

Appendix 4E

Preliminary Final Statements to the Australian Securities Exchange

OBJ Limited and its controlled entities

ABN 72 056 482 636

FINANCIAL YEAR INFORMATION – 1 JULY 2019 TO 30 JUNE 2020

Key Information – Results for Announcement to the Market

	30 June 2020	30 June 2019	Change	
	\$(‘000)	\$(‘000)	\$(‘000)	
Revenue	1,484	2,745	(1,261)	Down 46 %
Loss for the period after tax	(3,573)	(1,710)	1,863	Up 109 %
Loss attributable to members of the parent entity	(3,573)	(1,710)	1,863	Up 109 %

Dividends

No dividends have been declared or paid during the financial year ended 30 June 2020.

These financial statements are in the process of being audited by RSM Australia Partners and are not subject to dispute or qualification.

	30 June 2020	30 June 2019
Basic loss per share (cents/share)	(3.95)	(1.89)
Diluted loss per share (cents/share)	(3.95)	(1.89)
Net tangible assets per share (cents/share)	(1.19)	0.14

Signed By (Director)	
Print Name	JEFFREY EDWARDS
Date	31 st August 2020

OBJ LIMITED ABN 72 056 482 636
Supplementary Appendix 4E information
For the financial year ended 30 June 2020

	Consolidated	
	30 June 2020 \$	30 June 2019 \$
ACCUMULATED LOSSES		
Accumulated losses at the beginning of the financial year	(30,730,440)	(29,020,439)
Loss attributable to the members of the parent entity	(3,572,834)	(1,710,001)
Accumulated losses at the end of the financial year	<u>(34,303,274)</u>	<u>(30,730,440)</u>

1. Details of entities over which control has been gained or lost during the period, including the following:

Name of entity (or group of entities)	- Wellfully SA - Wellfully d.o.o. - Wellfully Ltd - Peros (Dongguan) Technology & Trading Co, Ltd
Date control gained	5 November 2019
Consolidated profit / (loss) from ordinary activities since the date in the current period on which control was acquired	\$(1,420,453)
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	NIL

2. Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable, and (if known) the amount per security of foreign sourced dividend or distribution.

Not applicable – no dividends have been declared or paid.

3. Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.

Not applicable.

4. Details of associates and joint venture entities including the name of the associate or joint venture entity and details of the reporting entity's percentage holding in each of these entities and – where material to an understanding of the report – aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period.

Not applicable.

5. Review of operations for the period:

Device Business

In May, the Company launched its first wholly-owned consumer brand, RÉDUIIT, a luxury beauty technology brand. The brand is focused on technical performance, sustainability and design, with the objective of delivering advanced beauty solutions in a user-friendly format.

Suitable for use at home as well as in selected professional applications, this device is based on OBJ's patented Magnetic Misting technologies and is initially aimed at the haircare and hair styling space.



The rechargeable RÉDUIIT One applicator device is used to apply the haircare and styling products contained within the Hairpods™, another OBJ innovation. Each pod delivers RÉDUIIT's proprietary product formulations in the form of a super-fine mist, with the distribution and deposition of individual droplets being controlled by the Company's Magneto-Wetting technology, for which international patents have been filed.

With the same level of active ingredients as a traditional 100 to 250ml bottle, each RÉDUIIT Hairpods™ offers the same number of treatment applications - yet has a far lower carbon footprint than bulky old-style products. Each pod is fully recyclable through RÉDUIIT's own Return & Refurbishment program, ensuring that both the formulation and delivery system have the lowest possible environmental impact.

During September 2019, OBJ announced the establishment of subsidiaries for the device business, known as Wellfully. Some of the subsidiaries were acquired from OBJ's CEO Mr Paul Peros. The consideration for this acquisition was agreed to be \$120,000 worth of ordinary shares in the Company.

The new subsidiaries enable OBJ to pursue new opportunities in the beauty technology and consumer device sector under its own brand, thereby retaining full control over the commercialisation of its technology and capturing a higher proportion of sales revenue.

