

Appendix 4D

Name of Entity	Wellfully Limited
ABN	72 056 482 636
Financial Period Ended	31 December 2021
Previous Corresponding Reporting Period	31 December 2020

Preliminary financial statements for the half-year ended 31 December 2021 as required by ASX listing rule 4.2A

Results for announcement to the market (All comparisons to half-year ended 31 December 2020)	\$	Up/ (down)	Movement %
Revenue from ordinary activities	1,248,325	Up	268%
Loss for the period	(4,313,555)	Up	32%

Dividend information	Amount per share (cents)	Franked amount per share (cents)	Tax rate for franking credit
Final Dividend	Nil	Nil	NA
Interim Dividend	Nil	Nil	NA
Previous corresponding period	Nil	Nil	NA
Record date for determining entitlements to the dividends	NA	NA	NA

	31 Dec 2021	31 Dec 2020
Net tangible assets per security	\$0.0115	\$0.0083

Commentary on the Results for the Period

The earnings per security and nature of any dilution aspects:

Refer to the Statement of Profit or Loss and Other Comprehensive Income included.

Returns to shareholders including distributions and buy backs:

N/A

Significant features of operating performance:

Refer to Review of Operations section of the Directors' Report included.

The results of segments that are significant to an understanding of the business as a whole:

N/A

Discussion of trends in performance:

Refer to Review of Operations section of the Directors' Report included.

Any other factor which has affected the results in the period or which are likely to affect the results in the future, including those where the effect could not be quantified:

N/A

Control Gained Over Entities

Name of entity	Wellfully Ltd (Ireland)
Date control gained	9 July 2021

This information should be read in conjunction with the 2021 Annual Report.

Additional information supporting the Appendix 4D disclosure requirements can be found in the Directors' Report and the consolidated financial statements for the half-year ended 31 December 2021.

The financial statements were subject to a review by the Company's auditor and the review report is attached as part of the Interim Report.

The Interim Financial Report of Wellfully Limited for the half-year ended 31 December 2021 is attached.

