

# TOGA LTD

## FORM 10-Q (Quarterly Report)

Filed 12/19/19 for the Period Ending 10/31/19

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CIK	0001378125
Symbol	TOGL
SIC Code	7385 - Services-Telephone Interconnect Systems
Industry	Holding Companies
Sector	Financials
Fiscal Year	07/31

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

**FORM 10-Q**

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **October 31, 2019**

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: **333-138951**

**Toga Limited**

(Exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction of incorporation or organization)

**98-0568153**

(IRS Employer Identification No.)

**2575 McCabe Way, Suite 100**

**Irvine, CA 92614**

(Address of principal executive offices)

**(949) 333-1603**

(Registrant's telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of shares of the issuer's common stock outstanding as of December 18, 2019 was 91,011,318 shares, par value \$0.0001 per share.

**TOGA LIMITED**  
FORM 10-Q  
Quarterly Period Ended October 31, 2019

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**PART I. FINANCIAL INFORMATION**

**ITEM 1. FINANCIAL STATEMENTS**

**Toga Limited**  
**Condensed Consolidated Balance Sheets**  
**(Unaudited)**

	<u>October 31,</u> <u>2019</u>	<u>July 31,</u> <u>2019</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 12,902,002	\$ 14,916,556
Accounts receivable, net	113,976	294,266
Prepaid expense, deposits and other current assets	890,430	1,199,649
Inventories	972,364	162,985
Total Current Assets	<u>14,878,772</u>	<u>16,573,456</u>
Operating lease right-of-use assets	333,798	-
Property and equipment	4,444,834	4,421,252
Intangible asset - goodwill	11,718	11,718
<b>TOTAL ASSETS</b>	<u>\$ 19,669,122</u>	<u>\$ 21,006,426</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 5,274,989	\$ 4,221,413
Due to related parties	63,608	1,083
Notes due to related parties	24,126	24,126
Deferred revenue	2,787,099	1,782,252
Income tax payable	93,524	61,215
Operating lease liabilities	111,503	-
Total Current Liabilities	<u>8,354,849</u>	<u>6,090,089</u>
Operating lease liabilities	222,295	-
<b>Stockholders' Equity</b>		
Preferred stock, \$0.0001 par value, 20,000,000 shares authorized; none issued and outstanding	-	-
Common stock, \$0.0001 par value, 10,000,000,000 shares authorized; 90,758,279 and 90,762,893 shares issued and outstanding as of October 31, 2019 and July 31, 2019, respectively	9,076	9,076
Common stock subscribed; 30,000,000 common shares, \$0.0001 par value	(3,000)	(3,000)
Additional paid-in capital	39,037,472	38,993,002
Accumulated other comprehensive income	28,751	69,238
Accumulated deficit	(28,037,066)	(24,210,347)
Total Stockholders' Equity of Toga Ltd.	<u>11,035,233</u>	<u>14,857,969</u>
Non-controlling interest	56,745	58,368
Total Stockholders' Equity	<u>11,091,978</u>	<u>14,916,337</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u>\$ 19,669,122</u>	<u>\$ 21,006,426</u>

See accompanying notes to the unaudited condensed consolidated financial statements

**Toga Limited**  
**Condensed Consolidated Statements of Operations**  
**(Unaudited)**

	<b>Three Months Ended</b>	
	<b>October 31,</b>	
	<b>2019</b>	<b>2018</b>
Revenue	\$ 2,745,986	\$ 742,753
Cost of goods sold	2,408,362	266,822
Gross profit	<u>337,624</u>	<u>475,931</u>
<b>OPERATING EXPENSES</b>		
General and administrative expenses	4,180,742	741,303
Research and development	-	59,706
Depreciation	50,803	10,524
Total Operating Expenses	<u>4,231,545</u>	<u>811,533</u>
<b>LOSS FROM OPERATIONS</b>	<u>(3,893,921)</u>	<u>(335,602)</u>
<b>OTHER INCOME (EXPENSE)</b>		
Interest income	66,365	174
Interest expense	(385)	(35)
Total Other Income (Expense)	<u>65,980</u>	<u>139</u>
<b>Loss before Income Taxes</b>	(3,827,941)	(335,463)
Income Tax Provision	(401)	-
<b>Net Loss</b>	\$ (3,828,342)	\$ (335,463)
<b>Less: Net Loss attributable to non-controlling interest</b>	(1,623)	-
<b>Net Loss attributable to Toga Ltd.</b>	(3,826,719)	(335,463)
<b>OTHER COMPREHENSIVE LOSS</b>		
Foreign currency translation adjustments	(40,487)	(27,507)
<b>Total Comprehensive Loss</b>	\$ (3,868,829)	\$ (362,970)
<b>BASIC AND DILUTED NET LOSS PER COMMON SHARE:</b>		
<b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING</b>	<u>90,759,165</u>	<u>71,695,762</u>
<b>NET LOSS PER COMMON SHARE</b>	<u>\$ (0.04)</u>	<u>\$ (0.00)</u>

See accompanying notes to the unaudited condensed consolidated financial statements

**Toga Limited**  
**Condensed Consolidated Statements of Changes in Stockholders' Equity**  
**For the three months ended October 31, 2019 and 2018**  
**(Unaudited)**

	<u>Common Stock</u>		<u>Subscription Receivable</u>	<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Accumulated Other Comprehensive Income</u>	<u>Non-controlling Interest</u>	<u>Total Stockholders' Equity</u>
	<u>Number of Shares</u>	<u>Amount</u>						
Balance - July 31, 2019	90,762,893	\$ 9,076	\$ (3,000)	\$ 38,993,002	\$ (24,210,347)	\$ 69,238	\$ 58,368	\$ 14,916,337
Cancellation of common shares	(24,614)	(2)	-	2	-	-	-	-
Reissuance of previously cancelled shares	20,000	2	-	(2)	-	-	-	-
Issuance of stock options	-	-	-	44,470	-	-	-	44,470
Other comprehensive loss	-	-	-	-	-	(40,487)	-	(38,864)
Net loss	-	-	-	-	(3,826,719)	-	(1,623)	(3,828,342)
Balance - October 31, 2019	<u>90,758,279</u>	<u>\$ 9,076</u>	<u>\$ (3,000)</u>	<u>\$ 39,037,472</u>	<u>\$ (28,037,066)</u>	<u>\$ 28,751</u>	<u>\$ 56,745</u>	<u>\$ 11,091,978</u>

	<u>Common Stock</u>		<u>Subscription Receivable</u>	<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Accumulated Other Comprehensive Loss</u>	<u>Total Stockholders' Equity</u>
	<u>Number of Shares</u>	<u>Amount</u>					
Balance - July 31, 2018	69,586,517	\$ 6,959	\$ (3,000)	\$ 16,942,861	\$ (14,351,459)	\$ (53,996)	\$ 2,541,365
Issuance of common shares for cash	6,270,762	627	-	1,253,524	-	-	1,254,151
Cancellation of common shares	(20,000)	(2)	-	2	-	-	-
Other comprehensive loss	-	-	-	-	-	(27,507)	(27,507)
Net loss	-	-	-	-	(335,463)	-	(335,463)
Balance - October 31, 2018	<u>75,837,279</u>	<u>\$ 7,584</u>	<u>\$ (3,000)</u>	<u>\$ 18,196,387</u>	<u>\$ (14,686,922)</u>	<u>\$ (81,503)</u>	<u>\$ 3,432,546</u>

See accompanying notes to the unaudited condensed consolidated financial statements

**Toga Limited**  
**Condensed Consolidated Statements of Cash Flows**  
**(Unaudited)**

	<b>Three Months Ended</b>	
	<b>October 31,</b>	
	<b>2019</b>	<b>2018</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	\$ (3,828,342)	\$ (335,463)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation	50,803	10,524
Gain on sale of digital currency	-	-
Stock based compensation	44,470	-
Changes in operating assets and liabilities:		
Accounts receivable	180,290	71,915
Prepaid expenses and other current assets	309,219	(143,040)
Inventories	(809,379)	-
Accounts payable and accrued liabilities	1,053,576	59,537
Customer deposits	-	-
Deferred revenue	1,004,847	(20,500)
Income tax payable	32,309	-
Net cash used in operating activities	<u>(1,962,207)</u>	<u>(357,027)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(77,769)	(20,566)
Net cash used in investing activities	<u>(77,769)</u>	<u>(20,566)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of common stock - cash	-	1,254,151
Proceeds from related parties	66,992	38,225
Repayment to related party	(4,467)	(42,438)
Net cash provided by financing activities	<u>62,525</u>	<u>1,249,938</u>
Effects on changes in foreign exchange rate	(37,103)	51,703
Net increase (decrease) in cash and cash equivalents	(2,014,554)	924,048
Cash and cash equivalents - beginning of period	14,916,556	1,064,672
Cash and cash equivalents - end of period	<u>\$ 12,902,002</u>	<u>\$ 1,988,720</u>
<b>Supplemental Cash Flow Disclosures</b>		
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>
Cash paid for income taxes	<u>\$ -</u>	<u>\$ -</u>
<b>Non-Cash Investing and Financing Activity:</b>		
Cancellation of Common Stock	<u>\$ 2</u>	<u>\$ 20</u>
Reissuance of previously cancelled Common Stock	<u>\$ 2</u>	<u>\$ -</u>
Operating lease right-of-use assets	<u>\$ 333,798</u>	<u>\$ -</u>

See accompanying notes to the unaudited condensed consolidated financial statements

**Toga Limited**  
**Notes to the Condensed Consolidated Financial Statements**  
**October 31, 2019**  
**(Unaudited)**

**NOTE 1. ORGANIZATION AND DESCRIPTION OF BUSINESS**

***Business description***

On June 30, 2016, Blink Couture, Inc. entered into a merger agreement with its wholly-owned subsidiary, Toga Limited (the “Company”), a Delaware corporation with no material operations. The Company continued operations under the name Toga Limited.

