

PuriflOH Limited

ABN: 11 124 426 339

Reporting Period: For the year ended 30 June 2022

Previous Period: For the year ended 30 June 2021

Principal Activities and Review of Operations

Results for Announcement to Market	\$ Change	% Change	12 months to 30 June 2022 \$	12 months to 30 June 2021 \$
Revenue from ordinary activities	79,729	N/A	79,729	Nil
Profit/(loss) after tax from ordinary activities attributable to members	2,850,931	(92.3%)	(237,050)	(3,087,981)
Profit/(loss) attributable to members	2,850,931	(92.3%)	(237,050)	(3,087,981)

Earnings Per Share	30 June 2022 Cents	30 June 2021 Cents
Basic loss per share - weighted average	(0.752)	(9.797)
Diluted loss per share - weighted average	(0.752)	(9.797)

Dividend Information	Amount per share	Franked Amount per share
Dividend – current reporting period	Nil	Nil
Dividend – previous reporting period	Nil	Nil

Net Tangible Asset Backing per Ordinary Share	Cents
Net tangible asset backing per ordinary share – current reporting period	(6.56)
Net tangible asset backing per ordinary share – previous reporting period	(3.39)

Commentary on the Results for the Period

The loss results from normal operating expenses of the company associated with its ongoing research and development program for the Free Radical Generator. The majority of this work is now being undertaken in Australia.

Attachments

The following documents are attached:

- Explanation of Principal Activities and Review of Operations
- The Preliminary Final Report of PuriflOH Limited for the year ended 30 June 2022

Audit Status

This Preliminary Final Report is based on the Annual Financial Report which is yet to be audited.

The audit is not yet at a stage where it is possible for the Directors to anticipate whether the independent audit report will be subject to a modified, emphasis of matter or other matter paragraph.

Control gained over entities

None

Loss of control over entities

None

Current period

There were no dividends paid, recommended or declared during the current year.

Previous period

There were no dividends paid, recommended or declared during the previous period

Dividend reinvestment plans

None

Details of associates and joint venture entities

None

Foreign entities

None

Any other significant information

None



Simon Lill
Director

Dated at Perth this 31st day of August 2022

PuriflOH Limited (“PuriflOH”, “PO3” or “Company”) has continued to pursue the commercial application of its Free Radical Generation (“FRG”) technology in air, water and surface treatment products. Much of the continued Developmental and Commercial work has been run by the Company’s Senior Technical Manager, Mr Vigneswaran Appia out of Australia with support from the Board of Directors.

The Company’s main products under development are as follows:

1. Surface Treatment - The Air Conditioning Environmental Remediation Treatment (“ACERT”) which has gone through a concept design phase and is currently being introduced to potential markets. Feedback from those markets is resulting in some design adjustments which will lead to completion of product development and onward to manufacturing and sales;
2. Air Treatment - FRG based Whole of Room Air Purifier (“WRAP”) has completed several stages of product development and is currently ready for Design For Manufacturing (DFM). However, the changing understanding of Covid-19 has seen a significant change and understanding of the requirement for air purifiers. This has resulted in a modification of FRG and FRG based air purification, in turn resulting in the concept design of the FRG+, with initial positive test work results recently announced to the ASX.
3. Water Treatment - The Company continues its relationship with Osmoflo who are conducting ongoing R&D on the Company’s FRG product with feedback to date being positive. The Company will be seeking to ascertain with Osmoflo the possible commercial outcomes arising from their work.

The Company enjoys the ongoing financial support of its key shareholder, Dilato Holdings Pty Limited. Dilato Holdings during the year increased their financing facility to \$3M and extended the expiry date to 31 December 2023. The Company has, as at 30 June 2022, the ability to draw down an additional \$2.403M of this facility.

PURIFLOH LIMITED

Preliminary Final Report

30 June 2022

General Information

The financial statements cover PuriflOH Limited. They are presented in Australian dollars, which is PuriflOH Limited’s functional and presentation currency.

