



BTC health.

FY24 RESULTS

& OPERATIONS UPDATE

28 AUGUST 2024

ASX: BTC

www.btchealth.com.au

B. Disclaimer

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B.

"Our mission is to distribute innovative and class-leading medical products, collaborating closely with healthcare professionals. By doing so, we empower patients to resume their daily passions and pursuits."

BTChealth.

Executive Chairman
Dr. Richard Treagus



B. Group Structure

BTChealth.



BTC health is a registered Pooled Development Fund (PDF) in Australia. It is a type of venture capital fund established under the Pooled Development Funds Act 1992. The primary purpose of PDFs is to increase the supply of capital to SMEs to help them grow and develop. Tax Benefits: Both PDFs and their shareholders receive tax benefits on the income derived from their equity investments. PDFs are taxed at 15% on the income and gains from these investments, while shareholders are exempt from tax on the income and gains from holding and disposing of PDF shares.

B. BTC Health Statutory Results – FY24 vs FY23

	FY24 (\$)	FY23 (\$)
Interest Income	16,360	13,260
Gain/(Loss) on investments	1,714,809	(9,619,890)
Corporate Expenses	675,886	561,228
Profit/(Loss) Before Tax	1,055,287	(10,167,862)
Profit/(Loss) for the Period	1,055,287	(10,167,862)



B. BTC health and investee companies

FY24 Financial Highlights

Group Revenue*

\$8.2m

+5.1% YoY

Gross Profit

\$3.6m

+17.1% YoY

- YOY improvement delivered across all key financial and operational performance metrics.

Group EBITDA

\$(0.2m)

+66.8% YoY

Group Cash

\$2.3m

No debt

- New strategic investors have contributed towards growth, improving the quality of BTC's product portfolio with innovative products that contribute greater margins.

Products

132

+75 YOY

Customers

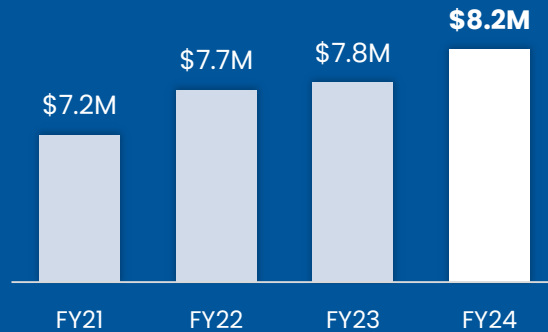
517

+151 YOY

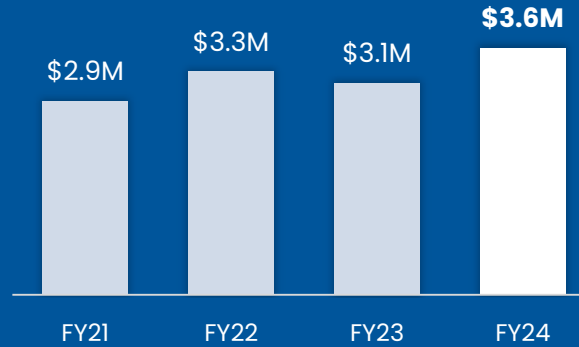
- 8 new partnership agreements secured in FY24, contributing to a more diverse product range (+75) and customer base (+151).
- Establishment of the neuro-spinal and cardiothoracic businesses which present immediate growth opportunities in FY25.

