

# EZZ LIFE SCIENCE HOLDINGS LIMITED

## APPENDIX 4E

### PRELIMINARY FINAL REPORT

#### • DETAILS OF REPORTING PERIOD

Name of Entity	EZZ Life Science Holdings Limited ('the Group')
ABN	83 608 363 604
Reporting Period	30 June 2024
Previous Corresponding Period	30 June 2023

#### • RESULTS FOR ANNOUNCEMENT TO THE MARKET

Key information	12 months ended Current Period \$	12 months ended Previous Period \$	Increase %	Amount change \$
Revenues from ordinary activities	66,443,371	37,143,330	78.9%	29,300,041
Profit from ordinary activities after tax attributable to members	6,964,488	3,629,727	91.9%	3,334,761
Net profit for the period attributable to members	6,964,488	3,629,727	91.9%	3,334,761

#### • COMMENTARY ON RESULTS

EZZ Life Science Holdings Limited ('EZZ' or the 'Company') has achieved significant success this year, launching 21 new products, partnering with new suppliers—most notably signing an agreement with Pinehills (Hong Kong) Limited in late May 2024—and expanding its distribution channels. EZZ has also entered new geographical markets, with the establishment of EZZ Life Science Holdings (USA) Inc., positioning itself to introduce FDA-approved products into the U.S. market commencing in FY25. Throughout the year, EZZ has maintained strong financial discipline, which has contributed an impressive sales growth of 78.9% compared to the previous year, EBITDA growth of 110.7%, and a robust cash position of \$19.0m, with no debt aside from lease liabilities.

##### (a) Highlights

- Record revenue of \$66.4m in FY24, up 78.9% on the previous corresponding period (PcP).
- Strong EBITDA (excluding other income) of \$10.1m, marking a substantial increase of 110.7% on the PcP.
- Positive operating cash flow of \$6.1m, up from \$4 million over the previous year.
- Maintained a strong cash position of \$19m, reflecting a 37.5% increase from 30 June 2023.
- No external interest-bearing debt, except for lease liabilities.
- Continued sustainable dividend payouts, including a fully franked interim dividend of \$0.015 per share in FY24 versus a fully franked interim dividend of \$0.0098 per share in FY23.

##### (b) Key revenue drivers

EZZ continued to experience strong growth throughout FY24, becoming more agile, customer-centric, and digitised. EZZ received recognition and multiple awards during the year, including a standout achievement for the EZZ L-Lysine Capsule, which ranked No. 1 on Tmall Global in the Children's

Essential Minerals category as both the "best-selling" and "most repurchased" product during the Double 11 Shopping Festival. The Company was named a finalist for the NSW Premier's Export Awards in the e-commerce category.

The direct-to-consumer strategy proved effective in diversifying the Company's customer base. In FY21, the top five customers accounted for 43.7% of revenue from EZZ-branded products, whereas in FY24, the top 10 customers represented just 12.5% of revenue.

The new product pipeline remained robust, with over 20 new products launched under the EZZ brand in FY24, bringing the total active product portfolio to 53 SKUs. These new offerings target niche customer needs and span broader segments within each product category. The Company's market-driven product development strategy remains integral to its growth, continuing to fuel top-line performance.

EZZ continued to implement its omnichannel strategy and channel expansion with the distribution network diversifying across five key platforms, including Douyin, Tmall Global, Kuaishou, Aubay, and O'Mall. The Company introduced 10 new distribution channels and added 17 new distribution points during the year, including duty-free shops and airlines, bringing the total to 1,833 distribution points for both EZZ and EAORON-branded products, spanning online and offline channels.

In preparation for its US market expansion, the Company successfully obtained FDA approvals for eleven products in the food category.

## **Segment Performance**

### **EZZ**

The EZZ-branded product range encompasses a broad selection of health and wellbeing products, catering to individuals across all age groups and owned by the Company.

