



1. Company details

Name of entity:	Elixinol Wellness Limited
ABN:	34 621 479 794
Reporting period:	For the year ended 31 December 2023
Previous period:	For the year ended 31 December 2022

2. Results for announcement to the market

The directors present this Appendix 4E on the consolidated entity ('Consolidated Entity' or 'Group') consisting of Elixinol Wellness Limited ('Elixinol Wellness Limited' or 'Company') and the entities it controlled at the end of, or during, the year ended 31 December 2023 ('FY2023').

			\$'000
Revenues from ordinary activities	up	17.2% to	8,269
Loss from ordinary activities after tax attributable to the owners of Elixinol Wellness Limited	down	29.0% to	(7,507)
Loss for the year attributable to the owners of Elixinol Wellness Limited	down	29.0% to	(7,507)
		Unaudited	
		2023	2022
		Cents	Cents
Basic loss per share		(1.59)	(3.34)
Diluted loss per share		(1.59)	(3.34)

Dividends

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

Comments

The FY2023 loss for the Group after providing for income tax and non-controlling interest amounted to \$7,507,000 (31 December 2022: \$10,571,000).

The Group revenue from continuing operations for the year ended 31 December 2023 were \$8,269,000 (31 December 2022: \$7,055,000).

The Group's earnings before interest, tax, depreciation and amortisation ('EBITDA') from continuing operations, including share of associates' net loss and excluding impairments and share-based payments, for the year ended 31 December 2023 was an Adjusted EBITDA loss of \$4,626,000 (31 December 2022: Adjusted EBITDA loss of \$8,538,000). EBITDA and Adjusted EBITDA are financial measures which are not prescribed by Australian Accounting Standards ('AAS') and represent the statutory result under AAS, adjusted for certain items. The directors consider EBITDA and Adjusted EBITDA to reflect core earnings of the Group.



A reconciliation of Adjusted EBITDA from continuing operations to statutory loss is detailed below:

	Unaudited 2023 \$'000	Group 2022 \$'000
Loss after income tax	(7,507)	(10,571)
<i>Add back/(deduct):</i>		
Income tax expense/(benefit)	3	2
Finance costs	101	71
Interest income	(213)	(22)
Depreciation and amortisation	597	721
EBITDA	<u>(7,019)</u>	<u>(9,799)</u>
<i>Add back/(deduct):</i>		
Impairment of intangibles	-	234
Impairment of other assets	1,718	786
Share-based payments	675	241
Adjusted EBITDA	<u><u>(4,626)</u></u>	<u><u>(8,538)</u></u>

Group cash used in operations for the year ended 31 December 2023 was \$2,758,000 (31 December 2022: \$8,152,000), which included \$190,000 of non-recurring transaction costs.

The Group also recognised non-cash impairments of intangibles (including goodwill) of \$nil (31 December 2022: \$234,000) for the year ended 31 December 2023 related to the Elixinol Americas cash-generating unit ('CGU').

Group non-cash impairment of other assets of \$1,718,000 (31 December 2022: \$786,000) for the year ended 31 December 2023 relate to the write-down of the Company's non-core asset investment in Altmed Pets LLC. Subsequent to year end, on 21 February 2024, the Company entered into a binding agreement, subject to finance, to sell this investment for approximately \$2,300,000, an amount equal to the revised value in the Company's financial statements.

Australia

Australia comprises trading results from Elixinol Wellness (Byron Bay) Pty Ltd trading as Hemp Foods Australia, Mt Elephant, Field Day, and The Australian Superfood Co, The Sustainable Nutrition Group Pty Ltd, and The Sustainable Nutrition Group (Australia) Pty Ltd.

Australia reported revenue for the year ended 31 December 2023 of \$5,587,000 (31 December 2022: \$3,691,000) and Adjusted EBITDA loss of \$1,115,000 (31 December 2022: \$704,000 Adjusted EBITDA loss).

In H1 FY2023, Hemp Foods Australia ('HFA') recorded strong sales of its Seed Mix range through Coles nationally, the rollout of Hemp Seed Oil across Woolworths stores nationally and promotional activity with Costco. The national Woolworths roll-out of Hemp Foods Australia's product range also coincided with the launch of its rebrand and fresh look for its Hemp Foods Australia Brand. Other highlights include the launch of the Group's TGA-approved range of Hemp Gold® Seed Oil capsules in August through health food and specialty stores as well as online channels.