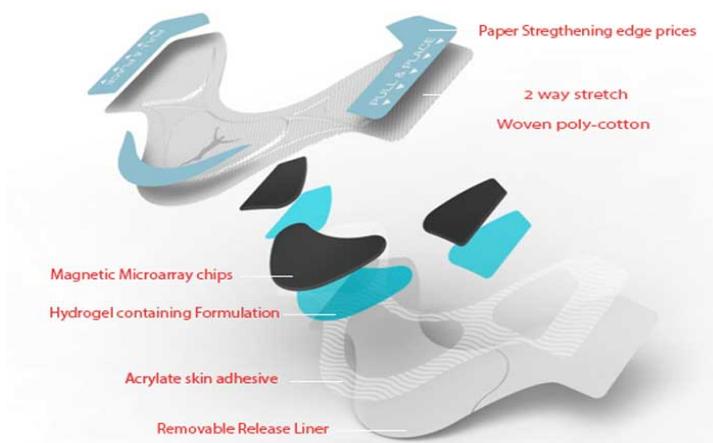
Wellfully SA, a beauty and technology/consumer products holding company for the device business, has been established in Switzerland. Within Wellfully SA are three subsidiaries:

- Wellfully d.o.o. – a sales and marketing support, back-office and service company which has been established in Croatia;
- Wellfully Ltd – a China holding, Asia trading company which has been established in Hong Kong; and
- Peros (Dongguan) Technology & Trading Co, Ltd – an operations and trading base which has been established in China (this name will be changed to Wellfully in due course).

Bodyguard

OBJ has continued to progress its Bodyguard program and has been working toward achieving regulatory approval for its core product – the Lubricen™ knee patch. The company is fulfilling the necessary testing and data submission requirements as outlined by the Therapeutics Goods Administration (TGA) of Australia to market the product as a medical device. Once home market approval is achieved, submissions can be made in other jurisdictions.

5. Review of operations for the period (*continued*):



Surface Hygiene

The Company's Surface Hygiene work has recently joined Reduit's Haircare and Skincare programs under the Magneto-Misting platform. The focus is now on the development and commercial launch of the first two Surface Hygiene devices.

The first is to be a Personal Hygiene device, using the portability of the Reduit Pod architecture and systems. The Personal Hygiene device will provide portable disinfection and anti-viral Mists for hands, surfaces, clothes, bags, footwear and shopping in the field.

The second device will be a larger capacity Household hygiene device for disinfection and anti-viral Misting of benchtops, floors, surfaces, as well as food, shopping, packaging, school bags and footwear. The ambitious program is expected to deliver market ready products by the end of this calendar year.



Procter & Gamble Partnership

In November 2019, OBJ announced it has executed two new Licensing Agreements with Procter & Gamble (P&G), a Third Addendum and Release under the Product Development Agreement of April 2016, and a First Amendment to five Licensing Term Sheets under the Master Licensing Agreement of August 2016.

These Agreements were designed to harmonise and unify a number of separate Agreements already in existence between the two companies and improve the practical aspects of their operation.

Highlights for OBJ included:

- Improved royalty rates;
- Revised payment schedules, and exclusivities & distribution routes for existing OBJ products & technologies;
- More clearly defined exclusivity provisions; and
- The release back to OBJ of all Beauty sub-categories other than Skin care.

The agreements also provide a clearer definition of each company's freedom to operate across various Beauty and Grooming sub-categories.

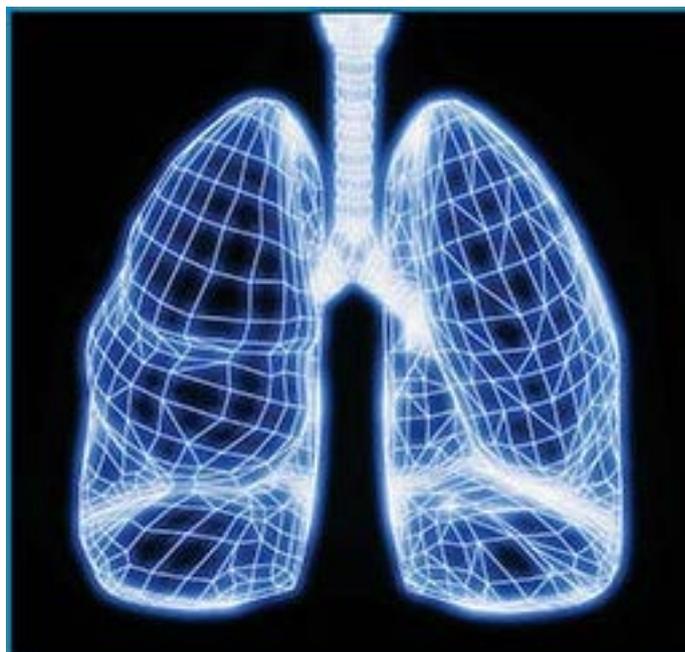
5. Review of operations for the period (*continued*):

Under the Agreements, Addenda and Amendments, P&G will hold a worldwide exclusive license for certain existing OBJ technology platforms, enabling research, development and commercialisation of products within defined fields of use. The OBJ technology platforms covered by the license are Permanent Magnetic Technology, Electromagnetic Technology, Pre-programmed Electromagnetic Technology, and Programmable Electromagnetic Technologies.

