

Investment Conference Presentation

Attached is the presentation given by ITL Health Group at the Gold Coast Investment Showcase 21-22 June 2017

ITL Health Group

ITL is an innovative global medical technology company made up of four divisions; ITL BioMedical, ITL Healthcare, ITL Clinical & MyHealthTest.

ITL creates & manufactures leading edge medical devices for the clinical, blood banking, & laboratory markets & is a growing provider of specialist ancillary products for the blood culture testing market.

ITL holds an IP portfolio of 48 patents & sells into 55 countries.

MyHealthTest creates and markets highly innovative direct to consumer pathology testing for major chronic diseases.



**Ranked 16th most Innovative Company by the AFR
Innovative Companies Awards**

Australian Securities Exchange

Code: ITD

Ordinary Shares

95,928,314

Board of Directors

Bill Mobbs	Executive Chairman
Mark Peatey	Non-executive Director
Andrew Turnbull	Non-executive Director
Trevor Doolan	Chief Financial Officer & Company Secretary

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Gold Coast Investment Showcase

June 2017



Overview

- ITL Health Group is an innovative global medical technology company, that creates and manufactures leading edge medical devices
- ITL pursues high margin opportunities in emerging healthcare growth markets, and targets quick development of innovative patented products for the global healthcare markets
- ITL is comprised of three divisions:



- Ranked 16th in Financial Review's Most Innovative Companies
- ITL recently announced that strong first half growth has continued in to the second half and the Company expects to announce positive Full Year results



ITL BioMedical

- ITL BioMedical develops and manufactures a range of specialty products for the global clinical, blood banking and microbiology/ laboratory markets.
- Sells into over 55 countries
- 50 patents, and growing
- Competitive advantage comes from a strong focus on R&D, innovation and continued product improvement
- Success within the \$3.3bn Blood Culture Sector has driven profit growth in the last 12 months

Track Record

ITL's products have sold hundreds of millions of units and are considered best-in-class

Patent Protected

Products and IP developed over many years are protected by 50 patents (& growing) which generate consistently high gross margins

Broad Product Portfolio

Leading products include SampLok[®] Sampling Kit (SSK), Safety SubCulture Unit (SCU), SampLok[®] tube holder and DonorCare[®] NeedleGuard

Blood Culture Testing Market

- ITL BioMedical is a growing provider of specialist ancillary products for the Blood Culture Testing (BCT) market, estimated to be worth **US\$3.3b in 2016** and growing to **US\$4.8b in 2021, a CAGR of 8%**
- The market is growing due to an increase in the number of sepsis cases, rapidly ageing population and a growing recognition of the need to test blood samples for the presence of bacteria
- ITL BioMedical's products enable transfer of sample into and out of the sample testing bottles and ITL's Samplok Sampling Kit has generated considerable demand
- The market leaders in the Blood Culture Testing market include: bioMerieux (an ITL client), BD, Thermo Fisher and other specialised suppliers

Global Potential of Samplok Sampling Kit

- Samplok Sampling Kit (SSK) is a highly innovative single-use consumable medical device used to transfer platelets from the donor bag to the testing bottle
- BioMedical has achieved significant growth of SSK sales, in particular in the UK and US where it has been selling for 7 and 10 years respectively
- In October 2016 BioMedical signed a **global distribution agreement with bioMerieux**, a multi-billion dollar global leader in the clinical diagnostics market that **sells into over 150 countries**
- bioMerieux's bacT/ALERT® is the **dominant system** used in the process of testing platelets for bacteria in the global blood banking market. SSK is used as an ancillary product as part of the system.
- SSK is one of ITL's biggest growth generators and there are **substantial opportunities for further international growth**



