Allwellness Holdings Group Limited

ABN 42 604 613 050

Annual Report - 30 June 2019

Allwellness Holdings Group Limited
Contents
30 June 2019

General information

The financial statements cover Allwellness Holdings Group Limited as a consolidated group consisting of Allwellness Holdings Group Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Allwellness Holdings Group Limited's functional and presentation currency.

Allwellness Holdings Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Unit 2, 3-11 Hallmark Street Pendle Hill, NSW, Australia, 2145
A description of the nature of the consolidated group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 2 September 2019. The directors have the power to amend and reissue the financial statements.

DIRECTORS' REPORT

Your directors present their report on the consolidated entity ("Group") for the financial year ended 30 June 2019.

Directors

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

Executive Director (appointed 6 March 2015)

Yong Zhang, M Engineering Master of Research of Economics

Mr Yong has a Master of Engineering and currently Master of Research of Economics at Macquarie University. He has over 20 years of management experience in China as a CEO, which brings him deep understanding of business, marketing, laws and etc. in China. He also is involved in a number of IPOs in China which armed him with practical background in capital markets of China. His research in Australian foods and agriculture industry during his study made him an expert and gave him deep understanding of the comparative advantage of Australian agriculture and the drive by Chinese household income and the market changing.

Yong Zhang has an indirect interest in 70% of the Company's issued capital through a related party.

Other Current Directorships: Nil

Previous Directorship (last 4 years): Nil

Interests in Shares: Yes – See Remuneration Report below

Non-Executive Director (appointed 1 December 2016)

Chen Wang Bachelor of International Trade

Wang is the CEO of a Chinese international trade company which main business focuses on the trade of foods, beverages, healthcare products and functional foods. It is a partner of K-mart, Pharmco Child Life, Natural Elements and others. He has 20 years' experience in international logistics, international trade and marketing. Wang also has strong connections with the Chinese pharmacy franchising industry sourced from the health goods trading.

Other Current Directorships: Nil

Previous Directorship (last 4 years): Nil

Interests in Shares: Yes – See Remuneration Report below

Yilong Shan MBA University of International Business and Economics (UIBE)

Shan was the vice president and CFO of Chinatex (Australia) Pty Ltd from 2004 – 2015 and is now the Executive director. Chinatex (Australia) is the branch of Chinatex which is a state owned large scale Group whose main business is trading, processing and warehousing of soybean, corn, wheat, grape seeds, oil, palm oil etc. Shan has established a vertical and horizontal connection in the food industry with greatly renowned companies both in Australia and China.

Other Current Directorships: Nil

Previous Directorship (last 4 years): Nil

Interests in Shares: Yes – See Remuneration Report below

<u>Company Secretary</u>

Andrew Bristow was appointed as Company Secretary.

Review of Operations and Financial Results

The loss of the consolidated entity for the financial year after providing for income tax amounted to $121,203 (2018: loss of $357,277).

Principal Activities

The principal activities of the Group during the financial year included manufacturing and exporting health care products to China.There has been no significant change in the nature of these activities during the year.

Events Subsequent to the End of the Reporting Year

There are no events subsequent to balance date that require disclosure in the financial report.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

Environmental Regulations

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

Dividends

There were no dividends paid or declared since the start of the financial year.

Meetings of Directors

During the financial year 3 meetings of directors were held. Attendance by each director was as follows:

	Directors Meetings	
	Eligible to attend	Number attended
Mr Yong Zhang	3	3
Mr Chen Wang	3	3
Mr Yilong Shan	3	3

Indemnifications of Officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

DIRECTORS' REPORT
REMUNERATION REPORT (AUDITED)

The Remuneration Report, which forms part of the Directors' report, sets out information about the remuneration of the Company's Directors and its Key Management Personnel for the financial year ended 30 June 2019.

Names and positions held by Directors and Key Management Personnel at any time during the financial year are:

Name	Position	Date Appointed to position
Mr Yong Zhang	Executive Director	6 March 2015
Mr Chen Wang	Non-Executive Director	1 December 2016
Mr Yilong Shan	Non-Executive Director	1 December 2016
Ms Junping Hao	Chief Finance Officer	6 March 2015

Directors' and Key Management Personnel Interests in Ordinary Shares and Options

Directors' and Key Management Personnel's interests in the ordinary shares of Allwellness Holdings Group Limited and options over ordinary shares as at the date of this report are detailed below:

Name	Position	Total Number of Ordinary Shares	Total Number of Options
Mr Yong Zhang	Executive Director	17,591,350	-
Mr Chen Wang	Non-Executive Director	1,040,000	-
Mr Yilong Shan	Non-Executive Director	1,000,000	-
MsJunping Hao	Chief Financial Officer	-	
	Total	19,631,350	**-**

Remuneration Policy

The Company has not formally constituted a remuneration committee responsible for making recommendations to the Board to ensure Company's remuneration structures are equitable and aligned the interests of directors and employees with those of shareholders.

However, the Constitution of the Company provides that Non-Executive Directors are entitled to remuneration as determined by the Company at a general meeting to be apportioned among them in any proportions and in any manner.

If a Director performs extra services, which in the opinion of the Directors are outside the scope of the ordinary duties of the Director or make any special exertion in going or residing abroad or otherwise for any of the purpose of the Company, the Company may remunerate that Director in addition to or provide benefits as the Directors determine.

The Directors may also be paid all travelling and other expenses incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or otherwise in connection with the business of the Company.

Remuneration Structure

The remuneration of directors and key management personnel is structured in as a fixed remuneration which comprise of base salary and superannuation (payable under the Superannuation Guarantee Act).

The Company aims to set the level of fixed remuneration at market levels for comparable jobs, in similar structured and sized companies in the industry in which the Company operates. No advice from any remuneration consultant was sought during the financial year for the Company's remuneration structure.

