

Welcome to Vita Life Sciences Limited 2011 Annual General Meeting



19 May 2011

ASX Code: VSC

Chairman's Welcome Address



INTELLIGENT PEOPLE
ARE ALWAYS OPEN TO
new ideas
LOOK FOR THEM
LOOK FOR THEM
LOOK FOR THEM

PROVERBS 18:15

Agenda

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



2010 Financial Highlights

Year ended 31 December	2008 A\$'million	2009 A\$'million	2010 A\$'million
Revenue	14.36	17.02	20.19
Earnings Before Interest Expense and Tax	0.49 ¹	(0.09) ²	4.92 ³
Net profit / (loss) after tax	0.35 ¹	(0.33) ²	4.46 ³
Shareholders' Funds	3.85	3.90	8.13
Borrowings	(1.29)	(1.33)	(1.81)

1. Including Pan Liquidator dividend of \$1.04 million and loss incurred by New Business units of \$0.60 million

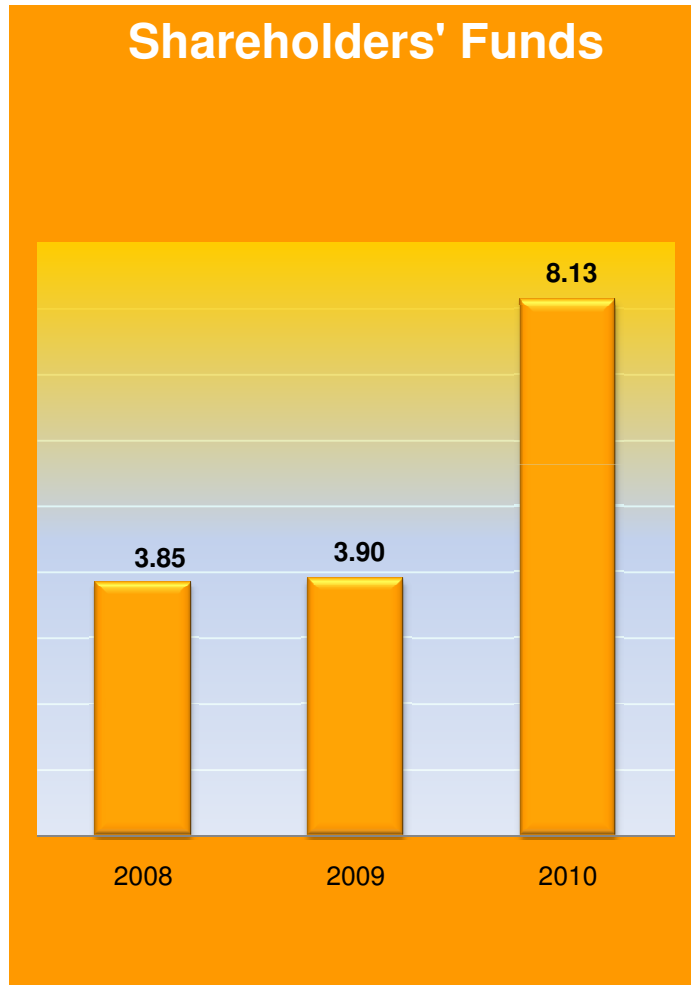
2. Including Pan TGA Claim costs of \$0.63 million and loss incurred by New Business units of \$0.71 million

3. Including Pan Case income of \$4.10 million (net of cost) and loss incurred by New Business units of \$0.50 million

- Sales up \$3.2m or 18.7% (+18.5% in 2008)
- EBIT \$4.9m including \$3.9m net proceeds from PAN
- Borrowings \$1.8m fully repaid in January 2011. Effectively we have no borrowings
- All new businesses are funded internally



