

JAAG ENTERPRISES LTD.

FORM 10-Q (Quarterly Report)

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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 December 31, 2024

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

For the transition period from _____ to _____

Commission file number: 333-267995

JAAG ENTERPRISES LTD.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

38-4210123

(I.R.S. Employer Identification No.)

ROOM 1404, No. 5, Lane 910 Dingxing Road

Pudong New Area, Shanghai, China

(Address of principal executive offices, including zip code)

(86) 13817642592

(Telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A	N/A	N/A

Securities registered pursuant to Section 12(g) of the Act: Common Stock, \$0.0001 par value per share

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act 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 last 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 ☐
Non-accelerated filer ☒

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** ☒

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: 11,208,000 shares as of February 11, 2025.

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Cautionary Note Concerning Forward-Looking Statements

This Quarterly Report on Form 10-Q contains “forward-looking statements”. These forward-looking statements, including without limitation forward-looking statements made under the caption “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” involve risks and uncertainties. Any statements contained in this Quarterly Report that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements include, without limitation, statements as to our future operating results; plans for the marketing of our services; future economic conditions; the effect of our market and product development efforts; and expectations or plans relating to the implementation or realization of our strategic goals and future growth, including through potential future acquisitions. Forward-looking statements may include, among other things, statements relating to future sales, earnings, cash flow, results of operations, use of cash and other measures of financial performance, as well as statements relating to future dividend payments. Other forward-looking statements may be identified through the use of words such as “believes,” “anticipates,” “may,” “should,” “will,” “plans,” “projects,” “expects,” “expectations,” “estimates,” “predicts,” “targets,” “forecasts,” “strategy,” and other words of similar meaning in connection with the discussion of future operating or financial performance. These statements are based on current expectations, estimates and projections about the industries in which we operate, and the beliefs and assumptions made by management. Because forward-looking statements relate to the future, they are subject to inherent risks, uncertainties and changes in circumstances that are difficult to predict. Accordingly, the Company’s actual results may differ materially from those contemplated by the forward-looking statements. Investors, therefore, are cautioned against relying on any of these forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

**JAAG ENTERPRISES LTD.
Consolidated Balance Sheet**

	December 31, 2024	June 30, 2024
	(Unaudited) (\$)	(\$)
ASSETS		
Current Assets		
Cash & Cash Equivalents	935	4,836
TOTAL ASSETS	935	4,836
LIABILITIES & STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	—	12,896
Due to related party	2,551	14,929
Total Liabilities	2,551	27,825
Stockholders' Equity		
Common stock, (\$0.0001 par value, 100,000,000 shares authorized 11,208,000 shares issued and outstanding as of December 31, 2024 and June 30, 2024)	1,121	1,121
Additional Paid in Capital	160,325	104,343
Accumulated Deficit	(163,062)	(128,453)
Total Stockholders' Equity	(1,616)	(22,989)
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	935	4,836

The accompanying notes are an integral part of these unaudited consolidated financial statements

JAAG ENTERPRISES LTD.
Consolidated Statement of Operations
(Unaudited)

	Three months ended December 31, 2024 (\$)	Three months ended December 31, 2023 (\$)	Six months ended December 31, 2024 (\$)	Six months ended December 31, 2023 (\$)
Revenue	17,821	14,326	27,800	17,511
Cost of Revenue	11,054	9,172	16,811	10,785
Gross Profit	6,767	5,154	10,989	6,726
Selling, General & Administrative Expenses	32,737	36,943	46,032	51,954
Loss from operations	(25,970)	(31,789)	(35,043)	(45,228)
Other items				
Interest income	1	2	5	5
Exchange gain/loss	610	–	429	–
Net Loss	(25,359)	(31,787)	(34,609)	(45,223)
Basic and diluted earnings per share	(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of common shares outstanding	11,208,000	10,562,839	11,208,000	10,386,378

The accompanying notes are an integral part of these unaudited consolidated financial statements

