-
Total	**213,886**	**-**

Note 21. Deferred tax

	Consolidated	
	2023 $	**2022** $
Deferred tax (liability)/asset comprises temporary differences attributable to:		
Provision for Doubtful Debts	2,740	-
Provision for Inventory Impairment	99,168	-
Intangible Assets	(112,266)	(458,100)
Accrued Expenses	4,167	-
Provision for Employee Benefits	34,238	-
Deferred tax assets / (liabilities)	**28,047**	**(458,100)**
Movements:		
Opening balance	(458,100)	(458,100)
Credited to profit or loss (note 8)	486,147	-
Closing balance	**28,047**	**(458,100)**

Note 22. Issued capital

	Consolidated	
	2023 $	**2022 $**
Share capital		
2,497,951,839 (2022: 2,141,101,576) Fully paid shares	90,231,570	85,981,706

Movements in Ordinary Share Capital	**2023 $**	**2022 $**	**2023** No. of shares	**2022** No. of shares
Balance at the beginning of year *	85,981,706	77,859,269	2,141,101,576	1,651,957,672
Share allotment during the year	4,249,864	8,037,437	356,850,263	485,543,904
Share buyback during the year	-	-	-	(1,400,000)
Exercise of unquoted options	-	85,000	-	5,000,000
Balance at the end of year	**90,231,570**	**85,981,706**	**2,497,951,839**	**2,141,101,576**

*7,361,900 ordinary fully paid shares ("Error Shares") were issued to shareholders on 11 December 2017 due to an error. No payment was received from shareholders of Error Shares. Jatcorp Limited is in the process of undertaking a buyback of the Error Shares pursuant to section 257A of the Corporations Act. The buyback agreements, which are subject to shareholder approval, are in the process of being completed with the holders of the Error Shares. Once these agreements have been completed, the buyback will be completed for no consideration payable to holders of the Error Shares .At the general meeting of shareholders on 29 January 2021, a resolution was passed approving the cancellation of up to 3,861,900 ordinary shares in the Company. A total of 1,400,000 of ordinary shares have been bought back and cancelled during the year. There are a further 840,000 shares which were issued in error which continue to be held by shareholders who have not yet entered into buy-back agreement. JAT will continue to take appropriate action against those shareholders, including possible court proceedings to seek orders for cancellation of those shares.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies. The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year. The capital risk management policy remains unchanged from the 30 June 2022 Annual Report.

Note 23. Equity - accumulated losses

	Consolidated	
	2023 $	**2022** $
Retained losses at the beginning of the financial year	(80,167,772)	(73,195,855)
Losses after income tax expense for the year	(4,476,085)	(6,971,917)
De-recognition of discontinued operations	1,666,549	-
Option expired	1,024,789	-
Retained losses at the end of the financial year	**(81,952,519)**	**(80,167,772)**

Note 24. Equity - Non-controlling interest

	Consolidated	
	2023 $	**2022** $
Issued capital		
Deconsolidated disposed subsidiaries	1,652,778	-
Retained profits	504,047	642,654
The non-controlling interest	**2,156,825**	**642,654**

Note 25. Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's financial instruments consist mainly of deposits with banks, financial assets, trade and other receivables (current and non-current), trade and other payables and borrowings (current and non-current).

		Consolidated	
	Note	**2023** $	**2022** $
Financial Assets			
Cash and cash equivalents	10	3,805,928	3,859,919
Trade and other receivables (current and noncurrent)	11	7,435,043	1,903,887
Total		**11,240,971**	**5,763,806**
Financial Liabilities			
Trade and other payables	16	1,804,521	3,410,384
Contract liabilities	17	7,578,507	3,698,395
Borrowings (current and non-current)	18	3,173,617	3,385,616
Total		**12,556,645**	**10,494,395**

Overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Specific information regarding the mitigation of each financial risk to which the Group is exposed is provided below.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future Lossability or the fair values of financial instruments. The Group is not exposed to material interest rate risk as majority of its borrowing arrangements are at fixed rate, which minimises any short-term downside impact of interest rate increase but limits any benefit from interest rate reductions.

