

Appendix 4D

Half-year report

1. Company Details

Name of Entity

EZZ Life Science Holdings Limited

ABN

83 608 363 604

Half year ended ("current period")

31 December 2021

Half year ended ("previous period")

30 December 2020

2. Results for announcement to the market

		31 Dec 2021	31 Dec 2020
		\$	\$
2.1 Revenues from continuing operations	Down 50.5%	6,213,787	12,564,565
2.2 Profit (loss) from continuing operations after tax attributable to members	Down 91.8%	99,800	1,222,939
2.3 Net profit (loss) for the period attributable to members	Down 91.8%	99,800	1,222,939
2.4 Dividends	Amount per security	Franked amount per security	
Interim dividend declared	0.45 cents	0.45 cents	
2.5 Record date for determining entitlements to the dividend		10 November 2021	
2.6 Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable figures to be understood.			
Please refer to the ‘Review of operations’ section included within the directors’ report of the attached financial statements for the half-year ended 31 December 2021.			

3. Net tangible assets per security

	31 Dec 2021	31 Dec 2020
	\$	\$
Net tangible asset backing per ordinary security	0.24	0.12

4. Details of entities over which control has been gained or lost

N/A

5. Dividends

Individual dividends per security

	Date dividend is payable	Amount per security	Franked amount per security at 25% tax	Amount per security of foreign source dividend
Interim dividend: Current period	16 Dec 2021	0.45 cents	0.45 cents	N/A
Previous period	N/A	N/A	N/A	N/A

6. Dividend reinvestment plans

The dividend or distribution plans shown below are in operation.

N/A	
The last date(s) for receipt of election notices for the dividend or distribution plans.	N/A

7. Details of associates and joint entities

N/A

8. Foreign entities

For foreign entities, which set of accounting standards is used in compiling the report.
N/A

9. Audit

The Company's financial statements were subject to a review by the auditors and the auditor's review report is attached as part of the attached half-year ended 31 December 2021 financial report.

10. Attachments

The financial statements of the Company for the half-year ended 31 December 2021 is attached.

As authorized by the Board of Directors



Qizhou (Mark) Qin
Executive Director

28 February 2022

EZZ Life Science Holdings Limited
ACN 608 363 604

Financial Statements
For the Half-Year Ended 31 December 2021

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Corporate Directory

Directors	Glenn Cross, Non-Executive Chair Qizhou (Mark) Qin, Executive Director and Interim CEO Ivan Oshry, LLB, Non-Executive Director Hao Hang, Non-Executive Director
Company secretary	Natalie Climo, LLB
Registered office	104 Derby Street, Silverwater, NSW 2128, Australia 02 9160 2305
Principle place of business	104 Derby Street, Silverwater, NSW 2128, Australia
Share register	Boardroom Pty Limited Level 12, 225 George Street, Sydney, NSW 2000 1300 737 760
Auditor	Rothsay Audit & Assurance Pty Ltd Level 1, 6-10 O'Connell Street, Sydney, NSW 2000
Stock exchange listing	EZZ Life Science Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: EZZ)
Website	www.ezzlife.com.au

Directors' Report

The directors present their report on EZZ Life Science Holdings Limited (referred to hereafter as the 'Company') for the half-year ended 31 December 2021.

Directors

The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Glenn Cross	(appointed 1 December 2021)
Qizhou (Mark) Qin	(appointed 1 September 2019)
Ivan Oshry	(appointed 27 October 2020)
Hao Huang	(appointed 27 October 2020)
Philippa Lewis	(appointed 27 October 2020, resigned 23 November 2021)
Luis Rodriguez Bravo	(appointed 8 July 2020, resigned 8 October 2021)

Company secretary

Ms Natalie Climo	(appointed 27 October 2020)
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Principal activities

During the financial year the principal activities of the Company included:

- formulation, production, marketing and sale of the EZZ branded health supplements to retailers and consumers domestically and internationally, and
- wholesale distribution of the EAORON branded skin care products to retailers in Australia and New Zealand.

From 10 February 2022 EZZ has been reclassified within the ASX sector -industry classifications and now becomes part of the 'Life Sciences Tools & Services' industry grouping.

Dividends

A fully franked final dividend of 0.45 cents per ordinary share was declared on 27 September 2021 and paid on 16 December 2021, resulting in a total dividend payment of \$189,000 based on the number of ordinary shares on issue.

Review of operations

In the past two years, many countries faced supply chain disruption and severe logistics delay, causing many businesses to shut down whilst many others to experience a significant drop in the revenue. EZZ hasn't been immune to these consequences, yet it has managed to still run profitably as a result of effective cost control.