With an expanded brand portfolio, following the acquisition of The Sustainable Nutrition Group Ltd ('TSN') effective 17 August 2023, Australian-based revenue increased to \$3,487,000 in H2 FY2023, an increase of 66% compared with H1 FY2023 revenue of \$2,100,000. On a full year basis, Hemp Foods Australia' branded B2C revenue climbed 25% compared with FY2022.

During H2 FY2023, the Group was notified of successful ranging of its Mt Elephant products with Coles. Coles will range 4 Mt Elephant SKUs from April 2024 augmenting the 10 Mt Elephant SKUs already sold in Woolworths stores nationally.

During H2 FY2023, the Company also confirmed online distribution with Chemist Warehouse. From February 2024, HFA's Plant-Based Omega and its Pain Relief capsules will be available via www.chemistwarehouse.com.au. Additionally, from April 2024, a unique 1kg pack of HFA's flavoured proteins and a new Plant-Based Collagen product will also be available online.



Americas

The Americas segment comprises the trading results of Elixinol LLC and its investments in Pet Releaf ('Elixinol Americas'). A binding agreement to disposed of the investment in Pet Releaf was entered into on 21 February 2024 and as a results, the investment as been classified as Non-current Asset, held of sale. There was no impact on the trading results of Elixinol Americas.

Elixinol Americas reported revenue of \$2,638,000 in FY2023, a 20% decline compared with the prior year (FY2022: \$3,318,000). Traditional retail channels for Elixinol branded CBD products continue to underperform due to the unclear regulatory status of CBD products in the USA. Revenues from eCommerce were maintained from a cost base which was 42% lower than the previous year. This was achieved by servicing the Company's customer base and through subscription-based ordering, which contributed approximately one-third of eCommerce revenue for the year. The Americas' business has transitioned to a lean eCommerce business which moves into FY2024 contributing positively to Group EBITDA.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	0.70	3.04
Calculated as follows:		
	Unaudited 2023 \$'000	Group 2022 \$'000
Net assets	6,462	9,158
Less: Right-of-use assets	(282)	(737)
Less: Intangibles	(2,297)	(152)
Add: Lease liabilities	559	1,334
Net tangible assets	4,442	9,603
Total shares issued (no.)	632,738,503	316,132,461

4. Control gained over entities

Name of entities (or group of entities) The Sustainable Nutrition Group Ltd

Date control gained 17 August 2023

	\$'000
Contribution of such entities to the reporting entity's (loss)/profit from ordinary activities before income tax during the period (where material)	(272)
(Loss)/profit from ordinary activities before income tax of the controlled entity (or group of entities) for the whole of the previous period (where material)	-

5. Loss of control over entities

Not applicable.



6. 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.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's Contribution to (loss)/profit percentage holding		Contribution to (loss)/profit (where material)	
	Reporting period %	Previous period %	Reporting period \$'000	Previous period \$'000
Altmed Pets LLC ('Pet Relief')	25.43%	25.43%	293	(73)
<i>Group's aggregate share of associates and joint venture entities' (loss)/profit (where material)</i>				
(Loss)/profit from ordinary activities before income tax			293	(73)

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

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

The information in this Appendix and the accompanying Preliminary Financial Report are unaudited. The financial statements for the year ended 31 December 2023 are currently undergoing the statutory audit process and will be finalised upon release of the Annual Report.

11. Attachments

Details of attachments (if any):

The Preliminary Financial Report of Elixinol Wellness Limited for the year ended 31 December 2023 is attached.

12. Signed

Authorised for release by the Board of Directors

29 February 2024



Elixinol Wellness Limited

ABN 34 621 479 794

Preliminary Financial Report - 31 December 2023



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Elixinol Wellness Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 31 December 2023



	Note	Unaudited 2023 \$'000	Group 2022 \$'000
Revenue	3	8,269	7,055
Other income		564	502
Interest income calculated using the effective interest method		213	22
Expenses			
Raw materials and consumables used and processing expenses		(4,849)	(3,817)
Employee benefits expenses and Directors' fees		(3,952)	(5,542)
Share-based payments		(675)	(241)
Depreciation and amortisation expense		(597)	(721)
Impairment of intangibles		-	(234)
Impairment of other assets		(1,718)	(786)
Professional services expenses		(1,271)	(2,150)
Sales and marketing expenses		(1,056)	(1,480)
Administrative expenses		(1,540)	(2,292)
Distribution costs		(762)	(814)
Other expenses		(29)	-
Finance costs		(101)	(71)
Loss before income tax expense		(7,504)	(10,569)
Income tax expense		(3)	(2)
Loss after income tax expense for the year attributable to the owners of Elixinol Wellness Limited		(7,507)	(10,571)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		70	411
Other comprehensive income for the year, net of tax		70	411
Total comprehensive loss for the year attributable to the owners of Elixinol Wellness Limited		(7,437)	(10,160)
		Cents	Cents
Basic loss per share	14	(1.59)	(3.34)
Diluted loss per share	14	(1.59)	(3.34)

