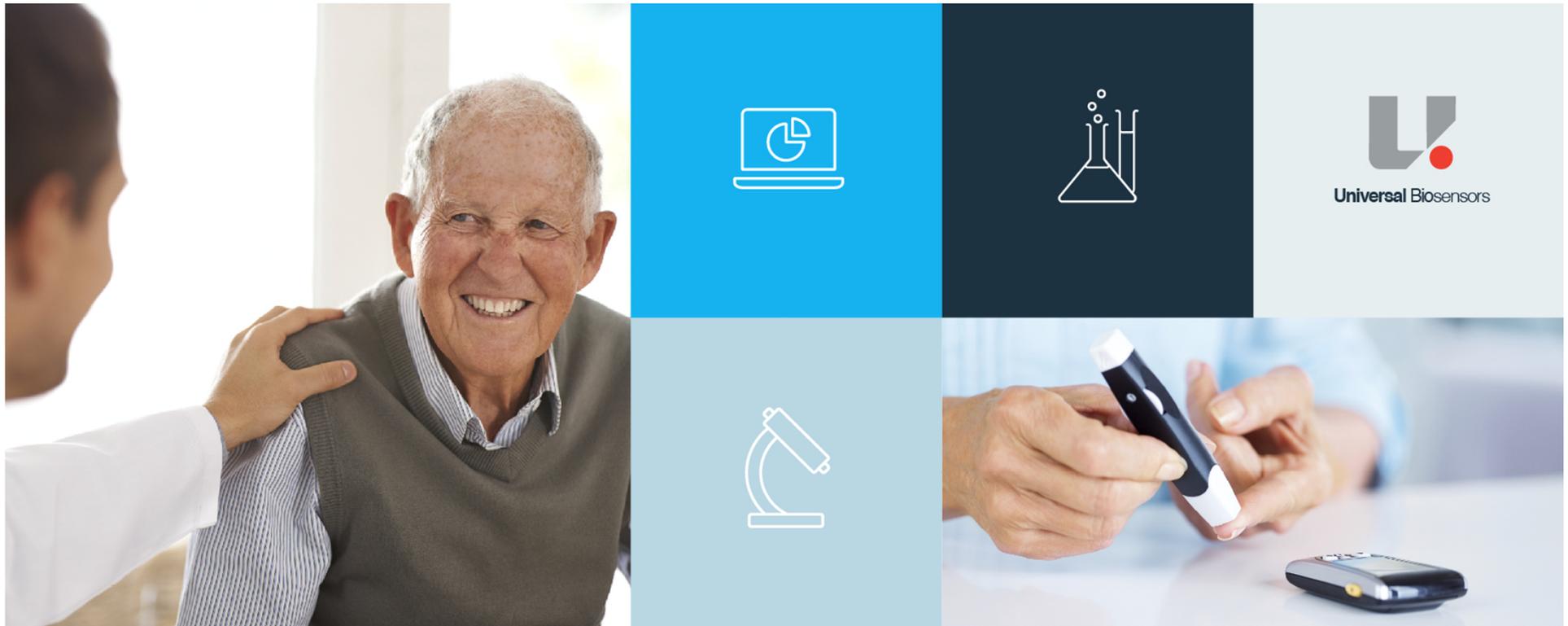




Universal Biosensors

H1 2017 Financial Results Management & Board renewal

7 August 2017



Important Disclaimer



- This presentation is intended to provide a general outline only and is not intended to be a definitive statement on the subject matter. This presentation is not financial advice and has been prepared without taking into account the objectives, financial situation or needs of a particular person.
- Neither the Company, nor its officers or advisors or any other person warrants the accuracy of the analysis herein or guarantees the investment performance of the Company. Investors must make their own independent assessment of the Company and undertake such additional enquiries as they deem necessary or appropriate for their own investment purposes.
- The statements contained in this presentation that are not purely historical are forward-looking statements within the meaning of the United States Exchange Act. Forward-looking statements in this presentation include statements regarding our expectations, beliefs, hopes, intentions or strategies. All forward-looking statements included in this presentation are based upon information available to us as of the date hereof, and we assume no obligation to update any such forward-looking statement as a result of new information, future events or otherwise. Our actual results could differ materially from our current expectations.
- The Company is subject to a number of risks. For a summary of key risks, refer to the Company's most recent Form 10-K filed with the United States Securities and Exchange Commission and the Australian Securities Exchange.
- Under applicable United States securities laws all of the shares of our common stock are "restricted securities" as that term is defined in Rule 144 under the Securities Act of 1933, as amended. Restricted securities may be resold in the public market to United States persons as defined in Regulation S only if registered for resale or if they qualify for an exemption from registration under the Securities Act. We have not agreed to register any of our common stock for resale by security holders.

