

VITURA HEALTH LIMITED

(formerly Cronos Australia Limited)

ABN 59 629 071 594



FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

2023 Half-Year Financial Report

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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 (formerly Cronos Australia Limited) submit their Report for the half-year ended 31 December 2022.

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: Independent Non-Executive Acting Chair

Qualifications: BHB (Auckland), MBChB (Auckland), FRNZCGP

Other responsibilities: Member of Audit and Risk Committee
Member of Nomination and Remuneration Committee

Other Directorships: None

Dr. Marcia Walker was appointed Non-Executive Director of Vitura on 16 December 2021 and as Acting Chair on 11 April 2022. 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 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 also acts as the Medical Director of The Cosmetic Clinic New Zealand.



Rodney D. Cocks CSM

Position: Chief Executive Officer and Executive Director

Qualifications: BCom (Melbourne), LLB (QUT), MBA (Wharton), MPA (Harvard), GAICD

Other responsibilities: None

Other Directorships: None

Rodney Cocks CSM is a founding Director of Vitura and was appointed Executive Director and Chief Executive Officer on 27 September 2018. He is a Director of NewSouthern Capital Pty. Ltd., a private equity firm he co-founded. Prior to joining Vitura, he was a member of the Senior Leadership Team at Linfox and was a Consultant at the Boston Consulting Group. Rodney 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

<i>Position:</i>	Independent Non-Executive Director
<i>Qualifications:</i>	BEC (Monash), BA (Hons) (Monash), Grad Dip Gov. and Public Policy (UQ)
<i>Other responsibilities:</i>	Chair of Nomination and Remuneration Committee Member of Audit and Risk Committee
<i>Other Directorships:</i>	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

<i>Position:</i>	Chief Commercial Officer and Executive Director
<i>Other responsibilities:</i>	None
<i>Other Directorships:</i>	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 five 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.



Dr. Simone L. Scovell

<i>Position:</i>	Independent Non-Executive Director
<i>Qualifications:</i>	FAFOEM, MBBS (Sydney), BMedSci, MOccEnvHealth (Monash), DAME
<i>Other responsibilities:</i>	Chair of Audit and Risk Committee Member of Nomination and Remuneration Committee
<i>Other Directorships:</i>	None

Dr. Simone Scovell was appointed as an Independent Non-Executive Director of Vitura on 12 September 2022. Simone is the Founder and CEO of TOTIUM, a multi-national B2B med-tech and health services company delivering healthcare solutions for some of the world's most iconic companies. She is a Specialist Occupational Physician and Fellow of Medicine within the Royal Australasian College of Physicians who brings a wealth of experience in Commercial, Clinical and Health Data Governance. Simone has recently retired from a six-year tenure as the Nominee Representative on behalf of the Commonwealth Health Minister to sit as a Non-Executive Board Director for the Australian Institute of Health and Welfare. She is a Non-Executive Director for the Whiddon Group, a not-for-profit Aged Care provider where she Chairs both the ICT and Clinical Governance Committees. She is a former Director of the Royal Australasian College of Physicians (RACP) and a RACP Risk Director and is a Founding member of the RACP's Physician Health and Wellbeing Reference Group. Simone holds Degrees in Medicine, Surgery and Medical Science from the University of Sydney and is a Master of Occupational and Environmental Health (Monash). She was voted Doctor of the Year by her peers in 2005; her final year working as an in-house Hospital Resident in Cardiothoracic Surgery at St. Vincent's Hospital, Sydney.

Company Secretary



Thomas G. Howitt

<i>Position:</i>	Chief Financial Officer and Company Secretary
<i>Qualifications:</i>	BCom (Western Australia), CA, AICPA, AGIA, ACIS, CTA
<i>Other responsibilities:</i>	None
<i>Other Directorships:</i>	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 the Company, 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 WHO SERVED DURING THE HALF-YEAR

Dr. Benjamin D.N. Jansen also served as a Director of the Company from 1 July 2022 to 22 September 2022.

INTERESTS IN THE SECURITIES OF THE COMPANY AND RELATED BODIES CORPORATE

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

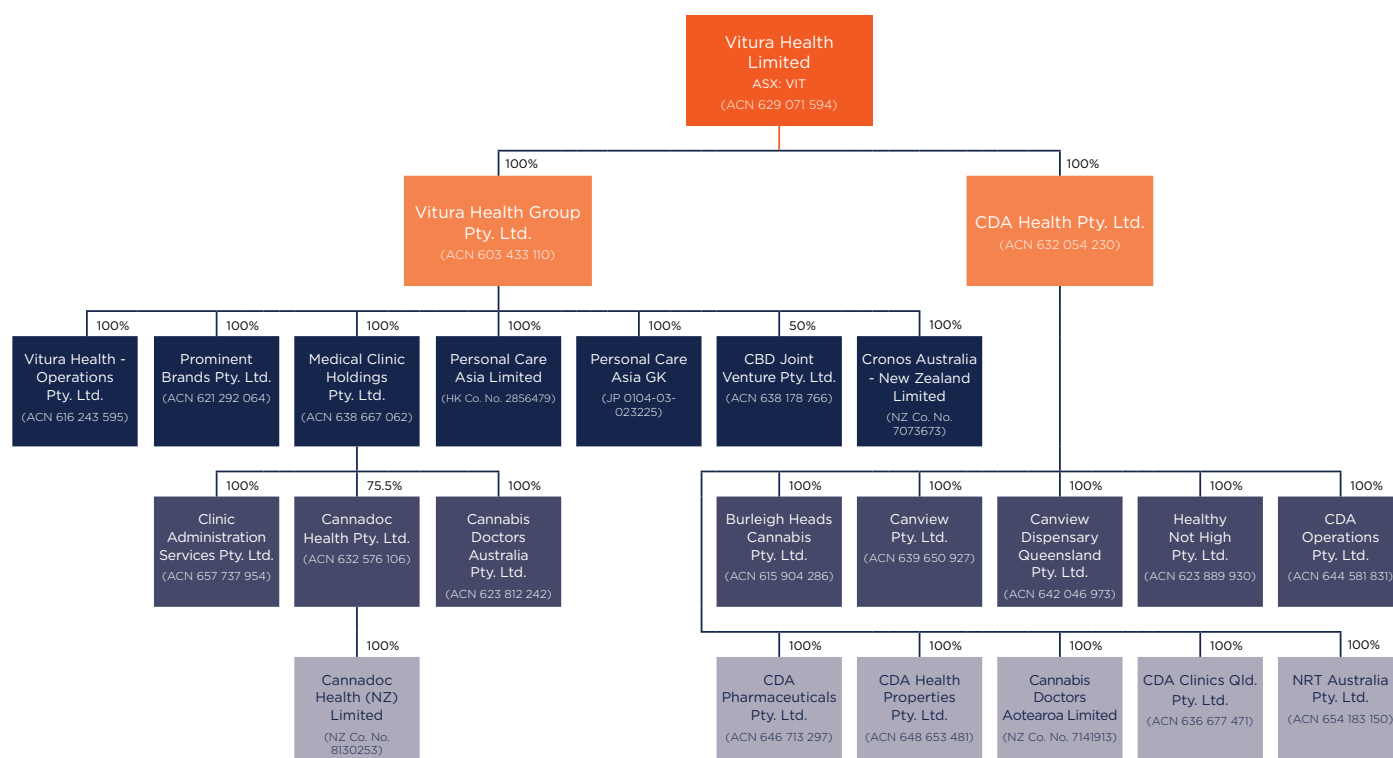
Name of Director	Number and nature of beneficial interest in securities
Rodney D. Cocks CSM	21,000,000 ordinary shares (via NewSouthern Investment Holdings 1 Trust) 4,500,000 options over ordinary shares (via NewSouthern Investment Holdings 1 Trust)
Guy R. Headley	130,952,151 ordinary shares (direct interest and via Jessimine C.K. Jansen) 9,000,000 options over ordinary shares (direct interest and via Jessimine C.K. Jansen)

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 2022 which are collectively referred to in this Report as the “Group”.

The structure of the Group at the date of this Report can be represented as follows:



Overview

Vitura Health Limited was incorporated in Victoria, Australia on 27 September 2018 under the name Cronos Australia Limited and was admitted to the Official List of the Australian Securities Exchange on 7 November 2019. Subsequent to the IPO, the Company created and sold a number of medicinal cannabis products and brands, including the Adaya range of medicinal cannabis products 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 provision of cannabinoid-based therapies and treatments via telehealth consultations with patients across Australia.

In December 2020, the Company's range of premium hemp seed oil personal care consumer products, Bathing Shed, was launched in certain North Asian markets, as well as in Australia. During 2021, the FCTR and Saiph ranges of CBD-based products were also introduced and launched in Hong Kong and Japan. Following the Company's merger with CDA Health Pty. Ltd. ("CDA"), as described below, the Company conducted a strategic review into the future of its consumer business given that it no longer forms a core part of the Group's operations and has decided to exit the business.

