Zoono Group Limited
ABN: 73 006 645 754
Level 12
225 George Street
Sydney NSW 2000
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www.zoono.com

Appendix 4E

Preliminary Final Report

1. Company details

Name of entity:	Zoono Group Limited
ABN:	73 006 645 754
Reporting period:	For the year ended 30 June 2018
Previous period:	For the year ended 30 June 2017

2. Results for announcement to the market

				30 June 2018
Revenues from ordinary activities	Up	NZ$1,636,355 206%	to	NZ$2,429,707
Profit / (Loss) from ordinary activities after tax attributable to the owners of the Group	Up	NZ$4,167,239 102%	to	NZ$79,706
Profit / (Loss) for the year attributable to the owners of the Group	Up	NZ$4,167,239 102%	to	NZ$79,706

Dividend Information

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

Comments

The profit for the Group after providing for income tax amounted to NZ$79,706 (30 June 2017: Loss: NZ$4,087,533).

Refer to 'Review of operation' in the attached annual report for further commentary on results.

3. Consolidated Statement of Profit or Loss and Other Comprehensive Income with Notes to the Statement

Refer to page 17 of the 30 June 2018 financial report and accompanying notes for Zoono Group Limited.

4. Consolidated Statement of Financial Position with Notes to the Statement

Refer to page 18 of the 30 June 2018 financial report and accompanying notes for Zoono Group Limited.

5. Consolidated Statement of Changes in Equity with Notes to the Statement

Refer to pages 19 - 20 of the 30 June 2018 financial report and accompanying notes for Zoono Group Limited.

6. Consolidated Statement of Cash Flows with Notes to the Statement

Refer to page 21 of the 30 June 2018 financial report and accompanying notes for Zoono Group Limited

7. Net tangible assets

	30 June 2018	30 June 2017
Net tangible assets per security	NZ$0.038	NZ$0.038

8. Control gained over entities

Not applicable.

9. Loss of Control over entities

Not applicable.

10. Dividend

Current period

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

Previous period

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

11. Dividend reinvestment plans

Not applicable.

12. Details of associates and joint venture entities

Not applicable.

13. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

14. Status of Audit

Details of audit dispute or qualification (if any):

The 30 June 2018 financial statements and accompanying notes for Zoono Group Limited have been audited and are not subject to any disputes or qualifications. Refer to pages 50 - 54 of the 30 June 2018 financial report for a copy of the auditor’s report.

15. Attachments

Details of attachments (if any):

The Annual Report of Zoono Group Limited for the year ended 30 June 2018 is attached.

16. Signed

Jon Lamb
Executive Chairman

Date: 22 August 2018

ZOONO GROUP LIMITED

AND CONTROLLED ENTITIES

ABN 73 006 645 754

ANNUAL REPORT

for the period ended

30 JUNE 2018

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CHAIRMAN AND CEO'S REVIEW

We relisted the Company on the ASX in May 2017. The year to 30 June 2018 has progressed well with sound building blocks put in place to ensure growth for the 2019 year.

The management team continues to build Zoono's domestic business via our key distributors in both Australia and New Zealand where we have signed several new distributors in the facilities management sector. The B2B sectors that we are targeting are child care, corporate, food manufacturing and processing, sports (where we have sold product to the NZ and UK Olympic and Commonwealth games teams), commercial cleaning, Department of Corrections, agriculture and veterinary/medical sectors. The B2C sector will be driven by our online shop that is linked to our website. Our key distributors are focused on building their businesses in these sectors and have made good progress over the past 12 months.

We are still focused on growing our domestic market through the above channels and new ones. We are actively investigating direct B2B associations.

For the rest of the world we continue to build our business network via our appointed distributors and have made good progress in Japan working with two blue chip companies in the textile sector. We are pleased to report our first three commercial orders have now been shipped to Japan. In Korea we are having success with home shopping and hospital supply contracts and have sold three container loads in the last 9 months. In Canada we are focusing on healthcare and retail segments, as well as partnering with facilities management companies. We have established our own Zoono office and warehouse in the UK. The UK will be the launch platform into the EU. We are targeting the commercial cleaning and facilities management sector in the UK where we have established several partnerships and will be also focusing on the other B2B sectors that have been highlighted. The operating costs for the UK operation are envisaged to be approximately NZ$750,000 for the 2019 year. We are working with strong prospects in the German/Swiss markets. In addition, distributors in Saudi Arabia UAE, South Africa, Hong Kong, China and India have all taken orders in the last 12 months. We are confident that these markets will continue to grow.

The management team has been further strengthened with the appointment of a Marketing Manager, Australian Country Manager, a UK and EU Regional Manager and a UK Microbiologist. A tight control over fixed costs such as staff numbers is being maintained to ensure that the cash resources is channelled into activities that will grow the overall business. We have approximately NZ$6.1M cash in the bank and on deposit.

We value our shareholder base with many of you known personally or who are customers. Your board and management team are committed to commercialising our range of products across as many trade sectors as we can and working with and appointing distributor partners who have the infrastructures, business links and skills in each of our chosen markets.

We would like to thank all shareholders, staff and stakeholders in our business and confirm that we are working hard to maximise the potential of our products.

Jon Lamb
Chairman

Paul Hyslop
Managing Director/CEO

DIRECTORS' REPORT

Your directors present their report on Zoono Group Limited ('Company') and its controlled entities (together called the 'Group' or the 'consolidated entity') for the financial year ended 30 June 2018. All numbers stated in this report are in New Zealand dollars, unless otherwise stated or converted at the exchange rates provided.

Directors

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

Mr. Jon Lamb	Executive Chairman
Mr. Paul Hyslop	Managing Director
Mr. Don Clarke	Non-Executive Director
Ms. Elissa Hansen	Non-Executive Director

Directors have been in office for all of the reporting period and to the date of this report unless otherwise stated.

Company Secretary

Ms. Elissa Hansen

Principal activities

The principal activities of the consolidated entity during the year were to develop and sell a range of antimicrobial products in multiple countries.

Operating result

The Group recorded an after-tax profit of NZ$79,706 (2017: Loss NZ$4,087,533) for the financial year.

Review of operation

During the year the Company received approvals for the Zoono Mini Foggers in the UK and Germany, including the CE Mark that indicates conformity with health, safety, and environmental protection standards for products sold within the European Economic Area. Final approvals were also received for GermFree24 Hand Sanitiser and the Microbe Shield surface product in China, UK and EU, Korea, Saudi Arabia, India and Canada.

The Company continued to test its products against known pathogens. GermFree24 ULTRA has been successfully tested against Norovirus in the USA and Zoono's ZAM (Anti Mould) has been successfully tested against both Listeria and Aspergillus. Zoono Microbe Shield and GermFree24 were both successfully tested against the Influenza A Virus – H3N2. Testing is ongoing.

Zoono also continues to enhance its product line. It developed single use antimicrobial wipes for both hard surfaces (phones, laptops etc) and for the hands; an antimicrobial flowing soap and an antimicrobial body wash gel. These new products are the result of extensive R&D and laboratory testing demonstrates a 100% effective kill rate against odour causing bacteria including Staph and E.coli after 24 hours.

The Company made its first major shipment to China for the RBCGO launch during the year, however sales have been disappointing. The Company is currently reviewing its China strategy including potentially selling direct cross border into China. The China stock is expected to be sold in 2019.

Zoono also made its first shipment to Japan with Zoono products now available in the lucrative Japanese retail markets nationwide (2,000 outlets) in textiles and fabrics including ladies and men's underwear, tank tops, shorts and socks. This followed three years of testing and trials.

Zoono Korea signed a supply and distribution agreement with a Korean veterinary company intending to introduce Zoono products through its pet care range and another large Asian based multinational retailer afforded Zoono status as an approved supplier following extensive due diligence over a period of eight months.

Zoono opened a UK office and warehouse in Bury St Edmunds, close to Cambridge, during the year and appointed a UK and EU Regional Manager as well as a Microbiologist, along with two key sales staff.

In Australia, Zoono appointed an Australian Country Manager and launched its online sales platform. It intends to replicate this online model in the UK and European markets.

The Company continues negotiations with new customers and distributors internationally as it builds its global antimicrobial protection business.

Financial Performance

In the 12 months to 30 June 2018, the Group experienced an increase in revenue of NZ$1,636,345 (206.3% increase over the FY17 year).

Gross Profit achieved was NZ$1,695,240 (69.8% of revenue) in the current year compared to NZ$399,194 (50.3% of revenue) in the previous year. The increase in Gross Profit was due to increased revenues and the mix of products sold which positively affected the margins.

Operating costs decreased by NZ$1,916,393 (42.2%) as a result of the reduction in listing expenses of NZ$1,580,024 and a decrease in management and director's fees of NZ$1,457,615. This was offset by an increase in employee costs of NZ$403,326 with the strengthening of the management team and an increase in selling and marketing expenses of NZ$391,748 as a result of the increase in revenues.