Foreign exchange risk

Foreign exchange risk arises from commercial transactions and assets and liabilities held in a currency that is not the entity's functional currency, which is Australian dollars. The risk is measured using sensitivity analysis and cash flow forecasting.

The Group enters into transactions in US dollar and Chinese RMB and is exposed to currency risk arising from movements in these foreign currencies against AUS dollar. To mitigate foreign currency risk for US dollar and RMB transactions and to avoid the need for currency hedging the Group holds and trades in the relevant currency. Losses are then recovered by transfers of cash at a time the exchange rate is deemed favourable. The Group has 2 USD foreign currency bank accounts and the balance of these accounts at 30 June 2023 was $87,581 (2022: $202,563) The Directors do not consider that any reasonably possible movement in foreign currency rates would cause a material effect on Group's performance or equity given transactions are predominantly carried out in AUD.

Note 25. 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. The objective of the Group is to minimise the risk of loss from credit risk exposure.

Credit risk arises from cash and cash equivalents, deposits and banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

Credit risk is managed on a group basis. The credit risk for cash and cash equivalents and deposits with banks and financial institutions is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Management assesses the credit quality of customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set. The compliance with credit limits by wholesale customers is regularly monitored by line management.

Sales to retail customers are settled in cash or using major credit cards. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

In respect of the group, credit risk relates to loans with subsidiary. In order to achieve stated corporate objectives, the parent entity provides financial support to subsidiaries but only to the level which the Board considers necessary to achieve these objectives and meets agreed conditions. The management believes the loans to subsidiaries are fully recoverable.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated its obligation as they fall due. To manage this risk, the Group maintains sufficient liquidity by holding cash in readily accessible accounts. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group's terms of sales require amounts to be paid within 30 to 60 days of sale. Trade payables are normally settled within 30 days. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

The Group's financial assets of $11,240,971 have a maturity with 12 months as of 30 June 2023 and $13,097,311 financial liabilities, of which $7,578,507 are customer deposits.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Consolidated - 2023	**Weighted average interest rate** %	**1 year or less** $	**Between 1 and 2 years** $	**Between 2 and 5 years** $	**Over 5 years** $
Non-derivatives					
Non-interest bearing					
Trade and Other Payable	0%	1,804,521	-	-	-
Contract liabilities	0%	7,578,507	-	-	-
Loan from shareholder	0%	1,390,917	-	-	-
Loan from BTNature Pty Ltd (interest rate 0%)	0%	3,330	-	-	-
Credit card facility (late payment rate 3% on the balance)		771,480	-	-	-
Interest-bearing - fixed rate					
Loan from BTNature Pty Ltd (Interest rate 9.6%)	9.60%	1,007,890	3,004	-	-
Lease liability	4.67%	540,666	567,214	1,488,910	167,540
Total non-derivatives		**13,097,311**	**570,218**	**1,488,910**	**167,540**

Note 25. Financial risk management (Continued)

Consolidated - 2022	**Weighted average interest rate** %	**1 year or less** $	**Between 1 and 2 years** $	**Between 2 and 5 years** $	**Over 5 years** $
Non-derivatives					
Non-interest bearing					
Trade and Other Payable	0%	3,410,384	-	-	-
Contract liabilities	0%	3,698,395	-	-	-
Loan from shareholder	0%	1,390,917	-	-	-
Loan from others (interest rate 0%)	0%	258,679	-	-	-
Credit card facility		133,201	-	-	-
Interest-bearing - fixed rate					
Lease liability	5.5%	476,837	623,400	1,309,890	1,622,168
Total non-derivatives		**9,368,413**	**623,400**	**1,309,890**	**1,622,168**

Sensitivity analysis

The Group has performed sensitivity analysis relating to its exposure to interest rate risk and foreign currency risk. This demonstrates the effect on the current year results and equity which could result from a change in these risks.

At 30 June 2023 the Group held cash in low interest-bearing accounts. The Directors do not consider that any reasonably possible movement in interest rates would cause a material effect on Group's performance or equity.