Revenue dropped by 50% from \$12,564,565 in 1H 2021 to \$6,213,787 in 1H FY22.

The sale of EZZ branded products from Tmall Global in China, which contributed 43% to the total revenue in FY21, fell from July 2021 significantly. The drop in revenue was after Alibaba Group Holdings Limited being penalised by market regulators as China stepped up antitrust scrutiny in the technology sector. Tmall Global is a part of Alibaba Group Holdings Limited.

Revenue from the EAORON branded product also fell by 34% from \$5,539,507 in 1H FY21 to \$3,642,001 in 1H FY22. The sale of EAORON products was primarily through retail outlets and the impact of COVID-19 especially lockdown orders imposed by the Australian government continued to adversely impact the sales of the EAORON branded products for the period.

Directors' Report

Gross profit margin dropped from 58% in 1H FY21 to 48% in 1H FY22 largely due to the shift of revenue mix towards products with lower margin.

In response to a multi-country supply chain disruption experienced by the retail industry, lack of retail trading footfall in Australia and New Zealand and an anticipated cooling down of Tmall Global's transaction volume in Double Eleven eCommerce shopping festival in mainland China, the Company made a decision to reduce its advertising and marketing expenditure, which decreased from \$4,674,035 in 1H FY21 to \$1,241,060 in 1H FY22.

As a part of the Company's strategic plan, it successfully established four new distribution channels in USA, Singapore and China. Towards the end of December 2021, it also successfully launched its online store and initiated discussion with multiple rival eCommerce platforms that are expected to take market share from Alibaba's Tmall Global.

Overhead increased in 1H FY21 to support the development of eCommerce capability, maintain the Company as an ASX listed entity and explore opportunities for future growth.

EBITDA decreased from \$1,749,502 in the six months to 31 December 2020 to \$176,402 in the six months to 31 December 2021. EBITDA (excluding other income that relates to government subsidies) reconciles to profit for the half-year as follows:

	31 December 2021	31 December 2020
	\$	\$
Profit for the year	99,800	1,222,939
Other income	(106,200)	(136,441)
Depreciation and amortisation expense	58,762	65,056
Finance expenses	1,721	2,512
Income tax expense	16,119	458,995
EBITDA (excluding other income)	70,202	1,613,061

Operating cash flow fell from \$701,483 in 1H FY21 to \$320,280 in 1H FY22, primarily due to the decrease in receipts from customers.

Despite of the decrease on operating cash flow, the Company's cash increased by 1% to \$8,946,407 as at 31 December 2021, after distributing an interim dividend of 0.45 cents per share. It continued to operate with nil external debt (other than property lease liabilities) for 1H FY22.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Matters subsequent to the end of the financial year

COVID-19 continued to impact the markets that the Company serve and it caused unforeseen issues and complexity across the supply chain. However, many countries are slowly opening their borders and adjusting to living with COVID and slowing returning to the 'new' normal. The Company anticipates sales to slowly recover during the second half of the year. The company also accelerated its strategic plan of factory acquisition to ease supply chain shortages.

Directors' Report

Likely developments and expected results of operations

The Company's main business growth strategies are:

- To expand the distribution channels in Australia and New Zealand into further pharmacies and grocery retailers.
- Implement and accelerate the direct-to-consumer strategy in ANZ and other countries by setting up online stores on key e-commerce platforms.
- Invest in research and development in genomics and precision nutrition research with a focus on longevity, weight management, human papillomavirus, and helicobacter pylori.
- Invest in technology and establish in-house e-commerce capability.
- Enhance cooperation with laboratories and scientific research institutions for the research and development of life science projects.

Environmental regulation

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191 dated 24 March 2016 issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

Rothsay Audit & Assurance Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.



Qizhou (Mark) Qin
Executive Director



Glenn Cross
Non-Executive Chair

Sydney, 28 February 2022

EZZ LIFE SCIENCE HOLDINGS LIMITED

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001*

As lead auditor for the review of EZZ Life Science Holdings Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

Rothsay Audit & Assurance Pty Ltd



Daniel Dalla

Director

Sydney, 28 February 2022

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Statement of Profit and Loss and Other Comprehensive Income

