



# USCOM ASIA INVESTOR

NON-DEAL ROADSHOW PRESENTATION - APRIL 2018

**ROB PHILLIPS**

**Uscom Executive Chairman/CEO**

PhD(med), MPhil(med), FASE, DMU(cardiol)

Associate Professor, Critical Care Research Group,

School of Medicine, The University of Queensland, Australia

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# USCOM GROWTH

**CHINA "..... IT'S ALL DEPENDENT ON  
OBTAINING IMPORT PERMITS FROM CHINESE  
REGULATORS AND A SOUND STRATEGY TO  
ACCESS THE LUCRATIVE MARKET."**

(BLOOMBERG, 2018)

# ABOUT USCOM

## WHO WE ARE

Uscom are the experts in circulation delivering innovative, practice changing non-invasive cardiovascular and pulmonary monitoring devices to global medical markets.

## OUR VISION

To improve clinical care in cardiovascular and pulmonary medicine by developing new non-invasive technologies to address the challenges of global disease.

## OUR DRIVE

Uscom is driven by a commercial ambition to become a leader in the global healthcare business, and is poised for continued growth in 2018.



# USCOM NOW



Reuters/Bloomberg	UCM.AX/UCM.AU
Market Cap	\$30M
Current price	\$0.22
2017 VWAP	\$0.25
Shares on issue	137M
Free float	65%
Top 20 shareholders	65%
Major Shareholders %	
Mr Steven Meng	17.35
Prof Rob Phillips	17.13
Mr Gary Davey	4.57

# USCOM BOARD



Associate Professor Rob Phillips  
Uscom Limited  
**EXECUTIVE**



Ms Sheena Jack  
CEO of HCF  
**NON-EXECUTIVE**



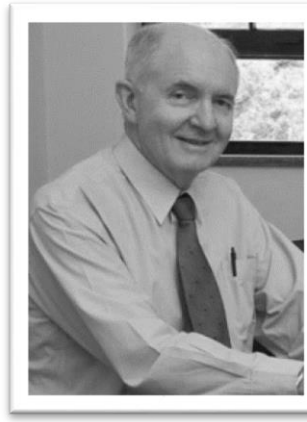
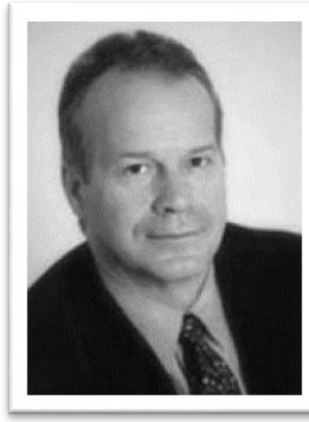
Mr Christian Bernecker  
**NON-EXECUTIVE**



Mr Brett Crowley  
**SECRETARY**



# USCOM ADVISORY

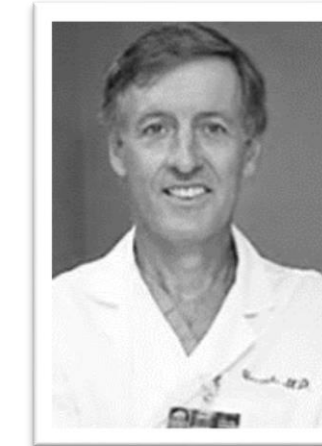
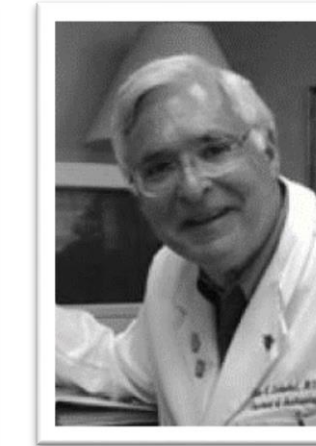
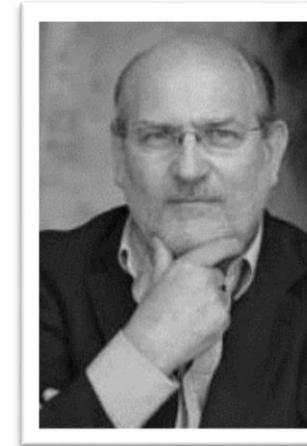


## TOP LEFT – RIGHT

Assoc Prof Rob Phillips – Chairman;  
Dr Stephane Carlier; Professor Colin Sullivan;  
Professor Malcolm West

## BOTTOM LEFT – RIGHT

Prof Chu-Pak Lau; Prof Didier Payen;  
Prof Peter Lichtenthal; Dr Nigel Sharrock.





