



**Uscom**

## ASX MEDIA RELEASE

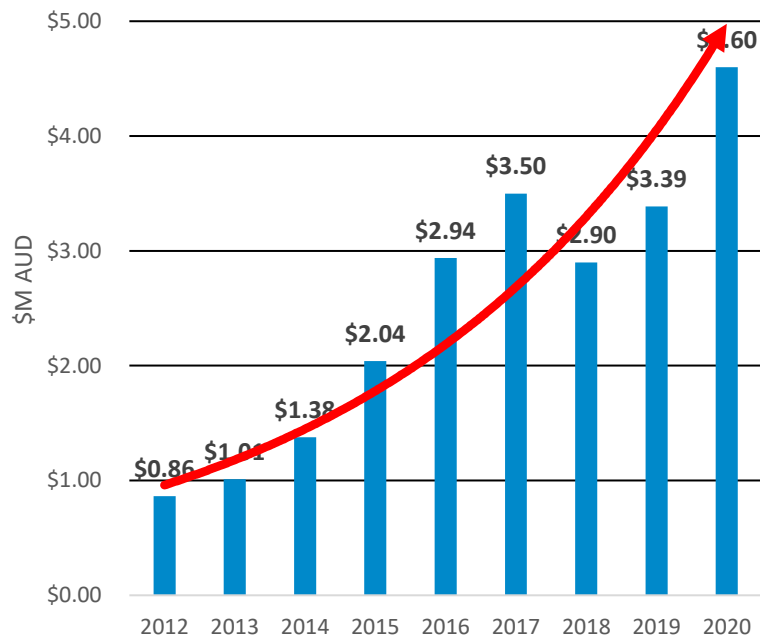
# 4C Quarterly Activities Report to 30 June 2020

- Annual cash receipts \$4.6M – Up 36%
- H2 cash receipts of \$3.0M delivers profitable & cash flow positive half
- Record results despite global restructure and pandemic
- New ventilator product set for global release

**SYDNEY, Australia, Monday 13<sup>th</sup> July 2020:** Uscom Limited (ASX code: UCM) (the **Company** or **Uscom**) today released its Appendix 4C – Quarterly Cash flow report for the quarter ending 30 June 2020 (the **Quarter**). The results disclosed in the attached Appendix 4C are in Australian dollars and prior corresponding period is pcp.

## ANNUAL SUMMARY

### UCM CASH RECEIPTS



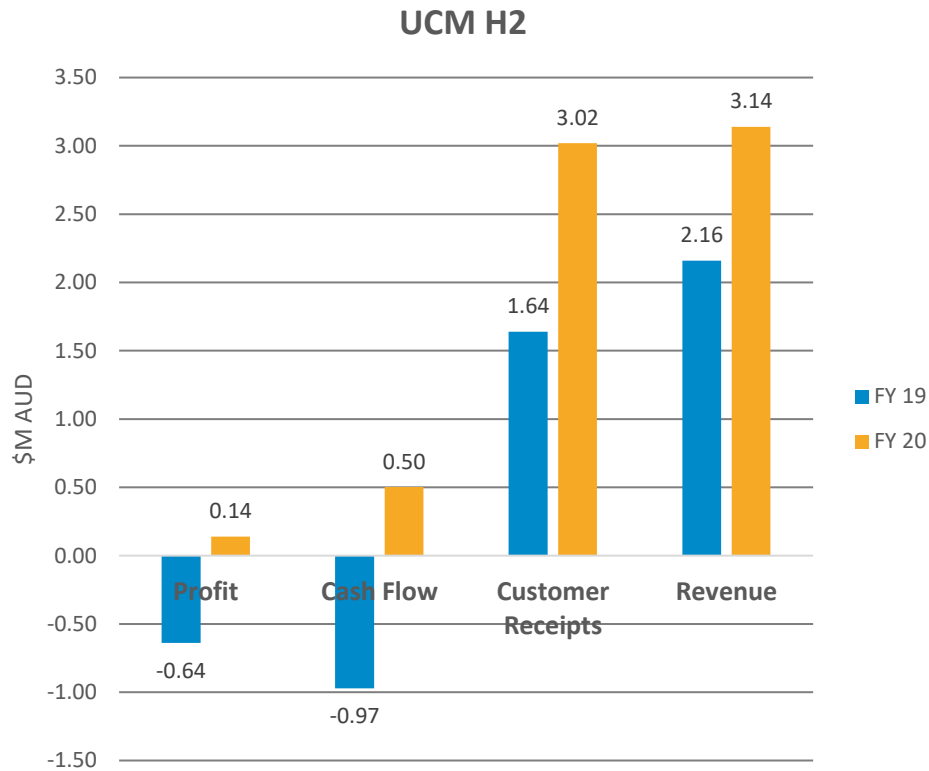
- **Cash receipts \$4.60M up 36% (from \$3.39M pcp)**
- **Net cash flow increases \$0.78M (FY20) from decrease \$1.29M (FY19)**



