Takmur Pte Limited
and its Controlled Entities

Financial Report
For the Year Ended 31 December 2019

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Financial Report for the Year Ended 31 December 2019

DIRECTORS' REPORT

Your directors present the consolidated financial report for the group for the financial year ended 31 December 2019.

Directors

The names of directors who held office at any time during or since the end of the year are:

Meity Erawaty Ewa

Yanti Kurnia Waty Binte Sapari (resigned on 26 August 2019)

Ong Chuan Heng (appointed on 26 August 2019)

Principal Activities

The principal activity of the consolidated group during the financial half-year was the holder of a mining concession related to a mineral sands deposit located in the Central Kalimantan Province of Indonesia, with an area of 2,032 hectares. In conjunction with this, the group operated a processing plant equipped to produce premium Zircon (65.5 grade).

In the previous year, the group only comprised Takmur Pte Ltd (a company incorporated on 28 June 2018 which didn't engage in any trading since its inception).

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of Operations

The loss for the group for the financial year ended 31 December 2019 after providing for income tax amounted to USD $58,386. During the prior year, the Group only comprised Takmur Pte Ltd (a company incorporated on 28 June 2018 which didn't engage in any trading since its inception).

Effective 10 January 2019, Takmur Pte Ltd acquired a 99% interest in PT Andary Usaha Makmur for nil consideration. Effective 24 January 2019, PT Andary Usaha Makmur obtained control over PT Investasi Mandiri through an exclusive operation and management agreement. Both of these transactions resulted in business combinations during the year ended 31 December 2019.

Significant Changes in the State of Affairs

On 31 January 2020, Takmur was acquired by Pyx Resources Limited via a reverse takeover. Essentially the business of Takmur and its controlled entities is the main undertaking of the Pyx Group going forward. Pyx issued 210,274,171 shares to the vendors of Takmur as part of the acquisition of Takmur.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

DIRECTORS' REPORT

New Accounting Standards Implemented

IFRS 16 Leases

The Group has implemented a new accounting standard which has come into effect and is included in the results. IFRS 16: *Leases* has been applied retrospectively without restatement of comparatives by recognising the cumulative effect of initially applying IFRS 16 as an adjustment to the opening balance of equity at 1 January 2019. Therefore, the comparative information has not been restated and continues to be reported under IAS 17: Leases.

The cumulative effect of initially applying the Standard was nil, no adjustments were required to net profit or opening retained earnings on transition.

Matters Subsequent to the Financial Year End

No matters or circumstances has arisen since 31 December 2019 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director ....

Meity Erawaty Ewa

Dated: 30 March 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Consolidated Group	
		2019	2018
		USD $	USD $
Revenue		6,858,289	-
Cost of sales		(5,309,435)	-
Gross Profit		1,548,854	-
Interest income		5,670	-
Other revenue		114,459	-
Employee benefits expense		(106,822)	-
Depreciation and amortisation expense		(76,399)	-
Finance costs		(62,761)	-
Provision for receivable from shareholder		-	(734)
Consulting and professional expenses		(793,365)	(4,375)
Other expenses		(522,864)	-
Compliance costs		(104,914)	-
Repairs and maintenance expenses		(49,152)	-
Loss before income tax		(47,294)	(5,109)
Income tax expense		(11,092)	-
Loss for the year	3	(58,386)	(5,109)
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Exchange differences on translating foreign operations, net of tax		12,296	-
Total other comprehensive income for the year		12,296	-
Total comprehensive loss for the year		(46,090)	(5,109)
Net profit/(loss) after tax attributable to:			
– owners of the parent entity		(96,498)	(5,109)
– non-controlling interest		38,112	-
		(58,386)	(5,109)
Total comprehensive income attributable to:			
– owners of the parent entity		(96,498)	(5,109)
– non-controlling interest		50,408	-
		(46,090)	(5,109)

The accompanying notes form part of these financial statements.