While OBJ has renegotiated improved royalty rates on products commercialised by P&G, specific details around these rates and related terms remain confidential for commercial reasons. The Company deems the change in royalty is not material to its agreements but will recognise revenue and payment at the point of shipment rather than the wholesale sale.

Late in the financial year, OBJ executed a new Licensing Term Sheet and Work Plan with P&G for the development of a new skincare device based on the Company's Programmable Array technologies ("Second Technology").

Research & Development



OBJ's R&D team explored applications for the Company's Magnetic Misting technologies during the period, beyond the current Beauty and Hygiene focus. The increasing global interest in buccal and inhalation drug delivery for the treatment of COVID-19 and other respiratory conditions has led the team to explore potential opportunities in the nebulizer field for the Company's misting technologies. Through the team's previous experience in areas such as personalization and smart phone connectivity, it has been able to quickly develop solutions for secure prescriptions, compliance monitoring, in-field programmability, peer to peer authentication and auto-activation, all of which pose considerable technical barriers for existing propellant or dry powder nebulizers.

Intellectual Property

The Company bolstered its intellectual property position with the granting of new important patents by the Japanese, USA and Chinese patent offices. These new patents expand the Company's exclusivity in a range of innovations employed in its Magnetic Misting and Programmable Arrays technologies.

In November 2019, OBJ reported that the Australian Patent Office had issued a Notice of Acceptance for Bodyguard Patent No. 2015274237, covering the range of Bodyguard products. The patent expires 10 June 2035, while the Company awaits responses to the same patent application filed in USA, Europe, China and Hong Kong.

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Supplementary Appendix 4E information
For the financial year ended 30 June 2020

5. Review of operations for the period (*continued*):

Corporate

Key appointments/board changes

Effective 14 April 2020, OBJ appointed Paul Peros as Chief Executive Officer (CEO) of the Company. Mr Peros transitioned to the CEO role from his position as head of the device business, to which he was appointed on 1 June 2019. OBJ's founder and former CEO, Jeffrey Edwards, continues as Managing Director of the Company.

Mr Peros appointment came as OBJ moved to streamline operations around the device business, which has been well positioned to swiftly react to the challenges of a volatile environment in terms of capital efficiency, as well as tactical go-to-market and range adjustments.

The Board identified Mr Peros as having the experience and skillset required to lead the Company's operations through the challenging times experienced during the period.



Long-time board member Dr Chris Quirk resigned from his role as OBJ's Non-Executive Director, effective 30 April 2020. Dr Quirk, who has worked in both the public and private sector as a consultant dermatologist for the past 30 years, served on the OBJ board since 19 November 2004 and played an important role in OBJ's development during his long involvement with the Company.

Capital Raising

In April, OBJ secured Loan Facilities for up to \$2.3 million via the issue of Convertible Notes. This funding was essential in securing the operations of the Company, in particular establishing the infrastructure and driving the RÉDUIT business to commercialisation throughout the COVID-19 pandemic.

Subsequent to the end of the financial year, the Company announced a proposed pro-rata non-renounceable entitlement offer, followed by a proposed placement, together raising up to approximately \$4.5 million before costs. The proceeds from the entitlement offer and placement are intended to fund BodyGuard's regulatory/compliance and commercial launch, device division development and go-to-market activities, redemption of the aforementioned Convertible Notes, as well as providing for general working capital.

Nutrition Systems transaction

In November 2019, OBJ announced it has entered into a share sale agreement to acquire 100% of the shares in Export Corporation (Australia) Pty Ltd (Export Corporation or Nutrition Systems), the owner and operator of Nutrition Systems, a business in the distribution and wholesale of nutritional wellness products in Australia and New Zealand.

In March 2020, OBJ advised that the Company and the sole shareholder of Export Corporation, Mr Danny Pavlovich, had mutually agreed to terminate the share sale agreement between the parties. Extreme market volatility and restrictions on travel and investor presentations due to COVID-19 meant the Company was unable to raise the required funds on the agreed terms and within a known or adequate timeframe.