B. FY24 Key Financial Metrics

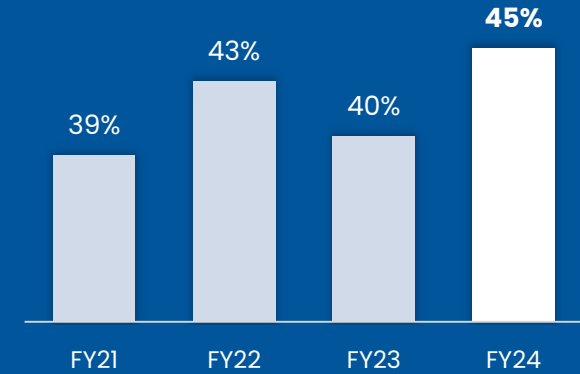
Group Sales*



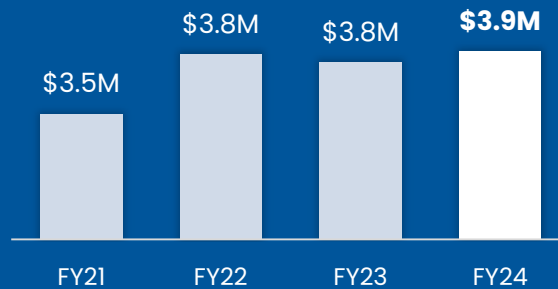
Gross Profit



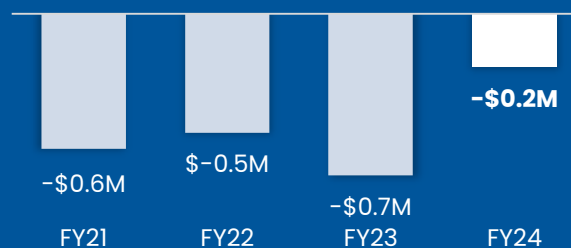
Gross Profit Percentage



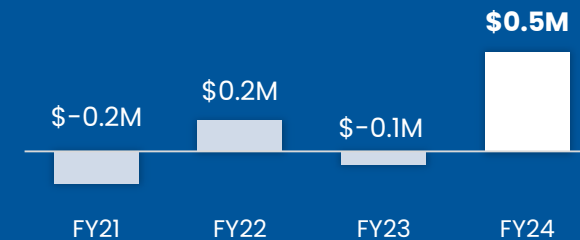
Group Operating Costs



Group EBITDA



EBITDA of Investee Companies



*Group FY24 data is unaudited, aggregated financials of BTC health and its investee companies

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Milestones Achieved in FY24



Prudent management, consolidation and strategic growth



Operating expenses controlled (+2%)



**Revenue (+5.1%)
Gross Profit (+17.1%)**



Improved Group EBITDA of (\$0.2m) (+66.8%)



**Strong cash position (\$2.3m)
No debt**



Flexibility for growth initiatives in FY25



Share register enhanced with 3 new strategic investors



Establishment of BTC Cardio to address underserved market



8 new partnership agreements for innovative, high-quality products



IZI Medical

eXstent

ILUMARK

EUROSETS
EVERY LIFE MATTERS

TSI TeDan Surgical Innovations

micrel

B. BTC health – Our Strategy



Our Advantage

- World-class capabilities, ISO 13485 certification, deep industry expertise, and strong medical leadership.
- An agile, results-driven culture, where customers and partners are at the centre of our business.
- Partner network of multinational companies - combining the best of international innovation with the strength of our domestic market knowledge to offer a more cost-effective solution for offshore companies to bring their products to Aus and NZ