For the half-year ended 31 December 2021

		31 December 2021	31 December 2020
	Note	\$	\$
Revenue	2	6,213,787	12,564,565
Other income	2	106,200	136,441
Cost of sales		(3,225,481)	(5,260,355)
Advertising and marketing expense		(1,241,060)	(4,674,035)
Depreciation and amortisation expense		(58,762)	(65,056)
Employee benefits expense		(414,311)	(301,153)
Finance expenses		(1,721)	(2,512)
Management fees		(157,455)	(20,949)
Other expenses		(1,105,278)	(695,012)
Profit before income tax		115,919	1,681,934
Income tax expense	3	(16,119)	(458,995)
Profit for the year		99,800	1,222,939
Other comprehensive income			
Other comprehensive income		-	-
Total comprehensive income for the year		99,800	1,222,939
Earnings per share			
		Cents	Cents
Basic earnings per share	5	0.24	4.08
Diluted earnings per share	5	0.24	4.08

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 31 December 2021

		31 December 2021	30 June 2021
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		8,946,407	8,853,644
Trade and other receivables	6	1,532,652	2,188,788
Inventories		494,544	271,611
Other assets		514,619	419,996
TOTAL CURRENT ASSETS		11,488,222	11,734,039
NON-CURRENT ASSETS			
Plant and equipment	7	72,836	131,598
Intangible assets	8	18,848	11,348
Deferred tax assets	9	177,078	161,687
TOTAL NON-CURRENT ASSETS		268,762	304,633
TOTAL ASSETS		11,756,984	12,038,672
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	1,571,707	1,638,200
Current tax liabilities	9	70,359	180,102
Lease liabilities	11	26,733	79,012
Employee entitlements	12	34,764	32,262
TOTAL CURRENT LIABILITIES		1,703,563	1,929,576
NON-CURRENT LIABILITIES			
Deferred tax liabilities	9	12,530	1,330
TOTAL NON-CURRENT LIABILITIES		12,530	1,330
TOTAL LIABILITIES		1,716,093	1,930,906
NET ASSETS		10,040,891	10,107,766
EQUITY			
Issued capital	13	5,667,219	5,667,219
Retained earnings		4,351,347	4,440,547
Reserves	14	22,325	-
TOTAL EQUITY		10,040,891	10,107,766

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the half-year ended 31 December 2021

		31 December 2021	31 December 2020
	Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		7,303,849	15,126,108
Receipts from Government incentives		105,978	-
Payments to suppliers and employees		(6,957,774)	(14,355,713)
Interest paid		(1,721)	(2,512)
Income tax paid		(130,052)	(66,400)
Net cash provided by/(used in) operating activities	19	320,280	701,483
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payment for intangible assets		(7,500)	(8,760)
Purchase of plant and equipment		-	(1,166)
Net cash provided by/(used in) investing activities		(7,500)	(9,926)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payment of lease liabilities		(52,279)	(56,528)
Dividends paid		(167,432)	-
Net cash provided by/(used in) financing activities		(219,711)	(56,528)
Net increase/(decrease) in cash and cash equivalents held		93,069	635,029
Effects of movements in forex		(306)	-
Cash and cash equivalents at the beginning of financial year		8,853,644	3,174,826
Cash and cash equivalents at the end of financial year		8,946,407	3,809,855

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the half-year ended 31 December 2021

2022

	Issued Capital \$	Share Payment Reserve	Retained Earnings \$	Total \$
Balance at 1 July 2021	5,667,219	-	4,440,547	10,107,766
Profit for the half-year	-	-	99,800	99,800
Other comprehensive gain/(loss) for the year	-	-	-	-
Dividends paid	-		(189,000)	(189,000)
Share-based payments	-	22,325	-	22,325
Balance at 31 December 2021	5,667,219	22,325	4,351,347	10,040,891

2021

	Issued Capital \$	Retained Earnings \$	Total \$
Balance at 1 July 2020	100	2,409,941	2,410,041
Profit for the half-year	-	1,222,939	1,222,939
Other comprehensive gain/(loss) for the year	-	-	-
Balance at 31 December 2020	100	3,632,880	3,632,980

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the half-year ended 31 December 2021

The financial report covers EZZ Life Science Holdings Limited ("the Company") as an individual entity. EZZ Life Science Holdings Limited is a for-profit Company limited by shares, incorporated and domiciled in Australia.

