



Uscom Limited
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MARKET ANNOUNCEMENT

Quarterly Report to 30 September 2015

Customer receipts up 133%, Thor acquired and cash on hand

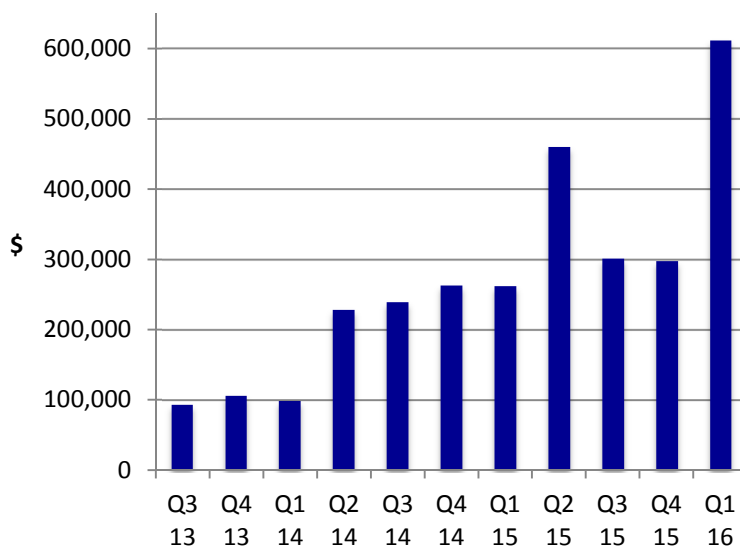
SYDNEY, Australia, Monday 26th October 2015: Uscom Limited (ASX code: UCM) (the **Company** or **Uscom**), a cardiovascular and pulmonary medical devices company, has released its Appendix 4C – Quarterly Cashflow report for the quarter ended 30 September 2015 (the **Quarter**). The results disclosed in the attached Appendix 4C are in Australian dollars.

Highlights

During the Quarter, we note the following:

- **Cash receipts from customers up 133%** on the corresponding period (to \$611k from \$262k) and 105% on the previous quarter (\$298k)
- **\$0.7m paid to acquire Thor** pulmonary device developer and manufacturer
- **\$2.14m capital raising completed** via placement and share purchase plan
- **\$1.57m cash on hand** at end of quarter, up 35%
- **Uscom BP+ and Uscom Thor range prepared for distributor launch** November 2015
- **Cash outflow from operations reduced to \$345k** despite Thor and BP+ costs

Quarterly Cash Receipts



Quarterly cash receipts from customers since January 2013 showing trend growth prior to global marketing of Uscom BP+ and Thor Spirometry products scheduled for early 2016.



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Commentary: Cash receipts from customers continued to grow strongly during the period, resulting in a 133% increase compared to the corresponding quarter in FY 2015 and up 105% on the previous quarter. This growth almost exclusively stems from increased USCOM 1A sales.

Cash outflow was reduced from \$412k to \$345k, despite one off costs preparing the Uscom BP+ and Thor products for market and an increase in personnel.

Cash on hand at the end of the quarter was up 35% to \$1.57m following the \$700k payment to purchase Thor Laboratories and a capital raising totalling \$2.14m.

International manufacturing strategies are being implemented to ensure uninterrupted supply of product to meet the anticipated global demand for the Uscom range of devices. The new suites of Uscom BP+ and Uscom BP+Reporter and Thor, now rebranded as Uscom SpiroSonic pulmonary devices, will be brought to market early in 2016.

The reported Appendix 4C for the current period was complicated by extraordinary items;

1. The acquisition of Thor Laboratories and the one off payments of \$700k to purchase the business on 1st September 2015, and the costs associated with the acquisition
2. Thor operations were integrated in the Uscom accounts and reported as part of the 4C results following purchase on 1st September 2015, but only for the single month of September
3. The results of the recent capital raising are also included in the 4C

About Uscom

Uscom Limited (UCM) is an ASX listed innovative medical technology company specialising in development and marketing of premium cardiovascular and pulmonary medical devices. Uscom has three practice leading suites of devices in the field of cardiac, vascular and pulmonary monitoring; the USCOM 1A, Uscom BP+ and the Uscom Thor Spirometers. All Uscom devices are premium quality, and deploy innovative and practice leading technologies with FDA, CE and TGA regulatory approval, and which are currently being marketed into global distribution networks.

The USCOM 1A is 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, inotrope and vasoactive cardiovascular therapy.

The Uscom BP+ is a supra systolic oscillometric Central Blood Pressure monitor which measures blood pressure and blood pressure waveforms only previously available using 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, heart failure, intensive care, general practice and home care.

Uscom SpiroSonic pulmonary function monitors are high fidelity, digital, pulmonary function testing devices based on multi-path ultrasound technology. They are simple and accurate to use and provide advanced pulmonary function testing in small hand held devices that can be used in research, clinical and home care environments. The devices are specialised for assessment of COPD and asthma and monitoring pulmonary therapeutic compliance.

For more information, please visit: www.uscom.com.au

Uscom Contacts

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

USCOM LIMITED

ABN

35 091 028 090

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A	Year to date (3 months) \$A
1.1 Receipts from customers	610,880	610,880
1.2 Payments for		
(a) staff costs	(279,502)	(279,502)
(b) advertising and marketing	(173,549)	(173,549)
(c) research and development	(116,180)	(116,180)
(d) leased assets	-	-
(e) other working capital	(389,897)	(389,897)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3,692	3,692
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes refund	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	(344,556)	(344,556)

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A	Year to date (3 months) \$A
1.8 Net operating cash flows (carried forward)	(344,556)	(344,556)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	(592,401)	(592,401)
(b) equity investments	-	-
(c) intellectual property	(48,207)	(48,207)
(d) physical non-current assets	(3,015)	(3,015)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	594	594
Net investing cash flows	(643,029)	(643,029)
1.14 Total operating and investing cash flows	(987,585)	(987,585)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	2,144,498	2,144,498
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Private placement proceeds received in advance	-	-
Share issued costs	(117,538)	(117,538)
Net financing cash flows	2,026,960	2,026,960
Net increase (decrease) in cash held	1,039,375	1,039,375
1.21 Cash at beginning of quarter/year to date	526,317	526,317
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	1,565,692	1,565,692

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A
1.24	Aggregate amount of payments to the parties included in item 1.2	88,969
1.25	Aggregate amount of loans to the parties included in item 1.11	NIL

1.26 Explanation necessary for an understanding of the transactions

N/A

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A	Amount used \$A
3.1	Loan facilities	NIL	NIL
3.2	Credit standby arrangements	NIL	NIL

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A	Previous quarter \$A
4.1 Cash on hand and at bank	1,025,274	485,899
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details) Term Deposits	540,418	40,418
Total: cash at end of quarter (item 1.23)	1,565,692	526,317

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	Thor Laboratories	N/A
5.2 Place of incorporation or registration	Hungary	N/A
5.3 Consideration for acquisition or disposal	\$1,000,000	N/A
5.4 Total net assets	\$205,092	N/A
5.5 Nature of business	Medical Device Manufactory	N/A

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: _____
(Director)

Date: 26 October 2015

Print name: Rob Phillips

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.