The preliminary financial statements were authorised for issue, in accordance with a resolution of directors, on 31 August 2022. The directors have the power to amend and reissue the financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the 12 months ended 30 June 2022

	Note	30 June 2022 \$	30 June 2021 \$
Revenue			
Revenue from continuing operations		79,729	-
Other Income			
Interest income		-	17
Realised FX Gain		147	-
Unrealised FX Gain		696,494	-
Total Other Income		776,370	17
Research and Development – Somnio		(79,729)	(1,080,184)
General and Admin – Somnio		(18,901)	(131,177)
Accounting and audit		(158,940)	(165,810)
Other Expenses	4	(709,344)	(983,476)
Finance costs		(46,506)	(3,876)
Realised FX Loss		-	(81,305)
Unrealised FX Loss		-	(642,170)
Total expense		(1,013,420)	(3,087,998)
Profit/(Loss) before income tax		(237,050)	(3,087,981)
Income tax expense		-	-
Net Profit/(Loss) for the period		(237,050)	(3,087,981)
Other Comprehensive Income			
Items that may be reclassified to profit or loss			
Exchange differences on translating foreign operations		(764,108)	627,715
Total Comprehensive Income/(Loss) for the period		(1,001,158)	(2,460,266)
Attributable to owners of the parent entity		(1,001,158)	(2,460,266)
Basic earnings Profit/(loss) per share (cents)		(0.752)	(9.796)
Diluted earnings Profit/(loss) per share (cents)		(0.752)	(9.796)

The Statement of Profit and Loss and Other Comprehensive Income above should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	Note	30 June 2022 \$	30 June 2021 \$
Assets			
Current Assets			
Cash and cash equivalents		16,912	30,218
Trade and other receivables		7,356	24,871
Prepayments		12,447	17,609
Total Current Assets		36,716	72,689
Non-Current Assets			
Intangible assets - trade marks		63,663	67,555
Total Non-Current Assets		63,663	67,555
Total Assets		100,379	140,253
Liabilities			
Current Liabilities			
Trade and other payables	5	1,527,152	1,056,594
Borrowings - Dilato		642,315	151,589
Total Current Liabilities		2,169,467	1,208,183
Total Liabilities		2,169,467	1,208,183
Net Assets/(Liabilities)		(2,069,088)	(1,067,930)
Equity/ (Shareholders' Deficit)			
Contributed equity		84,352,846	84,352,846
Foreign exchange translation reserve		(129,800)	634,308
Accumulated losses		(86,292,134)	(86,055,084)
Total Equity/ (Shareholders' Deficit)		(2,069,088)	(1,067,930)

The Statement of Financial Position above should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the 12 months ended 30 June 2022

	Contributed Equity	Foreign Currency Translation Reserve	Accumulated losses	Total
	\$	\$	\$	\$
Balance at 30 June 2021	84,352,846	634,308	(86,055,084)	(1,067,930)
Profit/(Loss) for the period	-	-	(237,050)	(237,050)
Other comprehensive income	-	(764,108)	-	(764,108)
Total comprehensive income (loss) for the period	-	(764,108)	(237,050)	(1,001,158)
Balance at 30 June 2022	84,352,846	(129,800)	(86,292,134)	(2,069,088)

For the 12 months ended 30 June 2021

	Contributed Equity	Foreign Currency Translation Reserve	Accumulated losses	Total
	\$	\$	\$	\$
Balance at 30 June 2020	84,352,846	6,593	(82,967,103)	1,392,336
Profit/(Loss) for the period	-	-	(3,087,981)	(3,087,981)
Other comprehensive income	-	627,715	-	627,715
Total comprehensive income (loss) for the period	-	627,715	(3,087,981)	(2,460,266)
Balance at 30 June 2021	84,352,846	634,308	(86,055,084)	(1,067,930)

The Statement of Changes in Equity above should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For 12 months ended 30 June 2022