DIRECTORS' REPORT
REMUNERATION REPORT (AUDITED)

Details of Remuneration

Details of the remuneration of Directors and Key Management Personnel for the 2019 financial year are provided below:

	Short-term Benefits				Post-employment	Equity - based compensation	
	Cash salary and fees	Cash bonus	Non-monetary benefits	Consultancy	Superannuation	Options	Total
	$	$	$	$	$	$	$
Executive Director							
Mr Yong Zhang	80,000	-	-	-	7,600	-	87,600
Key Management Personnel							
Ms Junping Hao	40,000	-	-	-	3,800	-	43,800
Non-Executive Directors							
Mr Chen Wang	-	-	-	-	-	-	-
Mr Yilong Shan	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

Key Terms of the employment agreement of Key Management Personnel

Yong Zhang is employed under an employment agreement dated 1 January 2018. The key terms of the agreement are:

Remuneration: Total fixed remuneration at the rate of $80,000 per annum plus mandatory statutory superannuation contributions payable under the Superannuation Guarantee Act paid every fortnight.

Termination: The agreement may be terminated by either party by the giving of 2 months written notice.

JunpingHao is employed under an employment agreement dated 19 September 2015 (updated 1 January 2017). They key terms of the agreement are:

Remuneration: Total fixed remuneration at the rate of $40,000 per annum plus mandatory statutory superannuation contributions payable under the Superannuation Guarantee Act paid every fortnight.

Termination: The agreement may be terminated by either party by the giving of 2 months written notice.

Non-executive Director Remuneration

No retirement payments are made to Non-executive Directors. Non-executive Directors do not receive any remuneration.

For the 2019 financial year, no options were issued to Directors.

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 8.

Signed in accordance with a resolution of the Board of Directors:

Director ______________________________

Mr Yong Zhang

Dated this 2nd day of September, 2019

Auditor's Independence Declaration

As lead auditor for the audit of the financial report of Allwellness Holdings Group Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Allwellness Holdings Group Limited during the year ended 30 June 2019.

Wis Partners

Zhiyuan Liang
Partner (RCA:473429)

Sydney, 2 September 2019

Allwellness Holdings Group Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
Revenue			
Sales		613,994	377,501
Cost of sales		(258,321)	(145,161)
Gross profit		355,673	232,340
Other income	4	5,641	6,995
Expenses			
Rent		(56,104)	(40,140)
Professional fees		(82,459)	(78,299)
Depreciation and amortisation		(24,959)	(1,669)
Employee benefits		(231,184)	(245,251)
Marketing expenses		(12,766)	(22,682)
Loss on inventory write-off		(1,050)	(133,015)
Finance cost		(8,234)	-
Other administrative cost	8	(65,761)	(75,556)
Profit/(loss) before income tax expense		(121,203)	(357,277)
Income tax expense		-	-
Profit/(loss) after income tax expense for the year	20	(121,203)	(357,277)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(losses) for the year		(121,203)	(357,277)
		Cents	**Cents**
Basic earnings/(losses) per share	33	(0.48)	(1.43)
Diluted earnings/(losses) per share	33	(0.48)	(1.43)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Allwellness Holdings Group Limited
Consolidated statement of financial position
As at 30 June 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
Assets			
Current assets			
Cash and cash equivalents	9	236,077	363,399
Trade and other receivables	10	26,188	27,442
Inventories		69,128	76,875
Other assets	11	26,583	173,289
Total current assets		357,976	641,005
Non-current assets			
Property, plant and equipment	12	218,642	-
Intangible assets	13	4,598	5,785
Total non-current assets		223,240	5,785
Total assets		581,216	646,790
Liabilities			
Current liabilities			
Trade and other payables	14	60,225	147,445
Other financial liabilities	15	21,800	-
Employee benefits	17	13,401	8,270
Total current liabilities		95,426	155,715
Non-current liabilities			
Borrowings	18	352,164	352,164
Other financial liabilities	16	115,918	-
Total non-current liabilities		468,082	352,164
Total liabilities		563,508	507,879
Net assets		17,708	138,911
Equity			
Issued capital	19	740,866	740,866
Accumulated losses	20	(723,158)	(601,955)
Total equity		17,708	138,911

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Allwellness Holdings Group Limited
Consolidated statement of changes in equity
For the year ended 30 June 2019

Consolidated	Issued capital $	Retained profits $	Total equity $
Balance at 1 July 2017	740,866	(244,678)	496,188
Profit/(loss) after income tax expense for the year	-	(357,277)	(357,277)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income/(losses) for the year	-	(357,277)	(357,277)
Balance at 30 June 2018	740,866	(601,955)	138,911

Consolidated	Issued capital $	Retained profits $	Total equity $
Balance at 1 July 2018	740,866	(601,955)	138,911
Profit/(loss) after income tax expense for the year	-	(121,203)	(121,203)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income/(losses) for the year	-	(121,203)	(121,203)
Balance at 30 June 2019	740,866	(723,158)	17,708

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Allwellness Holdings Group Limited
Consolidated statement of cash flows
For the year ended 30 June 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
Cash flows from operating activities			
Receipts from customers		515,101	363,194
Payments to suppliers and employees		(536,440)	(662,221)
Interest received		1,105	2,357
Net cash used in operating activities		(20,234)	(296,670)
Cash flows from investing activities			
Payments for property, plant and equipment	12	(80,028)	(13,256)
Payments for intangible assets	13	(330)	-
Net cash used in investing activities		(80,358)	(13,256)
Cash flows from financing activities			
Loans (to)/from related parties		-	9,052
Interest and other finance costs paid		(8,234)	-
Repayment of finance lease liabilities		(18,496)	-
Net cash from/(used in) financing activities		(26,730)	9,052
Net decrease in cash and cash equivalents		(127,322)	(300,874)
Cash and cash equivalents at the beginning of the financial year		363,399	664,273
Cash and cash equivalents at the end of the financial year	9	236,077	363,399

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The consolidated group 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.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated group.

The following Accounting Standards and Interpretations are most relevant to the consolidated group:

AASB 9 Financial Instruments
The consolidated group has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. In the consolidated group's case, available financial asset under AASB 9 shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest.

