



# **BTC health.**

## **Annual General Meeting**

**24 November 2020**

**[www.btchealth.com.au](http://www.btchealth.com.au)  
(ASX: BTC)**

# Forward looking statements

This presentation contains forward looking statements that involve risks and uncertainties. Although we believe that the expectations and assumptions reflected in the forward looking statements are reasonable at this time, BTC health can give no assurance that these expectations and assumptions will prove to be correct.

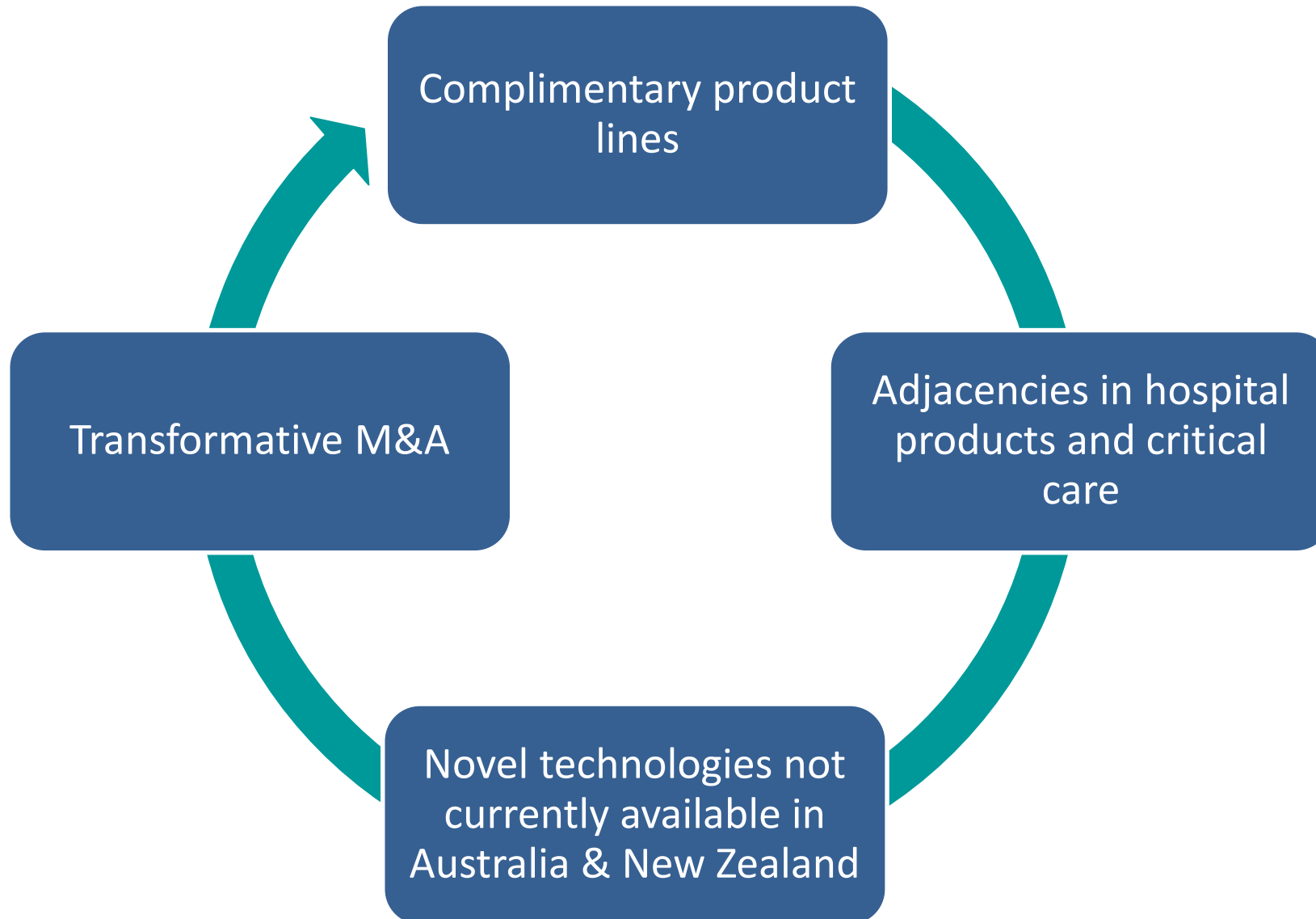
Actual results could differ materially from those anticipated. Reasons may include risks and uncertainties associated with early-stage companies, changes in the regulatory environment, reductions in private health insurance funding, future capital needs, foreign exchange fluctuations or other general risks or factors.