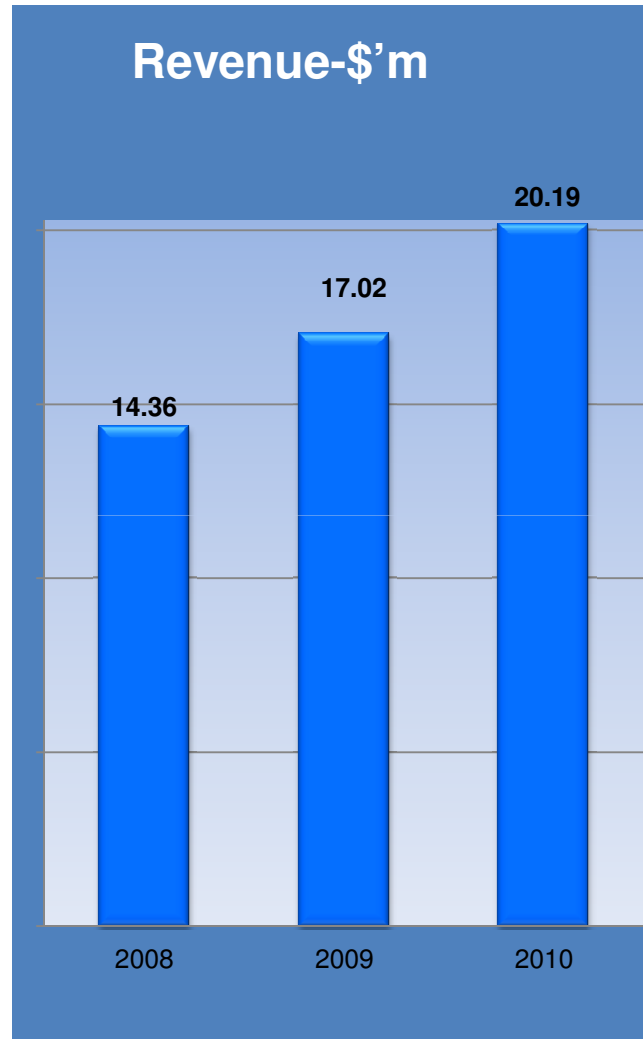
Shareholders' Funds



- Highest Shareholders' funds reached of \$8.1m since 2007
- Dividend paid in April 2011, represented 27% of EBIT. Last dividend paid 10 years ago

