Wattle Health Australia Limited

ABN 77 150 759 363

Annual Report - 30 June 2017

Directors Report

Directors
The names of the directors in office at any time during, or since the end of, the year are:
- Lazarus Karasavvidis
- Peter Biantes (appointed 13/09/2016)
- Eric Jiang (appointed 13/09/2016)
- Martin Glenister (resigned 14/09/2016)

Particulars of each Director's experience and qualifications are set out later in this report.

Information relating to Directors and Company Secretary
The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Information on directors

Name:	Lazarus Karasavvidis
Title:	Co-founder, Executive Chairman and Chief Executive Officer
Share Holding:	34,014,734 Shares held jointly with Martin Glenister through jointly controlled KMP related entities.
Qualifications:	Nil
Experience:	Lazarus Karasavvidis has over 15 years business experience in Australia and Asia. Lazarus co-founded the business Skillup Australia which was, a successful Australian training and recruitment organisation for a ten plus year tenure in a high level management position. This business was involved in Lean Manufacturing & Six Sigma workplace improvement training programs, across a number of industries including Food, Health, Logistics, Business Services and Manufacturing. Lazarus has also co-founded a consulting services business in Laos, which has two divisions concentrating on unexploded ordnance (UXO) and Biomass. Since 2011, Lazarus has co-founded Wattle Health focusing on regulatory compliance within Australia and China, developing the Company's product range and increasing brand awareness
Directorships held in other listed entities:	None

Name:	Eric Jiang
Title:	Independent Non-Executive Director
Share Holding:	1,872,371
Qualifications:	Bachelor of Commerce (Honours) & Bachelor of Arts
Experience	With over 15 years' experience, Eric Jiang is an adviser to companies involved in trade between Australia and China. Eric brings a distinctive understanding of the cultural, economic and strategic context in which Australian businesses engage with China. Eric is currently an executive director of Perpetual Resources Limited (ASX:PEC) and non-executive director of Wingara AG Limited (ASX:WNR).
Directorships held in other listed entities:	Connexion Media Limited (ASX:CXZ), Perpetual Resources Limited (ASX:PEC), Wingara AG Limited (ASX:WNR)

Name:	Peter Biantes
Title:	Independent Non-Executive Director
Share Holding:	50,000
Qualifications:	Bachelor of Business
Experience	Peter Biantes is a qualified CPA with over 40 years' experience. He was also a former owner, director, finance director and company secretary of Lemnos Foods Pty Ltd. Lemnos Foods Pty Ltd started as a small business and developed into a major dairy goods supplier.
Directorships held in other listed entities:	None

Name:	Martin Glenister
Title:	Co-founder & Director of Sales (former director)
Share Holding:	34,014,734 Shares held jointly with Lazarus Karasavvidis through jointly controlled KMP related entities.
Qualifications:	Nil
Experience:	20 years' sales and management in public and private companies in Australia and South East Asia. Since 2010, Martin has co-founded and actively chaired companies in Australia and South East Asia, building revenue streams in emerging markets, focusing on agribusiness and Australian exports.
Directorships held in other listed entities:	N/A

Principal activities
During the financial year the principal continuing activities of the company consisted of:
- Developing, sourcing and marketing high quality Australian made nutritional dairy products.
- Extending distribution networks both domestically and internationally.
- Securing supply by becoming one of the few vertically integrated nutritional dairy company.

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

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

Non-audit services
The Board of Directors, in accordance with advice from the audit committee, is 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 audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and

- the nature of the services provided does 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.

The following fees were paid or payable to William Buck for non-audit services provided during the year ended 30 June 2017:

	2017 $
Due diligence assurance services as part of the IPO	25,922

Review of Operations

Wattle Health Australia (WHA) listed on the ASX on 15 March 2017 raising $8 million through an initial public offering (IPO). WHA recorded revenue for the full year of $928,426 and a net loss before transaction and finance costs, investment revaluation gains and losses and depreciation and amortisation and income tax expense of $3,041,237.

Since the listing, WHA made strong progress in elevating their brand awareness and sales, including signing key supply agreements with:

- Australia based mum and baby retailer Baby Mode Australia Pty Ltd
- Southern China's largest mother and baby retailer, Aiyingdao Zhuhai Business Chain Limited
- Malaysian distributor, Abby Healthcare (M) SDN. BHD.
- Australian leading wholesaler and distributor, Metcash Limited

Post 30 June 2017 WHA announced it signed a further distribution agreement with Tesco Lotus Chain Supermarket Co. in China.