Blink Couture, Inc. was originally incorporated as Fashionfreakz International Inc. on October 23, 2003, under the laws of the State of Delaware. On December 2, 2005, Fashionfreakz International Inc. changed its name to Blink Couture Inc. Until March 4, 2008, the Company’s principal business was the online retail marketing of trendy clothing and accessories produced by independent designers. On March 4, 2008, the Company discontinued its prior business and changed its business plan. On June 13, 2016, a change of control of the Company occurred. On that date, the current president and Chief Executive Officer purchased a total of 13,869,150 of the issued and outstanding shares of the Company.

On June 10, 2017, the Board of Directors unanimously adopted resolutions authorizing the increase of the Company’s authorized number of shares of common stock from one hundred million (100,000,000) shares to ten billion (10,000,000,000) shares and increased the number of the Company’s total issued and outstanding shares of common stock by conducting a forward split at the rate of fifty (50) shares for every one (1) (50:1) share currently issued and outstanding (the “Forward Split”). The Forward Split became effective in the market on September 11, 2017 following approval by the FINRA. All share amounts in this filing have been adjusted retroactively.

The Company incorporated a wholly-owned subsidiary, TOGL Technology Sdn. Bhd. (“TOGL”) in Malaysia on September 26, 2017.

On May 28, 2018, the Company’s wholly-owned subsidiary TOGL formed a branch office in Taiwan.

The Company incorporated a wholly-owned subsidiary, PT. Toga International Indonesia (“PT Toga”) in Indonesia on November 23, 2017.

The Company’s wholly-owned subsidiary TOGL formed a wholly-owned subsidiary Toga Vietnam Company Limited (“Toga Vietnam”) in Vietnam on January 15, 2019, acquired 100% shares of WGS Discovery Tours & Travel in Malaysia on June 24, 2019 and acquired 67% of the shares in PT TOGL Technology Indonesia in Indonesia on May 24, 2019.

On May 8, 2019, the Company filed a Certificate of Amendment with the Nevada Secretary of State whereby it amended Article IV of its Articles of Incorporation by decreasing the Company’s authorized number of shares of common stock from ten billion (10,000,000,000) shares to one billion (1,000,000,000) shares and decreasing its issued and outstanding shares of common stock at a ratio of ten (10) shares for every one (1) share held (“10-1 Reverse Split”). The Company’s Board of Directors approved this amendment on April 24, 2019.

On May 17, 2019, the Company filed an Issuer Company-Related Action Notification Form with FINRA requesting that the 10-1 Reverse-Split and share decrease be effected in the market. All share and per share information in these consolidated financial statements retroactively reflect this stock distribution.

As of October 1, 2019, the Company was approved and upgraded to OTCQX Best Market.



## **NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### ***Basis of Presentation***

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and with the rules and regulations of the U.S. Securities and Exchange Commission (“SEC”). Accordingly, these condensed consolidated financial statements do not include all of the information and footnotes required for audited annual financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary to make the consolidated financial statements not misleading have been included. The balance sheet at July 31, 2019, has been derived from the Company’s audited consolidated financial statements as of that date.

The unaudited consolidated condensed financial statements included herein should be read in conjunction with the audited consolidated financial statements and the notes thereto that are included in the Company’s Annual Report on Form 10-K for the year ended July 31, 2019, that was filed with the SEC on November 14, 2019. The results of operations for the three months ended October 31, 2019 are not necessarily indicative of the results to be expected for the full year.

### ***Reclassification of Equity***

The Company has reclassified a balance related to Non-controlling interest to Accumulated other comprehensive income (loss) as of July 31, 2019. The impact was an increase of Non-controlling interest of \$116,736 and a decrease in the Accumulated other comprehensive income (loss) of \$116,736. The equity reclassification was due to an incorrect classification of the Non-controlling interest balance during the year-ended July 31, 2019. These reclassification had no effect on the reported results of operations.

### ***Basis of Consolidation***

These consolidated condensed financial statements include the accounts of the Company and the wholly-owned subsidiaries, TOGL Technology Sdn. Bhd., and PT. Toga International Indonesia. All material intercompany balances and transactions have been eliminated. TOGL Technology incorporates the financial statements of the Taiwan and Vietnam office.

### ***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Some of these judgments can be subjective and complex, and, consequently, actual results may differ from these estimates.

### ***Cash and Cash Equivalents***

Cash and cash equivalents consist of cash and highly liquid investments with remaining maturities of less than ninety days at the date of purchase.

### ***Basic and Diluted Earnings per Share***

Pursuant to the authoritative guidance, basic net income and net loss per share are computed by dividing the net income and net loss by the weighted average number of common shares outstanding. Diluted net income and net loss per share is the same as basic net income and net loss per share when their inclusion would have an anti-dilutive effect due to our continuing net losses.

As at October 31, 2019, the Company has potentially 123,662 dilutive securities from outstanding stock options, which were excluded from the computation of diluted net loss per common share as the result of the computation was anti-dilutive.

### ***Software Development***

The Company accounts for all software and development costs in accordance with ASC 985-20 – Software. Accordingly, all costs incurred prior to establishing technological feasibility have been expensed. As of October 31, 2019, none of the costs subsequent to technological feasibility associated with software and development met the criteria for capitalization.

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### **Inventories**

Inventories are stated at lower of cost or net realizable value, with cost being determined on the first-in, first-out (“FIFO”) method.

No reserves are considered necessary for slow moving or obsolete inventory as inventory on hand at year-end was purchased near the end of the year. The Company continuously evaluates the adequacy of these reserves and makes adjustments to these reserves as required.

As of October 31, 2019, and July 31, 2019, the Company had inventories consisting of finished goods of \$972,364 and \$162,985, respectively.

### **Leases**

The Company adopted ASC 842 for the recognition of operating leases on office premises commencing from the three months ended October 31, 2019. Under ASC 842, the Company recognizes on the balance sheet the assets and liabilities for the right and obligations from the operating leases.

### **Equipment and Furniture**

Property and equipment are stated at cost. Depreciation is computed on the straight-line method. The depreciation and amortization methods are designed to amortize the cost of the assets over their estimated useful lives, in years, of the respective assets as follows:

Building	20 years
Renovation	1 to 5 years
Fixtures and Furniture	4 to 5 years
Tools and Equipment	4 to 5 years
Vehicles	3 to 5 years
Computer Equipment	4 to 5 years

Maintenance and repairs are charged to expense as incurred. Improvements of a major nature are capitalized. At the time of retirement or other disposition of property and equipment, the cost and accumulated depreciation are removed from the accounts and any gains or losses are reflected in income.

The long-lived assets of the Company are reviewed for impairment in accordance with ASC 360, “Property, Plant and Equipment” (“ASC 360”), whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. During the three months ended October 31, 2019 and 2018, no impairment losses have been identified.

### **Goodwill and Other Intangible Assets**

We account for goodwill and intangible assets in accordance with ASC 350 “Intangibles-Goodwill and Other” (“ASC 350”). ASC 350 requires that goodwill and other intangibles with indefinite lives be tested for impairment annually or on an interim basis if events or circumstances indicate that the fair value of an asset has decreased below its carrying value. In addition, ASC 350 requires that goodwill be tested for impairment at the reporting unit level (operating segment or one level below an operating segment) on an annual basis and between annual tests when circumstances indicate that the recoverability of the carrying amount of goodwill may be in doubt. Application of the goodwill impairment test requires judgment, including the identification of reporting units; assigning assets and liabilities to reporting units, assigning goodwill to reporting units, and determining the fair value. Significant judgments required to estimate the fair value of reporting units include estimating future cash flows, determining appropriate discount rates and other assumptions. Changes in these estimates and assumptions or the occurrence of one or more confirming events in future periods could cause the actual results or outcomes to materially differ from such estimates and could also affect the determination of fair value and/or goodwill impairment at future reporting dates.

On June 24, 2019, the Company’s wholly-owned subsidiary TOGL acquired 100% shares of WGS Discovery Tours & Travel in Malaysia, which generated goodwill of \$11,718. The Company has accounted for transaction in accordance with ASC 805 “Business Combinations.”

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Based on the Company's analysis of goodwill as of October 31, 2019, no indicators of impairment exist. No impairment loss on goodwill was recognized for the three months ended October 31, 2019 and 2018.

### **Foreign Currency Translations**

The Company's functional and reporting currency is the U.S. dollar. Our subsidiary's functional currency is the Malaysian ringgit. All transactions initiated in Malaysian ringgit ("MYR"), New Taiwan dollar ("NTD") and Vietnamese dong ("VND"), and Indonesian rupiah ("IDR") are translated into U.S. dollars in accordance with ASC 830-30, "Translation of Financial Statements," as follows:

- 1) Monetary assets and liabilities at the rate of exchange in effect at the balance sheet date.
- 2) Equity at historical rates.
- 3) Revenue and expense items at the average rate of exchange prevailing during the period.

Adjustments arising from such translations are deferred until realization and are included as a separate component of stockholders' equity as a component of comprehensive income or loss. Therefore, translation adjustments are not included in determining net income (loss) but reported as other comprehensive income. Gains and losses from foreign currency transactions are included in earnings in the period of settlement.

