

FY25

Appendix 4D
& Interim Financial Report

visionflex
group



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Contents

- 4 Appendix 4D
- 6 Directors' report
- 13 Auditor's independence declaration
- 14 Consolidated statement of profit or loss and other comprehensive income
- 16 Consolidated statement of financial position
- 17 Consolidated statement of changes in equity
- 18 Consolidated statement of cash flows
- 20 Notes to the consolidated financial statements
- 39 Directors' declaration
- 40 Independent auditor's report to the members of Visionflex Group Limited

ACKNOWLEDGEMENT OF COUNTRY

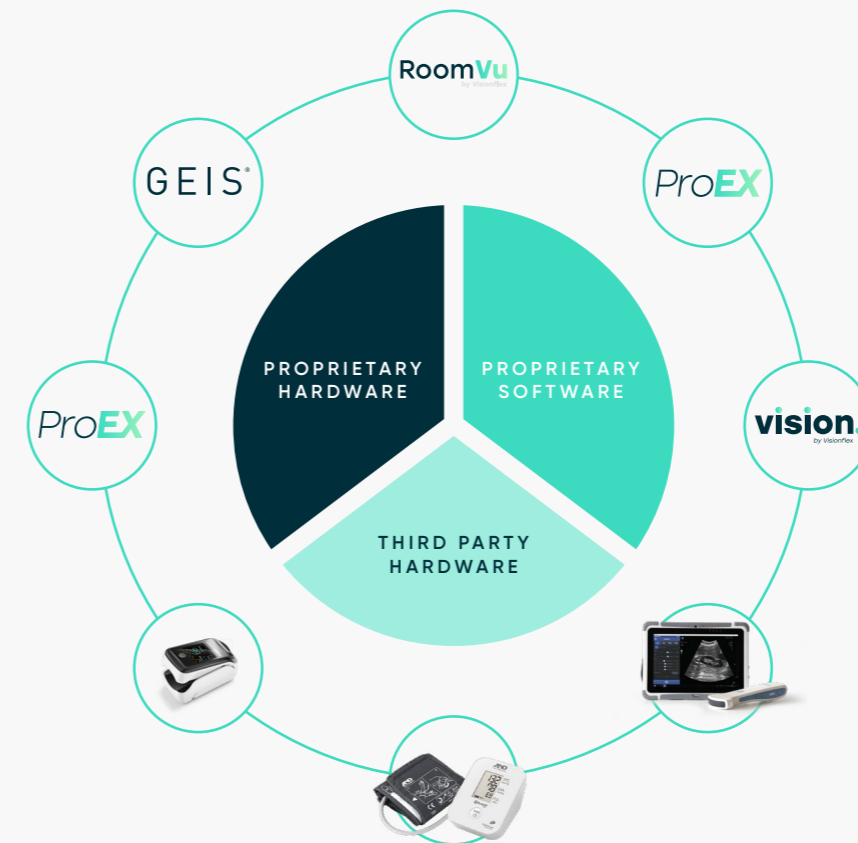
Visionflex Group acknowledges the many Traditional Owners of the lands on which we operate. We recognise their continuous relationship to the land and pay our respects to Elders past, present and emerging.



Visionflex Group empowers health practitioners globally with cutting edge technologies.

Visionflex proprietary hardware and software connect a range of third-party medical devices to empower practitioners to deliver world class virtual care.

Elevating patient outcomes.



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Appendix 4D

1. COMPANY DETAILS

Name of entity:	Visionflex Group Limited
ABN:	25 138 897 533
Reporting period:	For the half-year ended 31 December 2024
Previous period:	For the half-year ended 31 December 2023

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

			\$
Revenues from ordinary activities (continuing operations)	down	42%	to 1,893,575
Revenues from ordinary activities (continuing and discontinued operations)	down	53%	to 1,893,575
Loss from ordinary activities after tax attributable to the owners of Visionflex Group Limited (continuing operations)	down	218%	to (1,688,325)
Loss from ordinary activities after tax attributable to the owners of Visionflex Group Limited (continuing and discontinued operations)	down	175%	to (1,576,024)
Loss for the half-year attributable to the owners of Visionflex Group Limited (continuing and discontinued operations)	down	175%	to (1,576,024)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the Group after providing for income tax amounted to \$1,576,024 (31 December 2023: \$573,385).

Refer to 'Review of operations' in the Directors' Report for further commentary.

3. NET TANGIBLE ASSETS

	REPORTING PERIOD CENTS	PREVIOUS PERIOD CENTS
Net tangible assets per ordinary security	(0.02)	(0.50)

4. DIVIDENDS

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

5. AUDIT QUALIFICATION OR REVIEW

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report. The auditor's review report contains a paragraph addressing material uncertainty related to going concern.

6. ATTACHMENTS

Details of attachments (if any):

The Interim Report of Visionflex Group Limited for the half-year ended 31 December 2024 follows the Appendix 4D.

7. SIGNED



Christopher Whitehead
Chair of the Board

Date: 20 February 2025
Sydney

Directors' Report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Visionflex Group Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.



DIRECTORS & COMPANY SECRETARY

The following persons were Directors and the Company Secretary of Visionflex Group Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Christopher Whitehead Non-Executive Director and Chair

Geoff Neate Non-Executive Director

John Nantes Non-Executive Director

Brook Adcock Non-Executive Director

Maria Clemente Company Secretary

PRINCIPAL ACTIVITIES

During the financial half-year, the principal continuing activities of the Group consisted of the provision of healthcare, telehealth, and remote diagnostic solutions into both local and international markets.

DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial half-year.

REVIEW OF OPERATIONS

The 6 months ending 31 December 2024 has been a period of significant change for Visionflex as we progressed key strategic initiatives to position the business for long-term growth. While these transitions have contributed to increased losses in the short term, they lay the foundation for a stronger and more resilient future.

Aligned with our strategic focus on transitioning to a recurring revenue model through SaaS, the Group achieved significant growth in its Annual Recurring Revenue (ARR) over the past six months. ARR increased by \$0.3 million, reaching \$1.6 million, representing a 114% increase compared to the prior corresponding period (pcp). This strong growth underscores the effectiveness of our SaaS strategy in driving predictable and sustainable revenue streams.

The Group successfully converted key opportunities from its expanding sales pipeline into secured contracts with major customers, including Bupa and the Royal Flying Doctor Service (RFDS) Victoria. Additionally, the Group entered into a strategic reseller agreement with Spark Health (NZ). These achievements reflect the Group's continued momentum in building strong partnerships and driving revenue growth.

The Group has continued to expand its international presence, achieving growth in offshore markets. In the first half of FY25, international revenue reached \$0.3 million, representing a 169% increase compared to the prior corresponding period (pcp). This growth reflects the successful execution of our increasingly global strategy.

The Group made meaningful progress on several strategic priorities; however, securing enterprise contracts that would have accelerated the path to EBITDA profitability remained a challenge. In previous reporting periods, the Group undertook a restructuring to position the Visionflex Business division for significant growth. While the sales pipeline remains robust across key industry verticals, the conversion of larger enterprise opportunities has progressed at a slower pace than initially expected. Nevertheless, the Group remains focused on achieving profitability in the near term, with an updated forecast targeting run-rate EBITDA positivity by Q4 FY25.

