



**Allwellness Holdings Group Limited (Formerly known as Allwellness
Pharmaceutical Pty Limited)**

ABN: 42 604 613 050

**Financial Report
For the Half Year Ended
31 December 2016**

Walker Wayland NSW
Chartered Accountants
Sydney, New South Wales

ALLWELLNESS HOLDINGS GROUP LIMITED (FORMERLY KNOWN AS ALLWELLNESS PHARMACEUTICAL PTY LIMITED)

ABN 42 604 613 050

DIRECTORS' REPORT

Your directors present their financial report on the consolidated entity ("group") for the half year ended 31 December 2016.

Directors

The name of the directors in office at any time during or since the end of the year is:

Mr Yong Zhang (appointed 6 March 2015)

Mr Chen Wang (appointed 1 December 2016)

Mr Yilong Shan (appointed 1 December 2016)

Review of Operations and Financial Results

The loss of the consolidated entity for the half year ended 31 December 2016 after providing for income tax amounted to \$39,106 (2015: Loss of \$105,012)

On 7 December 2016, the company raised capital via the issue of 740,865 shares at \$1 each raising a total of \$740,865.

Principal Activities

The principal activities of the group during the half year ended 31 December 2016 included exporting health care products to China.

There has been no significant change in the nature of these activities during the period.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the half year ended 31 December 2016 which significantly affected or may significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 2.

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

Director



Mr Yong Zhang

Dated this 31st day of March 2017



Walker Wayland NSW
Chartered Accountants

ABN 55 931 152 366

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**AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ALLWELLNESS HOLDINGS GROUP LIMITED (FORMERLY KNOWN AS ALLWELLNESS
PHARMACEUTICAL PTY LIMITED)**

We declare that, to the best of our knowledge and belief, during the half year ended 31 December 2016 there have been:

- (i) no contraventions of the auditors' independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'Wali Aziz', written over the printed name.

Walker Wayland NSW
Chartered Accountants

A circular handwritten signature in black ink, appearing to read 'Wali Aziz', written over the printed name.

Wali Aziz
Principal

Dated this 13th day of April 2017

ALLWELLNESS HOLDINGS GROUP LIMITED (FORMERLY KNOWN AS ALLWELLNESS PHARMACEUTICAL PTY LIMITED)

ABN 42 604 613 050

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR PERIOD ENDED 31 DECEMBER 2016

	Note	Consolidated Group	
		December 2016	December 2015
		\$	\$
Sales revenue		80,360	-
Less: Cost of sales		(49,014)	-
Gross profit		31,346	-
Interest revenue		759	-
Administration expenses	2	(71,211)	(105,012)
(Loss) before income tax		(39,106)	(105,012)
Income tax expense		-	-
(Loss) for the year		(39,106)	(105,012)
Total comprehensive loss for the year		(39,106)	(105,012)
Total comprehensive loss attributable to members of the parent entity		(39,106)	(105,012)

The accompanying notes form part of these financial statements.

ALLWELLNESS HOLDINGS GROUP LIMITED (FORMERLY KNOWN AS ALLWELLNESS PHARMACEUTICAL PTY LIMITED)

ABN 42 604 613 050

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	Note	Consolidated Group	
		As at 31 December 2016	As at 30 June 2016
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	760,021	52,810
Inventories		145,546	171,679
Other assets		40,864	45,284
TOTAL CURRENT ASSETS		946,431	269,773
NON-CURRENT ASSETS			
Intangible assets		4,113	2,003
TOTAL NON-CURRENT ASSETS		4,113	2,003
TOTAL ASSETS		950,544	271,776
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		10,000	1,288
TOTAL CURRENT LIABILITIES		10,000	1,288
NON-CURRENT LIABILITIES			
Financial liabilities	4	342,491	374,194
TOTAL NON-CURRENT LIABILITIES		342,491	374,194
TOTAL LIABILITIES		352,491	375,482
NET ASSETS / (LIABILITIES)		598,053	(103,706)
EQUITY			
Issued capital	5	740,866	1
Accumulated losses		(142,813)	(103,707)
TOTAL EQUITY		598,053	(103,706)

The accompanying notes form part of these financial statements.