# USCOM OVERVIEW

## 2017

- Growth and investment in new products and an expanded product line supported by global distribution.
- 40% CAGR for the 5 successive year from the sale of USCOM 1A.
- Cash consumption <\$1M despite two acquisitions, development of 7 new products and regulatory preparation for China, Europe and USA.
- 4 Euro Research Grants for development of a lung cancer diagnostic device, eHealth management of lung transplantation and asthma, and home care monitoring of asthma therapy drugs dosage.

## 2018 PROSPECTS

- Q2 was cash flow positive, with record USCOM 1A orders, with \$3.5m cash on hand, and strong China capital support.
- BP+ was released late in Q2 and immediately received CE mark.
- New China partner to define growth model following release of BP+ and SpiroSonic devices following CFDA approval.
- New US and Europe sales channels.
- 7 new products into global markets, with short, mid and long term revenue targets of \$10M, \$20M and \$50M.



# USCOM PERFORMANCE

**307%**

Growth  
over last 5 years

**40%**

CAGR  
for 5 years

**\$3.5M**

Cash flow positive  
Intermittently

**2**

Companies  
acquired

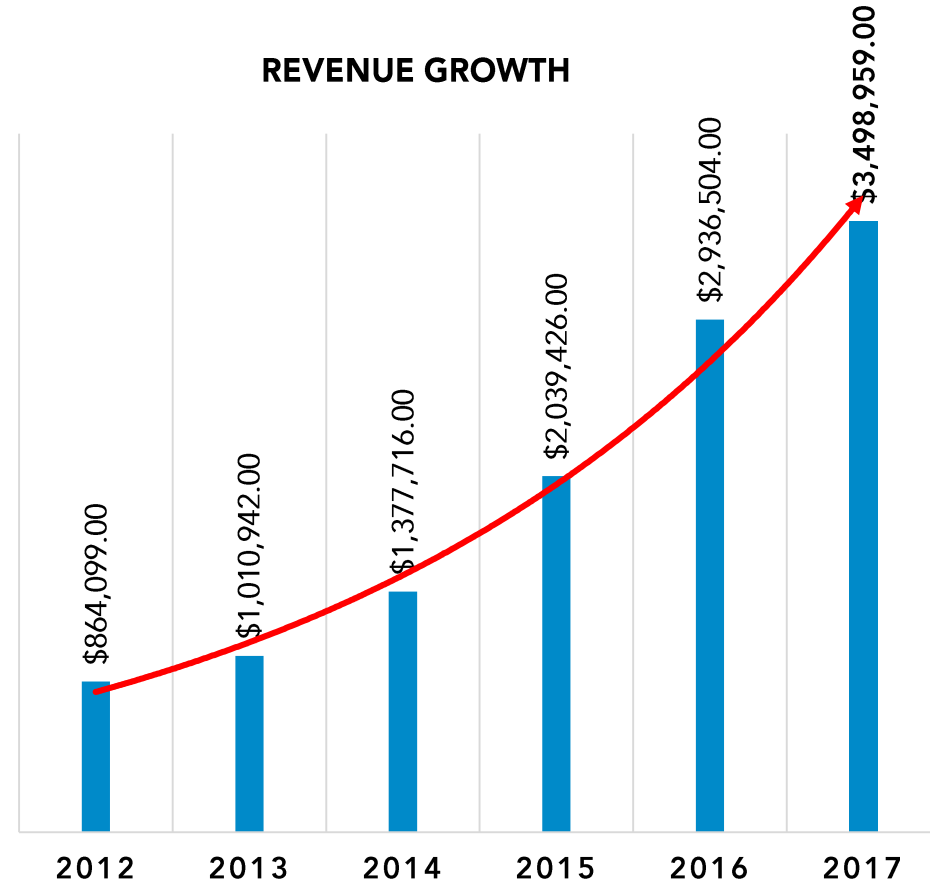
**7**

New  
products for 2018

**CHINA**

Sales  
& distribution growth

## REVENUE GROWTH



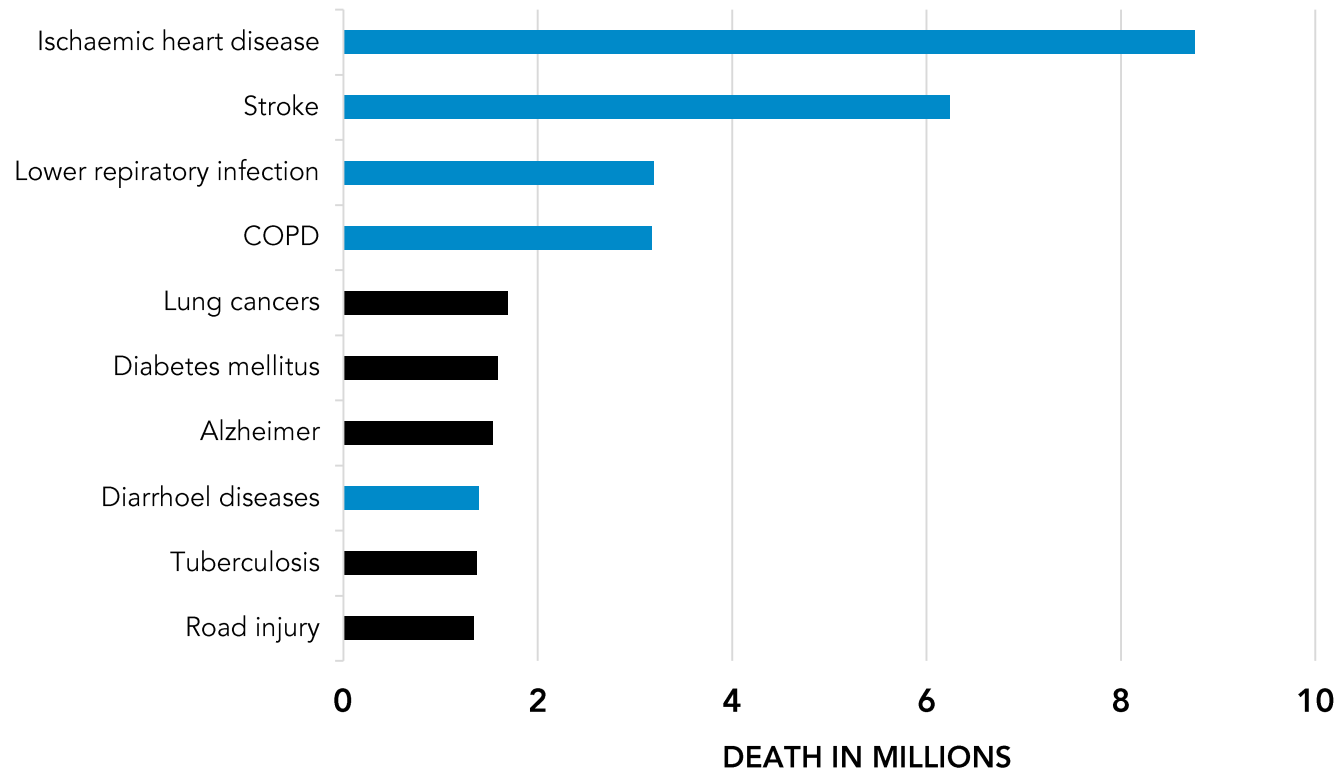
# CLINICAL FOCUS

**“EVERY DAY PHYSICIANS WORLDWIDE GIVE FLUID, INOTROPES AND VASO-ACTIVES, POTENTIALLY LIFE THREATENING THERAPIES, WITH NO MORE GUIDANCE THAN A SIMPLE BLOOD PRESSURE.”**

**USCOM CAN IMPROVE THESE CHOICES!**



# USCOM SOLUTION



Uscom devices address conditions responsible for **75%** of all deaths worldwide:

- **HEART FAILURE**
- **SEPSIS**
- **HYPERTENSION**
- **ASTHMA**
- **COPD**

Chart: WHO top ten causes of death globally in 2015.

