

# Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

## Protosource Corporation

13-2 2nd Floor Jalan Radin Bagus 7 Kuala Lumpur 57000 Malaysia

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pscogeneral@gmail.com  
7373

**Annual Report**  
**For the Year Ending: December 31, 2022**  
(the “Reporting Period”)

As of February 17, 2023, the number of shares outstanding of our Common Stock was:

509,860,662

As of September 30, 2022, the number of shares outstanding of our Common Stock was:

509,860,662

As of December 31, 2022, the number of shares outstanding of our Common Stock was:

509,860,662

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes:  No:

Indicate by check mark whether the company’s shell status has changed since the previous reporting period:

Yes:  No:

Indicate by check mark whether a Change in Control<sup>1</sup> of the company has occurred over this reporting period:

Yes:  No:

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<sup>1</sup> “Change in Control” shall mean any events resulting in:

(i) Any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company’s then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

## 1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

Protosource Corporation (herein referred as the "Company"), was previously incorporated as SHR Corporation, the Restated Articles of Incorporation was filed with the California Secretary of State to rename the company on November 3, 1994.

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

The Company incorporated under jurisdiction of State of California on July 1, 1988 and subsequently redomicile to State of Wyoming on March 18, 2020 which is currently in good standing.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

None.

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None.

The address(es) of the issuer's principal executive office:

13-2 2nd Floor, Jalan Radin Bagus 7, Kuala Lumpur 57000, Malaysia.

The address(es) of the issuer's principal place of business:

Check box if principal executive office and principal place of business are the same address:

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes:  No:

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

Not applicable.

## 2) Security Information

Trading symbol:	<u>PSCO</u>
Exact title and class of securities outstanding:	<u>Shares of Common Stock</u>
CUSIP:	<u>743958407</u>
Par or stated value:	<u>\$0.001</u>

Total shares authorized:	<u>1,000,000,000</u>	as of date: <u>February 17, 2023</u>
Total shares outstanding:	<u>509,860,662</u>	as of date: <u>February 17, 2023</u>
Number of shares in the Public Float <sup>2</sup> :	<u>9,860,662</u>	as of date: <u>February 17, 2023</u>
Total number of shareholders of record:	<u>309</u>	as of date: <u>February 17, 2023</u>

*All additional class(es) of publicly traded securities (if any):*

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<sup>2</sup> "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

Trading symbol: N/A  
 Exact title and class of securities outstanding: N/A  
 CUSIP: N/A  
 Par or stated value: N/A  
 Total shares authorized: N/A as of date: February 17, 2023  
 Total shares outstanding: N/A as of date: February 17, 2023

**Transfer Agent**

Name: EQ Shareowner Services  
 Phone: 800-468-9716  
 Email: chad.dalton@equiniti.com  
 Address: EQ Shareowner Services, PO Box 64874, St Paul MN 55164-0874

Is the Transfer Agent registered under the Exchange Act?<sup>3</sup> Yes:  No:

**3) Issuance History**

**A. Changes to the Number of Outstanding Shares**

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods:

Shares Outstanding as of Second Most Recent Fiscal Year End: Opening Balance Date <u>December 31, 2020</u> Common: <u>499,933,333</u> Preferred: <u>99,273.29</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>September 15, 2021</u>	<u>Issuance</u>	<u>9,927,329</u>	<u>Common</u>	<u>\$0.001</u>	<u>No</u>	<u>Liew Kar Yee</u>	<u>Conversion</u>	<u>Restricted</u>	<u>Regulation S</u>
<u>September 15, 2021</u>	<u>Cancellation</u>	<u>99,273.29</u>	<u>Preferred</u>	<u>\$0.001</u>	<u>No</u>	<u>Liew Kar Yee</u>	<u>Conversion</u>	<u>Restricted</u>	<u>:</u>
Shares Outstanding on Date of This Report: Ending Balance Date <u>December 31, 2022</u> Common: <u>509,860,662</u> Preferred: <u>-</u>									

On September 15, 2021, Ms. Liew Kar Yee exercised the right to convert 99,273.29 shares of preferred stock to 9,927,329 shares of common stock at a conversion ratio of 1 to 100.