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

Elixinol Wellness Limited
Consolidated statement of financial position
As at 31 December 2023



	Note	Unaudited 2023 \$'000	Group 2022 \$'000
Assets			
Current assets			
Cash and cash equivalents	4	708	2,864
Trade and other receivables	5	1,706	3,974
Inventories	6	3,664	1,740
Income tax refund due		13	59
Prepayments, deposits and other		558	675
		<u>6,649</u>	<u>9,312</u>
Non-current assets classified as held for sale	7	1,526	-
Total current assets		<u>8,175</u>	<u>9,312</u>
Non-current assets			
Trade and other receivables	5	-	83
Investments accounted for using the equity method	8	-	2,826
Property, plant and equipment		903	375
Right-of-use assets		282	737
Intangibles		2,297	152
Prepayments, deposits and other		54	-
Total non-current assets		<u>3,536</u>	<u>4,173</u>
Total assets		<u>11,711</u>	<u>13,485</u>
Liabilities			
Current liabilities			
Trade and other payables	9	2,128	1,379
Contract liabilities	10	522	22
Borrowings	11	525	320
Lease liabilities	12	545	697
Income tax		-	(2)
Employee benefits		289	216
Accrued expenses		979	808
Total current liabilities		<u>4,988</u>	<u>3,440</u>
Non-current liabilities			
Borrowings	11	178	250
Lease liabilities	12	14	637
Employee benefits		69	-
Total non-current liabilities		<u>261</u>	<u>887</u>
Total liabilities		<u>5,249</u>	<u>4,327</u>
Net assets		<u>6,462</u>	<u>9,158</u>
Equity			
Issued capital	13	222,573	218,122
Reserves		10,042	9,682
Accumulated losses		<u>(226,153)</u>	<u>(218,646)</u>
Total equity		<u>6,462</u>	<u>9,158</u>

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

Elixinol Wellness Limited
Consolidated statement of changes in equity
For the year ended 31 December 2023



Group	Issued capital \$'000	Foreign currency translation reserve \$'000	Share-based payments reserve \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 January 2022	218,058	8,675	419	(208,075)	19,077
Loss after income tax expense for the year	-	-	-	(10,571)	(10,571)
Other comprehensive income for the year, net of tax	-	411	-	-	411
Total comprehensive (loss)/income for the year	-	411	-	(10,571)	(10,160)
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments	64	-	177	-	241
Balance at 31 December 2022	<u>218,122</u>	<u>9,086</u>	<u>596</u>	<u>(218,646)</u>	<u>9,158</u>
Group	Issued capital \$'000	Foreign currency translation reserve \$'000	Share-based payments reserve \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 January 2023	218,122	9,086	596	(218,646)	9,158
Loss after income tax expense for the year	-	-	-	(7,507)	(7,507)
Other comprehensive income for the year, net of tax	-	70	-	-	70
Total comprehensive (loss)/income for the year	-	70	-	(7,507)	(7,437)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 13)	4,451	-	-	-	4,451
Share-based payments	-	-	290	-	290
Balance at 31 December 2023	<u>222,573</u>	<u>9,156</u>	<u>886</u>	<u>(226,153)</u>	<u>6,462</u>

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

Elixinol Wellness Limited
Consolidated statement of cash flows
For the year ended 31 December 2023



