Wellnex Life Limited

ABN 77 150 759 363

Annual Report - 30 June 2025

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Wellnex Life Limited
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Wellnex Life Limited
Corporate directory
30 June 2025

Directors	Ash Vesali (Non-Executive Chairman) Zack Bozinovski (Executive Director) Jeffrey Yeh (Non-Executive Director) Eric Jiang (Non-Executive Director) Vivienne Zhang (Executive Director) Ruari McGrirr (Non-Executive Director)
Company secretary	Kobe Li
Registered office and Principal place of business	Building 2, Level 3, Suite 72, 574 Plummer St Port Melbourne VIC 3207 Phone: +61 3 8399 9419
Share register	Computershare Investor Registry Services Yarra Falls 452 Johnston Street Abbotsford, Victoria, 3067 Phone: 1300 787 272 (within Australia) Phone: +61 3 9415 5000 (overseas callers)
Auditor	William Buck Level 20, 181 William Street Melbourne VIC 3000
Stock exchange listing	Wellnex Life Limited securities are listed on the Australian Securities Exchange (ASX code: WNX)) and the AIM Market of the London Stock Exchange.
Website	https://www.wellnexlife.com.au

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Wellnex Life Limited
Directors' report
30 June 2025

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Wellnex Life Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors
The following persons were directors of Wellnex Life Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Ash Vesali (Non-executive Chairman) - appointed 18 September 2025
Zack Bozinovski (Executive Director and joint Chief Executive Officer/Managing Director)
Eric Jiang (Non-Executive Director)
Jeffrey Yeh (Non-Executive Director)
Vivienne Zhang (Executive Director and Chief Financial Officer) - appointed 17 March 2025
Ruari McGrirr (Non-Executive Director) - appointed 17 March 2025
George Tambassis (Non-Executive Chairman) - appointed 9 September 2024 and resigned 6 May 2025
George Karafotias (Executive Director and joint Chief Executive Officer/Managing Director) - resigned 14 August 2025
Andrew Vidler (Non-Executive Director) - resigned 15 September 2025

Principal activities
During the financial year the principal continuing activities of the consolidated entity consisted of:
- development, marketing and selling of premium brands and products for the growing health and pharmaceutical market; and
- licensing of our unique and innovative product to domestic and global pharmaceutical companies.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

All references to $ refer to Australian dollars (A$)

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $15,604,000 (30 June 2024: $13,739,000).

Financial performance

Revenue for the period was $23.6 million, an increase of 40.5% on the prior corresponding period (30 June 2024: $16.8 million) with the increase in revenue primarily coming from Wellnex Life's owned brands, benefitting in particular from a full years contribution from Pain Away.

Wellnex Life's gross margin was in line with the previous year of 29%, but an increased trade investment in the first half of the period resulted in margins being 23% which increased in the second half of FY25 to 37% with a more disciplined trade investment expenditure.

The net loss for the full year of $15.6 million was increased by 13.5% on the prior corresponding period (30 June 2024: $13.8 million), with the EBITDA loss increasing by 14.3% to $12.1 million compared to the prior corresponding period. These results were impacted by share based payments and one of expenses associated with various transaction of $7.8 million.

Wellnex Life is targeting an increase in both revenue and gross margins in FY26 with gross margin expected to benefit from a refined strategy and a more targeted trade investment plan.

Refined Strategy

The Board's immediate focus will be to continue leveraging the two core pillars of the Company's strategy:

1. Driving continued growth of Wellnex' category-leading consumer brand Pain Away which holds Australia's number one position in natural topical pain relief with an estimated 14% market share.

2. Continued expansion of our contract manufacturing partnerships in the softgel analgesics market where the Company already holds supply agreements with leading pharmaceutical brands such as UK giant Haleon.

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FY25

The dual listing of the Company on the AIM Market of the London Stock Exchange, and the associated capital raising, resulted in the company settling the deferred consideration of Pain Away and the outstanding convertible notes of circa $12 million, saving the company circa $1.4 million in annual costs.

Revenue for the period increased by 40.5% compared to the previous corresponding period to $23.6 million (30 June 2024: $16.8 million), with gross margin for the period at 29% or $6.9 million (30 June 2024: $5.0 million).

Significant changes in the state of affairs
During the financial period the Company completed a number of share placements with the details of these transactions disclosed in Note 7 of the financial report.

On 15 August 2024, the Company announced it received its first order from Haleon to supply liquid paracetamol for the UK market.

On 16 August 2024, the Company launched new prescription only medicinal cannabis brand -Wellness Life, for the SAS market.

On 9 September 2024, the Company announced the appointment of highly experienced George Tambassis as Non-Executive Chairman.

On 26 September 2024, the Company held an extraordinary general meeting (EGM) with all resolutions passed including the consolidation of the Company's shares by a ratio of 50:1 and the approval to issue 680 million fully paid ordinary shares at a floor price of $0.028 per share.

On 5 November 2024, the Company announced the extension of the deferred consideration for the acquisition of Pain Away of $5.85 million till January 2025.

On 21 January 2025, the Company announced that it had secured multiple funding options to facilitate the payment of the next stage of the deferred consideration for the acquisition of Pain Away, which was due on 20 January 2025. Following the receipt of these proposals, the Company entered into discussions with 365 Health (the vendors of Pain Away) to extend the payment date for the deferred consideration to March 2025.

Under the revised terms of the agreement, as varied in January 2025, the Company was required to pay an additional $500,000 establishment fee, which was fully settled on 28 January 2025.

Following the January 2025 variation agreement, the final deferred consideration payment due for the Pain Away brand acquisition was as follows:

- $6.25 million; cash payment due on or before 3 March 2025
- $0.15 million payable in Wellnex Life's shares on or before 27 January 2025
- 250,000 Wellnex Life's shares to be issued on or before 3 March 2025

On 10 February 2025, the Company announced that it commenced its marketing campaign for the proposed dual listing on the London Stock Exchange with strong interest received from UK institutions and sophisticated investors.

At the same time the Company resolved to launch a 1:1 non-renounceable entitlement offer ("Entitlement Offer") to ensure shareholders at that time had the first right to subscribe for shares on the same terms as the proposed placement to UK investors. Funds raised served to redeem the convertible notes(as at 30 June 2025 an amount of $440,000 in principal and $60,000 in interest remain outstanding, due to a reconciliation error which will be settled with via an issuance of shares at $0.65 per share) and pay the outstanding deferred consideration for Pain Away (saving the Company $1.4 million in annual costs) and to fund general working capital requirements, including the costs of the Entitlement Offer and the proposed AIM listing.

On 17 March 2025, the Company appointed Vivienne Zhang as Executive Director and Ruari McGirr as Non-Executive Directors.

On 21 March 2025, the Company announced it had commenced trading on the AIM market of the London Stock Exchange.

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On 6 May 2025, the Company announced the resignation of Mr George Tambassis. Mr Andrew Vidler, then serving as an independent Non-Executive Director, assumed the role of Non-Executive Chairman on an interim basis.

On 30 June 2025, the Company announced the disinvestement of The Iron Company to Chemist Warehouse.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
On 31 July 2025, the Company announced that the Group had entered into a loan facility via Reach Wholesale ("Reach") for A$2.825 million (the “Facility"). The Facility is secured over the assets of the Group's key subsidiaries for a 24-month term at an interest rate of 14% for the term of the Facility.

On 15 August 2025, the Company announced that joint Chief Executive Officer (CEO) & Managing Director (MD), Mr George Karafotias resigned from the Company from his employment and as director of the Company. The Company’s joint CEO & MD Mr Zack Bozinovski assumed the role of sole CEO & MD.

On 9 September 2025, the Company announced its intention to appoint Ash Vesali as the new Non-Executive Chairman. Mr. Andrew Vidler, who served as Interim Non-Executive Chairman, stepped down from this role and continued to serve on the Board as an Independent Non-Executive Director.

On 15 September 2025, the Company announced that Mr Andrew Vidler, Independent Non-Executive Director, had resigned from his position on the Board.

On 19 September 2025, the Company announced that the Group has entered into an additional loan facility via Reach Wholesale ("Reach") for up to A$2.5 million (the "Additional Facility"). The Additional 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 Additional Facility.

