

2018 Half Year Results

Investor Presentation

Michael Kavanagh – CEO and President

McGregor Grant – CFO and Company Secretary



Disclaimer

This presentation is intended to provide a general outline only and is not intended to be a definitive statement on the subject matter. The information in this presentation, whether written or verbal, has been prepared without taking into account the commercial, financial or other needs of any individual or organisation.

Certain information may relate to protected intellectual property rights owned by Nanosonics Limited (Nanosonics) and its subsidiaries (together the Group).

While due care has been taken in compiling this presentation, neither Nanosonics nor its officers or advisors or any other person warrants the accuracy, reliability, completeness or timeliness of the information or guarantees the commercial or investment performance of the Group.

The information does not constitute advice of any kind and should not be relied on as such. Investors must make their own independent assessment of the Group and undertake such additional enquiries as they deem necessary or appropriate for their own investment purposes. Any and all use of the information is at your own risk.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward looking statement by any person (including Nanosonics). In particular, no representation, warranty or assurance (express or implied) is given in relation to any underlying assumption or that any forward looking statement will be achieved. Actual future events may vary materially from the forward looking statements and the assumptions on which the forward looking statements are based.

Subject to any continuing obligations under applicable law or any relevant listing rules of the Australian Securities Exchange, Nanosonics disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements in these materials to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in these materials shall under any circumstances create an implication that there has been no change in the affairs of the Group since the date of these materials.

FY18 – H1 Highlights

Significant achievements across all aspects of Nanosonics' business

- ▶ Continued strong installed base (IB) growth of trophon® EPR units in North America with IB growing by 1,700 units in the FY18 first half. Total North American IB grew to approximately 14,100 units by end of December (global installed base now 16,000).
- ▶ UK growth momentum continuing with Managed Equipment Service (MES) installed base growing 86% in the first half.
- ▶ Sales in the first half reflect a broadening number of selling models each with different revenue profiles, including MES in the UK where a growing number of trophon units were placed. In addition, as foreshadowed, sales reflect a reduction in sales of consumables and accessories to GE Healthcare in North America of approximately \$1.8 million, mainly associated with GE inventory holding management. Total first half sales were \$30.0 million, a reduction of 4% compared with prior half (2% in constant currency).
- ▶ Operating profit before tax of \$3.7 million, up 3% on prior half.
- ▶ Cash reserve of \$66.5 million up from \$63.0 million at the end of FY17, maintaining strong balance sheet to support future growth.
- ▶ International adoption fundamentals continued to strengthen with publication of new guidelines.
- ▶ Business Development Manager for Europe and Middle East appointed.
- ▶ Market development in Middle East progressed with distribution agreements signed.
- ▶ Continued investment in new product development program with increased investment anticipated in second half.

Company Overview

- ▶ Healthcare company specialised in the development and commercialisation of infection control solutions
- ▶ First product, trophon® EPR - proprietary automated technology for low temperature, high level disinfection (HLD) of ultrasound probes
- ▶ Approved for sale in most major markets including: US/Canada, ANZ, Europe, Singapore, HK, South Korea, Japan
- ▶ 216 staff across Australia, US, Canada, UK, Germany and France
- ▶ Sold direct and through distributors including leading brands such as: GE Healthcare, Philips, Samsung, Siemens, Toshiba and Miele Professional
- ▶ Active R&D program targeting expansion of product portfolio for Infection Prevention market

Key Corporate Data

Share price*	\$2.62
Shares on issue*	299.3 million
Market capitalisation*	\$784.2 million
Liquidity* (30 day avg.)	898,000
Cash (31 Dec 2017)	\$66.5 million
Share register breakdown	Founders/Related Parties 17.6% Institutions 49.9% Private 32.5%

* As at 23 February 2018

Our Mission



We improve the safety of patients, clinics, their staff and the environment by transforming the way infection prevention practices are understood and conducted and introducing innovative technologies that deliver improved standards of care.

Corporate Objectives



Customer Experience

Establish our offerings as new standards of care globally and provide customers with a convenient, seamless and consistent experience with both product and brand.



Product Innovation

Create and bring to market a portfolio of innovative and quality products that address unmet customer needs providing higher standards of safety, efficiency and patient care.



Operational Excellence

Develop an agile operation with scalable, compliant and performance focussed processes, designed to deliver a positive experience for our customers.



People Engagement

Build an organisation that attracts and retains the best people and engages and empowers them to take appropriate initiative and be accountable for our core objectives.



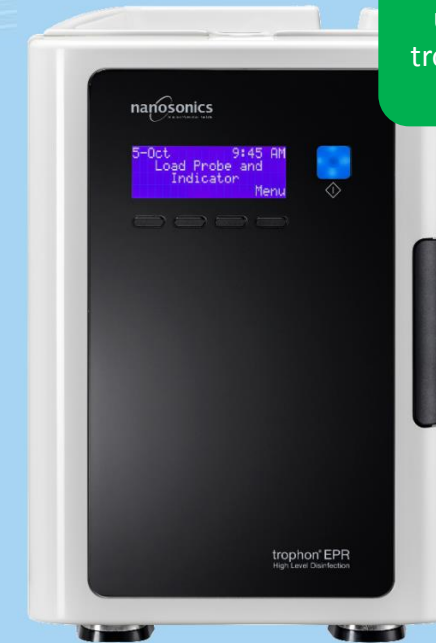
Value Creation

Create sustainable shareholder value, delivering high growth and strong returns, while making a significant contribution to social good.

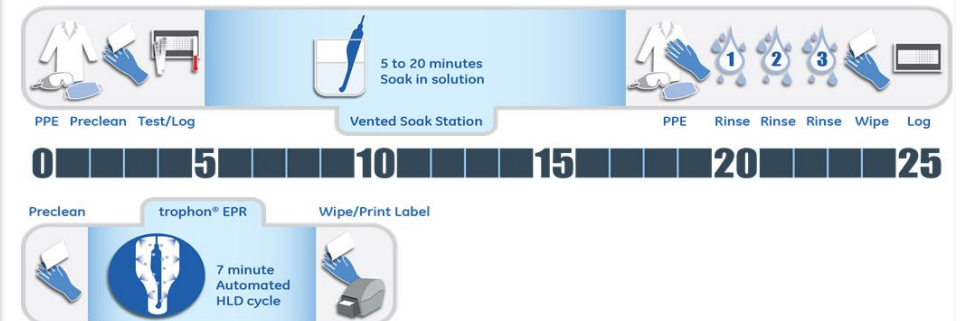
trophon - Disrupting Traditional Disinfection Methods