The Group sells goods overseas and is affected by movement in US dollar and Chinese RMB. To mitigate foreign currency risk for US dollar and RMB transactions and to avoid the need for currency hedging the Group holds and trades in the relevant currency. Losses are then recovered by transfers of cash at a time the exchange rate is deemed favourable. The Directors do not consider that any reasonably possible movement in foreign currency rates would cause material effect on Group's performance or equity given translations are predominantly carried out in AUD.

Note 26. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	2023 $	2022 $
Short-term benefits	1,072,618	612,800
Post-employment benefits	101,610	23,900
Long-term benefits	450	-
Share-based payments	-	85,000
Total	**1,174,678**	**721,700**

These amounts include fees and benefits paid to the Chairman, executive director and non-executive directors as well as all salary, paid leave benefits, short term incentive payments awarded to each KMP. There were no transactions with KMP during the financial year ended 30 June 2023 or 30 June 2022 other than noted here, in the remuneration report, and note 27.

Note 27. Related party transactions

Parent entity

Jatcorp Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 29.

	2023 $	**2022** $
(a) Receivable/(Payable) from related parties as at year-end		
Directors/secretary & consulting fees payable to Aust JLY Group Pty Ltd, a company controlled by Wilton Yao	-	27,000
Directors/secretary & consulting fees paid to L&Q Enterprises Pty Ltd, a company controlled by Bo Qiang	-	3,990
Consultancy fee to Pacific Healthy International Holding Pty Ltd ,a company controlled by Zhan Wang	-	24,000
sales to Pacific Healthy International Holding Pty Ltd ,a company controlled by Zhan Wang	160,672	-
(b) Transactions occurring during the year:		
Directors/consulting fees paid to Aust JLY Group Pty Ltd for the provision of the services of Wilton Yao	-	324,000
Pacific Healthy International Holding Pty Ltd Sales consultancy fee	-	96,000
Directors/secretary & consulting fees paid to L&Q Enterprises Pty Ltd, a company controlled by Bo Qiang	-	3,990
	2023 $	**2022** $
Director's related company		
Pacific Healthy International Holding Pty Ltd - purchases	271,121	1,064,265
Pacific Healthy International Holding Pty Ltd - sales	(2,376,814)	(7,068,762)
Pacific Healthy ANZ Pty Ltd - purchases	18,182	340,768
Pacific Healthy ANZ Pty Ltd - sales	-	(7,486,212)
HLW Investments Pty Ltd -purchaes	72,000	-
(c) Ordinary shares – Directors holding indirect interest through a related party	No.	No.
Brett Crowley	-	8,313,481
Wilton Yao	-	645,916

Loans to/from related parties

There was loan $1.39m from shareholder at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 28. Contingent liabilities

The consolidated entity has given bank guarantees as at 30 June 2023 of $305,162 (2022: $145,038) to various landlords.

Note 29. Controlled entities

Subsidiaries of Jatcorp which are consolidated	Country of incorporation/ Place of business	Percentage owned (%)*	
		2023 %	2022 %
LTR trading PTY LTD	Australia	100	-
Pastoral Time Ltd	Hong Kong	51	-
Golden Koala Group Pty Ltd	Australia	51	51
Green Forest International Pty Ltd	Australia	-	50
Sunnya Pty Ltd	Australia	51	51
Jatpharm Pty Ltd	Australia	55	55
Australian Natural Milk Association Pty Ltd	Australia	65	65
Henan JAT Trading Co., Ltd	China	100	100
Hangzhou JAT Food Group Co., Ltd	China	100	100
KTPD Holding Pty Ltd	Australia	-	50
Jat Estates Pty Ltd	Australia	85	85
JP Global Trading Pty Ltd	Australia	-	50

*Percentage of voting power is in proportion to ownership.

Jatpharm Pty Ltd and Henan JAT Trading Co., Ltd did not carry out any business activities during year ended 30 June 2023. Green Forest International Pty Ltd and KTPD Holding Pty Ltd were sold in March 2023. Henan JAT Trading Co., Ltd and Hangzhou JAT Food Group Co., Ltd were lost in control.

