

#### Vita Life Sciences Limited

ACN 003 190 421 ABN 35 003 190 421

#### **Corporate Office**

1/102 Bath Road, Kirrawee NSW 2232 P.O. Box 3143 Kirrawee NSW 2232

T/Free: 1800 852 222 T: 02 9545 2633 F: 02 9545 1311 vitalifesciences.com

23 August 2019

Market Announcements
Australian Securities Exchange Limited

Dear Sir/ Madam,

#### **APPENDIX 4D for Half Year Ended 30 June 2019**

Please see attached the 30 June 2019 Half Yearly Report for Vita Life Sciences Limited (ASX Code:-VLS).

This announcement is made pursuant to Listing rule 4.2A.3. For all enquiries please contact the undersigned.

Vita Life Sciences Limited

Chin L Khoo Company Secretary

Tel: 02 9545 2633

Email: enquiries@vitalifesciences.com.au



#### 1. Reporting Period

The information contained in this report is to be read in conjunction with Vita Life Sciences Limited (ABN: 35 003 190 421) 2018 Annual Report and any announcements to the market by Vita Life Sciences Limited during the half year ended 30 June 2019 (current period). All comparisons to previous period ended 30 June 2018.

#### 2. Results for announcement to the market

		Percentage Change* %	2019 A\$'000	2018 A\$'000
2.1	Revenue	1.4	20,369	20,079
	Profit before income tax	(47.4)	1,474	2,805
2.2	Net profit after tax	(44.7)	1,137	2,055
2.3	Net profit attributable to members	(44.7)	1,142	2,065

2.4	Dividends (distributions)			Amount per security	Franked amount per security
2.5	Interim 2019 dividend	Ex-Dividend Record Date <b>To Be Paid</b>	24 September 2019 25 September 2019 8 October 2019	1.5 cents	1.5 cents
	Final 2018 dividend	Paid	29 March 2018	2.25 cents	2.25 cents

## 2.6. Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable the figures to be understood.

#### **OPERATING AND FINANCIAL REVIEW**

The Directors report revenue for the six months to 30 June 2019 was \$20.4 million, up 1%, delivering a net profit after tax attributable to Vita Life Sciences shareholders of \$1.1 million, down 45% compared to the prior corresponding period profit.

Tougher retailing conditions within the Australian and Singaporean markets, stalled the revenue performance compared to the prior corresponding period. The organisation remains focused on increasing market penetration within its key markets, whilst investing in its brand equity across the region.

Net profit after tax was impacted by an additional \$1.0m investment expensed in the first half substantially related to the mass media and brand campaign for the Herbs of Gold brand within Australia. There was also \$0.9 million incremental administrative expenses, arising mainly from higher staff costs and additional resource requirements across the organisation.

The Groups balance sheet remains strong with an equity of \$21.2million and net cash position of \$7.5million after borrowings.



#### **OPERATING AND FINANCIAL REVIEW (continued)**

A summary of the Group's individual business units' performance follows:

#### **Australia**

Revenue in Australia declined marginally by \$0.1 million against prior corresponding period (PCP) to \$8.4 million. During the year, the Herbs of Gold brand was successfully launched into the Pharmacy channel. New revenues from the Pharmacy channel offset the softer performance from the Company's traditional Health Food channel.

The Health Food channel revenue declined by 13% against PCP, amidst challenging retail conditions across the category. Contribution from the export sector into mainland China also reduced marginally, following the increased regulatory regime for export sales to China.

Pharmacy and export revenue (excluding China) increased vs PCP. The sales contribution has come from additional independent, new export and Pharmacy banner accounts across the country. Management is pleased with the brands penetration into Pharmacy thus far and remains confident in the expansion strategy for the Australian market moving forward.

Australian EBIT performance was heavily impacted by advertising costs expensed in the first half to support the Herbs of Gold mass media brand campaign. The advertising strategy was previously outlined in the Groups three-year strategic plan to broaden consumer appeal of the Herbs of Gold brand.

#### Malaysia

Malaysia revenue of \$7.1 million was higher than PCP by 2%. A deliberate strategy has been implemented to increase the presence of the VitaHealth brand through major chain Pharmacies in Malaysia. The shift in channel representation has underpinned the revenue performance in the first half. The Herbs of Gold brand has also performed well and has delivered solid growth through its exclusive distribution agreement.

EBIT contributions increased by 17% against PCP.

#### **Singapore**

Singapore revenue of \$3.1 million was lower against PCP by 4%. The market remains highly competitive with EBIT lower than PCP by 40%. A combination of higher retailing trade costs and promotional expenses heavily influenced profit performance in this market. It's expected that higher trade related costs associated with traditional and e-commerce channels will continue for the remainder of the year.

#### Other Markets: Vietnam, Indonesia, Thailand, China.

Other Markets generated revenue of \$1.7 million and higher against PCP by 29%. The Vietnam market continues to perform well, whilst Indonesia and Thailand gained traction albeit from a lower base. The Company has initiated a strategic review of our operations for both the Indonesian and Thailand markets.

Mainland China export sales continue to be slow. Future revenue expectations from this market remain positive with a revised strategy to capture greater appeal through e-commerce channels in the second half of the year.



#### **Equal Reduction of Capital**

On 12 June 2019, the Company completed the transfer of its shares and assets in Mitre Focus (owned by its subsidiary Lovin Pharma Ltd) to another wholly-owned subsidiary, Macarthur National Ltd (MNL) and, then made a pro-rata in specie distribution of all the shares of MNL to all shareholders of the Company.

Arising from the above, the Company recorded a net gain before income tax of \$0.28 million. Further details of this transaction are detailed in Note 7 of the Consolidated Financial Statements.

#### **OUTLOOK**

The first half performance reflects the softer retail climate within the vitamin and supplements category across the region with such conditions expected to continue into the foreseeable future. Higher advertising and promotional costs expensed in the first half, will impact full year EBIT performance. Directors remain confident in the long-term strategies set for the business.

#### 3. Net tangible assets

30 June 2019 30 June 2018 Net Tangible Assets per security \$0.36 \$0.45

#### 4. There were no entities over which control has been gained nor lost during the period

#### 5. Dividends

A fully franked dividend of 2.25 cents per share amounting to \$1.21 million was paid on 5 April 2019 in relation to the year ended 31 December 2018.

Directors have declared the payment of a fully franked interim dividend for the six months to June 2019 of 1.5 cents per ordinary share as disclosed at point 2.4 above.

#### 7. Details of associates and joint venture entities

On 12 June 2019, the Company completed the disposal of all its investment of 6.3% in Mitre Focus Sdn Bhd (incorporated in Malaysia). Further details of this transaction are detailed in Note 7 of the Consolidated Financial Statements. At the date of this report, the Company no longer has any associates nor joint venture entities.