**B. Debt Securities, Including Promissory and Convertible Notes**

<sup>3</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements:

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
-	-	-	-	-	-	-	-

#### 4) Financial Statements

A. The following financial statements were prepared in accordance with:

- U.S. GAAP  
 IFRS

B. The financial statements for this reporting period were prepared by (name of individual)<sup>4</sup>:

Name: **Yi Hong, Ng**  
 Title: **ACCA Affiliate**  
 Relationship to Issuer: **Employee**

<sup>4</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.



**JP CENTURION & PARTNERS PLT**  
(AF002366) (LLP0025093-LCA)  
Chartered Accountants  
(A Firm registered with Malaysian Institute of Accountants and US PCAOB)

No. 36G-2, Jalan Radin Anum  
Bandar Baru Sri Petaling  
57000 Kuala Lumpur  
Malaysia

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

### **The Board of Directors and Stockholders of PROTOSOURCE CORPORATION**

13-2, 2<sup>ND</sup> Floor,  
Jalan Radin Bagus 7,  
Kuala Lumpur 57000,  
Malaysia.

#### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Protosource Corporation (the 'Company') as of December 31, 2022, and the related consolidated statements of operations and comprehensive income (loss), stockholders' equity, and cash flows for the year ended of December 31, 2022, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022, and the results of its operations and its cash flows for the year ended of December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

#### Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, for the year ended December 31, 2022, the Company incurred a net loss of \$44,930 and had an accumulated deficit of \$28,989,170. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

#### Critical Audit Matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to those charged with governance that: (1) relate to accounts or disclosures that are material to the financial

statements and (2) involved our especially challenging, subjective, or complex judgements. We determined that there are no critical matters.

**/s/ JP CENTURION & PARTNERS PLT**

JP CENTURION & PARTNERS PLT (ID: 6723)

We have served as the Company's auditor since 2020.

Kuala Lumpur, Malaysia  
February 17, 2023

**Protosource Corporation**  
**Consolidated Balance Sheet**  
**As of December 31, 2022**  
(Currency expressed in United States Dollars ("US\$"), except for number of shares)

	<u>As of</u> <u>December 31, 2022</u> <u>(Audited)</u>
<b><u>ASSETS</u></b>	
Cash and cash equivalent	\$ 11,672
Prepaid expenses	2,345
<b>TOTAL ASSETS</b>	<b>\$ 14,017</b>
<b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>	
<b>CURRENT LIABILITIES</b>	
Accrued liabilities and other payables	\$ 12,600
Advances from related party	66,951
Advances from directors	72,759
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 152,310</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 152,310</b>
<b>STOCKHOLDERS' EQUITY</b>	
Preferred stock, \$0.001 par value; 5,000,000 shares authorized; 0 issued and outstanding	\$ -
Common stock, \$ 0.001 par value; 1,000,000,000 shares authorized; 509,860,662 shares issued and outstanding	509,861
Additional paid-in capital	28,341,386
Accumulated deficit	(28,989,170)
Other comprehensive loss	(370)
<b>TOTAL STOCKHOLDERS' DEFICIT</b>	<b>\$ (138,293)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<b>\$ 14,017</b>

**Protosource Corporation**  
**Consolidated Statement of Operations and Comprehensive Income (Loss)**  
**Year ended December 31, 2022**  
(Currency expressed in United States Dollars ("US\$"), except for number of shares)

	<u>Year Ended</u> <u>December 31, 2022</u> <u>(Audited)</u>
REVENUE	\$ -
COST OF REVENUE	-
GROSS PROFIT	\$ -
OTHER INCOME	16
GENERAL AND ADMINISTRATIVE EXPENSES	\$ (44,946)
LOSS BEFORE INCOME TAX	\$ (44,930)
INCOME TAX PROVISION	\$ -
NET LOSS	\$ (44,930)
Other comprehensive income/(loss):	
- Foreign currency translation adjustment	\$ (296)
Comprehensive loss	\$ (45,226)
Net loss per share- Basic and diluted	\$ (0.00)
Weighted average number of common shares outstanding – Basic and diluted	509,860,662

**Protosource Corporation**  
**Consolidated Statement of Cash Flows**  
**Year ended December 31, 2022**  
(Currency expressed in United States Dollars ("US\$"), except for number of shares)