# USCOM PRODUCTS

## HEART FAILURE, SEPSIS & FLUID MANAGEMENT

**DEVICES:** **USCOM 1A**

**APPS & SOFTWARE:** Stand-alone

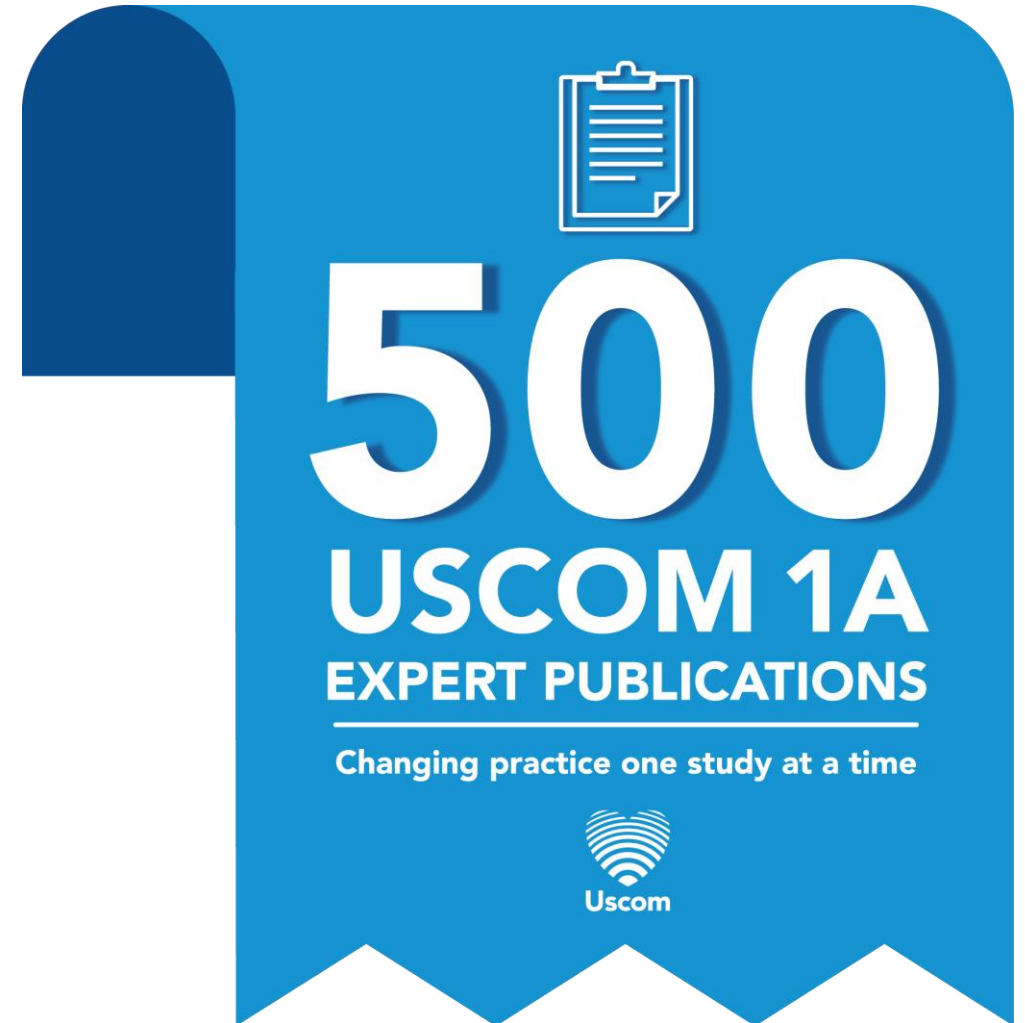
The USCOM 1A is the leading device for advanced haemodynamics generating SV, CO, SVR and indexed values. Additionally C<sub>Po</sub>, SW and SMII, allow single measure guidance of fluid, inotropes and vasoactive therapies. This provides rapid optimisation in critical environments such as sepsis and septic shock. Accurate and rapidly measures SV and SVR, allow for development of precision management protocols for hypertension and pre-eclampsia and other circulatory abnormalities.



# USCOM 1A HITS 500

## USCOM 1A CHANGING PRACTICE

- New standard of scientific excellence
- USCOM 1A is changing medical practice worldwide
- the USCOM 1A recently achieved its 500th peer reviewed publication
- Over 1200 units installed worldwide and in use by leading clinicians in major institutions across Australia, China, SE Asia, the Middle East, Africa, Europe, the UK, South America, Canada and the USA
- The USCOM 1A is saving lives by improving diagnosis and management of heart failure, hypertension, fluid administration and septic shock in neonates, children, adults and the elderly, and is significantly changing outcomes in preeclampsia.



# USCOM PRODUCTS

## HYPERTENSION & VASCULAR HEALTH

**DEVICE:** BP+

**SOFTWARE:** BP+ Reporter (cloud or server based)

The revolutionary BP+ suprasystolic oscillometer connects to the BP+ Reporter software to store patient examination data, archive patient information, waveforms and images, and allow for off line measurement, analysis, diagnosis and reporting. BP+ Reporter provides the digital power behind the unique BP+ measurements and provides the solution for digital eHealth monitoring of BP.