	Note	Unaudited 2023 \$'000	Group 2022 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		7,949	6,999
Payments to suppliers and employees (inclusive of GST)		(12,232)	(15,989)
Government grants		1,451	364
Interest received		108	22
Interest and other finance costs paid		(81)	(71)
Income taxes refunded		47	523
		<u> </u>	<u> </u>
Net cash used in operating activities		(2,758)	(8,152)
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired		192	-
Payments for property, plant and equipment		(12)	(5)
Payments for intangibles		(5)	(7)
Payments for loans in other entities	5	(1,251)	(1,148)
Proceeds from disposal of property, plant and equipment		32	291
		<u> </u>	<u> </u>
Net cash used in investing activities		(1,044)	(869)
Cash flows from financing activities			
Proceeds from issue of shares	13	2,250	-
Share issue transaction costs	13	(199)	-
Proceeds from borrowings		300	-
Repayment of lease liabilities		(738)	(757)
		<u> </u>	<u> </u>
Net cash (used in)/from financing activities		1,613	(757)
Net decrease in cash and cash equivalents		(2,189)	(9,778)
Cash and cash equivalents at the beginning of the financial year		2,864	12,649
Effects of exchange rate changes on cash and cash equivalents		33	(7)
		<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial year	4	<u> 708 </u>	<u> 2,864 </u>

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



Note 1. General information

The financial statements cover Elixinol Wellness Limited as a group consisting of Elixinol Wellness Limited ('Company' or 'parent entity') and the entities it controlled at the end of, or during, the period ('Group'). The financial statements are presented in Australian dollars, which is Elixinol Wellness Limited's functional and presentation currency.

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

Level 12
680 George Street
Sydney NSW 2000

Note 2. Operating segments

Identification of reportable operating segments

The Group is organised into three operating segments: Australia, Americas and Rest of World. There is one single business segment, being the sale of nutraceutical and related hemp and plant-based products. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (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 and amortisation), adjusted for impairment and share-based payments. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information provided to the CODM is on a monthly basis.

Types of products and services

The principal products and services of each of these operating segments are as follows:

Australia	This includes the results from operations of Elixinol Wellness (Byron Bay) Pty Ltd and The Sustainable Nutrition Group Pty Ltd and its subsidiaries ('TSN').
Americas	This includes the trading results of Elixinol LLC ('Elixinol Americas') and its investments and joint ventures in the US through the manufacture and distribution of hemp-derived cannabidiol ('CBD') products.
Rest of World	This includes the results from the trading operations of Elixinol BV and Elixinol Ltd (together 'Elixinol Europe') and through the manufacture and distribution of hemp-derived CBD products, and licencing agreements in place across the rest of the world.

'Unallocated' represents corporate, being Elixinol Wellness Limited (corporate).

Intersegment transactions

Intersegment transactions were made at market rates. Intersegment transactions are eliminated on consolidation.

Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Major customers

During the year ended 31 December 2023, 24% of sales were derived from three major customers (31 December 2022: 22% of sales were derived from three major customers).



Note 2. Operating segments (continued)

Operating segment information - Continuing operations

Group - Unaudited 2023	Australia \$'000	Americas \$'000	Rest of World \$'000	Unallocated \$'000	Total \$'000
Revenue					
Sales to external customers	5,587	2,638	-	-	8,225
Licence revenue	-	-	44	-	44
Total revenue	<u>5,587</u>	<u>2,638</u>	<u>44</u>	<u>-</u>	<u>8,269</u>
Adjusted EBITDA	<u>(1,115)</u>	<u>(1,365)</u>	<u>172</u>	<u>(2,318)</u>	<u>(4,626)</u>
Depreciation and amortisation					(597)
Impairment of intangibles					-
Impairment of assets					(1,718)
Interest income					213
Finance costs					(101)
Share-based payments					(675)
Loss before income tax expense					<u>(7,504)</u>
Income tax expense					(3)
Loss after income tax expense					<u>(7,507)</u>
Assets					
Segment assets	8,376	2,561	16	758	11,711
Total assets					<u>11,711</u>
Liabilities					
Segment liabilities	3,203	867	67	1,112	5,249
Total liabilities					<u>5,249</u>
Group - 2022	Australia \$'000	Americas \$'000	Rest of World \$'000	Unallocated \$'000	Total \$'000
Revenue					
Sales to external customers	3,691	3,318	-	-	7,009
Licence revenue	-	-	46	-	46
Total revenue	<u>3,691</u>	<u>3,318</u>	<u>46</u>	<u>-</u>	<u>7,055</u>
Adjusted EBITDA	<u>(704)</u>	<u>(3,568)</u>	<u>(135)</u>	<u>(4,131)</u>	<u>(8,538)</u>
Depreciation and amortisation					(721)
Impairment of intangibles					(234)
Impairment of assets					(786)
Interest income					22
Finance costs					(71)
Share-based payments					(241)
Loss before income tax expense					<u>(10,569)</u>
Income tax expense					(2)
Loss after income tax expense					<u>(10,571)</u>
Assets					
Segment assets	2,832	6,578	618	3,457	13,485
Total assets					<u>13,485</u>
Liabilities					
Segment liabilities	1,388	1,343	101	1,495	4,327
Total liabilities					<u>4,327</u>