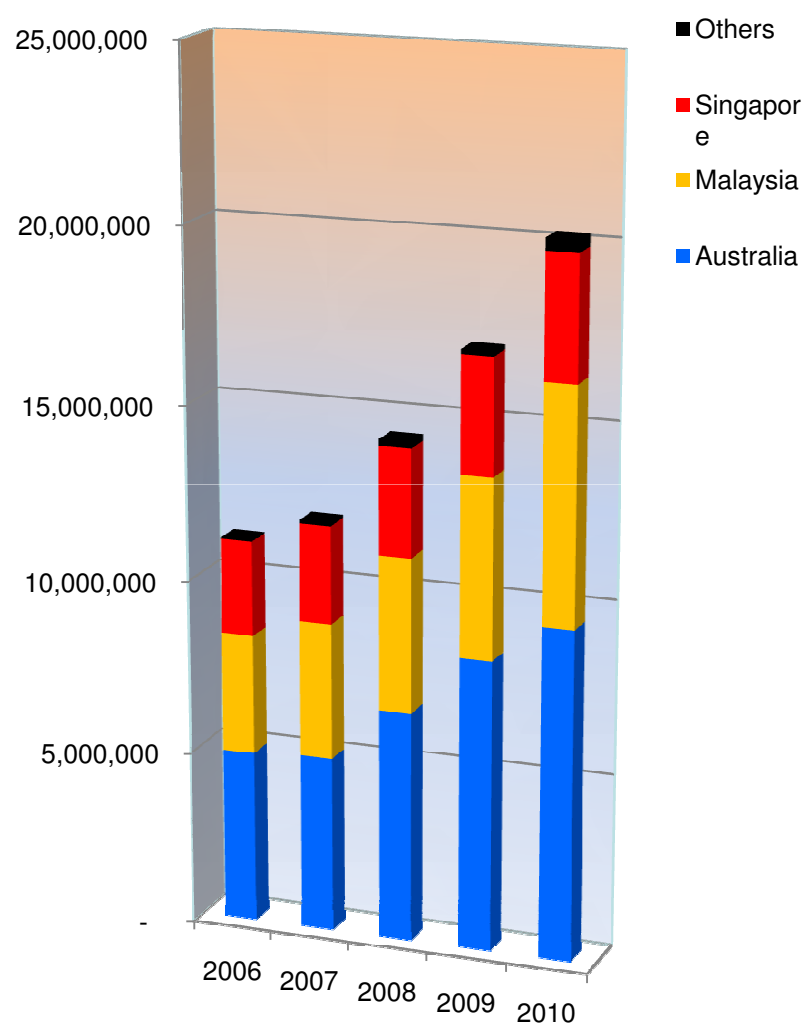


Sales Revenue



- Sales up 18.7% to \$20.2m , a record since the 2003 PAN recall, despite an offset of around 4% due to the stronger A\$
- Sales (in local currency) growth y-o-y for established businesses in Australia, Malaysia and Singapore were 13.4%, 20.2% and 15.7% respectively
- 2 largest pharmacy & personal stores chains totaling some 600 stores in Malaysia account for less than 13% of our sales.
- MLM in Malaysia achieved a three-fold sales growth and now contributes 6.7% to the total revenue compared to 1.7% in 2009
- Other markets (Thailand, China, Indonesia) grew steadily as explained in next slide

Sales Revenue-Segment



- Australia is still the largest contributor at 47% but declined compared to 49% last year
- Malaysia share is growing, from 30% in 2009 to 34% with the established and new business-MLM propelling the growth
- New markets China, Thailand, Vietnam are small but growing steadily in line with our prudent A&P spent, new product launches but most of all, careful selection of distributors and commitment to trade terms., balancing between quick sales growth with commercial and financial risks.

