

## Quarterly Update and Appendix 4C

### Highlights

- Operating cash outflow improved significantly to \$(0.16)m, from \$(2.98) m in Q1 FY26 on the back of 31.5% QoQ revenue growth and significant cost reductions
- Customer cash receipts increased to \$5.10m, up from \$4.54m in the previous quarter
- Manufacturing and operating cash flows returned to normal levels, following a one-off raw material purchase in Q1 FY26
- Quarter end cash balance rose to \$0.98m, with \$2.01m in undrawn financing facilities available
- Please join Executive Chairman, Ash Vesali, for an upcoming live investor briefing on Monday, 2 February 2026 at 11am (AEDT). Register here:  
<https://wellnexlife.investorportal.com.au/live-investor-briefing/>

**Wellnex Life Limited (ASX/AIM: WNX) ("Wellnex Life" or the "Company")** Executive Chairman, Ash Vesali is pleased to provide the following operational and business update along with its Appendix 4C for the quarter ended 31 December 2025 (all figures unaudited).

During the December quarter, the Company recorded customer cash receipts of \$5.1m, reflecting improved trading conditions and continued strength in core brand Pain Away.

Revenue	Q2 FY26	Q1 FY26	% Change
Brands	\$3.8 million	\$5.1 million	(25.5%)
IP Licensing	\$3.3 million	\$0.3 million	1000%
Total	\$7.1 million	\$5.4 million	31.5%
Gross Profit	\$2.1 million	\$1.8 million	16.7%

Brands sales declined to \$3.8m in Q2 FY26, primarily due to the Company's previously announced decision to consolidate and deprioritise non-core assets, as part of a strategic focus on core brand and long-term profitability.

Net operating cash outflow for the quarter was \$(0.16)m, a significant improvement compared with \$(2.98)m in the prior quarter. As of 31 December 2025, the Company held \$0.98m in cash and cash equivalents and had total financing facilities of approximately \$11.65m, of which \$9.65m had been drawn as further referred to in 7 of Appendix 4c below.



The Company remains focused on its turnaround strategy, improving cash conversion, and strengthening its balance sheet.

During the quarter, payments of \$0.36m were made to related parties. These payments relate to directors' fees, executive remuneration and associated costs.

The Board is encouraged by the strong execution and sustained engagement across the business. The Company continues to operate with increased focus and discipline to further identify opportunities to enhance margins and reduce costs.

Join Executive Chairman, Ash Vesali, for an online investor briefing on Monday, 2 February 2026 at 11am (AEDT). Register here: <https://wellnexlife.investorportal.com.au/live-investor-briefing/>

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

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For further information, please contact:

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To learn more, please visit: [www.WellnexLifelife.com.au/](http://www.WellnexLifelife.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")

**31 December 2025**

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	5,101	9,637
1.2 Payments for		
(a) research and development	(142)	(259)
(b) product manufacturing and operating costs	(2,511)	(7,097)
(c) advertising and marketing	(619)	(1,428)
(d) leased assets		
(e) staff costs	(1,064)	(1,944)
(f) administration and corporate costs	(379)	(1,268)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	0	0
1.5 Interest and other costs of finance paid	(264)	(350)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (GST refund/(paid))	(285)	(432)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(163)</b>	<b>(3,141)</b>

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses		
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	-	-

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
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	(331)	(1,150)
3.5	Proceeds from borrowings	4,735	11,677
3.6	Repayment of borrowings	(3,440)	(6,907)
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>965</b>	<b>3,620</b>

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
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<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	174	497
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(163)	(3,141)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from / (used in) financing activities (item 3.10 above)	965	3,620
4.5	Effect of movement in exchange rates on cash held	(1)	(1)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>975</b>	<b>975</b>

<b>5.</b>	Reconciliation of cash and cash equivalents 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	975	174
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>975</b>	<b>174</b>

<b>6.</b>	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	360
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

*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.*

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7.	<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</b> <b>\$A'000</b>	<b>Amount drawn at quarter end</b> <b>\$A'000</b>
7.1	Loan facilities	9,125	(7,120)
7.2	Credit standby arrangements	-	-
7.3	Other (Director's loan)	2,525	(2,525)
7.4	<b>Total financing facilities</b>	<b>11,650</b>	<b>(9,645)</b>
7.5	<b>Unused financing facilities available at quarter end</b>		2,005
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.		
	1. Secured Revolving Trade and Debtor Facility with Scottish Pacific of \$3.8 million Interest Rate: BBSY plus 6.8%.		
	2. Secured loan facility with Reach Wholesale of up to \$5.35m at 14% per annum expiring August 2027. A further \$0.375m is available to the company if requested at the absolute discretion of lender.		

8.	Estimated cash available for future operating activities	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(163)
8.2	Cash and cash equivalents at quarter end (item 4.6)	975
8.3	Unused finance facilities available at quarter end (item 7.5)	2,005
8.4	Total available funding (item 8.2 + item 8.3)	2,980
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	18.3
	<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?	
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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?

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?

*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.*

## 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.

29 January 2026

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

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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.

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