The traditional methods: soak, spray or wipe – unchanged in 20+ years

- Chemicals present OH&S risks
- Pathogens may remain - increased risk of cross contamination
- Wipes and sprays not FDA approved for high level disinfection



In North America alone, ultrasound probes are now trophoned **42,000 times** every working day



trophon® - The New Standard of Care

trophon



Consumables



Accessories



Safe



- **Patient** – proven effective on wide range of pathogens.
- **User** – Safe for user
- **Environment** – water and oxygen by products

Versatile



- Compatible with > 1,000 probes
- Can be used at point of care
- Supports streamlined practice workflows

Simple

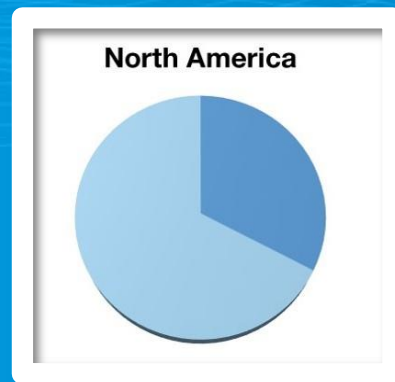


- Simple to use – one button operation
- Fast 7 minute cycle

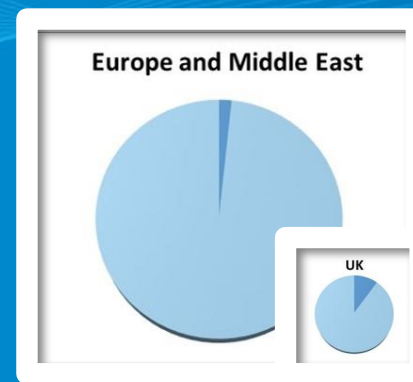
trophon[®] technology



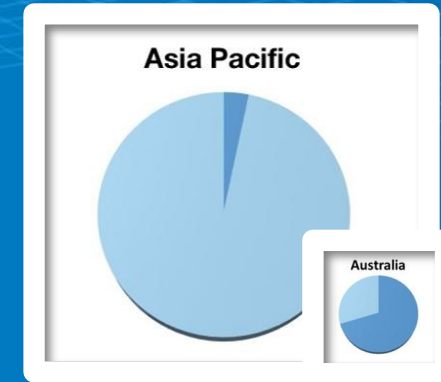
Significant Global Market Opportunity



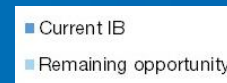
40,000 units



40,000 units



40,000 units



Addressable Market

Adoption Drivers

HLD guidelines in place

Yes

Traditional disinfecting methods

Soaking in chemistry

trophon advantage

High

Level of competition

Low

trophon awareness

Medium & Growing

A number of countries
& increasing

No or Low level disinfection
with sprays / wipes

High

Low

Low & Growing

A number of countries
& increasing

No or Low level disinfection
with sprays / wipes

High

Low

Low & Growing

Nanosonics Channel Model

Direct & Distribution

Direct & Distribution

Distribution

Range of selling models in place

Direct channel

Distributor channel

Business model

Capital /
consumables /
service & spares

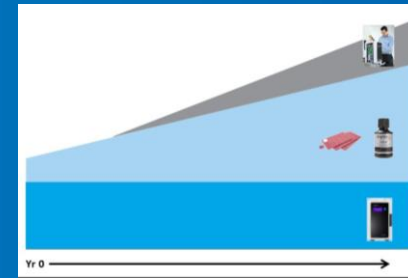
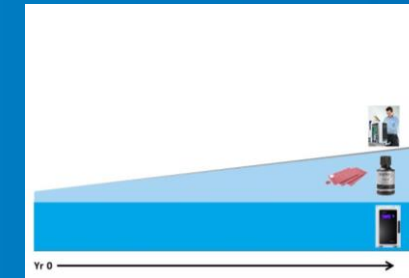
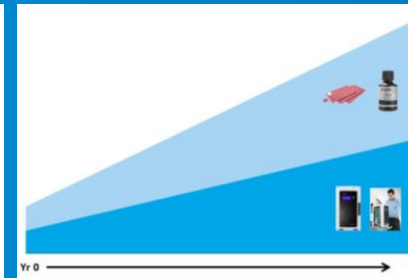
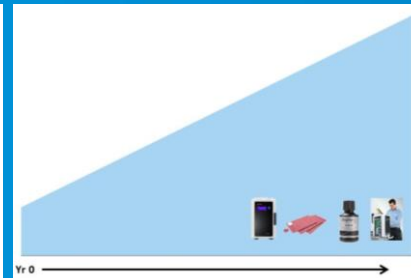
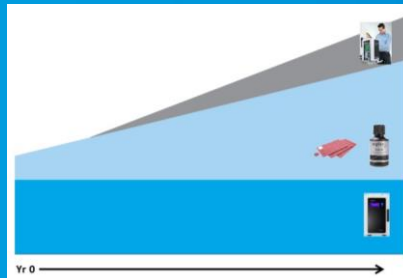
Managed
Equipment Service

Rental (includes
service)

Capital /
consumables /
service & spares

Capital Reseller

Nanosonics' Revenue Profile*



* The information in the revenue profile charts are intended to be illustrative only

Financial Results

2018 Half Year Results

\$ millions

	FY18 H1	FY17 H2	Change (vs H2 FY17)	FY17 H1	Change (vs H1 FY17)
Sale of goods and services	30.0	31.4	▼ 4%	36.1	▼ 17%
Gross profit	22.3	23.9	▼ 7%	26.3	▼ 15%
%	74%	76%		73%	
Selling, general and administration expenses	(14.7)	(15.7)	▼ 6%	(12.9)	▲ 14%
Research and development expenses	(4.6)	(5.2)	▼ 12%	(4.3)	▲ 7%
Other income	0.1	-		0.8	▼ 88%
Finance income (net)	0.6	0.6		0.4	▲ 50%
Operating income before income tax	3.7	3.6	▲ 3%	10.3	▼ 64%
Income tax benefit/(expense)	(1.5)	0.6	nm	11.7	nm
Profit after income tax	2.2	4.2	▼ 48%	22.0	▼ 90%

