

# EZZ LIFE SCIENCE HOLDINGS LIMITED

## APPENDIX 4E

### PRELIMINARY FINAL REPORT

#### 1. DETAILS OF REPORTING PERIOD

Name of Entity	EZZ Life Science Holdings Limited ('the Company')
ABN	83 608 363 604
Reporting Period	30 June 2021
Previous Corresponding Period	30 June 2020

#### 2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

Key information	12 months ended Current Period \$	12 months ended Previous Period \$	Increase %	Amount change \$
Revenues from ordinary activities	22,287,078	17,315,191	28.7%	4,971,887
Profit from ordinary activities after tax attributable to members	2,030,606	1,586,131	28.0%	444,475
Net profit for the period attributable to members	2,030,606	1,586,131	28.0%	444,475

#### *Dividends*

No dividend has been paid or is proposed.

#### 3. COMMENTARY ON RESULTS

Revenue increased by 28.7% from \$17,315,191 to \$22,287,078 in the year ended 30 June 2021 due to the full year impact of company owned EZZ branded products offsetting a decrease in revenue from brought-in EAORON branded products.

The sale of EZZ branded products commenced in March 2020 and revenue from these products increased by 14% from \$761,510 to \$11,369,044 in the year ended 30 June 2021.

The revenue increase was achieved through the implementation of direct-to-consumer strategies, notably the opening of the Company's online store on Tmall Global in China in July 2020 which generated 43% of total revenue in the year ended 30 June 2021, and the introduction of additional products. At the end of the year ended 30 June 2021 the Company had 39 stock keeping units on sale compared to 27 at the start of the financial year.

Revenue from the EAORON branded product fell by 34% from \$16,553,681 to \$10,918,034. The sale of EAORON products is primarily through retail outlets and the impact of COVID-19 on retail trading footfall impacted on overall sales for the year.

In June 2021 the Company announced the expansion of distributional channels with both EZZ and EAORON branded products being stocked in Costco stores in 13 Australian stores and 13 Taiwanese stores and in 14 MINISO stores in Australia.

Gross profit increased from 23% to 56% in 30 June 2021 due to the sale mix towards EZZ branded products, which had a margin of 82% compared to Eaoron branded products which had a gross margin of 29%. The margin on EAORON branded products also increased from 20% to 29% due to EAORON providing promotions on slow moving products to reduce stock and the Company focusing on selling higher margin EARON products.

Advertising and marketing expenditure increased from \$1,554,278 to \$7,843,387. The increase in expenditure was primarily to support and promote supplement products as part of the direct-to-consumer strategy on the Tmall Global platform in China.

Other overheads increased with additional overhead costs to support the growth of the Company and its operations as a listed company as well as transaction costs expensed in relation to the listing of the company in March 2021.

EBITDA (excluding other income that relates to government subsidies and the reversal of a management fee) increased by 66% from \$1,626,473 in 30 June 2020 to \$2,698,439 in 30 June 2021.

Earnings per share increased by 13% from 5.29 cents to 5.98 cents.

The Company is in a strong financial position with cash of \$8,853.644 following the proceeds from the IPO and no external debt other than lease liabilities on property leases.

#### **4. DIVIDENDS/DISTRIBUTIONS**

##### *Current period*

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

##### *Previous period*

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

#### **5. DETAILS OF DIVIDEND REINVESTMENT PLANS**

Not Applicable

#### **6. NET TANGIBLE ASSETS PER SHARE**

	Current Period \$	Previous Period \$
Net tangible asset backing per ordinary security	0.24	0.08

#### **7. DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD**

Not applicable.

#### **8. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES**

Not Applicable

#### **9. ANY OTHER SIGNIFICANT INFORMATION NEEDED BY AN INVESTOR TO MAKE AN INFORMED ASSESSMENT OF THE COMPANY'S FINANCIAL PERFORMANCE AND FINANCIAL POSITION**

Refer to the attached preliminary financial report and commentary on results above.

#### **10. FOREIGN ENTITIES**

Not applicable.

#### **11. AUDIT**

The Company's financial statements are in the process of being audited an unmodified opinion is expected to be issued.

## 12. DIRECTOR NOMINATIONS

EZZ Life Science Holdings Limited advises that its Annual General Meeting will be held on or around Wednesday, 24 November 2021. The time and other details relating to the meeting will be advised in the Notice of Meeting to be sent to all shareholders and released to ASX immediately after dispatch. In accordance with the ASX Listing Rules, valid nominations for the position of director are required to be lodged at the registered office of the Company by 5:00 pm (AEST) on Friday, 1 October 2021.

