

Financial Results

Year Ended 31 December 2021



VITA LIFE SCIENCES LTD

Vita Life Sciences is an Australian owned healthcare company listed, on the Australian Securities Exchange (ASX:VLS).

Our core business is the development and distribution of over the counter (OTC) medicines, complementary and alternative medicines, dietary supplements and health foods throughout Australia, South East Asia and China.

With approximately 800 registered products, and over 400 employees, our philosophy is “thinking internationally, but acting locally”. Our brands are Herbs of Gold and Vitahealth. We have teams of qualified naturopaths, nutritionists, biotechnologists and pharmacists formulating products that are of the highest standard, effective and functional.



SHARE PRICE (APR 2019- FEB 2022)



SUMMARY (AT 18 FEB 2022)

Share Price	\$1.94
Shares on issue	52.6m
Market Cap (\$)	102.0m
Cash \$ (31 Dec 2021)	15.9m
Debt \$ (31 Dec 2021)	Nil

ASX Code:	VLS
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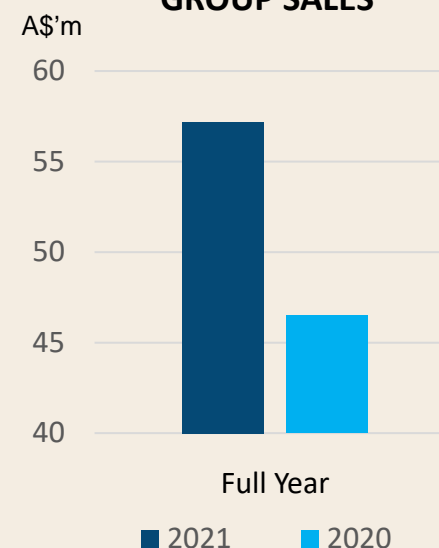
DIRECTORS

Mr Henry Townsing	Chairman
Mr Andrew W O'Keefe	Managing Director
Mr Gregory Ralph	Non Exec. Director
Mr Shane Teoh	Non Exec. Director

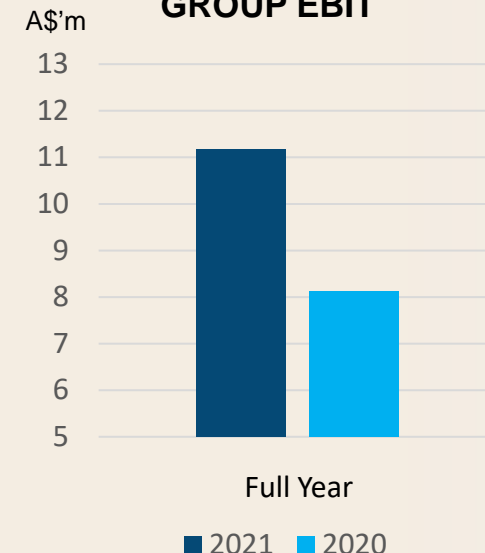
FINANCIAL COMMENTARY

- Record Group sales of \$57.1m, up 23% on previous corresponding period (PCP).
- Record net profit of \$8.2m, up 41%.
- Trading performance reflects ongoing demand for complementary medicine across key markets.
- Supply chain disruption mitigated through the deployment of risk mitigation strategies, including higher inventory holdings.
- Balance sheet remains strong with equity of \$30.4m and a net cash balance of \$15.9m.
- Earnings per share rising to 15.75 cents, up 36% on PCP.
- Final dividend of 3.00 cents per share.
- Full year dividend of 5.75 cents, up 35% on PCP.