#### 8. For foreign entities, which accounting standards were used in compiling this report.

International Financial Reporting Standard - IFRS

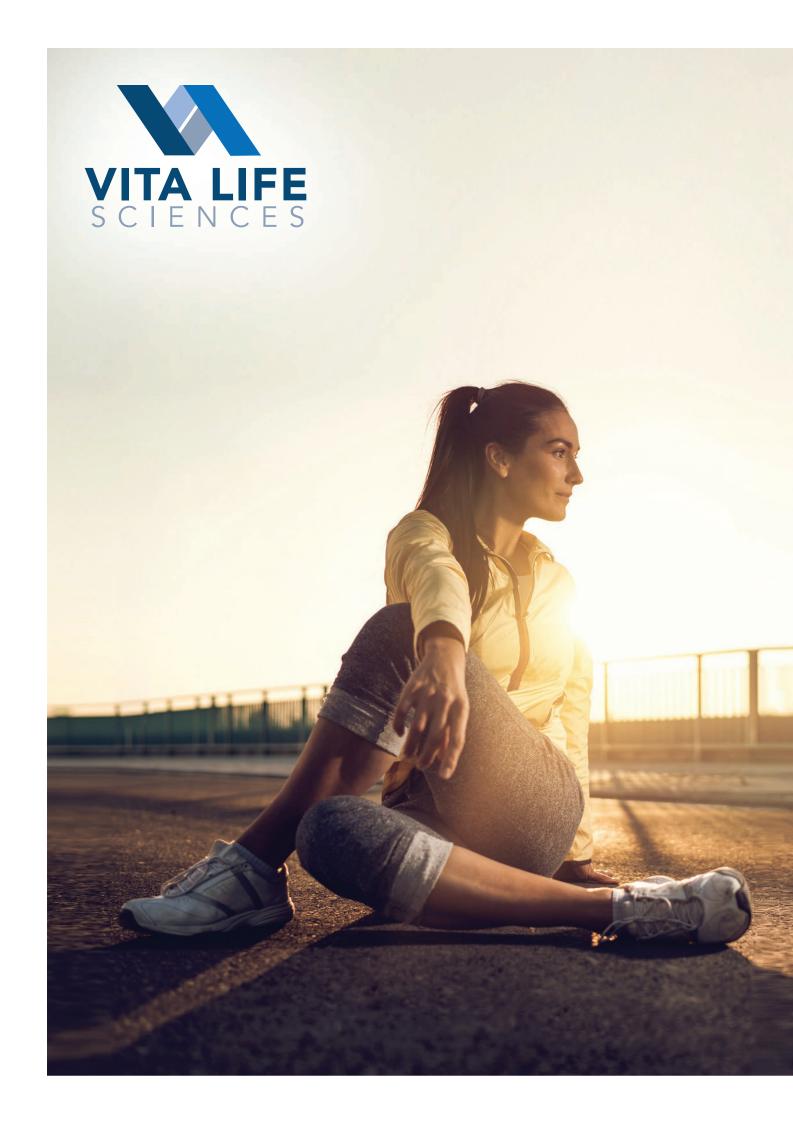
#### 9. Information on Audit or Review

The Financial Statements have been subject to review. A copy of the Independent Auditor's Review Report is attached to the Half-Year Financial Report.



# VITA LIFE SCIENCES HALF YEARLY REPORT 30 JUNE 2019





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#### **DIRECTORS' REPORT**

The Directors of Vita Life Sciences Limited ("Company" or "Vita Life Sciences") submit their report together with the financial report for Vita Life Sciences and its controlled entities for the half-year ended 30 June 2019.

#### **DIRECTORS**

The names of the Company's directors in office throughout and since the end of the last financial period are set out below.

Mr Henry G Townsing Acting Chairman
Mr Andrew O'Keefe Managing Director
Mr Vanda R Gould Non-Executive Director
Mr Shane Teoh Non-Executive Director
Mr Ionathan I Tooth Non-Executive Director

All directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### **Principal Activities**

During the period in review the principal continuing activities of the consolidated entity consisted of formulating, packaging, sales and distribution of vitamins and supplements and, investment.

#### **OPERATING AND FINANCIAL REVIEW**

The Directors report revenue for the six months to 30 June 2019 was \$20.4 million, up 1%, delivering a net profit after tax attributable to Vita Life Sciences shareholders of \$1.1 million, down 45% compared to the prior corresponding period profit.

Tougher retailing conditions within the Australian and Singaporean markets, stalled the revenue performance compared to the prior corresponding period. The organisation remains focused on increasing market penetration within its key markets, whilst investing in its brand equity across the region.

Net profit after tax was impacted by an additional \$1.0 million investment expensed in the first half substantially related to the mass media and brand campaign for the Herbs of Gold brand within Australia. There was also \$0.9 million incremental administrative expenses, arising mainly from higher staff costs and additional resource requirements across the organisation.

The Groups balance sheet remains strong with an equity of \$21.2 million and net cash position of \$7.5 million after borrowings.

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### DIRECTORS' REPORT

#### DIRECTORS' REPORT (CONTINUED)

#### **Singapore**

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Andrew O'Keefe

Managing Director Sydney, 23 August 2019





The Board of Directors Vita Life Sciences Limited 1/102 Bath Road KIRRAWEE NSW 2232

#### LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C **OF THE CORPORATIONS ACT 2001**

As lead auditor for the review of the condensed consolidated financial statements of Vita Life Sciences Limited for the half-year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there has been no contravention of:

- the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- contraventions of any applicable code of professional conduct in relation to the review.

