



Vita Life Sciences Limited
Appendix 4D
For the half year ended 30 June 2015

To : Company Announcements

Company: Australian Securities Exchange Fax No.:

Date: 20 August 2015 No. of pages 30 incl. cover

From: Matthew Beckett Fax No.:

Subject : **Appendix 4D**

Please see attached 30 June 2015 Half Yearly Report for Vita Life Sciences Limited (ASX - VSC).

This announcement is made pursuant to Listing rule 4.2A.3. For all enquiries please contact

Mr Matthew Beckett
Company Secretary
Vita Life Sciences Limited

Telephone 03 9828 0500

Fax 03 9820 5957



1. Company details

Name of entity

VITA LIFE SCIENCES LIMITED

ABN or equivalent company reference	Half year ended ('current period')	Half year ended (‘previous period’)
35 003 190 421	30 June 2015	30 June 2014

The information contained in this report is to be read in conjunction with Vita Life Sciences Limited’s 2014 Annual Report and any announcements to the market by Vita Life Sciences Limited during the half year ended 30 June 2015.

2. Results for announcement to the market

		Percentage Change %	2015 A\$'000
2.1	Revenue	up 2.6	18,204
	Profit before income tax	down (30.4)	2,321
2.2	Net profit after tax	down (66.6)	1,557
2.3	Net profit attributable to members	down (66.0)	1,584

2.4	Dividends (distributions)		Amount per security	Franked amount per security
2.5	Interim 2015 dividend	Ex-Dividend Record Date To Be Paid	1.5 cents	0.0 cents
		15 September 2015 17 September 2015 24 September 2015		
	Final 2014 dividend	Record Date Paid	2.0 cents	0.0 cents
		19 March 2015 26 March 2015		

2.6 Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable the figures to be understood.

For the reporting period the Group recorded a consolidated profit after tax attributable to members of \$1,584,000, a decrease of 37.8% from the normalised prior corresponding period (PCP) figure of \$2,549,000.

The net profit after tax attributable to members of \$4,661,000 as reported for June 2014 included a onetime benefit of \$2,112,000 resulting from the recognition of a deferred tax asset arising from tax losses carried forward in the Australian consolidated tax group.

A summary of the Group's individual business units' performance follows:

Established markets:

Australia:

Revenue increased 9.6% against PCP to \$7.2m. The revenue base of the Herbs of Gold brand was sustained in a competitive environment, and rollout of the VitaScience brand in the pharmacy channel continued. Sales of Herbs of Gold under the international distribution agreement commenced. Operational EBIT increased by 17.4%, achieved as a result of the focus on high quality products and continued leveraging of the fixed cost base.

Singapore:

Revenue increased 22.2% against PCP to \$3.2m. Underperforming sales staff were replaced in the first half of 2014 and the rejuvenation of the sales team has proven successful. In addition, Herbs of Gold products were introduced in to the Singaporean market during the period. Singapore in country EBIT increased 6.0% against half year 2014, with EBIT compression due to the impact of lower margin Herbs of Gold sales during the brand's establishment phase.

Malaysia OTC:

Revenue decreased 1.7% against PCP to \$5.8m primarily due to a Malaysia-wide economic slowdown. Management's actions to maintain market share through active pricing strategies and increased advertising and promotional activity minimised the impact on the revenue base but has resulted in EBIT approximately halving against PCP

New businesses: Malaysia MLM, China, Indonesia, Thailand, Vietnam

Vietnam continued to grow steadily and Malaysia MLM's revenue was stable, however product regulation issues in China and ongoing poor performance in Thailand both significantly contributed to the net \$0.6m decrease on 2014's revenue contribution from the portfolio of new businesses.

Preparations for the Indonesian business are reaching completion, with a view to commence selling in Q4 2015.

The Group's divisional result for 1st Half 2015 is summarised in the table overleaf:

Half year ended 30 June	2015			2014		
	Health \$'000	Investment \$'000	Total \$'000	Health \$'000	Investment \$'000	Total \$'000
Revenue						
Sales to external customers	18,204	-	18,204	17,739	-	17,739
Total segment revenue	18,204	-	18,204	17,739	-	17,739
Result						
Segment results	2,665	(3)	2,587	3,599	(16)	3,582
Unallocated expenses			(213)			(189)
Profit before tax and finance costs			2,374			3,393
Finance costs			(53)			(56)
Profit before income tax			2,321			3,337
Income tax expense			(764)			1,321
Net profit for the year			1,557			4,658

3. Net tangible assets

	30 June 2015	30 June 2014
Net Tangible Assets per security	\$0.36	\$0.30

4. Entities over which control has been gained or lost during the period

Gain of control over entities Nil

Loss of control over entities Nil

5. Dividends

An unfranked dividend of 2.0 cents per share amounting to \$1,118,000 was paid on 26 March 2015 in relation to the year ended 31 December 2014. 100% of this dividend was paid out of Conduit Foreign Income.