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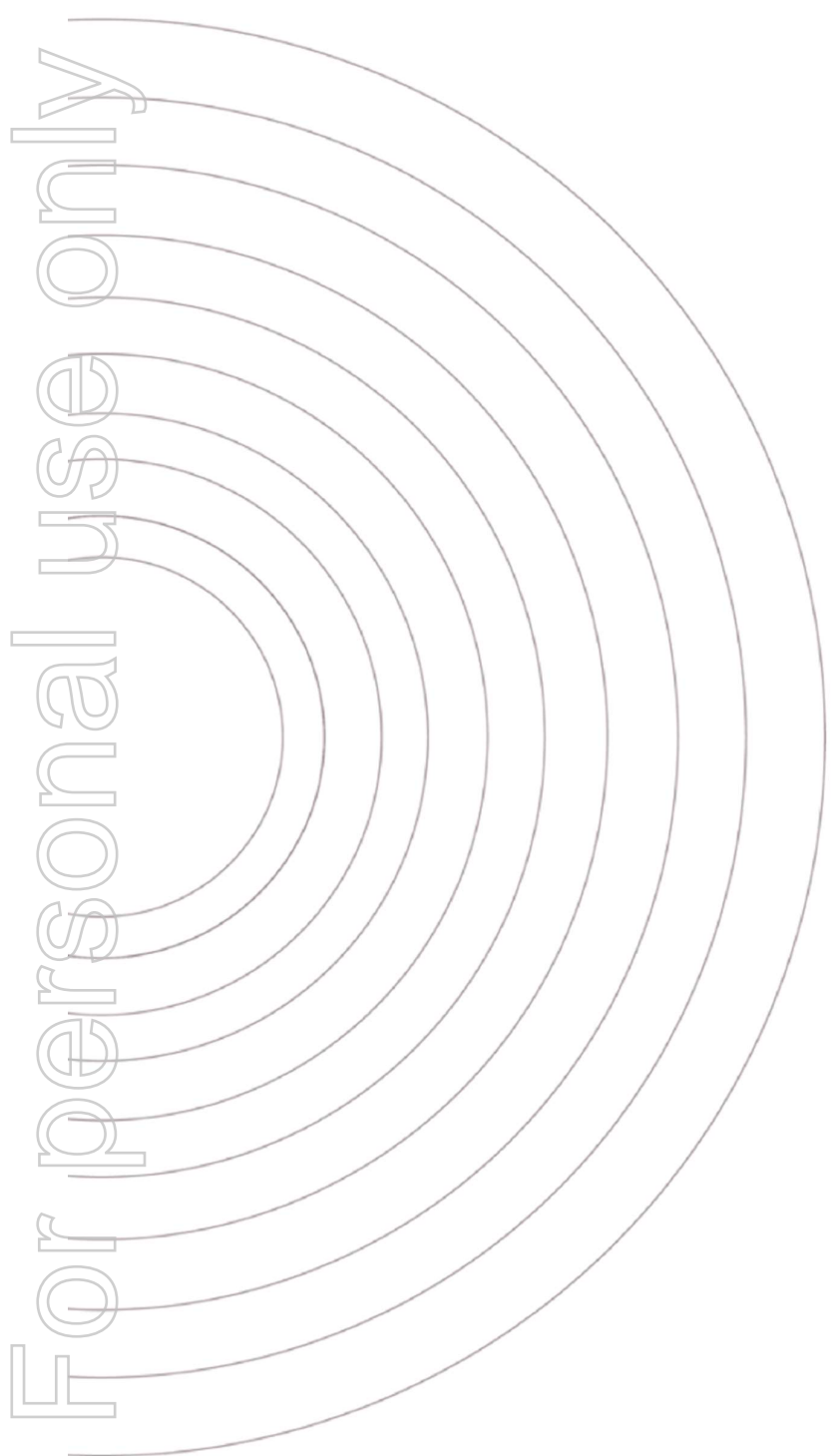
WELLFULLY LIMITED

(ABN 72 056 482 636)

INTERIM FINANCIAL REPORT

For the period ended 31 December 2021

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DIRECTORS' REPORT

The directors submit their Interim Financial Report on the consolidated entity consisting of Wellfully Limited and the entities it controlled ("Wellfully" the "Group" or the "consolidated entity") for the financial half year ended 31 December 2021. The consolidated financial statements are presented in Australian dollars, which is Wellfully's functional and presentation currency.

DIRECTORS

The names of directors who held office during or since the end of the interim period and until the date of this report are as follows.

Mr Antonio Varano della Vergiliana
Mr Jeffrey David Edwards
Mr Steven Lorn Schapera
Mr Cameron Reynolds (retired 3 December 2021)
Mr Anthony David Wright

Directors were in office for the entire period unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial half-year ended 31 December 2021 were research and development for its Dermaportation and ETP transdermal drug delivery technologies, as well as sales and marketing activities. There were no significant changes in the nature of the Group's principal activities during the financial half-year ended 31 December 2021.

OPERATING RESULTS

The net consolidated loss of the Group after income tax for the period covered by this Interim Financial Report was \$4,313,555 (31 December 2020: loss of \$3,272,623).

REVIEW OF OPERATIONS

Wellfully is at a critical inflection point as it moves from being a one vertical (Redit) company, active solely in the beauty space, to a two-vertical (now with Swisswell) company also present in the healthcare space with its pain relief offering. This is an important milestone, as laid out in the vision of the Company, which is "to become the world's first fully integrated, sustainable, science-based company spanning beauty, health and wellness industries."

After 2.5 years of building the science and developing the capability, we now have Redit bedded down and growing its presence in the beauty space. Importantly, Redit uses our own patented technology (developed in Perth, WA), is built in our own facilities (Switzerland and China), and is marketed and sold by our own team HQ'd in Zagreb, Croatia. Revenue is building steadily, is in line with our expectations, and industry recognition has been high.

