

ASX ANNOUNCEMENT

23 January 2025

APPENDIX 4C AND QUARTERLY ACTIVITY REPORT**AS AT 31 DECEMBER 2024**

EZZ Life Science Holdings Limited (ASX: EZZ), is a genomic life science company with a mission to improve quality of life and human health. EZZ 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 presents its quarterly activity report and Appendix 4C cash flow statement for the quarter ended 31 December 2024 (Q2 FY25).

Highlights

- Receipts from customers totalled \$15.8m for Q2 FY25, up 16.6% on the previous corresponding period (PCP).
- The Company achieved a \$2.2m increase in customer receipts during the quarter despite a 3.9% reduction in advertising expenses compared to PCP.
- Operating cash flows rose to \$1.6m, marking a 308% increase on PCP.
- EZZ's cash position remained robust with a new record balance of \$19.9m at 31 December 2024 and no debt.
- EZZ continued its aim of providing a return to shareholders by announcing and paying a fully franked final dividend of \$0.02 per share.

Activities

- Leveraged consumer insights to successfully launch four innovative products during the quarter, aligning with evolving market demands.
- Expanded retail presence by securing listings in 14 new independent pharmacies, enhancing access to the EZZ product range.
- Advanced plans for entering the US market by conducting extensive market research, collaborating with key agencies, and formulating a market entry strategy scheduled for execution in the second half of FY25.
- Strengthened brand visibility through the activation of a strategic partnership with the Australian Open, including a launch event in mainland China and a pre-event content session at Rod Laver Arena in Melbourne featuring Australian tennis icon Mark Philippoussis.
- Delivered exceptional results during the 2025 11.11 Global Shopping Festival, achieving an 84% year-on-year revenue increase across major marketplaces, totalling \$5.9 million.
- Drove substantial sales growth in China by capitalising on key opinion leaders (KOLs) and livestream marketing initiatives.
- Engaged the local Australian audience through a targeted influencer campaign featuring renowned fitness expert Jono Castano to promote the Company's healthcare products.
- Participated in the Tax-Free World Association (TFWA) Exhibition and Conference in November, establishing connections with prospective buyers and retailers across the Middle East.

EZZ Life Science Holdings Non-Executive Chair, Glenn Cross, commented on Q2 FY25:

“EZZ continues to deliver strong operational performance, underpinned by our commitment to innovation, market expansion, and strategic partnerships. This quarter has been marked by significant achievements, including the successful launch of four new products. Our ability to anticipate and meet evolving consumer demands remains a core driver of our success.

“Our robust performance during the 2025 11.11 Global Shopping Festival, achieving 84% year-on-year growth across major e-commerce platforms, highlights the effectiveness of our digital marketing strategies. Collaborations with key opinion leaders and livestream shopping initiatives continue to deepen consumer engagement and drive sales in highly competitive markets such as China. Our targeted influencer campaigns have successfully enhanced brand visibility domestically, resonating with Australian audiences.

“As we advance our US market entry strategy, we are building a foundation for long-term growth in one of the world’s largest consumer health markets. With a strong cash position and no debt, EZZ is well-equipped to pursue strategic acquisitions, expand its product portfolio, and capitalise on opportunities such as the Australian Open to enhance brand awareness across key international markets. We remain committed to delivering sustainable growth and creating long-term value for our shareholders.”

Operational and Trading Update

In Q2 FY25, EZZ Life Science Holdings continued to achieve robust operational performance, driven by its commitment to innovation, market and channel expansion, and strategic partnerships. The quarter demonstrated EZZ’s ability to effectively leverage its market insights, capitalise on growth opportunities, and deliver value to shareholders despite the competitive and complex landscape.

The total operating cash inflow for the quarter was \$1.6m, after paying \$1.4m in taxes. This compares to a cash outflow of \$749,000 in the PCP and a cash inflow of \$75,000 in Q1 FY25. Notably, the Company achieved a \$2.2m increase in customer receipts during the quarter despite a 3.9% reduction in advertising experience compared to PCP. This growth was primarily driven by EZZ’s distribution partnership with Pinehills.

During the quarter, EZZ successfully launched four innovative products tailored to meet evolving consumer demands:

- EZZ Immune Defence;
- EZZ Propolis PRO 2000;
- EZZ Glutathione Health Support; and
- EZZ Vitality Boost.

These new additions have been well received in the market, further strengthening EZZ’s position and demonstrating its agility in responding to consumer needs.

Domestically, EZZ expanded its retail footprint by securing listings in 14 new independent pharmacies, increasing the accessibility of its product range in the Australian market.

EZZ enhanced its brand visibility by activating its strategic partnership with the Australian Open through a series of impactful initiatives. These included a prominent launch event in mainland China and a pre-event content session at Rod Laver Arena in Melbourne featuring Australian tennis legend Mark Philippoussis. The campaign centred on creating Australian Open-themed content highlighting the Company’s children’s product range, tailored for distribution across multiple social media platforms in China, effectively engaging with global and regional audiences.

EZZ also engaged the Australian audience through a targeted influencer campaign featuring renowned fitness expert Jono Castano, which successfully promoted the Company’s healthcare products and drove brand engagement.

