

ANTI-AGING HOUSE HOLDING LIMITED

(ARBN: 606 301 106)



ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

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1. CORPORATE GOVERNANCE STATEMENT

The Board has the responsibility of ensuring that the Company is properly managed so as to protect and enhance shareholders' interests in a manner that is consistent with the Company's responsibility to meet its obligations to governance policies with which it interacts. The Board has adopted what it believes to be appropriate corporate governance policies and practices having regard to its size and nature of activities.

The main corporate governance policies are summarised below:

Director's Access to Independent Advice

It is the Board's policy that any committees established by the Board should:

- a. Be entitled to obtain independent professional or other advice at the cost of the Company, unless the Board determines otherwise; and
- b. Be entitled to obtain such resources and information from the Company including direct access to employees of and advisers to the Company as they might require; and
- c. Operate in accordance with the terms of reference established by the Board.

Audit Board and Risk Management Committee

The Board meets with the external auditors at least once a year. The specific activities include assessing and monitoring:

- a. The adequacy of the Company's internal controls and procedures to ensure compliance with all applicable legal obligations; and
- b. The adequacy of the financial risk management processes.
 - The appointment of the external auditor
 - Any reports prepared by the external auditor
 - Listing rules with the external auditor

Remuneration Committee

The Board in fulfilling its responsibilities to shareholders by:

- a. Reviewing and approving the executive remuneration policy to enable the Company to attract and retain executives and Directors who will create value for shareholders; and
- b. The Board ensuring that the executive remuneration policy demonstrates a clear relationship between key executive performance and remuneration.

Management Succession Planning Committee

The Board will monitor this development:

- a. Maintaining a Board that has an appropriate mix of skills and experience to be an effective decision making body; and
- b. Ensuring that the Board is comprised of Directors who contribute to the successful management of the Company and discharge their duties having regard to the law, and the highest standards of corporate governance.

2. DIRECTOR'S REPORT

The Directors of Anti-Aging House Holding Limited present their report on the Company for the financial period ended 31 December 2018:

Directors

The names of directors in office at any time during or since the end of the period are:

- Mr. Chen Jiwu
- Mr. Chen Dongliang
- Ms. Hu Lirong
- Mr. Chang Yingming
- Mr. Li Jun

Mr. Chen jiwu has been a director from incorporation on 18 May 2015 and continued until the date of this report.

Mr. Chen Dongliang has been a director from incorporation on 18 April 2017 and continued until the date of this report.

Ms. Hu Lirong has been a director from incorporation on 18 April 2017 and continued until the date of this report.

Mr. Chang Yingming has been a director from incorporation on 18 May 2015 and continued until the date of this report.

Mr. Li Jun has been a director from incorporation on 18 April 2017 and continued until the date of this report.

Registered Agent and Registration Office (BVI)

The Company's registration agent from 5 February 2010 has been held by Portcullis TrustNet (BVI) Limited

Company Secretary

The position of company secretary from 15 May 2016 has been held by Ms. Cui Qiqi and Mr. Li Jun

Share Registrar

The Company's share registrar has been by BoardRoom Pty Limited since 04 Jun 2015.

Principle Activities

The principle activity of the Company and its Subsidiary is in the marketing and product development of anti-aging products.

Our Business and Objectives

Anti-aging products and its developments are the main focus of the Company, which continues to generate revenue to sustain the operations of the Company. The Company will continue to development new products and expand its sales network locally and beyond border to gain more market share and penetration of the industry to have a better financial performance for years to come.

Operating Results

The Company incurred a net operating gain for the period ended 31 December 2018 of (AUD9,748,051).

The Company continues with its anti-aging products on the platform of weChat and normal channel of marketing and distribution.

The Company has launched the second-generation product of UTU PVF on 14 March 2018 in Wuhan City.

The revenue was up by 10% compares to 2017 financial performance but gross profit was down by approximately 22% due to increase of cost of sales. The Company had made allowance for impairment of receivable of AUD9,851,501.

Summary of Performance

A Summary of the previous three year's performance is shown below:

	2016 AUD \$	2017 AUD \$	2018 AUD \$
Gross revenue	4,661,262	4,822,365	5,200,899
Cost of revenue	3,600,163	3,734,161	4,368,196
Net revenue	1,061,099	1,088,204	832,703
EBITDA	164,784	235,336	(9,662,794)
Profit/(loss) before tax	167,588	235,024	(9,663,354)
Total assets	14,298,467	14,137,534	4,068,937
Total liabilities	1,929,814	1,439,119	1,139,334
Shareholders' funds	12,368,653	12,698,415	2,929,603
Earnings per share	0.01	0.01	(0.01)

The Shares of the A2H were last traded at AUD \$0.21 for the year ended 31 December 2018

Dividends Paid or Recommended

No dividends have been paid since the date of incorporation and the directors do not recommend the payment of a dividend.