Other operating expense increases were professional fees of NZ$151,638 associated with consultancy costs for our Director International Sales and Marketing Manager and an increase in other expenses of NZ$218,111 which primarily related to the write-off of the Stayzon Retail Ventures PTY Limited loan advance of NZ$112,164 and United Kingdom and EU regulatory fees of $55,027.

The consolidated Group net profit after tax for the year was NZ$79,706 compared to a loss of NZ$4,087,533 in the previous year.

Cash generation and capital management

Operating cash flow was an outflow of NZ$2,036,683 in the current year and increased by NZ$1,693,354 on the previous year. This was predominately due to higher operating cash flow costs for the year and the reduction in cash received from distributors and customers.

The reduction in cash received from distributors and customers was primarily as a result of cash received from our distributors in prior years for pre-paid stock. This meant we had sales during the financial year for which cash was received in prior years. Our Income in advance account in the balance sheet as a result of these sales reduced from NZ$2,410,134 to NZ$448,104 – a movement of NZ$1,962,030. If we had received these distributor receipts in the current year, our operating cash flow would have reduced to an outflow of NZ$74,653 instead of an outflow of NZ$2,036,683.

The Group ended the year with NZ$6,096,313 in cash reserves compared to NZ$8,144,690 in the previous year.

Dividends

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years.

Likely developments, prospects and business strategies

The consolidated entity will continue its strategy to focus on the progressive expansion of the sale and marketing of its product line.

Information on Directors

Mr. Jon Lamb, CIM
Executive Chairman

Jon has led strategic planning, marketing and restructuring of companies throughout his career. He worked in and headed a multinational pharmaceutical company successfully launching global brands.

He created the kiwifruit brand Zespri and restructured the company into a retail focused operation.

He has been a board director on a number of public and private companies, for example a recent a start-up that was developing an antiviral against AIDS where he worked closely with Harvard Medical School who sponsored the clinical trials.

He was Deputy Chair of an Australian diagnostic company that had a real time tool for measuring the Hepatitis B virus. He has been advising Zoono Group for the last 4 years.

Special responsibilities:
Chairman, member of the Audit and Risk Committee

Interests in shares and options:
500,000 ordinary shares

Directorships of other listed companies in the past three years:
Non-executive director, AFT Pharmaceuticals Ltd

Mr. Paul Hyslop,
Managing Director

Paul founded Zoono Group in 2009 to address the need for a highly effective, alternative method of combating bacteria and microbes and quickly realised the business opportunity surrounding this technology. Prior to establishing Zoono, Paul was involved in several successful entrepreneurial ventures ranging from the establishment of a successful private car sales business in Auckland in 1990, to real estate development and business brokerage. He also set up a franchise business in the USA 2002 – 2005.

Extremely adept at dealing with businesses and consumers alike, he co-established the Business Brokerage Division at Bayley's Real Estate – one of the largest real estate and business brokerages in New Zealand, where he was twice awarded the "Salesman of the Year" award.

Paul's experience in business development dates back to the 1970s, when he started a personal-care services business after high school, grew it into eight locations and later sold it to his employees. He has also been a commercial flying instructor and Airline pilot, having flown commuter planes for Eagle Air, owned by Air New Zealand.

Special responsibilities:
Managing Director

Interests in shares and options:
83,708,000 Ordinary shares

Directorships of other listed companies in the past three years:
None.

Mr. Don Clarke, LLB (Hons)
Independent Non-Executive Director

Don was a Partner of Minter Ellison's Melbourne Corporate Group, from 1988-2015. He currently acts as a consultant to them. Don has advised leading corporate clients on broad corporation law issues focused on equity capital markets, private equity, mergers and acquisitions and corporate restructures.

He is able to draw on his firsthand experience as a corporate lawyer and a Director, of Directors' duties and responsibilities and best practice corporate governance, when advising on the legal and practical issues faced at head office and board level.

Special responsibilities:
Chairman of the Audit and Risk Committee

Interests in shares and options:
500,000 Ordinary shares

Directorships of other listed companies in the past three years:
Non-Executive Director, Webjet Limited (appointed January 2008)
Non-Executive Director, Contango Income Generator Limited (appointed August 2014)

Mrs. Elissa Hansen, B.Comm, Grad Dip Applied Corporate Governance, GAICD and FGIA.
Independent Non-Executive Director

Elissa has over 15 years' experience advising boards and management on corporate governance, compliance, investor relations and other corporate related issues. She is a Chartered Secretary who brings best practice governance advice, ensuring compliance with the Listing Rules, Corporations Act and other relevant legislation.

Special responsibilities:
Company Secretary; member of the Audit and Risk Committee

Interests in shares and options:
167,000 Ordinary shares

Directorships of other listed companies in the past three years:
Non-executive director, Torian Resources Limited (appointed December 2015; resigned 20 April 2018)

Meetings of Directors

The number of board meetings of Zoono Group Limited directors held during the financial year ended 30 June 2018, and the number of meetings attended by each director were:

	Directors Meetings		Audit & Risk Committee Meetings	
	Attended	Eligible to attend	Attended	Eligible to attend
Jon Lamb	5	5	3	3
Paul Hyslop	5	5	-	-
Don Clarke	5	5	3	3
Elissa Hansen	5	5	3	3

Indemnification and insurance of Directors, Officers and Auditor

The Group has entered into an agreement to indemnify directors and officers during the financial year and has taken out an insurance policy to insure each of the directors and officers or former directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the Group, other than conduct involving a wilful breach of duty in relation to the Group. Indemnity has not been provided for auditors. Insurance premiums of NZ$36,617 have been paid or accrued by the Group.

Regulation

Zoono and it proposed products are subject to various laws and regulations including but not limited to accounting standards, tax laws, environmental laws, product content requirement, labelling/packaging, regulations and customs regulations. Changes in these laws and regulations (including interpretation and enforcement) could adversely affect the Group financial performance. Laws and regulations are specific to each geographic location. In this regard, there is a risk that a certain product may not be able to be supplied in another jurisdiction because it fails to meet that jurisdictions regulatory requirements (e.g. product registration requirements). Failure of the Group to remain up to date with these various regulatory requirements, could adversely affect the Group financial performance.

There were no regulatory issues that arose during the 12 months to 30 June 2018.

Proceedings on behalf of the Group

No person has applied to the court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

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

Corporate governance

The directors are responsible for the corporate governance practices of the Group. The main corporate governance practices that were in operation during the financial year are set out in the Corporate Governance section of the Company's website at http://zoono.com/corporate-governance/.

Statement regarding ASX Listing Rule 4.10.19

Zoono Group Limited (Company) confirms that, in accordance with ASX Listing Rule 4.10.19, the Company has used the cash (and assets in a form readily convertible cash) at the time of reinstatement to quotation (following re-compliance with Chapters 1 & 2 of the ASX Listing Rules), in a way consistent with its business objectives for the period from reinstatement to 30 June 2018.

Non-audit services

The directors are satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the full board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

There were Nil non-audit services rendered during the year ended 30 June 2018.

Auditor's independence declaration

An independence declaration has been provided by the Group's auditor, Hall Chadwick. A copy of this declaration is attached to, and forms part of, the financial report for the financial year ended 30 June 2018.

Signed in accordance with a resolution of the directors.

Jon Lamb
Executive Chairman
22 August 2018

REMUNERATION REPORT (AUDITED)

The Remuneration Report is set out under the following main headings:

1. Principles used to determine the nature and amount of remuneration
2. Details of remuneration
3. Services agreements
4. Share-based compensation

The information provided under headings 1 to 4 includes remuneration disclosures that are required under Accounting Standard AASB 124 Related Party Disclosures. These disclosures have been transferred from the financial report and have been audited.

1. <u>Principles Used to Determine the Nature and Amount of Remuneration</u>

The performance of the consolidated group depends upon the quality and commitment of the directors and executives. The philosophy of the directors in determining remuneration levels is to:

- set competitive remuneration packages to attract and retain high calibre employees;
- link executive rewards to shareholder value creation; and
- establish appropriate demanding performance hurdles for variable executive remuneration.

Given the small size of the Group's board, and the current development stage of the Company, a separate Remuneration Committee has not been established to review and make recommendations to the full Board on the Group's remuneration policies, procedures and practices. As the Company develops, the Group may establish a Remuneration Committee to undertake this role.

The full Board oversees the Group remuneration policies, procedures and practices and defines the individual packages offered to executive directors and key management personal.

The board may consider engaging an independent remuneration consultant, to advise the board on appropriate levels of remuneration relative to its industry peer group.