In FY24, revenue from EZZ-branded products surged by 92.3% to \$62,574,863. This exceptional growth was driven by the expansion of new distribution channels, such as Kuaishou, and the addition of distribution points within key e-commerce platforms like Douyin, which targeted niche segments and enhanced the effectiveness of highly targeted social ads. The rise in brand awareness further enabled the Company to collaborate with top-tier influencers, who boast strong reach and highly engaged followings. EZZ-branded products contributed 94.2% of the Company's total revenue, with over 95% of sales generated through e-commerce channels.

### **EAORON**

The EAORON-branded products comprise a wide range of facial care items, and the Company serves as the exclusive distributor in Australia and New Zealand for selected channels. In FY24, revenue from EAORON-branded products declined by 15.9% to \$3,868,508, representing 5.8% of total revenue. These products were predominantly sold through pharmacies and specialist retailers, which accounts for over 80% of EAORON's revenue.

## **Geographical Performance**

Revenue from the Australia and New Zealand markets was up by 15.2% to \$11,244,311. In-house eCommerce strategy has shown early signs of success, with revenue from the Company's Shopify store growing by 81.9% in FY24. Local revenue represented 16.9% of the total revenue in this financial year, as compared to 14.7% in the previous financial year. The Company is committed to increase its market share in the Australian and New Zealand markets.

The revenue from international markets was primarily derived from China. The revenue generated from China increased by 95.7% to \$52,431,919. It represented 78.9% of total revenue in FY24 as compared to 40.3% in FY23. The Company continues to see China as a high growth market.

## **(c) Profitability**

The overall gross margin remained largely constant above 75% in the financial year ended 30 June

2024.

- EZZ branded products' gross margin decreased by 4.3% to 79.8%, due to an increase in logistical costs associated with higher revenue.
- The average gross margin on the EAORON branded products marginally increased to 25.6%.

EBITDA increased to \$10,375,469 from \$5,093,040 in FY23, with EBITDA margin increasing from 13.7% to 15.6% in FY24.

	2024	2023
	\$	\$
Profit for the year	6,964,488	3,629,728
Other income	(267,369)	(295,696)
Depreciation and amortisation expense	391,537	182,043
Finance expense	24,754	10,408
Income tax expense	2,994,690	1,270,862
EBITDA (excluding other income)	10,108,100	4,797,344

EBITDA is a non-IFRS measure and is presented to enable understanding of the underlying performance without the impact on non-operating items. Non-IFRS measures have not been subject to audit or external review.

Net profit increased to almost \$7m in this year from \$3.6m in the previous year, generating a growth rate of 91.8%.

Earnings per share were \$0.16, a 90.1% increase on the prior year.

#### (d) Financial Position

The Company's balance sheet remained strong, with \$19.0m cash at bank at 30 June 2024, up by 37.5% from the previous corresponding period. The strong balance sheet strength provides the Company with financial flexibility to implement growth initiatives and pursue strategic opportunities when they arise.

#### (e) Cash flow

Operating cash flows increased by 53.1% to \$6,143,851. The increase in operating cash flow is due to increase in customer receipts of the EZZ-branded supplements.

Cash flows from investing activities increased by 333.4% to \$441,170, due to the increase in rights-of-use of assets associated with the new office.

Cash flows from financing activities decreased by 23.5% to \$582,452. The decrease in financing cash outflow was due to increased interest expense on a higher lease liability and increased dividend payment is offset by the receipt of cash proceeds from the issue of shares to strategic investors.

- **DETAILS OF DIVIDEND**

	Current Period \$	Previous Period \$
<b>Interim dividend</b>		
Amount per security	0.015	0.0098
Franked amount per security	0.015	0.0098
Franking rate applicable	100%	100%
Date dividend payable	17 June 2024	23 June 2023
Record date to determine entitlements	17 May 2024	23 May 2023
<b>Final dividend</b>		
Amount per security	0.01	0.0045
Franked amount per security	0.01	0.0045
Franking rate applicable	100%	100%
Date dividend payable	8 December 2023	16 December 2022
Record date to determine entitlements	31 October 2023	4 November 2022

- **NET TANGIBLE ASSETS PER SHARE**

	Current Period \$	Previous Period \$
Net tangible asset backing per ordinary security	0.48	0.34

The net tangible assets per security is calculated based on 44,413,200 ordinary shares on issue as at 30 June 2024. The previous period net tangible assets per ordinary share was calculated based on 42,705,000 ordinary shares on issue as at 30 June 2023.