nm - not meaningful

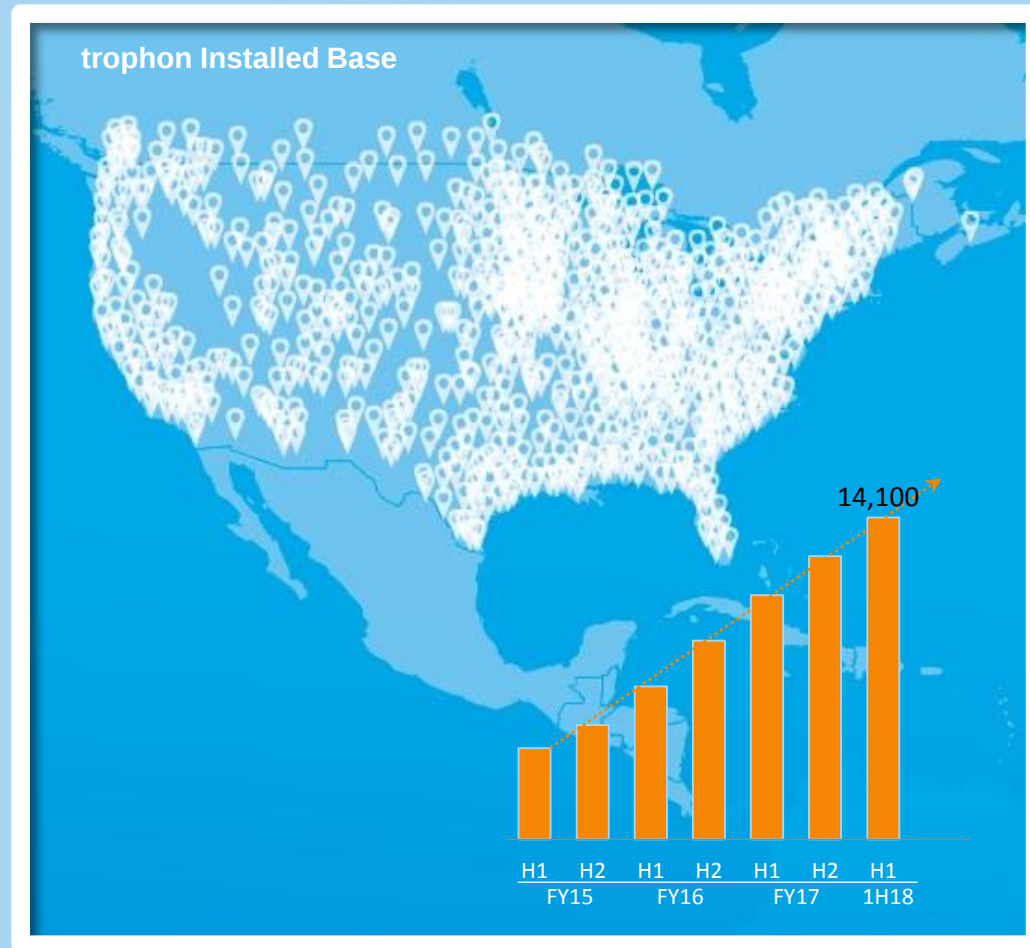
Highlights

- ▶ Sales of \$30.0 million, down 4% (2% in constant currency) on prior half*
- ▶ Gross profit of \$22.3 million, or 74% of sales
- ▶ Total operating expenses of \$19.3million compared to \$20.9 in prior half (which included net FX losses of \$1.0 million and a number significant one-off items related to new product development)
- ▶ Other income \$0.1 million, mainly due to lower net foreign exchange gains
- ▶ Income tax expense of \$1.5 million. Income tax benefit of \$11.7 million in 1H FY17 mainly due to initial recognition of benefit associated with carried forward losses and R&D credits
- ▶ Cash balance of \$66.5 million

* Sales in the first half reflect a broadening number of selling models each with different revenue profiles, including MES in the UK where a growing number of trophon units were placed. In addition, as foreshadowed, sales reflect a reduction in sales of consumables and accessories to GE Healthcare in North America of approximately \$1.8 million, mainly associated with GE inventory holding management.

Regional Updates

North America – trophon becoming standard of care



- ▶ Installed base grew by 1,700 units in H1 FY18. Total North American installed base now approximately 14,100 units
- ▶ New Regional President, Ken Shaw appointed to lead operations.
- ▶ Continuing investment in education, sales and marketing activities to drive market awareness on the importance high level disinfection for all semi-critical ultrasound probes.
- ▶ Capital reseller agreements established with all the major ultrasound OEMs.
- ▶ Survey of infection preventionists to determine surface ultrasound probe use and disinfection practices shows need for major improvements. Survey to be peer review published in next half. Demonstrates large opportunity for ongoing trophon adoption.

Increased investment in North American infrastructure



- ▶ Infrastructure grown to 50 people across sales, clinical applications, service, finance and distribution.
- ▶ Growth in infrastructure to support ongoing sales of trophon plus prepare for new product introductions.
- ▶ New operations facility in Indianapolis supporting US service team, warehouse, logistics, and customer service groups.
- ▶ Order fulfilment now managed in house vs 3rd Party Logistics

Material increase in both sales and margin from July 2019 associated with North American consumables resulting from new GE agreement.



25 August 2017

Company Announcements Office
Australian Securities Exchange

Nanosonics and GE Healthcare extend trophon relationship.

Nanosonics (ASX:NAN) announced today that has entered into a new Capital Reseller agreement with GE Healthcare which will come into effect at the end of the current GE Healthcare Distribution agreement. The new three year agreement commences on 1st July 2019 and provides GE Healthcare Capital Reseller rights as part of Nanosonics' global Ultrasound OEM program. The new arrangements provide GE Healthcare's customers ongoing access to the state of the art trophon through the GE Healthcare ultrasound sales channel in North America. As a result of the new agreement Nanosonics will gain a material increase in both sales and margin on consumables in North America as of and beyond July 2019.

As the risk of cross contamination with ultrasound procedures leads to more international guidelines being implemented, Nanosonics and GE Healthcare have also introduced a framework that will allow Nanosonics and GE Healthcare to continually assess and implement international capital reseller opportunities as new markets develop.

"The trophon technology is clearly well advanced in establishing itself as standard of care in North America. This is a great testimony not only to the excellent value proposition of the technology but also the excellent support GE Healthcare has provided as a leader in ultrasound solutions over the last six years. We very much welcome the opportunity to continue our relationship with GE beyond the existing agreement as we continue to further establish trophon as standard of care not only in North America but across international markets" said Michael Kavanagh, Nanosonics Chief Executive Officer and President.