In accordance with Corporate Governance best practice (Recommendation 8.2), the structure of non-executive director and executive remuneration is separate and distinct as follows.

a. Non-executive directors' remuneration

Fixed Remuneration:

The Board seeks to set non-executive directors' remuneration at a level that provides the Group with the ability to attract and retain directors of a high calibre, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The amount of aggregate remuneration and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from shareholders and takes into account the fees paid to non-executive directors of comparable companies, when undertaking the annual review process.

Directors' remuneration is inclusive of committee fees. The following net annual fees paid to non-executive directors are:

Fixed Fees (NZ$)	***1 July 2017 - 30 June 2018 $***	***1 July 2016 - 30 June 2017 $***
Chairman's Fee	$162,000[1]	$60,500
Base Fee		
Non-executive directors	$65,104[1]	$63,168[2]

Notes:

1. The net annual fee was AU$60,000 to each director and has been converted at an average exchange rate of 1.08507 along with an additional Executive Chairman's fee of AU$89,300 which has also been converted at an average exchange rate of 1.08507.
2. The net annual fee was AU$60,000 to each director and has been converted at an average exchange rate of 1.0528.

b. Company executive and executive director remuneration

Remuneration for executives and executive directors consists of fixed remuneration only.

***Fixed Remuneration*:**

Fixed remuneration is reviewed annually by the directors. The process consists of a review of relevant comparative remuneration in the employment market and within the Group. The Group may engage an independent remuneration consultant, to advise the board on appropriate levels of remuneration for the Group's Executive Directors relative to its industry peer group.

2. <u>Details of Remuneration</u>

Details of the remuneration of the Key Management Personnel (as defined in AASB 124 Related Party Disclosures) are set out in Table 1 which follows.

The Key Management Personnel of Zoono Group Limited, including the directors and the following consolidated group executives, have authority and responsibility for planning, directing and controlling the activities of the consolidated group.

Lew Mackinnon - Chief Operating Officer

Paul Ravlich - Chief Financial Officer

These executives together with the directors comprise the named relevant consolidated group executives who make or participate in making decisions that affect the whole, or a substantial part, of the business or who have the capacity to affect significantly the Group's financial standing.

REMUNERATION REPORT (Continued)

Table 1: Details of Remuneration – Directors and Key Management Personnel.

	Short-term Benefits		Other Benefits		Share-based Payments	Total	Percentage Performance Based Bonus Payments	Percentage Share-based Payments
	Cash Salary & Fees	STI Payments	Termination Benefits	Prescribed Benefits	Shares			
	NZ$	NZ$	NZ$	NZ$	NZ$	NZ$		
Year ended 30 June 2018								
Executive directors								
Jon Lamb	162,000	-	-	-	-	162,000	-	-
Paul Hyslop	377,938	-	-	-	-	377,938	-	-
Non-Executive directors								
Don Clarke	65,104	-	-	-	-	65,104	-	-
Elissa Hansen	110,677	-	-	-	-	110,677	-	-
Other key management personnel								
Lew Mackinnon	116,215	4,000	-	-	-	120,215	-	-
Paul Ravlich	205,370	6,000	-	6,107	-	217,477	-	-
Total	**1,037,304**	**10,000**	**-**	**6,107**	**-**	**1,053,411**		

REMUNERATION REPORT (Continued)

Table 1: Details of Remuneration – Directors and Key Management Personnel.

	Short-term Benefits		Other Benefits		Share-based Payments	Total	Percentage Performance Based Bonus Payments	Percentage Share-based Payments
	Cash Salary & Fees	STI Payments	Termination Benefits	Prescribed Benefits	Shares			
	NZ$	NZ$	NZ$	NZ$	NZ$	NZ$		
Year ended 30 June 2017								
Executive directors								
Jon Lamb [1]	60,500	-	-	-	-	60,500	-	-
Paul Hyslop [2]	2,041,049	-	-	-	-	2,041,049	-	-
Non-Executive directors								
Don Clarke [3]	10,693	-	-	-	-	10,693	-	-
Elissa Hansen [4]	82,334	-	-	-	-	82,334	-	-
Glenn Tetley [5]	31,651	-	-	-	-	31,651	-	-
John Percival [6]	210,040	-	-	-	52,435	262,475	-	19.98%
Other key management personnel								
Lew Mackinnon [7]	63,592	-	-	20,382	-	83,974	-	-
Paul Ravlich [8]	32,161	-	-	877	-	33,038	-	-
Total	**2,530,020**	**-**	**-**	**21,259**	**52,435**	**2,605,714**		

1. Jon Lamb was appointed as Executive Chairman on the 26 April 2017.
2. Paul Hyslop was appointed Managing Director on the 26 April 2017 of Zoono Group (formerly Goldsearch), prior to this date Paul was the sole director and director employee of Zoono Limited and Zoono Group Limited both NZ entities which was acquired by Zoono Group (formerly Goldsearch), and as part of the reverse acquisition AASB 3: Business Combination the financial statement and Director reports focus on the continuation of the NZ entity acquired by Zoono Group (formerly Goldsearch). The amount reported under this remuneration table is the total amount charged as benefits received from 1 July 2016 to 30 June 2017, including any expensing of prior years' company related loans as detailed in the company prospectus.
3. Don Clarke was appointed as non-executive on the 26 April 2017, and payment converted to NZ based on an average rate 1.0693 over the time of employment.
4. Elissa Hansen received fees of NZ$39,563 included in the above table for the provision of Company Secretarial Services refer to Note 22 of the accompanying financial statements, the remuneration was converted to NZ based on an average rate 1.0528 over the time of employment.

5. Glenn Tetley resigned on the 26 April 2017, his remuneration was converted at a rate of 1.0528.
6. John Percival resigned on the 26 April 2017, his remuneration was converted at a rate of 1.0528, Mr Percival also was entitled to receive 250,000 fully paid ordinary shares at AU$0.20 and AU$100,000 as part of his role in the acquisition of Zoono and recent capital raising refer to Note 22 of the accompanying financial statements, which is included in the above table.
7. Lew Mackinnon was appointed on the 1 June 2017
8. Paul Ravlich was appointed on the 1 May 2017.

3. Service Agreements

The following is a summary of the current major provisions of the agreements relating to remuneration of Executive Directors in NZ Dollars:

Jon Lamb – Executive Chairman

Jon Lamb is the Executive Chairman of the Group and is considered a key member of the Group's management team.

Employment Conditions

Commencement Date:	26 April 2017
Term:	Three years
Review:	Annually

Paul Hyslop – Managing Director

Paul Hyslop is the Managing Director of the Group and is considered a key member of the Group's management team. Mr Hyslop is founder of Zoono.

Employment Conditions

Commencement Date:	26 April 2017
Term:	Two years
Review:	Annually

Independent Review

To ensure the Group complied with industry best practice in relation to the remuneration of its executive directors, the non-executive directors of the Group will consider engaging the services of a remuneration consultant to conduct an independent assessment of the remuneration packages negotiated with its executive director.

The following is a summary of the current major provisions of the agreements relating to remuneration of Key Management Personnel in NZ Dollars:

Lew Mackinnon – Chief Operations Officer

Base Remuneration:	$120,000
Other Benefits:	Use of a company vehicle.

Employment Conditions

Commencement Date:	1 June 2017
Term:	One year
Review:	Annually

Paul Ravlich- Chief Financial Officer

Base Remuneration:	$220,000
Other Benefits:	Entitlement to a cash payment of up to $40,000 contingent on the Group achieving certain financial targets.

Employment Conditions

Commencement Date:	1 May 2017
Term:	One year
Review:	Annually

4. Voting and comments made at the Company last annual General Meeting

Zoono Group Limited received 75.8% of ‘yes’ votes on it Remuneration report for the financial year ended 30 June 2017. The Company received no specific feedback on Remuneration Report at the Annual General Meeting.

