

ASX ANNOUNCEMENT

H1 FY2025 Financial Results

Progress Continues on *Strategy Reset* Program

26 FEBRUARY 2025

Melbourne, Australia – Vitura Health Limited (ASX: VIT) (**Vitura and Company**), a leading digital health business, today released its financial results for the half-year ended 31 December 2024 (**H1 FY2025**).

Key Highlights

- Total revenue of \$62.7 Million (PCP \$60.0 Million) – up 4.5%.
- Normalised EBITDA (**nEBITDA**) of \$4.6 Million (normalised for costs relating to acquisitions and the successful resolution of legal disputes).
- Normalised profit after income tax of \$2.2 Million (PCP \$3.8 Million), down 42%, driven largely by market-wide compression of medicinal cannabis pricing, costs relating to acquisitions and the resolution of disputes, including a write off of technology platform costs. Initiatives in place to drive revenue, increase market share and support margin protection.
- New Board composition, management team (including new CEO Geoff Cockerill from late November 2024) now in place and *Strategy Reset* being implemented with a strong focus on execution.
- Joint venture (in which Vitura holds a 50% direct shareholding via Flora Holdings Pty Ltd) acquired the majority of the assets of nationwide clinic business Releaf Group Limited in November 2024, providing the Group with access to up to a potential 30,000 additional patients.
- Doctors on Demand (**DoD**) telehealth business continued strong growth.
- Acquisition of Candor Medical (announced outside the reporting period on 12 February 2025) now complete and set deliver an additional 15,000 active patients to the Group's clinic operations.
- A \$5.1 Million investment by high-net-worth investor Professor Khalil (Charlie) Shahin AO (also announced outside the reporting period on 12 February 2025), underscores confidence in the Company's overall business direction.
- Successful settlement of all material legacy legal and regulatory disputes derisks business, reducing legal expenses and allowing greater operational focus of management team.
- Acquisition of Canview technology platform copy now effectively complete, supporting plans for further platform enhancement to better connect patient prescriptions to medication orders.

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Results Summary

A\$ Million	H1 FY2025	H1 FY2024
Operating revenue	62.7	60.0
Net profit after tax (NPAT)	1.6	3.1
Normalised EBITDA ^(note)	4.6	6.2
Normalised NPAT ^(note)	2.2	3.8
Normalised earnings per share (EPS) (cents)	0.38	0.67

Note: As described above, the Company's financial results for H1 FY2025 contained extraordinary, one-off costs that do not relate to the Company's underlying operations. Such costs include those incurred as part of the acquisitions of the Company's copy of the Canview platform, Candor Medical and the assets of Releaf Group, as well as material legal costs in respect of the dispute with Code4 Cannabis (C4C) and action taken by the TGA, and the write off of certain capitalised software expenses as part of the C4C settlement. The "normalised" figures stated above reflect the EBITDA, NPAT and EPS figures for H1 FY2025 if these costs were removed which provides a more accurate reflection on the performance of the Company's underlying business.

Financial Overview

The Group's revenue for H1 FY2025 was \$62.7 Million, an increase of 4.5% over H1 FY2024. This was derived from the sale and distribution of medicinal cannabis and other products (\$50.0 Million) and digital medical consultation and service fees (\$12.7 Million).

Vitura's wholly-owned subsidiary, Burleigh Heads Cannabis Pty Ltd (BHC), via its Canview platform, continued to deliver growth in units sold during the half-year under review, by selling a record half-year total of 458,894 units of medicinal cannabis during that period.

Despite achieving top line growth, the average sale price of medicinal cannabis declined during the half-year (in-line with headwinds experienced across the industry), negatively impacting EBITDA. The sector as a whole saw considerable price and margin compression during the half-year due to increased competition, price discounting and higher competition with new market entrants.

However, in contrast, the Company's Doctors on Demand (DoD) telehealth service continued its strong growth, with revenues from the Group's total clinic operations up 230% vs PCP, supporting the Company's diversification strategy and ability to engage with primary care clinicians and patients.

DoD's monthly consultation numbers increased by 58% for the same period, with a record of over 184,000 consultations conducted during the half-year. Daily consultation numbers consistently exceeded 1,100, with record daily consultations of 1,458 achieved during the half-year under review.

During the period under review, the Company incurred material costs relating to the completed acquisitions of the Company's copy of the Canview platform and the Releaf Group assets, together with costs relating to the resolution of other disputes. Cost containment and control remains a key focus for the business.

The Company and its subsidiaries generated a H1 FY2025 consolidated profit after income tax of \$1.6 Million, down 49% vs PCP (H1 FY2024: \$3.1 Million). This decline was largely driven by the decline in average sales prices of medicinal cannabis products, margin compression, costs relating to the acquisitions completed during the period and a one-off technology platform cost of almost \$450,000.

