



Uscom (UCM) – Global Medical Devices

Moving Forward
FY 2016-2017



Rob Phillips

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

Associate Professor, Critical Care Research Group, School of Medicine, The University of Queensland

Uscom Executive Chairman/CEO

The Measure of Life

Disclaimer

This presentation is intended to provide a general outline only and is not intended to be a definitive statement on the subject matter. The information in this presentation, whether written or verbal, has been prepared without taking into account the commercial, financial or other needs of any individual or organisation.

While Uscom (the "Company") has taken due care in compiling the information, neither the Company nor its officers or advisors or any other person warrants the accuracy, reliability, completeness or timeliness of the information or guarantees the commercial or investment performance of the Company. Certain information may relate to protected intellectual property rights owned by Uscom. By viewing this presentation the viewer accepts the terms of the Company NDA. The information does not constitute advice of any kind and should not be relied on as such. 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. Any and all use of the information is at your own risk.

Uscom

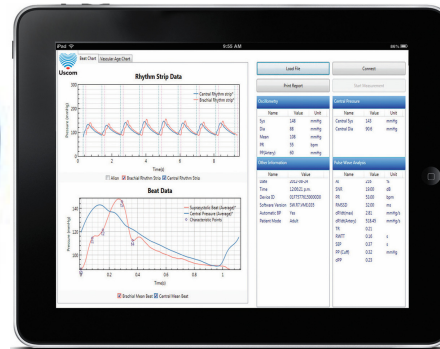
“Digital medical device innovations to improve the physician experience and patient outcomes.”



*Digital Doppler
Ultrasound*



*Suprasystolic
Oscillometry*



*Digital Transit time
Ultrasound*

New generation digital cardiovascular pulmonary devices.

Uscom – Medical devices the experts use

Uscom - Products

Sector leading technologies

Fluid, Sepsis & Heart Failure

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

USCOM 1A

Cardiac Output Monitoring



Hypertension & Vascular Health

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

BP+

Blood Pressure Monitoring



COPD & Asthma

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

SpiroSonic

Pulmonary Monitoring



Uscom – Devices the experts use

* Source: MedTech Insight; Transparency Market Research

UCM – 2016

Not only growth:

Record revenue, sales, cash, share price, cap value (+44 to 114%)

But investment:

Transformational \$65m 5yr China agreement

Acquired and consolidated Thor laboratories into Uscom

One off investments:

- acquisition and integration (≈\$1m)

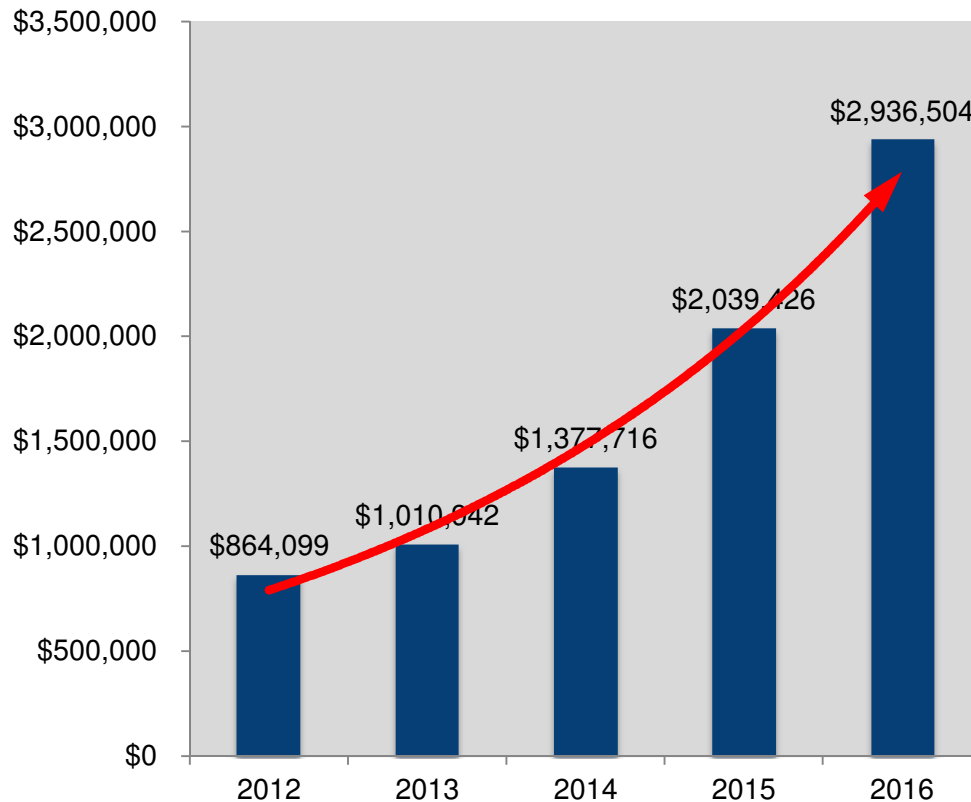
- two new product lines for revenue in 2017 (≈\$0.5m)