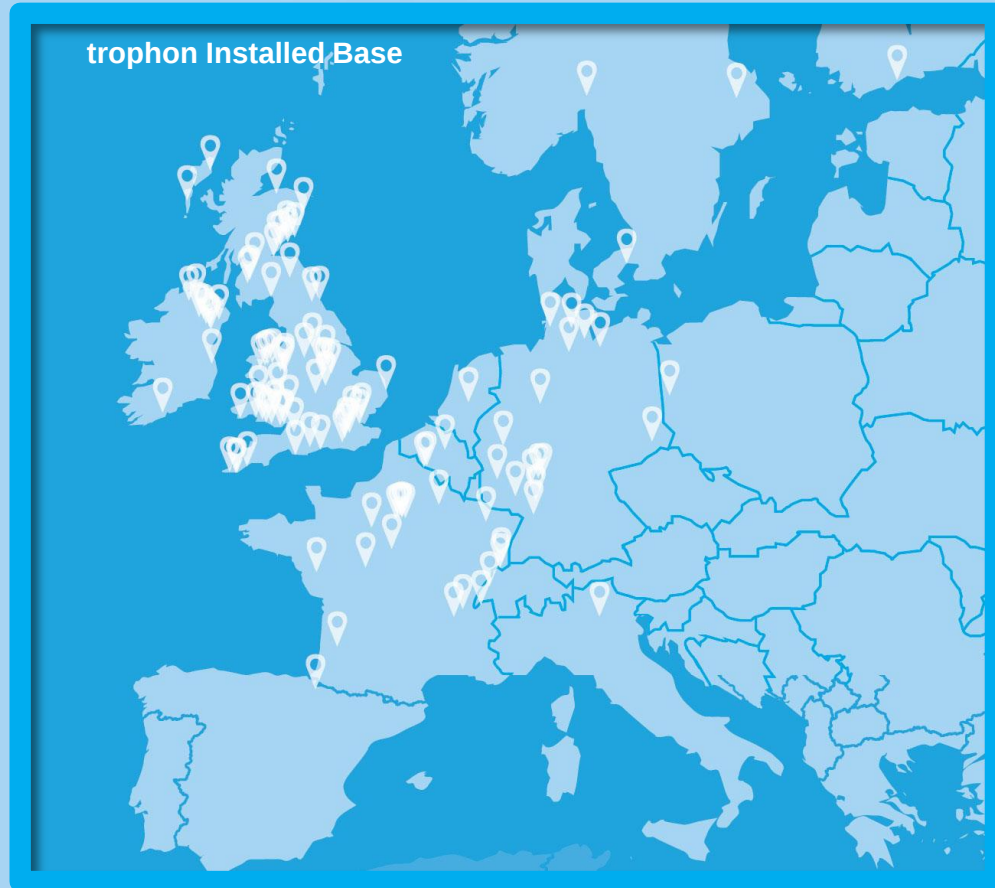
Michael Kavanagh
President / Chief Executive Officer

For more information please contact:
Michael Kavanagh, President/CEO or McGregor Grant, CFO on 02 8063 1600

About Nanosonics
Nanosonics Limited is developing a portfolio of decontamination products designed to reduce the spread of infection. The Company owns intellectual property relating to a unique disinfection and sterilisation technology which can be suited to a variety of markets. Initial market applications are designed for the reprocessing of reusable medical instruments. The Company's first product is designed to disinfect Ultrasound Transducers. In parallel with the commercialisation of this product, Nanosonics is also developing other medical applications and exploring opportunities for its proprietary technology in other industries. For more information about Nanosonics please visit www.nanosonics.com.au

- ▶ New 3 Year Capital Reseller agreement with GE Healthcare comes into effect on 1 July 2019 at end of current distribution agreement.
- ▶ Agreement is part of Nanosonics' global ultrasound OEM program.
- ▶ GE Healthcare will have ongoing access to trophon through GE ultrasound sales channel.
- ▶ Nanosonics will gain material increase in both sales and margins on consumables associated with GE installed base in North America from 1 July 2019.

Europe and Middle East – Fundamentals for adoption strengthening



- ▶ New guidelines from European Society of Radiology (ESR) mandate high level disinfection for semi-critical ultrasound procedures and refer positively to trophon.
- ▶ British Medical Ultrasound Society guidance released, requiring high level disinfection for semi-critical ultrasound procedures.
- ▶ Fundamentals for adoption strengthening in France and Germany. Various German expert societies have published, or plan to publish, recommendations.
- ▶ University of Frankfurt (German / European luminary site) adopts 22 trophons
- ▶ EMEA Business Development Manager appointed to support geographical expansion as new guidelines emerge.
- ▶ Distribution agreements signed for Lebanon and Kuwait. First sales in January 2018

UK - Managed Equipment Service (MES) Model



- ▶ Model helps hospitals in UK overcome capital budget constraints and provides an immediate benefit to the customer through earlier access to trophon.
- ▶ Ownership of the trophon capital equipment placed in hospitals remains with Nanosonics.
- ▶ Facilities pay an 'all-inclusive price' for consumables in return for use and maintenance of the capital equipment.

UK trophon adoption gaining momentum



Consultant obstetrician and gynaecologist Professor Grant Cumming with the trophon automatic, which is placed on a custom-made cart.

Mobile probe disinfection units boost safety at Dr Gray's

Dr Gray's Hospital in Elgin, Scotland, is ensuring high level disinfection of its interactivity and surface ultrasound probes using the trophon EPE automated disinfection system from Narasom.

The hospital is part of the NHS Grampian network and has a large consultant area across rural Scotland. Before the first unit was installed two years ago, a manual wipe system was used for disinfecting ultrasound probes.

Currently Dr Gray's Hospital has a trophon system for each ultrasound scanner in the women's health department, which covers gynaecological assessment, early pregnancy and maternity.

Explaining the reasons for the trophon purchase, consultant obstetrician and gynaecologist Professor Grant Cumming said: "High level disinfection needed to be simple, quick and easy to use, as well as having effective bacterial kill. The system also needed to have infection control and Scottish government support in terms of governance. Our staff like the fact the probes are properly cleaned and that the machine is easy to use."

INQUIRY REF 508029



NHS Fife boosts infection control for point-of-care probes

NHS Fife in Scotland has increased its infection prevention ability, having taken delivery of 12 trophon EPE automatic high level disinfection devices for ultrasound probes that can be used at point of care.

Six trophon devices are for use at Victoria Hospital in Kirkcaldy, five at Dundee City Hospital and one at St Andrew's Community Hospital. The general consultant and maternity departments are expected to benefit from improved workflow following the change from a manual wipe system to an automated high level disinfection system.

Superintendent sonographer at NHS Fife, Gill Bonney, commented: "We wanted trophon to help with workflow and make the disinfection process more efficient, and to ensure we deliver a consistent disinfection process."

The compact device, manufactured by Narasom UK Limited, is fully automated and simple to use wherever it is needed.