FINANCIAL PERFORMANCE

The Group reported an after-tax loss of \$1.6 million for H1 FY25, representing a decline compared to the loss of \$0.6 million in H1 FY24. This was driven by lower new contract volumes relative to the prior period. The loss from continuing operations in H1 FY25 was \$1.7 million, partially offset by a \$0.1 million gain from discontinued operations.

The Group reported consolidated revenue from continuing operations of \$1.9 million for H1 FY25 which reflects a decline of 42% from the \$3.2 million of revenue in the comparative H1 FY24 period. While hardware revenue was 66% lower than the corresponding prior comparative period, a period which included the delivery of 104 carts to WA Primary Health Alliance (WAPHA), worth \$1.2m in revenue, the group was able to grow its proprietary higher margin recurring software/support by 335% as it successfully transitioned to more of a SaaS pricing model for new customer contracts.

Directors' Report *(cont.)*

FINANCIAL PERFORMANCE *(cont.)*

The underlying normalised EBITDA loss for the half year period ended 31 December 2024 was \$1.3 million (2023: \$0.1 million loss) which has been determined as follows:

	CONSOLIDATED	
	31 DEC 2024 \$	31 DEC 2023 \$
Loss before income tax benefit from continuing operations	(1,934,705)	(870,866)
Add back: non cash expenses		
Depreciation and amortisation expense	31,098	5,653
Share based payments expense	245,660	313,668
Total non-cash expenses	276,758	319,321
Exclude: Interest revenue	-	(3,529)
Add back: Finance costs	154,968	410,325
Add back: Legacy Stock Inventory write down	251,835	-
Normalised underlying EBITDA loss for the half year period	(1,251,144)	(144,749)

Normalised underlying EBITDA is a financial measure which is not prescribed by the Australian Accounting Standards (AAS) and represents profit/loss under AAS adjusted for specific items. The table above summarises key items between the statutory loss after tax and normalised underlying EBITDA.

Normalised underlying EBITDA has not been subject to any specific review procedures by our auditor however it has been extracted from the accompanying audited reviewed financial report.

FINANCIAL POSITION

The Group had a closing 31 December 2024 cash balance of \$2.4 million, an increase of \$1.3 million (109%) since 30 June 2024. The total receipts from customers for H1 FY25 was \$1.6 million, a decrease of \$4.2 million from the H1 FY24 period a period where multiple contracts were secured from WAPHA. The Group's operating cash outflows for H1 FY25 was \$2.1 million, which compares to the \$0.2 million outflow in H1 FY24.

The Group was in a net liability position of \$0.7 million as at 31 December 2024 (\$8.1 million as at 30 June 2024), with assets held of \$3.7 million (30 June 2024: \$2.9 million) and liabilities owed of \$4.4 million (30 June 2024: \$11 million). During H1 FY25, the Group undertook equity raising activities to recapitalise the Group. The equity raising activities included share placements and an entitlement offer. The activities raised \$2.9 million in proceeds and resulted in \$5.9 million of debt from converting notes being converted to equity.

Included in the liabilities balance as at 31 December 2024 is \$2 million of converting notes on which the Group has the option to convert some or all of the converting notes into shares as well as \$1.1 million of contract liabilities which once performance obligations are met will be recognised as revenue.

The Group had a working capital surplus position as at 31 December 2024 of \$0.2 million (\$1.2 million deficit as at 30 June 2024), with current assets of \$3.5 million (30 June 2024: \$2.8 million) and current liabilities \$3.3 million (30 June 2024: \$4.0 million). The movement in the working capital position over the six month period ended 31 December 2024 was primarily the result of the successful efforts in recapitalising the Group.

RISK MANAGEMENT

The Group acknowledges the importance of proactively managing risks and opportunities related to both its day-to-day operations and long-term strategic objectives. To this end, a comprehensive risk management policy has been established.

The Board is tasked with establishing, overseeing, and approving the Group's risk management strategy, as well as ensuring internal compliance and controls. Additionally, the Board defines the Group's "risk appetite" to ensure alignment between its strategic direction and risk management policy.

The Group has the following risk management controls embedded in the Group's management and reporting system:

- A comprehensive annual insurance program. This program is run by the Chief Financial Officer with the assistance of a qualified external broker;
- The employment of a compliance manager who quarterly presents to the Board as part of the Board Meetings;
- Annual Strategic and operational business plans; and
- Annual budgeting and forecasting, along with monthly forecasting and system evaluation, facilitate the monitoring of performance against expected targets and the assessment of trends.

Directors' Report *(cont.)*

RISK MANAGEMENT *(cont.)*

During H1 FY25, ongoing monitoring, mitigation and reporting on material risks was conducted by Executive Leadership Team, the Audit and Risk Committee and the Board and took place in accordance with the process disclosed above. The key risks specific to the Group's business identified through the risk management assessment were as follows:

Commercialisation: The Group depends on its and its partners' capacity to use its products and services to generate revenue.

Sufficiency of funding: The Group is currently not profitable and does not expect to become profitable until after achieving successful further commercialisation and sale of its products and services to allow sufficient sales revenue to fund on-going company operations.

Products: The Group's products and services may encounter design and manufacturing defects, whether real or perceived, which could have adverse effects on its business and damage its reputation.

Material customer contracts: The Group has entered into various material contracts for its products and the accompanying software and support for each cart for each product. A breach, termination, or non-renewal of these material customer contracts or loss of business may have a material adverse effect on the Group's future financial position, brand and reputation and financial performance and therefore the value of its securities.

Cybersecurity: The Group develops its products and services which depend on network communications, it faces risks such as cybersecurity attacks, disruptions or delays in telecom systems, or data service losses, which could affect product and service delivery.

Intellectual property and Software development: The Group relies on its ability to further develop and commercialise its intellectual property to generate

sales. The value of the Group's products and brand is closely tied to its intellectual property, much of which is not capable of formal protection.

Supply chain risk: Any significant interruption or negative change in the availability or economics of the Group's supply chain for key inputs could materially impact its business, its financial position, financial performance and/or prospects.

Foreign exchange: As the Group looks to grow in the future internationally, changes in exchange rates can impact the value of revenue, expenses, assets, liabilities when those components are denominated in foreign currencies through either transaction or translation risk.

Regulatory and compliance: The Group is the regulatory sponsor, manufacturer and distributor of various products and components which are medical devices registered with the Therapeutic Goods Administration (TGA), and in some cases other regulators such as the United States with the Food and Drug Administration (FDA).

Reliance on key personnel: The Group's ability to be productive, profitable and competitive and to implement planned growth initiatives depends on the continued employment and performance of a relatively small number of senior executives and other key members of management. The performance of the Group also depends on its ability to attract and retain skilled workers with relevant industry and technical experience.

Dependence on key suppliers: The Group currently has strategic business relationships with suppliers that it relies upon for key parts of its business activities. Some of these relationships are in countries which may be subject geopolitical risks, such as China and Taiwan.

Strategic: Strategic risk relates to possible challenges and uncertainties associated with the strategic decisions, initiatives, and direction of a business.