- global corporate model established

Approaching profitability with two new device series for sale in 2017

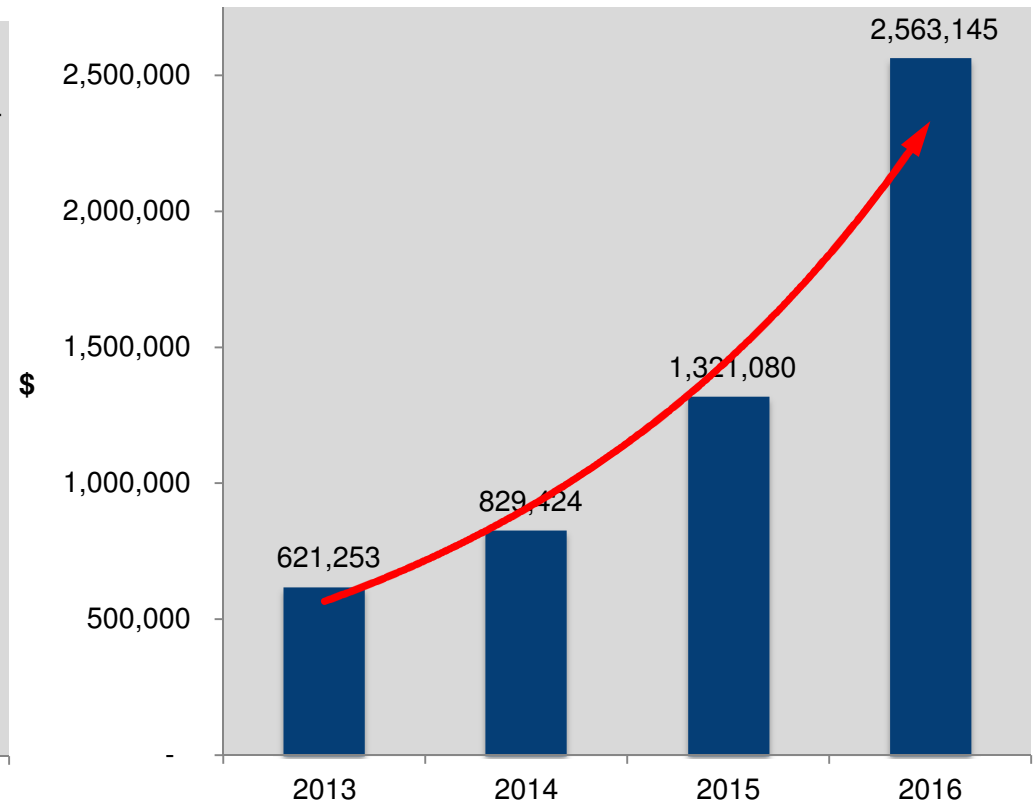
UCM – 2016 Results

Total Revenue



**Total revenue +44% to \$2.94m
+43% CAGR for 3 years**

Receipts from Customers



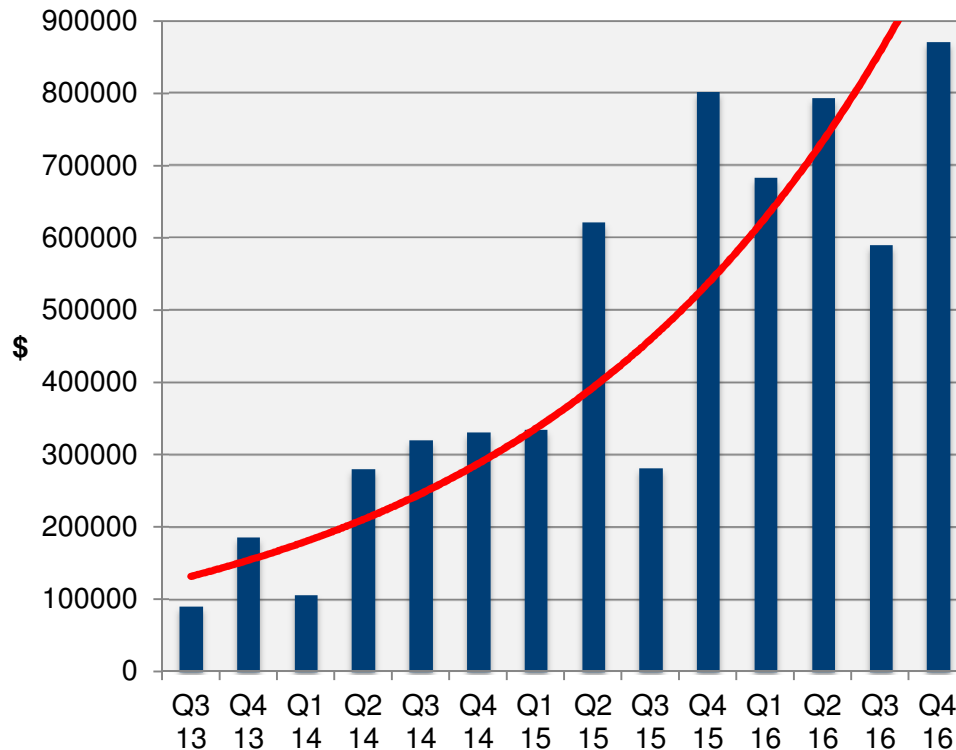
**Receipts from Customers +94% to \$2.56m
+60% CAGR for 3 years**

Right company, right time.....

