VITURA HEALTH LIMITED

ABN 59 629 071 594

FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

Vitura Health Limited
2024 Half-Year Financial Report

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Acknowledgement of Traditional Owners

Vitura Health Limited respectfully acknowledges the Traditional Owners of the land on which we work, the Wurundjeri Woi Wurrung and Bunurong Boon Wurrung peoples of the Eastern Kulin and pays respect to their Elders past, present and emerging.

We acknowledge and honour the unbroken spiritual, cultural and political connection the Wurundjeri, Bunurong, Dja Dja Wurrung, Taungurung and Wadawurrung peoples of the Eastern Kulin have to this place for more than 2,000 generations.

We are committed to our reconciliation journey because, at its heart, reconciliation is about strengthening relationships between Aboriginal and non-Aboriginal peoples, for the benefit of all Australians.

Disclaimer

Certain statements in this Report are about the future. These are identified by words such as "believes", "considers", "could", "estimates", "expects", "intends", "may" and other similar words that involve risks and uncertainties. There are risks (both known and unknown), uncertainties, assumptions and other important factors that could cause the actual conduct, results, performance or achievements of Vitura Health Limited to be materially different from the future conduct, results, performance or achievements expressed or implied by such statements or that could cause the future conduct to be materially different from historical conduct. Such forward-looking statements are not guarantees of future performance. Deviations as to future conduct, results, performance and achievements are both normal and to be expected. Vitura Health Limited cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Report will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Directors' Report

The Directors of Vitura Health Limited submit their Report for the half-year ended 31 December 2023.

DIRECTORS

The details of the Directors of Vitura Health Limited ("Vitura" and the "Company") who are in office as at the date of this Report are stated below, as are the dates on which they were appointed.

Directors in office as at the date of this Report

Dr. Marcia A.M. Walker

Position:	Interim Independent Non-Executive Chair
Qualifications:	BHB, MBChB, FRNZCGP
Responsibilities:	Chair of Audit and Risk Committee Member of Nomination and Remuneration Committee
Directorships:	None

Dr. Marcia Walker was appointed Non-Executive Director of Vitura on 16 December 2021 and served as Interim Chair from 11 April 2022 until 24 February 2023 and again from 6 September 2023 until 12 February 2024. Marcia brings significant experience in Medical Governance and formerly served on the board of the New Zealand Medical Association and as a member of the General Practitioner Council of the NZMA, a member of the Medicines Classifications Committee for the Ministry of Health NZ and acts as a Medical Examiner for the Royal New Zealand College of General Practitioners. Previously, she acted as a Medical Advisor to the Rua BioScience (formerly Hikurangi Hemp Company) and as Treasurer for the New Zealand Resident Doctors Association. Marcia received a Bachelor of Medicine and a Bachelor of Surgery / Chirurgery from the University of Auckland and is a fellow of the Royal New Zealand College of General Practitioners. She is a Director and Treasurer of advocacy group General Practitioners Aotearoa and acts as the Medical Director of The Cosmetic Clinic New Zealand.

Rodney D. Cocks CSM

Position:	Executive Director and Chief Executive Officer
Qualifications:	BCom (Melbourne), LLB (QUT), MBA (Wharton), MPA (Harvard), GAICD
Responsibilities:	None
Directorships:	None

Rodney Cocks CSM is a founding Director of Vitura and was appointed Executive Director and Chief Executive Officer on 27 September 2018. Prior to joining Vitura, Rodney was a member of the Senior Leadership Team at Linfox and was a Consultant at the Boston Consulting Group. He served on the Counter Narcotics Team of the British Embassy in Afghanistan and with the United Nations in Afghanistan, Sri Lanka, Pakistan and Iraq and started his career as an Infantry Officer in the Australian Army. Rodney holds a BCom from the University of Melbourne, LLB from the Queensland University of Technology, MBA from the Wharton School, University of Pennsylvania, MPA from the Harvard Kennedy School, Harvard University and is a Graduate of the Australian Institute of Company Directors and the Royal Military College, Duntroon. He is an admitted Lawyer to the Supreme Court of New South Wales, was a Fellow at Harvard University and named the 2005 Victorian Australian of the Year. In 2003, Rodney was awarded a Conspicuous Service Medal for his actions in the aftermath of the 2002 Bali bombings.

Jenelle L. Frewen

Position: Independent Non-Executive Director

Qualifications: BEc (Monash), BA (Hons) (Monash), Grad Dip Gov. and Public Policy (UQ)

Responsibilities: Chair of Nomination and Remuneration Committee
Member of Audit and Risk Committee

Directorships: None

Jenelle Frewen was appointed as an Independent Non-Executive Director of Vitura on 12 September 2022. Jenelle is an accomplished government strategist and adviser with more than two decades' experience spanning complex policy development and implementation in highly regulated industries. She has led several federal and state political campaigns, and advised a range of business clients on public affairs and regulatory policy. She has experience working at all three levels of government in Australia and in new areas of policy-making in technology, broadband and cyber safety. Jenelle also spent time in her early career working as a communications and media adviser in the private sector in Australia, and was a senior aide in municipal government in the United States. She is currently Principal Consultant with the Canberra-based advisory firm, Precision Public Affairs. Jenelle obtained a Bachelor of Economics and a Bachelor of Arts with Honours from Monash University and holds a post-graduate diploma in Governance and Public Policy.

Guy R. Headley

Position: Executive Director and Chief Commercial Officer

Responsibilities: None

Directorships: None

Guy Headley was appointed Executive Director and Chief Commercial Officer of Vitura on 16 December 2021. Guy has operated in the Australian Medical Cannabis space since 2016. He is a founding director of CDA Health Pty. Ltd. and has acted as a director of Burleigh Heads Cannabis Pty. Ltd. over the last seven years. He brings a wealth of knowledge regarding medicinal cannabis sales, distribution and compliance in the heavily regulated industry. Prior to working in the cannabis space, Guy spent more than 15 years in the construction and development sector overseeing the procurement and management of multimillion dollar projects across New Zealand, Australia and the United Kingdom. Guy is also a founding Director and Chairman of the Emerging Therapeutics Association of Australia.

Company Secretary

Thomas G. Howitt

Position: Company Secretary and Chief Financial Officer

Qualifications: BCom (Western Australia), CA, AICPA, AGIA, ACIS, CTA

Responsibilities: None

Directorships: None

Tom Howitt was appointed as the first Chief Financial Officer of Vitura on 3 December 2018 and as Company Secretary on 14 August 2020. Prior to joining Vitura, he was Chief Financial Officer of Global Kinetics Corporation, a pre-IPO life sciences company, Chief Financial Officer/Company Secretary of Simavita Limited (ASX:SVA, TSX-V:SV) a digital healthcare company, Chief Financial Officer/Company Secretary of Genetic Technologies Limited (ASX:GTG, NASDAQ:GENE) a large genetics company, and several other ASX-listed companies. Prior to that, Tom worked in the investment banking industry and was a Taxation Manager at EY. Tom is a Chartered Accountant, a ten-year member of the Victorian Branch Committee of AusBiotech and a member of the CCRM Australia Industry Interface Committee at Monash University.

FORMER DIRECTORS

Dr. Simone Scovell served as a Director of the Company from 1 July 2023 until 6 September 2023.

INTERESTS IN THE SECURITIES OF THE COMPANY

As at the date of this Report, the following Directors held beneficial interests in the Company's securities:

Name of Director	Number and nature of beneficial interest in securities
Rodney D. Cocks	21,000,000 ordinary shares (via NewSouthern Investment Holdings 1 Trust) 4,500,000 options over ordinary shares (via NewSouthern Investment Holdings 1 Trust)
Guy R. Headley	113,702,151 ordinary shares (direct interest and via Jessimine C.K. Jansen) 4,500,000 options over ordinary shares (direct interest)

OPERATING AND FINANCIAL REVIEW

Corporate structure

Vitura Health Limited is a public company limited by shares that is incorporated and domiciled in Australia. The Company has prepared a consolidated financial report incorporating the entities that it controlled during the half-year ended 31 December 2023 which are collectively referred to in this Report as the "Group". The structure of the Group at the date of this Report is represented in the diagram included in *Note 33*.

Overview

The Company was incorporated in Victoria, Australia on 27 September 2018 under the name of Cronos Australia Limited and was admitted to the Official List of the Australian Securities Exchange on 7 November 2019. On 6 February 2023, the Company changed its name to Vitura Health Limited ("Vitura").

Subsequent to the IPO, the Company procured and sold a number of medicinal cannabis products under the Adaya brand that was launched by the Company in Australia in early July 2020. In addition to the sale of these products, Vitura purchased a 75.5% interest in Cannadoc Health Pty. Ltd., a business operating a medical practice specialising in the prescription of cannabinoid-based therapies via both face to face and telehealth consultations with patients across Australia.

On 16 December 2021, the Company acquired 100% of the issued capital of CDA Health Pty. Ltd. ("CDA"). Based on the Gold Coast in Queensland, CDA was founded in 2018 and is a market leader in the Australian medicinal cannabis sector. CDA recorded significant growth over the last three financial years, while at the same time generating an increasing profit after tax in the 2021, 2022 and 2023 financial years.

On 2 May 2023, the Company announced that it had entered into an incorporated joint venture with a Canadian company, PharmAla Biotech Holdings Inc. Under the 50:50 joint venture, named Cortexa Pty. Ltd., the Company sells and distributes GMP MDMA and GMP synthetic Psilocybin in Australia.

On 26 October 2023, the Company acquired 100% of the issued capital of one of Australia's leading telehealth businesses, Doctors on Demand Pty. Ltd. ("DoD"). Founded in 2015 and based in Brisbane, Queensland, DoD is an Australian private company that operates a leading digital platform to facilitate the treatment of patients and the provision of telehealth, healthcare and related services by Australian registered healthcare practitioners via video consultation. Those healthcare practitioners offer the telehealth services 24 hours a day, 365 days a year using DoD's proprietary platform through the provision of online consultations with patients by virtually examining and taking the medical history of the patient via video consultation and other technologies.

Vitura continues to develop and improve the efficiency and functionality of its market-leading online digital platform, CanView, a multisided platform business model operated by the Company which facilitates interactions and the exchange of products and services between four key user groups, being suppliers, prescribers, pharmacies and patients. The acquisition of the DoD business during the half-year ended 31 December 2023 is expected to expand the number of product and service verticals offered by the Company, in turn driving increased revenues and new potential revenue streams, in addition to providing further competitive advantages for the Company and valuable barriers to entry.

Principal activities

The principal activities of the entities within the Group during the half-year ended 31 December 2023 were the operation of its digital health platform, CanView, the sale and distribution of medicinal cannabis and other products and the operation of its three medical clinic businesses. Apart from the acquisition of Doctors on Demand Pty. Ltd., there were no significant changes in the Group's activities during the half-year under review.

Result

During the half-year ended 31 December 2023, the Company and its subsidiaries generated a consolidated profit after income tax of $3,122,049 (2023: $7,662,038). Details relating to the Company's financial results for the half-year under review are included below under the heading *Financial analysis*.

Dividends and distributions

On 23 August 2023, the Directors of Vitura declared a dividend of one cent per ordinary share franked as to 100% in respect of the year ended 30 June 2023. The Record Date for the dividend was 5 September 2023 and the payment of the dividend and allotment of shares issued under the Company's Dividend Reinvestment Plan ("DRP") occurred on 28 September 2023. A total of $5,438,321 was paid in cash and $142,000 in respect of the above dividend was settled via the issue of 461,294 shares in the Company under the DRP.