On 19 September 2025, the Company announced the formal appointment of Ash Vesali as Non-Executive Chair.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
The Company will continue to take advantage of the opportunities of the growing health and pharmaceutical market with its unique and innovative brands and products and look to continue to grow its distribution, revenue and margins.

The Company will ensure its operational expenses are reduced and in line with a business of its size and activity to minimise or eliminate the need for third party funding.

Business risk management
The Company is committed to the effective management of risk to reduce uncertainty in the Company’s business outcomes and to protect and enhance shareholder value. There are various risks that could have a material impact on the achievement of the Company’s strategic objectives and future prospects.

Key risks and mitigation activities associated with the Company's objectives are set out below:

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Risk as a relatively new entrant in the health and pharmaceutical market

Wellnex Life is a relatively new entrant in the health and pharmaceutical industry and, as an early stage growth company, Wellnex Life is involved in product development, profile / brand building and market penetration for its products and services (in both local and overseas markets).
These risks will in part turn upon the Company's ability to:

(a) continue to build on customer acceptance on current products in the health and wellness segment;
(b) maintain and source high quality manufacturers to produce the current and proposed products;
(c) maintain and expand distribution channels and continue to develop within Australian domestic and export markets; and
(d) have the required capital to maintain and expand operations including investing in marketing.

The Company aims to reduce this risk by ensuring continuous monitoring of all aspects of its business operations to ensure it maximises the return on its investments.

Sufficiency of funding

As is typical for a company at Wellnex Life's stage of development and growth, Wellnex Life has limited financial resources and will need to raise additional funds from time to time to finance the complete development and growth of its current portfolio. In the future it may require additional capital (debt or equity) to continue its operations and, if that occurs by way of an equity issue, there is no guarantee of the issue price at which such additional equity capital is raised and potential for dilution for existing shareholders.

The Company's ability to raise additional funds and the price at which any funds are raised, will be subject to, among other things, factors beyond the control of Wellnex Life and its Directors, including cyclical factors affecting the economy company performance and stock markets generally, in particular in Australia and the UK. The Directors can give no assurance that future funds can be raised by Wellnex Life on favourable terms, if at all.

Wellnex Life prepares forecasts to ensure it has sufficient funding sources as and when required into the future.

Manufacturing/production risks

Wellnex Life is reliant on third parties to manufacture its current products. The Company will have various contractual rights in the event of non-compliance by any contracting party.

However, no assurance can be given that all contracts will be fully performed by all contracting parties or in the case of a breach that the Company will be successful in securing compliance with the terms of each contract by the relevant counterparties to its contracts. There is also no assurance as to the financial strength of the parties to complete their obligations under the various contracts when such financial obligations fall due or the ability to secure other alternative manufacturing parties to produce the required products.

The Company seeks to mitigate its manufacturing and production risks by reviewing the ability of its third party manufacturers to meet the Company's requirements on an ongoing basis.

Logistics risk

Wellnex Life is reliant on out-sourced logistics. Accordingly, if an adverse event occurs such as a strike, poor logistics technology, increases in the price of energy, changes in transport services and the physical destruction of infrastructure (e.g. roads and railways), Wellnex Life (or its third party providers) may not be able to efficiently supply and deliver the Company's products. This may have an adverse impact on the Company's financial performance.

The Company seeks to have back up third party providers in the event that its current logistics providers are not available.

Environmental regulation
The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

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Information on directors

Name:	Arash ("Ash") Vesali
Title:	Non-Executive Chairman – (appointed 18 September 2025)
Qualifications:	Bachelor of Engineering and MBA
Experience and expertise:	Mr Vesali brings over 20 years of global experience across high volume manufacturing and top-tier consulting, supporting ASX executives and boards on strategy, governance, performance improvement and business resiliency. He has delivered operational excellence through governance reform and cost restructuring and led turnarounds with disciplined capital allocation. Additionally, he has driven growth through IP monetisation, international expansion, and global strategic partnerships.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	Nil
Interests in options:	Nil
Interests in rights:	Nil

Name:	Zlatko (Zack) Bozinovski
Title:	Executive Director and Chief Executive Officer/Managing Director
Qualifications:	None
Experience and expertise:	Mr Bozinovski is a highly successful and seasoned executive in the Australian retail industry with over 35 years' experience within FMCG and Pharmaceuticals companies in Australia and internationally. Mr Bozinovski co-founded Voost and has previously held senior positions at Uncle Tobys/Goodman Fielder, Pepsi Co and Sigma Pharmaceuticals.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	741,285 fully paid ordinary shares
Interests in options:	Nil
Interests in rights:	Nil

Name:	Eric Jiang
Title:	Non-Executive Director
Qualifications:	Bachelor of Commerce (Honours) & Bachelor of Arts
Experience and expertise:	With over 15 years' experience, Eric Jiang is an adviser to companies involved in trade between Australia and China. Eric brings a distinctive understanding of the cultural, economic and strategic context in which Australian businesses engage with China.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	42,552 fully paid ordinary shares.
Interests in rights:	Nil

Name:	Jeffrey Yeh
Title:	Non-Executive Director
Qualifications:	Bachelor and Master of Science, Bachelor of Technology
Experience and expertise:	Mr Jeffrey Yeh is an experienced all-rounded entrepreneur, with over 21 years' experience in all aspects of pharmaceutical sales, marketing, production, quality assurance, operations, logistics, finance and management.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	6,959,477 fully paid ordinary shares
Interests in options:	Nil
Interests in rights:	Nil

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Name:	George Tambassis
Title:	Non-Executive Chairman (appointed 9 September 2024 and resigned 6 May 2025)
Age:	Bachelor of Pharmacy
Qualifications:	Nil
Experience and expertise:	Mr Tambassis served as a director on the Pharmacy Guild of Australia for 15 years including seven years as its National President, during which he was instrumental in concluding the 6th and 7th Community Pharmacy Agreements with the Commonwealth Governments. He was the inaugural President of the World Pharmacy Council and a member of the OECD's Associate Expert Group advising on pharmacy and health. He has recently been elected back on the Guild National Council and Victorian Branch President for the next four years.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	Nil
Interests in options:	Nil
Interests in rights:	Nil

Name:	George Karafotias - resigned 14 August 2025
Title:	Executive Director and joint Chief Executive Officer/Managing Director
Qualifications:	Bachelor of Commerce
Experience and expertise:	Mr Karafotias is an accountant holding a Bachelor of Commerce degree from the University of Adelaide. He has held various roles in numerous public companies over the last 9 years and has previously provided corporate advisory services to listed and unlisted companies, focusing on restructuring and refinancing.
Other current directorships:	None
Former directorships (last 3 years):	Broo Limited (ASX: BEE) - resigned 6 February 2023
Interests in shares:	149,825 fully paid ordinary shares
Interests in rights:	Nil

Name:	Andrew Vidler
Title:	Non-Executive Director – resigned 15 September 2025
Experience and expertise:	Mr Vidler has comprehensive experience across retail, consumer health products and retail pharmacy. Andrew in his over 30 years' experience includes nearly 20 years with the EBOS Group (formerly FH Faulding, Mayne Group and Symbion), where across many roles he led the Terry White and Chemmart pharmacy brands and the Endeavour consumer health products business.
Other current directorships:	None
Former directorships (last 3 years):	Pacific Smiles (ASX:PSQ)
Interests in shares:	17,858 fully paid ordinary shares
Interests in options:	Nil
Interests in rights:	Nil

Name:	Yuan (Vivienne) Zhang
Title:	Executive Director and Chief Financial Officer (appointed Director on 17 March 2025)
Qualifications:	Masters in Commerce and Accounting & Bachelor of International Trade
Experience and expertise:	Vivienne is a CPA qualified accountant, with over 12 years' experience in senior financial management, primarily in fast moving consumer goods ("FMCG"). Vivienne's previous role was with SABCO Australia as financial controller, where she was responsible for overseeing the financial management of an AUD 100 million revenue Company.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Nil
Interests in shares:	Nil
Interests in options:	Nil
Interests in rights:	Nil

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Name:	John Ruari Mcgirr
Title:	Non-Executive Director (appointed 17 March 2025)
Qualifications:	None
Experience and expertise:	Ruari is a qualified chartered accountant and a former approved Qualified Executive under the AIM Rules for Nominated Advisers. He has been an adviser to both quoted companies on the London Financial markets and private companies for over 30 years, working at a number of financial advisory firms, including Arden Partners Plc and WH Ireland Limited's Capital Markets Division (both of which are now part of Zeus Capital). Ruari has also worked in industry in innovative businesses across the UK, Switzerland, and Singapore.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Nil
Interests in shares:	Nil
Interests in options:	Nil
Interests in rights:	Nil

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
Kobe Li

Prior to his appointment as director in January 2019, Mr Li spent the previous 8 years with the Australian Securities Exchange (ASX) Listing Compliance team, as a Senior Advisor overseeing a portfolio of listed entities ensuring compliance with the ASX listing rules. During his tenure at the ASX he worked on many Initial Public Offerings (IPO's) and numerous complex corporate transactions. Kobe is a member of the Governance Institute of Australia.

