

# hydrix

Delivering world-  
first products &  
innovation in the  
cardiac &  
medtech sectors



# A technology innovation company with a vision to improve a billion lives

Building on a rich 20-year history in breakthrough cardiac & medtech product development

**hydrix**  
ventures

## **Client Venture Investments**

Capture more value from sweat-equity minority investment in high-potential medtech clients

**hydrix**  
services

## **Fee for Service Product Development**

Developing world-first products and innovation across medtech and cardiac market sectors

**hydrix**  
medical

## **Cardiac (CVD) Product Distribution**

Disruptive CVD technologies that address unmet needs for patients and healthcare providers





## Cardiovascular disease – the world's leading cause of death

**A significant Group focus on improving management of cardiovascular disease creates synergistic point of difference**

**Global chronic health disease, aging population, strong tailwinds**

- 32% of all deaths or approximately 17.9 million lives p.a.
- Market size prediction for CVD devices ~US\$100B by 2030

### **Australia**

- Responsible for 1 in 4 deaths
- >100 die each day
- >1,600 hospitalisations each day (1 per minute)
- Costs AUS economy \$5B p.a.





# A\$2B outsourced product development market

**Point of difference in safety critical systems including active implantable Class III medical devices**

- Cutting edge, product design, engineering and innovation services
- Clients include funded start-ups to large corporations
- Multi award-winning development & project team of +55 FTEs

## **FY2023 financial highlights**

- 28% increase in revenues to \$13.2m (v pcp \$10.3m)
- 127% increase EBITDA cash operating profit to \$0.39m (v. pcp -\$1.45m)
- Revenue mix: 45% from cardiovascular clients & 56% from international

## **Outlook for FY2024**

- +10% revenue growth, EBITDA cash operating profit to more than double that of FY23





# Investing in early-stage high potential medtech clients

## Capturing more of the value we create beyond Fee-for-Services

- Minority investments, early-stage clients developing world first products, strong management, well-funded
- Project-to-Investment size ~3x-5x, 3-5 years to commencing sales, target 5x-10x cash multiple return

## Financial highlights

- **\$4.89m** Net Tangible Asset (NTA) value is ~**3x** cash invested
- 40% NTA relates to cardiovascular technology




## Valuation drivers next 12 months

- Significant uplift from Avertix IPO, Gyder FDA outcome & initial sales, Cyban 1<sup>st</sup> gen product completion

Investment status	Avertix (f/k/a AngelMed)	Gyder	Cyban
Book Value	\$1.89m	\$1.77m (plus \$0.28m CN)	\$0.95m
Company	NASDAQ IPO ~Aug 23 ~A\$3m	Private	Private
Product	Gen 3 in market	Gen 1 market ready	Gen 1 in development
Regulatory	US FDA, SNG, MAL, THD	TGA (Apr 23), FDA~1HCY24	FDA ~2HCY24
Commence sales	USA in Jan 22	~1HCY24	~CY25



## Taking to market a portfolio of AI smart technologies for managing heart disease

Deals completed	Distribution	Product features	Addressable market / Rev model
  The Gold Standard in Cardiac Remote Monitoring	AUS, NZ, SING	A universal, alert-based platform for cardiac remote monitoring and research. Electrophysiologist-designed AI-driven solutions that enable effective remote patient monitoring and medical research innovation	<ul style="list-style-type: none"> <li>• 65k+ patients to monitor</li> <li>• Revenue type: annual subscription revenue</li> <li>• Approved for sale</li> </ul>
  Redefining diagnosis of Structural Heart disease	AUS, NZ, SING	A cloud-based technology that provides an AI-powered assessment of risk of structural heart disease, designed to bring treatment closer to patients and reduce the risk of misdiagnosis	<ul style="list-style-type: none"> <li>• 1m echocardiograms p.a.</li> <li>• Revenue type: commission on sales</li> <li>• Approved for sale</li> </ul>
  The world's only early-warning MI system from Avertix Medical	8 APAC countries	A machine learning implanted device that monitors a patient's heart 24-7, providing alerts in real-time of ACS events, including silent heart attacks	<ul style="list-style-type: none"> <li>• Est. &gt;500k ACS patient events p.a.</li> <li>• Revenue type: device unit sales</li> <li>• Sales subject to Regulatory approvals &amp; reimbursement</li> </ul>