Review of operations

A leading digital health platform business

During the half-year ended 31 December 2023, Vitura continued to develop and improve the efficiency and functionality of its market-leading platform, CanView. The multisided platform operated by the Company facilitates interactions and the exchange of products and services between four key user groups, being suppliers, prescribers, pharmacies and patients. The business model, which is both scalable and flexible, generates tangible network effects, whereby the more users that join one side of the platform and create value, the more users on other sides of the platform can capture that value which, in turn, drives more users to join and benefit. This network effect provides the Company with a strengthening and significant unique value offering producing competitive advantages, other potential revenue streams and valuable barriers to entry.

As part of the Company's ongoing strategy, CanView will become one of a number of different solutions enabling a complete end-to-end healthcare ecosystem designed to provide doctors, pharmacists and patients with a simple and cost-effective way to facilitate the treatment of patients with increased efficiency and compliance. It will also provide the numerous companies that supply a wide range of products to the platform with additional sales of products and revenues.

The CanView system is based on a medicines wholesaling platform which seamlessly brings together a number of disparate SaaS (software-as-a-service) providers including inventory control, invoicing, customer management, reporting and analytics, as well as multiple digital health services and solutions, all linked together through customised integration developed in collaboration with third party providers. Underpinning the suite of SaaS elements are a number of bespoke, internally-generated operating procedures and intellectual property assets, supported by the CanView customer support and infield customer engagement teams. Through the sophisticated integration of the different elements which together make up CanView, the platform provides the best user experience in the industry.

Through the Company's relationships with third party integrators, CanView provides Australian doctors with the ability to integrate their patient management systems directly with the platform and to use their patient information to generate electronic prescriptions within the secure CanView platform, without the need to input the patient's details. The prescriptions are then sent directly to the CanView patient app where patients can receive, track and manage their prescriptions, order different medications direct from one of the nearly 4,200 Australian pharmacies with accounts on CanView and know when to book follow up consultations with their doctor.

While the Company's operations initially focused on the sale and distribution of medicinal cannabis products, Vitura is fully licensed and equipped, via its two state-of-the-art distribution centres in Melbourne and the Gold Coast, to distribute all products listed under Schedules 2, 3, 4, 8 and 9.

The establishment in May 2023 of the Company's incorporated joint venture to distribute medicines containing psychedelic substances, including GMP MDMA and GMP synthetic Psilocybin, is just one of many examples of the additional products that the Company believes can be seamlessly integrated into its existing digital health platform business. With the acquisition of Doctors on Demand Pty. Ltd., Vitura believes it is well placed to introduce a number of additional prescription medicines that it can sell and distribute through its growing network. The recent addition of smoking cessation products to the CanView platform is a further example of Vitura's strategy of expanding the scale and range of products that are sold and distributed by the Company.

Medicinal cannabis sales and distribution

Vitura's wholly-owned subsidiary, Burleigh Heads Cannabis Pty. Ltd. ("BHC"), via its CanView platform, continued to deliver further growth in units sold during the 2024 financial half-year, with BHC selling a record 498,740 units of medicinal cannabis during that period.

In what was another significant milestone for the Group, the Company announced on 11 December 2023 that the 2,000,000th unit of medicinal cannabis to be sold through the Company's CanView platform had been shipped, almost exactly one year to the day since the Company announced the shipment of the 1,000,000th unit through CanView. The CanView platform was launched in June 2020 and, in only three and a half years, has sold increasing numbers of units representing half-yearly compound average growth of more than 53% (refer graphs below).

BHC executed four agreements with leading suppliers of medicinal cannabis and other products during the half-year under review and added an additional 45 unique product SKUs to the CanView online platform. As at the date of this Report, BHC offers a portfolio of more than 350 products on the CanView platform under roughly 40 different brands from leading suppliers, representing a significant proportion of the medicinal cannabis and other relevant products currently available in Australia.

A total of 531 new pharmacies established accounts on CanView during the half-year, bringing the total number to 4,244 registered accounts nationally by the end of January 2024. While the average sale price of medicinal cannabis products available on CanView declined during the half-year, the average monthly spend of pharmacy accounts through CanView remains strong as the Company's education courses and engagement programs help pharmacists to confidently dispense medicinal cannabis thereby providing dispensing services to a greater number of patients.

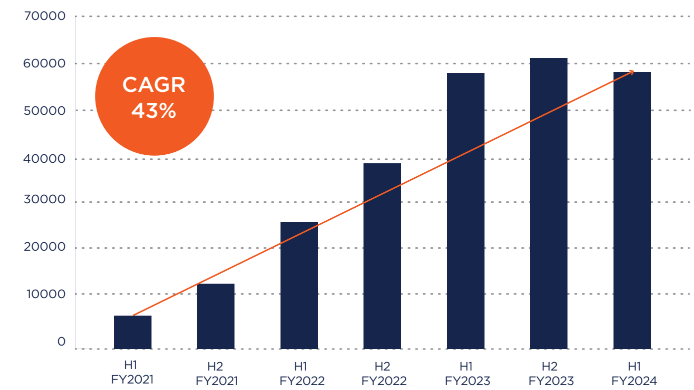
A total of 423 new doctor accounts were established on CanView during the half-year, increasing the total number of doctors with accounts on the platform as at 31 December 2023 to 1,401 nationally. As a key part of the Company's *Vision 26* strategy, Vitura has a clear focus to increase the number of doctors using the CanView platform further. In order to achieve this goal more quickly, the Company has placed further emphasis on its Medical Science Liaison model and introduced additional numbers to bolster the Company's existing team. This expanded team, together with its pharmacy sales team, covers all states and territories in Australia and actively engages with and onboards prescribers to the CanView platform, while also providing them with education and support to further increase the Company's prescriber base. As a result of the DoD acquisition in late October 2023, a further 149 contracted doctors have also joined the CanView ecosystem, in addition to the more than 500,000 patients who have registered on the DoD platform.

The CanView platform's user-friendly design is being further refined and improved to ensure the prescribing journey is as simple as possible for the clinician which the Company believes will open the door to a larger number of prescribers who are considering using medicinal cannabis treatments in their clinics. With the introduction of the CanView patient app in February 2023, patients formerly using the CanView platform have been progressively transitioned across to the app. Despite a small decline in the number of patients using CanView during that transition, the number of patients using the app increased from 5,683 at 30 June 2023 to 11,505, as at the end of January 2024.

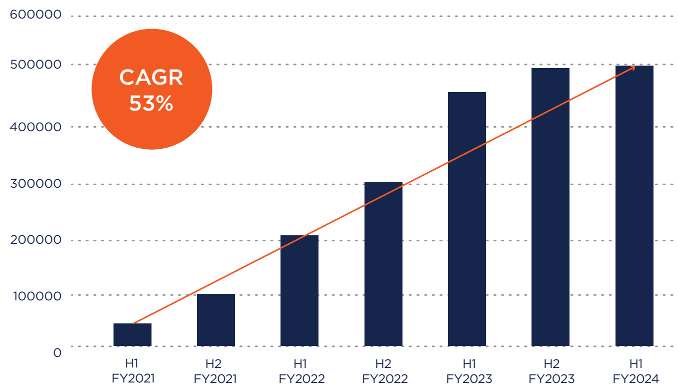
Continued growth in key metrics

BHC's CanView platform was launched on 11 June 2020. During the seven completed financial half-years since the launch of the platform, the growth achieved across the key performance metrics listed below has been strong and the underlying numbers continue to increase, as illustrated in the graphs below.

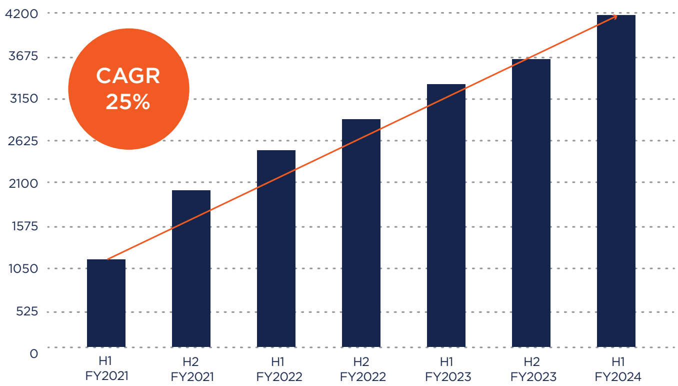
Gross sales generated through CanView ($ '000s)



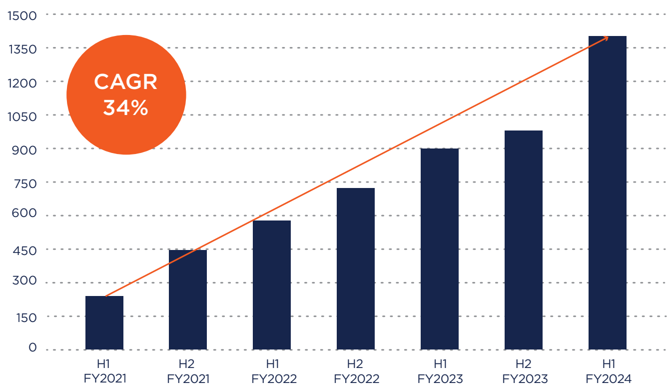
Units sold through CanView



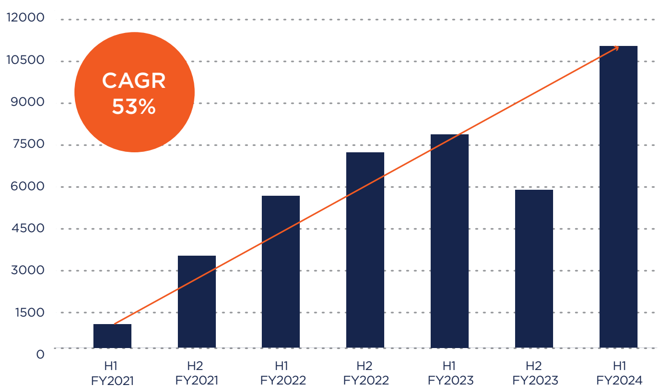
Cumulative pharmacy accounts on CanView



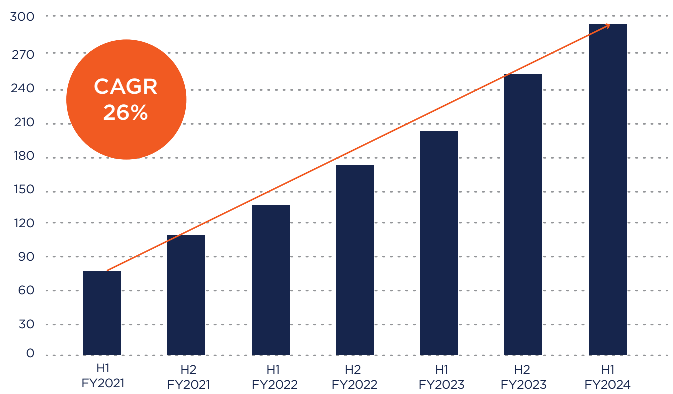
Cumulative doctor accounts on CanView



Cumulative patients registered on CanView



Number of SKUs available on CanView



Future developments of CanView

On 27 December 2023, the Company announced that Code4 Cannabis Pty. Ltd. ("C4C") had notified Vitura's wholly-owned subsidiary Canview Pty. Ltd. that C4C does not intend to extend the Services Agreement ("Agreement") pursuant to which Vitura exclusively licenses software used as part of the CanView ecosystem ("Software") beyond its expiry date of 10 August 2024. Vitura has exercised its right under the Agreement to enact a 15-month transitional period from 10 August 2024. Vitura (through Canview Pty. Ltd.) can and will continue to be the exclusive licensee of the Software until 10 November 2025.

Vitura is assessing its options with respect to the future of the CanView platform, which may include implementing alternate software prior to 10 November 2025 or exercising its option under the Agreement to acquire C4C. Furthermore, under the Agreement, C4C will be prohibited from licensing the Software to any third party for a further 12 months following the end of the transitional period, i.e. to 10 November 2026. During this period, the Company does not anticipate any disruption to its operations.

