

EZZ

1H FY21 Results Presentation

14 April 2021



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The logo for EZZ, consisting of the letters 'EZZ' in a bold, blue, sans-serif font.

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1 Company Overview

Company Background

Operation:



104 Derby Street,
Silverwater, NSW 2128,
Australia

Brands & Products:



Exclusive wholesale distributor
of skin care products under
the EAORON brand to certain
retailer channels

Producer of consumer health
products under the brand of
EZZ

Top 5 Shareholders

Macquarie Holdings Pty Ltd	40.5%
JNJ Mok Pty Ltd	27.0%
HSBC Custody Nominees (Australia) Ltd	1.2%
Haitao Zheng	1.1%
Jing Chen	1.1%

Company History

July 2018

Started operating as a
wholesale distributor of
the EAORON branded
products

July 2020

Became an exclusive
distributor of EAORON
branded products in
Australia and New
Zealand

March 2021

Listed on the ASX

December 2019

Started the EZZ branded
consumer health product
operations

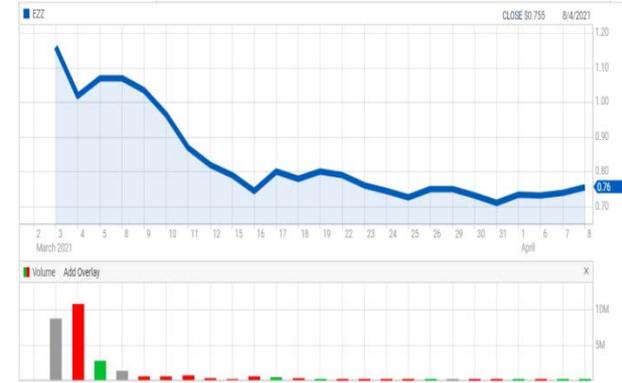
March 2020

Generated early stage
revenue from selling the
EZZ branded products

July 2020

Started operating EZZ's
store on Tmall Global

Share Information



Share Information

ASX Code:	EZZ
Close (8 April 2021):	\$0.755
Shares on Issue:	42.0M
Market Cap. (8 April 2021):	\$31.1M
12-Month Price Range:	\$0.60-\$1.43
ASX Turnover (3 March - 8 April 2021):	\$31.4M

EZZ



1H FY21 Performance on Track

- Demonstrated agility through the 1H FY21 with double-digit revenue growth despite market disruptions caused by the COVID-19.
- Significant profit margin improvements underpinned by revenue contribution from the consumer health segment.
- Balanced growth through the successful de-risking of the customer profile by implementing a direct-to-consumer strategy.
- Healthy balance sheet with nil debt and strong cash position, well positioning the Company to execute growth strategies.



2H FY21 Operational Outlook

- Selected products under the EZZ brand are expected to be ranged across all Costco stores in Australia.
- A new retail partnership with MINISO Australia is expected to be formed to promote the selected products under the EZZ brand across all stores in Australia.
- The launch of 3 core-range and 3 daily-range products under the EZZ brand is scheduled for the 2H FY21.



5-Year Strategic Plan Launched

A clear strategic road map for the immediate and intermediate term, including:

- Wider coverage of distribution channels and geographic footprints to accelerate growth.
- Fast development of key products to enrich consumer health product portfolios.
- Deeper penetration into existing retailer networks to maximise value.
- Vertical integration of supply chain to improve cost efficiency.
- Full implementation of a technology-enabled end-to-end ecosystem to accelerate growth.

