



Vita Life Sciences Limited

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23 July 2020

Company Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Dear Sir/ Madam,

CORRECTION TO ASX ANNOUNCEMENT -23 JULY 2020

Vita Life Sciences Limited (ASX: VLS) wishes to advise of a correction to the AGM Presentation issued earlier today.

The results of the proxy votes on page 16 had incorrect headings. The error and correction have no impact on the results of the voting.

An updated announcement with the corrected page 16 is now attached.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Chin L Khoo'.

Chin L Khoo
Company Secretary
Tel: 02 9545 2633
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WELCOME

2020 ANNUAL GENERAL MEETING

herbs of gold™

VITA SCIENCE
THE SCIENCE OF HEALTHY LIVING

VitaLife®
Vital for life

VitaHealth

AGENDA

1. Chairman's Welcome Address
2. Managing Director's Review
3. Ordinary Resolutions
4. Question & Answer

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BUSINESS OVERVIEW



Australian & Asia Pacific based pharmaceutical and healthcare over the-counter business involved in the formulating, packaging, sales and distribution of vitamins and supplements



3 major consumer retail brands



700 registered SKUs of vitamins and supplements sold in 7 countries in Australia & Asia Pacific region:

- **Herbs of Gold (HOG):** sold in Australia, Malaysia and Singapore
- **VitaHealth (VH):** sold in pharmacies, clinics and health food stores throughout Southeast Asia
- **VitaScience (VS):** sold through an exclusive arrangement in Australia



400 employees in 7 countries



ASX listed since 2007 (ASX code: VLS)

FULL YEAR 2019 RESULTS



Group sales of \$42.4 million for the financial year (FY) ended Dec 2019, an increase of 3% over the previous corresponding period (PCP) of \$41.1 million



The Group recorded an EBIT of \$4.4m, compared to the PCP of \$6.2 million (before a non-cash fair value loss adjustment on land & building of \$1.8 million)



Net profit after tax of \$3.1 million recorded for the financial year, compared to the PCP of \$2.4 million