Clinic operations - Doctors on Demand, CDA Clinics and Cannadoc

During the half-year ended 31 December 2023, the Group's clinic operations were significantly expanded following its acquisition of leading national telehealth business Doctors on Demand Pty. Ltd. ("DoD") in October 2023. Based in Brisbane, Queensland, DoD is an Australian private company that operates a leading digital platform to facilitate the treatment of patients and the provision of telehealth, healthcare and related services by Australian registered healthcare practitioners via video conference. Those healthcare practitioners offer the telehealth services 24 hours a day, 365 days a year using DoD's proprietary platform through the provision of online consultations with patients by virtually examining and taking the medical history of the patient via video conference and other technologies.

DoD continued to experience strong growth in the virtual primary care sector during the period under review, with 43% growth in revenue as compared to the previous corresponding period. Monthly consultation numbers increased by 25% for the same period, with a record 24,541 consultations conducted in December 2023 alone. Daily consultation numbers consistently exceeded 1,000, with record daily revenue of nearly $73,000 achieved on 24 December 2023.

Opportunities to increase DoD's B2C revenue and margin were implemented during the half-year, with the introduction of a $90 out-of-hours consult fee during Saturdays, Sundays and public holidays. Growth of the company's B2B business was also significant, with year-on-year revenue growth of 175% from DoD's various B2B customers. DoD is working closely with its largest B2B customers to materially expand their consultation service offering across Australia as part of rolling out the DoD service to new member cohorts and employee groups.

Following the Company's acquisition of DoD, its two existing clinic businesses, CDA Clinics and Cannadoc, have been progressively integrated into the DoD ecosystem to achieve further efficiencies and economies of scale. As doctor session availability is a key driver of revenue, the doctor sourcing and onboarding processes used by DoD are now being implemented to proactively recruit new medicinal cannabis doctors for the CDA Clinics and Cannadoc businesses. It is anticipated that, as additional doctors are recruited, consultation numbers will steadily increase.

In December 2023, DoD successfully launched its new Mental Health GP Referral Service, which was supported by a soft launch comprising eDM direct marketing to 230,000 existing DoD patients together with organic social media. Pleasingly, a total of 117 consultations at an average consult fee (bulk billed) of $81.20 were booked in December, as compared with a fee of $75 for all standard B2C GP video consults undertaken during the same period.

Going forward, DoD, in collaboration with Vitura's CanView business, is working to introduce a Chronic Pain virtual clinic and Nicotine Replacement Therapy (NRT) clinic offering which will include the provision of home delivered products. The Chronic Pain clinic will be marketed under the DoD brand but will be managed and delivered by the CDA Clinical Operations team.

As the Group's operations rely heavily on its technology and platforms, Vitura and DoD take their security obligations very seriously and, as such, undertook independent penetration and vulnerability tests during the period. The testing identified a number of minor vulnerabilities which were documented and remediated.

Finally, as part of DoD's expansion plans, its business development team has been bolstered with the addition of a Vitura team member to focus on the DoD Employer Virtual Care segment to lift the rates of net new customers and patient cohorts using the DoD platform.

Psychedelic drugs - Cortexa Joint Venture

In May 2023, Vitura announced the establishment of a 50:50 joint venture, Cortexa, with Canadian-based PharmAla Biotech Holdings Inc. (CSE: MDMA) ("PharmAla"), a biotechnology company focused on the research, development, and manufacture of MDXX class molecules, to supply both MDMA and Psilocybin that meet an acceptable standard of good manufacturing practice for prescription use in Australia as from 1 July 2023. On that date, such drugs were down-scheduled by the TGA from Schedule 9 to Schedule 8 and were able to be prescribed under the Authorised Prescriber Scheme by authorised Psychiatrists for the treatment of post-traumatic stress disorder (MDMA) and for treatment-resistant depression (Psilocybin).

Since the rescheduling on 1 July 2023, Cortexa has established an ethical footprint in the Australian psychedelic market. To assist with this expansion, Cortexa appointed a specialist Medical Business Development Manager to spearhead customer education and engagement and to execute against the company's business plan, with Cortexa having now successfully imported products to fulfill customer orders for both clinical trials and prescription by authorised prescribers. Cortexa has also engaged with peak industry associations, including the Royal Australian and New Zealand College of Psychiatry, in support of their programs to broaden the understanding and adoption of psychedelic assisted psychotherapy and has been a principal sponsor of the inaugural scientific conference of the Australian Multidisciplinary Association of Psychedelic Practitioners. Cortexa has established a national network of relationships with research institutes, key opinion leaders and emerging clinicians, and supported psychiatrists in obtaining their authorised prescriber accreditations.

During the remainder of the 2024 calendar year, Cortexa will continue to cement its position as the premier supplier of psychedelic medicines in Australia by establishing new supply arrangements to meet the expected expansion of the market. Cortexa will also commence a medical education program in the third quarter of the 2024 financial year designed to increase awareness of psychedelic assisted therapies amongst the broader adult psychiatry community and to continue its engagement with peak bodies and key customers. Onshore manufacturing of both MDMA and Psilocybin will be announced later in the 2024 financial year, removing the bureaucracy and delays associated with the importation of such products and demonstrating Cortexa's ongoing commitment to the Australian psychedelic market.

Legal matters

As at the date of this Report, the Group was involved in the following legal matter.

One of the Company's wholly-owned subsidiaries, CDA Clinics QLD Pty. Ltd. ("CDA Clinics QLD") has had proceedings filed against it by the Secretary of the Department of Health and Aged Care in the Federal Court, Brisbane Registry ("Proceedings"). The Proceedings relate to alleged contraventions of section 42DLB of the *Therapeutic Goods Act 1989* (Cth) during the period 27 April 2021 to 30 July 2021. Former Vitura and CDA Clinics QLD Director, Benjamin David Ngahuia Jansen ("Jansen") is also a respondent to the Proceedings.

The Proceedings seek declarations against CDA Clinics QLD and Jansen, who was the sole director of that company during the above period, pecuniary penalties and costs and relate to alleged historic advertisements of products on a website associated with a legacy business known as "CDA Express". The period of time that the Proceedings relate to predates the merger between Cronos Australia Limited and CDA Health Pty. Ltd. (that subsequently became Vitura), which occurred on 16 December 2021.

CDA Clinics QLD is a dormant company and does not operate Vitura's current CDA Clinics operation. CDA Clinics QLD has no assets, no liabilities and no operations. The Company was in the process of seeking to deregister CDA Clinics QLD, along with three other dormant companies in the Group that are surplus to the Group's requirements, when the Proceedings were filed. CDA Clinics QLD and Vitura are obtaining legal advice concerning the Proceedings.

Profit per share

The basic profit per share for the half-year ended 31 December 2023 was 0.58 cents (2023: 1.39 cents). The diluted profit per share for the half-year ended 31 December 2023 was 0.58 cents (2023: 1.34 cents).

Financial analysis

Statement of Comprehensive Income

During the half-year ended 31 December 2023, the Company generated a consolidated profit after income tax of $3,122,049 (2023: $7,662,038), a decrease of 59% over the figure for the prior corresponding period largely due to a decline in the average selling price and gross margin pressures experienced industry wide, various one-off costs relating to the acquisition of Doctors on Demand and further investment in commercial and strategic opportunities which the Company anticipates will generate additional revenues and profitability in the second half of the year.

Revenues generated during the half-year ended 31 December 2023 totalled $59,973,994, comprising the sale and distribution of products ($56,147,587) and medical consultation and service fees ($3,826,407), the latter of which included two months of revenue from the Doctors on Demand business that the Company acquired in late October.

Revenue from the sale and distribution of products fell marginally from the prior corresponding period by roughly 1%, despite the number of units sold through the CanView platform increasing by roughly 10% during the same period. During the past year, the Australian medicinal cannabis industry has experienced considerable average selling price compression across all SKUs as a result of increased competition, price discounting and the addition of new suppliers bringing with them a marked increase in the number of medicinal cannabis products offered. Vitura has also entered into a number of commercial rebate agreements with larger customers which the Company anticipates will drive increased sales and revenues in future, noting that, in a number of cases, the relevant suppliers contribute to reduce the amounts paid. Revenues from the provision of clinical consulting and other services increased sharply from the prior corresponding period by $2,971,653, or 348%, largely due to the acquisition of Doctors on Demand which was completed on 26 October 2023.

The average gross margin achieved across the Group was 29.4% for the half-year ended 31 December 2023, being a fall of almost 6% from the prior corresponding period. As noted above, the medicinal cannabis industry has experienced market wide compression in the average selling price putting considerable pressure on gross margins. Increased competition has also resulted in the Company paying increased rebates to attract and secure customers and incentivise increased orders. The Group's overall gross margin, however, has been bolstered by the addition of Doctors on Demand which has margins closer to 35% which the Company expects will have a positive impact on its results for the second half of the current financial year.

Operating expenses for the half-year under review totalled $13,300,301, an increase of $4,144,167, or 45%, from the prior corresponding period. A material factor contributing to this increase was the acquisition of Doctors on Demand which resulted in significant one-off transaction and integration costs, including legal and accounting costs, and, as from the beginning of November, the inclusion of additional personnel and sales and marketing expenses.

As part of its *Vision 26* strategy, Vitura is also investing heavily in new business opportunities and the introduction of additional product verticals to capitalise on the significant numbers of patients and doctors who use the Doctors on Demand service. The introduction of these new products and services in the second half of the 2024 financial year, and beyond, is expected to generate improved trading results for the Company overall.

Statement of Financial Position

During the half-year ended 31 December 2023, the Group's cash and cash equivalents decreased by $5,853,163, or 31%, to $12,995,887 (2023: $18,849,050). The main drivers of the decrease were the net payment of $12,114,123 as part consideration for the acquisition of Doctors on Demand Pty. Ltd., the payment of the Company's second consecutive dividend of $5,438,321 and the payment of $2,104,654 in income tax, offset by $6,250,000 in loan funds from ANZ Bank.

Trade receivables increased by $2,746,495, or 29%, from the prior corresponding period. Other receivables included $530,874 due from the Australian Taxation Office, which the Company will recoup progressively during the second half of the financial year, and an amount of $100,180 relating to the final working capital adjustment for Doctors on Demand which has since been received.

The balance of inventories held by the Group at balance date was $4,970,366, down $1,938,504, or 28%, from the prior corresponding period. While the total number of discrete SKUs (products) sold through Vitura's CanView platform now exceeds 350, a larger proportion of the SKUs are now held by the Company on a consignment basis, meaning that fewer products are initially owned by the Company which, in turn, delivers improvements in its working capital position as the products are only acquired by the Company prior to the eventual sale.

Total liabilities for the Group increased by $21,199,943, or 177%, since 30 June 2023. This material increase is principally attributable to the addition of $6,250,000 in debt financing from the ANZ Bank and a further $6,250,000 in deferred consideration as part of the acquisition of Doctors on Demand. The balance of trade and other payables now contains supplier and employee payables for the Doctors on Demand business that were not present at the end of the corresponding prior period. As mentioned in its 2023 Annual Report, Vitura also signed a new lease agreement during the half-year in respect of its larger Gold Coast office, which significantly increased its interest-bearing liabilities at balance date, together with a corresponding increase in its right-of-use assets.

Statement of Cash Flows

During the half-year ended 31 December 2023, cash receipts from customers (including GST) were $62,686,060, representing an increase of $4,707,595, or 8%, on the prior corresponding period. Net cash flows from operations increased by more than 25% during the half-year, assisted by improvements in working capital, notably the decrease in inventory and increase in trade payables, and a significant increase in interest received.

Cash outflows from investing activities increased significantly from the prior corresponding period due primarily to the acquisition of Doctors on Demand Pty. Ltd. As mentioned above, approximately half of the acquisition price ($12,013,943) was funded by the Company with cash.

