

# Annual General Meeting

## 23 October 2007

Bill Mobbs  
Chief Executive Officer  
ITL Limited



# ITL Limited

- 2007 Year in Review
- 2008 First Quarter and Outlook
- Summary



# 2007 Year in Review



# Summary

- Difficult year
- Repositioning company
- Many concurrent projects
  - Take us to next scale
- Loss of 3 senior managers
  - Including CFO
- Suffered shock in Australian business
  - Third party sterilisation supply issues
  - High turnover in sales force



# 2007 Results

- Revenue \$35.3 M ↑ 12.7%
- Pre Tax Profit \$ 2.1 M 5.9% of Revenue
- Net Profit \$ 1.7 M 4.8% of Revenue
- EBITDA \$ 4.1 M ↓ 12.1%
- 2007 Dividend \$ 0.01 per share fully franked

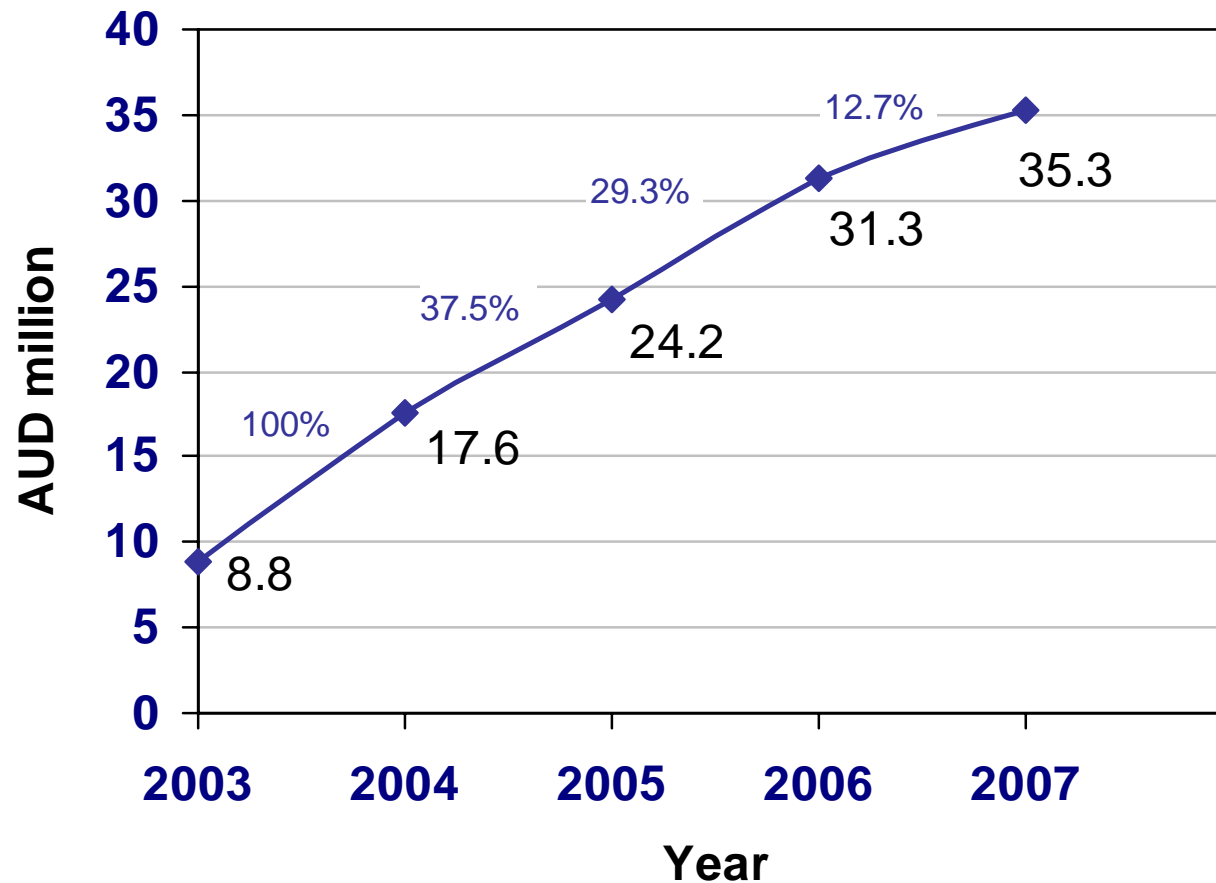


# 2007 Results

- **Basic Earnings** per share 1.6 cents
- **Diluted Earnings** per share 1.6 cents
- **Net Tangible Asset backing** 22 cents  
per ordinary share
- **Net Asset backing** 31 cents  
per ordinary share

