

Appendix 4E

PRELIMINARY FINAL REPORT 6 MONTHS ENDED 31 DECEMBER 2016

Details of the reporting period and the previous corresponding period

Name of entity

Holista CollTech Limited

ABN	Reporting period	Previous corresponding period
24 094 515 992	6 months ended 31 December 2016	12 months ended 30 June 2016

Results for announcement to the market

	6 months to December 2016	12 months to June 2016	Movement \$	Movement %		
Revenues from continuing operations	3,716,876	6,263,671	(2,546,795)	(40.66)		
Profit/(Loss) from ordinary activities after tax attributable to owners of the parent	128,448	(408,371)	536,819	131.45		
Total comprehensive loss for the year attributable to owners of the parent	(169,944)	(545,209)	375,265	(68.83)		
Dividends	Amount per security		Franked amount per security			
Interim dividend	Nil		Nil			
Final Dividend	Nil		Nil			
Record date for determining entitlements to the dividend	N/A					
Revenue decreased by 40.66% as compared to previous year.						
Profit from ordinary activities after tax attributable to owners of parent has increased by 131.45%.						
Total comprehensive loss for the year attributable to owners of the parent has decreased by 68.83%.						

REVIEW OF OPERATIONS

Your directors are pleased to present their report, together with the financial statements of the Group, being the company and its controlled entities, for the financial period ended 31 December 2016.

Principal Activities

The principal activities of the entities within the consolidated Group, which remain unchanged during the year, involve the production and sale of food ingredients and cosmetic collagen as well as food supplements. In addition, the Group was also involved in the following activities:

- Marketing Panatura®GI (GI reducer for white bread)
- Upgrading the collagen plant in Perth to produce food-grade sheep collagen

Its subsidiaries in Malaysia are principally engaged in importing, exporting, branding, trading, marketing, retailing and wholesaling of Dietary Supplements and ingredients.

Change of financial year end

On 9 Jan 2017, the Group announced a change of financial year end to 31 December. Following the change of year end, this financial period will be a transitional one from July 2016 to December 2016 (i.e. 6 months). Thereafter, Holista will report to ASIC and ASX on an annual basis with respect to a 31 December year end.

In view of the above, the Board is of the opinion that the new financial year end date will allow for greater administrative efficiency in coordinating its financial reporting requirements with its Malaysia and USA subsidiaries.

Review of Operations

During the financial year, the Group remained focused on its three (3) core areas:-

- Dietary Supplements
- Healthy Food Ingredients (including Panatura®GI)
- Sheep Collagen (Ovine)

Dietary Supplements

This remains the Group's main income contributor during the year. An increase in revenue from dietary supplements was recorded at A\$3,641,576 for the six (6) month period ending December 2016 as compared to A\$2,950,271 from the previous six (6) month period ending December 2015 year due to a launch of new products and increase of product advisor staff. For the twelve (12) month period ending June 2016, revenue from dietary supplements was recorded at A\$5,961,312.

The Group has launched two (2) new dietary supplement products in Malaysia: INCONTRO and BONEX ACTIVE and will continue to source for more new potential products..

The Group has also continued to supply raw materials to Multi-Level Marketing companies.

Healthy Food Ingredients

The Group is focused on the following products:

- Glycemic Index ("GI") Reducer
- Low Sodium Salt
- Low Fat Chip
- Low Glycemic Index Sugar

The Group made significant progress with its low-GI formula. On January 12 2016, we announced our scientific breakthrough in achieving the world's first low-GI white bread in partnership with Veripan Ingredients AG ("Veripan"), the largest independent bakery supplier based in Europe. This generated significant Malaysian and international media coverage, including Bloomberg and Australia's Today Tonight on Channel 7, as well as significant investor interest. (https://www.youtube.com/watch?v=Dl_1dms2DdQ)

We have since signed four (4) non-disclosure agreements with leading bread makers in the Asia Pacific region. Major launches are expected with these brands in the first quarter of 2017. We are now working with Veripan to improve the product offering and profit margins. As it is derived from natural ingredients, it is unlikely to face regulatory hurdles. Holista expects to launch the product before June 2017.