Competition: The Group competes with other domestic and international businesses in its industry. The Group is potentially much smaller and less well resourced than some of these competitors. The Group may face more competition from new or existing market players who offer similar products and services to the Group's current or potential clients at a lower price.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 26 June 2024, the Group announced that it was undertaking an institutional share placement and underwritten non-renounceable pro-rata entitlement offer to raise a total of up to \$7,500,000 (before costs) (Equity Raising).

The results of the July 2024 Equity Raising are summarised as follows:

	CASH PROCEEDS (BEFORE COSTS) (\$)	DIRECTLY APPLIED TO LIABILITIES (\$)	TOTAL (\$)
Share Placement	415,044	-	415,044
Non renounceable pro-rata entitlement	886,530	6,198,426	7,084,956
Total	1,301,574	6,198,426	7,500,000

The placement component of the equity raising was successfully completed on 2 July 2024, raising \$415,044 before costs with 83,008,800 of fully paid ordinary shares and 27,669,598 options issued. Costs associated with the placement component of the equity raising were capitalised as transaction costs as at 30 June 2024. The Group received \$85,000 of proceeds for the placement component before 30 June 2024, with the remaining \$330,044 received on 1 July 2024.

The entitlement component of the equity raising was successfully completed on 24 July 2024. Under the entitlement offer:

- Cash proceeds of \$886,530 (before costs), was raised from institutional and other professional investors;
- Major shareholder and convertible note holder John Plummer, applied \$4,240,000 of his debt balance to equity via the Entitlement Offer;
- Major shareholder and convertible note holder Adcock Private Equity, applied its full debt balance (\$1,625,000), along with accrued interest (\$118,328), to equity via the Entitlement Offer;
- Lead Manager and underwriter, Henslow Pty Ltd applied \$215,098 of amounts owed for services performed to equity.

A total of 1,416,991,197 fully paid ordinary shares and 479,330,401 options were issued from the entitlement offer on 25 July 2024.

On 13 November 2024, the Group announced that it was undertaking an institutional share placement to further accelerate business growth.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The results of the November 2024, Share Placement are summarised as follows:

	CASH PROCEEDS (BEFORE COSTS) (\$)	DIRECTLY APPLIED TO LIABILITIES (\$)	TOTAL (\$)
Share Placement	1,639,125	110,875	1,750,000

The placement was successfully completed on 21 November 2024, raising \$1,639,125 before costs with 437,500,000 of fully paid ordinary shares issued. It is expected that a further 145,833,333 of options will be issued after approval at an Extraordinary General Meeting in H2 FY25.

During H1 FY25, 13,369,275 of performance rights which vested were converted to ordinary shares. A further 163,250,000 performance rights were issued while 2,000,000 performance rights were cancelled.

There were no other significant changes in the state of affairs of the Group during the financial half-year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

In February 2025, key terms of the convertible note facilities with cornerstone shareholder investor, John Plummer and Adcock Private Equity were varied.

The facility limit with John Plummer was reduced to \$2,500,000 and the availability period was extended to 28 February 2026. As at 20 February 2025, \$1,040,000 was available to draw down under this facility.

The facility limit with Adcock Private Equity was reduced to \$1,500,000 and the availability period was extended to 28 February 2026. As at 20 February 2025, \$1,000,000 was available to draw down under this facility.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future periods.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors', pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Christopher Whitehead
 Chair of the Board

Date: 20 February 2025
 Sydney

Auditors' Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Visionflex Group Limited

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2024, there have been:

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



PKF



PAUL PEARMAN
 PARTNER

20 FEBRUARY 2025
 SYDNEY, NSW

PKF(NS) Audit & Assurance Limited Partnership is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separately owned legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s). Liability limited by a scheme approved under Professional Standards Legislation.

Consolidated statement of profit or loss and other comprehensive income

		CONSOLIDATED	
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024	NOTE	31 DEC 2024 \$	31 DEC 2023 RESTATED(*) \$
Revenue from continuing operations	4	1,893,575	3,249,683
Interest revenue calculated using the effective interest method		-	3,517
Expenses			
Changes in inventories		(54,393)	90,278
Raw materials and consumables used		(560,799)	(1,438,193)
Advertising and marketing expenses		(101,400)	(35,375)
Professional and consulting fees		(159,976)	(305,504)
Operations and administration expenses		(415,919)	(466,623)
Employee benefits expense		(2,349,727)	(1,552,671)
Depreciation and amortisation expense		(31,098)	(5,653)
Finance costs		(154,968)	(410,325)
Loss before income tax benefit from continuing operations		(1,934,705)	(870,866)
Income tax benefit		246,380	340,562
Loss after income tax benefit from continuing operations		(1,688,325)	(530,304)
Profit/(loss) after income tax expense from discontinued operations	5	112,301	(43,081)
Loss after income tax benefit for the half-year attributable to the owners of Visionflex Group Limited		(1,576,024)	(573,385)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(4,311)	1,068
Other comprehensive income for the half-year, net of tax		(4,311)	1,068
Total comprehensive income for the half-year attributable to the owners of Visionflex Group Limited		(1,580,335)	(572,317)
Total comprehensive income for the half-year is attributable to:			
Continuing operations		(1,692,636)	(529,236)
Discontinued operations		112,301	43,081
		(1,580,335)	(572,317)

(*) Prior period comparatives have been restated to show the impact of the GoBookings and PetYeti as discontinued operations.

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024	NOTE	2024 CENTS	2023 CENTS RESTATED (*)
Loss per share for loss from continuing operations attributable to the owners of Visionflex Group Limited			
Basic earnings per share	14	(0.06)	(0.04)
Diluted earnings per share	14	(0.06)	(0.04)
Earnings per share for profit/(loss) from discontinued operations attributable to the owners of Visionflex Group Limited			
Basic earnings per share	14	0.00	0.00
Diluted earnings per share	14	0.00	0.00
Loss per share for loss attributable to the owners of Visionflex Group Limited			
Basic earnings per share	14	(0.06)	(0.04)
Diluted earnings per share	14	(0.06)	(0.04)

(*) Prior period comparatives have been restated to show the impact of the GoBookings and PetYeti discontinued operations.