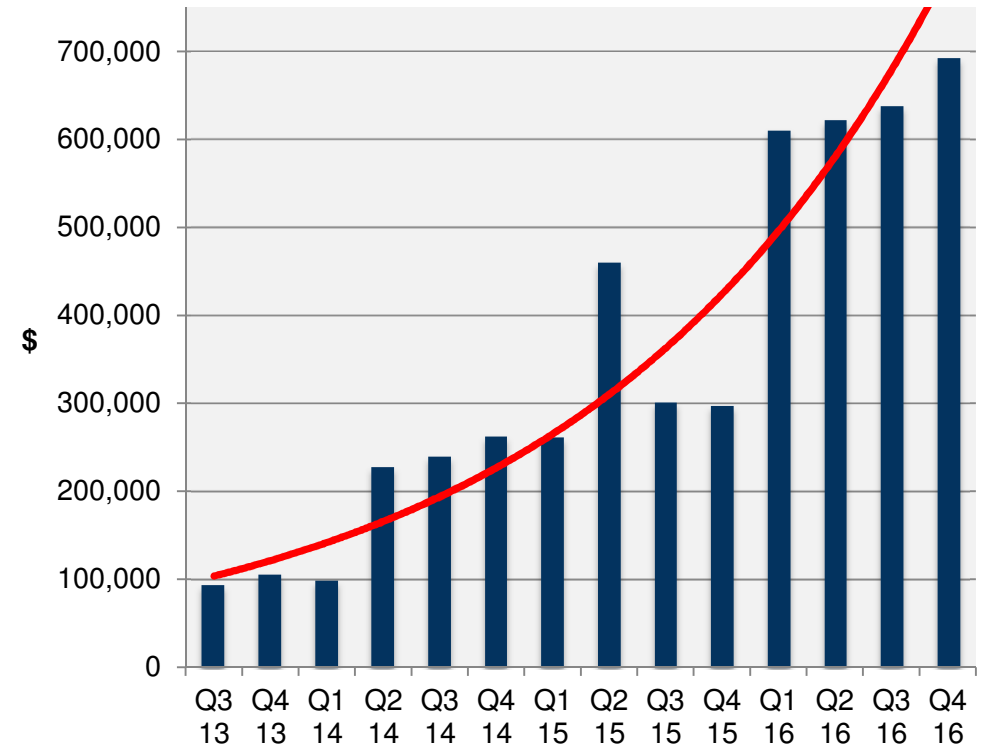
* Estimate

UCM – 2016 Results

Quarterly Total Revenue



Quarterly Cash Receipts

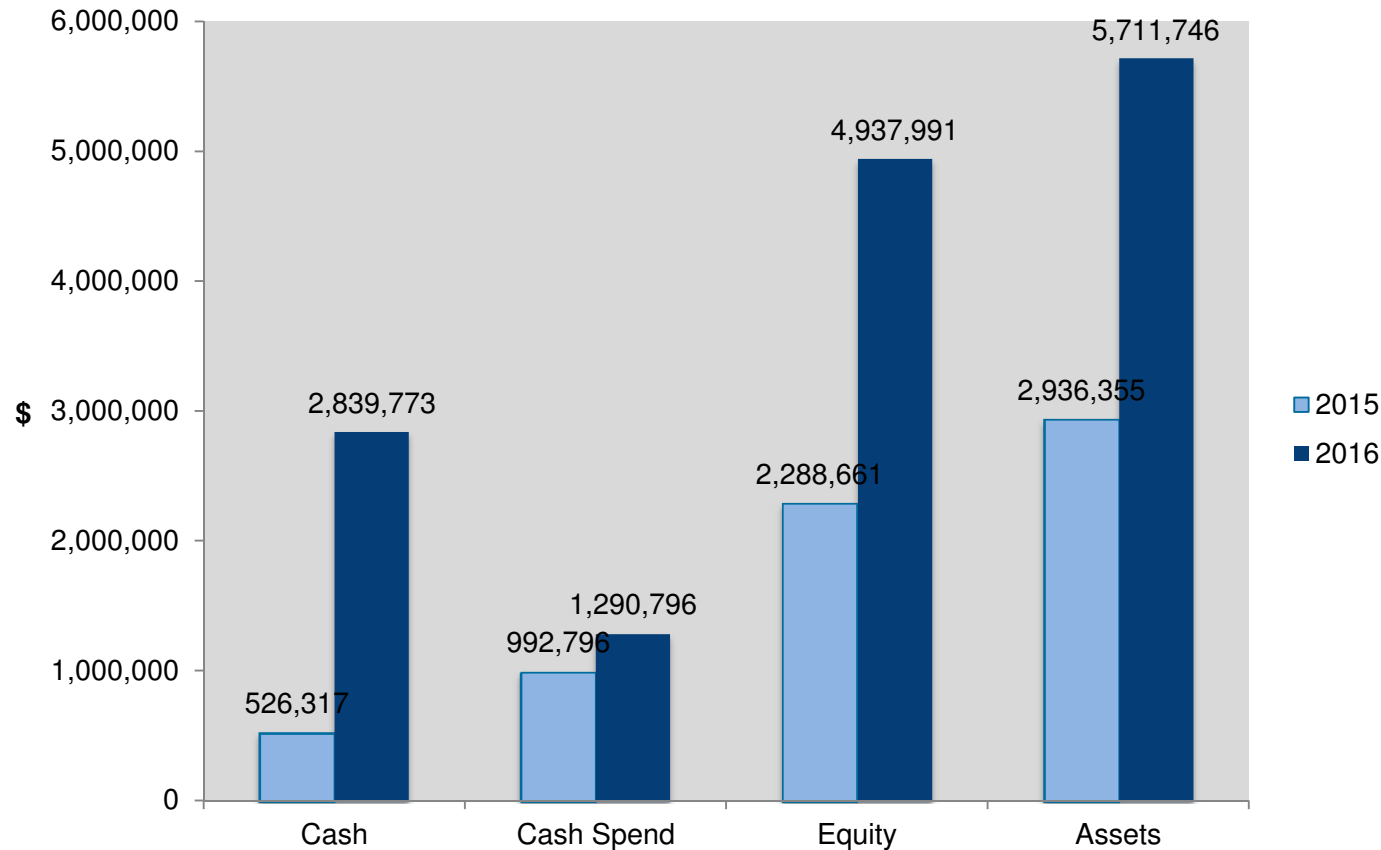


2016 – Total Revenue and Cash Receipts CAGR 44% and 94% CAGR 3 years

Right company, right time.....