# A REALLY BIG DEAL





# USCOM PRODUCTS

## ASTHMA, COPD & OLD

### DEVICES: **FLO, SMART, MOBILE & PRO**

### APPS AND SOFTWARE: SpiroApp and SpiroReporter

SpiroSonic multi-path ultrasonic sensors are standard of care monitors for asthma, COPD and OLD. Software tools provide a digital eHealth solution to accompany the SpiroSonic devices. The SpiroAPP records and transmits SpiroSonic lung function tests to a cloud or server based software, the SpiroReporter. This combination allows for the SpiroSonic devices to be integrated into digital eHealth solutions and improves home care management of lung disease. These SpiroSonic solutions are currently being implemented in a number of global eHealth studies.



# USCOM REGULATORY

- Different regulatory approvals are required for device sales worldwide
- Regulatory is expensive, complex and demanding
- Multiple approvals are due over the next 12 months
- These new approvals will provide new revenue streams

	USCOM 1A	BP+	SpiroSonic
CFDA (China)	Granted	Submission (~2018)	Submission (~2018)
CE (Europe)	Granted	Granted (Dec 17)	Granted (Jun 17)
FDA (USA)	Granted	Submission (~2018)	Submission (~2018)
TGA (Australia)	Granted	Granted	Granted



# USCOM DEVELOPMENT

## LUNG CANCER DIAGNOSTIC

The Uscom Superfrozen exhaled breath condensate (EBC) collection system (USECS) is a device, designed for easy use in clinical care and scientific research. EBC is a novel method of extracting exosome samples from a simple breath test for diagnosis of lung cancer and infectious diseases. The development has been funded by a \$2.7M Euro (\$3.8M AUD) grant to the consortium of Uscom Limited, the Hungarian Academy of Science, and the Semmelweis University Medical School.

## FEATURES

- Simple, hygienic and ergonomic, separation of saliva from condensate
- Reproducible, reliable cooling using a Peltier-cooling-based feedback loop
- Safe transportation of isolated and sealed exosome sample
- Disposable collection tube
- Single device for collection
- Rechargeable and portable unit



# USCOM EHEALTH

## USCOM 1A in eHealth

China home care eHealth management of heart failure subjects. CardioRay collaboration.

## BP+ in eHealth

Prof Julio Chirinos, Penn University, VP of North American Artery studying in home heart failure monitoring partnered with US leading technology company.

## SpiroSonic in eHealth

Dutch home care lung function/dose monitoring for asthma;

Spanish home care lung function monitoring

Management of post lung transplantation patients; and management of the elderly with

Asthma and COPD

eHealth USA	>\$3.8B
eHealth China	>\$1.8B
CAGR	>13%

New Uscom market - Uscom devices are the ideal eHealth solution  
Current Uscom eHealth projects and grants ≈\$2M over 3 years

# USCOM EHEALTH

**"WHILE MANY TECHNOLOGY COMPANIES HAVE THE SOFTWARE TO CONNECT PATIENTS AND TERTIARY CENTRES, USCOM PROVIDES THE HIGH FIDELITY NONINVASIVE DIGITAL CARDIAC, VASCULAR AND PULMONARY MONITORS TO GENERATE THE DIAGNOSTIC DATA FOR ANALYSIS BY THE NEW GENERATION OF PROPRIETARY EHEALTH SOFTWARE PLATFORMS."**

ASSOC PROF ROB PHILLIPS



# USCOM CHINA

- Fastest growing global market
- Medical device market growth >20% pa
- China partners with distributor experience
- BP+/SpiroSonic prepared for CFDA (2018)
- Target Beijing and Northern China
- Currently: 8 distributors + 1 product = \$1.5M
- Target: 500 Distributors with 3 products = ?
- Revenue targets: short \$5M/mid \$10M/ long \$20M

- Population: 1.4B
- Medical personnel: 2.62M doctors; 2.49M nurses
- Medical institutions: 23,170 hospitals (13,384 public, 9786 private); 912,620 primary healthcare facilities; 12,083 specialised public health facilities
- eHealth spend: Approaching \$2B USD PA



2012 data: Dr Junhua Zhang, 'Development Strategies of Human Resources for Health in China', Health Human Resources Development Center, the National Health and Family Planning Commission, People's Republic of China, 2014.