	<b>Three Months Ended October 31, 2019</b>	<b>Year Ended July 31, 2019</b>	<b>Three Months Ended October 31, 2018</b>
Spot MYR: USD exchange rate	\$ 0.2393	\$ 0.2422	\$ 0.2389
Average MYR: USD exchange rate	\$ 0.2388	\$ 0.2421	\$ 0.2420
Spot NTD: USD exchange rate	\$ 0.0328	\$ 0.0321	\$ 0.0323
Average NTD: USD exchange rate	\$ 0.0322	\$ 0.0323	\$ 0.0325
Spot IDR: USD exchange rate	\$ 0.000071	\$ 0.000071	\$ 0.000066
Average IDR: USD exchange rate	\$ 0.000071	\$ 0.000069	\$ 0.000067
Spot VND: USD exchange rate	\$ 0.000043	\$ 0.000043	\$ n/a
Average VND: USD exchange rate	\$ 0.000043	\$ 0.000043	\$ n/a

### **Stock-based Compensation**

We account for stock-based awards at fair value on the date of grant, and recognize compensation over the service-period that they are expected to vest. We estimate the fair value of stock options and stock purchase warrants using the Black-Scholes option pricing model. The estimated value of the portion of a stock-based award that is ultimately expected to vest, taking into consideration estimated forfeitures, is recognized as expense over the requisite service periods. The model includes subjective input assumptions that can materially affect the fair value estimates. The expected volatility is estimated based on the most recent historical period of time, of other comparative securities, equal to the weighted average life of the options. The estimate of stock awards that will ultimately vest requires judgment, and to the extent that actual forfeitures differ from estimated forfeitures, such differences are accounted for as a cumulative adjustment to compensation expenses and recorded in the period that estimates are revised.

Stock-based compensation incurred for the three months ended October 31, 2019 and 2018, respectively, are summarized as follows:

	<b>Three Months Ended October 31,</b>	
	<b>2019</b>	<b>2018</b>
Vesting of stock options issued to directors and officers	\$ 44,470	\$ -
Total	\$ 44,470	\$ -

**Fair Value**

FASB ASC 820, *Fair Value Measurements and Disclosures* (“ASC 820”) establishes a framework for all fair value measurements and expands disclosures related to fair value measurement and developments. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

ASC 820 requires that assets and liabilities measured at fair value are classified and disclosed in one of the following three categories:

Level 1—Quoted market prices for identical assets or liabilities in active markets or observable inputs;

Level 2—Significant other observable inputs that can be corroborated by observable market data; and

Level 3—Significant unobservable inputs that cannot be corroborated by observable market data.

The carrying amounts of cash, accounts payable and other liabilities and accrued interest payable fair value because of the short-term nature of these items.

**Related Party Balances and Transactions**

The Company follows FASB ASC 850, “*Related Party Disclosures*,” for the identification of related parties and disclosure of related party transaction. (See Note 5)

**Income Taxes**

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance on deferred tax assets is established when management considers it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Tax benefits from an uncertain tax position are only recognized if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate resolution. Interest and penalties related to unrecognized tax benefits are recorded as incurred as a component of income tax expense. The Company has not recognized any tax benefits from uncertain tax positions for any of the reporting periods presented.

**Revenue Recognition**

In May 2014, the FASB issued new accounting guidance related to revenue from contracts with customers. The core principle of the Standard is that recognition of revenue occurs when a customer obtains control of promised goods or services in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, the new guidance requires that companies disclose the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The Company has chosen to early adopt and apply the standards beginning in the fiscal year ended July 31, 2019, using the modified retrospective approach, which applies the new standard to contracts that are not completed as of the date of adoption. The Company concluded that no adjustment to the opening balance of retained earnings was required upon the adoption of the new standard.

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The Company recognizes revenue from its contracts with customers in accordance with *ASC 606 – Revenue from Contracts with Customers*. The Company recognizes revenues when satisfying the performance obligation of the associated contract that reflects the consideration expected to be received based on the terms of the contract.

Revenue related to contracts with customers is evaluated utilizing the following steps: (i) Identify the contract, or contracts, with a customer; (ii) Identify the performance obligations in the contract; (iii) Determine the transaction price; (iv) Allocate the transaction price to the performance obligations in the contract; (v) Recognize revenue when the Company satisfies a performance obligation.

When the Company enters into a contract, the Company analyzes the services required in the contract in order to identify the required performance obligations which would indicate the Company has met and fulfilled its obligations. For the current contracts in place, the Company has identified performance obligations as agreement from both parties (implicit or explicit) that the obligations have been met. To appropriately identify the performance obligations, the Company considers all of the services required to be satisfied per the contract, whether explicitly stated or implicitly implied. The Company allocates the full transaction price to the single performance obligation being satisfied.

The Company recognizes revenue when the customer confirms to the Company that all of the terms and conditions of the contract has been met. The Company derives its revenues from the following:

- sale of products through a direct marketing network (approximately \$1.7 million)
- management fees and information technology fees (\$60,000)
- Yippi in-app purchase (approximately \$1 million)

The Company analyses whether gross sales, or net sales should be recorded. Since the Company has control over establishing price, and has control over the related costs with earning revenues, it has recorded all revenues at the gross price.

Cash payments received are recorded as deferred revenue until the conditions, stated above, of revenue recognition have been met, specifically all obligations have been met as specified in the related customer contract.

### Concentration of Revenue by Customer

During three months ended October 31, 2019, the Company's concentration of revenue for individual customers above 10% are as follows:

Shen Zhen Shi Ding Shang: 22%  
Agel Enterprise International Sdn Bhd: 13%  
Others: 65%

During three months ended October 31, 2018, the Company's concentration of revenue for individual customers above 10% are as follows:

- Agel Enterprise International Sdn Bhd: 45%
- Others: 55%

### Concentration of Revenue by Country:

Three months ended October 31, 2019:

- Malaysia (TOGL Technology Sdn. Bhd): 47%
- Indonesia (PT. Toga International Indonesia): 51%
- United States (Toga Limited): 2%

Three months ended October 31, 2018:

- Malaysia (TOGL Technology Sdn. Bhd): 92%
- Indonesia (PT. Toga International Indonesia): 0%
- United States (Toga Limited): 8%

The Company attributes revenue from external customers to individual countries based upon the responsibility of the entity to fulfil the sales obligation and the entity from which the actual service is provided.

### **Accounts Receivable**

The Company's accounts receivable balance is related to advertising through TOGL. Accounts receivable are recorded in accordance with ASC 310, "Receivables." Accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in its existing accounts receivable. The Company does not currently have any amount recorded as an allowance for doubtful accounts. Based on management's estimate and based on all accounts being current, the Company has not deemed it necessary to reserve for doubtful accounts at this time.



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As of October 31, 2019, the Company's accounts receivable are concentrated 64% with Shen Zhen Shi Ding Shang Internet Tech Co. and 18% with Angel Enterprises International Sdn. Bhd.

As of October 31, 2018, the Company's accounts receivable are concentrated 55% with Agel Enterprise International Sdn Bhd, and 26% with Fuji Avenue Sdn Bhd.

As of October 31, 2019, the Company's accounts receivable are concentrated 82% in Malaysia (TOGL Technology Sdn. Bhd) and 18% in United States (Toga Limited).

As of October 31, 2018, the Company's accounts receivable are concentrated 92% in Malaysia (TOGL Technology Sdn. Bhd), 7% in United States (Toga Limited) and 1% in Indonesia (PT. Toga International Indonesia).

### ***Research and Development Expenses***

We follow ASC 730, "*Research and Development*," and expense research and development costs when incurred. Accordingly, third-party research and development costs, including designing, prototyping and testing of product, are expensed when the contracted work has been performed or milestone results have been achieved. Indirect costs are allocated based on percentage usage related to the research and development.

### ***Recent Accounting Pronouncements***

In November 2018, the FASB issued ASU No. 2018-08 "*Collaborative Arrangements*" (Topic 808) intended to improve financial reporting around collaborative arrangements and align the current guidance under ASC 808 with ASC 606 "*Revenue from Contracts with Customers*." The ASU affects all companies that enter into collaborative arrangements. The ASU clarifies when certain transactions between collaborative arrangement participants should be accounted for as revenue under Topic 606 and changes certain presentation requirements for transactions with a collaborative arrangement participants that are not directly related to sales to third parties. The standard is effective for fiscal years beginning after December 15, 2019 and interim periods therein. Earlier adoption is permitted for any annual or interim period for which consolidated financial statements have not yet been issued. The Company has not entered into any collaborative arrangements and therefore does not currently expect the adoption of this standard to have a material effect on its Consolidated Financial Statements. The Company plans to adopt this ASU either on the effective date of January 1, 2020 or possibly in an earlier period if a collaborative arrangement is entered. Upon adoption, the Company will utilize the retrospective transition approach, as prescribed within this ASU.

The Company has reviewed and analyzed the above recent accounting pronouncements and notes no material impact on the financial statements as of October 31, 2019.

### NOTE 3. PROPERTY AND EQUIPMENT

As of October 31, 2019 and July 31, 2019, the balance of property and equipment represented consisted of the followings:

	<b>October 31, 2019</b>	<b>July 31, 2019</b>
Building	\$ 3,971,435	\$ 4,019,563
Renovation	232,419	154,120
Fixtures and Furniture	88,703	69,558
Tools and Equipment	121,162	92,493
Vehicles	162,006	163,969
Computer Equipment	28,003	26,256
Total Property and Equipment	4,603,728	4,525,959
Accumulated depreciation	(158,894)	(104,707)
Total Property and Equipment, net	<u>\$ 4,444,834</u>	<u>\$ 4,421,252</u>

Depreciation expense for the three months ended October 31, 2019 and 2018 was \$50,803 and \$10,524, respectively.