Joint Venture with Nadja Foods LLC

Our U.S. subsidiary Litefood Inc. ("Litefood") formed a 51-49 joint venture company, Holista Foods, with Nadja Foods LLC, to distribute our low-GI product in North America.

Holista Foods, which has food manufacturing operations in the U.S. and Canada, is run by Nadja Piatka as CEO. An industry veteran for more than 23 years, Nadja Piatka heads Nadja Foods which supplies healthy snacks and desserts to the food service industry, restaurant chains and retail stores under private label and brand products. Customers have included: Subway Restaurants®, McDonald's®, Sodexo®, Wegmans®, Price Copper, Tops, and more. She made her name with low-fat muffins which has been an ever stay on the McDonald's Canada menu for 23 years. Nadja Piatka is very media-savvy and has appeared on The Oprah Winfrey Show. (<https://www.youtube.com/watch?v=rczuqy0Yygo>)

On 21 October 2016, Holista Foods announced that it had signed a research and development collaboration with Wing's Food Products – a major North American noodle manufacturer – to develop the world's first low-GI noodles. Holista Foods is also in discussions with Veripan to exclusively distribute Panatura®, the No. 1 selling sourdough in Europe, in North America.

North America is well known to be the home of fast-food chains and entering this market will present opportunity for the Group to generate income from this area in the near future. (www.holistafoods.com).

Other Food Ingredients

Having achieved significant progress with our GI reducer, Holista is working to develop its low-GI formula for other food applications such as sugar. Subsequent to the financial year end, the Group announced on 6 January 2017 that it is collaborating with 2016 Nobel Prize nominee, Daryl Thompson, to file a patent for the world's first low-GI sugar made from all-natural ingredients.

The low-GI sugar formula is being refined before testing at the world renowned GI Labs in Toronto for final validation. As the product is made from natural ingredients, it is unlikely to face regulatory hurdles. Holista expects to launch the product before June 2017.

Following this, the Group will also begin developing its low-sodium salt.

Sheep (Ovine) Collagen

This area of business registered decrease during the financial year due to the seasonal nature of cosmetic collagen. We delivered 1,520kg of collagen during these 6 months as compared with 6,143kg in the previous reporting period

The potential of our food grade collagen is huge as it is the only mammalian collagen in the market which is Halal-certified by the Islamic Association of Katanning. This makes it neutral to major religious groups and cultures. Our collagen product also leverages on being "Australian-sourced". Australia is the only country certified by the United States Department of Agriculture ("USDA") to have sheep that are disease-free

While the Company continues to seek new potential customers for cosmetic collagen in the Asia Pacific region, it continues to spend on research and development of its food grade collagen formulation focusing on yield and quality. Food grade collagen has big potential. According to the biotechnology market research group, Meticulous Research of UK, the global collagen market is expected to grow at a compounded annual growth rate of 6.3% from 2015 to reach a market size of US\$3.97 billion by 2020.

Growth rates in Asia, particularly China, are even faster. As China's protein consumption increases, it is expected to result in an imbalanced amino acid profile of its population. This will lead to higher demand for collagen. Collagen is also a big part of Traditional Chinese Medicine.

The Company has produced small-size samples during this financial period and started investing in essential equipment for the commercialization of a new range of food-grade collagen.

Food grade collagens samples are expected to be ready by 2nd quarter of 2017 and ready for commercial sale in 3rd quarter of 2017.

The Group also made some key contacts in the medical grade collagen space. Some samples of medical grade collagen was sent for analysis to key industry contacts in the United States.

Operating results for the year

For the six (6) month period ending December 31 2016, The Group recorded a profit from ordinary activities after tax attributable to owners of the parent of A\$133,108 despite the strengthening of the US Dollar against the Australian Dollar and Malaysian Ringgit.

The Group's revenue for the six (6) month period ending December 2016 was recorded at A\$3,716,876 as compared with the previous six (6) month period ending December 2015 which recorded A\$3,023,592. For the twelve (12) month period ending June 2016, the group recorded a revenue of A\$6,263,671. This increase in revenue can mainly be attributed to the increase of Dietary Supplement sales which offset the decrease in sales of cosmetic-grade sheep collagen.

The Group believes that its food grade collagen is expected to contribute better revenue as compared to its existing cosmetic-based collagen. From scientific studies, the recommended minimum dosage for food grade collagen is 5 grams a day (equivalent to 150 grams a month compared to 1 gram of cosmetic collagen per bottle). Food Grade Collagen offers significantly greater opportunity.