Directors have declared the payment of an unfranked interim dividend for the six months to June 2015 of 1.5 cents per ordinary share as disclosed at point 2.4 above. This dividend will be paid 100% out of Conduit Foreign Income.

6. Dividend Reinvestment plans

The Board of Directors have resolved to suspend the Company's DRP until further notice.

7. Details of associates and joint venture entities

Investment details	Place of Incorporation	Ownership interest	
		30 June 2015	Incorporation
Name of Company:			
- Mitre Focus Sdn Bhd (unlisted)	Malaysia	6.3%	6.3%



8. For foreign entities, which accounting standards were used in compiling this report.

International Financial Reporting Standard - IFRS

9. Information on Audit or Review

This interim report is based on accounts to which one of the following applies

- The accounts have been subject to review
- The accounts are in the process of being subject to review
- The accounts have not yet been reviewed

Description of likely dispute or qualification if the accounts have not yet been audited or subject to review or are in the process of being audited or subjected to review.

Not applicable



Half Year Report 30 June 2015



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Directors' Report

The Directors of Vita Life Sciences Limited ("Company" or "Vita Life") submit their report together with the financial report for Vita Life and its controlled entities for the half year ended 30 June 2015.

DIRECTORS

The names of the Company's directors in office throughout and since the end of the last financial period are set out below.

Mr Vanda R Gould	Non-executive chairman
Mr Eddie L S Tie	Managing director
Mr Henry G Townsing	Executive director
Mr Jonathan J Tooth	Non-executive director

All directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

During the period in review the principal continuing activities of the consolidated entity consisted of formulating, packaging, sales and distribution of vitamins and supplements, and investment.

OPERATING AND FINANCIAL REVIEW

Operating Results for the Half Year

For the reporting period the Group recorded a consolidated profit after tax attributable to members of \$1,584,000, a decrease of 37.8% from the normalised prior corresponding period (PCP) figure of \$2,549,000.

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Directors' Report (continued)

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Malaysia OTC:

Revenue decreased 1.7% against PCP to \$5.8m primarily due to a Malaysia-wide economic slowdown. Management's actions to maintain market share through active pricing strategies and increased advertising and promotional activity minimised the impact on the revenue base but has resulted in EBIT approximately halving against PCP.

New businesses: Malaysia MLM, China, Indonesia, Thailand, Vietnam

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Preparations for the Indonesian business are reaching completion, with a view to commence selling in Q4 2015.

ROUNDING OFF

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and Directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

AUDITOR'S INDEPENDENCE DECLARATION

The Directors have received an Independence Declaration from the external auditor, Russell Bedford NSW. A copy of this Declaration follows the Directors Report.

This directors' report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.



Eddie L S Tie
Managing Director
Kuala Lumpur, 20 August 2015

Auditor's Independence Declaration



Russell Bedford NSW

Chartered Accountants

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20 August 2015

The Board of Directors
Vita Life Sciences Limited
Suite 650, Level 6
1 Queens Road, St Kilda Towers
MELBOURNE VIC 3004

LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor for the review of the financial statements of Vita Life Sciences Limited for the half year ended 30 June, 2015, I declare that, to the best of my knowledge and belief, there has been no contravention of:

- the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- contraventions of any applicable code of professional conduct in relation to the review.

RUSSELL BEDFORD NSW
Chartered Accountants

A handwritten signature in blue ink, appearing to read "Stephen Fisher".

