Appendix 4D

Name of Entity	**Wellfully Limited (Administrators Appointed)**
ABN	**72 056 482 636**
Financial Period Ended	**31 December 2023**
Previous Corresponding Reporting Period	**31 December 2022**

Preliminary financial statements for the half-year ended 31 December 2023 as required by ASX listing rule 4.2A

Results for announcement to the market (All comparisons to half-year ended 31 December 2022)	**$**	**Up/ (down)**	**Movement %**
Revenue from ordinary activities	82,265	Down	(70%)
Gain for the period	205,910	Up	95%

Dividend information	**Amount per share (cents)**	**Franked amount per share (cents)**	**Tax rate for franking credit**
Final Dividend	Nil	Nil	NA
Interim Dividend	Nil	Nil	NA
Previous corresponding period	Nil	Nil	NA
Record date for determining entitlements to the dividends	NA	NA	NA

	31 Dec 2023	**31 Dec 2022**
Net tangible (liabilities) / assets per ordinary security	($0.003)	($0.0007)

Commentary on the Results for the Period

The earnings per security and nature of any dilution aspects:

Refer to the Statement of Profit or Loss and Other Comprehensive Income included.

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Returns to shareholders including distributions and buy backs:

N/A

Significant features of operating performance:

Refer to Review of Operations section of the Administrators' Report included.

The results of segments that are significant to an understanding of the business as a whole:

N/A

Discussion of trends in performance:

Refer to Review of Operations section of the Administrators' Report included.

Any other factor which has affected the results in the period, or which are likely to affect the results in the future, including those where the effect could not be quantified:

N/A

Control Gained or Loss of Control Over Entities

N/A

Details of Associates and Joint Venture Entities

N/A

This information should be read in conjunction with the 2023 Annual Report.

Additional information supporting the Appendix 4D disclosure requirements can be found in the Administrators Report and the consolidated financial statements for the half-year ended 31 December 2023.

The financial statements were subject to a review by the Company's auditor and the review report is attached as part of the Interim Report.

The Interim Financial Report of Wellfully Limited (Administrators Appointed) for the half-year ended 31 December 2023 is attached.

Christopher Pattinson
Joint and Several Administrator

Perth, Western Australia
8 April 2024

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WELLFULLY LIMITED

(Administrators Appointed)

(ABN 72 056 482 636)

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INTERIM FINANCIAL REPORT

For the period ended 31 December 2023

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ADMINISTRATORS' REPORT

On 18 August 2023, the directors of Wellfully Limited (Administrators Appointed) ("Wellfully", or the "Company") appointed Mr Bryan Hughes and Mr Christopher Pattinson as joint and several administrators ("Administrators") of the Company.

On 24 August 2023, the director of Wellfully's wholly owned Australian subsidiaries, International Scientific Pty Ltd (Administrators Appointed) ("International Scientific") and Bodyguard Lifesciences Pty Ltd (Administrators Appointed) ("Bodyguard Lifesciences") appointed Mr Hughes and Mr Pattinson as joint and several administrators of International Scientific and Bodyguard Lifesciences.

Following the appointment of the Administrators, the directors' powers were suspended, and the Administrators assumed control of the Company's business, property and affairs. Accordingly, the Administrators of Wellfully submit this report on the results of the consolidated entity consisting of Wellfully Limited and the entities it controlled ("Group") for the period ended 31 December 2023.

INCOMPLETE RECORDS

To prepare this report, the Administrators have reconstructed the financial records of the Group using management account information obtained from current and former directors and officers of the Company and announcements posted to the Australian Securities Exchange. Whilst the directors have continued to assist the Administrators throughout the administration and have been provided a copy of the report prior to its publication, they were not responsible for preparation of this report.

Given the Administrators were not in control of the Company for the entirety of the period, there may be information that has not been brought to their attention or they have been unable to obtain where the impact of which may or may not be material to the accounts. Where applicable, the 31 December 2022 comparatives are based on the Group's Interim Financial Report prepared prior to the appointment of the Administrators and whilst the Company was under the control of its directors. The 30 June 2023 comparatives are based on the Company's audited financial report prepared and filed by the Administrators on 28 February 2024.

The consolidated financial statements are presented in Australian dollars, which is Wellfully's functional and presentation currency.

