



# Proactive Investors

September 2015

## Uscom (UCM) – Medical Devices and Revenue Growth

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*The Measure of Life*

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## *Products generate profit*

High growth (+50%), innovative medical device company  
Poised for strategic growth with recent acquisitions  
Valuable IP with high margins (75+%)  
Targeting key cardiovascular markets with multiple products  
Undervalued - \$15m market cap  
US growth from new products  
Fundamentals to drive value



USCOM helps to save baby's life in Nottingham  
<https://youtu.be/bJXx5nmUeF8>

# Uscom Vision

***Company of the Year, 2014***

***Johnson & Johnson Innovation Industry Excellence Awards***

*“A milestone driven global medical device company with real products, real revenue, real growth and an aggressive growth strategy”*



# Current Business

- Premium noninvasive cardiovascular and pulmonary monitoring devices
- Addressing the growing threat of superbugs, heart failure, hypertension and asthma
- Validated, clinically accepted, cost and life saving devices
- Patent protected with regulatory approvals
- Uscom BP+ for market 2016 - \$7m over 5years Chinese contract in place
- Rapidly growing revenues in major markets and new untouched markets

## Corporate

- ASX listed (UCM)
- Headquartered in Sydney
- Market cap of \$15m
- 92m shares on issue
- Rob Phillips, Founder and CEO, holds 20% of company

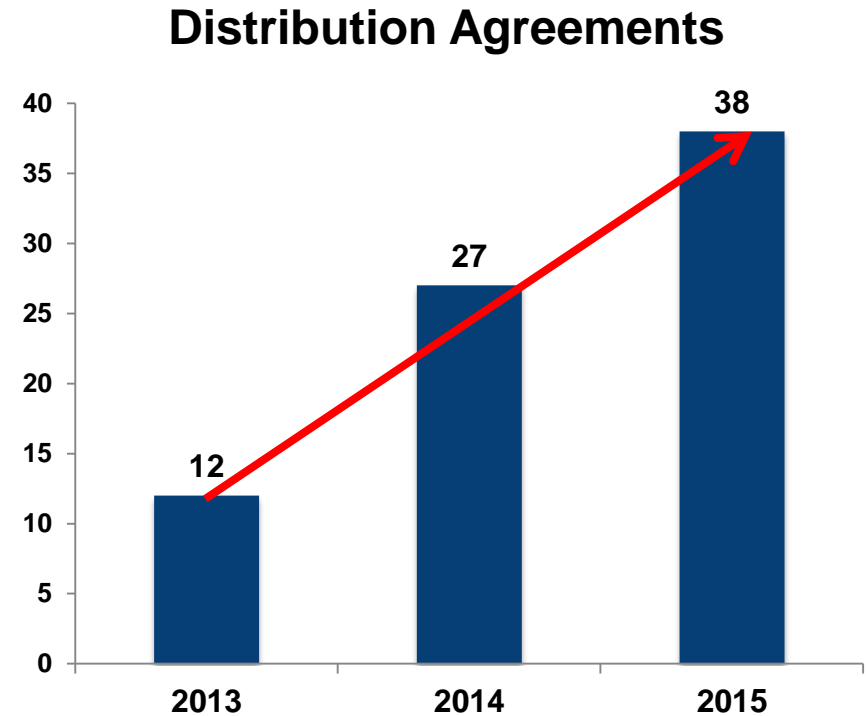
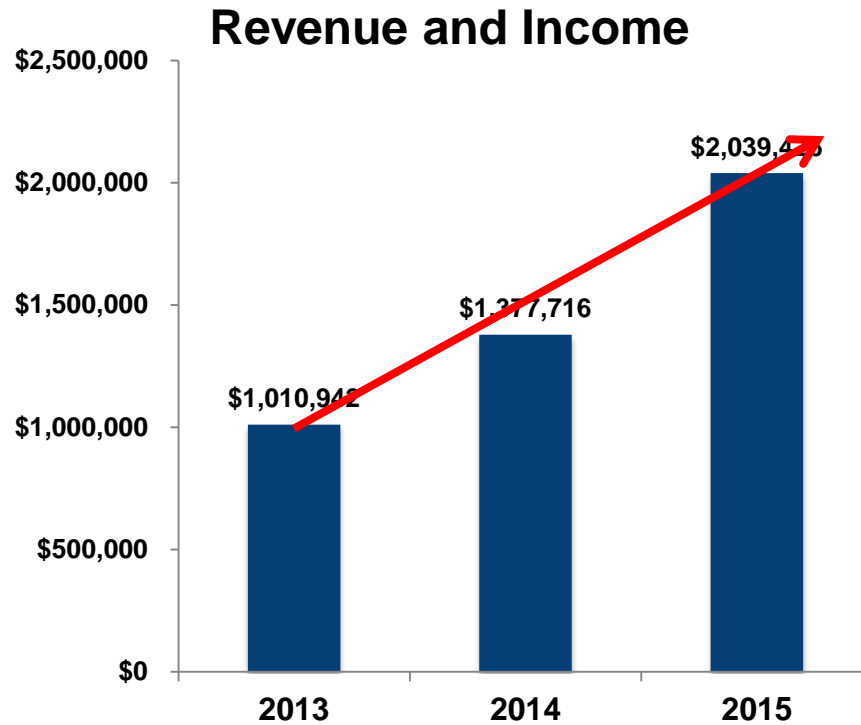
## Board & Management