# Capitalising on significant opportunities

Past 12 months news flow demonstrates significant milestones  
& confirms business is tracking to strategic objectives

## hydrix services

- Established \$1.5m TP24 working capital growth facility
- Signed two material contracts with Cyban
- USA expansion - appointed two senior business developers

## hydrix ventures

- Gyder Surgical obtained TGA approval
- Avertix lodged IPO on NASDAQ
- Cyban achieved major clinical milestone

## hydrix medical

- Singapore HSA approval for Guardian
- Signed distribution agreement with EchoSolv
- Appointed Guardian sub-distributor in Malaysia
- Signed distribution agreement with Implicity
- Thailand FDA approval for the Guardian
- Withdrew Guardian TGA application (plan to resubmit at future date)





## Underlying business asset values are increasing

The sum of the parts valuation – greater than the whole

### hydrix services

- \$13.2m revenues was 28% YoY increase
- Profitable each quarter and for the full year (\$0.39m)
- Improved billable utilisation & contract pricing

### hydrix ventures

- Three maturing assets, major valuation inflection points
- Net Tangible Asset value increased 27% to \$4.89m after capital raising based value increases and milestone achievements

### hydrix medical

- A catalyst for product revenue growth – three products launched ...more to come





## Momentum to continue

Anticipated milestones & news flow – next 12 months

### hydrix services

- +10% revenue growth & increase in international sales
- EBITDA cash operating profit to **more than double** FY23

### hydrix ventures

- Avertix IPO becomes effective
- Gyder initial sales in Australia
- Gyder FDA submission & approval
- Cyban 1<sup>st</sup> generation product build complete, commence regulatory process

### hydrix medical

- Commence initial sales of EchoSolv & Implicity
- Advance Guardian Regulatory approval paths in Japan, Hong Kong
- Pursue sub-distributor appointments for the Guardian (Hong Kong & Thailand)
- Expand product portfolio to accelerate increase in revenues





Corporate snapshot – strong insider support

Major Shareholders	Shares (m)	%
John W. King & related entities	27.3	10.8
Paul Lewis & related entities	16.6	6.5
Pusen Medical Technology Australia Pty Ltd	12.0	4.7
Roger Allen & related entities	10.4	4.1
National Nominees	5.6	2.2
Gavin Coote & related entities	5.2	2.1
Towns Corporation	4.5	1.8
Top 20	116.0	45.6

Board		Ownership 21.2%   53.67m
Gavin Coote (GAICD)	Executive Chairman	2.1% (5.25m)
Julie King (GAICD)	Non-Executive Director	10.8% (27.26m)
Paul Lewis (FAICD)	Non-Executive Director	6.5% (16.58m)
Paul Wright	Non-Executive Director	0.8% (2.03m)
Joanne Bryant	Non-Executive Director	1.0% (2.55m)
Alyn Tai	Corporate Counsel and Company Secretary	

Sum of the parts valuation greater than the whole

Capital Structure	(as of 28 July 2023)
Ticker	HYD
Share Price	\$0.027
Shares on Issue (m)	254.2
Options and Performance Rights (m) **	87.3
Warrants*	1
Market Capitalisation (undiluted) (A\$m)	\$6.86m

\*On issue to a previous lender, exercisable into 8 million shares  
\*\* Total 12c and 18c options is 78.7m