## 13. ATTACHMENTS

The preliminary financial report of the Company for the year ended 30 June 2021 is attached.

As authorized by the Board of Directors

  
Luis F Rodriguez Bravo  
Executive Director

31 August 2021

# **EZZ Life Science Holdings Limited**

**ACN 608 363 604**

**Preliminary Final Report**

**For the Year Ended 30 June 2021**

## EZZ Life Science Holdings Limited

ACN 608 363 604

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	2	22,287,078	17,315,191
Other income	2	174,589	675,906
Cost of sales		(9,828,267)	(13,288,343)
Advertising and marketing expense		(7,843,387)	(1,554,278)
Depreciation and amortisation expense		(125,518)	(146,515)
Employee benefits expense		(682,118)	(318,286)
Finance expenses		(10,752)	(5,913)
Management fees		(156,429)	(295,650)
Other expenses		(1,078,439)	(232,161)
Profit before income tax		2,736,757	2,149,951
Income tax expense	3	(706,151)	(563,820)
<b>Profit for the year</b>		<b>2,030,606</b>	<b>1,586,131</b>
<b>Other comprehensive income</b>			
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>2,030,606</b>	<b>1,586,131</b>
<b>Earnings per share</b>		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	5	5.98	5.29
Diluted earnings per share	5	5.98	5.29

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

# EZZ Life Science Holdings Limited

ACN 608 363 604

## Statement of Financial Position As At 30 June 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	8,853,644	3,174,826
Trade and other receivables	7	2,188,788	2,534,868
Inventories		271,611	32,810
Other assets		419,996	340,545
<b>TOTAL CURRENT ASSETS</b>		<b>11,734,039</b>	<b>6,083,049</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	8	131,598	96,594
Intangible assets		11,348	1,198
Deferred tax assets	9	161,687	4,169
<b>TOTAL NON-CURRENT ASSETS</b>		<b>304,633</b>	<b>101,961</b>
<b>TOTAL ASSETS</b>		<b>12,038,672</b>	<b>6,185,010</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	1,638,200	3,200,704
Current tax liabilities	9	180,102	528,655
Lease liabilities	11	79,012	31,723
Employee entitlements	12	32,262	13,887
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,929,576</b>	<b>3,774,969</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities	9	1,330	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,330</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>1,930,906</b>	<b>3,774,969</b>
<b>NET ASSETS</b>		<b>10,107,766</b>	<b>2,410,041</b>
<b>EQUITY</b>			
Issued capital	13	5,667,219	100
Retained earnings		4,440,547	2,409,941
<b>TOTAL EQUITY</b>		<b>10,107,766</b>	<b>2,410,041</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

## EZZ Life Science Holdings Limited

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### Statement of Changes in Equity For the Year Ended 30 June 2021

2021

	Issued Capital \$	Retained Earnings \$	Total \$
<b>Balance at 1 July 2020</b>	100	2,409,941	2,410,041
Profit for the year	-	2,030,606	2,030,606
Other comprehensive gain/(loss) for the year	-	-	-
<i>Transactions with owners in their capacity as owners:</i>	-	-	-
Capital contribution from IPO, net of transaction cost	5,667,119	-	5,667,119
<b>Balance at 30 June 2021</b>	<b>5,667,219</b>	<b>4,440,547</b>	<b>10,107,766</b>

2020

	Issued Capital \$	Retained Earnings \$	Total \$
<b>Balance at 1 July 2019</b>	100	823,810	823,910
Profit for the year	-	1,586,131	1,586,131
<i>Transactions with owners in their capacity as owners</i>	-	-	-
<b>Balance at 30 June 2020</b>	<b>100</b>	<b>2,409,941</b>	<b>2,410,041</b>

The above Statements of Changes in Equity should be read in conjunction with the accompanying notes.

# EZZ Life Science Holdings Limited

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## Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	23,846,355	19,585,746
Receipts from Government incentives	174,589	-
Payments to suppliers and employees	(22,662,725)	(16,218,440)
Interest paid	(10,752)	-
Income taxes paid	(1,093,934)	(392,921)
Net cash provided by/(used in) operating activities	19 <u>253,533</u>	<u>2,974,385</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payment for intangible asset	(10,150)	(1,198)
Purchase of plant and equipment	(5,967)	(90,000)
Net cash provided by/(used in) investing activities	<u>(16,117)</u>	<u>(91,198)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Payment of lease liabilities	(107,265)	(122,247)
Proceeds from issuing shares	6,000,000	-
Share issue transaction costs	(449,839)	-
Net cash provided by/(used in) financing activities	<u>5,442,896</u>	<u>(122,247)</u>
Net increase/(decrease) in cash and cash equivalents held	5,680,312	2,760,940
Effects of movements in forex	(1,494)	-
Cash and cash equivalents at the beginning of financial year	<u>3,174,826</u>	413,886
Cash and cash equivalents at the end of financial year	6 <u><u>8,853,644</u></u>	<u><u>3,174,826</u></u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.