- **DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD**

In the second half of financial year 2024 the Company incorporated two 100% fully owned and controlled subsidiaries:

- EZZ Cell Medical Technology (Australia) Pty Ltd
  - incorporated on 6 May 2024 in NSW, Australia
  - no business was transacted through this entity during this financial year
- EZZ Life Science Holdings (USA) Inc.
  - incorporated on 9 May 2024 in Delaware, USA
  - no business was transacted through this entity during this financial year

- **DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES**

Not applicable.

- **ANY OTHER SIGNIFICANT INFORMATION NEEDED BY AN INVESTOR TO MAKE AN INFORMED ASSESSMENT OF THE COMPANY'S FINANCIAL PERFORMANCE AND FINANCIAL POSITION**

This preliminary financial report does not include all the notes of the type normally included in the full year statutory accounts. Accordingly, it is recommended that this report be read in conjunction with the Annual Report for the year ended 30 June 2024 and any public announcements made by EZZ during the year

ended 30 June 2024 and up to the date of this report, in accordance with the continuous disclosure requirements of the Listing Rules of the Australian Securities Exchange (ASX).

- **FOREIGN ENTITIES**

The Company established a USA subsidiary in May 2024 and The US FDA has approved eleven EZZ products in the food category till the end of the financial year.

- **AUDIT**

The Company's financial statements are in the process of being audited and an unmodified opinion is expected to be issued.

- **ATTACHMENTS**

The preliminary financial report of the Company for the year ended 30 June 2024 is attached.

The Company advises that its Annual General Meeting will be held on 25 November 2024 and the closing date for receipt of nominations from persons wishing to be considered for election as a director, is 4 October 2024.

As authorized by the Board of Directors

Qizhou Qin  
Executive Director

Signed: Sydney, 28 August 2024

# **EZZ Life Science Holdings Limited**

**ACN 608 363 604**

## **Preliminary Final Report**

**For the year ended 30 June 2024**

# EZZ Life Science Holdings Limited

ACN 608 363 604

## <sup>C</sup> Consolidated Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue	2	66,443,371	37,143,330
Cost of sales		(15,497,918)	(8,613,168)
<b>Gross Profit</b>		<b>50,945,453</b>	<b>28,530,162</b>
Other income	2	267,369	295,696
Advertising and marketing expense		(37,229,288)	(20,557,802)
Depreciation and amortisation expense		(391,537)	(182,043)
Employee benefits expense		(1,262,941)	(1,145,025)
Finance expenses		(24,754)	(10,408)
Other expenses		(2,345,124)	(2,029,991)
Profit before income tax		9,959,178	4,900,589
Income tax expense	3	(2,994,690)	(1,270,862)
<b>Profit for the year</b>		<b>6,964,488</b>	<b>3,629,727</b>
<b>Other comprehensive income</b>			
Other comprehensive income		-	-
Total comprehensive income for the year		6,964,488	3,629,727
<b>Earnings per share</b>			
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	5	16.17	8.5
Diluted earnings per share	5	16.17	8.5

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

# EZZ Life Science Holdings Limited

ACN 608 363 604

## Consolidated Statement of Financial Position As at 30 June 2024

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	19,022,611	13,830,751
Trade and other receivables	7	2,673,648	1,387,646
Inventories	8	1,401,195	846,918
Other assets	9	1,814,162	940,506
<b>TOTAL CURRENT ASSETS</b>		<b>24,911,616</b>	17,005,821
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	10	621,519	603,767
Intangible assets		18,848	18,848
Deferred tax assets	11	-	12,185
<b>TOTAL NON-CURRENT ASSETS</b>		<b>640,366</b>	634,800
<b>TOTAL ASSETS</b>		<b>25,551,982</b>	17,640,621
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	2,857,259	2,252,603
Current tax liabilities	11	1,157,255	292,504
Lease liabilities	13	123,856	354,736
Employee entitlements	14	39,736	34,780
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,178,106</b>	2,934,623
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities	11	51,041	-
Lease liabilities		-	123,856
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>51,041</b>	123,856
<b>TOTAL LIABILITIES</b>		<b>4,229,146</b>	3,058,479
<b>NET ASSETS</b>		<b>21,322,837</b>	14,582,142
<b>EQUITY</b>			
Issued capital	15	6,521,319	5,998,570
Reserves		16,165	809
Retained earnings		14,785,352	8,582,763
<b>TOTAL EQUITY</b>		<b>21,322,837</b>	14,582,142