During the three months ended October 31, 2019 and 2018, the Company acquired property and equipment of \$77,769 and \$20,566, respectively.

### NOTE 4. RELATED PARTY TRANSACTIONS

#### Notes due to related parties

On May 31, 2016, all outstanding related party advances were paid by a current director of the Company. The Company has outstanding notes payable to a related party who is a Company's director, of \$24,126 and \$24,126 as of October 31, 2019 and July 31, 2019, respectively. The amount is non-interest bearing, unsecured and due on demand.

#### Due to related parties

During the three ended October 31, 2019 and 2018, the Company borrowed a total amount of \$52 and \$0 from a related party, Toga Capital, and repaid \$332 and \$42,438, respectively.

During the three months ended October 31, 2019 and 2018, total expenses paid directly by a related party, Toga Capital, on behalf of the Company were \$0 and \$38,225, respectively.

During the three months ended October 31, 2019 and 2018, the Company received advancement for a total amount of \$66,670 and \$0, respectively and repaid \$4,135 and \$0, respectively, from the Chief Executive Officer of the Company. The amount is non-interest bearing, unsecured and due on demand.

During the three months ended October 31, 2019 and 2018, the Company purchased property and equipment of \$0 and \$20,566 from related parties, Toga Capital, respectively.

As at October 31, 2019 and July 31, 2019, \$63,608 and \$1,083 is due to related parties. The amount is non-interest bearing, unsecured and due on demand.



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Related party compensation

During the three months ended October 31, 2019 and 2018, the Company incurred director's fees of \$10,000 and \$0, respectively, to directors of the Company.

During the three months ended October 31, 2019 and 2018, the Company incurred wages of \$45,000 and \$0, respectively, to the CFO of the Company.

During the three months ended October 31, 2019 and 2018, the Company granted 3,662 and 0 stock options to Directors and CFO, valued at \$44,470 and \$0, respectively (See Note 6).

**NOTE 5. EQUITY**

*Amendment to Articles of Incorporation and reverse stock split*

On May 8, 2019, the Company filed a Certificate of Amendment with the Nevada Secretary of State whereby it amended Article IV of its Articles of Incorporation by decreasing the Company's authorized number of shares of common stock from 10,000,000,000 shares to 1,000,000,000 shares and decreasing its issued and outstanding shares of common stock at a ratio of 10 shares for every 1 share held ("10-1 Reverse Split") (see Note 1). All share and per share information in these consolidated financial statements retroactively reflect this stock distribution.

*Preferred stock*

The Company is authorized to issue 20,000,000 shares of preferred stock at a par value of \$0.0001.

As of October 31, 2019 and July 31, 2019, no preferred shares were issued and outstanding.

*Common stock*

The Company is authorized to issue 1,000,000,000 shares of common stock at a par value of \$0.0001 at October 31, 2019.

During the three months ended October 31, 2019, the Company issued 20,000 shares and cancelled 24,614 of common stock, as follows:

- On September 9, 2019, the Company issued 20,000 shares of common stock to Agel Enterprises. The shares of common stock had previously been paid for.
- During the three months ended October 31, 2019, the Company cancelled 24,614 shares of common stock.

During the year ended July 31, 2019, the Company issued 21,196,376 shares of common stock, as follows:

- 10,490,362 shares of common stock for cash of \$2,098,073 to Agel Enterprise International Sdn Bhd at a price of \$0.02 per share.
- 9,078,998 shares of common stock issued for \$4,878,440 of digital currency
- 1,156,539 shares of common stock issued valued at \$10,015,674 for employee compensation
- 470,477 shares of common stock issued for the acquisition of real properties valued at \$3,999,054

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On October 29, 2018, a shareholder of the Company canceled 20,000 shares of common stock without consideration for such cancellation.

As of October 31, 2019 and July 31, 2019, 90,758,279 and 90,762,893 shares of the Company's common stock were issued and outstanding, respectively.

*Stock Options*

During the three months ended October 31, 2019, the Company granted 3,662 options to the CFO at an exercise price of \$0.20 and were valued at the fair value calculated using the Black-Scholes-Merton model. The value of the options was \$44,470 and recorded as stock based compensation. The options are subject to a vesting schedule of 1/3 of the options vesting every thirty (30) days.

During the year ended July 31, 2019, the Company granted 120,000 options to the CFO. 60,000 of those options had an exercise price of \$0.20 and 60,000 options at an exercise price of \$0.40, and were valued at the fair value calculated using the Black-Scholes-Merton model. During the year ended July 31, 2019, the stock options were fully vested. The value of the options was \$1,061,017 and recorded as stock based compensation. The options are subject to a vesting schedule of 1/3 of the options vesting every thirty (30) days.

The following assumptions were used to determine the fair value for the options granted using a Black-Scholes-Merton pricing model during the three months ended October 31, 2019:

	<b>For the three months ended October 31, 2019</b>
Fair values	\$ 12.30
Exercise price	\$ 0.20
Expected term at issuance	2 years
Expected average volatility	169.92%
Expected dividend yield	—
Risk-free interest rate	1.73%

A summary of the change in stock options outstanding for the three months ended October 31, 2019 and year ended July 31, 2019 is as follows:

	<b>Options Outstanding</b>	<b>Weighted Average Exercise Price</b>	<b>Weighted Average Grant Date Fair Value</b>	<b>Average Remaining Contractual Life (Years)</b>
Balance – July 31 2018	-	\$ -	\$ -	\$ -
Options issued	120,000	0.30	8.84	1.63
Options expired	-	-	-	-
Options exercised	-	-	-	-
Balance – July 31, 2019	120,000	\$ 0.30	\$ 8.84	\$ 1.63
Options issued	3,662	0.20	12.30	1.75
Options expired	-	-	-	-
Options exercised	-	-	-	-
Balance – October 31, 2019	123,662	\$ 0.30	\$ 9.01	\$ 1.39

**NOTE 6. SEGEMENTED DISCLOSURE**

The following table shows operating activities information by geographic segment for the three months ended October 31, 2019 and 2018:

<b>Three Months Ended October 31, 2019</b>	<b>USA</b>	<b>Malaysia</b>	<b>Taiwan</b>	<b>Vietnam</b>	<b>Indonesia</b>	<b>Total</b>
Revenue	\$ 60,000	\$ 975,118	\$ 308,472	\$ -	\$ 1,402,396	\$ 2,745,986
Cost of goods sold	-	1,680,491	40,684	-	687,187	2,408,362
Gross profit	60,000	(705,373)	267,788	-	715,209	337,624
<b>OPERATING EXPENSES</b>						
General and administrative expenses	528,298	1,269,705	612,420	7,962	1,762,357	4,180,742
Depreciation	1,256	41,576	1,777	-	6,194	50,803
Total Operating Expenses	529,554	1,311,281	614,196	7,962	1,768,552	4,231,545
<b>LOSS FROM OPERATIONS</b>	(469,554)	(2,016,654)	(346,409)	(7,962)	(1,053,342)	(3,893,921)
<b>OTHER INCOME (EXPENSE)</b>	2,382	24,025	-	27	39,546	65,980
<b>Loss before Income Taxes</b>	(467,172)	(1,992,629)	(346,409)	(7,935)	(1,013,797)	(3,827,941)
Income Tax Provision	-	(385)	-	-	(17)	(401)
<b>Net Loss</b>	\$ (467,172)	\$ (1,993,013)	\$ (346,409)	\$ (7,935)	\$ (1,013,814)	\$ (3,828,342)

During the three months ended October 31, 2019, our Indonesian entities generated sale of products through a direct marketing network of approximately \$1.4 million.

During the three months ended October 31, 2019, our Malaysian entities generated advertising revenue from Yippi of approximately \$975,000.

During the three months ended October 31, 2019, our Taiwan entity generated revenue through the direct marketing network sales of approximately \$308,000.

During the three months ended October 31, 2019, our USA parent company recognized management fee revenue of approximately \$60,000 from Agel Enterprise International Sdn Bhd.

During the three months ended October 31, 2019, our Malaysian entities incurred general administrative expenses primarily related to maintenance of applications, corporate overhead, financial and administrative contracted services, professional fees, salaries and wages, legal fees for reorganization of the Company and costs incurred for potential acquisitions.

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<b>Three Months Ended October 31, 2018</b>	<b>USA</b>	<b>Malaysia</b>	<b>Taiwan</b>	<b>Indonesia</b>	<b>Total</b>
Revenue	\$ 60,000	\$ 451,303	\$ 231,450	\$ -	\$ 742,753
Cost of goods sold	-	246,584	20,238	-	266,822
Gross profit	60,000	204,719	211,212	-	475,931
<b>OPERATING EXPENSES</b>					
General and administrative expenses	328,647	94,770	276,575	41,311	741,303
Research and development	-	59,706	-	-	59,706
Depreciation	-	6,149	1,564	2,811	10,524
Total Operating Expenses	328,647	160,625	278,139	44,122	811,533
<b>LOSS FROM OPERATIONS</b>	(268,647)	44,094	(66,927)	(44,122)	(335,602)
<b>OTHER INCOME (EXPENSE)</b>	-	-	-	139	139
<b>Loss before Income Taxes</b>	(268,647)	44,094	(66,927)	(43,983)	(335,463)
Income Tax Provision	-	-	-	-	-
<b>Net Loss</b>	<u>\$ (268,647)</u>	<u>\$ 44,094</u>	<u>\$ (66,927)</u>	<u>\$ (43,983)</u>	<u>\$ (335,463)</u>

During the three months ended October 31, 2018, our Malaysian entities generated advertising revenue of approximately \$80,000, information technology fee revenue of approximately \$48,000 and management fee revenue from Agel Enterprise International Sdn Bhd. of approximately \$324,000.