	<u>Year Ended December 31, 2022</u> <u>(Audited)</u>
<b>Net cash from in operating activities</b>	
Net loss	\$ (44,930)
Changes in operating assets and liabilities:	
Prepayment	(2,345)
Accrued liabilities and other payables	(2,319)
Advances from directors	1,849
Advances from related party	59,748
<b>Net cash provided by operating activities</b>	<u>\$ 12,003</u>
<b>Net cash from in investing activities</b>	<u>\$ -</u>
<b>Net cash from in financing activities</b>	
Repayment to directors	(141)
<b>Net cash used in financing activities</b>	<u>\$ (141)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>\$ (191)</u>
Net increase in cash and cash equivalents	\$ 11,671
Cash and cash equivalents, beginning of year	1
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 11,672</u>
<b>SUPPLEMENTAL CASH FLOWS INFORMATION</b>	
Cash paid for income taxes	<u>\$ -</u>
Cash paid for interest paid	<u>\$ -</u>

**Protosource Corporation**  
**Consolidated Statement of Changes in Stockholders' Equity**  
**As of December 31, 2022**  
(Currency expressed in United States Dollars ("US\$"), except for number of shares)

	<u>COMMON STOCK</u>		<u>ADDITIONAL PAID-IN CAPITAL</u>	<u>ACCUMULATED DEFICIT</u>	<u>ACCUMULATED COMPREHENSIVE INCOME</u>	<u>TOTAL STOCKHOLDERS' DEFICIT</u>
	<u>NUMBER OF SHARES</u>	<u>AMOUNT</u>				
Balance as of December 31, 2021	509,860,662	509,861	28,341,386	(28,944,240)	(74)	(93,067)
Other comprehensive income of the period	-	-	-	-	(296)	(296)
Net loss of the period	-	-	-	(44,930)	-	(44,930)
Balance as of December 31, 2022	<u>509,860,662</u>	<u>509,861</u>	<u>28,341,386</u>	<u>(28,989,170)</u>	<u>(370)</u>	<u>(138,293)</u>

**Protosource Corporation**  
**Notes to Consolidated Financial Statement**  
**As of December 31, 2022**  
**(Currency expressed in United States Dollars (“US\$”), except for number of shares)**

## **1. ORGANIZATION AND BUSINESS BACKGROUND**

Protosource Corporation, formerly known as SHR Corporation was incorporated under the jurisdiction of the State of California on July 1, 1988 and was subsequently redomicile to State of Wyoming on March 18, 2020 and is currently in good standing. The Company was previously an Internet service provider, providing dial-up Internet access, web hosting services and web development services back in 2002.

On November 30, 2019, Mr. Liew Mun Hon, Director and President of the Company purchased 4,639,418.63 shares of preferred stock from SGCI Corporate (Malaysia) Ltd. 360,581.37 shares of preferred stock remains owned by SGCI Corporate (Malaysia) Ltd., a company owned by Mr. DS Chang.

On December 5, 2019, Mr. Peter Wardle resigned as the sole director and officer. Concurrently with the resignation of Mr. Peter Wardle, the Company appointed Mr. Liew Mun Hon as the sole director and officer of the Company.

On December 31, 2019, Mr. DS Chang on behalf of SGCI Corporate (Malaysia) Ltd., entered into an assignment of rights and assumption of liabilities agreement with the Company, whereby the Company assigned all assets and liabilities owned by the Company previously to SGCI Corporate (Malaysia) Ltd. As such, all assets and liabilities whether previously accounted for within the financial statement or not as of and before December 31, 2019, are held by SGCI Corporate (Malaysia) Ltd.

On January 22, 2020, Mr. Liew Mun Hon was appointed as the President of the Company, together with Liew Ching Miao as director and vice president, Liew Ching Kim as director and Secretary and Liew Kar Yee as director and Treasurer.

On April 3, 2020, Mr. Liew Mun Hon and SGCI Corporate (Malaysia) Ltd converted 4,639,418.63 and 261,308.08 shares of preferred stock into 463,941,863 and 26,130,808 shares of common stock, respectively. Upon the conversion, Mr. Liew Mun Hon effectively controlled approximately 92.8% of voting rights of the issued and outstanding common stock.

On April 30, 2020, the Company filed articles of amendment to Wyoming Secretary of State to increase the authorized share capital of common stock to 1,000,000,000, while the authorized share capital of preferred stock remained as 5,000,000.

