

**Wellnex Life Limited (ASX/AIM:WNX)**

Q4 FY25 Quarterly Report and Appendix 4C (unaudited)

**Highlights**

- Cash receipts of \$6.5 million for the quarter in line with Q3 FY 25 (PCP) (Q3 FY25: \$6.6 million).
- Positive net cash flow from operations of \$0.98 million (Q3 FY25: \$0.04 million).
- Sales for Q4 FY25 were \$6.6 million, an increase of 22% compared to PCP (Q3 FY25: \$5.4 million).
  - Brand sales up 19.5% to \$4.9 million
  - IP Licensing up 30.8% to \$1.7 million
- Internal review underway to maximise revenue, margins and operational profitability to build on the strong end to FY25.
- Additional debt funding of \$2.825 million secured, to support margin enhancing initiatives and growth in the business.

**Wellnex Life Limited (ASX/AIM:WNX) ("Wellnex Life" or the "Company")** is pleased to provide the following operational update along with its Appendix 4C for the quarter ended 30 June 2025 ("Q4 FY25").

Wellnex Life for Q4 FY25 recorded sales of \$6.6 million an increase of 22.2% compared to the PCP (Q3 FY25: \$5.4 million), with brand sales increasing by 19.5% to \$4.9 million and IP Licensing Sales increasing by 30.8% to \$1.7 million.

**Revenue overview**

	<b>Q4 FY25</b>	<b>Q3 FY25</b>	<b>%</b>
Brands	\$4.9 million	\$4.1 million	19.5%
IP Licensing	\$1.7 million	\$1.3 million	30.8%
<b>Total</b>	<b>\$6.6 million</b>	<b>\$5.4 million</b>	<b>22.2%</b>

The Company recorded cash receipts for Q4 FY25 of \$6.5 million, in line with the previous quarter, with the Company recording a positive cash flow from operations of \$0.98 million, compared to cash flow from operations in the PCP of \$0.04 million.

Wellnex Life during the quarter had a cash outflow for marketing and advertising expenditure of \$0.60 million, in line with the PCP of \$0.59 million.

Product manufacturing and operating costs decreased to \$3.2 million from \$4.6 million for the PCP due to lower inventory purchases and a reduction in operating expenses. An increase in corporate costs to \$0.5 million in Q4 FY25 was as a result of the UK IPO, which compares to \$0.30 million in the previous quarter.

Repayment of borrowings of \$9.2 million relates to the redemption of the convertible notes and the payments associated with the Company's trade and debtor facility.

Transaction costs in Q4 FY25 were \$0.9 million, comprising the completion of the listing on the AIM market of the London Stock Exchange and the associated capital raising.

Payments made to related parties as outlined under section 6.1 of the Appendix 4C relate to the customary director fees and salaries paid during the quarter.



## Financial Year 2025

Wellnex Life throughout FY25 has seen continuous improvement in gross margins and operational profitability, with a more disciplined approach to trade investment and capital expenditure with gross margins in 2H FY25 increasing to 37%, or \$4.4 million, compared to a 23% gross margin for 1H FY25 of \$2.7 million.

	Q1 FY25	Q2 FY25	1H FY25	Q3 FY25	Q4 FY25	2H FY25	Total
<b>Revenue</b>	\$4.4 million	\$7.5 million	<b>\$11.9 million</b>	\$5.4 million	\$6.6 million	<b>\$12 million</b>	<b>\$23.9 million</b>
<b>Gross Margin</b>	\$1.1 million	\$1.6 million	<b>\$2.7 million</b>	\$1.9 million	\$2.5 million	<b>\$4.4 million</b>	<b>\$7.1 million</b>
<b>%</b>	25%	21.3%	<b>22.6%</b>	35.2%	37.9%	<b>36.6%</b>	<b>29.7%</b>

## Q4 FY25

Wellnex Life during the quarter commenced an internal review of its operations to identify key brand assets to focus on and invest in, over the medium to long term, with the objective of maximising revenue, margins and operational profitability. As part of this review Wellnex Life divested the assets of The Iron Company which completed on 30 June 2025. The review process will continue in FY26 to build on the positive momentum created in 2H FY25.

During the period under review, the Company implemented a number of initiatives with the aim of enhancing margins going forward.

In Q4 FY25 the Company took advantage of the opportunity to purchase an extended supply of stock in respect of one of its leading brands, in the amount of \$1.2 million, targeting a saving of in excess of 25% on the cost to produce the product. This should increase the margins for the Company as product is sold over the medium term.

