10 November 2015

Ms Belinda Mai
Advisor, Listings Compliance
ASX Compliance Pty Ltd
Level 6, 20 Bridge Street
Sydney NSW 2000

Dear Belinda

Traditional Therapy Clinics Limited (ASX: TTC) Investor Update

Please find attached an investor presentation that will be given by the Chairman and Chief Financial Officer to investors over the course of the next two weeks.

Yours sincerely
Traditional Therapy Clinics Limited

Lisa Dalton
Company Secretary

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Traditional Therapy Clinics Limited (ASX:TTC)

Investor Presentation
Business Update

Traditional Therapy Clinics

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Contents

Investment Highlights

- ✓ Highly recognised and respected brand operating the largest network of therapy clinics in China
- ✓ Fragmented, but very large and well established industry
- ✓ Strong focus on corporate governance and communications protocol
- ✓ Significant expansion opportunities, both franchise and new owned clinics
- ✓ History of strong earnings growth with excellent margins
- ✓ Attractively priced at IPO: 4.2 X FY15 EBITDA, PE of 6.8
- ✓ Strong dividends, 7.2% - 9.6% Forecast Div Yield

IPO Operational and Financial targets

On track to meet and in some cases exceed targets included in the prospectus

Introduction to Traditional Therapy Clinics

Introduction to Traditional Therapy Clinics

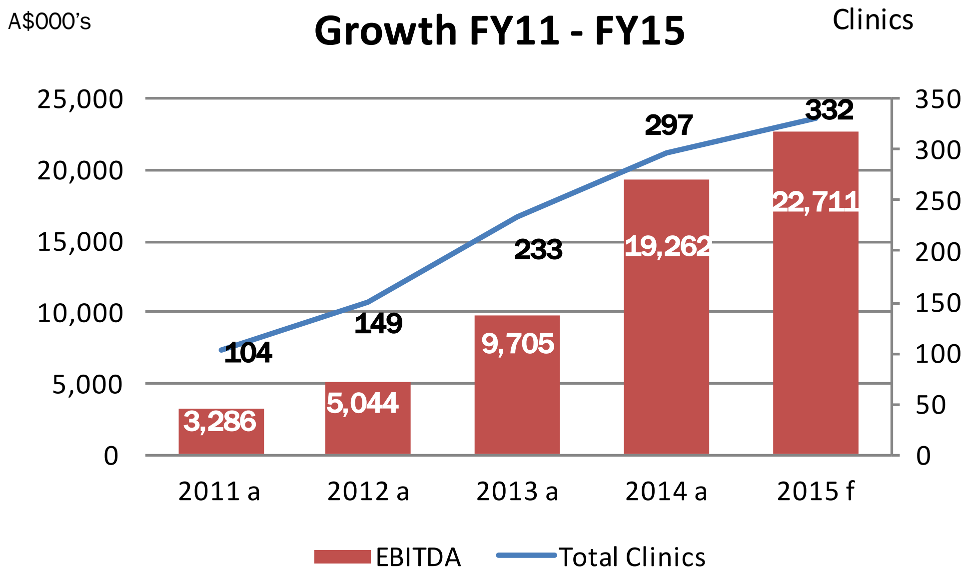
- Started in 1998 doing 'foot massage' in Chongqing with 4 'beds'
- At 30 September 2015 had 326 traditional therapeutic health and wellness clinics in China. (Prospectus forecast 332 by 31 December 2015)
- Strong earnings growth: EBITDA CAGR of 80% from 2011 to 2014. On track to achieve 2015 prospectus forecast EBITDA of A$22.7m
- Significant expansion opportunity
  - Continue franchise sales
  - Increase higher margin 'owned stores' through acquisition of existing franchises and/or greenfield development
  - Consolidate and rebrand through acquisition of competitors
- Operating in a very established and culturally ingrained industry – accepted as Chinese medicine and relaxation therapy

Recognised and highly respected business in China

- Highly respected brand with nationwide presence
- Government recognised industry leader ("Famous Brand")