Note 30. Parent entity information

Set out below is the supplementary information about the parent entity.

Parent Equity	2023 $	2022 $
Assets		
Current Assets	4,754,679	5,348,792
Non-current Assets	6,102,990	2,046,727
Total Assets	**10,857,669**	**7,395,519**
Liabilities		
Current Liabilities	5,204,225	2,582,872
Non-current Liabilities	225,855	146,362
Total Liabilities	**5,430,080**	**2,729,234**
Equity		
Issued Capital	91,256,359	85,981,706
Share option reserve	-	1,024,789
Retained Earnings	(85,828,770)	(82,340,210)
Total Equity	**5,427,589**	**4,666,285**
Financial Performance		
Loss for the year	(3,488,560)	(7,203,536)
Other Comprehensive Income	-	-
Total Comprehensive Income	**(3,488,560)**	**(7,203,536)**

Note 31. Reconciliation of loss after income tax to net cash outflow from operating activities

	Consolidated	
	2023 $	**2022** $
Loss from ordinary activity after income tax	(4,614,692)	(10,011,765)
Non-cash flows in operating activities:		
Finance costs in leases	123,374	195,803
Depreciation & amortisation	1,021,045	1,130,400
Inventory write off within Cost of sales	459,242	293,475
Loan written off	1,761,643	-
Impairment loss	742,312	4,249,685
Loss on disposal of subsidiaries	404,190	-
Share based payments	-	109,789

	Consolidated	
	2023 $	**2022** $
Changes in operating assets and liabilities		
(Increase)/Decrease in inventory	212,385	(1,655,758)
(Increase)/Decrease in trade and other receivables	(5,531,156)	(636,629)
(Increase)/Decrease in deferred tax assets	(486,147)	-
Increase/(Decrease) in trade and other payables	899,173	524,881
Increase/(Decrease) in contract liabilities	3,880,112	3,698,395
Increase(Decrease) in income tax provision	(52,782)	(786,265)
Increase(Decrease) in provisions	217,811	103,859
Cash flows from operating activities	**(963,490)**	**(2,784,130)**

Note 32. Events after the reporting period

A general meeting of shareholders was held on 12 September 2023 where a resolution to consolidate the share capital of the Company on a 30 for one basis, with fractional holdings rounded up to the nearest whole number, was passed.

The consolidation both reduces the number of shares on issue and increase the share price, theoretically by a multiple of 30 times the share price prior to the consolidation.

The company currently has on issue 2,497,951,839 ordinary fully paid shares, the consolidation of capital proceeds, the number of shares on issue will be 83,265,061, subject to rounding discussed above.

The company currently has on issue 832,350,263 $0.032 options expiring 24 August 2024 listed on ASX (ASX code:JATO) (Options) ,the number of option on will be 27,745,009, subject to rounding, and the exercise price will be $0.96.

Note 33. Share-based payments

During current financial year, below options were issued:

(a) 321,087,429 options to participants in the pro rata non-renounceable non-underwritten rights exercisable at $0.032 and expiring on the same date as the Placement Options and are the same class as the Placement Options (Rights Options Offer). No funds will be raised from the issue of the Rights Options;

(b) 35,762,834 Options (Shortfall Options) to participants in the shortfall of the Rights Issue exercisable at $0.032 and expiring on the same date as the Placement Options and are the same class as the Placement Options (Shortfall Op-tions Offer). No funds will be raised from the issue of the Rights Options;

(c) 275,500,000 Options (Placement Options) to sophisticated and professional investors who participated in the placement announced by the Company on 31 March 2022 (Placement), exercisable at $0.032 each on or before two (2) years from the date of issue (Placement Options Offer). No funds will be raised from the issue of the Placement Options; and

(d) 200,000,000 Options (Lead Manager Options) to the Lead Manager (or its nominees) exercisable at $0.032 and expiring on the same date as the Placement Options and are the same class as the Placement Options. No funds will be raised from the issue of the Lead Manager Options (Lead Manager Options Offer).

