

Appendix 4D
Results for announcement to the market
Innlanz Limited (formerly Mediland Pharm Limited)
ABN 83 628 420 824

Innlanz Limited, ASX: "INL" (**Innlanz** or the **Company**), a market leading retail company focused on servicing the Chinese inbound tourism sector in Australia, is pleased to report its financial results for the half year ended 31 December 2022 (the **Half-Year**) (the **Financial Report**) and its Appendix 4D.

1. Company details

Reporting period: For the half-year ended 31 December 2022
 Previous period: For the half-year ended 31 December 2021

2. Results for announcement to the market

				Reporting period
Revenues from ordinary activities	Up	119%	to	\$1,291,006
Loss from ordinary activities after tax attributable to the owners of Innlanz Limited	Down	97%	to	\$14,979
Loss for the period attributable to the owners of Innlanz Limited	Down	97%	to	\$14,979

Comments

The loss for the Group after providing for income tax amounted to \$15,985 (31 December 2021: \$617,095), mainly from the increase in revenue from the recovery of tourism in New Zealand.

Further information on the results is detailed in the 'Review of operations' section of the Directors' report which is part of the Half-Year Report.

3. Net tangible assets

	Reporting period	Previous period
Net tangible assets per share (cents)	0.03	0.01

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividend reinvestment plans

Not applicable.

7. Details of associates and joint venture entities

Not applicable.


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Additional information supporting the Appendix 4D disclosure requirements can be found in the Directors' Report and the consolidated financial statements for the half-year ended 31 December 2022.

This report is based on the consolidated financial statements for the half year ended 31 December 2022 which have been reviewed by RSM.



**Dr Peter French
Chairman**



**Yeshween Mudaliar
Managing Director**

**28 February 2023
Sydney**

For persons

Innlanz Limited (formerly Mediland Pharm Limited)

ABN 83 628 420 824

Half-Year Financial Report For the Half Year Ended 31 December 2022

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Innlanz Limited
Corporate directory
31 December 2022

Directors	Jhon Shen (Executive director) Yeshween Mudaliar (Managing director) Dr Peter French (Non-executive director and Chairman) Tracey Cray (Non-Executive Director, resigned on 31 July 2022) Theo Renard (Non-executive director) Leo Cui (Non-executive Director)
Company secretary	Indira Naidu
Registered office Principal place of business	18-40 Anderson Street, PARRAMATTA NSW 2150
Share register	Computershare Ltd Level 4, 60 Carrington Street Sydney NSW 2000
Auditor	RSM Australia Pty Ltd Level 13, 60 Castlereagh Street, Sydney NSW 2000
Bankers	St George Bank, Sydney Branch 316 George St Sydney NSW 2000
Stock exchange listing	Innlanz Limited shares are listed on the Australian Securities Exchange (ASX code: "INL")
Website	http://www.innlanz.com

Corporate governance statement

Innlanz Limited's Board is committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to refine and improve the governance framework and practices in place.

The Company complies with the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council. A copy of the Company's corporate governance statement is available at the Company's website at the following address: <http://www.innlanz.com/investor-relations-corporate-governance/>.

**Innlanz Limited
Directors' report
31 December 2022**

The directors present their report, on the consolidated entity (referred to hereafter as 'the Group') consisting of Innlanz Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled for the half-year ended 31 December 2022.

Directors

The following persons were directors of Innlanz Limited during the whole of the financial half- year and up to the date of this report, unless otherwise stated:

Jhon Shen (Executive Director)
Yeshween Mudaliar (Managing Director)
Dr Peter French (Non-executive Director and Chairman)
Tracey Cray (Non-Executive Director, resigned on 31 July 2022)
Theo Renard (Non-executive Director)
Leo Cui (Non-executive Director)

Principal activities

The Company currently owns and trades a Hotel in Hamilton, New Zealand and the Company's retail operations have been suspended until tourists in particular from China return to both Australian and New Zealand shores. The Company is focused on business development and growth opportunities within the Hospitality sector whilst continuing to explore and identify strategic business opportunities to expand and diversify its revenue streams.

Review of operations

Innlanz's operations continued with significant disruption as a result of COVID-19 pandemic, with the Group focusing on preserving its cash position and controlling its costs.

The loss for the Group after providing for income tax amounted to \$15,985 (31 December 2022: loss of \$617,095).

