



EAGLE HEALTH HOLDINGS LTD

(ASX : EHH)

Company Presentation

March 2020



Our Mission

Supporting people to live healthier lives through access to renowned and trusted health products and services and innovative technologies.

Our Vision

To be a leading global enterprise in nutrition, health technologies and wellness.

Wellness is a
\$4.2 Trillion
industry growing at
2x Global GDP

Continuing our Success in 2020



01 Increasing organizational capacity and operational excellence



02 Securing new brand and product opportunities



03 Investing in new technologies and healthcare solutions



04 Embracing both innovation and local tradition



05 Significant and well-established distribution networks



06 Expertise in the regulatory environment



07 Agile and knowledgeable in the changing consumer landscape



08 Enriching our health ecosystem model



09 Leveraging exclusive retail with social and domestic e-commerce



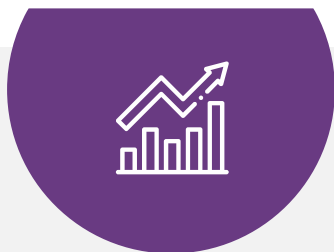
10 Physical retail providing curated products and services

Growth Strategy



Operational Excellence

- Strengthened Executive Team
- Strong Corporate governance
- International expansion and execution
- Market expertise



Market Development

Accelerate growth in:

- China
- Australia
- South Africa

Expansion into new territories:

- SE Asia
- India & Middle East
- USA



Mergers & Acquisitions

- Synergistic partnerships and mergers
- Leveraging Eagle's platforms, assets and know-how



Innovation

- Launching new e-health technologies and industries
- Connecting traditional health and wellness practices with innovative tools



Operational Excellence

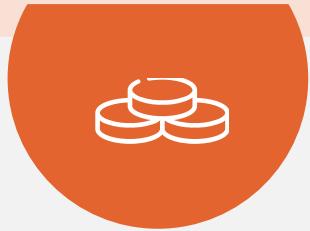
Growth built on strong foundations

- Strengthened Executive Team
- Strong Corporate governance
 - International expansion
 - Market expertise





2019 Year in Review *



A\$103M

Full year
revenue



A\$8.5M

Profit
After Tax



A\$85M

Net Assets



\$0.25

per share
Net Tangible Asset
Backing

Earnings Per Share of 2.64 cents

* - Unaudited figures



Our Executive and Advisory Team



Andrew Smith
Non-executive
Chairman



Gang Xu
Managing Director



**Dr Brendan
de Kauwe**
Executive Director



Mingwang Zhang
Executive Director



Henko Vos
Company Secretary



Haroon Kalla
Advisor

Our China Operations



- **Established 100 Direct Exclusive Health Centers** in China during 2019.
- Continued expansion of franchised Zhang Lao San stores (currently totaling >300 stores) as well as growing the vast network to 271 third-party distributors reaching over **30,000 retail outlets**.
- New distribution channels using TV shopping across mainstream media in China across national/provincial TV channels.
- Launched 50 newly developed Eagle TCM products via Eagle's wholly owned GMP Pharmaceutical R&D and Production facility in Xiamen.





Eagle's Exclusive Health Centers

100
Stores

570
Million populous

16
Provinces

1 on 1
Professional
consultation

- Consumer-led model with systems in place to continue to listen, monitor and adapt
- Opportunity for ongoing customer education and patient support services
- Channel agnostic allowing agility and adaption to changing consumer behaviour
- Quality in-store experiences builds consumer confidence and loyalty in products and services offered
- Exclusive store experience drive strong growth in offline channels and repeat purchase
- Staffed by highly trained professionals as an important customer interaction point for exposure to new brands and health technologies and services
- Social e-Commerce platforms and networks in place to capture online growth and consumer engagements



Eagle established 100 new 'Exclusive' Health Centers during 2019



Market Development

Growth in established and new territories

Accelerate growth in China, Australia and South Africa

Expansion into new territories:

SE Asia, India and USA





The Growing China Market Opportunity

Eagle has an enviable, extensive and time tested retail footprint in China.

This is an exceptional asset which can be leveraged with new strategic supply partners to further enhance the company's share of the vast China health and wellness market.