Summary



- ✓ Consolidation of profitability and cash generation as first achieved in 2016
- ✓ Significant new appointments to drive UBI's next stage of growth



Revenue
\$14.3M

+36% vs H1
2016

NPAT
\$2.5M

+\$3.7m vs H1
2016

Op. cash flow¹
\$1.6M

+\$2.1m vs H1
2016

Appointment of
new CEO &
Chairman

Board Renewal
process

3

Notes:

1 Op. cash flow refers to operating cash flow



Universal Biosensors

Chief Executive Officer & Chairman appointments

Board Renewal update



- **Mr Rick Legleiter appointed as Chief Executive Officer, effective 1 October 2017**
 - Previously worked at Siemens Healthcare for the past 14 years, in a variety of roles and locations, most recently corporate headquarters in Germany as Senior Vice President, Healthcare Account Management
 - Extensive career experience spanning 30 years in management, strategy, business to business sales channels and consulting
- **Mr Craig Coleman appointed as Chairman, effective immediately**
 - UBI Non Executive Director & Chair of the Remuneration & Nomination Committee since June 2016
 - 30 years experience in banking & finance, corporate advisory & funds management
 - Executive Chairman of Viburnum Funds, an Australian based investment manager that currently holds ~16% of UBI securities
- **Board renewal**
 - Mr. Andy Denver stepping down as Executive Chairman and retiring from the Board; maintaining interim consulting role with UBI
 - Mr. Denis Hanley retiring as Non Executive Director
 - New NED to be identified

H1 2017 : financial highlights



Revenue growth driven by good performance in both lead products – OneTouch® Verio® strips and Xprecia Stride™ Coagulation Analyser strips

Improving gross margin and cost containment deliver profit growth – revenue growth dropping through to bottom line

High earnings to cash flow conversion – positive operating cash flow

Xprecia Stride™ delivering results following recent US market release

Focused development pipeline with exciting new products

Well placed to fund opportunities, ~ \$20m cash on hand

H1 2017 : revenue growth & profitable



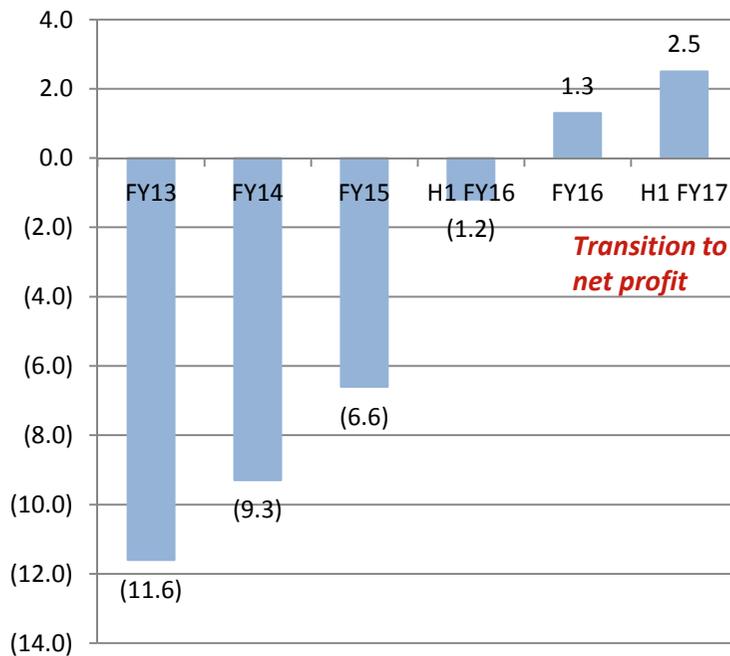
	6 Months Ended 30 Jun			Comments
	2017 (A\$'M)	2016 (A\$'M)	Change	
Quarterly Service Fees	11.5	10.3	+11%	OneTouch® Verio® continues to grow
Revenue from products	2.3	0.2	+\$2.1m	Xprecia Stride™ strip sales to Siemens
Total Revenue	14.3	10.5	+36%	Driven by growth in QSF and strips sold to Siemens
Contribution from Products and Services	11.9	10.3	+16%	QSF gross margins of ~ 100%
R&D Expenses	4.4	6.1	(27)%	Efficient R&D spend
G&A Expenses	3.2	3.0	+7%	Current year includes HRL's cost
Net Profit/(Loss)	2.5	(1.2)	+\$3.7m	Profitable operations
Operating Cash Flow	1.6	(0.5)	+\$2.1m	Operating leverage driving improved cash inflows
Period End Cash Balance	20.0	13.2	+\$6.8m	Well placed to fund opportunities