JAAG ENTERPRISES LTD.
Consolidated Statement of Changes in Stockholders' Equity
(Unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total
	Shares	Amount (\$)	(\$)	(\$)	(\$)
Balance, June 30, 2024	11,208,000	1,121	104,343	(128,453)	(22,989)
Net loss	—	—	—	(9,250)	(9,250)
Balance, September 30, 2024	11,208,000	1,121	104,343	(137,703)	(32,239)
Capital contribution	—	—	55,982	—	55,982
Net loss	—	—	—	(25,359)	(25,359)
Balance, December 31, 2024	11,208,000	1,121	160,325	(163,062)	(1,616)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total
	Shares	Amount (\$)	(\$)	(\$)	(\$)
Balance, June 30, 2023	10,208,000	1,021	54,443	(65,994)	(10,530)
Net loss	—	—	—	(13,436)	(13,436)
Balance, September 30, 2024	10,208,000	1,021	54,443	(79,430)	(23,966)
Share issuance	1,000,000	100	49,900	—	50,000
Net loss	—	—	—	(31,787)	(31,787)
Balance, December 31, 2023	11,208,000	1,121	104,343	(111,217)	(5,753)

The accompanying notes are an integral part of these unaudited consolidated financial statements

JAAG ENTERPRISES LTD.
Consolidated Statements of Cash Flows
(Unaudited)

	Six months ended December 31, 2024 (\$)	Six months ended December 31, 2023 (\$)
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net loss	(34,609)	(45,223)
Changes in operating assets and liabilities		
Changes in accounts payable and accrued expenses	(12,896)	193
<i>Net cash used in operating activities</i>	<u>(47,505)</u>	<u>(45,030)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
<i>Net cash used in investing activities</i>	<u>—</u>	<u>—</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Advance from related party	(12,378)	(2,733)
Capital contribution	55,982	—
Issuance of common stock	—	50,000
<i>Net cash provided by financing activities</i>	<u>43,604</u>	<u>47,267</u>
Net increase (decrease) in cash	<u>(3,901)</u>	<u>2,237</u>
Cash at beginning of year (period)	4,836	2,138
Cash at end of year (period)	<u>935</u>	<u>4,375</u>
<u>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</u>		
Cash paid during period for:		
Interest	<u>—</u>	<u>—</u>
Income Taxes	<u>—</u>	<u>—</u>

The accompanying notes are an integral part of these unaudited consolidated financial statements

JAAG ENTERPRISES LTD.
NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2024

NOTE 1. ORGANIZATION AND DESCRIPTION OF BUSINESS

JAAG Enterprises Ltd. (“JAAG Enterprises”) was incorporated on January 25, 2022, in the state of Nevada, USA. JAAG Enterprises acquired 100% interest of JAAG Uniform Limited of Hong Kong (“JAAG Uniform”) on May 27, 2022, as its wholly owned subsidiary. JAAG Uniform, incorporated on November 4, 2021, in Hong Kong, is a start-up uniform supplier, specializing in the design, supply, and distribution of a wide range of uniform garments and accessories. It works with clothing manufacturers in Hong Kong and China on the fabrication of its products.

JAAG Enterprises and JAAG Uniform will be collectively referred to as the “Company”.

NOTE 2. BASIS OF PRESENTATION

The Company’s interim consolidated financial statements included herein are prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. These interim consolidated financial statements follow the same accounting policies and methods of application as the Company’s June 30, 2024 annual consolidated financial statements.

These consolidated financial statements include the Company’s wholly owned subsidiary, JAAG Uniform, and 100 percent of its assets, liabilities and net income or loss. All inter-company accounts and transactions have been eliminated.

While the information presented in the accompanying interim financial statements is unaudited, it includes all adjustments, which are, in the opinion of management, necessary to present fairly the financial position, results of operation and cash flows for the interim periods presented. All adjustments are of a normal recurring nature. Operating results for the period ended December 31, 2024 are not necessarily indicative of the results that can be expected for the year ended June 30, 2025.

