

AGM 2019



GROWING GLOBAL

Rob Phillips CEO & Executive Chairman

AGENDA

CHAIRMAN'S PRESENTATION

Financial, Operational, Product and Uscom China

2019 RESULTS

Global Growth

2020 STRATEGY

More Products, More Markets and More Sales

PROCEEDINGS

Resolutions

QUESTIONS

Investors

THE USCOM BOARD



Prof Rob Phillips
EXECUTIVE CHAIRMAN



Mr Christian Bernecker
NON-EXECUTIVE



Mr Brett Crowley
NON-EXECUTIVE

USCOM TEAM



Rob Phillips



Nick Schicht



Teresa Guo



Lucy Lu



Lebron Wei



Denise Pater



Rik Denicke



George Ferenczi



Kyana Chan



Scarlett Zhang



Curt Grosse



Daniel Kenig



Richard Scott



Zsafia Kertesz



Hagay Gilad



George Tang



Nancy Wang



Andrea Marosan



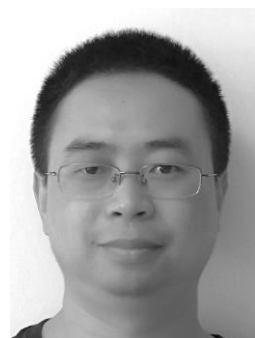
Szabolcs Hogye



Szabo Gergo



Catherine Gao



Leo Luo



Helen Zhang

38 employees - 4 continents





INTRODUCTION

“Uscom continues to build an international growth asset, and finished FY 2019 with record revenue, increased sales for all product suites, and expanded operations across four continents. Our improving fundamentals and investment in our global strategic expansion is planned to accelerate growth into 2020 and beyond as our new products achieve worldwide regulatory approval.”

THE USCOM MISSION



Who We Are

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



Our Vision

To improve clinical care in cardiovascular and pulmonary medicine and to address the challenges of global disease.



Our Drive

A commercial ambition to become a leader in the global healthcare business, and to establish an enduring growth culture.

Ambitious and growth driven



THE USCOM PRODUCTS



Uscom SpiroSonic

Uscom digital ultrasonic spirometers are high fidelity, digital, pulmonary function testing devices based on multi-path ultrasound technology.

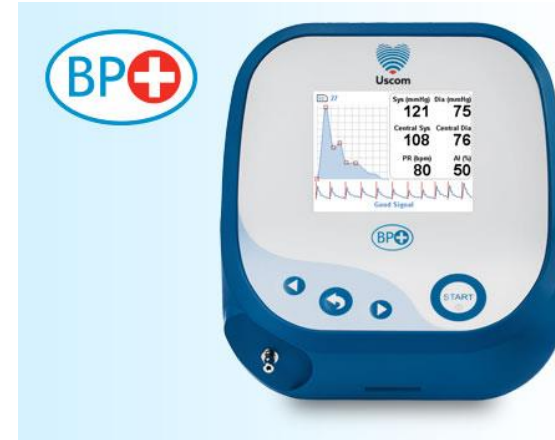
ASTHMA, COPD, OLD



USCOM 1A

A non-invasive advanced hemodynamic monitor that measures cardiovascular function using Doppler ultrasound to detect abnormalities and guide treatment.

HEART FAILURE, SEPSIS, FLUID



Uscom BP+

Provides central and brachial blood pressure and pulse pressure waveforms for analysis, information only previously available using invasive cardiac catheterization.

