28 July 2026

ACQUISITION OF WELLTECH AND CAPITAL RAISE

Vertically integrated water services company, Vysarn Limited (**ASX: VYS**) (**Vysarn** or **the Company**), announces it has entered into a binding Share Sale Agreement (**SSA**) for the acquisition of Technologies International Group Pty Ltd (trading as Welltech) (**Welltech**), a water and sewerage management business delivering water solutions across the civil, utility, government and resources sectors.

In addition, Vysarn has launched a fully underwritten capital raising to raise $65.3 million through a single tranche placement to institutional and other professional and sophisticated investors of approximately 62.2 million new fully paid ordinary shares (**New Shares**) at an issue price of $1.05 per New Share (**Placement**).

Welltech Acquisition

Under the SSA, the Company will acquire 100% of the issued shares in Welltech from the two shareholders of Welltech (**Sellers**) for an upfront cash consideration of $37.25 million (subject to customary completion adjustments) and 4.76 million ordinary Vysarn shares. Further deferred consideration, of up to $5 million worth of Vysarn shares and $5 million over three years, is payable to the Sellers subject to Welltech achieving specified Earnings Before Interest Tax and Depreciation & Amortisation (**EBITDA**) targets.

The upfront cash consideration is calculated on the basis that Welltech is acquired debt free with $5.0 million of working capital at completion of the acquisition (**Completion**), which is expected to occur in September 2026, and is subject to adjustment based on actual levels of debt and working capital at that time, and growth assets (less associated hire-purchase debt) recently acquired by Welltech. Upon Completion, Welltech will become a wholly owned subsidiary of Vysarn. The cash component of the Welltech acquisition consideration will be funded via the capital raising. The conditions to Completion and other material terms are summarised in the Appendix below.

Vysarn Managing Director and **CEO, James Clement, said**: "*The successful acquisition of Welltech will be transformative for Vysarn especially in combination with our proposed purchase of NWG Enterprises Pty Ltd (**NewGround**) announced by the Company on 3 June 2026. These new businesses perfectly complement our existing, integrated water business which spans industrial, advisory, technology and asset management segments.*"

"Both the Welltech and NewGround transactions meet our strict investment criteria of being earnings accretive, with aligned management and a capital light business model. These acquisitions provide Vysarn with a broadened and more diverse portfolio of high-quality clients, positioning us to deliver additional stable, long-term earnings growth for shareholders."

"The successful fully underwritten placement announced as part of the Welltech acquisition demonstrates the substantial support for Vysarn and the outlook for our business, as we move into what is expected to be another strong year of growth."

Assuming maintainable EBITDA consistent with Welltech's unaudited FY26 EBITDA, the Company will pay an upfront (Enterprise Value) EV/EBITDA acquisition multiple of 3.6x, excluding any deferred consideration shares which may be issued to the Sellers.

Combining Vysarn's proforma FY2026 Net Profit After Tax (**NPAT**) with Welltech's FY2026 unaudited NPAT, would deliver earnings per share accretion of greater than 37.3% (based on VYS FY2026 NPAT and total Vysarn shares on issue post completion of the Placement, the issue of the Welltech upfront consideration shares and the NewGround upfront consideration shares).

Including the FY2026 unaudited NPAT of NewGround, the combined Vysarn, Welltech and NewGround proforma FY2026 NPAT would deliver earnings per share accretion of greater than 59.1% (based on VYS FY2026 NPAT and total Vysarn shares on issue post completion of the Placement, the issue of the Welltech upfront consideration shares and the NewGround upfront consideration shares).

Capital Raising

As part of the Welltech acquisition, Vysarn has launched a fully underwritten single tranche placement to institutional and other sophisticated and professional investors of approximately 62.2 million New Shares to raise approximately $65.3 million (**Placement**).

New Shares issued under the Placement will be issued at a price of $1.05 per New Share, representing a:

- 0.5% discount to the last closing price of A$1.055 on 24 July 2026 (being the last trading day prior to this announcement); and
- 5.2% premium to the 5-day Volume Weighted Average Price (VWAP) of A$0.998.

The net proceeds raised from the Placement will be used by the Company to fund the cash component of the Welltech acquisition consideration of $37.25 million, and any working capital/debt adjustment payable by Vysarn under the working capital and debt adjustment mechanism under the SSA, associated transaction costs, the ongoing development of the Kariyarra Water Scheme and general working capital requirements.

Settlement of the New Shares to be issued under the Placement is expected to occur on 5 August 2026. The New Shares are expected to be issued on 6 August 2026. The Placement will be completed utilising Vysarn's existing placement capacity under ASX listing rule 7.1. The New Shares will rank equally with existing VYS shares from the date of issue.