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



# EZZ Life Science Holdings Limited

ACN 608 363 604

## Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

2024

	Issued Capital \$	Performance Rights Reserve \$	Retained Earnings \$	Total \$
<b>Balance at July 2023</b>	<b>5,998,570</b>	<b>809</b>	<b>8,582,763</b>	<b>14,582,142</b>
Profit for the year		-	6,964,488	<b>6,964,488</b>
Other comprehensive income for the year		-	-	-
Shares issued - private placement	854,100	-	-	<b>854,100</b>
Share payment reserve – LTIP	-	15,356	-	<b>15,356</b>
<i>Transactions with owners in their capacity as owners:</i>				
Dividends paid	-	-	(1,093,249)	<b>(1,093,249)</b>
<b>Balance at 30 June 2024</b>	<b>6,852,670</b>	<b>16,165</b>	<b>14,454,003</b>	<b>21,322,837</b>

2023

	Issued Capital	Performance Rights Reserve \$	Retained Earnings \$	Total \$
<b>Balance at 1 July 2022</b>	5,823,494	-	5,563,965	11,387,459
Profit for the year	-	-	3,629,727	3,629,727
Other comprehensive income for the year	-	-	-	-
Share payment reserve – ESP 2021	175,076	-	-	175,076
Share payment reserve – LTIP	-	809	-	809
<i>Transactions with owners in their capacity as owners:</i>				
Dividends paid	-	-	(610,929)	(610,929)
<b>Balance at 30 June 2023</b>	<b>5,998,570</b>	<b>809</b>	<b>8,582,763</b>	<b>14,582,142</b>

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

# EZZ Life Science Holdings Limited

ACN 608 363 604

## Consolidated Statement of Cash Flows

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers		65,228,999	39,127,211
Receipts from Government incentives		-	44,122
Payments to suppliers and employees		(57,189,418)	(33,977,208)
Interest received		195,738	-
Interest paid		(24,755)	(10,408)
Income tax paid		(2,066,713)	(1,169,458)
Net cash provided by/(used in) operating activities	21	<u>6,143,851</u>	<u>4,014,259</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Deposits paid		(31,881)	-
Purchase of plant and equipment		(409,289)	(101,785)
Net cash provided by/(used in) investing activities		<u>(441,170)</u>	<u>(101,785)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Payment of lease liabilities		(354,736)	(161,323)
Proceeds from issued shares		854,100	-
Dividends paid	16	(1,081,816)	(600,394)
Net cash provided by/(used in) financing activities		<u>(582,452)</u>	<u>(761,717)</u>
Net increase in cash and cash equivalents held		5,120,229	3,150,757
Effects of exchange rate on cash and cash equivalents		71,631	215,153
Cash and cash equivalents at the beginning of financial year		13,830,751	10,464,841
<b>Cash and cash equivalents at the end of financial year</b>	6	<u><u>19,022,611</u></u>	<u><u>13,830,751</u></u>

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

## **Notes to the Consolidated Financial Statements**

### **For the year ended 30 June 2024**

#### **1 Basis of Preparation**

The unaudited preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E.

These financial statements have been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards and Interpretations as issued by the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

#### **Parent entity information**

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in Note 22.