Consumers

- Ever increasing demand for new cross-border products
- Rapidly adopting e-Health and telehealth solutions and innovative technologies
- Growing focus on health and wellbeing
- High demand for Australian, European and New Zealand products
- Sophisticated in multi-channel retail solutions



Retail Channels

- Leverage the Health ecosystem by providing an array of health products and services via our exclusive health outlets
- Advanced integration into domestic and social E-commerce networks
- Consumers demanding physical brand experience that is exciting and interactive
- Leveraging our significant and established distribution network and exclusive health outlets



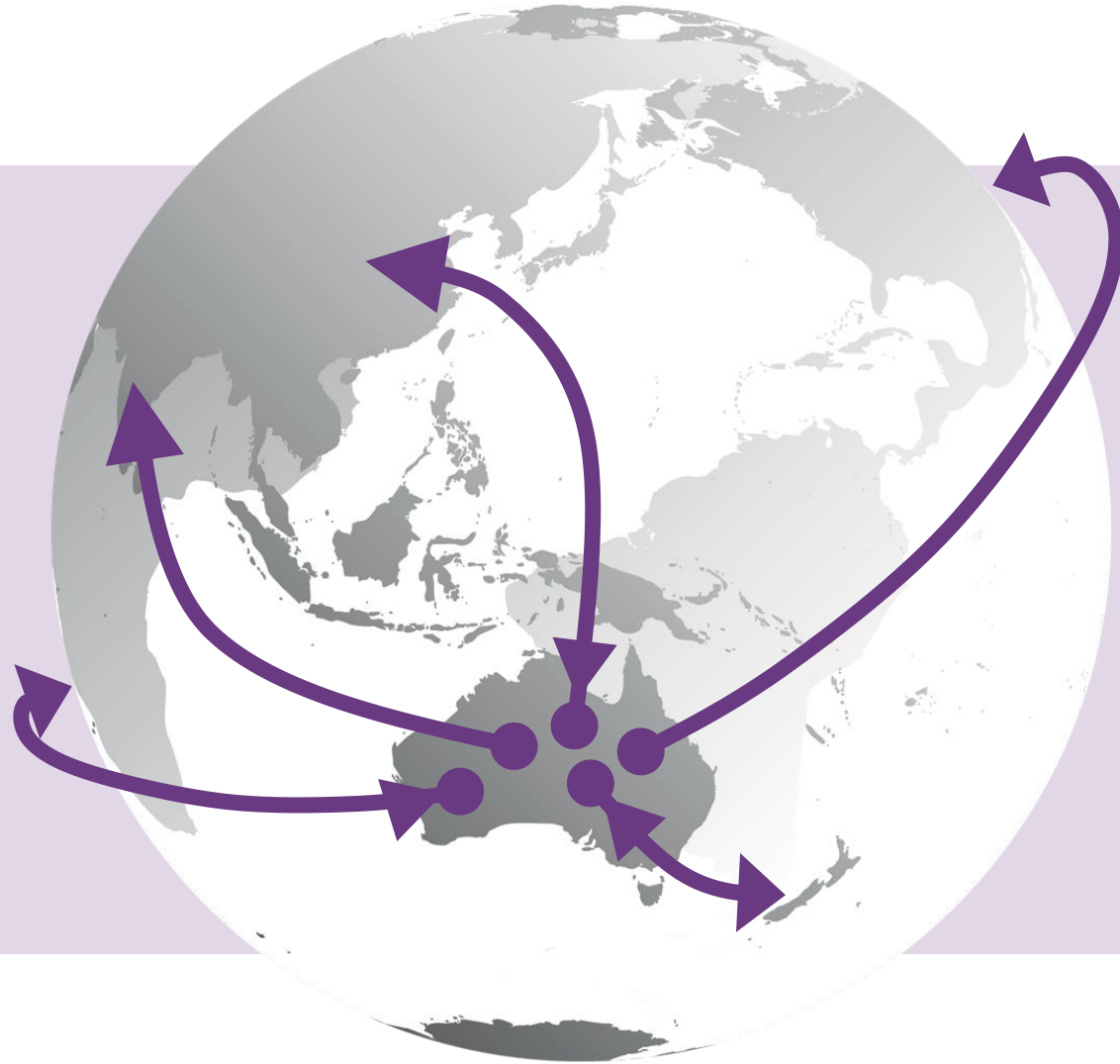
Government

- Healthy China 2030
- Focus on health education and innovative health technologies
- Driving adoption of remote diagnostic and health care solutions and support services
- Eagle has expertise in product registration
- Eagle has local know how with a 20 year established and respected brand
- Eagle owns GMP certified pharmaceutical facilities and registered products



New Territories

The new Eagle Executive Team are currently and pro-actively negotiating opportunities to expand Eagle's retail and trading footprint outside China, through various Joint Venture and distribution opportunities, with the priority markets being South Africa, Australia, USA, India and New Zealand.