H1 2017 : Operating profit

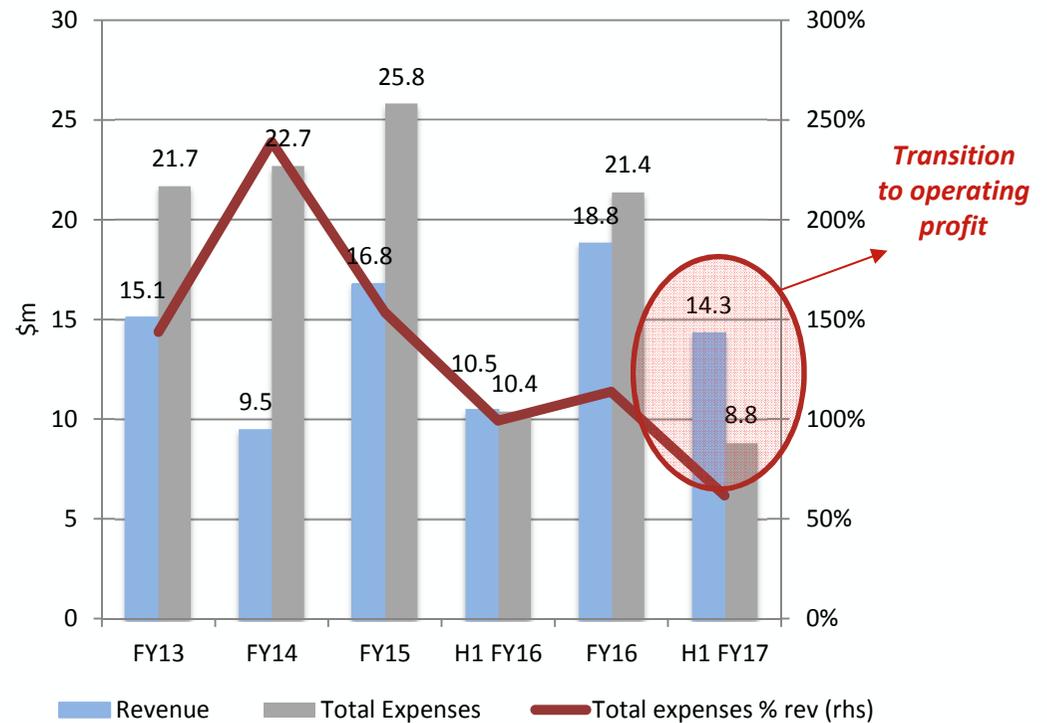


Revenue growth in combination with a disciplined cost focus delivering profit

Net profit (A\$m)



Revenue vs total expenses (A\$m)



Note: Total expenses = R&D expense + G&A expenses

Revenue = Revenue from products and services and excludes R&D tax incentive income