As expected with any activity in the highly regulated pain-relief space, Swisswell has taken many years to reach commercialisation. Where we are today is the result of a large capital investment – human and financial – committed because of an absolute belief in a drug-alternative solution to the pain associated with joint osteoarthritis. As the reality of receiving regulatory approval finally seemed likely, thereby enabling the B2B launch of Swisswell as early as April 2022, the Company quickly deployed significant cash resources in Q2 2022 to support inventory build and other assets required for launch.

RÉDUIT

The development of Wellfully's premium beauty brand continued across three main fronts: DTC marketing, B2B collaborations with new retailers, as well as go-to-market preparations for RÉDUIT's new product introductions for 2022. Additionally, the establishment of Wellfully's robust vertically integrated operations enabled the Company to shift its focus to enhancing RÉDUIT's marketing initiatives.

Engagement with influencers, key opinion leaders and traditional media organisations continues to build valuable brand awareness, resulting in direct-to-consumer conversion through RÉDUIT's new online platform.

This resulted in an increase in the traffic through the brand's own site, Redit.com, by more than 5x as compared to Q1 FY 2022, lifting from 20,000 to over 100,000 visits. This was accompanied by a 6.3x increase in DTC sales, from \$28k to \$178k. This trend is likely to continue with the activities planned for Q3 FY2022.

As announced (ASX Release: 21 September 2021), Wellfully delivered its RÉDUIT based technology to BORK, which hosts a retail network consisting of 130 owned stores, ten prominent third-party retailers and 350,000+ direct consumers. The products were completed and shipped per the initial schedule, finalising the first tranche (~A\$750k) of the A\$2.0M total anticipated contract value.

At the same time, we have doubled the number of retail partners since September 2021, reaching over 20 retail groups, with important new partners including Sephora and Harrods. Both of these should result in additional placements in 2022. Industry recognition was also positively impacted by the brand's participation at the Beauty World Dubai in October 2021.

It should be noted that we continue to operate with multiple Covid challenges, including cancellation of key industry appointments through 2020 and most of 2021. The same is likely true for 2022 with the largest beauty industry fair, Cosmoprof Bologna, already moved from early March to end of April 2022 due to the omicron variant outbreak in Europe.



RÉDUIT Boost™ - the universal skincare applicator

In addition to the ongoing commercial activities, the second half of the period has been marked by scale-up and development of campaign-related asset preparations for new product introductions in 2022. These will be spearheaded by RÉDUIT Boost™, a universal skincare applicator unique in its ability to personalize enhanced delivery of actives, with simultaneous LED treatment.



RÉDUIT Boost™ - POS in WOW Madrid

Concurrently, first inroads were made in the commercialization of the new RÉDUIT Boost™ product. These encompass innovative point-of-sale (POS) concepts that will be part of the launch with selected retail partners. In addition to traditional display and product information, the new POS also have a unique experiential dimension allowing consumers to pre-configure their products at the time of purchase.

SWISSWELL

In August 2021 Wellfully launched its breakthrough, drug-free pain solution, SWISSWELL and its first product line, the Lubricen Knee Patch. This important milestone was reached after six years of diligent development and clinical validation.

The Company is pleased to announce that the soft launch of SWISSWELL exceeded expectations, with excellent consumer feedback and strong consumer engagement. Following the successful DTC-only launch of SWISSWELL Lubricen Knee Patch in August 2021, the Company has continued commercial scaling activities through the second quarter of FY2022.

The DTC platform, swisswell.com, has been evolved to encompass subscriptions, referrals and a loyalty program. This was accompanied by organizational development activities focused on campaign management and wide-scale sampling opportunities.

Initial feedback from customers has been most positive, giving greater confidence to management to make its first inroads into B2B distribution collaborations across a number of selected markets. These early discussions were successful, to the point that a presence in pharmacies and para-pharmacies is expected in 2022, subject to the regulatory approval received at the end of January 2022.

Going forward, Wellfully plans to progressively enhance SWISSWELL's sales and marketing initiatives, initially focused on building direct-to-consumer channels and brand awareness, followed by B2B collaborations.