UCM – 2016 Results

Cash, Equity and Assets



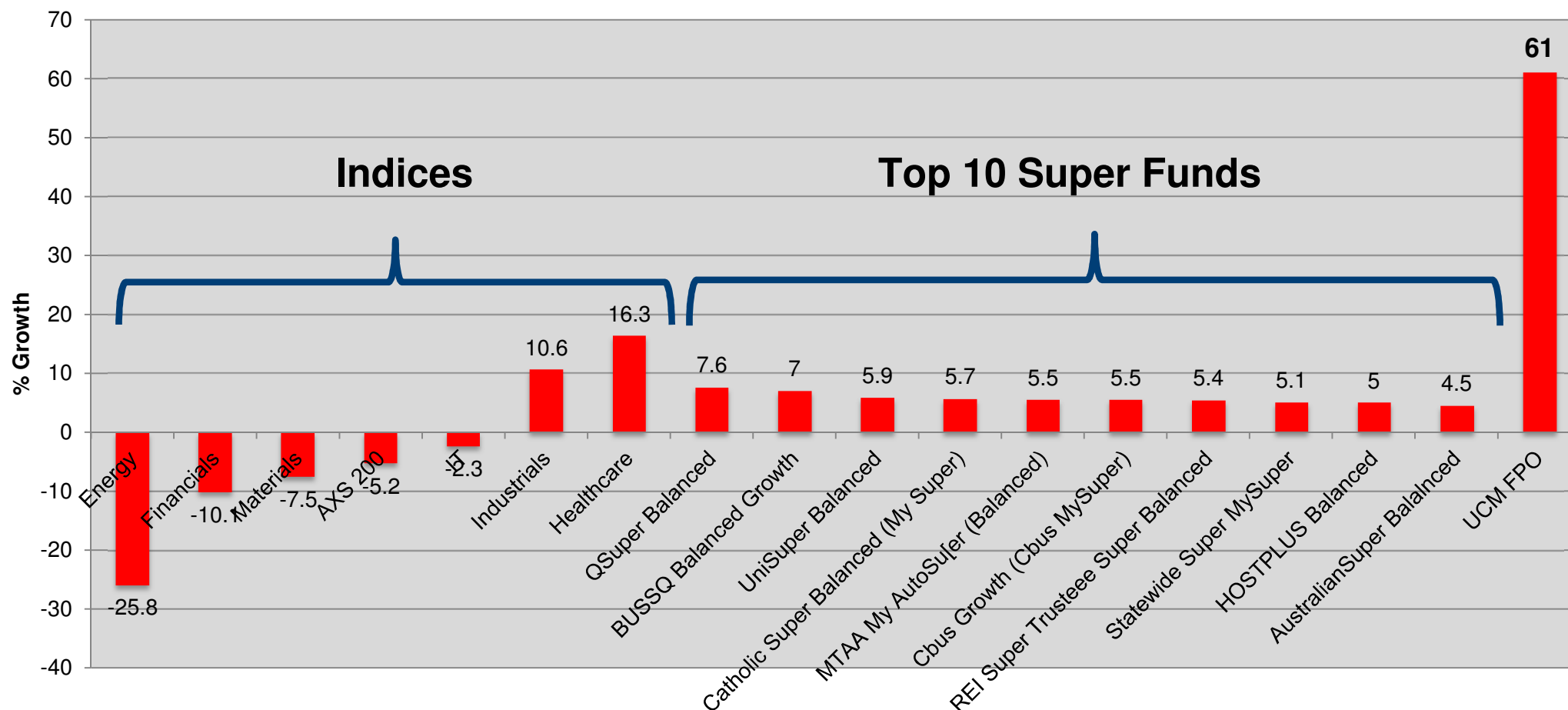
2016 – A year of investment

Right company, right time.....

UCM – 2016 Results

Performance FY2016

Indices, Top 10 Superannuation funds and UCM



The Top 10 Australian Superannuation Funds, "Australian", Financial Services, p22, 20th July 2016

A simple comparison.....

UCM – 2016 Results

" Investors can review Uscom's progress in 2016 with satisfaction and look forward to the rewards of 2017 and beyond.

Uscom has invested in the future, and an investment in Uscom is an investment in the future."

Products

USCOM 1A

Heart failure, hypertension, sepsis, fluid
Non invasive, accurate, compact, platform technology

Accurate cardiac output

Cardiac stroke volume

Systemic vascular
resistance

Left + right heart
measurement



Works with all other
hospital equipment

Intuitive touch screen

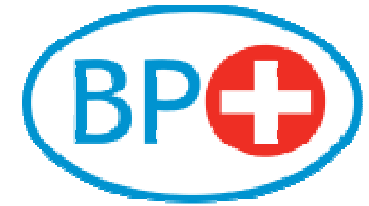
Real time data

Platform technology
with multiple uses

Non invasive, real time, beat-to-beat haemodynamics

Uscom – Devices the experts use

New Products



***Hypertension, heart failure and vascular disease
Central Blood Pressure and Pulse Wave Analysis
The new standard for hypertension***

- FDA, CE Mark, TGA approvals
- Supra-systolic Oscillometry
- Reliable and accurate
- Central and Brachial BP
- Replaces sub-systolic methods (cuff)



- Home or clinic
- PPW Analysis
- Results in 30 seconds
- No training required
- Platform technology with multiple uses

Stand alone, non invasive, accurate, compact system with BP+Reporter

For launch FY 2017

Uscom – Devices the experts use

New Products



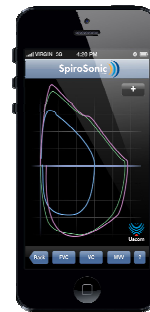
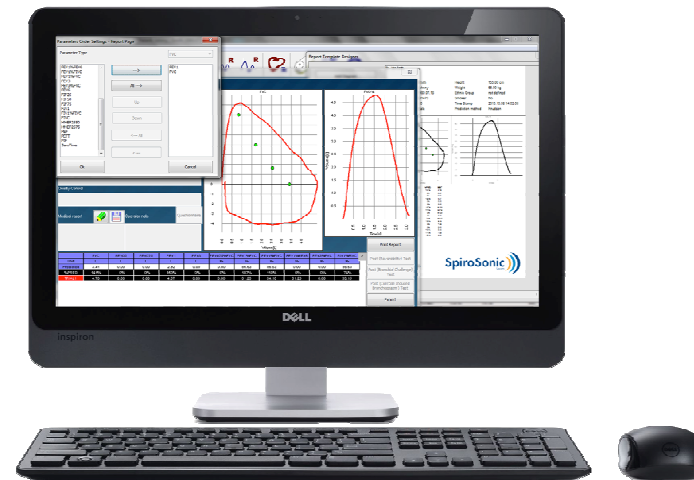
Digital Ultrasonic Spirometry
New Standards of Pulmonary Testing



Devices

Applications

Software



For launch FY 2017

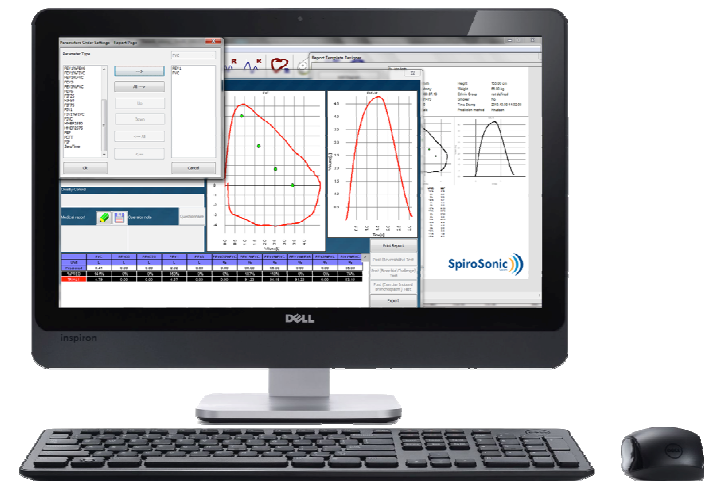
Uscom – Devices the experts use

New Products

tSpiro

Uscom sells technologies others are researching
High fidelity digital ultrasonic spirometers

- Connecting patients to clinicians
- US revenue (more than 400 sold)
- Software analytics
- Telemetric signals to cloud via iPhone
- Cloud based processing/diagnosis
- Personalised clinical advice - medication and dosage
- Trend monitoring of multiple measures
- Home care market
- Capital and subscription revenue
- Global partners – China, US, Euro
- Multiple software providers – few hardware providers
- CE, FDA and TGA. CFDA (in submission)