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Internationally, the Company made substantial progress in its US market entry strategy by conducting extensive market research, engaging with key agencies, and formulating a comprehensive market entry plan. Execution of this strategy remains on track for the second half of FY25. EZZ conducted a comprehensive product and ingredient analysis of the top 100 best-selling products on Amazon and TikTok in the U.S. Based on this analysis, the Company is now focused on developing some its own new products, with the goal of ensuring that their effectiveness surpasses that of the competitive products in the market.

A major highlight of the quarter was EZZ's outstanding performance during the 2025 11.11 Global Shopping Festival. Revenue from the major marketplaces (Douyin, Kuaishou and Tmall) increased by 84% year-on-year to \$5.9 million. This result reflects the effectiveness of EZZ's digital marketing strategies, including its focus on key opinion leaders (KOLs) and livestream shopping events in China.

EZZ exhibited at the Tax-Free World Association (TFWA) Exhibition and Conference in November in Dubai, connecting with prospective buyers and retailers across the Middle East, further broadening its international reach.

As at 31 December 2024, EZZ reported a cash balance of \$19.9m, reflecting an increase of \$1.6m from the previous quarter and maintaining a debt-free position (excluding lease liabilities). The Company has also benefited from a strengthening USD, with most of its cash reserves held in USD-denominated currency. This robust financial position provides EZZ with the flexibility to advance its strategic growth initiatives, including new product development and market expansion efforts in the US and other key regions.

Outlook

Looking ahead, EZZ remains focused on its strategic priorities for the remainder of FY25. In the US, the Company is advancing its market entry plans with a focus on replicating the digital and influencer marketing strategies that have proven successful in other markets.

The Australian Open in January 2025 presents a significant opportunity for EZZ to enhance consumer engagement and brand awareness, particularly across the Asia Pacific region. The Company plans to maximise this partnership by integrating the event into its broader marketing strategy, leveraging both physical and digital channels to reach a diverse audience.

EZZ is also exploring the potential for expanding its product portfolio into adjacent categories that complement its existing range, ensuring sustainable growth and increased market share. The Company continues to evaluate acquisition opportunities that align with its long-term strategic goals, aiming to deliver enhanced value to shareholders.

Through its proactive approach to innovation, market development, and strategic partnerships, EZZ is well-positioned to build on its momentum and capitalise on emerging opportunities.

Related party payments in the quarter related to:

a.	Purchase of inventory from Australian United Pharmaceuticals Pty Ltd	\$200,000
b.	3 months' rent paid to WM Group Pty Ltd re Lidcombe office/showroom	\$103,675
c.	4 months' rent paid to Parramatta Asset Management Pty Ltd re Silverwater office/warehouse	\$26,400
d.	Fees and reimbursement of travel costs paid to Directors and CEO for the quarter	\$143,953
		\$474,028

Cash inflows and outflows are reported on a gross basis, i.e., inclusive of GST.

This notice has been authorised for provision to the ASX by the Board of EZZ Life Science Holdings Limited.

For further information, please contact:

Investor Relations

<https://www.ezzlife.com.au/investors>

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Annexure

Under Listing Rule 4.7C, the Use of Funds update from the IPO is as follows:

Use of Funds as per Prospectus	Estimated Expenditure (\$ 000')	Actual Expenditure (\$ 000')	Comment
Software development	100	24	Commenced
Additional market expansion	1,375	>1,375	Commenced
Manufacturing facility	2,460	44	Commenced
Research & development	450	330	Commenced
Experimental concept store	800	Nil	To commence
Cost of offer	768	747	Completed
Additional working capital	47	1,176	Commenced
Total	6,000	3,696	

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

EZZ Life Science Holdings Limited

ABN

88 608 363 604

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	15,826	31,208
1.2 Payments for		
(a) research and development	(1)	(14)
(b) product manufacturing and operating costs	(3,157)	(6,662)
(c) advertising and marketing	(8,691)	(18,975)
(d) leased assets	-	-
(e) staff costs	(498)	(1,008)
(f) administration and corporate costs	(651)	(1,332)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	96	200
1.5 Interest and other costs of finance paid	(6)	(8)
1.6 Income taxes paid	(1,361)	(1,955)
1.7 Government grants and tax incentives	-	28
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	1,557	1,482
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	(60)	(60)
(b) businesses	-	-
(c) property, plant and equipment	(44)	(188)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(d) investments	-	-
	(e) intellectual property	(9)	(9)
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	-	-
	(j) investments	-	-
	(k) intellectual property	-	-
	(l) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Investment in Subsidiaries	-	-
2.6	Net cash from / (used in) investing activities	(113)	(257)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(89)	(181)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	(861)	(868)
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(950)	(1,049)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	18,248	19,023
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,557	1,482
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(113)	(257)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(950)	(1,049)
4.5	Effect of movement in exchange rates on cash held	1,149	692
4.6	Cash and cash equivalents at end of period	19,891	19,891

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	19,891	18,248
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	19,891	18,248

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	474
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	1,557
8.2	Cash and cash equivalents at quarter end (item 4.6)	19,891
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	19,891
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:23 January 2025.....

Authorised by:The Board.....

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.