



18 November 2021

Announcements
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

2021 Annual General Meeting - Chairman's Address

A copy of the Chairman's address is attached, which will be presented at the Company's Annual general Meeting tomorrow in Sydney, 19 November 2021.

This announcement has been authorised for release by the board of directors of the Company.

For and on Behalf of The Board of Farmaforce Limited.

Ron Hollands
Company Secretary
Tel: 02 8239 5400

(CHAIRMAN'S ADDRESS)

On behalf of the Board of Directors, I am pleased to present the operational and financial review for Farmaforce Limited (the **Company**) for the year ended 30 June 2021.

This year has seen the Company maintain its position in the pharmaceutical sales market with a significantly improved bottom line, despite the extremely challenging market conditions that continue to be present as a result of the COVID-19 pandemic.

Over the last 12 months, revenue decreased by 16% to \$11,705,533 compared to FY20, however, the net loss has improved by 42% to \$980,526. This significant improvement was a result of investing and developing a virtual salesforce team that could deliver optimum business operations even with the uncertainty that existed with the COVID-19 pandemic.

At earnings before interest, taxes, depreciation and amortization (EBITDA) level, our operations improved by \$1,814,374 for the year. This represents an increase of 323% when compared to last year. The underlying results were achieved through a series of measures we undertook to ensure business continuity under the extremely stringent Australian government guidelines, coupled with effective cost-saving initiatives. The Company intends to continue cost-saving initiatives into FY22.

The savings realised were represented by a reduction in operating expenses and is reflected in our positive operating cash flow result for FY21 of \$4,302,165. This is an increase of 83% when compared to FY20 (2020: \$2,350,527) and two consecutive years of positive operating cash inflows. These underlying results, particularly during a time of negative sentiment that lingers with the global COVID-19 pandemic, represents a satisfactory achievement for the Company.

In closing, when we look deeper into the numbers, we can see in the underlying results that our business is performing well in an extremely challenging market. I would like to reiterate that our leadership team is committed to continuing to build the Farmaforce business and striving to add value to our clients, shareholders, and employees. I would like also to extend a sincere thank you to our shareholders for their patience and support as we continue to execute our strategies to grow the Company.

END.