On 16 December 2021, the Company acquired 100% of the issued capital of CDA. Based on the Gold Coast in Queensland, CDA was founded in 2018 and has since cemented itself as a market leader in the Australian medicinal cannabis sector. CDA recorded significant growth over the last two financial years, while at the same time generating a profit in both the 2021 and 2022 financial years.

The CDA operations cover various facets of the Australian medicinal cannabis industry:

- **Nationwide sale and distribution of medicinal cannabis products - via BHC's CanView**
CDA's wholly-owned subsidiary Burleigh Heads Cannabis Pty. Ltd. ("BHC") operates a successful online marketplace "CanView" which sells and distributes Australia's largest range of more than 200 medicinal cannabis products, together with a number of devices, across Australia from approximately 30 of the most well-known international and domestic suppliers. CanView provides efficient and compliant access to medicinal cannabis and streamlines the process for prescribers, pharmacies, patients and suppliers.
- **Medicinal cannabis clinics - via CDA Clinics**
CDA, via its subsidiary Cannabis Doctors Australia Pty. Ltd., operates a successful medicinal cannabis clinic business ("CDA Clinics") providing a range of nationwide telehealth services, similar to those provided by Cannadoc Health. Since launching in 2018, CDA Clinics has developed into one of the most well-established medicinal cannabis clinic brands in Australia.

Principal activities

The principal activities of the entities within the Group during the half-year ended 31 December 2022 were the sale and distribution of medicinal cannabis products and the operation of its medicinal cannabis clinic businesses. There were no significant changes in the Group's activities during the half-year under review.

Result

During the half-year ended 31 December 2022, the Company and its subsidiaries generated a consolidated profit after income tax of \$7,662,038 (2022: \$3,377,505). 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 26 August 2022, the Directors resolved to pay a maiden dividend of one cent per ordinary share franked as to 100% in respect of the year ended 30 June 2022. An amount of \$5,463,006 was subsequently paid on 11 October 2022 in respect of this dividend which was the first distribution of profits to shareholders since Vitura was listed on the ASX in November 2019 and reflected the improved profitability and cash flow of the combined group since the Company merged with CDA Health Pty. Ltd. The Company also introduced a Dividend Reinvestment Plan ("DRP") that is offered to all shareholders who wish to receive some or all of their dividend in the form of shares in the Company rather than cash. A total of \$80,630 in respect of the above dividend was settled via the issue of 126,260 shares in the Company under the DRP (refer Note 22).

Review of operations

Introduction

The Company acquired 100% of the issued capital of CDA Health Pty. Ltd. (“CDA”) via a merger with the company that was completed on 16 December 2021 (“Merger”). The comparative information included in the attached financial statements for the half-year ended 31 December 2021 has been prepared in accordance with AASB 3 *Business combinations* (“AASB 3”), as the Merger resulted in the combined group being identified as a Business Combination under Australian Accounting Standards. The implications of this have been detailed in *Note 2(a)* of the accompanying financial statements.

Medicinal cannabis sales and distribution

Burleigh Heads Cannabis Pty. Ltd. (“BHC”), via its online marketplace platform CanView, continued to deliver significant growth during the first half of the 2023 financial year, again well exceeding the Group’s internal forecasts. During that period, BHC sold more than 450,000 medicinal cannabis units, representing an increase of 130% as compared to previous corresponding period, of which 77,000 units were sold in the month of December 2022 alone.

In what was a significant milestone for the Group, the Company announced on 5 December 2022 that the one millionth unit of medicinal cannabis to be sold through the Company’s CanView marketplace platform had been shipped to one of the Company’s 3,200+ pharmacist / prescriber customers. The CanView platform was launched in June 2020 and, in only two and a half years, has sold increasing numbers of units representing quarterly compound growth of more than 30% (refer graphs below). BHC executed two new agreements with leading suppliers of medicinal cannabis products during the half-year under review and added an additional 29 unique product SKUs to the CanView online platform. BHC now offers a portfolio of approximately 200 product lines on the CanView platform from nearly 30 leading suppliers, representing the majority of the medicinal cannabis products currently available in Australia. A total of 435 new pharmacy purchasing accounts were established on CanView during the half-year, bringing the total number to 3,243 registered accounts nationally. Pleasingly, the average monthly spend of pharmacy accounts through CanView continues to increase as the Company’s education courses and engagement programs help pharmacies to confidently dispense medicinal cannabis thereby providing dispensing services to a greater number of patients.

A total of 176 new doctor accounts were established on CanView during the half-year, increasing the total number of doctors registered on the platform to 897 nationally. With the Group’s focus to increase the number of doctors using CanView further, additional Medical Science Liaisons (healthcare consulting professionals providing medical and scientific information to other healthcare professionals), covering all states and territories in Australia, continue to join the Company. This team now actively recruits and onboards prescribers to the CanView platform, providing education and support to further increase the Australian prescriber base. The platform’s user-friendly design has been developed to ensure the prescribing journey is as simple as possible for the clinician which in turn will open the door to a larger number of prescribers who are considering using medicinal cannabis treatments in their practices.

Expansion of distribution capacity

On 12 October 2022, the Company was pleased to announce that it had secured Victorian Government licences to enable the operation of its newly-commissioned Melbourne Distribution Centre (“MDC”) at an undisclosed Melbourne location. The licences permit the supply of products under Schedules 2, 3, 4 and 8 to pharmacies from the MDC. The MDC facility supports the Company’s market leading CanView platform and facilitates a significant uplift of the Company’s medicinal cannabis sales volume.

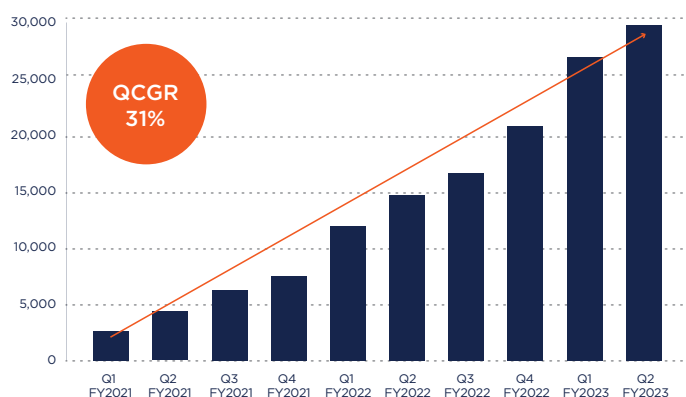
The highly secure, state-of-the-art MDC facility augments the existing storage and distribution capability of the Company’s distribution facility on the Gold Coast and is approximately twice as large as the Gold Coast facility and includes productivity improvements from lessons learned in the operation of the existing warehouse. The MDC puts medicinal cannabis products closer to pharmacies and patients and covers distribution in Victoria, parts of New South Wales, South Australia, Western Australia and Tasmania, while the Gold Coast facility covers the remainder of New South Wales, Queensland, Northern Territory and the Australian Capital Territory. This arrangement results in quicker delivery times to patients, with some pharmacies in Melbourne receiving orders on the same day. The MDC operation also underpins the Company’s business continuity contingency planning with products now being held in two locations between the Gold Coast and Melbourne under separate state licences.

Review of operations (CONT.)

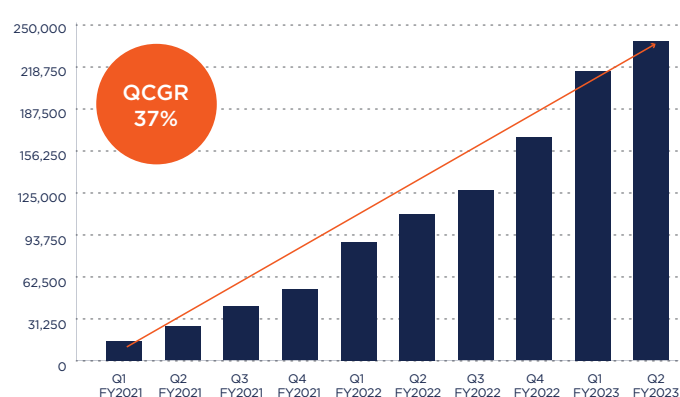
Continued growth in all key metrics

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

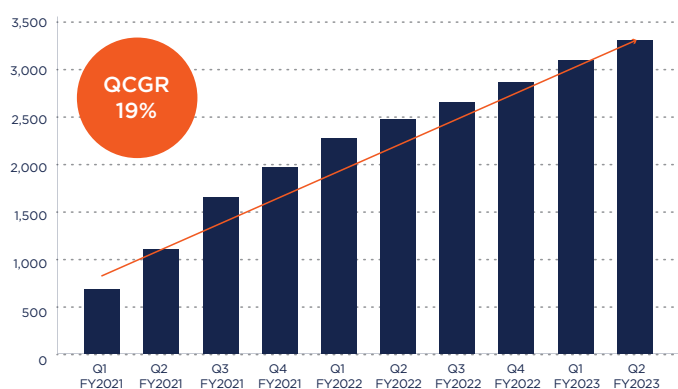
Quarterly sales through CanView (\$ '000s)