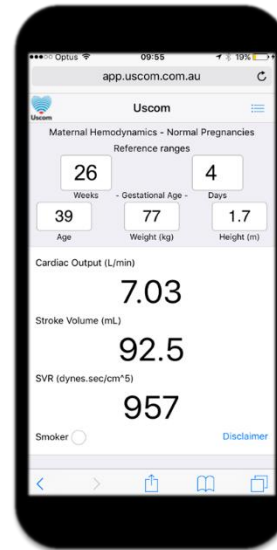
HYPERTENSION

Multiple products into multiple jurisdictions

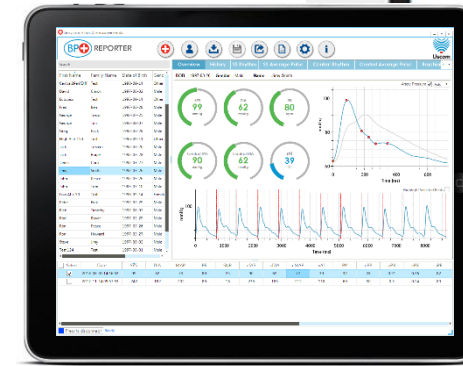
USCOM DEVICES



USCOM 1A



Advanced
Haemodynamics APP



BP+ Reporter



BP+



SpirO₃



SpiroSonic
SMART



THE USCOM MARKETS



235M

people suffer from **asthma**, a common disease among children. More than 3 million people die each year from **COPD**, an estimated 6% of all deaths worldwide.



17.7M

people die every year due to **cardiovascular disease**. By 2030, almost 23.6 million people will die from CVDs, mainly from heart disease and stroke. These are projected to remain the single leading causes of death.



1.13B

people are affected by **hypertension**. Complications of raised blood pressure include stroke, heart failure, peripheral vascular disease, renal impairment and visual impairment.

Uscom assists diagnosis and management of diseases responsible for ~75% of all global deaths

OUR BUSINESS

Increasing global complexity - Multiple products across 4 continents



- Concept
- IP
- Prototype
- Validation
- Clinical trials
- Publications

- Regulatory (Man)
- Assembly
- Quality
- Supply chain
- Packaging
- Transport/logistics

- Regulatory (sales)
- Regional operations
- Management/registrations
- Pricing
- Marketing
- Staff
- Distributors/sales
- Clinical/technical support

Uscom has established a development and marketing platform for multiple new products

2019: RESULTS

\$3.64m

Income

↑ 27%

\$2.84m

Sales

↑ 31%

6 yrs

Sales CAGR

↑ 29% pa

\$1.21m

Cash Consumption

↓ 28%

\$0m

Debt

6 Year Growth

Total income up 260%

Sales up 358%

2019: RESULTS



Total expenses - \$4.34m

Total Income - \$3.64m (growing at 27% pa)

Deficit - \$0.7m pa



Income up 27%

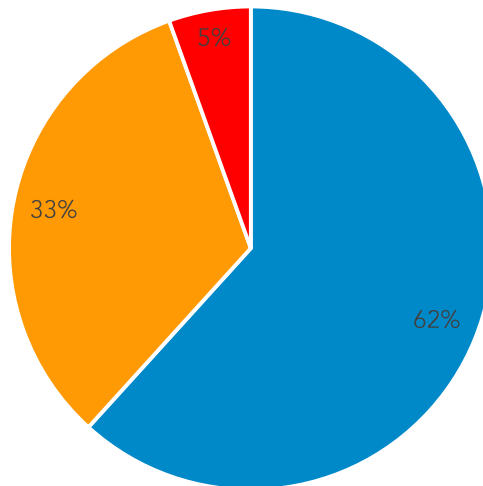
Expenses up 3%

Loss reduced 29%

2019: REGIONAL AND PRODUCT SALES

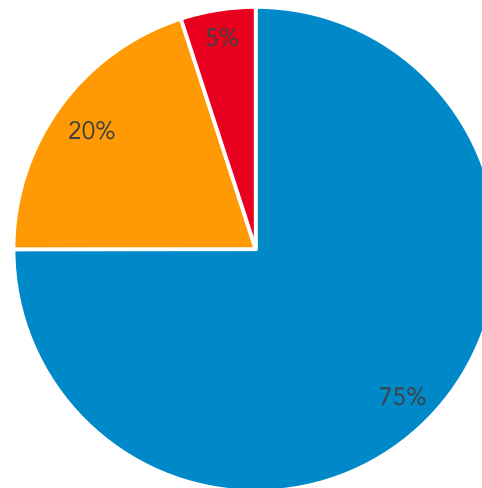
SALES

Regional Sales % 2019



■ China/Asia ■ Europe ■ USA etc.