President and coo of Narasom Michael Kavanagh, infection prevention change nurse Rachel Wilson and Fiona Hall, Manager Princess of Narasom Scotland sales and support and Theresa Scott of Scotland and Northern Ireland service and support, superintendent sonographer Gill Bonney and radiographer assistant Elaine Williams.

INQUIRY REF 508029



- ▶ MES unit growth of 86% in first half
- ▶ trophon continuing to be adopted across the major luminary sites and NHS trusts
 - King's College Hospital, London adopting 40 trophons across nine specialities
 - NHS Fife Hospital, Scotland adopting 20 trophons
- ▶ trophon now on four national and regional procurement frameworks
 - SBS – Shared business Services framework (NHS affiliate)
 - NPS – National Procurement Scotland framework
 - NOECPC – North of England Commercial Procurement Collaborative framework
 - All Wales Shared Services Procurement Framework
- ...as well as HSE framework in Ireland
- ▶ Increasing size of sales team and infrastructure in UK to support ongoing demand generation and customer support

Asia Pacific



ANZ

- ▶ Adoption in Australia and NZ continues further strengthening the position of trophon as standard of care
- ▶ High market penetration with strong fundamentals of adoption.

Japan

- ▶ Pre market activities commenced following distribution agreement with leading infection prevention company, Sakura Seiki.
- ▶ Engagement with Japanese Society of Infection Prevention underway
- ▶ Local clinical study in preparation for commencement and completion in H2 to support generation of Japanese guidelines

Strengthening Fundamentals for Global Adoption



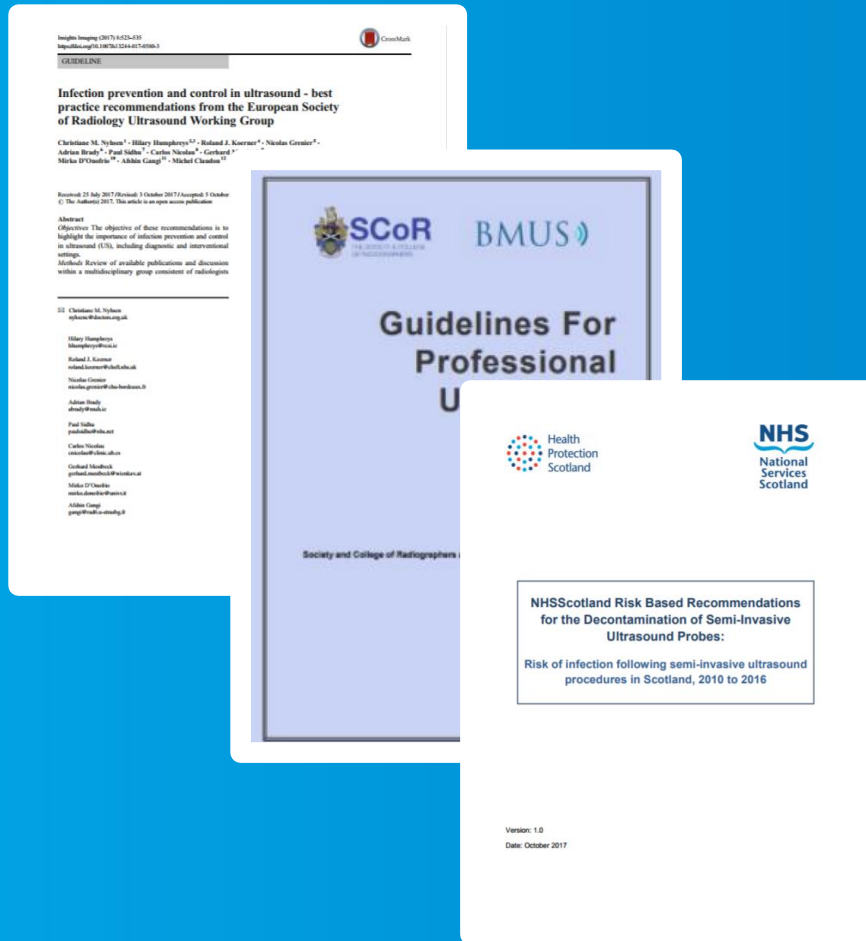
New studies and guidelines reinforce the need for HLD – last 12 months

Guidelines evolving rapidly to reflect disinfection best practice

- ▶ **World Federation for Ultrasound in Medicine and Biology**
 - Recommends HLD for all semi critical probes.
- ▶ **Australasian Society for Ultrasound in Medicine (ASUM) + Australasian College for Infection Prevention and Control (ACIPC) Joint Guidance.**
 - Emphasis on applying HLD not just to intracavity probes, but also to all surface probes used in semi-critical procedures.
- ▶ **Health Service Executive Ireland**
 - Recommends an automated validated process for decontaminating reusable invasive medical devices.
- ▶ **European Committee for Medical Ultrasound Safety (ECMUS)**
 - Automated solution recommended to overcome complexities of different probe IFU designs and materials.



New studies and guidelines reinforce the need for HLD – last three months



► European Society of Radiology

- Best practice recommendations mandate HLD for semi-critical ultrasound procedures
- Automated systems presented as preferred option with trophon presented as favoured automated system
- Important driver for markets where no local guidelines currently exist

► British Medical Ultrasound Society

- HLD and use of sterile sheath required for all ultrasound probes used in semi-critical procedures and critical procedures if sterilisation not possible

► Health Protection Scotland

- Six year population-level study demonstrates increased risk of infection and antibiotic prescriptions following semi-critical ultrasound procedures

Large opportunity for all Semi-critical Probes

Many surface probe procedures are semi-critical and require High Level Disinfection



- Breast biopsy
- Liver biopsy
- Lymph biopsy
- Lung biopsy
- Kidney biopsy
- Abdominal/chest biopsy
- Bone /tissue biopsy
- Prostate biopsy
- Tumor biopsy

Biopsies

- Central venous access
- Peripheral venous access
- Urinary catheterization/ nephrostomy
- Tracheostomy

Cannulation, Catheterization

- Tumor ablations
- Tumor resection surgeries
- Nerve blocks
- Peripheral nerve stimulations
- Neurosurgeries
- Cardiac surgeries (valve/pacemaker replacements etc)
- Musculoskeletal injections (tenotomy, tendon and articular injections etc)

Injection, Ablations, Surgeries

- Pericardiocentesis, arthrocentesis, paracentesis, thoracentesis
- Abscess removal, foreign body removal