Yours sincerely,

**Nexia Sydney Audit Pty Limited** 

Joseph Santangelo

Director

Dated: 23 August 2019

Nexia Sydney Audit Pty Ltd

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#### CONDENSED CONSOLIDATED STATEMENT OF **COMPREHENSIVE INCOME**

FOR THE HALF YEAR ENDED         Notes         30 June 2019 \$00.00         30 June 2019 \$00.00           Sale of goods         20,369         20,079         6,655)         (6,655)           Cost of sales         (6,856)         (6,655)         (6,655)           Gross profit         13,513         13,426           Other income         124         60           Gain from disposal of investment         7         280         -           Distribution expenses         (1,671)         (1,833)         (1,439)           Marketing expenses         (4,49)         (4,49)         (4,49)         (4,47)         (5,543)         (1,493)         (1,671)         (3,01)         (3,			Consolidated		
Sole of goods         20,369         20,079           Cost of soles         (6,856)         (6,856)           Gross profit         13,513         13,426           Other income         124         60           Gain from disposal of investment         7         280         -           Distribution expenses         (1,871)         (1,833)           Markeling expenses         (2,503)         (1,493)           Occupancy expenses         (449)         (437)           Other expenses         (7,437)         (6,541)           Other expenses         (7,437)         (6,541)           Other expenses         (7,437)         (6,541)           Other expenses         (7,437)         (6,541)           Share of associate's profit         26         11           Profit before interest and taxes         1,486         2,832           Finance income         65         32           Finance income         65         32           Finance costs         (7,77)         (59)           Profit before income tax         1,474         2,005           Net profit for the half year         1,137         2,055           Other comprehensive income after income tax         1,1	FOR THE HALF YEAR ENDED	Notes			
Cost of sales         (6,856)         (6,653)           Gross profit         13,513         13,426           Other income         124         60           Gain from disposal of investment         7         280         -           Distribution expenses         (1,871)         (1,833)           Marketing expenses         (2,503)         (1,493)           Occupancy expenses         (449)         (437)           Administrative expenses         (197)         (301)           Other expenses         (197)         (301)           Share of associate's profit         26         11           Profit before interest and taxes         1,486         2,832           Finance income         65         32           Finance costs         (77)         (59           Profit before interest and taxes         1,486         2,832           Finance costs         (77)         (59           Profit before income tax         1,444         2,805           Income tox expense         (337)         (750)           Net profit for the half year         1,137         2,055           Other comprehensive income after income tax         1         1,072           Other comprehensive income for half yea			\$'000	\$'000	
Gross profit         13,513         13,426           Other income         124         60           Gain from disposal of investment         7         280         -           Distribution expenses         (1,871)         (1,833)           Marketing expenses         (2,503)         (1,493)           Occupancy expenses         (2,493)         (437)           Administrative expenses         (7,437)         (6,541)           Other expenses         (197)         (301)           Share of insexpense         (197)         (301)           Share of associate's profit         26         11           Profit before interest and taxes         1,486         2,832           Finance income         65         32           Finance income         65         32           Finance income tax         1,486         2,832           Income tax expense         (337)         (750)           Net profit for the half year         1,147         2,005           Net profit for the half year         1,137         2,055           Other comprehensive income after income tax         171         1,072           Exchange differences on translating foreign controlled entities         171         1,072	Sale of goods		20,369	20,079	
Other income         124         60           Gain from disposal of investment         7         280         -           Distribution expenses         (1,871)         (1,833)         (1,493)           Occupancy expenses         (449)         (437)         (6,541)         (447)         (447)         (6,541)         (5,541)         (5,541)         (6,541)         (7,77)         (5,55)         (7,77)         (5,55)         (7,77)         (5,55)         (7,77)         (5,55)         (7,75)         (5,55)         (7,57)         (7,50)         (7,57)         (7,50)<	Cost of sales		(6,856)	(6,653)	
Gain from disposal of investment         7         280         -           Distribution expenses         (1,87)         (1,833)         Mcrketing expenses         (2,503)         (1,493)         Administrative expenses         (449)         (437)         Administrative expenses         (7,437)         (6,541)         Obter expenses         (197)         (300)         Share options expense         -         (60)         Share of associate's profit         26         11           Profit before interest and taxes         1,486         2,832         2         1         Administrative expense         -         (60)         Share of associate's profit         65         32         1         Administrative expense         -         (60)         Share of associate's profit         65         32         Administrative expense         -         (60)         Share of associate's profit         65         32         Administrative expenses         -         (60)         Share of associate's profit         65         32         Administrative expenses         -         (60)         Administrative expenses         -         14         4         4         2,803         Administrative expenses         -         2         2         -         2,803         Administrative expenses         -         2         -         -<	Gross profit	-	13,513	13,426	
Distribution expenses   (1,871)   (1,833)   Marketing expenses   (2,503)   (1,493)   (1,493)   (2,503)   (1,493)   (2,503)   (1,493)   (2,503)   (1,493)   (2,503)   (1,493)   (2,503)   (1,493)   (2,503)	Other income		124	60	
Marketing expenses         (2,503)         (1,493)           Occupancy expenses         (449)         (437)           Administrative expenses         (7,437)         (6,541)           Other expenses         (197)         (301)           Share options expense         -         (600)           Share of associate's profit         26         11           Profit before interest and taxes         1,486         2,832           Finance costs         (77)         (59)           Finance costs         (77)         (59)           Income tax expense         (337)         (750)           Net profit before income tax         1,474         2,805           Income tax expense         (337)         (750)           Other comprehensive income after income tax         1,137         2,055           Other comprehensive income after income tax         1         1,072           Other comprehensive income for the year, net of income tax         171         1,072           Other comprehensive income for half year         1,308         3,127           Non-controlling interest         (5)         (10)           Members of the parent         (5)         (10)           Members of the parent         1,308         3,125	Gain from disposal of investment	7	280	-	
Occupancy expenses         (449)         (437)           Administrative expenses         (7,437)         (6,541)           Other expenses         (197)         (301)           Share options expense         -         (60)           Share of associate's profit         26         11           Profit before interest and taxes         1,486         2,832           Finance income         65         32           Finance costs         (77)         (59)           Profit before income tax         1,474         2,805           Income tax expense         (337)         (750)           Net profit for the half year         1,137         2,055           Other comprehensive income after income tax           Items that will be reclassified subsequently to profit or loss when specific conditions are met:           Exchange differences on translating foreign controlled entities         171         1,072           Other comprehensive income for the year, net of income tax         171         1,072           Total comprehensive income for half year attributable to:         (5)         (10)           Non-controlling interest         (5)         (10)           Non-controlling interest         (5)         (2)           Members of the pa					
Administrative expenses         (7,437)         (6,54)           Other expenses         (197)         (301)           Share options expense         -         (600)           Share of dissociate's profit         26         11           Profit before interest and taxes         1,486         2,832           Finance income         65         32           Finance costs         (77)         (59)           Profit before income tax         1,474         2,805           Income tax expense         337)         (750)           Net profit for the half year         1,137         2,055           Other comprehensive income after income tax         1,137         2,055           Uses that will be reclassified subsequently to profit or loss when specific conditions are met:         171         1,072           Other comprehensive income for the year, net of income tax         171         1,072           Other comprehensive income for the year, net of income tax         171         1,072           Total comprehensive income for half year attributable to:         (5)         (100           Members of the parent         1,142         2,065           Non-controlling interest         5         2,0           Non-controlling interest         1,308         3,125 </td <td>- ·</td> <td></td> <td></td> <td></td>	- ·				