ALLWELLNESS HOLDINGS GROUP LIMITED (FORMERLY KNOWN AS ALLWELLNESS PHARMACEUTICAL PTY LIMITED)

ABN 42 604 613 050

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR PERIOD ENDED 31 DECEMBER 2016

	Ordinary	Accumulated losses	Total
	\$	\$	\$
Balance at 1 July 2015	1	(5,201)	(5,200)
Loss for the period	-	(105,012)	(105,012)
Balance at 31 December 2015	1	(110,213)	(110,212)
Balance at 1 July 2016	1	(103,707)	(103,706)
Issue of shares	740,865	-	740,865
Loss for the period	-	(39,106)	(39,106)
Balance at 31 December 2016	740,866	(142,813)	598,053

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR PERIOD ENDED 31 DECEMBER 2016

	Note	Consolidated Group
		Period ended 31 December 2016 \$
		Period ended 31 December 2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers		80,360
Payments to suppliers and employees		(80,669)
Interest received		759
Net cash used in operating activities		450
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for non-current assets		(2,400)
Net cash (used) in investing activities		(2,400)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares		740,865
Loans from related parties		89,000
Repayment of loans to related party		(31,704)
Net cash provided by financing activities		798,161
Net Increase in cash held		796,111
Cash at beginning of financial year		52,810
Cash at end of financial year		760,021

The accompanying notes form part of these financial statements.

ALLWELLNESS HOLDINGS GROUP LIMITED (FORMERLY KNOWN AS ALLWELLNESS PHARMACEUTICAL PTY LIMITED)

ABN 42 604 613 050

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR PERIOD ENDED 31 DECEMBER 2016

The consolidated financial statements and notes represent those of Allwellness Holdings Group Limited (formerly known as Allwellness Pharmaceutical Pty Limited) (the "Consolidated Group" or "Group").

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements for the half-year reporting period ended 31 December 2016 have been prepared in accordance with the requirements of AASB 134 Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2016, together with any public announcements made during the following half year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except to the matters discussed below.

These financial statements were authorised for issue by the board of directors on 31 March 2017

Accounting Policies

a. Going Concern Basis of Accounting

The financial statements have been prepared on a going concern basis. The group incurred a net loss of \$39,106 for the period ended 31 December 2016 (2015: Loss of \$105,012). As at that date, the group had a net asset position of \$598,053 (30 June 2016 Net liabilities \$103,706).

On 7 December 2016 Allwellness Holdings Group Limited (formerly known as Allwellness Pharmaceutical Pty Limited) raised capital via the issue of 740,865 shares at \$1 each raising a total of \$740,865. Further to that, Allwellness Holdings Group Limited (formerly known as Allwellness Pharmaceutical Pty Limited) is dependent on the ongoing support of the directors to provide funds, accordingly a letter of support has been obtained. Further to the above, the directors have signed a distribution agreement post half year end that will generate potential sales of approximately \$1 million for the year ended 31 December 2017. Based on this management and board are of the opinion that the operations of the Group are viable and can continue a going concern.

ALLWELLNESS HOLDINGS GROUP LIMITED (FORMERLY KNOWN AS ALLWELLNESS PHARMACEUTICAL PTY LIMITED)

ABN 42 604 613 050

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR PERIOD ENDED 31 DECEMBER 2016

	Consolidated Group	
	Period ended 31 December 2016 \$	Period ended 31 December 2015 \$

NOTE 2: LOSS BEFORE INCOME TAX

Loss before income tax includes the following expenses:

a. Expenses

Depreciation expense	290	290
Rental Expense	19,486	13,872
	<u>19,776</u>	<u>14,162</u>

Period ended 31 December 2016 \$	Year Ended 30 June 2016 \$
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NOTE 3: CASH AND CASH EQUIVALENTS

Cash on hand	2	2
Cash at bank	760,019	52,808
	<u>760,021</u>	<u>52,810</u>

NOTE 4: FINANCIAL LIABILITIES

NON-CURRENT

Interest free loan provided by director	342,491	334,214
Deposit from shareholders for future share issue	-	39,980
	<u>342,491</u>	<u>374,194</u>

