

Welcome to the 2012 Vita Life Sciences Limited Annual General Meeting



Chairman's Welcome Address



Agenda

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

Managing Directors Review



Vita Life Sciences Brand Awards



MLM Company awarded:

“The 7th Asia Pacific Super Excellence Brand
2011 for Leadership Excellence in Brand
Development and Management Organization ”



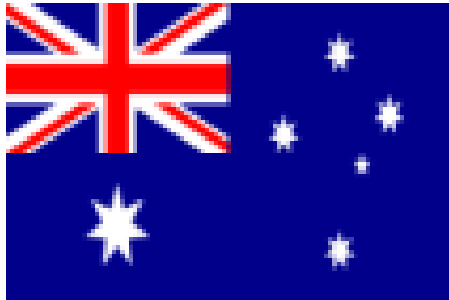
awarded:

“The 2011 Asia Pacific BrandLaureate for Best
Brands in Wellness – Supplements”

2011 Five Key Drivers

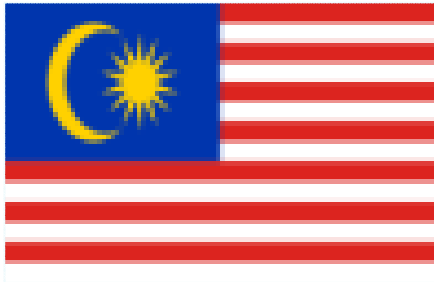
- Solid sales growth of 15.6%
- Record PBT of \$1.40 million
- Strong balance sheet and no debt – Shareholders' funds of \$8.96 million
- Maintained dividend trend of 0.5 cents per share
- The Group's brands continue to build their presence in 8 countries

Established Business Units Progress



Australia

- ▶ 14.1% sales growth y-o-y basis
- ▶ Herbs of Gold Products sold in more than 750 health foods stores
- ▶ Vita Science sold into around 150 pharmacies, with sales growth of 46.9% over 2010



Malaysia

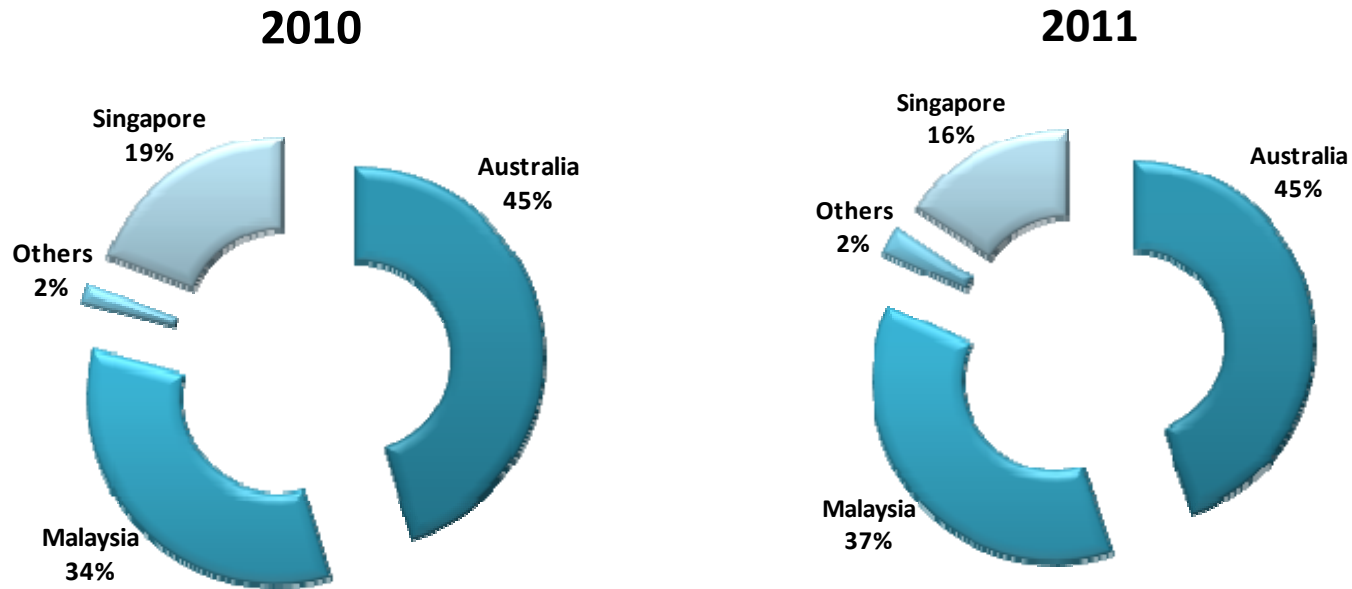
- ▶ 20.4% sales growth y-o-y basis in established business local currency
- ▶ Selling to more than 1,000 pharmaceutical / retail outlets