Unified Capital Partners Pty Ltd acted as Lead Manager, Underwriter and Bookrunner to the Placement, with Morgans Corporate Limited and Canaccord Genuity (Australia) Limited acting as Co-Managers, Candour Advisory Pty Ltd acting as Financial Advisor and Thomsons acting as Legal Adviser. A summary of the underwriting agreement is set out in the investor presentation released by the Company today.

About Welltech

Based in Canning Vale, Western Australia, Welltech is a water and sewerage management business which has been delivering innovative water management solutions across the civil, utility, government and resource sectors since 1995.

Welltech has three core business units:

- **Construction Water Supply**: which provides state-of-the-art water storage and pump facilities for hire to customers on both long term and short term hire arrangements.
- **Bypass Operations**: which provides specialised pumping and bypassing of sewer and wastewater across Australia.

- **Drilling**: which offers a total water drilling service from statutory requirements at inception through to a completed water supply, commissioned and handed over ready for use.

The company has a diverse client base, with clients including Melbourne Water, Fulton Hogan, NRW Holdings, BHP, Water Corporation, John Holland and Rio Tinto.

Amendment to NewGround SSA

The Company announced that it had entered into a share sale agreement to acquire 100% of the shares in NewGround on 3 June 2026 (**NG SSA**). The Company advises that prior to entry into the Welltech SSA and the capital raising, it agreed with the NewGround vendors that the NG SSA will be varied so that the share consideration under the NG SSA will be subject to shareholder approval under ASX Listing Rule 7.1. Subject to shareholder approval, the Company expects to complete the NewGround acquisition in October 2026.

Further information

The investor presentation lodged with the ASX today (28 July 2026) provides further details of the Welltech acquisition and the Placement.

This ASX announcement has been authorised for release by the Board of Vysarn.

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Appendix - Summary of material terms of SSA

Parties	**Buyer:** Vysarn Limited **Sellers:** Dada Properties Pty Ltd ATF the Henderson Family Trust and Zak Haines Pty Ltd ATF the Zak Haines Family Trust **Seller Guarantors:** David Henderson and Zak Haines
Acquisition	All of the issued shares in Technologies International Group Pty Ltd ACN 071 424 783
Conditions Precedent to Completion	Completion is conditional on the satisfaction or waiver of the following conditions precedent: • completion of the capital raising; • obtaining of all necessary regulatory approvals; • Vysarn providing a bank guarantee to guarantee Welltech's obligations under its lease at its Canning Vale premises; • Welltech entering into new employment agreements with the key executives of Welltech; • transfer of personal motor vehicles out of Welltech; • Welltech repays and discharges its existing finance facilities; • all encumbrances in respect of the sale shares, Welltech or its assets are released; • any Welltech related party loans are repaid in full; and • Vysarn completing due diligence on Welltech and being satisfied with its results. The condition precedents are to be satisfied or waived by no later than 27 September 2026.
Break fee	A$250,000 break fee is payable by: • Vysarn to the Sellers if the conditions within Vysarn's control are not satisfied or waived by the end date and the transaction does not proceed; and • the Sellers to Vysarn if the Sellers enter into an agreement in relation to a competing transaction, or if the conditions within the Seller's control are not satisfied or waived by the end date and the transaction does not proceed
Upfront Consideration	Completion consideration of $37.25 million cash + 4,761,904 Vysarn shares, subject to a post-Completion working capital, growth assets and debt adjustment mechanism against an agreed level of target working capital and nil debt at Completion.
Deferred Consideration Shares	Deferred consideration is payable subject to Welltech achieving the following EBITDA targets as follows: • Y1 earn-out: $5 million worth of Vysarn shares (based on the VWAP of Vysarn at that time), subject to achieving target EBITDA of $11m; • Y2 earn-out: $2.5m cash subject to achieving target EBITDA of $12.5m; • Y3 earn-out: $2.5m cash subject to achieving target EBITDA of $13m.
Security	The 4,761,904 upfront consideration shares will be escrowed for 12 months as security for any agreed or determined claims Vysarn may have under the SSA. If the Y1 EBITDA target is achieved and the Y1 earn-out shares are issued, these shares will also be escrowed for 12 months as security for any agreed or determined claims Vysarn may have under the SSA.
Restrictive Covenants	David Henderson will be subject to a restraint period of up to 5 years from completion, and Zak Haines will be subject to a restraint period of up to 2 years after he ceases employment with Welltech.

Warranties and Indemnities	The Sellers provide customary warranties and indemnities under the SSA, subject to agreed limitations and exclusions.

Vysarn's issued capital structure post Placement and Completion

Vysarn Shares	
Shares currently on issue	527,444,829
New Shares to be issued under the Placement	62,211,962
Upfront consideration shares to be issued to the Welltech vendors	12,142,857
Upfront consideration shares to be issued to the NewGround vendors	28,600,000
Total Shares on issue post Placement and Completion of the Welltech and NewGround transactions	630,399,648