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## UPDATE

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## A new deal for heart checks

IM Medical will create Australia's first one-stop shop for specialist cardiac risk assessment when *Intelliheart* rolls out in pharmacies next month. And specialist cardiology assessment will be made more accessible for millions of Australians in rural and regional areas.

These are some of the unique features of the agreement with Sigma Pharmaceuticals Ltd to sell *Intelliheart* through Sigma's national network of more than 700 pharmacies under the Amcal Max, Amcal and Guardian brands.

The agreement was signed in early June and the rollout begins in 230 Victorian pharmacies in late July, with other States joining in the following months. Revenue for IM Medical will flow immediately.

Sigma will purchase the tests from IM Medical and then resell them to pharmacists in the Sigma network. The pharmacies will stock counter displays of *Intelliheart* information kits and proof-of-purchase cards packaged like a DVD container.

Once the pack is purchased, customers then call IM Medical's central booking number to make an appointment in one of 30 testing stations around Victoria. The testing centres have been strategically placed to ensure that no Melbourne customer is more than 30 minutes away from a centre and no regional customer is more than 45 minutes away.

At the testing stations, patients are given the *Intelliheart* test, including on-the-spot tests for cholesterol and blood glucose. The *Intelliheart* test also includes a 12-lead electrocardiogram, blood pressure, Body Mass Index, waist-to-hip ratio, family history and two further tests exclusive to *Intelliheart* in this form – pulse wave analysis and heart rate variability.

IM Medical's *Intelliheart* Consumer Manager, Lauren Sacks, said this was the first heart risk assessment service that provided one destination and a single consultation for a suite of heart tests including pathology, ECG and other cardiac-related tests.



The data from all the tests is then transmitted to IM Medical in Melbourne for analysis by a cardiologist and a GP. Reports are sent back within days to the patient and/or the pharmacist, depending on instructions from the consumer. IM Medical has designed a new consumer report to make it easy for customers to understand the results and the advice provided by the cardiologist and GP to reduce heart disease risk.

Lauren said this meant that specialist cardiology assessments would be available locally for the first time for many country customers.

Sigma will handle all sales and distribution systems. Customers will pay \$199 for the test. IM Medical's revenue stream is assured earlier in the process when Sigma buys the tests for resale to its individual pharmacies. There are no capital expenditure ► SEE P2



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## INTELLIHEART A LIFESAVER FOR CARMEL



Carmel Thomas

Melbourne businesswoman and charity worker Carmel Thomas says *Intelliheart* saved her life.

Carmel, 66, had a horrendous family history of heart disease and a life full of stress. But something always stopped her going to the doctor to get checked.

Then her husband brought home a story from a Rotary lunch

where an IM Medical person had been talking about *Intelliheart* and how easy it was to check your heart risk.

“It sounded fantastic. It didn’t involve the long process of going to the doctor, then being referred to a specialist, then getting things stuck into you for weeks,” Carmel explained.

“It sounded more like taking your car for a quick check to make sure there was nothing seriously wrong.

“So I went along for the *Intelliheart*. It was easy and pleasant and nice. But the results really woke me up. I had a 30 per cent blockage in my aorta and the beginnings of arteriosclerosis.

“The IM Medical doctor told me to go start changing my life – like walking 40 minutes a day – and go to a specialist. I went to a cardiologist and did a stress test. During the test, the specialist said I was having ischemic strokes. He did an angiogram and confirmed everything *Intelliheart* had shown.”

Carmel, a Brighton mother of three, says that looking back, she can see that she was a cardiac time bomb.

Her mother died at 40 from a heart attack. Her grandfather died of a heart attack at about the same age. Seven aunts and uncles died with heart problems. And her stepbrother survived a heart attack at age 52.