Growing Product Portfolio

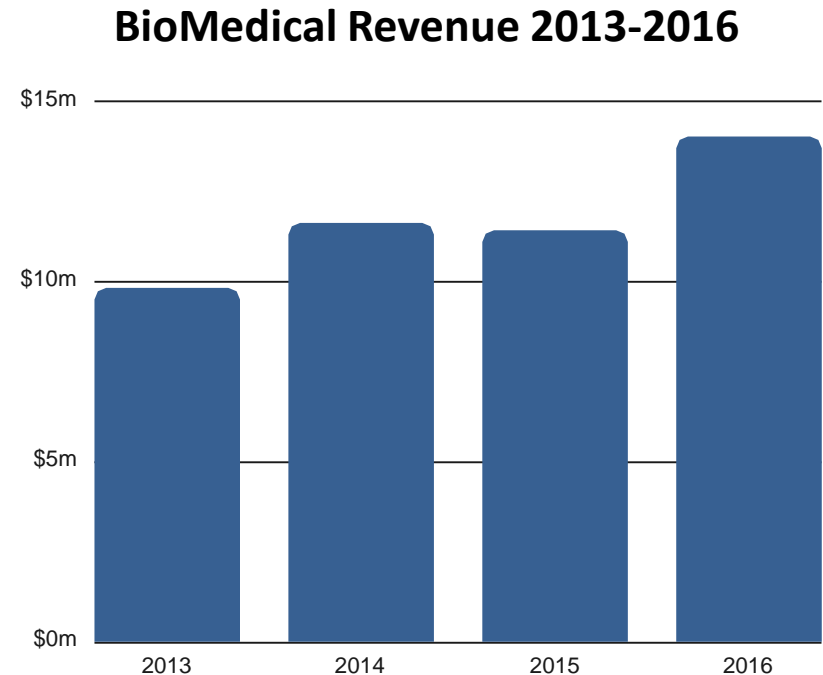
- \$4m spent on R&D in current financial year
- ITL's longstanding commitment to R&D guarantees a consistent pipeline of high quality products to be created, patented and manufactured
- DonorCare Needle Guard has sold hundreds of millions of units and is considered a best-in-class product. Latest version released late 2016
- Safety Subculture Unit (SCU) - 5 year distribution agreement with bioMerieux Canada signed in 2016
- Suite of adaptor caps used for transferring blood samples for blood culture testing
- Potential for ITL's bioMerieux global distribution agreement to be expanded to include other products



14 active products in the pipeline expected to be launched within 12 months

ITL BioMedical - Growth Accelerating

- Steady growth trajectory since the renewed focus on global product potential began in 2014
- Sales growth accelerating with 22% revenue growth in FY16, 27% growth in 1H17 and record revenue and profit in February



ITL Healthcare

- Develops and manufactures Custom Procedure Packs, IV starter kits and Invasive Blood Pressure Monitoring systems, selling into the Australian market
- Only producer of custom procedure packs with in-house sterilisation facilities in the domestic market
- Numerous new contracts and contract renewals secured over the last 12 months

Customer Relationships

ITL Healthcare has long standing relationships with many of the leading hospital groups in Australia

Cash Flow

ITL Healthcare is a solid cash generator for the Group

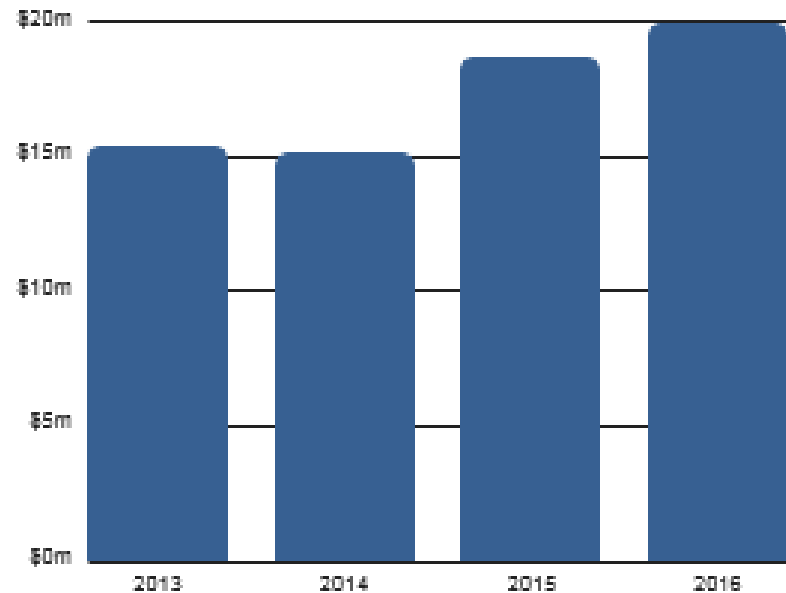
Growth

Additional tenders and contract opportunities are currently being pursued

Healthcare - Returned to Growth

- After a period of restructuring ITL Healthcare has been returned to a steady growth trajectory
- Margin uplift due to transition of product manufacturing to ITL's Malaysian plant
- New contracts, contract renewals and a healthy pipeline in the last 12 months have provided the foundation for continued growth

Healthcare Revenue 2013-2016



Malaysia Plant - Driving higher margins

- ITL owns a state-of-the-art manufacturing and production facility in Malaysia
- The facility underwent significant investment in capacity expansion and automation in 2014 which positioned ITL BioMedical for the strong growth it is recording
- The plant enabled ITL Healthcare to achieve improved margins and profitability as its products have been progressively transitioned from ITL's facilities in Victoria
- The Malaysia plant is capable to ramp up production to meet the forecast demand for ITL's existing and new products.