The Group's cash and cash equivalents were \$954,320 as at 31 December 2022.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Rounding of amounts

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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.

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



**Dr. Peter French
Chairman**

**28 February 2023
Sydney**

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Innlanz Limited for the half year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully



RSM AUSTRALIA PARTNERS



Cameron Hume
Partner

Sydney, NSW
Dated: 28 February 2023

Innlanz Limited
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31 December 2022

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Innlanz Limited
Statement of financial position
As at 31 December 2022

		Consolidated	
	Note	31 December 2022	30 June 2022
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	4	954,320	1,291,963
Trade and other receivables		69,895	109,224
Prepayments		54,104	17,876
Inventories		19,506	7,785
Current tax assets		38,473	-
Total current assets		<u>1,136,298</u>	<u>1,426,848</u>
Non-current assets			
Property, plant and equipment		6,900,561	6,679,944
Intangibles		16,039	16,942
Deferred tax assets		145,607	144,863
Total non-current assets		<u>7,062,207</u>	<u>6,841,749</u>
Total assets		<u>8,198,505</u>	<u>8,268,597</u>
Liabilities			
Current liabilities			
Trade and other payables		844,870	932,522
Provisions		150,628	104,389
Current tax liabilities		-	17,670
Deferred consideration		1,283,446	1,283,446
Total current liabilities		<u>2,278,944</u>	<u>2,338,027</u>
Non-current liabilities			
Deferred tax liabilities		672,550	655,659
Borrowings		2,250,023	2,389,971
Total non-current liabilities		<u>2,922,573</u>	<u>3,045,630</u>
Total liabilities		<u>5,201,517</u>	<u>5,383,657</u>
Net assets		<u>2,996,988</u>	<u>2,884,940</u>
Equity			
Issued capital		11,898,945	11,898,945
Reserves		914,059	786,026
Accumulated losses		(9,753,553)	(9,738,574)
Total equity attributable to members of the Group		<u>3,059,451</u>	<u>2,946,397</u>
Non-controlling interests		(62,463)	(61,457)
Total equity		<u>2,996,988</u>	<u>2,884,940</u>

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

Innlanz Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2022

	Issued capital	Group restructure reserve	Foreign currency reserve	Accumulated losses	Total	Non- controlling Interest	Total equity
Consolidated	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	11,898,945	71,146	(73,734)	(8,852,839)	3,043,518	(16,125)	3,027,393
Loss after income tax expense for the year	-	-	-	(580,131))	(580,131)	(36,964)	(617,095)
Other comprehensive income for the year, net of tax	-	-	38,960	-	38,960	-	38,960
Total comprehensive income for the year	-	-	38,960	(580,131)	(541,171)	(36,964)	(578,135)
Balance at 31 December 2021	<u>11,898,945</u>	<u>71,146</u>	<u>(34,774)</u>	<u>(9,432,970)</u>	<u>2,502,347</u>	<u>(53,089)</u>	<u>2,449,258</u>

	Issued capital	Group restructure reserve	Foreign currency reserve	Assets revaluation reserve	Accumulated losses	Total	Non- controlling Interest	Total equity
Consolidated	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	11,898,945	71,146	(153,154)	868,034	(9,738,574)	2,946,397	(61,457)	2,884,940
Loss after income tax expense for the year	-	-	-	-	(14,979)	(14,979)	(1,006)	(15,985)
Other comprehensive income/(loss) for the year, net of tax	-	-	128,033	-	-	128,033	-	128,033
Total comprehensive income/(loss) for the year	-	-	128,033	-	(14,979)	113,054	(1,006)	112,048
Balance at 31 December 2022	<u>11,898,945</u>	<u>71,146</u>	<u>(25,121)</u>	<u>868,034</u>	<u>(9,753,553)</u>	<u>3,059,451</u>	<u>(62,463)</u>	<u>2,996,988</u>

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

Innlanz Limited
Consolidated Statement of cash flows
For the half-year ended 31 December 2022