Takmur Pte Limited and Controlled Entities

Financial Report

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	Consolidated Group	
		2019	2018
		USD $	USD $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	93,071	-
Trade and other receivables	5	469,907	-
Inventories	6	284,023	-
Other assets	7	117,038	-
TOTAL CURRENT ASSETS		964,039	-
NON-CURRENT ASSETS			
Property, plant and equipment	8	654,751	-
Right of use assets	9	88,058	-
Intangible asset – goodwill		7,774	-
TOTAL NON-CURRENT ASSETS		750,583	-
TOTAL ASSETS		1,714,622	-
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	456,459	4,375
Lease liabilities	9	40,797	-
Current tax liabilities	11	102,086	-
Short term borrowings	12	391,152	-
TOTAL CURRENT LIABILITIES		990,494	4,375
NON-CURRENT LIABILITIES			
Lease liabilities	9	19,145	-
TOTAL NON-CURRENT LIABILITIES		19,145	-
TOTAL LIABILITIES		1,009,639	4,375
NET ASSETS / (LIABILITIES)		704,983	(4,375)
EQUITY			
Issued capital	13	1,178	734
Accumulated losses		(101,607)	(5,109)
Equity attributable to owners of the parent entity		(100,429)	(4,375)
Non-controlling interest		805,412	-
TOTAL EQUITY		704,983	(4,375)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Ordinary Issued capital USD $	Accumulated losses USD $	Non-controlling Interest USD $	Total USD $
Balance at 1 January 2018		-	-	-	-
Comprehensive income					
Loss for the year		-	(5,109)	-	(5,109)
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		-	(5,109)	-	(5,109)
Transactions with owners, in their capacity as owners					
Shares issued during the year		734	-	-	734
Total transactions with owners		734	-	-	734
Balance at 31 December 2018		734	(5,109)	-	(4,375)
Balance at 1 January 2019		734	(5,109)	-	(4,375)
Comprehensive income					
Profit/(loss) for the year		-	(96,498)	38,112	(58,386)
Other comprehensive income for the year		-	-	12,296	12,296
Total comprehensive income for the year		-	(96,498)	50,408	(46,090)
Transactions with owners, in their capacity as owners					
Shares issued during the year		444	-	-	444
Non-controlling interests on acquisitions	16	-		755,004	755,004
Total transactions with owners		444	-	755,004	755,448
Balance at 31 December 2019		1,178	(101,607)	805,412	704,983

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Consolidated Group 2019 USD $	2018 USD $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		6,661,185	-
Payments to suppliers and employees		(6,633,518)	-
Interest received		5,670	-
Finance costs		(62,761)	-
Taxes paid		(80,781)	-
Net cash (used in) operating activities		(110,205)	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(148,246)	-
Proceeds from sale of property, plant and equipment		1,500	-
Payments for acquisitions, net of cash acquired	16	17,468	-
Net cash (used in)/generated by investing activities		(129,278)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		444	-
Proceeds from short-term borrowings		391,152	-
Repayments of lease liabilities		(59,042)	-
Net cash (used in)/generated by financing activities		332,554	-
Net increase in cash held		93,071	-
Cash and cash equivalents at beginning of year		-	-
Cash and cash equivalents at end of year		93,071	-

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements and notes represent those of Takmur Pte Limited and Controlled Entity (the "Consolidated Group" or "Group"). Takmur Pte Limited is a company limited by shares, incorporated and domiciled in Singapore.

The financial statements were authorised for issue on 30 March 2020 by the directors of the Company.

Basis of Preparation

The financial statements have been prepared on a going concern basis under the historical cost convention except as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss and are in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and IFRIC interpretations issued by the IFRS Interpretations Committee.

The preparation of the financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The financial statements are presented in United State Dollars ("USD").

a. **Principles of Consolidation**

The consolidated financial statements incorporate all of the assets, liabilities and results of the Parent (Takmur Pte Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the Parent controls. The Parent controls an entity when it 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 over the entity. A list of the subsidiaries is provided in Note 15.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

b. **Income Tax**

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

Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination or are recognised directly in equity or in other comprehensive income. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

b. **Income Tax**

Current and deferred income tax expense (income) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity.

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

With respect to land and buildings measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale.

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

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

c. **Fair Value of Assets**

The company measures some of its assets at fair value. Fair value is the price the company would receive to sell an asset in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset (ie the market with the greatest volume and level of activity for the asset) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

d. **Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate proportion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on a first-in, first-out basis.

e. **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event that the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. An assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	5%
Plant and equipment	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in profit or loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

f. **Leases**

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;

f. **Leases**

- lease payments under extension options, if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

g. **Financial Instruments**

Initial recognition and measurement

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

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in paragraph 63 of IFRS 15: Revenue from Contracts with Customers.