WHA in July 2017 announced 2 significant agreements with, Blend and Pack Pty Ltd and Organic Dairy Farmers of Australia Limited, which will secure WHA's supply chain and allows the company to become one of the few vertically integrated nutritional dairy product companies in Australia.

This will also allow the Company to maintain its China Inspection Quarantine (CIQ) accreditation, allowing WHA to sell infant formula in traditional retail channels in the largest consumer market in the world being China.

WHA in August completed a placement raising $9.6 million before costs and has commitments to raise an additional $3.3 million subject to shareholder approval. A shareholders' meeting was held on 15 September 2017 to approve the additional placement.

Options and Performance Rights

As at the date of this report, the company has the following performance rights on issue:

Performance rights issued to Intuitive Pty Ltd
Intuitive has been issued 687,500 performance rights on 14 March 2017, which vest (1:1) to ordinary shares upon the achievement of a service period to the company, which concludes April 2018.

Performance rights issued to One Collective Consulting Pty Ltd
One Collective has been issued 35,000 performance rights on 14 March 2017, which vest (1:1) to ordinary shares upon completion of a marketing contract, expected to complete in October 2018.

Performance rights issued to JB Advisory Pty Ltd
JB Advisory has been issued 400,000 performance rights on 14 March 2017, 300,000 of which vest (1:1) to ordinary shares when the share price reaches 40 cents per share, and a further 100,000 which vest (1:1) to ordinary shares when the share price reaches $1.00 per share.

There are no options or performance rights on issue that have been granted and/or issued to key management personnel. During the year ended 30 June 2017 200,000 performance rights were exercised for ordinary shares (1:1) by JB Advisory upon achieving a performance milestone of achieving a listing on the ASX of the company.

Meetings of Directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2017, and the number of meetings attended by each director were:

	Full Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Lazarus Karasavvidis	6	6	1	1	1	1
Peter Biantes	6	6	1	1	1	1
Eric Jiang	6	6	1	1	1	1
Martin Glenister	-	-	-	-	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Remuneration Report

Remuneration Policy

The remuneration report details the key management personnel remuneration arrangements for the company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

The Board's policy for determining the nature and amount of remuneration for key management personnel (KMP) of the entity is as follows:

- The remuneration policy is to be developed by the nomination and remuneration committee and approved by the Board.
- All KMP receive remuneration which is based on factors such as length of service and experience. KMP that earn ordinary time earnings are also entitled to superannuation benefits, which are currently at 9.50% of those earnings.
- Currently there are no performance incentive plans for any KMP.
- The remuneration committee reviews annually KMP remuneration packages annually by reference to the entity's performance, executive performance and comparable information from industry sectors.

The performance of KMP is measured against criteria agreed annually with each executive and is based predominantly on the forecast growth of the company's profits and shareholders' value. Although no incentive plan exists at the moment, upon recommendation of the nomination and remuneration committee, the Board authorise, or where required, recommend for approval at shareholder meetings new incentive plans linked to performance criteria for its KMP. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long-term growth in shareholder wealth.

All remuneration paid to KMP is valued at the cost to the company and is expensed

The Board's policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The nomination and remuneration committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the annual general meeting.

KMP or closely related parties of KMP are prohibited from entering into hedge arrangements that would have the effect of limiting the risk exposure relating to their remuneration. In addition, the Board's remuneration policy prohibits directors and KMP from using Wattle Health Australia Limited shares as collateral in any financial transaction, including margin loan arrangements.

Performance-based remuneration

Presently there is no variable remuneration arrangements for KMP that are directly tied with performance criteria.

Relationship between Remuneration Policy and Company Performance

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. The principal method applied to achieve this aim is through the annual setting of remuneration entitlements as set out above. The company believes this policy was effective in increasing shareholder wealth over the past 4 years.

The following table shows the gross revenue, profits and dividends for the last four years for the listed entity, as well as the share price at the end of the respective financial years. The Board is of the opinion that these results can be attributed in part to the previously described remuneration policy and is satisfied with the overall upwards trend in shareholder wealth over the past four years.