Based on the above, the Group is optimistic that its new Food Grade Collagen will be ready for commercialization in the near future once the required equipment is commissioned in its plant in Collie, Australia, by the 2nd quarter 2017.

The Group's dietary supplements business is targeted to continue growing in the coming financial year with the launch of new products. The positive development of both the Healthy Food Ingredients in the U.S. and Food Grade Collagen in Australia are expected to contribute positively to the Group in this coming financial year.

Future Plans

The biggest opportunity in the next six (6) months is expected to come from applications in bakeries of the Group's GI reducer. This is an enormous market of US\$170 billion where we have a sustainable competitive edge as the "world's clean label low-GI white bread". This was described as "the holy grail of bread" by Professor Jeanie Brand Miller of the University of Sydney in her interview on Australia's Channel 7 on 25th February 2016.

Four (4) major global bread players from Europe and Asia have signed non disclosure agreements with the Group to incorporate Panatura®GI. This is expected to take off during the first quarter of 2017.

We are looking at bakery applications apart from bread. This includes muffins, bagels, croutons, biscuits, crackers and soon, noodles. The Group has also started developing products for the diabetic market. Following this, we plan to develop products for making breads at home.

Food grade collagen will also be another important space for the Group. In view of this, we have begun optimizing our Collie plant in Australia.

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

	December 2016	June 2016
	\$	\$
Revenue from continuing operations	3,716,876	6,263,671
Other income	372,119	505,910
Change in inventories of finished goods and work in progress	(51,263)	62,184
Raw materials and consumables used	(1,486,996)	(2,710,339)
Employee benefits expense	(1,076,220)	(2,301,194)
Depreciation expense	(80,484)	(209,718)
Finance costs	(41,056)	(116,484)
Share based payments	(42,352)	-
Other expenses	(1,118,789)	(2,029,244)
Profit/(Loss)/before income tax expense	191,835	(535,214)
Income (expense)/tax benefit	(63,387)	126,843
Profit/(Loss) after tax from continuing operations	128,448	(408,371)
Profit/(Loss) for the year	128,448	(408,371)
Other comprehensive income		
Exchange differences on translation of foreign operations	(315,106)	(143,855)
Total comprehensive (loss) for the year	(186,658)	(552,226)
 Profit/ (loss) attributable to :-		
Owners of the parent	130,858	(407,930)
Non-controlling interest	(2,410)	(441)
Total comprehensive loss attributable to :-	128,448	(408,371)
Owners of the parent	(169,944)	(545,209)
Non-controlling interest	(16,714)	(7,017)
 Basic profit/ (loss) per share (cents per share)	6	0.08
Diluted profit/ (loss) per share (cents per share)	6	0.08
		(0.26)

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016**

	December 2016	June 2016
	\$	\$
Current Assets		
Cash and cash equivalents	58,105	348,434
Trade and other receivables	2,252,003	1,225,334
Inventories	891,339	1,021,325
Other current assets	1,128,529	961,677
Total Current Assets	<u>4,329,976</u>	<u>3,556,770</u>
Non-Current Assets		
Property, plant and equipment	1,036,932	1,069,574
Intangible assets	73,230	75,728
Other non-current assets	360,173	397,645
Deferred tax asset	99,085	141,381
Total Non-Current Assets	<u>1,569,420</u>	<u>1,684,328</u>
Total Assets	<u>5,899,396</u>	<u>5,241,098</u>
Current Liabilities		
Trade and other payables	1,350,209	1,272,059
Borrowings	632,677	305,611
Others liability	419,513	-
Current tax liability	6,569	50,119
Total Current Liabilities	<u>2,408,968</u>	<u>1,627,789</u>
Non-Current Liabilities		
Borrowings	498,518	605,283
Total Non-Current Liabilities	<u>498,518</u>	<u>605,283</u>
Total Liabilities	<u>2,907,486</u>	<u>2,233,072</u>
Net Assets	<u>2,991,910</u>	<u>3,008,026</u>
Equity		
Issued capital	10,798,706	10,670,515
Reserves	1,823,287	2,081,737
(Accumulated losses)	(9,413,834)	(9,544,692)
Total parent entity interest	3,208,159	3,207,560
Non-controlling interest	(216,249)	(199,534)
Total Equity	<u>2,991,910</u>	<u>3,008,026</u>