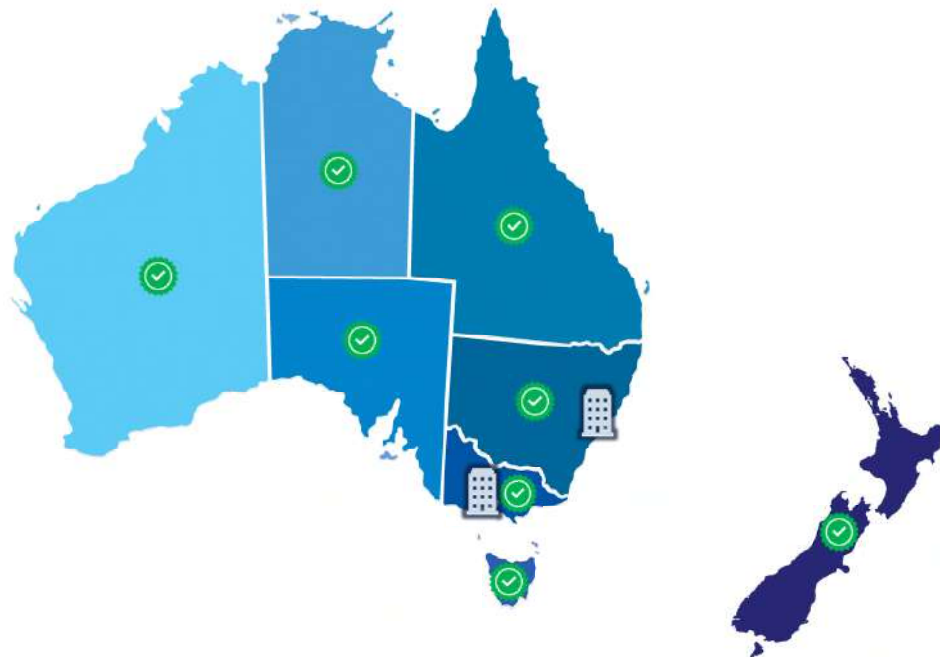


The Growth Opportunity

- Rising consumer and government healthcare spending.
- Ageing populations and rapid advancement in new medical technologies.
- Double-digit growth in BTC health's underlying companies.
- Targeted acquisitions of new products from multinational companies and small private owner-operators.

B. Infrastructure and Customer Reach

BTC health – Distribution and Sales Network



Daily deliveries to 350+ hospitals (metro)
and 48hr delivery (regional)

Our Tier 1 Customers



Direct Access to the Hospital Market



1,450+ Hospitals
Australasia wide



68% of private
hospital funding in
Australia is non-
government sourced



BTC health
positioned for
growth



Australian Market

Public Hospitals

- 695 Public Hospitals
- \$67 billion expenditure in public hospitals
- 13% or \$8.7 billion spent on medical, surgical and drug supplies

Private Hospitals

- 630 Private Hospitals
- 68% of funding comes from non-government sources



New Zealand Market

Public Hospitals

- 84 Public Hospitals
- \$12.5 billion expenditure in public hospitals

Private Hospitals

- 44 Private Hospitals
- \$3.7 billion expenditure in private hospitals
- 20% of funding comes from non-government sources

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Post-operative pain

Infusion pumps and consumables

In 2022, there were 51,894 hip replacements in Australia and 67,742 knee replacements.

Both procedures involve a post-operative recovery process where an electronic, portable infusion pump is applied for acute and chronic drug administration requirements.

The Rhythmic and Elasto-Q products are used by surgeons, anaesthetists and nurses. They reduce the use of opioids, reduce length of hospitalisation, provide ease of use and safety enhanced for healthcare professionals.

Hospital accounts are in the process of switching across to the Rhythmic electronic pumps and Elasto-Q elastomeric pumps.

Private hospital adoption of the pumps is anticipated to accelerate in 2H FY25 upon listing on the Prescribed List of Medical Devices (PL).



B

Neuro-spinal

IZI Medical

Innovative medical devices and single-use products used in radiology and oncology, radiation therapy, neuro-spine, and image-guided surgery procedures.

Ilumark

Products focusing on sterile single-use retro-reflective marker spheres for image-guided and computer-assisted surgery systems.

Fully integrated into the BTC distribution chain in FY24.

These products are well established in the market and contribute ~ \$1.2m in annual sales.

We expect to deliver consistent growth in this portfolio by expanding the customer base combined with select new product introductions in FY25 and beyond.



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Cardiothoracic and Critical Care

CPB – Cardiopulmonary Bypass

In 2022 across public and private hospitals in Australia¹, there were

- 12,700 coronary artery bypass graft procedures
- 12,000 heart valve repair or replacement procedures, and
- 129 heart transplants

Each of those procedures requires a single-use product to oxygenate the patient's blood when the heart has been stopped (e.g. product name).

ECMO – Extracorporeal Membrane Oxygenation

Provides prolonged cardiac and respiratory support to patients whose heart and lungs are unable to provide adequate gas exchange or blood perfusion to sustain life.

ECMO is one of the most expensive medical interventions, costing \$305k per complex admission to the intensive care unit, with BTC Cardio the exclusive distributor in Australia and New Zealand.



1. Australian Institute of Health and Welfare (2023) Heart, stroke and vascular disease: Australian facts, AIHW, Australian Government.

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Cardiothoracic and Critical Care

PEARS

BTC Cardio entered into a distribution agreement with Exstent in FY24 to distribute its ExoVasc medical device, aka Personalised External Aortic Root Support (PEARS).

50 patients received an ExoVasc device implant in 2023, and BTC forecasts a steady increase in the adoption.

ExoVasc is expected to contribute ~ \$750k in annual sales in FY25. Since the distribution rights were acquired, 14 devices have been supplied, and 13 more are in the pipeline.