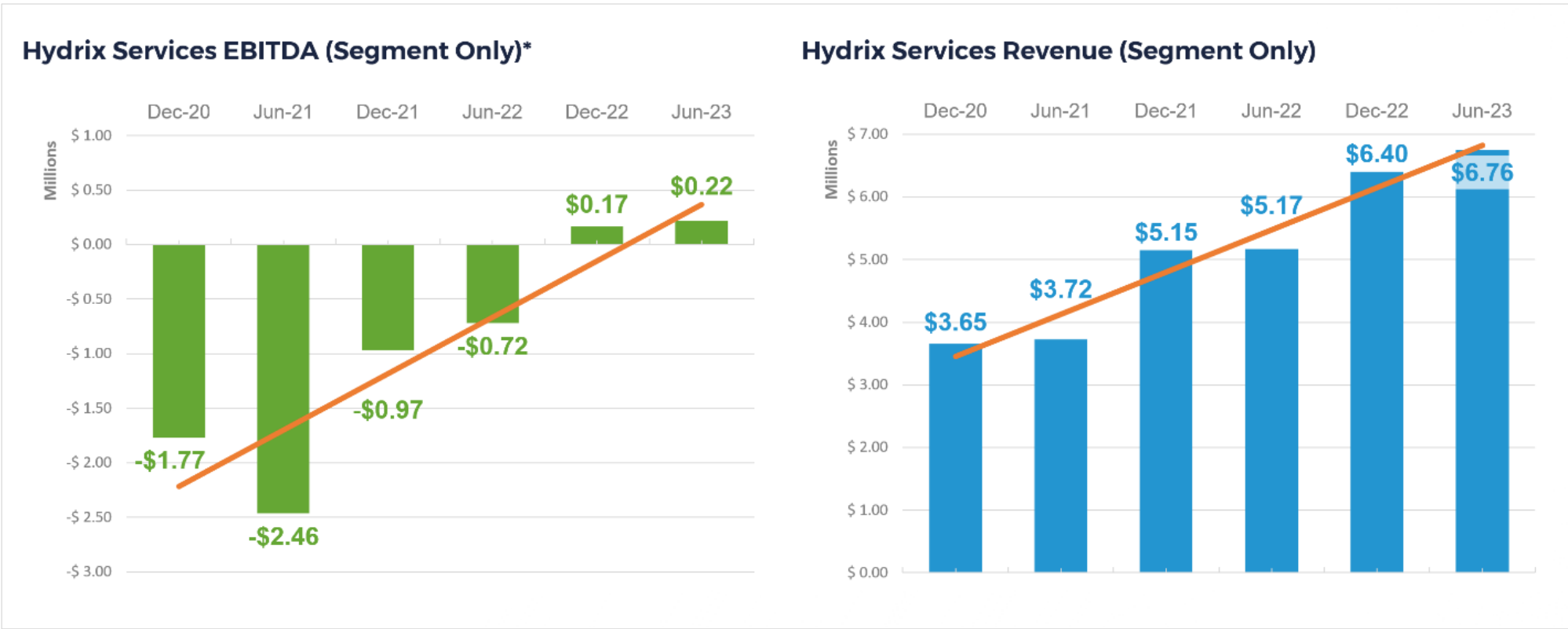




# Appendixes

# Hydrix Services – strong growth, profitability ahead

Driving growth in International markets

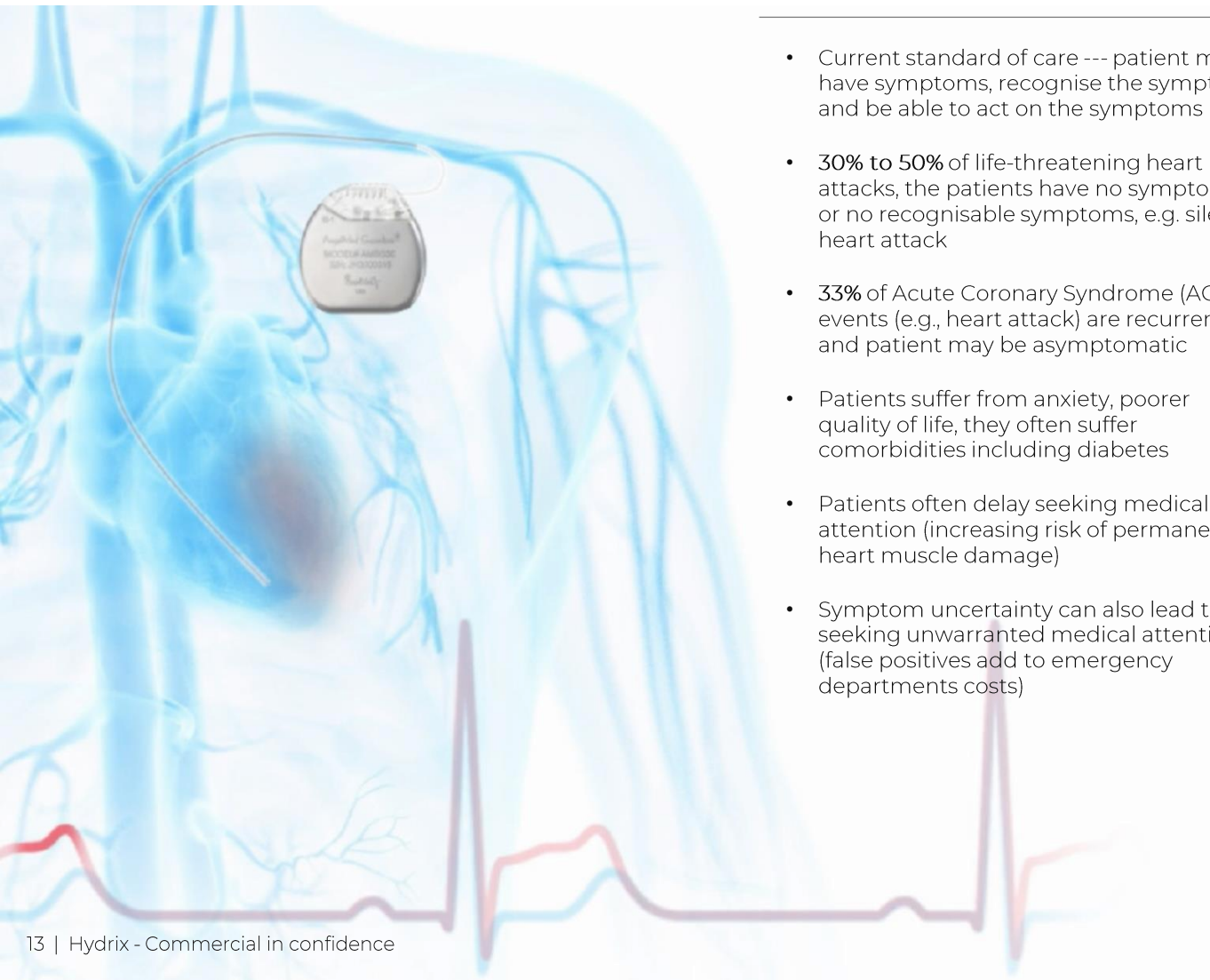


\* Hydrix Services EBITDA excludes COVID19 other income from government support programs



# Hydrix Medical: The GUARDIAN

The world's first and only real-time heart attack warning system



Target problem	Benefits offered	Status (Hydrix)
<ul style="list-style-type: none"><li>• Current standard of care --- patient must have symptoms, recognise the symptoms and be able to act on the symptoms</li><li>• <b>30% to 50%</b> of life-threatening heart attacks, the patients have no symptoms or no recognisable symptoms, e.g. silent heart attack</li><li>• <b>33%</b> of Acute Coronary Syndrome (ACS) events (e.g., heart attack) are recurrent and patient may be asymptomatic</li><li>• Patients suffer from anxiety, poorer quality of life, they often suffer comorbidities including diabetes</li><li>• Patients often delay seeking medical attention (increasing risk of permanent heart muscle damage)</li><li>• Symptom uncertainty can also lead to seeking unwarranted medical attention (false positives add to emergency departments costs)</li></ul>	<ul style="list-style-type: none"><li>• The GUARDIAN, <b>FDA approved</b>, constantly monitors a heart and alerts patient to see a doctor or seek emergency intervention</li><li>• Adjunct benefit to current standard of care</li><li>• Guardian alarms without symptoms