Meetings of directors
The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Full Board		Remuneration & Nomination Committee	
	Attended	Held	Attended	Held
George Tambassis *	16	16	3	3
Zack Bozinovski	20	20	-	-
Eric Jiang	18	20	-	-
Jeffrey Yeh	20	20	3	3
George Karafotias **	20	20	-	-
Andrew Vidler ***	20	20	3	3
Vivienne Zhang ****	5	6	-	-
Ruari McGirr *****	6	6	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

* appointed 9 September 2024 and resigned 6 May 2025
** resigned 14 August 2025
*** resigned 15 September 2025

**** appointed 17 March 2025

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

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Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:
- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:
- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration
Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market.

Non-Executive Directors may be issued with equity instruments as LTIs (long term incentives) in a manner that aligns this element of remuneration with the creation of shareholder wealth, as Directors are able to influence the generation of shareholder wealth.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 9 January 2025, where the shareholders approved a maximum annual aggregate remuneration of $450,000.

Executive remuneration
The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

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The executive remuneration and reward framework has the following components:
- base pay and non-monetary benefits
- long-term incentives

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The long-term incentives ('LTI') include long service leave and share-based payments.

Consolidated entity performance and link to remuneration
The Board is of the opinion that improved results can be further improved by the adoption of performance based compensation.

The consolidated entity did not use a remuneration consultant during the year.

Voting and comments made at the Company's Annual General Meeting ('AGM') held on 29 November 2024
At the AGM held on 29 November 2024, 75.11% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors and executive of Wellnex Life Limited:
- Zack Bozinovski (Joint CEO/MD & Executive Director)
- George Karafotias (Joint CEO/MD & Executive Director)
- Vivienne Zhang (CFO/Executive Director)
- Jeffrey Yeh (Non-Executive Director)
- George Tambassis (Non-executive Chairman)
- Eric Jiang (Non-Executive Director)
- Andrew Vidler (Non-Executive Director)
- Ruari McGirr (Non-Executive Director)
- Kobe Li (Company Secretary)

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	Short-term benefits		Post-employment benefits		Share-based payments	
30 June 2025	Cash salary and fees $	Annual leave $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:						
Eric Jiang	46,746	-	-	-	-	46,746
Jeffrey Yeh	82,500	-	-	-	-	82,500
Ruari McGirr	16,010	-	-	-	-	16,010
George Tambassis **	40,000	-	-	-	-	40,000
Andrew Vidler ***	50,000	-	-	-	-	50,000
Executive Directors:						
Zack Bozinovski	365,000	(9,014)	29,072	7,258	-	392,316
George Karafotias ****	365,000	32,059	29,072	7,418	-	433,549
Vivienne Zhang *	63,288	(4,969)	7,278	1,384	-	66,981
Other Key Management Personnel:						
Kobe Li	150,475	-	-	-	-	150,475
	1,179,019	18,076	65,422	16,060	-	1,278,577

* appointed 17 March 2025
** appointed 9 September 2024 and resigned 6 May 2025
*** resigned 15 September 2025

**** resigned 15 August 2025

	Short-term benefits		Post-employment benefits		Share-based payments	
30 June 2024	Cash salary and fees $	Annual leave $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:						
Eric Jiang	44,091	-	-	-	60,114	104,205
Kobe Li	135,250	-	-	-	60,114	195,364
Andrew Vidler *	22,916	-	-	-	-	22,916
Jeffrey Yeh *	20,000	-	-	-	-	20,000
Mario Tascone **	50,000	-	-	-	-	50,000
Executive Directors:						
Zack Bozinovski	365,000	22,464	40,302	8,950	120,277	556,993
George Karafotias	365,000	18,339	40,302	13,205	120,277	557,123
	1,002,257	40,803	80,604	22,155	360,782	1,506,601

* Amount paid includes Directors fees for previous financial years amounting to $32,333.

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Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Kobe Li
Title:	Company Secretary
Term of agreement:	No fixed term
Details:	Monthly fee of $5,000 per month for 15 hours per month ($350 per hour for additional hours)

Name:	Ash Vesali - appointed 18 September 2025
Title:	Non-executive Chairman
Term of agreement:	No fixed term
Details:	Annual remuneration of $80,000 plus statutory superannuation

Name:	George Karafotias - resigned 14 August 2025
Title:	Joint Chief Executive Officer/Managing Director and Executive Director
Term of agreement:	No fixed term.
Details:	Annual remuneration of $365,000 plus statutory superannuation, 3 month notice period with no specific termination payment provided for.

Name:	Zack Bozinovski
Title:	Joint Chief Executive Officer/Managing Director and Executive Director
Term of agreement:	No fixed term
Details:	Annual remuneration of $365,000 plus superannuation, 6 month notice period with no specific termination payment provided for.

Name:	Eric Jiang
Title:	Non-Executive Director
Term of agreement:	No fixed term
Details:	Annual remuneration of $50,000.

Name:	Vivienne Zhang
Title:	Executive Director and Chief Financial Officer
Term of agreement:	No fixed term
Details:	Annual remuneration of $220,000 plus statutory superannuation, 3 month notice period with no specific termination payment provided for.

Name:	Jeffrey Yeh
Title:	Non-Executive Director
Term of agreement:	No fixed term
Details:	Annual remuneration of $50,000.

Name:	Ruari McGirr
Title:	Non-Executive Director
Term of agreement:	No fixed term
Details:	Annual remuneration of $50,000.

Name:	George Tambassis - appointed 9 September 2024 and resigned 6 May 2025
Title:	Non-Executive Chairman
Term of agreement:	No fixed term
Details:	Annual remuneration of $80,000 plus statutory superannuation

Name:	Andrew Vidler - resigned 15 September 2025
Title:	Non-Executive Director
Term of agreement:	No fixed term
Details:	Annual remuneration of $50,000 plus statutory superannuation

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

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Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2025.

Options
There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2025.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2025.

Performance rights
There were no performance rights over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2025.

There were no performance rights over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2025.

Additional information
The earnings of the consolidated entity for the five years to 30 June 2025 are summarised below:

	2025 $'000	2024 $'000	2023 $'000	2022 $'000	2021 $'000
Revenue and other income	23,625	16,828	27,892	18,793	1,434
Net loss	(15,604)	(13,739)	(13,846)	(7,449)	(20,119)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2025	2024	2023	2022	2021*
Share price at financial year end ($) **	0.26	0.02	0.05	0.06	0.53

* The Company's shares were placed into ASX suspension on 2 October 2019 and remained in suspension on 30 June 2020 and 30 June 2021. The shares were reinstated to ASX official quotation on 14 July 2021. The Company's share price was 12 cents at the end of the first day of trading after the shares were reinstated to quotation.
** The Company's securities were consolidated during the financial year on the basis of 50 (fifty) Shares into 1 (one) Share.