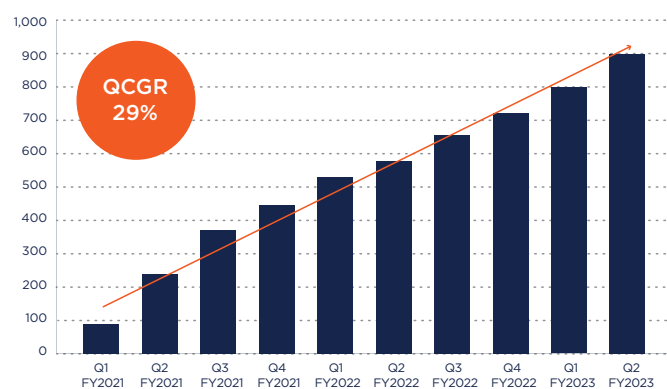
Quarterly units sold through CanView



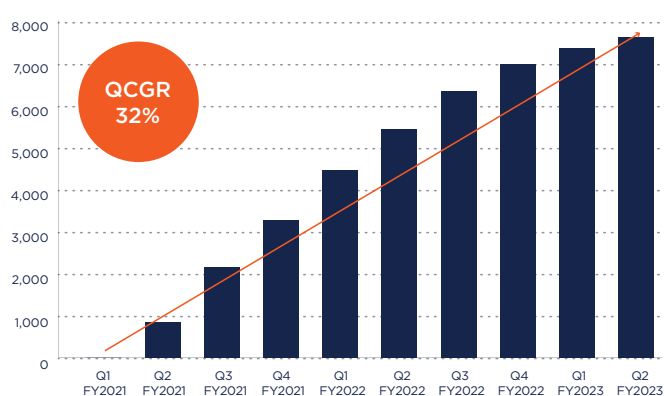
Cumulative pharmacy accounts on CanView



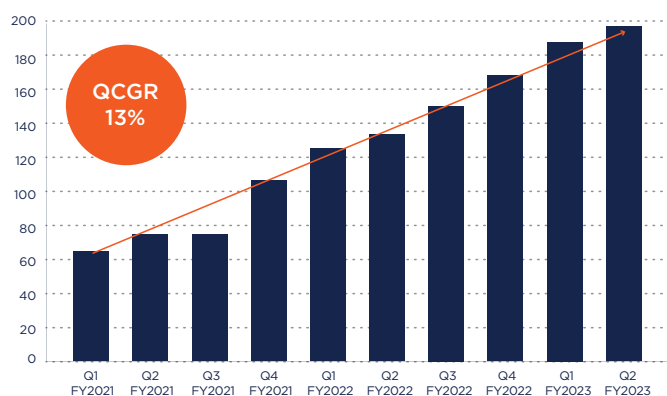
Cumulative doctor accounts on CanView



Cumulative patients registered on CanView



Number of SKUs available on CanView



Review of operations (CONT.)

Rollout of CanView 2.0

Considerable progress was made during the half-year under review in rolling out the numerous improvements that are being made to the CanView platform, known as “CanView 2.0”. CanView 2.0 is being developed in conjunction with third party developers and is being progressively rolled out in six separate stages, the status of which are summarised below:

- **Stage One:** Distribution (DELIVERED)
- **Stage Two:** Pharmacy (DELIVERED)
- **Stage Three:** Prescriber and patient mobile app (DELIVERED)
- **Stage Four:** Supplier (IN DEVELOPMENT)
- **Stage Five:** Prescriber marketplace and patient onboarding
- **Stage Six:** Patient treatment tracker

Stage One, which provides a number of order fulfilment upgrades, process improvements and other efficiencies, was deployed internally within the Group in May 2022. The distribution team continues to benefit from the upgraded platform enhancements, significantly increasing the speed and accuracy of order processing enabling rapid scalability.

Stage Two, being the upgraded pharmacy ordering platform, was successfully launched to market in September 2022 and all 3,200+ pharmacy accounts on CanView have now transitioned to the new software. This well-planned cut over took place seamlessly, with no interruption to regular operations. Post introduction, the Company received minimal support requests relating to the use of the new platform, highlighting the success of the transition and the importance of the in-depth user testing and pilot program process provided by the Company. In addition to demonstrating the new user interface and seamless ordering flow design, the process also shows that the new features are fit for purpose.

Following the successful rollout described above, the Company will also be offering all pharmacies a further benefit of “one touch” integration with CanView and their pharmacy dispensing software which will deliver significantly improved efficiencies and accuracy for pharmacies ordering products on the platform resulting in greater compliance and time savings.

The Company has also now completed the **Stage Three** (prescriber and patient app) elements of the platform which are being rolled out following the completion of the successful pilot program. The Company’s national MSL team, which is now actively recruiting Medical practitioners on to the platform, is leveraging its existing relationships by meeting with clinical groups as well as individual doctors to offer CanView as the “all in one” education, prescribing and compliance tool for use in clinical settings at no cost to the practitioner.

Stage Four (supplier) is currently in development and is expected to be delivered during the upcoming March quarter. Once delivered, these improvements will offer suppliers access to live and historical sales data to better inform product decisions and planning which is expected to provide further internal efficiencies and cost savings.

It is anticipated that **Stage Five** (prescriber marketplace and patient onboarding) and **Stage Six** (patient treatment tracker) will be completed and rolled out later in the 2023 financial year.

Clinics

During the half-year ended 31 December 2022, the Company’s two medical clinic businesses, operating under the CDA Clinics and Cannadoc Health banners, continued to provide consultation services and access to medicinal cannabis products for a growing number of patients across Australia.

On 16 January 2023, the Company announced that it had decided to close its three physical medicinal cannabis clinic locations on the Gold Coast, Brisbane and Sunshine Coast and to provide its clinic services to patients nationwide solely via telehealth which was widely adopted during the COVID-19 pandemic and has emerged as a clear preference of patients. A number of additional doctors have been recruited during the half-year to meet the needs of patients.

Review of operations (CONT.)

The Company also announced that the CDA Dispensary at the Gold Coast clinic will cease operations as part of the transition to 100% telehealth. Patients who were being dispensed medicinal cannabis products at that location will have their prescriptions dispensed by one of the 3,200+ partner pharmacies on the CanView platform. The Company is confident that these changes will deliver a significant reduction in overhead costs, operational efficiencies and continued quality of care of its patients.

Further work continues to integrate the Group's two medicinal cannabis clinic businesses under the new Vitura banner, so as to harmonise the various back-office systems and processes and create operational efficiencies and cost savings, while at the same time retaining the brand identities of the two businesses. Moreover, the two businesses will share anonymised clinical data to provide improved patient outcomes.

Consumer business

Following the strategic review into the future of its consumer business in Asia described above, the Company is now working with parties in Australia, Japan and Hong Kong to monetise its inventory of consumer products and to wind up its operations in Asia, including the eventual liquidation of its two Asian subsidiaries, Personal Care Asia Limited and Personal Care Asia GK. In recognition of the costs and risks which may be associated with the sale of the Company's remaining inventory of consumer products, a provision of \$148,619 has been raised in the balance sheet as at 31 December 2022 against the carrying value of the associated inventory.

While a modest loss may be incurred by the Company from the winding up of its consumer business, the Company is confident that the changes will deliver improved profitability for the business overall and enable Management to focus its attention on the continued growth and expansion of its medicinal cannabis sale and distribution operations.

Legal matters

There were no legal matters affecting the Company as at the date of this Report.

Profit per share

The basic profit per share for the half-year ended 31 December 2022 was 1.39 cents (2022: 0.85 cents). The diluted profit per share for the half-year ended 31 December 2022 was 1.34 cents (2022: 0.79 cents).

Financial analysis

Statement of Comprehensive Income

During the half-year ended 31 December 2022, the Company generated a consolidated profit after income tax of \$7,662,038 (2022: \$3,377,505), an increase of 127% over the figure for the previous corresponding period of \$3,377,505. The Company's consolidated profit before tax of \$11,224,400 was \$6,331,623, or nearly 130%, more than the corresponding period.

Total revenues for the half-year of \$57,644,481 comprised sales of medicinal cannabis products of \$56,599,133 and clinic-related fees of \$842,457, as well as \$202,891 from the sales of non-medical, or consumer, products in both Australia and Asia. The increase in sales of medicinal cannabis products was particularly strong, recording growth of more than 110%.

