



VITA LIFE SCIENCES
HALF YEARLY REPORT
30 JUNE 2020

Vita Life Sciences Limited and its Controlled Entities
ABN 35 003 190 421





VITA LIFE
SCIENCES





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**DIRECTORS'
REPORT**

DIRECTORS' REPORT

The Directors of Vita Life Sciences Limited ("Company" or "Vita Life Sciences") submit their report together with the financial report for Vita Life Sciences and its controlled entities for the half-year ended 30 June 2020.

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 Henry G Townsing	Acting Chairman
Mr Andrew O'Keefe	Managing Director
Mr Shane Teoh	Non-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.

OPERATING AND FINANCIAL REVIEW

The Directors report revenue for the six months to 30 June 2020 was \$22.0 million, up 11%, delivering a net profit after tax attributable to Vita Life Sciences shareholders of \$3.1 million, up 175% compared to the previous corresponding period profit.

The result is particularly pleasing given the Group commenced a strategic plan in 2018 with the objective of growing revenues by increasing the channels of distribution in its core markets. We recognised at that time, this would involve investment in both advertising and promotions, which would negatively impact our profits. Our first half results reflect the increase in revenues from this strategy and, with the heavy investment in advertising not recurring, our net profit has increased. The Group continues to remain focused on increasing market penetration within its core markets, whilst pivoting channel strategies across our smaller South East Asian markets.

We also benefitted from the increased demand for immunity support category across key markets such as Australia and Malaysia, which helped to underpin the first half performance. The Covid-19 pandemic continues to be an evolving situation, which has the potential to disrupt traditional selling channels.

The Group's balance sheet remains strong with equity of \$23.4million and net cash position of \$11.5 million after bank borrowings. A fully franked dividend of 1.5 cents per share has been declared for this financial period.

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

Australia

Revenue in Australia improved by \$1.2 million against prior corresponding period (PCP) to \$9.6 million. Strong sales contributions from traditional channels including export sales contributed to the performance.

The traditional health food channel performed strongly on the back of increased consumer demand for immunity support products.

The expansion of the Herbs of Gold brand into pharmacy remains on track and management remains optimistic that sales contributions from the pharmacy channel will continue moving forward.

Revenue contributions from our export partner in mainland China for the Herbs of Gold brand are encouraging. Increased presence and focus on major e-commerce trading platforms are creating broader brand awareness and consumer sales within the region.

The deliberate marketing activity executed last year, has contributed to the strong first half sales performance across the domestic and export channels. Australian EBIT performance is significantly higher than PCP on the back of higher sales and lower marketing costs.

Malaysia

Malaysia revenue of \$7.9 million was higher than PCP by 17%. Broader distribution of the VitaHealth brand through major chain pharmacies has gained momentum, including a solid performance from the traditional independent pharmacy channel. The Herbs of Gold brand has also performed well and has delivered strong growth through its exclusive distribution agreement despite physical consumer movement restrictions during the first half due to Covid-19.

DIRECTORS' REPORT (CONTINUED)

Due to the stronger sales, EBIT contributions increased by 128% against PCP with further improvement from lower overheads and reduced advertising and promotional activities.

Singapore

Singapore revenue of \$2.5 million was lower against PCP by 16%. The market remains highly competitive with EBIT however, higher than PCP by 53%. The Singapore market was significantly affected by the restrictions imposed on consumer movements caused by Covid-19 restrictions. Key customers retail stores remained closed during the 2nd quarter of this year and only reopened in the middle of June. The Singaporean market, which is highly dependent on the tourism continues to be challenging. The higher EBIT was partly due to Covid-19 Government support, lower marketing expenditures and overheads.

Other Markets: Vietnam, Indonesia, Thailand, China

Other Markets generated revenue of \$1.9 million, higher against PCP by 18%. The growth was mainly from higher East Asian exports and some gains in Indonesia base. The Company has initiated a strategic review of our operations for the Thailand markets which will be implemented in the second half of this year.

OUTLOOK

We are pleased with the results from our strategy of increasing channels of distribution in our core markets and expect it to grow further. Directors remain cautious in the medium-term given the uncertainties relating to Covid-19 in many of our markets.

Due to uncertainties surrounding the Covid-19 pandemic, we are unable to provide any guidance for the remainder of the year.

