



VLS

Vita Life Sciences Ltd
Australia

**Annual General Meeting
20 May 2010**

ASX Code: VSC

VLS

Chairman's Welcome Address



Agenda

1. **Chairman's Address**
2. **Managing Directors' Review**
3. **Ordinary and Special Business:**
Resolutions 1 - 6
4. **Question Time**
5. **Close**

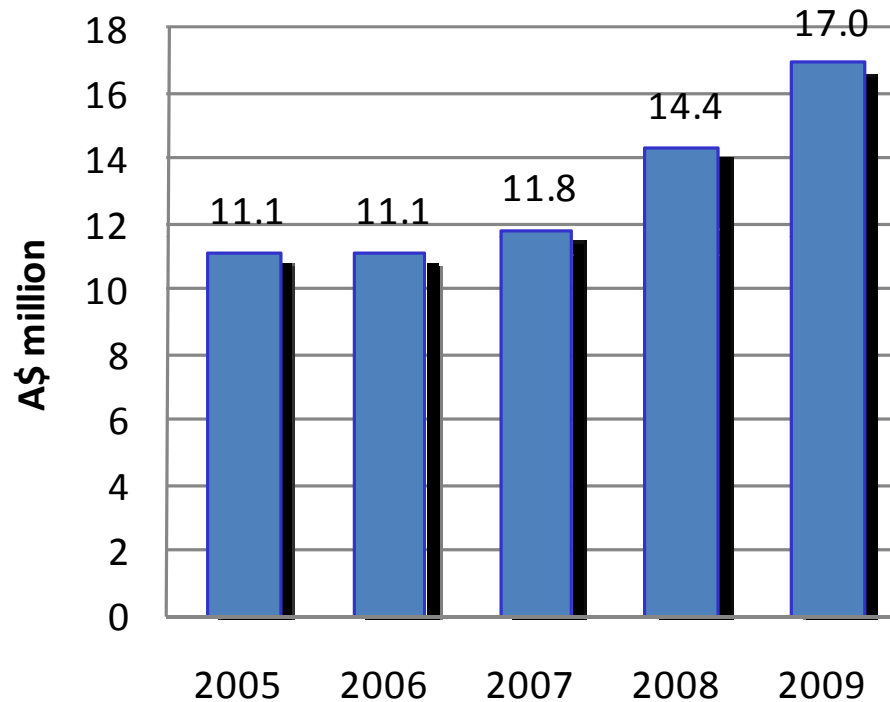


2009 Key Highlights

- **Sales Revenue:** Higher sales \$17.02 million or 18.5% higher than 2008
- **Segment Sales Revenue:** Double digit growth in Australia and Malaysia
- **Profitability:** Group's loss of \$0.33 million includes \$0.63 million of Pan TGA Claim costs
- **Segment Profitability:** Improvement in Health division's normalised results to \$0.78 million
- **New business units:** Foundations to future growth opportunities