GROUP SALES



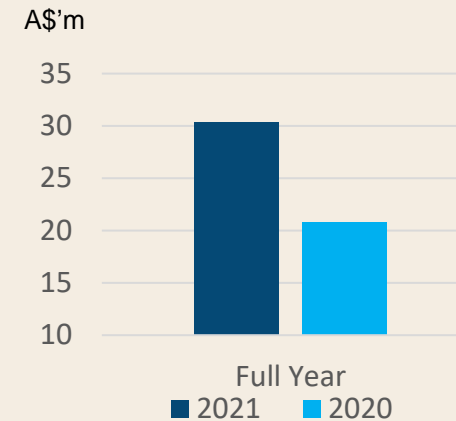
GROUP EBIT



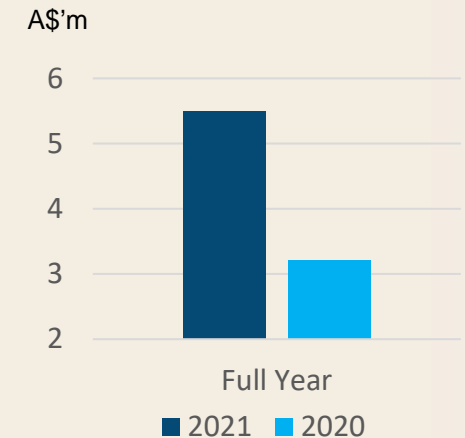
AUSTRALIAN OPERATION

- Record revenue of \$30.3m an increase of 46% on PCP.
- Penetration into the Pharmacy channel combined with strong growth from the Health Food channel drove underlying performance.
- Increased education and training initiatives supported broader brand awareness and stronger retailer engagement.
- Export sales predominantly to mainland China continued to gain traction. Increased exposure through all major e-commerce channels generated higher demand from consumers.
- Higher sales, resulted in increased EBIT of 56%.

Revenue up 46%



EBIT up 56%



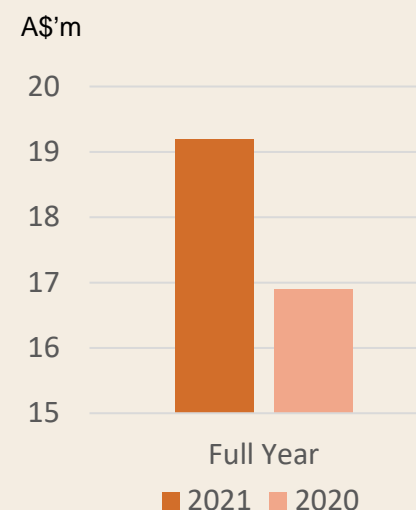
EDUCATION & TRAINING

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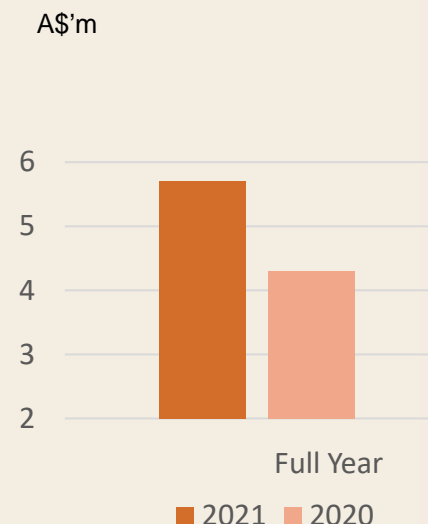
MALAYSIA

- Record revenue of \$19.2m an increase of 14% on PCP.
- Increased consumer demand across the vitamin and supplement category.
- Whilst general trading conditions were challenging, traditional selling channels remained active and open during Covid-19 “lockdowns”.
- The Vitahealth brand was well positioned to meet consumer demand for immunity and general health products.
- The Herbs of Gold brand continues to deliver strong growth.
- Higher sales combined with prudent financial disciplines supported in EBIT increasing by 33% on PCP.