Functional and Presentation Currency

The Company’s foreign operations are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The Company uses US Dollars as its functional and presentation currency.

NOTE 3. GOING CONCERN

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that the Company and its subsidiaries will be able to meet its obligations and continue its operations for next fiscal year. Realization values may be substantially different from carrying values as shown and these condensed consolidated interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

At December 31, 2024, the Company had \$935 in cash and there were outstanding liabilities of \$2,551. Management does not believe that the Company’s current cash position is sufficient to cover the expenses they will incur during the next twelve months. This condition raises substantial doubt about the Company’s ability to continue as a going concern. Management anticipates that the Company will be dependent, for the near future, on additional investment capital to fund operating expenses. The Company intends to position itself so that it will be able to raise additional funds through the capital markets.

In light of management’s efforts, there are no assurances that the Company will be successful in this or any of its endeavors or become financially viable and continue as a going concern. These financial statements do not include any adjustments related to the recovery or classification of assets or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as going concern.

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Use of Estimates and Assumptions

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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Due to the limited level of operations, the Company has not had to make material assumptions or estimates other than the assumption that the Company is a going concern.

b. Fair Value of Financial Instruments

ASC 825, "Disclosures about Fair Value of Financial Instruments", requires disclosure of fair value information about financial instruments. ASC 820, "Fair Value Measurements" defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2024.

Fair values were assumed to approximate carrying values of on-balance-sheet financial instruments since they are short term in nature. These financial instruments include cash and accounts payables.

c. Earnings per Share

ASC No. 260, "Earnings Per Share", specifies the computation, presentation and disclosure requirements for earnings (loss) per share for entities with publicly held common stock. The Company has adopted the provisions of ASC No. 260.

Basic net loss per share amounts is computed by dividing the net loss by the weighted average number of common shares outstanding. Diluted earnings per share are the same as basic earnings per share due to the lack of dilutive items in the Company.

d. Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

e. Income Taxes

Income taxes are provided in accordance with ASC No. 740, Accounting for Income Taxes. A deferred tax asset or liability is recorded for all temporary differences between financial and tax reporting and net operating loss carry forwards. Deferred tax expense (benefit) results from the net change during the year of deferred tax assets and liabilities.

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion of all of the deferred tax assets will be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

f. Revenue Recognition

The Company recognizes revenues when its customers obtain control of promised goods or services, in an amount that reflects the consideration which it expects to receive in exchange for those goods. The Company recognizes revenues following the five-step model prescribed under ASU No. 2014-09: (i) identifies contract(s) with a customer; (ii) identifies the performance obligations in the contract; (iii) determines the transaction price; (iv) allocates the transaction price to the performance obligations in the contract; and (v) recognizes revenues when (or as) it satisfies the performance obligation.

Under ASC 606 guidelines, a performance obligation is a promise to transfer to the customer a good or service that is separately identifiable and has standalone value. In our case, the sale of uniform products satisfies both criteria and is considered a single performance obligation. This performance obligation is considered satisfied upon the delivery of the uniform products to the customer, as this is when the customer obtains control of the goods.

To allocate the transaction price, we consider the standalone selling price of the uniform products themselves. We take into account various factors such as market conditions and competitive pricing when determining the standalone selling price. Once we have determined the standalone selling price, we allocate the transaction price to the uniform products, accordingly, as required by ASC 606-10-32-29 and 606-10-50-13. Revenues from product sales are recorded net of applicable discounts and allowances that are offered within contracts with the Company's customers.

The Company expenses incremental costs of obtaining a contract as and when incurred if the expected amortization period of the asset that it would have recognized is one year or less or the amount is immaterial.

g. Cost of Sales

Amounts that will be recorded as cost of sales relate to direct expenses incurred in order to fulfill orders of our customers. Such costs are recorded and allocated as incurred. Our cost of sales will consist primarily of the cost of product and shipping expenses.

h. Fixed Assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, (if any). The Company utilizes straight-line depreciation over the estimated useful life of the asset.