With the first half of FY2025 now complete, it is evident, on a normalised basis, that the Company is delivering results largely in line with its *Strategy Reset*. While revenue growth for FY2025 is forecast to fall slightly short of the Company's 10% growth target, the Board believes that, on a normalised basis, the Company remains operationally on track to meet its other full-year goals, including a 3% increase in EBITDA margin (from 5.0% in FY2024 to at least 8.0% in FY2025) and a 10% improvement in OPEX efficiency for FY2025.



Comments from Vitura Chief Executive Officer, Mr Geoff Cockerill

"Since arriving at Vitura in late November 2024, it's been clear that the Company has been resetting the foundations of the business to position us to deliver sustainable growth and increased shareholder value in the mid to longer term.

"We've got a fresh strategy, a new leadership team, important acquisitions to continue to scale and diversify our business, and new channels to market. We're pleased with the progress made and ensuring that we are enabling business change that will result in sustainable growth over short term fixes.

"Importantly, we have a solid plan and continue to make measured progress. We remain focussed on achieving growth in our revenue, as well as improving our EBITDA and operational efficiencies, albeit we expect greater impacts of this important work to be realised into FY2026 and beyond.

"Challenges remain in our industry, especially with competition and price compression in the medicinal cannabis space. However, our increasingly diversified revenue streams, including Doctors on Demand and the newly acquired Candor Medical telehealth business, will help us navigate these headwinds.

"While the time taken to resolve various external issues during H1 FY2025 means that this growth might take a bit longer than originally anticipated, we remain cautiously optimistic about our performance in H2 FY2025 and committed to achieving growth in the longer term. We're fully focussed on the commercial side of the business to drive increased growth and profitability. It's time to execute."

Corporate and Operational Overview

On 27 August 2024, the Company announced the appointment of highly experienced international business leader Geoff Cockerill as CEO.

Mr Cockerill, who commenced with Vitura on 25 November 2024, has a strong track record of delivering company performance across large diverse teams and complex operating environments. He has held executive positions in leading international businesses including Diageo, Lion, Subway, Queensland Cricket and most recently as CEO of consumer health business ATP Science. He has also held several non-executive directorships.

Further, there has been structural and capability change in Vitura's senior leadership team, including the onboarding of new leaders in the roles of Chief Operating Officer, Chief Technology Officer, Chief Marketing Officer and General Counsel and Manager Regulatory Affairs.

Product sales and distribution

During the reporting period, Burleigh Heads Cannabis Pty Ltd (**BHC**) executed a further 8 agreements with leading suppliers of medicinal cannabis and other products and added 185 unique product SKUs to the Canview platform, bringing the total number of brands available on Canview to around 60.

A total of 268 new pharmacies established accounts on Canview during the period, bringing the number of registered accounts nationally at the end of December 2024 to 4,658, representing nearly all pharmacies in Australia who are actively dispensing medicinal cannabis.

Despite the competitive landscape, the average monthly spend of pharmacy accounts through Canview remains strong, with the Company's pharmacy sales team ramping up its education and sales engagement programs to help pharmacists confidently dispense and order medicinal cannabis and Nicotine Vaping Products.

A total of 219 new doctor accounts were also established on Canview during the half-year, increasing the number of doctors with accounts on the platform to more than 2,500 nationally. As part of the Company's strategy, Vitura has a clear focus to increase the number of doctors using the Canview platform to prescribe to their patient bases.



Clinic operations - Doctors on Demand (DoD), CDA Clinics, Cannadoc and Candor

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, and a consult booking fee.

Growth of DoD's B2B business was significant, with revenue growth of 163% from the Company's various B2B customers, as compared to the previous half-year. DoD is working closely with its largest B2B customers to materially expand its consultation service offering across Australia, as part of rolling out the DoD service to new member cohorts and employee groups.

The Company's acquisition of Candor Medical, announced on 12 February 2025, will deliver a significant increase in the size of Vitura's existing clinic operations. As the acquisition brings an additional 15,000 active patients through a fully integrated digital platform, the Company's existing clinics will be migrated to this platform. The Candor founders Joel and Dr Lisa Beckett have joined Vitura in the roles of General Manager - Specialty Clinics and Chief Medical Officer - Specialty Clinics, respectively, and remain committed to building the business.

The acquisition also facilitates the expansion of specialty clinics for patients, in addition to our traditional clinic offerings. The integration process has now commenced, with the priorities being a seamless patient migration and maximising the opportunity to grow the patient base and revenue while taking full advantage of economies of scale and shared services.

This diversification of revenue will continue to support Vitura's growth in-line with its overall *Strategy Reset*.