ROUNDING OFF

Vita Life Sciences is a company of the kind referred to in ASIC Legislative Instrument 2016/191 dated 24 March 2016 and, in accordance with that Instrument, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise indicated.

AUDITOR'S INDEPENDENCE DECLARATION

The Directors have received an Independence Declaration from the external auditor, Nexia Sydney Audit Pty Ltd. 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.



Andrew O'Keefe
Managing Director
Sydney, 21 August 2020



The Board of Directors
Vita Life Sciences Limited
1/102 Bath Road
KIRRAWEE NSW 2232

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

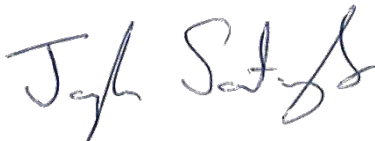
As lead auditor for the review of the condensed consolidated financial statements of Vita Life Sciences Limited for the half-year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there has been no contravention of:

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

Yours sincerely,



Nexia Sydney Audit Pty Limited



Joseph Santangelo
Director

Dated: 21 August 2020

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HALF YEAR 2020 FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED	Notes	Consolidated	
		30 June 2020 \$'000	30 June 2019 \$'000
Sale of goods		22,018	19,826
Cost of sales		(7,822)	(6,856)
Gross profit		14,196	12,970
Other income		333	124
Gain from disposal of investment		-	280
Distribution expenses		(1,886)	(1,871)
Marketing expenses		(896)	(1,960)
Occupancy expenses		(267)	(449)
Administrative expenses		(7,087)	(7,437)
Other expenses		(168)	(197)
Share of associate's profit		-	26
Profit before interest and taxes		4,225	1,486
Finance income		62	65
Finance costs		(75)	(77)
Profit before income tax		4,212	1,474
Income tax expense		(1,088)	(337)
Net profit for the half year		3,124	1,137
Other comprehensive income after income tax			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Exchange differences on translating foreign controlled entities		(437)	171
Other comprehensive income for the year, net of income tax		(437)	171
Total comprehensive income for half year		2,687	1,308
Net profit/(loss) for the half year attributable to:			
Non-controlling interest		52	(5)
Members of the parent		3,072	1,142
		3,124	1,137
Total comprehensive income attributable to:			
Non-controlling interest		52	-
Members of the parent		2,635	1,308
		2,687	1,308
Earnings per share (cents per share)			
- basic earnings per share	5	5.84	2.06
- diluted earnings per share	5	5.84	2.06

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	Notes	Consolidated	
		30 June 2020 \$'000	31 December 2019 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents		13,151	10,478
Trade and other receivables		6,149	7,760
Inventories		7,392	6,838
Other assets		678	684
Total Current Assets		27,370	25,760
Non Current Assets			
Property, plant and equipment		8,824	9,139
Intangible assets		27	12
Deferred tax assets		1,615	1,602
Total Non Current Assets		10,466	10,753
Total Assets		37,836	36,513
LIABILITIES			
Current Liabilities			
Trade and other payables		6,212	5,669
Interest bearing loans and borrowings		359	364
Current tax liability		734	277
Employee entitlements		806	951
Contract liability		4,249	4,575
Lease Liability		245	280
Total Current Liabilities		12,605	12,116
Non Current Liabilities			
Deferred Tax Liability		105	75
Interest bearing loans and borrowings		1,276	1,401
Provisions		93	83
Lease Liability		330	304
Total Non Current Liabilities		1,804	1,863
Total Liabilities		14,409	13,979
Net Assets		23,427	22,534
EQUITY			
Contributed equity	6	41,593	42,249
Accumulated losses		(20,158)	(22,046)
Employee share based payments reserve		668	622
Share options reserve		992	992
Revaluation Reserve		325	325
Foreign currency translation reserve		20	457
Parent entity interest		23,440	22,599
Non-controlling interest		(13)	(65)
Total Equity		23,427	22,534

THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES TO THE HALF YEAR REPORT.