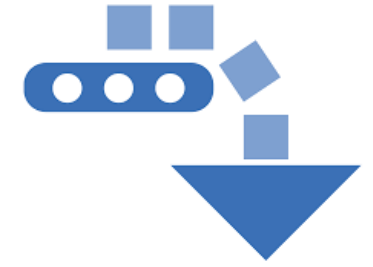
Product Sales % 2019



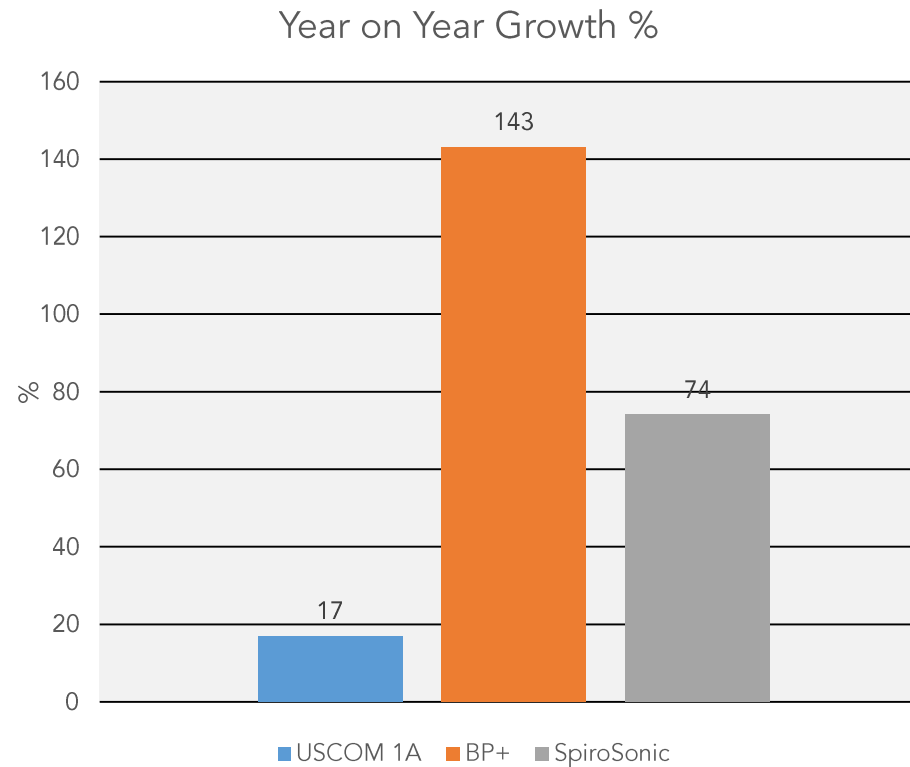
■ USCOM 1A ■ SpiroSonic ■ BP+

China is the major Uscom market, and USCOM 1A the lead product. This will change as regulatory approvals are received for BP+ and SpiroSonic devices, particularly in China