Note 2. Operating segments (continued)

Geographical information

	Sales to external customers		Geographical non-current assets	
	Unaudited		Unaudited	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Australia	5,587	3,691	3,139	544
Americas	2,638	3,318	247	3,404
Rest of World	44	46	-	-
Unallocated	-	-	149	224
	<u>8,269</u>	<u>7,055</u>	<u>3,535</u>	<u>4,172</u>

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

Note 3. Revenue

	Unaudited	Group
	2023	2022
	\$'000	\$'000
Sale of goods	8,225	7,009
Licence revenue	44	46
Revenue	<u>8,269</u>	<u>7,055</u>

Disaggregation of revenue

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

Group - Unaudited 2023	eCommerce	Retail	Other *	Total
	\$'000	\$'000	\$'000	\$'000
<i>Geographical regions</i>				
Australia	562	4,165	860	5,587
Americas	2,038	544	56	2,638
Rest of World	-	-	44	44
	<u>2,600</u>	<u>4,709</u>	<u>960</u>	<u>8,269</u>
<i>Timing of revenue recognition</i>				
Goods transferred at a point in time	2,600	4,709	916	8,225
Services transferred over time	-	-	44	44
	<u>2,600</u>	<u>4,709</u>	<u>960</u>	<u>8,269</u>

* Other includes bulk and private label



Note 3. Revenue (continued)

Group - 2022	eCommerce \$'000	Retail \$'000	Other * \$'000	Total \$'000
<i>Geographical regions</i>				
Australia	427	2,726	538	3,691
Americas	2,314	852	152	3,318
Rest of World	-	-	46	46
	<u>2,741</u>	<u>3,578</u>	<u>736</u>	<u>7,055</u>
<i>Timing of revenue recognition</i>				
Goods transferred at a point in time	2,741	3,578	690	7,009
Services transferred over time	-	-	46	46
	<u>2,741</u>	<u>3,578</u>	<u>736</u>	<u>7,055</u>

* Other includes bulk and private label.

Note 4. Cash and cash equivalents

	Unaudited 2023 \$'000	Group 2022 \$'000
<i>Current assets</i>		
Cash at bank	585	2,746
Cash on deposit	123	118
	<u>708</u>	<u>2,864</u>

Note 5. Trade and other receivables

	Unaudited 2023 \$'000	Group 2022 \$'000
<i>Current assets</i>		
Trade receivables	1,644	759
Less: Allowance for expected credit losses	(168)	(140)
	<u>1,476</u>	<u>619</u>
Other receivables	-	564
Loan to The Sustainable Nutrition Group	-	1,148
GST recoverable	148	128
Employee tax credits receivable	-	1,416
Receivable from sub-lease	82	99
	<u>1,706</u>	<u>3,974</u>
<i>Non-current assets</i>		
Receivable from sub-lease	-	83



Note 6. Inventories

	Unaudited 2023 \$'000	Group 2022 \$'000
<i>Current assets</i>		
Raw materials - at cost	1,718	87
Less: Provision for impairment	(243)	-
	<u>1,475</u>	<u>87</u>
Work in progress - at cost	513	621
Less: Provision for impairment	-	(172)
	<u>513</u>	<u>449</u>
Finished goods - at cost	1,771	1,016
Less: Provision for impairment	(357)	(30)
	<u>1,414</u>	<u>986</u>
Stock in transit - at cost	<u>262</u>	<u>218</u>
	<u><u>3,664</u></u>	<u><u>1,740</u></u>

Note 7. Non-current assets classified as held for sale

	Unaudited 2023 \$'000	Group 2022 \$'000
<i>Current assets</i>		
Investment in associate - Altmed Pets LLC	<u>1,526</u>	<u>-</u>

On 20 February 2024, Elixinol Wellness also announced it had entered into a binding purchase agreement to divest the Group's minority interest in Altmed Pets, LLC. The agreement, which is subject to financing, is expected to realise approximately \$2.2 million in cash prior to 30 April 2024 and will be used to accelerate the Group's growth opportunities. The Investment held for sale has an historical credit adjustment for Treasury shares held by Altmed Pets LLC in Elixinol Wellness of \$678,000. This will be reversed against issued capital when the investment is disposed and is non-cash and will have no impact on the statement of profit or loss.