- Rob Phillips, Chairman & CEO
- Sheena Jack, Director (HCF, Moneytime Health)
- Christian Bernecker, Director (Stream)
- Nick Schicht, General Manager

## Financials

- Sales +58% 2015
- Revenue +48% 2015 (\$2+m)
- Cash consumption - \$1m
- Gross Margins ~ 78%
- Cash \$2.5m

# Operational growth



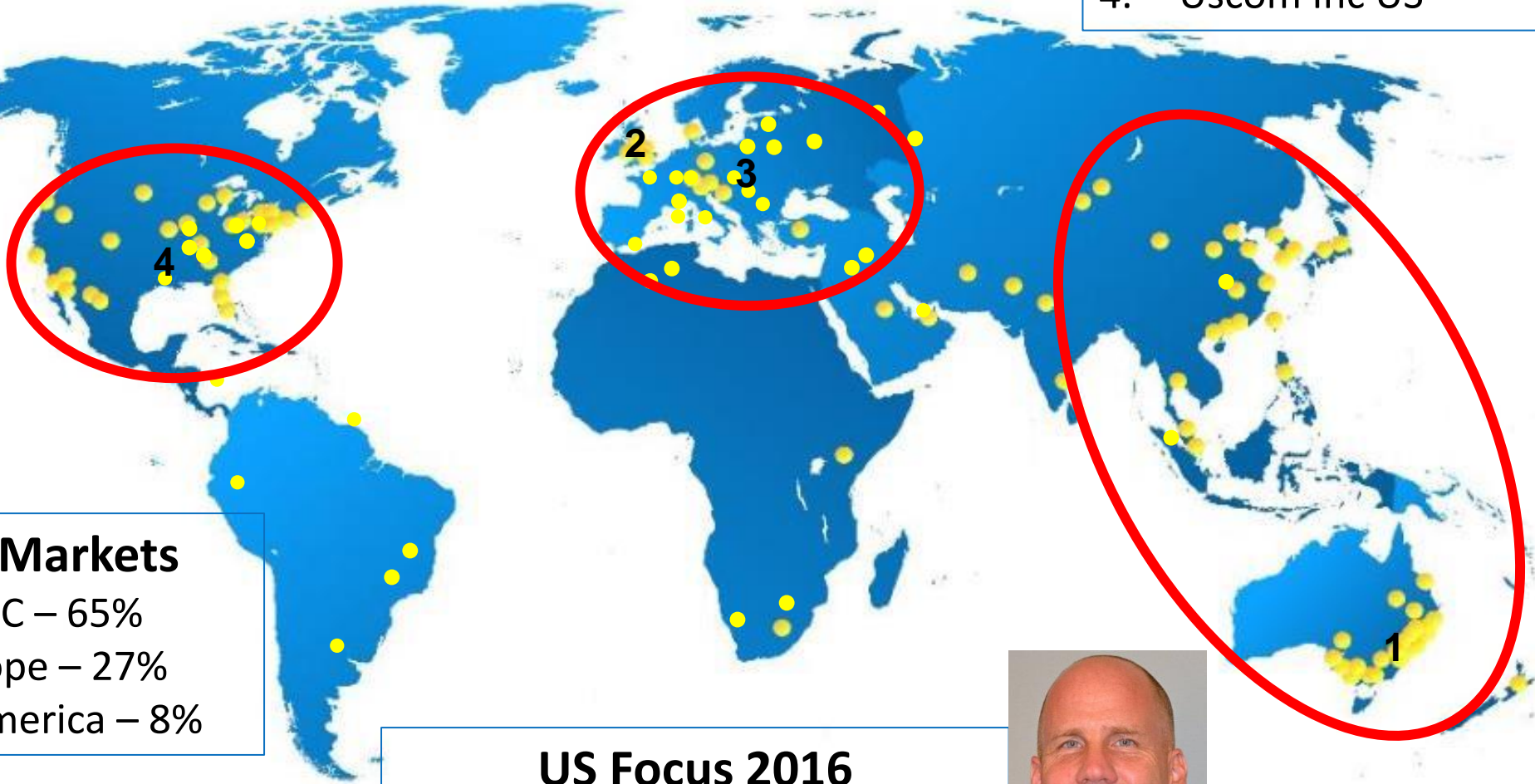
***Distribution – sales – revenue***  
***Thor adds distribution and revenue***