GLOBAL COLLABORATIONS

As announced (ASX Release: 21 September 2021), Wellfully delivered its RÉDUIT based technology to BORK, which hosts a retail network consisting of 130 owned stores, ten prominent third-party retailers and 350,000+ direct consumers. The products were completed and shipped per the initial schedule, finalising the first tranche (~A\$750k) of the A\$2.0M total anticipated contract value.

The success of the launch with the Bork retail operation in Russia was confirmed by a replenishment order received in December 2021. New product introductions for 2022 are currently being evaluated by both parties as well as exploring options to extend the collaboration beyond the initially contracted 1-year period.

Through this reporting period, other industry collaborations have continued to evolve. One of the projects, with a prominent partner in personal care, has seen a successful completion of market tests and the subsequent go-live to market. New projects have also been initiated on a number of different enhanced drug delivery applications.

Wellfully's infrastructure, technology and product platforms remain highly attractive to global partners in healthcare and beauty. The Company is pleased to confirm that these collaborations (technology licensing & joint development projects), which are currently bound by non-disclosure agreements, continue to progress.

OVERSUBSCRIBED PLACEMENT RAISES \$5 MILLION

During October 2021 Wellfully completed a successful placement to new and existing institutional, sophisticated and professional investors. The placement raised \$5 million (before costs) through the issue of 38.4 million shares at \$0.13 per share, a discount of ~18% to the 20-day VWAP. Placement participants received one (1) free attaching option (\$0.20 strike price and 2-year expiry) for every three (3) shares subscribed for. The proceeds from the Placement will facilitate the advancement of the following activities:

1. RÉDUIT marketing and sales initiatives
 - Consumer engagement via enhanced marketing (influencer, key opinion leader (KOL) and media engagement)
 - Execution of new B2B collaborations in new and existing jurisdictions
2. Development and launch of new devices
 - Completion and launch of RÉDUIT Active Sunscreen and Boost Applicators
3. Global roll-out of SWISSWELL Lubricen pain patches
 - Initiation of marketing activities and engagement with potential collaborators
4. Global licensing, ODM and OEM collaborations

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year ended 31 December 2021.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.



Jeffrey Edwards
Director

Perth, Western Australia
28 February 2022

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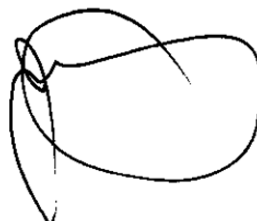
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Wellfully Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