Set out below are summaries of options granted:

Options

2023

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Expired	Balance at the end of the year
8/07/2020	8/07/2022	$0.10	4,000,000	-	(4,000,000)	-
29/01/2021	29/01/2023	$0.06	89,408,886	-	(89,408,886)	-
29/07/2021	29/07/2023	$0.05	112,916,671	-	-	112,916,671
1/07/2022	24/08/2024	$0.032	-	321,087,429	-	321,087,429
7/07/2022	24/08/2024	$0.032	-	35,762,834	-	35,762,834
26/08/2022	24/08/2024	$0.032	-	275,500,000	-	275,500,000
30/11/2022	24/08/2024	$0.032	-	200,000,000	-	200,000,000
			206,325,557	**832,350,263**	**(93,408,886)**	**945,266,934**
Weighted average exercise price			$0.06	0.032	$0.062	$0.034

2022

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Balance at the end of the year
8/07/2020	8/07/2022	0.10	4,000,000	-	4,000,000
29/01/2021	29/01/2023	0.06	89,408,886	-	89,408,886
29/07/2021	29/07/2023	0.05	-	112,916,671	112,916,671
			93,408,886	**112,916,671**	**206,325,557**
Weighted average exercise price			$0.062	$0.050	$0.055

Note 33. Share-based payments (Continued)

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2023 Number	2022 Number
8/07/2020	8/07/2022		4,000,000
29/01/2021	29/01/2023		89,408,886
29/07/2021	29/07/2023	112,916,671	112,916,671
1/07/2022	24/08/2024	321,087,429	
7/07/2022	24/08/2024	35,762,834	
26/08/2022	24/08/2024	275,500,000	
30/11/2022	24/08/2024	200,000,000	
		945,266,934	**206,325,557**

The weighted average share price during the financial year was $0.01368 (2022: 0.01678).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1 years (2022: 0.8 years).

Performance rights

2023

Grant date	Balance at the start of the year	Granted	Exercised	Expired	Balance at the end of the year
27/01/2022	10,000,000			(10,000,000)	-

2022

Grant date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired	Balance at the end of the year
27/01/2022	$0.017	15,000,000		(5,000,000)		10,000,000

Note 34. Non-cash investing and financing activities

	Consolidated	
	2023 $	**2022** $
Additions to the right-of-use assets	2,493,394	3,529,811
Leasehold improvements - lease make good	173,845	-
Total	**2,667,239**	**3,529,811**

Note 35. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the company:

	Consolidated	
	2023 $	**2022** $
Audit services - RSM Australia Partners		
Audit or review of the financial statements	90,000	
Audit services - LNP Audit and Assurance Pty Ltd		
Audit or review of the financial statements		79,500
	90,000	**79,500**

Note 36. Contingencies and commitments

There are no contingent liabilities and commitments as at 30 June 2023 (2022: none).

Legal Proceedings of Sunnya Pty Ltd

The Company had previously announced that it has regained control over one of its key subsidiaries, Sunnya Pty Ltd, and that legal action is being taken with respect to some former directors. Those legal proceedings have resulted in the granting of several injunctions by the Court to prevent the former directors and their related parties from taking over the IP of Sunnya and interfering with its business. Freezing orders have also been obtained by the Company and Sunnya against the assets of the former directors and some of their related parties to prevent further dissipation. Additional injunctions have also been obtained to prevent the defendants from further damage to Sunnya's business by bringing identical products into China via a similar brand. In the course of the proceedings, the Company has also discovered that a large amount of profits of Sunnya for FY2021-FY2023 had been improperly retained by the former directors' related parties in China and the proceedings have now been expanded to include additional parties related to the former directors as well as a New Zealand based supplier who has an alleged trademark infringement and supplied unauthorised products to the related parties to former directors of Sunnya in China.

In May and June, the Supreme Court of NSW made new orders against the defendants, and restrained them from taking steps to distribute, manufacture, sell, market or export any "Neurio" branded products and other related branded products.