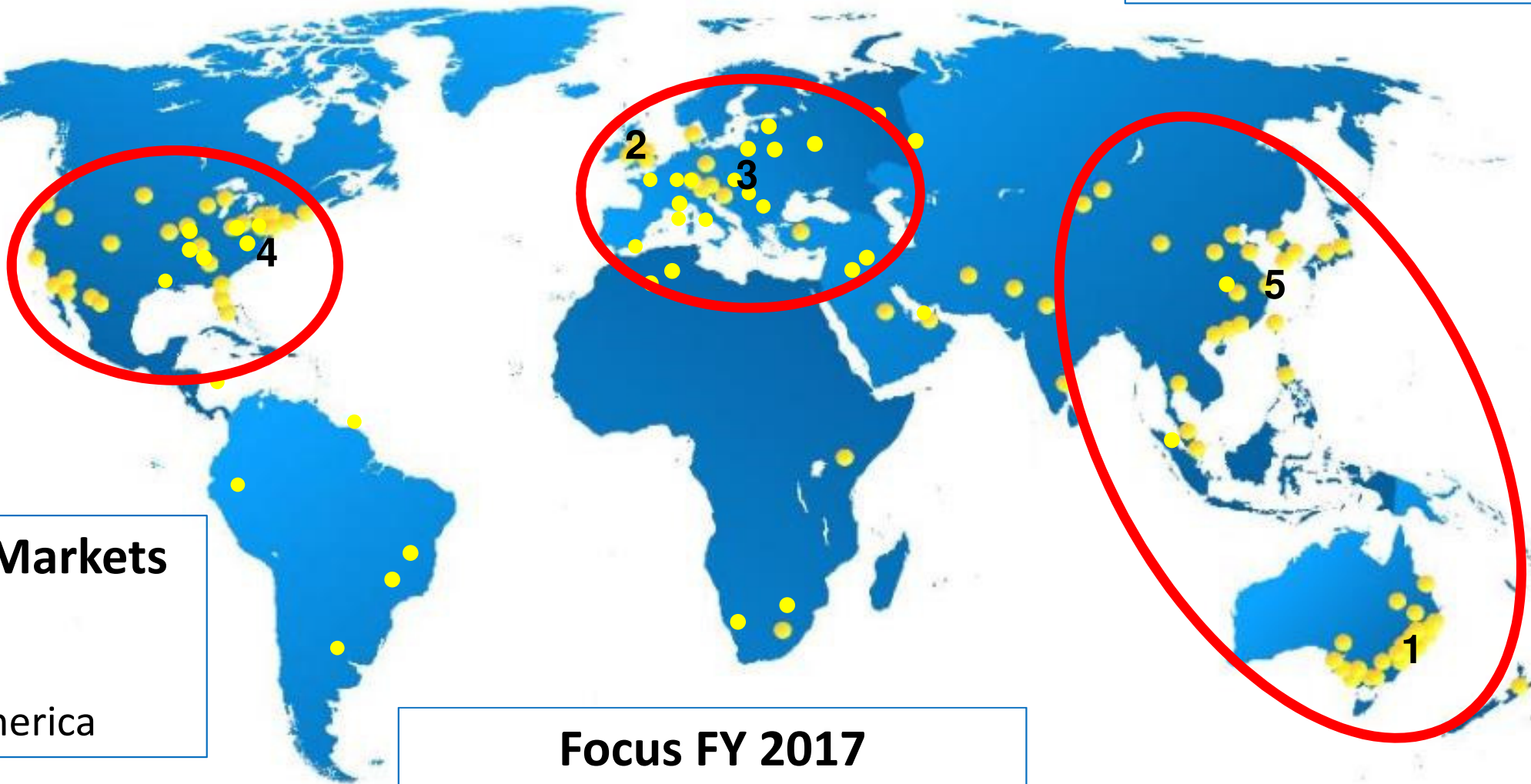


Aus - Resapp (RAP) – Cap \$300m, Adherium (ADR) – Cap \$60m, Uscom (UCM) – Cap \$28m
US - Cohero, Gecko, Asthma Sense, Propeller Health

Uscom Global

Delivering multiple products into multiple jurisdictions

1. Uscom Sydney
2. Uscom London
3. Uscom Budapest
4. Uscom LA
5. Uscom Shanghai



Key Markets

Asia
Europe
Nth America

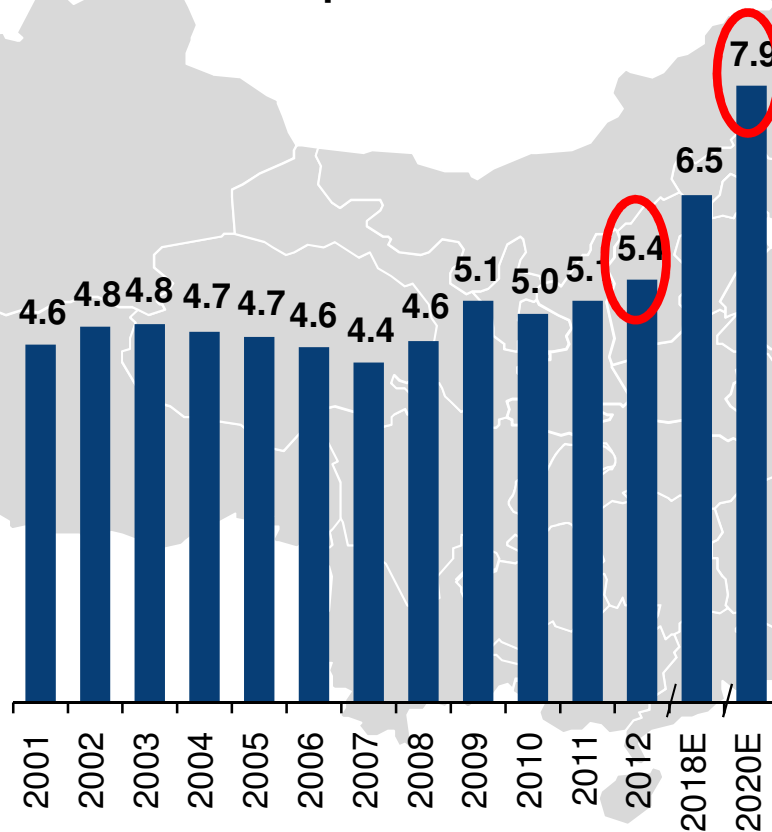
Focus FY 2017

Asia – Establish CIIC
US – BP+ and SpiroSonic release
Global tSpiro partnerships

China is Important

State funded growth

China Health Expenditure as % of GDP



CIIC to distribute \$65m of Uscom devices and support regulatory over 5 yrs

China Health Spend (USD)

GDP=12,000,000,000,000

Health=5.4%=648,000,000,000

Objective=12%=1,400,000,000,000

Growth(+6.6%)=\$792,000,000,000

Uscom China Targets (USD)

Population = 1.35b

3 provinces < 10% pop = \$10m

31 Provinces = 100%

10 x current UCM revenue = \$10m

2 new products = \$20m

Total revenue China = \$30m USD

Uscom positioning to grow with China - \$30m pa revenue target

CIIC China



Jillian Skinner MP
Page Liked · 4 hrs · 🌐

It was a pleasure to join Prof Rob Phillips, Chief Executive Officer of ASX listed company Uscom and Wenan Zhu, General Manager of Shanghai CIIC Science and Technology Development following their signing an agreement expected to generate \$30 million in sales over the next five years.