Property – 40 years
Office Equipment – 5 years

i. Foreign Currency Translation and Balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date. Exchange gains or losses arising from translation are recognized in the statement of operation.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

j. Foreign operations

The assets and liabilities of foreign operations are translated to U.S. dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated into U.S. dollars at exchange rates at the dates of the transactions. Foreign currency differences are recognized in other comprehensive income in the accumulated other comprehensive income (loss).

Foreign exchange gains or losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely to occur in the foreseeable future and which in substance is considered to form part of the net investment in the foreign operation, are recognized in other comprehensive income in the cumulative amount of foreign currency translation differences.

k. Segment Reporting

Operating segments are defined as components of an enterprise engaging in business activities for which separate financial information is available that is regularly evaluated by the Group's chief operating decision makers ("CODM"). Based on the criteria established by ASC280 "Segment Reporting", the Group's CODM has been identified as the Chief Executive Officer, who reviews consolidated results of the Company when making decisions about allocating resources and assessing performance.

The Company's CODM reviewed consolidated results including revenue and operating income at a consolidated level and concluded that there is only one operating and reportable segment in the Company.

The Company's revenues are derived from within Hong Kong. Therefore, no geographical segments are presented.

l. Recently Issued Accounting Guidance

The Company has evaluated all the recent accounting pronouncements through the date the financial statements were issued and filed with the Securities and Exchange Commission and believe that none of them will have a material effect on the Company's financial statements.

NOTE 5. RELATED PARTY TRANSACTIONS

Prior to December 27, 2024, the Company's subsidiary, JAAG Uniform Limited ("JAAG Uniform"), was party to two agreements dated November 1, 2021:

1. A services agreement with the Company's former President, Mr. Jeffrey Anthony Chau, under which JAAG Uniform agreed to pay a monthly management fee of HK\$5,000 (approximately \$641).
2. A consulting services agreement with Bonaventure Trading House Ltd., under which JAAG Uniform agreed to pay a monthly fee of HK\$5,000 (approximately \$641) for administrative functions. Mr. Chau served as a director of Bonaventure Trading House Ltd.

On December 27, 2024, pertaining to a change in control described in the Company's Form 8-K, both agreements ceased to be in effect, and Mr. Chau resigned from his positions with the Company. As a result, no management or consulting fees were incurred under these agreements during the three months ended December 31, 2024 (2023 – \$1,923 or HK\$15,000).

During the six months ended December 31, 2024, JAAG Uniform incurred an aggregate of \$3,846 (HK\$30,000) (2023 – \$3,846 or HK\$30,000) under both agreements.

Prior to the change of control on December 27, 2024, the previous controlling shareholders, Mr. Jeffrey Chau and Mr. Kai Man Leong advanced an aggregate amount of \$55,982 to the Company for the purpose of settling all related party payables. Immediately thereafter, the shareholders waived repayment of this amount. Under U.S. GAAP—specifically the guidance in ASC 470 (Debt) regarding owner transactions, such debt forgiveness from a controlling shareholder is treated as a capital contribution rather than income. Accordingly, the Company recorded \$55,982 as an increase in Additional Paid-in Capital.

NOTE 6. SHARE CAPITAL

On January 25, 2022, the Company incorporated with seed capital of \$78 (CAD\$100) for 200,000 shares of common stock.

On May 27, 2022, the Company issued 7,500,000 shares of common stock to acquire 100% interest of JAAG Uniform as its wholly owned subsidiary (See Note 5).

On June 26, 2022, the Company closed a private placement and issued 2,508,000 shares of common stock for gross proceeds of \$58,640.

On November 29, 2023, the Company closed a private placement and issued 1,000,000 shares of common stock for gross proceeds of \$50,000.

As of December 31, 2024, the Company had 11,208,000 shares of common stock issued and outstanding.

NOTE 7. WARRANTS AND OPTIONS

There are no warrants or options outstanding to acquire any additional shares of common.