Acquisitions

Synergistic partnerships and Mergers

Assisting new products and technologies to market through our extensive network and resources



AMKA – Strategic Partnership Executed



AMKA

- Rated a Top 500 Company in South Africa, operating since 1957
- A leader in the Health & Beauty and Wellness Industries
- Has a significant footprint in the African continent in;
 - Research and Product Development
 - Manufacturing
 - Sales and Marketing
- Distribution into Chain & Independent Retail, Pharmacies, Wholesalers
- Distributes to 42 African countries and 20 additional worldwide
- Operates 20 facilities over 94,000m²
- Directly employs >2,000 staff
- Has ~1600 products (95% owned, 5% licensed)
- Product presence in >50,000 outlets globally



Eagle and AMKA have signed a Collaboration Agreement based on the principals of

“innovation & reach”

to leverage their significant assets and networks in their respective territories for their existing products, as well as for new products and innovations in the health & wellness space and in new territories worldwide

Distribution & JV Partnerships

ZOONO®



Eagle's Executive team has identified and is actively procuring arrangements with companies that have products and services deemed appealing and in high demand across various distribution networks and worldwide territories.

Eagle will provide significant opportunities and value add to future and existing partners through the ability to launch products and services across its existing infrastructure and partnership ecosystem, within various territories worldwide.



Eagle and Zoono
have signed a Distribution
Agreement and
Co-branding arrangement
www.zoono.com



Innovation

Launching new e-Health technologies and industries

Connecting traditional health and wellness practices with innovative tools





New Technologies, Products and Services

Eagle has initiated the development of a dedicated online health platform to connect consumers, patients and families to digital diagnostics for vital health parameters.

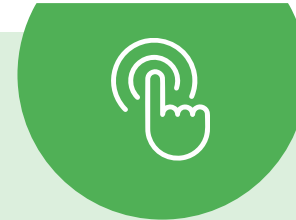
Eagle intends to utilise its expansive Health Centre infrastructure as the conduit between the consumer and unmet health care technologies, products and services.

Expanding its product range and offerings across both personal care and clinical & commercial use.

Launching existing brands into new and high consumer demand markets.



E-Health



Interactive technologies



Medical Devices



Online Health



Personal Care



Clinical & commercial

Medical Mask Manufacturing

Eagle has expanded its wholly owned GMP certified pharmaceutical manufacturing facilities for the production of BFE>95-99% disposable medical masks with first stage capacity of ~300 million masks per annum.

Eagle's medical masks and materials are manufactured in accordance with internationally recognised standards: the People's Republic of China Pharmaceutical Industry Standard and in accordance with the State Food and Drug Administration (Standard YY/T 0969-2013) (Classification of International Standard: ICS 11.140, C48); TSI 8130 standard; ASTM (the American Society of Testing and Materials); Australian Standard AS:4381-2015.

Eagle maintains a dynamic approach in the identification of and execution into new and high consumer demand markets.



Clinical & commercial



Medical Devices

Key Priorities 2020



Accelerated sales

Continue YOY revenue growth



Increased awareness

Increasing marketing and digital initiatives



Regulatory success

Further strengthen Research & Development and Regulatory Approval expertise



Launch new products

Investment in new products and established brand partnerships



Acquisitions

Expand business via high quality acquisitions



Leverage

Leverage existing distribution networks, retail infrastructure and online platforms



Financial Performance 2019

EAGLE HEALTH HOLDINGS

2019 Financial Performance

- **Revenue of \$103 million**, down 7% on prior year, impacted by China's economical downturn across retail markets and changes to consumer habits and online competition.
- **EBIT of \$12.9m**, down 50% on prior year due to higher COGS, R&D and marketing costs, higher depreciation and amortisation and non-cash share-based payment expenses.
- **NPAT of \$8.5 million**, down 55% on the prior year
- **Dividend payable 0.12c per share**, record date for determining entitlement 31 March 2020.