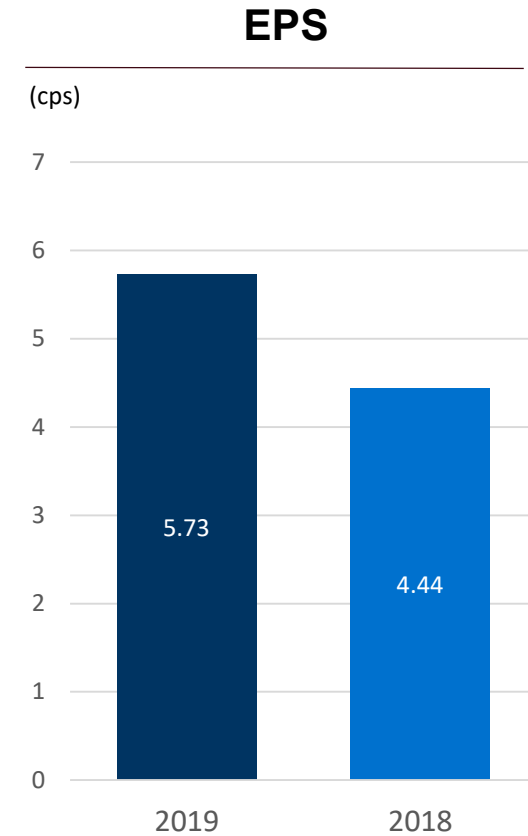
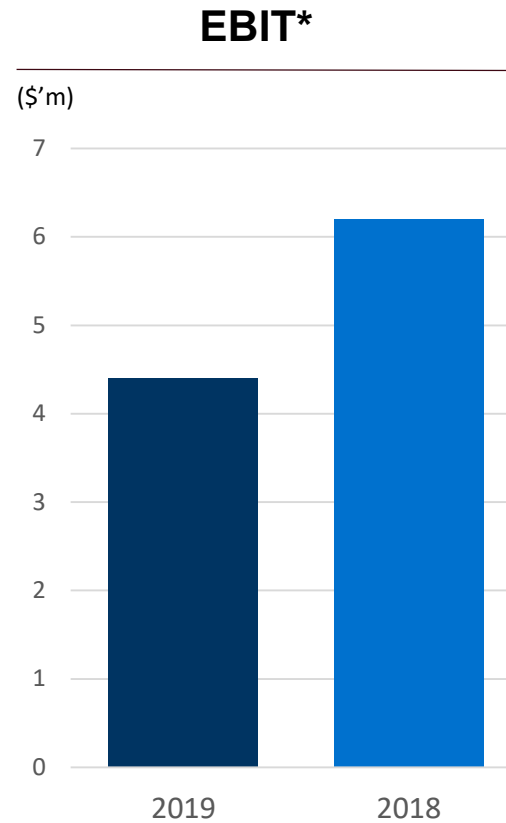
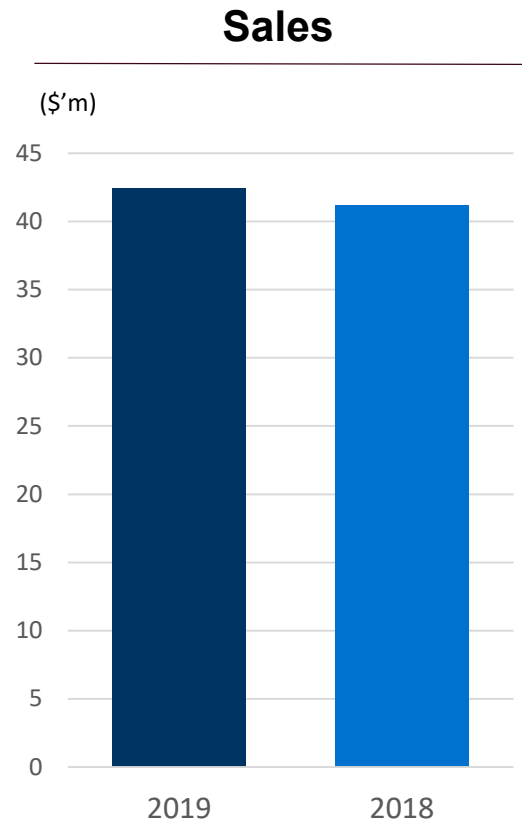


Returned \$2.7 million to shareholders through dividend payments and share buyback and \$1.4 million in a pro-rata in specie distribution to all shareholders



Final fully franked dividend of 2.25 cents per share declared; total full year dividend of 3.75 cents per share