#### **Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of EZZ Life Science Holdings Limited as at 30 June 2024 and the results of all subsidiaries for the year then ended (no subsidiaries existed prior to the 2024 financial year and so the 2023 comparatives relate solely to the parent entity financials). EZZ Life Science Holdings Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity 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 consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity 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 consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position, and the statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributable to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

**Notes to the Consolidated Financial Statements**  
**For the year ended 30 June 2024**

**2 Revenue and Other Income**

	2024 \$	2023 \$
Revenue		
- sale of goods – recognised at a point in time	<b>66,443,371</b>	37,143,330
	<b>66,443,371</b>	37,143,330
Other Income		
- Unrealised foreign exchange gain	<b>71,631</b>	215,153
- Other revenue	-	16,122
- Interest income	<b>195,738</b>	36,421
- Government subsidy	-	28,000
	<b>267,369</b>	295,696

**3 Income Tax Expense**

(a) The major components of tax expense (income) comprise:

	2024 \$	2023 \$
Current tax expense	<b>2,931,465</b>	1,219,072
Deferred tax expense relating to temporary differences	<b>65,662</b>	51,790
Deferred tax expense resulting from tax rate change	<b>(2,437)</b>	-
<b>Total income tax expense</b>	<b>2,994,690</b>	1,270,862

(b) Reconciliation of income tax to accounting profit:

	2024 \$	2023 \$
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2023: 25%)	<b>2,988,613</b>	1,225,147
Tax effect of:		
- non-deductible depreciation and amortisation	<b>740</b>	823
- share based payments	<b>4,607</b>	43,769
- other non-deductible expenses	<b>3,166</b>	1,123
- Effect of rate change on FITB/DITL	<b>(2,437)</b>	-
<b>Income tax expense</b>	<b>2,994,690</b>	1,270,862

## **Notes to the Consolidated Financial Statements**

### **For the year ended 30 June 2024**

#### **4 Operating Segments**

##### **(a) Identification of reportable segments**

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

Operating segments are determined on the basis of financial information reported to the Directors which is revenue and gross profit for Brought in Lines and Company Owned products.

Therefore, management identified the Company as having two reportable segments. The financial results from these reportable segments are equivalent to the financial statements of the Company as a whole. Geographical sales information and customer concentration is disclosed below to assist in the understanding of the Company.

##### **(b) Accounting policies adopted**

All amounts reported to the Directors are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Company.

##### **(c) Segment assets**

Assets of the Company are maintained in Australia.

##### **(d) Segment liabilities**

Liabilities are generally considered to relate to the Company as a whole and are not allocated.

## Notes to the Consolidated Financial Statements

### For the year ended 30 June 2024

#### (e) Segment Revenues

Revenue is segmented between brought in lines and Company owned products as follows:

	Brought in Lines		Company Owned		Total	
	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$
Revenue	3,868,508	4,601,996	62,574,863	32,541,334	66,443,371	37,143,330
Cost of Sales	(2,877,029)	(3,458,284)	(12,620,890)	(5,154,884)	(15,497,918)	(8,613,168)
<b>Total</b>	<b>991,479</b>	<b>1,143,712</b>	<b>49,953,973</b>	<b>27,386,450</b>	<b>50,945,453</b>	<b>28,530,162</b>

#### (f) Geographical information

Revenue is split as follows:

	Revenue	
	2024	2023
	\$	\$
Australia and New Zealand	11,244,311	9,759,423
Mainland China	52,431,919	26,798,557
Other countries/regions	2,767,141	585,350
<b>Total</b>	<b>66,443,371</b>	<b>37,143,330</b>

## 5 Earnings Per Share

	2024	2023
	\$	\$
Basic earnings per share (cents)	16.17	8.50
Diluted earnings per share (cents)	16.17	8.50

The calculation of the basic and diluted earnings per share is based on the following data:

#### Earnings

Earnings for the purpose of basic earnings per share being net profit attributable to owners of the Company	6,964,488
Earnings for the purpose of diluted earnings per share	6,964,488

#### Number of shares

Weighted average number of shares used in calculating basic earnings per share	43,083,044
Weighted average number of shares used in calculating diluted earnings per share	43,083,044