RECORD Q4 MANUFACTURE



Uscom BP+

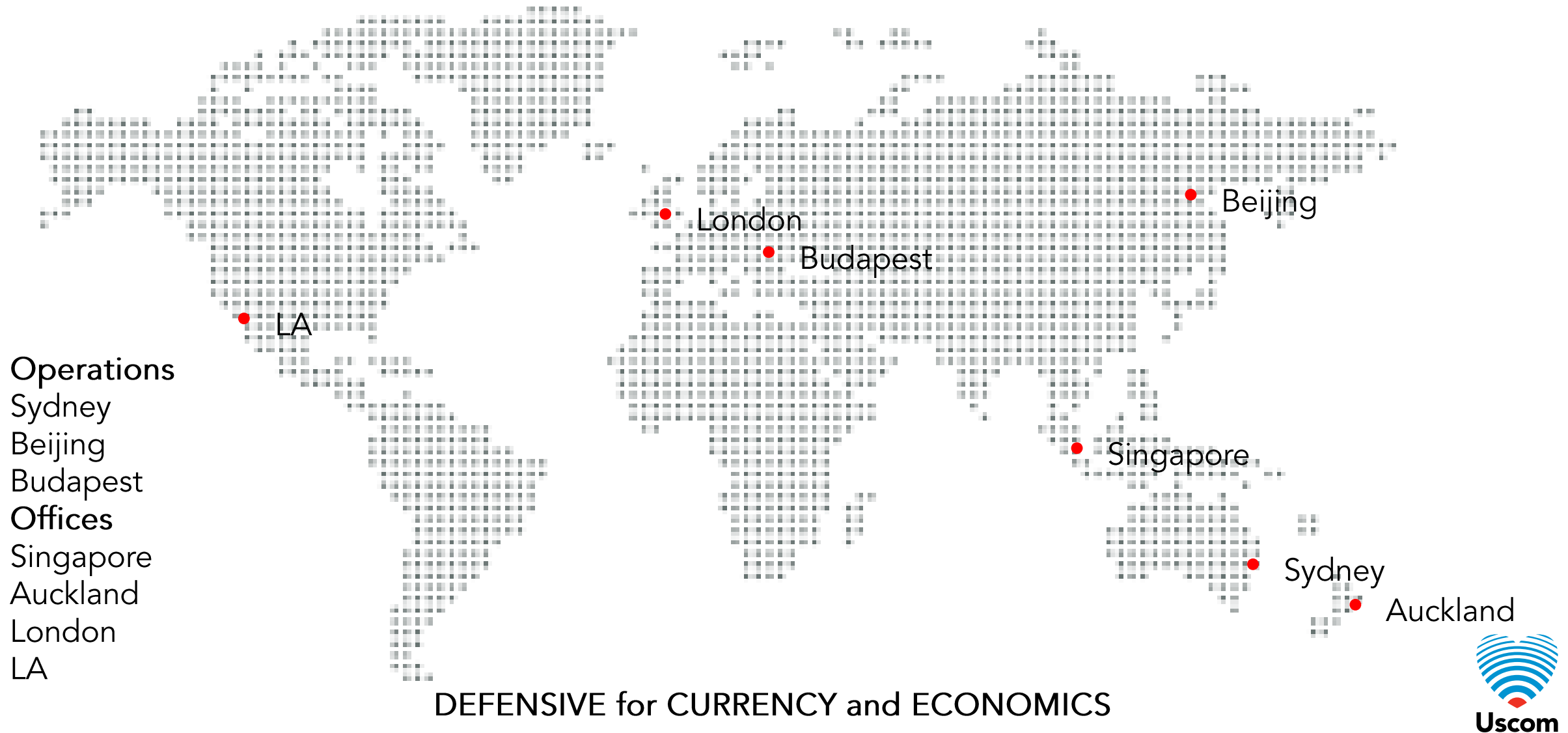


USCOM 1A

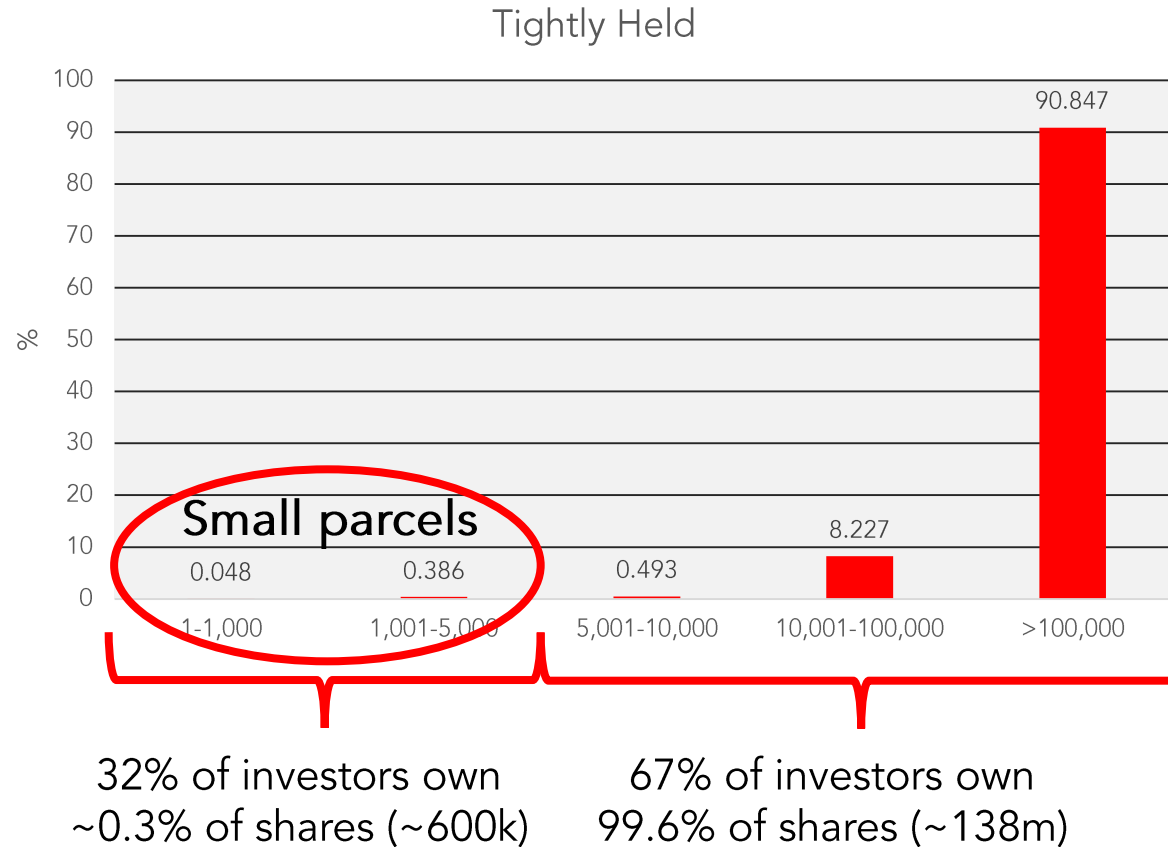


Year on year increase USCOM 17%, BP+ 143%, SpiroSonic 74%

GROWING GLOBAL



CAPITAL INITIATIVES



Small parcel consolidation – rationalising the register

\$16M

CAP VALUE

100%

FREE FLOAT

\$0.15

VWAP 2019

Structure

~793 shareholders

~142m shares on issue

3 shareholders hold ~40%

20 shareholders hold >67%

Initiative

Small parcel consolidation <\$500)

32% of investors (252) hold less than \$500

Simplify register and decrease costs

21st October 2019

CAPITAL INITIATIVES



- Private placement for growth capital – 4 investors take 7% of UCM (\$1.05m)
 - CEO/Chairman - Prof Rob Phillips (~20% of UCM)
 - Director of China operations – Ms Teresa Guo
 - Mr Meng – Beijing based international bio-investor (~20% of UCM)
 - Lead Australian Investor (~5%)
- Use of funds – manufacture new devices for sale in 2020 with approvals
- Best predictor of corporate performance is management investment

Growth capital from management and lead investors for 2020 manufacturing

2019: ASX ANNOUNCEMENTS

STEADY

FLOW of

ACHIEVEMENTS

- 1 03/06/2019 Change in substantial holding
- 2 13/05/2019 Becoming a substantial holder
- 3 30/04/2019 Appendix 4C – quarterly (\$)
- 4 25/03/2019 Uscom Granted Type II Medical Device Sales Cert in China (\$)
- 5 21/03/2019 Change in substantial holding - Meng