Other expenses         (197)         (30)           Share options expense         -         (60)           Share of associate's profit         26         11           Profit before interest and taxes         1,486         2,832           Finance income         65         32           Finance costs         (77)         (59)           Profit before income tax         1,474         2,805           Income tax expense         (337)         (750)           Net profit for the half year         1,137         2,055           Other comprehensive income after income tax           Letems that will be reclassified subsequently to profit or loss when specific conditions are met:           Exchange differences on translating foreign controlled entities         171         1,072           Other comprehensive income for the year, net of income tax         171         1,072           Total comprehensive income for half year         1,308         3,125           Non-controlling interest         (5)         (10)           Members of the parent         1,142         2,065           Non-controlling interest         -         2           Non-controlling interest         -         2           Non-controlling interest         -					
Share options expense         -         (60)           Share of associate's profit         26         11           Profit before interest and taxes         1,486         2,832           Finance income         65         32           Finance costs         (77)         (59)           Profit before income tax         1,474         2,805           Income tax expense         (337)         750           Net profit for the half year         1,137         2,055           Other comprehensive income after income tax           Items that will be reclassified subsequently to profit or loss when specific conditions are met:         171         1,072           Exchange differences on translating foreign controlled entities         171         1,072           Other comprehensive income for the year, net of income tax         171         1,072           Total comprehensive income for half year         1,308         3,127           Non-controlling interest         (5)         (1)         (2)           Members of the parent         1,142         2,065           Members of the parent         1,208         3,125           Very controlling interest         -         2           Non-controlling interest         -         2           <	·				
Share of associate's profit         26         11           Profit before interest and taxes         1,486         2,832           Finance income         65         32           Finance costs         (77)         (59)           Profit before income tax         1,474         2,805           Income tax expense         (337)         7500           Net profit for the half year         1,137         2,055           Other comprehensive income after income tax         Items that will be reclassified subsequently to profit or loss when specific conditions are met:           Exchange differences on translating foreign controlled entities         171         1,072           Other comprehensive income for the year, net of income tax         171         1,072           Total comprehensive income for half year         1,308         3,127           Net profit/(loss) for the half year attributable to:         (5)         (10)           Members of the parent         (5)         (10)           Members of the parent         1,1308         3,125           Total comprehensive income attributable to:         2         2           Non-controlling interest         5         2,06         3,76           Members of the parent         1,308         3,125         3,125         3			-		
Finance income Finance costs F		_	26	11	
Profit before income tax	Profit before interest and taxes		1,486	2,832	
Profit before income tax         1,474         2,805           Income tax expense         (337)         (750)           Net profit for the half year         1,137         2,055           Other comprehensive income after income tax         Items that will be reclassified subsequently to profit or loss when specific conditions are met:           Exchange differences on translating foreign controlled entities         171         1,072           Other comprehensive income for the year, net of income tax         171         1,072           Total comprehensive income for half year         1,308         3,127           Net profit/(loss) for the half year attributable to:         (5)         (10)           Members of the parent         (5)         (10)           Non-controlling interest         5         2,06           Non-controlling interest         -         2           Members of the parent         1,308         3,125           Members of the parent         1,308         3,125           Earnings per share (cents per share)         5         2,06         3,76					
Income tax expense         (337)         (750)           Net profit for the half year         1,137         2,055           Other comprehensive income after income tax         Items that will be reclassified subsequently to profit or loss when specific conditions are met:           Exchange differences on translating foreign controlled entities         171         1,072           Other comprehensive income for the year, net of income tax         171         1,072           Total comprehensive income for half year         1,308         3,127           Net profit/(loss) for the half year attributable to:         5         (10)           Non-controlling interest         (5)         (10)           Members of the parent         (5)         (10)           Non-controlling interest         -         2           Members of the parent         1,308         3,125           Members of the parent         1,308         3,125           Earnings per share (cents per share)         5         2.06         3.76		-	`		
Net profit for the half year  Other comprehensive income after income tax  Items that will be reclassified subsequently to profit or loss when specific conditions are met:  Exchange differences on translating foreign controlled entities Other comprehensive income for the year, net of income tax  Total comprehensive income for half year  Net profit/(loss) for the half year attributable to: Non-controlling interest Members of the parent  Non-controlling interest Non-sontrolling interest Non-controlling interest Non-sontrolling interest Non-controlling interest Non-sontrolling interest Non-so					
Other comprehensive income after income tax  Items that will be reclassified subsequently to profit or loss when specific conditions are met:  Exchange differences on translating foreign controlled entities Other comprehensive income for the year, net of income tax  Total comprehensive income for half year  Net profit/(loss) for the half year attributable to: Non-controlling interest Non-controlling interest Other parent  Total comprehensive income attributable to: Non-controlling interest Non-controlling interest Total comprehensive income attributable to: Non-controlling interest Non-controlling interest Total comprehensive income attributable to: Non-controlling interest Non-controlling interest Total comprehensive income attributable to: Non-controlling interest South of the parent  Total comprehensive income attributable to: Non-controlling interest South of the parent	'	-			
Exchange differences on translating foreign controlled entities         171         1,072           Other comprehensive income for the year, net of income tax         171         1,072           Total comprehensive income for half year         1,308         3,127           Net profit/(loss) for the half year attributable to:         \$		_	·	,	
Other comprehensive income for the year, net of income tax         171         1,072           Total comprehensive income for half year         1,308         3,127           Net profit/(loss) for the half year attributable to:         Value of the profit of the parent of th					
Total comprehensive income for half year         1,308         3,127           Net profit/(loss) for the half year attributable to:         (5)         (10)           Non-controlling interest         (5)         (10)           Members of the parent         1,142         2,065           Total comprehensive income attributable to:         -         2           Non-controlling interest         -         2           Members of the parent         1,308         3,125           Earnings per share (cents per share)         -         3.76           - basic earnings per share         5         2.06         3.76	Exchange differences on translating foreign controlled entities	_	171	1,072	
Net profit/(loss) for the half year attributable to:       (5)       (10)         Non-controlling interest       1,142       2,065         Members of the parent       1,137       2,055         Total comprehensive income attributable to:       -       2         Non-controlling interest       -       2         Members of the parent       1,308       3,125         Earnings per share (cents per share)       -       2         - basic earnings per share       5       2.06       3.76	Other comprehensive income for the year, net of income tax	_	171	1,072	
Non-controlling interest       (5)       (10)         Members of the parent       1,142       2,065         1,137       2,055         Total comprehensive income attributable to:       -       2         Non-controlling interest       -       2         Members of the parent       1,308       3,125         Earnings per share (cents per share)       -       2         - basic earnings per share       5       2.06       3.76	Total comprehensive income for half year	_	1,308	3,127	
Members of the parent       1,142       2,065         1,137       2,055         Total comprehensive income attributable to:       Non-controlling interest       - 2         Members of the parent       1,308       3,125         Members of the parent       1,308       3,127         Earnings per share (cents per share)       5       2.06       3.76					
Total comprehensive income attributable to: Non-controlling interest Members of the parent  Earnings per share (cents per share) - basic earnings per share  1,137  2,055  1,205  1,308  3,125  1,308  3,127					
Total comprehensive income attributable to: Non-controlling interest  Members of the parent  1,308 3,125 1,308 3,127  Earnings per share (cents per share) - basic earnings per share  5 2.06 3.76	Members of the parent	-			
Non-controlling interest         -         2           Members of the parent         1,308         3,125           Incompany of the parent         1,308         3,125           Earnings per share (cents per share)         5         2.06         3.76           - basic earnings per share         5         2.06         3.76	<del>-</del>	-	1,137	2,000	
Members of the parent     1,308     3,125       1,308     3,127       Earnings per share (cents per share)     5     2.06     3.76				2	
Earnings per share (cents per share) - basic earnings per share  5 2.06 3.76			1308		
Earnings per share (cents per share) - basic earnings per share  5 2.06 3.76		-			
- basic earnings per share 5 2.06 3.76	Farnings per share (cents per share)	_			
		5	2.06	3.76	