NOTE 8. INCOME TAXES

We use the asset and liability method of accounting for income taxes in accordance with ASC Topic 740, “Income Taxes.” Under this method, income tax expense is recognized for the amount of: (i) taxes payable or refundable for the current year and (ii) deferred tax consequences of temporary differences resulting from matters that have been recognized in an entity’s financial statements or tax returns. 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 the results of operations in the period that includes the enactment date. A valuation allowance is provided to reduce the deferred tax assets reported if based on the weight of the available positive and negative evidence, it is more likely than not some portion or all of the deferred tax assets will not be realized.

ASC Topic 740.10.30 clarifies the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC Topic 740.10.40 provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. We have no material uncertain tax positions for any of the reporting periods presented.

The Company operates in the United States and the Company’s subsidiary, JAAG Uniform, operates in Hong Kong, with statutory income tax rates of 21% and 16.5%, respectively.

There was no income tax expense for the periods ended December 31, 2024 and 2023. The reconciliation and the tax effects of temporary differences that give rise to significant portions of the net deferred tax assets on December 31, 2024 and 2023 are as follows:

Period ended December 31, 2024

	Amount	Rate
	(\$)	(%)
US federal statutory rate on US operations	(7,268)	21.0
Effect of foreign operations	(305)	0.9
Valuation allowance for deferred tax assets	7,573	(21.9)
	<u>—</u>	<u>—</u>
Total tax expenses at effective tax rate	<u>—</u>	<u>—</u>

Period ended December 31, 2023

	Amount	Rate
	(\$)	(%)
US federal statutory rate on US operations	(9,497)	21.0
Effect of foreign operations	48	(0.1)
Valuation allowance for deferred tax assets	9,449	(20.9)
	<u>—</u>	<u>—</u>
Total tax expenses at effective tax rate	<u>—</u>	<u>—</u>

NOTE 9. SEGMENT INFORMATION

The Company's source of revenue is from uniform products and all revenues are derived from Hong Kong region locally. Therefore, the Company has only one operating segment and one geographic segment.

Uniform products segment

	For the three months ended December 31, 2024	For the three months ended December 31, 2023	For the six months ended December 31, 2024	For the six months ended December 31, 2023
	(\$)	(\$)	(\$)	(\$)
Uniform Products				
Segment revenue	17,821	14,326	27,800	17,511
Segment profit	(25,359)	(31,787)	(34,609)	(45,223)

NOTE 10. COMMITMENTS AND CONTINGENCIES

The Company has no commitments and contingencies liabilities to be disclosed.

NOTE 11. CONCENTRATIONS

During the three months ended December 31, 2024, the Company sold its product to one customer. There were no uncollected balances from this customer.

During the three months ended December 31, 2024, the Company purchased all its supplies from one major supplier. There are no unpaid balances for this supplier.

NOTE 12. LEGAL MATTERS

The Company has no known legal issues pending.

NOTE 13. SUBSEQUENT EVENTS

The Company evaluated subsequent events and transactions that occurred after the balance sheet date up to the date the financial statements were issued. Based upon this review, other than as described below or within these unaudited consolidated financial statements, the Company did not identify any other subsequent events that would have required adjustment or disclosure in the unaudited consolidated financial statements.

On January 13, 2025, the Company entered into a Memorandum of Understanding (“MOU”) with a Hong Kong company, Elegant Gift Shop Company Limited. The MOU outlines the terms and understanding between the parties for the distribution of uniform garments in Hong Kong and the use of AI technology to design a special logo for the uniforms.

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

General Overview

We were incorporated on January 25, 2022, in the state of Nevada, USA. We acquired 100% interest of JAAG Uniform Limited of Hong Kong (“JAAG Uniform”) on May 27, 2022, as our wholly owned subsidiary. JAAG Uniform, which was incorporated on November 4, 2021, in Hong Kong, is a start-up uniform supplier, specializing in the design, supply, and distribution of a wide range of uniform garments and accessories. It works with clothing manufacturers in Hong Kong and China on the fabrication of its products.