ZOONO GROUP LIMITED ABN 73 006 645 754
AND CONTROLLED ENTITIES

SYDNEY
Level 40
2 Park Street
Sydney NSW 2000
Australia
Ph: (612) 9263 2600
Fx: (612) 9263 2800

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ZOONO GROUP LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been no contraventions of:

(i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Hall Chadwick

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

DREW TOWNSEND
Partner
Date: 22 August 2018

CONSOLDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Note	2018 NZ$	2017 NZ$
Revenue	5	2,429,707	793,362
Cost of sales		(734,467)	(394,168)
Gross profit		1,695,240	399,194
Other revenue	5	1,000,151	45,351
Administration expenses		(25,528)	(28,120)
Depreciation/Amortisation expenses		(60,186)	(40,340)
Directors' fee		(290,589)	(977,191)
Employee costs		(483,414)	(80,088)
Finance costs		(11,302)	(83,332)
Management fee		(377,938)	(1,148,951)
Professional fees		(483,778)	(332,140)
Occupancy expenses		(63,631)	(52,432)
Selling and distribution expenses		(296,761)	(82,904)
Marketing expenses		(188,247)	(10,356)
Listing expenses and other acquisition costs		(100,271)	(1,680,295)
Other expenses		(234,040)	(15,929)
Profit/(Loss) before Income Tax	6	79,706	(4,087,533)
Income tax expense	7	-	-
Profit/(Loss) attributable to members		**79,706**	**(4,087,533)**
Other comprehensive income:			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	17	(9,686)	113,502
Total other comprehensive income		**(9,686)**	**113,502**
Total comprehensive profit/(loss) attributable to members		**70,020**	**(3,974,031)**
Profit/(Loss) per share attributable to the ordinary equity holders of the company			
Basic profit/(loss) per share	24	$0.05	$(0.12)
Diluted profit/(loss) per share	24	$0.05	$(0.12)

The accompanying notes form part of these financial statements

CONSOLDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	2018 NZ$	2017 NZ$
CURRENT ASSETS			
Cash and cash equivalents	23(a)	6,096,313	8,144,690
Trade and other receivables	9	237,807	270,388
Inventories	10	671,500	210,191
Other assets	13	84,393	17,124
TOTAL CURRENT ASSETS		7,090,013	8,642,393
NON-CURRENT ASSETS			
Plant and equipment	11	118,406	49,756
Intangible assets	12	119,961	62,432
Other assets	13	-	216,403
TOTAL NON-CURRENT ASSETS		238,367	328,591
TOTAL ASSETS		7,328,380	8,970,984
CURRENT LIABILITIES			
Trade and other payables	14	950,341	2,751,852
Borrowings	15	30,798	28,269
TOTAL CURRENT LIABILITIES		981,139	2,780,121
NON-CURRENT LIABILITIES			
Borrowings	15	86,358	-
TOTAL NON-CURRENT LIABILITIES		86,358	-
TOTAL LIABILITIES		1,067,497	2,780,121
NET ASSETS		6,260,883	6,190,863
EQUITY			
Issued capital	16	11,781,716	11,781,716
Reserves	17	103,816	113,502
Accumulated losses	8	(5,624,649)	(5,704,355)
TOTAL EQUITY		6,260,883	6,190,863

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

		Issued capital	Reserves	Accumulated losses	Total
		Ordinary shares	Foreign currency translation reserve		
	Note	**NZ$**	**NZ$**	**NZ$**	**NZ$**
Balance at 1 July 2017		11,781,716	113,502	(5,704,355)	6,190,863
Profit for the year	8	-	-	79,706	79,706
Other comprehensive income for the year	17	-	(9,686)	-	(9,686)
Total comprehensive loss for the year		-	(9,686)	79,706	70,020
Transactions with owners in their capacity as owners					
Shares issued during the year, net of issue costs	16	-	-	-	-
Options lapsed in period		-	-	-	-
Dividends paid or provided for		-	-	-	-
Total transactions with owners		-	-	-	-
Balance at 30 June 2018		11,781,716	103,816	(5,624,649)	6,260,883

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

		Issued capital	Reserves	Accumulated losses	Total
		Ordinary shares	Foreign currency translation reserve		
	Note	**NZ$**	**NZ$**	**NZ$**	**NZ$**
Balance at 1 July 2016		1,125,886	-	(1,616,822)	(490,936)
Loss for the year	8	-	-	(4,087,533)	(4,087,533)
Other comprehensive income for the year	17	-	113,502	-	113,502
Total comprehensive income/(loss) for the year		-	113,502	(4,087,533)	(3,974,031)
Transactions with owners in their capacity as owners					
Shares issued during the year, net of issue costs	16	10,655,830	-	-	10,655,830
Dividends paid or provided for		-	-	-	-
Total transactions with owners		10,655,830	-	-	10,655,830
Balance at 30 June 2017		11,781,716	113,502	(5,704,355)	6,190,863

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Note	2018 NZ$	2017 NZ$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		1,295,363	1,208,399
Payments to suppliers and employees		(3,525,773)	(1,536,900)
Interest received		205,029	16,194
Finance cost		(11,302)	(31,022)
Net cash used in operating activities	23(b)	(2,036,683)	(343,329)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for property, plant and equipment		(89,658)	(23,633)
Proceeds from sale of property, plant and equipment		-	52,150
Amount paid to related entity		-	(47,000)
Cash in acquiree		-	112,553
Amounts provided to/(from) third party		104,239	(216,403)
Amounts from related parties		-	8,765,892
Net cash provided by investing activities		14,581	8,643,550
CASH FLOWS FROM FINANCING ACTIVITIES:			
Amount paid to related party		-	(213,803)
Proceeds from loans		(7,820)	-
Repayment of loans		-	(431,054)
Net cash used in financing activities		(7,820)	(644,857)
Net increase/(decrease) in cash and cash equivalents held		(2,029,922)	7,655,364
Effects of foreign exchange on cash balance		(18,455)	283,328
Cash and cash equivalents at beginning of year		8,144,690	205,998
Cash and cash equivalents at end of year	23(a)	6,096,313	8,144,690

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS

Zoono Group Limited and Subsidiaries (the Group) principal activities included the research, development and sale of a range of antimicrobial products in multiple countries.

2. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

The consolidated financial statements are a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Compliance with Australia Accounting Standards results in full compliance with the International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board (IASB). For the purposes of preparing the Consolidated Financial Statement, the Company is a for-profit entity.

Zoono Group Limited (the Company) is the Ultimate Parent Company, Zoono Group Limited is a Public Company incorporated in Australia and domiciled in New Zealand. The Company registered address is Level 12, 225 George Street Sydney NSW 2000 Australia.

The Consolidated financial statements of the Group as at and for the year ended 30 June 2018 comprise the Company and its subsidiaries (together referred to as the 'Group' or 'Consolidated entity'). The consolidated financial statements for the year ended 30 June 2018 were approved and authorised for issue by the board of Directors on 22 August 2018.

Statement of Cash Flows

The 30 June 2018 statement of cash flows comprises the cash balance of Zoono Limited and Zoono Group Limited at 1 July 2017, and the cash transactions of the consolidated Group for the 12 month period.

The 30 June 2017 statement of cash flows comprises the cash balance of Zoono at 1 July 2016, the cash transactions of Zoono for the 12 months period to 30 June 2017, as well as Zoono Group Limited for the period from 9 May 2017 to 30 June 2017 and the cash balance of Zoono Limited and Zoono Group Limited at 30 June 2017.

3. CHANGES IN ACCOUNTING POLICIES

(a) New Accounting Standards for application in future periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

- AASB 9: Financial Instruments includes requirements for the recognition (and derecognition), classification and measurement of financial instruments, as well as the new hedge accounting requirements that will replace the corresponding requirements currently applicable to financial instruments under AASB 139: Financial Instruments: Recognition and Measurement.

  AASB 9 introduces a number of changes to the accounting treatment of financial instruments compared to AASB 139, including:

  - requiring financial assets to be classified as subsequently measured at amortised cost, fair value through profit or loss or fair value through other comprehensive income on the basis of:
    - the objective of the entity's business model for managing the financial assets; and

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

- the characteristics of the contractual cash flows. These categories replace the categories of financial assets in AASB 139, each of which had its own classification criteria. AASB 9 also includes application guidance on the conditions necessary for a financial asset to be measured at amortised cost;

- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income – dividends in respect of these investments that are a return on investment are recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- permitting financial assets to be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases;
- requiring hybrid contracts with financial asset hosts to be classified and measured in their entirety in accordance with the classification criteria (the treatment of embedded derivatives in respect of financial liability hosts has not changed);
- requiring investments in unquoted equity instruments (and contracts on those investments that must be settled by delivery of such unquoted equity instruments) to be measured at fair value (however, in limited circumstances, cost may be an appropriate estimate of fair value);
- requiring investments in contractually linked instruments that create concentrations of credit risk (tranches) to be classified and measured using a "look through" approach – such an approach looks to the underlying assets generating cash flows and assesses the cash flows against the classification criteria to determine whether the investment is measured at fair value or amortised cost;
- requiring financial assets (with the exception of certain categories) to be initially recognised at an amount that includes an expected credit loss, as opposed to the "incurred loss" model under AASB 139;
- providing a new model for hedges that aligns the accounting requirements with the risk management practices of entities that hedge their financial and non-financial risk exposures, thereby enabling more entities, particularly non-financial institutions, to apply hedge accounting to correct their actual risk management activities – there are enhanced disclosure requirements regarding the hedge accounting and risk management model of the entity;
- requiring financial assets to be reclassified only in the rare circumstances when there is a relevant change in the entity's business model; and
- requiring, for financial liabilities measured at fair value, the portion of a change in fair value relating to the entity's own credit risk to be presented in other comprehensive income, except when that would create or enlarge an accounting mismatch in profit or loss, in which case the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

AASB 9 mandatorily applies to annual reporting periods beginning on or after 1 January 2018, with earlier application permitted.