are the only prompt for silent heart attack</li><li>• Emergency alarm with symptoms are <b>91%</b> more accurate than symptoms, alarm gets patients to medical attention <b>8x</b> faster</li><li>• Reduces false positive presentations to emergency department by <b>26%</b> helping to <b>reduce</b> costs</li><li>• Proven to also identify other serious cardiac events e.g., atrial fibrillation</li><li>• Improving detection &amp; time-to-door can reduce hospital stay length and improve long term outcomes</li><li>• Improves patient quality of life</li><li>• Infrastructure &amp; know-how already exists - implanted similarly to a single chamber pacemaker using pacing lead to sense heart signal</li></ul>	<ul style="list-style-type: none"><li>• Exclusive rights licensed to distribute in <b>8</b> countries</li><li>• Regulatory approvals and reimbursement pathways being advanced across the 8 jurisdictions; at various stages (refer slide 14)</li><li>• Sales strategy is direct in Australia, NZ &amp; Singapore and via sub-distributors in the five other countries</li><li>• Interventional cardiologists are the target customers managing patients that suffer from ACS events</li><li>• Est. &gt;500,000 people p.a. have ACS events (in the 8 countries)</li></ul>

# The GUARDIAN - Regulatory approvals and medical reimbursement

Hydrix is actively working on regulatory approvals and reimbursement processes across multiple jurisdictions, and other market development activities to commercialise the GUARDIAN.