In connection with the acquisition of Pain Away, Homart Pharmaceuticals (“Homart”) purchased raw ingredients from the previous vendor on behalf of Wellnex Life, to assist the Company’s then working capital constraints, as announced on 28 August 2024. At that time, it was agreed that if Homart did not become a supplier to the Company using those raw ingredients, the Company would repurchase the raw ingredients and use them with their current or other suppliers.

The Company has now made the decision to repurchase the raw ingredients from Homart to supply the current Company’s manufacturing partner, with the intention of enhancing margins compared to a finished services arrangement.

In order to fund these initiatives, support the continued growth in the business, and to provide greater financial flexibility alongside its ScotPac invoice discounting facilities, the Group has entered into a loan facility via Reach Wholesale (“Reach”) for the amount of \$2.825 million (the “Facility”). The Facility, which is secured over the assets of the Group’s key subsidiaries, is for a 24-month term at an interest rate of 14% for the term of the Facility. The coupon before arrangement and administration fees payable to Reach is broadly similar to the Group’s existing financing facility arrangements.

In addition, Reach has indicated they would be willing to support the Company by entering into an additional Facility if the Company required them to do so, to ensure the Company has the maximum flexibility available to accelerate the growth in its operations. The Company expects to progress this additional financing in the near term.

In conjunction with the Facility, the Company has reduced the maximum commitment with ScotPac to \$3.8m (from \$5.3 million), of which c.\$1.1 million currently remains available post the reduction in the facility.



Jeffrey Yeh (Non-Executive Director of Wellnex and director of Homart) is subscribing in the Facility in the amount of \$825,000.

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

For further information, please contact:

**Wellnex Life Limited (ASX/AIM:WNX)**

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**About Wellnex Life**

Wellnex Life Limited (ASX/AIM: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 on ASX 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. 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.

In December 2023, Wellnex Life 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.Wellnex Lifelife.com.au/](http://www.Wellnex Lifelife.com.au/)

*The information contained within this announcement is deemed by the Company to constitute inside information pursuant to article 7 of EU Regulation 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended.*

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

WELLNEX LIFE LIMITED

ABN

77 150 759 363

Quarter ended ("current quarter")

30 June 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	6,503	22,185
1.2 Payments for		
(a) research and development	(67)	(405)
(b) product manufacturing and operating costs	(3,231)	(14,249)
(c) advertising and marketing	(601)	(2,508)
(d) leased assets		
(e) staff costs	(993)	(3,742)
(f) administration and corporate costs	(492)	(1,448)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	0	0
1.5 Interest and other costs of finance paid	(125)	(607)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (GST refund/(paid))	(15)	(56)
1.9 Other (costs for CBDG administration)	-	25
<b>1.9 Net cash from / (used in) operating activities</b>	<b>979</b>	<b>(804)</b>

\*Product manufacturing of circa \$1.5 million for the launch of Pharmacy Own and the launch of Nighty Night and new products for Wakey Wakey

\*\*Circa one off marketing expenses of \$400,000 for the preparation for the launch of new Wakey Wakey lines and Nighty Night

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	(239)	(8,149)
(c) property, plant and equipment	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) investments	-	-
	(e) intellectual property	-	(7)
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Loan repayment from other entity	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (cash acquired from CBDG Administration)	-	(136)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(239)</b>	<b>(8,292)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	953	15,532
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(915)	(3,311)
3.5	Proceeds from borrowings	3,692	16,803
3.6	Repayment of borrowings	(9,265)	(20,472)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Share applications to be refunded	-	-
3.9	Other (repayment of lease liabilities)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(5,535)</b>	<b>8,552</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,292	1,040
4.2	Net cash from / (used in) operating activities (item 1.9 above)	979	(804)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(239)	(8,292)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(5,535)	8,552
4.5	Effect of movement in exchange rates on cash held	-	1
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>497</b>	<b>497</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	497	5,292
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (funds held in trust)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>497</b>	<b>5,292</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	267
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	5,300	(2,350)
7.2	Credit standby arrangements	-	-
7.3	Other (Director's loan)	2,513	(2,525)
7.4	<b>Total financing facilities</b>	<b>7,813</b>	<b>(4,875)</b>
7.5	<b>Unused financing facilities available at quarter end</b>		2,938
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Secured Revolving Trade and Debtor Facility with Scottish Pacific of \$5.3 million Interest Rate: BBSY plus 4%.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	929
8.2	Cash and cash equivalents at quarter end (item 4.6)	497
8.3	Unused finance facilities available at quarter end (item 7.5)	2,938
8.4	Total available funding (item 8.2 + item 8.3)	3,435
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	N/A
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	



## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

31 Jul 2025

Date: .....

The Board of Directors

Authorised by: .....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.