The former directors of Sunnya, using their related party shareholder entity, have recently filed a new cross claim against the Company, alleging, amongst other things, oppression. The Company considers such attempt to be a litigation tactic to hinder Sunnya's case for breach of duty. That case will be heard alongside the main case by Sunnya and the Company and Sunnya are confident that those claims will be dismissed.

After the first failed attempt to mediate, the parties have recently conducted a mediation which did not result in any settlement.

The case is now set down for a 12 day final hearing on the issue of liability starting in late September 2023. There is a possibility that if the case runs on time, a judgment may be issued before the end of the year.

Jatcorp expects to be successful against the defendants in these legal proceedings in the final hearings and if so will seek to recover a portion of these costs as well its claim of up to approximately $20-30m against those defendants.

Sunnya's opposition of the Chinese proceedings commenced by the former directors' related party supplier entity continues and is yet to be decided. Sunnya has now learned of new cases which have been started in China by the associate parties of the former directors, however, they are yet to be served with those proceedings.

The Company will provide further update as the various proceedings continues.

The Company does not believe that the Sunnya legal proceedings will have a material impact on the Company's financial performance.

Legal Proceedings vs Wilton Yao

As announced on 10 January 2023, the employment of, former director and CEO of the Company, Wilton Yao, was terminated. He has since brought proceedings against the Company claiming damages for the termination of his employment contract. The Company has rejected his claim as without merit and will defend the proceedings. The Company will further update on the progress.

Apart from the above, no other matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Group, the results of these operations or the state of affairs of the group in future financial years.

Directors' Declaration

In accordance with a resolution of the directors of Jatcorp Limited, the directors of the company declare that:

1. the financial statements and notes, as set out on pages 25- 76 are in accordance with the Corporations Act 2001 and

a. comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and

b. give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the consolidated group;

2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

3. the directors have been given the declarations required by s 295A of the Corporations Act 2001.

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

Zhan Wang
Managing Director

Dated this 28th day of September 2023

Independent Audit Report

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
To the Members of Jatcorp Limited and its controlled subsidiaries

Opinion

We have audited the financial report of Jatcorp Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of $4,614,692 and had net cash outflows from operating activities of $963,490 for the year ended 30 June 2023. The ability of the Group to continue as a going concern is dependent on its ability to generate positive operating cash flows through its continued operations. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed this matter
Goodwill Refer to Note 15 in the financial statements	
At 30 June 2023, the Group held goodwill with a carrying amount of $2,347,482 million, which represents approximately 9% of the Group's total assets. The goodwill is related to the acquisition of Sunnya Pty Ltd. It's noted this year that the performance of the subsidiary is deteriorating, and shareholders demanded changes in the directorship of the subsidiary. As required under AASB 136, goodwill and indefinite life intangible assets are tested for impairment at least annually. As goodwill does not generate cashflows that are largely independent from other assets, its recoverable amount was determined by calculating the recoverable amount of the cash generating unit ("CGU") to which it belongs. This recoverable amount was then compared to the CGU's carrying amount. In this instance, the recoverable amount was determined to be its value in use. We determined the impairment review of goodwill to be a Key Audit Matter because of the materiality of the goodwill balance, and because of the significant management judgments and assumptions used to determine the value in use of the CGU which contains it. Namely, the calculation of the recoverable amount of the CGU involves judgements about the future underlying cashflows of the CGU, estimated growth rates for the CGU for the next 5 years as well as in perpetuity, and judgments of an appropriate discount rate to apply to the estimated cashflows.	Our audit procedures in relation to goodwill impairment assessment included: • Holding discussions with management, reviewing the Group's ASX announcement and reading minutes of the directors' meetings to gather sufficient information regarding the operations of the current reporting period, as well as the expectations going forward; • Making enquiries of management about the understanding of management's annual goodwill impairment testing process; • Assessing the valuation methodology used to determine the recoverable amount of the Goodwill; • Evaluating the methods and assumptions used to estimate the present value of future cash inflows of the CGU, including an challenging the reasonableness of the following: - Future growth rates; - Discount rates; - Terminal value methodology; - The nature and quantum of cashflows included in the model; • Reviewing management's sensitivity analysis over the key assumptions used in the models, including the consideration of the available headroom and assessing whether the assumptions had been applied on a consistent basis across each scenario; • Checking the mathematical accuracy of the cashflow model and reconciling input data to supporting evidence, such as approved budgets, and considering the reasonableness of the evidence (such as budgets); and
	Reviewing the completeness and accuracy of the disclosures included in the financial report to ensure compliance with Australian Accounting Standards.
Revenue	