## EZZ Life Science Holdings Limited

ACN 608 363 604

### Notes to the Consolidated Financial Statements For the year ended 30 June 2024

#### 6 Cash and Cash Equivalents

	2024 \$	2023 \$
Cash at bank and in hand	<u>19,022,611</u>	<u>13,830,751</u>
	<b>19,022,611</b>	<b>13,830,751</b>

#### 7 Trade and Other Receivables

	2024 \$	2023 \$
CURRENT		
Trade receivables	2,564,580	1,316,820
Other receivables	<u>109,068</u>	<u>70,826</u>
	<b>2,673,648</b>	<b>1,387,646</b>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

#### 8 Inventory

	2024 \$	2023 \$
Finished goods, at cost	<u>1,401,195</u>	<u>846,918</u>
	<b>1,401,195</b>	<b>846,918</b>

#### 9 Other Assets

	2024 \$	2023 \$
Prepayments	1,257,671	213,872
Deposits paid	<u>556,491</u>	<u>726,634</u>
	<b>1,814,162</b>	<b>940,506</b>

## Notes to the Consolidated Financial Statements

### For the year ended 30 June 2024

#### 10 Plant and Equipment

	2024 \$	2023 \$
Motor vehicles		
At cost	156,364	156,364
Accumulated depreciation	(90,471)	(68,506)
Total motor vehicles	65,893	87,858
Office equipment		
At cost	155,910	3,679
Accumulated depreciation	(6,007)	(1,621)
Total office equipment	149,903	2,058
Computer equipment		
At cost	25,497	14,351
Accumulated depreciation	(13,044)	(7,939)
Total computer equipment	12,453	6,412
Right-of-Use		
At cost	535,344	665,094
Accumulated depreciation	(416,379)	(189,232)
Total right-of-use	118,965	475,862
Leasehold Improvements		
At cost	277,489	31,577
Accumulated depreciation	(3,184)	-
Total improvements	274,305	31,577
<b>Total Plant and equipment</b>	<b>621,519</b>	<b>603,767</b>

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	Motor Vehicles \$	Office Equipment \$	Computer Equipment \$	Right-of-Use \$	Leasehold Improvements \$	Total \$
<b>Year ended 30 June 2024</b>						
Balance at the beginning of the year	87,858	2,058	6,412	475,862	31,577	603,767
Additions	-	152,231	11,146	-	245,912	409,289
Depreciation	(21,965)	(4,386)	(5,105)	(356,897)	(3,184)	(391,537)
<b>Balance at the end of the year</b>	<b>65,893</b>	<b>149,903</b>	<b>12,453</b>	<b>118,965</b>	<b>274,305</b>	<b>621,519</b>



## Notes to the Consolidated Financial Statements

### For the year ended 30 June 2024

#### 11 Tax Assets and Liabilities

	2024 \$	2023 \$
Income tax payable	<u>1,157,255</u>	<u>292,504</u>
	<u>1,157,255</u>	<u>292,504</u>

  

	Opening Balance \$	Credited / (charged) to Income \$	Closing Balance \$
<b>Deferred tax assets</b>			
Components of deferred tax assets are:			
Provision for annual leave	8,695	3,226	11,921
Provision for STIP	5,325	(1,725)	3,600
IPO transaction costs	74,533	(29,813)	44,720
Accrued audit fee	4,125	1,725	5,850
Unrealised foreign exchange loss	(55,688)	(32,628)	(88,316)
Superannuation payable	6,265	3,432	9,697
Net impact of accounting for operating lease	682	785	1,467
Reclassify from(to) deferred tax liabilities	(31,752)	42,813	11,061
	<u>12,185</u>	<u>12,185</u>	<u>-</u>
<b>Deferred tax liabilities</b>			
Components of deferred tax liabilities are:			
Depreciation	(2,118)	1,041	(1,077)
Unrealised foreign exchange gain	-	-	-
Prepayments	(29,634)	(9,269)	(38,903)
Reclassify to(from) deferred tax assets	31,752	(42,813)	(11,061)
	<u>-</u>	<u>(51,041)</u>	<u>(51,041)</u>
Net Deferred Tax Assets	<u>12,185</u>	<u>(63,225)</u>	<u>(51,041)</u>