Prof Phillips was a member of the strong team of health leaders who accompanied me on a trade visit to China in April.

The partnership will help market the Australian designed cardiovascular and pulmonary health devices in China.

This is another terrific example of the benefits to be gained for our high quality, globally recognised inventors developing export partnership into the huge Chinese market to the advantage of patients everywhere.

Pictured here with Prof Phillips and Wenan Zhu.



5 year importation and wholesale agreement with Shanghai CIIC Science and Technology Development Corp targeted to generate A\$65m sales.



CIIC S&T – State owned company
CIIC revenue – \$10b USD, Med Device Division \$250m USD

Uscom – Medical devices the experts use

CIIC China



“We plan to make Uscom one of the leading medical device brands in China over the next five years.”

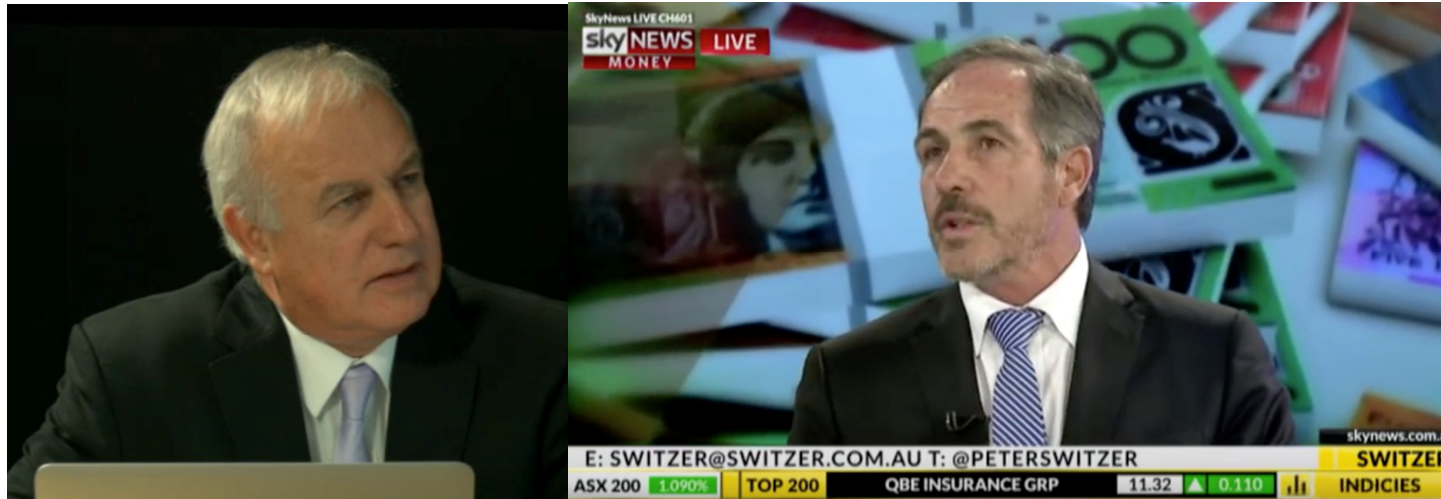
Daniel Sun, Head of BD and Marketing, Shanghai CIIC Science and Technology, Medical Device division



<http://www.bloomberg.com/news/articles/2016-07-05/china-inc-goes-on-a-buying-spree-for-global-health-care-assets>

Uscom – Medical devices the experts use

UCM - Media



Alan Kohler

Peter Switzer



CNBC Asia



Tom Piotrowski

Uscom – Medical devices the experts use

UCM - Media



THE AUSTRALIAN 

With improved operational performance has come increased media and international investor interest

The Australian, 5-3-16
Sarah-Jane Tasker

Uscom

“Time and again we find similar traits among long-term winners:

- 1. Led by founders with their fortunes and legacies on the line*
- 2. Debt free and scalable operations*
- 3. Willing to disrupt themselves*
- 4. Have zealous, loyal customers.”*

Joe Magyer

Australian Financial Review 22 June 2016

Uscom – 2017

What we are going to do:

Prepare BP+, SpiroSonic for market

- Regulatory approvals

- Manufacturing

- Distribution – strategic and effective partners of scale

New revenue streams – BP+, SpiroSonic

- CIIC China sales

- Early US and Euro sales

Continue growing USCOM 1A sales

Uscom – Medical devices the experts use

Uscom – 2017

Bring three world leading product ranges toward profit

	Concept	Product	Pilot	Validation	Regulatory	Revenue	Global Distribution	Profit FY17
USCOM 1A	✓	✓	✓	✓	✓	✓	✓	±✓
Uscom BP+	✓	✓	✓	✓	✓	✓	✓	±✓
SpiroSonic	✓	✓	✓	✓	✓	✓	✓	±✓