DIRECTORS

The names of directors who held office during or since the end of the interim period and until the date of this report are as follows.

Mr Paul Peros (appointed 14 April 2022, retired 16 August 2023)
Mr John Forrester (appointed 18 May 2023)
Ms Lea Clothier (appointed 9 June 2023)

Directors were in office for the entire period unless otherwise stated.

PRINCIPAL ACTIVITIES

The Administrators understand operations of the Group's subsidiaries were largely wound down with the exception of the Swiss and Chinese entities which may have continued to employ a workforce during the period ended 31 December 2023.

There were no other significant changes in the nature of the Group's principal activities during the period ended 31 December 2023.

OPERATING RESULTS

The net consolidated gain of the Group after income tax for the period covered by this Interim Financial Report was $205,910 (31 December 2022: loss of $4,812,840).

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REVIEW OF OPERATIONS

In March 2023, the Group sought to wind down its operations in Australia with Wellfully's employees ceasing to work on or about 31 March 2023 following closure of its laboratory.

Wellfully and its wholly owned Australian subsidiaries, Bodyguard Lifesciences and International Scientific were placed in voluntary administration on 18 August 2023 and 24 August 2023 respectively.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In March 2023, the Group sought to wind down its operations in Australia with Wellfully's employees ceasing to work on or around 31 March 2023 following the closure of its laboratory.

On 18 August 2023, the directors of Wellfully formed the view that Wellfully was insolvent or would become insolvent and accordingly, passed resolutions to appoint Mr Christopher Pattinson and Mr Bryan Hughes as Joint and Several administrators in accordance with section 436A of the Corporations Act 2001.

On 24 August 2023, the director of Wellfully's wholly owned Australian subsidiaries Bodyguard Lifesciences Pty Ltd (Administrators Appointed) ("Bodyguard Lifesciences") and International Scientific Pty Ltd (Administrators Appointed) ("International Scientific") formed the view that following Wellfully being placed into voluntary administration, Bodyguard Lifesciences and International Scientific were insolvent or would become insolvent and accordingly passed resolutions to appoint Mr Pattinson and Mr Hughes as Joint and Several Administrators that same day.

There were no other significant changes in the state of affairs of the Group during the financial period ended 31 December 2023.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Administrators' report.

During the period, Moora Australia Audit (WA) did not perform any other services in addition to their statutory duties.

Christopher Pattinson
Joint and Several Administrator

Perth, Western Australia
8 April 2024

MOORE

Moore Australia Audit (WA)

Level 15, Exchange Tower,
2 The Esplanade, Perth, WA 6000

PO Box 5785, St Georges Terrace, WA 6831

T +61 8 9225 5355
F +61 8 9225 6181

www.moore-australia.com.au

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF WELLFULLY LIMITED

As auditor for the review of Wellfully Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and

b) no contraventions of any applicable code of professional conduct in relation to the review.

Neil Pace

NEIL PACE
PARTNER

Moore Australia

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 8th day of April 2024.

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	Consolidated	
	31 December 2023 $	31 December 2022 $
Revenue and other income	82,265	276,886
Net foreign exchange (losses) / gain	202,180	(51,866)
Borrowing costs expensed	-	(37,009)
Depreciation expenses	-	(79,644)
Administration fees	(32,711)	(115,575)
Auditor's remuneration	-	(96,303)
Consultants and consultants benefits expenses	-	(244,117)
Directors and employees benefits expenses	(7,498)	(1,768,085)
Freight and courier	-	(107,424)
Legal costs	(26,065)	(54,374)
Marketing and operations services	-	(716,551)
Materials and requisites	(10,669)	(1,015,733)
Occupancy expenses	-	(110,695)
Patent and trademark service fees	-	(3,774)
Travel and accommodation	-	(50,739)
Public and investor relations	-	(148,011)
Other expenses	(1,592)	(489,826)
Gain/loss before income tax	205,910	(4,812,840)
Income tax benefit	-	-
Gain/loss for the half year	205,910	(4,812,840)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation, net of tax	(183,634)	583,005
Total comprehensive loss for the half year	21,276	(4,229,835)
Loss attributable to:		
Members of Wellfully	205,910	(4,812,840)
Total comprehensive loss attributable to:		
Members of Wellfully	21,276	(4,229,835)
Basic and diluted gain/loss per share (cents per share)	0.06	(1.52)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

