

Annual Report FY2024 – Transformational Period with profit from normal operations in 2HFY24

Investment Highlights

- Revenue for FY24 of \$16.9 million with 2HFY24 contributing \$11.3 million with the acquisition of Pain Away
- Margins for FY24 up 76% compared to FY23 from 17% to 30%, with margins in the 2HFY24 increasing to 40% compared to 11% in 1HFY24
- Margin in dollar terms increasing by 6.5% to \$5 million from \$4.7 million in FY23 despite revenue decreasing in FY24 by 39.6% compared to FY23
- Normalised EBITDA loss for FY24 down 31% compared to FY23 of \$4.5 million, with 2HFY24 recording a profit of \$0.6 million
- Net Assets of Wellnex Life as at 30 June 2024 was \$6.1 million compared to \$0.6 million as at 30 June 2023
- Strong platform of growth for FY25 to drive increased revenue and strong margins between 36% and 40% and profitability

Wellnex Life Limited (ASX) ("Wellnex Life" or the "Company") is pleased to release its Annual Report for Financial Year 2024 (**FY24**) and to provide the following operational update.

The FY24 was a period of transformational change for the business with the acquisition of Pain Away in December 2023, and the impact can be seen with the company positing a normalised EBITDA profit for 2HFY24 of \$0.6 million.

Revenue for FY24 was \$16.9 million which was a decrease of 39.3% from FY23 (FY23: \$27.8 million), with the reduction in revenue resulting from the Company pivoting away from low margin brokerage arrangements and delays in finalising the acquisition of Pain Away.

Wellnex Life increased its margins both as a percentage and in dollars despite a 39.3% decline in revenue in FY24 compared to FY23 with margins increasing 76% to 30% in FY24 (FY23: 17%) and in dollar terms increasing 6.5% to \$5 million (FY23: \$4.7 million).

The transformation of the business in 2HFY24 is evidenced by revenue in 2HFY increasing by over 100% compared to 1HFY24 to \$11.3 million (1HFY24: \$5.6 million), margins increasing 256% for the same period to 40% (1HFY24: 11%) and margin contribution in dollars increasing 680% to \$4.4 million (1HFY24: \$0.7 million).

Loss for FY24 was \$13.7 million, which was impacted by non-cash and one-off expenses (in relation to Pain Away) of \$6.8 million, with the normalised EBITA loss for FY24 down 31% to \$4.5 million (FY23: 6.6 million).

The total assets of the entity at 30 June 2024 were \$31.4 million (30 June 2023: \$15.0 million), an increase of 110%, with net assets of the entity were \$6.1 million (30 June 2022: \$0.6 million).

Wellnex Life for FY25 will continue to grow its revenue and maintain its margins but will also focus on strengthening its balance sheet by extinguishing the deferred consideration on the Pain Away acquisition and the convertible notes.



Wellnex Life is progressing its plans to dual list the Company on the London Stock Exchange (LSE) with the company receiving string support from the shareholders at the Extraordinary General Meeting held on 26 September approving the issue of shares in for the listing on the LSE.

George Karafotias, CEO of Wellnex, said: "Financial Year 2024 was period that had some difficulties in the first half of financial year 2024 with the delay in the acquisition of Pain Away and the increased costs to complete the acquisition. The completion of the acquisition of Pain Away has transformed the business with increasing revenue, margins and profitability. The main focus in financial year 2025 apart from continuing to grow the business is to deal with the balance sheet issues which we have a clear plan to do deal with this. I want to thank all our shareholders for their continued support as the Wellnex Life continues its path of being a major participant in the health and pharmaceutical market."

This ASX announcement has been authorised by the Board of Wellnex Life Limited (ASX:WNX)

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About Wellnex Life

Wellnex Life Limited (ASX: WNX) is a consumer healthcare business with a track record for developing, licensing, and marketing registered products and brands to customers in the growing healthcare market segment. Since listing in 2021, Wellnex Life has successfully launched a host of brands and products now ranged in major retailers in the healthcare market space, pharmacies and supermarkets included. Its distribution arrangements have seen Wellnex Life secure significant licensing arrangements with major pharmaceutical companies in Australia and globally that have given the company's registered products a distribution channel with a steadily increasing global geographic footprint.

Wellnex Life has more recently acquired leading Australian topical pain relief brand Pain Away. Its addition to Wellnex Life's product offering both compliments and accelerates the potential growth of the company's business operations. This transformational acquisition gives added impetus to Wellnex Life's financial growth and scale and reinforces its place as a major and respected participant in the growing healthcare market, both in Australia and overseas.

To learn more, please visit: www.wellnexlife.com.au/