



innovotech

Corporate Presentation
TSX-V:IOT

Updated April 2021

A PROFITABLE REVENUE PLATFORM
A GROWING ASSET PLATFORM
A TAX PROTECTED PLATFORM

THE BASE ON WHICH WE BUILD

**Our plan is to use time, effort, discipline, and innovation to
deliver a diversified Canadian Biotech**



Brief History

2003 Innovotech is listed on the TSX-V. Our businesses of contract research and manufacture and sale of the MBEC Assay® Kits date from that year.

2004-2016

Time, effort, and money are spent on R&D at the expense of contract research and product sales. Annual losses occur. The anti-bacterial, InnovoSIL™-1, is the one success to emerge from R&D efforts over the period.

2017 Lonsdale Capital refinances Innovotech, acquiring a 32% interest.

2018 R&D on InnovoSIL™-1 is completed, Innovotech focuses on its business, costs are reduced, its laboratory is ISO 17025 certified, and the Company begins to optimize its contract research business.

2019 Gross revenues grow ~19% over 2018.

2020 Gross revenues grow 20% over 2019. An InnovoSIL™-1 Collaboration Agreement is concluded with a major medical device company. Innovotech becomes debt free and earns its first annual profit of \$106,317.

2021 Our revenue is indicated to continue to trend higher over the 2021 year.



Our Business 1 – Contract Research

Innovotech is a leader in contract research designed to test coated medical devices like implants for their susceptibility or resistance to the formation of microbial biofilms that cause chronic infections and disease in humans.

- We have methodologies, equipment, and long experience that give us proprietary advantages and efficiencies
- Early 2019 ISO 17025 certification opened doors with existing and new customers
- We are entrepreneurial innovators. Our patented “BESTplus Assay™” brings *in vitro* closer to *in vivo*, raising our contract research profile
- In 2020, we began to use 3D printers to build test devices tailored to accommodate shapes, formats, & materials of customer devices
- In September 2020, Innovotech reached 100,000 hours of laboratory work without a single lost time laboratory incident
- Innovotech’s contract research revenues increased from \$579,000 in 2018 to \$929,000 in 2020 and we target maintaining that growth trend in 2021

Our Business 2 – MBEC Assay & InnovoSIL™-1

MBEC ASSAY® KITS

Innovotech makes & sells globally the MBEC Assay®, a high throughput biofilm growth device. Any hard surface or disinfectant claiming effectiveness against biofilms must pass tests based on the Innovotech MBEC growth device.

The Company develops purpose-tailored coatings for its MBEC Assay® plates for different testing applications. A recent coating could make it a preferred device for agricultural laboratories.

INNOVOSIL™-1

Innovotech has signed a Collaboration Agreement with a medical device partner on our complex silver periodate anti- microbial aimed at a potential commercial agreement.

- The partner is funding further R&D on InnovoSIL™-1
- The partner pays an annual amount on a quarterly basis to Innovotech in return for future exclusivity on certain applications of InnovoSIL™-1
- The partner funds related patent costs

Innovotech is one of few profitable, listed Canadian micro-cap biotechs

In the 2020 year, gross revenues were 20% above 2019 levels and 44% above 2018 levels at \$1,193,000. EBITDAS rose from \$23,942 in 2019 to \$178,998 in 2020, and Innovotech recorded a net income of \$106,317.

The increased cash of \$175,998 generated from operations together with a \$375,000 equity financing combined to generate a stronger balance sheet with cash of \$530,000 and working capital of \$595,000.