	2014	2015	2016	2017
	$	$	$	$
Revenue	455,013	1,506	9,978	928,426
Net Profit/(loss)	(158,140)	(316,291)	(535,586)	(4,150,944)
Share Price at Year-end	n/a	n/a	n/a	$0.46
Dividends Paid	-	-	-	-

Performance conditions linked to remuneration

The major performance conditions that are taken into account in setting KMP remuneration, but are not directly linked to variable entitlements, include the following:

- Sales growth;
- Gross profit; and
- Increase in the share price and overall market capitalisation of the company.

The satisfaction of the performance conditions is based on a review of the audited financial statements of the company and publicly available market indices, as such figures reduce any risk of contention relating to payment eligibility. The Board does not believe that performance conditions should include a comparison with any other measures or factors external to the company at this time.

Employment details of members of key management personnel

The following table provides employment details of persons who were, during the financial year, members of KMP of the company. The table also illustrates the proportion of remuneration that was performance and non-performance based.

Key Management Personnel	Position Held as at 30 June 2017 and any change during the year	Proportion of Remuneration Fixed %	Contract details (duration & termination)
Lazarus Karasavvidis	Director	100%	Annual remuneration of $602,250 with no mandatory minimum notice period on termination
Peter Biantes	Director – Independent Non-Executive	100%	Annual remuneration of $52,000
Eric Jiang	Director – Independent Non-Executive	100%	Annual remuneration of $52,000
Martin Glenister	Director of Sales (former director)	100%	Annual remuneration of $383,250 with no mandatory minimum notice period on termination

The employment terms and conditions of all KMP are formalised in contracts of employment.

Remuneration expense details for the year ended 30 June 2017

The following table of benefits and payments represents the components of the current year and comparative year remuneration expenses for each member of KMP of the Company. Such amounts have been calculated in accordance with Australian Accounting Standards:

	Short-term benefits				**Post-employment Benefits**	
2017	Salary, Fees and Leave $	Profit Share and bonuses $	Non-monetary $	Other $	Pension and superannuation $	Other $
Key Management Personnel						
Lazarus Karasavvidis	596,948	-	-	-	29,066	-
Peter Biantes	10,833	-	-	-	-	-
Eric Jiang	10,833	-	-	-	-	-
Martin Glenister**	368,284	-	-	-	29,066	-
Total Key Management Personnel	986,898	-	-	-	58,132	-

	Long-term benefits		**Equity-settled share-based payments**				
2017	Incentive Plans $	LSL $	Shares/Units $	Options/Rights $	**Cash-settled share-based payments $**	**Termination benefits $**	**Total $**
Key Management Personnel							
Lazarus Karasavvidis	-	527	-	-	-	-	626,541
Peter Biantes	-	-	-	-	-	-	10,833
Eric Jiang*	-	-	-	-	-	-	10,833
Martin Glenister	-	318	-	-	-	-	397,668
Total Key Management Personnel	-	845	-	-	-	-	1,045,875

* In August 2016 Eric Jiang received, through a related entity, 102 shares (1,872,371 post share split) for corporate advisory services with a fair value of $281,665. These shares were earned prior to the commencement of his directorship and status as a KMP of the company and therefore excluded from the above remuneration table.

No remuneration was accrued or paid to any member of KMP in the financial year ended 30 June 2016.

** Martin Glenister resigned as a director on 14 September 2016 and commenced employment as the director of sales on 15 September 2016.

KMP Shareholdings

The number of ordinary shares in Wattle Health Australia Limited held by each KMP of the Company during the financial year is as follows.

	Balance at Beginning of Year or Upon Appointment as KMP	Issued on Conversion of Shareholder Loans	Effect of Share Split	Sold / purchased on-market	Balance at End of Year
Lazarus Karasavvidis*	1,600	253	34,012,881	-	34,014,734
Peter Biantes	-	-	-	50,000	50,000
Eric Jiang**	102	-	1,872,269	-	1,872,371
Martin Glenister*	1,600	253	34,012,881	-	34,014,734

*Shares held by KMP related entities that are jointly controlled by both Lazarus Karasavvidis and Martin Glenister.
**Shares held upon appointment as KMP.

This concludes the remuneration report, which has been audited.

Subsequent Events

There has not been any matter or circumstance, other than that referred to in the Financial Statements or notes thereto, that has arisen since the end of the Financial Year, that has significantly affected, or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future years.

Corporate Governance

Wattle Health Australia Limited confirms it has followed the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations during the 2017 financial year. Wattle Health Australia Limited's Corporate Governance Statement, together with the ASX Appendix 4G which relates to the Corporate Governance Statement, can be viewed at asx.com.au (ticker code: WHA).