- 6 28/02/2019 Half Year Accounts (\$)
- 7 25/02/2019 Clarification related to Unissued Indeterminate Rights
- 8 07/02/2019 Uscom Signs SpiroSonic Deal with US eHealth Leader – Koneksa (\$)
- 9 29/01/2019 Appendix 4C – quarterly (\$)
- 10 14/01/2019 Appendix 3B
- 11 14/01/2019 Cleansing statement
- 12 28/11/2018 Uscom Ltd 2018 AGM Presentation (\$)
- 13 28/11/2018 Results of Meeting

- 14 19/11/2018 Uscom China IP Granted (\$)
- 15 12/11/2018 Uscom China Registered (\$)
- 16 29/10/2018 Appendix 4C – quarterly (\$)
- 17 25/10/2018 Notice of Annual General Meeting/Proxy Form
- 18 04/10/2018 Appendix 3B
- 19 31/08/2018 Appendix 4G
- 20 31/08/2018 Corporate Governance Statement
- 21 23/08/2018 Director Appointment/Resignation
- 22 23/08/2018 Initial Director's Interest Notice – Crowley
- 23 22/08/2018 Preliminary Final Report (\$)
- 24 22/08/2018 Annual Report to shareholders
- 25 02/08/2018 Uscom releases new hypertension product (\$)
- 26 31/07/2018 Appendix 4C – quarterly (\$)

\$ = Price sensitive announcements

USCOM CHINA



“China remains the fastest growing medical device market worldwide”

1. Business and finance registration
2. Import licences
3. NMPA for 7 [products progressed to final stages
4. Expanded dealer networks – increased sales volume and margins
5. Type II medical devices sales certification*
6. IP registration
7. Progressing local manufacture strategies, clinical and technical support, etc.