The average gross margin from the sale of medicinal cannabis and consumer products across the portfolio of approximately 200 products sold through CanView fell by 4% as compared to the prior half-year. The principal driver for this fall relates to changes to the Company's sales mix on CanView which now includes a greater proportion of sales of third-party brands that typically result in a lower gross margin as compared to the brands such as Adaya which are owned by the Company. Importantly, gross profit increased during the half-year under review by \$10,018,776, or 93%, as compared to the previous corresponding period. The modest margin compression has been more than offset by operating expense efficiencies below the gross margin line, with operating expenses as a percentage of gross revenue falling during the period from 21% to 17%. As a result, the profit before tax margin of more than 19% improved from less than 18% in the prior corresponding period.

Financial analysis (CONT.)

Pleasingly, growth in the Company's personnel expenses during the period under review was well contained as compared to growth in gross revenues. Personnel expenses for the current half-year were \$6,301,772, being an increase of 42% on the figure for the prior period of \$4,428,024 which compares favourably to revenue growth of more than 110%. As a percentage of revenue, personnel expenses decreased from 16% in the prior period to 11%, demonstrating the Company's ability to efficiently scale its operations and create leverage as its operations continue to expand. Part of this improvement is attributable to a reduction in share-based payments expense, falling from \$591,271 to \$349,743, which the Company expects will continue in the second half of the financial year. The total number of employees in the Group as at balance date was 122, as compared to a figure of 81 at the end of the previous half-year.

Statement of Financial Position

As at 31 December 2022, the Group's cash and cash equivalents had decreased by \$1,254,444 from the balance at 30 June 2022 to \$14,822,587 (2022: \$16,077,031), driven largely by the payment of the Company's maiden dividend of \$5,463,006 on 11 October 2022 and the purchases of additional medicinal cannabis products required for its Melbourne Distribution Centre, which commenced operations in October 2022.

In line with overall revenue growth, trade receivables increased materially by \$4,009,887, or 70%, as compared to the prior corresponding period, noting that this growth was pleasingly slower than the rate that revenue growth did of 110%, demonstrating sound management of the Company's working capital. In turn, this resulted in only a minimal reduction in cash during the period, despite the payment of a significant dividend, income tax and the establishment and filling of a new distribution centre. Cash receipts during the half-year exceeded total revenue generated by \$333,984 demonstrating a concerted focus and success on debtor management and collections. A provision for doubtful debts totaling \$94,571 was raised relating primarily to the conservative provisioning of balances outstanding with a small number of pharmacies that are currently on bespoke payment plans. To date, no such amounts have been written off as bad debts.

The balance of inventories held by the Group at balance date was \$9,703,065, up 93% on the figure from the end of the 2022 financial year. This increase was driven by the commissioning of the Company's new Melbourne Distribution Centre in October 2022, and it is expected that the total inventory balance will continue to increase as the activities of the MDC ramp up to service the Company's ever-growing customer base. A provision of \$148,619 in respect of obsolete stock was raised during the period in respect of the stock held in the Group's consumer operations, principally in Asia, as the Company evaluates options relating to winding the business up and disposing of the remaining inventory. It is noted that the carrying value of the affected inventory remains immaterial to the value of the Group's total inventory on hand.

Statement of Cash Flows

During the half-year ended 31 December 2022, cash receipts from customers were \$57,978,465, being an increase of 103% as compared to the figure for the previous corresponding period, driven by a significant increase in sales of medicinal cannabis products.

Income tax of \$1,661,716 was paid in respect of the profit generated by CDA during the year ended 30 June 2022 covering the period prior to the merger of that company with Cronos Australia. Going forward, given the profit that is likely to be generated by the Group in 2023, it is anticipated that the Company will have regular tax instalments to pay in coming years.

Payments made to suppliers and employees increased by 163% from the prior corresponding period, exceeding the rate of growth for both cash receipts and revenue for the same period. This accelerated growth rate was driven by an overall increase in stock purchases relating to the establishment and commissioning of the MDC and is reflected in the significant increase in the balance of inventory held by the Group at 31 December 2022.

Financial analysis (CONT.)

Investing cash outflows totaling \$825,565 related primarily to the construction and fit out of the Melbourne Distribution Centre including the state-of-the-art, high-security vault and picking and packing stations. As the majority of the costs associated with this facility have now been paid for, the Company expects future investing activities relating to plant and equipment to reduce materially in line with its asset light business model.

Cash outflows from financing activities totaling \$5,824,148 were largely driven by the payment of the Company's maiden dividend of 1.0 cent per share fully franked, which was paid on 11 October 2022. As the largest single cash outflow in the statement of cashflows, this payment was the primary reason for the decrease in cash on hand during the period.

Business strategy, future developments and prospects

The Group has adopted an "asset light" business model in which it has outsourced the cultivation and manufacture of cannabinoid-based products to selected leading manufacturers and suppliers. Following the Company's merger with CDA in December 2021, the Group's primary strategy focusses on the further expansion of its medicinal cannabis sales and distribution business via the CanView marketplace platform and the integration and growth of its two medicinal cannabis clinic businesses.

In addition to driving internal, organic growth, the Group continues to review and evaluate potential opportunities for the acquisition of complementary businesses and assets.

Significant changes in the state of affairs

- On 26 August 2022, the Directors of the Company resolved to pay a maiden dividend of one cent per ordinary share franked as to 100% in respect of the year ended 30 June 2022. An amount of \$5,463,006 was subsequently paid on 11 October 2022 in respect of this dividend. The Company also introduced a Dividend Reinvestment Plan ("DRP") for all shareholders who wish to receive some or all of their dividend in the form of shares in the Company rather than cash. A total of \$80,630 in respect of the above dividend was settled via the issue of 126,260 shares in the Company under the DRP.
- On 12 September 2022, Jenelle Frewen and Dr. Simone Scovell were each appointed as Independent, Non-Executive Directors of Vitura Health Limited. Ms. Frewen and Dr. Scovell were also both appointed as members of the Company's Audit and Risk Committee and Nomination and Remuneration Committee on that date.
- On 22 September 2022, Dr. Benjamin Jansen ceased his position as Chief Medical Officer of the Company. In accordance with the Company's Constitution, Dr. Jansen's office as a Director of the Company was also vacated effective from 5.00 pm on that date.
- On 12 October 2022, the Company announced that it had secured Victorian Government licences to enable the operation of its newly-commissioned Melbourne Distribution Centre ("MDC") at an undisclosed Melbourne location. The two licences permit the supply of Schedule 2 (all products), Schedule 3 (all products), Schedule 4 (all products) and Schedule 8 (cannabis, THC products) products to pharmacies from the MDC, with products now being shipped from that facility.
- On 28 October 2022, the Company released the Notice for its 2022 Annual General Meeting which was subsequently held on 29 November 2022. Of the six resolutions that were considered by the Company's shareholders at the Meeting, resolutions 1, 2, 3 and 4 were all passed on a poll. Resolutions 5 and 6, which were not endorsed by the Board and requisitioned by Dr. Matua Jansen as trustee for Whanau Family Trust in respect of the removal as Directors of Rodney Cocks and Guy Headley respectively, were defeated, with more than 87% of the votes cast against both resolutions.
- On 7 November 2022, the Company announced that, on the basis of its history of sustained profitable trading and positive net cash flows from operations, the ASX had exercised its discretion to allow the Company to be relieved of its obligations under Listing Rules 4.7B and 4.7C to file further ASX Quarterly Reports. The Company also confirmed that it will continue to file ASX Appendices 4D and 4E in respect of its half-year and full year financial results.

Significant changes in the state of affairs (CONT.)

- On 28 November 2022, the Company announced that it had met with shareholder and former Director Dr. Benjamin Jansen and that the parties had reached a positive resolution in respect of historic issues between them, enabling the Board and Management to focus on executing the Company's strategic objectives.
- On 2 December 2022, the Company, Cronos Australia - Operations Pty. Ltd. and Cronos Group Inc. terminated, by mutual agreement, the Intellectual Property Licence Deed between the three parties, pursuant to which the Company and its subsidiaries were granted rights to use various aspects of intellectual property including the "Cronos" name. Following the approval of the shareholders to change the Company's name to Vitura Health Limited at the Company's 2022 AGM, the IP Licence was less relevant to the Group going forward.
- On 16 December 2022, being the anniversary of the completion of the merger between the Company and CDA Health Pty. Ltd., a total of 407,052,727 fully paid ordinary shares in the Company, which were subject to voluntary escrow, were released from escrow. There are no further shares in the Company that are subject to escrow.
- During the half-year ended 31 December 2022, a total of 3,666,668 executive performance rights and 2,113,724 employee performance rights which had been granted as part of the Company's merger with CDA Health Pty. Ltd. were converted into ordinary shares. A total of 458,683 performance rights were also cancelled during the period under review as the vesting terms had not been met. There are no performance rights outstanding as at balance date.