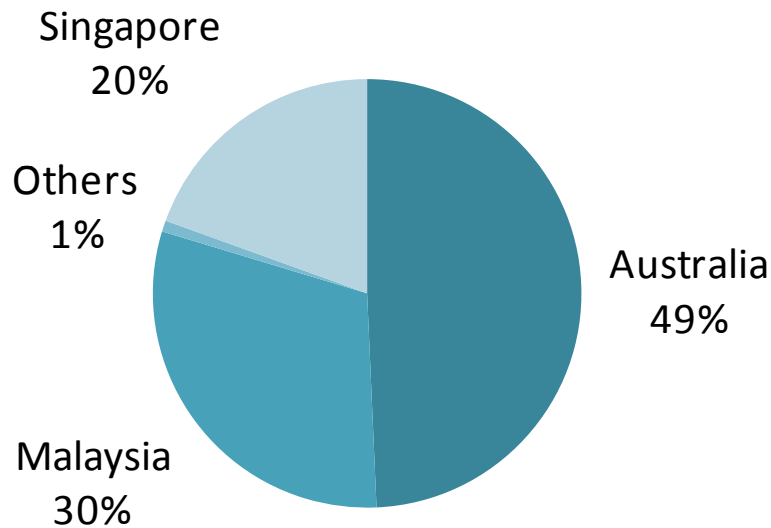
Sales Revenue



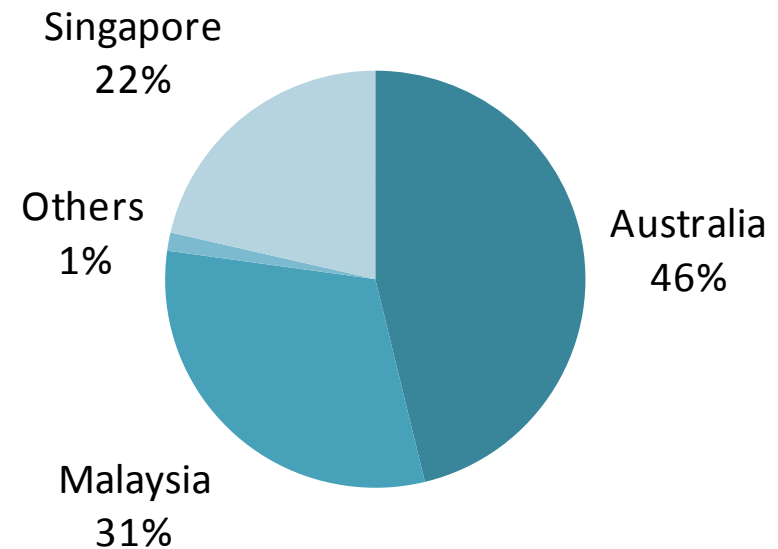
- Sales grew by 18.5% in 2009 (2008: 21.3%)
- Established business grew by 17.3% (2008: 20.6%)

Sales Revenue - Segment

2009



2008

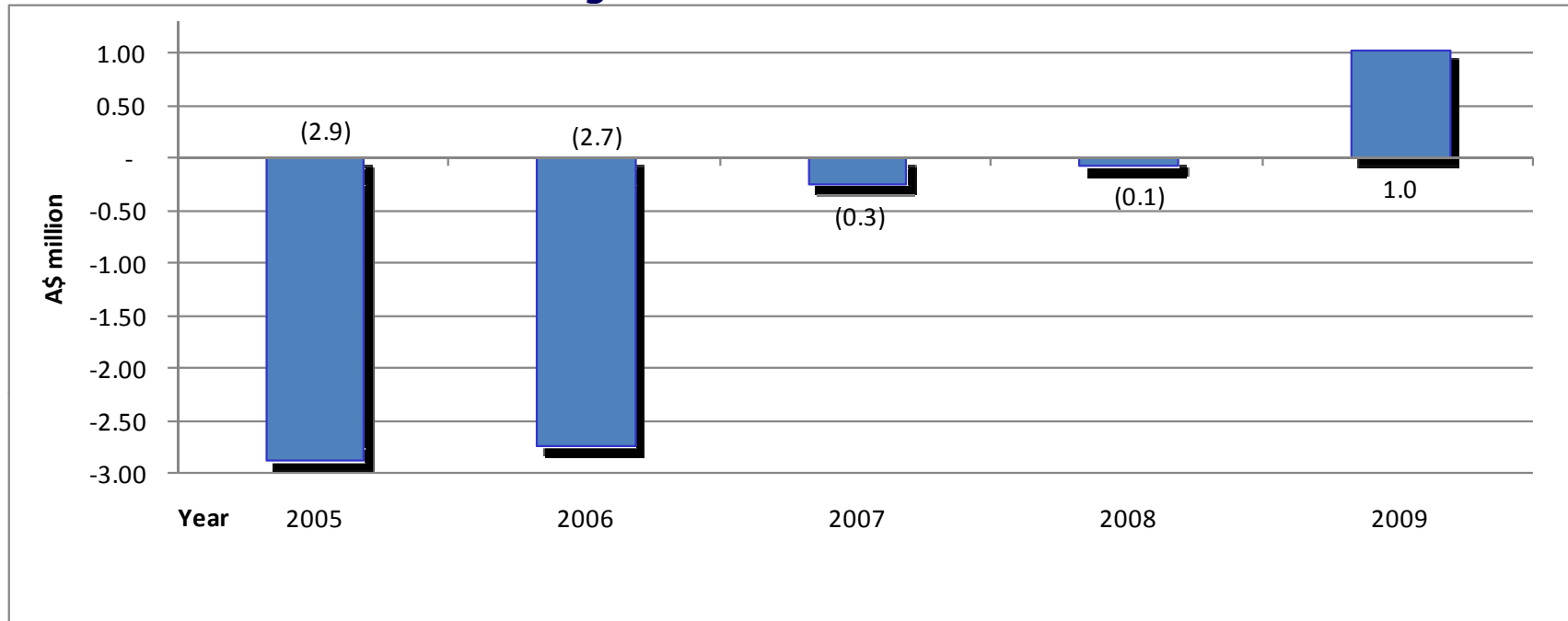


- Sales growth y-o-y for Australia, Malaysia and Singapore were 26.5%, 16.1% and 7.8% respectively