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Additional disclosures relating to key management personnel

Shareholding
The number of shares in the Company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Balance at the start of the year - adjusted for share consolidation (50:1)	Additions	Disposals	Balance at the end of the year
Ordinary shares					
Ash Vesali	-	-	-	-	-
Ruari McGirr	-	-	-	-	-
George Tambassis	-	-	-	-	-
Eric Jiang	2,127,609	(2,058,057)	-	-	69,552
Vivienne Zhang	-	-	-	-	-
Kobe Li	950,000	(931,000)	1,000	-	20,000
George Karafotias	3,838,059	(3,761,298)	73,064	-	149,825
Zlatko Bozinovski	26,642,857	(26,086,187)	184,615	-	741,285
Andrew Vidler	892,858	(875,000)	-	-	17,858
Jeffrey Yeh	194,402,855	(190,514,796)	3,071,428	-	6,959,487
	228,854,238	(224,226,338)	3,330,107	-	7,958,007

Performance rights
The number of performance rights held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Performance Rights					
Kobe Li	2,500,000	-	-	(2,500,000)	-
Eric Jiang	2,500,000	-	-	(2,500,000)	-
George Karafotias	5,000,000	-	-	(5,000,000)	-
Zlatko Bozinovski	5,000,000	-	-	(5,000,000)	-
	15,000,000	-	-	(15,000,000)	-

Other transactions with key management personnel and their related parties
During the previous financial year, the Company received loans from Director George Karafotias amounting to $738,000 and Director Zack Bozinovski amounting to $1,775,000.The loans have a coupon rate of 10% per annum that are due to be repaid on 28 September 2026. The repayment date of these loans were extended to 28 September 2026 on 24 January 2025. The loans and associated interest are immediately payable on the resignation or termination of the employment of the relevant party.

	Opening balance - 1 July 2024	Interest accrued during the year	Additional loans/(repayments) made during the year	Closing Balance
Loan - George Karafotias	738,000	119,108	(97,000)	760,108
Loan - Zack Bozinovski	1,775,000	276,239	45,000	2,096,239
	2,513,000	395,347	(52,000)	2,856,347

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This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of Wellnex Life Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
9 July 2021	Expiring various dates*	$0.000	1
6 February 2023	6 February 2026	$7.500	146,316
9 December 2023	01 January 2026	$2.500	1,400,000
7 February 2025	7 February 2027	$2.500	820,000
			2,366,317

* Consideration Options - refer to the Prospectus released to the ASX on 13 May 2021 and Notice of Meeting released to the ASX on 20 April 2021 for more details of the terms of these options.

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares under performance rights
There were no unissued ordinary shares of Wellnex Life Limited under performance rights outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of Wellnex Life Limited issued on the exercise of options during the year ended 30 June 2025 and up to the date of this report.

Shares issued on the exercise of performance rights
There were no ordinary shares of Wellnex Life Limited issued on the exercise of performance rights during the year ended 30 June 2025 and up to the date of this report.

Indemnity and insurance of officers
The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services
The Board is responsible for the maintenance of audit independence. Specifically, the Risk Charter ensures the independence of the auditor is maintained by:

- limiting the scope and nature of non-audit services that may be provided; and
- requiring that permitted non-audit services must be pre-approved by the Board.

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During the year William Buck, the Group's auditor, has performed certain other services in addition to the audit and review of the financial statements. The Board has considered the non-audit services provided during the year by the auditor and in accordance with the advice provided by the Board, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- The non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) as they did not involve reviewing or auditing the auditors own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of the amounts paid to the auditor of the Group, William Buck, for audit and non-audit services provided during the year are set out in Note 26.

Rounding of amounts
The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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 directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Zack Bozinovski
Executive Director

30 September 2025
Melbourne

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WilliamBuck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Wellnex Life Limited

As lead auditor for the audit of Wellnex Life Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Wellnex Life Limited and the entities it controlled during the year.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

N. S. Benbow
Director
Melbourne, 30 September 2025

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Wellnex Life Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	Consolidated 30 June 2025 $'000	30 June 2024 $'000
Revenue from sale of goods	5	23,625	16,828
Other income		202	108
(Loss on extinguishment)/Gain on modification of convertible notes	10	(61)	663
Expenses			
Raw materials and consumables used		(16,746)	(11,859)
Administrative and corporate expenses		(3,179)	(2,785)
Share based payments issued to third parties		(4,189)	(491)
Employee benefits expense		(4,009)	(4,584)
Selling, marketing and distribution expenses		(2,738)	(2,893)
Depreciation and amortisation expense		(1,379)	(774)
Impairment of assets		(1,482)	(4,445)
Transaction costs of the Pain Away acquisition	18	(507)	(1,112)
Capital raising costs - AIM		(701)	-
Additional consideration for PainAway brand acquisition	18	(1,813)	-
Finance costs		(2,627)	(2,395)
Loss before income tax expense		(15,604)	(13,739)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the owners of Wellnex Life Limited		(15,604)	(13,739)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to the owners of Wellnex Life Limited		(15,604)	(13,739)
		Cents	**Cents**
Basic loss per share	22	(53.33)	(80.78)
Diluted loss per share	22	(53.33)	(80.78)

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

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Wellnex Life Limited
Statement of financial position
As at 30 June 2025

	Note	Consolidated 30 June 2025 $'000	30 June 2024 $'000
Assets			
Current assets			
Cash and cash equivalents		497	903
Trade and other receivables	6	2,593	4,382
Inventories	7	4,043	3,630
Prepayments and other current assets		1,257	980
Total current assets		8,390	9,895
Non-current assets			
Other receivables	6	-	120
Property, plant and equipment		10	28
Right-of-use assets		-	46
Intangibles	8	19,724	20,835
Total non-current assets		19,734	21,029
Total assets		28,124	30,924
Liabilities			
Current liabilities			
Trade and other payables	9	10,228	7,438
Contract liability	5	370	-
Borrowings	10	5,708	10,615
Lease liabilities		-	52
Employee benefit provisions		457	459
Deferred consideration	18	-	5,650
Other liabilities		-	564
Total current liabilities		16,763	24,778
Non-current liabilities			
Employee benefit provisions		112	86
Total non-current liabilities		112	86
Total liabilities		16,875	24,864
Net assets		11,249	6,060
Equity			
Issued capital	11	151,447	130,557
Reserves		776	2,085
Accumulated losses		(140,974)	(126,582)
Total equity		11,249	6,060

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

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Wellnex Life Limited
Statement of changes in equity
For the year ended 30 June 2025

Consolidated	Issued capital $'000	Share-based payment reserve $'000	Convertible loan reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2023	112,424	3,250	477	(115,557)	594
Loss after income tax expense for the year	-	-	-	(13,739)	(13,739)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(13,739)	(13,739)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 11)	18,679	-	-	-	18,679
Vesting charge for share based payments	(546)	1,072	-	-	526
Expiry of options	-	(2,345)	-	2,345	-
Derecognition of reserve upon modification of the terms of convertible loans (refer to Note 10)	-	-	(369)	369	-
Balance at 30 June 2024	130,557	1,977	108	(126,582)	6,060

Consolidated	Issued capital $'000	Share-based payment reserve $'000	Convertible loan reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2024	130,557	1,977	108	(126,582)	6,060
Loss after income tax expense for the year	-	-	-	(15,604)	(15,604)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(15,604)	(15,604)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 11)	20,890	-	-	-	20,890
Expiry of options	-	(1,201)	-	1,104	(97)
Derecognition of reserve upon extinguishment of convertible loans (refer to Note 10)	-	-	(108)	108	-
Balance at 30 June 2025	151,447	776	-	(140,974)	11,249

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

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Wellnex Life Limited
Statement of cash flows
For the year ended 30 June 2025

	Note	Consolidated 30 June 2025 $'000	30 June 2024 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		22,185	16,535
Payments to suppliers and employees (inclusive of GST)		(23,913)	(21,305)
Transaction costs related to Pain Away acquisition		-	(1,172)
Interest received		-	2
Interest and other finance costs paid		(228)	(878)
Net cash used in operating activities	21	(1,956)	(6,818)
Cash flows from investing activities			
Loans provided for One Life joint venture		-	(120)
Payments for Pain Away deferred consideration	18	(6,950)	-
Pain Away acquisition payments	8	-	(13,300)
Net cash used in investing activities		(6,950)	(13,420)
Cash flows from financing activities			
Proceeds from issue of shares	11	15,900	20,150
Transaction costs related to issues of equity		(3,679)	(2,804)
Proceeds from borrowings		16,791	8,132
Proceeds from related party loans		120	2,513
Repayments of related party loans		(108)	-
Repayment of borrowings		(20,472)	(7,062)
Repayment of lease liabilities		(52)	(110)
Net cash from financing activities		8,500	20,819
Net increase/(decrease) in cash and cash equivalents		(406)	581
Cash and cash equivalents at the beginning of the financial year		903	322
Cash and cash equivalents at the end of the financial year		497	903

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

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Note 1. General information

The Annual financial report cover Wellnex Life Limited as a consolidated entity consisting of Wellnex Life Limited and the entities it controlled at the end of, or during, the year. The Annual financial report is presented in Australian dollars, which is Wellnex Life Limited's functional and presentation currency.