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 13 January 2023, ahead of the Company's name change to Vitura Health Limited, the names of two of the Company's wholly-owned subsidiaries were also changed. Cronos Australia Group Pty. Ltd. became Vitura Health Group Pty. Ltd. and Cronos Australia - Operations Pty. Ltd. became Vitura Health - Operations Pty. Ltd.
- On 16 January 2023, the Company announced that it had decided to close its three physical medicinal cannabis clinic locations on the Gold Coast, Brisbane and Sunshine Coast and to provide its clinic services to patients nationwide solely via telehealth which was widely adopted during the COVID-19 pandemic and has emerged as a clear preference of patients. A number of additional doctors have been recruited during the half-year to meet the needs of patients. The Company also announced that the CDA Dispensary at the Gold Coast clinic will cease operations as part of the transition to 100% telehealth. Patients who were being dispensed medicinal cannabis products at that location will have their prescriptions dispensed by one of the 3,200+ partner pharmacies on the CanView platform. The Company is confident that these changes will deliver a significant reduction in overhead costs, operational efficiencies and continued quality of care of its patients.
- On 6 February 2023, the Company changed its name to Vitura Health Limited. On 8 February 2023, the Company's ASX code changed to VIT to reflect the new name.

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

ENVIRONMENT AND REGULATION

The Group does not believe it is subject to any specific environmental regulations beyond those which apply to all listed 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 the Group.

There were no significant changes in laws or regulations during the period from 1 July 2022 up to the date of 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.

SHARE OPTIONS AND PERFORMANCE RIGHTS

Unissued shares under option

- As at 31 December 2022, the Company had a total of 18,565,000 ordinary shares under option (refer Note 26). No ordinary shares were issued as a result of the exercise of any options during the half-year ended 31 December 2022.
- During the half-year ended 31 December 2022, a total of 4,500,000 options were cancelled.

Performance rights

- As at 31 December 2022, all of the performance rights which had been granted to executives and employees of the Group on 16 December 2021 as part of the Company's merger with CDA Health Pty. Ltd. had either been converted into ordinary shares or cancelled as the vesting terms had not been met. As a result, there were no performance rights on issue as at balance date.
- During the half-year ended 31 December 2022, a total of 5,780,392 performance rights were converted into ordinary shares and 458,683 performance rights were cancelled.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the half-year ended 31 December 2022, 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 the 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 including where the individual concerned has committed an illegal act, wilful misconduct or dishonesty or where to do so would be generally prohibited by law.

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. Amounts in the Directors' Report have been rounded off to the nearest dollar in accordance with that Instrument.

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 15 of this Financial Report.

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



DR. MARCIA A.M. WALKER
Acting Chair



RODNEY D. COCKS CSM
CEO and Executive Director

Melbourne, 10 February 2023

Auditor's Independence Declaration



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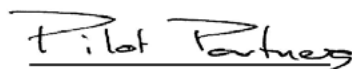
AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

VITURA HEALTH LIMITED (FORMERLY CRONOS AUSTRALIA LIMITED)

I declare that to the best of my knowledge and belief, during the half-year ended 31 December 2022, there have been:

- i. no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



PILOT PARTNERS
Chartered Accountants



CHRIS KING
Partner

Signed on 10 February 2023

Level 10
1 Eagle Street
Brisbane Qld 4000



ABN 60 063 687 769 [Pilot is a registered trade mark licensed to Pilot Partners] Liability limited by a scheme approved under Professional Standards Legislation
Nexia International is a worldwide network of independent accounting and consulting firms.

Consolidated Statement of Comprehensive Income

For the half-year ended 31 December 2022



	Notes	Consolidated	
		31 Dec. 2022 \$	31 Dec. 2021 \$
Continuing operations			
Revenue	4	57,644,481	27,377,870
Cost of sales		(36,859,520)	(16,611,685)
Gross profit		20,784,961	10,766,185
Other income	5	86,868	3,269
Accounting, tax and audit fees		(159,755)	(134,157)
Administration expenses		(2,434,721)	(741,513)
Finance costs		(114,702)	(203,419)
Legal and regulatory expenses		(400,900)	(154,205)
Personnel expenses	6	(6,301,772)	(4,428,024)
Sales, marketing and distribution expenses		(235,579)	(215,359)
Profit before income tax	6	11,224,400	4,892,777
Income tax expense		(3,562,362)	(1,515,272)
Profit for the half-year		7,662,038	3,377,505
Other comprehensive income/(loss)			
<i>Items that may be reclassified to profit</i>			
Exchange profits/(losses) on translation of controlled foreign operations		(126,062)	29,425
Other comprehensive income/(loss) for the half-year, net of tax		(126,062)	29,425
Total comprehensive profit for the half-year		7,535,976	3,406,930
Profit for the half-year is attributable to:			
Owners of Vitura Health Limited		7,679,713	3,380,121
Non-controlling interests	25	(17,675)	(2,616)
Total profit for the half-year		7,662,038	3,377,505
Total comprehensive profit for the half-year is attributable to:			
Owners of Vitura Health Limited		7,553,651	3,409,546
Non-controlling interests	25	(17,675)	(2,616)
Total comprehensive profit for the half-year		7,535,976	3,406,930
Profit per share attributable to owners of Vitura Health Limited and from continuing operations:			
Basic profit per share (cents per share)	7	1.39	0.85
Diluted profit per share (cents per share)	7	1.34	0.79

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

Consolidated Statement of Financial Position

As at 31 December 2022



	Notes	Consolidated	
		31 Dec. 2022 \$	30 June 2022 \$
Assets			
Current Assets			
Cash and cash equivalents	9	14,822,587	16,077,031
Trade and other receivables	10	9,768,938	5,759,051
Inventories	11	9,703,065	5,029,952
Other assets	12	449,927	720,968
Total Current Assets		34,744,517	27,587,002
Non-Current Assets			
Property, plant and equipment	13	1,243,586	623,647
Right-of-use assets	14	4,374,244	4,961,204
Intangible assets and goodwill	15	7,136,797	7,158,337
Deferred tax assets		550,683	1,938,193
Other assets	16	556,662	597,982
Total Non-Current Assets		13,861,972	15,279,363
Total Assets		48,606,489	42,866,365
Liabilities			
Current Liabilities			
Trade and other payables	17	12,759,772	9,557,139
Interest-bearing liabilities	18	391,029	489,256
Current tax liabilities		2,174,852	1,661,716
Employee benefit provisions	19	526,948	462,946
Total Current Liabilities		15,852,601	12,171,057
Non-Current Liabilities			
Interest-bearing liabilities	20	4,187,594	4,570,340
Employee benefit provisions	21	68,793	50,180
Total Non-Current Liabilities		4,256,387	4,620,520
Total Liabilities		20,108,988	16,791,577
Net Assets		28,497,501	26,074,788
Equity			
Share capital	22	24,041,857	22,776,247
Reserves	23	(4,109,918)	(3,148,619)
Retained earnings	24	8,610,982	6,474,905
Equity attributable to owners of the Company		28,542,921	26,102,533
Non-controlling interests	25	(45,420)	(27,745)
Total Equity		28,497,501	26,074,788

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 2022



	Attributable to members of Vitura Health Limited			Non- controlling interests	Totals
	Share capital \$	Reserves \$	Retained earnings \$		
Balance at 1 July 2021	3,677,194	(140,820)	426,371	-	3,962,745
Profit/(loss) for the half-year	-	-	3,380,121	(2,616)	3,377,505
Other comprehensive income/(loss)	-	29,425	-	-	29,425
Total comprehensive income	-	29,425	3,380,121	(2,616)	3,406,930
Transactions with owners					
Shares issued as consideration for the acquisition of CDA Health	20,011,797	-	-	-	20,011,797
Shares issued on conversion of performance rights	410,000	(410,000)	-	-	-
Shares issued for advisory fees	150,000	-	-	-	150,000
Value of performance rights	-	-	-	8,280	8,280
Equity transaction costs, net of tax	(1,436,103)	-	-	-	(1,436,103)
Acquisition of non-controlling interest without a change of control	-	(5,000,000)	-	-	(5,000,000)
Share-based payments	-	591,271	-	-	591,271
Total transactions with owners	19,135,694	(4,818,729)	-	8,280	14,325,245
Balance at 31 December 2021	22,812,888	(4,930,124)	3,806,492	5,664	21,694,920
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	-	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

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

Consolidated Statement of Cash Flows

For the half-year ended 31 December 2022



	Notes	Consolidated	
		31 Dec. 2022 \$	31 Dec. 2021 \$
Cash flows from/(used in) operating activities			
Receipts from customers		57,978,465	28,554,950
Payments made to suppliers and employees		(50,936,912)	(19,392,476)
Interest received		51,962	461
Income tax paid		(1,661,716)	-
Interest and other finance charges paid		(36,530)	(45,555)
Net cash flows from/(used in) operating activities		5,395,269	9,117,380
Cash flows from/(used in) investing activities			
Purchases of plant and equipment		(825,565)	(148,448)
Cash acquired on merger with CDA Health Pty. Ltd.	27	-	2,465,914
Net cash flows from/(used in) investing activities		(825,565)	2,317,466
Cash flows from/(used in) financing activities			
Payment of dividend at one cent per ordinary share		(5,463,006)	-
Lease payments		(361,142)	(163,783)
Payment of transaction costs related to the issue of shares		-	(406,502)
Net cash flows from/(used in) financing activities		(5,824,148)	(570,285)
Net increase/(decrease) in cash and cash equivalents held		(1,254,444)	10,864,561
Cash and cash equivalents at the beginning of the half-year		16,077,031	2,079,307
Cash and cash equivalents at the end of the half-year	9	14,822,587	12,943,868

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

Notes to the Financial Statements

For the half-year ended 31 December 2022



1. CORPORATE INFORMATION

The financial statements of Vitura Health Limited (formerly Cronos Australia Limited) ("Vitura" and the "Company") for the half-year ended 31 December 2022 were authorised for issue in accordance with a resolution of the Company's Board of Directors dated 10 February 2023.