#### CONDENSED CONSOLIDATED STATEMENT OF **FINANCIAL POSITION**

Non Current Assets Investment in associates 7 Property, plant and equipment Intangible assets Deferred tax assets  Total Non Current Assets Total Assets 3  LIABILITIES Current Liabilities		10,941 7,093 - 6,132 631 24,797 1,043 8,642 71 1,167
Current Assets Cash and cash equivalents Trade and other receivables Current tax receivables Inventories Other assets  Total Current Assets  Non Current Assets Investment in associates Property, plant and equipment Intangible assets Deferred tax assets  Total Non Current Assets  Total Non Current Assets  Total Assets  LIABILITIES Current Liabilities Trade and other payables Interest bearing loans and borrowings	6,372 499 7,392 425 4,058 - 9,057 78 1,156	7,093 - 6,132 631 24,797 1,043 8,642 71
Cash and cash equivalents Trade and other receivables Current tax receivables Inventories Other assets  Total Current Assets  Non Current Assets Investment in associates Property, plant and equipment Intangible assets Deferred tax assets  Total Non Current Assets  Total Assets  LIABILITIES Current Liabilities Trade and other payables Interest bearing loans and borrowings	6,372 499 7,392 425 4,058 - 9,057 78 1,156	7,093 - 6,132 631 24,797 1,043 8,642 71
Trade and other receivables Current tax receivables Inventories Other assets  Total Current Assets  Non Current Assets Investment in associates Property, plant and equipment Intangible assets Deferred tax assets  Total Non Current Assets  Total Assets  LIABILITIES Current Liabilities Trade and other payables Interest bearing loans and borrowings	6,372 499 7,392 425 4,058 - 9,057 78 1,156	7,093 - 6,132 631 24,797 1,043 8,642 71
Current tax receivables Inventories Other assets  Total Current Assets  Non Current Assets Investment in associates Property, plant and equipment Intangible assets Deferred tax assets  Total Non Current Assets  Total Non Current Assets  Total Assets  LIABILITIES Current Liabilities Trade and other payables Interest bearing loans and borrowings	499 7,392 425 4,058 - 9,057 78 1,156	- 6,132 631 24,797 1,043 8,642 71
Inventories Other assets  Total Current Assets  Non Current Assets Investment in associates Property, plant and equipment Intangible assets Deferred tax assets  Total Non Current Assets  Total Non Current Assets  Total Assets  LIABILITIES Current Liabilities Trade and other payables Interest bearing loans and borrowings	7,392 425 4,058 - 9,057 78 1,156	24,797 1,043 8,642 71
Other assets  Total Current Assets  Non Current Assets Investment in associates Property, plant and equipment Intangible assets Deferred tax assets  Total Non Current Assets Total Assets  LIABILITIES Current Liabilities Trade and other payables Interest bearing loans and borrowings	425 4,058 - 9,057 78 1,156 10,291	24,797 1,043 8,642 71
Total Current Assets  Non Current Assets Investment in associates 7 Property, plant and equipment Intangible assets Deferred tax assets  Total Non Current Assets Total Assets 3  LIABILITIES Current Liabilities Trade and other payables Interest bearing loans and borrowings	- 9,057 78 1,156	24,797 1,043 8,642 71
Non Current Assets Investment in associates 7 Property, plant and equipment Intangible assets Deferred tax assets  Total Non Current Assets Total Assets 3  LIABILITIES Current Liabilities Trade and other payables Interest bearing loans and borrowings	- 9,057 78 1,156	1,043 8,642 <i>7</i> 1
Investment in associates 7 Property, plant and equipment Intangible assets Deferred tax assets  Total Non Current Assets Total Assets 3  LIABILITIES Current Liabilities Trade and other payables Interest bearing loans and borrowings	78 1,156 10,291	8,642 71
Property, plant and equipment Intangible assets Deferred tax assets  Total Non Current Assets Total Assets  LIABILITIES Current Liabilities Trade and other payables Interest bearing loans and borrowings	78 1,156 10,291	8,642 71
Intangible assets Deferred tax assets  Total Non Current Assets Total Assets  LIABILITIES Current Liabilities Trade and other payables Interest bearing loans and borrowings	78 1,156 10,291	<i>7</i> 1
Total Non Current Assets Total Assets  Total Assets  LIABILITIES Current Liabilities Trade and other payables Interest bearing loans and borrowings	1,156 10,291	
Total Assets  LIABILITIES  Current Liabilities  Trade and other payables Interest bearing loans and borrowings		
LIABILITIES Current Liabilities Trade and other payables Interest bearing loans and borrowings	4 349	10,923
Current Liabilities Trade and other payables Interest bearing loans and borrowings	.,5-5	35,720
Trade and other payables Interest bearing loans and borrowings		
Interest bearing loans and borrowings		
	4,992	5,145
Current tax liability	352	342
	116	483
Employee entitlements	692	701
Contract liability Lease Liability 2	4,690 275	4,722
Total Current Liabilities	11,117	11,393
	11,117	11,000
Non Current Liabilities	74	7.4
Deferred Tax Liability	74 1,565	74 1,732
Interest bearing loans and borrowings Provisions	175	1,732
Lease Liability 2	224	-
<u> </u>	2,038	1,920
Total Noti Current Elabilities	2,030	1,920
	13,155	13,313
	21,194	22,407
EQUITY	10.070	
·	12,376	43,742
	3,244)	(23,243)
Employee share based payments reserve Share options reserve	611 992	570 992
Revaluation Reserve	325	325
Foreign currency translation reserve	162	(11)
Parent entity interest	21,222	22,375
Non-controlling interest	(28)	32
Total Equity	21,194	22,407

THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES TO THE HALF YEAR REPORT.



#### CONDENSED CONSOLIDATED STATEMENT OF **CASH FLOW**

		Consolidated		
FOR THE HALF YEAR ENDED	Notes	30 June 2019 \$'000	30 June 2018 \$'000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers		22,978	21,513	
Payments to suppliers and employees		(21,915)	(18,476)	
Income tax paid Interest received		(1,192) 65	(1,001) 32	
Borrowing costs		(60)	(47)	
Net cash flows provided by operating activities		(124)	2,021	
ner cash nows provided by operaning activities	-	(124)	2,021	
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment		(18)	(351)	
Net cash flows used in investing activities	-	(18)	(351)	
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of external borrowings		(335)	(156)	
Dividends Paid		(1,211)	(1,211)	
Shares bought back (net of costs)		(18)	(756)	
Net cash flows used in financing activities		(1,564)	(2,123)	
Net decrease in cash and cash equivalents		(1,706)	(453)	
Net foreign exchange differences		135	153	
Cash and cash equivalents at beginning of the year		10,941	9,965	
Cash and cash equivalents at end of the year	-	9,370	9,665	

#### CONDENSED CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**

FOR THE HALF YEAR ENDED 30 JUNE 2019	Note	Contributed Equity \$'000	Employee Share Based Payments Reserve \$'000	Share Options Reserve \$'000	Revaluation Reserve \$'000	Accumulated Losses \$'000	Foreign Currency Translation Reserve \$'000	Attributable to Equity Holders of Parent \$'000	Non- controlling Interest \$'000	Total \$'000
Balance at 1 January 2019		43,742	570	992	325	(23,243)	(11)	22,375	32	22,407
Impact of changes in accounting standard			-	-	-	68	(31)	37	(55)	(18)
Adjusted Balance at 1 January 2019		43,742	570	992	325	(23,175)	(42)	22,412	(23)	22,389
Comprehensive income										
Profit attributable to members of parent entity		-	-	-	-	1,142	-	1,142	(5)	1,137
Other comprehensive income for the year		-	-	-	-	-	204	204	-	204
Total comprehensive income for the year		-	-	-	-	1,142	204	1,346	(5)	1,341
Transactions with owners, in their capacity as owners										
Shares bought back	6	(18)	-	-	-	-	-	(18)	-	(18)
Employee share based income		-	41	-	-	-	-	41	-	41
Equal reduction of capital	7	(1,348)	-	-	-	-	-	(1,348)	-	(1,348)
Dividends paid	8	-	-	-	-	(1,211)	-	(1,211)	-	(1,211)
Total transactions with owners		(1,366)	41	-	-	(1,211)	-	(2,536)	-	(2,536)
Balance at 30 June 2019		42,376	611	992	325	(23,244)	162	21,222	(28)	21,194

THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES TO THE HALF YEAR REPORT.