On April 6, 2021, SGCI Corporate (Malaysia) Ltd transferred 26,130,808 shares of common stock and 99,273.29 shares of preferred stock to the company director cum treasurer, Liew Kar Yee.

On June 17, 2021, the Company incorporated Protosource Singapore Pte. Ltd., a wholly owned subsidiary incorporated under the jurisdiction of Singapore.

On September 15, 2021, the company director cum treasurer, Liew Kar Yee converted 99,273.29 shares of preferred stock to 9,927,329 shares of common stock.

As of December 31, 2022, the Company had 509,860,662 shares of common stock issued and outstanding. All previous issued shares of preferred stock had been converted to shares of common stock, none issued and outstanding.

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

### Basis of presentation

The financial statements for Protosource Corporation for the year ended December 31, 2022 are prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). The Company has adopted December 31 as its fiscal year end.

The accompanying financial statements include the accounts of the Company and its wholly-owned subsidiary. Intercompany transactions and balances were eliminated in consolidation.

#### Use of estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with US GAAP. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities in the balance sheets, and the reported revenue and expenses during the periods reported. Actual results may differ from these estimates.

#### Cash and Cash Equivalents

The Company considers short-term, highly liquid investments with an original maturity of 90 days or less to be cash equivalents.

#### Income taxes

Income taxes are determined in accordance with the provisions of ASC Topic 740, "Income Taxes" ("ASC 740"). Under this 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 basis. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. Any 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.

ASC 740 prescribes a comprehensive model for how companies should recognize, measure, present, and disclose in their financial statements uncertain tax positions taken or expected to be taken on a tax return. Under ASC 740, tax positions must initially be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions must initially and subsequently be measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and relevant facts.

#### Net income/ (loss) per share

The Company calculates net income/ (loss) per share in accordance with ASC Topic 260 "Earnings per share". Basic income/ (loss) per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. Diluted loss per share is computed similar to basic income/ (loss) per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common stock equivalents had been issued and if the additional common shares were dilutive.

#### Foreign currencies translation

Transactions denominated in currencies other than the functional currency are translated into the functional currency at the exchange rates prevailing at the dates of the transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency using the applicable exchange rates at the balance sheet dates. The resulting exchange differences are recorded in the statement of operations and comprehensive income (loss).

The functional currency of the Company is the United States Dollars ("US\$") and the accompanying financial statements have been expressed in US\$. In addition, the Company's subsidiary maintains its books and record in Singapore Dollar ("SGD") and United States Dollars ("US\$"), which is the respective functional currency as being the primary currency of the economic environment in which the entity operates.

In general, for consolidation purposes, assets and liabilities of its subsidiary whose functional currency is not US\$ are translated into US\$, in accordance with ASC Topic 830-30, "Translation of Financial Statement", using the exchange rate on the balance sheet date. Revenues and expenses are translated at average rates prevailing during the period. The gains and losses resulting from translation of financial statements of foreign subsidiary are recorded as a separate component of accumulated other comprehensive income.

Translation of amounts from the local currency of the Company into US\$1 has been made at the following exchange rates for the respective years:

	<b>For the year ended December 31, 2022</b>
Period-end SGD : US\$1 exchange rate	1.34
Period-average SGD : US\$1 exchange rate	1.38

#### Related parties

Parties, which can be a corporation or individual, are considered to be related if the Company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Companies are also considered to be related if they are subject to common control or common significant influence.

#### Fair value of financial instruments:

The carrying value of the Company's financial instruments: cash and cash equivalents, receivables, accounts payable and amount due to a director approximate at their fair values because of the short-term nature of these financial instruments.

The Company also follows the guidance of the ASC Topic 820-10, "Fair Value Measurements and Disclosures" ("ASC 820-10"), with respect to financial assets and liabilities that are measured at fair value. ASC 820-10 establishes a three-tier fair value hierarchy that prioritizes the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets;

Level 2: Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements and does not believe the future adoption of any such pronouncements may be expected to cause a material impact on its financial condition or the results of its operations.

### **3. GOING CONCERN UNCERTAINTIES**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company having accumulated deficit of \$28,989,170 and working capital deficit of \$138,293 as of December 31, 2022 respectively. For the year ended December 31, 2022, the Company did not generate any revenue nor income.