	Note	Consolidated Half-year ended 31 December 2022 \$	Half-year ended 31 December 2021 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,346,669	956,827
Payments to suppliers and employees (inclusive of GST)		(1,364,097)	(1,494,939)
Interest received		1,835	3,679
Interest paid		(62,290)	(41,061)
Net income taxes refund / paid		2,890	(160,193)
Government grants and tax incentives		-	68,454
Net cash used in operating activities		<u>(74,993)</u>	<u>(667,233)</u>
Cash flows from investing activities			
Payments to acquire plant and equipment		(35,595)	(13,230)
Loss of control over subsidiaries		-	81,833
Net cash from / (used in) investing activities		<u>(35,595)</u>	<u>68,603</u>
Cash flows from financing activities			
Repayment of borrowings		(224,069)	(500,000)
Lease payment (Principal)		-	(527,887)
Net cash used in financing activities		<u>(224,069)</u>	<u>(1,027,887)</u>
Net increase in cash and cash equivalents		(334,657)	(1,626,517)
Cash and cash equivalents at the beginning of the financial half-year		1,291,963	3,391,075
Effects of exchange rate changes on cash and cash equivalents		(2,986)	5,726
Cash and cash equivalents at the end of the financial half-year	4	<u><u>954,320</u></u>	<u><u>1,770,284</u></u>

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

Innlanz Limited
Notes to the consolidated financial statements
For the half year ended 31 December 2022

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The half year consolidated financial statements is a general purpose financial report for the half-year ended 31 December 2022, have been prepared in accordance with requirements of *Corporations Act 2001* and Australian Accounting Standards AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The half year report does not include all the notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Mediland as the annual report.

Accordingly, it is recommended that this financial report be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by Innlanz Limited during the half year in accordance with continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding half year reporting period.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a loss of \$15,985 and had net cash outflows from operating activities of \$74,993 for the half-year period ended 31 December 2022. As at that date the Group had net current liabilities of \$1,142,646 and net assets of \$2,996,988.

The Directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Group has cash balance of \$954,320 as at 31 December 2022 which the directors believe will be adequate to fund operations for the 12 months following the date of the half-year report; and

- Included in current liabilities is \$1,283,446 of deferred consideration payable to Premier Hospitality Management Pty Ltd in relation to the acquisition of the Heartland Ambassador Hamilton Hotel. Jhon Shen, the Executive Director and significant shareholder of Innlanz Limited, is the beneficial owner of Premier Hospitality Management. As at 23 February 2023, Jhon Shen confirmed that Premier Hospitality Management Pty Ltd will not require the repayment of the deferred settlement consideration for at least 12 months following the date of the auditor's review report for Innlanz Limited for the half-year ended 31 December 2022.

New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. The accounting policies adopted are consistent with those of the previous financial year and corresponding half year period.

Innlanz Limited
Notes to the consolidated financial statements
For the half year ended 31 December 2022

Note 2. REVENUE AND OTHER INCOME

	Half-year ended 31 December 2022 \$	Half-year ended 31 December 2021 \$
Revenue		
Hotel revenue	1,291,006	590,097
Total revenue	1,291,006	590,097
Other income		
Interest income	1,835	3,679
Government grants	-	68,454
Other income	282	397
Gain on lease termination	-	288,206
Total other income	2,117	360,736

Note 3. SEGMENT INFORMATION

Profit and loss disclosure

For the half year ended 31 December 2022, the Group examines the group's performance both from a product and geographic perspective and has identified two reportable segments of this business:

- Retailer servicing the Chinese inbound tourism sector in Australia and New Zealand; and
- Hotel operations.

	31 December 2022			31 December 2021		
	Hotel \$	Retail \$	Total \$	Hotel \$	Retail \$	Total \$
Hotel revenue						
Australia	-	-	-	-	-	-
New Zealand	1,291,006	-	1,291,006	590,097	-	590,097
	1,291,006	-	1,291,006	590,097	-	590,097
Other revenue						
Australia	-	1,412	1,412	-	3,441	3,441
New Zealand	590	115	705	10	625	635
	590	1,527	2,117	10	4,066	4,076
Government grant						
Australia	-	-	-	-	-	-
New Zealand	-	-	-	68,454	-	68,454
	-	-	-	68,454	-	68,454
Less: COGS						
Australia	-	-	-	-	-	-
New Zealand	(24,951)	-	(24,951)	(14,817)	-	(14,817)
	(24,951)	-	(24,951)	(14,817)	-	(14,817)
Operating expense						
Australia	-	(251,801)	(251,801)	-	(755,371)	(755,371)
New Zealand	(1,040,503)	(511)	(1,041,014)	(692,609)	(76,977)	(769,586)
	(1,040,503)	(252,312)	(1,292,815)	(692,609)	(832,348)	(1,524,957)
Depreciation and amortisation						
Australia	-	(903)	(903)	-	(903)	(903)
New Zealand	(50,095)	-	(50,095)	(26,342)	(909)	(27,251)
	(50,095)	(903)	(50,998)	(26,342)	(1,812)	(28,154)