# Maintaining growth

## Operations growth

1. Uscom Limited
2. Uscom UK
3. Uscom Budapest
4. Uscom Inc US



## Key Markets

1. AsiaPAC – 65%
- 2/3. Europe – 27%
4. Nth America – 8%

## US Focus 2016

Stephen Wilson – Former VP Corporate Development Welch Allyn appointed





# Strategic growth

*Complementary products and technology*

## Fluid, Sepsis & Heart Failure

- US 1.3bn market \*
- CAGR of 7.6% \*
- CE, FDA, TGA, CFDA

## Hypertension & Vascular Health

- US 1.7bn market \*
- CAGR of 11.5% \*
- CE, FDA, TGA

## COPD & Asthma

- US 400m market \*
- CAGR of 6.5% \*
- CE, TGA, FDA

## USCOM 1A

Cardiac Output Monitoring



## BP+

Blood Pressure Monitoring



*Acquired July 2013  
Aus competitor - \$50m*

## Thor

Pulmonary Monitoring



*Acquired August 2015*



# New Acquisition



***Uscom has acquired 100% of Thor Laboratories - Asthma\****

## Company Overview

- High fidelity digital Doppler spirometry devices
- Established manufacturing - 15 years
- Global reach
- Reimbursement in multiple markets
- Strong R&D and grant history
- Partners in Home Care Asthma in the USA

## Uscom benefits

- Cash flow positive, revenue of \$500k
- Accredited international manufacturing
- 4 + 3 products, CE, FDA, TGA approvals
- Global distribution
- Technical R&D team 12 engineers
- Marketing and management

**Synergy of science, operations and strategy**

# New Products - Asthma

Aus competitor \$75m

## Products in Market

### Digital Doppler Spirometer

Home use



### With Diagnostics and WIFI

Digital wifi spirometer



### Professional System

Desktop with advanced software analytics



## New Products

### New – AsthmaHero

Drug delivery measure  
Telemetry to iPhone app  
Smart spacer  
Patient interactive



