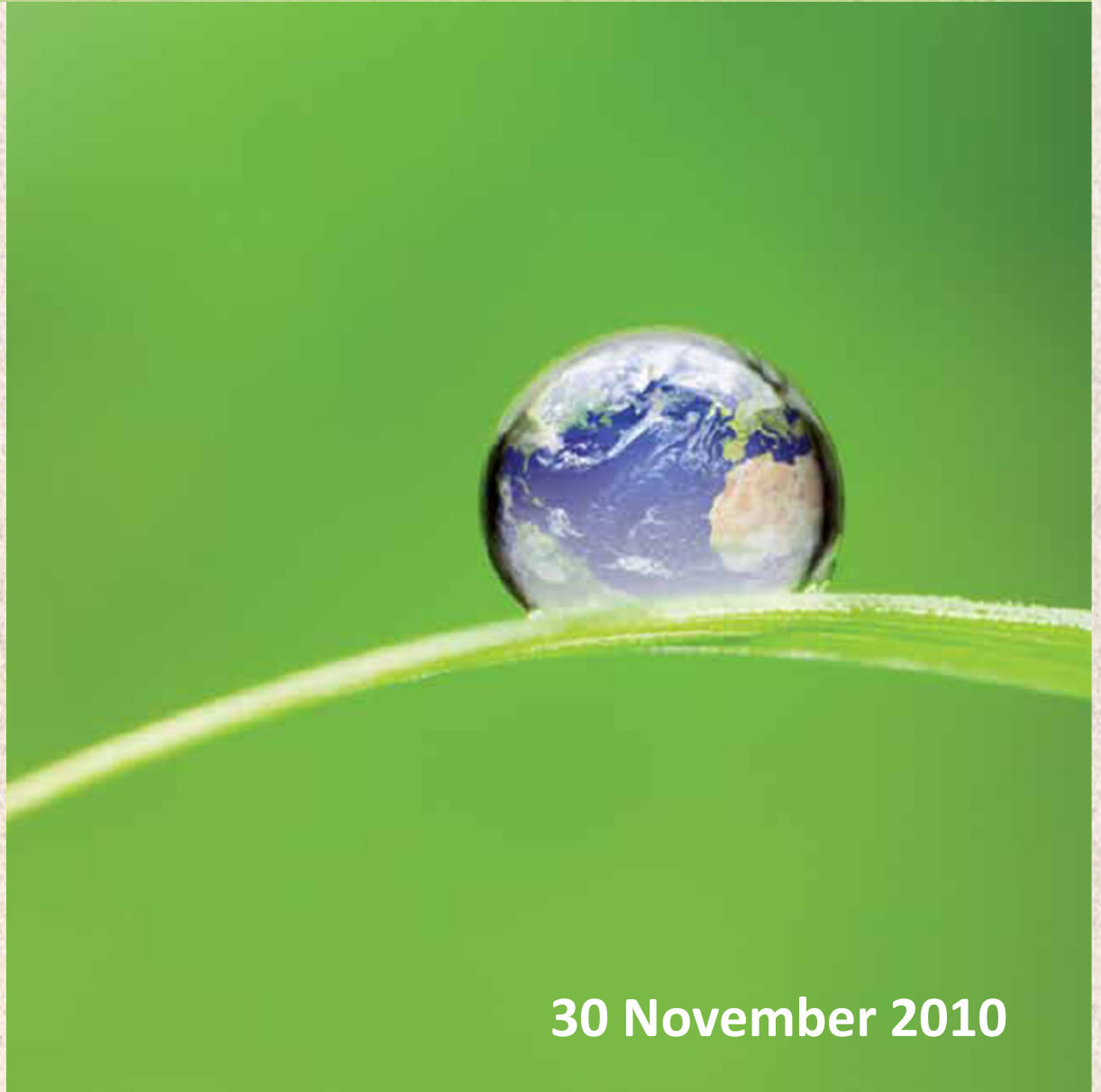


Welcome to the 4th Annual General Meeting of Healthzone Limited



Healthzone Limited has outperformed the sector growth in our core market to deliver our fourth year of record sales and profits.