The accompanying notes form part of these financial statements

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

Notes	Issued Capital \$	Compound Financial Instrument \$	Accumulated Losses \$	Option Reserve \$	Foreign Currency Translation \$	Non-controlling interest \$	Total \$
Balance as at 1 July 2015	9,286,702	137,501	(9,136,762)	2,242,994	(46,714)	(192,517)	2,291,204
(Loss) for the year	-	-	(407,930)	-	-	(441)	(408,371)
Exchange differences arising on translation of foreign operations	-	-	-	-	(137,279)	(6,576)	(143,855)
Total comprehensive loss for the year	-	-	(407,930)	-	(137,279)	(7,017)	(552,226)
Shares issued during the year	1,414,235	(137,501)	-	-	-	-	1,276,734
Equity raising costs	(30,422)	-	-	22,736	-	-	(7,686)
Balance at 30 June 2016	10,670,515	-	(9,544,692)	2,265,730	(183,993)	(199,534)	(3,008,026)
Balance as at 1 July 2016	10,670,515	-	(9,544,692)	2,265,730	(183,993)	(199,534)	3,008,026
Profit/ (loss) for the year	-	130,858	-	-	-	(2,410)	128,448
Exchange differences arising on translation of foreign operations	-	-	-	-	(300,801)	(14,305)	(315,106)
Total comprehensive profit/(loss) for the year	-	-	130,858	-	(300,801)	(16,715)	(186,658)
Shares issued during the year	128,190	-	-	-	-	-	128,190
Equity raising costs	-	-	-	42,352	-	-	42,352
Balance at 31 December 2016	10,798,705	-	(9,413,834)	2,308,082	(484,794)	(216,249)	2,991,910

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

	December 2016	June 2016
	\$	\$
	<u>Inflows/(Outflows)</u>	
Cash flows from operating activities		
Receipts from customers	3,764,827	6,844,165
Payments to suppliers and employees	(3,009,388)	(6,760,418)
Interest received	5,902	21,872
Finance costs	(72,974)	(9,255)
Net income tax received	183,785	298,380
Net cash provided by/ (used in) operating activities	872,185	394,744
Cash flows from investing activities		
Proceeds from the sale of property, plant and equipment	-	33
Purchase of intellectual property	2,498	(24,259)
Prepayment made related to intangible assets	-	(69,618)
Purchase of property, plant and equipment	(446,310)	(3,322)
Prepayment made related to property, plant and equipment	-	(260,966)
Payment for subsidiary	(824,654)	-
Purchase of other investment	(103,872)	(251,064)
Net cash provided by/ (used in) investing activities	(1,372,338)	(609,196)
Cash flows from financing activities		
Repayment of borrowings	-	(84,340)
Proceeds from issue of shares	128,190	769,050
Proceeds from borrowings	383,919	-
Withdrawal of fixed deposits	356,770	5,412
Net cash provided by/ (used in) financing activities	868,879	690,122
Net (decrease)/ increase in cash and cash equivalents		
Cash and cash equivalents at beginning of year	368,726	475,670
Effect of exchange rate fluctuations on cash held	348,434	63,605
Cash and cash equivalents at end of year	(258,257)	(190,840)
	458,903	348,434

The accompanying notes form part of these financial statements

1 BASIS OF PREPARATION

The preliminary final report of Holista CollTech Limited for the year ended 31 December 2016 does not include all notes and other disclosures of the type normally included within the annual financial report and therefore does not provide a full understanding of the financial performance, financial position and cash flow of the company as the full financial report.

(a) Basis of accounting

This preliminary final report is a general purpose financial report, which has been prepared in accordance with the measurement and recognition requirements of the Corporations Act 2001, Accounting Standards and Interpretations, and complies with other requirements of the law. As noted above, this preliminary report does not contain all disclosures required by Australian Accounting Standards.

The preliminary final report has also been prepared on a historical cost basis, except for available-for-sale investments, which have been measured at fair value. Cost is based on the fair values of the consideration given in exchange for assets.