Singapore

- ▶ 3.0% sales growth y-o-y basis
- ▶ Products sold in more than 200 retail outlets

Sales Revenue–Country Segment



- Sales growth on y-o-y basis for Australia, Malaysia and Singapore were 14.1%, 20.4% and 3.0% respectively (in local currencies)
- Australia remains largest contributor at 45% (2010: 45%)

New Business Units Progress



Thailand

- ▶ 58.5% sales growth and profitable
- ▶ Products reach in more than 2,000 pharmaceutical outlets



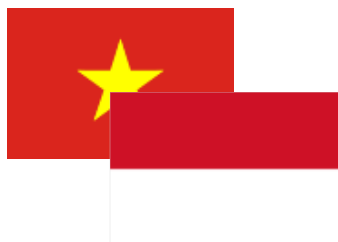
Multi-Level Marketing in Malaysia

- ▶ Contributed 9.2% of Group sales with sales growth of 66.8%
- ▶ Lower loss in 2011



China

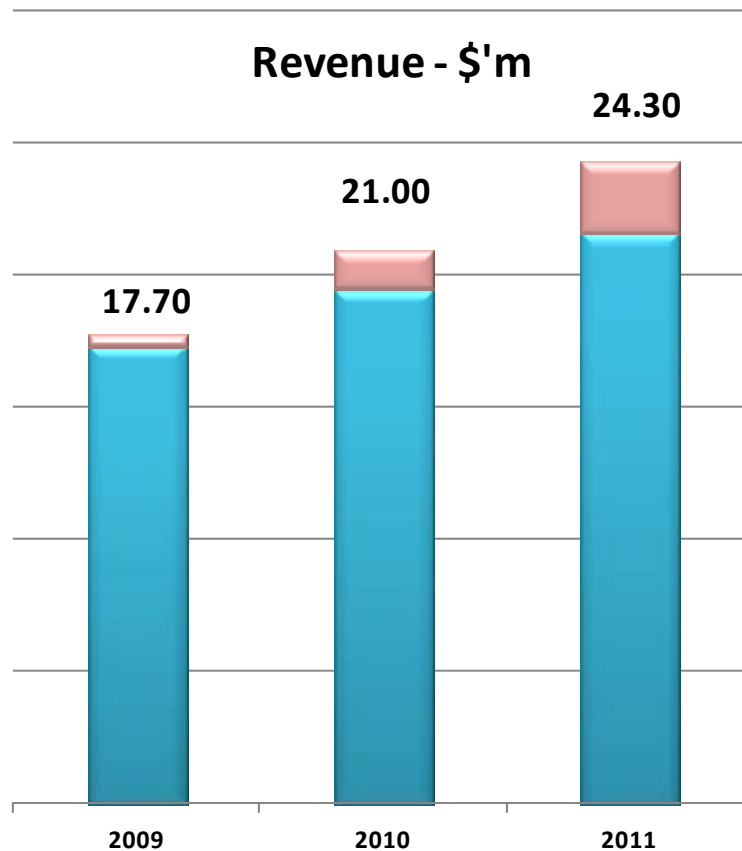
- ▶ Sales grew by 215% and made a small loss in 2011
- ▶ Growing distribution network



Vietnam and Indonesia

- ▶ Revenue contribution insignificant
- ▶ 2011 Losses related to set-up costs

Sales Revenue



- 2011 Sales grew by 15.6% despite the stronger A\$
- New Business units sales are small but gaining traction, contributed 11.0% in 2011 (2010: 7.2%, 2009:2.4%)
- MLM business unit now contributes 9.2% (6.7% in 2010)