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### H2 SUMMARY



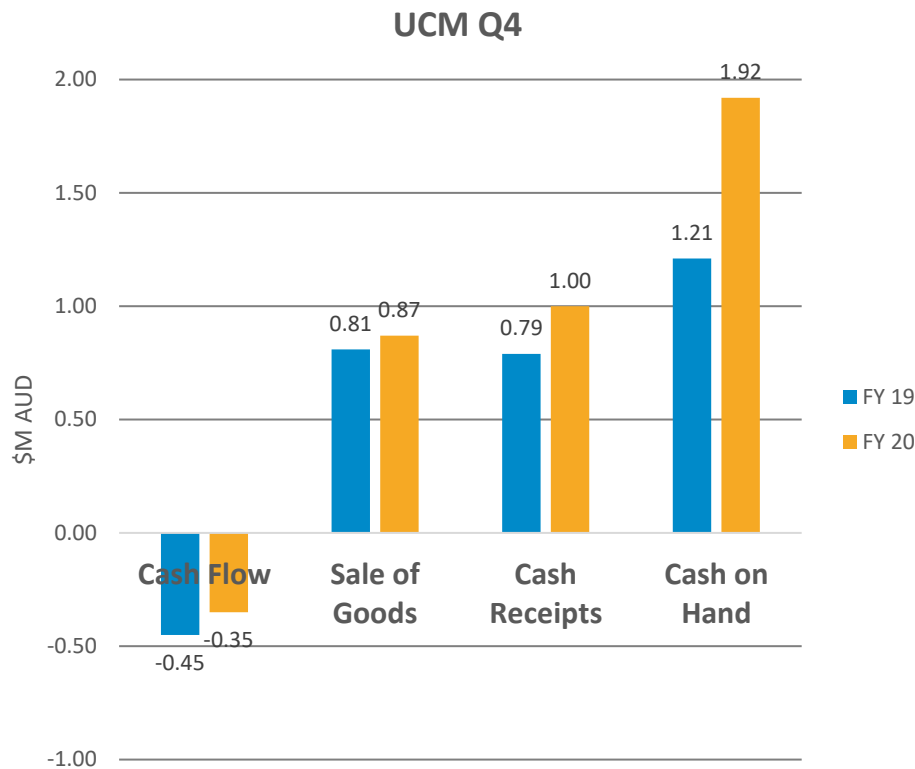
- **Cash receipts up 84%** (\$3.02M from \$1.64M)
- **Total revenue up 45%** (\$3.14M from \$2.16M)
- **Cash flow positive \$0.50M** (up \$1.45M from cash loss \$0.97M in the pcp)
- **Profitable \$0.14K** (up \$0.78M from loss \$0.64M pcp)



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### Q4 SUMMARY



- **Cash Receipts** - \$1.00M **up 29%** (from \$0.79M pcp)
- **Sale of Goods** – \$0.87M **up 7%** (from \$0.81M pcp)
- **Cash Consumption** - \$0.35M **decreased 21%** (from \$0.45M pcp)
- **Cash on Hand** - \$1.92M

Uscom reports continuing record growth in sales, receipts, profit and cash flow for the year, half and quarter. These results were achieved despite H1 hindered by a global restructure and re-organisation of operations, and H2 impaired by difficult global trading conditions.

The Company achieved the Q4 results despite ~\$287K foreign exchange losses and ~\$123K capital growth spending on components for product manufacture and sale in FY 2021.

