

## ASX ANNOUNCEMENT

25 November 2024

### Chair's Address to Shareholders

It's a pleasure to welcome you all to the Annual General Meeting of EZZ Life Science Holdings Limited. It is a privilege to address you today as we reflect on what has been an exceptional year for EZZ.

FY24 included several significant achievements along with the continued execution of our strategic priorities – this has us strongly positioned for further success in a growing and competitive landscape.

#### Company Background

For those of you who are new to the company, EZZ is a genomic life science company with a dedicated mission to enhance the quality of life and human health. Following our successful ASX listing in March 2021, we have strategically expanded our product portfolio grounded in scientific research and bolstered our e-commerce capabilities and distribution channels across Australia, New Zealand, China, and other international markets.

#### FY24 Financial Performance

The company delivered very strong financial performance in FY24, driven by strategic decisions and resilience despite the challenges posed by input cost inflation. Our commitment to high-demand, high-margin products has enabled sustained growth while making impactful investments in product development and marketing.

- Revenue for FY24 grew an impressive 78.9% year on year, reaching \$66.4 million.
- Gross margins remained steady at over 75%, demonstrating our effective cost management and pricing strategies.
- EBITDA more than doubled, increasing from \$5.1 million in FY23 to \$10.4 million in FY24, with the EBITDA margin expanding from 13.7% to 15.6%.
- Our cash position at the end of FY24 was \$19.0 million, a 37.5% increase compared to 30 June 2023, supported by positive operating cash flow of \$6.1 million.

This financial strength, coupled with no interest-bearing debt aside from lease obligations, places EZZ in a formidable position to pursue growth opportunities and strategic initiatives.

To deliver value to our shareholders, we maintained a consistent dividend policy. An interim dividend of 1.5 cents per share, fully franked, was distributed during the year, and a final dividend of 2.0 cents per share, fully franked, has been declared for FY24.

#### Strategic Achievements

In FY24, we achieved significant milestones aligned with our strategic objectives:

- **Product Innovation:** We introduced 21 new healthcare products driven by our thorough understanding of consumer needs and preferences. These launches were pivotal in driving revenue growth and expanding our customer base.
- **Omni-Channel Expansion:** Strengthening our enhanced omni-channel strategy was crucial to our success. We invested in expanding our digital footprint, utilising influencer marketing

and social selling to broaden our reach, while simultaneously reinforcing our physical retail presence to support a more balanced business model.

- **New Strategic Partners:** The Company finalized new sales agreements with distributors, including Pinehills (Hong Kong) Limited, which will help strengthen the growth of EZZ's primary market in China.
- **Technology Advancements:** We made meaningful progress in fortifying our technology infrastructure to better support direct-to-consumer operations. Integrating data across various channels has allowed us to gain deeper customer insights and offer a more personalized experience, positioning us for future growth.
- **Global Market Expansion:** We secured regulatory approval from the United States Food and Drug Administration (FDA) for several EZZ products, laying the groundwork for our U.S. market strategy. Additionally, our ventures into key Southeast Asian markets such as Vietnam and Singapore have opened new pathways for growth.

### **Outlook for FY25**

I am proud of EZZ's strong performance in FY24, which highlights the Company's adaptability and strategic vision. While we anticipate challenges in FY25, including ongoing inflationary pressures and shifting market dynamics, the Board remains confident that EZZ is well-equipped to adapt and grow. Our focus remains on driving organic growth, exploring strategic acquisitions, and maintaining our focus on operational excellence.

I'm pleased to share some encouraging early results for FY25. This year's 11.11 Global Shopping Festival in mainland China has been a tremendous success, generating an impressive \$5.91 million in sales across our key Chinese online retail marketplaces: Tmall, Douyin, and Kuaishou. This represents an 84% increase in sales from the \$3.21 million achieved during last year's Festival.

Looking ahead, our priorities include accelerating our entry into new international markets, continuing our investment in research and development, and leveraging our comprehensive customer data to inform product development and marketing strategies. These efforts will sustain our growth momentum and ensure long-term value for our shareholders.

### **Closing Remarks**

In closing, I would like to thank our shareholders for their unwavering trust and support of EZZ's vision - this forms an integral part of our continued success.

I also want to express my gratitude to our executive team and all our staff members for their dedication and remarkable performance. I would like to extend a special thanks to Qizhou (Mark) Qin for his exemplary leadership as Chief Executive Officer, steering the company through another successful year.

Lastly, my appreciation goes to my fellow board members and our company secretary for their insightful guidance and collaboration.

As we commence FY25, EZZ Life Science is well-positioned for continued prosperity. I have full confidence that we possess the right team and strategy to seize the opportunities ahead.

Thank you.

**ENDS**

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**About EZZ Life Science**

[EZZ Life Science Holdings Limited \(ASX:EZZ\)](#) is an Australian genomic life science company with a mission to improve quality of life and human health. EZZ Life Science has a focus on genomic research and development to address four key human health challenges: genetic longevity, human papillomavirus (HPV), children's health, and weight management. EZZ Life Science is passionate about investing in the future of consumer health through the development of e-commerce and distribution of high-quality products via omnichannel models across Australia, New Zealand, China and worldwide. EZZ Life Science is led by an experienced senior management team that have implemented strategies to drive rapid and ongoing growth of the business.

For more information please visit our corporate site [ezzlife.com.au](http://ezzlife.com.au) and our consumer site [ezzdna.com.au](http://ezzdna.com.au).