Subsequent Event

On January 13, 2025, we entered into a Memorandum of Understanding (“MOU”) with a Hong Kong company, Elegant Gift Shop Company Limited. The MOU outlines the terms and understanding between the parties for the distribution of uniform garments in Hong Kong and the use of AI technology to design a special logo for the uniforms.

Results of Operations

Three months ended December 31, 2024, compared to the three months ended December 31, 2023:

Revenues and Sale Expenses:

We generated \$17,821 in revenues, \$6,767 in gross profit and incurred \$11,054 in cost of sales for the three months ended December 31, 2024 compared to \$14,326 in revenues, \$5,154 in gross profit and \$9,172 in cost of sales for the three months ended December 31, 2023.

Other Operating and General and Administrative Expenses:

During the three months ended December 31, 2024, we incurred \$32,737 in selling, general and administration expenses compared to \$36,943 in selling, general and administration expenses for the three months ended December 31, 2023. General and administrative expenses primarily consist of legal, accounting, consulting and other professional services fees.

Net Loss:

Net loss was \$25,359 for the three months ended December 31, 2024 compared to a net loss of \$31,787 for the three months ended December 31, 2023.

Six months ended December 31, 2024, compared to the six months ended December 31, 2023:

Revenues and Sale Expenses:

We generated \$27,800 in revenues, \$10,989 in gross profit and incurred \$16,811 in cost of sales for the six months ended December 31, 2024 compared to \$17,511 in revenues, \$6,726 in gross profit and \$10,785 in cost of sales for the six months ended December 31, 2023.

Other Operating and General and Administrative Expenses:

During the six months ended December 31, 2024, we incurred \$46,032 in selling, general and administration expenses compared to \$51,954 in selling, general and administration expenses for the six months ended December 31, 2023. General and administrative expenses primarily consist of legal, accounting, consulting and other professional services fees.

Net Loss:

Net loss was \$34,609 for the six months ended December 31, 2024 compared to a net loss of \$45,223 for the six months ended December 31, 2023.

Cash Used in Operating Activities

Net cash used in operating activities for the six months ended December 31, 2024 was \$47,505 compared to net cash used in operating activities of \$45,030 for the six months ended December 31, 2023.

Cash Provided by Financing Activities

Net cash provided by financing activities for the six months ended December 31, 2024, was \$43,604 consisting of repayment of advance of \$12,378 and capital contribution of \$55,982 from related party compared to net cash provided by financing activities of \$47,267 consisting of repayment of advance of \$2,733 and issuance of common stock of \$50,000 for the six months ended December 31, 2023.

Total Assets:

The Company's total assets were \$935 as of December 31, 2024 and \$4,836 as of June 30, 2024.

Total Liabilities:

The Company's total liabilities were \$2,551 as of December 31, 2024 compared to total liabilities of \$27,825 as of June 30, 2024.

Stockholders' Deficit:

The Company's shareholders' deficit was \$1,616 as of December 31, 2024 compared to a shareholder's deficit of \$22,989 as of June 30, 2024.

Liquidity and Capital Resources

As of December 31, 2024, we had \$935 in current assets and total current liabilities of \$4,551.

We had a working capital deficiency of \$1,616 as of December 31, 2024 compared to a working capital deficiency of \$22,989 as of June 30, 2024.

Capital Resources

We anticipate we will need \$50,000 for operations for the next 12 months, which includes \$15,000 for selling, general and administrative purposes; \$20,000 for professional fees, including legal and audit fees; \$5,000 for consulting fees; and \$10,000 for working capital. Based on the foregoing, our cash on hand will not be adequate to satisfy our ongoing cash requirements.

Future Financings

We anticipate we will need additional financing to fund our business operations in the future and will primarily rely on equity sales of our common stock and loans from related parties. We presently do not have any arrangements or commitments for additional financing in place. There is no assurance that we will achieve additional financing by either the sale of our equity securities or by debt financing. In addition, the issuance of additional shares will result in dilution to our existing stockholders.