Products available to 26% of the World's population

Present:

Products sold in 8 major countries

Total population of 8 countries: 1,812 million

World's population (April 2012) : 6,974 million

Coverage : 26%

In 2005:

Products sold in 3 major countries

Coverage (at current population): 0.8%

World Economic Outlook, April 2012									
Country/ Population (million)		2010	2011	2012	2013	2014	2015	2016	2017
Malaysia (28.8)	GDP per capital (US\$)	8,418	9,700	10,467	11,099	11,803	12,551	13,347	14,194
	Inflation (%)	1.7	3.2	2.7	2.5	2.5	2.5	2.5	2.5
China (1,347.6)	GDP per capital (US\$)	4,421	5,414	5,899	6,446	7,046	7,694	8,392	9,153
	Inflation (%)	3.3	5.4	3.3	3.0	3.0	3.0	3.0	3.0
Vietnam (88.8)	GDP per capital (US\$)	1,174	1,374	1,498	1,617	1,745	1,872	2,005	2,149
	Inflation (%)	9.2	18.7	12.6	6.8	5.7	5.3	5.0	5.0
Australia (22.6)	GDP per capital (US\$)	55,474	65,477	68,916	70,874	72,466	74,216	75,793	78,897
	Inflation (%)	2.9	3.4	2.7	3.1	2.8	2.9	2.6	2.4
Thailand (69.5)	GDP per capital (US\$)	4,992	5,394	5,851	6,404	6,766	7,130	7,486	7,868
	Inflation (%)	3.3	3.8	3.9	3.3	3.0	3.0	3.0	3.0
Singapore (5.2)	GDP per capital (US\$)	43,865	49,271	50,324	51,602	53,013	54,460	55,962	57,467
	Inflation (%)	2.8	5.3	3.5	2.3	2.1	2.0	2.0	2.0
Hong Kong SAR (7.1)	GDP per capital (US\$)	31,575	34,049	36,218	38,542	41,150	43,939	46,893	50,030
	Inflation (%)	2.3	5.3	3.8	3.0	3.0	3.0	3.0	3.0
Indonesia (242.3)	GDP per capital (US\$)	2,981	3,509	3,797	4,255	4,829	5,465	6,157	6,904
	Inflation (%)	5.1	5.4	6.2	6.0	5.1	4.7	4.5	4.0

2011 Financial Highlights

Year ended 31 December	2010	2011
	A\$'million	A\$'million
Revenue	20.99	24.27
Profit Before Tax	4.92	1.57
Profit After Tax	4.46	1.21
Shareholders' Funds	8.13	8.96
Cash	0.46	3.63
Borrowings	(1.81)	-

Normalised Result

Income Statement (\$ million)	2010	2011	% Change
EBIT	4.90	1.57	<100%
(Less)/Add:			
<i>Extraordinary items</i>			
Net External PAN (income)/costs	(4.10)	-	100%
Underlying EBIT	0.80	1.57	95%
Interest expense	(0.29)	(0.16)	-43%
Underlying net profit bef tax	0.51	1.40	174%
Income tax expense	(0.17)	(0.19)	12%
Underlying net profit after tax	0.34	1.21	254%

Financial Summary– Balance Sheet

Balance Sheet (\$ m)	2010	2011
Current assets	12.23	10.93
Non-current assets	2.29	2.42
Total assets	14.51	13.35
Current liabilities	(6.38)	(4.37)
Non-current liabilities	(0.01)	(0.03)
Total liabilities	(6.38)	(4.39)
Net assets	8.13	8.96
P/B Ratio ¹	1.67	1.70
P/S Ratio ²	0.65	0.63

- Strong balance sheet with no debt
- Net assets increased to \$8.9m, tripled since 2007
- 40% of Net Assets made up by Cash and Cash Equivalents (2010: 6%)
- Net tangible assets at \$0.17 per share