# HALF YEAR 2019 FINANCIAL REPORT

#### CONDENSED CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY (CONTINUED)**

FOR THE HALF YEAR ENDED 30 JUNE 2018	Note	Contributed Equity \$'000	Employee Share Based Payments Reserve \$'000	Share Options Reserve \$'000	Accumulated Losses \$'000	Foreign Currency Translation Reserve \$'000	Attributable to Equity Holders of Parent \$'000	Non- controlling Interest \$'000	Total \$'000
Reported Balance at 1 January 2018		44,498	594	932	(19,790)	(1,477)	24,757	35	24,792
Impact of changes in accounting standard			-	-	(935)	-	(935)	-	(935)
Adjusted Balance at 1 January 2018		44,498	594	932	(20,725)	(1,477)	23,822	35	23,857
Comprehensive income									
Profit attributable to members of parent entity		-	-	-	2,065	-	2,065	(10)	2,055
Other comprehensive income for the year		-	-	-	-	1,070	1,070	2	1,072
Total comprehensive income for the year		-	-	-	2,065	1,070	3,135	(8)	3,127
Transactions with owners, in their capacity as owners									
Shares bought back	6	(756)	-	-	-	-	(756)	-	(756)
Employee share based income		-	(49)	-	-	-	(49)	-	(49)
Share option scheme expense		-	-	60	-	-	60	-	60
Dividends paid	8	-	-	-	(1,211)	-	(1,211)	-	(1,211)
Total transactions with owners		(756)	(49)	60	(1,211)	-	(1,956)	-	(1,956)
Balance at 30 June 2018		43,742	545	992	(19,871)	(407)	25,001	27	25,028

THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES TO THE HALF YEAR REPORT.



#### NOTES

#### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2019

#### 1. CORPORATE INFORMATION

The Half Year financial report of Vita Life Sciences Limited ("Vita Life Sciences") and its controlled entities ("the Group") for the half-year ended 30 June 2019 was authorised for issue by a resolution of the directors on the date of this report.

Vita Life Sciences is a Company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange ("ASX").

The nature of the operations and principal activities of the Group are described in the Directors' Report.

#### 2. BASIS OF PREPARATION

These general purpose condensed consolidated financial statements for the half-year reporting period ended 30 June 2019, have been prepared in accordance with the requirements of the Corporations Act 2001, and Australian Accounting Standard AASB 134 "Interim Financial Reporting." The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Vita Life Sciences Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2018, together with any public announcements made during the following half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except for the effects of applying newly effective accounting standards as outline below.

The half-yearly condensed consolidated financial statements have been prepared on a historical cost basis.

#### New and amended accounting standards and interpretations adopted by the Group

The Group has adopted all of the new or amended Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current period. The following Accounting Standards and Interpretations are most relevant to the Group:

#### **AASB 16: Leases**

The Group has adopted AASB 16 from 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance

In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

#### Impact of adoption

AASB 16 was adopted using the modified retrospective approach and as such the comparatives have not been restated. The impact of adoption on opening retained profits as at 1 January 2019 was as follows:

	Total \$'000
Operating lease commitments as a 1 January 2019 (AASB 117)	949
Operating lease commitments discount based on the respective individual incremental borrowing rate of 4-9% (AASB 16)	(75)
Short term leases not recognised	(24)
Low value assets lease not recognised	(49)
Accumulated depreciation as at 1 January 2019 (AASB 16)	(307)
Right-of-use assets (AASB 16)	494
Lease liabilities-current (AASB16)	(275)
Lease-liabilities- noncurrent (AASB 16)	(237)
Reduction in opening retained profits as at 1 January 2019	(18)

#### 2. BASIS OF PREPARATION (CONTINUED)

#### Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

#### Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

#### New accounting standards and interpretations not yet adopted

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



## NOTES

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2019 (CONTINUED)

#### 3. SEGMENT REPORTING

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Australia \$'000	Singapore \$'000	Malaysia \$'000	Others \$'000	Total \$'000
Half Year ended 30 June 2019					
Revenue					
Sales to external customers	8,426	3,105	7,116	1,722	20,369
Total segment revenue	8,426	3,105	7,116	1,722	20,369
Segment results					
Earnings before interest and tax	163	376	820	101	1,460
Net interest	11	1	(35)	11	(12)
Share of profit of associates	-	-	-	26	26
Profit before income tax					1,474
Income tax expense					(337)
Net profit for the half year					1,137
Assets and liabilities					
Segment assets	9,544	4,484	17,805	2,516	34,349
Investment in associates	-	-	-	-	-
Total assets					34,349
Segment liabilities	3,598	3,062	5,776	719	13,155
Total liabilities					13,155
Other segment information					
Capital expenditure	(17)	-	(1)	-	(18)
Depreciation	(50)	(67)	(120)	(60)	(297)
Amortisation		-	(1)	(1)	(2)

	Australia \$'000	Singapore \$'000	Malaysia \$'000	Others \$'000	Total \$′000
Half Year ended 30 June 2018	<b>, , , , , , , , , , , , , , , , , , , </b>	+ 000	+ 000	7 000	7 000
Revenue					
Sales to external customers	8,532	3,219	6,993	1,335	20,079
Total segment revenue	8,532	3,219	6,993	1,335	20,079
Segment results					
Earnings before interest and tax	1,628	625	699	(131)	2,821
Net interest	15	-	(43)	1	(27)
Share of profit of associates	-	-	-	11	11
Profit before income tax					2,805
Income tax expense					(750)
Net profit for the half year					2,055
Assets and liabilities					
Segment assets	10,653	3,765	18,035	1,547	34,000
Investment in associates	-	-	-	968	968
Total assets				-	34,968
Segment liabilities					
Total liabilities	4,064	1,046	4,554	276	9,940
					9,940
Other segment information					
Capital expenditure	(213)	-	(138)	-	(351)
Depreciation	(16)	(7)	(160)	(7)	(190)
Amortisation	-	-	(5)	(1)	(6)

#### 4. NET TANGIBLE ASSETS

	CONSO	LIDATED
	30 June 2019 \$	31 December 2018 \$
Net assets per share	0.38	0.41
Net tangible assets per share	0.36	0.39
	Number	Number
Number of ordinary shares for net assets per share	55,787,528	54,842,257

#### 5. EARNINGS PER SHARE

	2019 \$'000	2018 \$'000
Net profit attributable to equity holders from continuing operations  Loss attributable to non-controlling interest	1,137 5	2,055
Earnings used to calculate basic and dilutive earnings per share	1,142	2,065
	2019 Number	2018 Number
Weighted average number of ordinary shares for basic earnings per share	55,401,469	54,975,590