Stephen Fisher
Partner

Condensed Consolidated Statement of Comprehensive Income

For the half year ended 30 June 2015

	Notes	2015 \$'000	2014 \$'000
Sale of goods		18,204	17,739
Cost of sales		(5,402)	(5,044)
Gross profit		12,802	12,695
Other income		11	8
Distribution expenses		(1,571)	(1,527)
Marketing expenses		(1,456)	(1,136)
Occupancy expenses		(422)	(412)
Administrative expenses		(6,692)	(6,132)
Other expenses		(296)	(170)
Share of associates loss		(2)	(11)
Profit before interest and taxes		2,374	3,315
Finance income		82	78
Finance costs		(135)	(56)
Profit before income tax		2,321	3,337
Income tax (expense) / benefit		(764)	1,321
Profit for the period		1,557	4,658
Other comprehensive income after income tax			
Items that will be reclassified subsequently to profit and loss when specific conditions are met:			
Exchange differences on translating foreign controlled entities, net of income tax		60	(507)
Other comprehensive income / (expense) for the period, net of income tax		60	(507)
Total comprehensive income for the period		1,617	4,151
Loss attributable to minority interest		(27)	(3)
Profit attributable to members of the parent		1,584	4,661
		1,557	4,658
Total comprehensive income / (expense) attributable to:			
Minority interest		(28)	(6)
Members of the parent		1,645	4,157
		1,617	4,151
Earnings per share (cents per share)			
- basic earnings per share	5	2.84	8.30
- diluted earnings per share	5	2.79	8.20

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes to the Half Year Report.

Condensed Consolidated Statement of Financial Position

As at 30 June 2015

	Notes	30 June 2015 \$'000	31 December 2014 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents		10,776	9,158
Trade and other receivables		6,001	6,041
Inventories		5,026	5,012
Other assets		736	598
Total Current Assets		22,539	20,809
Non Current Assets			
Investment in associates		1,029	1,044
Property, plant and equipment		6,824	6,910
Intangible assets		98	97
Other assets		9	-
Deferred tax assets		864	1,411
Total Non Current Assets		8,824	9,462
Total Assets		31,363	30,271
LIABILITIES			
Current Liabilities			
Trade and other payables		5,304	4,312
Interest bearing loans and borrowings		256	260
Current tax liability		259	439
Provisions		519	523
Total Current Liabilities		6,338	5,534
Non Current Liabilities			
Deferred Tax Liability		9	9
Interest bearing loans and borrowings		2,924	3,094
Provisions		87	69
Total Non Current Liabilities		3,020	3,172
Total Liabilities		9,358	8,706
Net Assets		22,005	21,565
EQUITY			
Issued capital	6	45,358	45,429
Accumulated losses		(23,841)	(24,307)
Employee share based payments reserve		716	704
Foreign currency translation reserve		(296)	(357)
Parent entity interest		21,937	21,469
Minority interest		68	96
Total Equity		22,005	21,565

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes to the Half Year Report.

Condensed Consolidated Statement of Cash Flow

For the half year ended 30 June 2015

Notes	2015 \$'000	2014 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipt from customers	20,096	19,210
Payments to suppliers and employees	(16,669)	(15,806)
Borrowing costs	(135)	(56)
Income tax paid	(404)	(448)
Interest received	82	78
Net cash flows provided by operating activities	2,970	2,978
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(93)	(617)
Net cash flows used in by investing activities	(93)	(617)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends Paid	(1,118)	(1,125)
Long Term Incentive Plan loan repayment	88	-
Shares bought back (net of costs)	(159)	(335)
Net cash flows provided by financing activities	(1,189)	(1,460)
Net increase in cash and cash equivalents	1,688	901
Net foreign exchange differences	(70)	(188)
Cash and cash equivalents at beginning of the period	9,158	8,973
Cash and cash equivalents at end of the period	10,776	9,686

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes to the Half Year Report.



Condensed Consolidated Statement of Changes in Equity

for the half year ended 30 June 2015

	Note	Issued Capital \$'000	Employee Share Based Payments Reserve \$'000	Accumulated Losses \$'000	Foreign Currency Translation Reserve \$'000	Attributable to Equity Holders of Parent \$'000	Minority Interests \$'000	Total \$'000
Balance at 1 January 2015		45,429	704	(24,307)	(357)	21,469	96	21,565
Comprehensive income								
Profit / (loss) for the period		-	-	1,584	-	1,584	(27)	1,557
Other comprehensive income / (expense) for the period		-	-	-	61	61	(1)	60
Total comprehensive income / (loss) for the period		-	-	1,584	61	1,645	(28)	1,617
Transactions with owners, in their capacity as owners								
Shares bought back		(159)	-	-	-	(159)	-	(159)
Repayment of loans on Employee share option scheme		88	-	-	-	88	-	88
Employee share option scheme		-	12	-	-	12	-	12
Dividends paid	7	-	-	(1,118)	-	(1,118)	-	(1,118)
Total transactions with owners		(71)	12	(1,118)	-	(1,177)	-	(1,177)
Balance at 30 June 2015		45,358	716	(23,841)	(296)	21,937	68	22,005

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes to the Half Year Report.