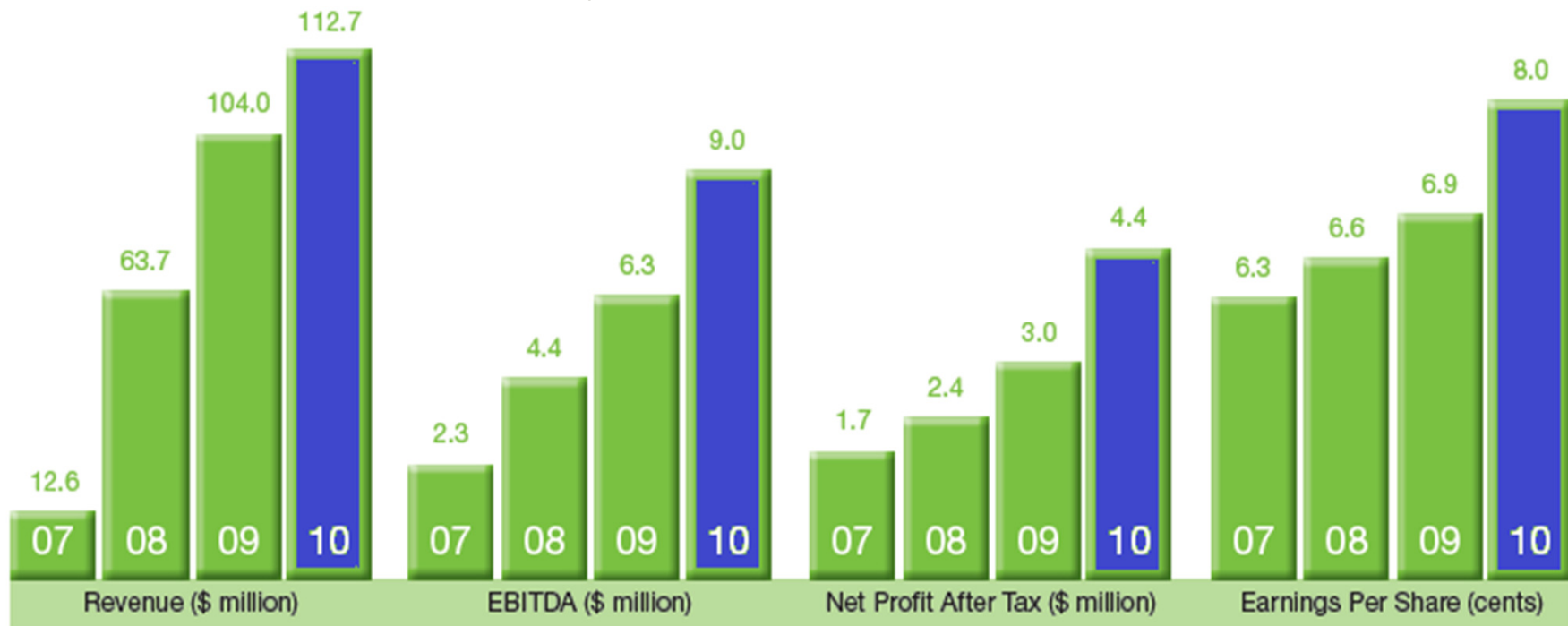


Year in Review

Peter Roach
Executive Chairman
and CEO

Year in Review

- ✓ Record sales revenue up 8.4% to \$112.7m
 - Outperforming industry average growth of 6.5%
- ✓ Record EBITDA up 42.5% to \$9m
 - Growing faster than revenues in a year of substantial investment
- ✓ Record NPAT up 47.1% to \$4.4m
- ✓ Record EPS up 15.9% to 8.0 cents per share
- ✓ Growth in net assets by \$13.14 million – \$2.7mill debt reduction