Wellnex Life Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Building 2, Level 3, Suite 72,
574 Plummer Street
Port Melbourne VIC 3207

The Annual financial report were authorised for issue, in accordance with a resolution of directors, on 30 September 2025. The directors have the power to amend and reissue the Annual financial report.

Note 2. Material accounting policy information

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, unless otherwise noted.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 17.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Wellnex Life Limited ('Company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. Wellnex Life Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

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Note 2. Material accounting policy information (continued)

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Revenue recognition
The consolidated entity recognises revenue as follows:

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery and is net of any contracted rebates or discounts that are contracted with the retailer or wholesaler.

Discretionary rebates or discounts that are not part of any contact are treated as marketing expense with the revenue recognised on the invoice issued to the respective retailer or wholesaler. Discounts, rebates or rebates offered by customers directly linked to the sale of goods are represented net of revenues.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

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Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the current or next financial year are discussed below.

Share-based payment transactions
Unless noted otherwise, the consolidated entity measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of option-based transactions is determined by using either the Binomial or Black-Scholes model taking into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, as well as the terms and conditions upon which the instruments were granted.

Revenue from contracts with customers involving sale of goods
When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the consolidated entity is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Provision for impairment of inventories
The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Divestment of The Iron Company
The Iron Company products were primarily sold by BSPS Pty Ltd within the Australian consumer and health products retail market. As the Group continues to operate within this segment, the Directors consider that The Iron Company does not represent a separate major line of business for the purposes of AASB 5 Non-current Assets Held for Sale and Discontinued Operations. Accordingly, its divestment has not been classified as a discontinued operation. In forming this view, the Directors exercised judgement as aforementioned and also by considering the scale and contribution of The Iron Company to the Group's overall results.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences and/or tax losses only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses. No deferred tax assets were recognised as at 30 June 2025.

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Note 3. Critical accounting judgements, estimates and assumptions (continued)

Going concern
The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and liabilities in the ordinary course of business. The going concern of the consolidated entity is dependent upon it maintaining sufficient funds for its operations and commitments.

The consolidated entity made a loss after tax of $15,604,000 during the year ended 30 June 2025 and the net cash used in operating activities was $666,000. The cash balance as at 30 June 2025 was $497,000. The deficiency of current liabilities over current assets as at 30 June 2025 was $6,538,000.

These factors indicate a material uncertainty which may cast significant doubt as to whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Notwithstanding these results, the accounts have been prepared on the basis that the consolidated entity will continue its business activities (and that, therefore, the consolidated entity is a going concern) for the following reasons:

- the consolidated entity since the acquisition of Pain Away is generating high margin revenue that will generate positive cashflow for the business and the consolidated entity is also seeing growth in our other brands;
- the extension of the IP licensing arrangement will generate additional revenue and cashflow for the business;
- the consolidated entity holds significant inventory including in some cases 12 months' supply to manufacture products, with the inventory held at 30 June 2025 being able to generate circa $4 million in sales;
- the consolidated entity also has the ability to raise additional capital through its lead Australian broker and they have provided non-binding support that they will raise additional capital as required, through a placement. In addition, through the company's listing on AIM, the Company has access to a broader spread of investors, including UK based institutional investors
- On 31 July 2025, the Company announced that the Group had entered into a secured loan facility of A$2.825 million with Reach Wholesale ("Reach") for a 24-month term at an interest rate of 14%. Additionally on 19 September 2025, the Group entered into an additional secured loan facility with Reach for up to A$2.5 million, also for a 24-month term at an interest rate of 14%.

  As at 30 September 2025, $4.135 million has been drawn down, with A$1.19 million remaining available to the Group.
- During the financial year, the Group entered into negotiations with certain vendors and successfully agreed to payment plans and extended payment terms for selected accounts payable balances. These arrangements were made to support the Group's short-term liquidity position and working capital management.
- The Group continues to assess opportunities to unlock value through the potential disposal of non-core assets. The Group believes it has the ability to execute such disposals, if required, within a reasonable timeframe and at values that reflect fair market conditions, with proceeds from any such transactions directed towards strengthening the balance sheet.
- The Group intends to settle its outstanding accounts payable balances on an ongoing basis through a combination of profitable trading activities and potential future capital raisings if required.
- the consolidated entity has the ability to significantly curtail expenses.

Note 4. Operating segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

During the 2024 financial year the consolidated entity acquired the assets of Pain Away. The business operates in the same business and geographical segment as the rest of the Group, being a provider of high quality Australian made health and wellness products throughout Australasia. All of the Group's revenue during the financial year was generated by its Australian entities, and all assets were also held by these Australian entities.

Revenues of the consolidated entity are recognised at a point in time.

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Note 5. Revenue

	Consolidated	
	30 June 2025 $'000	30 June 2024 $'000
Revenue from sale of goods - recognised at a point in time	23,625	16,828

During the financial year, the Group generated more than 10% of its revenue from three individual customers, with total sales to these customers amounting to $13,730,000 (30 June 2024: $8,505,000). Apart from these, no other customer individually accounted for more than 10% of the Group's revenue.

Consolidated	30 June 2025 $'000	30 June 2024 $'000
Geographical regions		
Australia	21,877	16,828
New Zealand	275	-
United Kingdom	1,473	-
	23,625	16,828

Note 6. Current assets - trade and other receivables

	Consolidated	
	30 June 2025 $'000	30 June 2024 $'000
Current Asset		
Trade receivables	2,593	4,329
Deposits	-	53
	2,593	4,382

Allowance for expected credit losses
The ageing of trade receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
Consolidated	30 June 2025 %	30 June 2024 %	30 June 2025 $'000	30 June 2024 $'000	30 June 2025 $'000	30 June 2024 $'000
Not overdue	-	-	2,498	4,128	-	-
30 to 60 days overdue	-	-	95	163	-	-
60 to 90 days overdue	-	-	28	1	-	-
90 days overdue	50%	97%	183	37	76	36
			2,804	4,329	76	36

Note 7. Current assets - inventories

	Consolidated	
	30 June 2025 $'000	30 June 2024 $'000
Finished goods - at cost	6,039	4,597
Less: Provision for obsolescence	(1,996)	(967)
	4,043	3,630

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Note 8. Non-current assets - intangibles

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Goodwill $'000	Patents & trademarks $'000	Brands $'000	Customer Relationships $'000	Formation costs $'000	Total $'000
Balance at 1 July 2023	993	89	1,636	221	523	3,462
Asset acquisition	-	-	21,360	-	-	21,360
Impairment of assets	(993)	(20)	(1,636)	(221)	(523)	(3,393)
Amortisation expense	-	(23)	(571)	-	-	(594)
Balance at 30 June 2024	-	46	20,789	-	-	20,835
Amortisation expense	-	(43)	(1,068)	-	-	(1,111)
Balance at 30 June 2025	-	3	19,721	-	-	19,724

(1) As at 30 June 2024, the group completed the acquisition of the Pain Away brand for total consideration of $21.36m.'

Intangible assets consist of the Group's brand assets which are amortizing over 20 years. As at 30 June 2025 these brand assets were represented by the Group's acquisition of Pain Away which was acquired for a purchase price of $21.36m. The directors have reviewed this assets for indications of impairment as at 30 June 2025 and have concluded that this asset has no indications of impairment.

In concluding this, the directors considered the following factors:

(a) the underlying financial performance of the PainAway brand cash-generating unit;
(b) external evidence of fair value of the asset in the Australian market; and
(c) the overall market capitalization of the Group relative to its net book values represented in the Statement of Financial Position.

Note 9. Current liabilities - trade and other payables

	Consolidated	
	30 June 2025 $'000	**30 June 2024 $'000**
Trade payables	6,767	4,316
Accruals	968	220
Payables to related parties	1,651	1,421
Wages and superannuation payable	463	426
Amounts payable to Australian Taxation Office	343	204
Other payables	36	851
	10,228	7,438

Note 10. Current liabilities - borrowings

	Consolidated	
	30 June 2025 $'000	**30 June 2024 $'000**
Trade and debtor financing	2,350	1,612
Convertible notes payable (net of deferred borrowing costs)	502	6,490
Related party borrowings	2,856	2,513
	5,708	10,615

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Note 10. Current liabilities - borrowings (continued)

Related party borrowings

Amounts due and payable to related parties of the Company are $2,856,000. Loans to related parties are unsecured, and during the period a 10% interest rate was placed on the amounts borrowed by the Company.