Condensed Consolidated Statement of Changes in Equity

for the half year ended 30 June 2014 (Cont.)

	Note	Issued Capital \$'000	Employee Share Based Payments Reserve \$'000	Accumulated Losses \$'000	Foreign Currency Translation Reserve \$'000	Attributable to Equity Holders of Parent \$'000	Minority Interests \$'000	Total \$'000
Balance at 1 January 2014		46,100	472	(29,623)	(770)	16,179	90	16,269
Comprehensive income								
Profit / (loss) for the period		-	-	4,661	-	4,661	(3)	4,658
Other comprehensive income / (expense) for the period		-	-	-	(504)	(504)	(3)	(507)
Total comprehensive income / (loss) for the period		-	-	4,661	(504)	4,157	(6)	4,151
Transactions with owners, in their capacity as owners								
Shares bought back		(335)	-	-	-	(335)	-	(335)
Employee share option scheme		-	120	-	-	120	-	120
Dividends paid	7	-	-	(1,125)	-	(1,125)	-	(1,125)
Total transactions with owners		(335)	120	(1,125)	-	(1,340)	-	(1,340)
Balance at 30 June 2014		45,765	592	(26,087)	(1,274)	18,996	84	19,080

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes to the Half Year Report.

Notes to the Condensed Consolidated Financial Statements

for the half year ended 30 June 2015

1. CORPORATE INFORMATION

The Half Year financial report of Vita Life Sciences Limited ("Vita Life") and its controlled entities ("the Group") for the half year ended 30 June 2015 was authorised for issue by a resolution of the directors on the date of this report.

Vita Life is a Company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange ("ASX").

The nature of the operations and principal activities of the Group are described in the Directors' Report.

2. BASIS OF PREPARATION

These general purpose condensed consolidated financial statements for the half-year reporting period ended 30 June 2015, have been prepared in accordance with the requirements of the *Corporations Act 2001*, and Australian Accounting Standard AASB 134 "Interim Financial Reporting." The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Vita Life Sciences Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2014, together with any public announcements made during the following half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The half-yearly condensed consolidated financial statements have been prepared on a historical cost basis.

New and amended accounting standards and interpretations adopted by the Group

The Group adopted the following Australian Accounting Standards from the mandatory application date of 1 July 2014:

- AASB 2014-1: Amendments to Australian Accounting Standards (Parts A, B, C and E)

Part A of this Standard is applicable to annual reporting periods beginning on or after 1 July 2014 and makes the following significant amendments:

- revises/adds the definitions of the terms "market condition", "performance condition" and "service condition" in AASB 2: *Share-based Payment*;
- clarifies that contingent considerations arising in a business combination should be accounted for as items of equity or liability and not as provisions in accordance with AASB 137: *Provisions, Contingent Liabilities and Contingent Assets*;
- requires additional disclosures when an entity aggregates its operating segments into one reportable segment in accordance with AASB 8: *Operating Segments*; and

Notes to the Condensed Consolidated Financial Statements

for the half year ended 30 June 2015

2. BASIS OF PREPARATION (CONTINUED)

New and amended accounting standards and interpretations adopted by the Group (continued)

- includes an entity that provides key management personnel services (a "management entity") to a reporting entity (or a parent of the reporting entity) within the definition of a "related party" in AASB 124: *Related Party Disclosures*.

This part also makes other editorial corrections to various Australian Accounting Standards; however, it is not expected to have a significant impact on the Group's financial statements.

Part B of this Standard is applicable to annual reporting periods beginning on or after 1 July 2014 and permits an entity to recognise the amount of contributions from employees or third parties in a defined benefit plan as a reduction in service cost for the period in which the related service is rendered, if the amount of contributions is independent of the number of years of service. This part is not expected to have a significant impact on the Group's financial statements.

Part C of this Standard is applicable to annual reporting periods beginning on or after 1 July 2014 and deletes the reference to AASB 1031: *Materiality* in particular Australian Accounting Standards. This part is not expected to have a significant impact on the Group's financial statements.