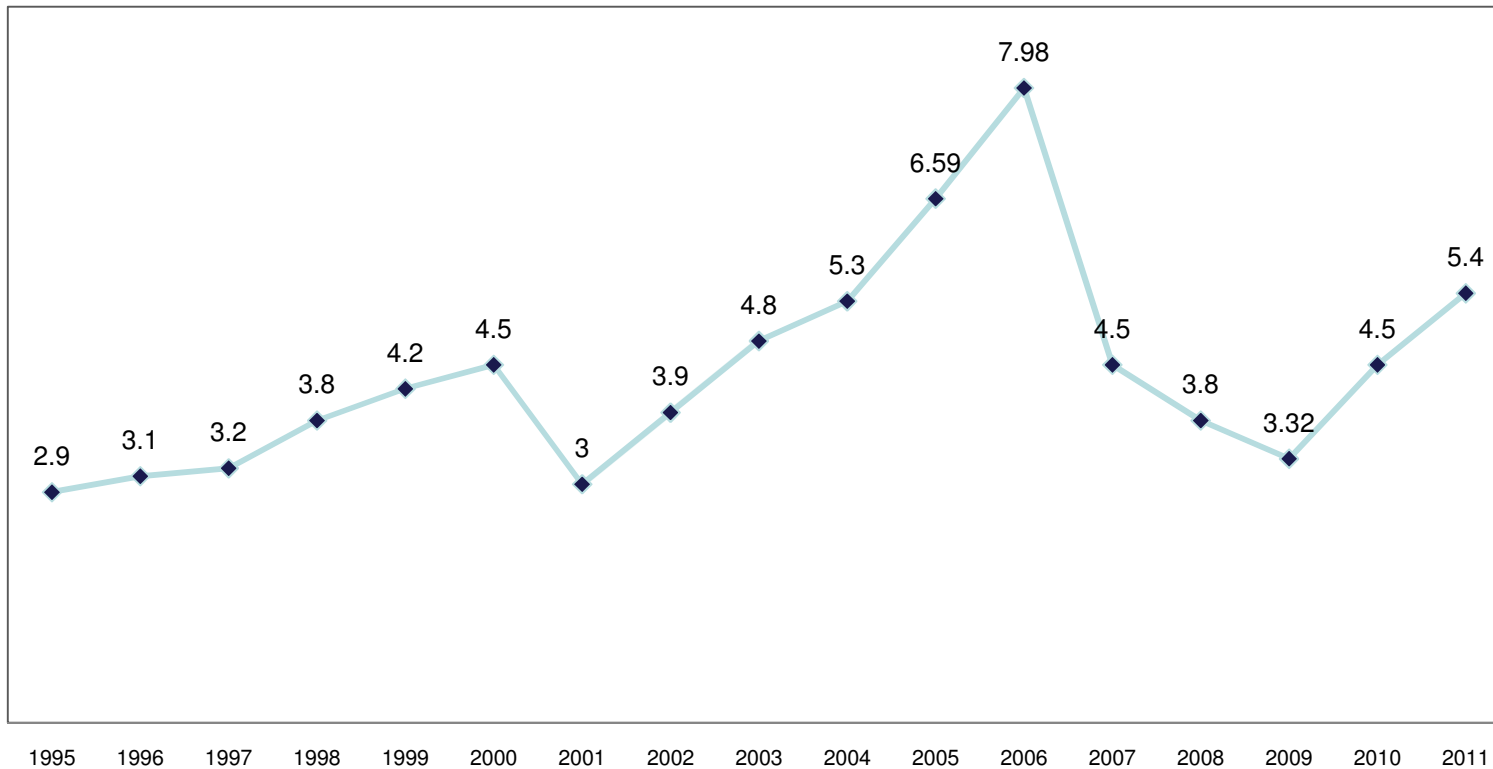
Gaining Momentum



- **Group:** Sales grew 70% over the last 3 years to 2010
- **Thailand:** Sales grew 85% in 2010 after 184% growth in 2009.
- **Malaysia:** MLM business grew 397% in 2010 and contributed 6.7% to total Group revenue compared to 1.7% in 2009
- **Indonesia:** Sales grew 169% in 2010 from 2009
- **China:** Sales grew 282% in 2010 from 2009.
- **Australia:** Pharmacy channel sales grew 52% in 2010 (grew 165% in Jan-Apr 2011)
- **Vietnam:** Approval obtained to commence OTC sales end 2010 and WOFE approved in 2011
- **Others:** HOG brand launching in China & HK, VH brand in Australia

