

## Innovotech Inc Reports 3 and 6-month Results to June 30, 2019

**Edmonton, August 20, 2019.** Innovotech Inc. (IOT -TSX-V), a leader in contract research in connection with the susceptibility of medical devices to microbial biofilm formations has released its financial and operating results for the three and six-month periods ended June 30, 2019.

Innovotech's performance in the first 6 months (H1) of 2019 demonstrated a material improvement from the same period in the 2018 year. This first half improvement is attributable to higher revenues accompanied by lower costs. Revenues increased from \$410,784 in H1 of 2018 to \$508,635 in H1 of 2019. The increase in revenues, combined with reduced expenses resulted in the prior year's H1 loss of \$142,696 being reduced to a loss of \$19,549 in the current H1. Had it not been for a bad debt experienced in the second quarter in the amount of \$22,872, Innovotech would have earned a profit in the first half of 2019.

Year over year comparison: (\$)

	<u>H1, 2019</u>	<u>H1, 2018</u>
Gross Revenue	508,635	410,784
Cost of Sales	<u>157,581</u>	<u>118,345</u>
Gross Profit	351,054	292,439
Total Expenses	<u>370,603</u>	<u>435,135</u>
Net Loss	<u>19,549</u>	<u>142,696</u>

Second quarter (Q2) revenues were \$286,214 *versus* \$194,198 in the prior year resulting in a Q2 loss of \$5,031. If not for the bad debt noted above, the Company would have recorded a profit in Q2. Also, the Company has received a Notice of Allowance for a US patent in connection with delivery of its InnovoSIL™ - 1 for wound care in gel form. The Company is also pleased to welcome Craig Milne BSc, PhD, MBA to our Board of Directors, replacing Dr. Wolfgang Muhs who has retired after long service. Dr. Milne was awarded 50,000 options for becoming a new member of the Board.

Alan C. Savage  
Director & CFO  
Innovotech Inc.

*This document may contain forward-looking statements that are predictive in nature and subject to risks and uncertainties that cannot be predicted or quantified. 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; changes in the value of the Canadian dollar; the Company's reliance on a small number of customers; 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.*

**The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.**

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