Although the directors anticipate that the adoption of AASB 9 may have an impact on the Group's financial statements, the impact is not likely to be material where applicable.

- AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods beginning on or after 1 July 2018, as deferred by AASB 2015-8: Amendments to Australian Accounting Standards – Effective Date of AASB 15).

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Apart from a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors (subject to certain practical expedients in AASB 15); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements regarding revenue.

Although the directors anticipate that the adoption of AASB 15 may have an impact on the Group's financial statements, the impact is not likely to be material where applicable.

- AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 July 2019). When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

  The main changes introduced by the new Standard are as follows:

  - recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
  - depreciation of right-of-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
  - inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
  - application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
  - inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the directors anticipate that the adoption of AASB 16 will impact the Group's financial statements, the impact is not likely to be material where applicable.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

4. SUMMARY OF ACCOUNTING POLICIES

The following significant accounting policies have been adopted in the preparation and presentation of the financial report.

(a) General

Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

Reporting basis and conventions

These financial statements have been prepared on an accruals basis under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value.

Critical accounting estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make estimates, judgements and assumptions based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within the Group.

Actual results may differ from the estimates.

Fair value of financial assets

The Group records the fair value of financial assets using the market value of the investments at reporting date. While this represents the best estimate of the fair value as at the reporting date, the current market uncertainty means that, if the financial assets are sold in the future, the price achieved may be higher or lower than the most recent valuation, and higher or lower than the fair value recorded in the financial statements.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash generating unit based on expected future cash flows and, where required, uses an interest rate to discount them.

Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected useful life of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the value of certain software and IT equipment.

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

(b) Basis of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of Zoono Group Limited and all subsidiaries as of 30 June 2018. Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

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.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases.

Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

(c) Business combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date of fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree’s financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of: (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquiree, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

(d) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in New Zealand dollars, which is the parent entity’s functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency is translated as follows:

- Assets and liabilities are translated at year end exchange rates prevailing at that reporting date.
- Income and expenses are translated at average exchange rates for the year.
- Retained earnings/Accumulated losses are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than the Australian dollar are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

(e) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and 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.

(f) Income tax

The charge for current income tax expense is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or loss for the period. It is calculated using the tax rates that have been enacted or are substantially enacted by the reporting date.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is charged to the statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate proportion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

(h) Property, plant and equipment - Plant and equipment

Plant and equipment is measured on the cost basis less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred. All fixed assets are depreciated over their estimated useful lives to the Group.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Plant and equipment	20 – 33%
Motor vehicles	30%
Furniture and equipment	13 – 33%
Computer equipment	48 – 67 %

Depreciation

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss within profit or loss within other income or expenses.

(i) Intangible Assets

Patents, trademarks and website development

Patents, trademarks and website development are recognised at cost of acquisition. They have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Patents, trademarks and website development are amortised over their useful lives of up to 10 years. Amortisation has been included within depreciation, amortisation and impairment of non-financial assets.

(j) Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset’s fair value less costs of disposal and value in use, to the asset’s carrying amount. Any excess of

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a re-valued amount. Any impairment loss of a re-valued asset is treated as a revaluation decrease.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(k) Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(l) Accounts payable

Trade payables and other accounts payable are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services. Due to their short-term nature they are measured at amortised cost and not discounted. These amounts are unsecured and are usually paid within 30 days of recognition.

(m) Provisions, contingent liabilities and contingent assets

Provisions for product warranties, legal disputes, onerous contracts or other claims are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

Restructuring provisions are recognised only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

(n) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Group commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

(ii) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a “loss event”) having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors (or a group of debtors) are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account, or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

De-recognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(o) Receivables

Trade receivable are initially recognised at fair value and subsequently measured at amortised cost using the affective interest method, less any allowance for impairment.

(p) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the Group, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

(q) Employee Benefits

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

(r) Share-based payments

The cost to the Company of share options granted to directors and executive officers is included at fair value as part of the directors' and executive officers' aggregate remuneration in the financial year the options are granted. The fair value of the share option are calculated using the Black Scholes option pricing model, which takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradable nature of the option, the current price and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value determined at the grant date of the equity settled share-based payment is expensed on a straight-line basis over the vesting period.

(s) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement by the Group in those goods.

All revenue is stated net of the amount of goods and services tax.

Other income

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Dividend revenue is recognised when the right to receive a dividend has been established.

Realised gains and losses on sale are recognised as income or expense respectively in the statement of profit or loss and other comprehensive income and are calculated as the difference between consideration on sale and the original cost.

(t) Goods and services tax (GST)

The Statement of Profit or Loss and Other Comprehensive Income has been prepared so that all components are stated exclusive of GST, except where the amount of GST incurred is not recoverable

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

from the tax office. All items in the Statement of Financial Position are stated exclusive of GST, with the exception of receivables and payables, which include GST.

(u) Earnings per share

i) Basic earnings per share:

Basic earnings per share is determined by dividing the operating profit/(loss) after income tax excluding any cost of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the financial year.

ii) Diluted earnings per share:

Diluted earnings per share adjusts the figures used in determining earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of options outstanding during the financial year.

(v) Segment reporting

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of cash, receivables, inventories, intangibles and property, plant and equipment, net of allowances and accumulated depreciation and amortisation. Segment liabilities consist principally of payables, employee benefits, accrued expenses, provisions and borrowings. The Group do not allocate revenues, assets or liabilities to individual segments.

(w) Comparative information

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented for the financial year.

	Consolidated	
5. REVENUE AND OTHER INCOME	**2018**	**2017**
Revenue from operating activities	**NZ$**	**NZ$**
Operating activities		
- Revenue from sale of goods	2,429,707	793,362
Total revenue from operating activities	2,429,707	793,362
Other income		
- Dividends received	350	-
- Breaches of distributor agreements	773,112	-
- Interest received	219,112	40,978
- Expenses recovery	7,577	4,373
Total other income	1,000,151	45,351

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

	Consolidated	
	2018	2017
	NZ$	NZ$
6. PROFIT FOR THE YEAR		
Profit before income tax has been determined after:		
Depreciation	39,265	25,853
Gain on disposal of property, plant and equipment	-	(7,652)
Rental expense on operating leases	60,903	51,245
Amortisation	20,921	14,487
Salary costs (including directors' fees and management fees)	1,151,941	2,206,230
Interest on borrowings	11,302	51,996
Net foreign exchange (gain) and losses	(2,666)	9,772
Write off of Receivables	112,164	-

7. INCOME TAX

The prima facie tax payable on loss is reconciled to the income tax expense as follows:

Prime facie tax payable on loss before income tax at 28% (2017: 28%)	22,318	(669,242)
Add: tax effect of:		
- Other assessable and non-allowable items	(145,278)	(122,017)
- Deferred tax losses not recognised in accounts	122,960	791,259
Income tax expense/(benefit)	-	-

Subject to the provisions of the Income Tax Assessment Act, if the Group derives assessable income it will be able to utilise carry-forward losses. The Group has losses available to be carried forward of NZ$2,287,745.

The net deferred tax asset will only be obtained if:

(a) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss to be realised;

(b) the Company continues to comply with the conditions for deductibility imposed by law; and

(c) no changes in tax legislation adversely affect the Company in realising the benefit from the deduction of the loss.

Consequently, no deferred tax asset has been recognised.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

	Consolidated 2018 NZ$	2017 NZ$
8. ACCUMULATED LOSSES		
Accumulated losses at beginning of year	(5,704,355)	(1,616,822)
Net profit/(loss) attributable to members of the company	79,706	(4,087,533)
Accumulated losses at end of year	(5,624,649)	(5,704,355)
9. TRADE AND OTHER RECEIVABLES		
Trade receivables	25,518	132,599
Provision for impairment	-	-
	25,518	132,599
Net GST receivable	98,652	103,027
Other receivables	113,637	34,762
	237,807	270,388

	Gross Amount NZ$	Past Due and Impaired NZ$	Past Due but Not Impaired (Days Overdue) < 30 NZ$	31–60 NZ$	61–90 NZ$	> 90 NZ$	Within Initial Trade Terms NZ$
2018							
Trade and term receivables	25,518	-	2,760	8,511	7,990	6,257	2,760
Other receivables	212,289	-	-	212,289	-	-	212,289
Total	237,807	-	2,760	220,800	7,990	6,257	215,049
2017							
Trade and term receivables	132,599	-	93,022	23,101	1,725	14,751	93,022
Other receivables	137,789	-	-	137,789	-	-	137,789
Total	270,388	-	93,022	160,890	1,725	14,751	230,811

Trade and other receivables are stated at cost less any impairment losses. The carrying amounts of the Company’s receivables are reviewed at each balance date to determine whether there is any indication of impairment. If any indication exists, the receivables’ recoverable amount is estimated.