Revenue up 14%



EBIT up 33 %



PRODUCT PORTFOLIO

herbs of gold™



VitaHealth™



Nervous System

Children's Health

Nutritional Oils

Immunity

Hair, Skin & Nails

Liver & Digestion

Nutritionals

Weight Management

Cardiovascular Health

Pain & Inflammation

Pregnancy & Breastfeeding

Men's Health

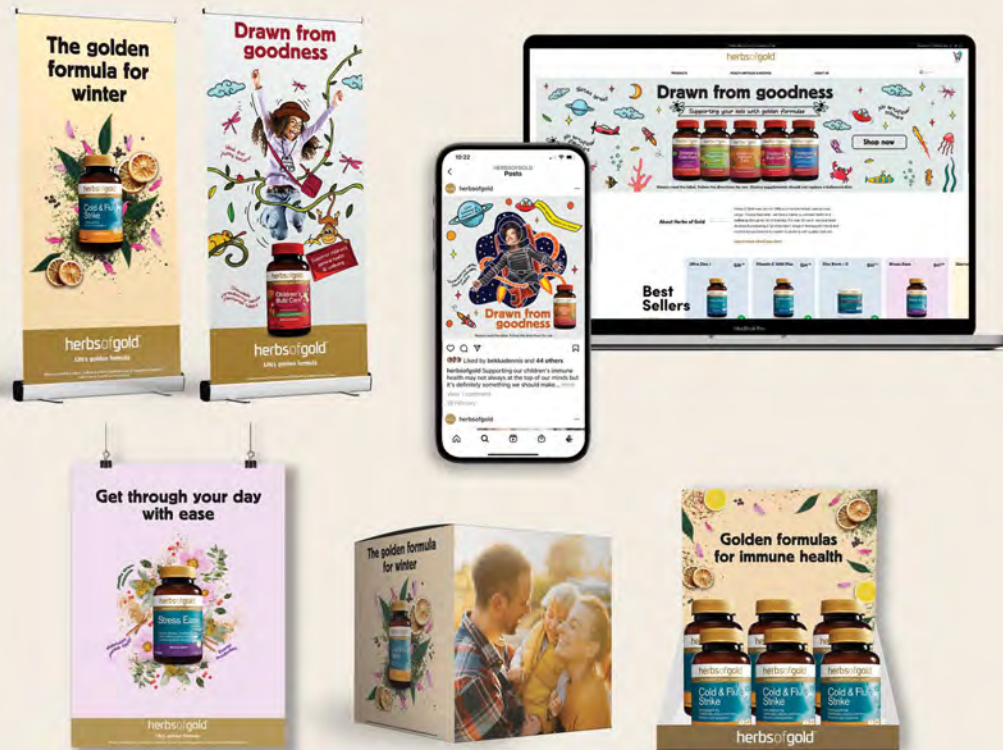
Women's Health

Antioxidants

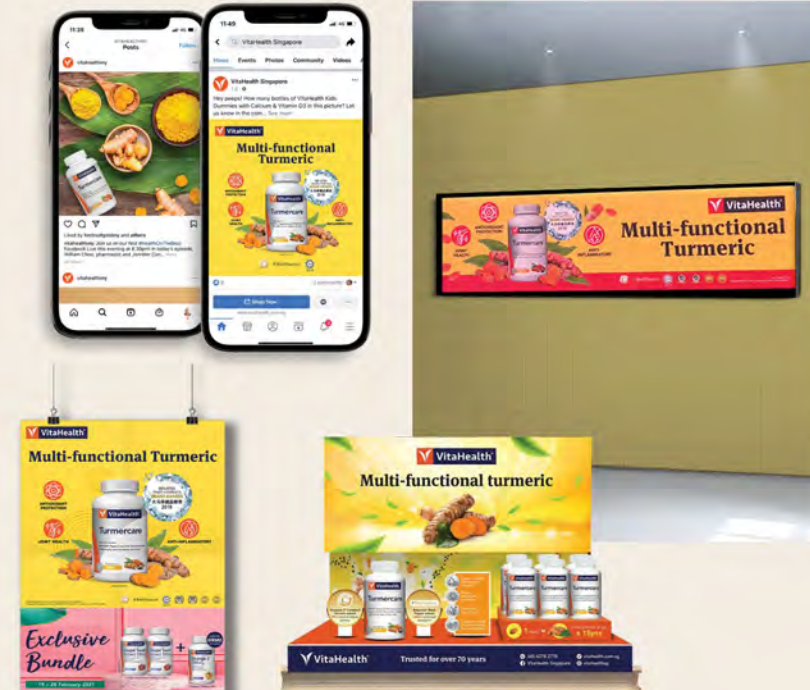
Bones & Joints

BRAND ACTIVITY

herbs of gold™



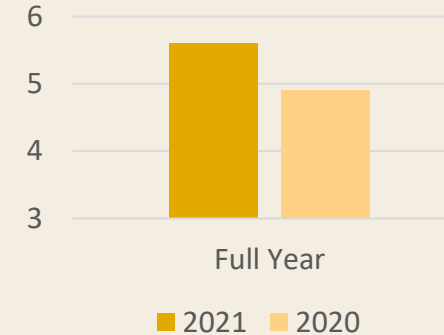
VitaHealth™



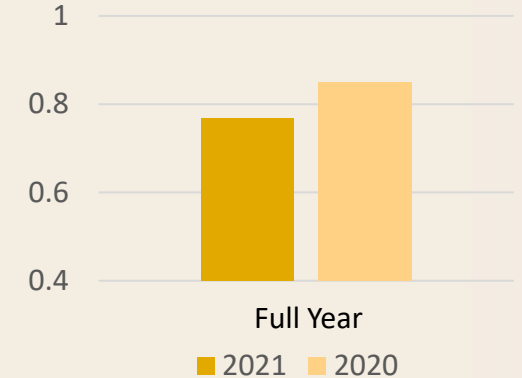
SINGAPORE

- Revenue of \$5.6m, an increase of 14% on PCP.
- Traditional selling channels were significantly disrupted by Covid-19 “lockdowns” and limited tourism trade.
- A shift towards e-commerce platforms offset a reduction in revenue from traditional retail platforms.
- EBIT was down by 10% on PCP.