Strong Governance

- Robust governance and established communications protocol and systems for monitoring and reporting
- Australian NED's engaged with a focus on institutional and ASX governance requirements



Company History

1998:	Fuqiao Established.
2002:	Initial Franchise
2004:	Provincial Gov't recognition of Fuqiao as Famous Brand
2007:	ISO9001: 2000 approval granted
2011:	Exceeded 100 clinics
2013:	Exceeded 200 clinics
2014:	Central Gov't recognised "Fuqiao" as a "Famous Brand"
2014:	Fuqiao approved as the National Professional Skills Appraisement Center for Bath and Massage Therapists by the Health and Family Planning Commission
2015:	Exceeded 300 clinics

TTC Operating Model

Operating model - Franchised and owned & operated clinics, at 30 September 2015

- 315 franchised clinics
- 11 owned and operated clinics. (4 further acquisitions in October 2015)

Franchisee clinics

- Clinics licensed under the "Fuqiao" brand
- Franchise agreement based on payment of upfront fees and a monthly management fee
- No revenue/profit sharing arrangements
- Franchisees are financial investors with no day to day role in running clinics
- Brand and operations are directly controlled by TTC (not franchisees) – key to maintaining standards and brand recognition
- Each clinic has a TTC trained manager which reports to TTC (but is paid for by the franchisee clinic)
- TTC managers' reporting includes franchise performance and maintenance of standards

Owned & operated clinics

- Operate under same structure and branding as franchised clinics
- TTC retains all earnings

Model based on quality, standardised clinics

- Detailed operating standards in place for all clinics: cover customer service, training standards, administrative and financial management
- TTC trained managers at every clinic to run the clinic and report on its performance
- Therapists trained directly by TTC through their training clinic at the Chongqing City Management College. All therapist employees must undertake a minimum 3 month program at CCMC or on site at clinic if they have existing qualifications

TTC – Franchising Model Details

Franchisee licensing process

- TTC receives ~2,000 enquiries from potential franchisees per year
- Strict criteria in place to assess potential franchisees
- Application and assessment process:
  - Franchise enquiry
  - Assessment of candidate franchisee
  - Assessment of local addressable market
  - Location suitability
  - Execute Agreement and upfront payment
  - Oversee fit out, staffing

Franchise licensing arrangements[1]

- Term of 5 years
- Total upfront fee payable of A$101,833
- Annual fee payable of A$46,843
- Total fees over 5 year term: A$336,049
- The franchisee is responsible for gaining necessary local authority approvals
- Franchisee is also responsible for clinic fit out costs, typically totalling RMB 2.5m to 3.0m (A$509k-$611k)

Franchise Fees	RMB '000	AUD '000[1]
Upfront fees		
Training fee (payable 5 years in advance)	500	101.8
Annual fees		
Franchise fee (payable annually in advance)	110 p.a.	22.4 p.a.
Management fee (payable monthly in advance)	120 p.a. (10/month)	24.4 p.a. (2.03/month)
Total annual fee	**230 p.a.**	**46.8 p.a.**
Total fee over 5 year term	**1,650**	**336**

1. An exchange rate of 4.91 RMB:1 AUD has been used in the above analysis

TTC – Indicative owned clinic

Owned clinics deliver strong profitability on average, with gross profit margins of ~49% and PBT margin of ~39%

Indicative "per clinic economics"[1]

Indicative Owned or Franchised clinic economics	Avg annual revenue (A$000's)
Total revenue	**1,714**
Cost of revenue	
Property rent/Outgoings	152
Staff costs	626
Other	65
Gross Profit	**871**
G&A expenses	
Maintenance	72
State tax	96
Other	37
Profit before tax (PBT) (PBT before management fees for franchised clinics)	**666**

Based on Average of 2014 audited owned clinics, excluding Head Office flagship clinic

Indicative Treatment Statistics by clinic[1]