Classification and subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense to profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

g. **Financial Instruments**

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Impairment

The Group recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or fair value through other comprehensive income.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Group uses the following approaches to impairment, as applicable under IFRS 9: Financial Instruments:

- the general approach; and
- the simplified approach;

General approach

Under the general approach, at each reporting period, the Group assesses whether the financial instruments are credit-impaired, and:

g. **Financial Instruments**

- if the credit risk of the financial instrument has increased significantly since initial recognition, the Group measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- if there has been no significant increase in credit risk since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables or contract assets that result from transactions that are within the scope of IFRS 15: Revenue from Contracts with Customers, and which do not contain a significant financing component; and
- lease receivables.
- In measuring the expected credit loss, a provision matrix for trade receivables is used, taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Recognition of expected credit losses in financial statements

At each reporting date, the Group recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

h. **Impairment of Assets**

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information, including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in IAS 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

i. **Employee Benefits**

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

j. **Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

k. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

l. **Revenue Recognition**

Revenue from sale of goods was recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of goods and the cessation of all involvement in those goods.

m. **Trade and Other Receivables**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

n. **Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

o. **Borrowing Costs**

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

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

p. **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

q. **Foreign Currency Transactions and Balances**

Functional and presentation currency

The functional currency is measured using the currency of the primary economic environment in which the company operates. The financial statements are presented in US dollars, which is the entity's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

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

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is directly recognised in other comprehensive income, otherwise the exchange difference is recognised in profit or loss.

r. **Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key estimates

(i) *Impairment – general*

The company assesses impairment at the end of each reporting period by evaluating the conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

s. **New and Amended Accounting Policies Adopted by the Group**

Initial application of IFRS 16

The Group has adopted IFRS 16: Leases retrospectively with the cumulative effect of initially applying IFRS 16 recognised at 1 January 2019. In accordance with IFRS 16, the comparatives for the 31 December 2018 reporting period have not been restated.

The Group has recognised a lease liability and right-of-use asset for all leases (with the exception of short-term and low-value leases) recognised as operating leases under IAS 17: Leases where the Group is the lessee. There has been no significant change from prior period treatment for leases where the Group is a lessor.

The lease liabilities are measured at the present value of the remaining lease payments. The Group's incremental borrowing rate as at 1 January 2019 was used to discount the lease payments.

The right-of-use asset for manufacturing equipment was measured at its carrying amount as if IFRS 16 had been applied since the commencement date, but discounted using the Group's incremental borrowing rate per lease term as at 1 January 2019.

The right-of-use assets for the remaining leases were measured and recognised in the statement of financial position as at 1 January 2019 by taking into consideration the lease liability and prepaid and accrued lease payments previously recognised as at 1 January 2019 (that are related to the lease).

The following practical expedients have been used by the Group in applying IFRS 16 for the first time:

- for a portfolio of leases that have reasonably similar characteristics, a single discount rate has been applied;
- leases that have a remaining lease term of less than 12 months as at 1 January 2019 have been accounted for in the same way as short-term leases;
- the use of hindsight to determine lease terms on contracts that have options to extend or terminate;
- applying IFRS 16 to leases previously identified as leases under IAS 17 and Interpretation 4: Determining whether an arrangement contains a lease without reassessing whether they are, or contain, a lease at the date of initial application; and
- not applying IFRS 16 to leases previously not identified as containing a lease under IAS 17 and Interpretation 4.

Takmur Pte Ltd has no non-cancellable operating leases therefore the adoption of IFRS 16 has no financial impact to the group. The group acquired right of use assets and lease liabilities through business combination (refer to Note 16) and these assets and liabilities were accounted in accordance with the accounting policy described in Note 1(f).

NOTE 2: DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial year.