	Note	Consolidated 31 December 2023 $	30 June 2023 $
Current Assets			
Cash and cash equivalents		275,607	269,740
Trade and other receivables		828,440	859,505
Inventories		1,852,385	1,840,956
Total Current Assets		2,956,432	2,970,201
Non-Current Assets			
Property, plant and equipment		429,859	389,690
Right-of-use assets		125,781	125,781
Total Non-Current Assets		555,640	515,471
Total Assets		3,512,072	3,485,672
Current Liabilities			
Trade and other payables	3	4,618,877	4,613,754
Contract liabilities		130,989	130,989
Lease liabilities		45,761	45,761
Borrowings		178,500	178,500
Employee benefits provision		139,410	139,410
Total Current Liabilities		5,113,537	5,108,414
Non-Current Liabilities			
Lease liabilities		87,390	87,390
Total Non-Current Liabilities		87,390	87,390
Total Liabilities		5,200,927	5,195,804
Net (Liabilities) / Assets		(1,688,855)	(1,710,132)
Equity			
Issued capital	4	51,720,235	51,720,235
Reserves	5	883,565	1,068,199
Accumulated losses		(54,292,655)	(54,498,566)
(Shareholders' Deficit) / Total Equity		(1,688,855)	(1,710,132)

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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	Issued Capital	Share Based Payments Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Shareholders' deficit / Total Equity
	$	$	$	$	$
Balance at 1 July 2022	48,128,011	813,656	(178,327)	(48,143,783)	619,557
Loss after income tax expense for the period	-	-	-	(4,812,840)	(4,812,840)
Exchange differences on translation of foreign operations	-	-	583,005	-	583,005
Total comprehensive income / (loss) for the period	-	-	583,005	(4,812,840)	(4,229,835)
Shares issued during the period	2,920,450	-	-	-	2,920,450
Options issued during the period	(136,525)	755,831	-	-	619,306
Transaction costs	(203,349)	-	-	-	(203,349)
Balance at 31 December 2022	50,708,587	1,569,487	404,678	(52,956,623)	(273,871)
Balance at 1 July 2023	51,720,235	1,880,452	(812,253)	(54,498,566)	(1,710,132)
Loss after income tax expense for the period	-	-	-	205,910	205,910
Exchange differences on translation of foreign operations	-	-	(184,634)	-	(184,634)
Total comprehensive income / (loss) for the period	-	-	(184,634)	205,910	21,276
Shares issued during the period	-	-	-	-	-
Options issued during the period (including transaction cost)	-	-	-	-	-
Transaction costs	-	-	-	-	-
Balance at 31 December 2023	51,720,235	1,880,452	(996,887)	(54,292,656)	(1,688,855)

The above consolidated statement of changes in equity should be read in conjunction *with the accompanying notes.*

	Consolidated	
	31 December 2023 $	31 December 2022 $
Cash Flows used in Operating Activities		
Receipts from customers (inclusive of GST)	(423,687)	276,886
Receipts from research and development tax incentives	414,767	-
Receipts from government subsidies	115,126	-
Payment to suppliers and employees (inclusive of GST)	(77,716)	(2,640,311)
Borrowing costs paid	-	(37,009)
Net cash outflow used in operating activities	**28,490**	**(2,400,434)**
Cash Flows used in Investing Activities		
Payments for property, plant and equipment	(40,169)	-
Net cash outflow used in investing activities	**(40,169)**	**-**
Cash Flows from Financing Activities		
Proceeds from issue of shares	-	2,205,679
Proceeds from issue of options	-	1,500
Share and option issue costs	-	(180,800)
Repayment of lease liabilities	-	(60,158)
Proceeds from borrowings	-	831,291
Repayment of borrowings and fees	-	(383,756)
Net cash inflows from financing activities	-	**2,413,756**
Net increase in cash and cash equivalents	**(11,679)**	**13,322**
Cash and cash equivalents at the beginning of the period	269,740	317,669
Effect of exchange rate fluctuations on cash held	17,546	(51,866)
Cash and cash equivalents at the end of the period	**275,607**	**279,125**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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Contents of the notes to the financial statements

1. Basis of preparation of half-year report
2. Segment information
3. Trade and other payables
4. Issued capital
5. Reserves
6. Share based payments
7. Contingent assets and liabilities
8. Events subsequent to the reporting date

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1. Basis of preparation of half year report

This general purpose financial statement for the half-year reporting period ended 31 December 2023 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by Wellfully during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Incomplete records

The management and affairs of the Wellfully have not been under the control of Wellfully's directors since it entered into voluntary administration on 18 August 2023. For the period in which the Company was not in administration, the Administrators did not have oversight or control over the Group's financial reporting systems, including being able to access complete accounting records.