Off-Balance Sheet Arrangements

As of December 31, 2024, we did not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial conditions, changes in financial conditions, revenues or expenses, results of operations, liquidity capital expenditures, or capital resources that is material to investors.

Contractual Obligations and Commitments

As of December 31, 2024, we did not have any contractual obligations and commitments.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

As a “small reporting issuer”, the Company is not required to provide the information required by this Item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15 under the Exchange Act, our management evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2024.

Our management, with the participation of our president (our principal executive officer, our principal accounting officer and our principal financial officer), evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) as of the end of the period covered by this report.

Based on this evaluation, our management has concluded that, as of the end of such period, our disclosure controls and procedures were not effective to ensure that information that is required to be disclosed by us in the reports we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms and (ii) accumulated and communicated to our management, including our president (our principal executive officer, our principal accounting officer and our principal financial officer), to allow timely decisions regarding required disclosure. The reason or these deficiencies are as follows:

- 1) We have an inadequate number of personnel.
- 2) We do not have sufficient segregation of duties within our accounting functions.
- 3) We have insufficient written policies and procedure over our disclosures.

Evaluation of Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Internal control over financial reporting is a process designed by, or under the supervision of, our president (our principal executive officer and our principal accounting officer and principal financial officer), to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with GAAP. Internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of our company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of our company are being made only in accordance with authorizations of management and directors of our company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our company’s assets that could have a material effect on the financial statements. Because of its inherent limitations, internal control over financial reporting may not provide absolute assurance that a misstatement of our financial statements would be prevented or detected.

Further, the evaluation of the effectiveness of internal control over financial reporting was made as of a specific date, and continued effectiveness in future periods is subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management has conducted, with the participation of our president (our principal executive officer, our principal accounting officer and our principal financial officer), an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2024 in accordance with the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control — Integrated Framework. Based on this assessment, management concluded that as of December 31, 2025, our company's internal control over financial reporting was not effective based on present company activity. Our Company is in the process of adopting specific internal control mechanisms. Future controls, among other things, will include more checks and balances and communication strategies between the management and the board to ensure efficient and effective oversight over company activities as well as more stringent accounting policies to track and update our financial reporting.

Changes in Internal Controls over Financial Reporting

As of the end of the period covered by this report, there have been no changes in the internal controls over financial reporting, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting subsequent to the date of management's last evaluation.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

To the best knowledge of the Company's directors and officers, the Company is currently not a party to any material pending legal proceeding.

ITEM 1A. RISK FACTORS

As a "smaller reporting company", we are not required to provide the information required by this Item.

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

During the quarter ended December 31, 2024, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

The following exhibits are included with this quarterly filing:

Exhibit No.	Description
31.1	Sec. 302 Certification of Chief Executive Officer/Chief Financial Officer
32.1	Sec. 906 Certification of Chief Executive Officer/Chief Financial Officer
101	Interactive data files pursuant to Rule 405 of Regulation S-T

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

JAAG Enterprises Ltd.
Registrant

Date: February 14, 2025

By: /s/ Peng Wu

Peng Wu
Chief Executive Officer and Chief Financial Officer
Principal Executive Officer, Principal Financial Officer
and Principal Accounting Officer

CERTIFICATION

I, Peng Wu, certify that:

1. I have reviewed this report on Form 10-Q.
2. Based on my knowledge, this report 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 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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-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 controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us 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 our 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 our 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; and
 - 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(s) 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 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: February 14, 2025

/s/ Peng Wu

Peng Wu

Chief Executive Officer/Chief Financial Officer

Principal Executive Officer,

Principal Financial Officer and Principal Accounting Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
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 JAAG Enterprises Ltd. (the “Company”) on Form 10-Q for the period ending December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Peng Wu, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (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 the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

IN WITNESS WHEREOF, the undersigned has executed this certification as of the 14th day of February, 2024.

/s/ Peng Wu

Peng Wu

Chief Executive Officer/Chief Financial Officer

Principal Executive Officer,

Principal Financial Officer and Principal Accounting Officer