Wexler and TeDan

In FY24, BTC Cardio entered into exclusive distribution agreements for Australia with TeDan Surgical Innovations and Wexler Surgical for a range of TGA-approved cardiothoracic and vascular products.

The Cardiopulmonary business has strong potential for steady growth and for creating durable annuity revenues.



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Pharmaceutical

Bronchitol and Aridol

Bronchitol is a PBS-listed treatment for Cystic Fibrosis (CF), a disease that affects more than 3,700 people in Australia and requires ongoing treatment.

Bronchitol is manufactured in Australia with BTC Pharma having acquired the exclusive AUS/NZ distribution rights in 2022, without the cost of development of clinical trials.

In FY24, Bronchitol and Aridol generated \$1.1m in sales, a 20% increase YoY.

BTC Pharma is evaluating additional opportunities with other niche and specialised products.



1. Australian Cystic Fibrosis Data Registry, 2022 Annual Report, https://www.cysticfibrosis.org.au/wp-content/uploads/2024/02/ACFDR_2022_Annual-Report.pdf

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Operations Update

- FY24 was a year of change, consolidation and a decisive “re-set”.
- Effectively managed the challenge of losing our largest product supplier in April 2023.
- Cost-out exercise completed in Q1 FY24- created a more agile and efficient overhead structure and extended the cash runway.
- Maintained good underlying sales of our pain infusion pumps after securing additional supply with anticipated sell-through by Nov 2024.
- Reduced reliance on the infusion pump revenue by diversifying the product portfolio.
- Infusion pumps accounted for 88% of revenue in FY23, 70% in FY24 and forecast to make up <25% FY25 with momentum being generated by the 132 specialised products distributed by BTC, up from 57 in FY23.
- Acquired the neuro-spinal business - September 2023
- Launched the Eurosets ECMO and CPB range - March 2024

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Strong Foundation Established

BTC health is stronger, having overcome a period of disruption and change.

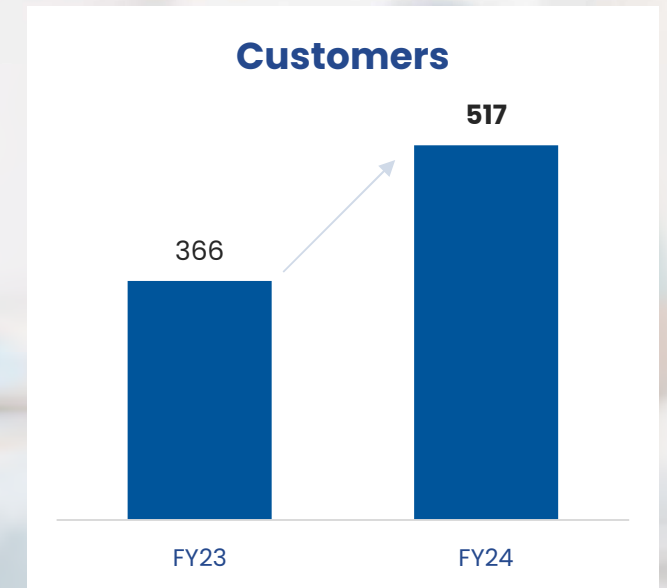
BTC health has executed successfully on:

- Containing overhead costs;
- Selling through ambIT infusion pump inventory;
- Making applications for listing new infusion pumps on the Prescribed List of Medical Devices; and
- Diversifying the business to reduce partner and customer risk.

8 New suppliers added in FY24.

Active customers increased from 366 in FY23 to 517 in FY24.

All targeted financial metrics are trending in the right direction, reflecting the improvement in the financial performance of the Company - almost at breakeven.



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Building Momentum into FY25

Areas of Focus

- Converting ambIT infusion pump users across to Rhythmic
- Converting competitors across to Elasto-Q infusion pumps
- Expanding reach and range of neurospinal products
- Increasing adoption of our ECMO and CPB products
- Further new product launches and integration

Targets

- Double-digit revenue growth
- Inclusion of Elasto-Q and Rhythmic infusion pumps on the Prescribed List
- Additional partnering agreements
- Winning state health ECMO tenders
- Improvement in the bottom-line performance for FY25 to target EBITDA breakeven and build momentum towards material profit

Thank You

BTC health.

Dr. Richard Treagus

Executive Chairman

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