At balance date, there were past due but not impaired trade and other receivables (2017: $Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

		Consolidated	
		2018	2017
		NZ$	NZ$
10.	**INVENTORIES**		
	Finished goods at cost	671,500	67,035
	Work in progress	-	143,156
		671,500	210,191

11.	**PLANT AND EQUIPMENT**		
	Plant and equipment:		
	Plant and equipment at cost	28,397	23,157
	Accumulated depreciation	(9,422)	(4,295)
		18,975	18,862
	Motor vehicles:		
	Motor vehicles at cost	119,155	47,653
	Accumulated depreciation	(29,276)	(31,173)
		89,879	16,480
	Furniture and equipment:		
	Furniture and equipment at cost	16,388	16,388
	Accumulated depreciation	(8,454)	(6,057)
		7,934	10,331
	Computer equipment:		
	Computer equipment at cost	19,091	19,091
	Accumulated depreciation	(17,473)	(15,008)
		1,618	4,083
	Total plant and equipment	118,406	49,756

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

a. **Movements in carrying amounts**

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

	Plant and equipment	Motor vehicles	Furniture and equipment	Computer equipment	Total
	NZ$	NZ$	NZ$	NZ$	NZ$
Balance at 1 July 2016	17,331	87,627	8,512	885	114,355
Additions	5,826	5,391	9,690	4,347	25,254
Disposals – written down value	-	(53,218)	-	-	(53,218)
Depreciation expense	(4,295)	(23,320)	(7,871)	(1,149)	(36,635)
Carrying amount at 30 June 2017	18,862	16,480	10,331	4,083	49,756
Additions	5,240	119,155	-	-	124,395
Disposals – written-down value	-	(16,480)	-	-	(16,480)
Gain on sale	-	-	-	-	-
Depreciation expense	(5,127)	(29,276)	(2,397)	(2,465)	(39,265)
Carrying amount at 30 June 2018	18,975	89,879	7,934	1,618	118,406

	2018	2017
	NZ$	NZ$
12. INTANGIBLE ASSETS		
Trademarks and patents:		
Trademarks and patents at cost	147,820	147,820
Accumulated amortization	(99,772)	(85,388)
	48,048	62,432
Website Development:		
Website development at cost	78,450	-
Accumulated amortization	(6,537)	-
	71,913	-

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

a. **Movements in carrying amounts**

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

Opening Balance	62,432	73,787
Additions	78,450	3,132
Amortisation expense	(20,921)	(14,487)
Closing Balance	119,961	62,432

	Consolidated	
	2018	**2017**
	NZ$	**NZ$**
13. OTHER ASSETS		
Current		
Prepayments	84,393	17,124
Non-Current		
Loan to Stayzon Retail Ventures PTY Limited [1]	-	216,403
	84,393	216,403

1. The loan was advanced to Stayzon Retail Ventures Pty Limited on the 15 May 2017 as an unsecured funding arrangement. The loan is repayable on the 30 June 2018 unless mutually agreed to extend the agreement by both parties. The loan incurs a 5% interest rate which is capitalised to the loan amount and is repayable on the termination of the loan agreement or when mutually agreed.

   During the financial year ended 30 June 2018, Stayzon Retail Ventures Pty Limited and Zoono entered into a deed of settlement whereby only NZ$104,239 was payable from the original advance amount and the balance NZ$112,164 was subsequently written off in the financial statements.

14. TRADE AND OTHER PAYABLES

Trade creditors	338,834	203,129
Sundry creditors and accruals	157,185	113,095
Other payables	6,218	25,494
Income in advance	448,104	2,410,134
	950,341	2,751,852

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

15. BORROWINGS

CURRENT		
Lease liability	30,798	28,269
NON-CURRENT		
Lease liability	86,358	-

	2018 No. Shares	2017 No. Shares	2018 NZ$	2017 NZ$
16. ISSUED CAPITAL				
(a) Issued shares:				
Beginning of the year	163,011,827	31,112	11,781,716	1,125,886
Issued during the year:				
Recognition of shares in Zoono Group limited in accordance with the requirement of share-based acquisition accounting	-	112,980,517	-	952,401
share issued pursuant to public offer	-	50,000,198	-	10,631,783
Share issue cost	-	-	-	(928,354)
	163,011,827	163,011,827	11,781,716	11,781,716

Holders of ordinary shares are entitled to participate in dividends when declared and are entitled to one vote per share, either in person or by proxy, at shareholder meetings. In the event of winding up the Company, ordinary shareholders are ranked after all other creditors and are entitled to any proceeds of liquidation in proportion to the number of and amounts paid on the shares held.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(b) Movement in issued share options during the year:

The Company had no quoted or unquoted options issue at the date of this report.

(c) Uncalled capital:

No calls are outstanding at year end. All issued shares are fully paid.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

(d) Capital management:

Management controls the capital of the Group in order to maintain a reasonable debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group currently has no debt funding available or external capital requirement. The Group's capital includes ordinary share capital share options and reserves. The financial liabilities are supported by financial assets.

Management effectively manages the Group capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of share issues. The Group strategy remains unchanged from prior year.

	Consolidated	
	2018	**2017**
	NZ$	**NZ$**
17. RESERVES		
Foreign currency translation reserve		
Balance at beginning of year	113,502	-
Exchange differences on translation of foreign operations	(9,686)	113,502
Balance at end of year	103,816	113,502

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income and accumulated as a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

18. SHARE-BASED PAYMENTS

(a) Share-based payment acquisition:

The Consolidated Group has not issued or has any outstanding share options or issues during the financial year (2017: Refer below).

On 9 May 2017 Zoono Group Limited ("Goldsearch") (formerly Goldsearch Limited) completed the acquisition of Zoono Group Limited (NZ) and its controlled entities ("Zoono Group"). Under the Australian Accounting Standards, Zoono Group was deemed to be the accounting acquirer in this transaction. The acquisition has been accounted for as a share-based payment by which Zoono Group acquires the net assets and listing status of Goldsearch.

The deemed consideration was the issue of 94,500,000 fully paid ordinary shares in Goldsearch Limited (legal parent) to the shareholders of Zoono Group and is deemed to have a value of NZ$952,401.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

(i) Deemed consideration		NZ$
Purchase consideration	-	952,401
Less:		
Cash & cash equivalents	-	112,553
Trade and other receivables	-	105,654
Loan receivable	-	8,858,710
Trade and other payables	-	(81,919)
Fair value of net assets acquired	-	8,994,998
Less capital raised in general offer	-	(9,729,688)
	-	(734,690)
Listing expense on acquisition	-	1,687,091
	-	952,401

(b) Equity settled share-based payment and reconciliations:

The Consolidated Group has not issued or has any outstanding share options on issue during the financial year (2017: Nil)

	Consolidated	
	2018	**2017**
19. REMUNERATION OF AUDITORS	**NZ$**	**NZ$**
Amounts received or due and receivable by the auditors for:		
- the review and the audit of the financial reports for the consolidated group	41,508	132,337
	41,508	132,337

20. ECONOMIC DEPENDENCY

Zoono and its products are subject to various laws and regulations including but not limited to accounting standards, tax laws, environmental laws, product content requirement, labelling/packaging, regulations and customs regulations. Changes in these laws and regulations (including interpretation and enforcement) could adversely affect the Group financial performance. Laws and regulations are specific to each geographic location. In this regard, there is a risk that a certain product may not be able to be supplied in another jurisdiction because it fails to meet that jurisdictions regulatory requirements (e.g. product registration requirements). Failure of the Group to remain up to date with these various regulatory requirements, could adversely affect the Group financial performance.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

21. CONTINGENT LIABILITIES

The directors are not aware of any potential liabilities or claims against the Company as at the date to which these financial statements are made up.

22. RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions unless otherwise stated. Complete details of the remuneration of directors and key management personnel are set out in the Remuneration Report which forms part of the accompanying Directors' Report.

The totals of remuneration paid to key management personnel of the Company during the year are as follows:

	Consolidated	
	2018	**2017**
	NZ$	**NZ$**
Short–term employee benefits	1,037,304	2,532,000
Other Benefits	16,107	21,259
Share-based Payments	-	52,435
	1,053,411	2,605,714

Details of shares and options held by key management personnel are included in the Remuneration Report set out in the accompanying directors' report.

Key management personnel related entity transactions

Mr Paul Hyslop is the Managing Director/CEO of Zoono Group and provides consulting services to the Group. Charges for services provided during the year amounted to NZ$377,938 (2017: NZ$2,041,049).