The loan is unsecured and has been provided on interest free terms. The director has agreed in writing not to recall the loan within 12 months

NOTE 5: ISSUED CAPITAL

Ordinary Shares

	Number of shares	\$
Fully paid ordinary shares as at 30 June 2016	1	1
Share split on 7 December 2016 (1 share split into 1,759,135 shares)	1,759,135	1
Issue of 740,865 shares at an issue price of \$1 each on 7 December 2016	740,865	740,865
Total number of shares as at 31 December 2016	<u>2,500,000</u>	<u>740,866</u>

Ordinary shares participate in dividends and the proceeds on winding up of the group in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

ALLWELLNESS HOLDINGS GROUP LIMITED (FORMERLY KNOWN AS ALLWELLNESS PHARMACEUTICAL PTY LIMITED)

ABN 42 604 613 050

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR PERIOD ENDED 31 DECEMBER 2016

NOTE 6: EVENTS AFTER THE BALANCE SHEET DATE

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

	Period ended 31 December 2016	Year Ended 30 June 2016
	\$	\$

NOTE 7: RELATED PARTY TRANSACTIONS

Transactions with related parties:

Interest free loan provided by director	4	342,491	334,214
Deposit from shareholders for future share issue		-	39,980
		342,491	374,194

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

NOTE 8: SEGMENT REPORTING

The consolidated entity operates in the exporting of health care products business segment within China.

NOTE 9: CONTINGENT LIABILITIES

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

NOTE 10: COMPANY DETAILS

The registered office of the company is:

Unit 21
5 Hudson Avenue
Castle Hill, NSW, Australia, 2154

The principal place of business is:

Unit 21
5 Hudson Avenue
Castle Hill, NSW, Australia, 2154

ALLWELLNESS HOLDINGS GROUP LIMITED (FORMERLY KNOWN AS ALLWELLNESS PHARMACEUTICAL PTY LIMITED)

ABN 42 604 613 050

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Allwellness Holdings Group Limited Allwellness (formerly known as Allwellness Pharmaceutical Pty Limited), the Directors of the company declare that:

1. The financial statements and notes, as set out on pages 3 to 8 are in accordance with:
 - a. Accounting Standard AASB 134 Interim Financial Reporting, other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the Group's financial position as at 31 December 2016 and of its performance, for the half-year ended on that date; and
2. there are reasonable grounds to believe that Allwellness Holdings Group Limited (formerly known as Allwellness Pharmaceutical Pty Limited) 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.

Director


Mr Yong Zhang

Dated this 31st day of March 2017

**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE MEMBERS OF ALLWELLNESS HOLDINGS GROUP LIMITED (FORMERLY KNOWN AS ALLWELLNESS
PHARMACEUTICAL PTY LIMITED)**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Allwellness Holdings Group Limited (formerly known as Allwellness Pharmaceutical Pty Limited) and its Controlled Entity which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the Company and the entity it controlled at the half-year end or from time to time during the financial period.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with AASB 134 Interim Financial Reporting including: giving a true and fair view of the consolidated entities financial position as at 31 December 2016 and its performance for the half-year ended on that date. As the auditor of Allwellness Holdings Group Limited (formerly known as Allwellness Pharmaceutical Pty Limited) ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE MEMBERS OF ALLWELLNESS HOLDINGS GROUP LIMITED (FORMERLY KNOWN AS ALLWELLNESS
PHARMACEUTICAL PTY LIMITED)**


Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Allwellness Holdings Group Limited (formerly known as Allwellness Pharmaceutical Pty Limited), would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of name of company is not in accordance with AASB 134 Interim Financial Reporting, including giving a true and fair view of the company financial position as at 31 December 2016 and of its performance for the half-year ended on that date.


Walker Wayland NSW
Chartered Accountants


Wali Aziz
Principal

Dated this 13th day of April 2017

Suite 11.01, Level 11, 60 Castlereagh Street, Sydney NSW 2000