Separately, OBJ and Nutrition Systems remain motivated to work closely together to pursue a number of mutually beneficial programmes including the Bodyguard launch and distribution, and manufacturing opportunities for brands within the Nutrition Systems portfolio.

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Supplementary Appendix 4E information
For the financial year ended 30 June 2020

6. Attachments forming part of the Appendix 4E:

Attachment I: Financial Statements and Notes thereto of OBJ Limited for the year ended 30 June 2020.

Audit Status

This report is based on accounts to which one of the following applies:			
The accounts have been audited		The accounts have been subject to review	
The accounts are in the process of being audited	X	The accounts have not yet been audited or reviewed	
If the accounts have not yet been audited and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:			
N/A			
If the accounts have been audited and are subject to dispute or qualification, a description of the dispute or qualification:			
N/A			



JEFFREY EDWARDS
Director
31st August 2020

OBJ Limited ABN 72 056 482 636
Statement of Profit or Loss and Other Comprehensive Income
for the financial year ended at 30 June 2020

		Consolidated	
	Note	30 June 2020	30 June 2019
		\$	\$
Revenue and royalties		570,552	1,936,230
Government grants and subsidies		907,175	758,069
Interest revenue		6,491	50,482
Net foreign exchange gains/(losses)		75,105	(26,390)
Borrowing costs written off/(expensed)		84,944	(14,011)
Bad debt written off		(52,781)	--
Depreciation expenses		(52,918)	(72,882)
Administration fees		(505,681)	(629,604)
Auditor's remuneration		(61,249)	(40,750)
Consultants and consultants benefits expenses		(501,446)	(667,528)
Directors and employees benefits expenses		(2,153,156)	(1,769,638)
Intangible assets written off	6	(372,982)	--
Legal costs		(215,345)	(276,696)
Marketing and operations services		(165,644)	--
Materials and requisites		(271,699)	(65,675)
Occupancy expenses		(167,917)	(135,592)
Patent and trademark service fees		(189,579)	(219,271)
Product design and trial testing expenses		(35,938)	(115,286)
Travel and accommodation		(132,738)	(91,870)
Other expenses		(338,028)	(329,589)
		<hr/>	<hr/>
Loss before income tax		(3,572,834)	(1,710,001)
Income tax expense		--	--
		<hr/>	<hr/>
Loss for the period		(3,572,834)	(1,710,001)
Other comprehensive income		(51,975)	--
		<hr/>	<hr/>
Total comprehensive loss for the period		(3,624,809)	(1,710,001)
Loss attributable to:			
Members of the parent entity		(3,572,834)	(1,710,001)
		<hr/>	<hr/>
Total comprehensive loss attributable to:			
Members of the parent entity		(3,624,809)	(1,710,001)
		<hr/>	<hr/>
		Cents	Cents
Basic and diluted losses per share (cents per share)		(3.95)	(1.89)
		<hr/>	<hr/>

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

OBJ Limited ABN 72 056 482 636
Statement of Financial Position
as at 30 June 2020

	Note	Consolidated	
		30 June 2020 \$	30 June 2019 \$
Current Assets			
Cash and cash equivalents		612,172	2,251,910
Trade and other receivables		397,721	560,813
Total Current Assets		<u>1,009,893</u>	<u>2,812,723</u>
Non Current Assets			
Plant and equipment		270,928	323,846
Total Non Current Assets		<u>270,928</u>	<u>323,846</u>
Total Assets		<u>1,280,821</u>	<u>3,136,569</u>
Current Liabilities			
Trade and other payables		1,059,577	255,157
Contract liabilities		203,358	--
Borrowings		1,007,053	252,000
Employee benefits provision		90,234	84,004
Total Current Liabilities		<u>2,360,222</u>	<u>591,161</u>
Total Liabilities		<u>2,360,222</u>	<u>591,161</u>
Net (Liabilities)/Assets		<u>(1,079,401)</u>	<u>2,545,408</u>
Equity			
Issued capital	2	33,043,514	33,043,514
Reserves	3	180,359	232,334
Accumulated losses		(34,303,274)	(30,730,440)
Total (Deficiency)/Equity		<u>(1,079,401)</u>	<u>2,545,408</u>

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

OBJ Limited ABN 72056482636
Statement of Changes in Equity
for the financial year ended 30 June 2020