Carmel recalls: “Again looking back, I was having angina pains for probably 20 years. I was under serious stress for a long time because of my son’s paranoid schizophrenia. My whole life at the time was a struggle to keep him alive. It was a struggle to support him before I married my second husband. There was no way I could afford the time or the inconvenience of going to a heart doctor. There was no way I could afford it. Maybe subconsciously I was scared of going. Maybe it was the invasive nature of a full-scale heart investigation.

“That’s why *Intelliheart* saved my life. It was just so simple and easy and I am about to go back and have my second *Intelliheart* test. It will always be my first port of call. It is a fantastic tool.”

Carmel has told many family and friends about *Intelliheart*. “I have a cousin in Paris and she had an *Intelliheart* test when she was back here recently. She took the results back to France and her doctor there was very impressed with *Intelliheart* and wanted to know more,” Carmel said.

Carmel, a former corporate executive assistant and health care trainer, more recently founded The Haven Foundation which provides housing and assistance for people with schizophrenia like her son Jamie.

And thanks to *Intelliheart*, she has a much better chance of doing that job for a long time

### ► FROM P1

costs for IM Medical as the service infrastructure is already in place. The network of testing stations will be in small spaces and designed for maximum throughput during their periods of operation.

Early analysis from the pilot program suggests average sales of between 1.5 and 2 sales per week per pharmacy.

The Chief Executive Officer of IM Medical, Mr Tommas Bonvino, said the agreement with Sigma was a major milestone in the commercialisation strategy for *Intelliheart*.

“It combines IM Medical’s breakthrough technology with

Sigma’s impressive retail network and brand power,” he said.

The exclusive agreement also provides for Sigma to develop the *Intelliheart* brand under a royalty system for other heart-related products such as aspirin, fish oil, vitamins and dietary and exercise aids. These products would be designed for part of the action plan arising from *Intelliheart* testing.

Mr Bonvino said pilot studies for pharmacy sales had shown strong consumer appeal for the simplicity and non-invasive nature of *Intelliheart*. “We have had people who literally say *Intelliheart* saved their life,” Mr Bonvino said.

## MONEY WELL SPENT, SAYS GRATEFUL PATIENT

Graeme Sinclair is grateful for the day he walked through Wodonga's Amcal chemist and spotted *Intelliheart* on the shelf.

"I was wandering through the shop with my wife and saw the *Intelliheart* test – I thought I'd try it, because I've done blood tests and sugar tests at the chemist before," he said.

Mr Sinclair, a retired prison officer from the picturesque northern Victorian town of Stanley, made an appointment the following day for his heart health assessment.

"I went back and had a series of tests (including pulse-wave analysis and 12-lead ECG) and I was told there was something going on. I should get to hospital," he said.

The *Intelliheart* test had identified that Mr Sinclair's heart was in atrial fibrillation – a condition that causes an irregular heartbeat. Atrial fibrillation can be dangerous, and can lead to a stroke. Within minutes of taking the test, IM Medical's doctor told Mr Sinclair to go to hospital.

"When I got to the hospital they put me through a series of tests and said the heart was in fibrillation. Then I saw a cardiologist, the leading man in Wodonga. And he told me I had a leaking valve," he said.

Mr Sinclair, 72, said the doctor told him there was no need for surgery on the leaking valve, but it would be closely watched.

"About four years ago I had a turn in the garden and fell to my knees, and the doctor put me on some medication," he said.

"It's good now to know what the situation is and that it can be monitored. Buying the *Intelliheart* was definitely money well spent.

Graeme Sinclair



## IT WORKS BECAUSE WILLIAM SAYS SO



William So

William So was one of the first pharmacists to stock *Intelliheart* because he was won over by a personal experience.

William considered himself reasonably fit when he attended a pharmaceutical industry conference last year and was one of many pharmacists who received an *Intelliheart* test as part of a demonstration to health professionals.

The test showed a slight heart muscle weakness which reflected in the heart rate variability measurement part of the test.