The consolidated group adopted simplified approach to measuring expected credit losses for trade and other receivables, which uses a lifetime expected loss allowance. Impact of this new approach over trade and other receivable as at 30 June 2019 is assessed to be immaterial. There is no other impact of adoption of AASB 9.

AASB 15 Revenue from Contracts with Customers
The consolidated group has adopted AASB 15 from 1 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The consolidated group has selected to use modified retrospective approach in adopting AASB 15 which recognises the cumulative effect of initial application through opening retained earnings as at 1 July 2018. No adjustment was applied to the opening retained earnings as the cumulative effect is immaterial.

Going concern
The financial statements have been prepared on a going concern basis. The consolidated group incurred a net loss of $121,203 for the year ended 30 June 2019 (2018: Loss of $357,277). As at that date, the consolidated group had a net assets position of $ 17,708 (2018: Net assets $138,911).

The consolidated group has prepared a cash flow forecast which indicates that the consolidated group will be able to settle its liabilities and pay required operating expenditures in the foreseeable future. Further to that, Allwellness Holdings Group Limited has obtained a letter of financial support from its director confirming the director will not recall the loan owing to him ($352,164 as at 30 June 2019) within 12 months from the date of signing the financial report. Based on above, board of directors are of the opinion that the consolidated group will be able to continue as a going concern and its operation will be viable in the foreseeable future.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention

Note 1. Significant accounting policies (continued)

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated group only. Supplementary information about the parent entity is disclosed in note 30.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Allwellness Holdings Group Limited ('company' or 'parent entity') as at 30 June 2019 and the results of all subsidiaries for the year then ended. Allwellness Holdings Group Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated group'.

Subsidiaries are all those entities over which the consolidated group has control. The consolidated group controls an entity when the consolidated group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Revenue recognition
The consolidated group recognises revenue as follows:

Sale of goods

The consolidated group manufactures and sells a range of health products. Sales are recognised when control of the products has transferred, being when the products are delivered to customers, there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customers, and either the customer has accepted the products in accordance with the sales contract or the consolidated group has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts and customer return. A refund liability (included in trade and other payables) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Note 1. Significant accounting policies (continued)

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 1. Significant accounting policies (continued)

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories
Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. The cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	12.50%
Motor Vehicles under lease	12.50%
Plant and equipment	10.00%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Leases
The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the consolidated group will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Note 1. Significant accounting policies (continued)

Impairment of non-financial assets
The other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Issued capital
Ordinary shares are classified as equity.

Note 1. Significant accounting policies (continued)

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Allwellness Holdings Group Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated group for the annual reporting period ended 30 June 2019. The consolidated group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated group, are set out below.

New Accounting Standards and Interpretation not effective
The consolidated group has not early adopted following issued standards/amendments/Interpretations which are not effective yet. The impact of the adoption of this standard and interpretation impact has been assessed as below:

Note 1. Significant accounting policies (continued)

	Effective for annual reporting period beginning on or after	Impact of adoption of new accounting standards
AASB 16 Leases	1 July 2019	The consolidated group's management has assessed the impact of adoption of AASB 16 Leases. The directors expect that a right of use asset of approximately $198,518 and a lease liability of $198,518 would be recognised on balance sheet if the new accounting standard was adopted.
AASB Interpretation 23 Uncertainty over Income Tax Treatments, and relevant amending standards	1 July 2019	Not material.
Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments	1 July 2019	Not material.
Amendments to Australian Accounting Standards – Definition of Material	1 July 2020	Not material.
Amendments to Australian Accounting Standards – References to the Conceptual Framework	1 July 2020	Not material.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates. The allowance for expected credit losses for trade and other receivables was assessed to be $nil as at 30 June 2019 as the overdue amounts were immaterial as at the reporting date.

Provision for impairment of inventories
The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence. The board of directors determined that there was no impairment for inventories as at 30 June 2019.

Recovery of deferred tax assets
Deferred tax assets were recognised for deductible temporary differences only if the consolidated group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

No deferred tax assets were recognised for tax losses and deductible temporary difference as the director determined that there is uncertainties of generation of sufficient taxable income in the future.

Note 3. Revenue

	Consolidated 2019 $	2018 $
From continuing operations		
Sales	611,623	377,501

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

	Consolidated 2019 $	2018 $
Major product lines		
Probiotics products	435,089	377,501
OEM products	178,905	-
	613,994	377,501
Geographical regions		
Australia	155,536	40,768
China	458,458	336,733
	613,994	377,501
Timing of revenue recognition		
Goods transferred at a point in time	613,994	377,501

Note 4. Other income

	Consolidated 2019 $	2018 $
Other income	7,200	2,735
Foreign currency gains/(loss)	(2,664)	1,903
Interest	1,105	2,357
Other income	5,641	6,995

Note 5. Professional fees

	Consolidated 2019 $	2018 $
Accountancy fee	17,717	4,650
Auditing fee	28,500	26,000
Consulting fee	13,636	21,885
Listing maintenance fee	13,006	10,843
Legal expenses	9,600	14,921
	82,459	78,299

Note 6. Employee benefits

	Consolidated 2019 $	Consolidated 2018 $
Wages & Salaries	206,468	216,488
Superannuation	19,585	20,493
Annual leave expense	5,131	8,270
	231,184	245,251

Note 7. Finance cost

	Consolidated 2019 $	Consolidated 2018 $
Interest paid	8,234	-

Note 8. Other administrative cost

	Consolidated 2019 $	Consolidated 2018 $
Licensing fees	10,080	18,796
Transportation and travel	16,158	15,957
Listing fees	10,398	10,144
Insurance	1,715	1,336
Other office expenses	27,410	29,323
	65,761	75,556

Note 9. Cash and cash equivalents

	Consolidated 2019 $	Consolidated 2018 $
Cash on hand	252	1
Cash at bank	235,825	363,398
	236,077	363,399

Note 10. Trade and other receivables

	Consolidated 2019 $	Consolidated 2018 $
Trade receivables	17,324	24,669
GST receivable	8,864	2,773
	26,188	27,442

Note 10. Trade and other receivables (continued)

Allowance for expected credit losses
The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2019	2018	2019	2018	2019	2018
Consolidated	%	%	$	$	$	$
Not overdue	-	-	3,644	9,909	-	-
Past due 30 days	-	-	-	8,381	-	-
Past due 30-60 days	-	-	6,480	1,742	-	-
Past due 60-90 days	-	-	7,200	2,494	-	-
Past due over 90 days	-	-	-	2,143	-	-
			17,324	24,669	-	-

The allowance for expected credit losses for trade and other receivables was assessed to be $nil as at 30 June 2019 as the overdue amounts were immaterial as at the reporting date.