Vitura was incorporated in Victoria, 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 23 subsidiaries, are referred to in these financial statements as the "Group".

The Company operates in the medicinal cannabis industry in Australia and is headquartered in South Yarra, Victoria, with its principal operations located in Varsity Lakes, Queensland.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

This consolidated interim financial report for the half-year ended 31 December 2022 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 2022 and any public announcements made by the Company during the interim reporting period in accordance with the continuous reporting requirements of the ASX and the *Corporations Act 2001*. Vitura is a for-profit entity for the purpose of preparing the financial statements.

The comparative financial information provided in respect of the half-year ended 31 December 2021 has been prepared in accordance with AASB 3 *Business combinations* ("AASB 3"), as the merger between the Company and CDA Health Pty. Ltd. ("CDA") that was completed on 16 December 2021 ("Merger") resulted in the combined group being identified as a Business Combination under Australian Accounting Standards.

AASB 3 requires the identification of an acquirer for financial reporting purposes. The structure of the Merger was such that CDA has been identified as the accounting acquirer for these purposes. This decision has been based on the facts and circumstances of the transaction and, in particular, reference is made to the relative voting rights in Vitura held collectively by the previous shareholders of CDA immediately after the business combination, i.e. more than 70%, and the relative sizes (defined in terms of assets, revenues and profits) of both Vitura and CDA.

As a result of the above, the comparative financial information contained in the attached financial statements includes the financial results of CDA for the period from 1 July 2021 to 31 December 2021 and the results of the pre-Merger Vitura entities for the period from the date of the Merger (16 December 2021) to 31 December 2021.

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 statements.

(b) New and amended accounting standards and interpretations

A number of new and revised standards and interpretations are effective from 1 July 2022, 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 2022. A number of new standards are effective for annual periods beginning after 1 July 2022 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

As detailed in *Note 9* of the Company's 2022 Annual Report, the Company believes that it has a Reasonably Arguable Position and can satisfy the Similar Business Test in respect of the financial year ended 30 June 2022. On this basis, the Company has recognised a deferred tax asset of \$3,423,187 (in respect of tax losses totaling \$11,410,622) as at 30 June 2022 as the Company believes it is probable that it will generate future taxable profits against which the tax losses can be utilised. It is anticipated that the remaining tax losses will be recouped in full prior to 30 June 2023.

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. No such indicators were present as at 31 December 2022.

Impairment of intangible assets and goodwill

The Group determines whether intangible assets and goodwill are impaired on at least an annual basis, in accordance with the accounting policies stated in the Company's 2022 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 the Company's 2022 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 2022, the Company has raised a provision for obsolete stock amounting to \$148,619 (refer *Note 11*).

Share-based payments 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 of such transactions is then 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 the customer terms of sale and believes it has satisfied the requirements of AASB 15 *Revenue from Contracts with Customers*.

Research and development costs

An intangible asset arising from development expenditure incurred on an internal project is recognised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources required to complete the development and the ability to reliably measure the expenditure attributable to the intangible asset during its development. In future, the Group will only capitalise development expenses when specific milestones are met and when the Group is able to demonstrate that future economic benefits are probable.

	Consolidated	
	31 Dec. 2022 \$	31 Dec. 2021 \$
4. REVENUE		
Sale of medicinal cannabis products	56,599,133	26,409,952
Medical consultation fees	842,457	940,045
Sale of consumer products	202,891	27,873
Total revenue	57,644,481	27,377,870
<i>Note: All revenue is recognised at a specific point in time.</i>		
5. OTHER INCOME		
Interest received	65,865	3,269
Services income	12,297	-
Research and development study income	6,000	-
Profit on sale of assets	2,706	-
Total other income	86,868	3,269
6. PROFIT BEFORE INCOME TAX		
Profit before income tax includes:		
Amortisation of right-of-use assets and intangible assets	(396,810)	(212,442)
Depreciation of property, plant and equipment	(148,413)	(52,753)
Employee benefits expenses (other than share-based payments)	(5,952,029)	(3,836,753)
Share-based payments expenses	(349,743)	(591,271)
<i>Note: Employee benefits expenses represent all salaries, bonuses and associated on-costs paid to the Group's Directors and employees.</i>		
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 year attributable to the owners of the Company	7,679,713	3,380,121
Weighted average number of shares used to calculate profit per share	553,887,002	399,003,704
Weighted average number of shares used to calculate diluted profit per share	571,973,302	428,677,402

8. DIVIDENDS AND DISTRIBUTIONS

On 26 August 2022, the Directors resolved to pay a maiden dividend of one cent per ordinary share franked as to 100% in respect of the year ended 30 June 2022. This fully franked dividend was the first distribution of profits to shareholders since the Company was listed on the ASX in November 2019 and reflected the improved profitability and cash flow of the combined group since the Company completed its merger with CDA Health Pty. Ltd. in December 2021. The Company also introduced a Dividend Reinvestment Plan ("DRP") that is available to all shareholders who wish to receive some, or all, of their dividends in the form of shares in the Company rather than cash.

On 11 October 2022, an amount of \$5,463,006 in cash was paid in respect of the above dividend and a total of 126,260 shares were issued under the DRP in satisfaction of dividend payments of \$80,630. The Company does not propose to pay a dividend in respect of the half-year ended 31 December 2022.

	Consolidated	
	31 Dec. 2022 \$	30 June 2022 \$
9. CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	14,822,587	16,077,031
Total cash and cash equivalents	14,822,587	16,077,031
10. TRADE AND OTHER RECEIVABLES		
Trade receivables	9,420,361	5,741,616
Less: expected credit losses	(94,571)	(5,819)
GST receivable, net	337,147	-
Other receivables	106,001	23,254
Total net trade and other receivables	9,768,938	5,759,051
11. INVENTORIES		
Finished goods on hand, at cost	5,168,117	3,719,293
Deposits paid on products in production	4,636,424	1,314,508
Raw materials, at cost	47,143	47,143
Less: provision for obsolete stock	(148,619)	(50,992)
Total net inventories	9,703,065	5,029,952
12. OTHER ASSETS (CURRENT)		
Prepayments	373,327	676,970
Security deposits	66,199	43,998
Deferred equity issuance costs	10,401	-
Total current other assets	449,927	720,968
13. PROPERTY, PLANT AND EQUIPMENT		
(a) Plant and equipment		
Leasehold improvements, net	855,462	285,213
Computer equipment, net	170,185	94,109
Office and clinic equipment, net	150,892	169,915
Motor vehicles, net	67,047	26,857
Assets under construction	-	47,553
Total net property, plant and equipment	1,243,586	623,647

(b) Reconciliation of plant and equipment

Asset category	Opening balance \$	Additions (net) \$	Assets completed \$	Depreciation expense \$	Closing balance \$
Leasehold improvements	285,213	1,082	663,590	(94,423)	855,462
Computer equipment	94,109	68,640	32,225	(24,789)	170,185
Office and clinic equipment	169,915	4,080	-	(23,103)	150,892
Motor vehicles	26,857	46,288	-	(6,098)	67,047
Assets under construction	47,553	648,262	(695,815)	-	-
Totals	623,647	768,352	-	(148,413)	1,243,586

