

## ITL Health Group Announces 2017/18 Results

ITL Health Group (“ITL”), a manufacturer and seller of medical technology to the global blood industry and developer of innovative direct-to-consumer pathology testing services, announces results for the year ended 30 June 2018.

The financial results for the 2018 year, including the divestment of the Australian Custom Procedure Pack (CPP) business (approx \$12m pa revenue), are as follows:

### Group Results

- Revenue of \$24.3m (2017: \$34.8m);
- Profit before tax of \$2.4m (2017: \$3.6m);
- EBITDA of \$3.6m (2017: \$4.8m);
- Profit after tax of \$3.0m (2017: \$3.4m);
- Earnings per share of 3.3 cents (2017: 3.6 cents);
- Net asset backing per share 14.0 cents (2017: 18.4 cents);
- Net debt \$0.4m (2017: \$2.6m)

### Continuing Operations Key Results

- Revenue of \$21.4m (2017: \$22.6m);
- Loss after Tax \$6.1m - includes \$6.9m of one off costs (2017: Profit of \$3.3m)

In 2017/18, ITL implemented its strategy of repositioning itself to focus on the global blood industry opportunities. This generated a number of major changes to the business in terms of product offerings, and in the way business was structured.

As a part of that repositioning ITL sold off the CPP business in ITL Healthcare. There was a significant effort to achieve that separation and it caused major disruption to normal operations. Completed during the year were regulatory transfers and approvals; manufacturing transfers to our Malaysian facility; customer novation’s; as well as establishing a new office for the retained business and; recruiting and training a new sales team.

On the positive side the divestment brought into the business **\$14.7m** and generated a book profit of **\$9.9m** before tax, reduced debt by **\$2.2m** and allowed ITL to return **\$5.5m** of cash to shareholders through an on-market share buyback.

### ITL Health Group

ITL is an innovative global medical technology company comprising two divisions; ITL BioMedical and MyHealthTest. ITL holds an IP portfolio of more than 50 patents and sells into 55 countries.

ITL BioMedical creates and manufactures leading edge medical devices for the global blood industry including products for the clinical, blood banking, and laboratory markets. ITL is a growing provider of specialist ancillary products for the Blood Culture Testing and Blood Stream Infection Prevention markets.

MyHealthTest is developing a disruptive business model in the pathology testing market and is building an innovative platform for driving and leveraging the direct to consumer healthcare revolution.



Ranked 16<sup>th</sup> most Innovative Company by the  
AFR Innovative Companies Awards

### Australian Securities Exchange

Code: ITD

### Ordinary Shares

85,552,339

### 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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### ITL Contact

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In addition to the time consuming divestment of the CPP business, there were significant product demand shifts in some of the older products sold into the US market and delays in releasing some new products onto the market.

ITL also took the opportunity to undertake asset write-offs including impairing the start-up goodwill and development costs in the MyHealthTest business. These write-offs, impairments and restructure costs totalled **\$6.9m**.

During the period MyHealthTest also relocated to larger and more suitable premises inclusive of clinical suites and expanded laboratory facilities for future growth and development. The Board is pleased with the progress in the development of the MyHealthTest business platform, and is committed to on-going investment to further realise the enormous consumer testing opportunity it represents.

By the year end, ITL's strategy to focus on the global blood industry was achieving improved margin growth on lower revenues. The Board is confident that BioMedical has the best strategy to focus on the blood industry and to take full advantage of the new products released and due to be released, over the next 12 months. These are expected to generate strong growth in future years.

Bill Mobbs  
Executive Chairman

**About ITL Health Group [www.itlhealthgroup.com](http://www.itlhealthgroup.com)**

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