"That is one of the great things about the test. It shows up the unknowns," Mr So explained at his Pharmacy 517 store in St Kilda Road, Melbourne.

"I thought I was reasonably fit. I'm not overweight. My blood pressure and cholesterol levels are normal. I eat well and I am on my feet all day, not sitting behind a desk in an office.

"But after my *Intelliheart* test, I decided to catch the train to work three days a week and walk 40 to 45 minutes from Flinders Street Station to my shop. I have been doing this for three months now and I am hoping my next test will show an improvement in my heart rate variability."

The heart rate variability test and the arterial stiffness test are unique to *Intelliheart* among widely available cardiac risk tests on the Australian market.

Mr William Hau Kin So, 45, has been a pharmacist for more than 20 years. He has worked 18 of those years at the same pharmacy and has owned it for six years.

He said: "*Intelliheart* helps us improve the general health and wellbeing of our patients and customers and makes a positive difference to their lives. That is the most satisfying thing we can do as pharmacists."

Mr So said one of the best features of *Intelliheart* was its non-invasive nature. "Patients don't have to go through long and complicated tests. This can be done in an hour," he said.

And it is an early warning that enables our customers to discuss their heart risk with their doctor, he said.

Mr So said the response from customers has been very positive. "My area has a lot of professionals and executives with high levels of stress. They see it as a very convenient and quick way of getting a risk assessment without all the time and trouble of going to a hospital or other facility for other tests that are much more invasive," Mr So said.

# Dr Ross Walker backs IM Medical emphasis on prevention

Prominent cardiologist Dr Ross Walker says he is proud to be associated with IM Medical because the company understands the importance of prevention in cardiovascular disease.

“If sickness is a car driving off the top of the cliff, most of the health industry is building faster ambulances rather than building fences on top of the cliff,” Dr Walker said.

“*Intelliheart* and IM Medical concentrate on identifying risk and finding problems before they become life-threatening.”

Dr Walker is joining the Board of IM Medical as medical director. He is a practicing cardiologist as well as a high-profile author, presenter and media commentator on heart disease and preventative health.

The Chairman of IM Medical Ltd, Dipak Sanghvi, said Dr Walker brought powerful and appropriate skills to the IM Medical Board.

“As well as being a highly respected cardiologist, Dr Walker is a great communicator and motivator. These are the qualities our products need to continue to build acceptance in the medical community and in consumer markets,” Mr Sanghvi said.



Dr Walker said he was familiar with the special characteristics of *Intelliheart*. “I have been an advocate of arterial stiffness, a key component of *Intelliheart*, as an indicator of risk, for many years and have performed around 5000 tests. But I am only one doctor. Through IM Medical, I will now be able to help spread the word to many other patients.”

Dr Walker agreed that one of the main challenges for IM Medical was persuading conservative specialist heart doctors to try something new. Another challenge was convincing members of the community about the preventative health message and how easy it was to check heart risk with *Intelliheart*.

“I aim to help with both those challenges and I am enormously proud and passionate about it,” he said.

Dr Walker is a regular contributor on health issues on commercial radio stations and the Nine Network. He is the author of six books, including *If I Eat Another Carrot I'll Crazy*, *The Cell Factor* and *The Life Factor*. He lectures extensively throughout the world to major corporations and medical groups on health and lifestyle.

## PHARMACIES TAKE LEAD IN PREVENTION

The IM Medical-Sigma partnership is the latest example of pharmacies taking a leading role in preventative medicine.

The Chief Executive of IM Medical, Mr Tommas Bonvino, said pharmacies were ideally placed to help tackle chronic conditions such as cardiovascular disease.

He said: “Almost every Australian is within reach of a pharmacy. Pharmacists are recognized as credible sources of information. They are always available and they have frequent contact with the public.”

Mr Bonvino said one of the main hurdles with early detection of cardiovascular disease was persuading people to take the first step to go to a doctor because they think they will be given some very invasive and time-consuming tests.