HALF YEAR 2020 FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE HALF YEAR ENDED	Notes	Consolidated	
		30 June 2020 \$'000	30 June 2019 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		25,619	22,978
Payments to suppliers and employees		(20,016)	(21,915)
Income tax paid		(632)	(1,192)
Interest received		62	65
Borrowing costs		(75)	(60)
Net cash flows provided by operating activities		4,958	(124)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(47)	(18)
Net cash flows used in investing activities		(47)	(18)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of external borrowings and leasing		(265)	(335)
Dividends Paid		(1,184)	(1,211)
Shares bought back (net of costs)		(656)	(18)
Net cash flows used in financing activities		(2,105)	(1,564)
Net decrease in cash and cash equivalents		2,806	(1,706)
Net foreign exchange differences		(133)	135
Cash and cash equivalents at beginning of the period		10,478	10,941
Cash and cash equivalents at end of the period		13,151	9,370

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 CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 30 JUNE 2020		Contributed Equity	Employee Share Based Payments Reserve	Share Options Reserve	Revaluation Reserve	Accumulated Losses	Foreign Currency Translation Reserve	Attributable to Equity Holders of Parent	Non-controlling Interest	Total
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2020		42,249	622	992	325	(22,046)	457	22,599	(65)	22,534
Comprehensive income										
Profit attributable to members of parent entity		-	-	-	-	3,072	-	3,072	52	3,124
Other comprehensive expense for the period		-	-	-	-	-	(437)	(437)	-	(437)
Total comprehensive income for the period		-	-	-	-	3,072	(437)	2,635	52	2,687
Transactions with owners, in their capacity as owners										
Shares bought back	6	(656)	-	-	-	-	-	(656)	-	(656)
Employee share based expense		-	46	-	-	-	-	46	-	46
Dividends paid	7	-	-	-	-	(1,184)	-	(1,184)	-	(1,184)
Total transactions with owners		(656)	46	-	-	(1,184)	-	(1,794)	-	(1,794)
Balance at 30 June 2020		41,593	668	992	325	(20,158)	20	23,440	(13)	23,427


THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES TO THE HALF YEAR REPORT.

HALF YEAR 2020 FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE HALF YEAR ENDED 30 JUNE 2019		Contributed Equity	Employee Share Based Payments Reserve	Share Options Reserve	Revaluation Reserve	Accumulated Losses	Foreign Currency Translation Reserve	Attributable to Equity Holders of Parent	Non-controlling Interest	Total
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Reported Balance at 1 January 2019		43,742	570	992	325	(23,243)	(11)	22,375	32	22,407
Impact of changes in accounting standard		-	-	-	-	68	(31)	37	(55)	(18)
Adjusted Balance at 1 January 2019		43,742	570	992	325	(23,175)	(42)	22,412	(23)	22,389
Comprehensive income										
Profit attributable to members of parent entity		-	-	-	-	1,142	-	1,142	(5)	1,137
Other comprehensive income for the period		-	-	-	-	-	204	204	-	204
Total comprehensive income for the period		-	-	-	-	1,142	204	1,346	(5)	1,341
Transactions with owners, in their capacity as owners										
Shares bought back	6	(18)	-	-	-	-	-	(18)	-	(18)
Employee share based expense			41	-	-	-	-	41	-	41
Equal distribution of capital		(1,348)	-	-	-	-	-	(1,348)	-	(1,348)
Dividends paid	7	-	-	-	-	(1,211)	-	(1,211)	-	(1,211)
Total transactions with owners		(1,366)	41	-	-	(1,211)	-	(2,536)	-	(2,536)
Balance at 30 June 2019		42,376	611	992	325	(23,244)	162	21,222	(28)	21,194

THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES TO THE HALF YEAR REPORT.



**NOTES TO THE
CONDENSED
CONSOLIDATED
FINANCIAL
STATEMENTS**

1. CORPORATE INFORMATION

The Half Year financial report of Vita Life Sciences Limited ("Vita Life Sciences") and its controlled entities ("the Group") for the half-year ended 30 June 2020 was authorised for issue by a resolution of the directors on the date of this report.

Vita Life Sciences 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 2020, 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 2019, 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, except for the effects of applying newly effective accounting standards as outline below. We also note that the prior year number for marketing expenses for an amount of \$543,361 has been reclassified in order to be consistent with 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 has adopted all of the new or amended Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current period. The following Accounting Standards and Interpretations are most relevant to the Group:

New accounting standards and interpretations not yet adopted

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.