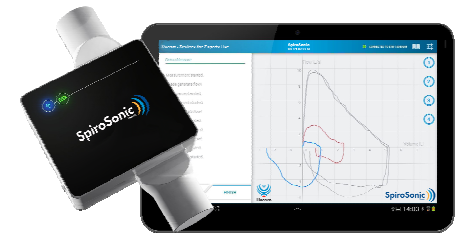
IP transformed into profit

Uscom – 2017

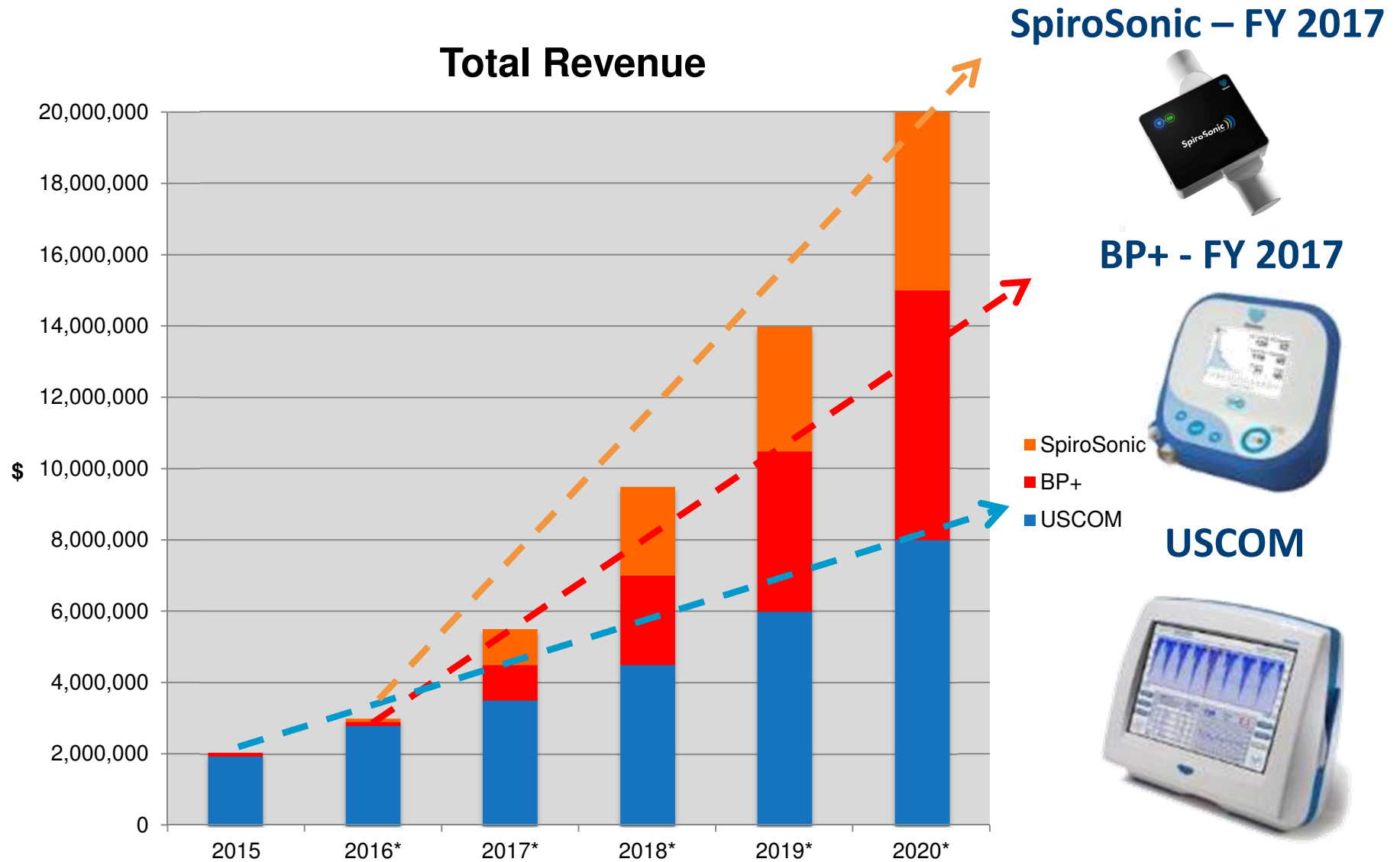
Regulatory – Uscom's new generation of products are being prepared for approval and sale across multiple jurisdictions in 2017

New revenue starting 2017*

	USCOM 1A	Uscom BP+	SpiroSonic
CE (Europe)	✓	2017	2017
FDA (USA)	✓	2017	2017
CFDA (China)	✓	2017	2017
TGA (Aus)	✓	2017	2017



Revenue Model



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

Uscom - 2017

"Uscom has acquired global assets to ensure reliable revenue growth for investors for the coming decade."

"Our 2017 strategy is to deliver the devices we have acquired into global markets with partners of scale."

"We are confident that this will drive our revenue growth and underwrite long term profitability."



Uscom (UCM) – Global Medical Devices

Moving Forward
FY 2016-2017



Thank You

Rob Phillips

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

Associate Professor, Critical Care Research Group, School of Medicine, The University of Queensland

Executive Chairman/CEO

Uscom – Medical devices the experts use

Business Summary

- 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 with critical applications
- Aggressive global growth strategy – acquisition and partnerships
- IP protected and FDA, CE and CFDA regulatory approvals
- Uscom BP+ and SpiroSonic for market FY 2017
- \$3m revenue 2016, \$65m 5year deal starts 2017

Corporate

- ASX listed (UCM)
- Headquartered in Sydney
- Market cap of \$28m
- 108m shares on issue
- Rob Phillips, Founder and CEO, holds 18% of company

Board & Management

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

Financials

- Sales +94% 2016
- Revenue +44% 2016 (\$3m)
- Cash consumption - \$1.2m
- Gross Margins ~ 75%
- Cash ~ \$2.8m

USCOM 1A Competitive Advantage

Method	Manufacturer	Technology	Rel+Rep	Non-invasive	Simple	Cost	Portable	SV beat to beat
USCOM 1A	Uscom	Doppler	✓	✓	✓	✓	✓	✓
BioZ	Samsung	Biolmpedance	✗	✓	✓	✗	✓	✗
NiCOM	Cheetah	BioReactance	✗	✓	✓	✗	✓	✗
Nexfin	Bmeyer	APP	✗	✓	✓	✓	✓	✗
CardioQ	Deltex	Doppler	✓	✗	✓	✗	✓	✗
LiDCO	LiDCO	LiCl dilutio +APP	✓	✗	✗	✗	✗	✗
LiDCOrapid	LiDCO	APP	✗	✗	✓	✗	✗	✗
PiCCO (mod Tx + PP)	Pulsion	APP	✓	✗	✗	✗	✗	✗
FloTrac	Edwards	APP	✗	✗	✗	✗	✗	✗
PAC (Tx)	Many	Thermodilution	✗	✗	✗	✗	✗	✗

Testimonials

*“This machine is **saving lives**, there are no two ways about it.”*

Professor Brendan Smith, Anesthetist, Intensivist and Emergency Physician, N.S.W. Dept of Health, Australia

*“USCOM has changed the way I look at the cardiovascular status of my patients. It’s part of the initial shock evaluation and monitored regularly thereafter.... USCOM has now been established as the **standard of care**.”*

Dr Akash Deep, Director of Paediatric ICU, King's College Hospital, London

*“The USCOM device is a simple method of accurately and noninvasively measuring central circulation, a **goal of cardiology** for many years. The device has the potential to change the way we approach management of sepsis, heart failure and hypertension.”*

Professor Malcolm West, Cardiologist, Mayne Professor of Medicine at The University of Queensland School of Medicine, Brisbane, Australia and Uscom Medical Advisory Board Member.