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.
During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.
During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Wattle Health Australia Limited
Directors' report
30 June 2017

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

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Lazarus Karasavvidis
Director

28/09 2017

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF WATTLE HEALTH AUSTRALIA LIMITED

I declare that, to the best of my knowledge and belief during the year ended 30 June 2017 there have been:

— no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

— no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit [Vic] Pty Ltd
ABN 59 116 151 136

N. S. BENBOW
Director
Dated this 28th day of September, 2017

CHARTERED ACCOUNTANTS & ADVISORS
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Telephone: +61 3 9824 8555
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Wattle Health Australia Limited
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General information

The financial statements cover Wattle Health Australia Limited as an individual entity. The financial statements are presented in Australian dollars, which is Wattle Health Australia Limited's functional and presentation currency.

Wattle Health Australia Limited is listed public company, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	**Principal place of business**
17/71 Victoria Crescent Abbotsford VIC 3067	17/71 Victoria Crescent Abbotsford VIC 3067

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on the date of signing of the directors' declaration, which is attached to these financial statements.

Wattle Health Australia Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2017

	Note	2017 $	2016 $
Sales		928,426	9,978
Cost of goods sold		(771,226)	(13,617)
Gross profit / (loss)		157,200	(3,639)
Other income		11,282	-
Administration and corporate costs		(2,182,362)	(347,956)
Marketing, selling and distribution costs		(1,027,357)	(20,469)
Loss before transaction and finance costs, investment revaluation gains and losses and depreciation and amortisation and income tax expense		(3,041,237)	(372,064)
Finance costs		(185,734)	(155,682)
Revaluation of investment in Sustainable Soils & Farms Pty Ltd		(54,408)	-
Transaction costs of the initial public offering		(828,855)	-
Depreciation and amortisation expense		(40,710)	(7,841)
Loss before income tax expense		(4,150,944)	(535,587)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the members of Wattle Health Australia Limited		(4,150,944)	(535,587)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of Wattle Health Australia Limited		(4,150,944)	(535,587)
Loss per share			
Basic and diluted loss per share (cents)	5	(5.70)	(1.46)

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

Wattle Health Australia Limited
Statement of financial position
As at 30 June 2017

	Note	2017 $	2016 $
Assets			
Current assets			
Cash and cash equivalents		5,753,365	2,398,907
Trade and other receivables		17,649	19,075
Inventory – finished goods		912,132	360,844
Investment in Sustainable Soils & Farms Pty Ltd		70,836	125,244
Prepayments for inventory purchases		1,085,541	399,105
Total current assets		7,839,523	3,303,175
Non-current assets			
Trademarks, licenses and patents		37,700	45,542
Total non-current assets		37,700	45,542
Total assets		7,877,223	3,348,717
Liabilities			
Current liabilities			
Trade and other payables		822,728	46,634
Related party borrowings	3	-	2,468,327
Provisions		73,524	-
Total current liabilities		896,252	2,514,961
Non-current liabilities			
Borrowings		-	2,425,953
Provisions		966	-
Total non-current liabilities		966	2,425,953
Total liabilities		897,218	4,940,914
Net assets/(liabilities)		6,980,005	(1,592,197)
Equity			
Issued capital	4	12,666,882	2,000
Share-based payment reserve		58,264	-
Accumulated losses		(5,745,141)	(1,594,197)
Total equity/(deficiency)		6,980,005	(1,592,197)

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

Wattle Health Australia Limited
Statement of changes in equity
For the year ended 30 June 2017

	Issued Capital $	Share-based payment reserve $	Accumulated losses $	Total deficiency in equity $
Balance at 1 July 2015	2,000	-	(1,058,611)	(1,056,611)
Loss after income tax expense for the year	-	-	(535,586)	(535,586)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(535,586)	(535,586)
Balance at 30 June 2016	2,000	-	(1,594,197)	(1,592,197)

	Issued capital $	Share-based Payment reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2016	2,000	-	(1,594,197)	(1,592,197)
Loss after income tax expense for the year	-	-	(4,150,944)	(4,150,944)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(4,150,944)	(4,150,944)
Transactions with owners, in their capacity as owners				
Shares issued during the year	13,865,946	-	-	13,865,946
Transaction costs in respect of the IPO	(1,201,064)	-	-	(1,201,064)
Vesting of share-based payments	-	58,264	-	58,264
Total transactions with owners and other transfers	12,666,882	58,264	-	12,723,146
Balance at 30 June 2017	12,666,882	58,264	(5,745,141)	6,980,005