During the three months ended October 31, 2018, our Taiwan entity generated revenue through the direct marketing network sales of approximately \$231,000.

During the three months ended October 31, 2018, our USA parent company recognized management fee revenue of \$60,000 from Agel Enterprise International Sdn Bhd.

During the three months ended October 31, 2018, our Malaysian entity and USA parent company incurred general administrative expenses primarily related to maintenance of applications, corporate overhead, financial and administrative contracted services, professional fees, salaries and wages, legal fees for reorganization of the Company and costs incurred for potential acquisitions.

The following table shows assets information by geographic segment at October 31, 2019 and July 31, 2019:

<b>As of October 31, 2019</b>	<b>USA</b>	<b>Malaysia</b>	<b>Taiwan</b>	<b>Vietnam</b>	<b>Indonesia</b>	<b>Total</b>
Current assets	\$ 9,330,627	\$ 752,375	\$ 723,562	\$ 31,776	\$ 4,040,432	\$ 14,878,772
Operating lease right-of-use assets	92,565	22,290	13,888	9,295	195,760	333,798
Property and equipment	30,284	4,294,557	16,840	-	103,153	4,444,834
Intangible assets	-	30,862	-	-	-	30,862
Total assets	<u>\$ 9,453,476</u>	<u>\$ 5,080,940</u>	<u>\$ 754,290</u>	<u>\$ 41,071</u>	<u>\$ 4,339,345</u>	<u>\$ 19,669,122</u>

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As of October 31, 2019, our USA parent company has current assets of \$9.3 million primarily includes cash and cash equivalents of \$9.2 million.

As of October 31, 2019, our Malaysian entities have current assets of \$752,000 primarily includes cash and cash equivalents of \$109,000, prepaid expenses of \$155,000 and accounts receivable of \$481,000.

As of October 31, 2019, our Malaysian entities have property and equipment of \$4.3 million including land and building of \$3.9 million, automobile of \$140,000, leasehold improvement of \$104,000 and furniture and equipment of \$110,000

As of October 31, 2019, our Taiwan entity has current assets of \$724,000 primarily includes cash and cash equivalent of \$521,000 and inventory of \$154,000.

As of October 31, 2019, our Indonesian entities have current assets of \$4.0 million primarily includes cash and cash equivalents of \$2.7 million, inventory of \$806,000 and prepaid expenses of \$224,000.

As of October 31, 2019, our Indonesian entities have operating lease right-of-use assets of \$196,000.

As of July 31, 2019	USA	Malaysia	Taiwan	Vietnam	Indonesia	Total
Current assets	\$ 9,618,099	\$ 1,874,078	\$ 1,016,412	\$ 35,531	\$ 4,029,336	\$ 16,573,456
Property and equipment	-	4,357,148	18,251	-	45,853	4,421,252
Intangible asset - goodwill	-	11,718	-	-	-	11,718
Total assets	\$ 9,618,099	\$ 6,242,944	\$ 1,034,663	\$ 35,531	\$ 4,075,189	\$ 21,006,426

As of July 31, 2019, our USA parent company has current assets of \$9.6 million primarily includes cash and cash equivalents of \$9.5 million.

As of July 31, 2019, our Malaysian entities have current assets of \$1.9 million primarily includes cash and cash equivalents of \$1.2 million, prepaid expenses of \$222,000 and accounts receivable of \$194,000.

As of July 31, 2019, our Malaysian entities have property and equipment of \$4.4 million including land and building of \$4 million, automobile of \$151,000, leasehold improvement of \$109,000 and tolls and equipment of \$64,000.

As of July 31, 2019, our Taiwan entity has current assets of \$1.0 million primarily includes cash and cash equivalent of \$820,000 and inventory of \$140,000.

As of July 31, 2019, our Indonesian entities have current assets of \$4.0 million primarily includes cash and cash equivalents of \$2.8 million, inventory of \$507,000 and prepaid expenses of \$431,000.

**NOTE 7. LEASES**

As of October 31, 2019, the Company owns right-of-use assets under operating leases for eight office premises of \$333,798 and operating lease liabilities of \$333,798.

	October 31, 2019
Office Lease	\$ 333,798
Less: accumulated amortization	-
Right-of-use, net	\$ 333,798

	October 31, 2019
Office Lease	\$ 333,798
Less: current portion	(111,503)
Long term portion	\$ 222,295

Office Premises	Location	Term	Monthly Rent	As of Oct 31, 2019	
				Right-of-use Assets	Lease Liability
TOGA LTD.	USA	Sep 1 2019 - Aug 31 2020	\$ 9,383	\$ 92,565	\$ 92,565
TOGL TECHNOLOGY SDN BHD	Malaysia	Aug 1 2018 - Jul 31 2020	\$ 2,503	\$ 22,291	\$ 22,291
TOGL TAIWAN BRANCH	Taiwan	Jun 10 2018- Jun 9 2020	\$ 2,030	\$ 13,888	\$ 13,888
TOGA VIETNAM	Vietnam	May 15 2019- May 31 2020	\$ 1,337	\$ 9,295	\$ 9,295
PT TOGL TECHNOLOGY INDONESIA -Menara Mandiri (Cohive) Big room 47	Indonesia	Sept 16 2019 - Dec 15 2019	\$ 861	\$ 861	\$ 861
PT TOGL TECHNOLOGY INDONESIA -Menara Mandiri Small room 86	Indonesia	Sept 9 2019- Dec 8 2019	\$ 373	\$ 373	\$ 373

PT TOGA INTERNATIONAL INDONESIA-office 1 (Plaza Asia)	Indonesia	Feb 1 2019 - Jan 31 2021	\$ 3,413	\$ 50,441	\$ 50,441
PT TOGA INTERNATIONAL INDONESIA-new office 2 (Menara Sudirman)	Indonesia	Aug 1 2019- July 31 2021	\$ 7,008	\$ 144,085	\$ 144,085
				<u>\$ 333,798</u>	<u>\$ 333,798</u>

**NOTE 8. SUBSEQUENT EVENTS**

On November 7, 2019, the Company issued a total of 253,039 shares of its common stock to twenty-seven (27) of its employees, pursuant to an Employee Stock Bonus Agreement. Pursuant to the terms of such agreement, said shares were fully vested as of July 15, 2019.

On July 29, 2019, TOGL entered into two Sale and Purchase Agreements with Mammoth Empire Estate Sdn. Bhd., a Malaysian corporation for the purchase of certain real estate property. In furtherance to the purchase of that certain real estate property, the Company entered into a Subscription Agreement with Mammoth dated July 29, 2019 for the purchase of 118,174 shares of the Company's common stock for an aggregate purchase price of \$1,418,087, valued at \$12.00, remitted by Mammoth in the form of legal title to the real estate property. As of October 31, 2019, title has not been passed to the Company and no shares have been issued.

The Company has evaluated subsequent events from October 31, 2019 through the date these financial statements were issued and determined there are no additional events requiring disclosure.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our financial statements, including the notes thereto, appearing elsewhere in this quarterly report. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Our unaudited consolidated financial statements are stated in United States Dollars and are prepared in accordance with United States Generally Accepted Accounting Principles.

### *Forward-Looking Statement*

This Quarterly Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), and is subject to the "safe harbor" created by those sections. Any statements that are not statements of historical fact should be considered to be forward-looking statements. Words such as "anticipates", "believes", "continue", "could", "estimates", "expects", "intends", "may", "plans", "potential", "predicts", "projects", "seek", "should", "targets", "will", "would", and similar expressions or variations or negatives of such words are intended to identify forward-looking statements, but are not the exclusive means of identifying forward-looking statements in this Quarterly Report. Additionally, forward-looking statements include, but are not limited to:

- our plans to develop and market new products, enhancements or technologies and the timing of these development and marketing plans;
- our estimates regarding our capital requirements and our needs for additional financing;
- our estimates of our expenses, future revenues and profitability;
- our estimates of the size of the markets for our products and services;
- our expectations related to the rate and degree of market acceptance of our products; and
- our estimates of the success of other competing technologies that may become available.

Although forward-looking statements in this Quarterly Report reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known and understood by us. Consequently, forward-looking statements involve inherent risks and uncertainties and actual financial results and outcomes may differ materially and adversely from the results and outcomes discussed in or anticipated by the forward-looking statements. A number of important factors could cause actual financial results to differ materially and adversely from those in the forward-looking statements. We urge you to consider the risks and uncertainties discussed elsewhere in this report and in the other documents filed by us with the Securities & Exchange Commission ("SEC") in evaluating our forward-looking statements. We have no plans, and undertake no obligation, to revise or update our forward-looking statements to reflect any event or circumstance that may arise after the date of this report. We caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made.

In this document, the words "we", "our", "ours", "us", "Toga", and "the Company" refer only to Toga Limited, and its consolidated subsidiaries and not any other person or entity.



**Overview**

The Company was incorporated in the State of Delaware on October 23, 2003, under the name Fashionfreakz International Inc. On December 2, 2005, the Company changed its name to Blink Couture, Inc. Until March 4, 2008, the Company's principal business was the online retail marketing of trendy clothing and accessories produced by independent designers.