*“I have used USCOM for over 5 years now on our very sick children, and use it to guide management. We are now beginning multi-centre, global research which will define the way USCOM is **used in Paediatric Departments across the world**.”*

Dr Joe Brierley, Consultant Intensivist, Great Ormond Street Hospital for Sick Children, London, UK.

*“The USCOM device is really good; I use it in all my anaesthetics. I think **there should be one on every ICU bed and on every anaesthetic patient**.”*

Dr Steve Woodford, Consultant Anaesthetist, circulatory researcher at Australian School of Advanced Medicine, and Uscom Investor,

*“To parents and doctors this machine, **USCOM, is priceless**. This machine is thought to have saved baby Abbie’s life.*

BBC Documentary “New machine helps save babies life”, 2010, Nottingham Children’s Hospital

Uscom – Medical devices the experts use



BP+ Competitive Advantage



Uscom BP+	TensioMed	BPLab	IEM	Centron	AtCor
Australia	Hungary	Russia	Germany	UK	Australia
USD 3,500	USD 6,000	USD 7,000	USD 7,000	USD 6,300	USD 20,000
1 min	2 min	2 min	2 min	1 min	1 min
Stand-alone	ABP, needs computer	ABP, needs computer	ABP, needs computer	Stand-alone	Needs computer
CE, FDA, TGA	CE	CE	CE, FDA	CE	CE, FDA
Aortic + brachial 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 – Medical devices the experts use

Why ?

Independent research from Cambridge University, Weill Cornell, University of California, Wales Heart Institute – BP+ = Four stars

Table 1 Indirect, non-invasive methods for estimating central pressure

Method of waveform recording	Device	Company	Method of calibration	Method of estimation	Clinical applicability [†]
Radial tonometry	BPro ^{66,67}	HealthSTATS	Brachial–radial cuff BP	GTF (radial-aortic)	++
	SphygmoCor ^{12,88}	AtCor Medical	Brachial–radial cuff BP	(i) GTF (radial-aortic)	+
				(ii) Late systolic shoulder	+
	HEM9000AI ^{39,77}	Omron	Brachial cuff BP	(i) Algorithm	++
Brachial cuff PVP				(ii) Late systolic shoulder	++
	*ARCSolver ^{89,90}		Brachial cuff BP	GTF (brachial-aortic)	+++
	Centron cBP301 ^{35,91}	Centron Diagnostics	Brachial cuff BP	GTF (brachial-aortic)	++++
	Vicorder ⁹²	Skidmore Medical	Brachial cuff BP	GTF (brachial-aortic)	+++
	XCEL	AtCor Medical	Brachial cuff BP	GTF (brachial-aortic)	+++
Suprasystolic brachial cuff PVP	Method of Sung et al. ⁴²		Brachial cuff BP	Algorithm	++
	Arteriograph ^{37,93}	TensioMed	Brachial cuff BP	Late systolic wave amplitude	+++
	Cardioscope II ^{36,94}	PulseCor	Brachial cuff BP	Algorithm	++++

PVP, pulse volume plethysmography; GTF, generalized transfer function.

*Incorporated in Mobil-O-Graph PWA device (IEM GmbH).

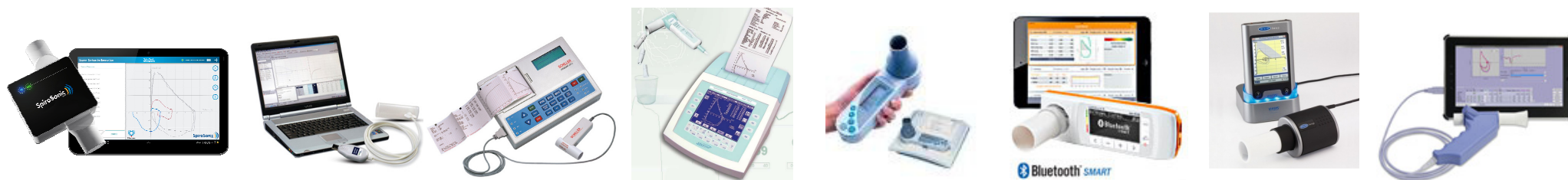
[†]Personal view based on experience, operator-dependency, need for computer/software interface, with + indicating limited applicability to routine clinical practice and ++++ indicating high applicability.



BP+ is on the international space station

McEniery CM, Cockcroft JR, Roman MJ, Franklin SS, Wilkinson AB. Central blood pressure: current evidence and clinical importance. Euro Heart J 2014;doi10.1093/ euroheartj/ehf565

SpiroSonic Competitive Advantage



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 PLus
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

Uscom – Medical devices the experts use

CPT Codes and Re-Imbursement

Product	Measure	Region	Code	Price (AUD)	Status
Uscom BP+	Central BP	USA	93050	\$25.60	S*
USCOM 1A	Cardiac Output	USA	76999	\$107.00	S**
	Cardiac Output	China	310701023	\$44.00	✓
	Cardiac Output	China	220600010	\$13.50 + \$2.50 measure	✓
	Cardiac Output	Australia	TBD	TBD	S**
Uscom Thor	Spirometry	USA	94010	\$51.43	✓
	Spirometry	USA	94060	\$87.14	✓
	Spirometry	USA	94070	\$87.00	✓
	Spirometry	USA	94375	\$57.14	✓
	Spirometry	Australia	11506	\$20.55	✓
	Spirometry	Australia	11509	\$35.65	✓
	Spirometry	Australia	11512	\$61.75	✓

S* Subject to Software modification and FDA notification

S** Under submission

TBD –To be determined

Big Data and eHealth

***Big data needs high quality sensors
Uscom specialises in high quality non-invasive sensors***

- Software analytics
- Telemetric signals
- Cloud based processing/diagnosis
- Personalised clinical advice
- Medication and dosage
- Serial monitoring
- Multiple measures
- Home care market
- Subscription service model
- Global partner opportunities – China, US, Euro
- Multiple software providers – few hardware providers



Stand alone, wireless, accurate, compact, digital devices

Uscom – Devices the experts use