	Issued Capital	Share Based Payments Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
<u>Consolidated</u>					
Balance at 01/07/2018	33,043,514	232,334	--	(29,020,439)	4,255,409
Loss after income tax expense for the period	--	--	--	(1,710,001)	(1,710,001)
Total comprehensive loss for the period	--	--	--	(1,710,001)	(1,710,001)
Balance at 30/06/2019	<u>33,043,514</u>	<u>232,334</u>	<u>--</u>	<u>(30,730,440)</u>	<u>2,545,408</u>
Balance at 01/07/2019	33,043,514	232,334	--	(30,730,440)	2,545,408
Loss after income tax expense for the period	--	--	--	(3,572,834)	(3,572,834)
Exchange differences on translation of foreign operations	--	--	(51,975)	--	(51,975)
Total comprehensive loss for the period	--	--	(51,975)	(3,572,834)	(3,624,809)
Balance at 30/06/2020	<u>33,043,514</u>	<u>232,334</u>	<u>(51,975)</u>	<u>(34,303,274)</u>	<u>(1,079,401)</u>

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

OBJ Limited ABN 72056482636
Statement of Cash Flows
for the financial year ended 30 June 2020

		Consolidated	
	Note	30 June 2020 \$	30 June 2019 \$
Cash flows from operating activities			
Receipts from customers		1,086,919	1,635,002
Receipts from research and development tax incentives		776,675	758,069
Receipts from government subsidies		130,500	--
Payments to suppliers and employees		(4,701,719)	(4,326,372)
Borrowing costs		(3)	(11)
Interest received		11,539	56,912
		<hr/>	<hr/>
Net cash used in operating activities	4	(2,696,089)	(1,876,400)
Cash flows from investing activities			
Payments for plant and equipment		--	(21,362)
Cash obtained from acquisition of subsidiaries		336,246	--
		<hr/>	<hr/>
Net cash from/(used in) investing activities		336,246	(21,362)
Cash flows from financing activities			
Proceeds from borrowings		645,000	--
		<hr/>	<hr/>
Net cash provided by financing activities		645,000	--
Net decrease in cash and cash equivalents held		(1,714,843)	(1,897,762)
Cash and cash equivalents at the beginning of the financial year		2,251,910	4,176,062
Effect of exchange rate changes on cash holdings		75,105	(26,390)
		<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year		612,172	2,251,910
		<hr/>	<hr/>

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

OBJ Limited ABN 72056482636
Notes to the financial statements
for the financial year ended 30 June 2020

Note 1. Basis of Preparation

It is recommended that the Preliminary Final Statements be read in conjunction with the half yearly financial statements of OBJ Limited (“the Consolidated Entity”) as at 31 December 2019 together with any public announcements made by OBJ Limited during the year ended 30 June 2020, in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

The accounting policies used in this report are the same as those used in the half yearly financial statements of OBJ Limited as at 31 December 2019.

New and Revised Accounting Standards and Interpretations

The Consolidated Entity has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

The following Accounting Standard and Interpretations are most relevant to the Consolidated Entity:

AASB 16 Leases

The Consolidated Entity has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

Impact of adoption

AASB 16 was adopted using the modified retrospective approach and as such the comparatives have not been restated. During the year ended 30 June 2020, the Consolidated Entity has also adopted the practical expedient for short-term leases.

Note 2. Issued Capital

	Consolidated	
	30 June	30 June
	2020	2019
	\$	\$
(a) Issued capital		
90,473,939 fully paid ordinary shares (30/06/2019: 1,809,462,635)	33,043,514	33,043,514

(b) Movements in ordinary share capital

Date	Details	Number of Shares	Issue Price	\$
01/07/19	Opening balance	1,809,462,635		33,043,514
18/02/20	Conversion of shares 1 for 20 *	(1,718,988,696)		--
Less:	Transaction costs arising on share issues	--		--
30/06/20	Closing balance	<u>90,473,939</u>		<u>33,043,514</u>

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Notes to the financial statements
for the financial year ended 30 June 2020

Note 2. Issued Capital (continued)

* Weighted average number of ordinary shares used in calculating basic and diluted loss per share had been adjusted as if the conversion of shares 1 for 20 had occurred at the beginning of the earliest period presented. The basic and diluted loss per share for 30 June 2019 had been adjusted accordingly.

Note 3. Reserves	Consolidated	
	30 June 2020	30 June 2019
	\$	\$
(a) Composition		
Foreign currency translation reserve	(51,975)	--
Share based payments reserve	232,334	232,334
	<u>180,359</u>	<u>232,334</u>

The share based payments reserve records items recognised as expenses on valuation of consultant share options from prior years.

