ASX/AIM Announcement

6 August 2026

Sale of Pain Away for up to A$21.3 million

Wellnex Life Limited (ASX/AIM: WNX) ("**Wellnex Life**" or the "**Company**") is pleased to announce it has entered into a formal binding agreement ("**Agreement**") to sell its "Pain Away" business and assets to Mentholatum Australasia Pty Ltd (“**Mentholatum**”) ("**Transaction**"). Mentholatum is ultimately owned by Rohto Pharmaceutical Co Ltd, a Japanese FMCG and pharmaceutical company listed on the Tokyo Stock Exchange.

The Transaction, which is subject to shareholder approval (amongst other customary conditions), represents an important strategic milestone for Wellnex Life, marking a defining step in the Company’s transformation by converting a flagship asset into capital which will be redeployed to repay debt, strengthen the Company’s balance sheet, and support the Company’s focus on its retained consumer healthcare and contract manufacturing operations as well as future growth opportunities.

Transaction Highlights

- Binding Agreement executed with Mentholatum, part of the global Mentholatum consumer healthcare group and subsidiary of Tokyo Stock Exchange listed Rohto Pharmaceutical.
- Total maximum consideration of up to **A$21.3 million** in cash, comprising upfront purchase price of **A$19.8 million** payable at completion, and an earn-out of up to **A$1.5 million** that is payable subject to threshold and target normalised EBITDA performance of the Pain Away business during the 12 months post-completion.
- Proceeds from the Transaction will be used to retire all of the Company’s borrowings, leaving Wellnex Life debt free at completion; remaining funds will be used for working capital purposes and may be used for other growth initiatives, as well as a potential return of capital to the shareholders.
- Completion is subject to customary closing conditions including Wellnex Life obtaining any necessary approvals from its shareholders required under AIM and ASX Listing Rules.
- Wellnex will convene a general meeting to seek shareholder approval on Tuesday 8 September 2026, with meeting documentation to be despatched shortly. The parties are targeting an indicative Transaction completion date on or shortly after the date shareholder approval is obtained by Wellnex.

A summary of the material terms of the Transaction is provided in **Annexure A.**

Background to the Transaction

In February 2026, the Company announced that it had received unsolicited preliminary interest from separate parties regarding the acquisition of the Pain Away brand. The Company had also received an indicative proposal for convertible note funding to support the brand's expansion into international markets.

Following a comprehensive review of the strategic and funding alternatives available to the Company, the Board concluded that a cash sale of Pain Away represented the most appropriate outcome available to shareholders.

During the financial year ended 30 June 2025, Pain Away contributed approximately $4.36 million in EBITDA and $13.38 million in revenue (both unaudited) to the Wellnex Life group. Gross assets (unaudited) of the Pain Away business as at 31 December 2025 were $22.76 million.

Strategic Rationale

The sale of Pain Away will provide Wellnex Life with cash proceeds to repay in full its outstanding debt, strengthen its balance sheet, and support the Company's focus on its retained consumer healthcare and contract manufacturing operations as well as future opportunities.

The Company intends to use the net sale proceeds received at completion (excluding the portion of the purchase price held in escrow) to:

- fully repay the Company's secured and unsecured borrowings (including interest) of approximately A$10.2 million, including repaying previously disclosed loans to former directors which were due for repayment at the end of August 2026, with the repayment date now extended to the date of completion of the Transaction at no additional cost to the Company; and

- support the working capital requirements for the Company's continuing operations, including to settle trade payables and other operating liabilities, and to scale the Company's existing business; pursue disciplined growth in the consumer-facing branded retail and distribution sector that Wellnex Life operates in; and/or to return surplus capital to shareholders, or a combination of them.

The Board will make an assessment on the use of remaining funds following completion of the transaction and will provide further update to shareholders in due course.

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The Remaining Business

Following completion, Wellnex will continue to operate its established liquid soft gel analgesics business, built on the Company's own TGA marketing authorisations.

The Company's contract manufacturing business is a capital-light business with growing international reach. Once the Company is debt free and has a strengthened balance sheet following completion of the Transaction, the Board's focus will be on scaling the Company to sustainable profitability and positive free cash flow, including through the addition of further products and markets within its existing global partnerships. The Board will also assess selective opportunities to invest in or acquire established consumer retail brands with proven distribution and attractive margins, applying disciplined investment criteria.

