

8th June 2023

To: ITL Health Group Limited Shareholders

Interim Dividend Announcement

ITL is pleased to announce that today it has declared a 1 cent fully franked interim dividend for the Half Year ended 31 December 2022.

The decision to pay this dividend has been deferred since the results were released in February due to weak sales in the second half of the financial year and the boards cautiousness around cashflow.

Whilst the 1st half FY23 results showed good revenue, profitability was down as highlighted in the half yearly report.

ITL is experiencing reduced demand for some of our key products from 2 of our major customers in the US & Europe due to unwinding of their stock levels that had been built up during the COVID years. This has affected sales in the second half and is predicted to continue for a further 6 – 12 months.

In addition one of our major Australian customers has been struggling with competition and this has had a detrimental effect on sales which is expected to continue for the foreseeable future.

As mentioned over the last few years we are looking to diversify our customer base to grow our sales and reduce our reliance on some of our larger customers. This has meant increased expenditure to expand our sales and marketing team for future growth. This investment will continue and is projected to grow over the next 12-18 months which will further impact our current and future results but will result in greater longer term benefits.

The details of the dividend are:

- Declared by the Board 8 June 2023
- Record date 8 June 2023
- 1 cent per ordinary share on issue declared, fully franked
- Payment date 20 June 2023
- Dividend Reinvestment Plan – not active

We thank you for your patience in this matter and assure you the Board has worked to ensure the best outcome for all shareholders.

Yours Sincerely



William Mobbs
Chairman