Uscom China was operational for H2 FY20 and has been profitable and cash flow positive since establishment with second half cash receipts of \$3.0M, approximately doubling the H1 cash receipts. This growth is expected to continue as the Chinese economy rebounds from the COVID pandemic, hospital services return to normal, and Uscom China implements operational expansion and appoints new regional distributors.



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We anticipate USCOM 1A sales to continue to increase as health investment worldwide is focused on refurbishing and building new high-grade critical care centres for treatment of infectious diseases. Growth will be further supplemented by new sales of BP+ and SpiroSonic products as they come to market. Additionally, the Uscom VENTITEST ventilator calibration solution, which is nearing completion, is experiencing strong pre-release dealer interest. Each ventilator worldwide requires calibration to maintain effectiveness and this novel application of Uscom IP establishes new standards of ventilator calibration.

Executive Chairman of Uscom, Associate Professor Rob Phillips said *“Uscom reported record sales, receipts, cash flow and profit reflecting the success of H1 global changes in operations and the success of Uscom China in H2. H2 receipts, if annualised for the full year would result in receipts of ~\$6M despite operations in the once in a generation COVID pandemic. Our global strategy has been proven during these uncertain times as we continue to invest in our reliable growth trajectory. While the next few quarters may be challenging, China, our major market, is already rebounding strongly, and Uscom China is ideally leveraged into this recovery and experiencing increasing activity. Additional growth is expected from the new VENTITEST device, BP+ and SpiroSonic sales, and our globally expanding operations. We are also now focusing on growing our European organisation as we wait for the US to recover.”*

Uscom manufactures and markets the **USCOM 1A**, the Uscom **BP+**, and the Uscom **SpiroSonic** digital ultrasonic spirometry technologies. These premium digital devices are changing the way we diagnose and treat cardiovascular and pulmonary diseases. The USCOM 1A provides vital guidance for optimising management of sepsis and the administration of fluid, inotropes and vasoactive therapies in critical care monitoring. The BP+ SpiroSonic devices improve diagnosis and management of hypertension, heart failure, asthma, COPD and sleep disorders in the clinical and home care environments. **VENTITEST** and **VENTITEST-S** are the new standard of digital ultrasonic ventilator calibration solution for optimising ventilator performance.

The amount included in line 6.1 of appendix 4C includes payment of directors’ salaries and fees to Rob Phillips, Brett Crowley and Christian Bernecker.

Uscom will hold an **investor webinar** on **Tuesday 14 July 2020 at 11:00am AEST** with Executive Chairman Prof. Rob Phillips to provide a business update including discussion on the June 2020 Appendix 4C Quarterly Report.

Investors may lodge questions prior to the webinar with [matt@nwrcommunications.com.au](mailto:matt@nwrcommunications.com.au)  
Register for the investor webinar at the link below:

[https://us02web.zoom.us/webinar/register/WN\\_u61tPgKKR2Sfmqgq8fc5eg](https://us02web.zoom.us/webinar/register/WN_u61tPgKKR2Sfmqgq8fc5eg)

Once registered, you will receive a confirmation email and instructions for joining the webinar.

A recording will be made available shortly after the conclusion of the webinar at the same link.



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### About Uscom

**Uscom Limited (UCM):** An ASX listed innovative medical technology company specialising in development and marketing of premium non-invasive cardiovascular and pulmonary medical devices. Uscom has a mission to demonstrate leadership in science and create noninvasive devices that assist clinicians improve clinical outcomes. Uscom has three practice leading suites of devices in the field of cardiac, vascular and pulmonary monitoring; the USCOM 1A advanced haemodynamic monitor, Uscom BP+ central blood pressure monitor, and the Uscom SpiroSonic digital ultrasonic spirometers. Uscom devices are premium resolution, noninvasive devices which deploy innovative and practice leading technologies approved or submitted for FDA, CE, CFDA and TGA regulatory approval and marketing into global distribution networks.

**The USCOM 1A:** A simple to use, cost-effective and non-invasive advanced haemodynamic monitor that measures cardiovascular function, detects irregularities and is used to guide treatment. The USCOM 1A device has major applications in Paediatrics, Emergency, Intensive Care Medicine and Anaesthesia, and is the device of choice for management of adult and paediatric sepsis, hypertension, heart failure and for the guidance of fluid, inotropes and vasoactive cardiovascular therapy.

