

18 January 2016

2015 Second Half Year Financial and Operational Update

Company Financial Position Updates

The board of directors of Australia Samly Holdings Group Limited (the **Company**) is glad to announce that the company had a significant increase in sales revenue and profit in the second half year of 2015.

1. Reporting Period and Currency Unit

- The reporting period of the updates is 1 July 2015 through 31 December 2015; and the comparison period is 1 July 2014 through 31 December 2014. The currency unit in use is Australian Dollar (AUD). Please refer to Appendix A for the currency conversion rate.

2. Revenue and Profit Increase

Key financial updates are outlined as below (all figures are unaudited):

- The operational income for the second half year of 2015 is AUD 8.119 million, increased by 20.39% compared to AUD 6.744 million in the same period in 2014;
- The net profit and loss after tax is AUD 173,000 profit, increased by 115.95% compared to AUD 1,084,000 loss in the same period in 2014.

3. Key reasons for the Increase

Key reasons for the increase in revenue and profit of the Company during the reporting period include:

- The amortisation of the prepaid marketing cost in 2014 was completed in the last quarter of 2015. In addition, the Company changed its advertising platform from national channel to local channels in the second half year of 2015, which significantly reduced the marketing cost compared to the same period in 2014.
- The sales, benefiting from the advertising effects, showed a strongly growing trend.

4. Group Loan Position

On 10 September, Shenzhen Vitality Bio-health Technology Co., Ltd (a subsidiary of the Company) (**Shenzhen Vitality**) repaid a loan of RMB 8 million (AUD 1.794 million) to Industrial Bank Co. Ltd. two days in advance. On 21 September Industrial bank issued a new loan of RMB 13 million (AUD 2.915 million) to Shenzhen Vitality guaranteed by Chairman of the Company Mr. Liangchao Chen's personal assets. The interest rate of the new loan is the reserve bank benchmark interest rate + 1.66% (approximately 6%), and the maturity date is on 20 September 2016.

Company Operational Updates

In August 2015, Shenzhen Vitality obtained the health food approval certificates for the following four products: (i) Samly vitamin C chewable tablets, (ii) Samly vitamins B tablets, (iii) Samly calcium and magnesium tablets and (iv) Samly calcium chewable tablets. These products could only be produced by other original equipment manufacturers (OEM) before obtaining the certificates. There will be higher profit margins in the products produced by the Company itself.

In December 2015, Shenzhen Vitality Bio-health Technology Co., Ltd obtained RMB 1 million (AUD 211,524) special subsidy from Shenzhen Economy and Technology commission in the life and health industry branding development program.

Please note the above quoted financial data is unaudited.

Jiajun Li

Company Secretary

On behalf of Australia Samly Holdings Group Limited

Appendix A

Exchange Rate Conversion Table (CNY/AUD)

Month	2014 Exchange Rate	2015 Exchange Rate
7	5.7533	4.4734
8	5.7588	4.5657
9	5.3561	4.4591
10	5.416	4.5063
11	5.2248	4.5912
12	5.0174	4.7276
Average rate	5.4211	4.5539