The functional and presentation currency of EZZ Life Science Holdings Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 28 February 2022.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

These general purpose financial statements for the interim half-year period ended 31 December 2021 have been prepared in accordance with the Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit orientated entities. Compliance with AASB 134 ensure compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

2 Revenue and Other Income

	31 December 2021	31 December 2020
	\$	\$
Revenue		
- sale of goods – recognised at a point in time	6,213,787	12,564,565
	6,213,787	12,564,565
	31 December 2021	31 December 2020
	\$	\$
Other Income		
- Government subsidy	105,978	136,441
- Other revenue	222	-
	106,200	136,441

Notes to the Financial Statements

For the half-year ended 31 December 2021

3 Income Tax Expense

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

	31 December 2021	31 December 2020
	\$	\$
Current tax expense	20,309	524,545
Deferred tax expense relating to temporary differences	(4,190)	(65,550)
Total income tax expense	16,119	458,995

(b) Reconciliation of income tax to accounting profit:

	31 December 2021	31 December 2020
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 25% (31 December 2020: 27.5%)	28,980	462,532
Tax effect of:		
- non-deductible depreciation and amortisation	553	880
- other non-deductible expenses	5,581	-
- non-assessable income	(18,995)	-
- current tax of prior periods	-	(4,417)
Income tax expense	16,119	458,995

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

Notes to the Financial Statements

For the half-year ended 31 December 2021

4 Operating Segments (continued)

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.

(e) Segment Revenues

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

	Brought in Lines		Company Owned		Total	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	\$	\$	\$	\$	\$	\$
Revenue	3,468,035	5,539,507	2,745,752	7,025,058	6,213,787	12,564,565
Cost of Sales	(2,370,960)	(4,346,171)	(854,521)	(914,184)	(3,225,481)	(5,260,355)
Total	1,097,075	1,193,336	1,891,231	6,110,874	2,988,306	7,304,210

(f) Geographical information

	Revenue	
	31 December 2021	31 December 2020
	\$	\$
Australia and New Zealand	4,479,142	5,683,264
Mainland China	1,709,220	6,832,737
Other countries/regions	25,425	48,564
Total	6,213,787	12,564,565

Notes to the Financial Statements

For the half-year ended 31 December 2021

5 Earnings Per Share

	31 December 2021	31 December 2020
	\$	\$
Basic earnings per share (cents)	0.24	4.08
Diluted earnings per share (cents)	0.24	4.08

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 profit attributable to owners of the Company	99,800	1,222,939
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Number of shares

Number of shares used in calculating basic earnings per share*	42,000,000	30,000,000
Weighted average number of shares used in calculating diluted earnings per share*	42,000,000	30,000,000

*Excludes 760,000 restricted shares issued during the half-year.

6 Trade and Other Receivables

	31 December 2021	30 June 2021
	\$	\$
CURRENT		
Trade receivables	1,517,010	2,047,618
Other receivables	15,642	141,170
	1,532,652	2,188,788

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.

Notes to the Financial Statements

For the half-year ended 31 December 2021

7 Plant and Equipment

	31 December 2021	30 June 2021
	\$	\$
Motor vehicles		
At cost	90,000	90,000
Accumulated depreciation	(47,422)	(41,282)
Total motor vehicles	42,578	48,718
Computer equipment		
At cost	8,510	8,510
Accumulated depreciation	(4,015)	(2,909)
Total computer equipment	4,495	5,601
Right-of-Use		
At cost	154,555	154,555
Accumulated depreciation	(128,792)	(77,276)
Total right-of-use	25,763	77,279
	72,836	131,598

Notes to the Financial Statements

For the half-year ended 31 December 2021

8 Intangible Assets

	31 December 2021	30 June 2021
	\$	\$
Trademark	11,348	11,348
Other	7,500	-
	18,848	11,348

9 Tax Assets and Liabilities

	31 December 2021	30 June 2021
	\$	\$
Income tax payable	70,359	180,102
	70,359	180,102

Deferred tax assets

Components of deferred tax assets are:

	Opening Balance	Credited / (charged) to Income	Closing Balance
	\$	\$	\$
Employee leave entitlements	4,065	346	4,411
IPO transaction costs	149,065	(18,633)	130,432
Accrued audit fee	3,750	(3,750)	-
Accrued management fee	-	37,262	37,262
Unrealised foreign exchange loss	373	77	450
Superannuation payable	4,001	279	4,280
Net impact of accounting for operating lease	433	(190)	243
Balance at 31 December 2021	161,687	15,391	177,078

Notes to the Financial Statements

For the half-year ended 31 December 2021

	Opening Balance	Credited / (charged) to Income	Closing Balance
	\$	\$	\$
Deferred tax liabilities			
Components of deferred tax liabilities are:			
Depreciation	1,330	(253)	1,077
Prepayment	-	11,453	11,453
Balance at 31 December 2021	1,330	11,200	12,530

10 Trade and Other Payables

	31 December 2021	30 June 2021
	\$	\$
CURRENT		
Trade payables - non-related parties	514,809	473,359
Trade payable to related entity - Australian United Pharmaceuticals Pty Ltd	870,995	1,116,121
Other payables	185,903	48,720
	1,571,707	1,638,200

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.