¹ - Share price per share/ book value per share at 31 Dec

² - Share price per share/ actual sales revenue per share at 31 Dec



Health Division Outlook

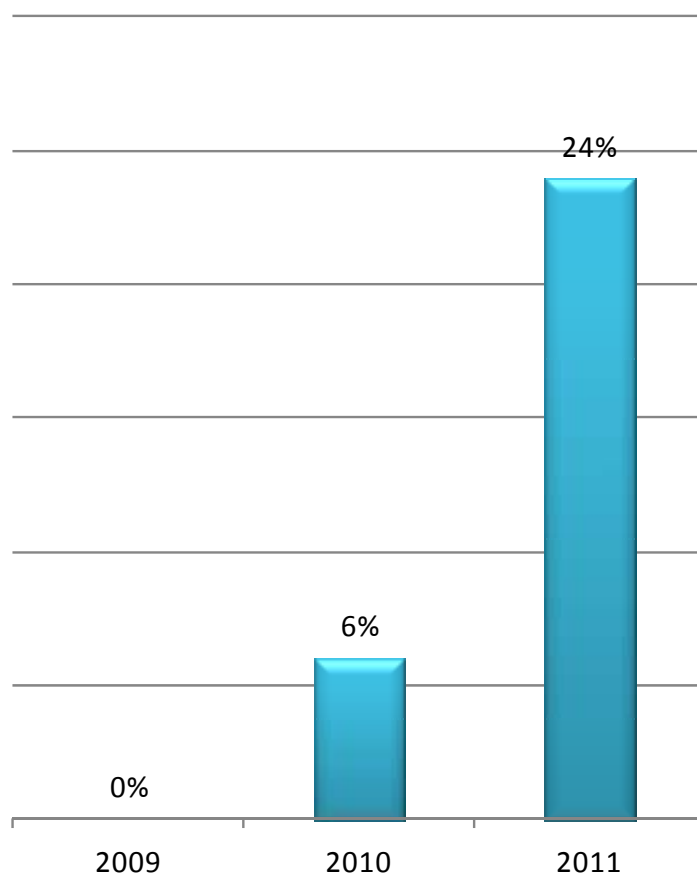
- Established Business Units to perform consistently with stable growth
- New Business units expected to continue extending Group's expansion strategy in China, Malaysia and Thailand
- Continued focus on sales, market share, profitability and expenditure control
- Management reports indicate stronger start to 2012 than 2011
- Long term focus on China to underpin growth

2012 1st Half Earnings

- Unaudited management reports showed record first quarter sales
- Exceeded the expected 15% sales growth as forecast in the 2011 Financial Statements
- Expect this trend to continue throughout the year
- Sales to June 2012 forecast to exceed the corresponding period in 2011 by between 20% and 25% (2011: 14.5%)
- PBT for six months to June 2012 expected to double the \$0.4m reported for comparative period in 2011 (2011: 40.7% increase on 2010)

Dividends to Shareholders

Dividend Payout Ratio



- Dividends of 0.5 cents per share paid for financial year 2011 and 2010
- Dividend payout ratio of 24% PAT with 76% reinvested in the operations
- Strength of earnings and positive operational cash may allow interim and annual dividend for 2012

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Ordinary & Special Resolutions

- 1. Remuneration Report**
- 2. Election of Director – John Sharman**
- 3. Election of Director – Henry Townsing**
- 4. Share buy-back**
- 5. Long Term Incentive Plan – Grant of a limited recourse loan to Managing Director**

Proxy Summary

RESOLUTIONS	IN FAVOUR	AGAINST	ABSTAIN	PROXY'S DISCRETION	TOTALS
1) Adoption of the Remuneration Report	37,082,696	33,442	2,410,095	5,021	39,531,254
2) Election of Director (Mr J Sharman)	39,243,038	-	283,195	5,021	39,531,254
3) Election of Director (Mr H Townsing)	39,056,025	-	470,208	5,021	39,531,254
4) Share Buy-Back	39,520,490	5,743	-	5,021	39,531,254
5) Long Term Incentive Plan – Grant of a limited recourse loan to Managing Director	39,531,254	36,242	2,803,628	5,021	39,531,254



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Closing

Thank You

16 May 2012