Universal Biosensors

Strong cash flow generation and cash on hand to fund opportunities

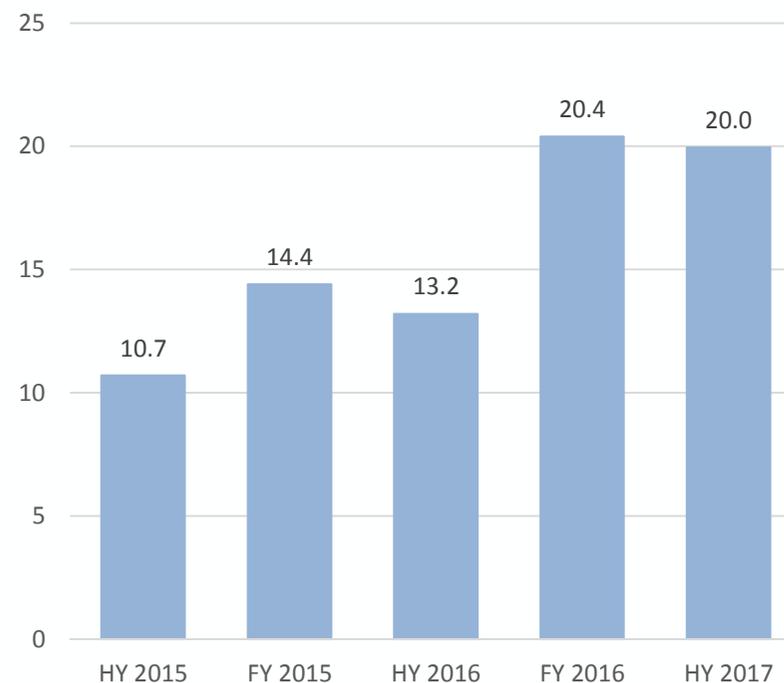


Operating cash flow positive in H1 2017 with a further \$7.5m (approx.) cash inflow expected to be received in Q3 2017 from the R&D Tax Credit

Rolling Net Cash Flow (annual average)
(A\$m)



Closing cash on hand (A\$m)



8

Note: Rolling Net Cash Flow calculated based on average net cash flow (operating + investing + financing + exchange rate effects) over past 4 quarters



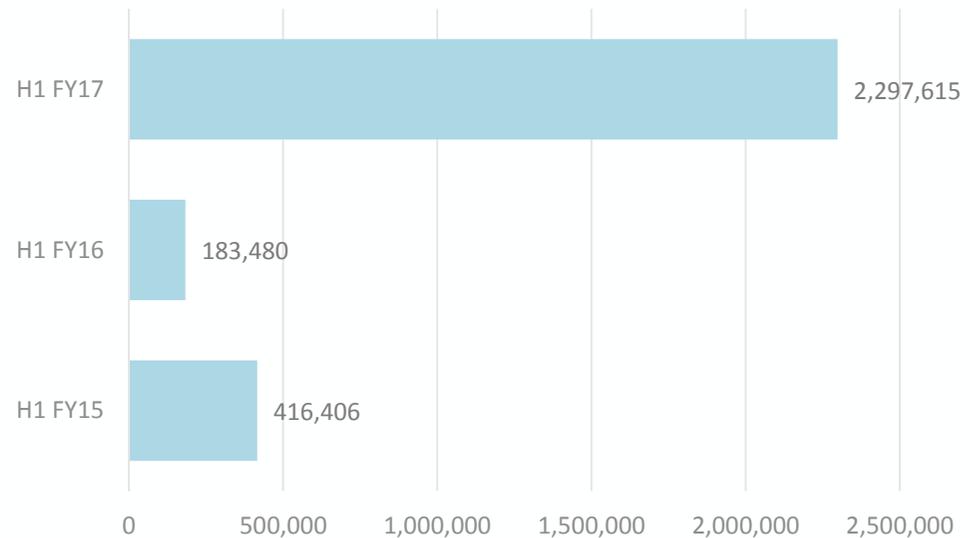
Universal Biosensors

Exciting outlook for Xprecia Stride™ – US sales activities commenced

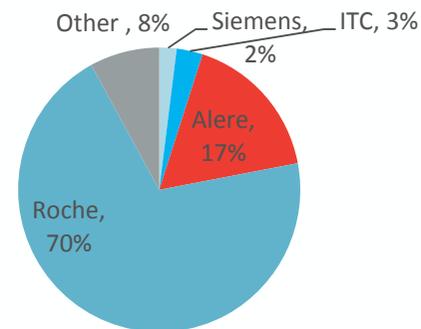


- Significant growth in H1 FY2017 revenues (H1 2017 \$2.3m vs H1 FY16 \$183k)
- Production margin expected to improve as volumes continue to increase over 2017
- Acquisition of HRL, a specialized coagulation testing and calibration service provider, occurred in Dec 2016 to support expected volume growth

PT-INR revenues (H1 pcq comparison) (A\$)