Part E of this Standard is applicable to annual reporting periods beginning on or after 1 January 2015 and defers the application date of AASB 9 (December 2010) to annual reporting periods beginning on or after 1 January 2018. This part also makes consequential amendments to hedge accounting disclosures set out in AASB 7: *Financial Instruments: Disclosures*, and to AASB 132: *Financial Instruments: Presentation* to permit irrevocable designation of "own use contracts" as measured at fair value through profit or loss if the designation eliminates or significantly reduces an accounting mismatch. Management believes that there will not be any significant impact on the Group's financial statements on adoption of this part of the Standard.

New accounting standards and interpretations not yet adopted

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

– AASB 2014-1: *Amendments to Australian Accounting Standards (Part D)*

Part D of this Standard is applicable to annual reporting periods beginning on or after 1 January 2016 and makes amendments to AASB 1: *First-time Adoption of Australian Accounting Standards*, which arise from the issuance of AASB 14: *Regulatory Deferral Accounts* in June 2014. AASB 14 permits first-time adopters to continue to account for amounts related to rate regulation in accordance with their previous GAAP when they adopt Australian Accounting Standards. In line with management's assessment of AASB 14, this part is not expected to have a significant impact on the Group's financial statements.

Notes to the Condensed Consolidated Financial Statements

for the half year ended 30 June 2015

2. BASIS OF PREPARATION (CONTINUED)

New accounting standards and interpretations not yet adopted (continued)

– AASB 2014-3: Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations

This Standard is applicable to annual reporting periods beginning on or after 1 January 2016. It amends AASB 11: *Joint Arrangements* to require the acquirer of an interest (both initial and additional) in a joint operation in which the activity constitutes a business, as defined in AASB 3: *Business Combinations*, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations.

Since adoption of this Standard would impact only acquisition of interests in joint operations on or after 1 January 2016, management believes it is impracticable at this stage to provide a reasonable estimate of such impact on the Group's financial statements.

– AASB 9: Financial Instruments and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

Although the directors anticipate that the adoption of AASB 9 may have an impact on the Group's financial instruments, including hedging activity, it is impracticable at this stage to provide a reasonable estimate of such impact.

Notes to the Condensed Consolidated Financial Statements

for the half year ended 30 June 2015

2. BASIS OF PREPARATION (CONTINUED)

New accounting standards and interpretations not yet adopted (continued)

– **AASB 15: *Revenue from Contracts with Customers*** (applicable to annual reporting periods commencing on or after 1 January 2017).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

Although the directors anticipate that the adoption of AASB 15 may have an impact on the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

Notes to the Condensed Consolidated Financial Statements

for the half year ended 30 June 2015 (continued)

3. SEGMENT REPORTING

	Australia \$'000	Singapore \$'000	Malaysia \$'000	Others \$'000	Total \$'000
Half year ended 30 June 2015					
Revenue					
Sales to external customers	7,203	3,153	6,745	1,103	18,204
Segment results					
Profit / (loss) before tax and finance costs	1,388	963	652	(545)	2,458
Finance costs	(14)	(1)	(116)	(4)	(135)
Share of loss of associates				(2)	(2)
Profit before income tax					2,321
Income tax expense					(764)
Net profit for the period					1,557
Assets and liabilities					
Segment assets	9,229	3,483	15,331	2,291	30,334
Investment in associates					1,029
Total assets					31,363
Segment liabilities	2,885	806	5,496	171	9,358
Total liabilities					9,358
Other segment information					
Capital expenditure	(28)	(20)	(37)	(8)	(93)
Depreciation	(5)	3	(28)	(5)	(35)
Amortisation	-	(7)	(1)	-	(8)

Notes to the Condensed Consolidated Financial Statements

for the half year ended 30 June 2015 (continued)

3. SEGMENT REPORTING (CONTINUED)

	Australia \$'000	Singapore \$'000	Malaysia \$'000	Others \$'000	Total \$'000
Half year ended 30 June 2014					
Revenue					
Sales to external customers	6,571	2,580	6,815	1,773	17,739
Segment results					
Profit / (loss) before tax and finance costs	1,019	1,175	1,342	(132)	3,404
Finance costs	(23)	(1)	(28)	(4)	(56)
Share of loss of associates				(11)	(11)
Profit before income tax					3,337
Income tax expense					1,321
Net profit for the period					4,658
Assets and liabilities					
Segment assets	9,134	2,931	8,405	2,898	23,368
Investment in associates					978
Total assets					24,346
Segment liabilities	2,097	650	2,223	296	5,266
Total liabilities					5,266
Other segment information					
Capital expenditure	-	(12)	(601)	(4)	(617)
Depreciation	(5)	(1)	(25)	(12)	(43)
Amortisation	-	(6)	(1)	-	(7)

