

Promisia Integrative Limited

Unaudited Interim Financial Statements

For the six months ended 30 June 2017

Promisia Integrative Limited
Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income
For the six month period ended 30 June 2017

	Unaudited 6 months June 2017 \$000	Unaudited 6 months June 2016 \$000	Audited Year Dec 2016 \$000
Revenue	1,318	994	2,665
Cost of goods sold	(355)	(253)	(773)
	963	741	1,892
Expenses			
Administration expenses	(386)	(260)	(661)
Operating expenses	(747)	(727)	(1,432)
Research & Development	(146)	(94)	(191)
Amortisation	(11)	(11)	(23)
	(1,290)	(1,092)	(2,307)
(Loss) before taxation and interest	(327)	(351)	(415)
Finance cost - interest paid	(33)	(27)	(55)
Finance income - interest received	16	12	11
Net Loss for period before tax	(344)	(366)	(459)
Income tax expense	-	-	-
Loss for period	(344)	(366)	(459)
Other comprehensive income			
Currency translation differences	(5)	11	9
Total comprehensive (Loss) for period attributable to shareholders	(349)	(355)	(450)
Basic Earnings per share	(0.001)	(0.001)	(0.001)
Diluted Earnings per share	(0.001)	(0.001)	(0.001)

Promisia Integrative Limited
Consolidated Interim Statement of Changes in Equity
For the six month period ended 30 June 2017

	Share Capital	Foreign Currency Reserve	Share Option Reserve	Accumulated Losses	Total
	\$000	\$000	\$000	\$000	\$000
Unaudited					
Equity at 1 January 2016	54,225	185	57	(53,932)	535
Net loss for period	-	-	-	(366)	(366)
Other comprehensive Income (Loss)	-	11	-	-	11
Share Issue net proceeds	143	-	-	-	143
Share based payment	-	-	22	-	22
Equity at 30 June 2016	54,368	196	79	(54,298)	345
Audited					
Equity at 1 January 2016	54,225	185	57	(53,932)	535
Net loss for period	-	-	-	(459)	(459)
Other comprehensive Income (Loss)	-	9	-	-	9
Share Issue net proceeds	1,557	-	-	-	1,557
Share based payment	-	-	43	-	43
Expired/Retired options	17	-	(17)	-	-
Equity at 31 December 2016	55,799	194	83	(54,391)	1,685
Unaudited					
Equity at 1 January 2017	55,799	194	83	(54,391)	1,685
Net loss for period	-	-	-	(344)	(344)
Other comprehensive Income (Loss)	-	(5)	-	-	(5)
Share Issue net proceeds	168	-	-	-	168
Expired/Retired options	75	-	(75)	-	-
Share based payment	-	-	21	-	21
Equity at 30 June 2017	56,042	189	29	(54,735)	1,525

Promisia Integrative Limited
Consolidated Interim Balance Sheet
As at 30 June 2017

	Notes	Unaudited 6 months June 2017 \$000	Unaudited 6 months June 2016 \$000	Audited Year Dec 2016 \$000
EQUITY				
Share Capital	3.3	56,042	54,368	55,799
Accumulated Losses		(54,735)	(54,298)	(54,391)
Other Equity Reserves		218	275	277
TOTAL EQUITY		1,525	345	1,685
Represented by:				
CURRENT ASSETS				
Bank		1,279	604	1,827
Receivables		333	339	263
Prepayments		199	76	84
Inventory		891	879	811
		2,702	1,898	2,985
NON-CURRENT ASSETS				
Investments		75	75	75
Intangible Assets		111	112	127
Tangible Assets		27	-	5
		213	187	207
TOTAL ASSETS		2,915	2,085	3,192
less				
CURRENT LIABILITIES				
Payables and Accruals		411	656	468
Loan		120	-	120
		531	656	588
NON-CURRENT LIABILITIES				
Loan		859	1,084	919
TOTAL LIABILITIES		1,390	1,740	1,507
NET ASSETS		1,525	345	1,685

Promisia Integrative Limited
Consolidated Interim Statement of Cash flows
For the six month period ended 30 June 2017

	Unaudited 6 months June 2017 \$000	Unaudited 6 months June 2016 \$000	Audited Year Dec 2016 \$000
Operating activities			
Receipts from customers	1,489	791	2,471
Receipt tax	-	39	56
Payments to suppliers and employees	(2,142)	(1,404)	(3,147)
Interest (net)	16	12	(44)
Net cash flows from (used in) operating activities	(637)	(562)	(664)
Investing Activities			
Purchase intangible assets	(14)	(8)	(35)
Purchase plant & equipment	(4)	-	(5)
Net cash flows from (used in) operating activities	(18)	(8)	(40)
Financing activities			
New share issue & costs	167	153	1,510
Repayment of loans	(60)	-	-
Net cash flows from financing activities	107	153	1,510
Net change in cash	(548)	(417)	806
Cash at Start of Period	1,827	1,021	1,021
Cash at End of Period	1,279	604	1,827

