

NGS Secures Finance and Strategic Investment

HIGHLIGHTS

- **NGS has secured A\$400,000 in subscriptions for Convertible Notes, providing financial flexibility to further execute on the strategic restructure program and continue to advance the Company towards being cash-flow positive.**
- **Key terms of the Convertible Notes include 12% p/a interest rate with the right to convert to fully paid shares at 20% discount at the next Capital Raise with a term of 3 years.**
- **The funding was led by TAKE Global, a strategic advisory firm founded by Kristy Carr and Dennis Lin.**
- **NGS has been working with TAKE Global on reviewing a range of opportunities to scale the business and accelerate its growth by taking advantage of its USA distribution network and structure.**

Nutritional Growth Solutions (**ASX:NGS**) ("**NGS**", or the "**Company**") a global nutrition company creating clinically proven products to support growth and development in children, is pleased to advise it has secured \$400,000 in working capital to support sales growth and sales channel expansion as the Company continues to advance towards being cash flow positive.

The Company has entered into an agreement providing funding of A\$400,000 by the way of applications for Convertible Notes to a range of sophisticated investors. The investment was anchored and led by TAKE Global Group, an investment and advisory firm founded by Kristy Carr and Dennis Lin, experienced operators and investors in the nutrition industry.

The Company has been working with TAKE Global since December 2023 in assessing potential growth options. Through period of engagement, Kristy Carr and Dennis Lin have developed significant confidence in NGS business resulting in an investment in the Company. The terms of the Convertible Notes are contained in a schedule to this announcement and are issued using the Company's existing placement capacity under ASX Listing Rule 7.1.

NGS will apply the capital raised under the Convertible Notes to continue to drive profitable growth, and assess other inorganic growth options including potential acquisitions, that will complement the existing business.

NGS CEO, Stephen Turner, commented: "We welcome this funding support from TAKE Global and other existing supporters. The additional working capital will be immediately applied to continue to drive growth in sales revenue and gross profit contribution, as we move quickly to being in positive cash-flow. We are excited to have secured investment from a group with significant experience in industry that shares our vision, provides considerable validation of our business model."

TAKE Global Managing Partner, Kristy Carr, commented: "Over the past few months and following a strategic review of the Company, we have gained significant confidence in the NGS team and their ability to execute a vision of delivering a hyper growth nutritional business in the USA, Australia, and Asia. We are very pleased for TAKE Global to make its first investment in this sector with NGS, and we look forward to working together with the team in continuing to execute on the Company's strategic vision."

-ENDS-

This announcement has been authorised for release by the CEO and the Chairman of the Board of Directors of Nutritional Growth Solutions Ltd.

For Further information

Stephen Turner
Chief Executive Officer
steve@healthyheights.com

Chloe Hayes
Investor and Media Relations
chloe@janemorganmanagement.com.au

About Nutritional Growth Solutions

Nutritional Growth Solutions is a global nutritional health company focused on the well-being of children. NGS develops, produces and sells clinically tested nutritional supplement formulae for children following 20 years of medical research into pediatric nutrition at Schneider Children's Medical Centre, Israel's largest pediatric hospital. The nutritional supplements market has experienced tremendous growth in recent years, but most attention has been focused on adult users and children under three years of age. The three to twelve-year-old consumers represent a larger market opportunity and NGS is highly differentiated from its competitors with clinically tested products and an expanding product portfolio to capture this market opportunity.

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Annexure A – Convertible Note Terms

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| Number of Convertible Notes subscribed for: | 400,000 |
| Face Value of each Note: | \$1.00 |
| Interest rate | 12% per annum |
| Conversion | The Face Value and accrued interest (Outstanding Amount) will automatically convert into ordinary shares in NGS (Shares) with such number determined by dividing the Outstanding Amount by a 20% discount to the price per Share achieved at the next capital raise conducted by NGS. |
| Redemption | If the Convertible Notes have not been earlier converted, then the Convertible Notes will be convertible for cash on the earlier of: <ul style="list-style-type: none"> • In the event of an insolvency event; and • On the date that is 3 years following the issue of the Convertible Notes. |
| Issue date | It is proposed that the Notes will be issued on 6 February 2024 and will be issued within the placement capacity of the Company under ASX Listing Rule 7.1. |