Normalised and Adjusted Net Profit / (Loss)

Income Statement (\$ m)	2009	2008	% Change
Sales	17.0	14.4	19%
Net (loss) / profit for the year	(0.3)	0.4	>-100%
Add / (less):			
Pan TGA Claim (costs) / receipts	0.6	(1.0)	100%
Normalised net profit / (loss) for the year	0.3	(0.7)	>100%
Loss of New business units	0.7	0.6	19%
Adjusted Results	1.0	(0.1)	>100%

Adjusted Results



1. *Excluding profit on disposal of subsidiaries of \$1.84 million and \$11.79 million in 2005 and 2006 respectively*
2. *Excluding proceeds from Pan Liquidator of \$0.22 million, \$0.70 million and \$1.04 million in 2005, 2007 and 2008 respectively*
3. *Excluding Pan TGA Claim costs of \$0.63 million in 2009*
4. *Excluding income from settlement of legal case of \$0.36 million and \$0.28 million in 2005 and 2007 respectively*
5. *Excluding loss on New business units of \$0.08 million, \$0.30 million, \$0.60 million and \$0.71 million in 2006, 2007, 2008 and 2009 respectively.*

New Business Units: Foundations to Future Growth Opportunities

- **Sales Revenue:** Sales doubled from 2008 in Malaysia, Thailand and China
- **Multi-Level Marketing (“MLM”):**
 - Put in place an experienced management team.
- **Expansion opportunities:**
 - Increased product approvals in China and Thailand.



Financial Summary – Balance Sheet

At 31 December (\$ m)	2009	2008
Current assets	6.6	6.2
Non-current assets	2.2	2.4
Total assets	8.8	8.6
Current liabilities	(4.9)	(4.8)
Non-current liabilities	(0.0)	(0.0)
Total liabilities	(4.9)	(4.8)
Net assets	3.9	3.8

- Positive balance sheet with further improvement opportunities

Outlook for 2010

1 HY 2010:

- Sales: Positive growth over 2009
 - Established Business: 15% - 25% positive growth over 2009 (measured in local currency)
 - New Business: Now 5% of Group's sales (2009: 1.3% Group's sales).
 - New Business in Malaysia presently contributes approximately 15% of sales in Malaysia



Outlook for 2010 (Continued)

1 HY 2010:

- Profitability: Expects EBIT to be offset by Pan TGA Claim costs
- New Business Losses moderating
- Continue to invest 30% – 40% of operating profits in new businesses

Pan TGA Legal Update

- Legal and professional costs were \$0.63 million in 2009
- Currently in “Discovery” stage
- Mediation in November / December 2010
- Trial March 2011 for 3 months – all 4 cases heard concurrently



Summary

- Continue building Health division's Established Businesses
- On-going New business initiatives will lead to longer term growth and shareholders' value creation:

Brands

				
Australia	Y	Y		
Malaysia			Y	Y
Singapore			Y	
Thailand			Y	Y
China	Y		Y	
Indonesia			Y	
Vietnam			Y	

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Proxy Summary

Resolution	Business	In Favour *	Against	Abstain	Proxy's discretion
1	Adoption of Remuneration Report	33,227,033	35,466	10,500	-
2	Election of Director	33,188,249	-	84,750	-
3	Amendments to Long Term Incentive Plan	27,685,592	40,652	5,546,755	-
4	Share Buy-Back	33,252,094	20,905	-	-
5	LTIP: Grant of a limited recourse loan to Managing Director to purchase ordinary shares	27,663,535	62,959	5,546,505	-
6	LTIP: Grant of a limited recourse loan to Director of a Subsidiary to purchase ordinary shares	27,218,138	62,959	5,991,902	-



Thank You