### New - BreatheSmart

Digital wifi spirometer  
Remote clinical monitoring  
Cloud diagnosis

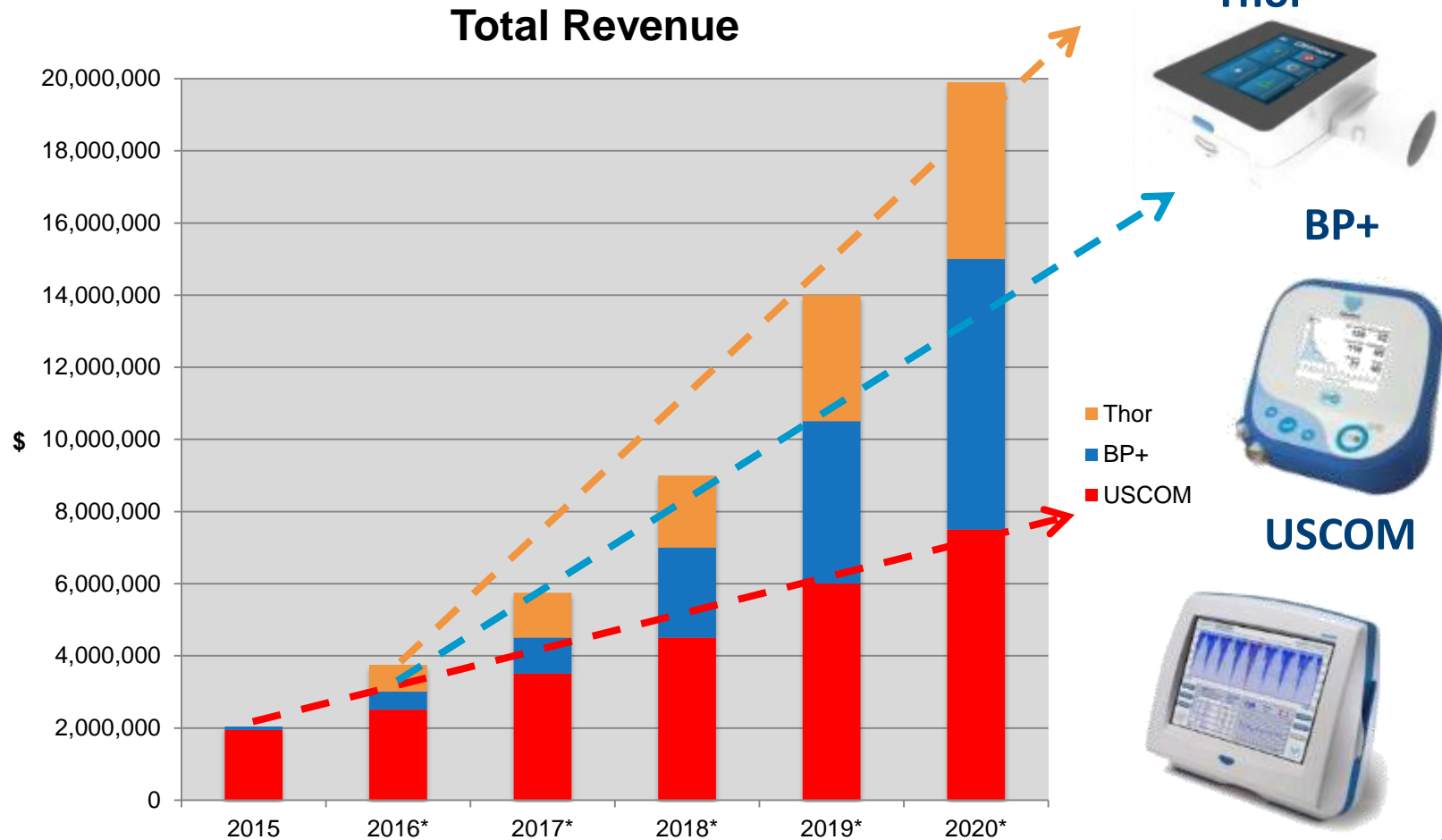


### New - Whistler

Neonatal Asthma diagnostic



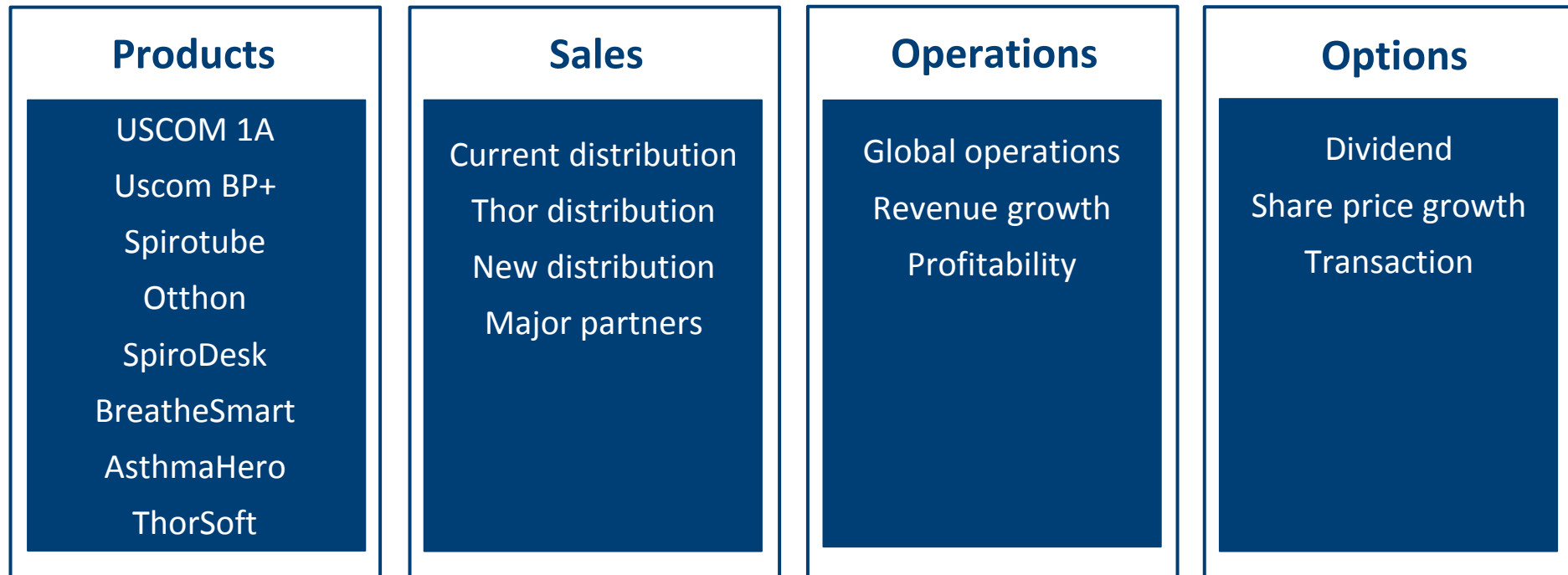
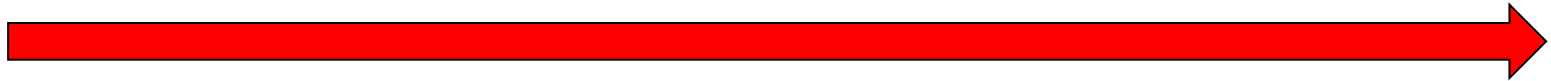
# Revenue Growth Targets