#### 12 Trade and Other Payables

	2024 \$	2023 \$
<b>CURRENT</b>		
Trade payables - non-related parties	2,077,561	1,317,943
Trade payable to related entity - Australian United Pharmaceuticals Pty Ltd	655,276	819,130
Dividends payable	37,801	26,368
Other payables and accruals	86,621	89,162
	<u>2,857,259</u>	<u>2,252,603</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

## EZZ Life Science Holdings Limited

ACN 608 363 604

### Notes to the Consolidated Financial Statements For the year ended 30 June 2024

#### 13 Leases

##### Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Company is a lessee are shown below:

	2024	2023
	\$	\$
Interest expense on lease liabilities	(22,264)	(9,510)
Depreciation of right-of-use assets	(356,897)	(163,283)
	<u>(379,161)</u>	<u>(172,793)</u>

##### Statement of Cash Flows

	2024	2023
	\$	\$
Total cash outflow for leases	<u>(377,000)</u>	<u>(170,833)</u>

	2024	2023
	\$	\$
<b>Lease Liabilities disclosure</b>		
Lease liabilities - current	<u>123,856</u>	<u>354,736</u>
Lease liabilities – non-current	<u>-</u>	<u>123,856</u>

## Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

### Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year \$	1 - 5 years \$	> 5 years \$	Total undiscounted lease liabilities \$	Lease liabilities included in this Statement of Financial Position \$
<b>2024</b>					
Lease liabilities	125,667	-	-	125,667	
Interest expense	(1,811)	-	-	(1,812)	
	<u>123,856</u>	<u>-</u>	<u>-</u>	<u>123,855</u>	
<b>2023</b>					
Lease liabilities	377,000	125,667	-	502,667	
Interest expense	(22,264)	(1,811)	-	(24,075)	
	<u>354,736</u>	<u>123,856</u>	<u>-</u>	<u>478,592</u>	<u>478,592</u>

### 14 Employee Entitlements

	2024 \$	2023 \$
Current liabilities		
Provision for annual leave	<u>39,736</u>	<u>34,780</u>
	<u>39,736</u>	<u>34,780</u>

### 15 Issued Capital

	2024 Number of shares	2024 \$	2023 Number of shares	2023 \$
<b>Ordinary shares fully paid</b>				
At the beginning of the year	42,705,000	5,998,570	42,000,000	5,667,219
Shares issued under employee share plan	-	-	705,000	331,351
Shares issued through private placement	<u>1,708,200</u>	<u>854,100</u>	<u>-</u>	<u>-</u>
<b>Total ordinary shares fully paid</b>	<u>44,413,200</u>	<u>6,852,670</u>	<u>42,705,000</u>	<u>5,998,570</u>

#### (a) Ordinary shares

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

## **Notes to the Consolidated Financial Statements**

### **For the year ended 30 June 2024**

#### ***Share buy-back***

There is no current on-market share buy-back.

#### **(b) Capital Management**

The key objectives of the Company when managing capital is to safeguard its ability to continue as a going concern and maintain optimal benefits to stakeholders. The Company defines capital as its equity and net debt.

The Company manages its capital structure and makes funding decisions based on the prevailing economic environment and has a number of tools available to manage capital risk. These include the ability to adjust the size and timing of dividends paid to shareholders and the issue of new shares.

#### **16 Dividends**

There were two Dividends paid during 2024 Financial Year.

A fully franked final dividend of \$0.01 cent per ordinary share was declared on 24 October 2023 and paid on 8 December 2023, resulting in a total dividend payment of \$427,050 based on the number of ordinary shares on issue.

A fully franked interim dividend of \$0.015 cent per ordinary dividend was declared on 7 May 2024 and paid on 17 June 2024, resulting in a total dividend of \$666,198 based on the number of ordinary shares on issue.