Significant Highlights

- ✓ HL Vitamin License acquisition Jul 2009
- ✓ Established USA ADR program Dec 2009
- ✓ BOD Ecology Brand launch Mar 2010
- ✓ ADR Listed on USA based OTCQX Apr 2010
- ✓ Open first Healthy Life China store Jun 2010
- ✓ Acquired and integrated 19 retail stores Jun 2010
- ✓ Eu Yan Sang Alliance completion Jul 2010
- ✓ Completed AU\$10mill capital raise Jul 2010
- ✓ World investor relations roadshow resulting
in record share trading volumes Oct 2010
- ✓ New banking relationship with Commonwealth
Bank extending facilities to 2013 Nov 2010

Growth in Global Wellness Markets

Healthzone is clearly focused with established strategies for growth in markets much larger than the Australian market with the China market growing at more than twice the size of the Australian market every year. Healthzone's now largest shareholder Eu Yan Sang will accelerate Healthzone's growth in these rapidly expanding Asian markets.

- ✓ Australia: AU\$2.1bill - annual growth 6.5%
- ✓ China: US\$30bill - annual growth 17.5%
- ✓ USA: US\$108bill - annual growth 8.0%



Healthzone Business Strategy

healthzone

B R A N D S
the natural health experts

Average Margin 55%

healthzone

R E T A I L
the natural health experts

Company Owned Stores 40%



Margin
Expansion

healthzone

S O L U T I O N S
the natural health experts

Average Distribution Margin 15%

New Business Margins 18% to 25%

Vertical
integration of
Healthzone
Business Units
provide
between 55%
and 95% gross
margins

Distribution



Australia's largest natural products distributor supplying over 5,000 SKU's to more than 5,000 wholesale customers annually in Australia and International markets.

Key Objective - Distribution

- ❖ Margin expansion through the replacement of low margin brands with high margin brands distribution through providing value added services, access to Healthzone's retail banners and own brand expansion through brand development and brand acquisition.

Recent Developments

- ❖ Development of eighteen high margin, health food exclusive Manuka Honey products replacing low margin **Comvita NZ** distributed products. Further six products to be launched in January 2011.
- Reduction of low margin distribution services for **Vitaco NZ** brands with a restructuring of distribution arrangements from March 2011 whereby *Vitaco NZ* will supply independent Health Food stores directly. Distribution to Healthzone retail banners remains unchanged. High margin own brand and acquired brands revenues are forecast to effectively substitute any profit impact.



Retail

healthzone
R E T A I L
the natural health experts

- ✓ Australia's leading national health food retail franchise established in 1968
- ✓ More than 120 health food retail stores, including now 27 company owned stores
- ✓ AU\$100+ million annual retail turnover
- ✓ Mix of fixed fee and turnover royalties
- ✓ Integrated electronic POS and EDI
- ✓ Demographic expanding 17% per annum
- ✓ Source of consumer brands intelligence

Key Objectives – Healthy Life

- ❖ Test market for product, retail and marketing development – 4 million transactions per annum
- ❖ Leverage marketing to drive sector sales
- ❖ Increase COGS purchases by franchise stores
 - ❖ Increased from 39.3% in FY09 to 46.5% FY10
- ❖ Develop Club Life database – now 500,000+ members



Retail - Healthy Life China



- ✓ Regional Office and Warehouse – Shanghai
- ✓ Initial Company owned stores then expansion through master franchise arrangements in 2011
- ✓ Predominantly Own Brand and Alliance product
- ✓ Australian and NZ branding emphasis
- ✓ 6 sites committed to date (Sept 2010)

Key Objectives – Healthy Life China

- ❖ Leverage China retail as brand development vehicle
- ❖ Expansion to 100 sites by 2012
- ❖ Develop 15m2 to 60m2 sites
- ❖ Develop and range up to 2500 SKU's
- ❖ Leverage Eu Yang Sang TCM and Aurinda offer
- ❖ Expand loyalty club membership through Healthy Life China marketing and enhanced offers
- ❖ Accelerate China expansion through Eu Yan Sang Alliance strategy