NOTE 3: LOSS FOR THE YEAR

	Consolidated Group	
	2019	**2018**
	USD $	**USD $**
The following revenue and expense items are relevant in explaining the financial performance for the year:		
Revenues from overseas customers	5,429,411	-
Revenues from local customers	1,428,878	-
Purchase of raw materials	(4,360,229)	-

NOTE 4: CASH AND CASH EQUIVALENTS

	Consolidated Group	
	2019	**2018**
	USD $	**USD $**
Cash at bank	93,071	-
	93,071	-

NOTE 5: TRADE AND OTHER RECIEVABLES

	Consolidated Group	
	2019	**2018**
	USD $	**USD $**
Trade receivables	51,178	-
Amount due from a unrelated entity	406,826	-
VAT receivables	2,804	-
Other receivables	10,277	4,375
Less allowance on receivables	(1,178)	-
	469,907	4,375

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 6: INVENTORIES

	Consolidated Group	
	2019	2018
	USD $	USD $
Raw materials	8,203	-
Finished goods at cost	275,820	-
	284,023	-

NOTE 7: OTHER ASSETS

	Consolidated Group	
	2019	2018
	USD $	USD $
Deposit to suppliers	117,038	-
	117,038	-

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	Consolidated Group	
	2019	2018
	USD $	USD $
Land and buildings		
Freehold land	57,053	-
Building	661,720	-
Accumulated depreciation	(107,675)	-
	611,098	-
Plant and equipment		
Plant and equipment at cost	103,263	-
Accumulated depreciation	(59,610)	-
	43,653	-
Total property, plant and equipment	654,751	-

NOTE 9: LEASES

	Consolidated Group	
	2019	2018
	USD $	USD $
Right of use assets		
Motor vehicles	140,484	-
Accumulated depreciation	(52,426)	-
	88,058	-
Total right of use assets	88,058	-
Lease liabilities		
Current	40,797	-
Non-current	19,145	-
	59,942	-
IFRS 16 related amounts recognised in the statement of profit or loss		
Depreciation charge related to right of use assets	33,790	-
Interest expense on lease liabilities	12,134	-
Short-term and low-value asset leases expense	111,467	-

NOTE 10: TRADE AND OTHER PAYABLES

	Consolidated Group	
	2019	2018
	USD $	USD $
Trade payables	160,359	-
Withholding tax payable	2,274	-
Sundry payables and accrued expenses	216,290	-
Customer deposits	77,536	-
	456,459	-

NOTE 11: TAX

	Consolidated Group	
	2019	**2018**
	USD $	**USD $**
Liabilities		
CURRENT		
Income tax	102,086	-

NOTE 12: BORROWINGS

	Consolidated Group	
	2019	**2018**
	USD $	**USD $**
Amount due to unrelated entities	391,152	-
	391,152	-

Amount due to unrelated entities are unsecured, bear interest rate of 10% per quarter and are repayable on demand.

NOTE 13: ISSUED CAPITAL

	Consolidated Group	
	2019	**2018**
	USD $	**USD $**
2,500 (2018: 1,000) ordinary shares	1,178	734

Ordinary shareholders participate in dividends and the proceeds on winding up of the Parent Entity in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

NOTE 14: FOREIGN EXCHANGE RESERVE

The foreign currency reserve records exchange differences arising on translation of foreign controlled subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 15: INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1.

Name of entity	Country of incorporation	Class of shares	2019	2018
PT Andary Usaha Makmur	Indonesia	Ordinary	99%	-
PT Investasi Mandiri	Indonesia	- [1]	100% [1]	-

[1] Notwithstanding the group did not hold any ordinary shares in PT Investasi Mandiri, the group is deemed to have control over the entity pursuant to the Exclusive Operation and Management Agreement and Share Pledge Agreement entered on 24 January 2019.

NOTE 16: BUSINESS COMBINATIONS

a) Acquisition of PT Andary Usaha Makmur

On 10 January 2019, the Group acquired 99% of the issued capital of PT Andary Usaha Makmur, a company that was engaged to be the exclusive operations manager of PT Investasi Mandiri (a company involved in the production and distribution of premium Zircon). The acquisition was for nil purchase consideration however Takmur Pte Ltd assumed the outstanding unpaid amount owing in relation to the issued capital in PT Andary Usaha Makmur.

Through acquiring 99% of the issued capital of PT Andary Usaha Makmur, the Group has obtained control of the company.

The purchase was satisfied by way of the company assuming the liability in relation to the issued capital of PT Andary Usaha Makmur which amounted to USD $344,228.

