

CEO Update

Epsilon Healthcare Limited - 2024 Annual General Meeting

Presented by: Peter Giannopoulos, Group Chief Executive Officer & Managing Director

Date: 28 May 2025

Dear Shareholders, Board Members, and Guests,

In my capacity as Group Chief Executive Officer & Managing Director, I sincerely thank you for joining us today for Epsilon Healthcare Limited's 2024 Annual General Meeting. It is a privilege to present this update and high-level lookback.

The Board is pleased that the Company came out of Administration on 24 June 2024. This was by no means an easy achievement and required a significant investment of time, financial resource and determination to materialise this outcome. The alternative was to let the Company go into liquidation and this was not something that the incoming Board or I could accept as this would have seen shareholders lose their investments and our loyal teams without their jobs.

In the past eleven months since the return of the Company to the stewardship of the new Epsilon Board, the focus has been one of rebuilding, re-establishing trust, transparent communication, a clear-eyed view of our long-term purpose and laying the foundations for long-term sustainable growth. Despite the significant challenges that we have faced, we have emerged as a more resilient, more transparent, and ultimately stronger healthcare organisation.

The new Board of Epsilon Healthcare is committed to sustainable long-term value creation and increased operational efficiency across all subsidiary operations.

1. Operational Turnaround

The focus of the Board and the leadership since the end of the Administration has been to create stability & the opportunity for clients and team members which will deliver an improved service level to patients and consumers in the evolving and expanding medicinal cannabis and plant-based therapies landscape.

The organisation's immediate strategic focus since June 2024, has been to stabilise the Company, expand and develop its Epsilon Pharma and Epsilon Clinics subsidiaries to better support the current and emerging needs of B2B clients and patients seeking clinical care and support through enhanced access to plant-based therapies. The recent announcement (6 May 2025) regarding the renewal and expansion of the Medicinal Cannabis Permit with the increased permitted quantities for manufacture, demonstrates the Company's commitment to be the leaders in the medicinal cannabis ecosystem and healthcare more broadly. The increased permitted quantities, also show an increased manufacturing demand from new and existing clients, both in Australia and internationally.

The period of VA had a direct negative effect on client confidence which in turn translated in suppressed operational revenues during the 2024 calendar year. Since the 24th of June 2024, when the Company was returned to the Board and leadership, there has been a considered and committed effort to reinstate client confidence, build patient activity through clinics and continue to consider strategic opportunities which would support the diversification and expansion of services which in time will deliver shareholder returns.

The Board of Epsilon Healthcare is committed to the diversification of operations and service offerings, in addition to delivering innovation by fostering the development of new products and services which meet evolving client, patient and consumer needs. This commitment to diversification was evident in August 2024, some two months after the Company came out of Administration with the announcement of the new Epsilon Pharmacy brand & subsidiary.

This initiative represents a strategic expansion into a high-growth market segment, providing our Company with the opportunity to diversify into a new segment, create new business opportunities and expand our customer base. The new Epsilon Pharmacy brand is the newest addition to the Company's new 'one brand' strategy. We will be continuing to unite the distinct subsidiary brands under the umbrella of **Epsilon**. Our future subsidiaries will follow this naming convention, and it is hoped that in time that our clients both B2B and B2C will benefit from the expanded Epsilon service verticals.

The Epsilon Board is confident that this planned expansion through the Epsilon Pharmacy brand will contribute positively and reinforce our position as a leader in the specialised healthcare landscape.

Today, we are a leaner, more focused company - anchored by licensed, high-quality sovereign GMP manufacturing activities, healthcare delivery, and in the near term, digitally integrated patient services which will enhance user experience and deliver enhanced commercial opportunities.

2. Innovation and Growth Opportunities

Looking ahead, Epsilon Healthcare is well-positioned for growth in high-potential areas:

Digital Health Expansion: Launching a digital patient portal which will enhance the user experience for Epsilon Clinic patients, whilst also investing in the development of an integrated Epsilon Pharmacy link which will streamline the patient experience where the mission is to enhance patient outcomes and the quality use of medicines. The platform is expected to roll out during H2 CY2025.

Specialty Clinical Services: Epsilon Clinics is planning its expansion of clinical services to meet the current and emerging needs of patients nationally. The first of the expanded services is anticipated by September 2025.

Bricks and Mortar Pharmacy: To support patient services in the community, Epsilon Pharmacy will launch its first community pharmacy. The store is set to open in Q3 2025, with additional sites being considered as part of a potential expansion. This will complement the services being provided by the online pharmacy which commenced operations in February 2025.

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Product & Service Expansions: Our Epsilon Pharma subsidiary is committed to being a leading fully GMP certified Contract Development and Manufacturing Organisation. The imminent qualification of an automated edibles manufacturing line will further enhance Epsilon Pharma’s manufacturing capabilities and diversify the service offering to local and international clients seeking a high quality and bespoke service offering.

Strategic Partnerships: Epsilon Healthcare is considering several strategic partnership opportunities which will support the enhanced access to specialised medications and in turn deliver new and enhanced revenues and returns to the Company.

Conclusion: A New Chapter Begins

The return of the Company to control by the new Epsilon Board has commenced a process of significant organisational transformation. While the challenges of the past will not be forgotten, they have made us sharper, stronger, and more aligned with our purpose.

Today, Epsilon Healthcare, its subsidiaries and importantly its most valued asset, *its people*, stand as a more trusted, better-governed, and more innovative healthcare company—one that is delivering value to patients, employees, the broader community and in time to shareholders.

I sincerely thank my fellow Board members for their steady guidance, our loyal team for their commitment to our purpose and excellence, and you, our shareholders, for your continued interest, support and trust.

2025 is not just a recovery year - it is our relaunch.

Sincere thanks

Peter Giannopoulos

Group Chief Executive Officer & Managing Director



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Epsilon Healthcare Limited (**ASX: EPN**) is an Australian based, globally active healthcare organisation. EPN operates a diversified and vertically integrated portfolio of assets, including healthcare and clinics operation, pharmaceutical contract development and manufacture & pharmacy dispensing and information services.