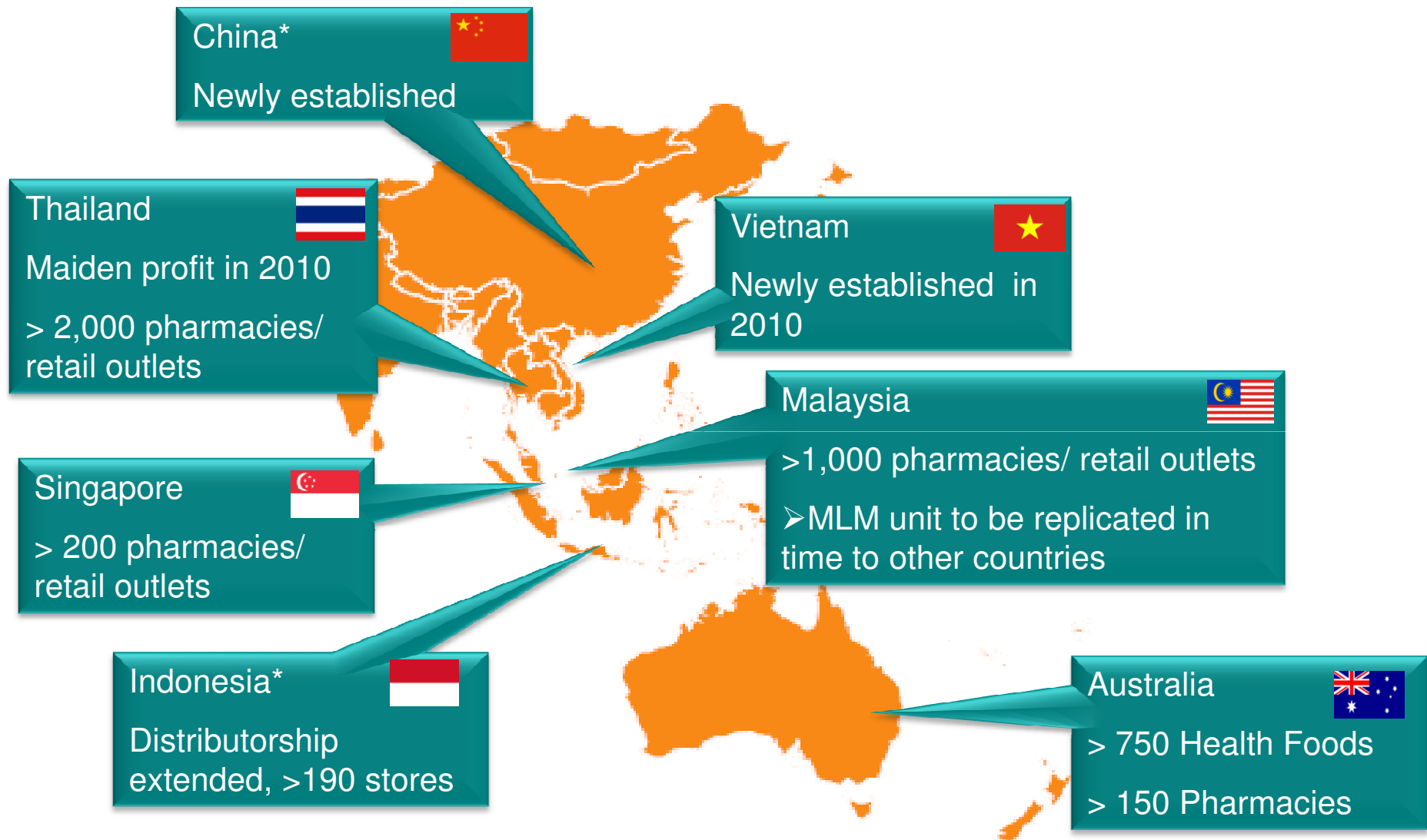
Malaysia Direct Selling Industry Yearly Sales Growth

Direct Selling Industry Sales RM (in billion)



2010 and 2011 are predicted sales figure reported in the Star dated 12.08.10

East Asia Pacific Reach



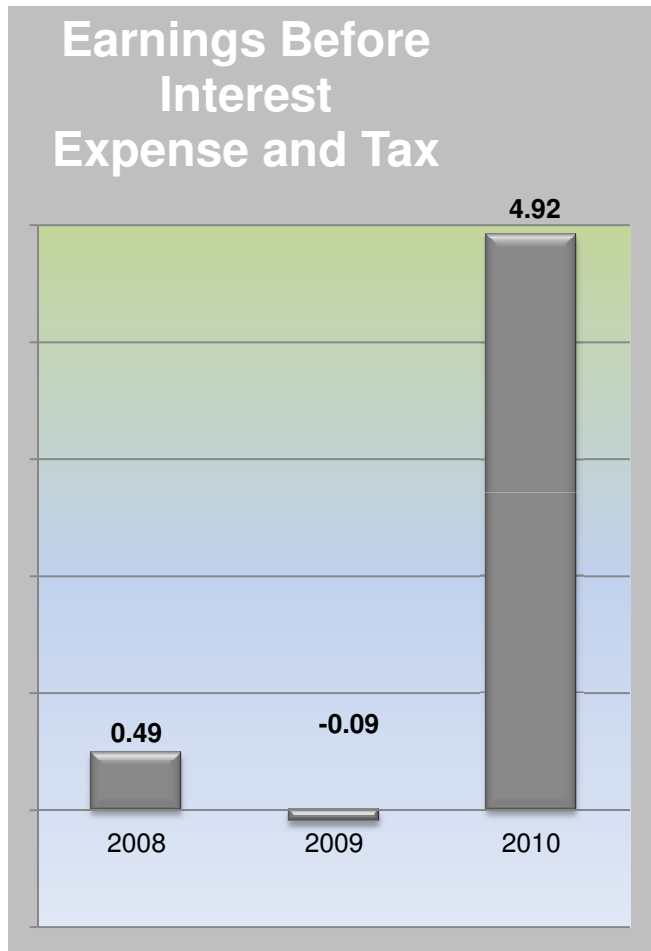
**Around 100 retail outlets in total in the these countries so far*