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Consolidated statement of financial position

AS AT 31 DECEMBER 2024

	NOTE	CONSOLIDATED	
		31 DEC 2024 \$	30 JUN 2024 \$
ASSETS			
Current assets			
Cash and cash equivalents		2,428,365	1,160,936
Trade and other receivables		245,032	369,891
Contract assets		11,248	10,836
Inventories	6	341,511	647,739
Income tax receivable		316,456	549,934
Prepayments		194,479	85,209
Total current assets		3,537,091	2,824,545
Non-current assets			
Property, plant and equipment		134,031	51,314
Intangibles		4,716	6,048
Total non-current assets		138,747	57,362
Total assets		3,675,838	2,881,907
LIABILITIES			
Current liabilities			
Trade and other payables	7	1,166,163	2,411,346
Contract liabilities	8	1,007,261	1,410,972
Borrowings	9	1,004,272	4,218
Employee benefits		123,450	183,674
Total current liabilities		3,301,146	4,010,210
Non-current liabilities			
Contract liabilities		57,456	143,640
Borrowings		1,000,000	6,825,000
Employee benefits		14,334	9,939
Total non-current liabilities		1,071,790	6,978,579
Total liabilities		4,372,936	10,988,789
Net liabilities		(697,098)	(8,106,882)
Equity			
Issued capital	10	48,983,002	40,104,015
Reserves		3,461,867	3,355,605
Accumulated losses		(53,141,967)	(51,566,502)
Total deficiency in equity		(697,098)	(8,106,882)

The above statement of financial position should be read in conjunction with the accompanying notes

Consolidated statement of changes in equity

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

CONSOLIDATED	ISSUED	RESERVES	ACCUMULATED	TOTAL
	CAPITAL		LOSSES	DEFICIENCY IN
	\$	\$	\$	EQUITY
				\$
Balance at 1 July 2023	40,274,494	2,717,929	(49,732,385)	(6,739,962)
Loss after income tax benefit for the half-year	-	-	(573,385)	(573,385)
Other comprehensive loss for the half-year, net of tax	-	1,068	-	1,068
Total comprehensive income for the half-year	-	1,068	(573,385)	(572,317)
<i>Transactions with owners in their capacity as owners:</i>				
Transaction costs from issue of shares in previous period	(5,837)	-	-	(5,837)
Share-based payments	-	313,668	-	313,668
Balance at 31 December 2023	40,286,657	3,032,665	(50,305,770)	(7,004,448)
CONSOLIDATED				
	ISSUED	RESERVES	ACCUMULATED	TOTAL
	CAPITAL		LOSSES	DEFICIENCY IN
	\$	\$	\$	EQUITY
				\$
Balance at 1 July 2024	40,104,015	3,355,605	(51,566,502)	(8,106,882)
Loss after income tax benefit for the half-year	-	-	(1,576,024)	(1,576,024)
Other comprehensive income for the half-year, net of tax	835	(5,705)	559	(4,311)
Total comprehensive income for the half-year	835	(5,705)	(1,575,465)	(1,580,335)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	8,744,459	-	-	8,744,459
Performance rights converted into issued capital	133,693	(133,693)	-	-
Share-based payments	-	245,660	-	245,660
Balance at 31 December 2024	48,983,002	3,461,867	(53,141,967)	(697,098)

The above statement of changes in equity should be read in conjunction with the accompanying notes

Consolidated statement of cash flows

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	NOTE	CONSOLIDATED	
		31 DEC 2024 \$	31 DEC 2023 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,589,046	5,747,522
Payments to suppliers and employees (inclusive of GST)		(4,171,281)	(6,179,885)
Interest received		-	3,529
Interest and other finance costs paid		(30,765)	(383,003)
Research and development tax credit		479,858	634,562
Net cash used in operating activities		(2,133,142)	(177,275)
Cash flows from investing activities			
Payments for property, plant and equipment		(23,430)	(3,964)
Payments for intangibles		-	(825)
Proceeds from disposal of business		-	300,000
Net cash (used in)/from investing activities		(23,430)	295,211
Cash flows from financing activities			
Proceeds from issue of shares, net of transaction costs		2,424,001	(5,837)
Proceeds from convertible notes facility		1,000,000	200,000
Net cash from financing activities		3,424,001	194,163
Net increase in cash and cash equivalents		1,267,429	312,099
Cash and cash equivalents at the beginning of the financial half-year		1,160,936	1,442,802
Cash and cash equivalents at the end of the financial half-year		2,428,365	1,754,901

The above statement of cash flows should be read in conjunction with the accompanying notes



Notes to the consolidated financial statements

31 DECEMBER 2024

NOTE 1

GENERAL INFORMATION

The financial statements cover Visionflex Group Limited as a Group consisting of Visionflex Group Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Visionflex Group Limited's functional and presentation currency.

Visionflex Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

C/o Automic Group
Level 5, 126 Phillip Street
Sydney, NSW 2000

Principal place of business

Unit 1/8 Prosperity Parade
Warriewood, NSW 2102

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 20 February 2025.

NOTE 2

MATERIAL ACCOUNTING POLICY INFORMATION

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

GOING CONCERN

For the financial half-year ended 31 December 2024, the Group incurred a net loss after tax of \$1,576,024 (31 December 2023: net loss of \$573,385) and had net operating cash outflows of \$2,133,142 (31 December 2023: net operating cash outflows of \$177,275). As at 31 December 2024, the Group had net liabilities of \$697,098 (30 June 2024: net liabilities of \$8,106,882). These conditions give rise to an uncertainty which may cast doubt over the Group's ability to continue as a going concern.

The Directors have reviewed the Group's profit and loss and cash flow forecast including various scenarios for the 12-month ending 28 February 2026.

AASB 101 Presentation of Financial Statements requires Directors to determine the Group's ability to continue as a going concern for the purposes of preparing the consolidated financial statements. As such these profit and loss forecasts have been prepared to assist the Directors determine the Group's ability to continue as a going concern as follows.

Forecast methodology

Two financial scenarios were used primarily for the purpose of assessing the Group's ability to remain a going concern for the purposes of preparing the consolidated financial statements. The two forecasts prepared were:

- 1) A rolling growth forecast which assumes a strong level of growth in revenue and an increase to the cost of operations.
- 2) A no growth forecast which assumes generating a similar level of sales to that which was achieved in H1 FY25 with costs remaining static.

Under the scenarios, revenue has been assessed based on the business and type of revenue:

1. Visionflex Operating Segment

- Hardware sales have been assessed based on the existing pipeline of potential orders with assumptions made in respect of the proportion of hardware v recurring revenue included in the initial

Notes to the consolidated financial statements *(cont.)*

31 DECEMBER 2024

NOTE 2 *(cont.)*

MATERIAL ACCOUNTING POLICY INFORMATION

sale. In addition follow-on purchases (upsells or expansion revenue) by existing customers have been forecast.

- Licensing and Support sales have been assessed for both new customers as well as renewal income as customer initial purchase anniversary dates are reached with assumptions made in respect of client retention rates and changes in price on the SaaS licenses and support.

The cost of sales for the Visionflex business has been estimated based off recent margins generated. Operating costs were forecast depending on the scenario prepared, with the rolling growth scenario, seeing costs increase to reflect the increase in revenue and costs remaining static in the no growth forecast.

The cashflows have been modelled based on the relationship to operating profit, based on the history of receipts compared to revenue and the history of payments compared to outflows in recent years plus an assessment of the timing of receipts and payments for components related to hardware sales.

Assessment

The Directors have determined the Group will be able to pay its debts as and when they fall due assessing both the rolling growth forecast prepared by the Group as well as the no growth forecast. If sales levels were below the level included in the no growth forecast, the Group has assumed that costs would be reduced, through lower headcount and sales and marketing spend.

In the Directors' opinion, based on the results of the no growth forecast, the ability of the Group to continue as a going concern is primarily dependent upon the credit facilities on offer with Mr John Plummer and Adcock Private Equity. As at 20 February 2025, the available funds to draw down under the facilities total \$2,040,000 while the Group had in excess of \$1m of cash in its bank accounts. Both note holders have in writing confirmed that that the undrawn portion of their facility will be available for a minimum period of 12 months from 28 February 2025. As an ASX-listed group, the Group has the ability to raise capital through the market. This has been demonstrated by multiple successful capital raises in recent periods, including those completed in July 2024 and November 2024.