Shareholder approval for Transaction

Completion of the Transaction is subject to the Company obtaining all required shareholder approvals under the AIM Rules and the ASX Listing Rules. In this regard:

- the Company is required to seek approval of its shareholders under AIM Rule 15 to complete the Transaction, due to the size of the Pain Away business being divested relative to the size of the Company; and

- the Company has received in-principle advice from ASX that it will **not** require the Company to obtain shareholder approval for the purposes of Listing Rule 11.1.2 (*significant change to nature or scale*) or 11.2 (*disposal of main undertaking*) in respect of the Transaction.

The Company intends to convene an Extraordinary General Meeting of shareholders to be held on Tuesday 8 September 2026, to seek approval for the Transaction for the purposes of AIM Rule 15. Meeting documentation with further details will be despatched to shareholders shortly.

Completion of the Transaction is anticipated to occur shortly after shareholder approval is obtained, subject to satisfaction of the remaining conditions.

Interim Executive Chairman Eric Jiang said, "This transaction represents an important step for Wellnex Life, strengthening the Company's balance sheet and providing greater financial flexibility. Pain Away has been an important part of the Company's portfolio and the Board believes the transaction provides a clear route to realise value from the brand while supporting the Company's strategic priorities. In Mentholatum, the brand passes to a global consumer healthcare group which is well positioned to support its future development".

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About Mentholatum

Mentholatum Australasia Pty Ltd is part of The Mentholatum Company, a global health and wellness business owned by Rohto Pharmaceutical Co. Ltd. The Rohto / Mentholatum Group operates across international markets with a portfolio of trusted consumer healthcare, personal care, skincare and eye care brands. In Australasia, Mentholatum's success combines local marketing, sales, manufacturing, regulatory and strategic capabilities to support ongoing growth and innovation. Pain Away is a strong strategic fit with Mentholatum's product range which supports Mentholatum's purpose of making people's lives healthier and happier together with its values of trust, integrity, collaboration and continuous improvement. The acquisition provides an opportunity to expand a high-quality Australian health and wellness brand within a values-led global consumer healthcare business.

This ASX/AIM announcement has been authorised by the Board of Wellnex Life Limited (ASX/AIM:WNX).

The information contained within this announcement is deemed by the Company to constitute inside information pursuant to article 7 of EU Regulation 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended.

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To learn more, please visit: https://wellnexlife.com.au/

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Annexure A

Key terms of Transaction

Key term	Summary
Parties	The sellers are Wellnex Life Limited and its subsidiaries BSPS Aust Pty Ltd and BSPSPA Pty Ltd (together, the **Seller Parties**). The **Buyer** is Mentholatum Australasia Pty Ltd.
Business and assets being sold	All intellectual property rights, inventory, goodwill and other assets owned and used by the Seller Parties in operating the business conducted under the "Pain Away" brand.
Conditions precedent	Completion is subject to customary closing conditions including the Company obtaining any necessary approvals from its shareholders under AIM Rules and ASX Listing Rules
Sunset Date	Unless the parties agree otherwise in writing, the conditions must be satisfied or waived on or before 30 October 2026, failing which the Buyer or the Seller Parties may terminate the Agreement.
Purchase price	Total maximum purchase price of up to A$21.3 million in cash, comprising upfront purchase price of A$19.8 million payable at completion (subject to customary post-completion adjustments), and an earn-out of up to A$1.5 million, which is payable subject to threshold and target normalised EBITDA performance of the Pain Away business during the 12 months post-completion.
Escrow amount	An aggregate of A$1 million (out of the A$19.8 million completion payment) will be retained in an escrow account, and will be released to the relevant parties as follows: • $500,000 will be released to the Seller Parties following post-completion adjustments, less any amounts owing and released to the Buyer as a result of the agreed post-completion adjustments; • $200,000 will be released to the Seller Parties within 18 months of completion, less any amounts owing to and released to the Buyer following the outcome of stability testing of raw materials acquired at completion; and • $300,000 will be ringfenced to meet claims of the Buyer relating to Pain Away IP and brand protection made within 12 months of completion, with any balance to be released to the Seller Parties after the 12 month period.
Warranties, indemnities and liability	The Agreement contains Seller warranties and indemnities, and a limitation of liability regime, which are customary for a transaction of this nature.
Restraint	For a period of 5 years post completion, the Seller Parties are restrained from competing with the Pain Away business in Australia and New Zealand, or soliciting customers, employees, contractors and suppliers of Pain Away.
Termination rights before Completion	Termination rights are limited to where there is an unremedied material breach, a failure to meet conditions by the Sunset Date, or insolvency of a party.
Governing law and jurisdiction	Victoria, Australia.