#### **Franking account**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
The franking credits available for subsequent financial years at a tax rate of 30% (2023: 25%)	<b>5,107,602</b>	<b>2,820,730</b>

The above available balance is based on the dividend franking account at year-end adjusted for:

- (a) Franking credits that will arise from the payment of the current tax liabilities;
- (b) Franking debits that will arise from the payment of dividends recognised as a liability at the year end;
- (c) Franking credits that will arise from the receipt of dividends recognised as receivables at the end of the year.

The ability to use the franking credits is dependent upon the Company's future ability to declare dividends.

## EZZ Life Science Holdings Limited

ACN 608 363 604

### Notes to the Consolidated Financial Statements For the year ended 30 June 2024

#### 17 Auditors' Remuneration

	2024 \$	2023 \$
Remuneration of the auditor In.Corp Audit & Assurance Pty Ltd, for:		
- auditing or reviewing the financial statements	30,500	27,500
- due diligence services	20,000	-
<b>Total</b>	<b>50,500</b>	<b>27,500</b>

#### 18 Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly owned subsidiaries in accordance with the accounting policy described in Note 1:

	Entity Type	Place formed or incorporation	% of share capital held
EZZ Cell Medical Technology (Australia) Pty Ltd	Body corporate	Australia	100%
EZZ Life Science Holdings (USA) Inc.	Body corporate	USA	100%

The above subsidiaries are new, having been incorporated in the second half of financial year 2024

#### 19 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2024 (30 June 2023: None).

# Notes to the Consolidated Financial Statements

## For the year ended 30 June 2024

### 20 Parent Entity Information

Set out below is the supplementary information about the parent entity.

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Statement of Financial Position</b>		
<b>ASSETS</b>		
Current Assets	24,914,380	17,005,821
Non-Current Assets	640,468	634,800
<b>TOTAL ASSETS</b>	<b>25,554,848</b>	<b>17,640,621</b>
<b>LIABILITIES</b>		
Current Liabilities	4,178,105	2,934,623
Non-Current Liabilities	51,041	123,856
<b>TOTAL LIABILITIES</b>	<b>4,229,146</b>	<b>3,058,479</b>
<b>NET ASSETS</b>	<b>21,325,702</b>	<b>14,582,142</b>
<b>EQUITY</b>		
Issued capital	6,852,670	5,998,570
Performance Rights Reserve	16,165	809
Retained earnings	14,456,867	8,582,763
-	-	-
<b>TOTAL EQUITY</b>	<b>21,325,702</b>	<b>14,582,142</b>

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Statement of profit or loss and other comprehensive income</b>		
Profit for the year	6,967,353	3,629,727
Total comprehensive income for the year	6,967,353	3,629,727

#### **Guaranteed entered into by parent entity**

The parent entity has not entered into any guarantees as of 30 June 2024.

#### **Contingent liabilities**

The parent entity had no contingent liabilities as at 30 June 2024.

#### **Commitments**

The parent entity had no capital commitments as at 30 June 2024.

**Notes to the Consolidated Financial Statements**  
**For the year ended 30 June 2024**

**21 Cash Flow Information**

**Reconciliation of profit for the year to cashflows from operating activities**

Reconciliation of profit to net cash provided by operating activities:

	<b>2024</b>	2023
	<b>\$</b>	<b>\$</b>
Profit after income tax	<b>6,964,488</b>	3,629,727
Non-cash flows in profit:		
- depreciation and amortisation	<b>391,537</b>	182,043
- realised foreign exchange gains	<b>(71,631)</b>	(215,153)
- share based payments	<b>15,354</b>	175,884
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	<b>(1,286,002)</b>	906,170
- (increase)/decrease in inventories	<b>(554,277)</b>	(534,519)
- (increase)/decrease in other assets	<b>(841,775)</b>	(38,796)
- (increase)/decrease in deferred tax assets	<b>12,825</b>	81,166
- increase/(decrease) in trade and other payables	<b>593,223</b>	(215,646)
- increase/(decrease) in income taxes	<b>864,111</b>	49,614
- increase/(decrease) in employee entitlements	<b>4,957</b>	23,145
- increase/(decrease) in deferred tax liabilities	<b>51,041</b>	(29,376)
Cashflows from operations	<b>6,143,851</b>	4,014,259