



PharmaZen

ASM 2025

Directors/ Management Presenting

Vincent Pooch
Chairman

Craig McIntosh
Managing Director

Jessie Chan
Director

Rod Garrett - Presenting
Chief Financial Officer

Chair's Presentation

Welcome to PharmaZen's
Annual Shareholder Meeting
July 15, 2025

Vincent Pooch
Chairman

Resolutions

Resolution 1. Appointment of Auditors

“That Grant Thornton continues in office as auditors and the Directors be authorised to fix the fees of the auditor.”

Resolution 2. Re-election of Director

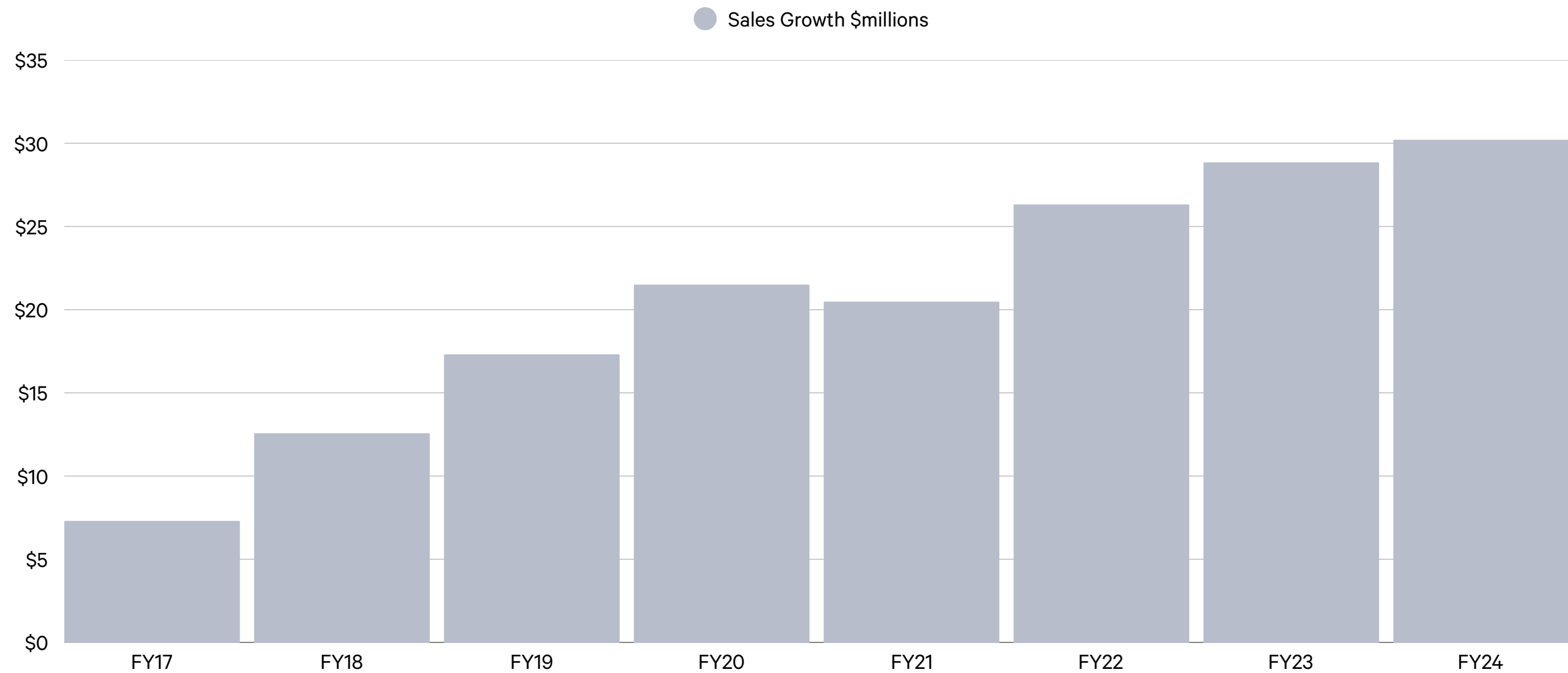
“That Vincent Hugh Pooch be re-elected as a Director of PharmaZen.”

Finances

Rod Garrett
Chief Financial Officer



Sales Growth over time



CAGR since 2017 of over 22%.
FY21 and prior year sales are pre IFRS freight reanalysis.

Summary 2024 vs. 2023

(\$000's)	2024	2023
Sales	30,211	28,855
Gross Profit	8,870	9,630
Gross Profit %	29.4%	33.4%
Trading Expenses*	6,671	5,470
Underlying EBITDA	2,199	4,160

*Trading Expenses excludes Interest, Depreciation, Amortisation and Non-Trading Items, where non-trading items include any revenue or expense items recognised as a result of the IFRS treatment of the Cibus investment in the Company in January 2021, any costs associated with the employee share scheme, loss on sale as a result of the sale and lease-back transaction and impairment costs.

EBITDA Variance vs. Prior Year

Sales favourable by \$1.4m (5%) vs prior year

- Continuing strong demand for core animal product

Margin unfavourable by 4 percentage points to 29.4%

- Mix impact
- Sourcing of raw material re change in suppliers

Trading Expenses unfavourable by \$1.2m

- Insurance incr by \$584k over prior year
- Marketing and R&D incr by \$517k over prior year

Non-Trading Items

\$6.1 m of non-trading net expenses distorts the trading P&L

- | | |
|----------------------------|----------|
| • Impairment of Assets | 7,994k |
| • Employee option expense | 1,843k |
| • Gain on CIBUS investment | (3,745k) |

Accounting treatment as required for IFRS. The above items do not impact on cash in the year.