Net cashflows from financing activities improved materially from a net outflow of $5,824,148 in the prior period to a net inflow of $9,126. The payment of a second one cent dividend to Vitura shareholders ($5,438,321) was offset by proceeds from the ANZ Bank loan of $6,250,000 and the proceeds from the exercise of 1,500,000 options ($405,000).

Business strategy, future developments and prospects

Vitura continues to develop and improve the efficiency and functionality of its market-leading platform, CanView. The Group has adopted an “asset light” business model in which it has outsourced the cultivation and manufacture of the medicinal cannabis and other products it sells and distributes on the platform to selected leading third-party manufacturers and suppliers.

The Group’s primary strategy, which has been articulated in its three-year *Vision 26* plan, focusses on the further expansion of its digital health ecosystem and increasing its revenues via the sale and distribution of medicinal cannabis products and other product lines, including psychedelic drugs and smoking cessation products, among others, and the integration and growth of its three medical clinic businesses, Doctors on Demand, CDA Clinics and Cannadoc Health.

In addition to driving organic growth, the Group continues to review and evaluate potential opportunities for the acquisition of complementary businesses and assets in line with its approved *Vision 26* strategy.

Significant changes in the state of affairs

- On 7 July 2023, the Company entered into a new lease over larger office premises in the same building located in Varsity Lakes, Queensland, which commenced on 15 August 2023.
- On 21 July 2023, a total of 1,500,000 options over the Company’s ordinary shares were cancelled as the vesting conditions had not been met.
- On 23 August 2023, the Directors declared a dividend of one cent per ordinary share franked as to 100% in respect of the year ended 30 June 2023 (refer *Note 8*).
- On 25 August 2023, a total of 1,500,000 options over ordinary shares were exercised at a price of $0.27 each, generating a total of $405,000 in equity funds for the Company.
- On 30 August 2023, a total of 1,500,000 options over the Company’s ordinary shares were cancelled as the vesting conditions had not been met.
- On 6 September 2023, Dr. Simone Scovell resigned as Independent Chair of the Company’s Board. On the same date, Dr. Marcia Walker was appointed as Interim Independent Chair of the Board.
- On 2 October 2023, the Company issued a total of 461,294 ordinary shares under its Dividend Reinvestment Plan, with a value of $142,000, as part of the dividend declared in respect of the year ended 30 June 2023.

- On 26 October 2023, the Company acquired 100% of the issued capital of Brisbane-based national telehealth business, Doctors on Demand Pty. Ltd. ("DoD") (refer *Note 29* for details). On the same date, the Company issued a total of 17,380,423 ordinary shares in part consideration for the purchase of DoD.
- On 7 November 2023, a total of 565,000 options over the Company's ordinary shares expired unexercised.
- On 28 November 2023, the Company held its 2023 Annual General Meeting of shareholders. Of the nine separate resolutions that were put before the shareholders at the Meeting, two were carried and seven were defeated.
- On 2 December 2023, three of the Company's former subsidiaries, being Prominent Brands Pty. Ltd., Canview Dispensary Queensland Pty. Ltd. and NRT Australia Pty. Ltd., were deregistered as they had been dormant for some time, had no assets or liabilities and were surplus to the Group's requirements.
- On 4 December 2023, the Company announced that one of its wholly-owned subsidiaries, CDA Clinics QLD Pty. Ltd. ("CDA Clinics QLD"), had proceedings filed against it by the Secretary of the Department of Health and Aged Care in the Federal Court, Brisbane Registry ("Proceedings"). The Proceedings relate to alleged contraventions of section 42DLB of the *Therapeutic Goods Act 1989* (Cth) during the period 27 April 2021 to 30 July 2021. Former Vitura and CDA Clinics QLD Director, Benjamin David Ngahuia Jansen, is also a respondent to the Proceedings.
- On 15 December 2023, a total of 3,357,019 executive performance rights and 1,120,039 employee performance rights were granted by the Company as part of its long-term incentive plan.
- On 27 December 2023, a subsidiary of the Company, CDA Pharmaceuticals Pty. Ltd., was deregistered as it had been dormant for some time, had no assets or liabilities, and was surplus to the Group's requirements.
- On 27 December 2023, the Company announced that Code4 Cannabis Pty. Ltd. ("C4C") had notified Vitura's wholly-owned subsidiary Canview Pty. Ltd. that C4C does not intend to extend the Services Agreement ("Agreement") pursuant to which Vitura exclusively licenses software used as part of the CanView ecosystem ("Software") beyond its expiry date of 10 August 2024. Vitura has exercised its right under the Agreement to enact a 15-month transitional period from 10 August 2024. Vitura (through Canview Pty. Ltd.) will continue to be the exclusive licensee of the Software until 10 November 2025. Vitura will assess its options with respect to the CanView ecosystem, which may include implementing alternate software prior to 10 November 2025 or exercising its option under the Agreement to acquire C4C. Furthermore, under the Agreement, C4C will be prohibited from licensing the Software to any third party for a further 12 months following the end of the transitional period.

Apart from these events, there have been no other significant changes which have not been described elsewhere in this Financial Report.

Significant events after balance date

- On 9 January 2024, the Company announced the addition of prescription only smoking cessation products on CanView to support patients in their journey to quit smoking and reduce their dependency on nicotine. This new product vertical follows changes announced by the TGA prohibiting the importation of non-prescription disposable nicotine vaping products ("NVPs"), making it unlawful to import non-prescription NVPs from 1 January 2024.
- On 22 January 2024, the Company announced that it had executed an agreement with WholeLife Pharmacy Pty. Ltd., one of Australia's leading pharmacy and health food groups. Under the terms of the Agreement, Vitura will provide the WholeLife Pharmacy & Healthfoods network with a WholeLife-branded version of the CanView platform for use by the Group's extensive network of pharmacies, patients and partner prescribers.
- On 12 February 2024, Robert Iervasi was appointed as Independent Chair and Non-Executive Director of the Company.
- On 21 February 2024, a New Zealand-based subsidiary of the Company, Cannabis Doctors Aotearoa Limited, was deregistered. The company, which had been dormant for some time, had no assets or liabilities, was surplus to the Group's requirements.

Apart from these events, there have been no other significant events which have occurred after balance date.

SHARE OPTIONS AND PERFORMANCE RIGHTS

Unissued shares under option

- As at 31 December 2023, the Company had a total of 13,500,000 ordinary shares under option (refer *Note 27*). A total of 1,500,000 ordinary shares were issued as a result of the exercise of options during the half-year ended 31 December 2023. The resulting ordinary shares were issued at a price of $0.27 each, generating a total of $405,000 in equity funds for the Company (refer *Note 23*).
- During the half-year ended 31 December 2023, a total of 565,000 options expired unexercised and a further 3,000,000 options were cancelled as the vesting conditions had not been met.

Performance rights

- As at 31 December 2023, a total of 4,477,058 performance rights had been granted to executives and employees of the Group (refer *Note 27*).
- During the half-year ended 31 December 2023, a total of 3,357,019 executive performance rights and 1,120,039 employee performance rights were granted as part of the Company's long-term incentive plan.

ENVIRONMENT AND REGULATION

The Group does not believe it is subject to any specific environmental regulations, beyond those that apply to all companies. The Board believes there are adequate systems in place to ensure the Group's compliance with relevant Federal, State and Local government environmental regulations and the Board is not aware of any breach of applicable environmental regulations by any member of the Group.

There were no significant changes in laws or regulations during the period from 1 July 2023 up to the date of this Report, that have not been described elsewhere in this Report, which have affected the business activities of the Group and the Board is not aware of any such changes in the near future.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in ASIC Corporations (Rounding Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report. In accordance with that Instrument, amounts in the Directors' Report have been rounded off to the nearest dollar.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the half-year ended 31 December 2023, the Company paid premiums in respect of a contract insuring the Directors and Officers of the Company and related bodies corporate against liabilities that may be incurred in his or her capacity as a Director or Officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the insurance provided and the amount of the premiums paid.

The Company has agreed to indemnify its current and former Directors and Officers against all liabilities to other persons that may arise from their position as Directors or Officers of the Company and its subsidiaries, except in circumstances where the individual concerned has committed an illegal act, wilful misconduct or dishonesty or where to do so would be generally prohibited by law.

PROCEEDINGS ON BEHALF OF THE COMPANY

No proceedings have been brought or intervened in or on behalf of the Company with leave to the Court under section 237 of the *Corporations Act 2001*.

AUDITOR'S INDEPENDENCE DECLARATION

Pilot Partners was appointed as the auditor of Vitura Health Limited on 16 December 2021 and continues in office as auditor in accordance with section 327 of the *Corporations Act 2001*. A copy of Pilot Partners' Independence Declaration, as required under section 307C of the *Corporations Act 2001*, is reproduced on page 14 of this Financial Report.

This Report is signed in accordance with a resolution of the Directors.

DR. MARCIA A.M. WALKER
Director

RODNEY D. COCKS CSM
Director

Melbourne, 23 February 2024

Auditor's Independence Declaration

PILOT PARTNERS
Chartered Accountants
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AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

VITURA HEALTH LIMITED

I declare that to the best of my knowledge and belief, during the half year ended 31 December 2023, there have been:

i. no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the half year review; and

ii. no contraventions of any applicable code of professional conduct in relation to the half year review.

PILOT PARTNERS
Chartered Accountants

CHRIS KING
Partner

Signed on 23 February 2024

Level 10
1 Eagle Street
Brisbane Qld 4000

Consolidated Statement of Comprehensive Income
For the half-year ended 31 December 2023

	Notes	Consolidated 31 Dec. 2023 $	31 Dec. 2022 $
Continuing operations			
Revenue	4	**59,973,994**	57,656,779
Cost of sales		**(42,356,188)**	(37,350,816)
Gross profit		**17,617,806**	20,305,963
Other income	5	**341,913**	74,571
Administration expenses	6(a)	**(2,352,231)**	(1,847,698)
Finance costs	6(b)	**(301,304)**	(114,702)
Information technology expenses	6(c)	**(1,053,237)**	(750,952)
Legal and regulatory expenses	6(d)	**(885,767)**	(400,900)
Personnel expenses	6(e)	**(7,829,985)**	(5,810,476)
Sales and marketing expenses	6(f)	**(877,777)**	(231,406)
Profit before income tax		**4,659,418**	11,224,400
Income tax expense		**(1,537,369)**	(3,562,362)
Profit for the half-year		**3,122,049**	7,662,038
Other comprehensive income/(loss)			
Items that may be reclassified to profit			
Exchange losses on translation of controlled foreign operations		**(2,817)**	(126,062)
Other comprehensive income/(loss) for the half-year, net of tax		**(2,817)**	(126,062)
Total comprehensive profit for the half-year		**3,119,232**	7,535,976
Profit for the half-year is attributable to:			
Owners of Vitura Health Limited		**3,269,665**	7,679,713
Non-controlling interests	26	**(147,616)**	(17,675)
Profit for the half-year		**3,122,049**	7,662,038
Total comprehensive profit for the half-year is attributable to:			
Owners of Vitura Health Limited		**3,266,848**	7,553,651
Non-controlling interests	26	**(147,616)**	(17,675)
Total comprehensive profit for the half-year		**3,119,232**	7,535,976
Profit per share attributable to owners of Vitura Health Limited and from continuing operations:			
Basic profit per share (cents per share)	7	**0.58**	1.39
Diluted profit per share (cents per share)	7	**0.58**	1.34

The accompanying notes form an integral part of these consolidated financial statements