Country / Agency	App. Date	Status	Notes
USA / FDA	n/a	Approved	Distributed in the USA by Avertix Medical Inc (owner of The Guardian)
Singapore / HSA	16 Aug 2021	Approved	HSA granted approval August 2022. Patients can opt to pay out of pocket for an implant (8 have done so). A Table of Surgical Procedures (TOSP) application for patient and provider reimbursement will be made for the next listing which is CY25
Malaysia / Ministry of Health	27 Dec 2021	Approved	MOH granted approval June 2022. Appointed sub-distributor May 2023
Thailand / Thai FDA	12 Oct 2021	Approved	Application approved by Regulator June 2023. Developing go-to-market program
Hong Kong	4 May 2023	In progress	Application being reviewed by Regulator
Japan	-	In progress	Japanese clinical research organisation assisting with developing a regulatory and reimbursement pathway to market
Australia / TGA	26 Jul 2021	On hold	TGA submission made in July 2021. Application withdrawn 15 February 2023. Anticipate resubmitting at later date
New Zealand / MMDSA *	11 Aug 202	WAND notified	WAND notified August 2021. Developing go-to-market program
Indonesia	-	On hold	Regulatory application is subject to appointment of a sub-distributor

\* Medicines and Medical Devices Safety Authority (MMDSA)



# Hydrix Limited - Board of Directors



**Mr Gavin Coote**  
*Executive Chairman*

Gavin has extensive executive and board leadership experience, gained in the USA and Australia, working at companies with revenues of up to \$1 billion across diverse industries. It includes years with PricewaterhouseCoopers, a decade in technology mergers & acquisitions, corporate development, and venture investing in the United States, and fifteen years in Australian-based SME private equity at Imperium Capital Group across healthcare, industrial and residential construction materials, leisure and hospitality, and sports and entertainment.



**Mr Paul Wright**  
*Non-Executive Director*

Paul has spent the last 18 years as CEO of three of Australia's leading international technology and biomedical companies, specifically ASX listed Universal Biosensors (UBI), Invetech and Vision Biosystems. At Universal Biosensors, Paul built long term partnerships with global diagnostics leaders Siemens Healthcare and Johnson & Johnson and led the company through a period of strong growth and new product development. Other past roles included 8 years with Bain & Company, and GM Corporate Development at TNT Logistics.



**Mr Paul Lewis**  
*Non-Executive Director*

Paul started his career in technology leadership for companies including Mobil Oil Corporation, ICL and as Managing Partner for PA Consulting, Asia. Over the past 15+ years he has held a variety of Non-Executive Director and Advisory roles for companies including Volt Bank, Grassrootz, the Australian British Chamber of Commerce and Chair of ipSCAPE. Paul recently retired from the Board of the Magellan Financial Group after 15 years where he had served as Director from its inception.



**Ms Julie King**  
*Non-Executive Director*

Julie has more than 40 years' experience in commercial and property negotiations, corporate communications, people and change management. She has held senior roles in maritime, airline, banking and FMCG industries. Julie is also a Director of a number of privately-owned businesses and the King Family Foundation. Julie and her husband manage property and share market portfolio investments.



**Ms Joanne Bryant**  
*Non-Executive Director*

Joanne has more than 40 years of experience as an occupational therapist. She also has extensive experience in forensic occupational therapy and vocational counselling and is an expert witness in various medico-legal matters within the multi-tiered Victorian court system. She has worked with numerous organisations in both the public and private sectors to enhance individual workplace performance. Joanne is actively involved in the not-for-profit sector and is a Board member of "Outside the Locker Room".



**Ms Alyn Tai**  
*Corporate Counsel*

Alyn is a practising lawyer who specialises in the areas of corporate and commercial law, and the provision of company secretarial, corporate governance and legal counsel services to entities listed on the Australian Securities Exchange. Alyn holds a Bachelor of Laws from the University of Exeter, and was called to the Bar of England and Wales before being admitted to the Supreme Court of Victoria as an Australian lawyer.