# CHINA INVESTOR

## MR STEVEN MENG

- Beijing based, biotechnology executive and international Investor
- Qualifications in economics, engineering and business
- 15 year Executive Director and Vice President of HK listed multibillion \$ Co
- Head of Sales, Marketing and Distribution for China biotech leader
- Distribution network of >3,000 distributors into >10,000 Hospitals in China
- Experienced with regulatory, IP, legal, politics and language
- Driving China regulatory and distribution growth
- 7 new products for release into China over 2018

### Smart Top Overseas Limited

06.04.18	17.35%	22c
Current holding	23,1788,826 UCM FPO	

# USCOM RISKS

**IN A COMPLEX WORLD UNPREDICTABLE EVENTS CAN INFLUENCE PLANS AND STRATEGIES, AND THIS MAY APPLY TO USCOM. WHILE POTENTIAL RISKS EXIST, MANAGEMENT ARE WATCHFUL AND PREPARED TO RESPOND RAPIDLY AND EFFECTIVELY TO CHANGING CIRCUMSTANCES AND TURN RISK INTO OPPORTUNITY TO MITIGATE THEIR COMMERCIAL IMPACT.**

- Adequate funding to support growth – scale up stress
- Meeting demand - component availability, manufacturing and supply
- Global economy – usa, n korea, brexit, south china etc.
- Lumpy revenue – small, rapidly growing and unpredictable
- Regulatory – delays and cost
- Distributors - under performance
- Competitive risks and patent breaches
- Key personnel risks
- Unforeseen...



# USCOM VALUE

45 YEARS OF PRODUCT DEVELOPMENT FOR GLOBAL REVENUE IN 2018

## PRODUCTS

- USCOM 1A
- USCOM BP+
- BP+ REPORTER
- SPIROSONIC
  - FLO
  - SMART
  - MOBILE
  - PRO
- SPIROREPORTER

## OPERATIONS

- Global operations
- Increased products
- Increased scale
- Cost effective manufacture
- Revenue growth
- Profitability

## SALES

- China regulatory
- China distribution
- Current distribution
- US/Euro distribution
- Major partners
- Re-imbursement