MyHealthTest

- MyHealthTest (MHT) provides direct-to-consumer pathology testing allowing patients to complete blood tests in the comfort of their own home
- Samples are sent to MHT's wholly owned laboratory for assessment. Results are delivered to the patient and their Healthcare Professional over MHT's online secure portal
- MHT's HbA1C diabetes test was launched in early 2016 and is sold online via the MyHealthTest website and in select pharmacies
- Recently awarded accreditation for its testing laboratory by National Association of Testing Authorities
- Further tests are due to be launched in 2017

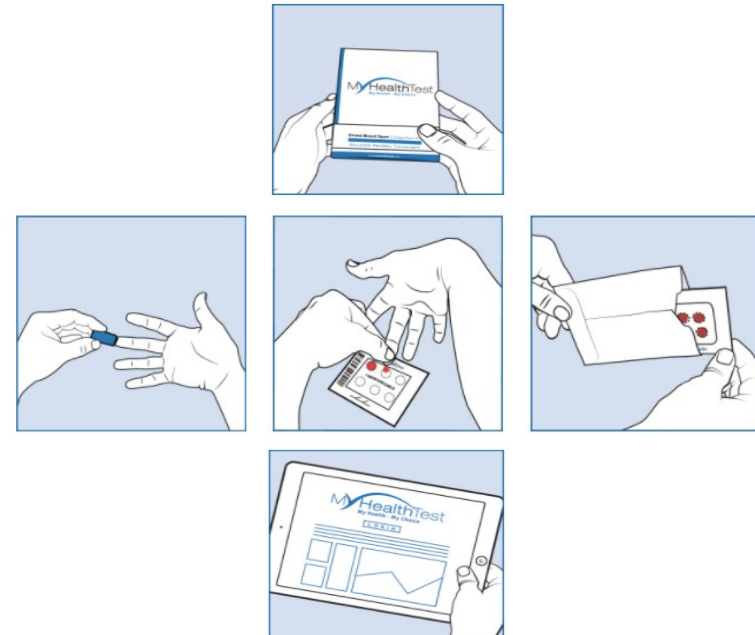


MyHealthTest - Diabetes Test: HbA1c

- MHT's foundation test assesses the presence and/or risk of a patient developing diabetes through the measurement of HbA1c
- The **World Health Organisation (WHO)** recommends the Hba1c test as a means for diagnosing and monitoring Type 2 diabetes.
- People with diabetes or pre-diabetes are encouraged to have the **test completed 3-4x a year**
- MHT's HbA1c test is more convenient, less invasive and with clinically validated levels of accuracy compared to traditional full blood samples



The John Curtin School of Medical Research
ANU College of Medicine, Biology & Environment



\$500m Addressable Market in Australia

- Diabetes Australia estimates **1.7m people** in Australia suffer from diabetes (1.2m diagnosed and 500k undiagnosed). Over 100,000 people develop diabetes each year
- **2m people** are estimated to have pre-diabetes and require regular monitoring and lifestyle changes
- Addressable market for MHT's HbA1c test is estimated to be **\$500m** p.a in Australia and growing
- MHT has first mover advantage
- Test retails for \$35 and patients are encouraged to take the test quarterly
- MHT will focus on achieving scale and profitability in the Australian market before looking towards overseas expansion



MHT - New Tests

- MHT has three new tests set to be launched in 2017
- The tests are for thyroid, PSA (prostate), cardiac disease and general health markers
- Combined addressable markets in the **hundreds of millions of \$'s** in Australia alone
- MHT intends to offer full test panels for both the assessment of general health and diagnosis/ monitoring of chronic disease
- With recently awarded NATA lab accreditation MHT will become a viable alternative to traditional pathologies with the eventual possibility of **securing Medicare rebates** that should substantially reduce the cost for patients

Due for launch

PSA Test for Prostate Diseases

TSH Test for Thyroid Problems

Cholesterol Testing for Heart Disease

ITL Health Group – Positive FY Results

- ITL achieved significant growth in first half of the current financial year
- As recently announced ITL has seen growth continue into the second half
- \$4m spent on R&D (\$2m on MyHealthTest). \$3m of the \$4m has been expensed
- Full Year results should see EBITDA rise 300% and PBT grow at least 12x

	First Half 2017	Full Year 2017 (forecast*)
Revenue	\$17.5m (up 11%)	\$35m (\$31.1m FY 2016)
EBITDA	\$2.8m (up 75%)	\$5m (\$1.6m FY 2016)
Profit Before Tax	\$2.1m (up 110%)	\$3.5m+ (\$0.3m FY 2016)
EPS	2.2cps (up 83%)	3.7cps (up 68%)

* Forecast figures announced to ASX in ITL's Trading Update on 14 June 2017

Investor Summary

- Profitable, growing and fully funded
- R&D and innovation underpins consistent pipeline of high quality new products
- Successful targeting of \$3.3bn Blood Culture Testing market
- ITL BioMedical global distribution agreement with BioMerieux will drive significant growth
- ITL Healthcare generating significant free cash to the Group with growth opportunities and inherent strategic value
- MyHealthTest's tests targeting multi million \$ addressable markets
- ITL anticipates continued strong growth through 2018 and beyond



Innovating to Make Life Easier



Enquiries

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