In July 2016, the Company changed its name from "Blink Couture, Inc." to "Toga Limited". The Company effected this name change by forming a wholly-owned subsidiary in the State of Delaware on July 21, 2016, with the name Toga Limited. This subsidiary never had any operations, business or assets and was formed purely for the purpose of effecting the Company's name change pursuant to Delaware General Corporation Law Title 8, Section 251(f). On July 21, 2016, the Company entered into an Agreement and Plan of Merger with the subsidiary, pursuant to which the Company was intended to merge with the subsidiary. This merger was consummated on July 22, 2016 upon the Company's filing of a Certificate of Merger with the Secretary of State of the State of Delaware and as a result the separate existence of the subsidiary ceased and the name of the Company became "Toga Limited".

The name change to Toga Limited became effective in the market on December 16, 2016, following approval by the Financial Industry Regulatory Authority, Inc. (FINRA), and in conjunction with the name change, the trading symbol for the Company's common stock was changed to "TOGL".

The Company incorporated a wholly-owned subsidiary, TOGL Technology Sdn. Bhd. ("TOGL") in Malaysia on September 26, 2017.

The Company incorporated a wholly-owned subsidiary, PT. Toga International Indonesia ("PT Toga"), in Indonesia on November 23, 2017.

In 2017, the Company commenced development of a social media app for mobile devices called Yippi. The Company commenced development with the hiring of a CTO and development team.

On February 26, 2018, the Company's common officer and director resigned as an officer and director of Toga Capital.

On April 1, 2018, the Company entered into a Trademark License Agreement with Agel Enterprises International Sdn. Bhd., a Malaysian company ("Agel") for use of the Yippi name and logo.

On July 10, 2018, the Company changed its state of incorporation from the State of Delaware to the State of Nevada.

On May 28, 2018, the Company's wholly-owned subsidiary TOGL formed a branch office in Taiwan.

On January 11, 2019, the Company's wholly-owned subsidiary TOGL formed a subsidiary in Vietnam, named TOGL Vietnam Company Limited.

On May 24, 2019, the Company's wholly-owned subsidiary TOGL formed a subsidiary in Indonesia, named PT TOGL Technology Indonesia.

On May 24, 2019, TOGL acquired 67% of the shares in PT TOGL Technology Indonesia, an Indonesia corporation, and then on June 24, 2019, TOGL acquired 100% shares of WGS Discovery Tours & Travel, a Malaysian based company.

On April 24, 2019, the Company conducted a forward stock split of the outstanding shares of its Common Stock at a ratio of 10:1.

On October 1, 2019, Toga was approved by OTC Markets Group to have its shares are now listed for quotation on the OTCQX electronic quotation service operated by OTC Markets Group Inc. The shares are still traded under the symbol "TOGL."

## **Business Development**

The Yippi App is a messaging app with a focus on entertainment and security. It's fast, simple, secure and free. Yippi seamlessly syncs a user's normal messages and secret messages into one application. Users can send an unlimited number of messages, photos, and voice messages. Yippi groups allow users to send broadcasts to up to 100 contacts at a time. Users download the Yippi App through the Apple App Store, Google Play, or the Amazon App Store. Revenue is generated from selling advertising, emoji stickers, and special filters, effects and features for use with Yippi. Toga has also generated revenue through the sales of product through a Direct Marketing network to assist in the funding of operations. This will be temporary as it will assist the Company pay for its ongoing development of the Yippi App.

## **Yippi App Features**

We have developed Yippi as the unique super app that empowers the user with numerous functionalities in a single complete app. The four main elements of the Yippi App are the marketplace, social media, ecosystem, and communication. Since July of 2017, there have been multiple versions launched which have incorporated all four elements.

### Marketplace

We see the future in creating a robust ecosystem that is relevant and personalized for the user. Riding on the success of data commerce in large to small scale enterprising techno-preneurs, we are providing a social platform for any user to be involved in customizing their additional plug-ins of choice; from the utility add-ons, games, stickers, themes, skins or contents onto their Yippi social messaging app. This digital content makes up the Marketplace, where the user could obtain free or paid plug-ins from various vendors on a secure micro-transaction platform.

This self-sustaining ecosystem further completes and complements the whole Yippi social messaging app as the daily super app. We believe this concept opens up a whole new level of micro-transactions and a platform for creators to list their digital products and enhancements making them readily available for users.

With this Marketplace, instead of creating and owning every single item of intellectual property on our digital store, we are synergizing the creators and third-parties to create, list their items and engage in sharing of the digital products. This also sets in motion a micro-transaction, as creators could monetize their digital crafts, and diversify their revenue as Marketplace offers them another viable choice away from the existing digital markets.

Our API (Application Protocol Interface) is made available to creators and third-parties upon request, which allows them to develop and test their digital products, features and enhancements before the process of submission the same onto the Marketplace. This allows third party developers to develop applications that interface with the Yippi platform making the Marketplace a more robust destination for app users. This creates an atmosphere of community.

Additionally, physical products within the Marketplace are on a Peer to Peer (P2P) and Business to Consumer (B2C) basis with this feature embedded separately in Yippi Social, as the listing of products are easily available for users to peruse the marketplace to offer their wares. The Marketplace was launched in July 2017 and is in its initial usability stage.

### Wallet

Yippi has a host of built-in shopping functions, which provide access to targeted Small to Medium-sized Enterprises (SMEs) in an ever-expanding variety of shopping experiences. Merchants range from official branded enterprises to budding e-shopping enterprises.

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The hotel and flight (TogaGo) feature in Yippi boasts an impressive array of hotel, cruise, and flight partners that enable users to search for the best price for their travel needs. Currently, prices are relatively cheaper and comparable to major travel applications in the market, and with this feature we have bridged these two different applications into one comprehensive application.

These extensions are developed and functioning and are bridged within Yippi with a link to the target platform while the user is still logged into their Yippi account.

## [Social Media](#)

Yippi Social is fully developed and functioning and is the social media platform embedded within the Yippi social messaging app. Yippi Social incorporates a fully functioning social media timeline as a personal space with integrated functions such as: sharing of updates; following video channels; receiving event invitations; sharing photo and video links and joining groups of interests.

Yippi Social enables users to share their content internally and externally via other platforms (social media or communication apps within their devices) in contrast to WeChat Moments' or Facebook Timeline's internal-only sharing capability.

## [Games](#)

As with most social chat applications that have games bundled onto their app, Yippi has a plethora of simple yet addictive and fun games built in. There are 21 games for the user, with more anticipated to come in the coming months.

We are also anticipating the acquisition of additional games to add to our collection, as well as to cater to a wider gaming audience.

Globally, a large share of gaming revenues are generated from mobile gaming. It is our intention to identify, invest in and partner with up-and-coming developers, which we believe will allow us to compete for additional revenue.

Through the Market Place, we encourage more game studios or independent game producers to package and market their games via this separate platform within Yippi. We believe this would add another significant stream of revenue with its' own micro-transactions (of free games' enhancements/add-ons) and game purchases (paid games). As of July 2019, over 20 games were live within the Games section of the Yippi app.

## [Stickers](#)

Since its release in July 2017, Yippi Stickers is currently functioning and has been packed with pre-loaded stickers that are suitable for any occasion, and these are well organized in their folders for the ease of execution.

We firmly believe with Stickers it opens up a whole new avenue for aspiring graphic designers to create and sell their artwork stickers on our Market Place.

A case study to note is the revenue-generating sticker pioneered by Line chat app, as they achieved tremendous success in generating revenue from their users through affordable e-stickers ever since its inception in 2010 and has steadily been a part of the corporation's source of income; albeit with extensive competition from other chat apps' introduction of their own stickers.

We believe Stickers may provide a profitable source of revenue, and we believe with our additional incentive of allowing talented users to trade their digital stickers on our associated Market Place platform, we are just at the tip of the iceberg in the vast potential of stickers in this generational boom.

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We are committed in bringing the next evolution of Stickers and in bringing and providing creative creators to share in our technological advances. The Yippi App provides a platform for sticker creations and development, with tutorials and market trends. This may include the next evolution of Motion Stickers, Animated GIFs and cinemographs with snippet of sound/voice and this would further differentiate and modernize all our Yippi Stickers in another level above major sticker competitors. In doing so, we believe we will be able to derive revenue from this this digital product.

## Ecosystem

The Company presents the Yippi app to the market as a unique “Super App”, due to the fact that it provides numerous features that creates an ecosystem within the app.

The following have been developed and are currently functioning within the Yippi app: games marketplace (Toga Games). The Company utilizes online and offline aspects to help define and develop the application.

We are actively seeking additional components to add and complement the existing ecosystem in enhancing the user experience and in accordance with the Company’s vision.

## Yippi Languages

Yippi Languages is an educational tool currently functioning within the application, as we believe in life-long learning by learning languages *anytime, anywhere*.

Yippi Languages was launched in July 2017 and helps users speaking any of the following ten (10) languages to learn English: Chinese, Hindi, Hmong, Indonesian, Japanese, Korean, Malay, Tagalog, Thai and Vietnamese.

Yippi Languages features dozens of lessons per supported language and is an invaluable tool for many to access learning modules while adopting another language as a 2nd language with audio guides in speaking natively. Modules also include interactive mini-games to enhance comprehension, and vocabulary which is vital to the learning process.

We are committed to further enhancing this app feature and in providing a comprehensive learning experience to the user. We have engaged third-parties to re-develop an additional UI/UX in making the app responsive and relevant with the trend.

We have engaged researchers to study the probable functionality of it as an e-learning tool for schools as this feature has potential in bringing affordable quick and easy language learning into the school setting or as a language guide incorporated into after-school curriculum.

## Artificial Intelligence

A.I.(artificial intelligence) is the simulation of human intelligence processes by machines, especially computer systems. These processes include learning, reasoning and self-correction.

AI within Yippi was launched in June 2018 with the introduction of Hungry Bear, an AI robot customer service chat box. When a user enters a question in Hungry Bear, the AI chat box will provide immediate answers to the questions.