# EZZ Life Science Holdings Limited

ACN 608 363 604

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 1 Basis of Preparation

The unaudited preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E.

These financial statements have been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards and Interpretations as issued by the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

### 2 Revenue and Other Income

	2021	2020
	\$	\$
Revenue		
- sale of goods	<u>22,287,078</u>	17,315,191
	<u>22,287,078</u>	<u>17,315,191</u>

	2021	2020
	\$	\$
Other Income		
- Reversal of management fee	-	653,766
- Government subsidy	<u>174,589</u>	22,140
	<u>174,589</u>	<u>675,906</u>

### 3 Income Tax Expense

(a) The major components of tax expense (income) comprise:

	2021	2020
	\$	\$
Current tax expense	749,820	566,846
Deferred tax expense relating to temporary differences	(162,920)	(3,026)
Deferred tax expense resulting from reduction in tax rate	6,732	-
Income tax expense relating to IPO costs directly in equity	116,958	-
Over provision for income tax in prior year	<u>(4,439)</u>	-
<b>Total income tax expense</b>	<u>706,151</u>	<u>563,820</u>

## EZZ Life Science Holdings Limited

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### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 3 Income Tax Expense (continued)

(b) Reconciliation of income tax to accounting profit:

	2021	2020
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 26% (2020: 27.5%)	711,557	591,237
Tax effect of:		
- non-deductible depreciation and amortisation	1,520	2,145
- other non-deductible expenses	699	-
- non-assessable income	(9,918)	-
- over provision for income tax in prior year	(4,439)	(29,562)
- rise in opening deferred taxes resulting from reduction in tax rate	6,732	-
<b>Income tax expense</b>	<b>706,151</b>	<b>563,820</b>

#### 4 Operating Segments

##### (a) Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

Operating segments are determined on the basis of financial information reported to the Directors which is revenue and gross profit for Brought in Lines and Company Owned products.

Therefore, management identified the Company as having two reportable segments. The financial results from these reportable segments are equivalent to the financial statements of the Company as a whole. Geographical sales information is disclosed below to assist in the understanding of the Company.

##### (b) Accounting policies adopted

All amounts reported to the Directors are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Company.

##### (c) Segment assets

Assets of the Company are maintained in Australia.

##### (d) Segment liabilities

Liabilities are generally considered to relate to the Company as a whole and are not allocated.

## EZZ Life Science Holdings Limited

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### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 4 Operating Segments (continued)

##### (e) Segment revenues

Revenue is segmented between brought in lines and Company owned products as follows:

	Brought in Lines		Company Owned		Total	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Revenue	<b>10,918,034</b>	16,553,681	<b>11,369,044</b>	761,510	<b>22,287,078</b>	17,315,191
Cost of Sales	<b>(7,798,812)</b>	(13,188,378)	<b>(2,029,455)</b>	(99,965)	<b>(9,828,267)</b>	(13,288,343)
<b>Gross profit</b>	<b>3,119,222</b>	3,365,303	<b>9,339,589</b>	661,545	<b>12,458,811</b>	4,026,848

##### (f) Geographical information

The company established an online store on Tmall Global's e-commerce platform in China during the year. Sales through Tmall Global represented 43% of the company's total revenue in the year.

	Revenue	
	2021	2020
	\$	\$
Australia and New Zealand	12,006,707	14,908,037
Mainland China	10,130,032	2,383,373
Other countries/regions	150,339	23,781
<b>Total</b>	<b>22,287,078</b>	<b>17,315,191</b>

## EZZ Life Science Holdings Limited

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### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 5 Earnings Per Share

	2021	2020
	\$	\$
Basic earnings per share (cents)	5.98	5.29
Diluted earnings per share (cents)	5.98	5.29

The calculation of the basic and diluted earnings per share is based on the following data:

##### **Earnings**

Earnings for the purpose of basic earnings per share being net loss attributable to owners of the Company	2,030,606	1,586,131
Earnings for the purpose of diluted earnings per share	2,030,606	1,586,131

