

Wellfully Ltd and The Hut Group

Further to the Announcement lodged with the ASX on 17 September 2020, the Board and CEO of Wellfully Limited (ASX: WFL) (Wellfully or the Company) would like to elaborate on the following points in relation to The Hut Group (THG).

- The Agreement is a Retail Supply Agreement where Wellfully is the vendor/supplier and THG is the seller, as is standard practice for the beauty Industry;
- The term of the Agreement is ongoing and non-exclusive to both parties;
- Wellfully supplies product to THG at its wholesale selling price, and THG retails this product to its consumers based on its retail selling price;
- There are no minimum or maximum quantities and no consideration is payable under the agreement, other than the price paid by THG to purchase product; and
- Other than standard industry trading terms and conditions, there are no other material conditions that need to be satisfied.

Wellfully CEO Paul Peros said, "In a context where brick and mortar retail operations are in Covid-19-related difficulties across the globe, Wellfully has focused its commercial strategy on limiting exposure to current adverse market conditions."

On September 16, THG secured GBP 1.88 billion which according to Bloomberg* is the biggest listing at the London stock exchange in three years, and its shares opened at 20% above the listing value which is a record debut for an IPO over GBP 100M in London since 2018.

Paul Peros highlighted the importance of this for the Company, "With THG, we hope to have secured a deal with one of the largest pure-play beauty e-commerce operators globally. THG's recent IPO performance is testament to that.

RÉDUIT is a brand just in the process of developing its commercial footprint in a very difficult environment. In this respect, we will remain very careful in deciding on new product placements. We deem to have made a good decision with THG."

**Bloomberg - THG Shares Soar After \$2.4 Billion IPO to Ride Online Boom*
<https://www.bloomberg.com/news/articles/2020-09-16/thg-holdings-rides-online-shopping-boom-with-2-4-billion-ipo>

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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

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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.

- Ends -

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