Unless otherwise detailed in this note, accounting policies have been consistently applied by the Company and are consistent with those applied in the 30 June 2016 annual report.

2 REVENUE

	December 2016	June 2016
	\$	\$
Sales revenue		
Sale of goods	<u>3,716,876</u>	<u>6,263,671</u>
	<u>3,716,876</u>	<u>6,263,671</u>

3 FINANCIAL RESULTS

The group recorded net profit after tax from continuing operations of \$128,448 for the 6 months period ended 31 December 2016 compared to a net loss of \$408,371 for the 12 months year ended 30 June 2016. The significant profit during the financial year are mainly due to sales improvement of dietary supplements.

4 RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH PROFIT/ (LOSS) AFTER INCOME TAX

	December 2016 \$	June 2016 \$
Profit/(Loss) for the year after tax	128,446	(408,371)
Foreign exchange in profit & loss	(3)	5,550
Depreciation	80,485	209,718
Share based payment	42,352	-
Finance costs	17,010	61,521
- (increase)/decrease in deposits	(103,872)	-
- (increase)/decrease in investments	(456,349)	-
Net gain on disposal of property, plant & equipment	(3,467)	-
- (increase) in receivables	264,920	431,454
-(Increase)/decrease in fixed assets	(66,548)	-
- (increase) in inventories	129,985	(10,643)
- increase/(decrease) in payables	246,811	4,721
-Increase/(decrease) in loans	657,997	-
- increase in prepayments	(270,236)	211,670
-increase in issued shares	128,190	-
- increase in tax provision	76,431	(110,876)
Net cash used in operating activities	872,152	394,744

5 DISCONTINUED OPERATIONS

There were no entities over which control was gained or lost during the year.

6 DETAILS OF INDIVIDUAL AND TOTAL DIVIDENDS AND DIVIDEND PAYMENTS

Date the final dividend is payable	N/A
Record date to determine entitlements to the dividend	N/A
Has the dividend been declared	N/A

Other disclosures in relation to dividends

The Directors have not declared any dividend and no dividends have been paid during the year.

7 NET ASSET BACKING

	December 2016 Cents per share	June 2016 Cents per share
Net tangible assets per share	1.6998	1.7292

8 CONTINGENT LIABILITY

There are no known contingent liabilities.

9 SEGMENT REPORTING

General Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

Types of products and services by segment

(i) Supplements

This operating segment is involved in the manufacture and wholesale distribution of dietary supplements.

(ii) Sheep collagen

This operating segment is involved in the manufacture and distribution of cosmetic grade collagen.

(ii) Food ingredients

This operating segment is involved in the manufacture and wholesale distribution of healthy food ingredients.

Basis of accounting for purposes of reporting by operating segments.

(a) Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief operating decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

(b) Intersegment transactions

The three segments operate independently and there are no intersegment sales.

(c) Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of the economic value from the asset. In most instances, segment assets are clearly identifiable on the basis of their nature and physical location.

(d) Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Segment liabilities include trade and other payables and certain direct borrowings.

9 SEGMENT REPORTING (continued)

(e) Segment Information

(i) Segment performance

	Supplements	Sheep Collagen	Food Ingredients	Corporate	Total
	\$	\$	\$	\$	\$
31 December 2016					
REVENUE					
External sales	3,641,576	75,300	-	-	3,716,876
Interest revenue	-	-	-	5,901	5,901
Total segment revenue	3,641,576	75,300	-	5,901	3,722,777
Reconciliation of segment revenue to group revenue					
Total Group revenue					<u>3,722,777</u>
Segment net profit/(loss) from continuing operations before tax					
	694,785	(183,386)	-	(318,563)	191,835
Net profit before tax from continuing operations					<u>191,835</u>
 30 June 2016					
REVENUE					
External sales	5,961,312	302,359	-	-	6,263,671
Interest revenue	-	-	-	21,872	21,872
Total segment revenue	5,961,312	302,359	-	21,872	6,285,543
Reconciliation of segment revenue to group revenue					
Total Group revenue					<u>6,285,543</u>
Segment net profit/(loss) from continuing operations before tax					
	751,467	(404,472)	-	(882,210)	(535,214)
Net loss before tax from continuing operations					<u>(535,214)</u>