Promisia Integrative Limited
Notes to Consolidated Interim Financial Statements
For the six months ended 30 June 2017

1. Nature of operations

Promisia Integrative Limited (Company) and its subsidiaries (the Group) principal activities are focused on developing and marketing unique therapeutic natural products with proven safety and efficacy based on robust research.

2 General information and statement of compliance

The company is registered under the Companies Act 1993 and is a Financial Markets Conduct 2013 reporting entity in terms of the Financial Reporting Act 2013. The group is profit – orientated.

Promisia Integrative Limited is a company domiciled in New Zealand. The registered office of the company is 22 Panama Street, Level 4, Wellington 6011.

Basis of Preparation

The unaudited interim financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand, which is the New Zealand equivalent to International Financial Reporting Standards (NZ IFRS). They comply with NZ IAS 34 Interim Financial Reporting and should be read in conjunction with the 31 December 2016 annual report

The financial statements are presented in New Zealand dollars which is the group's functional and presentation currency and rounded to the nearest thousand dollars unless otherwise stated.

These financial statements do not include all the information required for full financial statements and consequently should be read in conjunction with the full financial statements of the Group for the year ended 31 December 2016.

The accounting policies adopted are consistent with those of the previous financial year. All new standards and amended standards issued during 2016 and applicable after 1 January 2017 have not been adopted. The impact in the initial period of application is expected to be minimal at this stage.

3. Disclosures

3.1 Operating segments

The Group's reportable segments are based on the geographic location of its activities which reflect the type of activities undertaken and have been determined based on internal reporting used by management and the Board of Directors to assist strategic decision making.

3.2 Financial risk management

The Group's activities are exposed to a variety of financial risks: market risk, credit risk, liquidity risk, cash flow risk and fair value interest-rate risk. The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual financial statements as at 31 December 2016. There have been no changes in the management of risk or in any risk management policies in the current period. The Group does not have any derivative financial instruments or any other financial assets or liabilities that are classified as instruments at fair value through profit and loss under NZ IFRS.

The fair value of assets and liabilities approximates their carrying value.

Promisia Integrative Limited
Notes to Consolidated Interim Financial Statements
For the six month period ended 30 June 2017

3.3 Share Capital

The Group's share capital includes fully paid, subscribed and treasury shares.

Issued and paid capital

There were 508,958,971 (31 December 2016: 498,510,841) ordinary shares on issue at 30 June 2017.

During the period to 30 June 2017 10,448,130 ordinary shares were issued to staff as part of a staff bonus scheme. Bonuses were be paid to staff net of tax based on achieving agreed sales targets as set by the board on an annual basis for the financial year ending 31 December 2016. The bonuses were used entirely as payment for the unpaid shares.

Issued and paid capital comprised:

	Unaudited 6 months June 2017 \$000	Unaudited 6 months June 2016 \$000	Audited Year Dec 2016 \$000
Opening balance	55,799	54,225	54,225
Shares issued	168	152	1,585
Expired/retired options	75	-	17
Issue costs	-	(9)	(28)
	56,042	54,368	55,799

Unpaid ordinary shares – Treasury shares

At 31 December 2016, 27,043,986 of unpaid shares have been issued by the company as a part of a Staff Unpaid Share Scheme for eligible staff being employees or contractors to purchase. During the period to 30 June 2017 staff were allocated total shares of 10,448,130 and paid \$167,170 for these shares from their share of company's bonus scheme.

At 30 June 2017, 16,595,856 shares remain unallocated and are held by a nominee company Promisia Trustee Limited.

3.4. Related party information

During the six month period to 30 June 2017, director fees of \$42,916 (30 June 2016 \$30,000) were paid to the directors.

The chief executive resigned effective 31 March 2017 and \$90,000 was paid to him in full settlement of his management entitlements.

As noted in paragraph 3.3, staff are entitled to participate in the Staff Unpaid Share Scheme.

3.5. Contingent liabilities

There were no contingent liabilities at 30 June 2017 (30 June 2016:\$nil).

3.6 Capital commitments

There were no capital commitments at 30 June 2017 (30 June 2016:\$nil).

3.7 Unaudited financial statements

The interim financial statements to 30 June 2017 have not been audited.