HOGC now has 34 Distributors* across 19 Cities in China



*Only 4 at the end of April 2011

EBIT



- Significant increase to \$4.9m including net proceeds of \$3.9m from PAN settlement
- Established businesses normalized EBIT improved from \$1.3m in 2009 to \$1.5m in 2010
- Costs continue to be closely monitored and controlled, a balancing between short-term profit vs longer term growth
- Balance between profits and market share
- New business investments/ ventures continue to record loss, \$0.5m in 2010 compared to \$0.7m in 2009; a required investment for the future

Normalised EBIT

Income Statement (\$ m)	2010	2009	% Change
Earnings bef interest & tax (EBIT)	4.9	(0.1)	>100%
(Less)/Add:			
Net External PAN (income)/costs	(4.1)	0.6	
Internal PAN management costs	0.2	0.1	
Normalised EBIT	1.0	0.6	66%
Add back: New Business Losses	0.5	0.7	30%
Adjusted Results ex-new business	1.5	1.3	15%
Interest expense	(0.3)	(0.2)	20%
Normalised net profit before tax	1.2	1.1	10%

Financial Summary- Balance Sheet

At 31 December (\$ m)	2010	2009
Current assets	12.2	6.6
Non-current assets	2.3	2.2
Total assets	14.5	8.8
Current liabilities	(6.4)	(4.9)
Non-current liabilities	(0.0)	(0.0)
Total liabilities	(6.4)	(4.9)
Net assets	8.1	3.9

- Net assets doubled to \$8.1m from \$3.9m
- Net tangible assets \$0.15 per share
- Negligible intangible assets
- Group debts fully paid in January 2011
- Strong cash position after PAN proceeds
- Group inventory mostly funded by trade creditors
- All legal cases completed; no contingent liabilities

Investment Division

- Group has an equity interest of 6.3% (20.1% profit share) i.e. \$1m, in a property project in Malaysia
- 30%-35% of total development sold by end 2011
- Investment is positive cash flow and self-funded
- Project to report PBT this year.



Health Division Outlook-2011

- Sales uptrend expected to continue
- Continue to reinvest 30% of operating profits from established businesses into new ventures
- Focus on profitability and cash flow after initial investments in new businesses for long term growth
- Barring any unforeseen circumstances, both sales and normalised EBIT will be higher than last year.



Multi Pronged Business Growth Road-Map



Agenda

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



Ordinary & Special Resolutions

- 1. Remuneration Report**
- 2. Election of Director**
- 3. Share buy-back**
- 4. Amendments to Constitution: Payment of Dividends**

Proxy Summary

Resolutions	In Favour	Against	Abstain	Proxy appointed	Totals
1 Adoption of the Remuneration Report	27,944,195	29,634	110,092		28,083,921
2 Election of Director (Mr V Gould)	26,740,859	8,439	1,334,623		28,083,921
3 Share Buy-Back	28,070,248	13,673	-		28,083,921
4 Amendments to Constitution: Payments of Dividends	28,080,748	3,173	-		28,083,921

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Closing

Thank You

19 May 2011