The Directors are confident in the Group's ability to achieve the forecasts or cover any shortfall to them and have, therefore, concluded that it is appropriate to adopt, and have adopted, the going concern basis in preparing the consolidated financial statements. The Directors are of the view that the Group will be able to pay its debts as and when they become due from net cash from operating activities and from existing funds on hand.

However, in the event that the Group is unable to achieve the outcomes in relation to the aforementioned, such circumstances would indicate that uncertainty exists that may cast significant doubt as to whether the Group will continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the consolidated financial statements.

The consolidated financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

COMPARATIVES

Comparatives in the statement of profit or loss and other comprehensive income and some of the notes have been restated to consider the impact of the GoBookings and Clinic Connect (PetYeti) businesses moving from being a continuing to a discontinued operation.

NOTE 3

OPERATING SEGMENTS

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Identification of reportable operating segments

The Group was organised into two reportable operating segments during H1 Y25:

- Visionflex
- Corporate head office

The Legacy 1ST Group Booking Businesses (comprising GoBookings and PetYeti) which were shut down in 2HY24 and included in the interim financial report as a discontinued operation, have been included for comparative purposes.

All operating segments are located in Australia. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors and Executive Management Team (who are identified as the Chief Operating Decision Makers ('CODM'))

in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews Adjusted EBITDA (earnings before interest, tax, depreciation, amortisation adjusted for the effects of significant items of income and expenditure which may have an impact on the quality of earnings such as the gain on the disposal of discontinued operation and impairments where the impairment is the result of an isolated event). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis and discussed as part of each Board meeting.

Types of products and services

The principal products and services of the Visionflex business unit is virtual healthcare solutions and peripheral medical devices that integrate into proprietary developed software for remote diagnostics and patient care.

Major customers

During H1 FY25 no single customer contributed 10% or more to the Group's external revenue. During H1 FY24 the Group made combined sales of \$2.2 million to Western Australia Primary Health Alliance (WAPHA). As at 31 December 2023, revenue of \$1,244,319 had been recognised in respect of the contracts sold and delivered to WAPHA. This reflected 31% of the external Group revenue for the H1 FY24.

Notes to the consolidated financial statements *(cont.)*

31 DECEMBER 2024

NOTE 3 *(cont.)*

OPERATING SEGMENTS

OPERATING SEGMENT INFORMATION

	VISIONFLEX \$	LEGACY 1ST GROUP BUSINESSES \$	CORPORATE HEAD OFFICE \$	TOTAL \$
CONSOLIDATED - 31 DEC 2024				
Revenue	1,893,575	-	-	1,893,575
Costs of goods sold	(363,357)	-	-	(363,357)
Gross profit	1,530,218	-	-	1,530,218
Staff costs	(1,526,383)	(9,102)	(577,441)	(2,112,926)
Other operating costs	(345,632)	22,170	(331,906)	(654,828)
Adjusted EBITDA	(341,797)	13,608	(909,347)	(1,237,536)
Depreciation and amortisation	(30,119)	-	(979)	(31,098)
Net fair value gain on contingent consideration	-	98,693	-	98,693
Share based payments expense/(write back)	-	-	(245,660)	(245,660)
Legacy Stock Inventory write down	(251,835)	-	-	(251,835)
Interest revenue	-	-	-	-
Finance costs	(1,004)	-	(153,964)	(154,968)
Profit/(Loss) before income tax benefit	(624,755)	112,301	(1,309,950)	(1,822,404)
Income tax benefit	246,380	-	-	246,380
Loss after income tax benefit	(378,375)	112,301	(1,309,950)	(1,576,024)
Segment assets	3,435,630	-	240,208	3,675,838
Segment liabilities	1,390,156	-	2,982,780	4,372,936

	VISIONFLEX \$	LEGACY 1ST GROUP BUSINESSES \$	CORPORATE HEAD OFFICE \$	TOTAL \$
CONSOLIDATED - 31 DEC 2023				
Revenue	3,250,547	755,520	-	4,006,067
Cost of goods sold	(1,347,915)	(350,583)	-	(1,698,498)
Gross profit	1,902,632	404,937	-	2,307,569
Staff costs	(1,027,069)	(482,362)	(411,547)	(1,920,978)
Other operating costs	(359,017)	(72,730)	(249,748)	(681,495)
Adjusted EBITDA	516,546	(150,155)	(661,295)	(294,904)
Business restructuring costs	-	(192,926)	-	(192,926)
Depreciation and amortisation	(3,569)	-	(2,084)	(5,653)
Net fair value gain on contingent consideration	-	300,000	-	300,000
Share based payments expense/(write back)	-	-	(313,668)	(313,668)
Interest revenue	-	-	3,529	3,529
Finance costs	(11,960)	-	(398,365)	(410,325)
Profit/(Loss) before income tax benefit	501,017	(43,081)	(1,371,883)	(913,947)
Income tax benefit	340,562	-	-	340,562
Profit/(loss) after income tax benefit	841,579	(43,081)	(1,371,883)	(573,385)
Segment assets	3,002,439	281,657	21,422	3,305,518
Segment liabilities	2,834,470	87,995	7,387,501	10,309,966

Notes to the consolidated financial statements *(cont.)*

31 DECEMBER 2024

NOTE 4

REVENUE

FROM CONTINUING OPERATIONS	CONSOLIDATED	
	31 DEC 2024 \$	31 DEC 2023 \$
Revenue from contracts with customers		
Medical hardware revenue	991,488	2,928,429
Software and support revenue	681,935	156,628
Other revenue	220,152	165,490
Revenue from continuing operations	1,893,575	3,250,547

DISAGGREGATION OF REVENUE

The disaggregation of revenue from contracts with customers is as follows:

	CONSOLIDATED	
	31 DEC 2024 \$	31 DEC 2023 \$
Timing of revenue recognition		
Goods transferred at a point in time	1,010,480	3,071,574
Services transferred over time	883,095	178,973
	1,893,575	3,250,547

The majority of revenue from contracts with customers is generated in Australia.

NOTE 5

DISCONTINUED OPERATIONS

SUMMARY OF DISCONTINUED OPERATIONS	31 DEC 2024 \$	31 DEC 2023 \$
MyHealth1st Business	98,693	155,913
GoBookings and PetYeti Businesses	13,608	(198,994)
	112,301	(43,081)

(1) MYHEALTH1ST BUSINESS

Description

On 21 April 2023, the Group entered into an agreement to sell the business of MyHealth1st to HealthShare Pty Ltd for cash consideration of \$750,000 and contingent consideration of up to \$500,000. The transaction included the sale of assets, client agreements, supplier agreements, intellectual property, business names and domain names. The transaction was completed on 30 June 2023. Financial information relating to the discontinued was outlined in the 2024 Annual Report.