#### 6. ISSUED CAPITAL

	2019	2018	2019	2018
	Number	Number	\$	\$
Issued and paid up capital				
Ordinary shares	55,787,528	54,842,257	42, 376,150	43,742,222
Ordinary shares				
Balance at beginning of the period	54,842,257	56,717,026	43,742,222	44,498,322
Share buy back (a)	(24,729)	(1,074,769)	(17,983)	(756,100)
Cancellation of Plan Shares of certain:				
- Employees and Directors (b)	(500,000)	(1,800,000)	-	-
Issue of shares to employee / director (c)	1,470,000	1,000,000	-	-
Equal reduction of Capital - Note 7		-	(1,348,089)	-
Balance at end of the half year	55,787,528	54,842,257	42, 376,150	43,742,222

- a) A total of 24,729 ordinary shares were bought back in the half-year ended 30 June 2019 as approved by the shareholders at the 31 May 2019 Annual General Meetings at a total cost of \$17,983 (Half year ended 30 June 2018: A total of 1,074,769 ordinary shares were bought back at a total cost of \$756,100).
- b) In the half year ended 30 June 2019, the Company cancelled 500,000 Plan ordinary shares issued in accordance with the terms of the Plan granted to a manager of the Group under the Long Term Incentive Plan due to the resignation of the manager.
- c) During the half year ended 30 June 2019, the Company approved loans to the Acting Chairman, Mr Henry Townsing totalling \$550,000 in order for Mr Townsing to purchase a total of 500,000 shares under the Company's Long Term Incentive Plan

The cost of the equity-settled transactions is measured by reference to the fair value of the equity instruments at the date at which they were granted. The cost is recognised in the income statement together with a corresponding increase in equity, over the period in which the performance and / or service conditions are fulfilled (the vesting period), ending on the date on which the employees become fully entitled to the award (the vesting date).

For the half year ended 30 June 2019, the Company recognised net expense of \$40,920 (Half year ended 30 June 2018: net income of \$49,223) in the statement of comprehensive income with a corresponding increase in employee share based payment reserve (Half year ended 30 June 2018: decrease in employee share based payment reserve).

#### 7. EQUAL REDUCTION OF CAPITAL

At the Company's Annual General Meeting on 31 May 2019 shareholders approved:

- 1. The transfer of its shares and assets in Mitre Focus (owned by its subsidiary Lovin Pharma Ltd) to another wholly-owned subsidiary, Macarthur National Ltd (MNL); and
- 2. a pro-rata in specie distribution of all the shares of MNL to shareholders of the Company registered as at the Spinoff Record date and simultaneously effected a reduction in the issued share capital of the Company, without cancelling any shares, by an amount equal to the fair value of the total issued capital of MNL.

These transactions were completed on 12 June 2019 with shareholders receiving 1 new MNL share for every 10 shares held in the Company.

The fair value of the shares and assets of Mitre Focus at the Spinoff Record Date was determined by the Directors of the Company at \$1.348 million or \$0.25 per MNL share. This amount is treated as a reduction both in the value of the share capital (without reducing the number of shares) of the Company and the assets of the Company. The distribution resulted in a gain as stated below.

	Total \$'000
Fair value of Mitre Focus at spinoff date	1,348
Carrying amount of Mitre Focus at spinoff date	(1,068)
Net gain before income tax	280
Income tax expense	(84)
Gain after income tax	196

As MNL was a wholly-owned subsidiary of the Company prior to the Spinoff and shares common directors before and after the Spinoff, at the date of this report, MNL is considered a related party for purposes of disclosure and, transactions are therefore disclosed in Note 12.

#### 8. DIVIDEND

A fully franked dividend of 2.25 cents per share amounting to \$1,211,451 (2018: 2.25 cents per share unfranked totalling \$1,211,451) was paid on 5 April 2019 in relation to the year ended 31 December 2018.

A fully franked interim dividend of 1.5 cents per share, has been declared and will be paid on 8 October 2019. The record date for the interim dividend is 25 September 2019.

#### 9. COMMITMENTS

The Group has no capital commitments as at 30 June 2019.

#### 10. EVENTS AFTER THE BALANCE SHEET DATE

There are no matters or circumstances that have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

#### 11. CONTINGENT ASSETS AND LIABILITIES

The Group has no contingent assets or liabilities as at 30 June 2019.

#### 12. RELATED PARTIES DISCLOSURES

#### Transactions with related parties

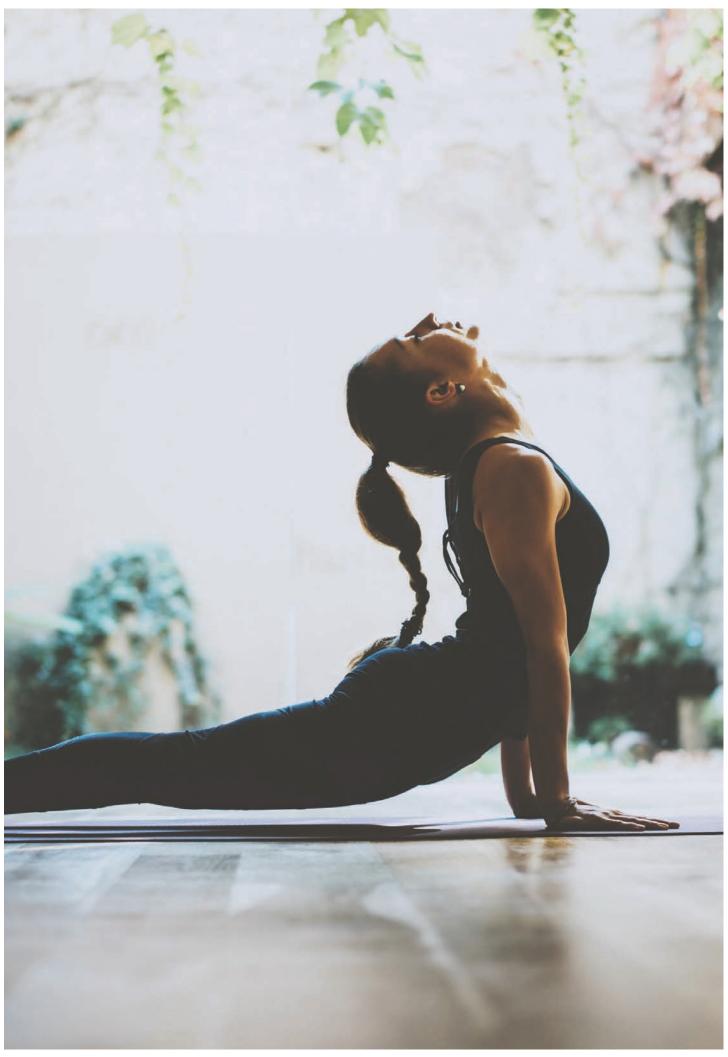
The following table provides the total amount of transactions that were entered into with related parties for the relevant financial period.