The loans were extended to a repayment date of 28 September 2026 and carry no equity conversion features and therefore are at terms that the directors consider are no more favourable to the related parties than at market terms. The loans and associated interest are repayable immediately upon resignation or termination of the relevant party.

Trade and debtor facility

In July 2021, the Company entered into a secured revolving trade and debtor facility with Scottish Pacific, with the key terms of this facility as follows:

- total value of financing facility: $3,800,000 (reduced from $5,300,000 on 1 August 2025)
- amount drawn down as at 30 June 2025: $2,350,000 (2024 $1,612,000)
- interest rate: Bank Bill Swap Bid Rate (BBSY) plus 4%
- this financing facility is secured by general and specific security deeds over all of the Company's assets and has first ranking over the consolidated entity's inventory and receivables.

Convertible Notes

- amount drawn down as at 30 June 2022: $6,150,000 (before costs);
- the secured note has a term of 24 months from issue;
- the secured note has a coupon rate of 9% per annum;
- conversion price: $0.21 (21 cents) per share, with the noteholder having the right to receive one option for every two shares converted at a strike price of $0.21 (21 cents) with a 24 month term from issue;
- the Company can at any time choose to repay the convertible note financing, with the note holders having the right on the issue of a redemption notice by the Company to convert the convertible note into fully paid ordinary shares;
- the convertible note financing is secured by general and specific security deeds over all of the Company's assets.

Revised Convertible Note Terms

Total secured liabilities

- Conversion price: the conversion price be reduced from $0.21 to $0.08;
- Coupon rate: the coupon rate be increased from 9% to 13%, for the period from 6 October 2023 until the maturity date;
- Maturity date: the maturity date be extended by 12 months to 21 June 2025; and
- Redemption: the Company can redeem the Convertible Note at its election (with the Noteholder’s consent) from 1 March 2024 onwards, subject to payment of an early redemption fee equal to the 3 months’ interest.

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Note 10. Current liabilities - borrowings (continued)

Following the completion of the capital raise on the AIM market of the London Stock Exchange, part of the proceeds were applied to fully settle the outstanding balance of the convertible notes, which were originally scheduled to mature on 21 June 2025. The early redemption triggered an obligation for the Group to incur additional financial costs amounting to $607,009, recognized in the profit or loss statement for the year ended 30 June 2025.

During the financial year, the convertible note balance including principal, accrued interest, and early redemption costs was satisfied as follows:

(a) $2.19 million of convertible notes were converted at $0.65 per share, and
(b) $4.5 million was repaid in cash.

A loss on extinguishment of the convertible note loan amounting to $61,000 was recorded in the statement of profit or loss for the financial year. This loss arose on the settlement of the convertible note liability through a combination of cash repayments and the issue of ordinary shares to noteholders, as outlined above. The loss represents the difference between the carrying amount of the extinguished liability and the aggregate fair value of the consideration transferred, in accordance with AASB 9 Financial Instruments

As at 30 June 2025, a convertible note liability of $0.50 million remains, comprising $0.06 million of coupons payable in cash and $0.44 million to be settled through the issuance of shares. This remaining balance is expected to be settled subsequent to the 30 June 2025 financial year end.

Note 11. Equity - issued capital

	Consolidated			
	30 June 2025 Shares	**30 June 2024 Shares**	**30 June 2025 $'000**	**30 June 2024 $'000**
Ordinary shares - fully paid	67,771,528	1,289,554,351	151,447	130,557

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Note 11. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 July 2023	423,719,190		112,424
Placement of shortfall shares	28 July 2023	9,563,120	$0.05	478
Issue of shares for placement of Pain Away	13 October 2023	34,000,000	$0.028	-
Issue of shares to 365 Health as part of purchase consideration for Pain Away asset acquisition *	3 November 2023	20,000,000	$0.028	560
Issue of shares for acquisition of Pain Away	14 December 2023	487,282,310	$0.028	13,644
Issue of shares for placement	15 December 2023	53,839,556	$0.028	1,507
Issue of shares for placement	20 December 2023	6,000,000	$0.028	-
Issue of shares to 365 Health for management services	20 December 2023	20,000,000	$0.028	560
Issue of shares for placement	29 February 2024	35,714,284	$0.028	1,000
Issue of shares for placement	14 March 2024	63,571,428	$0.028	1,780
Issue of shares to lead manager for capital raise	18 March 2024	68,000,000	$0.022	1,496
Issue of shares for placement	1 May 2024	39,284,285	$0.028	1,011
Issue of shares for exercise of options **	31 May 2024	8,750	$0.05	-
Issue of shares to 365 Health as part of purchase consideration for Pain Away asset acquisition *	20 December 2023	28,571,428	$0.028	800
Capital raising costs		-	-	(4,703)
Balance	30 June 2024	1,289,554,351		130,557
Issue of ordinary shares to settle employee agreements	1 July 2024	435,438	$0.025	11
Issue of ordinary shares - Issued for corporate advisory services	19 July 2024	12,500,000	$0.028	350
Issue of ordinary shares	7 August 2024	99,392,863	$0.028	2,783
Consolidation of shares 50:1		(1,373,843,902)	-	-
Issue of ordinary shares	19 November 2024	357,142	$1.40	499
Issue of ordinary shares	27 December 2024	321,429	$1.40	450
Issue of ordinary shares	30 December 2024	200,000	$1.40	280
Issue of Ordinary Shares - Issued for Corporate Advisory Services	19 November 2024	1,600,000	$0.61	968
Issue of shares for placement	5 February 25	1,111,111	$0.68	750
Fees paid in shares	5 February 25	100,000	$0.65	65
Reach fees	7 February 25	1,500,000	$0.80	1,200
Settlement of liabilities	7 February 25	871,429	$0.80	697
Rights issue	5 March 25	3,371,073	$0.65	2,191
PainAway deferred consideration	14 March 25	480,770	$0.65	313
Shortfall rights issue	21 March 25	16,429,627	$0.65	10,679
Convertible notes conversion	21 March 25	3,369,231	$0.65	2,190
Shares to corporate advisors	21 March 25	7,642,825	$0.65	4,968
Shares issued in lieu of interest charges on convertible notes	21 March 25	840,546	$0.65	546
Pain Away Deferred Consideration	25 March 25	403,226	$0.65	250
Shortall offer UK	31 March 25	488,216	$0.65	317
Settlement of liabilities	20 May 2025	646,153	$0.65	420
Capital raising costs		-	-	(9,037)
Balance	30 June 2025	67,771,528		151,447

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

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Note 11. Equity - issued capital (continued)

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 12. Financial instruments

Financial risk management objectives
The consolidated entity's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits.

Market risk

Price risk
The consolidated entity does not currently face material price risk as it does not trade in products, nor hold investments, which are expected to be exposed to material price fluctuations.

Interest rate risk
As at reporting date the Consolidated Entity has a trade finance facility which is subject to material interest rate risk arising from borrowings. If the interest rate of on the trade finance facility varied by 5% it would not have a material impact on the consolidated entity. The cash holding of the Consolidated Entity is highly liquid and short-term in nature and has no material fair value risk to changes in interest rates.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

The consolidated entity has a credit risk exposure with trade receivables, which as at 30 June 2025 owed the consolidated entity $2.6 million (30 June 2024: $4.3 million). This balance was within its terms of trade and no impairment was made as at 30 June 2024. Management closely monitors the receivable balance on a monthly basis and is in regular contact with this customer to mitigate risk.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

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Note 12. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required, or expected, to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 30 June 2025	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives						
Non-interest bearing						
Trade payables	-	8,678	-	-	-	8,678
Accruals	-	968	-	-	-	968
Other payables	-	842	-	-	-	842
Interest-bearing - variable						
Trade debtor facility	11.12%	2,350	-	-	-	2,350
Borrowings	-	502	-	-	-	502
Loans from related parties	10.00%	2,856	-	-	-	2,856
Total non-derivatives		16,196	-	-	-	16,196

Consolidated - 30 June 2024	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives						
Non-interest bearing						
Trade payables	-	5,737	-	-	-	5,737
Accruals	-	220	-	-	-	220
Other payables	-	1,481	-	-	-	1,481
Loans from related parties	-	2,513	-	-	-	2,513
Deferred consideration	-	5,650	-	-	-	5,650
Interest-bearing						
Convertible loans	13.00%	6,490	-	-	-	6,490
Lease liability	-	52	-	-	-	52
Trade finance facility	11.22%	1,612	-	-	-	1,612
Total non-derivatives		23,755	-	-	-	23,755

Details about the financial guarantee contracts are provided in . The amounts disclosed in the above tables are the maximum amounts allocated to the earliest period in which the guarantee could be called upon. The consolidated entity does not expect these payments to eventuate.