To prepare the financial report, the Administrators have reconstructed the financial records of the Group using data extracted from the Group's accounting systems and the record of receipts and payments during the administration of the Company and relied on information provided by in country management of the subsidiaries for the period from their appointment.

Although due care has been taken in preparing the financial statements, based on the information available, it is not possible to state that the financial information is complete or accurate. Neither is it possible to state that the financial information was subject to the accounting and internal control processes that are relevant to the preparation and fair presentation of the financial reports.

Consequently, although the Administrators have prepared this financial report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Act, nor is it possible to state this financial report gives a true and fair view of the Group's financial position.

The 31 December 2022 comparatives are based on the Group's Interim Financial Report prepared and filed prior to the appointment of the Administrators and whilst the Company was under the control of the directors. The 30 June 2023 comparatives are based on the Company's audited financial report prepared and filed by the Administrators on 28 February 2024.

Where there has been insufficient information to prepare notes to the accounts, no notes have been provided.

Going concern

For the period ended 31 December 2023 the Group incurred a net gain of $205,910, and at 31 December 2023 had net current liabilities of $2,157,105 and a net liability position of $1,688,855. The Group also had net cash inflows from operating activities of $28,490. These conditions indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise

1. Basis of preparation of half year report (continued)

Going concern (continued)

its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

In early November 2024, an interested party emerged expressing an interest to enter into a transaction with Wellfully. The Potential Transaction contemplates a structure whereby Wellfully will acquire a controlling interest in the interested party, claims of creditors of the Company are acquired, forgiven and/or settled in the administration period and the solvent company is handed back to the board of directors ("Potential Transaction") providing an option for the administration of the Company, Bodyguard Lifesciences and International Scientific (or at least Wellfully) to potentially end and for Wellfully to potentially relist on the Australian Securities Exchange.

Notwithstanding the above, the ability of the consolidated entity to continue as a going concern is dependent on the Potential Transaction completing and the directors securing additional funding through debt or equity. Given the Potential Transaction is incomplete at the date of this report, there is significant uncertainty as to whether the Company will continue as a going concern and settle its claims in accordance with the Potential Transaction to return it to solvency.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

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2. Segment Information

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors.

The Group operates in two segments:

- Dermaportation drug delivery technology
- Devices

Consolidated 31 December 2023	Dermaportation and drug delivery technology	Devices	Total
	$	$	$
Revenue			
Revenue and other income	67,779	-	67,779
Government grants	14,487	-	14,487
Net foreign exchange gains	202,180	-	202,180
Total revenue	284,446	-	284,446
EBITDA	472,850	(266,940)	205,910
Expenses	-	-	-
Loss before income tax	472,850	(266,940)	205,910
Income tax	-	-	-
Loss after income tax	472,850	(266,940)	205,910
Assets			
Segment assets	15,501,967	(11,833,471)	3,668,497
Intersegment eliminations			(156,425)
Total Assets			3,512,072
Liabilities			
Segment liabilities	(2,529,396)	(2,671,531)	(5,200,927)
Intersegment eliminations			-
Total Liabilities			(5,200,927)

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2. Segment Information (continued)

Consolidated 31 December 2022	Dermaportation drug delivery technology	Devices	Total
	$	$	$
Revenue			
Revenue and other income	99,574	177,312	276,886
Total revenue	**99,574**	**177,312**	**276,886**
EBITDA	**(1,721,676)**	**(2,974,547)**	**(4,696,223)**
Expenses			
Depreciation and amortisation	(48,869)	(30,775)	(79,644)
Interest revenue	-	36	36
Finance costs	(34,189)	(2,820)	(37,009)
Total expenses	(83,058)	(33,559)	(116,617)
Loss before income tax	**(1,804,734)**	**(3,008,106)**	**(4,812,840)**
Income tax	-	-	-
Loss after income tax	**(1,804,734)**	**(3,008,106)**	**(4,812,840)**
Assets			
Segment assets	14,584,690	3,053,725	17,638,415
Intersegment eliminations			(14,184,491)
Total assets			**3,453,924**
Liabilities			
Segment liabilities	(2,131,364)	(17,149,068)	(19,280,432)
Intersegment eliminations			15,552,637
Total liabilities			**(3,727,795)**