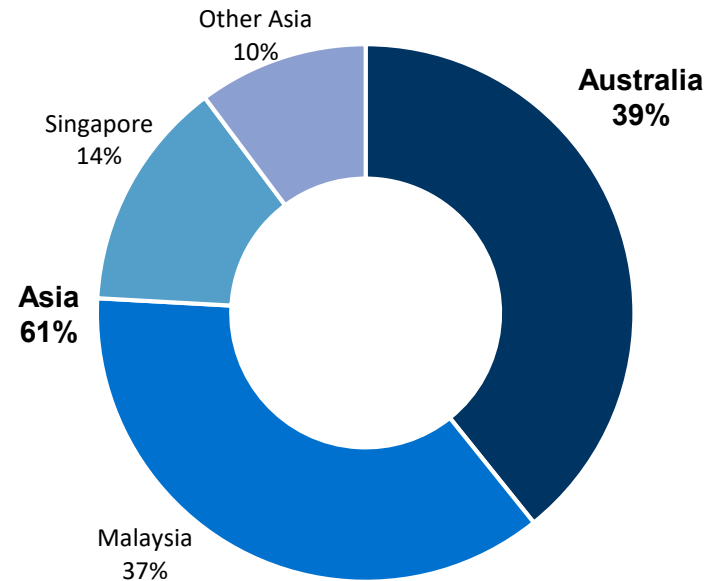
KEY FINANCIAL CHARTS



** Underlying FY 2018 EBIT before fair value loss on building revaluation of \$1.8m*

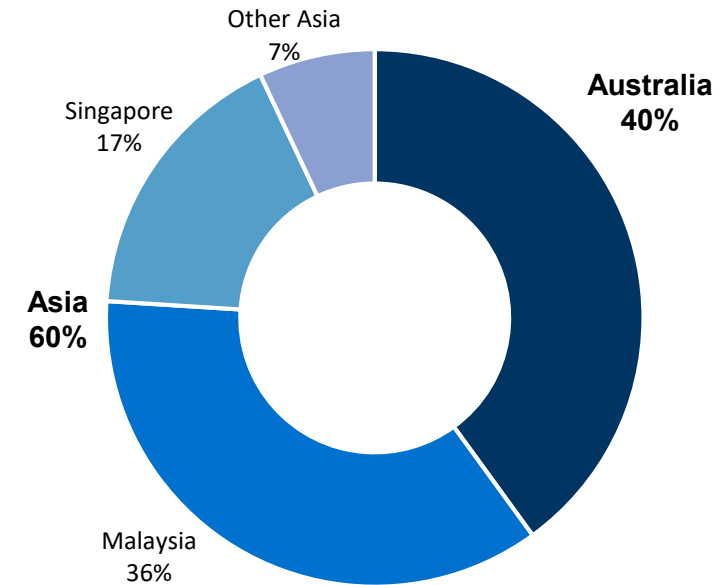
FULL YEAR 2019 RESULTS

2019 revenue by geography



Total revenue: \$42.4m

2018 revenue by geography



Total revenue: \$41.1m

SEGMENT RESULTS

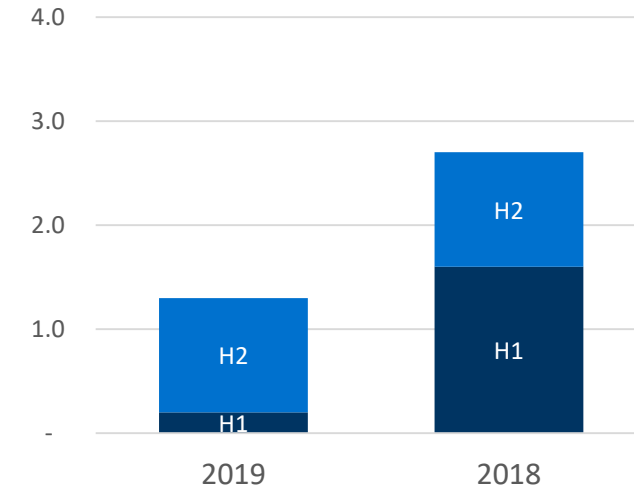
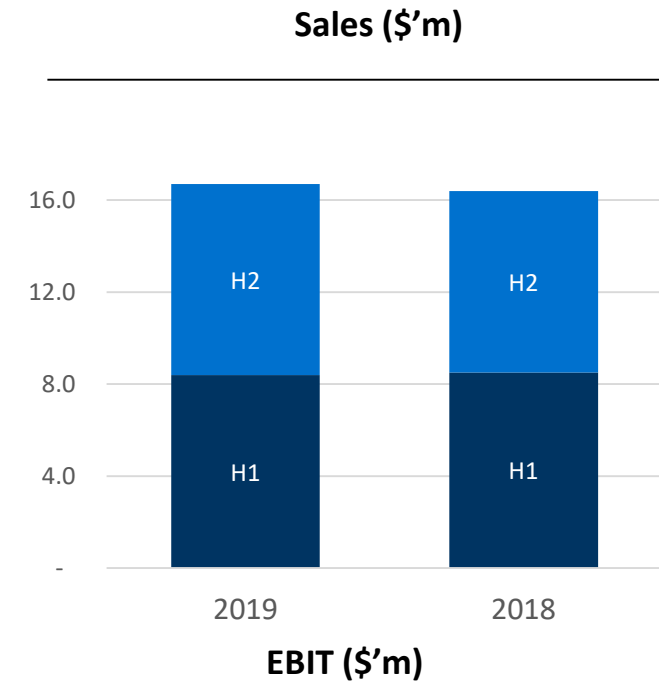
AUSTRALIA