A\$m	FY2019 (unaudited)	FY2018
Revenue	103.2	111.0
Cost of goods sold	53.7	54.2
Gross Profit	49.5	56.8
Gross Margin	48%	51%
All operating expenses including depreciation & amortization	36.6	31.2
EBIT	12.9	25.6
Income tax expense	4.4	6.9
NPAT	8.5	18.7
Earnings per share (cents)	2.64	5.92
Dividend per share (cents)	0.12	0.5
Net Tangible Assets (cents)	25.04	23.33



Corporate Snapshot

Share price and volume (6 months)

Company Statistics ¹	A\$
Share Price (13 March 2020)	\$0.150
6 month High / Low	\$0.086 to \$0.21
Cash Position	
Cash & Cash Equivalents (31 Dec 2019)	\$8.75m
Market Cap at 13 March 2020	\$55.3m
Shareholder Base	
Significant shareholders as at 13 March 2019	
Creator Global Holdings Ltd	24.7%
CITICORP Nominees Pty Ltd	16.2%
J P Morgan Nominees Australia Pty Ltd	7.6%
Shares on issue (13 March 2020)	~368.6m



¹ Source: ASX, 13 March 2020

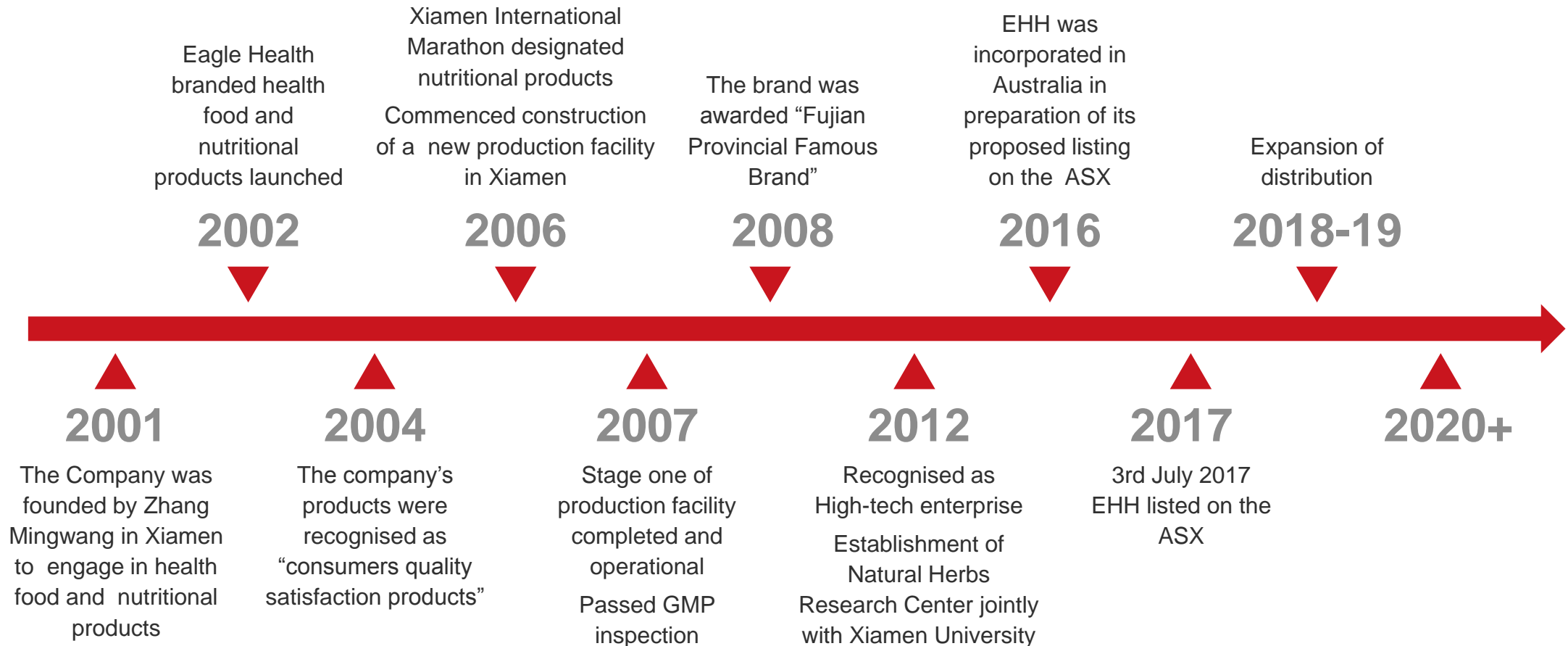


Appendices





Milestones and Achievements



Our Leverage in the Healthy China 2030 Initiative



01

Healthy China 2030 State Council initiatives and investment



02

Growing consumer demand for Western health and wellness products



03

Increasing wealth in China's middle class driving demand and consumption for foreign products