Indicative Owned or Franchised clinic economics		
Treatments analysis per clinic		
Treatments per clinic per annum		70,350
Treatments per clinic per day (ave)		210
Average number of therapists (ave)		45
Daily treatments per therapist		4.3
Revenue analysis per clinic	**RMB**	**A$**
Average treatment cost	120	A$24.4
Gross revenue per clinic	7,440,000	1,714,000
Indicative network treatments/annum	310 clinics	21.7m

Note: Therapists costs are variable as they are paid on commission only

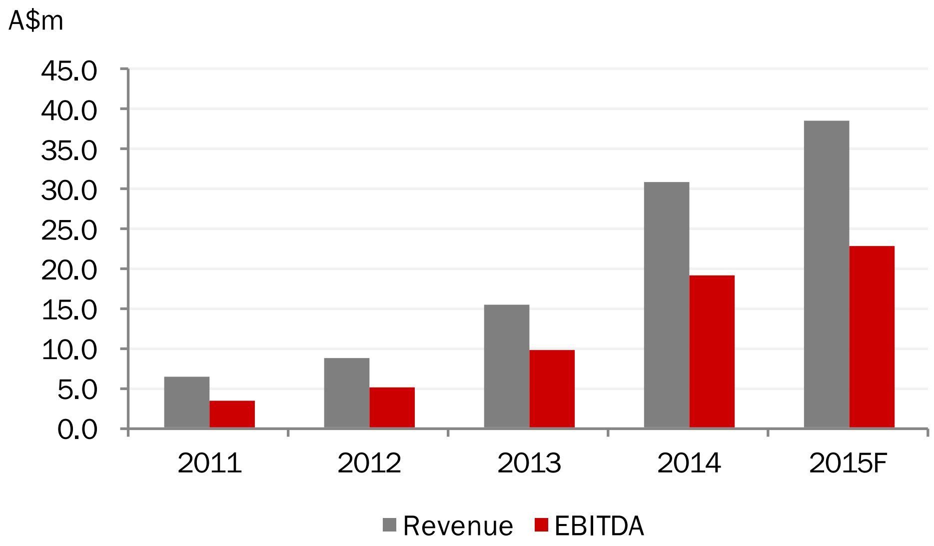
1. An exchange rate of 4.91 RMB:1 AUD has been used in the above analysis

Summary Financials

History of strong growth

- TTC is well on track to achieve the revenue and profit forecast outlined in the prospectus
- TTC signed acquisition agreements to purchase four existing franchise clinics on 31 Oct 2015. These clinics were acquired based on EBITDA multiples of between 2 – 2.3. The prospectus forecast for 31 Dec 2015 did not include any revenue and profit contribution from any further acquired clinics
- TTC is targeting a further 7 clinic acquisitions from its franchised clinic network over the next 2-3 months
- Since issuing the prospectus a further 29 franchise clinics have been granted a new license