The consolidated group has recognised a loss of $3,649 in profit or loss in respect of the balance write-off for the year ended 30 June 2019 (2018: $nil).

Note 11. Other assets

	Consolidated	
	2019	2018
	$	$
Prepayments	10,083	113,229
Security deposits	16,500	60,060
	26,583	173,289

The prepayments mainly represent the advance payment paid for rent and professional service fee.

Note 12. Property, plant and equipment

	Consolidated	
	2019	2018
	$	$
Leasehold improvements - at cost	46,661	-
Less: Accumulated depreciation	(3,180)	-
	43,481	-
Plant and equipment - at cost	46,622	-
Less: Accumulated depreciation	(2,542)	-
	44,080	-
Motor vehicles under lease	148,800	-
Less: Accumulated depreciation	(17,719)	-
	131,081	-
	218,642	-

Note 12. Property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Lease Improvements $	Plant & Equipment $	Motor Vehicles $	Total $
Balance at 1 July 2017	-	-	-	-
Balance at 30 June 2018	-	-	-	-
Additions	46,661	46,622	148,800	242,083
Depreciation expense	(3,180)	(2,542)	(17,719)	(23,441)
Balance at 30 June 2019	43,481	44,080	131,081	218,642

Property, plant and equipment secured under finance leases
Refer to note 28 for further information on property, plant and equipment secured under finance leases.

During the period, the consolidated group acquired property, plant and equipment with an aggregate cost of $242,083 of which $148,800 was acquired by means of finance leases. Cash payments of $80,027 were made to purchase property, plant and equipment in current year and $13,256 was made to purchase machinery in prior year.

Note 13. Intangible assets

	Consolidated 2019 $	Consolidated 2018 $
Licenses and trademarks	7,871	7,541
Less: Accumulated amortisation	(3,273)	(1,756)
	4,598	5,785

Note 14. Trade and other payables

	Consolidated 2019 $	Consolidated 2018 $
PAYG Withholdings Payable	8,512	12,020
Superannuation Payable	4,465	6,116
Accrued Audit Fees	20,000	15,000
Advance from customer	-	113,438
Other payables	27,248	871
	60,225	147,445

Note 15. Other financial liabilities

Current

	Consolidated 2019 $	2018 $
Lease liability - Forklift (current)	5,715	-
Unexpired Interest - Forklift (current)	(1,324)	-
Lease liability - Motor Vehicle (current)	23,964	-
Unexpired Interest - Motor Vehicle (current)	(6,555)	-
	21,800	-

Note 16. Other financial liabilities

Non-current

	Consolidated 2019 $	2018 $
Lease liability - Forklift (non-current)	18,098	-
Unexpired Interest - Forklift (non-current)	(1,942)	-
Lease liability - Motor Vehicle (non-current)	112,876	-
Unexpired Interest - Motor Vehicle (non-current)	(13,114)	-
	115,918	-

Note 17. Employee benefits

	Consolidated 2019 $	2018 $
Annual leave	13,401	8,270

Note 18. Borrowings

	Consolidated 2019 $	2018 $
Loan from director	352,164	352,164

The loan is unsecured and interest free. The loan has no fixed term for repayment. The loan balance is measured by referring to the cash amount received by the consolidated groups from the director as it is impractical to measure the loan at its amortised cost (net present value).

The director has agreed in writing not to recall the loan within 12 months from the date of signing the annual financial report.

Note 19. Issued capital

	Consolidated			
	2019 Shares	**2018 Shares**	**2019 $**	**2018 $**
Ordinary shares - fully paid	25,000,000	25,000,000	740,866	740,866

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The consolidated group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Note 20. Accumulated losses

	Consolidated	
	2019 $	**2018 $**
Accumulated losses at the beginning of the financial year	(601,955)	(244,678)
Profit/(loss) after income tax expense for the year	(121,203)	(357,277)
Accumulated losses at the end of the financial year	(723,158)	(601,955)

Note 21. Dividends

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

Note 22. Financial risk management

The consolidated group’s financial instruments consist mainly of cash and cash equivalents, trade and other receivable and trade and other payable, loans from director.

Note 22. Financial risk management (continued)

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Consolidated 2019 $	Consolidated 2018 $
Financial Assets		
Cash assets	236,077	363,399
Trade and other receivables	23,057	27,442
	259,134	390,841

	Consolidated 2019	Consolidated 2018
Financial Liabilities		
Trade and other payables	55,465	147,445
Loan from director	352,164	352,164
	407,629	499,609

Financial liability and financial assets maturity analysis

	Within 1 year 2019 $	Within 1 year 2018 $	More than 1 year 2019 $	More than 1 year 2018 $	Total 2019 $	Total 2018 $
Financial liabilities due for payment						
Trade and other payables	55,465	147,445	-	-	55,465	147,445
Loan from director	-	-	352,164	352,164	352,164	352,164
Total expected outflows	55,465	147,445	352,164	352,164	407,629	499,609

	Within 1 year 2019	Within 1 year 2018	More than 1 year 2019	More than 1 year 2018	Total 2019	Total 2018
Financial assets — cash flows realisable						
Cash assets	236,077	363,399	-	-	236,077	363,399
Trade and other receivables	23,057	27,442	-	-	23,057	27,442
Deposits	22,000	60,060	-	-	22,000	60,060
Total anticipated inflows	281,134	450,901	-	-	281,134	450,901
Net inflow(outflow) on financial instruments	225,669	303,456	(352,164)	(352,164)	(126,495)	(48,708)

Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability.