Notes to the Condensed Consolidated Financial Statements

for the half year ended 30 June 2015 (continued)

4. NET TANGIBLE ASSETS

	30 June 2015 \$	31 Dec 2014 \$
Net assets per share	0.38	0.38
Net tangible assets per share	0.36	0.36
	Number	Number
Number of ordinary shares for net assets per share	57,709,730	56,466,189

5. EARNINGS PER SHARE

	30 June 2015 \$'000	30 June 2014 \$'000
(a) Earnings used in calculating earnings per share		
Net profit attributable to equity holders	1,557	4,658
Loss attributable to minority interest	27	3
Net profit attributable to equity holders of the parent used to calculate EPS	1,584	4,661
	Number	Number
(b) Weighted average number of shares		
Weighted average number of ordinary shares for basic earnings per share	55,783,201	56,167,913
Adjusted weighted average number of ordinary shares for diluted earnings per share	56,707,368	56,812,913

Notes to the Condensed Consolidated Financial Statements

for the half year ended 30 June 2015 (continued)

6. ISSUED CAPITAL

	30 June 2015	30 June 2014	30 June 2015	30 June 2014
	Number	Number	\$	\$
Issued and paid up capital				
Ordinary shares	57,709,730	56,688,222	45,358,247	45,765,443
Ordinary shares				
Balance at beginning of the financial period	56,466,189	56,250,650	45,428,667	46,100,480
Share buy back (a)	(113,959)	(207,428)	(158,420)	(335,037)
Cancellation of Plan Shares of certain employees and Director	(242,500)	-	-	-
Issue of shares to employees (b)	1,600,000	645,000	-	-
Plan shares exercised	-	-	88,000	-
Balance at end of the financial period	57,709,730	56,688,222	45,358,247	45,765,443

- a) A total of 113,959 ordinary shares were bought back in the half year ended 30 June 2015 as approved by the shareholders in the 22 May 2014 and 25 May 2015 Annual General Meetings at a total cost of \$158,420.
- b) During the half year ended 30 June 2015, the Company approved loans to the Managing Director Mr Eddie Tie totaling \$624,000 in order for Mr Tie to purchase a total of 400,000 shares under the Company's Long Term Incentive Plan.

During the half year ended 30 June 2015, the Company approved loans to Executive Director Mr Henry Townsing totaling \$1,560,000 in order for Mr Townsing to purchase a total of 1,000,000 shares under the Company's Long Term Incentive Plan.

The issue of these shares was authorized at the Company's Annual General Meeting held on 25 May 2015.

During the half year ended 30 June 2015, the Company also approved loans to one senior executive of the Group totaling \$320,000 in order for the executive to purchase a total of 200,000 shares under the Company's Long Term Incentive Plan.

The cost of the equity-settled transactions is measured by reference to the fair value of the equity instruments at the date at which they were granted. The cost is recognised in the income statement together with a corresponding increase in equity, over the period in which the performance and / or service conditions are fulfilled (the vesting period), ending on the date on which the employees become fully entitled to the award (the vesting date).

For the half year ended 30 June 2015, the Company recognised \$11,820 (1st Half 2014: \$120,144) in the income statement with a corresponding increase in employee share based payment reserve.

Notes to the Condensed Consolidated Financial Statements

for the half year ended 30 June 2015 (continued)

7. DIVIDEND

An unfranked dividend of 2.0 cents per share amounting to \$1,118,000, fully paid out of conduit foreign income (2014: 2.0 cents per share unfranked totalling \$1,125,000) was paid on 26 March 2015 in relation to the year ended 31 December 2014.

An unfranked interim dividend of 1.5 cents per share, to be fully paid out of conduit foreign income, has been declared and will be paid on 24 September 2015. The record date for the interim dividend is 17 September 2015.

8. COMMITMENTS

As at 30 June 2015, there were no significant changes to the commitments as previously disclosed in the Annual Report for the financial year ended 31 December 2014.