- SUN MOON LIGHT SHOPPING CENTRE Lu Wan District
月光广场，上海卢湾区徐家汇路618号
- GRAND GATEWAY SHOPPING CENTRE Xu Hui District
港汇购物中心，上海虹桥路1号
- SUPER BRAND MALL PuDong New Area
正大广场，中国上海市浦东新区陆家嘴西路168号
- HONGQIAO LOTUS MALL WuZhong Rd, Shanghai
虹桥莲花广场，吴中路1050号
- LONGZHI MENG SHOPPING MALL Min Hang District,
闵行区莘建路2号
- JINMAO TOWER J-LIFE Pudong New Area
浦东新区世纪大道88号金贸大厦



Retail - Wild Food



- ✓ New larger format franchise model - 400m2 to 600m2
- ✓ Average annual revenue \$2.5mill to \$5.0mill
- ✓ Accessing rapidly expanding organic food market
- ✓ Non-compete with Healthy Life – product mix
- ✓ Up to 6,000 SKU's including 500+ own brand SKU's
- ✓ Vehicle for organic own brand products
- ✓ Supports distribution growth into organic food market
- ✓ FY10 organic sector revenues exceeded AU\$1 billion

Key Objectives – Wild Food

- ❖ Launch new Wild Food franchise in Australia
- ❖ Develop higher GP and royalty retail model
- ❖ Dominant alternative therapies offer with TCM focus
- ❖ Develop organic wholefood own brand for health food channel and Asian & China market
- ❖ Develop Wild Life Loyalty Club marketing strategy



Healthzone Brands

healthzone
BRANDS
the natural health experts

 **healthylife.**

natural
alternative 

HL
For a Healthy Lifestyle

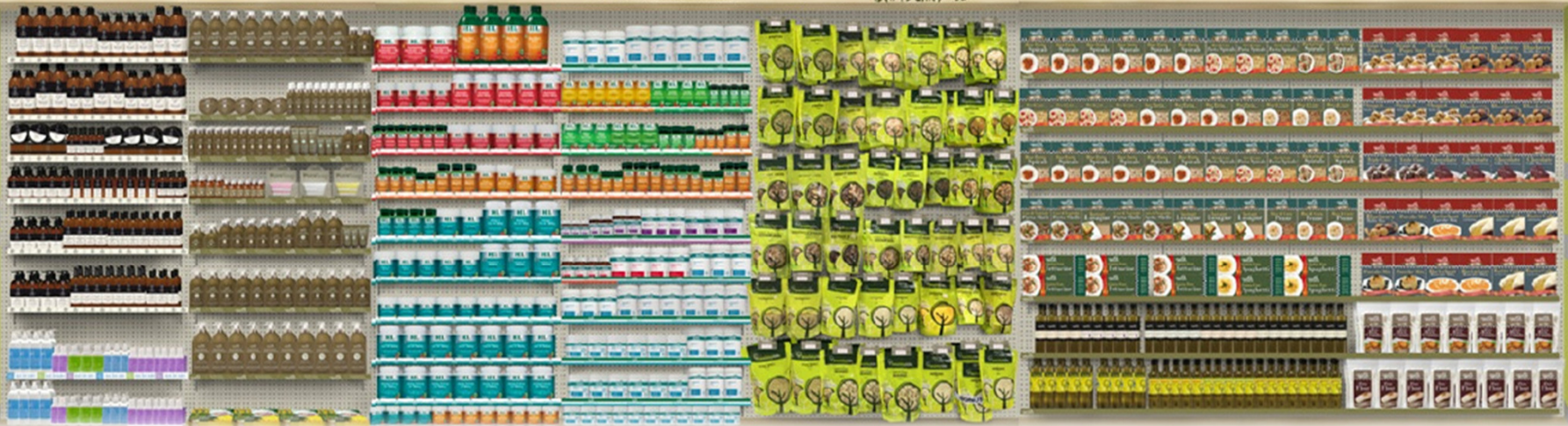

Aurinda

bōd[®]