Consolidated Statement of Financial Position
As at 31 December 2023

	Notes	Consolidated 31 Dec. 2023 $	30 June 2023 $
Assets			
Current Assets			
Cash and cash equivalents	9	**12,995,887**	18,849,050
Trade and other receivables	10	**12,996,447**	9,335,077
Inventories	11	**4,970,366**	6,908,870
Other assets	12	**623,847**	911,755
Total Current Assets		**31,586,547**	36,004,752
Non-Current Assets			
Property, plant and equipment	13	**1,245,333**	1,239,891
Right-of-use assets	14	**5,561,497**	1,172,714
Intangible assets and goodwill	15	**30,967,665**	7,103,393
Deferred tax assets		**1,989,875**	1,004,256
Other assets	16	**860,168**	371,299
Total Non-Current Assets		**40,624,538**	10,891,553
Total Assets		**72,211,085**	46,896,305
Liabilities			
Current Liabilities			
Trade and other payables	17	**13,909,906**	9,848,975
Interest-bearing liabilities	18	**1,678,681**	238,053
Current tax liabilities		**-**	244,274
Employee benefit provisions	19	**753,598**	538,421
Other liabilities	20	**6,305,192**	-
Total Current Liabilities		**22,647,377**	10,869,723
Non-Current Liabilities			
Interest-bearing liabilities	21	**10,363,823**	1,040,840
Employee benefit provisions	22	**183,190**	83,884
Total Non-Current Liabilities		**10,547,013**	1,124,724
Total Liabilities		**33,194,390**	11,994,447
Net Assets		**39,016,695**	34,901,858
Equity			
Share capital	23	**30,789,449**	24,041,857
Reserves	24	**(3,977,532)**	(3,803,049)
Retained earnings	25	**12,430,002**	14,740,658
Equity attributable to owners of the Company		**39,241,919**	34,979,466
Non-controlling interests	26	**(225,224)**	(77,608)
Total Equity		**39,016,695**	34,901,858

The accompanying notes form an integral part of these consolidated financial statements

Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2023

	Attributable to members of Vitura Health Limited				
	Share capital $	Reserves $	Retained earnings $	Non-controlling interests $	Total equity $
Balance at 1 July 2022	22,776,247	(3,148,619)	6,474,905	(27,745)	26,074,788
Profit/(loss) for the half-year	-	-	7,679,713	(17,675)	7,662,038
Other comprehensive income/(loss)	-	(126,062)	-	-	(126,062)
Total comprehensive income	-	(126,062)	7,679,713	(17,675)	7,535,976
Transactions with owners					
Shares issued on conversion of performance rights	1,184,980	(1,184,980)	-	-	-
Shares issued under DRP	80,630	-	-	-	80,630
Payment of dividend	-	-	(5,543,636)	-	(5,543,636)
Share-based payments expense	-	349,743	-	-	349,743
Total transactions with owners	1,265,610	(835,237)	(5,543,636)	-	(5,113,263)
Balance at 31 December 2022	24,041,857	(4,109,918)	8,610,982	(45,420)	28,497,501
Balance at 1 July 2023	24,041,857	(3,803,049)	14,740,658	(77,608)	34,901,858
Profit/(loss) for the half-year	-	-	3,269,665	(147,616)	3,122,049
Other comprehensive income/(loss)	-	(2,817)	-	-	(2,817)
Total comprehensive income	-	(2,817)	3,269,665	(147,616)	3,119,232
Transactions with owners					
Shares issued on acquisition of Doctors on Demand Pty. Ltd.	6,250,000	-	-	-	6,250,000
Shares issued on exercise of options	405,000	-	-	-	405,000
Shares issued under DRP	142,000	-	-	-	142,000
Payment of dividend	-	-	(5,580,321)	-	(5,580,321)
Share-based payments credit	-	(171,666)	-	-	(171,666)
Equity transaction costs, net of tax	(49,408)	-	-	-	(49,408)
Total transactions with owners	6,747,592	(171,666)	(5,580,321)	-	995,605
Balance at 31 December 2023	**30,789,449**	**(3,977,532)**	**12,430,002**	**(225,224)**	**39,016,695**

The accompanying notes form an integral part of these consolidated financial statements

Consolidated Statement of Cash Flows
For the half-year ended 31 December 2023

	Notes	Consolidated 31 Dec. 2023 $	Consolidated 31 Dec. 2022 $
Cash flows from/(used in) operating activities			
Receipts from customers		**62,686,060**	57,978,465
Payments made to suppliers and employees		**(54,037,354)**	(50,936,912)
Interest received		**378,822**	51,962
Income tax paid		**(2,104,654)**	(1,661,716)
Interest and other finance charges paid		**(163,510)**	(36,530)
Net cash flows from/(used in) operating activities	28	**6,759,364**	5,395,269
Cash flows used in investing activities			
Acquisition of Doctors on Demand		**(12,114,123)**	-
Payment of security deposits		**(302,978)**	-
Purchases of plant and equipment		**(168,707)**	(825,565)
Payment for intangible assets		**(35,845)**	-
Net cash flows used in investing activities		**(12,621,653)**	(825,565)
Cash flows from/(used in) financing activities			
Proceeds from bank loan		**6,250,000**	-
Proceeds from the issue of ordinary shares		**405,000**	-
Payment of dividend at one cent per ordinary share		**(5,438,321)**	(5,463,006)
Loan to entity outside the consolidated group	29(b)	**(838,414)**	-
Lease payments		**(319,731)**	(361,142)
Payment of transaction costs related to the issue of shares		**(49,408)**	-
Net cash flows from/(used in) financing activities		**9,126**	(5,824,148)
Net decrease in cash and cash equivalents held		**(5,853,163)**	(1,254,444)
Cash and cash equivalents at the beginning of the half-year		**18,849,050**	16,077,031
Cash and cash equivalents at the end of the half-year	9	**12,995,887**	14,822,587

The accompanying notes form an integral part of these consolidated financial statements

1. CORPORATE INFORMATION

The financial statements of Vitura Health Limited ("Vitura" and the "Company") for the half-year ended 31 December 2023 were authorised for issue in accordance with a resolution of the Company's Board of Directors dated 23 February 2024.

Vitura was incorporated in Australia on 27 September 2018 under the name Cronos Australia Limited and is a company limited by shares. The Company changed its name to Vitura Health Limited on 6 February 2023. The Company is listed on the Australian Securities Exchange ("ASX") and trades under the ASX code VIT. The Company, together with its 17 subsidiaries, are referred to in these financial statements as the "Group".

The Group operates a digital health business in Australia. The Company's headquarters are located in South Yarra, Victoria, with its principal operations located in Varsity Lakes and Brisbane in Queensland.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

This consolidated interim financial report for the half-year ended 31 December 2023 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This consolidated interim financial report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the financial report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous reporting requirements of the Australian Securities Exchange and the *Corporations Act 2001*. Vitura is a for-profit entity for the purpose of preparing the financial statements.

During the half-year ended 31 December 2023, the Company acquired 100% of the issued capital of one of Australia's leading telehealth businesses, Doctors on Demand Pty. Ltd. ("DoD"). The Company's policy in respect of business combinations generally is set out in *Note 2(x)* of the Company's 2023 Annual Report, while the specific details pertaining to the DoD acquisition are provided in *Note 29* of this interim financial report.

The financial statements contained in this consolidated interim financial report have been prepared on a going concern basis. The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial report, unless stated otherwise.

As part of the Company's acquisition of DoD in October 2023, the Group recognised capitalised software development costs of $6,972,194 in its balance sheet as at 31 December 2023. As the Group also continues to incur costs in relation to the development of its CanView platform, the Company has, with effect from 1 July 2023, changed its accounting policy with respect to such software development costs such that, where possible, these costs will be capitalised and amortised going forward.

(b) New and amended accounting standards and interpretations

A number of new and revised standards and interpretations are effective from 1 July 2023, however they did not have a material impact on the disclosures or amounts recognised in the Company's consolidated financial statements for the half-year ended 31 December 2023. A number of new standards are effective for annual periods beginning after 1 July 2023 and earlier application is permitted. However, in preparing these consolidated financial statements, the Group has not early adopted the new or amended standards.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are evaluated and based on historical experience and factors including expectations of events that may have a financial impact on the Company and which are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of certain assets and liabilities within the next annual reporting period are set out below.

Recoupment of prior year tax losses

The deferred tax assets include an amount of $3,042,038 which relates to the carried-forward tax losses of DoD which were transferred to the Company at the time when DoD joined the Vitura tax consolidated group. Based on preliminary assessments, management has recognised the deferred tax assets referable to the losses on the basis that DoD should satisfy the relevant tests for transferring the tax losses to the Vitura tax consolidated group. The relevant transfer test is the Business Continuity Test and, based on the preliminary work undertaken, management is satisfied that DoD should satisfy the Business Continuity Test as DoD has carried on the similar business at the relevant test times. The Group expects to be able to recover these losses against taxable income over eight years, subject to changes to the Available Fraction for transferred losses, which could reduce the rate at which these losses can be utilised.

Licences

Determining whether the Company's indefinite life licences are impaired is a matter of judgement. The Company undertakes a full assessment of impairment of such licences annually, as required by Accounting Standards. At other reporting periods, the Company assesses whether there are any indicators of impairment. Where such indicators exist, a full impairment assessment is undertaken.

Impairment of intangible assets and goodwill

The Group determines whether intangible assets, including goodwill, are impaired on at least an annual basis, in accordance with the accounting policies stated in *Notes 2(p)* and *2(t)* of the Company's 2023 Annual Report. This process requires an estimation to be made of the recoverable amount of the cash-generating units to which the respective assets are allocated.

Inventories

The Group values inventories of finished goods and raw materials in accordance with the accounting policies stated in *Note 2(n)* of the Company's 2023 Annual Report. This process requires an estimation to be made of the net realisable value of inventories which is calculated to be the estimated selling price less the estimated selling expenses. As at 31 December 2023, the Company has raised a provision for obsolete stock amounting to $156,106 (refer *Note 11*).

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the value of the equity instruments at the date on which they are granted. The fair value is determined by an independent valuer using appropriate option-pricing models.

(b) Critical judgements in applying the Group's accounting policies

Revenue from the sale of medicinal cannabis products

Revenues derived from the sale of medicinal cannabis products are recognised when ownership of the products passes from the Company to the customer and all of the Company's related obligations have been met. The Company has reviewed each of its supplier agreements and believes that it has satisfied the requirements of AASB 15 *Revenue from Contracts with Customers*.

	Consolidated	
	31 Dec. 2023 $	31 Dec. 2022 $

4. REVENUE

Sale and distribution of products	**56,147,587**	56,802,025
Medical consultation and service fees	**3,826,407**	854,754
Total revenue	**59,973,994**	57,656,779

Note: All revenue is recognised at a specific point in time.

