

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

Table of contents	<u>Page No.</u>
Company information	1
Directors' Report	2 - 4
Statement of the Directors' Responsibilities	5
Declaration by the Head of Accounting	6
Independent Auditor's Report	7 - 9
Financial statements:	
Statement of Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Statement of Cash Flows	13
Notes to the Financial Statements	14 - 19

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

COMPANY INFORMATION

REGISTERED OFFICE

Plot No. 3, Block No. G1-G2
Shekilango, Morogoro Road
P. O. Box 9012
Dar es Salaam, Tanzania.

AUDITORS:

Shepherd Consulting,
25 Mkadini Road, Oysterbay,
P.O. Box 20751,
Dar es Salaam,
Tanzania
info@shepherd.co.tz

COMPANY SECRETARY

Mr. WU Zhifan

TIN IDENTIFICATION

162 - 516 - 051

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023

DIRETORS' REPORT

1. INTRODUCTION

The directors present their report together with the audited financial statements of the Company for the period from 11 January 2023 to 31 December 2023, which disclose the state of financial affairs of the Company.

2. PRINCIPAL BUSINESS ACTIVITIES

The principal activities of the Company is manufacturing chemical products.

3. INCORPORATION

The Company is incorporated in Tanzania under Companies Act, on 11th January 2023 under the Certificate of Incorporation No. 162516051.

4. FINANCIAL RESULTS

The financial results for the period are set out on page 10 of the financial statements.

5. DIRECTORS

The directors of the Company who held office during the period and to the date of this report were:

SN	Name	Nationality	Position
1	Mr. Shen Yanchang	Chinese	Director
2	Mr. WU Zhifan	Chinese	Director

During the period, 2 board meetings were held and the matters discussed include the approval of budgets for 2024 financial period, update on the business performance, and business growth.

6. SHAREHOLDING STRUCTURE

Total number of shares of the Company is 100, distributed among shareholders as follows:

SN	Name	Number	Percent
1	Sunda Chemical Industrial Co. Ltd	99	99%
2	Mr. Yanchang Shen	1	1%

The par value of each share is TZS 23,000.

7. DIVIDENDS

The directors do not propose any payment of dividend for the period from 11 January 2023 to 31 December 2023

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023

DIRECTORS' REPORT (CONTINUED)

8. RELATED PARTY TRANSACTIONS

During the period, no conflict of interest existed between the directors and the Company. The details on related party transactions are disclosed in note 9 to the financial statements.

9. CORPORATE GOVERNANCE

The board of directors consists of two directors. The board takes overall responsibility for the Company, including responsibility for identifying key risk areas, considering and monitoring investment decisions, considering significant financial matters, and reviewing the performance of management business plans and budgets. The board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

The Company is committed to the principles of effective corporate governance. The directors also recognize the importance of integrity, transparency and accountability.

10. ADMINISTRATIVE EFFICIENCY

The Company's management has requisite skills and competence is therefore capable of handling all administrative matters efficiently.

11. RISK MANAGEMENT AND INTERNAL CONTROL

The management accepts final responsibility for the risk management and internal control systems of the business. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis to provide reasonable assurance regarding:

- The effectiveness and efficiency of operations;
- The safeguarding of the business's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviors towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the business's system is designed to provide the management with reasonable assurance that the procedures in place are operating effectively. The management assessed the internal control systems throughout the financial year ended 31 December 2023 and is of the opinion that they met accepted criteria.

11 SOLVENCY

The directors confirm that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company's state of financial affairs as at 31 December 2023 is shown in statement of financial position on page 11.

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

DIRECTORS' REPORT (CONTINUED)

12 STATEMENT OF COMPLIANCE

Directors' Report is prepared in compliance with the Tanzania Financial Reporting Standard No. 1 (TFRS No. 1) as revised and issued by the National Board of Accountants and Auditors (NBAA) on 1 January 2010. The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities and Companies Act, 2002 of Tanzania.

13 AUDITORS

During the period, Shepherd Consulting, Certified Public Accountants was appointed at the Annual General Meeting as the Company's auditor and has expressed its willingness to continue in office in accordance with the Companies Act, 2002 of Tanzania. The details of the firm are provided on page 1.