Review of Operations

Anti-Aging House Holding Limited was incorporated on 25 February 2010. During the course of the period it issued an Information Memorandum to have its shares admitted for quotation on the National Stock Exchange of Australia Limited (NSX). Anti-Aging House Holding Limited was officially listed on the NSX on the 26th May 2016 under the stock name "A2H".

Financial Position

The net assets of the Company during the financial period other than those disclosed elsewhere in this report.

Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Company during the financial period other than those disclosed elsewhere in this report.

After Balance Date Events

There have been no events that have affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in the future since the Balance Date.

Future Developments and Business Strategies

The Company will pursue its investment objectives for the long-term benefit of members. This will require the continued review of the investment strategy that is in place and may from time to time require some changes to that strategy.

We do not believe it is possible or appropriate to make a prediction on the future course of markets or the performance of our investments. Accordingly, we do not provide a forecast of the likely results of our activities.

Environmental Issues

The Company's operations are not regulated by any significant environmental regulation under the law of China, Australia or elsewhere.

Information on Directors

I). Mr. Chen Jiwu, Executive Director and Executive Chairman and CEO

Board member from 18 May 2015 to date

Qualification and Experience

Mr. Chen is the Executive Director and Executive Chairman of the Board of Directors and is also the Chief Executive Officer of the Company. He is the founder of the Company, and holds a Bachelor Degree in Economics from the Wuhan Hanjiang University.

Since the inception of Anti-Aging House Technology (Wuhan) Company Limited, Mr. Chen is responsible for making strategic decisions for the group and has experience in finance and marketing. He has excellent public relations skill that has contributed to the growth of the Company business and established good business practices within the group. As the founder of Anti-aging, Mr. Chen has more than 10 years of experience in the health food business industry and is a well-known entrepreneur in Wuhan City.

Mr. Chen is also the Chairman of China Health Promotion Foundation & Health Management Association, and is the Principle of China Polypeptide Group Health Management Institute. Mr. Chen, aged 61, is a resident of China.

Interest in Shares and Options	:	500,000 CDI's
Preference Shares	:	Nil
Special Responsibilities	:	Nil
Directorships held in other listed Entities	:	Nil

II). Mr. Chen Dongliang, Executive Director

Board member from 18 April 2017 to date

Qualification and Experience

Mr. Chen, aged 57, is the resident of China. He graduated from Ludwig-Maximilians-Universität München. He has a PhD in molecular biology and nutritional physiology.

Dr. Chen has published many books, such as Polypeptide Nutrition, The World of The Polypeptide, The Latest Anti-aging medicine, and The Chart of Physiology. He was the founder of the theory of polypeptide nutrition and polypeptide for anti-aging, and was the Leader of Polypeptide respectfully.

Interest in Shares and Options	:	356,647,200 CDI's
Special Responsibilities	:	Nil
Directorships held in other listed Entities	:	Nil

III). Mr. Hu Lirong, Executive Director and Sales Director

Board member from 18 April 2017 to date

Qualification and Experience

Ms. Hu, aged 56, is the resident of China. She Graduated from Hubei University majoring in Accounting and Finance having qualified accounting certification.

Ms. Hu has been appointed by Anti-Aging House Technology (Wuhan) Company Limited as CFO since 2016. Ms. Hu is responsible for the formulation of financial policies and financial strategic planning, reviewing and approving budgets & financial management policies, auditing and financial reporting.

Ms. Hu has more than 35 years of work experiences in the accounting and finance fields and provides extensive accounting and finance knowledge to the Company.

Interest in Shares and Options	:	19,951,200 CDI's
Special Responsibilities	:	Nil
Directorships held in other listed Entities	:	Nil

IV). Mr. Chang Yingming, Independent Non-Executive Director

Board member from 18 May 2015 to date

Qualification and Experience

Mr. Chang is the Non-Executive and Independent Director of the Board of Directors of the Company. Mr. Chang holds a Bachelor Degree majoring in Clinical Medicine from the Fourth Military Medical University.

Mr. Chang is a qualified military doctor in China and has more than 40 years of experience in the hospital operation and management. He had previously worked with China Second Artillery Army Hospital as the Principle for more than 20 years. Mr. Chang is also the Secretary-General of China Health Promotion Foundation.

Mr. Chang, aged 70, is the resident of China.