04

Mass adoption and demand for advanced health technologies and digitalisation



05

Consumer focus on safety and naturally sourced products



06

Health stores and pharmacies are the new conduit between patients and digital health services



07

Rapidly evolving health delivery systems via e-Health, Telehealth and Patient engagement stores

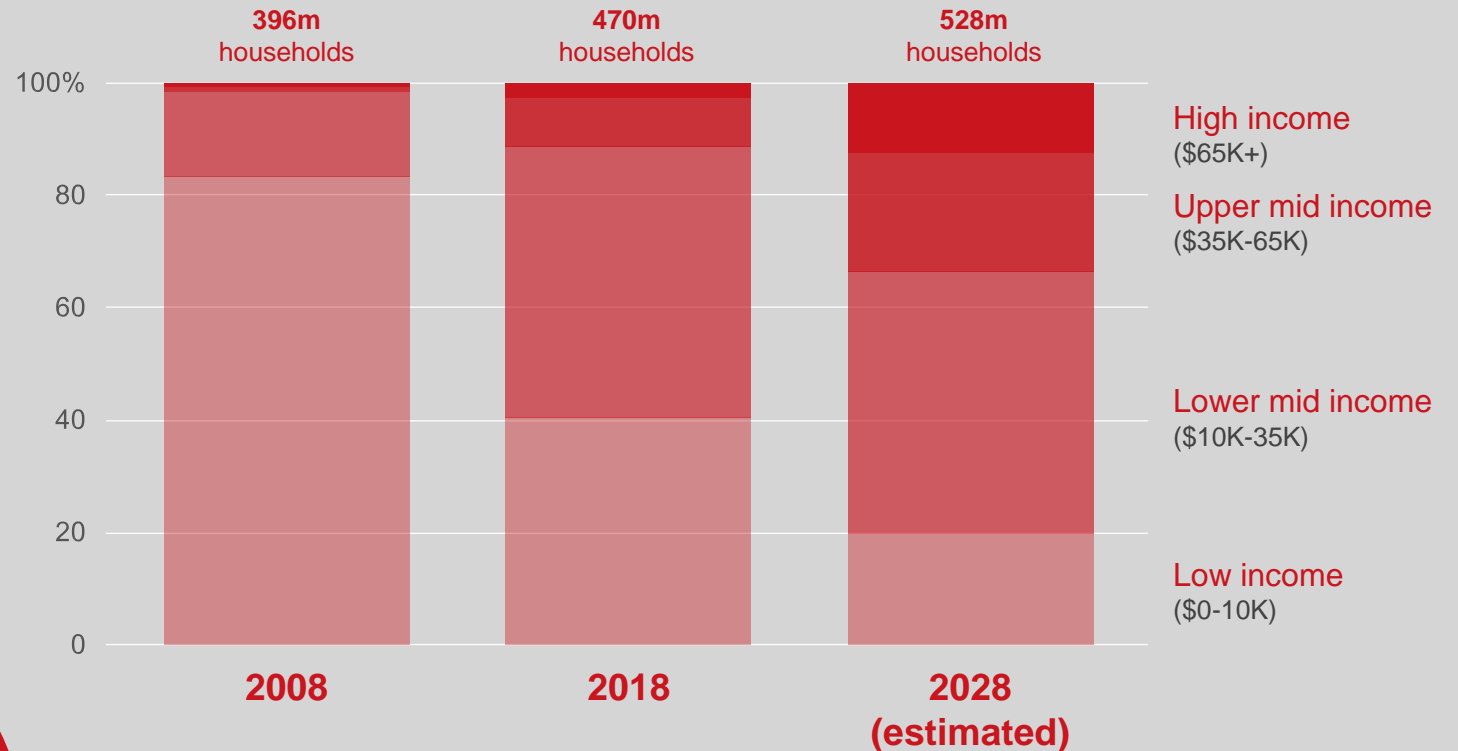


08

Increased health education and health literacy via 1-on-1 systems and digital solutions

China's Middle Class Driving Demand

China household
breakdown by
income levels



~140 million households
will move into the
middle income
brackets in the next
decade

Source: Euromonitor



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Thank you

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