NOTES TO THE CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2020 (CONTINUED)

3. SEGMENT REPORTING

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Australia \$'000	Singapore \$'000	Malaysia \$'000	Others \$'000	Total \$'000
Half Year ended 30 June 2020					
Revenue					
Sales to external customers	9,642	2,482	7,913	1,981	22,018
Total segment revenue	9,642	2,482	7,913	1,981	22,018
Segment results					
Earnings before interest and tax	1,812	574	1,875	(36)	4,225
Net interest	(33)	(12)	9	23	(13)
Profit before income tax					4,212
Income tax expense					(1,088)
Net profit for the half year					3,124
Assets and liabilities					
Segment assets	11,367	5,090	18,789	2,590	37,836
Total assets					37,836
Segment liabilities	5,165	2,717	6,177	350	14,409
Total liabilities					14,409
Other segment information					
Capital expenditure	(139)	-	(26)	(46)	(211)
Depreciation	(57)	(64)	(77)	(70)	(268)
Amortisation	-	-	(70)	(12)	(82)

NOTES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2020 (CONTINUED)

	Australia \$'000	Singapore \$'000	Malaysia \$'000	Others \$'000	Total \$'000
Half Year ended 30 June 2019					
Revenue					
Sales to external customers	8,426	2,953	6,768	1,679	19,826
Total segment revenue	8,426	2,953	6,768	1,679	19,826
Segment results					
Earnings before interest and tax	163	376	820	101	1,460
Net interest	11	1	(35)	11	(12)
Share of profit of associates	-	-	-	26	26
Profit before income tax					1,474
Income tax expense					(337)
Net profit for the half year					1,137
Assets and liabilities					
Segment assets	9,544	4,484	17,805	2,516	34,349
Total assets					34,349
Segment liabilities					
Total liabilities	3,598	3,062	5,776	719	13,155
					13,155
Other segment information					
Capital expenditure	(17)	-	(1)	-	(18)
Depreciation	(50)	(67)	(120)	(60)	(297)
Amortisation	-	-	(1)	(1)	(2)

4. NET TANGIBLE ASSETS

	CONSOLIDATED	
	30 June 2020 \$	31 December 2019 \$
Net assets per share	0.43	0.41
Net tangible assets per share	0.41	0.38
	Number	Number
Number of ordinary shares for net assets per share	54,082,612	55,587,257

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2020 (CONTINUED)

5. EARNINGS PER SHARE

	2020 \$'000	2019 \$'000
Net profit attributable to equity holders from continuing operations	3,124	1,137
Loss attributable to non-controlling interest	(52)	5
Earnings used to calculate basic and dilutive earnings per share	3,072	1,142
	Number	Number
Weighted average number of ordinary shares for basic earnings per share	52,612,612	55,401,469
Adjusted weighted average number of ordinary shares for diluted earnings per share.	52,612,612	55,401,469

6. ISSUED CAPITAL

	2020 Number	2019 Number	2020 \$	2019 \$
Issued and paid up capital				
Ordinary shares	54,082,612	55,587,257	41,593,088	42,248,693
Ordinary shares				
Balance at beginning of the period	55,587,257	54,842,257	42,248,693	43,742,222
Share buy back (a)	(1,004,645)	(225,000)	(655,605)	(145,440)
Cancellation of Plan Shares of certain:				
- Employees and Directors (b)	(500,000)	(500,000)	-	-
Issue of shares to employee / director (c)	-	1,470,000	-	-
Equal reduction of Capital	-	-	-	(1,348,089)
Balance at end of the half year	54,082,612	55,587,257	41,593,088	42,248,693

- a) A total of 1,004,645 ordinary shares were bought back in the half-year ended 30 June 2020 as approved by the shareholders at the 31 May 2019 Annual General Meetings at a total cost of \$655,605 (Full year ended 31 December 2019: A total of 225,000 ordinary shares were bought back at a total cost of \$145,440).
- b) In the half year ended 30 June 2020, the Company cancelled 500,000 Plan ordinary shares issued in accordance with the terms of the Plan granted to a director of the Group under the Long Term Incentive Plan as the conditions had lapsed.
- c) During the previous half year ended 30 June 2019, the Company approved loans to the Acting Chairman, Mr Henry Townsing totaling \$550,000 in order for Mr Townsing to purchase a total of 500,000 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 2020, the Company recognised net expense of \$45,846 (Half year ended 30 June 2019: net expense of \$40,920) in the income statement with a corresponding increase in employee share based payment reserve (Half year ended 30 June 2019: increase in employee share based payment reserve).