Releaf Group ("Releaf")

On 20 November 2024, the Company announced that a joint venture company, in which Vitura holds a 50% direct shareholding (Flora Holdings Pty Ltd (Flora)), had acquired the majority of the assets owned by Releaf Group Limited and its subsidiaries (Releaf).

The Releaf assets acquired by Flora included leases over certain premises, intellectual property, patient contact lists, goodwill, IT contracts and plant and equipment. The total number of patients registered with Releaf was almost 30,000 and Flora has now engaged with the Releaf patient base, recruited new doctors and staff and, as a result, the number patient consultations performed are increasing.

Cash Flows

During the half-year ended 31 December 2024, cash receipts from customers (including GST) were \$68.2 Million, representing an increase of \$5.5 Million, or 9%, on the PCP. This increase has outpaced revenue growth due to the improvement in collections from customers, as evidenced by the decrease in trade and other receivables.

Net cashflows from operations decreased by \$7.0 Million due to investments made in inventories, a negative swing in the Group's working capital position and the timing of payments to suppliers as compared to the PCP.

Dividends

No dividends were declared or paid in respect of the half-year ended 31 December 2024.

Investor Webinar

Vitura is hosting an investor webinar at **12.30 pm** (Melbourne Time) on **Friday, 28 February 2025**, hosted by Chief Executive Officer, Mr Geoff Cockerill and Chief Financial Officer and Company Secretary, Mr Tom Howitt.

Registration is available via the following link: <https://loghic.eventsair.com/233122/204842/Site/Register>

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About Vitura Health Limited (ASX: VIT)

www.vitura.com.au

Vitura Health Limited is diversified digital health business listed on the ASX (ASX: VIT) and, via its wholly owned subsidiaries, operates the following businesses:

- www.burleighheadscannabis.com
Burleigh Heads Cannabis operates the market leading prescriber, patient, pharmacy, and supplier online ecosystem, Canview, which sells and distributes 430+ therapeutic product and device SKUs within Australia from roughly 60 international and domestic brands.
- www.canview.com.au
Canview is being developed to be 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. The Canview system is based on a medicines wholesaling platform which seamlessly brings together several disparate SAAS (software-as-a-service) providers including inventory control, invoicing, customer management, reporting and analytics, all linked together through customised integration from third party providers. Underpinning the suite of SAAS elements are several bespoke, internally generated operating procedures and intellectual property assets, supported by the Canview customer support and infield customer engagement teams. Through the 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 Canview platform, without the need to input the patient's details. Prescriptions are then sent directly to the Canview patient app where patients can manage their treatment and submit the prescription and subsequent repeats to one of the nearly 4,500 Australian pharmacies with accounts on Canview for dispensing.

While the Company's current operations focus 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 under Schedules 2, 3, 4, 8 and 9. The establishment during the year of the Company's joint venture to distribute psychedelic products, including MDMA and Psilocybin, is a timely example of the many opportunities that the Company believes can be seamlessly integrated into its existing digital health platform business.

- www.doctorsondemand.com.au
The Company owns Doctors on Demand Pty Ltd, a nationwide 24/7 x 365 telehealth platform business that provide innovative primary health solutions to hundreds of thousands of B2C and B2B patients annually. Services include general medical consults, urgent care, medical certificates, pathology referrals, specialist referrals, men's health, women's health, medicated weight loss and smoking cessation.
- www.cortexa.com.au
The Company owns 50% of Cortexa Pty Ltd, an incorporated joint venture with Canadian-based PharmAla Biotech (CSE: MDMA). Cortexa aims to be the leading supplier of psychedelics, GMP MDMA and GMP psilocybin, for research and therapeutic use in Australia.
- www.cdaclinics.com.au
The Company owns CDA Clinics that undertakes nationwide telehealth consultations with patients seeking access to medicinal cannabis.
- www.cannadoc.com.au
The Company owns 75.5% of Cannadoc Health Pty Ltd, a medicinal cannabis clinic business that undertakes nationwide telehealth consultations with patients seeking access to medicinal cannabis.

**Authorised by**

Robert Iervasi, Chair and Non-Executive Director

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Forward-looking statements

This announcement includes forward-looking statements which may be identified by words such as 'anticipates', 'believes', 'expects', 'intends', 'may', 'will', 'could', or 'should' and other similar words that involve risks and uncertainties. These forward-looking statements are based on the Company's expectations and beliefs concerning future events as at the date of this announcement. Forward-looking statements are necessarily subject to risks, uncertainties, and other factors, many of which are outside the control of the Company, which could cause actual results to differ materially from such statements. The Company makes no undertaking to update or revise the forward-looking statements made in this announcement to reflect any change in circumstances or events after the date of this announcement.