***\$20m revenue by 2020 - 5 year CAGR of 58%***

# The Future

## *Value Cascade*



*Products – Sales – Revenue - Opportunities*

# Business Risks & Mitigants

## Risks

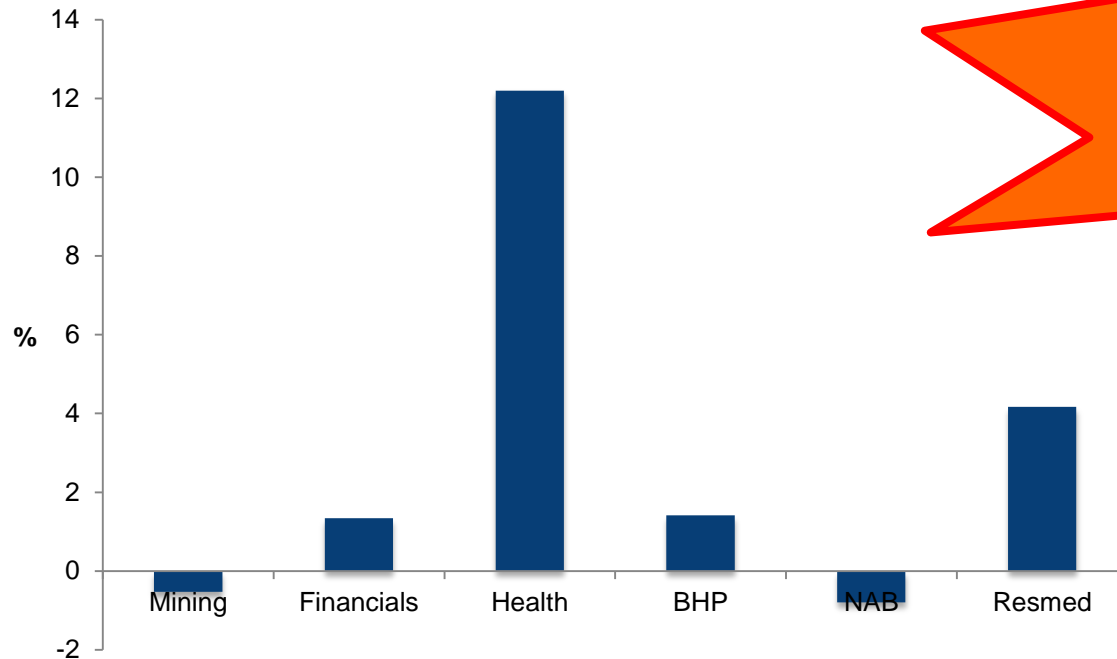
- Global markets unpredictable
- Thor integration & key staff retention
- Ongoing Thor business management
- Competitiveness of market sectors
- Thor distraction from USCOM & BP+
- Regulatory costs and timelines
- Distribution & revenue growth
- Working capital requirements to meet increased product demand

## Mitigants

- Diversified and expanded products
- Earn outs in Thor deal structure
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- Senior sales and marketing personell
- Product diversification
- Resources focussed on integration
- Key Uscom and Thor staff
- Senior sales and marketing resource
- Additional WC in capital raise