Ms Elissa Hansen, a director of Market Capital Group Pty Ltd trading as CoSec Services, provided company secretarial and consulting services to the Group. Charges for services provided during the year amounted to NZ$45,573 (2017: NZ$38,954). This is in addition to director's fees earned by Ms. Hansen.

Morgan Recruitment Limited provided recruitment services to the Company and was paid NZ$35,000 for their services. The wife of Mr Paul Hyslop owns Morgan Recruitment Limited.

23. STATEMENT OF CASH FLOWS

(a) Reconciliation of cash:

	Consolidated	
	2018	**2017**
	NZ$	**NZ$**
Cash at bank	488,095	143,128
Cash on short term deposit	5,608,218	8,001,562
	6,096,313	8,144,690

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

The effective interest rate on short-term bank deposits was 3.3% per annum (2017: 3.2% per annum) and these deposits have an average maturity of 211 days.

	Consolidated	
	2018	**2017**
(b) Reconciliation statement:	**NZ$**	**NZ$**
A reconciliation of "net cash used in operating activities" to "operating cash flows" is as follows:		
Profit/(Loss) after income tax	79,706	(4,087,533)
Add/(less)		
Amortisation	20,921	14,487
Depreciation	39,265	25,853
Listing and acquisition cost – reverse acquisition cost	-	1,687,091
Non-Cash Management and Directors Fees	-	2,007,064
Write-off of receivables	112,164	-
Gain on sale of equipment	-	(7,652)
Foreign exchange differences	8,769	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	32,581	(115,204)
(Increase)/decrease in inventories	(461,309)	(97,563)
(Increase)/decrease in prepayments	(67,269)	(753,382)
Increase/(decrease) in trade and other payables	(1,801,511)	983,510
Net cash used in operating activities	(2,036,683)	(343,329)

The Company does not have any formal loan facilities in place at the date of these financial statements.

24. EARNINGS PER SHARE

The following reflects the income and share data used in the calculations of basic and diluted earnings per share (EPS):

Basic profit/(loss) per share	$0.05 cents	$(0.12) cents
Diluted profit/(loss) per share	$0.05 cents	$(0.12) cents
Weighted average number of ordinary shares outstanding during the year used to calculated basic EPS	163,011,827	33,134,308
Weighted average number of ordinary shares outstanding during the year used to calculated diluted EPS	163,011,827	33,134,308
Profit/(Loss) from continuing operations used to calculated basic EPS and diluted EPS	79,706	(4,087,533)

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

25. SEGMENT INFORMATION

Operating segments are not identified on the basis of internal reports about the components of the Group that are regularly reviewed by the Chief Operating Decision Makers in order to allocate resources to the segment and to assess its performance.

In presenting information on the basis of geographical segments, segment revenue is not based on the geographical location of distributors/customers. Segment assets and liabilities are located in New Zealand and are unable to be allocated to individual geographical segments by locations of distributors/customers on a reasonable basis. The Group's segment revenue is not assigned to any one geographical location as follows;

	Product
Global revenues	Hand sanitiser, textile applicator, mould remediation, surface sanitiser

Geographical information

The Group's revenue from external distributors/customers by geographical location has been excluded for competitive reasons.

	2018 NZ$	2017 NZ$
Geographical Revenue		
Global revenues	2,429,707	793,362
Total Group Revenue	2,429,707	793,362

26. FRANKING CREDITS

The amount of the franking credits available for subsequent reporting periods are:	88,384	88,384

27. CONTROLLED ENTITIES

	Country of incorporation	Percentage owned 2018	Percentage Owned 2017
Subsidiaries of Zoono Group Limited			
Zoono Group Limited (NZ)	New Zealand	100%	100%
Zoono Limited	New Zealand	100%	100%
Zoono Holdings Limited (UK)	United Kingdom	100%	-
Caytale Pty Limited [i]	Australia	-	100%

(i) Caytale Pty Limited was deregistered on 13 December 2017.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

28. FINANCIAL RISK MANAGEMENT

Financial risk management policies

The Group's financial instruments consist mainly of current accounts with banks, accounts receivable and payable.

i. Treasury risk management

Management considers on a regular basis the financial risk exposure and evaluates treasury management strategies in the context of the most recent economic conditions and forecasts.

The overall risk management strategy seeks to meet the Group's financial targets, whilst minimising potential adverse effects on financial performance.

Management operates under policies approved by the board of directors which approves and reviews risk management policies on a regular basis. These include future cash flow requirements.

ii. Financial risk exposures and management

The main risks the Group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk, credit risk and price risk.

(a) Foreign currency risk exposure

Most of the Group's transactions are carried out in $NZD. Exposures to currency exchange rates arise from the Group's overseas sales and purchases, which are primarily denominated in $US Dollars ($USD) and Australian Dollars ($AUD). The Group also holds a bank account in both $USD and $AUD.

(b) Interest rate risk exposure

The Group is exposed to interest rate risk through cash and deposits held. The Group continually monitors interest rates and financial markets for the Group's cash on deposit and regularly reviews future cash flow requirements. The following table summarises the interest rate risk for the Group, together with the effective weighted average interest rate for each class of financial assets and liabilities.

		Floating	Fixed interest maturing in		Non - interest bearing		
	Note	interest rate	1 year or less	over 1 to 5 years	1 year or less	over 1 to 5 years	Total
2018			$	$	$	$	$
Financial assets							
Cash		3.4%	5,608,218	-	488,095	-	6,096,313
Financial liabilities							
Borrowings		9.9%	30,798	86,358	-	-	117,156
Net exposure to cashflow interest rate risk		6.5%	5,577,420	(86,358)	488,095	-	5,979,157
Weighted average interest rate		6.7%	-	-	-	-	6.7%

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

	Note	Floating interest rate	Fixed interest maturing in 1 year or less	Fixed interest maturing in over 1 to 5 years	Non - interest bearing 1 year or less	Non - interest bearing over 1 to 5 years	Total
2017			$	$	$	$	$
Financial assets							
Cash		3.2%	8,001,562	-	143,128	-	8,144,690
Financial liabilities							
Borrowings		13.0%	28,269	-	-	-	28,269
Net exposure to cashflow interest rate risk		9.8%	7,973,293	-	143,128	-	8,116,421
Weighted average interest rate		8.1%	-	-	-	-	8.1%

(c) Credit risk exposure

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets is the carrying amount, net of any provision for impaired receivables, as disclosed in the statement of financial position and notes to the financial statements.

The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group.

Receivables due from major debtors are not normally secured by collateral, however the credit worthiness of debtors is monitored.

(d) Liquidity risk

The Group manages liquidity risk by monitoring forecast cash flows to ensure that adequate funding is maintained. The Group’s financial liabilities consist of trade and other payables in the normal course of business and as such are normally due for payment within 30 days of receipt of a valid tax invoice. The Group does not have any liquidity risk associated with any borrowing.

(e) Interest rate risk

Interest rate risk on cash and short-term deposits is not considered to be a material risk due to the short- term nature of these financial instruments.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

29. CAPITAL AND LEASING COMMITMENTS

	Consolidated	
	2018 NZ$	2017 NZ$
a. Finance Lease Commitments		
Payable – minimum lease payments:		
– not later than 12 months	30,798	28,269
– between 12 months and 5 years	86,358	-
– greater than 5 years	-	-
Minimum lease payments	117,156	28,269
Less future finance charges	19,340	230
Present value of minimum lease payments	97,816	28,039

The finance lease on the Motor Vehicle at 30 June 2017 was paid out in full in July 2017 and new agreements were entered into.

b. Operating Lease Commitments		
Payable – minimum lease payments:		
– not later than 12 months	52,500	52,500
– between 12 months and 5 years	179,375	210,000
– greater than 5 years	-	21,875
	231,875	284,375

The property lease is a non-cancellable lease with a six-year term entered into in November 2016 with rent payable in advance. An option exists to renew the lease at the end of the six-year term for an additional two terms of three years each under the same terms.

c. Capital Expenditure Commitments		
Capital expenditure commitments contracted for:		
Plant, inventory and equipment purchases	174,973	5,826

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

30. PARENT INFORMATION

	PARENT ENTITY	
	2018 NZ$	2017 NZ$
The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australian Accounting Standards.		
Statement of Financial Position		
ASSETS		
Current assets	38,979	123,681
Non-current assets	29,012,238	29,292,050
TOTAL ASSETS	29,051,217	29,415,731
LIABILITIES		
Current liabilities	99,568	132,606
TOTAL LIABILITIES	99,568	132,606
EQUITY		
Issued capital	68,194,413	68,194,413
Reserves	509,345	337,155
Accumulated losses	(39,752,109)	(39,248,443)
TOTAL EQUITY	28,951,649	29,283,125
Statement of Profit or Loss and Other Comprehensive Income		
Total loss	(503,654)	(166,389)
Total comprehensive loss	(503,654)	(166,389)

31. EVENTS SUBSEQUENT TO REPORTING DATE

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years.