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

Wattle Health Australia Limited
Statement of cash flows
For the year ended 30 June 2017

	Note	2017 $	2016 $
Cash flows from operating activities			
Receipts from customers		929,852	9,978
Payments to suppliers and employees		(4,550,080)	(650,613)
Interest Received		11,282	-
Finance Costs		(96,301)	-
Net cash provided by/(used in) operating activities	13	(3,705,247)	(640,635)
Cash flows from investing activities			
Purchase of trademarks		-	(12,615)
Purchase of plant and equipment		(32,868)	-
Net cash provided by/(used in) investing activities		(32,868)	(12,615)
Cash flows from financing activities			
Proceeds from issue of shares		8,000,000	-
Costs of issuing shares		(907,427)	-
Proceeds from the issue of convertible notes		-	2,500,000
Repayment of Borrowings		-	(80,525)
Repayment of borrowings		-	592,500
Net cash from financing activities		7,092,573	3,011,975
Net increase in cash and cash equivalents		3,354,458	2,358,725
Cash and cash equivalents at the beginning of the financial year		2,398,907	40,182
Cash and cash equivalents at the end of the financial year		5,753,365	2,398,907

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

Note 1. Summary of Significant Accounting Policies

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected financial assets.

(a) Inventory
Inventories are measured at the lower of cost and net realisable value.

(b) Foreign Currency Transactions and Balances
Functional and Presentation of Currency
The functional currency of the Company is measured using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Australian dollars, which is the Company's functional 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 the profit or loss.

(c) Employee Benefits

Short-Term Employee Benefits

Provision is made for the Company'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 twelve 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 company'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. The company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other Long-Term Employee Benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees.

Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(d) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks and other short-term highly liquid investments with original maturities of three month or less, and bank overdrafts.

(f) Revenue and Other Income
Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred it is treated as the provision of financing 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 in those goods.

Interest revenue is recognised using the effective interest method. All revenue is stated net of the amount of goods and services tax.

(g) Trade and Other Receivables
Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(h) Trade and Other Payables
Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(i) Goods and Service Tax (GST)
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(j) Critical Accounting Estimates and Judgements
The directors evaluate estimates and judgements incorporated into the financial statements 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 company. Key estimates and judgments made by directors in preparing these financial statements include the following:

(i) Deferred Tax Assets
These financial statements do not reflect the value of losses potentially available to be used against future assessable income. Losses potentially available to be carried forward to offset against future assessable income as at 30 June 2017 were $5,745,141 (2016: $1,594,197).

(ii) Fair Valuation Assessment of Tier 3 Investment in Sustainable Soils & Farms Pty Ltd
The fair value of shares in Sustainable Soils & Farms Pty Ltd was determined in reference to the seed capital share price observed in relation to sale and purchase agreements on arms-length terms between transacting parties for the investment's shares and the seed capital price attributed to issues of new share capital. As this equity investment does not have a quoted price and the market for trade in this investment's shares is restricted and illiquid the directors have classified this investment as Tier 3. The fair value of the investment was obtained from an accountant independent to Sustainable Soils & Farms Pty Ltd.

(iii) Fair Valuation of Share-Based Payments
Share-based payments are measured at the fair value of the instrument issued and amortised over the vesting period.

(k) New Accounting Standards for Application in Future Periods
Accounting Standards issued by the AASB that are not yet mandatorily applicable to the company, together with an assessment of the potential impact of such pronouncements on the company when adopted in future periods, are discussed below:

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

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.

The company's directors have assessed that as the company has only recently commenced significant revenue generation, AASB 15 will not materially affect these financial statements at this time and therefore there will be no need to adopt the modified or full retrospective method of adopting this standard. The company will subsequently adopt AASB 15 on its effective date.

(ii) AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 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.

The company's directors have assessed that AASB 16 will not materially affect these financial statements in the current year. Any future material leases entered into will be considered under AASB 16.