Sales: \$16.7m (2018: \$16.4m)

- Revenue base business grew despite a highly competitive Australian market conditions
- New ranging in over 300 new pharmacy stores while increasing new exports trading channels
- New distributions agreements signed in QTR 4 in mainland China and Vietnam to distribute Herbs of Gold brand.
- Continued distribution expansion activities into selected pharmacies

EBIT \$1.3m (2018:\$2.7m)

- EBIT down against FY18 mainly due to higher marketing investments of \$0.9M to fund a 6-months national marketing campaign.



SEGMENT RESULTS

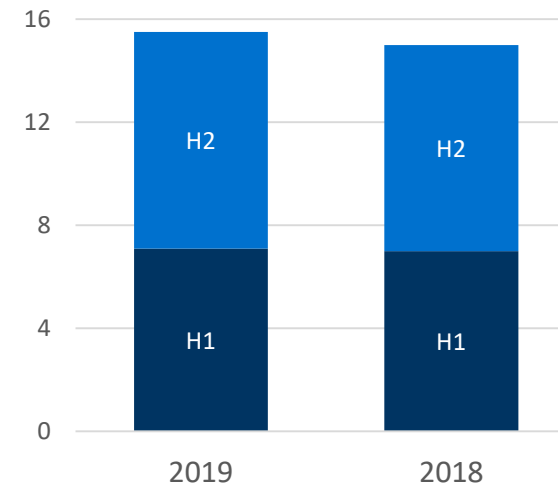
MALAYSIA

Sales: \$15.5m (2018: \$14.9m)

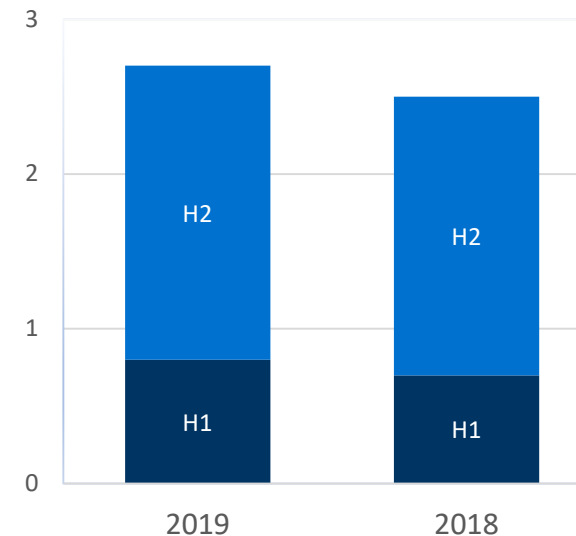
- Revenue base increased by 3.9% due to rejuvenated consumer pull through trade activities
- Increased distribution of the VitaHealth brand through modern trade pharmacies
- Herbs of Gold brand performed strongly increasing revenues by 20% in local currency through our exiting exclusive distribution partnership

EBIT \$2.7m (2018: \$2.5m) (2018: before fair value loss adjustment of \$1.8m)

Sales (\$'m)



EBIT (\$'m)