On a net basis for the P&L this materially offsets the \$5.7m gain in FY23.

Stock and Accounts Payable

(\$000)	FY24	FY23	Increase
Stock	7,547	4,312	3,235
Accounts Payable	10,150	6,346	3,804

Change in trading arrangement with krill is the biggest driver

- Stock - \$2,583k is krill related
- AP - \$2,716k is krill related

Cashflow 2024 vs. 2023

NZ\$ 000's	2024	2023
Net cash inflow/(outflow) from operating activities	294	(1,336)
Purchase of Property, Plant and Equipment	(3,187)	(4,598)
Sale of Tawhiri 1	0	8,937
Shareholder Advance	2,180	990
Other	(340)	(1,096)
Cash inflow (outflow), decr (incr) in facility	(1,053)	2,897

Managing Director's Presentation

Craig McIntosh
Managing Director



Introduction

- 2024 was a highly challenging year for the business, as detailed in the annual report.
- Sales marginally up vs. prior year; EBITDA fell significantly as has been outlined.
- Increasing costs, an unfavourable change in product mix and significant investment in development projects, which I will talk to later, all impacted.

Cibus and Capital Restructuring

- Early 2024: Explored capital raise, but deferred based on positive discussions with PE partner CIBUS.
- CIBUS offered additional funds, and a conversion of RCPS to ordinary shares.
- Late November/December: Deal terms changed significantly, making them untenable.
- During the year BNZ provided \$1.5m bridging loan based on CIBUS talks; deal failure triggered issues with BNZ and overall debt structure.
- Board is focused on improving the capital structure, it is a clear priority and multiple options are being pursued.

2024 Audit

- Full-year results led to challenging audit process, starting late 2024 and progressing well initially.
- CIBUS issued redemption notice unexpectedly, just prior to completion.
- Board faced choice: Continue negotiations, risk further delays and sanctions from FMA, accept the CIBUS conversion offer or close out the audit with the adverse report.
- Decision: close out audit and accept the adverse report. Accepting an excessive conversion value was never an option and given the negotiations are continuing accepting further delays would have been pointless.

2024 Audit Cont.

- Audit context: Redemption value unresolved, preventing auditors from opining on going concern.
- The adverse report and going concern note is not a reflection on the company's viability or ongoing performance.
- It means, as a result of the redemption value not being established, the auditors did not have enough information, on the day of signing off on the audit, to provide a going concern statement.
- Negotiations with CIBUS ongoing; hopeful for resolution soon.

2024 Key Projects

Invested in two major projects:

Vetralife Ltd: 50:50 JV with Cenversa Group (leading Australian pet product distributor).

- Holds IP for new pet supplements range, launching September.
- Waitaki: Exclusive manufacturing license.
- Cenversa: Exclusive Australasian distribution.
- Manages joint IP (e.g., Cenmaris, Vetralife, Cartiflex).
- Initial vet-only range; followed by all-channel range.

Commercial scale-up of patented product Lysoveta from new Krill partner Aker.

- Visit www.lysoveta.com for details on significance.
- Extensively researched; large long-term human trial underway.
- Successful scale-up demonstrates staff and facility capabilities.

Partnership combines Cenversa's distribution/sales expertise with Waitaki's product development.

Positions brands for international expansion.

Cenversa and Aker: High-quality, long-term partnerships aligning capabilities for significant opportunities.

VETRALIFE™
essentials

FOR ANIMAL USE ONLY
KEEP OUT OF REACH OF CHILDREN

Cartiflex™



Mobility

Formulated for joint
and mobility support
and wellness

- Advanced blend of Omegas 3 + 6 + 9 with MCT
- Phospholipid rich Greenshell Mussel oil and GLA from Blackcurrant seed oil

● 56 300 MG SOFT
GEL CAPSULES

Cartiflex
Mobility

Half Year Update

- Year-end accounts: Significant buildup in stock and payables, driven by Krill business as previously referenced.
- Tariff volatility caused delays and false starts with partners on optimal destinations.
- Shift from toll processing (no stock/trading) to new arrangements with multiple options.
- Half-year outlook: Sales behind 2024 levels due to product mix, timing, and transition.

Global Market – Tariff Impact

- Initial tariffs relatively neutral for Waitaki; some exemptions, US customers adapted as impacts widespread.
- Escalation in China-US trade wars created opportunities via effective mutual embargo.
- Current rates remain problematic for most China/US exporters.
- US exporters disadvantaged further by 10% import tariffs on materials.
- Few companies can pass on costs or absorb margin losses.

PharmaZen Strategic Advantage

- The global tariff landscape is showing no signs of stabilising.
- China and the US are both clamping down on ‘transshipment’ trade – where product is, in simple terms, relabelled for country of origin in transit.
- Building an international market, takes many years to develop – abandonment for even a period of months can see that investment lost.
- Outside of exiting the options are limited to trying to ride out the current situation (where market and margin allows) until tariffs unwound or look for capacity and capabilities in Tariff friendly countries.
- The later is where New Zealand and PharmaZen fit in.
- With significant infrastructure, substantial portfolio of relevant market access accreditations we represent a ideal partner, at multiple levels to provide capacity, capabilities and market access.

Thank you.

Any questions?