* Sell all type II NMPA Approved Medical devices in China - ultrasound, MRI and X-Ray, respiratory, anaesthetic and emergency medical devices



Uscom China business registration

*CFDA is now National Medical Products Administration (NMPA)

第二类医疗器械经营备案凭证

备案编号: 京朝食药监械经营备20190142号

企业名称	北京优思康咨询有限公司
法定代表人	菲利普斯·罗伯特·艾伦
企业负责人	郭天德
经营方式	批发
住 所	北京市朝阳区红松园北里18号院3号楼9层901
经营场所	北京市朝阳区红松园北里18号院3号楼9层901
库房地址	北京市朝阳区红松园北里18号院3号楼9层901
经营范围	2002年版分类目录: II类: 6828, 6830, 6832, 6823*** 2017年版分类目录: II类: 05, 06, 07, 08***

备案部门 (备案专用章)
北京市食品药品监督管理局
备案日期: 2019年03月05日
备案专用章
03

Type II Med Device Sales Registration



Chronic obstructive pulmonary disease in China: a nationwide prevalence study

Liwen Fang*, Pei Gao*, Heling Bao, Xun Tang, Baohua Wang, Yajing Feng, Shu Cong, Juan Juan, Jing Fan, Ke Lu, Ning Wang, Yonghua Hu†, Linhong Wang†

COPD - incidence 13.6%

COPD - “Major public health problem”

“Strategies aimed at prevention and treatment of COPD are needed urgently”

SpiroSonic AIR – NEW PRODUCT



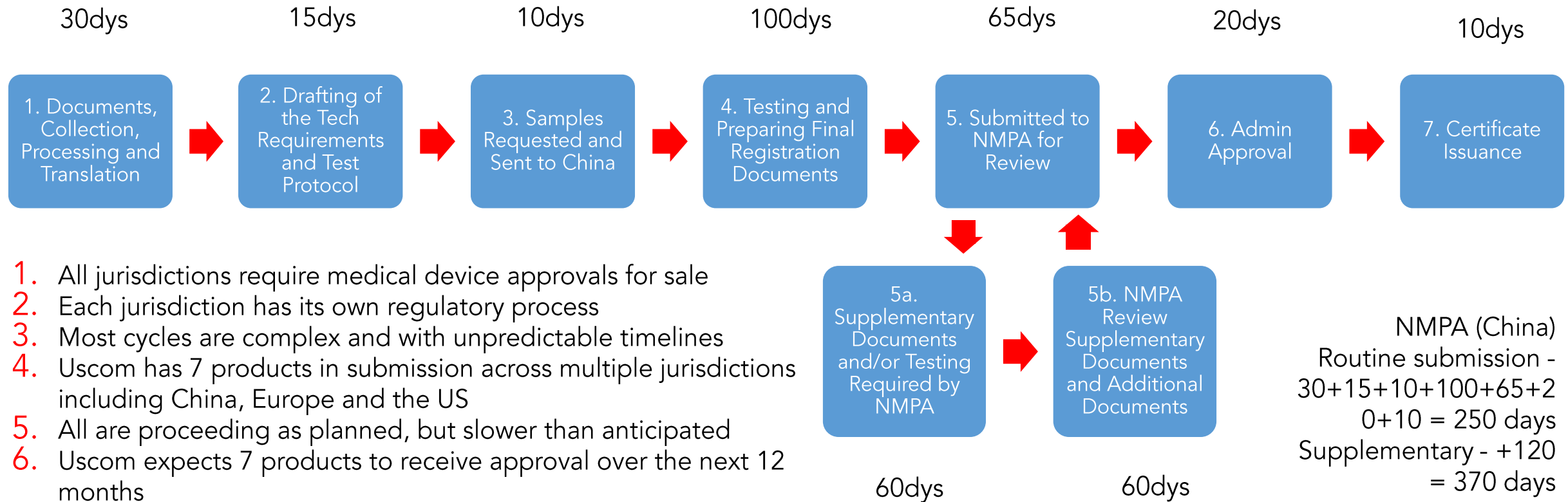
BT4 digital ultrasonic
spirometer



Home care solution AIR
spirometer and My AIR
software Connected to
cloud or SpiroReporter