Key Audit Matter	How our audit addressed this matter
Refer to Note 5 in the financial statements	
Revenue for the year ended 30 June 2023 was $57,367,372. The primary revenue stream is sales of goods. Revenue is considered to be a Key Audit Matter because revenue is generated from sales of high volumes of low value items, so a systemic error could materially impact revenue recognition. The auditing standards presume an inherent risk of fraud relating to revenue recognition.	Our audit procedures in relation to revenue recognition included: • Obtaining an understanding of the processes and controls in regards to revenue recognition; • Assess the appropriateness of the Group's accounting policies for the recognition and measurement of revenue against the requirements of AASB 15 Revenue from Contracts with Customers; • Carrying out tests of controls over occurrence and accuracy of revenue, to test the effectiveness of the controls; • Performing tests of details on a sample basis to test the occurrence and accuracy of revenue. The detailed testing included agreeing transactions to the sales invoice, agreeing the delivery of goods to proof of delivery, agreeing the receipt of cash to bank statements; • Performing specific targeted cut-off testing over transactions recorded either side of the period end, to ensure that revenues were recorded in the appropriate period; and • Assessing the appropriateness of the disclosures in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

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accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf

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 15 to 21 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Jatcorp Limited, for the year ended 30 June 2023, complies with section 300A of the Corporations Act 2001.

Responsibilities
The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM Australia Partners
Digitally signed by RSM Australia Partners
Date: 2023.09.28 17:55:29 +10'00'

Louis Quintal
Digitally signed by Louis Quintal
Date: 2023.09.28 17:55:14 +10'00'

Louis Quintal
Partner

RSM Australia Partners

Sydney, NSW
Dated 28 September 2023

Shareholder Information

Additional Information required by the ASX Limited listing rule and not disclosed elsewhere in this report are set out below. The shareholder information set out below was applicable as at 30 June 2023.

(a) Distribution of equity securities

Analysis of a number of ordinary fully paid shareholders by size of holding:

Holding Ranges	Holders	Total Units	Percentage
above 0 up to and including 1,000	112	15,585	0%
above 1,000 up to and including 5,000	289	865,400	0.03%
above 5,000 up to and including 10,000	214	1,583,201	0.06%
above 10,000 up to and including 100,000	1,379	51,455,877	2.06%
above 100,000	998	2,431,858,776	97.39%
Totals	**3,541**	**2,497,111,839***	**100.00%**

*840,000 shares were issued in error in 2020.

Total number of holders of less than a marketable parcel of ordinary shares: 1,700.

(b) Substantial holders

The substantial shareholders of the Company are as follows:

Holder Name	Ordinary Shares	Percentage
GOLD BRICK CAPITAL PTY LTD <GOLD BRICK CAPITAL UNIT A/C>	507,649,212	20.00%
SUPERHERO SECURITIES LIMITED <CLIENT A/C>	205,972,571	8.00%
BLACK BAMBOO CAPITAL PTY LTD	90,700,000	4.00%
GOLDEN LUCKY STAR PTY LTD <RONGJUN ZHAO FAMILY A/C>	83,000,000	3.00%
SDD HOLDINGS PTY LTD	77,027,574	3.00%
C&L CHEN PTY LTD <C&L CHEN LI SF A/C>	76,470,793	3.00%
QHX INVESTMENTS PTY LTD	73,287,207	3.00%
GOLDCARAVEL ASSET MANAGEMENT PTY LTD <GOLDCARAVEL 2 UNIT A/C>	57,307,980	2.00%
KINGSTONE CAPITAL PTY LTD	51,630,769	2.00%
MR ZHONGLIANG WANG	43,550,000	2.00%
MR BIREN HU	41,578,948	2.00%
MR MAN SING LAM	41,498,884	2.00%
GOLDCARAVEL ASSET MANAGEMENT PTY LTD <GOLDCARAVEL 2 A/C>	39,262,574	2.00%