A\$m **Revenue up 14%**



A\$m **EBIT down 10%**



OTHER ASIA

- Revenue of \$ 2.0m, a reduction of 48% on PCP. Covid-19 related trading conditions across Vietnam and Indonesia influenced the performance.
- Vietnam remains a key strategic market.
- Thailand: A new business model was implemented, including the appointment of an exclusive sales and marketing distributor late 2021.

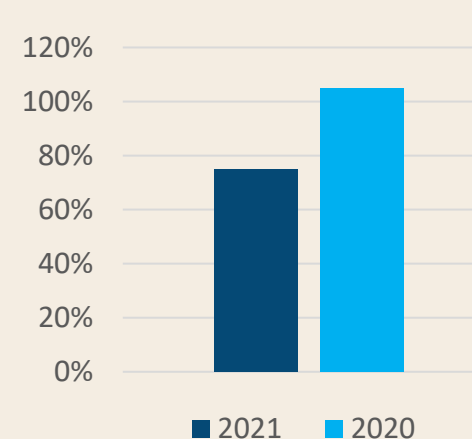
Revenue down 48%



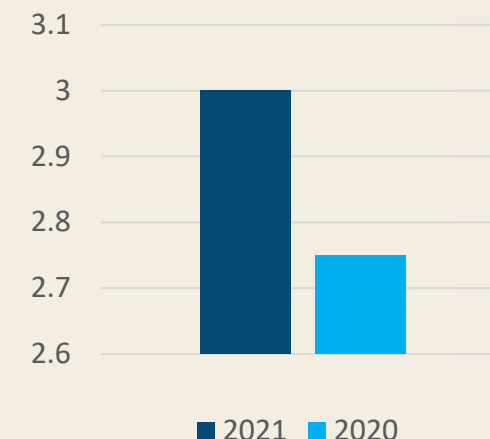
FINAL DIVIDEND & CASHFLOWS

- Gross operating cashflow conversion to EBITDA was 75%. Stock holding levels were increased during the year to mitigate supply chain disruptions due to Covid-19.
- Fully franked final dividend declared of 3.00 cents per share for FY2021 (2.75 cents PCP).
- Full year fully franked dividend of 5.75 cents (4.25 cents PCP) per share for this financial year.

**Gross operating cashflow
to EBITDA**



**Final dividend
per share**



PRIORITIES & OUTLOOK

- 
- The Company is implementing a three year (2021-2023) brand building investment strategy to drive higher consumer and retailer engagement via multiple channels.
 - Continue with an educational and digitally led marketing strategy to support the brands premium product positioning.
 - Stronger consumer offtakes with retail support remains the key driver.
 - Leverage the Groups brand portfolio to drive the higher domestic and export expansion opportunities across Australia, Southeast Asia and China.
 - Market conditions may continue to be disrupted by Covid-19 although it is expected to be at a lesser rate compared to PCP.
 - Directors remain confident to deliver ongoing revenue growth.
 - The Board will provide guidance towards mid 2022.

APPENDIX

FULL YEAR RESULTS

Full year ended Dec	2021 \$'m	2020 \$'m
Revenue	57.1	46.5
EBITDA	11.6	8.7
EBIT	11.2	8.1
Profit before tax	11.2	8.1
Profit after tax	8.2	5.9
EPS (Basic – cents/ share)	15.75	11.58
Dividend (cents / share)	5.75	4.25

BALANCE SHEET

Balance Sheet as at Dec	2021 \$'m	2020 \$'m
Current assets	35.1	29.2
Non-current assets	10.2	9.9
Total assets	45.3	39.1
Current liabilities	14.5	13.0
Non-current liabilities	0.4	1.7
Total Liabilities	14.9	14.7
Net Assets	30.4	24.4

CASH FLOW

Cash Flow for the year ended Dec	2021 \$'m	2020 \$'m
Receipts from customers	60.2	50.2
Payments to suppliers and employees	(51.4)	(41.1)
Gross operating cash flow	8.8	9.1
EBITDA	11.6	8.7
Gross operating cash flow / EBITDA	75.4%	104.6%
Net interest	0	0
Income tax paid	(2.9)	(1.7)
Operating cash flows	5.9	7.4
Cash flows for investing	(0.1)	(0.3)
Net movements in financing	(4.4)	(2.7)
Cash flows from financing	1.4	4.4
Net foreign exchange differences	0.1	(0.4)
Net increase in cash reserves	1.5	4.0
Cash at beginning of period	14.4	10.4
Cash at end of period	15.9	14.4



ANDREW O'KEEFE
MANAGING DIRECTOR



CHIN L KHOO
CHIEF FINANCIAL OFFICER



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