The Company's cash position is insufficient to support the Company's daily operations. While the Company believes in the viability of its strategy and in its ability to raise additional funds may provide sufficient funding for operations, there can be no assurances to that effect. The Company's ability to continue as a going concern is dependent upon its ability to improve profitability and the ability to acquire financial support from its shareholder.

These and other factors raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that financial statements are issued. These financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result in the Company not being able to continue as a going concern.

### **4. ACCRUED LIABILITIES AND OTHER PAYABLES**

As at December 31, 2022, the Company has an outstanding accrued liabilities and other payables of \$12,600, of which comprises of outstanding audit fees, consulting fees and transfer agent fee.

### **5. ADVANCES FROM DIRECTORS**

As of December 31, 2022, the Company has an outstanding advance from directors of \$72,759, which comprises of expenses paid by directors on behalf of the Company, including audit fees, consulting fees, transfer agent fees, OTC Market expenses and legal fee. The amount is unsecured, interest free and repayable on demand.

## 6. ADVANCES FROM RELATED PARTY

As of December 31, 2022, the Company has an outstanding advance from a related party of \$66,951, which comprises of expenses paid by related party on behalf of the Company, including audit fee and consulting fee. The amount is unsecured, interest free and repayable on demand.

## 7. INCOME TAXES

### United States of America

The Tax Act reduces the U.S. statutory corporate tax rate from 35% to 21% for our tax years beginning in 2018. The Company is registered in the State of Wyoming and is subject to United States of America tax law. As of December 31, 2022, the Company incurred \$28,961,599 of cumulative net operating losses (NOL's) which can be carried forward to offset future taxable income. The NOL carryforwards begin to expire in 2042, if unutilized. The Company has provided for a full valuation allowance of approximately \$6,081,936 against the deferred tax assets on the expected future tax benefits from the net operating loss carryforwards as the management believes it is more likely than not that these assets will not be realized in the future.

### Republic of Singapore

Singapore taxes on a territorial basis, i.e. tax is imposed on all income accrued in or derived from Singapore and all foreign income remitted or deemed remitted to Singapore, at a standard rate of 17%. As of December 31, 2022, the Company incurred \$27,571 cumulative net operating losses which can be carried forward indefinitely and offset against future trading profit. The Company has provided full valuation allowance of approximately \$4,687 against the deferred tax assets on the expected future tax benefits from the net operating loss carryforwards as the management believes it is more likely than not that these assets will not be realized in the future.

	<b>As of December 31, 2022</b>
Deferred tax assets:	
Net operating loss carryforwards	\$ 6,086,623
Less: valuation allowance	(6,086,623)
Deferred tax assets	<u>\$ -</u>

Management believes that it is more likely than not that the deferred tax assets will not be fully realizable in the future. Accordingly, the Company provided for a full valuation allowance against its deferred tax assets of \$6,086,623 as of December 31, 2022.

## 8. SHARE CAPITAL

On April 9, 2020, Mr. DS Chang, on behalf of SGCI Corporate (Malaysia) Ltd exercised the right to convert 261,308.08 shares of preferred stock to 26,130,808 shares of common stock. Immediately after the conversion, SGCI Corporate (Malaysia) Ltd owned 99,273.29 shares of preferred stock.

On July 15, 2020, Mr. Liew Mun Hon exercised the right to convert 4,639,418.63 shares of preferred stock to 463,941,863 shares of common stock.

On April 6, 2021, SGCI Corporate (Malaysia) Ltd transferred 26,130,808 shares of common stock and 99,273.29 shares of preferred stock to our director cum treasurer, Liew Kar Yee.

On September 15, 2021, the company director cum treasurer, Liew Kar Yee converted 99,273.29 shares of preferred stock to 9,927,329 shares of common stock.

As of December 31, 2022, the Company has an authorized share capital of 1,000,000,000 shares of common stock of which 509,860,662 were issued and outstanding. All previous issued shares of preferred stock had been converted to shares of common stock, none issued and outstanding out of 5,000,000 shares of preferred stock authorized.

## **9. SUBSEQUENT EVENTS**

In accordance with ASC Topic 855, "Subsequent Events", which establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued, the Company has evaluated all events or transactions that occurred after December 31, 2022 up through the date the Company issued the financial statements.