5. OTHER INCOME

Interest received	**341,804**	65,865
Profit on sale of assets	**109**	2,706
Research and development study income	**-**	6,000
Total other income	**341,913**	74,571

6. EXPENSES

Profit before income tax includes the following expenses:

(a) Administration expenses

Depreciation and amortisation expenses	**660,659**	545,223
Insurance	**511,209**	433,415
Consulting fees	**320,858**	213,320
Office expenses	**298,070**	302,384
Accounting and audit fees	**251,299**	159,755
Licences, subscriptions and membership fees	**178,606**	50,809
Travel expenses	**131,530**	142,792
Total administration expenses	**2,352,231**	1,847,698

(b) Finance costs

Interest expense	**231,965**	81,821
Bank and merchant charges	**67,862**	81,147
Net foreign exchange (gains)/losses	**1,477**	(48,266)
Total finance costs	**301,304**	114,702

(c) Information technology expenses

Platform development expenses	**593,637**	512,358
Software subscriptions	**407,227**	220,534
Website expenses	**52,373**	18,060
Total information technology expenses	**1,053,237**	750,952

(d) Legal and regulatory expenses

Legal fees	**797,198**	293,702
Regulatory expenses	**88,569**	107,198
Total legal and regulatory expenses	**885,767**	400,900

	Consolidated	
	31 Dec. 2023 $	31 Dec. 2022 $

6. EXPENSES (CONT.)

(e) Personnel expenses

Salaries and wages	**6,664,359**	4,263,126
Superannuation	**628,102**	432,724
Payroll and Fringe Benefits taxes	**427,024**	422,958
Directors' fees	**84,165**	77,500
Staff education and training	**63,952**	15,508
Contractor fees	**56,317**	10,578
Other personnel expenses	**43,217**	44,921
Recruitment fees	**34,515**	193,418
Share-based payments (credit)/expense (net of cancellations)	**(171,666)**	349,743
Total personnel expenses	**7,829,985**	5,810,476

(f) Sales and marketing expenses

Sales and marketing expenses	**835,958**	206,785
Doctor engagement expenses	**41,819**	24,621
Total sales and marketing expenses	**877,777**	231,406

7. PROFIT PER SHARE

The following reflects the income and share data used in the calculations of basic and diluted profit per share:

Profit for the half-year attributable to the owners of the Company	**3,269,665**	7,679,713
Weighted average number of shares used to calculate:		
Profit per share	**564,045,492**	553,887,002
Diluted profit per share	**568,522,550**	571,973,302

8. DIVIDENDS AND DISTRIBUTIONS

On 23 August 2023, the Directors of Vitura declared a dividend of one cent per ordinary share franked as to 100% in respect of the year ended 30 June 2023. The Record Date for the dividend was 5 September 2023 and the payment of the dividend and allotment of shares issued under the Company's Dividend Reinvestment Plan ("DRP") occurred on 28 September 2023. A total of $5,438,321 was paid in cash and $142,000 in respect of the above dividend was settled via the issue of 461,294 shares in the Company under the DRP. The Company does not propose to pay a dividend in respect of the half-year ended 31 December 2023.

	Consolidated	
	31 Dec. 2023 $	30 June 2023 $

9. CASH AND CASH EQUIVALENTS

Cash at bank and on hand	**12,995,887**	18,849,050
Total cash and cash equivalents	**12,995,887**	18,849,050

	Consolidated	
	31 Dec. 2023 $	30 June 2023 $
10. TRADE AND OTHER RECEIVABLES		
Trade receivables	**12,123,897**	9,377,402
Less: expected credit losses	**(16,786)**	(111,252)
Income tax receivable	**530,874**	-
GST receivable, net	**227,164**	-
Doctors on Demand adjustment payment receivable (refer *Note 29(b)*)	**100,180**	-
Interest receivable	**31,118**	68,136
Other receivables	**-**	791
Total net trade and other receivables	**12,996,447**	9,335,077
11. INVENTORIES		
Finished goods on hand, at cost	**3,943,801**	5,788,980
Deposits paid on products in production	**1,107,314**	1,247,033
Raw materials, at cost	**75,357**	77,445
Less: provision for obsolete stock	**(156,106)**	(204,588)
Total net inventories	**4,970,366**	6,908,870
12. OTHER ASSETS (CURRENT)		
Prepayments	**623,847**	725,865
Security deposits	**-**	185,890
Total current other assets	**623,847**	911,755
13. PROPERTY, PLANT AND EQUIPMENT		
(a) Plant and equipment		
Office and clinic equipment	**146,794**	149,748
Leasehold improvements	**832,599**	809,074
Motor vehicles	**50,601**	57,085
Computer equipment	**215,339**	188,029
Assets under construction	**-**	35,955
Total net property, plant and equipment	**1,245,333**	1,239,891

(b) Reconciliation of plant and equipment

	Opening balance $	Additions (net) $	Assets completed $	Depreciation expense $	Closing balance $
Office and clinic equipment	149,748	28,722	-	(31,676)	**146,794**
Leasehold improvements	809,074	40,906	35,955	(53,336)	**832,599**
Motor vehicles	57,085	1,872	-	(8,356)	**50,601**
Computer equipment	188,029	97,207	-	(69,897)	**215,339**
Assets under construction	35,955	-	(35,955)	-	**-**
Totals	1,239,891	168,707	-	(163,265)	**1,245,333**

Note: Included in the additions above, are items of plant and equipment acquired on the acquisition of Doctors on Demand Pty. Ltd. with a written down value of $22,335 as at the date of acquisition (refer Note 29(b)).

	Consolidated	
	31 Dec. 2023 $	30 June 2023 $
14. RIGHT-OF-USE ASSETS		
Balance at the beginning of the half-year	**1,172,714**	4,961,204
Add: recognition of right-of-use assets	**4,551,342**	-
Add: right-of-use assets acquired on acquisition (refer *Note 29(b)*)	**178,855**	-
Less: change in management assumption	**-**	(3,160,235)
Less: amortisation expense charged	**(341,414)**	(628,255)
Total right-of-use assets	**5,561,497**	1,172,714

Note: Pursuant to AASB 16 Leases, the Company has recorded right-to-use assets and current and non-current lease liabilities in respect of the above leases (refer Notes 18 and 21).

15. INTANGIBLE ASSETS AND GOODWILL

(a) Intangible assets and goodwill

	31 Dec. 2023 $	30 June 2023 $
Goodwill - Doctors on Demand Pty. Ltd.	**11,442,057**	-
Capitalised software development, net	**6,972,194**	19,988
Goodwill - CDA Health Pty. Ltd.	**6,540,958**	6,540,958
Brand - Doctors on Demand Pty. Ltd.	**4,881,000**	-
Customer relationships, net	**603,712**	-
Goodwill - Cannadoc Health Pty. Ltd.	**291,457**	291,457
Licences arising on restructure	**200,000**	200,000
Trademarks and patents, net	**36,287**	50,990
Total net intangible assets and goodwill	**30,967,665**	7,103,393

(b) Reconciliation of intangible assets and goodwill

	Opening balance $	Additions $	Amortisation expense $	Closing balance $
Goodwill - Doctors on Demand Pty. Ltd.	-	11,442,057	-	**11,442,057**
Capitalised software development, net	19,988	7,083,000	(130,794)	**6,972,194**
Goodwill - CDA Health Pty. Ltd.	6,540,958	-	-	**6,540,958**
Brand - Doctors on Demand Pty. Ltd.	-	4,881,000	-	**4,881,000**
Customer relationships, net	-	613,000	(9,288)	**603,712**
Goodwill - Cannadoc Health Pty. Ltd.	291,457	-	-	**291,457**
Licences arising on restructure	200,000	-	-	**200,000**
Trademarks and patents, net	50,990	-	(14,703)	**36,287**
Total net intangible assets and goodwill	7,103,393	24,019,057	(154,785)	**30,967,665**

Note: All of the additions during the half-year ended 31 December 2023 were acquired as part of the acquisition of Doctors on Demand Pty. Ltd. (refer Note 29(b)). The various intangible assets were identified by Management with assistance from independent expert Grant Thornton Australia Limited ("GTAL"). GTAL subsequently undertook a detailed valuation of the various intangible assets that were identified which have been reflected in the Company's balance sheet as at 31 December 2023.

	Consolidated	
	31 Dec. 2023 $	30 June 2023 $
16. OTHER ASSETS (NON-CURRENT)		
Security deposits	**860,168**	371,299
Total non-current other assets	**860,168**	371,299
17. TRADE AND OTHER PAYABLES		
Trade payables	**11,539,500**	6,920,341
Payroll-related payables (excluding annual leave)	**1,692,580**	1,655,894
Accrued expenses	**601,265**	430,042
Other payables	**76,561**	600,057
GST payable, net	**-**	242,641
Total trade and other payables	**13,909,906**	9,848,975
18. INTEREST-BEARING LIABILITIES (CURRENT)		
Borrowings from ANZ Banking Group	**1,200,000**	-
Lease liabilities	**478,681**	238,053
Total current interest-bearing liabilities	**1,678,681**	238,053
19. EMPLOYEE BENEFIT PROVISIONS (CURRENT)		
Annual leave	**753,598**	538,421
Total current employee benefit provisions	**753,598**	538,421
20. OTHER LIABILITIES (CURRENT)		
Deferred consideration for purchase of Doctors on Demand	**6,250,000**	-
Deferred revenue	**55,192**	-
Total current other liabilities	**6,305,192**	-
21. INTEREST-BEARING LIABILITIES (NON-CURRENT)		
Lease liabilities	**5,348,473**	1,040,840
Borrowings from ANZ Banking Group	**5,015,350**	-
Total non-current interest-bearing liabilities	**10,363,823**	1,040,840

Note: Borrowings from ANZ Banking Group include capitalised borrowing costs of $35,845 against which amortisation of $1,195 was charged during the half-year ended 31 December 2023.

22. EMPLOYEE BENEFIT PROVISIONS (NON-CURRENT)		
Long service leave	**183,190**	83,884
Total non-current employee benefit provisions	**183,190**	83,884

	31 Dec. 2023 $	30 June 2023 $
	Consolidated	

23. SHARE CAPITAL

(a) Issued and paid-up capital

	31 Dec. 2023 $	30 June 2023 $
Balance at the beginning of the half-year	**24,041,857**	22,776,247
Add: shares issued on acquisition of Doctors on Demand Pty. Ltd.	**6,250,000**	-
Add: shares issued on exercise of options	**405,000**	-
Add: shares issued under Dividend Reinvestment Plan	**142,000**	80,630
Add: shares issued on conversion of performance rights	**-**	1,184,980
Less: equity transaction costs, net of tax	**(49,408)**	-
Balance at the end of the half-year	**30,789,449**	24,041,857

Note: The above comparative reconciliation relates to the half-year ended 31 December 2022.

(b) Shares on issue

	31 Dec. 2023	30 June 2023
Balance at the beginning of the half-year	**556,532,071**	550,625,419
Add: shares issued on acquisition of Doctors on Demand Pty. Ltd.	**17,380,423**	-
Add: shares issued on exercise of options	**1,500,000**	-
Add: shares issued under Dividend Reinvestment Plan	**461,294**	126,260
Add: shares issued on conversion of performance rights	**-**	5,780,392
Balance at the end of the half-year	**575,873,788**	556,532,071

Note: The above comparative reconciliation relates to the half-year ended 31 December 2022.

24. RESERVES

	31 Dec. 2023 $	30 June 2023 $
Share-based payments reserve	**1,433,507**	1,605,173
Foreign currency translation reserve	**(270,219)**	(267,402)
Capital reserve	**(5,140,820)**	(5,140,820)
Total reserves	**(3,977,532)**	(3,803,049)

25. RETAINED EARNINGS

	31 Dec. 2023 $	30 June 2023 $
Balance at the beginning of the half-year	**14,740,658**	6,474,905
Add: profit attributable to owners of Vitura Health Limited	**3,269,665**	7,679,713
Less: payment of dividend at one cent per ordinary share	**(5,580,321)**	(5,543,636)
Balance at the end of the half-year	**12,430,002**	8,610,982

Note: The above comparative reconciliation relates to the half-year ended 31 December 2022.

26. NON-CONTROLLING INTERESTS

	31 Dec. 2023 $	30 June 2023 $
Balance at the beginning of the half-year	**(77,608)**	(27,745)
Less: share of losses attributable to non-controlling interests	**(147,616)**	(17,675)
Balance at the end of the half-year	**(225,224)**	(45,420)

Note: The above comparative reconciliation relates to the half-year ended 31 December 2022.