##### **Number of shares**

Weighted average number of shares used in calculating basic earnings per share	33,945,205	30,000,000
Weighted average number of shares used in calculating diluted earnings per share	33,945,205	30,000,000

#### 6 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank and in hand	8,853,644	3,174,826
	<u>8,853,644</u>	<u>3,174,826</u>

#### 7 Trade and Other Receivables

	2021	2020
	\$	\$
CURRENT		
Trade receivables	2,047,618	2,339,092
Other receivables	141,170	195,776
	<u>2,188,788</u>	<u>2,534,868</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

## EZZ Life Science Holdings Limited

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### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 8 Plant and Equipment

	2021 \$	2020 \$
Motor vehicles		
At cost	90,000	90,000
Accumulated depreciation	(41,282)	(25,043)
Total motor vehicles	<u>48,718</u>	<u>64,957</u>
Computer equipment		
At cost	8,510	2,543
Accumulated depreciation	(2,909)	(1,700)
Total computer equipment	<u>5,601</u>	<u>843</u>
Right-of-Use		
At cost	154,555	153,970
Accumulated depreciation	(77,276)	(123,176)
Total right-of-use	<u>77,279</u>	<u>30,794</u>
	<u><u>131,598</u></u>	<u><u>96,594</u></u>

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	Motor Vehicles \$	Computer Equipment \$	Right-of-Use \$	Total \$
<b>Year ended 30 June 2021</b>				
Balance at the beginning of the year	64,957	843	30,794	96,594
Additions	-	5,967	154,555	160,522
Depreciation	(16,239)	(1,209)	(108,070)	(125,518)
<b>Balance at the end of the year</b>	<u><u>48,718</u></u>	<u><u>5,601</u></u>	<u><u>77,279</u></u>	<u><u>131,598</u></u>

# EZZ Life Science Holdings Limited

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## Notes to the Financial Statements For the Year Ended 30 June 2021

### 9 Tax Assets and Liabilities

	2021	2020
	\$	\$
Income tax payable	180,102	528,655
	<u>180,102</u>	<u>528,655</u>

	Opening Balance	Credited / (charged) to Income	Closing Balance
	\$	\$	\$
<b>Deferred tax assets</b>			
Components of deferred tax assets are:			
Provision for annual leave	4,169	617	4,786
IPO transaction costs	-	155,028	155,028
Accrued audit fee	-	3,900	3,900
Unrealised foreign exchange loss	-	388	388
Superannuation payable	-	4,161	4,161
Net impact of accounting for operating lease	-	451	451
Effect of tax rate change	-	(7,027)	(7,027)
<b>Balance at 30 June 2021</b>	<u>4,169</u>	<u>157,518</u>	<u>161,687</u>

#### Deferred tax liabilities

Components of deferred tax liabilities are:

Depreciation	-	1,383	1,383
Effect of tax rate change	-	(53)	(53)
<b>Balance at 30 June 2021</b>	<u>-</u>	<u>1,330</u>	<u>1,330</u>

### 10 Trade and Other Payables

	2021	2020
	\$	\$
<b>CURRENT</b>		
Trade payables - non-related parties	473,359	686,794
Trade payable to related entity - Australian United Pharmaceuticals Pty Ltd	1,116,121	2,065,936
Trade payable to related entity - Australian Health Industry Co. Pty Ltd	-	436,970
Other payables	48,720	11,004
	<u>1,638,200</u>	<u>3,200,704</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

# EZZ Life Science Holdings Limited

ACN 608 363 604

## Notes to the Financial Statements For the Year Ended 30 June 2021

### 11 Leases

#### Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Company is a lessee are shown below:

	2021	2020
	\$	\$
Interest expense on lease liabilities	(5,774)	(5,913)
Depreciation of right-of-use assets	(108,071)	(123,176)
	<u>(113,845)</u>	<u>(129,089)</u>

#### Statement of Cash Flows

	2021	2020
	\$	\$
Total cash outflow for leases	<u>(107,265)</u>	<u>(122,247)</u>

#### Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	\$	\$	\$	\$	\$
<b>2021</b>					
Lease liabilities	81,000	-	-	81,000	79,012
<b>2020</b>					
Lease liabilities	32,040	-	-	32,040	31,723

### 12 Employee Entitlements

	2021	2020
	\$	\$
Current liabilities		
Provision for annual leave	16,259	13,887
Superannuation payable	16,003	-
	<u>32,262</u>	<u>13,887</u>

## EZZ Life Science Holdings Limited

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### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 13 Issued Capital

	2021 Number of shares	2021 \$	2020 Number of shares	2020 \$
<b>Ordinary shares fully paid</b>				
At the beginning of the year	100	100	100	100
100 ordinary shares split to 30,000,000 ordinary shares	29,999,900	-	-	-
Shares issued through IPO, net of transaction costs	12,000,000	5,667,119	-	-
<b>Total ordinary shares fully paid</b>	<b>42,000,000</b>	<b>5,667,219</b>	100	100

#### (a) Ordinary shares

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

#### (b) Capital Management

The key objectives of the Company when managing capital is to safeguard its ability to continue as a going concern and maintain optimal benefits to stakeholders. The Company defines capital as its equity and net debt.