Note 2. Expenses

	2017 $	2016 $
Loss before income tax includes the following specific expenses:		
Rental Expense Relating to Operating Leases		
Minimum Lease Payments	103,137	8,212
Superannuation Expense		
Superannuation Contribution Expense	82,326	-
Employee Benefits Expense Excluding Superannuation		
Employee Benefits Expense Excluding Superannuation	1,251,669	-

Note 3. Current liabilities - Related party borrowings

	2017 $	2016 $
Related party loans	-	2,468,327

The unsecured shareholder loans were from director-related entities which had arms-length interest rate terms of 9% and were repayable at call.

The related party loans were converted to 904 ordinary shares (post share split 16,594,348 shares) on 12 August 2016. See note 4 for equity effects for this conversion.

Note 4. Equity - Issued capital

	2017 $	2017 Shares	Date of Transaction
Issued and paid up capital as at 1 July 2016	2,000	2,000	-
Conversion of shareholder loans	2,494,323	904	12-Aug-16
Issue of promoter shares	842,233	305	12-Aug-16
Share split (18,356.58 per share)	-	58,903,041	15-Aug-16
IPO proceeds	8,000,000	40,000,000	14-Mar-17
Conversion of convertible notes	2,489,390	15,625,000	14-Mar-17
Exercise of performance rights by lead manager of the IPO	40,000	200,000	14-Mar-17
Costs of issuing equity	(1,201,064)	-	
Ordinary shares - fully paid	12,666,882	114,731,250	

Note 4. Equity - Issued capital (continued)

Transaction costs relating to the initial public offering but not directly attributable to the raising of new issues of shares totalling $828,855 were charged directly to the profit or loss.

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

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

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

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

In order to maintain or adjust the capital structure, the company may return capital to shareholders, issue new shares or sell assets to reduce debt.

Issue of Promoter Shares
On 12 August 2016 shares were granted, fully vested and issued to 3 individual corporate advisors. This included 102 (pre-split) shares for a fair value of $281,665 issued to a director, Eric Jiang. These shares were issued in relation to corporate advisory work assisting the company to list on the Australian Securities Exchange and were earned before his directorship or before he was part of key management personnel. The total fair value of the share issue was $842,233, of which $293,637 were recognised directly in-equity in relation to the proportion of new shareholders to own shares upon the initial public offering, with the remaining $548,596 charged to the profit or loss as a transaction cost relating to the initial public offering. The assessment of fair value at 15 cents per share, at a discount to the IPO price of 20 cents, was made on the basis of the prevailing seed capital price used to exchange debt for equity as at that date.

Convertible Notes
The unsecured convertible notes were issued in June 2016 and had a maturity date 12 months from their date of issue. The notes featured 6%p.a interest bearing terms and upon a liquidity event convert to equity at 80% of the share price quoted in the liquidity event. On the 14 March 2017 these convertible notes were issued as shares at 16 cents per share.

Related Party Borrowings
On the 12 August 2016 related party borrowings were converted to shares. Refer note 3.

Note 5. Loss per Share

	2017 $	2016 $
Loss per Share		
Weighted average number of ordinary shares outstanding during the year in calculating basic and diluted loss per share	72,809,817	36,713,160*

The dilutive impact of the 400,000 performance shares has not been included in the weighted average number of ordinary shares for the purposes of calculating basic and diluted loss per share as it does not meet the requirements for inclusion in AASB 133 'Earnings Per Share'. The rights to these performance shares are non-dilutive as the entity is loss generating. The comparative results have been adjusted for the impact of the share split.

*The weighted average number of shares for 2016 has been adjusted for the effects of the share split, which occurred in August 2016

Note 6. Events after the balance date

Other than the following, the directors are not aware of any significant events since the end of the reporting period.

- On 12 July 2017 Wattle Health Australia Limited has entered into a conditional agreement to acquire a 5% equity interest in Blend and Pack Pty Ltd. Blend and Pack is one of the largest manufactures of nutritional dairy products in Australia and a holder of a CNCA licence for the Chinese market

- On 19 July 2017 Wattle Health Australia entered a non-binding heads of agreement to undertake commercial due diligence for the establishment of a joint venture for the production of dried organic powered milk with Organic Dairy Farmers Australia Ltd. Wattle Health maximum contribution will be $1.5 million for its 2.5% equity in the J.V.

- On 8 August 2017 Wattle Health Australia has successfully incorporated Wattle Health Australia (Vietnam) Co. Ltd as a wholly owned foreign entity in Vietnam. Wattle Health Australia Vietnam has been granted a 10 year import and wholesale license that will result in Wattle Health Australia having access to one of the largest consumer dairy markets in South East Asia.