27. OPTIONS AND PERFORMANCE RIGHTS

(a) Options on issue at balance date

Options on issue at balance date, none of which are listed on ASX

Date granted	Quantity	Exercise price (cents)	Vesting dates	Expiry dates	Fair market value (cents)
16 December 2021	4,500,000	27.0	30 June 2022	16 December 2025	10.20
16 December 2021	4,500,000	34.0	30 June 2023	16 December 2025	10.10
16 December 2021	4,500,000	41.0	30 June 2024	16 December 2025	10.00
Total	13,500,000				

(b) Performance rights on issue at balance date

Performance rights on issue at balance date, none of which are listed on ASX

Type	Date granted	Quantity	Vesting dates	Expiry dates
Executive rights	15 December 2023	3,357,019	31 August 2026	31 December 2026
Employee rights	15 December 2023	1,120,039	31 August 2026	31 December 2026
	Total	4,477,058		

Note: The exact vesting dates for the above performance rights will be the day which is two business days after the Company releases its Financial Report for the year ending 30 June 2026. The expiry dates will be the day which is four months from the vesting dates. The above dates are provided as an approximation of the relevant dates.

	Consolidated	
	31 Dec. 2023 $	31 Dec. 2022 $
28. RECONCILIATION OF CASH FLOWS		
Reconciliation of profit for the half-year		
Reconciliation of profit for the half-year after income tax to the net cash flows from operating activities		
Profit for the half-year	**3,122,049**	7,662,038
Non-cash items		
Amortisation of right-of-use assets, intangible assets and other	**497,394**	396,810
Depreciation of property, plant and equipment	**163,265**	148,413
Interest charged on lease liabilities	**137,795**	48,684
Unrealised foreign currency losses/(gains)	**36,820**	(25,674)
Net movement in accrued income tax expense (net of payments)	**(567,285)**	1,900,646
Share-based payments (credit)/expense (net of cancellations)	**(171,666)**	349,743
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables (net)	**(2,930,136)**	(4,009,887)
(Increase)/decrease in inventories	**1,938,504**	(4,673,113)
(Increase)/decrease in other assets	**102,018**	312,361
Increase/(decrease) in trade and other payables	**4,060,931**	3,202,633
Increase/(decrease) in employee benefit provisions	**314,483**	82,615
Increase/(decrease) in deferred revenue	**55,192**	-
Net cash flows from operating activities	**6,759,364**	5,395,269

	Consolidated	
	31 Dec. 2023 $	30 June 2023 $

29. BUSINESS COMBINATIONS

(a) Purchase consideration for acquisition of Doctors on Demand

	31 Dec. 2023 $	30 June 2023 $
Cash paid	**12,500,000**	-
Issue of ordinary shares (refer *Note 23(a)*)	**6,250,000**	-
Deferred consideration (refer *Note 20*)	**6,250,000**	-
Net working capital adjustment	**(486,057)**	-
Total purchase consideration	**24,513,943**	-

(b) Assets and liabilities acquired at fair value

	31 Dec. 2023 $	30 June 2023 $
Assets		
Capitalised software development	**7,083,000**	-
Brand	**4,881,000**	-
Deferred tax assets	**3,088,194**	-
Trade and other receivables	**1,198,530**	-
Cash and cash equivalents	**862,140**	-
Customer relationships	**613,000**	-
Right-of-use assets (refer *Note 14*)	**178,855**	-
Property, plant and equipment, net (refer *Note 13(b)*)	**22,335**	-
Liabilities		
Deferred tax liabilities	**(1,894,711)**	-
Trade and other payables	**(1,766,999)**	-
Loan from entity unrelated at acquisition date	**(838,414)**	-
Interest-bearing liabilities	**(189,562)**	-
Employee benefit provisions	**(165,482)**	-
Net identifiable assets acquired	**13,071,886**	-
Goodwill acquired on acquisition (refer *Note 15(a)*)	**11,442,057**	-
Total purchase consideration	**24,513,943**	-

Note: On 26 October 2023, the Company acquired 100% of the issued capital of Doctors on Demand Pty. Ltd. ACN 163 312 570 ("DoD") ("Acquisition"). DoD is an Australian private company that operates a leading digital platform to facilitate the treatment of patients and the provision of telehealth, healthcare and related services by Australian registered healthcare practitioners via video conference. The information included in these financial statements has been prepared in accordance with AASB 3 Business combinations ("AASB 3"), as the Acquisition resulted in the combined group being identified as a Business Combination under Australian Accounting Standards.

The Company's policy in respect of business combinations generally is set out in Note 2(x) of the Company's 2023 Annual Report. As a result, these financial statements include the financial results of DoD for the period from the acquisition date to 31 December 2023. The above tables include details of the adjusted assets and liabilities that were acquired as part of the Acquisition.

At the date of the Acquisition, the Directors believed that the purchase of DoD would provide a material increase in revenues for the Group and access to significant numbers of doctors and patients that could potentially use the CanView platform and to whom additional products and services could be offered.

The Acquisition price of $24,513,943 comprised three components, being net cash paid of $12,114,123 (of which $6,250,000 was sourced from debt funding provided by ANZ Banking Group Limited), the issue of 17,380,423 ordinary shares in the Company with a value of $6,250,000 and vendor finance of $6,250,000 which is repayable by the Company on the anniversary of the date of the Acquisition, being 26 October 2024. No interest is payable in respect of the vendor finance.

29. BUSINESS COMBINATIONS (CONT.)

The goodwill arising on the Acquisition is attributable to a combination of the expected continued growth of the current DoD operations and the Company's anticipated ability to leverage the large numbers of patients regularly using the DoD service by offering a wide range of new products and services not currently offered to the DoD patients. The Company will use its market-leading CanView platform and its established distribution operations to efficiently deliver these new products and services.

Under AASB 3 and AASB 112 Income tax, the assets and liabilities acquired in a business combination include deferred tax assets and deferred tax liabilities. Following the Acquisition, the Group has undertaken preliminary assessments, in conjunction with independent tax experts BDO, to determine whether the accumulated tax losses historically incurred by DoD would be available for use by the Group. Based on those preliminary assessments, the Group has recognised a deferred tax asset as at the date of the Acquisition referable to the losses on the basis that DoD should satisfy the relevant tests for transferring the tax losses to the Vitura tax consolidated group.

The relevant transfer test is the Business Continuity Test and, based on the preliminary work undertaken, management is satisfied that DoD should satisfy the Business Continuity Test as DoD has carried on the similar business at the relevant test times. The Group expects to be able to recover these losses against taxable income over eight years, subject to future changes to the Available Fraction for the transferred losses which could reduce the rate at which these losses can be utilised. As a result, a deferred tax asset of $3,042,038 was recognised as at the date of the Acquisition. This has resulted in a reduction in the goodwill amount initially recognised at the date of Acquisition by the same amount.

During the period from the date of acquisition up to 31 December 2023, the acquiree for the purposes of AASB 3 (being DoD) generated total revenue of $3,259,574 and a net profit before income tax of $63,929. Had the acquisition occurred on 1 July 2023, the combined entity would have generated total revenue of $63,573,051 and a net profit before income tax of $4,293,608.

	Consolidated	
	31 Dec. 2023 $	30 June 2023 $
30. COMMITMENTS AND CONTINGENCIES		
(a) Lease expenditure commitments		
Minimum lease payments		
Not later than one year	**848,495**	287,612
Later than one year but not later than five years	**2,315,702**	374,429
Later than five years	**-**	-
Total minimum lease payments	**3,164,197**	662,041

As at 31 December 2023, the Group had entered into five leases relating to the premises listed below which have been recognised, along with a corresponding right-of-use asset, under AASB 16 *Leases* (refer *Notes 14, 18* and *21*):

Location and use	Landlord	Date of lease expiry
South Yarra, Victoria 3141 Corporate headquarters	Newmark Como Property Trust	10 May 2025
South Melbourne, Victoria 3205 Warehouse and distribution	Questco Pty. Ltd.	31 January 2027
Varsity Lakes, Queensland 4227 CDA Health operations	Argus (Varsity) Pty. Ltd.	14 August 2028
Burleigh Heads, Queensland 4220 Warehouse and distribution	CJ Vision Pty. Ltd.	31 May 2024
South Brisbane, Queensland 4101 Doctors on Demand operations	Dorain Pty. Ltd.	14 August 2025

30. COMMITMENTS AND CONTINGENCIES (CONT.)

(b) Financial commitments to Group entities that are not wholly-owned

Cortexa Pty. Ltd.

On 2 May 2023, Vitura announced the establishment of a 50:50 joint venture with Canadian-based PharmAla Biotech Holdings Inc. ("PharmAla"), a biotechnology company focused on the research, development and manufacture of MDXX class molecules (including MDMA). A joint venture vehicle called Cortexa Pty. Ltd. ("Cortexa"), which is owned equally by Vitura and PharmAla, has been established to become the leading supplier of psychedelics for research and therapeutic use in Australia. In order to provide Cortexa with sufficient working capital in its initial stage of development, Vitura has agreed to advance loan funds to Cortexa of up to $2,200,000 at an interest rate equal to the official cash rate +5% per annum, should they be required. As at 31 December 2023, a total of $600,000 had been advanced to Cortexa by Vitura.

Cannadoc Health Pty. Ltd.

On 3 February 2020, the Group executed a Share Transfer and Shareholders Agreement (the "Agreement") pursuant to which it acquired a 51% indirect equity interest in Cannadoc Health Pty. Ltd. ("Cannadoc"), a Melbourne-based company operating a medical clinic business. On 1 February 2021, the Group acquired a further 24.5% equity interest in Cannadoc for $101,000, taking its total equity interest to 75.5%. Under the Agreement, Vitura has made available to Cannadoc a loan facility of up to $1,000,000 on commercial terms, which may be used for working capital purposes and to expand the business.

As at 31 December 2023, a total of $650,000 had been advanced under the facility on which interest is being charged at a rate of 9% per annum. At that date, accrued interest of $99,678 had been charged in respect of the facility and added to the outstanding balance due to the Company by Cannadoc.

31. SUBSEQUENT EVENTS

- On 9 January 2024, the Company announced the addition of prescription only smoking cessation products on CanView to support patients in their journey to quit smoking and reduce their dependency on nicotine. This new product vertical follows changes announced by the TGA prohibiting the importation of non-prescription disposable nicotine vaping products ("NVPs"), making it unlawful to import non-prescription NVPs from 1 January 2024.
- On 22 January 2024, the Company announced that it had executed an agreement with WholeLife Pharmacy Pty. Ltd., one of Australia's leading pharmacy and health food groups. Under the terms of the Agreement, Vitura will provide the WholeLife Pharmacy & Healthfoods network with a WholeLife-branded version of the CanView platform for use by the Group's extensive network of pharmacies, patients and partner prescribers.
- On 12 February 2024, Robert Iervasi was appointed as Independent Chair and a Non-Executive Director of the Company.
- On 21 February 2024, a New Zealand-based subsidiary of the Company, Cannabis Doctors Aotearoa Limited, was deregistered. The company, which had been dormant for some time, had no assets or liabilities, was surplus to the Group's requirements.

Apart from the events described above, there were no other events that have occurred subsequent to balance date that have not been disclosed elsewhere in this Financial Report.

32. SEGMENT INFORMATION

(a) Reportable segments

As a result of the closure of its consumer operations during the year ended 30 June 2023 and the acquisition of Doctors on Demand Pty. Ltd. during the half-year ended 31 December 2023, the Group has reassessed the nature of its reportable segments. The sale and distribution by the Group of products other than medicinal cannabis as from 1 July 2023, including psychedelic drugs and smoking cessation products, has also contributed to the need to change the Company's reportable business segments as from that date.

The Group has identified two business segments based on the products now sold and/or the services provided as these represent the source of the Group's major risks and have the greatest effect on the rates of return. The Group has identified only one geographic segment, being Australia, based on the fact that all of the jurisdictions where the Company's operations were located during the half-year ended 31 December 2023 are in that country. These new segments are reported in a manner consistent with the reporting provided to the chief operating decision maker, being the Company's Chief Executive Officer.

