



Vita Life Sciences Limited

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Market Announcements
Australian Securities Exchange Ltd
20 Bridge Street
Sydney, NSW 2000

FY2024 TRADING AND GUIDANCE

Vita Life Sciences (ASX: **VLS**) announces the following guidance for the Full Year ending 31 Dec 2024 (FY2024):

Sales: \$77.5m-\$78.0m (FY2023: \$74.2m)

Pre-tax Profit: \$11.0m-11.5m (FY2023: \$12.5m)

Group sales performance is expected to be strong, driven primarily by contributions from the Australian, Malaysian/ Singaporean markets for which sales are expected to be higher, by a combined 16% approximately, on FY2023. This represents an exceptionally robust revenue performance from our traditional core markets, especially given the challenging global macroeconomic conditions.

Product sales in China is anticipated to fall slightly short of expectations, due to shifts in consumer buying behaviour on traditional e-commerce platforms. However, stronger performance from emerging platforms like TikTok and Little Red Book, along with “daigou” contributions continue to grow.

In response to evolving market dynamics in China, management initiated an independent strategic review of our China business with an external advisory firm. The review assessed the overall market landscape, in-depth platform performance, product and pricing analysis, whilst providing a comprehensive evaluation of consumer and category trends. Separate to the review, an assessment of our current distributor was conducted. During this review, management made an operational decision to reduce stock supply to the current distributor. Consequently, a decision was made, not to extend the agreement with our current distributor partner beyond December 2024.

The Company is pleased to announce that after a comprehensive evaluation process, it has reached a Heads of Agreement with a subsidiary of Ruo Yu Chen (RYC) (www.gzruoyuchen.com). RYC is listed on the main board of the Shenzhen Stock Exchange (Stock code: 003010.SZ), a prominent health and wellness company with a robust distribution network. RYC has become a leading global e-commerce trade partner provider and distributor, working with over 100 brands worldwide.



The Company's new strategic distributor partnership in China represents a significant opportunity to build on our existing brand position in China and capitalise on the vast potential the market offers, positioning VLS for future growth in this region. It is expected that this transition will be completed formally in Quarter 1 of 2025.

Pre-tax profit guidance includes a one-off provision of around \$0.6m to manage the transition between the current China distributor and RYC. Furthermore, increased trading investments in all markets (except China), were directed towards higher costs to serve channels and customers, to drive top-line sales growth.

VLS is well-positioned to execute its strategy for driving sustainable, long-term growth by strengthening its presence in core markets while investing in emerging markets like China, Vietnam and Indonesia.

This announcement has been authorised by the Board of Directors.



Andrew O'Keefe
Managing Director

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