On 6 August 2024, Visionflex Group Limited and Healthshare Pty Ltd signed a deed of settlement and release for the sale of MyHealth1st. The deed confirmed that both parties had fulfilled their obligations for the acquisition. Post-acquisition, Healthshare Pty Ltd paid some ongoing costs for the Group while separation activities were conducted, leaving the Group with an outstanding balance of \$98,085 owing to Healthshare Pty Ltd, which was recorded in the 2024 financial statements. It was mutually agreed that this amount would be offset against the final completion payment, settling all financial obligations between the parties.

(2) GOBOOKINGS AND PETYETI BUSINESSES

Description

Following a comprehensive review of the future prospects and opportunities for the PetYeti and GoBookings businesses, the Group determined that it was in the best interest of shareholders to shutdown these businesses. PetYeti ceased operating effective 1 March 2024 and GoBookings ceased operating effective 1 May 2024. Financial information relating to the discontinued operation is set out below.

Notes to the consolidated financial statements *(cont.)*

31 DECEMBER 2024

NOTE 5 *(cont.)*

DISCONTINUED OPERATIONS

Financial performance information

	CONSOLIDATED	
	31 DEC 2024 \$	31 DEC 2023 \$
Revenue	-	756,384
Interest revenue calculated using the effective interest method	-	12
Advertising and marketing expenses	-	(56,693)
Professional and consulting fees	-	(16,913)
Employee benefits expense	(9,101)	(375,862)
Operations and administration expenses	22,709	(312,997)
Business restructuring costs	-	(192,925)
Profit/(loss) before income tax	13,608	(198,994)
Income tax expense	-	-
Profit/(loss) after income tax from discontinued operations	13,608	(198,994)

Cash flow information

	CONSOLIDATED	
	31 DEC 2024 \$	31 DEC 2023 \$
Net cash used in operating activities	14,304	(594,798)
Net cash from investing activities	-	-
Net cash from financing activities	-	-
	14,304	(594,798)

There were no assets or liabilities disposed of as part of the shutdown of GoBookings and PetYeti (Clinic Connect Pty Limited). The businesses were shut down and are in the process of being de-registered with the Australian Securities and Investments Commission, so there was no consideration received and no gain or loss from the discontinued operation.

NOTE 6

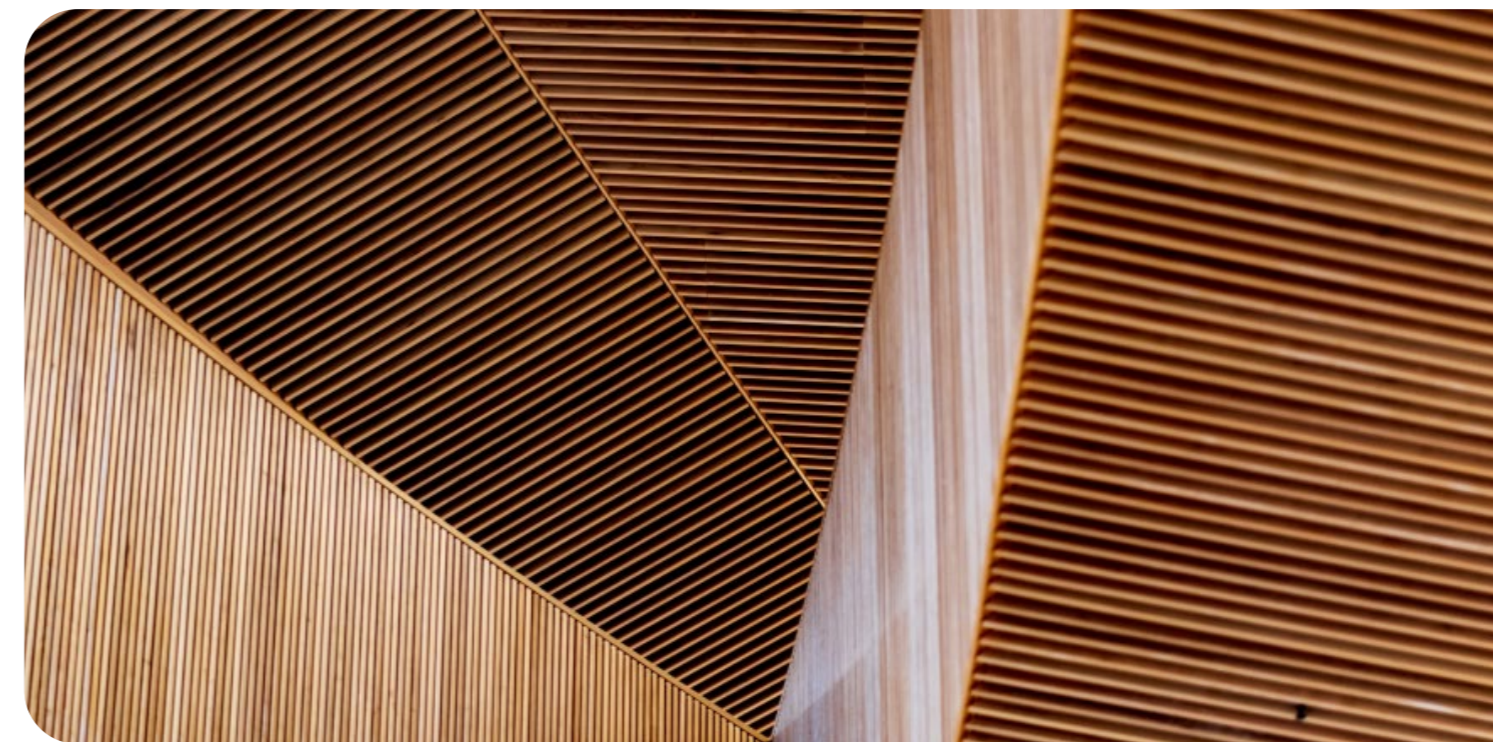
CURRENT ASSETS - INVENTORIES

	CONSOLIDATED	
	31 DEC 2024 \$	30 JUNE 2024 \$
Raw materials and finished goods	886,261	954,782
Less: Provision for impairment	(544,750)	(307,043)
	341,511	647,739

NOTE 7

CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

	CONSOLIDATED	
	31 DEC 2024 \$	30 JUNE 2024 \$
Trade payables	142,714	465,039
Accrued expenses	691,279	1,270,644
Funds held for capital raise	-	85,000
Amounts owing to the ATO	144,557	371,674
Other payables	187,613	218,989
	1,166,163	2,411,346



Notes to the consolidated financial statements *(cont.)*

31 DECEMBER 2024

NOTE 8

CURRENT & NON-CURRENT LIABILITIES - CONTRACT LIABILITIES

	CONSOLIDATED	
	31 DEC 2024 \$	30 JUNE 2024 \$
Current liability	1,007,261	1,410,972
Non-current liability	57,456	143,640
	1,064,717	1,554,612

NOTE 9

CURRENT & NON-CURRENT LIABILITIES - BORROWINGS

	CONSOLIDATED	
	31 DEC 2024 \$	30 JUNE 2024 \$
Current liability - short term finance	44,272	4,218
Current liability - Converting notes payable	960,000	-
Non-current liability - convertible notes payable	1,000,000	6,825,000
	2,004,272	6,829,218

The convertible notes payable relate to two facility agreements with investors.