3. Trade and other payables

	31 December 2023	30 June 2023
	$	$
Trade creditors	3,072,934	3,071,407
Other payables and accruals	1,545,943	1,542,348
	4,618,877	**4,613,754**

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4. Issued capital

a) Issued capital

	31 December 2023 $	30 June 2023 $
Ordinary shares fully paid	55,473,607	55,473,607
Cost of capital raising	(3,753,373)	(3,753,373)
	51,720,235	51,720,235

b) Movements in ordinary share capital

Date	Details	Number of shares	Issue price	$
1/07/2022	Opening balance	270,560,230		42,552,152
4/07/2022	Placement	2,600,000	0.05	130,000
8/07/2022	Placement	2,000,000	0.05	100,000
11/08/2022	Placement	3,537,000	0.04	136,528
18/10/2022	Capital raising	53,104,544	0.02	1,168,300
20/10/2022	Capital raising	12,427,272	0.02	273,400
20/10/2022	Celtic Capital Loan Repayment	10,101,000	0.02	222,222
3/11/2022	Placement	21,954,549	0.02	483,000
3/11/2022	Placement	772,724	0.02	17,000
3/11/2022	Shares issued in lieu of fees	5,000,000	0.04	190,000
9/12/2022	Placement	9,090,910	0.02	200,000
13/04/2023	Placement	99,090,909	0.01	1,090,000
20/04/2023	Placement	2,700,000	0.01	29,700
26/04/2023	Conversion of options	5,000	0.15	750
Less: transaction costs arising on share issues				(448,675)
30/06/2023	Closing balance	492,944,138		51,270,235
31/12/2023	Closing balance	492,944,138		51,720,235

5. Reserves

	31 December 2023 $	30 June 2023 $
Foreign currency translation reserve	(996,886)	(812,253)
Share-based payments reserve	1,880,452	1,880,452
	883,565	1,068,199

Foreign currency reserve

The reserve is used to recognise exchange differences arising from translation of the financial statements of foreign operations to Australian dollars and foreign currency gains and losses on net investments in foreign operations

5. Reserves (continued)

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

	31 December 2023 $	30 June 2023 $
Options reserve	1,723,452	1,723,452
Performance rights reserve	157,000	157,000
	1,880,452	1,880,452

a) Movements in options reserve

Date	Details	Listed Options No.	Unlisted options No.	Fair value $	Exercise price $	Expiry date
1/07/2022	Opening balance	194,803,947	6,150,000	355,656		
22/08/2022	Unlisted options in lieu of fees	-	10,000,000	167,508	0.0220	22/08/2025
22/12/2022	Unlisted options in lieu of fees	-	19,300,000	121,581	0.15000	30/04/2027
23/12/2022	Listed options in lieu of fees	15,000,000	-	138,025	0.03300	23/12/2024
23/12/2022	Free attaching listed options for shareholder	87,486,365	-	-	0.03300	23/12/2024
23/12/2022	Listed options in lieu of fees	772,724	-	-	0.03300	23/12/2024
23/12/2022	Listed options in lieu of fees	10,101,000	-	98,990	0.03300	23/12/2024
23/12/2022	Listed options in lieu of fees	9,090,910	-	72,727	0.03300	23/12/2024
9/02/2023	Unlisted options in lieu of fees – Broker Options to be issued	-	45,000,000	310,965	0.00001	30/03/2027
	Expired during period	(161,983,434)				
30/06/2023	Closing balance	155,271,512	80,450,000	1,723,452		
31/12/2023	Closing balance	155,271,512	80,450,000	1,723,452		

*yet to be issued as at 30 June 2023

Refer to Note 7 for inputs on valuations of options issued during the prior period.