Note 23. Financial instruments

Financial risk management objectives
The consolidated group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated group. The consolidated group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

The consolidated group did not have any derivative instruments at 30 June 2019.

Market risk

Foreign currency risk
The consolidated group undertakes certain transactions denominated in foreign currency. However, the foreign currency risk is considered not material as the volume of the transactions in foreign currencies were insignificant during the reporting period.

Price risk
Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. The consolidated group is not exposed to any significant price risk.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. The consolidated group is not exposed to interest rate risk.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated group. The consolidated group has policy to receive prepayments from customers and regularly reviews the outstanding debtors to mitigate the risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated group does not hold any collateral.

The consolidated group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix of credit loss provisioning.

These provisions are considered representative across all customers of the consolidated group based on recent sales experience, historical collection rates and forward-looking information that is available.

Cash assets form the majority of the consolidated group’s financial assets. At 30 June 2019, cash was deposited with two financial institutions, both are two large Australian banks in order to spread risk and ensure interest rate competitiveness.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Vigilant liquidity risk management requires the consolidated group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated group continuously monitors actual and forecasted cash flows and matches the maturity profiles of financial assets and liabilities to ensure there are sufficient liquid assets available. Additionally, the consolidated group has obtained the committed financial support from its directors to subordinate the loan from them as well as providing funding when necessary.

The consolidated group manages this risk by preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities.

Note 24. Key management personnel disclosures

Directors
The following persons were directors of Allwellness Holdings Group Limited during the financial year:

Mr Yong Zhang
Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated group is set out below:

	Consolidated	
	2019	**2018**
	$	**$**
Short-term employee benefits	120,000	120,000
Post-employment benefits	11,400	11,400
	131,400	131,400

Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by , the auditor of the company:

	Consolidated	
	2019	**2018**
	$	**$**
Audit services -		
Audit or review of the financial statements	28,500	26,000

Note 26. Segment reporting

The consolidated group operates in the exporting of health care product business within only single segment.

Note 27. Contingent liabilities

There are no contingent liabilities as at the date of this report.

Note 28. Commitments

	Consolidated 2019 $	Consolidated 2018 $
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	61,575	55,842
One to five years	136,943	198,518
	198,518	254,360
Lease commitments - finance		
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	29,680	-
One to five years	130,974	-
Total commitment	160,654	-
Less: Future finance charges	(22,936)	-
Net commitment recognised as liabilities	137,718	-
Representing:		
Lease liability current	21,800	-
Lease liability non-current	115,918	-
	137,718	-

Finance lease are hire purchase leases for motor vehicles and are secured against the vehicles.

Capital commitments

There is no capital commitments as at 30 June 2019 (2018: $44,296).

Note 29. Related party transactions

Parent entity
Allwellness Holdings Group Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 31.

Key management personnel
Disclosures relating to key management personnel are set out in note 24 and the remuneration report included in the directors' report.

Transactions with related parties
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Note 29. Related party transactions (continued)

The following transactions occurred with related parties:

	Consolidated	
	2019 $	2018 $
Sale of goods and services:		
Sales to Tianjin Wonderful International Trade Company Ltd (Director's related party)	-	130,378
Payment for goods and services:		
Remuneration paid to CFO Junping Hao	43,800	43,800
Remuneration paid to Executive director - Yong Zhang	87,600	87,600
Other transactions:		
Loan provided by/(repayment to) director - Yong Zhang	-	9,052
Expense paid on behalf of the consolidated group by director	16,158	-

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2019 $	2018 $
Current payables:		
Other payable to director	16,158	-

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2019 $	2018 $
Non-current borrowings:		
Balance of interest free loan provided by director - Yong Zhang	352,164	352,164

Terms and conditions
All transactions were made on normal commercial terms and conditions except the director loan. The director loan is unsecured and interest free. The loan has no fixed term for repayment.

Note 30. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2019 $	2018 $
Profit/(loss) after income tax	(26,137)	(21,162)
Total comprehensive income/(losses)	(26,137)	(21,162)

Note 30. Parent entity information (continued)

Statement of financial position

	Parent 2019 $	Parent 2018 $
Total current assets	610,277	635,958
Total assets	612,862	638,999
Total current liabilities	-	-
Total liabilities	-	-
Equity		
Issued capital	740,866	740,866
Accumulated losses	(128,004)	(101,867)
Total equity	612,862	638,999

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2019 and 30 June 2018.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2019 and 30 June 2018.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2019 and 30 June 2018.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated group, as disclosed in note 1, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Note 31. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest 2019 %	Ownership interest 2018 %
Tricare Health & Beauty Pty Limited	Australia	100.00%	100.00%

Note 32. Events after the reporting period

No matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the consolidated group's operations, the results of those operations, or the consolidated group's state of affairs in future financial years.