- A \$5,200,00 convertible note facility with a cornerstone shareholder investor, John Plummer (from October 2022 and earlier periods). During the quarter ending 31 December 2024, a further \$500,000 was drawn down under the facility. As at 31 December 2024, \$1,460,000 was drawn down under the facility, with \$960,000 due for repayment or conversion by 30 September 2024 and \$500,000 due for repayment or conversion by 16 December 2026. The amount available to draw down under this facility as at 31 December 2024 was \$3,740,000. In February 2025, key terms of this facility were varied with the facility limit reduced to \$2,500,000 and the availability period was extended to 28 February 2026. As at 20 February 2025, \$1,040,000 was available to draw down under this facility.

- A \$3,200,000 convertible note facility issued to Adcock Private Equity in February 2023. During the quarter ending 31 December 2024, \$500,000 was drawn down under the facility. As at 31 December 2024, \$500,000 was drawn down under the facility which is due for repayment or conversion by October/November 2026. The amount available to draw down under this facility as at 31 December 2024 was \$2,700,000. In February 2025, key terms of this facility were varied with the facility limit reduced to \$1,500,000 and the availability period was extended to 28 February 2026. As at 20 February 2025, \$1,000,000 was available to draw down under this facility.

The key terms of both facilities include:

- The convertible note with each investor is repayable 24 months from the date of each drawdown. Repayments of amounts drawn prior to July 2024 have been extended until at least March 2026;
- Line fee of 1% per annum;
- Interest rate of the Reserve Bank of Australia cash rate plus 7.5% per annum, therefore currently 11.85% per annum, payable quarterly in arrears;
- The facility agreement includes a provision to renegotiate interest rate further downwards subject to the Group delivering three consecutive cash flow positive quarters;
- Usual covenants for a facility of this nature and scope including: unsecured obligation, no debt subordination without consent, anti-dilution provisions;
- The Facility can be repaid in part or in full or reduced at any time at the election of the Group;
- The facilities constitute unsecured debt obligations of the Company; and
- Provisions allowing for conversion into shares of a portion of the existing debt.

FINANCING ARRANGEMENTS

Unrestricted access was available at the reporting date to the following lines of credit:

	CONSOLIDATED	
	31 DEC 2024 \$	30 JUNE 2024 \$
Total facilities		
Convertible notes payable	8,400,000	8,400,000
Used at the reporting date		
Convertible notes payable	1,960,000	6,825,000
Unused at the reporting date		
Convertible notes payable	6,440,000	1,575,000

The total facilities unused and available for Draw Down as at 20 February 2025 was \$2,040,000.

Notes to the consolidated financial statements *(cont.)*

31 DECEMBER 2024

NOTE 10

EQUITY - ISSUED CAPITAL

	CONSOLIDATED			
	31 DEC 2024 SHARES	30 JUN 2024 SHARES	31 DEC 2024 \$	30 JUN 2024 \$
Ordinary shares - fully paid	3,367,860,469	1,416,991,197	48,983,002	40,104,015

MOVEMENTS IN ORDINARY SHARE CAPITAL

DETAILS	DATE	SHARES	ISSUE PRICE	\$
Balance	30 June 2024	1,416,991,197		40,104,015
Issue of shares	2 July 2024	83,008,800	\$0.005	415,044
Issue of shares	25 July 2024	1,416,991,197	\$0.005	7,084,956
Transaction costs arising on share issues	25 July 2024	-		(371,118)
Issue of shares	30 July 2024	833,333	\$0.010	8,333
Issue of shares	21 November 2024	437,500,000	\$0.004	1,750,000
Transaction costs arising on share issues	21 November 2024	-		(133,587)
Issue of shares	23 December 2024	12,535,942	\$0.010	125,359
Balance	31 December 2024	3,367,860,469		48,983,002

Ordinary shares

Ordinary shares are classified as equity. Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

NOTE 11

EQUITY - DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial half-year.

NOTE 12

RELATED PARTY TRANSACTIONS

Parent entity

Visionflex Group Limited is the parent entity of the Group.

Transactions with related parties

The following transactions occurred with related parties:

	CONSOLIDATED	
	31 DEC 2024 \$	31 DEC 2023 \$
Interest expense/facility fee to an entity controlled by key management personnel	36,648	59,936
Interest owed to an entity controlled by key management personnel converted into equity	118,258	-
Convertible notes owed to an entity controlled by key management personnel converted into equity	1,625,000	-

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	CONSOLIDATED	
	31 DEC 2024 \$	30 JUNE 2024 \$
Current payables:		
Other payables to key management personnel*	23,986	134,155

*Represents interest payable on the converting notes facility that has been provided by Adcock Private Equity, an entity controlled by Non-Executive Director, Mr Brook Adcock.

Notes to the consolidated financial statements *(cont.)*

31 DECEMBER 2024

NOTE 12 *(cont.)*

RELATED PARTY TRANSACTIONS

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	CONSOLIDATED	
	31 DEC 2024 \$	30 JUNE 2024 \$
Non-current borrowings:		
Convertible note payable from key management personnel**	500,000	1,625,000

** The converting notes facility has been provided by Adcock Private Equity, an entity controlled by Non-Executive Director, Mr Brook Adcock.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

NOTE 13

SHARE-BASED PAYMENTS

Share options granted during the half-year ended 31 December 2024

No employee share options under the Visionflex Group Limited Share Option Plan were granted during the half-year ended 31 December 2024.

Performance rights granted during the half-year ended 31 December 2024

Performance rights granted to employees

In September 2024, the remuneration committee granted certain employees 104,354,752 performance rights for no cash consideration under the Company's Omnibus Incentive Plan. In October 2024, after approval at the 2024 Annual General Meeting to increase the capacity of securities that can be issued under the Company's Omnibus Incentive Plan, the remuneration committee granted certain employees 58,895,248 performance rights for no cash consideration.

Performance rights issued to staff excluding key management personnel in September 2024, totalled 25,000,000 and were issued in 2 equal tranches and can be exercised based on the achievement of a continuing service period. The performance rights have an exercise price of \$nil. 50% of rights can be exercised on achieving the first 12 months continued service period (12 months from grant date). The remaining 50% of rights can be exercised on achieving the second 12 months continued service period (24 months from grant date). The performance rights are not subject to any other vesting conditions besides the holder remaining in continuous service to the Company. The performance rights expire 5 years and 1 day from the grant date.

Performance rights issued to key management personnel in September 2024, totalled 79,354,752 and can be exercised based on the achievement of a continuing service period. The performance rights have an exercise price of \$nil. The rights can be exercised on achieving 12 months of continued service period (12 months from grant date). The performance rights are not subject to any other vesting conditions besides the holder remaining in continuous service to the Company. The performance rights expire 5 years and 1 day from the grant date.

Performance rights issued to key management personnel in October 2024, totalled 58,895,248 and can be exercised based on the achievement of a continuing service period. The performance rights have an exercise price of \$nil. The rights can be exercised on achieving 12 months of continued service period (12 months from grant date). The performance rights are not subject to any other vesting conditions besides the holder remaining in continuous service to the Company. The performance rights expire 5 years and 1 day from the grant date.