Innlanz Limited
Notes to the consolidated financial statements
For the half year ended 31 December 2022

Note 3. SEGMENT INFORMATION (CONTINUED)

Profit and loss disclosure (continued)

	31 December 2022			31 December 2021		
	Hotel \$	Retail \$	Total \$	Hotel \$	Retail \$	Total \$
Segment profit or (loss)						
Australia	-	(251,292)	(251,292)	-	(752,833)	(752,833)
New Zealand	176,047	(396)	175,651	(75,207)	(77,261)	(152,468)
	<u>176,047</u>	<u>(251,688)</u>	<u>(75,641)</u>	<u>(75,207)</u>	<u>(830,094)</u>	<u>(905,301)</u>
Add:						
Gain on lease termination			-			288,206
Income tax benefit / (expense)			59,656			-
Net loss			(15,985)			(617,095)

Segment assets and liabilities

Segment assets and liabilities are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment.

	31 December 2022			30 June 2022		
	Hotel \$	Retail \$	Total \$	Hotel \$	Retail \$	Total \$
Segment assets						
Australia	-	1,012,378	1,012,378	-	1,216,162	1,216,162
New Zealand	7,006,214	34,306	7,040,520	6,865,481	42,091	6,907,572
Total segment assets	<u>7,006,214</u>	<u>1,046,684</u>	<u>8,052,898</u>	<u>6,865,481</u>	<u>1,258,253</u>	<u>8,123,734</u>
Unallocated assets			145,607			144,863
Total assets as per the balance sheet			8,198,505			8,268,597
Segment liabilities						
Australia	-	(1,778,883)	(1,778,883)	-	(1,830,154)	(1,830,154)
New Zealand	(2,521,657)	(228,427)	(2,750,084)	(2,668,627)	(229,217)	(2,897,844)
Total segment liabilities	<u>(2,521,657)</u>	<u>(2,007,310)</u>	<u>(4,528,967)</u>	<u>(2,668,627)</u>	<u>(2,059,371)</u>	<u>(4,727,998)</u>
Unallocated liabilities			(672,550)			(655,659)
Total liabilities as per the balance sheet			(5,201,517)			(5,383,657)

Note 4. CASH AND CASH EQUIVALENTS

	31 December 2022	30 June 2022
	\$	\$
Cash on hand	755	733
Cash at bank	953,565	1,291,230
	<u>954,320</u>	<u>1,291,963</u>

Innlanz Limited
Notes to the consolidated financial statements
For the half year ended 31 December 2022

Note 5. LOSS PER SHARE

	Half-year ended 31 December 2022	Half-year ended 31 December 2021
	\$	\$
a. Loss used to calculate basic EPS from continuing operations	(15,985)	(617,095)
	Number	Number
b. Weighted average number of ordinary shares during the year used in calculating basic EPS*	313,263,608	312,763,610
c. Basic and Diluted loss per share (cents per share)	(0.01)	(0.20)

*Basic EPS is calculated as the loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, divided by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus elements in ordinary shares issued during the year.

Note 6. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 December 2022	30 June 2022
		%	%
Mediland Pharm NZ Ltd	New Zealand	100%	100%
Ixora Investment Pty Ltd	New Zealand	100%	100%
The Collection Hotels and Resorts Pty Ltd	Australia	65%	65%

Consolidation accounting policies

Subsidiaries are all those entities over which the Group has control. The group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Note 7. CONTINGENT LIABILITIES

The Company had no contingent liabilities as at 31 December 2022.

Note 8. AFTER BALANCE DATE EVENTS

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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Innlanz Limited
Directors' declaration
For the half year ended 31 December 2022

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standards AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to section 303(5) of the *Corporations Act 2001*.

On behalf of the directors



Dr. Peter French
Chairman

28 February 2023
Sydney



Yeshveen Mudaliar
Managing Director

28 February 2023
Sydney

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF INNLANZ LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Innlanz Limited which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2022 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Innlanz Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

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

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Innlanz Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Yours faithfully



RSM AUSTRALIA PARTNERS



Cameron Hume
Partner

Sydney, NSW
Dated: 28 February 2023