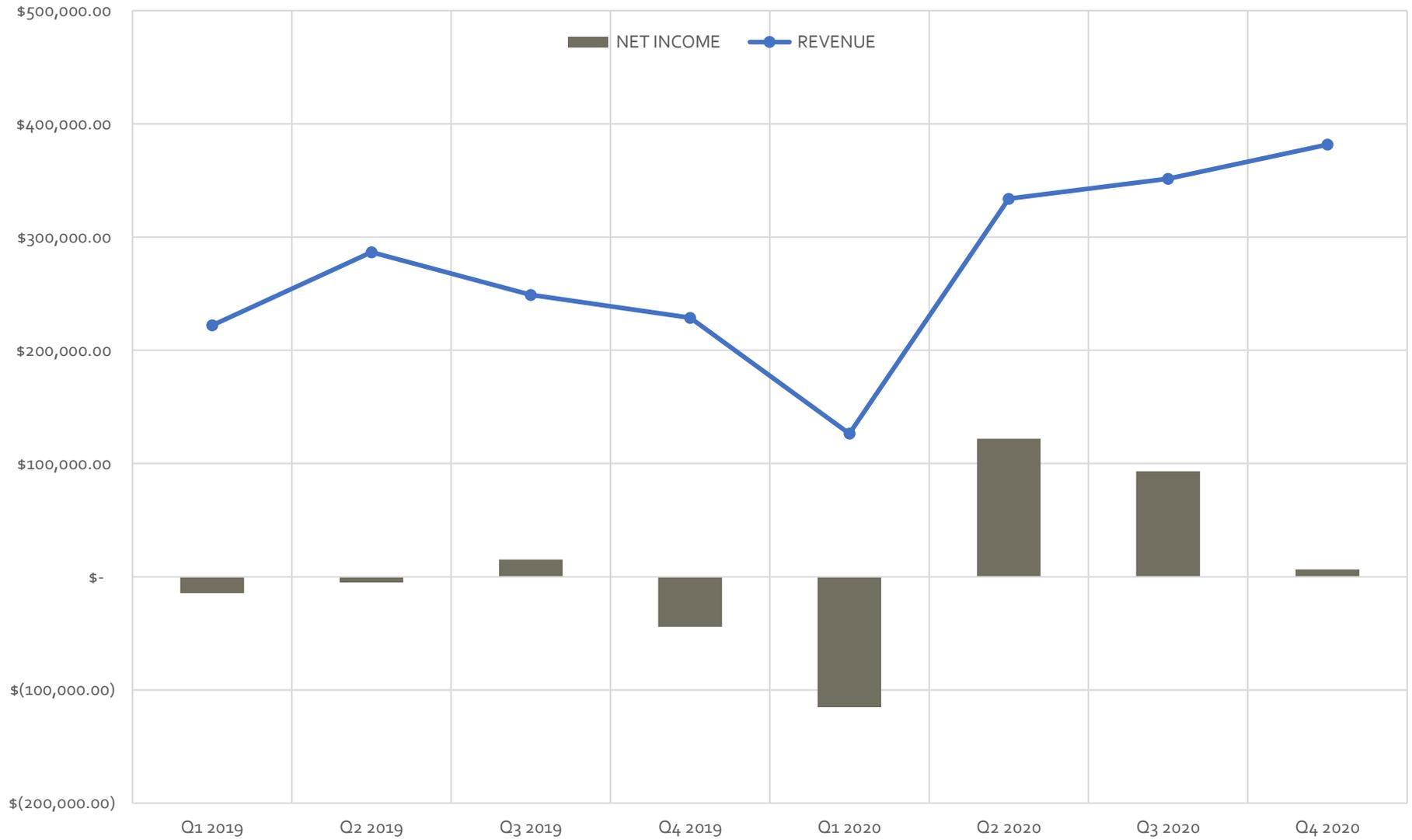
In February, 2021, the Company acquired a convertible debenture of CanBiocin Inc in the amount of \$150,000 yielding 8%, gaining \$12,000 of interest income and obtaining an interest in the growing companion animal and farm animal probiotics business.

Innovotech has no debt excepting a \$20,000 interest-free CEBA loan, assuming it is repaid prior to end of December 2022.

Issued capital is 38,909,612 shares.



Revenue & Net Income – 8 Quarters



Recent Corporate Developments

Tangible Progress

We are using profits, our strong balance sheet & shares to access early beach heads to develop or participate in products that may find application in consumer markets that are inherently larger than our contract research business.

Q1 2021 investment acquisition, -Nou Life Sciences Inc.

- **In skin care**, Innovotech acquired the right in January, 2021 to earn a 60% interest in Nou Life Sciences for \$100,000 invested over 2 years in R&D. Nou Life's asset is a patent linking two well-known anti-oxidants into one molecule. We are testing the ability of the linked molecules to better penetrate subdermally to perform their anti-oxidant function. *The terms of this transaction enable Innovotech to control tightly the pace and extent of its investment in a manner that reduces the inherent risk in developing new technology*

Q1 2021 investment acquisition, -CanBiocin Inc.