WILD FOOD

 **healthylife.**
Australian natural products

 **健康生活**
澳洲天然产品



healthzone
LIMITED

Healthzone Brands

healthzone
BRANDS
the natural health experts

- ✓ **Healthy Life** range of 300 health food products
- ✓ Exclusive to Healthy Life franchise

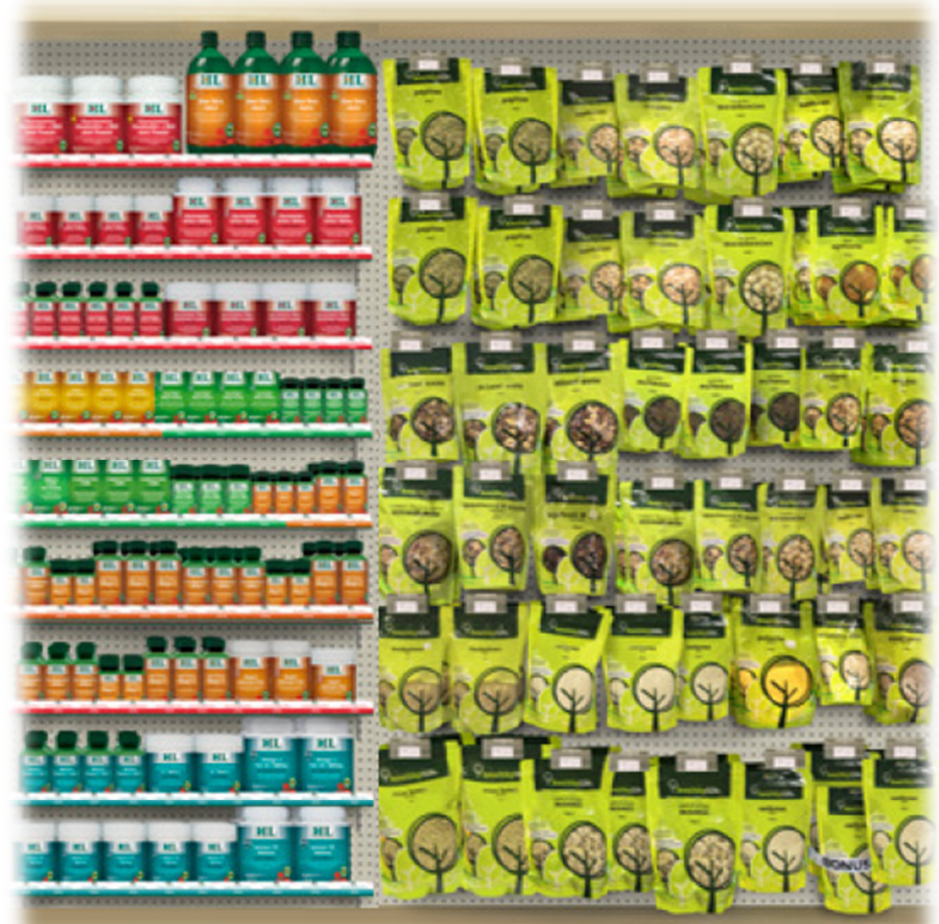


- ✓ **HL Vitamins** brand - 65+ supplements
- ✓ Brand acquired July 2009
- ✓ Contract manufactured for distribution exclusively through Healthy Life stores

HL
For a Healthy Lifestyle



 **healthy.**life.



healthzone
LIMITED

Healthzone Brands

healthzone
BRANDS
the natural health experts

- ✓ **Natural Alternative** range of sector leading SKU's
- ✓ Exclusive to the Health Food Channel
- ✓ New range of eighteen Manuka Honey products for local and export markets.
- ✓ Supported by health food channel and national franchise network due to channel exclusivity
- ✓ Developed from distribution & retail research data of national store network and 500,000 club members and 9 million transactions pa
- ✓ Low cost launch, produce-to-demand contract manufacture
- ✓ Converting low GP distribution product to high GP branded product
- ✓ Margin expansion through scalability and focus on higher margin product categories

natural
alternative



healthzone
LIMITED

Healthzone Brands

healthzone
BRANDS
the natural health experts

bōd[®]



bod for bubs[®]