SEGMENT RESULTS

SINGAPORE

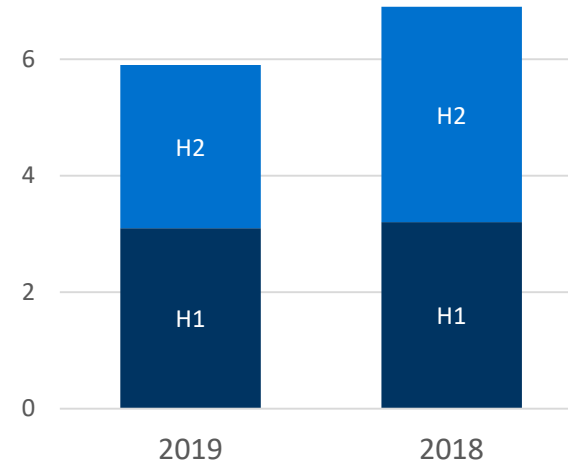
Sales \$5.9m (2018: \$6.9m)

- Revenue decreased from traditional channels
- Low consumer sentiment and lower economic activities is weakening the performance
- Shift towards e-commerce trading by consumers is diluting our traditional channel performance
- Increased trade investment across e-commerce platforms is required to maintain sales momentum moving forward

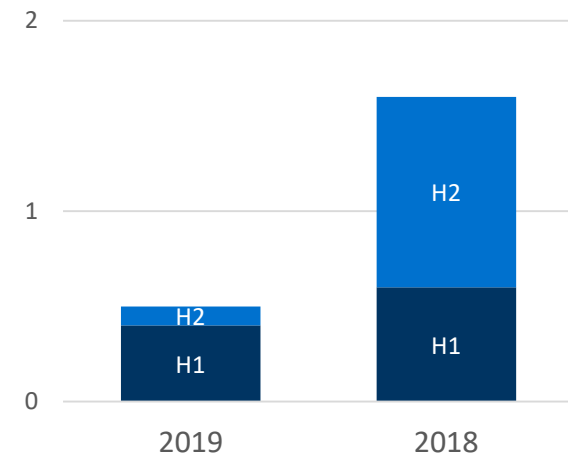
EBIT \$0.6m (2018: \$1.6m)

- EBIT decreased mainly due to lower sales achieved for the year

Sales (\$'m)



EBIT (\$'m)

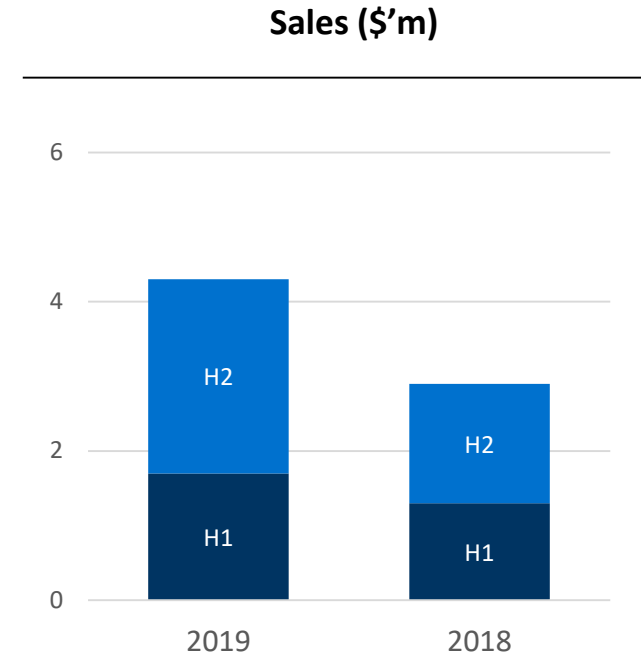


SEGMENT RESULTS

OTHERS

Sales \$4.3m (2018: \$2.9m)

- Revenue in other markets growth of 49% (PCP)
- Stronger sales were recorded for Vietnam with marginal improvement in Thailand compared to the PCP
- Vietnam continues to perform to expectation and is expected to grow faster with continued investment
- Revised distribution models for both Thailand and Indonesia will be implemented during 2020 to stimulate market performances.