The two new business segments, as from 1 July 2023, are defined as follows:

- *Sales and distribution:* covering the sale and distribution of medical products including medicinal cannabis, psychedelic drugs and smoking cessation products, and potentially others; and
- *Clinics and services:* covering the provision of medical consultations and related services.

The Group sells and distributes medicinal cannabis and other medical products. Revenue is recognised when control of the products has transferred to the customer. For such transactions, this is when the products are delivered to the customers. Revenue from these sales is based on the price listed in the supply contracts, net of any volume discounts which may apply. The volume discounts are estimated using historical experience and applying the expected value method. Revenue is then only recognised to the extent that there is a high probability that a significant reversal of revenue will not occur.

(b) Segment accounting policies

Segment information conforms with Vitura's accounting policies and Accounting Standard AASB 8 *Operating Segments*. The primary reporting segments reflect the information that Management uses to make decisions about operating matters. Interest received and finance costs are allocated under the heading Corporate as they are not part of the core operations of any other segment.

In accordance with the Group's segment accounting policy, the Company's reportable business segments have changed with effect from 1 July 2023, as described above.

(c) Intersegment disclosures

There were no intersegment sales during the half-year ended 31 December 2023.

(d) Major customers

As at 31 December 2023, the Group has no customers to which it supplies products and from whom the Group generated revenues representing more than 10% of the total consolidated revenue from operations.

32. SEGMENT INFORMATION (CONT.)

(e) Business segments

The Group's two business segments as at balance date can be described as *Sales and distribution* (involving the *sale* and distribution of medical products including medicinal cannabis, psychedelic drugs and smoking cessation products) and *Clinics and services* (involving the operation of medicinal cannabis clinics and the provision of related services). The Corporate disclosures below include revenues, costs, assets and liabilities associated with Vitura's headquarter function, including all of the Company's income tax expense.

Segment		Revenue $	Other income $	Totals $	Profit/(loss) $
Sales and distribution	**2024**	**56,147,587**	**-**	**56,147,587**	**10,690,557**
	2023	56,802,025	6,000	56,808,025	17,740,657
Clinics and services	**2024**	**3,826,407**	**-**	**3,826,407**	**(1,328,210)**
	2023	854,754	-	854,754	(762,333)
Sub-totals	**2024**	**59,973,994**	**-**	**59,973,994**	**9,362,347**
	2023	57,656,779	6,000	57,662,779	16,978,324
Corporate	**2024**	**-**	**341,913**	**341,913**	**(6,240,298)**
	2023	-	68,571	68,571	(9,316,286)
Totals	**2024**	**59,973,994**	**341,913**	**60,315,907**	**3,122,049**
	2023	57,656,779	74,571	57,731,350	7,662,038

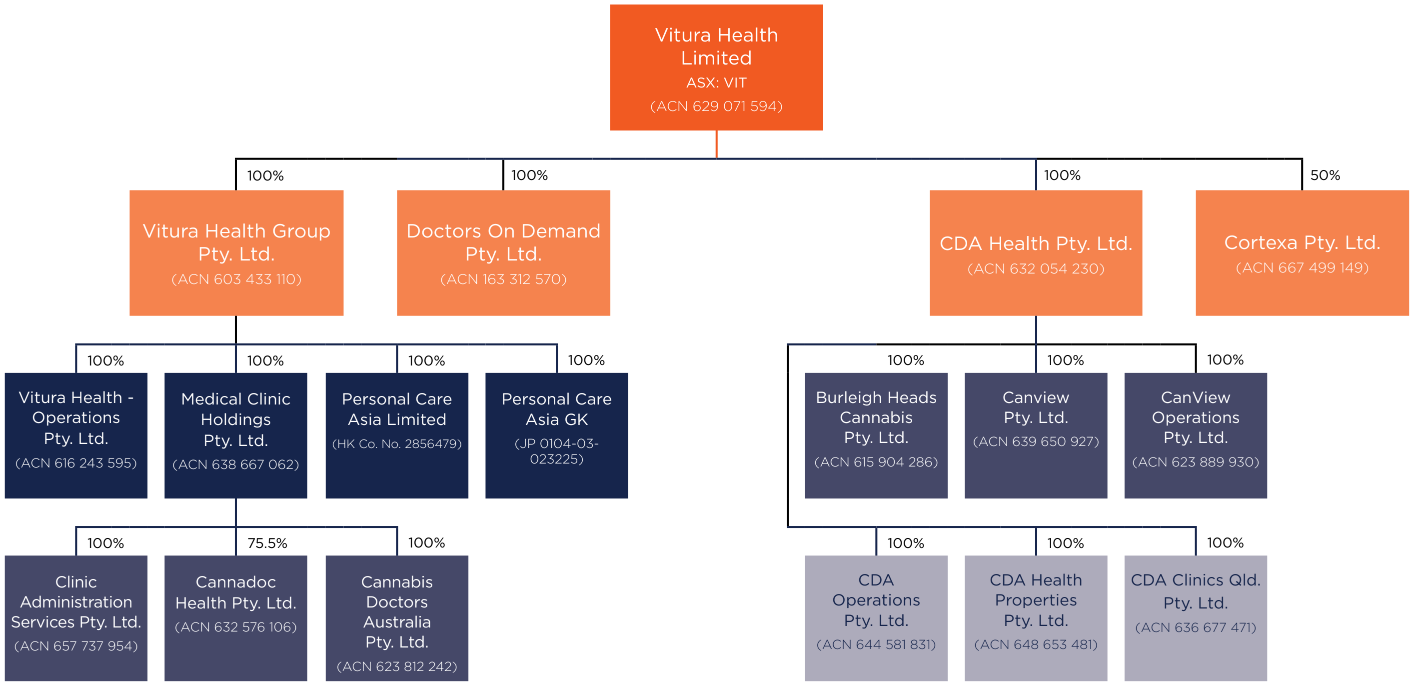
Segment		Assets $	Liabilities $	Depreciation/ amortisation $	Purchases of equipment $
Sales and distribution	**2024**	**34,076,609**	**(11,271,349)**	**(145,932)**	**19,273**
	2023	24,860,860	(8,248,159)	(182,232)	738,815
Clinics and services	**2024**	**17,027,505**	**(1,774,321)**	**(198,171)**	**5,232**
	2023	315,896	(78,474)	(77,164)	-
Sub-totals	**2024**	**51,104,114**	**(13,045,670)**	**(344,103)**	**24,505**
	2023	25,176,756	(8,326,633)	(259,396)	738,815
Corporate	**2024**	**21,106,971**	**(20,148,720)**	**(316,556)**	**144,202**
	2023	21,719,549	(3,667,814)	(285,827)	86,750
Totals	**2024**	**72,211,085**	**(33,194,390)**	**(660,659)**	**168,707**
	2023	46,896,305	(11,994,447)	(545,223)	825,565

(f) Geographic segment

As detailed above, the Group had one geographic segment as at balance date, being Australia (which is the home country of the parent entity, Vitura Health Limited, and the location of the Group's sales and distribution and clinics operations).

33. GROUP STRUCTURE

The following diagram is a depiction of the Group structure as at the date of this Report:



Name of Group company	Date and place of incorporation
Vitura Health Limited	27 September 2018; Victoria, Australia
Vitura Health Group Pty. Ltd.	18 December 2014; Victoria, Australia
Doctors on Demand Pty. Ltd.	15 April 2013; Queensland, Australia
CDA Health Pty. Ltd.	5 March 2019; Queensland, Australia
Cortexa Pty. Ltd.	26 April 2023; Victoria, Australia
Vitura Health - Operations Pty. Ltd.	2 December 2016; Victoria, Australia
Medical Clinic Holdings Pty. Ltd.	23 January 2020; Victoria, Australia
Personal Care Asia Limited	25 July 2019; Central, Hong Kong
Personal Care Asia GK	1 July 2020; Tokyo, Japan
Clinic Administration Services Pty. Ltd.	2 March 2022; Victoria, Australia
Cannadoc Health Pty. Ltd.	28 March 2019; Victoria, Australia
Cannabis Doctors Australia Pty. Ltd.	15 January 2018; Queensland, Australia
Burleigh Heads Cannabis Pty. Ltd.	14 November 2016; Queensland, Australia
Canview Pty. Ltd.	10 March 2020; Queensland, Australia
CanView Operations Pty. Ltd.	18 January 2018; Queensland, Australia
CDA Operations Pty. Ltd.	23 September 2020; Queensland, Australia
CDA Health Properties Pty. Ltd.	12 March 2021; Queensland, Australia
CDA Clinics Qld. Pty. Ltd.	8 October 2019; Queensland, Australia

Directors' Declaration

In the opinion of the Directors of Vitura Health Limited:

1. the Financial Statements and accompanying notes, as set out on pages 15 to 33, are in accordance with the *Corporations Act 2001*, including:

   (i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

   (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and

2. 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 made in accordance with a resolution of the Directors.

DR. MARCIA A.M. WALKER
Director

RODNEY D. COCKS CSM
Director

Melbourne, 23 February 2024

Corporate Directory

DIRECTORS

Robert Iervasi *(Non-Executive Chair)*
Rodney D. Cocks CSM *(Executive Director and Chief Executive Officer)*
Jenelle L. Frewen *(Non-Executive Director)*
Guy R. Headley *(Executive Director and Chief Commercial Officer)*
Dr. Marcia A.M. Walker *(Non-Executive Director)*

COMPANY SECRETARY

Thomas G. Howitt

REGISTERED OFFICE

Suite 8, Level 3, 299 Toorak Road
South Yarra Vic. 3141
Australia

Email: info@vitura.com.au
companysecretary@vitura.com.au

AUSTRALIAN BUSINESS NUMBER

59 629 071 594

PRINCIPAL GROUP WEBSITES

www.vitura.com.au
www.canview.com.au
www.doctorsondemand.com.au
www.cdaclinics.com.au
www.cannadoc.com.au
www.cortexa.com.au

STOCK EXCHANGE

Australian Securities Exchange
Level 4, Rialto North Tower
525 Collins Street
Melbourne Vic. 3000
Australia

ASX code: **VIT**

SHARE REGISTER

Computershare Limited
Yarra Falls
452 Johnston Street
Abbotsford Vic. 3067
Australia

Shareholder enquiries: **1300 850 505** (toll free)
+61 3 9415 4000 (international)

BANKER

Australia and New Zealand Banking Group Limited
833 Collins Street
Docklands Vic. 3008
Australia

AUDITOR

Pilot Partners
Level 10, Waterfront Place
1 Eagle Street
Brisbane Qld. 4000
Australia

The information contained in this Corporate Directory is correct as at 23 February 2024.

Auditor's Review Report

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PILOT PARTNERS
Chartered Accountants
Level 10, Waterfront Place
1 Eagle Street
Brisbane QLD 4000
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Brisbane QLD 4001
P +61 7 3023 1300
pilotpartners.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF VITURA HEALTH LIMITED

REPORT ON THE HALF YEAR FINANCIAL REPORT

We have reviewed the accompanying half year financial report of Vitura Health Limited ("the Company" and its subsidiaries ("the Group")), which comprises the consolidated condensed balance sheet as at 31 December 2023 and the consolidated condensed income statement, consolidated condensed statement of changes in equity and consolidated condensed cash flow statement for the half year ended on that date, a statement of significant accounting policies, other selected explanatory notes and the directors' declaration.

DIRECTORS' RESPONSIBILITY FOR THE HALF YEAR FINANCIAL REPORT

The directors of the Company are responsible for the preparation and fair presentation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and with 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 gives a true and fair view and 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 Australian Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim 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 Group financial position as at 31 December 2023 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 the Group, 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 the Company would be in the same terms if provided to the directors as at the date 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 the Group 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 2023 and of its performance for the half year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Pilot Partners

PILOT PARTNERS
Chartered Accountants

CHRIS KING
Partner

Signed on 23 February 2024

Level 10
1 Eagle Street
Brisbane Qld 4000