(c) Voting rights

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

(i) Ordinary Shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(d) Equity security holdings

Twenty largest quoted equity security holders.
The names of the 20 largest quoted equity security holders of quoted equity securities are listed below:

List of Top 20 Shareholders

Position	Holder Name	Ordinary Shares	Percentage
1	GOLD BRICK CAPITAL PTY LTD <GOLD BRICK CAPITAL UNIT A/C>	507,649,212	20.32%
2	SUPERHERO SECURITIES LIMITED <CLIENT A/C>	205,972,571	8.25%
3	BLACK BAMBOO CAPITAL PTY LTD	90,700,000	3.63%
4	GOLDEN LUCKY STAR PTY LTD <RONGJUN ZHAO FAMILY A/C>	83,000,000	3.32%
5	SDD HOLDINGS PTY LTD	77,027,574	3.08%
6	C&L CHEN PTY LTD <C&L CHEN LI SF A/C>	76,470,793	3.06%
7	QHX INVESTMENTS PTY LTD	73,287,207	2.93%
8	GOLDCARAVEL ASSET MANAGEMENT PTY LTD <GOLD-CARAVEL 2 UNIT A/C>	57,307,980	2.29%
9	KINGSTONE CAPITAL PTY LTD	51,630,769	2.07%
10	MR ZHONGLIANG WANG	43,550,000	1.74%
11	MR BIREN HU	41,578,948	1.66%
12	MR MAN SING LAM	41,498,884	1.66%
13	GOLDCARAVEL ASSET MANAGEMENT PTY LTD <GOLD-CARAVEL 2 A/C>	39,262,574	1.57%
14	VALPO INVEST PTY LTD <ZHAO SONG FAMILY A/C>	33,000,000	1.32%
15	SOUVENIR PARADISE PTY LTD	31,464,414	1.26%
16	MR PAUL AINSWORTH	29,000,000	1.16%
17	KINGSTONE CAPITAL PTY LTD	28,268,334	1.13%
18	MS DONGMEI HUA	25,543,417	1.02%
19	MS ZHIYING LIN	24,000,000	0.96%
20	MR ZHOU XUAN FENG	21,111,111	0.85%
Total		**1,581,323,788**	**63.30%**
Total issued capital - selected security class(es)		**2,497,951,839**	**100.00%**

Corporate Directory

Directors

Peng Shen
Non-Executive Director (Appointed on 20 June 2022)
Non-Executive Chairman (Appointed on 1 September 2022)

Zhan Wang
Executive Director (Appointed on 20 June 2022)
Managing Director (Appointed on 8 September 2022)

Sunny Jian Xin Liang
COO and Executive Director (Appointed 31 January 2023)

Zhi Guo Zhang
COO and Executive Director (Appointed 1 September 2022, resigned 31 January 2023)

Bo Qiang
Managing Director (Appointed on 3 June 2022, ceased on 7 September 2022)
Non-Executive Director (Appointed on 8 September 2022, resigned on 25 November 2022)

Brett Crowley
Non-Executive Chairman (Removed 1 September 2022)

Bing Hui Gong
Non-Executive Director(Appointed on 3 June 2022, removed on 1 September 2022)

Company Secretary
Oliver Carton

Registered Office
Suite 502, 2 Bligh Street,
Sydney, NSW 2000
Website: www.jatcorp.com

Share Registry

Automic Registry Services
Level 5, 126 Phillip Street,
Sydney, NSW 2000

Auditor

RSM Australia Partners
Level 13, 60 Castlereagh Street,
Sydney, NSW 2000

Stock Exchange Listing

Jatcorp Limited shares are listed on the Australian Securities Exchange (ASX) under JAT.