Notes to the Financial Statements

For the half-year ended 31 December 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:

	31 December 2021	31 December 2020
	\$	\$
Interest expense on lease liabilities	1,721	2,512
Depreciation of right-of-use assets	51,516	56,553
	53,237	59,065

Statement of Cash Flows

	31 December 2021	31 December 2020
	\$	\$
Total cash outflow for leases	52,279	56,528

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 \$
31 December 2021					
Lease liabilities	27,000	-	-	27,000	26,733
30 June 2021					
Lease liabilities	81,000	-	-	81,000	79,012

Notes to the Financial Statements

For the half-year ended 31 December 2021

12 Employee Entitlements

	31 December 2021	30 June 2021
	\$	\$
Current liabilities		
Annual leave entitlements	17,644	16,259
Superannuation payable	17,120	16,003
	34,764	32,262

13 Issued Capital

	31 December 2021 Number of shares	31 December 2021 \$	30 June 2021 Number of shares	30 June 2021 \$
Ordinary shares fully paid				
At the beginning of the period	42,000,000	5,667,219	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
Total ordinary shares fully paid*	42,000,000	5,667,219	42,000,000	5,667,219

*Excludes 760,000 restricted shares issues during the half-year.

14 Reserves

	31 December 2021	30 June 2021
	\$	\$
Share payment reserve	22,325	-
	22,325	-

Notes to the Financial Statements

For the half-year ended 31 December 2021

15 Dividends

A fully franked final dividend of 0.45 cents per ordinary share was paid on 16 December 2021, resulting in a total dividend payment of \$189,000 based on the number of ordinary shares on issue was declared on 27 September 2021.

	31 December 2021		31 December 2020	
	Cents per share	\$	Cents per share	\$
Dividend payments on ordinary shares				
2021 final dividend (31 December 2020: None)	0.45	189,000	-	-
Total dividends on ordinary shares paid to owners of the Company	0.45	189,000	-	-

16 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.

	31 December 2021	31 December 2020
	\$	\$
Short-term employee benefits	243,293	117,885
Post-employment benefits	9,659	11,199
	252,952	129,084

17 Related Parties

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

Key management personnel - refer to Note 16.

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.

Notes to the Financial Statements

For the half-year ended 31 December 2021

17 Related Parties (continued)

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:

	31 December 2021 \$	31 December 2020 \$
Australian United Pharmaceuticals Pty Ltd		
Inventory purchases	2,312,906	4,972,856
Australian Health Industry Co. Pty Ltd		
Premises rent	-	32,040
Parramatta Asset Management Pty Ltd		
Premises rent	54,000	27,000

18 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2021 (30 June 2021: None).

Notes to the Financial Statements

For the half-year ended 31 December 2021

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:

	31 December 2021	31 December 2020
	\$	\$
Profit after income tax	99,800	1,222,939
Non-cash flows in profit:		
- depreciation	58,762	65,056
- effects of foreign exchange	306	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	656,136	1,061,609
- (increase)/decrease in inventories	(222,933)	(352,897)
- (increase)/decrease in prepayments and other assets	(94,623)	(47,877)
- increase/(decrease) in trade and other payables	(88,062)	(1,642,718)
- increase/(decrease) in income taxes	(113,933)	392,595
- increase/(decrease) in employee entitlements	24,827	2,776
Cashflows from operations	320,280	701,483

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.

21 Statutory Information

The registered office and principal place of business of the Company is:

EZZ Life Science Holdings Limited

104 Derby Street

Silverwater NSW 2074

Directors' Declaration

In the directors' opinion:

1. the financial statements and notes for the half-year ended 31 December 2021 are in accordance with the *Corporations Act 2001* including:
 - a. giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date, and
 - b. complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and;
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Qizhou (Mark) Qin
Executive Director



Glenn Cross
Non-Executive Chair

Sydney, 28 February 2022

EZZ LIFE SCIENCE HOLDINGS LIMITED

INDEPENDENT REVIEWER'S REPORT

To the members of EZZ Life Science Holdings Limited

Report on the Half-Year Financial Report

We have reviewed the half-year financial report of EZZ Life Science Holdings Limited ("the Company"), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the consolidated half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of EZZ Life Science Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



EZZ LIFE SCIENCE HOLDINGS LIMITED

INDEPENDENT REVIEWER'S REPORT

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of EZZ Life Science Holdings Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of EZZ Life Science Holdings Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Rothsay Audit & Assurance Pty Ltd

Daniel Dalla

Director

Sydney, 28 February 2022