POC PT-INR Testing Market Share Estimates (2016)



Recent market development:
Alere initiated a recall of its PT-INR device in the US market over the second half of 2016

Source: UBI Estimates; Industry Experts; Various Industry Reports; and Primary Research



Universal Biosensors

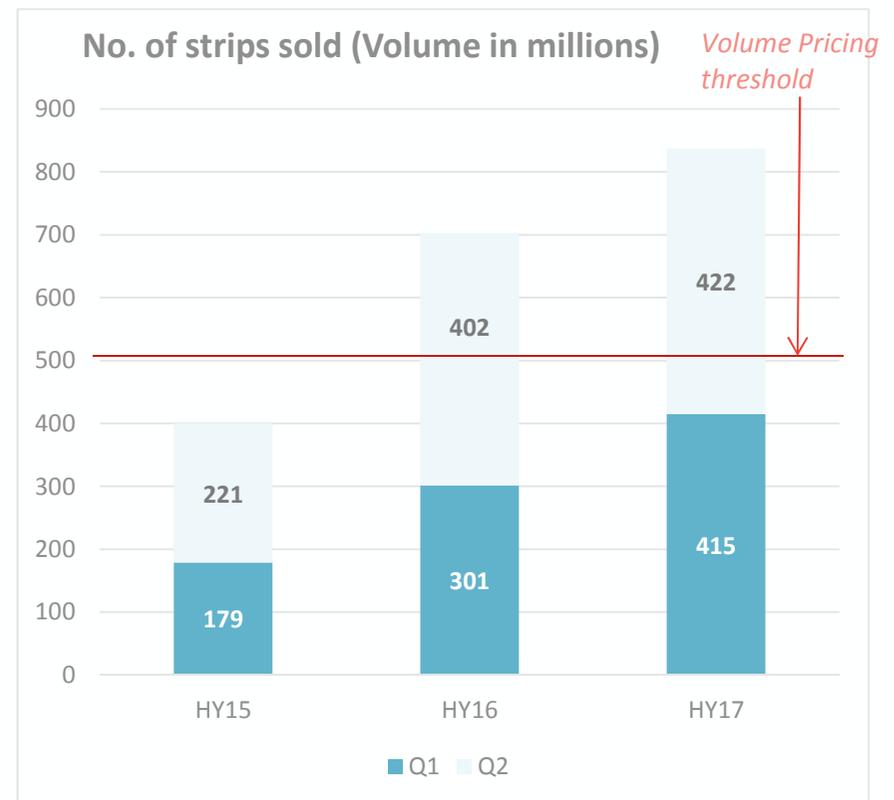
OneTouch® Verio® QSF revenues increased 11% in H1 2017



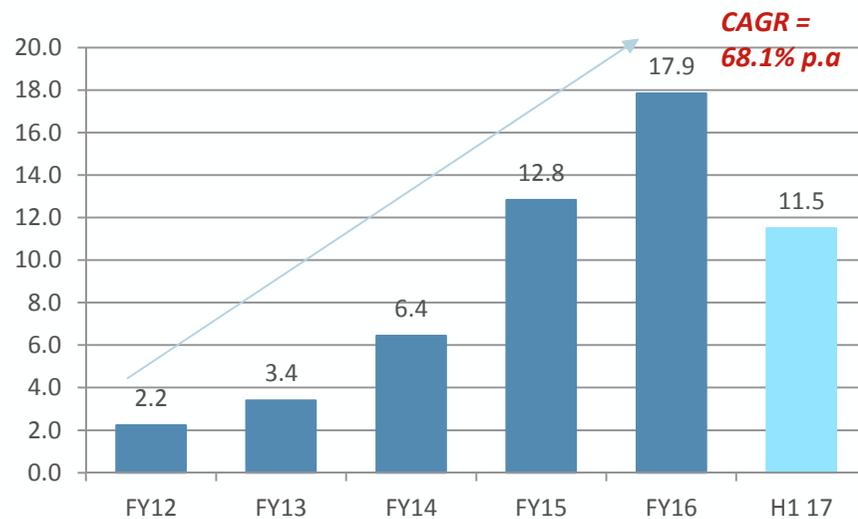
Market share gains continue to drive sales growth in the blood glucose market

	QSF revenues (A\$m)		% change
H1 17 vs H1 16	11.5	10.3	+ 11%
Q2 17 vs Q2 16	4.7	5.4	- 14% ^A
Q1 17 vs Q1 16	6.8	4.9	+ 38%

A: Despite volume growth of 5%, QSF declined as a result of the volume pricing threshold



QSF revenues (A\$m)



10

*Refer to Form 10-K and 10-Q for a more detailed description
Source: UBI Financial Statements, SEC Filings.