“Pharmacists are better placed than doctors to persuade customers that this is not necessarily the case,” Mr Bonvino said.

He said one of the main messages to emerge from the *Intelliheart* pilot in pharmacies was that people love the simplicity and non-invasive nature of the test.

Mr Bonvino said pharmacies were increasingly providing services other than traditional dispensing of medications.

For example, there have been studies demonstrating successful interventions to control blood pressure, diabetes and cholesterol.

Pharmacies also have a track record of providing successful smoking cessation and weight reduction programs. In the United States, pharmacists were providing some vaccinations.

# Dipak the man for the job

## DIPAK SANGHVI

### Curriculum vitae

Age: 58

Born: Uganda

Educated: UK

Migrated: 1976

Primary business: Sole proprietor four pharmacies, partner in fifth.

Industry positions: Victorian president of Pharmacy Guild of Australia, national vice president.

Other professional memberships: Fellow, Australian Institute of Company Directors; Member, Pharmaceutical Society of Australia (Vic).

Previous Positions: Vice Chairman of Amcal for six years, former director of Pharmaceutical Defence Limited

Family: Wife and three children (pharmacist, dentist, lawyer)

Interests: Golf, travel, theatre, music, books, cricket

New IM Medical chairman Dipak Sanghvi has a background and credentials that are tailor-made for the company's growth strategy.

Dipak, 58, has had a lifelong interest in community health, high-level experience in the health industry, leadership roles in the pharmacy industry and multi-faceted personal experience in the commercial world of small business.



Dipak Sanghvi

He comes on board as IM Medical rolls out the most significant part of its commercialisation strategy with the Sigma agreement to sell *Intelliheart* in pharmacies across Australia.

Negotiations for the Sigma deal began before Dipak became president but close observers say Sigma would be very happy that Dipak is at the helm. Dipak was once a vice chairman of the retail pharmaceutical marketing company Amcal, which was later bought by Sigma. Dipak is regarded as having enormous energy and a huge capacity for work. He is popular and a voracious networker. But above all he is successful and a proven leader.

For Dipak, the appointment as chairman of IM Medical is the beginning of the fulfillment of his ambition to become more involved in company leadership and directorships. He bought his first pharmacy business in 1979, within three years of arriving in Australia, and over the next 10 years owned and operated two newsagents, a Tattsлото outlet, a post office, a motel, a dry cleaning shop, a restaurant and a travel agent before concentrating on his pharmacies.

Ten years ago he became active in the Pharmacy Guild and has held numerous Victorian and national positions ever since. He became a Board member of IM Medical in December last year.

What attracted him to IM Medical? Dipak says: "It is a young, vibrant company with a huge amount of potential and some challenges to realise that potential. I am really looking forward to tackling those challenges."

In an interview at the IM Medical headquarters, Dipak acknowledged that the prime challenge was to "get the company into positive growth". He added: "It is up to us to get runs on the board. We have to work harder to get *Intelliheart* accepted. And we will."

He said: "We have wonderful technology and a wonderful product. However, the medical professional quite rightly moves slowly on new technology. Cardiologists want to see a long string of peer-reviewed papers published in specialist literature.

That is happening. And we have just appointed a prominent cardiologist to the Board.

"Meanwhile we are pushing ahead strongly in the retail market place, in workplace testing and other outlets.

"The external settings are good for us. Preventative medicine is a great place to be at the moment. And the technology is here to make it happen. Everyone is finally realizing that it is much cheaper to prevent chronic disease than to treat it. Governments have accepted it and are providing real ▶ SEE P6

In an interview at the IM Medical headquarters, Dipak acknowledged that the prime challenge was to "get the company into positive growth".

# Intelliheart continues to build credentials

*Intelliheart* is building an impressive list of published research to demonstrate its credentials as a superior heart risk assessment tool. The Chief Executive of IM Medical, Mr Tommas Bonvino, said peer-reviewed research published in the medical literature was essential to build confidence among cardiologists and other parts of the medical profession.