## Communication

### *Read & Burn*

Reads & Burn is a privacy feature which was launched in July 2017 and currently functions within the chat feature. This feature provides peer-to-peer security in handling private pictures and confidential documents. The pictures and documents sent through Read & Burn are only accessible with touch and then the image disappears from the server and chat history. The pictures and documents cannot be screen-shot by the user's smartphone.

We included this feature as an enhancement to the experience in Yippi. We believe this feature has its potential in the security of sending private images or confidential documents and provides the users with peace of mind in sending private documents for a single view.

This data will not be stored on smartphones via Yippi nor through peer-to-peer encryption when it is unopened. Through read & burn data is not stored on the servers or in history.

### *Secret Chat*

In addition to Read & Burn, we developed another version of our chat feature with an enhanced level of security, aptly named, Secret Chat. Launched in January 2017, this feature is a secretive function that self-destructs upon leaving the chat conversation without a record on the application as well as the server. We believe this negates the function of encrypting messages found in other chat apps proving to be a safe chat, virtually un-hackable as it does not have a trace on either servers once our proprietary system purges the chat thread.

Within the chat conversation, the user has almost all of the same functionalities of a regular chat, such as sending images/videos, recording voice messages, sending stickers or gifting eggs.

### *Fun Camera*

This trendy and advanced video camera feature allows users to beautify and add animated filters as 3D Face Technology on a video call. Currently in use, this feature is app-exclusive as we developed a number of the filters and augmented reality (AR) skins.

Video calls are made with options to enhance both the caller and recipient with beauty skins, fun stickers, or facial-recognition augmented reality caricatures or cartoons for shared fun experience.

At the time of its launch in April 2018, we believe the number of possible facial enhancements via AR provided by this feature is competitive with the major native camera apps found in Samsung's and Huawei's latest flagship smartphones.

### *Whiteboard*

We developed and launched Whiteboard as a unique feature in July 2017. Whiteboard enables users to simultaneously write on the screen display. The users can currently share the same whiteboard with both parties able to write and talk on a single session remotely.

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The voice function has an on/off switch and users could communicate while sketching together on the shared whiteboard.

In addition, the whiteboard could be 'erased' by either party at any time to clear the space for another new board for continuous writing. Sharing of info or ideas could be sketched out over the whiteboard or dictated to the other person with ease, rather than the conventional method of writing on a piece of paper before snapping a picture.

This is an excellent feature for sketches and scribbles as it engages a real-time experience, as well as a fun tool for leisure.

### *Free Chats with Voice & Video Calls*

Yippi has embedded and enhanced the quality of Voice & Video Calls for the ease of connectivity to anyone anywhere. We expanded on the functions of our chat application in making the action of contacting friends & family with choices of Text, Voice & Video calls that is parallel with leading chat applications in the market.

Voice & Video quality of calls made via Yippi is clear, and, as with other chat applications, is dependent on network strength. We believe the simplicity of placing a call or a video call will be further enhanced with the advancement of technology and data speed packets as 5G connectivity is upon us.

From its launch in July 2017, Yippi has continued to develop and expand this feature, not just with regards to peer-to-peer calls, but also improving group calls. Group video calls enable a tele-conference from individual smartphones, anytime and anywhere; in line with the ease of communications on the go. Yippi offers a group video call of up to 9 video feeds at the moment. Continued enhancement of to this feature is important to us as we strive to offer the market standard of quality of voice and video calls to our users.

### *Meeting Room*

Meeting Room was launched in January 2017 and is an improvement over the standard group chat feature. The highlight of this feature is the ability to share files and to set a time frame structure for the meeting. The Meeting Room offers additional functions for the administrator to control and facilitate the chat room.

The Meeting Room enables discussions and meetings on subjects within a set time frame and this helps to organize chat groups in order.

We believe this feature has the potential of being a group chat of choice as it allows users to communicate and share files of any type with ease. This is an advantage over other chat apps as most have a limitation on what type of files are shareable, whereas we are giving the user the full sharing capabilities comparable to leading file-sharing apps available.

We believe this feature could be a trend-setter as the timer in this feature is an advantage to a normal group chat. This frees up a sense of organization of the user's chat boxes in maintaining and managing their chat conversations.

### *Forward Voice Message*

Since its launch in July of 2017, the Yippi social messaging app enables users to forward voice messages to contacts, as well as group chat recipients. This enhances the sharing possibility of a recorded message as it is equipped in-app for the ease and functionality of the user.

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In addition, with our propriety enhancement of built-in translation (and voice recognition); the user may use the option to translate received voice message from a selection of spoken languages.

### People Nearby

With its launch in July of 2017, users can use this feature to seek out other Yippi users within their immediate area to communicate and network, or chat for leisure.

Yippi users can arrange a meeting and make new friends, or seek out business opportunities by networking through this feature. With the impending official brand accounts, we could evolve this further with geo-location push notification on promotions and offers for Yippi user that switches their People Nearby feature. Currently there are no brand accounts.

With respect to all of the features and functionalities of the Yippi App, we are looking at trends and opportunities to enhance the apps features and functionalities and to add new features.

The markets for our Yippi App are characterized by rapid technological change, particularly in the technical capabilities of smartphones and tablets, and changing end-user preferences. Therefore, we will be required to continuously invest capital to innovate and modify our Yippi App and publish new apps. We cannot assure that we will have adequate capital to modify our Yippi App or develop new apps.

However, our ability to plan for further development of the Yippi App, distribution and promotional activities will be significantly affected by our ability to anticipate and adapt to relatively rapid changes in the tastes and preferences of our current and potential users. New and different types of entertainment may increase in popularity at the expense of mobile apps. A decline in the popularity of apps in general, or our Yippi App in particular, would harm our business and prospects. We may not be successful in developing additional features and functionality for the Yippi App.

### ***Description of Business***

Toga is a technology company with locations in various jurisdictions throughout Asia. Toga's operations in these jurisdictions are conducted through various subsidiaries and branch offices, which are described below.

#### *TOGL Technology Sdn. Bhd., Malaysia*

In September 2017, the Company incorporated TOGL, a wholly-owned subsidiary in Malaysia. TOGL offers technology and professional services to facilitate the use of technology by enterprises and end users. These services include software development, integration, maintenance, mobile services and web applications. TOGL is also instrumental in the development and upgrades to the Yippi App.

TOGL develops Toga Resonance Technology (T-RT). This technology has been used and embedded into Yippi App. T-RT is a three-step prosperity process where our products are programmed with an array of natural frequencies that resonate with the body's natural energy frequencies. It reinforces the body's resonance, returning it to a clearer and more balanced natural state. To date, T-RT has the following 6 features namely Mind Enhancement, Quantum Nutrition, Sleep Enhancement, Relaxation, Quantum Nutrition and Wave. TOGL is continuing to develop more advanced features for potential subscription in the future.

TOGL has strong development experience in instant messaging (IM) application which allows cross platform communication e.g. iOS, Android and Windows. Services or features of IM including A.I. Beauty Call which allows improving user facial appearance in the video call in real-time, Secret Chat which allows secure and untraceable communication, Whiteboard which allows user to illustrate the idea by drawing during calling, Auto Translate which allows seamlessly communication without language barrier and others. All these can be further customized based on customer requirements.

TOGL develops a Social Platform which is highly customizable for different needs. This platform supports both iOS/Android front end and server backend for administrative. It can let users to upload photos, video, text moments to share their life experience and get interaction from their friends and family. Live streaming feature is also integrated into the platform. This social platform also has a Credit Point module which user can top-up credit point (e.g. Google Playstore In-App purchase) and buy virtual gift to give to the live streamer as tipping rewards. Currently Yippi App is using this Social Platform for its social messaging application. These services had been package into API as a service to be provided to potential clients.

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### *PT TOGL Technology Indonesia*

PT TOGL Technology Indonesia is an Indonesian subsidiary of TOGL Technology Sdn Bhd. It was registered on May 24, 2019. Its business plan consists of technology and professional services to facilitate the use of technology by enterprises and end users. These services include software development, integration, maintenance, mobile services and web applications.

### *PT Toga International Indonesia*

PT Toga International Indonesia is a subsidiary of Toga Limited and possess a direct selling license in Indonesia. The main business activities of is retail and selling energy and facial products via direct selling agents through exhibitions, healthy introduction seminars and etc.

Currently, PT Toga offers four (4) types of products: Eostre Energy pendant, Eostre Bio Disc, Eostre Brightening Serum and Eostre Aqua Refresher Spray.

- Eostre Energy Pendant enhances blood circulation, improves cell reproduction, strengthens immune system, assists in the recuperation of the nervous system and increases attention span.
- Eostre Bio-Disc energizes water, which in turn prolongs the lifespan of flowers and improves absorption and efficacy of skin care products.
- Eostre Brightening Serum maintains skin moisture and elasticity, tightens the skin and increases collagen productions.
- Eostre Refresher Spray refreshes and cleanses the skin from dirt and also works as an anti-oxidant and moisturizer.

### *TOGL Technology Sdn Bhd – Taiwan Branch Office*

TOGL opened a branch office in Taiwan in September 2017. The Taiwan branch possess a direct selling license. The main business activities of is retail and selling healthy and energy products via direct selling agents through exhibitions, healthy introduction seminars and etc.

Currently TOGL's branch office in Taiwan is selling three (3) types of health-related products - a supplement product and two (2) energy products (Eostre Bio Disc and Eostre Energy Pendant).