Note 33. Earnings per share

	Consolidated	
	2019	**2018**
	$	**$**
Profit/(loss) after income tax	(121,203)	(357,277)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	25,000,000	25,000,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	25,000,000	25,000,000
	Cents	**Cents**
Basic earnings/(losses) per share	(0.48)	(1.43)
Diluted earnings/(losses) per share	(0.48)	(1.43)

Allwellness Holdings Group Limited
Directors' declaration
30 June 2019

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated group's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Mr. Yong Zhang
Director

2 September 2019

Independent Auditor's Report to the members of Allwellness Holdings Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Allwellness Holdings Group Limited (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the scope of our audit responded to the key audit matter
The Group made a net loss of $121,203 for the year ended 30 June 2019 (2018: $357,277). Additionally, the Group's net assets had decreased from $138,911 as at 30 June 2018 to $17,708 as at 30 June 2019. The directors have concluded that the Group will continue as a going concern and the going concern basis for accounting and preparation of the financial report of the Group is appropriate. The conclusion and related assessment are based on the forecasted cash flows, sales and expenditures. The group also has commitment of financial support from its major shareholder and director- Yong Zhang. The use of going concern basis for preparation of financial report of the Group is a key audit matter as it involves high level of judgement and audit work required by us in evaluating the Group's assessment of its ability to continue as a going concern.	- We have discussed with management and obtained an understanding of their assessment of the Group's ability to continue as a going concern. - We have reviewed the cashflow forecast and assessed reasonableness of key items. - We have obtained the financial support letter from major shareholder and director– Yong Zhang who confirmed he will continue to support the Group in the next 12 months from the sign-off date of the financial report. - We have reviewed disclosure regarding going concern in the financial report. - We have confirmed the cash balance with bank to test the correctness of opening cash balance in the cash flow forecast and checked the subsequent cash balances before the date of sign-off of the financial report. - We have reviewed the subsequent balance sheet and income statement of the Group.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of those charged with governance's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the entity to express an opinion on the Group financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We also provide those charged with governance with a statement that we also have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that are of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 5 to 6 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Allwellness Holdings Group Limited, for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Wis Partners

Zhiyuan Liang (RCA:473429)

Partner

Sydney, 2 September 2019

DIRECTORS GOVERNANCE STATEMENT

Allwellness Holdings Group Ltd (the "Company") is aware of its Corporate Governance Disclosure Obligations under Section 11A, 11B and 11C clause 6.9 of the NSX Listing Rules and of NSX's 'principled' rather than prescriptive approach to the disclosure of Corporate Governance arrangements in respect of the Company.

As indicated in NSX Practice Notes 14 the 'principled' approach recognises that good corporate governance cannot be achieved by a 'one size fits all' and that the Company's individual characteristics must be taken account of.

In addition, we note the important role played by Nominated Advisors to companies listed on the NSX in providing assistance and advice to companies to ensure full disclosure and good corporate governance although ultimate responsibility falls to the Company, its directors and officers.

The Company recognises that in Australia the generally accepted guidance on what constitute good corporate governance is set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendation (3rd Edition, 2014). Set out below is a statement indicating whether the Company complies with those principles and if not why it does not do so.

1. **Lay solid foundations for management and oversight**

Recommendation	Adopted (Yes/No)	Reason
Recommendation 1.1 **A listed entity should have and disclose a charter which sets out the respective roles and responsibilities of the Board, the Chair and management, and includes a description of those matters expressly reserved to the Board and those delegated to management.**	Yes	The Board is responsible for evaluating and setting the strategic direction for the Company, establishing goals for management and monitoring the achievement of these goals. The Managing Director is responsible to the Board for the day-to-day management of the Company. In the current phase of development, the Company has a greater reliance on the Managing Director. The Board has adopted a Charter which is available on the Company's website. The principal functions and the responsibilities of the Board include but are not limited to the following; • Determining in conjunction with management, corporate strategy, objectives, operations, plans and approving and appropriately monitoring plans, investments, major capital and operating expenditure and acquisitions; • Monitoring actual performance against budget expectations; • Identifying areas of significant business risk and ensure the Company is appropriately positioned to manage those risks; • Overseeing the management of safety, work health and safety and environmental issues; • Satisfying itself there are appropriate reporting systems and controls in place; • Authorising the issue of any shares, options, equity instruments within the constraints of the NSX Listing Rules and Corporations Act; and • Monitoring the performance of senior management, including ensuring appropriate resources are available and strategy is being implemented. The Company recognises that the overall responsibility of the Board is to represent and advance Shareholders' interests and to protect the interests of all stakeholders.
Recommendation 1.2 **A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and (b)**	Yes	Criminal record checks have not been carried out on all Board members prior to their appointment. However, all members of the Board have executed a declaration and undertaking, that they have not previously been declared bankrupt or had a criminal conviction. The Company will provide Shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director at future general meetings.

provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a Director.		
Recommendation 1.3 **A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.**	No	No formal agreements have been entered at this time.
Recommendation 1.4 **The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.**	Yes	The Company Secretary is accountable directly to the Board, through the Chairman on all matters to do with the proper functioning of the Board.
Recommendation 1.5 **A listed entity should:** **(a) have a diversity policy**	No	Given the size of the Company, its structure and current operations the Company has only males on the Board. As the Company develops it will consider appropriate candidates for the Board and at an appropriate time prepare a diversity policy or set measurable objectives in this regard. In doing so, the Board will have regard to the CG recommendations. Once finalised, the policy will be made available on the Company's website.
Recommendation 1.6 & 1.7: **A listed entity should:** **(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and** **(b) disclose, in relation to each reporting period, whether a**	Yes	The performance of the Board will be subject to review in a number of ways: • The Constitution provides that at every general meeting one third of the Directors will retire from office but may stand for re-election; • Board composition will be also reviewed periodically either when a vacancy arises or if it is considered that the Board would benefit from the services of a new Director, given the existing mix of skills and experience of the Board, which would match the strategic demands of the Company: • Once it has been agreed that a new Director is to be appointed, a search will be undertaken and appropriate checks undertaken sometimes using the services of external consultants. Shareholders will be advised of all material information regarding a Director proposed for election or appointment to the Board. Nominations would then be received and reviewed by the Board; and • Remuneration of the Non-Executive Directors is reviewed and approved by the Board. The remuneration payable to Directors must comply with the NSX Listing Rules.

performance evaluation was undertaken in the reporting period in accordance with that process. **A listed entity should:** **(a) have and disclose a process for periodically evaluating the performance of its senior executives; and** **(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.**		• The Company will disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with the above process. • Board Nominations would then be received and reviewed by the Board. The remuneration payable

2. **Structure the board to add value**

Recommendation	Adopted (Yes/No)	Reason
Recommendation 2.1 **The board of a listed entity should:** **(a) have a nomination committee**	No	The Board has not yet formed a Nomination and Remuneration Committee (**"NRC")** as it considers that this is not currently required given the size of the Company and the relatively small management and employee team. The Board will continually review the need for a NRC and, if the need arises in the future, will ensure that it is in compliance with the CG Recommendations. To address Board succession issues and to ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively, the performance of the Board will be reviewed as set out under Principles 1.5- 1.7 above.
Recommendation 2.2 **A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.**	No	Given the current position of the Company a skills matrix has not been developed. In establishing the Board, regard was had to the skills and expertise required of the Directors with the desired skills and expertise were carefully selected for appointment to the Board.

