

Letter to Shareholders

09.08.2024

Dear Shareholders,

You will have no doubt seen the outcome of the legal proceedings with Fred IT released on the ASX. I wanted to personally reaffirm that while this outcome is naturally disappointing, we remain in a strong strategic and financial position and are steadfast in our commitment to delivering value to you, our shareholders.

The proceedings were ongoing for some time which afforded us the opportunity to thoroughly plan for each eventuation. Thanks to the stringent and careful planning of PharmX's Board and leadership team this outcome will have no impact on our ability to execute our growth strategy and I am confident in the resilience and bright future of our company.

We've built a robust business model with a prudent financial management strategy whereby we contemplated this possibility and set aside the funds. This means our growth strategy was built around our ongoing positive operating cashflow and our underlying cash balance of over \$3m. I look forward to sharing more on this with our FY24 results on the 21st of August.

A question I've received regularly in recent months has been whether there is any further legal action we could take to further appeal this outcome. There is the option to seek appeal at a higher court and together the Board and Management will determine the best course of action under advice from Counsel. With that said, since the start in 2019 these proceedings have required significant time and resources which we need to determine if they warrant further commitment. In any event, our aim is to move forward, prioritising growth and shareholder value with little distraction.

In the last eight months that I have been here at PharmX I have seen firsthand the dedication and brilliance of our team. With new leaders and some fresh faces now on board, I am confident in our ability to elevate PharmX to new heights. We will continue to revolutionise the Pharma Tech industry in the ANZ market, empowering suppliers, government entities, and pharmacies to trade more effectively, reduce costs, and improve efficiencies.

While this legal setback is disappointing, our direction remains unchanged. We are committed to our growth and innovation plans, and I am excited about the future and the opportunities that lie ahead for PharmX.

Thank you for your continued support. Together, we will move forward and achieve great things.



Best regards,

Tom Culver

CEO, PharmX Technologies Ltd.