

## WELLFULLY PLACEMENT COMPLETED

### Placement

Wellfully Limited (ASX: WFL) (Wellfully or the Company) is pleased to announce a capital raise of up to \$1.49 million (Placement) via commitments from sophisticated and professional investors of CPS Capital Group Pty Ltd (CPS Capital)(Lead Manager).

### Use of Funds

The Company will use funds raised to:

1. Support the in-house development of the Company's commercial footprint leveraging Wellfully's industry knowledge and network in order to seek most resource-efficient outcomes in:
  - DTC channel development for the Company's beauty and health brands, RÉDUIT and SWISSWELL;
  - Campaign, retail and distribution channels of importance for brand positioning and notoriety;
  - Scaling and expanding the Company's sourcing infrastructure and securing related high-margins.
2. Provide working capital needed to maintain and improve the current top line growth trend.

### The Placement

The Placement is to sophisticated and professional investors as introduced by the CPS Capital. The Placement will comprise of a maximum issue of up to 135,454,545 fully paid ordinary shares at \$0.011 per share. This represents a discount of 20% to the 5 day VWAP of \$0.014 per share, calculated for the 5 day period prior to the Company entering into a trading halt on 20 February 2023.

The Company obtained shareholder approval at its Extraordinary General Meeting held on 25 January 2023.

99,090,909 shares will be issued utilising this approval under Listing Rule 7.1 for the Placement. The remaining 36,363,636 shares will be subject to shareholder

approval under Listing Rule 7.1 at a General Meeting proposed to be held in May 2023.

None of the participants in the Placement is a person or entity noted in Listing Rule 10.11.

The Placement includes a subscription by Kryshatzi Pty Ltd Atf Kvh Trust (Subscriber), pursuant to a subscription agreement dated 31 March 2023 (Subscription Agreement). Pursuant to the Subscription Agreement the Subscriber has agreed, subject to the requisite shareholder approvals having been obtained, to subscribe for shares in 5 tranches of 9,090,909 per tranche, for a subscription amount of \$100,000 per tranche, on 1 April 2023, 31 May 2023, 30 June 2023, 31 July 2023 and 31 August 2023. All relevant approvals required for the issue of shares pursuant to the Subscription Agreement must be obtained on or before 3 months from the date of the Subscription Agreement, failing which a party may terminate the Subscription Agreement. The Company intends to issue further cleansing prospectuses to facilitate each tranche of shares pursuant to the Subscription Agreement. The Subscription Agreement contains various other aspects which are considered standard for agreements of this nature.

All Placement Shares will rank equally with the existing fully paid ordinary shares on issue.

CPS Capital has agreed to act as Lead Manager and broker to the Placement. The Lead Manager will be paid a management fee of 2% and a placing fee of 4% of the gross proceeds of the Placement. In addition, in connection with the Placement and for its role as corporate advisor with respect to recent organisational restructuring recently undertaken by the Company, the Lead Manager is entitled to (i) be issued 45 million options at \$0.00001 per option (or to its nominee) at an exercise price of \$0.015 on or before 30 March 2027 (Broker Options), and (ii) be paid a monthly corporate advisory fee of \$6,000 (excluding GST) for a period of 12 months.

10 million of the Broker Options to be issued to the Lead Manager are intended to be issued utilising the Company's existing placement capacity pursuant to ASX Listing Rule 7.1 and offered pursuant to a Prospectus to be issued by the Company.

The remaining 35 million Broker Options to be issued are intended to be put to shareholders for approval pursuant to ASX Listing Rule 7.1 and offered pursuant to a subsequent Prospectus to be issued by the Company.

## Debt Restructuring – Paul Peros

The debt restructuring projects undertaken by CPS Capital and the Company are spearheaded by the conversion of loans and outstanding fees owed to Chairman Mr Paul Peros in the amount of \$410,000 that will be converted, if approved by shareholders, into 16,400,000 ordinary shares at a conversion price of \$0.025 per share. The conversion price of \$0.025 represents a 127% premium to the Placement conversion price.

The Company will seek shareholder approval for the conversion of Mr Paul Peros' loans and fees under Listing Rule 10.11 at a proposed General Meeting in May 2023.

## ABOUT WELLFULLY

Wellfully is a fully integrated, science-based wellness company. In addition to its own-brand, RÉDUIT, the Company also offers a portfolio of proprietary technologies and supports partners by providing IP-protected market exclusivity, expertise in magnetic array design, feasibility and efficacy, and claims testing, engineering and production.

Wellfully's established operations via its wholly-owned business units are:

- The Innovation & R&D unit provides technology to the other business units of the Company, as well as licensing and development services to international partners.
- The Design & Technology and Supply-chain hub in Dongguan, China has the ability to rapidly develop and industrialize the Company's technologies and innovations in an agile, efficient, secure and cost-effective manner.
- The Digital Communications and Marketing & Sales units are focused on supporting Wellfully's own consumer brands.
- BodyGuard is the Company's therapeutic unit and develops advanced "direct to site of injury" patch products for the wellness and pain management sectors. This technology also has applications across supplement, healthcare, and musculoskeletal sectors.

## ABOUT WELLFULLY'S TECHNOLOGIES

Wellfully has developed a number of physical enhancement technologies based on the interactions between ingredient molecules and weak atomic forces, positioning the Company as a world leader in the science of magnetic fields as they relate to drug or active-ingredient delivery.

The first of Wellfully's magnetic technologies was the Magnetic Microarray. Complex 3-D magnetic fields, produced by low-cost microarray film, influence the movement and penetration through the skin of drugs, active ingredients and formulations at the molecular level. This was licensed and commercialized in 2014.

The second magnetic technology, the Programmable Array technology, employs powered electromagnetic fields that can be altered to suit individual consumer's skincare needs. This was licensed for skincare applications in 2020.

The third magnetic technology uses magnetic fields to alter the wettability of a surface, substantially enhancing contact between liquid and solids. Magneto-Wetting underpins the Company's current developments in haircare, skincare and surface hygiene, in conjunction with Wellfully's recently developed Ultrasonic Misting technology. International patents have been filed.

## FORWARD-LOOKING STATEMENTS

This announcement contains certain "forward-looking statements" concerning Wellfully. Where Wellfully expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis.

Forward-looking statements provided in this announcement are based on assumptions and contingencies which are subject to change without notice. Such forward-looking statements including statements regarding intentions, planned events and potential results are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements, and there are risks associated with Wellfully and the industry which may affect the accuracy of the forward-looking statements. Wellfully does not undertake any obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this announcement or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

This release has been issued with the authorisation of the Board.

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