	30 June 2019 \$'000	30 June 2018 \$'000
Land Real Pty Ltd (i)	3	-
Macarthur National Ltd (ii)	-	N/A
Sun Land Sdn Bhd (iii)	253	594

- (i) Land Real Pty Ltd, a company in which Mr Henry Townsing is a Director and therefore a related party, was paid rent and other services during the financial period. No amount was payable as at 30 June 2019 (2018: \$Nil).
- (ii) On 11 June 2019, following the divestment of assets of Lovin Pharma International Ltd, a subsidiary of the Company to Macarthur National Ltd (MNL), a company in which Mr Henry Townsing is a Director, entered into an agreement to provide a loan of up to \$100,000 to MNL as part of the divestment exercise as approved by shareholders at the Company's Annual General Meeting on 31 May 2019. The loan was made to MNL on an arms' length basis and the key terms are as follows:
  - A base interest rate of 6% per annum with a margin of 2% per annum
  - Loan is for a period of 6 months from the date of the agreement unless extended by the lender
  - Security interest over all PPSA personal property and a fixed charged over all other property of the borrower

As of the date of this report, a sum of \$10,000 has been disbursed as loan to MNL by the Company.

(iii) Prior to the Spinoff (refer note 7) being completed on 12 June 2019 Sun Land Sdn Bhd (SL) was an associate of the Company. The Company's subsidiary VitaHealth Malaysia Sdn Bhd (VHM) had, prior to 12 June 2019, made advances to SL and those advances amounted to \$252,724 at 12 June 2019. As of 30 June 2019, \$252,724 remained payable by SL to VHM.



# DIRECTORS' DECLARATION

#### DIRECTORS' DECLARATION FOR THE HALF YEAR ENDED 30 JUNE 2019

In the opinion of the directors of Vita Life Sciences Limited:

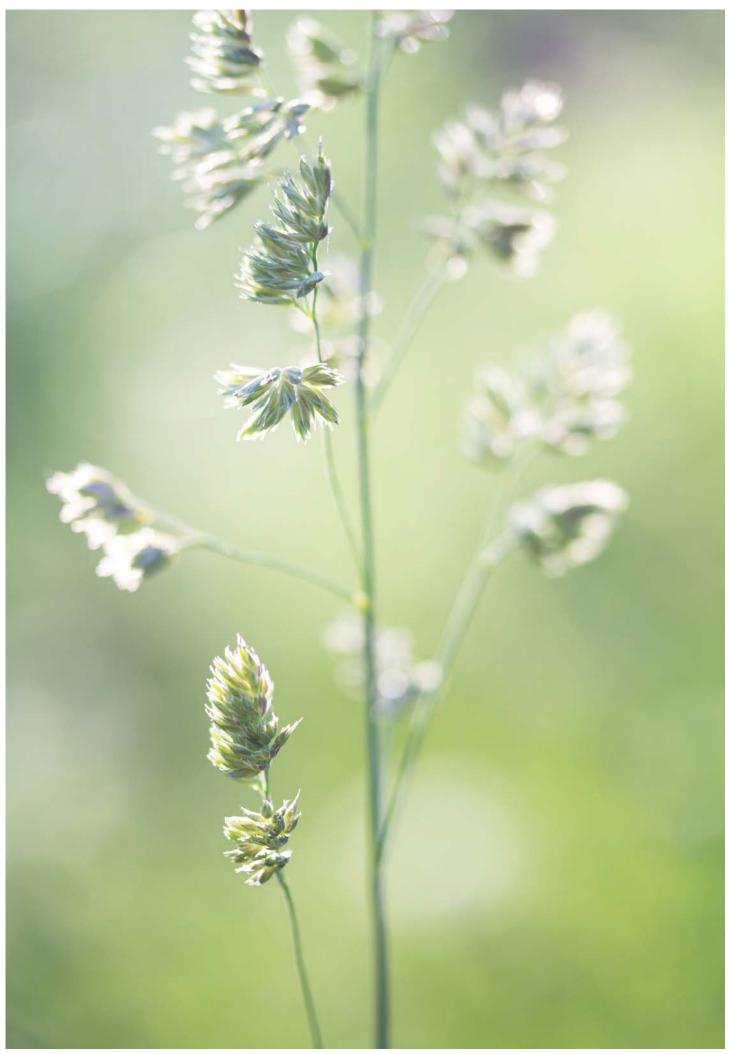
- 1. (a) The financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2019 and its performance for the half-year ended on that date; and
  - (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.
  - (b) There are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001:

Andrew O'Keefe

Achua

Managing Director 23 August 2019





#### **Independent Review Report to the Members of Vita Life Sciences Limited**

#### **Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Vita Life Sciences Limited and the entities it controlled during the period which comprises the condensed consolidated statement of financial position as at 30 June 2019, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### **Directors' Responsibility for the Half-Year Financial Report**

The directors of Vita Life Sciences Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such 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.

#### **Auditor's Responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the 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 30 June 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As auditor of Vita Life Sciences 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.

#### **Nexia Sydney Audit Pty Ltd**

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#### **Independence**

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, has been given to the directors of Vita Life Sciences Limited.

#### **Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Vita Life Sciences Limited and the entities it controlled during the period is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Yours sincerely,

**Nexia Sydney Audit Pty Limited** 

Joseph Santangelo

Director

Dated: 23 August 2019



#### GENERAL INFORMATION

#### **Board of Directors**

#### **Henry Townsing**

Acting Chairman

#### Andrew O'Keefe

Managing Director

#### **Vanda Gould**

Non-Executive Director

#### **Jonathan Tooth**

Non-Executive Director

#### **Shane Tech**

Non-Executive Director

#### **Chin L Khoo**

Company Secretary

#### **Australian Head Office**

Unit 1/102, Bath Road Kirrawee NSW 2232 T: 61 2 9545 2633 F: 61 2 9545 1311

#### **Asian Head Office**

23, Jalan Jurunilai U1/20 Hicom-Glenmarie Industrial Park 40150 Shah Alam, Selangor Malaysia

T: 60 3 5569 6323 F: 60 3 5569 2393

#### **Securities Exchange Listing**

The ordinary shares of Vita Life Sciences Limited are listed on the Australian Securities Exchange Ltd (code: VLS)

#### **Auditor**

Nexia Sydney Audit Pty Limited Level 16, 1 Market Street Sydney NSW 2000

#### **Banker**

Westpac Banking Corporation National Australia Bank Limited

#### Solicitor

Mark Ord

#### **Share Registry**

**Next Registries** Level 16, 1 Market Street Sydney NSW 2000 T: 61 2 9276 1700 F: 61 2 9251 7138

#### Change of Address

Shareholders who have changed address should advise our share registry in writing.

#### Annual Report Mailing

Shareholders who do not want the annual report or who are receiving more than one copy should advise the share registry in writing.

#### **Vita Life Sciences Website**

Vita Life Sciences has a website containing information about the Company, its Business and Products.

www.vitalifesciences.com enquiries@vitalifesciences.com.au





# **Vita Life Sciences Limited** ACN 003 190 421 ABN 35 003 190 421

enquiries@vitalifesciences.com vitalifesciences.com

#### **Registered Office Australian Head Office**

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**Asian Regional Office** 23, Jalan Jurunilai U1/20 Hicom-Glenmarie Industrial Park 40150 Shah Alam, Selangor Malaysia

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