Revenue and EBITDA growth



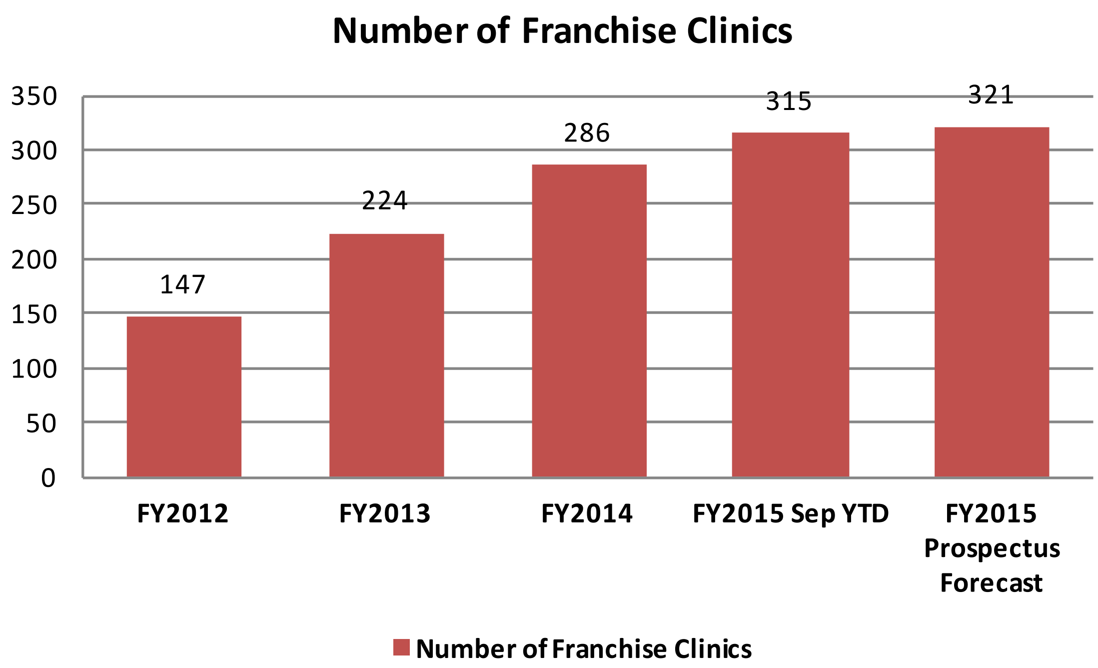
	2011	2012	2013	2014	2015 Prospectus Forecast
Revenue	6,352	8,823	15,639	30,864	41,662
EBITDA	3,286	5,044	9,705	19,262	22,711
EBITDA margin	*52%*	*57%*	*62%*	*62%*	*55%*
Owned clinics	2	2	9	11	11
Franchised clinics	102	147	224	286	321
Total clinics	**104**	**149**	**233**	**297**	**332**
Avg annualised revenue per owned clinic	$1,280,968	$1,431,732	$1,397,793	$1,772,684	na

Overview of TTC – Continued Expansion

TTC is the largest chain of traditional therapeutic health and wellness clinics in China with 326 clinics (30 September 2015) vs. 297 clinics (31 December 2014)

Province	Clinics
Guizhou	41
Zhejiang	35
Siachuan	33
Chongqing	30
Henan	27
Guangxi	21
Shandong	18
Fujian	17
Jiangsu	17
Guangdong	12
Anhui	11
Hebei	9
Hubei	9
Hainan	7
Yunnan	6
Tianjin	5
Heilongjiang	5
Shanxi	3
Hunan	3
Shanghai	3
Xinjiang	3
Liaoning	3
Shanxi	2
Jiangxi	2
Beijing	2
Tibet	1
Mongolia	1
Total	326

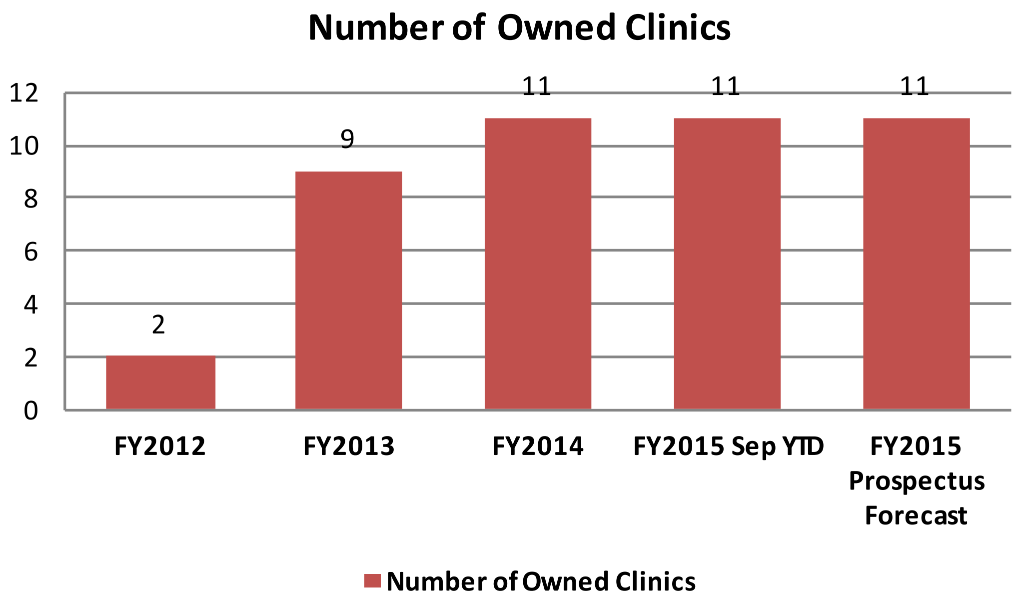
Continued Expansion of franchise clinic base