Note 8. Investments accounted for using the equity method

	Unaudited 2023 \$'000	Group 2022 \$'000
<i>Non-current assets</i>		
Investment in associate - Altmed Pets LLC	<u>-</u>	<u>2,826</u>



Note 8. Investments accounted for using the equity method (continued)

Interests in associates

Interests in associates are accounted for using the equity method of accounting. Information relating to associates of the Group are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest	
		Unaudited 2023 %	2022 %
Altmed Pets LLC*	United States of America	25.43%	25.43%

* Holding through Elixinol LLC

Note 9. Trade and other payables

	Unaudited 2023 \$'000	Group 2022 \$'000
<i>Current liabilities</i>		
Trade payables	1,760	1,076
GST and sales tax payable	15	28
Credit cards	73	53
Other payables	280	222
	<u>2,128</u>	<u>1,379</u>

Note 10. Contract liabilities

	Unaudited 2023 \$'000	Group 2022 \$'000
<i>Current liabilities</i>		
Contract liabilities	522	22
	<u>522</u>	<u>22</u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

Opening balance	22	94
Payments received or invoiced in advance	521	22
Transfer to revenue - performance obligations satisfied in previous periods	(21)	(94)
Closing balance	<u>522</u>	<u>22</u>



Note 11. Borrowings

	Unaudited 2023 \$'000	Group 2022 \$'000
<i>Current liabilities</i>		
Loans - Raw With Life	48	-
Insurance premium funding	155	320
Trade financing	322	-
	<u>525</u>	<u>320</u>
<i>Non-current liabilities</i>		
Loans - Raw With Life	<u>178</u>	<u>250</u>

Note 12. Lease liabilities

	Unaudited 2023 \$'000	Group 2022 \$'000
<i>Current liabilities</i>		
Lease liability	<u>545</u>	<u>697</u>
<i>Non-current liabilities</i>		
Lease liability	-	568
Lease make good provision	14	69
	<u>14</u>	<u>637</u>

Note 13. Issued capital

	Unaudited 2023 Shares	2022 Shares	Unaudited 2023 \$'000	Group 2022 \$'000
Ordinary shares - fully paid	<u>632,738,503</u>	<u>316,132,461</u>	<u>222,573</u>	<u>218,122</u>



Note 13. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$'000
Balance	1 January 2022	315,778,066		218,058
Issue of shares on exercise of performance rights	28 February 2022	<u>354,395</u>	\$0.000	<u>64</u>
Balance	31 December 2022	316,132,461		218,122
Issue of shares - Placement	14 April 2023	69,444,445	\$0.018	1,250
Issue of shares - Vested performance rights	27 April 2023	9,247,011	\$0.020	185
Issue of shares - Share Purchase Plan offer	26 May 2023	38,055,603	\$0.018	685
Issue of shares - Vested performance rights	31 May 2023	3,478,785	\$0.015	52
Issue of shares - Underwritten	7 June 2023	17,499,953	\$0.018	315
Issue of shares - Underwriting fee to Canaccord	7 June 2023	3,000,000	\$0.018	54
Issue of shares - Acquisition of The Sustainable Nutrition Group	17 August 2023	158,163,595	\$0.012	1,898
Issue of shares - In lieu of cash consideration for corporate advisory	17 August 2023	9,036,068	\$0.013	117
Issue of shares - Director fee rights - Q3	31 August 2023	2,291,667	\$0.015	34
Issue of shares - Vested performance rights	3 October 2023	3,561,137	\$0.020	71
Issue of shares - Vested performance rights	3 October 2023	1,300,000	\$0.015	20
Issue of shares - Director fee rights - Q4	23 November 2023	1,527,778	\$0.015	23
Share issue transaction costs				<u>(253)</u>
Balance	31 December 2023	<u>632,738,503</u>		<u>222,573</u>

Note 14. Earnings per share

	Unaudited 2023 \$'000	Group 2022 \$'000
Loss after income tax attributable to the owners of Elixinol Wellness Limited	<u>(7,507)</u>	<u>(10,571)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>473,417,780</u>	<u>316,076,146</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>473,417,780</u>	<u>316,076,146</u>
	Cents	Cents
Basic loss per share	(1.59)	(3.34)
Diluted loss per share	(1.59)	(3.34)

Options and performance rights have not been included in the calculation diluted earnings per share as their inclusion would be anti-dilutive to the Group as at 31 December 2023 and 31 December 2022.