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6. Reserves (continued)

a) Movements in performance rights reserve

Date	Details	Performance Rights	Fair value	Exercise price	Expiry date
		No.	$	$	
1/07/2022	Opening balance	-	-		
25/11/2022	Issue of performance rights	15,000,000	157,000	-	9/12/2025
30/06/2023	**Closing balance**	**15,000,000**	**157,000**		
31/12/2023	**Closing balance**	**15,000,000**	**157,000**		

Refer to Note 6 for inputs on valuations of options issued during the prior period.

6. Share based payments

Performance rights

On 25 November 2022 the Board approved the issue of 15,000,000 performance rights in 3 tranches. These performance rights were issued on 8 December 2022 with nil exercise price. The valuation of the Performance Rights was achieved using a combination of Hoadley's Barrier1 Model and Hoadley's Parisian Model with the following assumptions:

Grant date	Expiry date	Quantity	Share price at grant date	Target price	Expected volatility	Risk-free interest rate	Fair value at grant date
		No.	$	$	%	%	$
25/11/2022	9/12/2025	5,000,000	0.021	0.100	100	3.21	0.0126
25/11/2022	9/12/2025	5,000,000	0.021	0.150	100	3.21	0.0102
25/11/2022	9/12/2025	5,000,000	0.021	0.200	100	3.21	0.0086

Options

22 December 2022 19,300,000 options were issued to consultants, after Board approval. The value of the options components were calculated using Hoadley's ESO1 Model. The share price and exercise price inputs for the valuation of the options were calculated using a Monte Carlo Model. The inputs are as follows:

Grant date	Expiry date	Quantity	Share price at grant date	Exercise Price	Expected volatility	Risk-free interest rate	Fair value at grant date
		No.	$	$	%	%	$
29/04/2022	29/04/2023	11,230,000	0.077	0.150	85	2.90	0.011
18/10/2022	18/10/2023	8,070,000	0.029	0.150	85	3.60	0.001

On 22 August 2022 10,000,000 options were granted to a contractor in lieu of services to be rendered during 6 months period. These options have not been issued before 31 December 2022. Trinomial Lattice option model was the valuation model used to determine the fair value of these options on the grant date and the inputs are as follows:

Grant date	Expiry date	Quantity	Share price at grant date	Exercise Price	Expected volatility	Risk-free interest rate	Fair value at grant date
		No.	$	$	%	%	$
22/08/2022	22/08/2025	10,000,000	0.038	0.022	100	3.22	0.023

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6. Share based payments (continued)

Options (continued)

On 25 November 2022 15,000,000 options were granted to a contractor in lieu of services rendered. These were issued on 23 December 2022 . Black Scholes was the valuation model used to determine the fair value of these options on the grant date and the inputs are as follows:

Grant date	Expiry date	Quantity	Share price at grant date	Exercise Price	Expected volatility	Risk-free interest rate	Fair value at grant date
		No.	$	$	%	%	$
25/11/2022	23/12/2024	15,000,000	0.021	0.033	101	3.19	0.009

On 9 December 2022 10,101,000 options were granted to consultants in lieu of services rendered. Trinomial Lattice option model was the valuation model used to determine the fair value of these options on the grant date and the inputs are as follows:

Grant date	Expiry date	Quantity	Share price at grant date	Exercise Price	Expected volatility	Risk-free interest rate	Fair value at grant date
		No.	$	$	%	%	$
9/12/2022	23/12/2024	10,101,000	0.023	0.033	100	3.75	0.010

On 9 December 2022 9,090,910 options were granted to a related party in lieu of services rendered. Trinomial Lattice option model was the valuation model used to determine the fair value of these options on the grant date and the inputs are as follows:

Grant date	Expiry date	Quantity	Share price at grant date	Exercise Price	Expected volatility	Risk-free interest rate	Fair value at grant date
		No.	$	$	%	%	$
23/12/2022	23/12/2024	9,090,910	0.016	0.033	100	3.04	0.008

Shares

On 3 November 2022 Wellfully issued 5,000,000 shares in lieu of cash payment for investors relation services, including social media and business media services. The shares were issued at the same price at the capital raised on the same date.