Continued Expansion of franchise clinic base

- Since 2011, the average annual growth in the number of TTC franchised clinics has been approximately 40%. The Company has conservatively forecast a growth rate of 12.2% for the 2015 year
- For the 9 months YTD of FY2015, 29 new Franchise Agreements were granted. TTC is well on track to achieve its target of 35 new franchise clinics by the end of FY2015

Continued Expansion of owned clinic base



Continued Expansion of owned clinic base

- The Prospectus Forecast for FY15 did not include any revenue from newly acquired clinics
- TTC signed acquisition agreements to purchase four existing franchise clinics on 31 Oct 2015. The purchase price for all four clinics is RMB 31.7 million which equates to AUD $6.73 million at an exchange rate of 4.71 AUD:RMB) which results in an EBITDA multiple of between 2 and 2.3 for each clinic based on earnings in the 2014 financial year
- The “owned clinic” model has become a key focus given the ability to generate a greater return on investment and its added advantage of assisting with projecting the company brand and establishing the high standards of service within the TTC network. TTC is targeting a further 7 acquisitions of clinics from its franchised clinic network over the next 2-3 months.

Strategy for Expansion and Continued Success

Continued Expansion of franchise clinic base	• Since 2011, the average annual growth in the number of TTC franchised clinics has been approximately 40%. The Company has conservatively forecast a growth rate of 12.2% for the 2015 year
Continued Expansion of owned clinic base	• Significant opportunity exists to grow TTC's operations by acquiring existing clinics (from third parties or franchisees) or developing greenfield owned clinics in suitable locations • TTC considers that its 11 owned clinics have met or exceeded the necessary hurdles to provide sufficient certainty around the "owned clinic" business model. Given the economics of clinic ownership, the Company intends to continue to acquire clinics from franchisees, as well as establishing new green field sites • In addition, the rollout will have the additional benefit of assisting with projection of the company brand and standards setting for the network
Training and Human Resources	• One of the potential limitations to growth is access to appropriately qualified and dedicated therapists. TTC intends to extend its current involvement in training with the establishment of an additional training facility in addition to the current facility it operates in conjunction with Chongqing Municipal Health Bureau. TTC's "control" over the supply of appropriately qualified therapists is considered a durable competitive advantage and a potential barrier for aspiring competitors to provide similar levels of service to TTC
Investment in Technology	• TTC intends to invest in systems to: - take better advantage of its extensive customer base - enable exceptional service levels - provide operational efficiencies - increase revenue. • The investment in new systems will include mobile applications and digital capabilities for bookings, new website front end and the development and implementation of integrated CRM database