**The Uscom BP+:** A supra-systolic oscillometric central blood pressure monitor which measures blood pressure and blood pressure waveforms at the heart, as well as in the arm, information only previously available using invasive cardiac catheterisation. The Uscom BP+ replaces conventional and more widespread sub-systolic blood pressure monitors, and is the emerging standard of care measurement in hypertension, heart failure and vascular health. The Uscom BP+ provides a highly accurate and repeatable measurement of central and brachial blood pressure and pulse pressure waveforms using a familiar upper arm cuff. The BP+ is simple to use and requires no complex training with applications in hypertension and pre-eclampsia, heart failure, intensive care, general practice and home care. The Uscom BP+ is supported by the proprietary **BP+ Reporter**, an innovative stand alone software solution that provides a digital platform to archive patient examinations and images, trend measure progress over time, analyse pulse pressure waves and generate summary reports.

**Uscom SpiroSonic digital multi-path ultrasonic spirometers:** High fidelity, digital, pulmonary function testing devices based on multi path ultrasound technology. They require no calibration, are simple to disinfect, and are simple and accurate to use providing research quality pulmonary function testing in small hand held devices that can be used in research, clinical and home care environments. The devices can be coupled with mobile phone app's and proprietary SpiroSonic software, **SpiroReporter**, with wireless interfacing to provide remote tele-monitoring of pulmonary disease. The devices are specialised for assessment of COPD, sleep disordered breathing, asthma, industrial lung disease and monitoring of pulmonary therapeutic compliance.

**VENTITEST** digital ultrasonic ventilator calibration solution is a new system for calibrating ventilators. All ventilators require calibration to maintain the accuracy with which they measure the pressure, flow and volume of air they deliver. VENTITEST and VENTITEST-S, based on advanced SpiroSonic technology provides a calibration solution that provides for simple and accurate calibration, archiving, analysis and reporting and optimal ventilation performance.

For more information, please visit: [www.uscom.com.au](http://www.uscom.com.au)

### Uscom Contacts

Rob Phillips  
Executive Chairman  
[rob@uscom.com.au](mailto:rob@uscom.com.au)

Brett Crowley  
Company Secretary

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**
**USCOM LIMITED**
**ABN**
**35 091 028 090**
**Quarter ended ("current quarter")**
**30 June 2020**

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	905	4,022
1.2 Payments for		
(a) research and development	(166)	(816)
(b) product manufacturing and operating costs	(123)	(795)
(c) advertising and marketing	(111)	(643)
(d) leased assets	(72)	(270)
(e) staff costs	(436)	(1,723)
(f) administration and corporate costs	(449)	(577)
1.3 Dividends received (see note 3)		
1.4 Interest received	8	15
1.5 Interest and other costs of finance paid	(0)	(2)
1.6 Income taxes paid		
1.7 Government grants and tax incentives	96	564
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(348)</b>	<b>(225)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(5)	(10)
(d) investments		
(e) intellectual property		(22)
(f) other non-current assets		

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(5)</b>	<b>(32)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		750
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(2)	(16)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material) - Unissued equity contributions received		300
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(2)</b>	<b>1,034</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	2,408	1,208
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(348)	(225)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5)	(32)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2)	1,034
4.5	Effect of movement in exchange rates on cash held	(132)	(64)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,921</b>	<b>1,921</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,906	2,393
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details) – Term Deposit	15	15
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,921</b>	<b>2,408</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter  
\$A'000**

87

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments



## Quarterly cash flow report for entities subject to Listing Rule 4.7B

**7. Financing facilities**

*Note: the term "facility" includes all forms of financing arrangements available to the entity.*

*Add notes as necessary for an understanding of the sources of finance available to the entity.*

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000

7.5 **Unused financing facilities available at quarter end**


- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

**8. Estimated cash available for future operating activities****\$A'000**

8.1	Net cash from / (used in) operating activities (Item 1.9)	(348)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	1,921
8.3	Unused finance facilities available at quarter end (Item 7.5)	
8.4	Total available funding (Item 8.2 + Item 8.3)	1,921
8.5	<b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	5.5

- 8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 13 July 2020

Authorised by: The Board  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.