Summary of share-based payments expenses recognised during this period:

Recognised	Details	Number	$
Profit or loss	Performance rights granted	15,000,000	157,000
Profit or loss	Options granted	29,300,000	289,089
Equity	Options granted	15,000,000	136,525
Profit or loss	Issue of shares	5,000,000	190,000

7. Contingent assets and liabilities

The Administrators of Wellfully are unaware of any existing contingent assets and liabilities, other than the contingent matter regarding Wellfully being served with a writ

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7. Contingent assets and liabilities (continued)

over a Convertible Note, as announced to the market. Wellfully has retained legal representation for the active defence of the matter, to which mediation continues.

8. Events subsequent to the reporting date

On 19 February 2024, RSM Australia Partners applied to the ASIC for its consent to resign as auditor of the Company. The application was approved by the ASIC on 19 February 2024 and Moore Australia Audit (WA) was appointed auditor of the Company that same day. The appointment of Moore Australia Audit (WA) will be formally approved at the upcoming Annual General Meeting ("AGM") of the Company, expected to be held prior to 31 March 2024.

There has been no other matter or circumstance that has arisen since the end of the financial period that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group, which has not been announced to the market.

9. Administrators' declaration

In the opinion of the Administrators of Wellfully:

a. the accompanying interim financial statements and notes thereto are in accordance with *the Corporations Act 2001* including:

   i. giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date based on the records in the possession of the Administrators; and

   ii. complying with Australian Accounting Standard AASB 134 'Interim Financial Reporting', *the Corporations Regulations 2001*, and other mandatory professional requirements.

On behalf of the Administrators

Christopher Pattinson
Joint and Several Administrator
8 April 2024
Perth, Western Australia

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MOORE

Moore Australia Audit (WA)

Level 15, Exchange Tower,
2 The Esplanade, Perth, WA 6000

PO Box 5785, St Georges Terrace, WA 6831

T +61 8 9225 5355
F +61 8 9225 6181

www.moore-australia.com.au

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF WELLFULLY LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Wellfully Limited (the company) and its controlled entities (the consolidated entity or group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of material accounting policies and other explanatory information and the directors' declaration.

Because of the significance of the matter described in the Basis for Disclaimer Conclusion paragraph noted below, we were unable to, and do not express an opinion as to whether the half-year financial report of the company is in accordance with the *Corporations Act 2001,* including:

i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and

ii. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Disclaimer Conclusion

We conducted our review in accordance with Auditing Standards on Review Engagements *ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company as at the time of this auditor's review report.

As detailed in the Administrators' Report, Mr Christopher Pattinson and Mr Bryan Hughes ("Administrators") were appointed joint and several Administrators of Wellfully Limited on 18 August 2023 and of its Australian subsidiaries International Scientific Pty Ltd and Bodyguard Lifescience's Pty Ltd on 24 August 2023. The Administrators assumed operational and management control of these companies from their date of appointment and remain in control as at the date of this review report.

A significant portion of the Group's operations have been conducted by its subsidiary incorporated in Switzerland (Wellfully SA) and in turn by companies Wellfully SA controls, operating in a number of foreign jurisdictions. As noted in the Administrators' Report: *Incomplete Records*, in preparing the financial report of the Group for the half year ended 31 December 2023 the Administrators have not been able to source all books and records of Wellfully SA and the other foreign subsidiaries.

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF WELLFULLY LIMITED (CONTINUED)

Basis for Disclaimer Conclusion (continued)

Whilst the books and records of the consolidated Group have otherwise been reconstructed by the Administrators, to the maximum extent possible, we were unable to obtain sufficient appropriate evidence to verify material account balances and amounts disclosed in the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date. As a result, we were unable to determine whether any adjustments to the amounts recorded in the financial report were necessary.

As stated in Note 1 and in the Administrators' Declaration, the Directors/Administrators are unable to state that the financial report has been prepared in accordance with all the requirements of the *Corporations Act 2001* and the Australian Accounting Standards.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 – Going Concern in the financial report. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and, therefore the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business and at amounts recorded in the statement of financial position. Our review conclusion is not modified in this regard.

Responsibility of the Directors for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial report is not in accordance with the *Corporations Act 2001* including:

i. giving a true and fair view of the Company's financial position as at 31 December 2023 and its performance for the half-year ended on that date; and

ii. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Neil Pace

NEIL PACE
PARTNER

Moore Australia

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 8th day of April 2024.

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