Recommendation 2.3 &2.4 **A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.** **A majority of the board of a listed entity should be independent directors.**	Yes	The Board is comprised of three members, two of whom are considered independent. Neither of the two independent directors has more than 5% of the Shares in the Company and each subscribed cash equivalent to the amount per shares of the other Shareholders in an offer in December 2016. They are not an adviser or supplier to the Company or do not have any other material contractual relationship with the Company other than their position as a Director. The Company Constitution requires that each Director must not hold office (without re-election) past the third annual general meeting following his/her appointment or election or 3 years, whichever is longer.
Recommendation 2.5 **The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.**	No	The Company has appointed a Chairman however, he is not independent and is also the Managing Director. The Company considers this appropriate given the Chairman is the founder of the Company and is most intimately aware of its operations. As the Company grows it will consider the appointment of an independent director as Chairman.

Recommendation 2.6 **A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively**	Yes	All Non-Executive Directors have an extensive induction into the business of the Company, and their rules as directors. Each has been briefed by the Company's Chairman as to the business and by the Nominated Advisor as to their roles as director and responsibilities under the NSX Listing Rules and Corporations Act. The Nominated Advisor provides a detailed letter of advice to all directors which each director signs acknowledging they have read and understand the contents. Directors will also be given access to continuing education in relation to the Company extending to its business, the industry in which it operates, and other information required by them to discharge the responsibilities of their office.

3. **Act ethically and responsibly**

Recommendation	Adopted (Yes/No)	Reason
Recommendation 3.1 **A listed entity should:** **(a) have a code of conduct for its directors, senior executives and employees; and** **(b) disclose that code or a summary of it.**	Yes	The Board recognises the need for Directors and employees to observe the highest standards of behaviour and business ethics when engaging in corporate activity. The Company intends to maintain a reputation for integrity. The Company's officers and employees are required to act in accordance with the law and with the highest ethical standards. The Board is conscious of the need for independence and ensures that where a conflict of interest may arise, the relevant Director(s) leave the meeting to a full and frank discussion of the matter(s) under consideration by the rest of the Board. The Board has adopted a formal code of conduct. The Board will continually review the code of conduct and modify it as required.

4. **Safeguard integrity in corporate reporting:**

Recommendation	Adopted (Yes/No)	Reason
Recommendation 4.1 **The board of a listed entity should:** **(a) have an audit committee which:**	No	To safeguard the integrity of the Company's corporate reporting, the Company Constitution sets out the following: • Auditors the Company are appointed and removed and their remuneration, rights and duties are regulated by the Corporations Act 2001 (Cth) (**"Act");** • Auditors of the Company or partner or employee or employer of an auditor cannot be appointed as a Director of the Company; and • Financial statements of the Company for each financial year must be audited by the auditors in accordance with the Act. The Board has not yet formed an audit and risk committee **(ARC)** as it considers that this is not currently appropriate given the size of the Company and the relatively

		small management and employee team. The role of the ARC will be undertaken by the Board as a whole. The Board will continually review the need for a ARC and, if the need arises in the future, will ensure that it is in compliance with the CG recommendations.
Recommendation 4.2 **The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.**	No	The Board has not yet had to approve the entity's financial statements for a financial period and accordingly has not been required to receive relevant declarations from the CEO and Chief Financial Officer (**"CFO")** in respect of the of the financial records of the Group. It is the intention of the Board that these declarations will be required for both the half-year and full-year results and this fact has been communicated to both the CEO and CFO.
Recommendation 4.3 **A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.**	No	The Company has not yet held an Annual General Meeting**(AGM)** but it is the intention of the Board to ensure that its external auditor attends the AGM and is available to answer questions from security holders relevant to the audit.

5. **Make timely and balanced disclosure**

Recommendation	Adopted (Yes/No)	Reason

Recommendation 5.1 **A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it**	No	The Board has not yet adopted a continuous disclosure policy but intends to do so after listing. In preparing this, the Board will have regard to the CG Recommendations. Once finalised, the policy will be made available on the Company's website.

6. **Respect the rights of security holders**

Recommendation	Adopted (Yes/No)	Reason
Recommendation 6.1 **A listed entity should provide information about itself and its governance to investors via its website.**	Yes	The Company has established a website which provides information about the Company, its Directors and executives, and other information relevant to its investors. The website will be a key communication tool between the Company and the Shareholders. The website contains details of charters and policies adopted to date in respect of the Company's corporate governance.
Recommendation 6.2 **A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors**	No	The Board has not yet designed and implemented an investor relations program to facilitate effective two-way communication with investors but intends to do so after listing. In preparing this, the Board will have regard to the CG Recommendations. Once finalised, the program will be made available on the Company's website.
Recommendation 6.3 **A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.**	No	The Board has not yet adopted a disclosure and communication policy but intends to do so after listing. In preparing this, the Board will have regard to the CG Recommendations. Once finalised, the policy will be made available on the Company's website.
Recommendation 6.4 **A listed entity should give security holders the option to receive communications from, and send**	Yes	All Shareholders of the Company will be able to communicate with the Company and its share registry electronically and in fact this method of communication is encouraged.