14 INDEPENDENT AUDITORS

The auditors, Shepherd Consulting, have expressed their willingness to continue in office and are eligible for re-appointment. A resolution proposing their re-appointment as the Company's auditors for the subsequent year will be put to the next Annual General Meeting for approval.

Company's External Auditors:

Shepherd Consulting
Certified Public Accountants
25 Mkadini Road, Oysterbay
P.O. Box 20751
Dar es Salaam, Tanzania

Company Registration No: 139656717
TIN No: 106-650-365
NBAA Registration No: PF410

15 RESPONSIBILITY OF THE AUDITOR

Auditor is responsible to provide assurance of the correctness and consistency of each information contained in the directors' report with those provided in the financial statements.

BY ORDER OF THE BOARD

The annual financial statements were approved by the Board of Directors on 19 June 2024
and were signed on its behalf by:

Name: Wuzhifan

Title: Director

Signature: [Signature]

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies Act, 2002 of Tanzania requires the directors to prepare financial statements for each financial period that present fairly state of financial affairs of the Company as at the end of the financial period and of its operating results for that period. It also requires the directors to ensure that the Company keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company. The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards from Small and Medium-Sized Entities (IFRS for SMEs) and the requirements of the Companies Act, 2002 of Tanzania, and for such internal controls as directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors accept responsibility for the preparation of financial statements during the period, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with IFRS for SMEs and the requirements of the Companies Act, 2002 of Tanzania. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and its operating results. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

Approved by the Board of Directors on 19th June 2024 and signed on its behalf by:

Name: Muzhifan

Title: Director

Signature: 

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

DECLARATION BY THE HEAD OF ACCOUNTING

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with International Financial Reporting Standards from Small and Medium-Sized Entities (IFRS for SMEs) and the requirements of the Companies Act, 2002 of Tanzania. Full legal responsibility for the preparation of financial statements rests with the Board of Directors as under the Statement of Directors' Responsibilities on page 4.

I, TIMOTHY P. KIPENDI being an NBAA registered accountant on behalf of Greenlife Chemical Industrial Limited hereby acknowledges responsibility of ensuring that financial statements for the period from 11 January 2023 to 31 December 2023 have been prepared in compliance with the IFRS for SMEs and the Companies Act No 12 of 2002 of Tanzania.

I, thus confirm that the financial statements give a true and fair view position of Greenlife Chemical Industrial Limited as on that date and that they have been prepared based on properly maintained financial records.

Signed by:  _____

Name: TIMOTHY P. KIPENDI

Position: An NBAA Registered Accountant

NBAA Membership No: GA 5828

Date 26/06/2024



Shepherd Consulting
Certified Public Accountants
25 Mkadini Road, Oysterbay
P.O. Box 20751
Dar es Salaam, Tanzania
Tel: +255 22 260 2808
+255 757 99 88 11
Mail: info@shepherd.co.tz
Web: www.shepherd.co.tz

INDEPENDENT AUDITOR'S REPORT
To the shareholders of Greenlife Chemical Industrial Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Greenlife Chemical Industrial Limited ("the Company"), set out on pages 10 to 19 which comprise the statement of financial position as at 31 December 2023, the statements of comprehensive income, changes in equity and cash flows for the period from 11 January 2023 to 31 December 2023, and notes to the financial statements, comprising significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Greenlife Chemical Industrial Limited as at 31 December 2023 and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards from Small and Medium-Sized Entities (IFRS for SMEs) and the requirements of the Companies Act, 2002 of Tanzania.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in *the Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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

Other Information

The other information comprises the information included in the pages 1 to 6 of the Greenlife Chemical Industrial Limited financial statements for the period ended 31 December 2023, which include the Company Information, Directors' Report, Statement of Directors' Responsibilities, the Declaration by the Head of Finance as required by the Companies Act, 2002, Tanzania and the Auditors and Accountants (Registrations) Act No. 33 of 1972, as amended by Act No. 2 of 1995. The other information does not include the financial statements and our auditor's report thereon. The management responsible for the other information.