RSM AUSTRALIA PARTNERS



JAMES KOMNINOS
Partner

Perth, WA
Dated: 28 February 2022

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	Note	31 Dec. 2021 \$	31 Dec. 2020 \$
Revenue and other income		1,248,325	339,636
Government grants		48	703,309
Net foreign exchange gains/(losses)		74,837	(368,525)
Borrowing costs		-	(13,276)
Depreciation expenses		(63,851)	(34,491)
Administration fees		(156,468)	(347,400)
Auditor's remuneration		(28,319)	(25,599)
Consultants and consultants benefits expenses		(343,209)	(38,587)
Directors and employees benefits expenses		(1,901,840)	(1,907,584)
Freight and courier		(99,599)	(69,256)
Legal costs		(58,943)	(41,291)
Marketing and operations services		(1,071,148)	(460,904)
Materials and requisites		(1,284,687)	(618,896)
Occupancy expenses		(190,479)	(64,871)
Patent and trademark service fees		(8,551)	(85,342)
Product design and trial testing expenses		-	(11,611)
Travel and accommodation		(70,218)	(58,775)
Other expenses		(359,453)	(169,160)
Loss before income tax		<u>(4,313,555)</u>	<u>(3,272,623)</u>
Income tax expense		-	-
Loss for the period		<u>(4,313,555)</u>	<u>(3,272,623)</u>
Other comprehensive income		16,068	431,366
Total comprehensive loss for the period		<u>(4,297,487)</u>	<u>(2,841,257)</u>
Loss attributable to:			
Members of the parent entity		<u>(4,313,555)</u>	<u>(3,272,623)</u>
Total comprehensive loss attributable to:			
Members of the parent entity		<u>(4,297,487)</u>	<u>(2,841,257)</u>
		Cents	Cents
Basic and diluted losses per share (cents per share)	5	(1.92)	(2.49)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	31 Dec. 2021 \$	30 Jun. 2021 \$
Current Assets			
Cash and cash equivalents		3,084,064	2,725,636
Trade and other receivables		459,769	163,365
Inventories		64,261	96,754
Total Current Assets		3,608,094	2,985,755
Non-Current Assets			
Property, plant and equipment		560,007	406,303
Total Non-Current Assets		560,007	406,303
Total Assets		4,168,101	3,392,058
Current Liabilities			
Trade and other payables		591,959	449,814
Contract liabilities		153,984	276,763
Lease liability		168,206	47,513
Borrowings		168,000	154,000
Employee benefits provision		123,237	93,702
Total Current Liabilities		1,205,386	1,021,792
Non-Current Liabilities			
Lease liability		78,886	61,655
Total Non-Current Liabilities		78,886	61,655
Total Liabilities		1,284,272	1,083,447
Net Assets		2,883,829	2,308,611
Equity			
Issued capital	2	46,996,857	42,552,152
Reserves	3	1,041,341	597,273
Accumulated losses		(45,154,369)	(40,840,814)
Total Equity		2,883,829	2,308,611

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued Capital	Share Based Payments Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 July 2020	33,043,514	232,334	(51,322)	(34,443,557)	(1,219,031)
Loss after income tax expense for the period	-	-	-	(3,272,623)	(3,272,623)
Exchange differences on translation of foreign operations	-	-	431,366	-	431,366
Total comprehensive income for the period	-	-	431,366	(3,272,623)	(2,841,257)
Shares issued during the period	5,601,319	-	-	-	5,601,319
Transaction costs	(327,415)	-	-	-	(327,415)
Balance at 31 December 2020	38,317,418	232,334	380,044	(37,716,180)	1,213,616
Balance at 1 July 2021	42,552,152	355,656	241,617	(40,840,814)	2,308,611
Loss after income tax expense for the period	-	-	-	(4,313,555)	(4,313,555)
Exchange differences on translation of foreign operations	-	-	16,068	-	16,068
Total comprehensive income for the period	-	-	16,068	(4,313,555)	(4,297,487)
Shares issued during the period	5,104,205	-	-	-	5,104,205
Options issued during the period	-	428,000	-	-	428,000
Transaction costs	(659,500)	-	-	-	(659,500)
Balance at 31 December 2021	46,996,857	783,656	257,685	(45,154,369)	2,883,829

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

	31 Dec. 2021 \$	31 Dec. 2020 \$
Cash Flows from Operating Activities		
Receipts from customers	1,003,324	286,006
Receipts from government subsidies	-	178,900
Payments to suppliers and employees	(5,340,103)	(3,486,341)
Borrowing costs	(3,230)	(26,329)
Net cash used in operating activities	(4,340,009)	(3,047,764)
Cash Flows from Investing Activities		
Payments for plant and equipment	(32,571)	(39,663)
Net cash used in investing activities	(32,571)	(39,663)
Cash Flows from Financing Activities		
Proceeds from issue of shares	5,000,000	3,739,535
Transaction costs from issue of shares	(307,500)	(327,415)
Proceeds from issue of options	2,000	-
Repayment of lease liabilities	(54,397)	(16,501)
Net cash provides by financing activities	4,640,103	3,395,619
Net increase in cash and cash equivalents	267,523	308,192
Cash and cash equivalents at the start of the period	2,725,636	612,172
Effect of exchange rate changes on cash holdings	90,905	62,841
Cash and cash equivalents at the end of the period	3,084,064	983,205

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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Contents of the notes to the financial statements

1. Segment information
2. Issued capital
3. Reserves
4. Dividends
5. Loss per share
6. Contingent assets and liabilities
7. Events subsequent to the reporting date
8. Basis of preparation of half-year report

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1. Segment Information

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors.