The Company manages its capital structure and makes funding decisions based on the prevailing economic environment and has a number of tools available to manage capital risk. These include the ability to adjust the size and timing of dividends paid to shareholders and the issue of new shares.



# EZZ Life Science Holdings Limited

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## Notes to the Financial Statements For the Year Ended 30 June 2021

### 14 Dividends

No dividends were declared or paid during the year.

#### Franking account

	2021	2020
	\$	\$
The franking credits available for subsequent financial years at a tax rate of 26% (2020: 27.5%)	<u>1,666,957</u>	<u>693,534</u>

The above available balance is based on the dividend franking account at year-end adjusted for:

- (a) Franking credits that will arise from the payment of the current tax liabilities;
- (b) Franking debits that will arise from the payment of dividends recognised as a liability at the year end;
- (c) Franking credits that will arise from the receipt of dividends recognised as receivables at the end of the year.

The ability to use the franking credits is dependent upon the Company's future ability to declare dividends.

### 15 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of EZZ Life Science Holdings Limited during the year are as follows.

	2021	2020
	\$	\$
Short-term employee benefits	347,885	-
Long-term benefits	22,361	-
	<u>370,246</u>	<u>-</u>

# EZZ Life Science Holdings Limited

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## Notes to the Financial Statements For the Year Ended 30 June 2021

### 16 Related Parties

(a) **The Company's main related parties are as follows:**

Key management personnel - refer to Note 15.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) **Transactions with related parties**

The Company purchases inventory from related entities, Australian United Pharmaceuticals Pty Ltd.

The Company has entered into a service arrangement with related entities Australian United Pharmaceuticals Pty Ltd and Australian Health Industry Co. Pty Ltd. These have ceased on the employment of the key personnel by the Company. In the year ended 30 June 2020 the total service fees recognised were \$295,650. No service fees were paid in the year ended 30 June 2021.

The Company has subleased its premises from a related party, Australian Health Industry Co. Pty Ltd. Australian Health Industry Co. Pty Ltd is party to the master lease with the landlord. The amount paid by the Company under its sublease is based on the same square metre rate of the master lease multiplied by the portion of the premises occupied by the Company. This agreement ceased on 30 September 2020.

The Company has entered into a lease agreement for its current property from a related party, Parramatta Asset Management Pty Ltd.

Amounts payable to related parties are disclosed in Note 10 and details of transactions with related parties are summarised below:

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Australian United Pharmaceuticals Pty Ltd</b>		
Inventory purchases	<b>8,424,358</b>	13,185,939
Management fees	-	131,400
<b>Australian Health Industry Co. Pty Ltd</b>		
Management fees	-	164,250
Premises rent	<b>32,040</b>	128,160
<b>Parramatta Asset Management Pty Ltd</b>		
Premises rent	<b>81,000</b>	-

## EZZ Life Science Holdings Limited

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### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 17 Auditors' Remuneration

	2021	2020
	\$	\$
Remuneration of the auditor Rothsay Audit & Assurance Pty Ltd, for:		
- auditing or reviewing the financial statements	15,000	13,500
<b>Total</b>	<b>15,000</b>	<b>13,500</b>

#### 18 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2021 (30 June 2020: None).

#### 19 Cash Flow Information

##### Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2021	2020
	\$	\$
Profit after income tax	2,030,606	1,586,131
Non-cash flows in profit:		
- depreciation	125,519	146,515
- effects of foreign exchange	1,494	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	346,080	(464,972)
- (increase)/decrease in inventories	(238,801)	(32,810)
- (increase)/decrease in other assets	(79,452)	-
- (increase)/decrease in DTA	(157,518)	-
- increase/(decrease) in trade and other payables	(1,562,505)	1,558,546
- increase/(decrease) in income taxes	(231,595)	170,899
- increase/(decrease) in employee entitlements	18,375	10,076
- increase/(decrease) in DTL	1,330	-
Cashflows from operations	<b>253,533</b>	<b>2,974,385</b>

#### 20 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial year.