STRATEGIC PRIORITIES & OUTLOOK

The Board has set a clear strategy which continues to be implemented by management.

Some key initiatives in FY 2020 include:

- Continued expansion of Herbs of Gold across domestic and export markets
- Increased penetration of e-commerce platforms across South East Asia
- Drive new product development and, leverage scale across the supply chain
- Accelerate our training and education programmes for key strategic partners
- Employment of Mr Shaun Rutherford, as the Group's Global Head of Sales

STRATEGIC PRIORITIES & OUTLOOK-CONTINUED

The impact of Covid-19 continues to be an evolving situation, which has the potential to disrupt traditional selling channels. That said, the Group has seen a lift in demand for immunity protection products during this period. This demand has provided a solid platform for our first half FY 2020 performance.

- First half FY 2020 sales of around \$21.5M-\$22.0M, which is higher than PCP. Higher sales contribution from core markets, including export channel underpins this result.
- First half FY 2020 EBIT of around \$3.7M- \$4.1M, which is higher than PCP. Higher sales, combined with lower marketing and operational expenses against PCP underpins this result.

Due to ongoing complexities regarding Covid-19, we are not in a position to provide guidance for the full year.

AGENDA

1. Chairman's Welcome Address
2. Managing Director's Review
3. Ordinary Resolutions
4. Question & Answer

ORDINARY RESOLUTIONS

1. Remuneration Report
2. Re-election of Director - Mr Shane Teoh
3. Re-election of Director-Mr Henry Townsing
4. Share buy back

PROXY

RESOLUTIONS	IN FAVOUR	AGAINST	PROXY'S DISCRETION	ABSTAIN	TOTALS
1) Adoption of the Remuneration Report	18,053,978	100,700	1,050,319	19,097,600	38,302,597
2) Re-election of Director (Mr Shane Teoh)	28,128,713	92,700	1,637,491	8,443,693	38,302,597
3) Re-election of Director (Mr Henry Townsing)	34,455,223	92,700	1,045,819	2,708,855	38,302,597
4) Share buy-back	36,645,063	20,043	1,637,491	0	38,302,597

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THANK YOU

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APPENDIX

APPENDIX 1 – PROFIT & LOSS

Full year ended Dec	2019 \$'m	2018 \$'m
Revenue	42.4	41.1
EBITDA	5.0	4.8
EBIT	4.4	4.4
Profit before tax	4.4	4.3
Profit after tax	3.1	2.4
EPS (Basic – cents/ share)	5.73	4.44
Dividend (cents / share)	3.75	3.75

APPENDIX 2 – BALANCE SHEET

Balance Sheet as at	Dec 2019 \$'m	Dec 2018 \$'m
Current assets	25.8	24.8
Non-current assets	10.7	10.9
Total assets	36.5	35.7
Current liabilities	12.1	11.4
Non-current liabilities	1.9	1.9
Total Liabilities	14.0	13.3
Net Assets	22.5	22.4

APPENDIX 3 – CASH FLOW

Cash Flow for the year ended	2019 \$'m	2018 \$'m
Receipts from customers	45.1	44.6
Payments to suppliers and employees	41.2	38.1
Gross operating cash flow	3.9	6.5
Adjusted EBITDA <i>(ex LTIP exp and gain on disposal investments/ revaluation adjustments in 2018)</i>	4.8	6.6
Gross operating cash flow / EBITDA	81.2%	98.1%
Net interest (paid) / received	0	0
Income tax paid	1.8	2.2
Operating cash flows	2.1	4.3
Cash flows for investing	0.6	0.4
Net movements in equity	2.2	3.1
Cash flows from financing	(0.7)	0.8
Net foreign exchange differences	0.3	0.1
Net increase in cash reserves	(0.4)	0.9
Cash at beginning of period	10.9	10.0
Cash at end of period	10.5	10.9

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