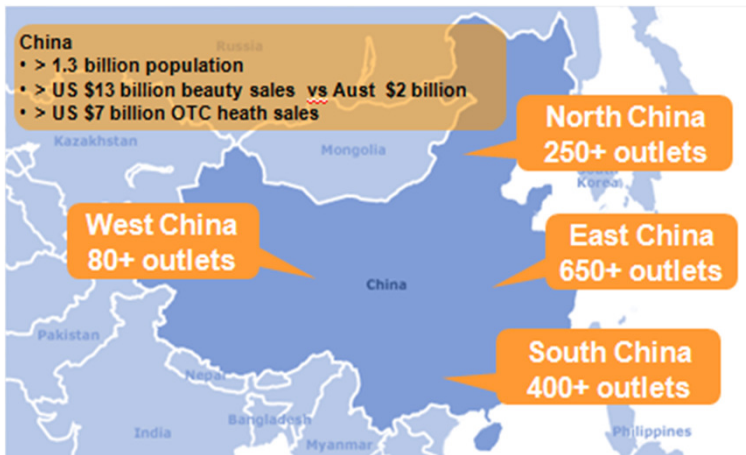
- ✓ **Bod** range of premium skincare and beauty products
- ✓ Produced in Australia for sale in Australia, Japan, Hong Kong, Korea, Canada, Europe, Singapore, China and New Zealand
- ✓ 45+ skincare and beauty products
- ✓ Includes targeted **Bod for Bubs** range
- ✓ Bod Hair Care range launched
- ✓ New **Bod Ecology** range of 17 SKU's including cosmaceutical supplements launched
- ✓ Online **Bod** store established and trading

Healthzone Brands

healthzone
BRANDS
the natural health experts



Aurinda Health Products



- ✓ Established brand since 1996
- ✓ Range of 45+ OTC natural supplements and vitamins
- ✓ Launch of 15 new products for expanding Australian travel market.
- ✓ Produced in Australia using contract manufacturers
- ✓ Sold through 1600+ company owned kiosks in China
- ✓ Premium priced high GP margins
- ✓ Brand expansion through Healthy Life China
- ✓ New Manuka Honey range of 18 SKU's for pharmacy, travel retail and export.



Outlook 2011

- ✓ Accelerated Healthy Life China growth
- ✓ Eu Yan Sang Alliance development
 - ✓ New HZL Board Member appointment
 - ✓ Alliance Regional Management
 - ✓ HZL brand expansion Asian region
 - ✓ EYS brand expansion China & Australia
- ✓ Organic & acquisition expansion
- ✓ Develop higher margin brands business
- ✓ Leverage sustainable competitive vertically integrated advantages
- ✓ Immediate opportunities for growth - cash generating business
- ✓ Experienced management team adding value to each business unit
- ✓ Leverage established platform for long term growth into 2011 and beyond
- ✓ Share Price & PE growth through continued intensive investor relations program;



grayling



HUDSON
SECURITIES



Rodman
& Renshaw

STANDARD
& POOR'S

otcQX

healthzone
LIMITED

Formal Business

Financial Report

Resolutions

To consider and, if thought fit, pass the following ordinary resolutions:

- | | |
|---------------------|--|
| Resolution 1 | Re-election of Mr Guy Robertson |
| Resolution 2 | Re-election of Mr Michael Wu |
| Resolution 3 | Election of Mr Ian Spence |
| Resolution 4 | Ratification of Share and Warrant Issue |
| Resolution 5 | Issue of Options – Peter Roach |
| Resolution 6 | Advisory Resolution |

General Business

Thank you to our shareholders, franchisees, customers, suppliers,
bankers and dedicated management, staff and Board for your
support and commitment to Healthzone Limited