- **In probiotics**, the aforementioned CanBiocin Inc convertible debenture *enables Innovotech to obtain an interest (upon conversion) in multiple lines of companion animal and farm animal probiotics developed by CanBiocin.* The field of pre and probiotics is a rapidly developing one as evidenced by growing CanBiocin sales

Internal Lean Growth Plan- Revenue

Organic growth

- Penetrate new laboratory markets with our MBEC Assay® plate, making it a preferred device by developing coatings designed for those markets
- Focus on growing our high quality, client-responsive contract research business, by maintaining tight quality control and working up devices, products, and procedures that separate us from the competition and improve the quality and efficiency of our testing of client medical devices
- Build on the success of our innovation in 3D printing of tailored testing devices and with the patented BEST*plus* Assay™, continuing both programs

R&D - 2021

- InnovoSIL™-1 is an effective antimicrobial coating that is under advanced R&D development by our partner in an exclusive Collaboration Agreement at no cost to us
- Working up the Nou Life linked Lipoic Acid and L- carnitine anti-oxidants molecule targeting a 2 to 3 times increase in skin penetration over existing industry products. In 2021 we hope to begin trials with a suitable cream formulation

External Growth Plan - Investment

Growth through investment – partial company acquisition

Innovotech seeks right-sized investment opportunities such as the described probiotics and skin cream acquisitions to extend our reach, diversify our assets and open avenues to larger markets. This works parallel to Lean Growth and does not get in its way.

- For Innovotech to grow and diversify over the long term, we see that it is generally easier, cheaper, faster, and less dilutive at our stage of development to own a piece of a good company, good product, or good service than to try to own all of it
- Investment targets are primarily related to microbiology, health care, nutraceuticals, cosmeceuticals and probiotics. Targets require a visible route toward a risked long-term ROI for the Company. The convertible debenture route is favoured
- This plan is not designed to acquire held-for-sale trading assets. The plan is a way for Innovotech to access alternative investments from time-to-time in the field of human health for the longer term consistent with our growth aspirations. To be clear, we are alert to opportunities in this process, not searching for something on which to spend



External Growth Plan - Acquisition

Whole company acquisition

The tax case

Prior year's NOLs and SRED tax credits, provide Innovotech with total tax credits of \$7.5 million, which are available to reduce our future net income for tax purposes. The tax credits can be applied to an acquired company. These tax pools do not start to expire until 2028; \$3.5 million never expire.

The appeal

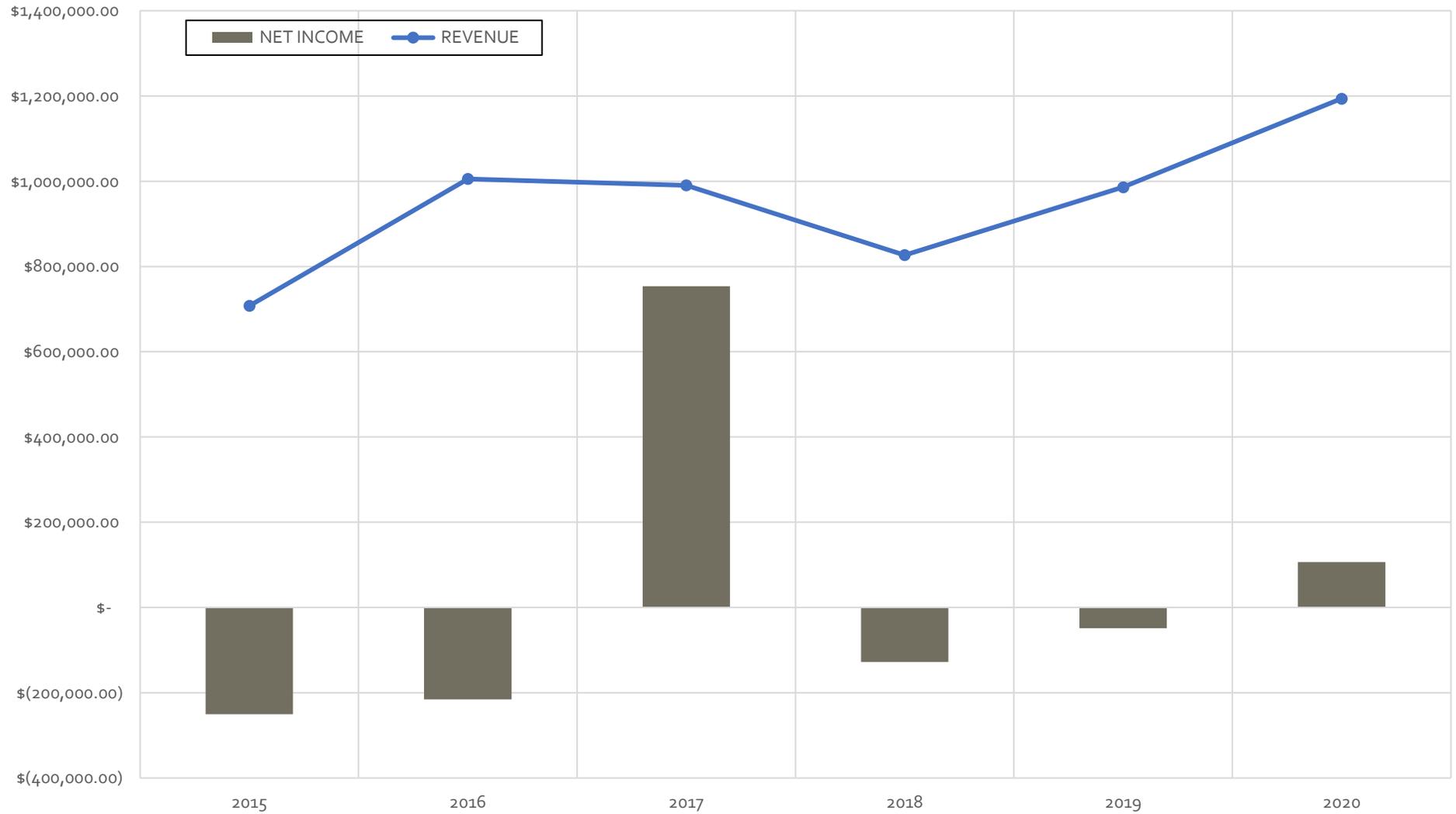
Innovotech is one of few listed micro-cap Canadian biotech companies that has revenue, profitability, a strong balance sheet and a low share capitalization. This makes us a top M&A candidate. We are not pressed to do a deal as we expect to see our revenues grow year over year.