32. COMPANY DETAILS

The registered office of the parent Company is:

Level 12, 225 George Street
Sydney NSW 2000
Australia.

The principal place of business of the Group is:

31 E Hannigan Drive,
St Johns, Auckland 1072
New Zealand.

DIRECTORS' DECLARATION

The directors of Zoono Group Limited declare that:

1. The consolidated financial statements and associated notes for the financial year ended 30 June 2018

   are in accordance with the Corporations Act 2001 and:

   (a) comply with Accounting Standards and the Corporations Regulations 2001 and

   International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) as disclosed in Note 2; and

   (b) give a true and fair view of the financial position of the Company as at 30 June 2018 and the performance of the Group for the financial year then ended.

2. The directors have received the declarations required by section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer

3. In the opinion of the directors there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

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

Jon Lamb
Executive Chairman
22 August 2018

ZOONO GROUP LIMITED ABN 73 006 645 754
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ZOONO GROUP LIMITED

SYDNEY
Level 40
2 Park Street
Sydney NSW 2000
Australia
Ph: (612) 9263 2600
Fx: (612) 9263 2800

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Zoono Group Limited and Controlled Entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss, 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 comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion:

a. the accompanying financial report of Zoono Group Limited and Controlled Entities 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 2018 and of its financial performance for the year then ended; and

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

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

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 for the year ended 30 June 2018. 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.

ZOONO GROUP LIMITED ABN 73 006 645 754
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ZOONO GROUP LIMITED

Key Audit Matter	**How Our Audit Addressed the Key Audit Matter**
Inventory Existence and Valuation Refer to Note 10 "Inventories"	

The Group recognised inventory of $671,500 as at 30 June 2018.
Inventory is held by the Group in various countries (Mainly New Zealand, China and UK). Within each country/location, inventory is stored in warehouses.
As disclosed in Note 4(g), inventories are held at the lower of cost and net realisable value.
We focused on this matter because of the:
• significance of the inventory balance to the profit and loss statement and statement of financial position
• complexity involved in determining inventory quantities on hand due to the number, location and diversity of inventory storage locations
	Our procedures included, amongst others:
	• Hall Chadwick network's component auditors attended inventory counts at locations, selected based on financial significance and risk. Where locations were not attended we tested certain controls over inventory existence across the Group.
	• For locations attended in New Zealand, we performed the following procedures at each site:
	  ○ selected a sample of inventory items and compared the quantities we counted to the quantities recorded
	  ○ observed a sample of management's inventory count procedures to assess compliance with Group policy
	  ○ made enquiries regarding obsolete inventory items and looked at the condition of items counted
	• For consignment stock, we obtained direct confirmation of the stock held selected based on financial significance and risk.
	• For a sample of inventory items, we identified the input costs attributed to the items and compared this to the last purchase invoices.
	• On a sample basis we tested the net realisable value of inventory items to recent selling prices.
	We also made enquiries of management, including those outside the finance function, and considered the results of our testing above to determine whether any specific write downs were required.
	There were no significant exceptions noted as a result of these procedures.

ZOONO GROUP LIMITED ABN 73 006 645 754
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
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Revenue Recognition Refer to Note 4(s) "Revenue"	
Under the group's business model consideration is sometimes received before the sale of goods occurs and is recognised as deferred income. Revenue is subsequently recognised when the goods are delivered. We focused on this matter as a key audit matter as there is a risk that revenue may be recognised prior to the sale of goods.	Our procedures included, amongst others: • Obtained an understanding of the key controls in the revenue recognition cycle. • Obtained a sample of contracts and traced the terms and conditions to ensure that revenue was recognised in accordance with the accounting standards. • Verified a sample of income in advance as at balance date to confirmations from the customer. • Verified a sample of income in advance released to sales to supporting documentation to ensure the revenue was earned and appropriately recognised.

Information Other than the Financial Report and Auditor's Report Thereon

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 2018, 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 have 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.

ZOONO GROUP LIMITED ABN 73 006 645 754
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ZOONO GROUP LIMITED

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, design and perform 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Group'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 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 Group 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 Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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 our audit.

We also provide the directors with a statement that we 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 the directors, we determine those matters that were 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 report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

ZOONO GROUP LIMITED ABN 73 006 645 754
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZOONO GROUP LIMITED

Report on the Remuneration Report

We have audited the remuneration report included in pages 9 to 15 of the directors' report for the year ended 30 June 2018. 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

Auditor's Opinion

In our opinion, the remuneration report of Zoono Group Limited, for the year ended 30 June 2018, complies with s 300A of the *Corporations Act 2001*.

Hall Chadwick
Level 40, 2 Park Street
Sydney, NSW 2000

DREW TOWNSEND
Partner
Dated: 22 August 2018

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following information is current as at 1 August 2018.

Distribution of Shareholders

Fully Paid Ordinary Shares	**Number**		
Holdings Ranges	**Holders**	**Units**	**%**
1-1,000	155	31,248	0.019
1,001-5,000	634	1,863,279	1.143
5,001-10,000	293	2,436,838	1.495
10,001-100,000	592	20,993,082	12.878
100,001- and over	119	137,688,260	84.465
Totals	**1,793**	**163,012,707**	**100.000**

20 Largest Shareholders

No.	**Name**	**Number of Ordinary Shares Held**	**% of Issued Capital**
1	PAUL RUSSELL HYSLOP & MARGARET JANE MORGAN & NPT MEG TRUSTEES LIMITED <MEG A/C>	83,708,000	51.351%
2	MR EELCO WIERSMA	7,645,400	4.690%
3	J P MORGAN NOMINEES AUSTRALIA LIMITED	5,627,841	3.452%
4	JB ADVISORY PTY LTD	2,900,000	1.779%
5	LEWIS ANDREW CRAIG MACKINNON	1,500,000	0.920%
6	EELCO WIERSMA	1,405,426	0.862%
7	NATIONAL NOMINEES LIMITED	1,241,312	0.761%
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,032,115	0.633%
9	FORSYTH BARR CUSTODIANS LTD <FORSYTH BARR LTD-NOMINEE A/C>	1,007,552	0.618%
10	NOELENE RAMSAY	1,005,000	0.617%
11	ORACLE SECURITIES PTY LTD	1,000,000	0.613%
12	COLENEW PTY LIMITED <PAUL XIRADIS ACCOUNT>	750,000	0.460%
13	MR CHRISTOPHER IAN SWITZER <C SWITZER FAMILY A/C>	732,000	0.449%
14	ODONNELL FAMILY PTY LTD <J ODONNELL FAMILY SMSF A/C>	620,000	0.380%
15	CUSTODIAL SERVICES LIMITED <BENEFICIARIES HOLDING A/C>	596,200	0.366%
16	JB ADVISORY PTY LTD <CALLANAN FAMILY A/C>	594,100	0.364%
17	CELINE-MARIE LAMBERTON	592,754	0.364%
18	FARR PTY LTD	565,000	0.347%
19	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	559,204	0.343%
20	KONSTAN PTY LTD <NO 2 A/C>	550,000	0.337%
		113,631,904	69.71%

Substantial Holders

The following shareholders are substantial holders:

Holder Name	Number of Shares	% Voting Power
Paul Russell Hyslop & Margaret Jane Morgan & NPT Meg Trustees Limited <Meg A/C>	83,708,000	51.35%
Mr. Eelco Wiersma	8,443,044	5.19%

Voting Rights

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands. There are no other classes of equity securities.

Unmarketable Holders

There are 649 shareholders holding less than a marketable parcel of shares based on the closing price of AUD 0.12 on 31 July 2018 representing a total of 1,216,545 shares.

Restricted Securities

The Company has the following fully paid ordinary restricted securities:

Class	Number	%
ASX Escrow 24 months to 8 May 2019	102,310,000	62.76%
Total restricted securities	102,310,000	62.76%
Free Float	60,702,707	37.24%
Total Shares	**163,012,707**	**100.00%**

CORPORATE DIRECTORY

Directors
Jon Lamb, Executive Chairman
Paul Hyslop, Managing Director
Don Clarke, Non-Executive Director
Elissa Hansen, Non-Executive Director

Company Secretary
Elissa Hansen

Management
Paul Ravlich, Chief Financial Officer
Lew MacKinnon, Chief Operating Officer

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Level 12
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Ph: +61 2 8042 8481

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Zealand
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Level 40, 2 Park Street
Sydney, NSW, 2000

ASX Code
ZNO

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