Interest in Shares and Options	:	200,000 CDI's
Special Responsibilities	:	Nil
Directorships held in other listed Entities	:	Nil

V). Mr. Li Jun, Independent Non-Executive Director

Board member from 18 April 2017 to date

Qualification and Experience

Mr. Li, aged 45, is the resident of China. He graduated from Wuhan International Business and Economic University majoring in Accounting and Finance, and has a Master Degree in Business Administration.

Mr. Li has been appointed by DB FortuneAU Investment Management Limited as CEO since 2016. Mr. Li has a qualification of Senior Business Operator in China.

Interest in Shares and Options	:	22,894,000 CDI's
Special Responsibilities	:	Nil
Directorships held in other listed Entities	:	Nil

Dated: 31nd March 2019



Mr. Chen Jiwu

3. REMUNERATION REPORT

This report details the nature and amount of remuneration for each director of Anti-Aging House Holding Limited, and for the executives receiving the highest remuneration.

Remuneration Policy

All issues in relation of both Executive Directors and Non-Executive Directors are dealt with by the Board as a whole.

The Constitution of Anti-Aging House Holding Limited requires approval by the shareholders in general meetings of a maximum amount for consideration in general meeting, and in determining the allocation, the Board takes account of the time demands made on Directors, together with such factors as the general level of fees paid to Directors. The amount of remuneration currently approved by shareholders for Non-Executive Directors is a maximum of AUD70,000 per annum.

Non-Executive Directors hold office until such as they retire, resign or are removed from office under the terms set out in the constitution of the Company. Non-Executive Directors do not receive any performance based remuneration.

Detail of remuneration for period ended 31 December 2018

Detail of the remuneration for each Director of the Company is as follows:

	Name	Salary & Fees	Superannuation Contributions	Total
		AUD	AUD	AUD
1.	Mr. Chen Jiwu	22,836	-	22,836
2.	Mr. Chen Dongliang	0	-	0
3.	Ms. Hu Lirong	0	-	0
4	Mr. Chang Yingming	0	-	0
5	Mr. Li Jun	0	-	0
	Total	22,836	-	22,836

* Anti-Aging House Technology (Wuhan) Company Limited, a wholly subsidiary company of Anti-Aging House Holding Limited paid AUD22,836 to Mr. Chen Jiwu as Executive Director & CEO.

4. STOCK EXCHANGE INFORMATION

TOP 20 ORDINARY SHAREHOLDERS AS AT 31TH DECEMBER 2018

Top 20 Holdings as at 31-12-2018		
Shareholder	Shares	% of issued
CHEN DONGLIANG	356,647,200	38.808%
AG ARTS INVESTMENT LIMITED	92,512,510	10.067%
RIGHT OCEAN INVESTMENTS	82,353,600	8.961%
WEALTH CHANCE INVESTMENT	79,972,800	8.702%
REN YI	50,400,000	5.484%
GU SHENGBIN	30,000,000	3.264%
JUN LI	22,894,000	2.491%
QIQI CUI	20,000,000	2.176%
MR RAO BANGFU	19,993,500	2.176%
HU LIRONG	19,951,200	2.171%
MRS YUAN ZHENGRONG	19,912,000	2.167%
KAICHAO PENG	19,824,000	2.157%
CHEN XI	15,255,850	1.660%
MR ZHAN YIHUA	14,891,000	1.620%
SHAO SHIHAI	13,515,600	1.471%
FENG YU	12,200,000	1.328%
LIU HONG	10,100,000	1.099%
DU HONGYAN	9,000,000	0.979%
HOU YANSHEN	5,971,350	0.650%
SHEN ZHUYING	4,494,000	0.489%

Analysis of Holdings as at 31-12-2018			
Securities			
CHESS Depositary Interests Over Fully Paid Ordinary Shares			
Holdings Ranges	Holders	Total Units	%
1-1,000	0	0	0.000
1,001-5,000	2	5,000	0.001
5,001-10,000	5	43,800	0.005
10,001-100,000	7	324,500	0.035
100,001-99,999,999,999	70	918,623,610	99.959
Totals	84	918,996,910	100.000

5. CORPORATE DIRECTORY

DIRECTORS

Mr. Chen Jiwu
Mr. Chen Dongliang
Ms. Hu Lirong
Mr. Chang Yingming
Mr. Li Jun

REGISTERED OFFICE

Portcullis TrustNet (BVI) Limited
Portcullis TrustNet Chambers
P.O. Box 3444, Road Town, Tortola
British Virgin Islands

SHARE REGISTRAR

BoardRoom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000
Australia

OPERATIONAL OFFICE

C/O: Anti-Aging House Technology (Wuhan) Company Limited
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Hubei, China
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NOMINATED ADVISOR

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AUDITOR

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