## OPPORTUNITIES

- Share price growth
- Dividend
- Transaction

USCOM TO CONVERT OFF BALANCE SHEET ASSETS TO REVENUE

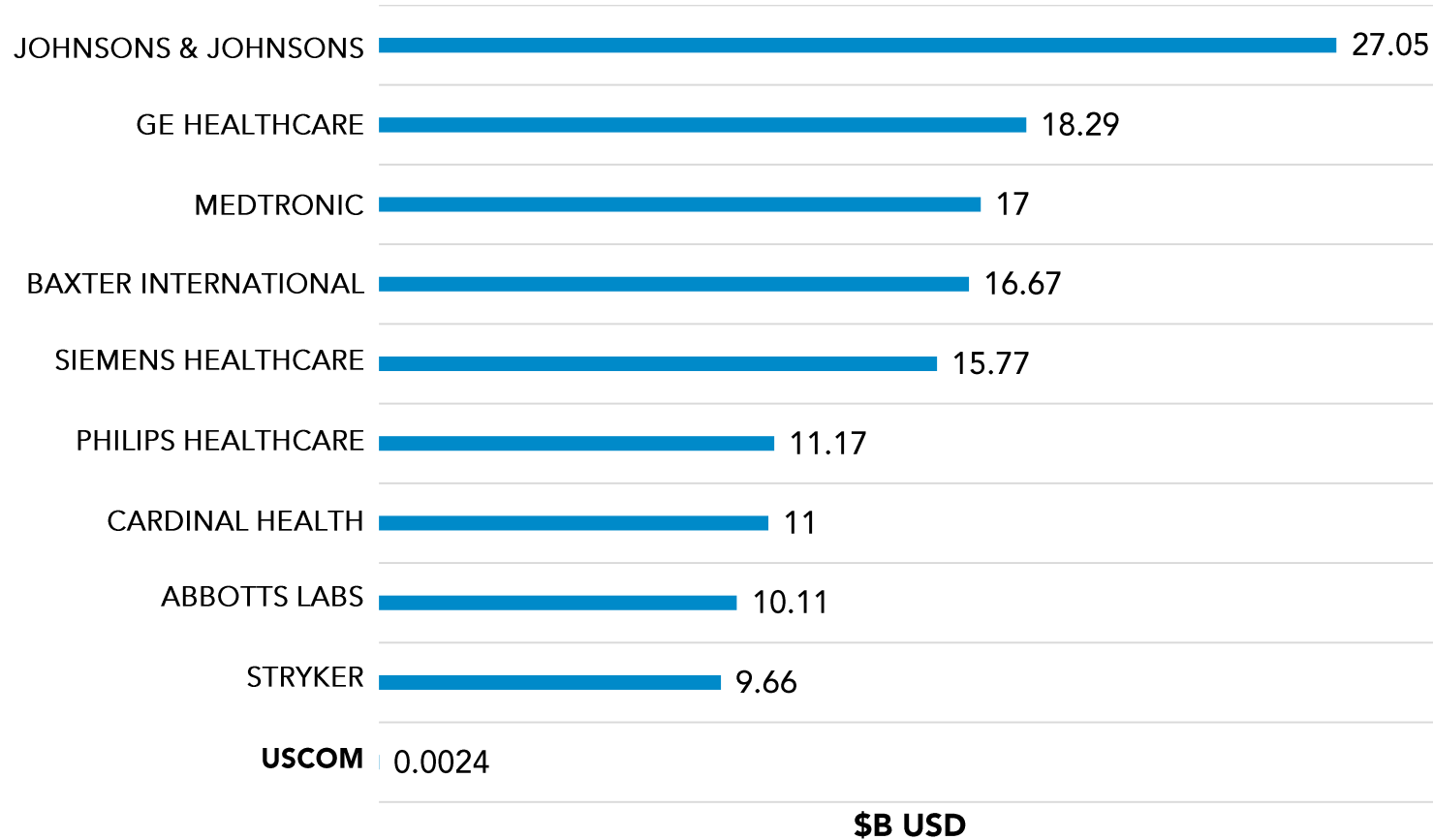
# USCOM 2018

- China – Strategic investor and partnership commitment
- 7 new products – for global markets
- New Regulatory - China, Europe and US
- New Distribution - China and US and Europe
- Growth strategy - Aggressive growth focus and targets
- Strategic opportunities – Acquisitions for accelerated growth
- Partnerships – Major global healthcare Co's seeking revenue and growth
- New markets - eHealth (particularly China), cancer diagnostics, pre-eclampsia, etc....



# USCOM FUTURE

## HEALTHCARE REVENUE



**2** INTERNATIONAL ACQUISITIONS

BP+ (2012) AND SPIROSONIC (2015)

**8** INTERNATIONAL OFFICES

INCLUDING SYDNEY HQ

**37** DISTRIBUTORS

WITH CHINA MARKET FOCUS AND GROWTH

**10** PRODUCTS

WITH EHEALTH STRATEGIES

**75%** OF GLOBAL DEATHS ADDRESSED

USCOM DEVICES ARE THE SOLUTION

**>1200** USCOM 1A USERS

BP+ AND SPIROSONIC SALES TO FOLLOW

**500+** EXPERT PUBLICATIONS

FOR THE USCOM 1A

# HEALTHCARE **GROWTH**

**"THE HEALTHCARE SECTOR RECORDED A TOTAL GAIN OF 24.4% IN 2017, MAKING IT THE SINGLE BEST PERFORMING SECTOR ON THE ASX. NOT EVEN TWO MONTHS INTO 2018, AND IT IS ALREADY A SOLID 10% AHEAD OF THE WIDER MARKET."**

LIVEWIRE.COM (ACCESSED 23<sup>RD</sup> FEBRUARY, 2018.)



## HEALTHCARE

*"The healthcare sector recorded a total gain of 24.4% in 2017, making it the single best performing sector on the ASX. Not even two months into 2018, and it is already a solid 10% ahead of the wider market. Yesterday's half-billion-dollar takeover for Viralytics - at a 175% premium to the stock price - is further evidence of the opportunities on the table here for shrewd players."*

<https://www.livewiremarkets.com/wires/buy-hold-sell-5-stocks-in-the-hottest-sector-right-now>  
(Accessed 23rd Feb 2018)

USCOM ASIA INVESTOR



## SMALL CAP

*"The case for small caps to structurally outperform is stronger than ever. Reasons for this include: The high level of inside ownership & alignment with investors; The leverage smalls have to M&A; Smalls are typically less researched than large caps which give investors an 'information bias' if they do the work; Leveraging technology"*

David Allingham, Eley Griffiths, Livewire Markets'  
Weekend Edition, 18 November 2017



## CHINA

*"Keep an eye on the outlook for Australian health and consumer goods exporters exposed to China's expanding middle class." "..... it's all dependent on obtaining import permits from Chinese regulators and a sound strategy to access the lucrative market."*

<https://www.bloomberg.com/news/articles/2018-02-04/five-things-to-watch-for-in-australia-s-february-earnings-season> (Accessed 5th February, 2018)



## FOUNDER DRIVEN

*"Research suggests that founder-run businesses outperformed the broader market. This seems intuitive, with firms like Amazon, Microsoft, Apple, Facebook, Alibaba, Baidu, Tencent, Berkshire, Oracle, and Google being among the strongest performers in the world in recent years.... We think there are some important lessons here."*