(b) Movements in options were as follows:

Date	Details	Number of Options		Exercise Price	Fair Value of Options Issued	Expiry Date
		Listed	Unlisted			
01/07/19	Opening Balance	--	--	--	\$232,334	--
30/06/20	Closing Balance	--	--		<u>\$232,334</u>	

Note 4. Notes to the Statement of Cash Flows

	Consolidated	
	30 June 2020	30 June 2019
	\$	\$
Reconciliation of net cash and cash equivalents used in operating activities to loss for the period		
Loss for the period	(3,572,834)	(1,710,001)
Bad debt written off	52,781	--
Borrowing costs written off	(84,944)	--
Depreciation	52,918	72,882
Employee benefits provisions	6,230	14,568
Foreign exchange movements	(75,105)	26,390
Intangible asset written off	372,982	--
Movements in assets and liabilities:		
Trade and other receivables	163,092	(305,904)
Trade and other payables	185,433	25,665
Contract liabilities	203,358	--
Net cash used in operating activities	<u>(2,696,089)</u>	<u>(1,876,400)</u>

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Notes to the financial statements
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Note 5. Segment Information

The Consolidated Entity has considered the requirements of AASB8 – Operating Segments and 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.

Consolidated – 30 June 2020

The Consolidated Entity operates in two segments which are development of the dermaportation drug delivery technology and devices segments.

	Dermaportation drug delivery technology	Devices	Total
	\$	\$	\$
Revenue			
Revenue and royalties	570,552	--	570,552
Interest revenue	6,440	51	6,491
Government grants and subsidies	907,175	--	907,175
Net foreign exchange gains	75,105	--	75,105
Total revenue	1,559,272	51	1,559,323
EBITDA			
	(2,190,847)	(1,420,504)	(3,611,351)
Depreciation and amortisation	(52,918)	--	(52,918)
Interest revenue	6,440	51	6,491
Finance costs written off	84,944	--	84,944
Intersegment eliminations	--	--	--
(Loss)/ profit before income tax	(2,152,381)	(1,420,453)	(3,572,834)
Income tax expense	--	--	--
(Loss)/ profit after income tax	(2,152,381)	(1,420,453)	(3,572,834)
Assets			
Segment assets	3,016,932	1,731,578	4,748,510
Intersegment eliminations			(3,467,689)
Total assets			1,280,821
Liabilities			
Segment liabilities	8,295,652	2,932,436	11,228,088
Intersegment eliminations			(8,867,866)
Total liabilities			2,360,222

Segment revenues are allocated based on the country in which the customer is located. Operating revenues of \$570,552 or 100% are derived from a single external party. Segment assets are allocated to countries based on where the assets are located.

OBJ Limited ABN 72056482636
Notes to the financial statements
for the financial year ended 30 June 2020

Note 5. Segment Information (*continued*)

Consolidated – 30 June 2019

The Consolidated Entity operates as a single segment which is development of the dermaportation drug delivery technology within Australia.

The Consolidated Entity is domiciled in Australia. All revenue from external parties is generated from Australia only. Segment revenues are allocated based on the country in which the party is located. Operating revenues of approximately \$1,866,987 or 68% are derived from a single external party.

All the assets are located in Australia only. Segment assets are allocated to countries based on where the assets are located.

Note 6: Business Combinations

On 5 November 2019, OBJ Limited acquired 100% of the ordinary shares of Wellfully SA for \$120,000 payable with ordinary shares of OBJ Limited. The acquisition is deemed to be a business combination and the details of the acquisition are as follows.

Details of the acquisition are as follows:

	Fair value
	\$
Cash and cash equivalents	336,246
Other assets	88,175
Related party loan	(582,834)
Trade and other payables	<u>(94,569)</u>
Net liabilities acquired	<u>(252,982)</u>
<i>Representing:</i>	
Shares payable to vendor	<u>120,000</u>
Intangibles recognised at acquisition date	<u><u>372,982</u></u>

From the date of acquisition to 30 June 2020, Wellfully SA incurred a loss of \$1,420,453.

At 30 June 2020, intangibles of \$372,982 has been written off.

Note 7. Contingent Assets and Liabilities

The directors of the Company are unaware of any existing contingent assets and liabilities, other than the contingent liability matter regarding the Company being served with a writ over a Convertible Note, as announced to the market. The Company has retained legal representation for the active defence of the matter, to which mediation continues.