

ASX ANNOUNCEMENT

28 October 2021

EZZ RELEASES FY21 ANNUAL REPORT TO SHAREHOLDERS

EZZ Life Science Holdings Limited (ASX: EZZ or the Company), was pleased to release its inaugural annual report to shareholders earlier today for the period ended June 30, 2021 (FY21) and reiterate that it has declared a maiden full year dividend.

FY21 Performance Highlights:

- Revenue up 29% to \$22.3m, exceeding 25% expected growth target as disclosed in the 1H FY21 results presentation.
- EBITDA¹ increased by 66% to \$2.7 million.
- Net profit after tax increased by 28% to \$2.0 million.
- Gross profit margin increased from 23% to 56%
- Balance sheet remained well-funded with \$8.9m in cash and no external debt other than leases
- Earnings per share increased by 13% to 5.98 cents
- Maiden, fully franked dividend is to be paid at 0.45 cents per share with a record date of 10 November 2021.
- Long term strategic focus is on longevity, weight management, human papillomavirus, and helicobacter pylori supported by genomic research, in-house manufacturing, and eCommerce technology.

Performance

The Company performed well through the period, delivering total revenue growth of 29% to \$22.3m. The financial highlights included an increase in gross margin from 23% to 56%; EBITDA¹ was up 66% to \$2.7m and net profit after tax improved by 28% to \$2.0m. Importantly, the revenue contribution from EZZ's own branded health supplements increased from 4% to 51%, significantly diversifying the revenue mix away from EAORON branded skincare product distribution and growing our international distribution footprint.

The portion of the Company's revenue derived from its top five customers reduced from 83% to 38%, thereby reducing the risk associated with the revenue being reliant on a narrower customer base. This change was largely due to the addition of the EZZ branded health supplements sold on the Company's Tmall Global online store, which enabled direct sales to consumers in China and contributed to this achievement.

Maiden dividend

The Board elected to pay a maiden, final, fully franked dividend of 0.45 cents per share, representing a dividend payout ratio of 7.5%, based on the Company's earnings per share of 5.98 cents. As a young, recently listed company, this is a significant achievement. The record date for the dividend is 10 November 2021, and the dividend payment date has been set for 16 December 2021.

¹ Excluding other income that relates to government subsidies and the reversal of a management fee

Management changes

With the resignation of former Chief Executive Officer and Executive Director, Luis F Rodriguez Bravo on 8 October 2021, the Board is commencing an independent executive search program and is planning to identify an experienced Chief Executive Officer and a Director. It is hoped that this recruitment will conclude in the next few months. As part of this change, Anthony Guarna was appointed Chief Financial Officer, effective 29 October 2021, and Brent Goldman, who has been acting as interim, part time Chief Financial Officer, will step down as part of the Company's overall plans to boost the senior executive team.

Commentary and FY22 outlook:

EZZ's interim CEO, Mark Qin, commented, *"EZZ's strong FY21 results are the outcome of meticulous planning and execution by the team during the year. We successfully implemented our market expansion strategy in international markets and launched a number of new products under the EZZ umbrella which have enabled a more profitable margin mix."*

"We are very excited by the outlook for growth of our business with strong cross-functional support to unlock the technology, efficiency and scale. The return of tourism to Australia and New Zealand represents an encouraging revenue generation opportunity outside of Asia. We look forward to continued expansion of our products and distribution, following the success we achieved in 2021 in line with our IPO strategy."

"On behalf of the Board, I thank Brent Goldman for his efforts to support EZZ through this formative period as an ASX listed company. We welcome Anthony Guarna as EZZ's new CFO and look forward to his contribution as we progress with our strong strategy to deliver additional growth in FY22 and beyond."

This announcement has been authorised by the Board of EZZ Life Science Holdings Limited.

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For further information, please contact:

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About EZZ Life Science Holdings

EZZ Life Science Holding Limited (ASX: EZZ) is a genomic life science company with a mission to improve quality of life and human health. EZZ has a focus on genomic research and development to address four key human health challenges: genetic longevity, human papillomavirus (HPV), helicobacter pylori, and weight management. 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. See more at: <https://www.ezzlife.com.au>