The consolidated entity operates in two segments:

- Dermaportation drug delivery technology
- Devices

Consolidated 31 December 2021	Dermaportation drug delivery technology	Devices	Total
	\$	\$	\$
Revenue			
Revenue and other income	53,155	1,195,170	1,248,325
Government grants	22	26	48
Net foreign exchange gains	1,151	73,686	74,837
Total revenue	<u>54,328</u>	<u>1,268,882</u>	<u>1,323,210</u>
EBITDA			
	(1,546,723)	(2,699,629)	(4,246,352)
Depreciation and amortisation	(11,283)	(52,568)	(63,851)
Finance costs	-	(3,352)	(3,352)
Intersegment eliminations	-	-	-
Loss before income tax	(1,558,006)	(2,755,549)	(4,313,555)
Income tax expense	-	-	-
Loss after income tax	(1,558,006)	(2,755,549)	(4,313,555)
Assets			
Segment assets	12,339,442	921,409	13,260,851
Intersegment eliminations			(9,092,750)
Total assets			<u>4,168,101</u>
Liabilities			
Segment liabilities	7,600,354	8,903,816	16,504,170
Intersegment eliminations			(15,219,898)
Total liabilities			<u>1,284,272</u>

1. Segment Information (continued)

Consolidated 31 December 2020	Dermaportation drug delivery technology \$	Devices \$	Total \$
Revenue			
Revenue and other income	193,737	145,899	339,636
Government grants	703,309	-	703,309
Net foreign exchange losses	(368,525)	-	(368,525)
Total revenue	528,521	145,899	674,420
EBITDA			
	(1,298,866)	(1,925,990)	(3,224,856)
Depreciation and amortisation	(16,579)	(17,912)	(34,491)
Finance costs	(10,531)	(2,745)	(13,276)
Intersegment eliminations	-	-	-
Loss before income tax	(1,325,976)	(1,946,647)	(3,272,623)
Income tax expense	-	-	-
Loss after income tax	(1,325,976)	(1,946,647)	(3,272,623)
Assets			
Segment assets	6,206,831	534,510	6,741,341
Intersegment eliminations			(4,579,335)
Total assets			2,162,006
Liabilities			
Segment liabilities	7,043,095	3,882,843	10,925,938
Intersegment eliminations			(9,977,548)
Total liabilities			948,390

Segment revenues are allocated based on the country in which the customer is located. Segment assets are allocated to countries based on where the assets are located.

2. Issued capital

a) Issued capital

	31 Dec. 2021 \$	30 Jun. 2021 \$
249,803,415 Ordinary shares fully paid (30/6/2021: 209,820,466)	46,996,857	42,552,152

b) Movements in ordinary share capital

Movements in ordinary share capital	Number of Shares	Issue Price	\$
01/07/2021 Opening balance	209,820,466		42,552,152
23/09/2021 Conversion of options	1,000	0.150	150
29/09/2021 Conversion of options	1,000	0.150	150
21/10/2021 Capital raising	38,461,539	0.130	5,000,000
27/10/2021 Conversion of options	1,000	0.150	150
29/12/2021 Shares in lieu of fees	1,068,160	0.071	75,839
29/12/2021 Shares in lieu of fees	450,250	0.062	27,916
Less: costs associated with the issue of shares	-		(659,500)
31/12/2021 Closing balance	249,803,415		46,996,857

3. Reserves

	31 Dec. 2021 \$	30 Jun. 2021 \$
Composition		
Foreign currency translation reserve	257,685	241,617
Share based payments reserve	783,656	355,656
	1,041,341	597,273

Foreign currency reserve

The reserve is used to recognise exchange differences arising from translation of the financial statements of foreign operations to Australian dollars and foreign currency gains and losses on net investments in foreign operations