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

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Note 13. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Short-term employee benefits	1,197,095	1,043,060
Post-employment benefits	65,422	80,604
Long-term benefits	16,060	22,155
Share-based payments	-	360,782
	1,278,577	1,506,601

Note 14. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck Audit (Vic) Pty Ltd, the auditor of the Company:

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Audit services - William Buck		
Audit or review of the financial statements	188,200	188,458
Other services - William Buck		
Tax compliance services	62,400	68,000
	250,600	256,458

Note 15. Contingent liabilities

A professional supplier of the Group has lodged a claim in respect of amounts allegedly due to it. The Group has legally rejected the claim, with the latest correspondence being received by the Group on the matter over 4 months ago. Due to the spurious nature of the claim, the Group is unable to quantify any potential financial impact of the claim or reliably assess the probability of an outflow of resources. While the Board has been advised the claim is without merit and believes it to be frivolous in nature, the matter has been disclosed as a contingent liability.

No other contingent liabilities exist as at 30 June 2025 (30 June 2024: $nil).

Note 16. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 13 and the remuneration report included in the directors' report.

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Note 16. Related party transactions (continued)

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	30 June 2025	**30 June 2024**
	$	**$**
Sale of goods and services:		
Consulting services rendered by a related party of a Director	(16,000)	-
3PL logistics costs paid to an entity controlled by a Director	(317,165)	(803,609)
Office lease payments made to an entity controlled by a Director	(58,200)	(114,801)
Purchase of inventory from an entity controlled by a Director	-	(1,486,103)
Financing costs incurred on purchases from an entity controlled by a Director *	(1,027,967)	-
Interest accrued on Director loans	(395,347)	-

Payable to related parties
The following balances are payable at the reporting date in relation to transactions with related parties:

	Consolidated	
	30 June 2025	**30 June 2024**
	$	**$**
Current payables:		
Loan from George Karafotias	760,108	738,000
Loan from Zack Bozinovski	2,096,239	1,775,000
Total	**2,856,347**	2,513,000

Refer to Notes 10 and 12 for further information on the related party loans.

Terms and conditions
All transactions were conducted on normal commercial terms and conditions and at market rates, apart from those marked *

* This transaction was approved by shareholders on 7 February 2025. The financing costs is linked to an inventory purchase of $1,486,103 in FY2024 from an entity controlled by the Director. These financing costs arose from the extension and subsequent renegotiation of payment terms, which resulted in the imposition of default interest on the outstanding purchase balance of $1,486,103.

Note 17. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	30 June 2025	**30 June 2024**
	$'000	**$'000**
Loss after income tax	(15,604)	(13,739)
Total comprehensive loss	(15,604)	(13,739)

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Note 17. Parent entity information (continued)

Statement of financial position

	Parent	
	30 June 2025 $'000	**30 June 2024 $'000**
Total current assets	8,390	9,895
Total assets	28,124	30,924
Total current liabilities	16,765	24,779
Total liabilities	16,877	24,865
Equity		
Issued capital	151,447	130,557
Share-based payments reserve	-	1,977
Convertible loan reserve	776	108
Accumulated losses	(140,974)	(126,582)
Total equity	11,249	6,060

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2025 and 30 June 2024.

Contingent liabilities
Refer to Note 15 (2024: nil)

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2025 and 30 June 2024.

Material accounting policy information
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 18. Asset acquisition

Acquisition of Pain Away brand asset
On 18 December 2023 the Company completed the asset acquisition of Pain Away brand asset and during this period settled the outstanding deferred consideration for the acquisition. Pain Away is the largest Australian-owned topical pain relief brand and second largest provider of topical pain relief products in Australia in market share terms. The business develops and manufactures topical pain relief products focused on joint and muscle pain using all natural ingredients.

In October 2024, the Company entered into discussions with the vendors of the Pain Away brand to negotiate a delay in the payment terms. The initial agreement, referred to as the October 2024 variation, amended the payment deadline to 20 January 2025. A subsequent variation agreement was entered into in January 2025 to extend the payment to March 2025.

The key changes in the deferred consideration amounts as agreed under the respective variation agreements is detailed below:

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Note 18. Asset acquisition (continued)

	October 2024 agreement	January 2025 agreement
Establishment fee	• $100,000 – payable on 31 October 2024 • $100,000 – payable on or before 31 December 2024	• $500,000 – payable on or before 24 January 2025
Additional payments – cash component	• $150,000 – payable on or before 20 January 2025 • $150,000 – payable on or before 1 March 2025	• $550,000 – payable on or before 3 March 2025; effectively increases the cash component from the $300,000 agreed in October 2024 • Thereby, the total deferred payments amount to $6.25 million, comprising: • $2.925 million (original first deferred payment) • $2.775 million (original second deferred payment) • $0.550 million (additional consideration from renegotiation)
Additional payments on 20 January 2025– equity component	• $150,000 payable in Wellnex shares within five business days from 20 January 2025, with the share price determined based on the closing price	• $150,000 payable in Wellnex shares on or before 27 January 2025, with the share price determined based on the closing price on 20 January 2025 • 250,000 Wellnex shares on or before 3 March 2025 • Effectively increases the equity component by an additional 250,000 shares

As a result of the variation agreements executed in the financial year to negotiate a delay in the payment terms of the deferred consideration, the Group incurred an additional cost of $1,813,000 in relation to the brand acquisition of which $1,250,000 was settled in cash and $563,000 was satisfied through shares. Additionally $517,000 of transaction costs were incurred in the financial year pertaining to duties paid on the brand acquisition, legal costs for the variations made in the year and consultancy fees incurred on the brand acquisition.

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Note 18. Asset acquisition (continued)

Details of the acquisition are as follows:

	Fair value $'000
Brand asset	21,360
Inventory	1,150
Acquisition-date total consideration transferred	22,510
Consideration paid:	
Advance cash deposit paid in 2023 Financial Year	(2,200)
Remaining deposit amount paid in the 2024 Financial Year	(13,300)
Less: deferred consideration	(5,650)
Less: shares issued by company as part of consideration	(1,360)
Consideration paid	(22,510)

Note 19. Interests in controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Principal activities	Parent Ownership interest 30 June 2025 %	Parent Ownership interest 30 June 2024 %
Wattle Health Australia Investments Pty Ltd	Australia	Investment	100.00%	100.00%
BSPS Aust Pty Ltd	Australia	Brand Solutions Australia and Pharma Solutions Australia businesses	100.00%	100.00%
BSPSPA Pty Ltd	Australia	Holds the IP and trademarks of Pain Away	100.00%	100.00%
1LH Pty Ltd (a)	Australia	Medical Cannabis	50.00%	50.00%
Cann Comm Pty Ltd (a), (b)	Australia	Technology - Tele Health	50.00%	-
Wellnex Life UK Ltd (a), (b)	United Kingdom	Sales and Distribution UK	100.00%	-

(a) Dormant entity with no trading activities or balances registered for the financial year. These entities held immaterial levels of trade for the financial year and had no material assets or liabilities that impacted these consolidated financial statements
(b) Incorporated by the Company during the financial year.

Note 20. Events after the reporting period

On 31 July 2025, the Company announced that the Group had entered into a loan facility via Reach Wholesale ("Reach") for A$2.825 million (the “Facility"). The Facility is secured over the assets of the Group's key subsidiaries for a 24-month term at an interest rate of 14% for the term of the Facility.

On 15 August 2025, the Company announced that joint Chief Executive Officer (CEO) & Managing Director (MD), Mr George Karafotias resigned from the Company from his employment and as director of the Company. The Company’s joint CEO & MD Mr Zack Bozinovski assumed the role of sole CEO & MD.