	Consolidated			
	31 Dec. 2022 \$	30 June 2022 \$		
14. RIGHT-OF-USE ASSETS				
Balance at the beginning of the half-year	4,961,204	689,408		
Less: amortisation expense charged	(375,270)	(482,366)		
Less: change in management assumptions	(211,690)	(9,858)		
Add: recognition of right-of-use assets	-	4,546,932		
Add: right-of-use assets acquired on acquisition (refer <i>Note 27(b)</i>)	-	267,088		
Less: provision for estimated make good costs	-	(50,000)		
Total right-of-use assets	4,374,244	4,961,204		
<i>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 20).</i>				
15. INTANGIBLE ASSETS AND GOODWILL				
(a) Intangible assets and goodwill				
Goodwill arising on the acquisition of CDA Health Pty. Ltd. (refer <i>Note 27(b)</i>)	6,540,958	6,540,958		
Goodwill arising on the acquisition of Cannadoc Health Pty. Ltd.	291,457	291,457		
Licences arising on restructure	200,000	200,000		
Trademarks and patents, net	63,767	68,267		
Capitalised software development, net	33,175	48,174		
Computer software, net	7,440	9,481		
Total intangible assets and goodwill	7,136,797	7,158,337		
(b) Reconciliation of intangible assets and goodwill				
Asset category	Opening balance \$	Additions \$	Amortisation \$	Closing balance \$
Goodwill (CDA Health Pty. Ltd.)	6,540,958	-	-	6,540,958
Goodwill (Cannadoc Health Pty. Ltd.)	291,457	-	-	291,457
Licences arising on restructure	200,000	-	-	200,000
Trademarks and patents, net	68,267	-	(4,500)	63,767
Capitalised software, net	48,174	-	(14,999)	33,175
Computer software, net	9,481	-	(2,041)	7,440
Total intangible assets and goodwill	7,158,337	-	(21,540)	7,136,797
16. OTHER ASSETS (NON-CURRENT)				
Security deposits	556,662			597,982
Total non-current other assets	556,662			597,982

	Consolidated	
	31 Dec. 2022 \$	30 June 2022 \$
17. TRADE AND OTHER PAYABLES		
Trade payables	9,235,147	5,873,535
Accrued expenses	2,589,272	1,952,095
Payroll-related payables (excluding annual leave)	854,647	1,033,842
Other payables	80,706	594,209
GST payable, net	-	103,458
Total trade and other payables	12,759,772	9,557,139
18. INTEREST-BEARING LIABILITIES (CURRENT)		
Lease liabilities	391,029	489,256
Total current interest-bearing liabilities	391,029	489,256
19. EMPLOYEE BENEFIT PROVISIONS (CURRENT)		
Annual leave	526,948	462,946
Total current employee benefit provisions	526,948	462,946
20. INTEREST-BEARING LIABILITIES (NON-CURRENT)		
Lease liabilities	4,187,594	4,570,340
Total non-current interest-bearing liabilities	4,187,594	4,570,340
21. EMPLOYEE BENEFIT PROVISIONS (NON-CURRENT)		
Long service leave	68,793	50,180
Total non-current employee benefit provisions	68,793	50,180
22. SHARE CAPITAL		
(a) Issued and paid-up capital		
Balance at the beginning of the half-year	22,776,247	3,677,194
Add: shares issued on conversion of performance rights	1,184,980	410,000
Add: shares issued under Dividend Reinvestment Plan	80,630	-
Add: shares issued as consideration for the acquisition of CDA Health	-	20,011,797
Add: shares issued in part payment of corporate advisory fees	-	150,000
Less: equity transaction costs, net of tax	-	(1,436,103)
Balance at the end of the half-year	24,041,857	22,812,888

Note: The above comparative reconciliation of issued and paid-up capital relates to the half-year ended 31 December 2021, as disclosed in the Statement of Changes in Equity.

	Consolidated	
	31 Dec. 2022 \$	30 June 2022 \$
22. SHARE CAPITAL (CONT.)		
(b) Shares on issue		
Balance at the beginning of the half-year	550,625,419	403,552,399
Add: shares issued on conversion of performance rights	5,780,392	2,059,998
Add: shares issued under Dividend Reinvestment Plan	126,260	-
Add: shares issued as part of merger with CDA Health	-	128,750,000
Add: shares issued on conversion of unsecured loan	-	15,176,065
Add: shares issued in part payment of corporate advisory fees	-	1,086,957
Balance at the end of the half-year	556,532,071	550,625,419
23. RESERVES		
Share-based payments reserve	1,288,728	2,123,965
Foreign currency translation reserve	(257,826)	(131,764)
Capital reserve	(5,140,820)	(5,140,820)
Total reserves	(4,109,918)	(3,148,619)
24. RETAINED EARNINGS		
Balance at the beginning of the half-year	6,474,905	426,371
Add: profit attributable to owners of Vitura Health Limited	7,679,713	3,380,121
Less: dividend paid in respect of the year ended 30 June 2022	(5,543,636)	-
Balance at the end of the half-year	8,610,982	3,806,492
<i>Note: The above comparative reconciliation of retained earnings relates to the half-year ended 31 December 2021, as disclosed in the Statement of Changes in Equity.</i>		
25. NON-CONTROLLING INTERESTS		
Balance at the beginning of the half-year	(27,745)	-
Less: share of operating losses attributable to non-controlling interests	(17,675)	(2,616)
Add: value of performance rights on issue at date of acquisition (refer Note 27(b))	-	8,280
Balance at the end of the half-year	(45,420)	5,664
<i>Note: The above comparative reconciliation of non-controlling interests relates to the half-year ended 31 December 2021, as disclosed in the Statement of Changes in Equity.</i>		

26. OPTIONS

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)
7 November 2019	86,300	50.0	7 November 2020	7 November 2023	17.40
7 November 2019	181,200	67.0	7 November 2021	7 November 2023	14.71
7 November 2019	297,500	83.0	7 November 2022	7 November 2023	12.80
16 December 2021	6,000,000	27.0	30 June 2022	16 December 2025	10.20
16 December 2021	6,000,000	34.0	30 June 2023	16 December 2025	10.10
16 December 2021	6,000,000	41.0	30 June 2024	16 December 2025	10.00
Total	18,565,000				

	Consolidated	
	31 Dec. 2022 \$	31 Dec. 2021 \$
27. BUSINESS COMBINATIONS		
(a) Purchase consideration for acquisition of CDA Health		
Shares issued as consideration for the acquisition of CDA (refer Note 22(a))	-	20,011,797
Total purchase consideration	-	20,011,797
(b) Assets and liabilities acquired at fair value		
Assets		
Cash and cash equivalents	-	2,465,914
Assets held in trust for part payment of consideration	-	5,000,000
Trade and other receivables	-	656,092
Inventories	-	1,081,779
Net deferred tax assets	-	3,639,768
Other assets	-	1,200,483
Property, plant and equipment, net	-	113,871
Right-of-use assets (refer Note 14)	-	267,088
Other intangible assets and goodwill	-	491,457
Liabilities		
Trade and other payables	-	(999,143)
Interest-bearing liabilities	-	(303,999)
Employee benefit provisions	-	(134,191)
Goodwill		
Adjusted goodwill acquired on acquisition of CDA (refer Note 15(a))	-	6,540,958
Value of performance rights on issue at completion	-	(8,280)
Total purchase consideration	-	20,011,797

27. BUSINESS COMBINATIONS (CONT).

Note: During the half-year ended 31 December 2021, the Company acquired 100% of the issued capital of CDA Health Pty. Ltd. ("CDA") via a merger with that company that was completed on 16 December 2021 ("Merger"). The comparative information included in these financial statements has been prepared in accordance with AASB 3 Business combinations ("AASB 3"), as the Merger resulted in the combined group being identified as a Business Combination under Australian Accounting Standards. The implications of this combination were detailed in Notes 2(a) and 29 of the Company's 2022 Annual Report. As a result, the comparative information included in these financial statements include the financial results of CDA for the period from 1 July 2021 to 31 December 2021 and the results of the pre-Merger Vitura entities for the period from 16 December 2021 to 31 December 2021. The above tables include details of the adjusted assets and liabilities that were acquired as part of the Merger.

	Consolidated	
	31 Dec. 2022	30 June 2022
	\$	\$
28. RECONCILIATION OF CASH FLOWS		
Reconciliation of profit for the half-year		
Reconciliation of profit after income tax for the half-year to the net cash flows from operating activities		
Profit for the half-year after tax	7,662,038	3,377,505
Non-cash items		
Net movement in accrued income tax expense	1,900,646	1,515,272
Amortisation of right-of-use assets and intangible assets	396,810	212,442
Share-based payments expense	349,743	591,271
Depreciation of property, plant and equipment	148,413	52,753
Interest charged on lease liabilities	48,684	21,865
Unrealised foreign currency losses/(gains)	(25,674)	(147,768)
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(4,009,887)	(1,491,786)
(Increase)/decrease in inventories	(4,673,113)	(1,947,287)
(Increase)/decrease in other assets	312,361	365,767
Increase/(decrease) in trade and other payables	3,202,633	6,304,153
Increase/(decrease) in employee benefit provisions	82,615	263,193
Net cash flows from operating activities	5,395,269	9,117,380
29. COMMITMENTS AND CONTINGENCIES		
(a) Lease expenditure commitments		
Minimum lease payments		
Not later than one year	536,924	703,298
Later than one year but not later than five years	1,543,946	1,787,250
Later than five years	-	-
Total minimum lease payments	2,080,870	2,490,548

29. COMMITMENTS AND CONTINGENCIES (CONT.)

As at 31 December 2022, the Group had entered into 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 20*):

Location and use	Landlord	Date of expiry of leases
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 Operations office	Argus (Varsity) Pty. Ltd.	2 June 2027
Burleigh Heads, Queensland 4220 Warehouse and distribution	CJ Vision Pty. Ltd.	31 May 2023

On 16 January 2023, the Company announced that its medicinal cannabis clinic businesses would transition to a 100% telehealth service. As a result, the physical CDA Clinics on the Gold Coast, Brisbane and Sunshine Coast will close no later than 31 March 2023. Notices terminating the impacted leases have been sent to the respective landlords.

