

Wellnex Life Refinances Convertible Notes

- Wellnex Life are refinancing previously unconverted Notes on more favourable terms.
- Wellnex Life will issue new Notes of up to \$2.5 million at conversion price of \$0.20 per share with a coupon rate of 9%, expiring 13 months from issue.
- Refinancing of Convertible Notes will ensure Wellnex Life has the capital to execute on its strategy to be first or fast-to-market with products that consumers really want.

Wellnex Life Limited (ASX: WNX) (the Company or WNX) is pleased to announce it has refinanced its previous, unconverted Loan Note to the value of \$2 million, with the issue of new Convertible Note, raising up to \$2.5 million on more favourable terms.

The new Notes have a conversion price at \$0.20 per share, compared to \$0.15 on the previous Notes. The coupon rate has been reduced from 12% to 9%, with the new note having an expiry of 13 months from issue. In the event of a conversion, the new Notes will allow the Noteholders to be issued one listed option at \$0.20 per share for every two shares converted, expiring 10 July 2023.

The new raise will refinance the previous, converted Note on issue totalling \$2 million, after the Company successfully converted \$1.5 million of the original Notes at a conversion price of \$0.15. Reach Corporate as the company's corporate advisor is the lead manager on the new Note raise.

Julius Cohen, Executive Director of Reach Corporate & Board Advisor, said: "The convertible note at favourable terms shows the support from investors to support the company and the strategy going forward. We look forward to the next 12 months and seeing the company grow revenues further"

This new raising provides the Company with adequate capital to execute its current business plans. With revenue in the first two months of FY22 up circa 49% compared to the prior corresponding period and the imminent launch of four new brands - *Wagner Liquigesics*, *Wakey Wakey*, *The Iron Company* and *Performance Inspired* - Wellnex expects revenue to continue to accelerate through the financial year.

George Karafotias, CEO of Wellnex Life, said: "We are pleased to have been able to refinance Wellnex Life with the issue of up to \$2.5 million new Convertible Notes on more favourable terms. I'd like to thank Reach Corporate for assisting with the refinance given the progress the Company has made since the original Note was issued. This raise will see Wellnex Life well-funded for expansion



and we are keenly focused on increasing sales of our existing product lines as well as launching new, exciting brands and products that consumers really want, whilst seeking to deliver value to shareholders.”

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This announcement has been authorised for release on the ASX by the Company's Board of Directors.

ENDS

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About Wellnex Life

Wellnex Life (ASX: WNX) is an Australian brand and distribution company of customer-focused health and wellness products. The company's large portfolio, first-to-market strategy and established retail distribution network provide an attractive business model for growth and profitability. Wellnex's mission is to deliver health, wellness, and vitality solutions to consumers in Australia and worldwide.



Convertible Note – Material Terms

Amount - \$2,500,000

Coupon Rate – 9% per annum (payable quarterly in arrears)

Penalty Interest – 18% per annum

Term – 13 months from issue

Conversion - \$0.20 per share

Bonus Option – 1 listed option at \$0.20 expiring 10 July 2023 for every 2 shares converted

Conversion/Redemption – The Company can redeem at any time (minimum interest payable of 6 months).

On the issue of a redemption notice the noteholder has 2 business days to ask for a full or partial conversion.