REGULATORY PATHWAYS



1. All jurisdictions require medical device approvals for sale
2. Each jurisdiction has its own regulatory process
3. Most cycles are complex and with unpredictable timelines
4. Uscom has 7 products in submission across multiple jurisdictions including China, Europe and the US
5. All are proceeding as planned, but slower than anticipated
6. Uscom expects 7 products to receive approval over the next 12 months
7. The regulatory bar is high, which acts as a competitive barrier to entry, and adds value to our approved products

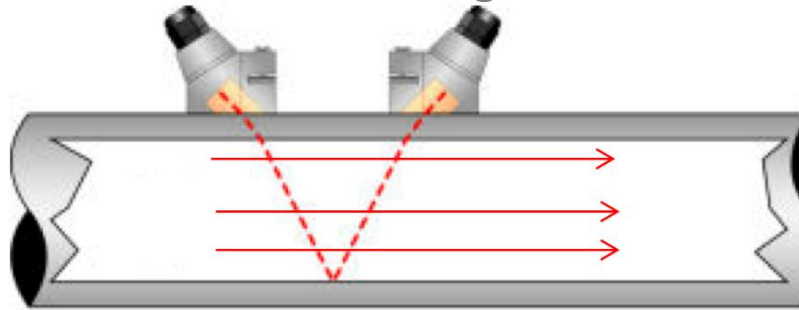
2019: MILESTONES



1. **Uscom** record sales and growth for all Uscom products
2. **Uscom China** expanded to support USCOM 1A, BP+ and SpiroSonic devices
 - Wholly owned Beijing based subsidiary
 - Regulatory applications for eight new China products approaching final stages
 - Approval of sales license for all NMPA Type II medical devices (Uscom and non-Uscom)
 - Importation process established for all Uscom and non-Uscom devices
 - Expanded team - admin, finance, marketing, sales, technical and clinical personnel
3. **Uscom Kft** (Budapest)
 - Record income
 - Operation renamed, relocated, products rebranded
 - New Uscom European hub established - sales, marketing, technical and clinical support
 - Euro grant research continued
 - SpiroSonic AIR released
4. **Singapore** office opened
5. **US BP+ and SpiroSonic** trials with major technology and innovation companies
6. **US** sales innovation - dealer-led distribution

NEW PATENTS

Digital Multi-path Spirometry More accurate asthma and COPD monitoring



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

NOTICE OF ALLOWANCE AND FEE(S) DUE

86378 7560
Pearne & Gordon LLP
1801 East 9th Street
Suite 1200
Cleveland, OH 44114-3108

05/01/2018

EXAMINER

PATEL, HARSHAD R

ART UNIT

PAPER NUMBER

2855

DATE MAILED: 05/01/2018

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
12/531,105	09/14/2009	György Ferencz	SHW-57283	7021

TITLE OF INVENTION: ULTRASONIC FLOW METER INCLUDING A SINGLE TRANSMITTING TRANSDUCER AND A PAIR OF RECEIVING TRANSDUCERS

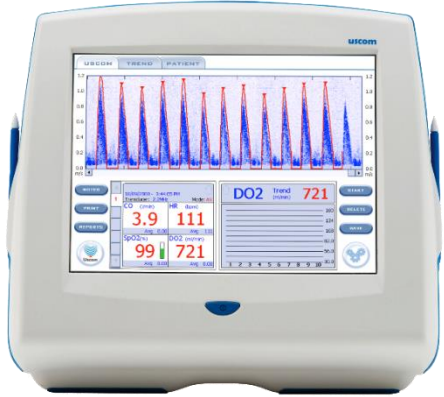
BP+
Europe and US
patents

Flow and Pressure Patent Real time, noninvasive stroke work, cardiac power, SMII – “Holy Grail”



USCOM 1A + BP+
Europe and US
patents

NOBEL PRIZE



Greg Semenza, Peter Ratcliffe and William Kaelin Jr
How cells sense and adapt to oxygen availability



**Nobel Prize for
Physiology and
Medicine**

- Every cell is an oxygen sensor feeding back to the brain to regulate the supply of oxygen, effecting the body in health and disease, particularly in cancer.
- The Uscom OxyCOM device was developed specifically to measure oxygen delivery.
- Research from Kings College, London and the University of Pittsburgh, Pittsburgh, found that Uscom OxyCOM measures of oxygenation predicted paediatric mortality in fluid resistant septic shock.
- New studies are determining how to use these measures to direct management to save the lives of sick children.