He said: "Doctors are conservative when it comes to new technology. They want to see repeated studies they can trust. That's a good thing, even if it is a little frustrating for the company and the shareholders.

"Research can take a long time and then there is another long wait for publication. Six months is nothing in the medical literature, but can seem a lifetime for some investors."

The latest publishing decision supporting *Intelliheart* was reported this month with the announcement that the interim findings of research on Intelliheart at Monash University has been accepted for presentation at two important cardiac conferences later this year.

They are the 56th, annual meeting of the Cardiac Society of Australia and New Zealand (CSANZ) in Adelaide on August 8-9 and the European Society of Cardiology Congress in Munich, Germany, on September 2.

Last year, positive research results were published in *Internal Medicine Journal*, the official journal of the Royal Australasian College of Physicians. The research was also presented at the CSANZ conference in Christchurch last year. Also last year, the American Heart Association journal *Hypertension* published research confirming the merits of the blood pressure component of *Intelliheart* as a better predictor than traditional tests using a cuff on the arm.

Mr Bonvino said the continued publication of research was a positive development for market acceptance of *Intelliheart* as the

company expands the product's reach beyond medical clinics and workplace testing.

The Monash research is showing that amongst participants in the study, the risk of heart disease is more than three times greater if they have very stiff arteries or very poor heart rate variability. These factors could be as important as obesity, high blood pressure and diabetes for predicting heart disease in people at high risk.

Mr Bonvino said *Intelliheart* was the only widely available screening test which included the new tests – heart rate variability and arterial stiffness – with a simple, easy-to-use interface and cardiovascular health report

The healthiest hearts have a variable beat which is diminished in people with heart disease. Arterial stiffness is measured by analysing the pulse waveform of the heartbeat. Standard blood pressure tests measure the peak (systolic) and trough (diastolic) of this waveform in the arm, whereas pulse wave analysis looks at additional measures of arterial stiffness and aims to determine the pressure at the heart, where it matters most.

The Monash research is being done by Dr Dipak Kotecha, a British specialist physician who is in Australia to complete a PhD and being supervised by Dr David Eccleston, a prominent Melbourne cardiologist. Dr Eccleston is a scientific advisor to IM Medical Ltd,

Final results of the Monash research, involving around 500 patients, will be released in early 2009.

Mr Bonvino asked shareholders to be patient while the research file was built up. He said: "Medical research has the characteristics of Test cricket, while many investors prefer the 20-20 game. But all cricket followers agree that the most meaningful rewards come from the long version of the game."

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incentives. Companies are accepting that healthy workers are good for business. And consumers now understand. Our product makes it easier than ever for people to check their heart risk."

Dipak said he was excited by the growth prospects in workplace testing. "We have a skills shortage and it is not easy to attract the best workers. Extra benefits such as health tests will become more popular as employers try to show their employees that they care about them," Dipak said.

Dipak said one of the strategies will be to talk with other companies to form partnerships and enjoy synergies. "The Sigma arrangement is a perfect example of this – it combines our technology with Sigma's marketing power. It's a wonderful opportunity for Intelliheart but also a great opportunity for pharmacists to be part of preventative health management," Dipak said.

What about overseas sales? Dipak said: "We have a good foothold in the Middle East and parts of Europe. But I do not want to let that distract us from our own market. I want to concentrate on Australia first. There is a lot of time and effort required to succeed overseas and I will not let that take over from the effort required on our doorstep."

Dipak said he was not making any predictions until they were based on solid, credible research. "I understand some shareholder frustration about delays in becoming profitable, but I am not going to try to please them by promising things until I know that I can deliver them. My job is to get the internal and external things right from a strategic point of view. The share price will then look after itself. My message is that the fundamentals are right – we have a great product which is ahead of its competitors and we are in a fantastic market for the future."