communications to, the entity and its security registry electronically		

7. **Recognise and manage risk**

Recommendation	Adopted (Yes/No)	Reason
Recommendation 7.1 **The board of a listed entity should: (a) have a committee or committees to oversee risk**	No	The Board has not yet formed an audit and risk committee (**ARC)** as it considers that this is not currently required given the size of the Company and the relatively small management and employee team. The Board will continually review the need for a ARC and, if the need arises in the future, will ensure that it is in compliance with the CG Recommendations.
Recommendation 7.2 **The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.**	No	The risk management framework for the Group has not yet been formally reviewed by the Board but the Board will, following listing, request a report from management. Outcomes of those reviews will be reported in the corporate governance statement annually.
Recommendation 7.3 **A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management**	No	The identification, monitoring and, where appropriate, the reduction of significant risk to the Company will be the responsibility of the Board. The Board reviews and monitors and parameters under which such risks will be managed. Management accounts are prepared and reviewed with the CEO at subsequent Board meetings. Budgets are prepared and compared against actual results. The potential exposures with running the Company will be managed by the appointment of senior staff that have significant broad-ranging industry experience, work together as a team and regularly share information on current information. The Board has not yet formed an internal audit function as it considers that this is not currently required given the size of the Company and the relatively small management and employee team. The Board will continually review the need for a ARC and, if the need arises in the future, will ensure that it is in compliance with the CG Recommendations.

and internal control processes.		
Recommendation 7.4 **A listed entity should disclose whether it has any material exposure38 to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.**	Yes	As mentioned under Principle 7.2 the Board will commission a report on the risk management framework following listing and request that management address economic, environmental and sustainability risks. The outcome of that review will be reported in the Company's annual report.

8. **Remunerate fairly and responsibly:**

Recommendation	Adopted (Yes/No)	Reason

Recommendation 8.1
The board of a listed entity should:
(a) have a remuneration committee
	No	As mentioned under Principle 2.1, the Board has not adopted a NRC. To ensure the appropriateness of remuneration, the Company Constitution sets out the following:
		• Remuneration of Non-Executive Directors must comply with NSX Listing Rules, including that:
		  • Fees payable to Non-Executive Directors must be by way of a fixed sum, and not by way of commission on or a percentage of profits or operating revenue;
		  • The remuneration payable to Executive Director's must not include a commission on or percentage of operating revenue; and
		  • The total fees payable to Directors must not be increased without the prior approval of members in general meeting.
		• Remuneration of Executive Directors must comply with the NSX Listing Rules and the terms of any agreement entered into. The Board may fix the remuneration of each Executive Director which comprise salary or commission on or participation in profits of the Company.

Recommendation 8.2 **A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives**	No	As mentioned under Principle 8.1 the Board has practices in place regarding the remuneration of Non-Executive Directors and other senior executives.

Recommendation 8.3 **A listed entity which has an equity-based remuneration scheme should:** **(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and** **(b) disclose that policy or a summary of it**	Yes	The Board has adopted a securities trading policy which is available on the Company's website. The Board will continually review the policy and amend it as appropriate. review the policy and amend it as appropriate.

The shareholder information set out below was applicable as at 2 September 2019

Equity security holders

Unquoted equity securities
There are no unquoted equity securities.

Substantial holders

ZHANG & HAO INVESTMENTS PTY LTD	**17,591,350**	**70.365%**

Top 20 Shareholders

ZHANG & HAO INVESTMENTS PTY LTD	**17,591,350**	**70.365%**
CHEN WANG	**1,040,000**	**4.160%**
ZHIQUAN MA	**1,020,000**	**4.080%**
YUANJIU UNIBALE INT'L TRADING	**1,000,000**	**4.000%**
JIANZHONG WANG	**1,000,000**	**4.000%**
ZHONGLIN CHEN	**1,000,000**	**4.000%**
YONGJIE HOU	**500,000**	**2.000%**
LIJIAO CHEN	**450,000**	**1.800%**
XIANG WENG	**200,000**	**0.800%**
BIYING LIU	**150,000**	**0.600%**
YIMING ZHANG	**50,000**	**0.200%**
LIHONG GUO	**38,650**	**0.155%**
ZHEN LU	**20,000**	**0.080%**
JINNING LIANG	**20,000**	**0.080%**
YU CHE OU	**20,000**	**0.080%**
WENXI JIA	**20,000**	**0.080%**
SEN JIA	**20,000**	**0.080%**
JIEFEN WANG	**20,000**	**0.080%**
LIANG ZHAO	**20,000**	**0.080%**
AILAN WU	**20,000**	**0.080%**
TOTAL		
Shareholder Spread	**24,199,900**	**96.80%**

Analysis of Holdings as at 30-08-2019

Securities
Fully Paid Ordinary Shares

Holdings Ranges	**Holders**	**Total Units**	**%**
1-1,000	0	0	0.000
1,001-5,000	0	0	0.000
5,001-10,000	0	0	0.000
10,001-100,000	50	1,048,650	4.195
100,001-99,999,999,999	10	23,951,350	95.805
Totals	**60**	**25,000,000**	**100.000**

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Allwellness Holdings Group Limited
Corporate directory
30 June 2019

Directors	Mr Yong Zhang Mr Chen Wang Mr Yilong Shan
Company secretary	Andrew Bristow
Nominated Advisor	HIGHGATE CORPORATE ADVISORS PTY LTD 31 Highgate Cct Kellyville NSW 2155 0403192230

Annual General Meeting The Annual General Meeting is scheduled for 11am on 25 November at Level 17, 115 Pitt Street, Sydney NSW 2000

Registered office	Unit 2 3-11 Hallmark Street Pendle Hill, NSW, Australia, 2145
Share register	BOARDROOM PTY LIMITED Level 12, 225 George Street SYDNEY NSW 2000
Auditor	Wis Partners Group Pty Ltd Suite 12.03, Level 12, 50 Margaret Street SYDNEY NSW 2000 Tel: (02) 8384 9256
Stock exchange listing	Allwellness Holdings Group Limited shares are listed on the National Stock Exchange of Australia Limited (NSX:AWH)