Set out below are summaries of performance rights granted under the plan:

31 DEC 2024

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	BALANCE AT THE START OF THE HALF-YEAR	GRANTED	EXERCISED	EXPIRED/ FORFEITED/ OTHER	BALANCE AT THE END OF THE HALF-YEAR
04/09/2024	05/09/2029	\$0.000	-	12,500,000	-	(1,000,000)	11,500,000
04/09/2024	05/09/2029	\$0.000	-	12,500,000	-	(1,000,000)	11,500,000
04/09/2024	05/09/2029	\$0.000	-	79,354,752	-	-	79,354,752
24/10/2024	24/10/2029	\$0.000	-	58,895,248	-	-	58,895,248
			-	163,250,000	-	(2,000,000)	161,250,000

For the performance rights granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

GRANT DATE	EXPIRY DATE	SHARE PRICE AT GRANT DATE	EXERCISE PRICE	EXPECTED VOLATILITY	DIVIDEND YIELD	RISK-FREE INTEREST RATE	FAIR VALUE AT GRANT DATE
04/09/2024	05/09/2029	\$0.004	\$0.000	100%	-	3.502%	\$0.004
04/09/2024	05/09/2029	\$0.004	\$0.000	100%	-	3.502%	\$0.004
04/09/2024	05/09/2029	\$0.004	\$0.000	100%	-	3.502%	\$0.004
24/10/2024	24/10/2029	\$0.004	\$0.000	100%	-	3.502%	\$0.005

Notes to the consolidated financial statements *(cont.)*

31 DECEMBER 2024

NOTE 13 *(cont.)*

SHARE-BASED PAYMENTS

Performance rights granted during the half-year ended 31 December 2023

Performance rights granted to employees

In December 2023, the remuneration committee granted certain employees 62,344,366 performance rights for no cash consideration. The performance rights were issued in 3 equal tranches and can be exercised subject to the Company achieving a predetermined share price of between \$0.009 and \$0.035. The performance rights have an exercise price of \$nil. 50% of rights can be exercised 12 months from achieving the share price milestone and 50% can be exercised 24 months from achieving the milestone. The performance rights are not subject to any other vesting conditions besides the holder remaining in continuous service to the Company. The performance rights expire 5 years and 15 days from the grant date.

Performance rights granted to directors

In December 2023, the remuneration committee granted certain directors 25,535,716 performance rights for no cash consideration. The performance rights were issued in 2 equal tranches and can be exercised subject to the Company achieving a predetermined share price of between \$0.014 and \$0.035. The performance rights have an exercise price of \$nil and can be exercised upon achieving the share price milestone. The performance rights are not subject to any other vesting conditions besides the holder remaining in continuous service to the Company. The performance rights expire 3 years from the date of issue. Any shares issued under the scheme are subject to escrow until six months after the director has ceased to be on the Board of the Company.

Set out below are summaries of performance rights granted under the plan during the half-year ended 31 December 2023, including the balance and activity level as at 31 December 2024:

31 DEC 2023		BALANCE AT THE START OF THE HALF-YEAR		EXPIRED/ FORFEITED/ OTHER		BALANCE AT THE END OF THE HALF-YEAR	
GRANT DATE	EXPIRY DATE	EXERCISE PRICE	GRANTED	EXERCISED		GRANTED	EXERCISED
01/12/2023	16/12/2028	\$0.000	24,794,100	-	(13,369,275)	-	11,424,825
01/12/2023	16/12/2028	\$0.000	17,003,894	-	-	-	17,003,894
01/12/2023	16/12/2028	\$0.000	20,546,372	-	-	-	20,546,372
01/12/2023	21/12/2026	\$0.000	14,392,858	-	-	-	14,392,858
01/12/2023	21/12/2026	\$0.000	11,142,858	-	-	-	11,142,858
			87,880,082	-	(13,369,275)	-	74,510,807

During the 6 months ending 31 December 2024, 13,369,275 performance rights (valued at \$133,693) were exercised under the plan when the performance condition associated with the performance rights was met.

NOTE 14

EARNINGS PER SHARE

	CONSOLIDATED	
	31 DEC 2024 \$	31 DEC 2023 \$ RESTATED
Loss per share for loss from continuing operations		
Loss after income tax attributable to the owners of Visionflex Group Limited	(1,688,325)	(530,304)

	CENTS	
Basic earnings per share	(0.06)	(0.04)
Diluted earnings per share	(0.06)	(0.04)

	CONSOLIDATED	
	31 DEC 2024 \$	31 DEC 2023 \$ RESTATED
Earnings per share for profit/(loss) from discontinued operations		
Profit/(loss) after income tax attributable to the owners of Visionflex Group Limited	112,301	(43,081)

	CENTS	
Basic earnings per share	0.00	0.00
Diluted earnings per share	0.00	0.00

	CONSOLIDATED	
	31 DEC 2024 \$	31 DEC 2023 \$ RESTATED
Loss per share for loss		
Loss after income tax attributable to the owners of Visionflex Group Limited	(1,576,024)	(573,385)

	CENTS	
Basic earnings per share	(0.06)	(0.04)
Diluted earnings per share	(0.06)	0.04

Options and performance rights have been excluded from the diluted earnings per share calculation as their inclusion would be anti-dilutive.

Notes to the consolidated financial statements *(cont.)*

31 DECEMBER 2024

NOTE 14 *(cont.)*

EARNINGS PER SHARE

	2024 NUMBER	2023 NUMBER
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic earnings per share	2,819,914,147	1,416,991,197
Weighted average number of ordinary shares used in calculating diluted earnings per share	2,819,914,147	1,416,991,197

NOTE 15

EVENTS AFTER THE REPORTING PERIOD

In February 2025, key terms of the convertible note facilities with cornerstone shareholder investor, John Plummer and Adcock Private Equity were varied.

The facility limit with John Plummer was reduced to \$2,500,000 and the availability period was extended to 28 February 2026. As at 20 February 2025, \$1,040,000 was available to draw down under this facility.

The facility limit with Adcock Private Equity was reduced to \$1,500,000 and the availability period was extended to 28 February 2026. As at 20 February 2025, \$1,000,000 was available to draw down under this facility.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial periods.

Directors' declaration

31 DECEMBER 2024

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors' made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Christopher Whitehead

Chair

20 February 2025

Sydney



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Auditor's Responsibility for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a 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 Company's financial position as at 31 December 2024 and its performance for the half year ended on that date, and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Visionflex Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PKF

PAUL PEARMAN
 PARTNER

20 FEBRUARY 2025
 SYDNEY, NSW

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF VISIONFLEX GROUP LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Visionflex Group Limited (the Company), which comprises the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes, and the directors' declaration.

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 Visionflex Group Limited is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2024, and of its financial performance for the half-year ended on that date; and
- (b) complying with the Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Material Uncertainty Regarding Going Concern

We draw attention to Note 2 in the half year financial report, which describes management's assessment of the consolidated entity's ability to continue as a going concern. The matters described in Note 2 indicate a material uncertainty that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. In accordance with the Corporations Act 2001, we have given the directors' of the Company a written Auditor's Independence Declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors' of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Regulations 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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visionflex group