9. EVENTS AFTER THE BALANCE SHEET DATE

A contract has been signed during August 2015 for the fit out of the Group's new office and warehousing premises in Kuala Lumpur for RM10,598,000 (approximately A\$3.7m). A deposit of RM3,179,400 (approximately A\$1.1m) was paid at this time per the terms of the contract. The laboratory portion of the premises remains at the design stage.

Other than those mentioned in the financial statements and notes thereto, no matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in future financial years.

10. CONTINGENT ASSETS AND LIABILITIES

The Group has no contingent assets or liabilities as at 30 June 2015.

Notes to the Condensed Consolidated Financial Statements

for the half year ended 30 June 2015 (continued)

11. RELATED PARTIES DISCLOSURES

Transactions with related parties

The following table provides the total amount of transactions that were entered into with related parties for the relevant financial period.

	CONSOLIDATED	
	30 June 2015	30 June 2014
	\$	\$
Other transactions with related parties		
Business Intelligence & Support Inc. (i)	257,764	243,127
CVC Venture Managers Pty Ltd (ii)	87,493	71,034
Pilmora Pty Ltd (iii)	11,500	11,500
	356,757	325,661

- (i) Business Intelligence & Support Inc., a company in which Mr Eddie Tie is a director, and therefore a related party, provided international business advisory, sales, marketing and promotion services to the Group. \$175,864 remained payable as at 30 June 2015, and is disclosed in trade and other payables.
- (ii) CVC Venture Managers Pty Limited, a company in which Mr Henry Townsing is a director, was paid consultancy fees during the financial period. \$2,401 remained payable as at 30 June 2015, and is disclosed in trade and other payables.
- (iii) Pilmora Pty Ltd, a company in which Mr Henry Townsing is a director, was paid a consultancy fee during the financial period. \$11,500 remained payable as at 30 June 2015, and is disclosed in trade and other payables.

Directors' Declaration

In the opinion of the directors of Vita Life Sciences Limited:

1. (a) The financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting*, Corporations Regulations 2001.
- (b) There are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001:



Eddie L S Tie
 Managing Director
 Kuala Lumpur, 20 August 2015

Independent Review Report



Russell Bedford NSW *Chartered Accountants*

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Independent Review Report To the members of Vita Life Sciences Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Vita Life Sciences Limited and the entities it controlled during the period which comprises the condensed consolidated statement of financial position as at 30 June 2015, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Vita Life Sciences Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 30 June 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As auditor of Vita Life Sciences Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Our review did not involve an analysis of the prudence of business decisions made by directors or management.

Matters Relating to Electronic Publication of the Reviewed Financial Report

This review report relates to the financial report of Vita Life Sciences Limited for the half year period ended 30 June 2015 included on the website of Vita Life Sciences Limited. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on this integrity. This review report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of the financial report are concerned with the inherent risk arising from publication on a website, they are advised to refer to the hard copy of the reviewed financial report to confirm the information contained in this website version of the financial report.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Vita Life Sciences Limited and the entities it controlled during the period is not in accordance with the Corporations Act 2001 including:

- a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

RUSSELL BEDFORD NSW
Chartered Accountants



Stephen Fisher
Partner

Sydney, 20 August 2015

General Information

Board of Directors

Vanda Gould
Chairman

Eddie L S Tie
Managing Director

Jonathan Tooth
Non-Executive Director

Henry Townsing
Executive Director

Company Secretary
Matthew Beckett

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NSW 2232
T: 61 (02) 9545 2633
F: 61 (02) 9545 1311

Asian Regional Office
81G, Jalan SS 21/60
Damansara Utama
47400 Petaling Jaya
Malaysia
T: 60 (03) 7729 3873
F: 60 (03) 7727 4658

Securities Exchange Listing

The ordinary shares of Vita Life Sciences Limited are listed on the Australian Securities Exchange Ltd (code: VSC).

Auditor

Russell Bedford NSW
Level 29, Suncorp Place
259 George Street
Sydney NSW 2000

Banker

Westpac Banking Corporation

National Australia Bank Limited

Solicitor

Mark Ord

Share Registry

RB Registries
Level 29, Suncorp Place
259 George Street
Sydney NSW 2000
T: 61 (02) 9032 3000
F: 61 (02) 9251 1275

Change of Address

Shareholders who have changed address should advise our share registry in writing.

Annual Report Mailing

Shareholders who do not want the annual report or who are receiving more than one copy should advise the share registry in writing.

Vita Life Website

Vita Life has a website containing information about the Company, its Business and Products.

www.vitalifesciences.com.au

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