*Livewire Markets' Weekend Edition, 18 November 2017*

NON-DEAL ROADSHOW PRESENTATION





# USCOM ADVANTAGE

**"...USCOM 1A HAS NOW BEEN ESTABLISHED AS THE NEW STANDARD OF CARE."**

DR AKASH DEEP  
DIRECTOR OF PEDIATRIC ICU,  
KING'S COLLEGE HOSPITAL, LONDON, UK



# USCOM 1A COMPETITION

SYSTEM	MANUFACTURER	TECHNOLOGY	REL+REP	NON-INVASIVE	SIMPLE	COST	PORTABLE	SV BEAT TO BEAT	TRAINING
USCOM 1A	USCOM	DOPPLER	✓	✓	✓	✓	✓	✓	✓
CARDIOQ	DELTEX	DOPPLER	✓	✗	✓	✗	✓	✗	✗
ECHO	MANY	ULTRASOUND	✓	✓	✗	✗	✓	✗	✗
ICON / AESCULON	OSYPKA	BIO IMPEDANCE	✗	✓	✓	✗	✓	✗	✓
NICOM	CHEETAH	BIO REACTANCE	✗	✓	✓	✗	✓	✗	✓
CLEARLIGHT (NEXFIN)	EDWARDS	PPW / BP / PLETHYSMO	✗	✓	✓	✓	✓	✗	✓
LIDCO	LIDCO	LICL DILUTION + PPW	✓	✗	✗	✗	✗	✗	✗
LIDCORAPID	LIDCO	PPW / BP	✗	✗	✓	✗	✗	✗	✗
PICCO	PULSION	PPW / BP MODIFIED TX	✓	✗	✗	✗	✗	✗	✗
FLOTRAC	EDWARDS	PPW	✗	✗	✗	✗	✗	✗	✗
PAC	MANY	THERMODILUTION	✗	✗	✗	✗	✗	✗	✗





# USCOM ADVANTAGE

**"...THE REVOLUTIONARY BP+ PROVIDES  
A MORE ACCURATE MEASURE OF  
CARDIOVASCULAR RISK AND  
OUTCOMES."**

USCOM



# USCOM BP+ COMPETITION

USCOM BP+	TENSIOMED	BPLAB	IEM	ALAM MEDICAL	SUNTECH	ATCOR	WELCH ALLYN
Australia	Hungary	Russia	Germany	France	USA	Australia	USA
USD 2,950	USD 6,000	USD 7,000	USD 7,000		USD 3,200	USD 14,000	USD 3,200
45 seconds	2 min	2 min	2 min	A few sec + prep		1 min	
Stand-alone ± BP+ Reporter	Needs computer	ABP, needs computer	ABP, needs computer	Needs computer	ABP, needs computer for cBP	Needs computer	ABP, needs computer for cBP
CE, FDA, TGA, CFDA *	CE	CE	CE, FDA	CE	CE, FDA	CE, FDA, TGA	CE, cBP not available in USA
Aortic waveform	Central systolic BP	Rough waveform	Rough waveform		Rough waveform	Rough waveform	
Physical model	Statistical regression	Transfer function	Transfer function		Transfer function	Transfer function	

# USCOM ADVANTAGE

**“BASED ON DIGITAL MULTI-PATH  
ULTRASONIC SPIROMETRY, EACH  
PRODUCT IS THE RESULT OF YEARS  
OF RESEARCH, TECHNOLOGICAL  
DEVELOPMENT AND INNOVATION.”**

USCOM



# USCOM SPIROSONIC COMPETITION

USCOM SPIROSONIC	WELCH ALLYN	SCHILLER	SIBELMED	VITALOGRAPH	MIR	CAREFUSION	NDD
Australia	USA	Switzerland	Spain	USA	Italy	USA	Switzerland
SpiroSonic	SpiroPerfect	Spirovit SP-1	Dataspir Touch	Pneumotrac	Spirodoc	Microloop	EasyOne PPlus
USD 1,890	USD 2,100	USD 1,850	USD 2,300	USD 2,030	USD 1,580	USD 2,180	USD 1,990
Dual Path Ultrasound	Diff Pressure	Diff Pressure	Turbine	Diff Pressure	Turbine	Turbine	Single Path Ultrasound
Accurate Auto calibration SpiroReporter Fully digital FreeFlo sensor Hygeinic SpO2 Bluetooth Rechargeable	Multiple iterations	Multiple iterations	Multiple iterations	Multiple iterations	Multiple iterations Consumable turbines	Multiple iterations	Accurate Consumable tube