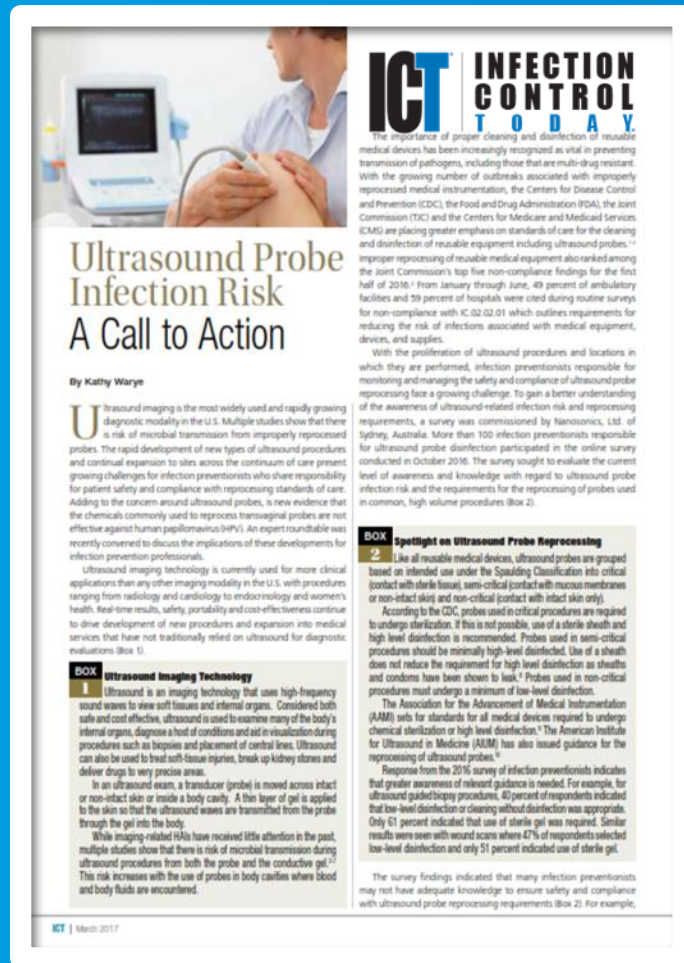
Aspirations, Drainages

- Percutaneous transhepatic biliary drainage
- Percutaneous suprapubic bladder aspiration
- Amniocentesis, Cordocentesis, etc.

The need for HLD is based on intended probe usage – not probe type

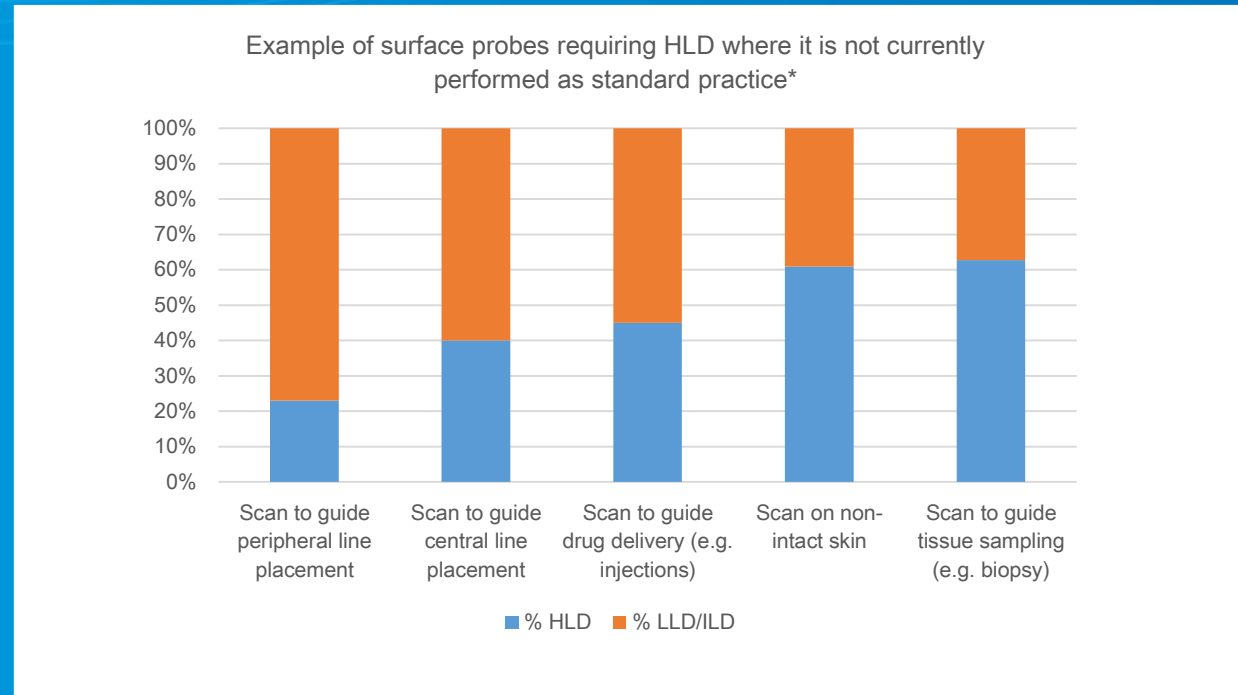
- ▶ trophon traditionally used in departments using intracavity probes for internal examinations.
- ▶ Ultrasound is now used extensively across many hospital departments for semi-critical procedures.
- ▶ Guidelines define the need for HLD based on intended use
- ▶ Surface probes can also be semi-critical if they contact broken skin.
- ▶ Educational push by industry Key Opinion Leaders through influential peer reviewed publications.
- ▶ Customer education is underway.

Industry experts issue a call to action...



