

ASX ANNOUNCEMENT

Vitura joint venture acquires assets of Releaf Group

19 NOVEMBER 2024

Melbourne, Australia – Vitura Health Limited (ASX: VIT) (**Vitura** and **Company**) is pleased to announce that, pursuant to a legally-binding Business Sale Agreement (**BSA**), a joint venture company in which Vitura holds a 50% direct shareholding (Flora Holdings Pty Ltd (**Flora**)) has acquired the majority of the assets owned by Releaf Group Limited and its subsidiaries (**Releaf**).

Background

On 16 May 2023, Vitura announced the establishment of an unincorporated joint venture with Releaf, an Australian-based medicinal cannabis company providing both in-person and telehealth consultations to patients Australia-wide, pursuant to an unincorporated joint venture agreement between Vitura, Burleigh Heads Cannabis Pty Ltd (**BHC**) (a subsidiary of Vitura), Releaf and Releaf's subsidiary, Releaf Dispensaries Pty Ltd (**Releaf Agreement**).

In early November 2024, Releaf was placed into receivership and voluntary administration. At that time, BHC was owed approximately \$3.8 million by Releaf in respect of medicinal cannabis products purchased by Releaf through a Releaf-branded version of the Company's Canview platform, together with accrued interest and default fees charged in accordance with the Releaf Agreement (**Debt**). This existence and status of the Debt was described in Note 3(b) on page 82 of the Company's 2024 Annual Report.

Transaction details

In consideration for its 50% equity interest in Flora and, by extension, its 50% interest in the assets of Releaf under the BSA, Vitura has paid \$250,000 in cash, issued 5,779,274 ordinary shares in Vitura (**Shares**) and relinquished its rights to recover its debt of \$3.8 million. The Shares were issued at a 10% discount to the volume weighted average price of Vitura shares for the five trading days prior to the Completion Date, being \$0.08652, which equates to approximately \$500,000 in total value. No shareholder approval is required in order for Vitura to issue the Shares and ASX Appendices 3B and 2A will be released to ASX today.

In addition to its 50% share of the Releaf assets, as part of the Flora deal, Vitura will also be granted favourable rights to distribute, wherever possible, all medicinal cannabis products prescribed to Releaf patients, where such products are available on its Canview platform.

Flora Holdings Pty Ltd

Vitura holds a 50% direct equity interest in Flora. The remaining 50% equity interest is beneficially held by Crisci Group, a major national compounding pharmacy provider for both sterile and non-sterile compounds, traditional pharmaceuticals and medications, health and wellness items, and quality practitioner-only formulations (**Crisci Group**).

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Crisci Group is the holder of four of the largest Releaf franchises, located in Victoria and Queensland. As such, Vitura recognised the important role played by Crisci Group and approached it to join forces with it to acquire the Releaf assets and resurrect the Releaf business.

In addition to holding the four Releaf franchises, Crisci Group, which employs more than 100 staff, also has several brands and businesses, including, but not limited to, Priceline Pharmacy Firle, Infinity Wellness Group, CannCompounding Group and Australian Compounders Corporation.

As part of the Flora joint venture, the doctors appointed by Flora will provide consultation services to the Releaf patients, while Crisci Group will provide dispensing and counselling services for patients from the scripts that the patients provide from the resulting consultations. Finally, Vitura will be granted favourable rights to distribute the medicinal cannabis products that are prescribed by the Releaf doctors, subject to the products being available on Canview. The full details of these arrangements will be documented in a Shareholders' Agreement.

Vitura and Crisci Group, via Flora, are in discussions with leading medicinal cannabis doctors with a view to appointing a Chief Executive Officer of Flora to manage day-to-day operations of the Releaf business on behalf of Flora and to service the many thousands of current and future Releaf patients and drive increasing patient flow through the Releaf clinics. Flora is also engaging with former Releaf doctors and employees with a view to bringing them back to the business to leverage their valuable knowledge and experience.

Releaf assets acquired

The Releaf assets acquired by Flora include, but are not limited to, leases over certain Releaf premises, intellectual property (including trademarks, logos and domain names), patient contact lists, goodwill, inventory, IT contracts, manuals, merchandise, plant and equipment and certain trade receivables.

Vitura understands from the Receiver that the number of patients registered with Releaf as at 6 November 2024 was almost 30,000.

The Flora partners are now activating a comprehensive plan to immediately engage with the entire Releaf patient base. A call centre is being established to triage the active patient base to ensure the continuity of care for all patients so that ready access to doctors and medications can be maintained. Flora and its shareholders are focused on the delivery of first-class patient care and understand the frustrations experienced by loyal Releaf patients during the period leading up to the company being placed into receivership. Flora is now taking active steps to address these problems quickly and to provide access to experienced medical and pharmaceutical professionals who understand patient care and who will prioritise the needs of all Releaf patients.

Based on the value of the Releaf assets acquired, it is expected that Vitura's 50% equity interest in Flora, together with the favourable distribution rights being acquired as part of the joint venture, will be value-accretive for shareholders, exceeding the consideration that Vitura has agreed to pay in cash and shares, together with relinquishing its rights to recover its debt of \$3.8 million.

In commenting on the transaction, Vitura Chair, Robert Iervasi, said *"Vitura is thrilled to have partnered with Crisci Group to breathe new life into the Releaf business. Based on our collective experience and resources, we are confident that the Flora partners will be successful in rebuilding the confidence of the extensive Releaf patient cohort and expanding our offerings in future to provide both existing and future patients with a first-class patient experience. This transaction also aligns with our previously announced Strategy Reset whereby we committed to growing our reach through investing in clinics and doctors."*



CEO of Crisci Group, David Crisci, said *"The last few weeks have been challenging for both patients and staff, given the circumstances with Releaf. I feel privileged to have been approached by Vitura and invited to collaborate under our new JV arrangement which will enable Crisci Group to continue to operate our existing Releaf dispensary locations. We look forward to working closely with Vitura and continuing to support and expand our loyal patient base."*

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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.