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Note 20. Events after the reporting period (continued)

On 9 September 2025, the Company announced its intention to appoint Ash Vesali as the new Non-Executive Chairman. Mr. Andrew Vidler, who served as Interim Non-Executive Chairman, stepped down from this role and continued to serve on the Board as an Independent Non-Executive Director.

On 15 September 2025, the Company announced that Mr Andrew Vidler, Independent Non-Executive Director, had resigned from his position on the Board.

On 19 September 2025, the Company announced that the Group has entered into an additional loan facility via Reach Wholesale ("Reach") for up to A$2.5 million (the "Additional Facility"). The Additional 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 Additional Facility.

On 19 September 2025, the Company announced the formal appointment of Ash Vesali as Non-Executive Chair.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 21. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	30 June 2025	**30 June 2024**
	$'000	**$'000**
Loss after income tax expense for the year	(15,604)	(13,739)
Adjustments for:		
Depreciation and amortisation	1,379	821
Impairment of non-current assets	-	86
Impairment of goodwill	-	3,346
Share-based payments	4,189	491
Impairment of inventory	1,297	967
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	1,789	(253)
Increase in inventories	(1,028)	(1,568)
Decrease in prepayments	76	2,713
Increase/(decrease) in trade and other payables	6,116	(160)
Increase/(decrease) in employee benefits	(170)	478
Net cash used in operating activities	(1,956)	(6,818)

Note 22. Loss per share

	Consolidated	
	30 June 2025	**30 June 2024**
	$'000	**$'000**
Loss after income tax attributable to the owners of Wellnex Life Limited	(15,604)	(13,739)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	29,260,693	17,006,998
Weighted average number of ordinary shares used in calculating diluted earnings per share	29,260,693	17,006,998

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Note 22. Loss per share (continued)

	Cents	Cents
Basic loss per share	(53.33)	(80.78)
Diluted loss per share	(53.33)	(80.78)

The loss per share for the previous year has been adjusted to reflect the consolidation of capital which has taken place during the year on a 50:1 basis.

The dilutive impact of shares, options and rights has not been included in the weighted average number of ordinary shares for the purposes of calculating diluted EPS as it does not meet the requirements for inclusion in AASB 133 'Earnings Per Share'. The rights to these shares, options and rights are non-dilutive as the consolidated entity is loss generating.

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Wellnex Life Limited
Consolidated entity disclosure statement
As at 30 June 2025

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Wellnex Life Limited	Body corporate	Australia	-	
BSPS Aust Pty Ltd	Body corporate	Australia	100.00%	Australia
BSPSPA Pty Ltd	Body corporate	Australia	100.00%	Australia
Wattle Health Investments Pty Ltd	Body corporate	Australia	100.00%	Australia
1LH Pty Ltd	Body corporate	Australia	50.00%	Australia
Cann Comm Pty Ltd	Body corporate	Australia	50.00%	Australia
Wellnex Life UK Ltd	Body corporate	United Kingdom	100.00%	United Kingdom

Basis of preparation

This Consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the Consolidated Entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency
Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Group has applied the following interpretations:

Australian tax residency
The Group has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Partnerships and Trusts
None of the entities noted above were trustees of trusts within the Group, partners in a partnership within the Group or participants in a joint venture within the Group.

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Wellnex Life Limited
Directors' declaration
30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Zack Bozinovski
Executive Director

30 September 2025
Melbourne

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Independent auditor's report to the members of Wellnex Life Limited

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of Wellnex Life Limited (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

- the consolidated statement of financial position as at 30 June 2025,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Material uncertainty related to going concern

We draw attention to Note 3 in the financial report, which indicates that the Group incurred a net loss after income tax of $15,604,000 and net operating cash outflows of $1,956,000 during the year ended 30 June 2025 and, as of that date, the Group's current liabilities exceeded its current assets by $8,373,000. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue recognition (cut-off)	**Area of focus (refer also to notes 2 and 5)** The Group recognises revenue from the sale of goods. In accordance with AASB 15 *Revenue from Contracts with Customers*, revenue is recognised when the Group's performance obligations are satisfied through the transfer of control of goods to the customer. Revenue recognition in respect of cut-off was considered a key audit matter due to the significance of revenue to the Group's financial statements and the heightened risk that transactions occurring near year-end could be recorded prematurely, before the satisfaction of related performance obligations.	**How our audit addressed the key audit matter** Our audit procedures included: — Obtaining an understanding of the Group's revenue stream and evaluating the appropriateness of the Group's principles to ensure that revenue is recognised in accordance with the criteria outlined in AASB 15; — Understanding management's process for monitoring the recognition and deferral of revenue; — For revenue transactions occurring immediately before and after year-end within a defined risk window, testing a sample of sales ledger entries by tracing them to supporting evidence such as cash receipts and delivery documentation, to confirm that revenue was recognised in the correct accounting period. — Testing on a sample basis, post-year-end sales returns and credit notes within a defined risk window, to determine whether revenue recognised before year-end required adjustment; — Evaluating the appropriateness of the Group's accounting policies and disclosures in the financial report.

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Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001,* and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

WilliamBuck
ACCOUNTANTS & ADVISORS

Report on the Remuneration Report

Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of Wellnex Life Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

N. S. Benbow
Director
Melbourne, 30 September 2025

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Wellnex Life Limited
Shareholder information
30 June 2025

The shareholder information set out below was applicable as at 26 September 2025.

Corporate Governance Statement

Refer to the Company's Corporate Governance statement at: https://www.wellnexlife.com.au/

Distribution of equity securities
Analysis of number of equity security holders by size of holding:

	Ordinary shares	
	Number of holders	% of total shares issued
1 to 1,000	3,478	0.83
1,001 to 5,000	530	1.94
5,001 to 10,000	184	2.11
10,001 to 100,000	381	18.31
100,001 and over	80	76.81
	4,653	100.00

In addition to the above securities, the Company has following unquoted equity security holders by size of holding:

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
Ordinary shares	**Number held**	**% of total shares issued**
Computershare Clearing Pty ltd (CCNL DI A/C)	12,620,320	18.62
Citicorp Nominees Pty Limited	4,147,717	6.12
Homart Group Pty Ltd	3,427,010	5.06
JYSF Management Pty Ltd (JYSF A/C)	2,629,181	3.88
J P Morgan Nominees Australia Pty Limited	1,480,610	2.18
Lotus Capital Group Pty Ltd	1,398,567	2.06
Kobella Holdings Pty Ltd (The Kobella Holding Unit A/C)	1,371,429	2.02
Major Halfpenny Pty Ltd (Palfreymanfamily S/F A/C)	1,053,846	1.55
JLO Enterprises Pty ltd (The Kobella Holding Unit A/C)	1,015,000	1.50
Mr James Moussa and Mrs Tracey Ann Moussa (PJET Super Fund)	903,324	1.33
365 Health Australia Pty Ltd	883,996	1.30
Mr Reid Jon Zulpo and Mrs Melissa Catherine Zilpo (RJ & MC Zulpo Family A/C)	866,317	1.28
Kirby Superannuation Pty Ltd (Kirby Super Fund A/C)	803,096	1.19
Netwealth Investments Limited (Wrap Services A/C)	787,888	1.16
HSBC Custody Nominees (Australia) Limited	754,967	1.11
Appwam Pty Ltd	750,666	1.11
Reach Investment Group Nominees Pty Ltd (R Markets Unit A/C)	720,787	1.06
ZJL Pty Ltd (The Bozinovski Family A/C)	667,473	0.98
GGP Investments Pty Ltd (GGP Superannuation Fund A/C)	654,656	0.97
Mr Jonathan Charles Minor and Ms Cherle-Lynn Mcconnell (Mcconnell-Minor Family A/C)	600,000	0.89
	37,536,850	55.37

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Wellnex Life Limited
Shareholder information
30 June 2025

Substantial holders
Substantial holders in the Company, as disclosed in substantial holding notices given to the Company under the Corporations Act, are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Homart Group Pty Ltd	3,427,010	5.06

Voting rights
The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options
Class A Unquoted Options, Class B Quoted Options and Consideration Options do not carry any voting rights until they convert into fully paid ordinary shares.

Other information
There is no current on-market buy-back of the Company's securities.

The Company's securities are not quoted on any exchange other than the ASX

The Company's Company Secretary is Mr Kobe Li.

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