	30 June 2022 \$	30 June 2021 \$
<u>Cash flows related to operating activities</u>		
Receipts from customers	79,729	-
Interest Received	-	17
Payments for research and development and other expenditure	(584,055)	(2,370,256)
Net operating cash flows	(504,326)	(2,370,239)
<u>Cash flows related to investing activities</u>		
Purchase of intangibles	-	(9,210)
Net investing cash flows	-	(9,210)
<u>Cash flows related to financing activities</u>		
Proceeds from borrowings	490,726	151,589
Net financing cash flows	490,726	151,589
Net increase / (decrease) in cash held	(13,517)	(2,227,860)
Net foreign exchange differences	211	(97,479)
Cash and cash equivalents at beginning of the period	30,218	2,355,557
Cash and Cash Equivalents at the end of the period	16,912	30,218

The Statement of Cash Flows above should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

PuriflOH Limited (“PuriflOH”, “the Company” or “PO3”) is a public company, incorporated and domiciled in Australia. The Company listed on the Australian Securities Exchange (ASX) on 30 December 2010.

Basis of Preparation – Accounting policies, estimation methods and measurement bases

These preliminary statements have been prepared in accordance with the ASX listing rules and do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the financial statements for the year ended 30 June 2021 and any public announcements made by the company during the reporting period in accordance with continuous disclosure requirements of the *Corporations Act 2001*.

Accounting policies, estimation methods and measurement bases used in this Appendix 4E are the same as those used in the last annual report and the last half-year report.

Going Concern

This financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activities and realisation of assets and discharge of liabilities in the ordinary course of business.

The group incurred an operating loss after tax for the year of \$237,050, net cash outflows from operating activities of \$504,326 and a deficiency in net current assets of \$2,132,751 as at 30 June 2022.

Notwithstanding the above, the continuation of the Group as a going concern is dependent upon its ability to achieve the following:

- The continued financial support from the Dilato loan facility, which remains available to the Group with a further \$52,315 received subsequent to balance date;
- The continued support of creditors including amounts payable to related parties;
- The ability to raise additional capital or attract alternate sources of funding; and
- The generation of cash inflows resulting from successful engagement with OEM’s.

The Directors have reviewed the business outlook and the assets and liabilities of the Group and are of the opinion that despite the above, the Group has implemented strategies to ensure there is sufficient funding for at least the next 12 months.

2. Significant Events after Balance Sheet Date

There have been no significant events since balance date.

3. Interests in Subsidiaries

The consolidated financial statements include the financial statements of PuriflOH and its subsidiaries listed in the following table:

Name	Country of Incorporation	Equity Interest	
		2022	2021
PuriflOH USA Incorporated	United States	100%	100%

The Company has a US subsidiary called PuriflOH USA Incorporated. This subsidiary was incorporated in Delaware, USA in late 2018. The subsidiary carries a subscription of shares of common stock with par value of US\$0.001 of which PuriflOH Limited owns 100%. As a result of this establishment, the financial statements reflect the consolidated position of the parent and the subsidiary collectively as the Group.

The purpose of this entity is to manage operations in the US as the Company moves forward with its commercialization plans for the Free Radical Generator. The Company has noted the change to operational focus to return to Australia, however deems it important to retain the US subsidiary as there are many ongoing facets of commercialisation within the United States.

4. Other Expenses and Accounting Expenses

Other Expenses	30 June 2022 \$	30 June 2021 \$
ASX Fees	41,435	53,387
Share Registry Services	23,133	7,524
Serviced Office	90,000	90,000
Legal Fees	5,043	21,268
Insurance	77,305	93,239
Directors Fees	302,004	152,002
Consulting - Other	97,956	439,039
Other	72,467	127,017
709,343	983,476	983,476

5. Trade and Other Payables

Current	30 June 2022 \$	30 June 2021 \$
Trade payables (a)	19,356	103,561
Accruals	22,700	24,543
USA Trade and Other payables (b)	805,011	717,490
<u>Other related parties</u>		
Directors' Fees	295,086	57,000
Others (c)	385,000	154,000
Balance	1,527,152	1,056,594

- (a) Trade payables and other payables are non-interest bearing liabilities. All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.
- (b) Payables is mostly related to Somnio payables of \$USD 290,351 (AUD \$421,470) owing as at 30 June 2022. Somnio is considered a related party of the Company.
- (c) Dilato outstanding as at 30 June 2022.