Experienced Board

<table>
<tr>
<td>Andrew Sneddon
Chairman</td>
<td colspan="2">PWC Partner (33yrs, 18 as partner)
• Lead partner of the Technology/Life Sciences Practice)
• Extensive experience in:
- Assurance under Australian and US GAAP;
- M&A and listing experience as Investigating Accountant on ASX and NASDAQ listings.
Currently Chairman of ServiceRocket Inc., TGR Bioscience, Elastagen & Fusion Payments, Non Executive Director of Clearview Wealth and Innate Immunotherapeutics, on the Compliance and Audit Committee for Crescent Capital Partners.</td>
</tr>
<tr>
<td>Jeff Fisher
NED</td>
<td>Currently CEO of Bondi Pizza chain of casual dining restaurants. Prior to this, Jeff was CEO of franchise group “Oporto” from 2003 to 2011. Previous management roles with Coles Myer, Barbeques Galore, The Warehouse Group and John Danks.</td>
<td rowspan="2">As CEO and CFO, Jeff and Glen built Oporto from 5 franchised stores to 150 franchised stores. They achieved two separate rounds of PE investment by Quadrant in 2007 and Archer in 2011. Prior to 2011, they successfully established franchised operations of Oporto in China.</td>
</tr>
<tr>
<td>Glen Lees
NED</td>
<td>Glen is a Chartered Accountant. He is currently the CFO of Bondi Pizza. Glen was previously the CFO of Oporto from 1997-2011. Previous roles with Coopers and Lybrand (Audit) and Howarth’s (Insolvency).</td>
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Successful and Focussed Management Team

Zhirong Hu
Founder
Managing Director
	• Chongqing native (Largest municipality in world, services ~37.0m people, previous capital of China)
	• Founder and 90.3% shareholder prior to IPO (Including family who owned 18.6% pre IPO)
	• Member of Chongqing Committee of the Political Consultative Conference and Vice President of China Chain Store and Franchise Association
	• Winner of multiple awards nationally and locally, including:
	  - "The Most Remarkable Business Woman of China" by China General Chamber of Commerce;
	  - "Most Excellent Individual contributing to the transfer, training and employment of the rural work force" by Central Government Of China; and
	  - "The Best Female Entrepreneur in Chongqing" by the Chongqing provincial government.
	  - Key figure involved in drafting industry standards with Government

Sanzheng Zhang General Manager	• Bachelor degree from School of Central Committee of Communist Party of China • Qualified accountant • With TTC for 14 years • Holds 4.95% pre IPO • 40 years involvement in financial and business management. • Prior to TTC was vice executive officer and chief accountant in a PRC military enterprise.
John Wu CFO	• M Com (Finance) UNSW, CPA, Chartered Management Accountant & Chartered Global Management Accountant • Consultant of CPA Australia • Non Executive Director and Chairman of Audit Committee of Blackgold International Holdings Ltd. (ASX: BGG) • Various financial management positions with multinational companies in Hong Kong, Australia, and New Zealand such as Toyota, Nestle, British America Tobacco and Deloitte.

Appendix

History and Achievements

- **1998: Fuqiao Established** (Started its business with foot massage and therapy services, 4 beds in Chongqing)
- 2002: Trade Mark "Fuqiao" approved by State Administration Trademark Office
- 2004: Provincial Government recognition of Fuqiao as "Famous Brand"
- 2006: ISO9001: 2000 approval granted
- 2006-2008: 60 trademarks relevant to TTC together with appropriate domain names registered in PRC, Hong Kong, Macao, Taiwan, USA, Germany, Singapore, Malaysia and Thailand
- 2007: At the request of the Ministry of Commerce (Central Government) the Company lead the preparation of industry standard (SB/T10441-2007) regarding technical industry standards. (Implemented 2008)
- 2009: Further request to assist in developing technical grading requirements standards (number SBT10540- 2009) (Implemented 2010)
- 2010: The company was awarded the honour of "Chinese Modern Service Model Integrity Unit" by the Institute for International Trade and Economic Cooperation Research of Ministry of Commerce
- **2011: Exceeded 100 clinics**
- 2012: The company was graded by China Business Federation as "AAA credit enterprise" and it was awarded "The Most Social Responsible Enterprise for 2012" by China International Medical Exchange Foundation
- **2013: Exceeded 200 clinics**
- **2014: Central Government recognition of "Fuqiao" as a "Famous Brand"**
- 2014: 22nd July, Fuqiao approved as the National Professional Skills Appraisement Center for Bath and Massage Therapists by the Health and Family Planning Commission
- **2015: Exceeded 326 clinics in the first 9 months**
- **2015: Successfully listed in ASX**