- On 10 August 2017 Wattle Health Australia successfully raised $9.6 million through the issue of 17.2 million shares.

- On 10 August 2017 Wattle Health Australia announced it is seeking approval from shareholders to raise an additional $3.3 million raised through the issue of an additional 6 million shares.

Note 7. Financial Instruments

Financial risk management objectives
The company's activities may expose it to a variety of financial risks. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the company and appropriate procedures, controls and risk limits. Finance identifies, evaluates and manages financial risks within the company's operating units. Finance reports to the Board on at least a bi-monthly basis.

The only significant risks that the company faced for the year were liquidity risk and foreign exchange risk.

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

The company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

As at 30 June 2017 all financial liabilities had contractual maturities of no more than 60 days.

Foreign Exchange Risk
There was no material exposure to changes in foreign exchange rates on financial instruments at year-end date as the substantial majority of the entity's financial instruments were denominated in $AUD.

The entity manages foreign exchange risk on its contracts with customers by ensuring that it has adequate solvency and performs periodic cash flow forecasting that incorporate sensitivity analyses for changes in foreign exchange rates.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 8. Auditor's Remuneration

	2017 $	2016 $
Remuneration of the auditor for:		
Auditing or reviewing the financial statements	35,655	4,000
Due diligence assurance services as part of the IPO	25,922	-
Total remuneration of the auditor	61,577	4,000

The auditors of the company are William Buck Audit (Vic) Pty Ltd. Besides what is listed above, William Buck Audit (Vic) Pty Ltd did not receive any other benefits from the company for the year.

Note 9. Key Management Personnel Compensation

Key Management Personnel
Refer to the Remuneration Report contained in the Directors' Report for details of the names and remuneration paid or payable to each member of the company's key management personnel (KMP) for the year ended 30 June 2017.

The totals of remuneration paid to KMP of the company during the year are as follows:

Compensation

	2017 $	2016 $
Short-term employee benefits	986,898	-
Post-employment benefits	58,132	-
Long-term benefits	845	-
	1,045,875	-

Note 10. Segment note

Segment Information

For the year ended 30 June 2017 the company operated in one business and geographical segment, being a trusted provider of high quality Australian made health and wellness products throughout Australasia.

Note 11. Contingent liabilities and assets

There were no material contingent liabilities and assets which were required to be disclosed in the financial statements.

Wattle Health Australia Limited
Notes to the financial statements
30 June 2017

Note 12. Leases

	2017 $	2016 $
Lease commitments - operating		
Non-cancellable operating leases contracted for but not recognised in the financial statements		
Payable - Within one year	79,438	-
One to two years	13,304	-
	92,742	-

The property lease is a non-cancellable lease with a two-year term, with rent payable monthly in advance. Contingent rent provisions within the lease agreement require that minimum lease payments shall be increased by 3% per annum. An option exists to renew the lease at the end of the two-year term for an additional term of three years.

Note 13. Cash flow information

	2017 $	2016 $
Loss after income tax expense for the year	(4,150,944)	(535,587)
Adjustments for:		
Amortisation and depreciation expense	27,791	7,841
Depreciation expense	12,919	-
Revaluation of financial assets	54,408	-
Accrued interest expense on shareholder loans	17,673	149,929
Accrued interest expense on convertible notes	71,760	5,753
Shareholder loans used to pay for working capital needs	-	477,286
Unamortised transaction costs for the issue of convertible notes	-	(79,800)
Share-based payments taken to profit or loss	646,860	-
Movements in working capital:		
Trade and Other receivables	1,426	(3,257)
Prepayments for inventory	(686,436)	(212,480)
Inventory	(551,288)	(360,844)
Trade and other payables	776,094	(89,477)
Provisions	74,490	-
Net cash used in operating activities	(3,705,247)	(640,635)

Wattle Health Australia Limited
Directors' declaration
30 June 2017

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the , the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

Lazarus Karasavvidis
Director

28/09 2017

Wattle Health Australia Limited

Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Wattle Health Australia Limited. (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:
(i) giving a true and fair view of the Company's financial position as at 30 June 2017and of its financial performance for the year then ended; and
(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company 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.

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 Company 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 Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, 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 Company'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 Company'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 Company 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 Company to express an opinion on the financial report. We are

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. The matter was 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 the matter.