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

CBD Joint Venture Pty. Ltd.

On 23 December 2019, the Company announced that it had formed a joint venture with A&S Branding Pty. Ltd. for the development of CBD-based products. Vitura has made available to the joint venture vehicle (CBD Joint Venture Pty. Ltd.) an unsecured loan facility of up to \$250,000 on commercial terms, which may be used for working capital purposes and to expand the business.

As at 31 December 2022, a total of \$30,000 had been advanced under the facility. No interest is being charged in respect of this advance.

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 million on commercial terms, which may be used for working capital purposes and to expand the business.

As at 31 December 2022, a total of \$400,000 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 \$55,381 had been charged in respect of the facility and added to the outstanding balance due to the Company by Cannadoc.

30. SUBSEQUENT EVENTS

- On 13 January 2023, ahead of the Company's name change to Vitura Health Limited, the names of two of the Company's wholly-owned subsidiaries were also changed. Cronos Australia Group Pty. Ltd. became Vitura Health Group Pty. Ltd. and Cronos Australia - Operations Pty. Ltd. became Vitura Health - Operations Pty. Ltd.
- On 16 January 2023, the Company announced that it had decided to close its three physical medicinal cannabis clinic locations on the Gold Coast, Brisbane and Sunshine Coast and to provide its clinic services to patients nationwide solely via telehealth which was widely adopted during the COVID-19 pandemic and has emerged as a clear preference of patients. A number of additional doctors have been recruited during the half-year to meet the needs of patients. The Company also announced that the CDA Dispensary at the Gold Coast clinic will cease operations as part of the transition to 100% telehealth. Patients who were being dispensed medicinal cannabis products at that location will have their prescriptions dispensed by one of the 3,200+ partner pharmacies on the CanView platform. The Company is confident that these changes will deliver a significant reduction in overhead costs, operational efficiencies and continued quality of care of its patients.
- On 6 February 2023, the Company changed its name to Vitura Health Limited. On 8 February 2023, the Company's ASX code changed to VIT to reflect the new name.

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.

31. SEGMENT INFORMATION

(a) Reportable segments

The Group has identified three business segments based on the products 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 two geographic segments based on the jurisdictions where the Company's operations are located. The segments are reported in a manner consistent with the reporting provided to the chief operating decision maker, being the CEO.

The Group sells and distributes medicinal cannabis and consumer 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.

31. SEGMENT INFORMATION (CONT.)

(b) Business segments

The Group's three business segments as at balance date can be described as *Medical* (involving the sale and distribution of medicinal cannabis products), *Clinics* (involving the operation of medicinal cannabis clinics) and *Consumer* (involving the sale of consumer (non-medical) products in both Australia and Asia). The *Corporate* disclosures below include revenues, expenses, income taxes, assets and liabilities associated with Vitura's headquarter function.

Segment		Sales revenue \$	Other income \$	Totals \$	Profit/(loss) \$
Medical	2023	56,599,133	21,003	56,620,136	17,881,188
	2022	26,409,952	-	26,409,952	8,607,638
Clinics	2023	842,457	-	842,457	(762,333)
	2022	940,045	-	940,045	(795,098)
Consumer	2023	202,891	-	202,891	(140,531)
	2022	27,873	-	27,873	(27,130)
Sub-totals	2023	57,644,481	21,003	57,665,484	16,978,324
	2022	27,377,870	-	27,377,870	7,785,410
Corporate	2023	-	65,865	65,865	(9,316,286)
	2022	-	3,269	3,269	(4,407,905)
Totals	2023	57,644,481	86,868	57,731,349	7,662,038
	2022	27,377,870	3,269	27,381,139	3,377,505

Segment		Assets \$	Liabilities \$	Depreciation/ amortisation \$	Purchases of equipment \$
Medical	2023	38,374,116	(11,846,682)	(182,232)	738,815
	2022	31,439,438	(8,975,325)	(88,637)	86,833
Clinics	2023	705,954	(407,393)	(77,164)	-
	2022	236,284	(649,758)	(37,532)	11,528
Consumer	2023	243,817	(5,416)	-	-
	2022	157,118	(33,656)	-	-
Sub-totals	2023	39,323,887	(12,259,491)	(259,396)	738,815
	2022	31,832,840	(9,658,739)	(126,169)	98,361
Corporate	2023	9,282,602	(7,849,497)	(285,827)	86,750
	2022	11,033,525	(7,132,838)	(139,026)	50,087
Totals	2023	48,606,489	(20,108,988)	(545,223)	825,565
	2022	42,866,365	(16,791,577)	(265,195)	148,448

31. SEGMENT INFORMATION (CONT.)

(c) Geographic segments

The Group's two geographic segments as at balance date can be described as *Australia* (being the home country of the parent entity, Vitura Health Limited, and the location of the Group's medicinal cannabis and clinics operations) and *Asia* (being the home of the Group's consumer business, selling the Bathing Shed, FCTR and Saiph brands of products). The *Corporate* disclosures below include revenues, expenses, income taxes, assets and liabilities associated with Vitura's headquarter function.

Segment		Sales revenue \$	Other income \$	Totals \$	Profit/(loss) \$
Australia	2023	57,635,353	21,003	57,656,356	17,063,193
	2022	27,377,547	-	27,377,547	7,805,025
Asia	2023	9,128	-	9,128	(84,869)
	2022	323	-	323	(19,615)
Sub-totals	2023	57,644,481	21,003	57,665,484	16,978,324
	2022	27,377,870	-	27,377,870	7,785,410
Corporate	2023	-	65,865	65,865	(9,316,286)
	2022	-	3,269	3,269	(4,407,905)
Totals	2023	57,644,481	86,868	57,731,349	7,662,038
	2022	27,377,870	3,269	27,381,139	3,377,505

Segment		Assets \$	Liabilities \$	Depreciation/ amortisation \$	Purchases of equipment \$
Australia	2023	39,143,051	(12,254,075)	(259,396)	738,815
	2022	31,550,255	(7,717,791)	(126,169)	98,361
Asia	2023	180,836	(5,416)	-	-
	2022	282,585	(1,940,948)	-	-
Sub-totals	2023	39,323,887	(12,259,491)	(259,396)	738,815
	2022	31,832,840	(9,658,739)	(126,169)	98,361
Corporate	2023	9,282,602	(7,849,497)	(285,827)	86,750
	2022	11,033,525	(7,132,838)	(139,026)	50,087
Totals	2023	48,606,489	(20,108,988)	(545,223)	825,565
	2022	42,866,365	(16,791,577)	(265,195)	148,448

(d) Additional segment disclosures

Other income - corporate includes interest received of \$65,865 (2022: \$3,269).

There were no net intersegment sales during the half-year ended 31 December 2022.

(e) Segment accounting policies

Segment information is prepared in conformity with the accounting policies of the entity and Accounting Standard AASB 8 *Operating Segments*. As a result, the primary reporting segments reflect more closely 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.

(f) Major customers

As at 31 December 2022, 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.

Directors' Declaration

In the opinion of the Directors of Vitura Health Limited:

1. the Financial Statements and accompanying notes, as set out on pages 16 to 32, 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 2022 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
Acting Chair



RODNEY D. COCKS CSM
CEO and Executive Director

Melbourne, 10 February 2023

Auditor's Review Report



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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF VITURA HEALTH LIMITED (FORMERLY CRONOS AUSTRALIA LIMITED)

REPORT ON THE HALF YEAR FINANCIAL REPORT

We have reviewed the accompanying half year financial report of Vitura Health Limited, formerly Cronos Australia Limited ("the Company" and its subsidiaries ("the Group")), which comprises the consolidated balance sheet as at 31 December 2022 and the consolidated income statement, consolidated statement of changes in equity and consolidated 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 2022 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.



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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.

INDEPENDENCE

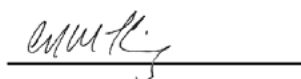
In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company would be in the same terms if provided to the directors 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 2022 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
 Chartered Accountants


CHRIS KING
 Partner

Signed on 10 February 2023

Level 10
 1 Eagle Street
 Brisbane Qld 4000

Liability limited by a scheme approved under Professional Standards Legislation

Corporate Directory

DIRECTORS

Dr. Marcia A.M. Walker (*Non-Executive Acting 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. Simone L. Scovell (*Non-Executive Director*)

COMPANY SECRETARY

Thomas G. Howitt

REGISTERED OFFICE

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www.canview.com.au
www.cdaclinics.com.au
www.cannadoc.com.au

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Australia and New Zealand Banking Group Limited

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Pilot Partners

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