# UCM Investment

ASX 10yr CAGR



**UCM sales growth**

2014 – **67%**

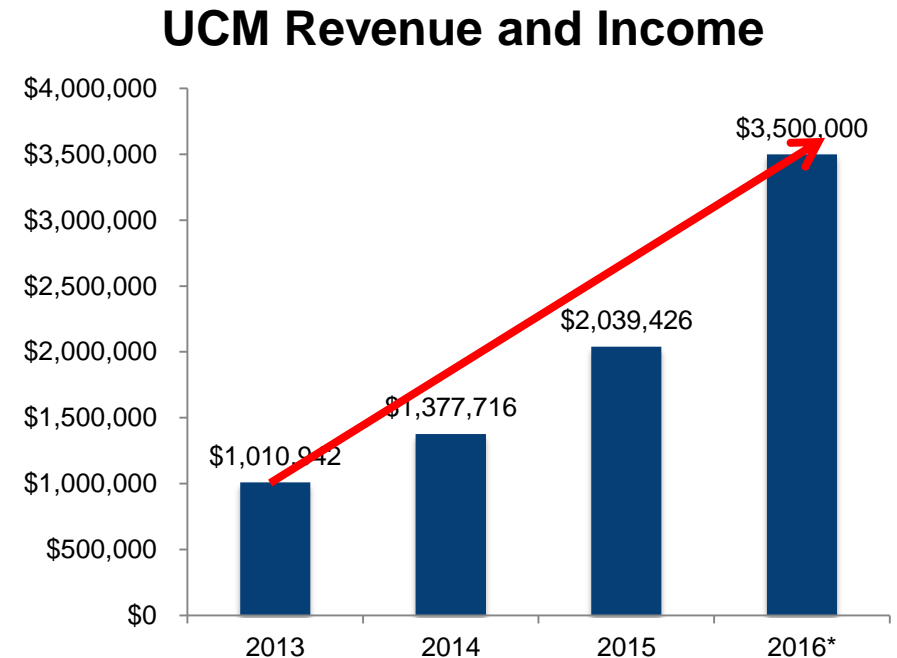
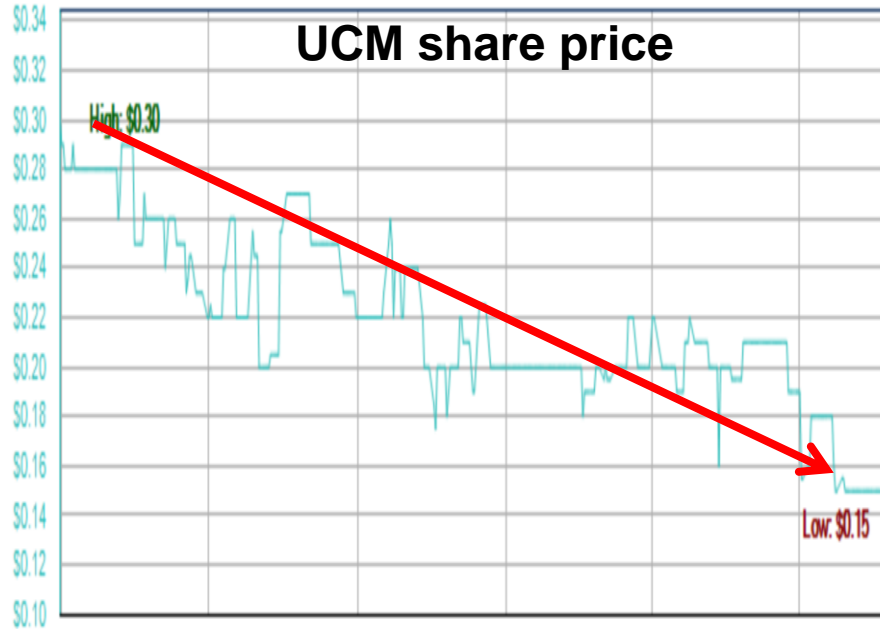
2015 – **59%**

***Health outperforms!***



# Market anomaly - opportunity

**Opposing forces!**  
**Disconnect between performance and price**



*Unrecognised value*

# Uscom

- Under valued ✓*
- Strong growth phase ✓*
- Positioned for on going growth ✓*
- Strong underlying business ✓*
- Premium global markets ✓*
- Lifesaving technologies ✓*
- Sector leading management ✓*
- Aggressive global growth strategy ✓*
- Right time/value investment ✓*



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# Thanks

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