7. DIVIDEND

A fully franked dividend of 2.25 cents per share amounting to \$1,183,784 (2019: 2.25 cents per share unfranked totalling \$1,211,451) was paid on 3 April 2020 in relation to the year ended 31 December 2019.

A fully franked interim dividend of 1.5 cents per share, has been declared and will be paid on 9 October 2020. The record date for the interim dividend is 25 September 2020.

8. COMMITMENTS

The Group has no capital commitments as at 30 June 2020.

9. EVENTS AFTER THE BALANCE SHEET DATE

There are no matters or circumstances that have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

10. CONTINGENT ASSETS AND LIABILITIES

The Group has no contingent assets or liabilities as at 30 June 2020.

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.

	30 June 2020 \$'000	30 June 2019 \$'000
Land Real Pty Ltd (i)	1	3
Macarthur National Ltd (ii)	-	10
Sun Land Sdn Bhd (iii)	-	253

(i) Land Real Pty Ltd, a company in which Mr Henry Townsing is a Director and therefore a related party, was paid rent and other services during the financial period. No amount was payable as at 30 June 2020 (2019: \$Nil)

(ii) On 11 June 2019, following the divestment of assets of Lovin Pharma International Ltd, a subsidiary of the Company to Macarthur National Ltd (MNL), a company in which Mr Henry Townsing is a Director, entered into an agreement to provide a loan of up to \$100,000 to MNL as part of the divestment exercise as approved by shareholders at the Company's Annual General Meeting on 31 May 2019. The loan was made to MNL on an arms' length basis and the key terms are as follows:

- A base interest rate of 6% per annum with a margin of 2% per annum
- Loan is for a period of 6 months from the date of the agreement unless extended by the lender
- Security interest over all PPSA personal property and a fixed charged over all other property of the borrower

As of the date of this report, a sum of \$Nil (2019: \$10,000) has been disbursed as loan to MNL by the Company.

(iii) Prior to the Spinoff being completed on 12 June 2019 Sun Land Sdn Bhd (SL) was an associate of the Company. The Company's subsidiary VitaHealth Malaysia Sdn Bhd (VHM) had, prior to 12 June 2019, made advances to SL and those advances amounted to \$252,724 at 12 June 2019. As of 30 June 2020 \$Nil (2019: \$252,724) remained payable by SL to VHM.