### *Toga Vietnam Company Limited*

In January 2019, TOGL formed a wholly-owned subsidiary, Toga Vietnam Company Limited in Vietnam ("Toga Vietnam). Toga Vietnam's registered lines of business include consulting and repair services related to computer hardware installation, maintenance and repair of machines, including computers and office equipment; software and system consulting, systems analyst, design, maintenance and data processing services; consulting and repair services, programming, software, database, information technology services; and non-specialized wholesale trade, including the importation and distribution of goods in accordance with the laws of Vietnam.



## **Results of Operations**

The Company's operations are focused on the development of Yippi and attracting active users to Yippi. The Company commenced generating advertising revenue from Yippi during the fiscal-year ended July 31, 2019.

### **Three-Month Period Ended October 31, 2019 Compared to 2018.**

Our net loss for the three-month period ended October 31, 2019 was \$3,828,342 compared to a net loss of \$335,463 for the three-month period ended October 31, 2018. The increase in net loss between the comparable periods was primarily attributable to an increase in general and administrative expenses and compensation.

During the three-month period ended October 31, 2019, we generated revenue of \$2,745,986, compared to \$742,753 for the three-month period ended October 31, 2018. The increase was due to advertising revenue generated of approximately \$930,000 from Yippi apps and direct marketing sales of \$1.7M generated during the three months ended October 31, 2019. The increase was also due to the selling of inventory and product through a direct marketing network.

During the three-month period ended October 31, 2019, we incurred cost of goods sold of \$2,408,362 compared to \$266,822 for the three-month period ended October 31, 2018. The increase was mainly due to cost incurred for the development of Yippi apps during the three months ended October 31, 2019. The increase was also due to the selling of inventory and product through a direct marketing network.

During the three-month period ended October 31, 2019, we incurred general administrative expenses of \$4,180,742 compared to \$741,303 incurred for the three-month period ended October 31, 2018. General and administrative fee expenses were primarily related to maintenance of applications, corporate overhead, financial and administrative contracted services, advertising and promotion, professional fees, salaries and wages, legal fees for reorganization of the Company and costs incurred for potential acquisitions. The increase in general and administrative expenses is primarily due to commencing operations through subsidiaries during the three-month period ended October 31, 2019. During the three-month period ended October 31, 2019, we incurred research and development costs of \$nil compared to \$59,706 for the three-month period ended October 31, 2018.

During the three-month period ended October 31, 2019, we incurred depreciation of \$50,803 compared to \$10,524 for the three-month period ended October 31, 2018.

During the three-month period ended October 31, 2019, we recognized other income of \$65,980 compared to other expense of \$139 for the three-month period ended October 31, 2018. Other income consists of interest expense of \$385 and other interest income of \$66,365 from bank deposits in bank for the three-month period ended October 31, 2019 compared to interest expense of \$35 and other interest income of \$174 for the three-month period ended October 31, 2018.

## **Plan of Operation**

The Company's current business activity does not at this time provide positive cash flow, although the Company has commenced generating revenue. During the next twelve months, we anticipate incurring costs related to:

- i. Marketing the Yippi App to users located throughout Asia;
- ii. Investigating, analyzing, and consummating potential acquisition or merger opportunities;
- iii. Other ongoing general and administrative type costs; and
- iv. The preparation and filing of the Company's financial statements and Exchange Act reports.

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We believe that we are nearing the point where we will commence generating a net profit on a quarterly basis from advertising within the Yippi App, although we cannot predict exactly when this will occur. We have begun generating gross revenues and believe our revenue will increase during the current fiscal year. During the prior fiscal year, the Company temporarily adopted selling product through a direct marketing method to assist the Company to generate cash flow to support its operations while the Company continues to develop the Yippi App. We believe that in order to grow our business going forward, we will need to continue to invest in marketing and advertising of our Yippi App throughout Asia. Because of this, we expect going forward to continue to invest heavily in marketing and advertising. We believe we will be able to meet our operating costs and additional marketing and advertising in excess of our revenues, through additional amounts, as necessary, to be loaned to or invested in us by our stockholders and management, although no agreements have been entered into with anyone.

### ***Liquidity and Capital Resources***

As of October 31, 2019, our total assets were \$19,669,122 and our total liabilities were \$8,577,144 comprised of accounts payable and accrued liabilities, due to related parties and notes due to related parties, deferred revenue, income tax payable and operating lease liabilities

As of July 31, 2019, our total assets were \$21,006,426 and our total liabilities were \$6,090,089 comprised of accounts payable and accrued liabilities, due to related parties, notes due to related parties, deferred revenue and income tax payable.

Stockholders' equity of Toga Ltd. decreased from \$14,857,969 as of July 31, 2019 to \$11,035,233 as of October 31, 2019 due to a net loss during the three months ended October 31, 2019

We had \$12,902,002 of cash as of October 31, 2019, and the Company had assets to meet ongoing expenses or debts that may accumulate. Accumulated deficit was \$28,037,066 as of October 31, 2019 compared to accumulated deficit of \$24,210,347 as of July 31, 2019. As of October 31, 2019, we had working capital of \$6,523,923.

### ***Cash Flow from Operating Activities***

We have not generated significant positive cash flow from operating activities. For the three-month period ended October 31, 2019, net cash flows used in operating activities was \$1,962,207. Net cash flows used in operating activities was \$357,027 for the three-month period ended October 31, 2018. The increase in net cash used in operating activities was mainly due to the increase in net loss and increase in inventories.

### ***Cash Flows from Investing Activities***

During the three-month periods ended October 31, 2019 and 2018, we used \$77,769 and \$20,566, respectively, for purchase of property and equipment.

### ***Cash Flows from Financing Activities***

We have financed our operations primarily from the issuance of equity instruments. For the three-month period ended October 31, 2019, net cash provided by financing activities was \$62,525, consisting of advances and repayment from related parties. For the three-month period ended October 31, 2018, net cash provided by financing activities was \$1,249,938, consisting of the sale of shares of our common stock, and advances and repayment from related parties.

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Management believes that current available resources are sufficient to fund the Company's operations over the next 24-36 months. This could change if the Company elects to commit cash reserves to the acquisition of intellectual property or software or other business enterprises to enhance or increase its features in the Yippi App.

### ***Off-Balance Sheet Arrangements***

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to an investor in our securities.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Pursuant to Item 305(e) of Regulation of S-K (§229.305(e)), the Company is not required to provide the information required by this Item as it is a "smaller reporting company," as defined by Rule 229.10(f)(1).

### **ITEM 4. CONTROLS AND PROCEDURES**

#### ***Evaluation of Disclosure Controls and Procedures***

The Company's management is responsible for establishing and maintaining a system of disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) that is designed to ensure that information required to be disclosed by the Company in the reports that the Company files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive officer or officers and principal financial officer or officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

In accordance with Exchange Act Rules 13a-15 and 15d-15, an evaluation was completed under the supervision and with the participation of the Company's management, including the Company's Principal Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of the end of the period covered by this quarterly report. Based on that evaluation, the Company's management including the Principal Executive Officer and Principal Financial Officer, concluded that the Company's disclosure controls and procedures were not effective in providing reasonable assurance that information required to be disclosed in the Company's reports filed or submitted under the Exchange Act was recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms.

#### ***Changes in Internal Control over Financial Reporting***

There were no changes in our internal control over financial reporting that occurred during the period ending October 31, 2019, or subsequent to the date the Company completed its evaluation, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

This quarterly report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to temporary rules of the SEC that permit the Company to provide only management's report in this quarter report.

**PART II – OTHER INFORMATION**

**ITEM 1. LEGAL PROCEEDINGS**

There are no legal proceedings which are pending or have been threatened against us or any of our officers, directors or control persons of which management is aware.

**ITEM 1A. RISK FACTORS**

As a “smaller reporting company” as defined by Item 10 of Regulation S-K, the Company is not required to provide this information.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

None.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

**ITEM 5. OTHER INFORMATION**

None.

**ITEM 6. EXHIBITS**

Exhibits:

[31.1 Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)

[31.2 Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)

[32.1 Certification of Chief Executive Officer pursuant to Section 1350 as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)

[32.2 Certification of Chief Financial Officer pursuant to Section 1350 as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)

**SIGNATURES**

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**TOGA LIMITED**

Dated: December 18, 2019

By: /s/ Toh Kok Soon  
Toh Kok Soon  
President, Chief Executive Officer and Member of the Board

Dated: December 18, 2019

By: /s/ Alexander Henderson  
Alexander Henderson  
Chief Financial Officer, Secretary, Treasurer and Member of the Board

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR RULE 15d-14(a)  
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Toh Kok Soon, Chief Executive Officer of TOGA LIMITED certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of TOGA LIMITED;
2. Based on my knowledge, this report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure control and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 18, 2019

By: /s/ Toh Kok Soon

Name: Toh Kok Soon

Title: Chief Executive Officer

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR RULE 15d-14(a)  
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Alexander D. Henderson, Chief Financial Officer of TOGA LIMITED certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of TOGA LIMITED;
2. Based on my knowledge, this report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure control and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 18, 2019

By: /s/ Alexander D. Henderson

Name: Alexander D. Henderson

Title: Chief Financial Officer (Principal Financial Officer)

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of TOGA LIMITED (the "Company") on Form 10-Q for the period ended October 31, 2019 as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 18, 2019

By: /s/ Toh Kok Soon

Name: Toh Kok Soon

Title: Chief Executive Officer



**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of TOGA LIMITED (the "Company") on Form 10-Q for the period ended October 31, 2019 as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 18, 2019

By: /s/ Alexander D. Henderson

Name: Alexander D. Henderson

Title: Chief Financial Officer (Principal Financial Officer)