Quarterly Service Fees – agreement update



Based on cumulative QSF's as at 30 June 2017, the estimated earliest LifeScan can give notice of conversion is during 2018

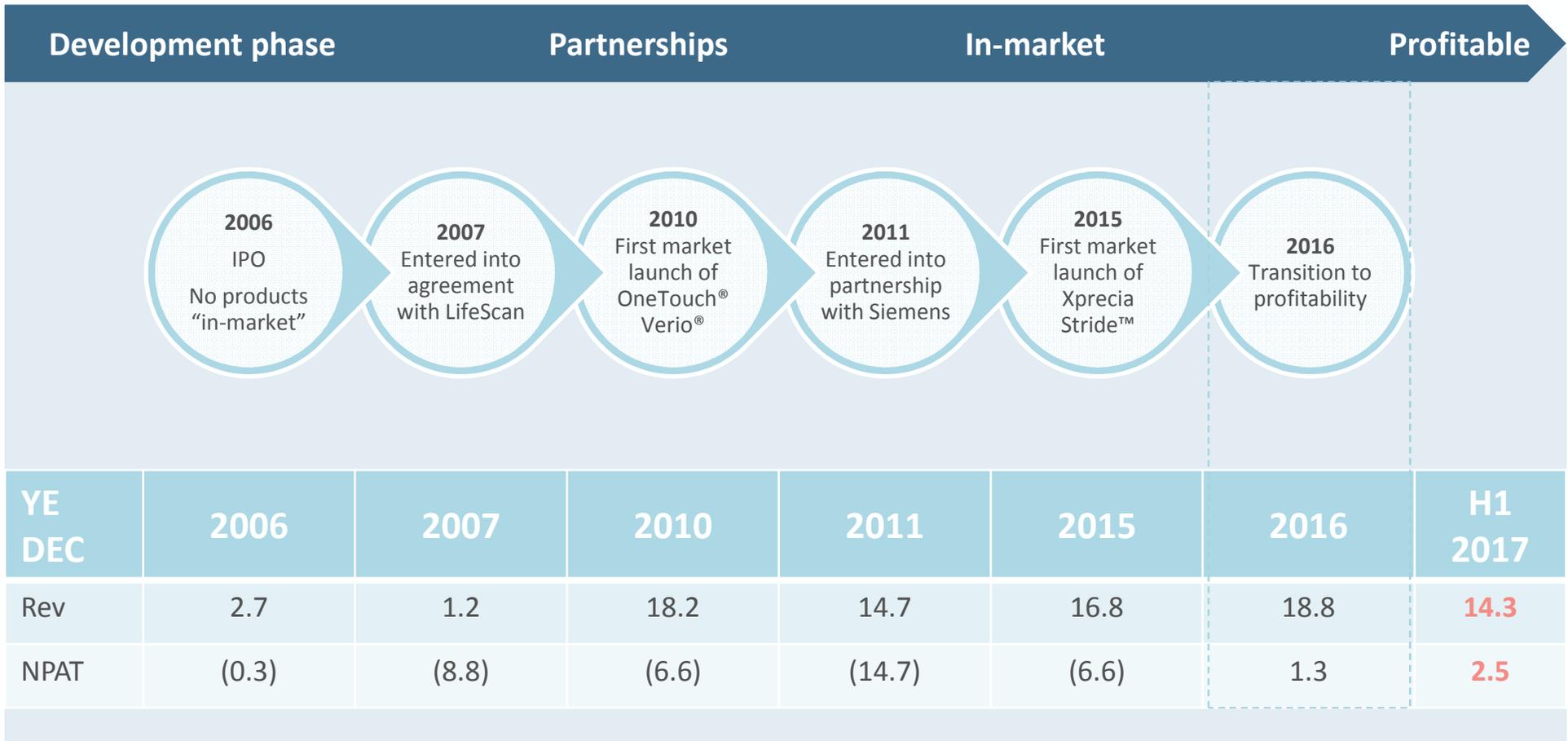
Quarterly Service Fees – Key terms of agreement with LifeScan*