3. Reserves (continued)

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in options	Number of Options		Fair Value of Options Issued	Exercise Price	Expiry Date
	Listed	Unlisted			
01/07/2021 Opening balance	154,986,434	6,150,000	355,656		
23/09/2021 Conversion	(1,000)	-	-	0.15	31/03/2023
29/09/2021 Conversion	(1,000)	-	-	0.15	31/03/2023
27/10/2021 Conversion	(1,000)	-	-	0.15	31/03/2023
29/12/2021 Listed options in lieu of fees	2,000,000	-	40,000	0.15	31/03/2023
29/12/2021 Listed options in lieu of fees	2,000,000	-	34,000	0.15	31/03/2023
1/12/2021 Listed options to lead manager	20,000,000	-	354,000	0.20	23/02/2024
1/12/2021 Free attaching listed options for shareholder	12,820,513	-	-	0.20	23/02/2024
31/12/2021 Closing balance	191,803,947	6,150,000	783,656		

Dividends

There have been no dividends declared or recommended and no distributions made to shareholders or other persons during the period.

4. Loss per share

	31-Dec 2021 \$	31-Dec 2020 \$
Basic loss per share	(1.92)	(2.49)
Diluted loss per share	(1.92)	(2.49)
Weighted average number of ordinary shares used in calculating loss per share	224,896,803	131,570,576

5. Contingent assets and liabilities

The directors of the Group are unaware of any existing contingent assets and liabilities, other than the contingent matter regarding the Company being served with a writ over a Convertible Note, as announced to the market. The Company has retained legal representation for the active defence of the matter, to which mediation continues.

6. Events subsequent to reporting date

A Prospectus was lodged with ASX on 18 February 2022 for:

- the offer of one (1) free-attaching New Option for every three (3) Placement shares issued to Placees (Placement Offer); and
- the offer to the Lead Manager of 10,000,000 New Options, and two (2) New Option for every \$1 raised under the Placement, at an issue price of \$0.0001 (0.01 cents) per New Option (Broker Offer).

These options were issued 23 February 2022.

The impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

There is no other matter or circumstances has arisen since 31 December 2021 that has significantly affected, or may significantly affect the consolidated entity's operation, the result of those operations, or the consolidated entity's state of affairs in future financial years.

7. Basis of preparation of half year report

This general purpose financial statement for the half-year reporting period ended 31 December 2021 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by Wellfully Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

8. Basis of preparation of half year report (continued)

Going concern

These financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of \$4,313,555 and had net cash outflows from operating activities and investing activities of \$4,340,009 and \$32,571 respectively for the half year ended 31 December 2021. The ability of the consolidated entity to continue as a going concern is principally dependent upon the ability of the consolidated entity to secure funds by raising capital from equity markets and managing cash flows in line with available funds.

The Directors believe that it is reasonably foreseeable that the consolidated entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Company has the ability to issue additional equity securities under the Corporations Act 2001 to raise further working capital; and
- The consolidated entity has the ability to curtail administrative, discretionary research and development and overhead cash outflows as and when required.

New and amended standards adopted by the Group

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

In the opinion of the Directors of Wellfully Limited (the "Company"):

- a. the accompanying interim financial statements and notes thereto are in accordance with *the Corporations Act 2001* including:
 - i. giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the financial half-year ended on that date; and
 - ii. complying with Australian Accounting Standard AASB 134 'Interim Financial Reporting', *the Corporations Regulations 2001*, and other mandatory professional requirements.
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.



Jeffrey Edwards
Director

Perth, Western Australia
28 February 2022

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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
WELLFULLY LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Wellfully Limited, which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Wellfully Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Wellfully Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

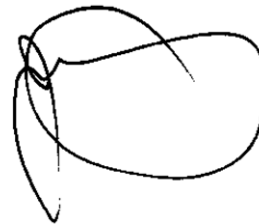
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Wellfully Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

RSM

RSM AUSTRALIA PARTNERS



JAMES KOMNINOS
Partner

Perth, WA
Dated: 28 February 2022

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