	Fair Value USD $
Purchase consideration:	
– Liabilities assumed	344,229
– NCI's proportionate share of fair value in net assets	3,398
	347,627
Less:	
Other receivables	344,228
Trade and other payables	(4,375)
Identifiable assets acquired and liabilities assumed	339,853
Goodwill	7,774

$48,788 loss and nil revenue resulting from the acquisition of PT Andary Usaha Makmur was included in the consolidated statement of profit or loss and other comprehensive income for the financial year ended 31 December 2019.

NOTE 16: BUSINESS COMBINATIONS

b) Acquisition of PT Investasi Mandiri

On 24 January 2019, the Group obtained control of PT Investasi Mandiri, a company that is the holder of a mining concession related to a mineral sands deposit located in the Central Kalimantan Province of Indonesia, with an area of 2,032 hectares. In conjunction with this, PT Investasi Mandiri operated a processing plant equipped to produce premium Zircon (65.5 grade). Control was obtained through the execution of an exclusive operations and management agreement between PT Andary Usaha Makmur and PT Investasi Mandiri and was for nil purchase consideration.

	Fair Value USD $
Purchase consideration:	
– Consideration transferred	-
– NCI's proportionate share of fair value in net assets	755,829
	755,829
Less:	
Cash and cash equivalents	17,468
Trade and other receivables	81,103
Inventories	702,517
Property, plant and equipment	549,114
Right of use assets	63,076
Trade and other payables	(426,847)
Lease liabilities	(60,212)
Current tax liabilities	(170,390)
Identifiable assets acquired and liabilities assumed	755,829
Goodwill	-

$38,604 profit and $6,858,289 revenue resulting from the acquisition of PT Investasi Mandiri was included in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2019.

NOTE 17: CASH FLOW INFORMATION

	Consolidated Group	
	2019	**2018**
	USD $	**USD $**
Reconciliation of Cash Flows from Operating Activities with Loss after Income Tax		
Loss after income tax	(58,386)	(5,109)
Non-cash flows in loss:		
– Depreciation and amortisation expense	76,399	-
– Gain on disposal of property, plant and equipment	(1,500)	-
– Provision for receivable from shareholder	-	734
Changes in assets and liabilities:		
Trade and other receivables	(388,804)	-
Inventories	418,494	-
Other assets	(117,038)	-
Trade and other payables	20,862	4,375
Current tax liabilities	(68,304)	-
	(110,205)	-

NOTE 18: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting period.

NOTE 19: EVENTS AFTER THE BALANCE SHEET DATE

On 31 January 2020, Takmur was acquired by Pyx Resources Limited via a reverse takeover. Essentially the business of Takmur and its controlled entities is the main undertaking of the Pyx Group going forward. Pyx issued 210,274,171 shares to the vendors of Takmur as part of the acquisition of Takmur.

NOTE 20: COMPANY DETAILS

The registered office of the company is 11 Collyer Quay, #14-02 The Arcade, Singapore

**TAKMUR PTE LTD
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S AUDITOR REPORT TO THE MEMBERS OF
TAKMUR PTE LTD**

SYDNEY
Level 40
2 Park Street
Sydney NSW 2000
Australia
Ph: (612) 9263 2600
Fx: (612) 9263 2800

Report on the Financial Report

Opinion

We have audited the financial report of Takmur Pte Ltd (the company) and its controlled entities (the group), which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion:

a. the accompanying financial report of the group is giving a true and fair view of the group's financial position as at 31 December 2019 and of its financial performance for the year then ended; and

b. The financial report complies with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. 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 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

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 31 December 2019 but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

TAKMUR PTE LTD
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S AUDITOR REPORT TO THE MEMBERS OF TAKMUR PTE LTD

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 International Financial Reporting Standards and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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 group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report 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 auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

TAKMUR PTE LTD
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S AUDITOR REPORT TO THE MEMBERS OF TAKMUR PTE LTD

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Hall Chadwick

HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000

DREW TOWNSEND
Partner
Dated: 30 March 2020

Takmur Pte Limited and Controlled Entities

Financial Report

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Takmur Pte Limited., the directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 22, are in accordance with the Singapore Company Act (Revision 2014) and:

    a. comply with International Financial Reporting Standards; and

    b. give a true and fair view of the company's financial position as at 31 December 2019 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

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.

Director

Meity Erawaty Ewa

Dated: : 30 March 2020