3 Financial Performance



Revenue

\$12.6M

+38.6% from 1H FY20



EBIT

\$1.7M

+213.6% from 1H FY20



NPAT

\$1.2M

+228.6% from 1H FY20



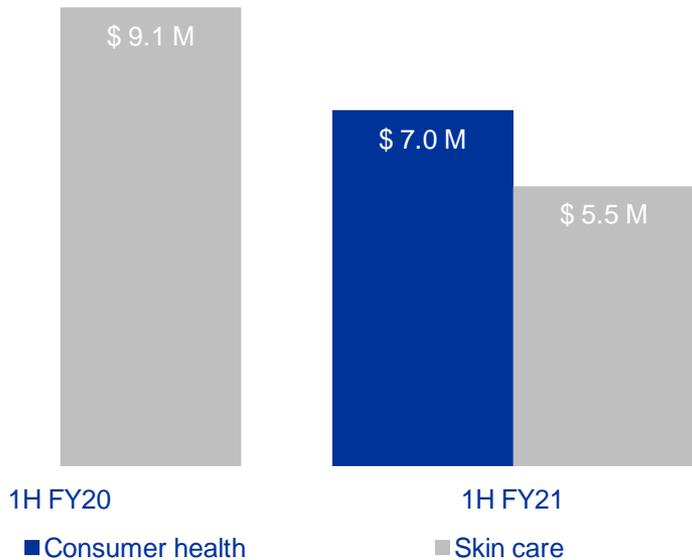
Net profit margin

9.7%

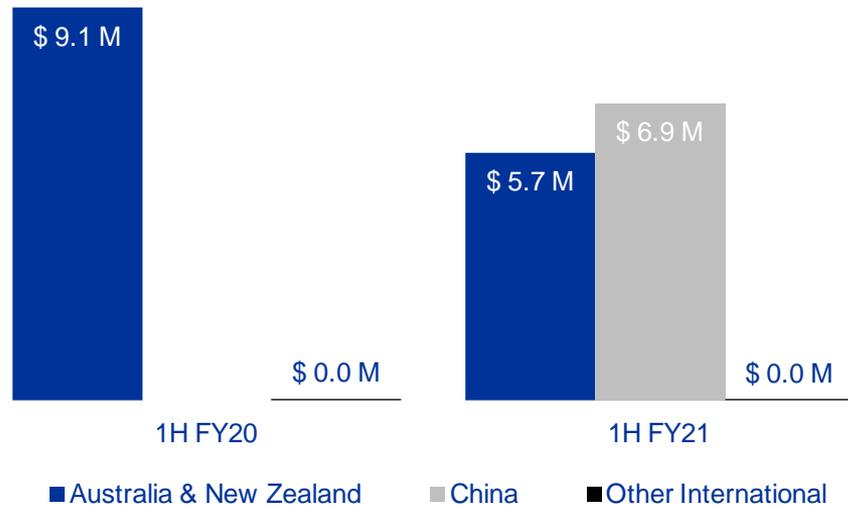
+137.1% from 1H FY20

4 Segment & Geographic Performance

Revenue by Segment

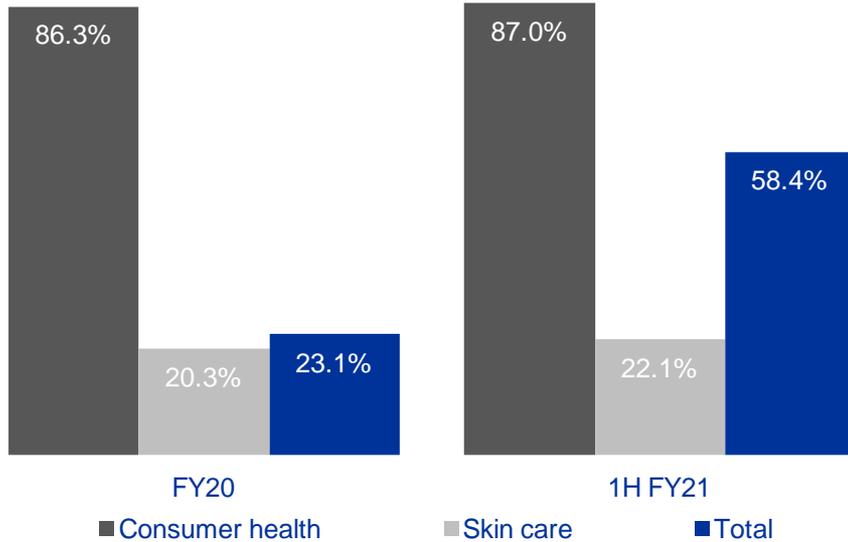


Revenue by Geography

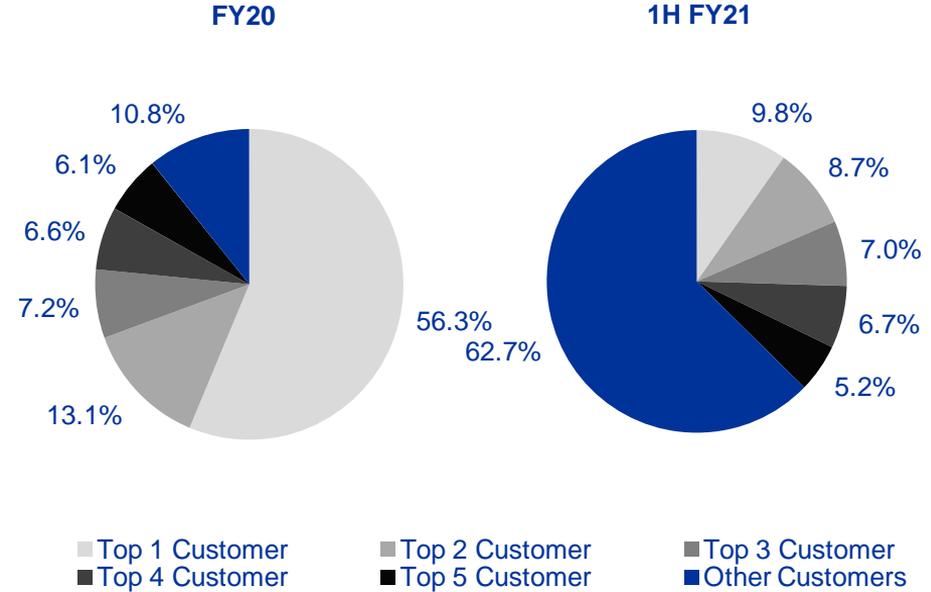


5 Margin & Customer Profile Improvements

Gross Profit Margin



Customer Profile



Strategic Focus

2 Brands

EZZ
EΛORON

2 Segments

Consumer Health

Core range



Longevity



Probiotics



Immunity
support
Growth
support

Basic range



Skin management



Daily health



Weight
management



Sleep
management

Skin Care



Facial care (distribution only)

3 Platforms

Retailers

960 distribution points
as of 31 Dec 2020

E-commerce

1H FY21 conversion rate on Tmall
Global: 2.2% - 5.3%

Experimental Store



Sydney CBD, offering:

- Beauty products
- Consumer health product

3 Markets



Australia & New Zealand
China

Other International

Singapore, Malaysia, Indonesia, Philippines,
Thailand, Vietnam

Market analysis

Research &
Development

Manufacturing

Logistics

Sales &
Marketing

Support

■ Immediate: current/1 year

□ Intermediate: 2-5 years

■ Long-term: beyond 5 years



Resilient 2H FY21 Performance

The 2H FY21 performance is expected to show resilience, with the impact of the prolonged challenging market condition partially offset by the expansion into new distribution channels and the introduction of products.



Growth Momentum to Continue in FY21

Subject to market conditions, the demand for skin care and consumer health products from domestic retail and China e-commerce channels in the 2H FY21 is expected to support an ongoing double-digit revenue growth of at least 25% in FY21 (year-on-year).



Improved FY21 Margin

Subject to market conditions, the revenue contribution from the EZZ branded consumer health products is expected to continue through the 2H FY21 and improve the net profit margin to at least 10% in FY21.

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