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

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



INDEPENDENT AUDITOR'S REPORT (CONTINUED)
To the shareholders of Greenlife Chemical Industrial Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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 management and the directors for the Financial Statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with IFRS for SMEs and the requirements of the Companies Act, 2002 of Tanzania, and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs 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 these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



INDEPENDENT AUDITOR'S REPORT (CONTINUED)
To the shareholders of Greenlife Chemical Industrial Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.


We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

This report, including the opinion, has been prepared for, and only for, the Company's members as a body in accordance with the Companies Act, 2002 of Tanzania, and for no other purposes.

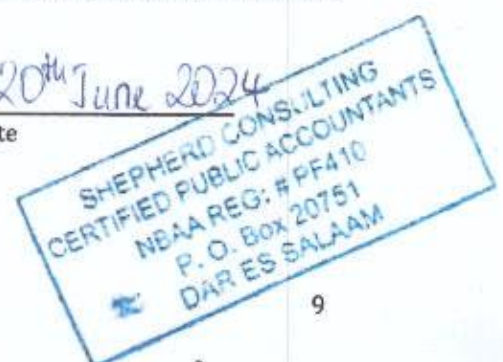
As required by the Companies Act, 2002 of Tanzania, we report to you, based on our audit, that:

- We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit;
- In our opinion, proper accounting records have been kept by the Company so far as appears from our examination of the books;
- Directors' Report is consistent with the financial statements;
- Information specified by law regarding directors' remuneration and transactions with the Company's disclosed; and
- The Company's statement of financial position and statement of comprehensive income are in agreement with the books of account.


Signed by: Jerome Cosmas Mroso (ACPA 3308)
For and on behalf of Shepherd Consulting
Certified Public Accountants in Public Practice
Dar es Salaam, Tanzania

Date

20th June 2024



GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

FINANCIAL STATEMENTS

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

	Note	From 11 Jan. 2023 to 31 Dec. 2023 TZS
Other income		-
Operating costs	4	(500,000)
Loss before tax		(500,000)
Income tax expense	9	-
Loss for the period		(500,000)
Other comprehensive income		-
Total comprehensive loss for the period, net of tax		(500,000)

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

FINANCIAL STATEMENTS

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Note	31 Dec. 2023 TZS
Current Assets		
Trade and other receivables	5	2,300,000
		<u>2,300,000</u>
Total Assets		<u>2,300,000</u>
Current liabilities		
Trade and other payables	7	500,000
		<u>500,000</u>
Equity and Reserves		
Share capital	6	2,300,000
Accumulated losses		<u>(500,000)</u>
		<u>1,800,000</u>
Total Equity and Liabilities		<u>2,300,000</u>

The financial statements were approved for issue by the board of directors on 19th June 2024 and signed on its behalf by:

Name: Wu Zhifan

Title: Director

Signature: 

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

FINANCIAL STATEMENTS

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

	Share Capital TZS	Accumulated losses TZS	Total TZS
At 11 January 2023	-	-	-
Capital injection during the period	2,300,000	-	2,300,000
<i>Loss for the period</i>	-	<i>(500,000)</i>	<i>(500,000)</i>
<i>Other comprehensive income</i>	-	-	-
Total comprehensive loss for the period, net of tax	-	(500,000)	(500,000)
At 31 December 2023	<u>2,300,000</u>	<u>(500,000)</u>	<u>1,800,000</u>

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

FINANCIAL STATEMENTS

**STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

	31 Dec. 2023 TZS
Cash flows from Operating Activities	
Loss before tax	-
Increase on trade and other receivables	(2,300,000)
Change in Working Capital	(2,300,000)
Tax paid	-
Net cash flows used in operating activities	(2,300,000)
 Cash flows from Financing Activities	
Capital injection by issue of shares	2,300,000
Net cash flows from financing activities	2,300,000
 Movement in Cash and Cash Equivalents	
Cash and cash equivalents at 31 December	-
Cash and cash equivalents at 31 December	-

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

NOTES TO THE FINANCIAL STATEMENTS

1 REPORTING ENTITY

Greenlife Chemical Industrial Limited is a limited liability company incorporated in Tanzania under the Companies Act, 2002. The addresses of its registered office and principal place of business are disclosed in the corporate information page of this report. The principal activities of the Company are described in the Directors' Report

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of preparation and Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards from Small and Medium-Sized Entities (IFRS for SMEs) and the requirements of the Companies Act, 2002 of Tanzania. The measurement basis applied is the historical cost basis, except where otherwise stated.