# Hydrix – Senior Leadership



**Paul Kelly**  
*General Manager*  
*Hydrix Medical*

**Paul has 35+ years of international medical device distribution and services leadership with companies including Getz, Medtronic, Baxter Healthcare and CardioScan. With an impressive track record in implantable and non-invasive cardiac devices (pacemakers, stents, heart valves) and patient monitoring, Paul has joined Hydrix as General Manager Cardiac Products, and head of our Medical Advisory Board.**



**Vickie Edwards**  
*Director Sales & Operations*  
*Hydrix Medical*

Vickie has more than 25 years of health technology industry expertise. She brings cardiothoracic clinical experience and a deep commercial capability and understanding of how to successfully bring new interventional cardiac devices to market. Her broad capabilities across sales, marketing, field operations, patient care and regulatory affairs further strengthen our senior leadership as we progress towards launch of a portfolio of cardiac products and technologies, initially in Asia-Pacific markets.



**Robert Brierly**  
*Group Director*  
*Human Resources*

A passionate, strategic thinking, people and culture leader and consultant, with a proven track record in handling complexity, adapting to rapid and ambiguous change and advising staff and leaders to achieve organisational capability and agility. Applying composure under pressure, leveraging analytics and data to create sustained culture change. Optimising best practice governance through proven robust policies and procedures, protecting brand and reputation through collaborative business partnerships.



**Alan Morris**  
*Group Director*  
*Marketing*

Alan has 30 years' experience in new product development consulting, with expertise in disruptive innovation, new and emerging technologies, and driving marketing strategies for the MedTech and biomedical consulting markets. His experience includes marketing and development roles for more than 20 years with Invetech, a global leader in IVD and Cell Therapy product innovation.



**Gareth Evans**  
*Group Head of Finance*

Gareth has over 12 years' experience as a finance professional across public practice and in the healthcare sector. He has extensive experience advising and developing finance teams in private and ASX listed companies, developing skills in strategic planning, people development and technical accounting, and finance matters. He is a member of the Institute of Chartered Accountants of England and Wales.

# Hydrix – Senior Leadership (cont'd)



**Michael Trieu**  
*General Manager*  
*Hydrix Services*

Michael is an R&D innovation leader with 20 years of hands-on system innovation, research, design, development and delivery experience in the field of military underwater sonar, active implantable medical devices, medical device infection control and medical device engineering consulting. He has held senior roles at both Cochlear and Nanosonics.



**Peter Riddell**  
*Director Business Development*  
*Hydrix Services*

Peter is an accomplished business development professional with experience growing international consultancy businesses. He has 30+ years of experience in medical device, diagnostics and point-of-care markets together with driving growth across emerging markets including Cell Therapy Platforms. Peter's role at Hydrix is to drive strategy and direct the business development function, as they identify and pursue new market opportunities.



**Graeme Robertson**  
*Project Management Office*  
*Director*  
*Hydrix Services*

Graeme has been a consultant and Project Manager for over 20 years in the development of a broad range of medical, diagnostic and health care instruments, including the past three years devoted to MCS systems development. Graeme has also worked as a Digital Electronics Design Engineer and Project Manager in the design and manufacturing of Atomic Absorption, UV-Visible, and ICP spectrometers (Varian), and high-speed communication test equipment (Hewlett Packard).



**Andrew Beal**  
*Engineering Manager*  
*Hydrix Services*

Andrew has more than 16 years of experience in the development of complex electronic systems. His role today at Hydrix has him responsible for building and maintaining our world class engineering team of passionate professionals, delivering exceptional products for our clients. Andrew brings a unique insight to this critical people management role providing mentorship, training and career development opportunities. His project experience includes FDA Class II & III medical devices, rail, automotive and industrial products.



**Peter Lewis, AM**  
*EVP Business*  
*Development*  
*Hydrix Services*

Peter is an accomplished executive with 30 years' experience of international business development having lived and worked in markets across Asia, the USA, and Europe. During his career, Peter has had a variety of roles across R&D, finance, M&A, international trade and sales & marketing generating over \$1 billion in new business value in medical and advanced technologies.



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