VALUATION OF INVENTORY	
Area of focus **Refer also to note 1**	**How our audit addressed it**
The Company's inventory of $912,132, is significant to the financial statements and has increased by $551,288 from the prior year. Inventory is required to be carried at the lower of its cost and net realisable value applying the weighted average cost basis. The valuation of inventory involves judgement by management. Given the types of inventory carried being infant formula and dried milk goods with definitive use by dates, management need to be diligent in ensuring that products are not being carried past there use by dates or even close to those dates.	Our audit procedures included: - A review of subsequent product sales to ensure inventory was valued at the lower of cost and net realisable value, the aging of products and ensured costs assigned to inventory were reasonable. - Performing physical inventory sample counts to ensure the existence of inventory and its condition. - Evaluation of management's judgement and assumptions used in determining the need for inventory provisions particularly in light of the definitive use by dates. We have also assessed the adequacy of disclosures in relation to inventory in the Notes to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2017, but does not include the financial report and the 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.

responsible for the direction, supervision and performance of the Company 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.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Wattle Health Australia Limited for the year ended 30 June 2017 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

William Buck

William Buck Audit (Vic) Pty Ltd
ABN: 59 116 151 136

N.S. Benbow
Director

Melbourne, 28th September, 2017

Additional information for listed companies

The shareholder information set out below was applicable as at 26 September 2017.

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	26 September 2017	%IC
1. WATTLE TRADING PTY LTD	22,027,890	15.96
2. JAMATA PTY LTD + LLEA LK PTY LTD <LMB WATTLE TRADING UNIT A/C>	11,986,844	8.69
3. GGP INVESTMENTS PTY LTD <GGP SUPERANNUATION FUND A/C>	11,950,130	8.66
4. GREGORY RASMAS <OLLIFENT INVESTMENT A/C>	7,342,630	5.32
5. BRILLIANT RIVER LIMITED	7,304,000	5.29
6. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,602,917	3.34
7. NATIONAL NOMINEES LIMITED	3,464,941	2.51
8. J P MORGAN NOMINEES AUSTRALIA LIMITED	3,240,693	2.35
9. JB ADVISORY PTY LIMITED <CALLANAN FAMILY A/C>	2,500,000	1.81
10. ACEE GROUP PTY LTD	1,872,371	1.36
11. ELZED HOLDINGS PTY LTD	1,812,500	1.31
12. JB ADVISORY PTY LIMITED	1,515,605	1.10
13. GAASP HOLDING PTY LTD	1,454,014	1.05
14. PAGONDAS PTY LTD	1,250,000	0.91
15. COMMODITIES SERVICES PTY LTD	1,000,000	0.72
16. NICE HILL INTERNATIONAL LIMITED	992,857	0.72
17. UBS NOMINEES PTY LTD	879,283	0.64
18. EUROFIT S A LIMITED	806,338	0.58
19. COLENEW PTY LTD <PAUL XIRADIS A/C>	800,000	0.58
20. MR CHRIS TSAKLAS + MRS ROCHELLE ANN TSAKLAS	762,832	0.55
Total Securities of Top 20 Holdings	87,565,845	
Total of Securities	137,996,428	

Distribution of equity securities

Analysis of number of equity security holders by size of holding:

	Number of holders of ordinary shares
1 to 1,000	115,080
1,001 to 5,000	1,386,150
5,001 to 10,000	2,342,860
10,001 to 100,000	17,316,580
100,001 and over	116,835,758
	137,996,428
Holding less than a marketable parcel	-

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

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

Wattle Health Australia Limited
30 June 2017

Corporate Information

Directors	Lazarus Karasavvidis (since incorporation) Peter Biantes (appointed 13/09/2016) Eric Jiang (appointed 13/09/2016) Martin Glenister (resigned 14/09/2016)
Company secretary	George Karafotias (since incorporation)
Registered office	71 Victoria Crescent Abbotsford, VIC 3607
Principal place of business	71 Victoria Crescent Abbotsford, VIC 3607
Share register	Computershare Investor Services Pty Ltd Yarra Falls, 452 Johnston Street Abbotsford, VIC 3607 Phone: 1300 555 159 (within Australia) Phone: +61 3 9415 4062
Auditor	William Buck Audit (VIC) Pty Ltd Level 20, 181 William Street Melbourne VIC 3000
Bankers	National Australia Bank Limited
Stock exchange listing	Wattle Health Limited shares are listed on the Australian Securities Exchange (ASX code: WHA)
Website	www.wattlehealth.com.au