# Highlights

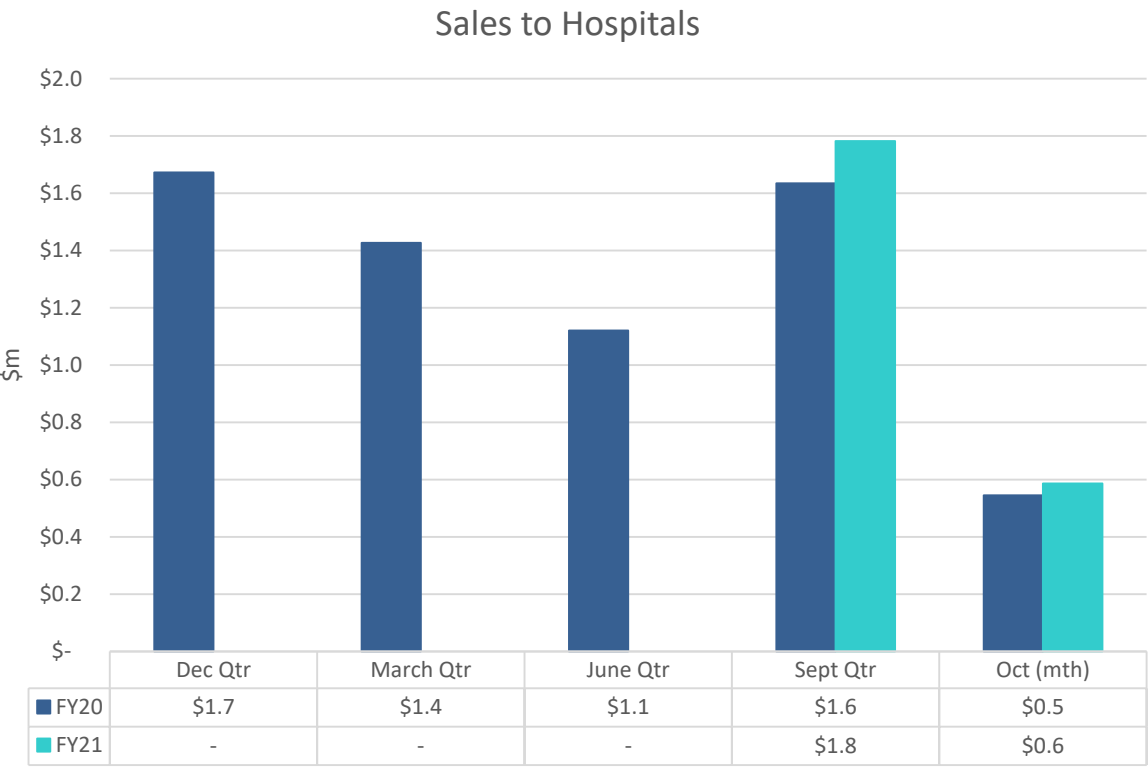
- BTC health's core investment, BTC Speciality Health has rebounded strongly following COVID-19 restrictions and closure of elective surgery by Australian and New Zealand governments.
- Investment in resources is delivering expected results with a number of new customers and surgeons being converted to use BTC medical devices and consumables.
- ISO13485 certification granted, endorsing BTCs quality management system and enabling BTC to compete with large scale medical device companies.
- Net group cash of \$2.3m as at 31 October 2020.
- BTC health positioned for growth with a number of early stage discussions with several companies to build scale and product diversification.

# Investment strategy



BTC is in active discussions with a pipeline of businesses, products and or agencies to broaden its product offering to customers and create strong returns to shareholders

# Operating performance



**Strong sales growth and margin flow through following re-opening of elective surgeries.**

- Australian and New Zealand Governments cancelled elective surgeries late March in response to the COVID-19 outbreak.
- FY20 Sales to hospital were \$5.8m.
- YTD October sales to hospitals of \$2.4m, +8.2% growth over prior year. Normalised growth, after factoring the 5% prosthesis list decline on 1 February 2020 is +13%.
- Victoria and New Zealand growth for the remaining year to exceed current run rate as non-critical elective surgeries opened late October.
- Public hospital sales now represent 6.2% of BTCs business and are expected to continue to grow.
- YTD Oct 2020 Gross margin (net of wholesale margin) is inline with expectations. Reduction in the prosthesis price list on 1 February 2020 has been partially offset by savings in freight and favourable FX.
- Overheads well managed and favourable 15% against prior year

# Outlook

- ✓ Elective surgery largely uninterrupted for the remainder of the 2020/21 financial year, COVID-19 pandemic will continue to be well managed in Australia and New Zealand
- ✓ Further growth expected as Victoria and New Zealand elective surgeries increase
- ✓ Solid pipeline of new surgeons and hospital accounts to convert to BTC
- ✓ Private health funding expected to be retained, nil price reduction expected on the prosthesis list pricing during the next 12 months
- ✓ A number of new products, agency and business acquisitions are in active discussion