In the meantime

We continue our revenue focused lean Internal Growth Plan and our asset focused External Growth Investment Plan. Success in those two programs only improves the case for future whole company acquisition.



Annual Revenue & Profit/Loss – 5 Year trend



Who we are

Officers & Management

Dr. James Timourian	President
Alan Savage	CFO
Dr. Tyler Boone	COO
Dr. Craig Milne	CBDO
Dr. Patricia Nadworny	QC Mgr.

Directors

Dr. James Timourian, PhD*
Alan Savage*
Dr. Gerard Tertzakian, PhD
David Tam, BSc. Pharma, LLB
Dr. Craig Milne, PhD, MBA*
Bernard Grobbelaar CPA
Dr. Karen Farkas PhD

*Members of the Executive Committee



Mission & Vision of Innovotech

Scale up Innovotech to be a significant, innovative, profitable participant in the Canadian biotech sector.

The time frame for the mission is not a short one.

Innovotech has a knowledgeable, committed, invested and incentivized Board of Directors. It has a major shareholder and management with the experience, expertise and incentive to succeed.

The vision is supported by our pristine balance sheet, rising revenues, profitability, and our usable long-term tax pools.



Company Information

Share capital:

- Authorized Unlimited
- Issued 38,909,612

Directors hold as of AGM, 13 October 2020:

- James Timourian 2,051,812
- Gerry Tertzakian 1,041,998
- Craig Milne 210,000
- Karen Farkas 15,000
- Bernard Grobbelaar 65,000
- David Tam 592,000
- Alan Savage 12,913,555 (Direct & through Lonsdale Capital Corporation)

Warrants 1,875,000 exercisable at \$0.25 until September 2, 2023

Stock options 2,301,000



Disclaimer

This document may contain forward-looking statements that are predictive in nature and subject to risks and uncertainties that cannot be predicted or quantified; consequently, actual results may differ materially from past results and those expressed or implied by any forward-looking statements. Factors that could cause or contribute to such risks or uncertainties include, but are not limited to: the regulatory environment including the difficulty of predicting regulatory outcomes; changes in the value of the Canadian dollar; the Company's reliance on a small number of customers including government organizations; fluctuations in operating results; government policies or actions; progress and cost of clinical trials; reliance on key strategic relationships; uncertainty related to intellectual property protection and potential costs associated with its defense; the Company's exposure to lawsuits and other matters beyond the control of management. Should known or unknown risks or uncertainties materialize, or should management's assumptions prove inaccurate, actual results could vary materially from those anticipated. The Company undertakes no obligation to publicly make or update any forward-looking statements, except as required by applicable law.