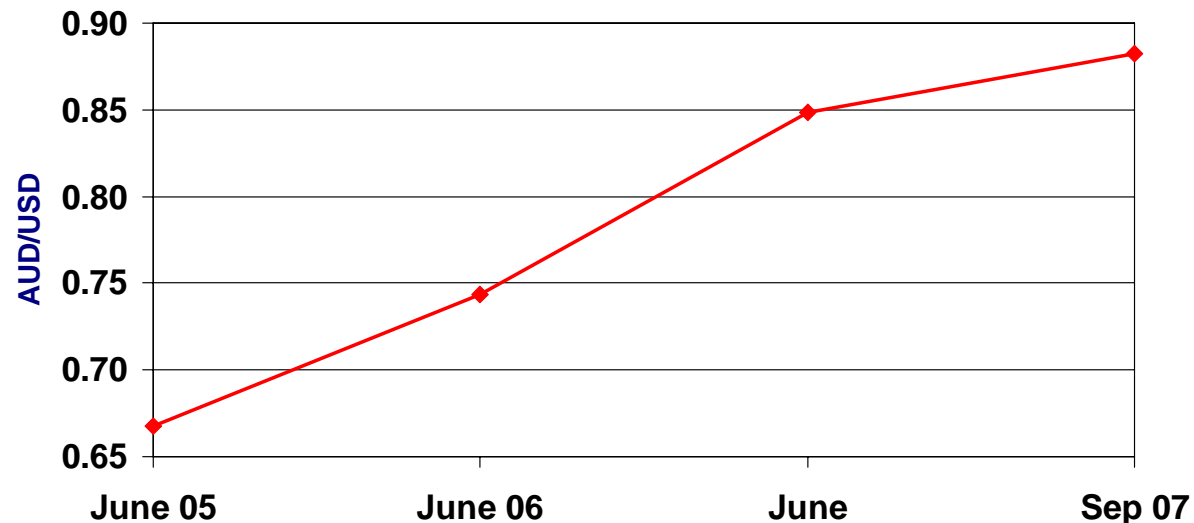


# Revenue Performance



# Exchange rate

- Revenues earned
  - Approx 48% AUD / 28% USD / 24% MYR
  - Offshore profits/funds are generally not repatriated
  - Effect on profit is mainly translation



# Year in Review

- New CFO commenced June 2007
- Capital raising
- New IT business system
- Litigation resolved



## Hospital Supplies - Australia/NZ

- Performance
  - Revenue \$16.7million
  - \$8.8m 1<sup>st</sup> half / \$7.9m 2<sup>nd</sup> half
  - Third party steriliser supply shock
  - Sales force turnover
- Major Projects undertaken
  - New facility in Melbourne
  - New in-house sterilisation
  - Working towards ISO upgrade
  - Prepare for new IT business system



## Hospital Supplies - SE Asia

- Performance
  - Revenue \$8.56 million
  - \$6.3m 1<sup>st</sup> half / \$2.2m 2<sup>nd</sup> half
  - Solid performance first half
  - Completed delivery of major contract
  - Disappointing second half
- Acquisitions
  - Reviewed several potential acquisitions



## Innovative products

- Performance
  - Revenue \$9.7 million
  - \$5.0m 1<sup>st</sup> half / \$4.7m 2<sup>nd</sup> half
  - Revenue grew by 10%
  - Supply constraints
- New Products





# 2008 First Quarter and Outlook

# 2008 First Quarter Performance

- 1<sup>st</sup> Quarter Revenue                      \$7.6 million
- Net loss before tax                              \$258K



## 2008 Forecast

- Revenue \$30.0 - \$33.0 million
- Net profit after tax \$ 1.5 - \$ 1.8 million



# Strategy

- Organic growth
- Acquisitions
- New product pipeline
- Investing in our future



# Business Units

## Hospital Supplies - Australia / NZ

- New General Manager
- Revamped sales force
- In-house sterilisation
  - Commissioned October
  - Validation end November
- Ramsay Healthcare
  - New contract / preferred supplier

Will be a challenging year ahead



# Business Units

## Hospital Supplies - SE Asia

- Awaiting Malaysia gov't release of funds
- Potential acquisitions
- Customer equipment financing initiatives

Capital equipment sales are lumpy



# Business Units

## Innovative Products

- Reduce product variation
- New product releases
- Delays in the new Malaysian facility
- Expanding current factory

Translation impact of strengthening AUD



# Investing in our future Major Projects across ITL

- Australia
  - New manufacturing facility in Australia
  - In-house steriliser commissioned
  - Achieved ISO 13485 accreditation
- Asia
  - Increase manufacturing capacity
  - Pursue acquisitions
  - Customer equipment financing initiatives



## Investing in our future Major Projects across ITL

- Implementing new IT business system
  - Ongoing next 12-18 months
- Product Pipeline
  - TINA
    - pre-commercialisation
  - Large animal blood collection
    - Proof of concept



# Summary

- Difficult year ahead
- Growing pains
- Many projects running concurrently
- We are positioning for future growth
- Moving to next level of scale





Innovating Technologies for Life