**5) Issuer’s Business, Products and Services**

The purpose of this section is to provide a clear description of the issuer’s current operations. In answering this item, please include the following:

A. Summarize the issuer’s business operations (If the issuer does not have current operations, state “no operations”)

The following statements contain forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995 relate to anticipated future events, future results of operations or future financial performance. In some cases, you can identify forward-looking statements by terminology such as “may,” “might,” “will,” “should,” “intends,” “expects,” “plans,” “goals,” “projects,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” or “continue” or the negative of these terms or other comparable terminology.

The Company was originally an Internet service provider, providing dial-up Internet access, web hosting services and web development services commencing operation in 2002. The Company ceased to be a reporting company with the Securities and Exchange Commission in 2010.

Moving forward, the board of director plans to continue providing aforementioned services as well as venture into hospitality operation and management industry through merger and acquisition, as the hospitality industry was severely and adversely impacted by the outbreak of COVID-19 worldwide which management believes poses opportunity for the Company to acquire profitable assets at attractive prices.

On June 17, 2021, the Company incorporated Protosource Singapore Pte. Ltd. (herein and after referred as Protosource SG”), as a wholly owned subsidiary incorporated under the jurisdiction of Singapore. Protosource SG intended to serve as a gateway to collaborate with hotel and resort operator through providing hospitality consultancy, operation and management services.

B. Please list any subsidiaries, parents, or affiliated companies.

Protosource Singapore Pte. Ltd., incorporated in Singapore on June 17, 2021, intended to provide hospitality consultancy, operation and management services.

C. Describe the issuers’ principal products or services.

None.

**6) Issuer’s Facilities**

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

None.

**7) Company Insiders (Officers, Directors, and Control Persons)**

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
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Liew Mun Hon	Director, President & Owner of more than 5%	No 138 Jalan Tambun Ipoh Perak 31400	425,562,875	Common	83.47%	-
Liew Kar Yee	Director, Treasurer & Owner of more than 5%	No 138 Jalan Tambun Ipoh Perak 31400	36,058,137	Common	7.07%	-
Liew Ching Miao	Director & Vice President	No 138 Jalan Tambun Ipoh Perak 31400	7,649,234	Common	1.50%	-
Liew Ching Kim	Director & Secretary	No 138 Jalan Tambun Ipoh Perak 31400	7,649,234	Common	1.50%	-

## 8) Legal/Disciplinary History

A. Please identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None.

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None.

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None.

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None.

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None.

## 9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

### Securities Counsel

Name: Robert Newman  
Firm: The Newman Law Firm, PLLC  
Address 1: 1872 Pleasantville Road, Suite 177  
Address 2: Briarcliff Manor, NY 10510  
Phone: (914) 762-4265  
Email: RJ@newlawtech.com

#### Accountant or Auditor

Name: Ng Weng Sum  
Firm: JP Centurion & Partners PLT  
Address 1: 36G-2, Jalan Radin Anum, Sri Petaling,  
Address 2: 57000 Kuala Lumpur, Federal Territory of Kuala Lumpur, Malaysia  
Phone: +(60)3-9057 3131  
Email: enquiry@jpcenturion.com

#### Investor Relations

Name: Not applicable  
Firm: Not applicable  
Address 1: Not applicable  
Address 2: Not applicable  
Phone: Not applicable  
Email: Not applicable

#### Other Service Providers

Provide the name of any other service provider(s) that **assisted, advised, prepared or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s) or consultant(s) or provided assistance or services to the issuer during the reporting period.

Name: Dennis Loh  
Firm: Hexcellence Consulting Sdn. Bhd.  
Nature of Services: GAAP Financial Consulting  
Address 1: E-21-05, Menara Suezcap 2, KL Gateway  
Address 2: No. 2, Jalan Kerinchi, Gerbang Kerinchi Lestari, 59200 Kuala Lumpur, Malaysia.  
Phone: +(60)16 9929 210  
Email: dennis.loh@dudebiz.co

**10) Issuer Certification**

*Principal Executive Officer and Principal Financial Officer:*

The issuer shall include certifications by the principal executive officer and principal financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Liew Mun Hon certify that:

1. I have reviewed this Annual Disclosure Statement of Protosource Corporation;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a 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 this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

February 17, 2023

/s/ Liew Mun Hon