„Goonasekera CD, Carcillo JA, Deep A. Oxygen delivery and oxygen consumption in pediatric fluid refractory septic shock during the first 42 hours of therapy and their relationship to 28-day outcome. Front Pediatr 2018. doi: 10.3389/fped.2018.00314.”
(<https://www.nobelprize.org/prizes/medicine/2019/press-release/>).

MORE THAN JUST A COMPANY



WHY USCOM MATTERS

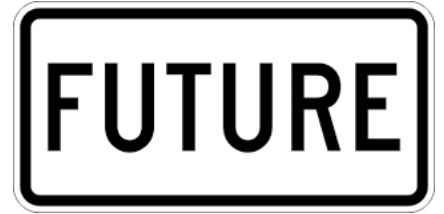
In 2010 I received an email from the Timisoara (Lithuania) Lions Club saying they wanted to buy an USCOM 1A for their local paediatric hospital for use in the ED and ICU Departments. After some discussion we got them their USCOM 1A, and installed and trained them on its use. Dr Cucui-Cozma and her team have been using USCOM 1A ever since, for over 8 years, to implement advanced haemodynamics routinely in all paediatric patients, particularly those in septic shock. Dr Cucui-Cozma and her team dropped by the Uscom booth in Salzburg to thank Uscom for the device and explain the difference it has made to their practice.

“Yes, we all use the USCOM every day. We don’t treat sick children without. If we want to know haemodynamics, we just fetch the USCOM – its so easy!”

Dr Cosmina Cucui-Cozma and her team from the paediatric ICU at the Timisoara Regional Emergency Hospital, Timisoara, Lithuania, and the USCOM 1A.



2020: STRATEGY



1. Rapid operational growth –

Deliver multiple products into multiple global markets

Consolidate China market - grow marketing and sales collateral, clinical and technical support, expanded distribution partners - new distribution models/pricing

Develop European and US markets – new distribution models/pricing

2. Efficient global operations –

Co-ordinate manufacturing, distribution and sale of our world leading technologies

Transition from a micro-manufacturer, to a cost efficient global manufacturer of scale

Focus on cost and profit – labour and operational rationalisation

3. Corporate –

Rationalise register

Creative strategic opportunities to optimised shareholder value

2020: RISKS



1. **Unpredictable global markets** – Trade wars, US recession and health contraction, Brexit, China slow down, Mid-East instability, North Korea etc. potentially create revenue and capital volatility
2. **Scale up stress** – Rapid global growth may challenge cash flow management and capital adequacy
3. **Operational changes**– Change in sales, operations and manufacturing regulations impact us as we adjust our distribution channels
4. **Distribution** – Uscom has revised our global sales strategy as we move to take a more direct role in all our territories using a direct dealer access which may delay revenue during adoption
5. **Regulatory** – Regulatory certification is becoming increasingly complex, expensive and time consuming in all jurisdictions
6. **Key personnel** – Uscom is dependent on a small and vital team working to ensure and manage ongoing rapid growth
7. **Other risks** – Competitor risks and patent breaches are also potential threats

SUMMARY



1. Established 6 year sales growth 29% pa CAGR (358%)
2. Investment - Two corporate acquisitions and global operations
3. Multiple products – USCOM 1A, BP+ and SpiroSonic (8 devices)
4. Multiple jurisdictions – China, Europe, US and Australia
5. Multiple currencies – USD, Eu, AUD, RMB
6. Record Q4, slower Q1, but rapidly increasing pipeline
7. Approaching profitability with growth strategy in difficult global conditions

CONCLUSION



“Uscom has an established growth history and rapidly transforming fundamentals, while increasing products and international operations. This strategy is an investment in enduring accelerated global growth and value.”

Rob Phillips CEO



AGM 2019



Questions

GROWING GLOBAL

Rob Phillips CEO & Executive Chairman

THANK YOU