- ▶ Preliminary survey highlighted that immediate action is needed to bridge gaps in awareness about ultrasound probe reprocessing requirements, and to enhance education
- ▶ The Call to Action explores:
 - challenges presented by ultrasound probe infections
 - current efforts to monitor and manage ultrasound sites
 - a path toward action and education around the risks

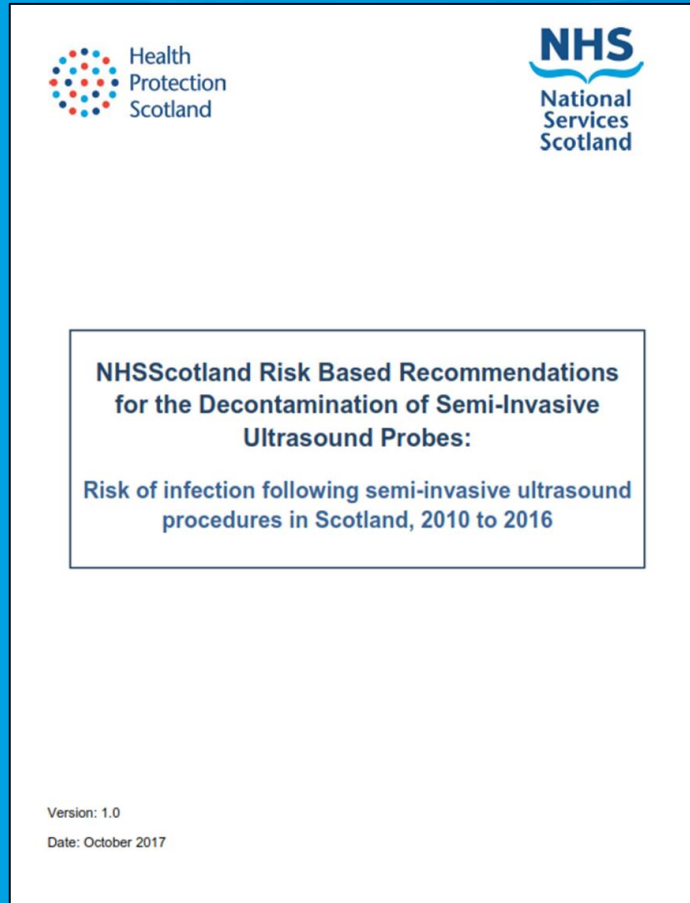
Follow up study* confirms need for stricter HLD controls for semi critical probes



Respondents also indicated a preference for standardisation (92%) and automation (93%) of probe disinfection facility wide throughout all departments.

* Study is a collaboration with Assoc Prof Ruth Carrico, Division of Infectious Diseases, University of Louisville. Data is adapted from interim analysis (N=268) presented at the SDMS Annual Conference in October 2017 by Assoc Prof Carrico. To view the presentation go to: <http://info.nanosonics.us/sdms-symposium> . Study expected to be published in a peer reviewed publication in next half.

First population-level study demonstrates increased risk of both infection and antibiotic prescriptions following semi-invasive ultrasound probe procedures



- Scottish study published by National Service Scotland has shown epidemiological link between improper endocavitary ultrasound probe disinfection* and increased infection risk.
- Scottish national healthcare databases were mined to assess likelihood of positive microbial reports and community antibiotic prescriptions in the 30 days following endocavitary procedure with matched controls (no scan).
- 30 days after a **TV scan (p<0.001)**:
 - Patient **41% more likely** to have positive bacterial cultures
 - Patient **26% more likely** to be prescribed antibiotics
- 30 days after a **TR scan (p<0.001)**:
 - Patient **3.4x more likely** to have positive bacterial cultures
 - Patient **75% more likely** to be prescribed antibiotics

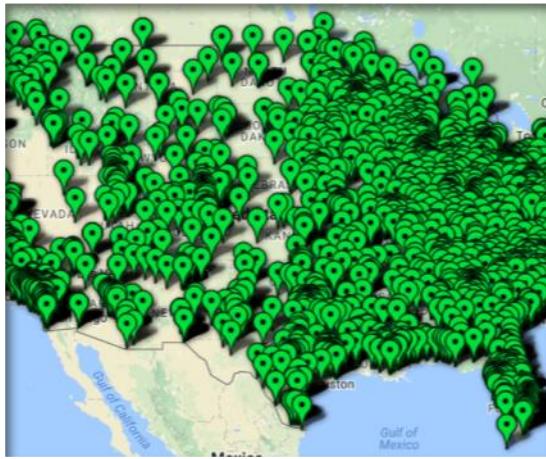
*LLD was the main method used during the data collection period (2010-2016). In a 2012 national survey, only 9.5% of Scottish facilities were performing HLD.

Growth Strategies and Outlook

Growth Strategies to Meet Growing Demand

Expand trophon usage in existing markets

- ▶ Establish trophon as Standard of Care for all semi-critical probes across all relevant hospital departments and private clinics



Geographic expansion

- ▶ Entry into new markets with trophon and new products



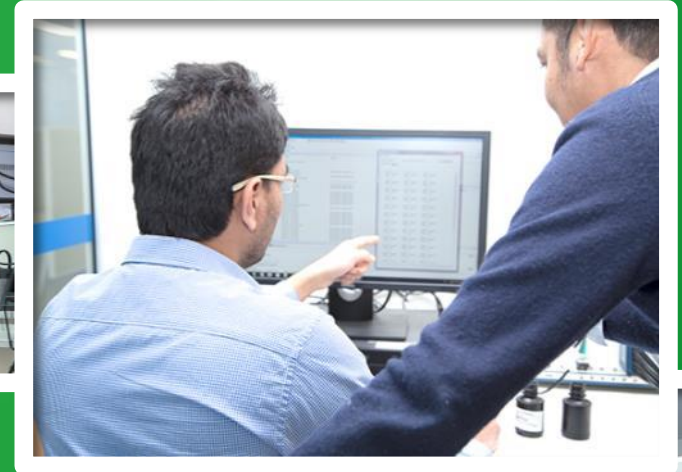
Product expansion

- ▶ Continued Investment in R&D
- ▶ Introduce a range of infection prevention solutions to market



Focussed Ramp Up in R&D Program

- ▶ Large unmet needs exist in infection prevention.
- ▶ R&D spend to increase in 2nd half
- ▶ Beyond FY18 expect the introduction of new products including the 2nd generation of trophon and targeting one or more new infection prevention solutions in FY20, subject to regulatory approvals



Business outlook - Business model evolving

- ▶ **Installed base continues to grow (key driver for annuity revenue) and fundamentals for adoption strengthening internationally**

- ▶ **Direct Business – Business model mix**

- Capital equipment sales
- Capital equipment rentals
- Managed Equipment Service (MES)

- ▶ **Distribution**

- GE Healthcare
 - Inventory management
 - Transition to capital reseller model from July 2019
- Ultrasound OEM Capital Reseller strategy
- Japan: Sakura Seiki – FY18 Pre-Marketing / Clinical Study

Business outlook

FY18 second half

- ▶ Continued growth in installed base in North America – FY18 H2 similar to FY18 H1
 - Healthcare reform in USA ongoing – potential to delay timing of capital purchase. However, the importance of infection prevention unchanged
- ▶ MES program in UK continues to gain momentum – expect FY18 new unit growth of 75% -100% over FY17, of which 90% + of installations will be under MES
- ▶ Variability in volume and phasing of GE purchases as inventory is managed
- ▶ Continued investment in growth with total FY18 OPEX expected to be in the range of \$48 million
 - Increased investment in R&D weighted towards H2 FY18
- ▶ New international guidelines continue to be released
- ▶ Continued market expansion activities
- ▶ Pre-marketing commencing in Japan with Sakura Seiki including clinical study
- ▶ USD – FY18 assumed at \$0.78 vs ~\$0.75 in FY17