9 SEGMENT REPORTING (continued)

(ii) Segment assets

	Supplements	Sheep Collagen	Food Ingredient	Total
	\$	\$	\$	\$
31 December 2016				
Segment assets	5,548,245	4,372,886	(721,590)	9,199,542
Reconciliation of segment assets to Group assets:				
Intersegment eliminations				<u>(3,300,145)</u>
Total Group assets				<u>5,899,396</u>
30 June 2016				
Segment assets	5,227,613	3,533,158	897	8,761,668
Reconciliation of segment assets to Group assets:				
Intersegment eliminations				<u>(3,520,570)</u>
Total Group assets				<u>5,241,098</u>

(iii) Segment liabilities

	Supplements	Sheep Collagen	Food Ingredients	Total
	\$	\$	\$	\$
31 December 2016				
Segment liabilities	2,257,599	1,763,696	75,604	4,096,899
Reconciliation of segment liabilities to Group liabilities:				
Intersegment eliminations				<u>(1,189,413)</u>
Total Group liabilities				<u>2,907,486</u>
30 June 2016				
Segment liabilities	2,046,171	864,587	768,334	3,679,092
Reconciliation of segment liabilities to Group liabilities:				
Intersegment eliminations				<u>(1,446,020)</u>
Total Group liabilities				<u>2,233,072</u>

9 SEGMENT REPORTING (continued)

(iv) Revenue by geographical region

Revenue, including revenue from discontinued operations, attributable to external customers is disclosed below, based on the location of the external customer:

	31 December 2016	30 June 2016
	\$	\$
Australia	75,300	302,359
Malaysia	3,641,576	5,961,312
United States	-	-
Total revenue	3,716,876	6,263,671

(v) Assets by geographical region

The location of segment assets by geographical location of the assets is disclosed below:

Australia	1,556,064	768,630
Malaysia	4,342,459	4,471,571
United States	874	897
Total assets	5,899,396	5,241,098

(vi) Major customers

The Group has a number of customers to whom it provides both products and services. Within the Food Ingredients and Supplement segment, the Group supplies to a number of retailers through one single external distributor who account for 67.7% of total revenue for this segment. The Group supplies to a few external customers for the Sheep Collagen segment, where the major customer accounts for 98.4% of revenue for this segment.

10 ISSUED AND QUOTED SECURITIES AT END OF CURRENT PERIOD

Category of securities	Total number	Number quoted
Ordinary securities	171,708,921	171,708,921

11 EARNINGS PER SHARE (EPS)

	December 2016	June 2016
Reconciliation of earnings to profit or loss		
Profit/(loss)	130,858	(407,930)
Earnings used to calculate basic EPS	130,858	(407,930)
Earnings used in the calculation of dilutive EPS	130,858	(407,930)
	No. of shares	No. of shares
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	171,151,573	159,711,568

12 CONTROL OVER ENTITIES WHICH HAS BEEN GAINED OR LOST DURING THE YEAR

The Company has no entities which has been gained or lost during the year.

13 ASSOCIATES AND JOINT VENTURES

The Company has the following significant interest in a joint venture :

On 12 July 2016, our U.S. subsidiary Litefood Inc formed a 51-49 joint venture company, Lite Food Inc hold 49% of Holista Foods Inc, another 51% hold by Nadja foods LLC, to distribute low -GI product in North America.

14 OTHER SIGNIFICANT INFORMATION

The Company does not have other significant information.

15 FOREIGN ENTITIES

The Company is an Australian entity and reports under Australian accounting standards.

16 AUDIT DISPUTES AND QUALIFICATIONS

There are no known audit disputes or qualifications.

17 STATEMENTS IN RELATION TO ACCOUNTS AND AUDIT

This report is based on accounts to which one of the following applies.

- | | | | |
|-------------------------------------|--|--------------------------|--|
| <input type="checkbox"/> | The accounts have been audited
(refer audit attached report). | <input type="checkbox"/> | The accounts have been subject
to review (refer attached review
report). |
| <input checked="" type="checkbox"/> | The accounts are in the process
of being audited or subject to
review. | <input type="checkbox"/> | The accounts have <i>not</i> yet been
audited or reviewed. |



Jay Stephenson
Company Secretary
28 February 2017