- UBI receives a service fee for each OneTouch® Verio® strip sold by LifeScan
 - The first 0.5B strips per year:
US1.25c per strip
 - Each strip >0.5B per year:
US 0.75c per strip
- After the end of the quarter following receipt by UBI of cumulative QSF of US\$45M, LifeScan has the option to pay a lump sum fee in lieu of future QSF, calculated as 2-2.2x the QSF earned for the full year in which notice is given

Agreement update

- Strip sales exceeded volume pricing threshold (>0.5B) early in Q2 2017 – lowering average strip price UBI received in this quarter
- As of 30 June 2017, UBI had received aggregate QSF of US\$39.93m
- The above does not include QSF for Q2 of US\$3.59m which was not received prior to 30 June 2017
- Estimated earliest LifeScan can give notice of conversion is during 2018
- If LifeScan gives notice of conversion during LifeScan's 2018 financial year the applicable multiple is 2.0x

Proven track record of delivering on commercialisation milestones

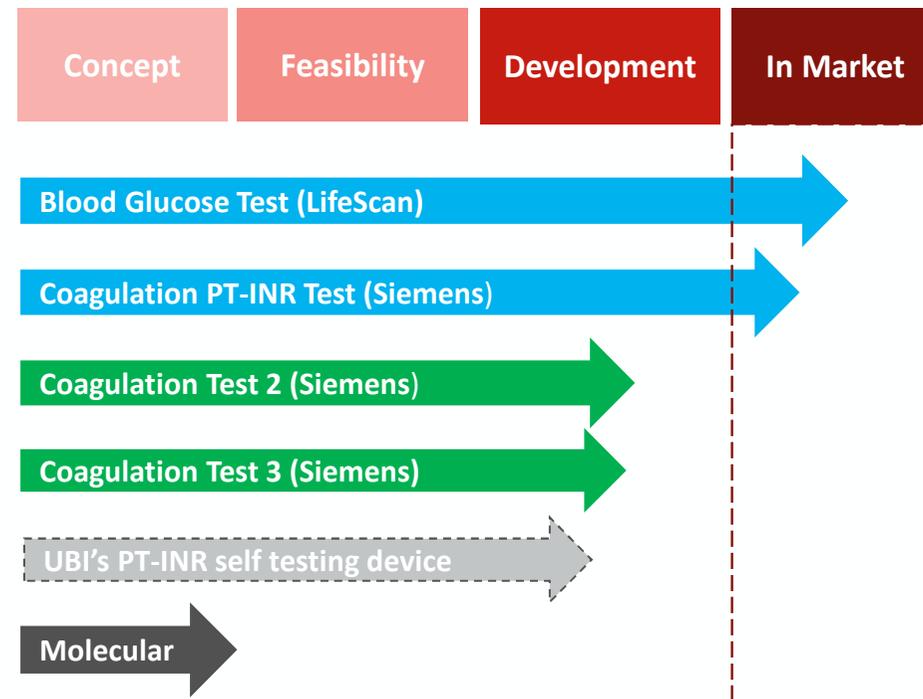


Focussed development pipeline to drive growth



Strong track record of innovation & partnerships in the Point-of-Care diagnostics space

- Rigorous product development criteria:
 - Deliver ROI for shareholders
 - Ability to generate earnings and cash flow in a reasonable time frame
- Exciting new products are in the development pipeline with Siemens
- Clinical trials targeted to commence in 2018. Regulatory approval will be sought after completion of these trials
- Proven track record of collaboration with two of the world's leading healthcare companies to bring products to market



Product development criteria implemented to ensure new R&D is balanced against shareholder return criteria

Anticipated news flow: next 12 months



- Quarterly Service Fees from OneTouch® Verio® announced every quarter
- Xprecia Stride™ strip sales announced every quarter
- Commencement of UBI's PT-INR self-testing device
- Announcement of commencement of clinical trials in potential new product areas
- Feasibility demonstrated for molecular platform



Upcoming market communications:

- Confirmation of R&D Tax Incentive cash inflow : September 2017
- Appendix 4C Q3 FY2017 : October 2017