The financial statements are prepared in Tanzanian Shilling (TZS) which is the Company's functional currency.

The preparation of financial statements in conformity with IFRS for SMEs requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in the process of applying the Firm's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

(b) Changes in accounting policy and disclosures

New standards that were effective during the period

Several amendments and interpretations apply for the first time in 2023 but did not have an impact on the Company's financial statements.

New and amended standards and interpretations issued but not yet effective

The new and amended standards and interpretations that are issued up to the date of issuance of the financial statements, but not yet effective, are not expected to have an impact on the Company's financial statements.

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Functional currency translation

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise. The foreign exchange component of a non-monetary item is recognised consistently with any other gains or losses on those items, in other comprehensive income or in profit or loss.

All transactions in foreign currencies are initially recorded in Tanzanian Shilling, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

(d) Share capital

If the Company reacquires its own equity instruments, those instruments are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments. Consideration paid or received shall be recognised directly in equity.

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the year in which they are declared.

(e) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

(f) Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that any asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to its selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(i) Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset. The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. Deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

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

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances. The Company makes estimates/assumptions and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

In the period from 11 January 2023 to 31 December 2023, there are no estimates / assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

	From 11 Jan. 2023 to 31 Dec. 2023 TZS
4 OPERATIONAL COSTS	
Auditing fee	500,000
	<u>500,000</u>
	31 Dec. 2023 TZS
5 TRADE AND OTHER RECEIVABLES	
Other receivables – unpaid share capital	2,300,000
	<u>2,300,000</u>
6 SHARE CAPITAL	
Authorized share capital	
100 ordinary shares of TZS 23,000 each	<u>2,300,000</u>
Issued	
Number of ordinary shares	<u>100</u>
100 ordinary shares of TZS 23,000 each	<u>2,300,000</u>

The issued unpaid share capital as of 31 December 2023 amounts to TZS 2,300,000. This balance is reported as share capital receivable within trade and other receivables per note number 5 of these financial statements

GREENLIFE CHEMICAL INDUSTRIAL LIMITED

**PERIOD REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 JANUARY 2023 TO 31 DECEMBER 2023**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 Dec. 2023

TZS

7 TRADE AND OTHER PAYABLES

Other payable

500,000

500,000

8 TAX

Income tax

No provision has been made for 2023 tax as the company has no taxable as the Company is yet to commence production and therefore does not generate revenue. The estimated tax loss available for set off against future taxable income is TZS 500,000.

The normal procedure for agreeing final income tax liability in Tanzania involves the Company filing its final income tax returns with the Tanzania Revenue Authority (TRA) followed by the TRA performing their own review of the company's submissions and issuing their notice of income tax assessments to the Company. The final income tax liability as determined by TRA after their review may differ from the liability determined by the Company and procedures are in place for the company to object and appeal against such assessments. It is common that a time frame from the company's own submission of its final tax returns and TRA performing their review and issuing of notice of final tax assessment may take several months or years.

9 RELATED PARTIES

Related party balances

31 Dec. 2023

TZS

Amount due from shareholders

2,300,000

10 CAPITAL COMMITMENTS

There were no capital commitments that existed at the period-end.

11 CONTINGENT LIABILITIES

The management are of the opinion that there are no contingent liabilities as at the year end.

12 EVENTS AFTER THE REPORTING PERIOD

At the date of signing the financial statements, the directors are not aware of any other matter or circumstance arising since the date of the end of the reporting period, not otherwise dealt in these financial statements, which significantly affected the financial position of the Company and results of its operations.