Beyond FY18

- ▶ Continued growth in trophon installed base in all core markets as new guidelines continue to be released and the requirements for HLD of all Semi Critical probes is understood and adopted
- ▶ Material increase in both sales and margin with North American consumables from July 2019 resulting from new GE agreement.
- ▶ Expansion into new markets
- ▶ Introduction of new products including the second generation of trophon and targeting one or more new infection prevention solutions in FY20, subject to regulatory approvals

Thank you

Appendix

FY18 H1: Income Tax

\$ million

Components of deferred tax assets

Tax losses	0.4
R&D tax credits	9.9
All other timing differences	2.5
Total	12.8

Value of losses/R&D credits

	Gross Benefit		
Losses recognised	1.3	0.4	30.0%
R&D credit recognised	25.2	9.9	39.3%
	26.5	10.3	
Losses not recognised	10.9	2.4	22.0%
Total	37.4	12.7	

Key points:

- ▶ Deferred tax assets recognised following assessment of operations of the Group.
- ▶ Assessment of probability of recovery (and therefore recognition of related benefit) of non-Australian losses to be reviewed on an on-going basis.
- ▶ The potential tax benefit on estimated unrecognised tax losses takes into account the reduction in the United States federal income tax rate from 35% to 21% from 1 January 2018.

FY18 H1: Impact of FX

\$ million

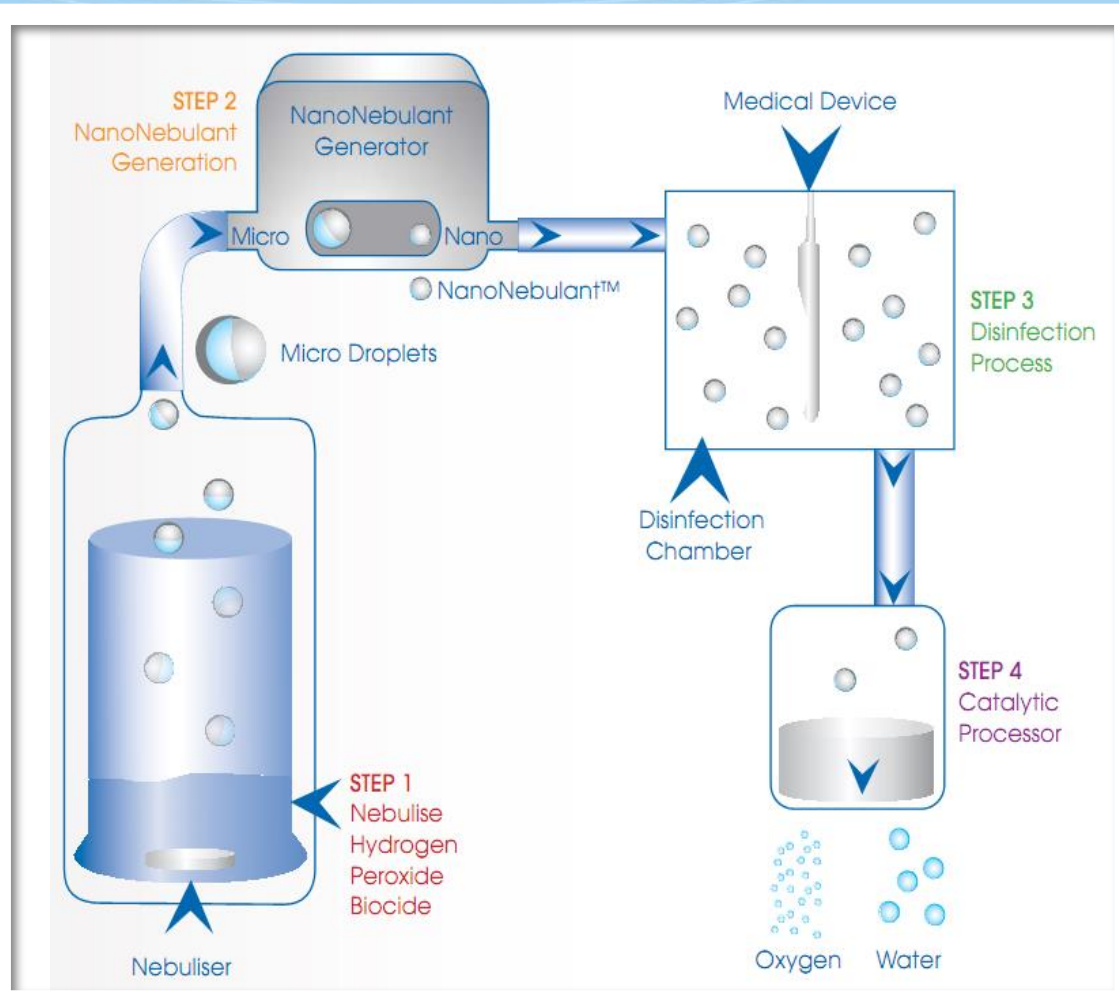
Outstanding FX contracts at 31 December 2017	USD covered	Ave. USD rate
FX cover in place	15.5	0.7671

P&L impact of FX	H1 FY18	H1 FY17
Net foreign exchange gains	-	0.66
Realised gains/(losses) on FX derivatives	0.03	0.51
Unrealised gains/(losses) on FX derivatives	0.12	(0.42)
Net realised/unrealised gain on FX derivatives	0.15	0.09
Net FX gains	0.15	0.75
Average AUD/USD rate for the half year	0.7779	0.7542

Key points:

- ▶ The Company takes a conservative approach in covering currency exposure on forecast USD net inflows.
- ▶ At 31 December 2017, approximately US\$15.5m of forecast cash flows were covered with forward contracts at an average rate of 0.7671.

trophon's patented disinfection technology



Step 1: Ultrasonic vibrations generate soundwave energy to create micro-sized droplets.

Step 2: The droplets are converted into an ultrafine mist that enters the disinfection chamber.

Step 3: The mist covers the entire surface of the probe and handle, and is a supercharged mixture of free radicals. These kill bacteria, viruses, and fungi by reacting with their cell membranes and molecular structures.

Step 4: The mist is then broken down by the 'catalytic converter' into water and oxygen.

trophon is covered by 14 patent families
Most are active through to 2025