DIRECTORS' DECLARATION

DIRECTORS' DECLARATION FOR THE HALF YEAR ENDED 30 JUNE 2020

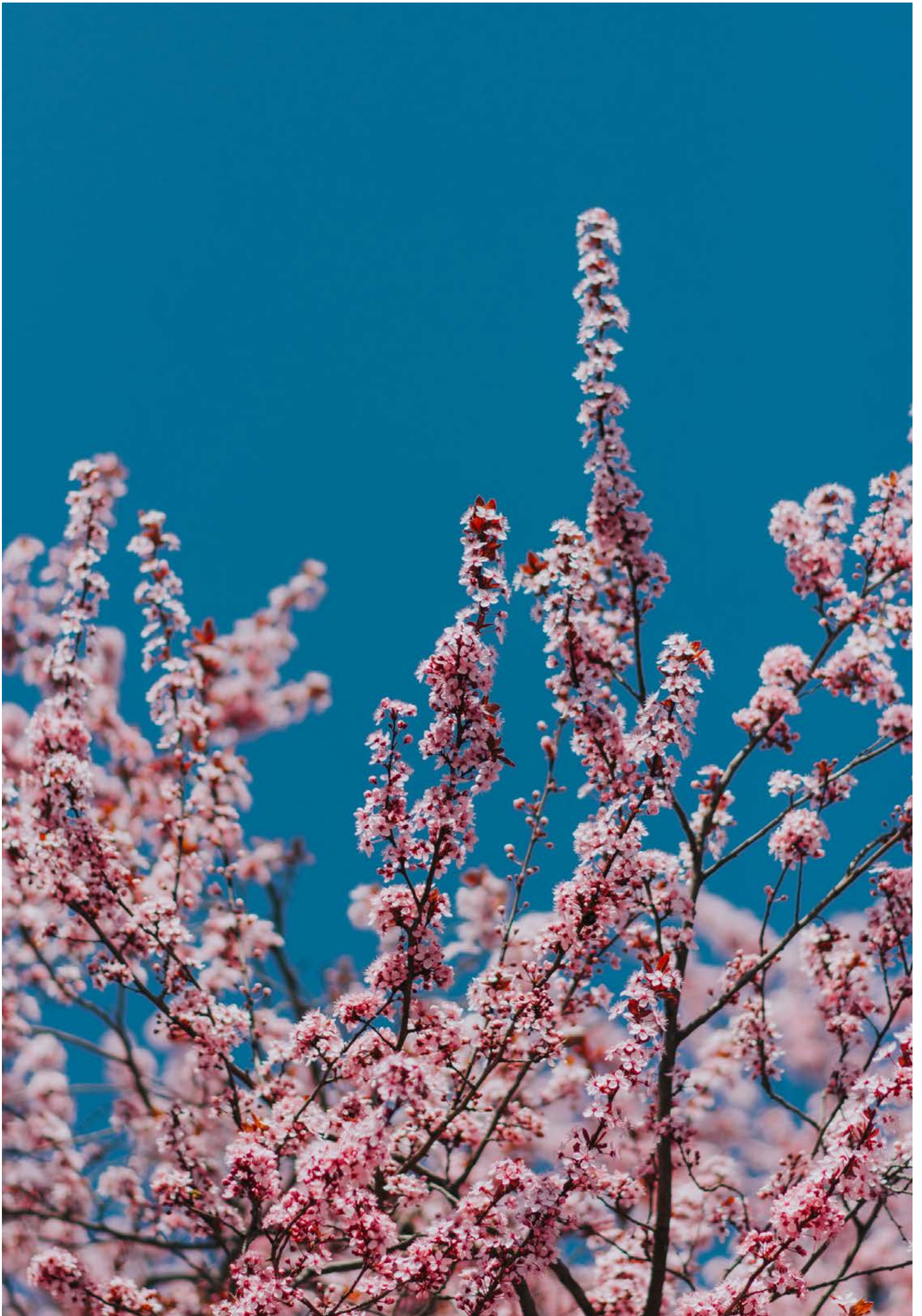
In the opinion of the directors of Vita Life Sciences Limited:

- (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 2019 and its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the 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:



Andrew O'Keefe
Managing Director
21 August 2020



Independent Review Report to the Members of Vita Life Sciences Limited

Conclusion

We have reviewed the half-year financial report of Vita Life Sciences Limited its subsidiaries (“the Group”), which comprises the consolidated condensed statement of financial position as at 30 June 2020, the consolidated condensed statement of comprehensive income, consolidated condensed statement of changes in equity and consolidated condensed statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors’ declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the Corporations Act 2001 including:

- (a) giving a true and fair view of the Group’s financial position as at 30 June 2020 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.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor’s Responsibilities for the Review of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor’s review report.

Responsibility of the Directors for the Financial Report

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

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Auditor's Responsibility for the Review of the Financial Report

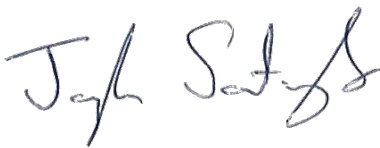
Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2020 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*.

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.

Yours sincerely,



Nexia Sydney Audit Pty Limited



Joseph Santangelo
Director

Dated: 21 August 2020

Nexia Sydney Audit Pty Ltd

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GENERAL INFORMATION

Board of Directors

Henry Townsing

Acting Chairman

Andrew O'Keefe

Managing Director

Shane Teoh

Non-Executive Director

Jonathan Tooth

Non-Executive Director

Company Secretary

Chin L Khoo

Australian Head Office

Unit 1/ 102, Bath Road

Kirrawee NSW 2232

Australia

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Asian Head Office

23, Jalan Jurunilai U1/20

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40150 Shah Alam, Selangor

Malaysia

T: 60 3 5569 6323

F: 60 3 5569 2393

Securities Exchange Listing

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

Auditor

Nexia Sydney Audit Pty Limited

Level 16, 1 Market Street

Sydney NSW 2000

Banker

Westpac Banking Corporation

National Australia Bank Limited

Solicitor

Mark Ord

Share Registry

Next Registries

Level 16, 1 Market Street

Sydney NSW 2000

T: 61 2 9276 1700

F: 61 2 9251 7138

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 Sciences Website

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

www.vitalifesciences.com

enquiries@vitalifesciences.com.au



VITA LIFE SCIENCES

Vita Life Sciences Limited

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