

# Nanosonics Limited (ASX:NAN)

## AusBiotech Investment Summit Oct., 2011



# Nanosonics Limited

- Founded in 2000 and ASX listed in 2007
- Developed a range of low temperature disinfection and sterilisation technologies
- IP protected by 15 patent families
- First Product to market: Trophon EPR®  
Unique and disruptive technology for HLD of ultrasound transducers

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# NAN's Lead Product - Trophon EPR®

The next generation in Ultrasound Transducer Disinfection



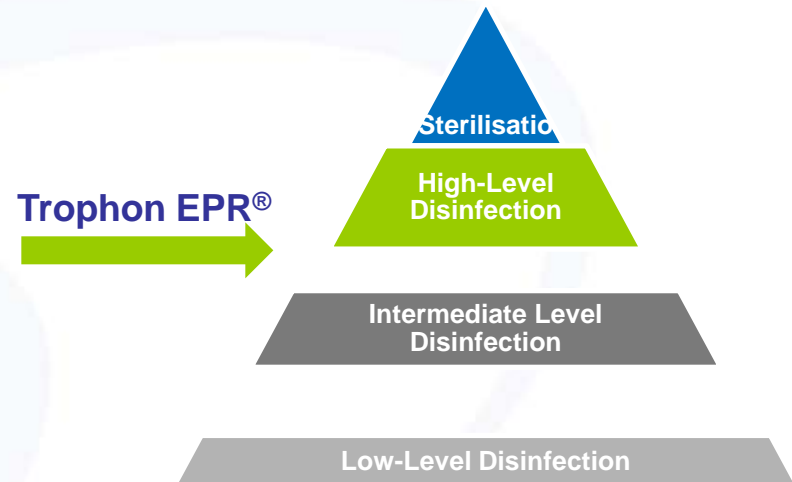
# Trophon EPR<sup>®</sup> advantages

-  Validated, measurable and recorded disinfection
-  7 minute cycle time – single button operation
-  Cost effective: lower than alternatives
-  Outstanding materials compatibility
-  No exposure to harmful chemicals
-  Environmentally friendly: by-products H<sub>2</sub>O and O<sub>2</sub>
-  Easy and safe management of consumable
-  Convenient point-of-care solution



# Trophon EPR® - HLD at Point of Care

Compared to existing disinfection processes, the Trophon EPR® offers a safer, faster and more convenient solution for high-level disinfection.



# Trophon EPR<sup>®</sup> Business Model

## Consumables

### Sonex-HL Cartridges



### Chemical Indicator



## Accessories

### Trophon Mobile Cart



### Wall Mount



# Trophon EPR<sup>®</sup> market opportunity >\$1.5 billion

## Market summary

- Global installed base ~500,000 ultrasound machines
- > 600 million cycles per annum ( 5 cycles/day)
- Approx. 20% of procedures are intra-cavity Ob/Gyn
- Likely to be replaced every 4 – 5 years (similar to ultrasound suites)

## Current revenue streams

- Trophon EPR<sup>®</sup> sales
- Consumables (Sonex-HL and Chemical Indicator)
- Accessories (Cart and Wall Mount)

## Incremental revenue potential

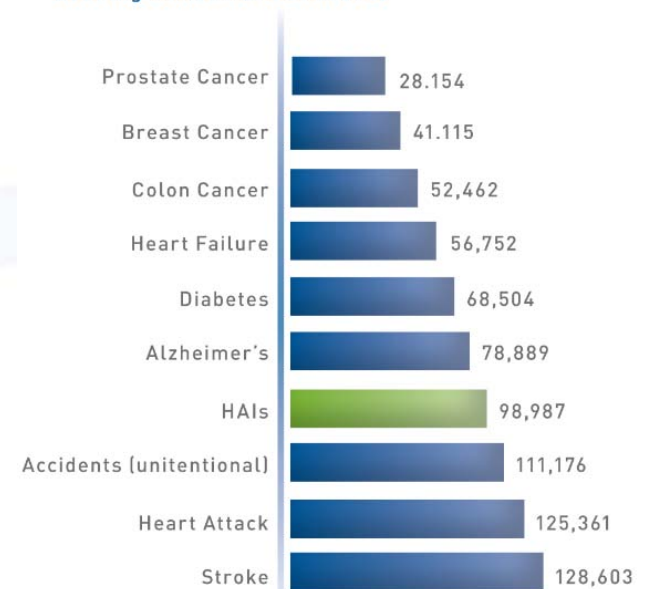
- Service & Repair
- Additional accessories (Software/printer)
- Increased use by 'surface' procedures driven by work flow and improved OH&S practices and increased regulation

# Regulatory drivers for growth

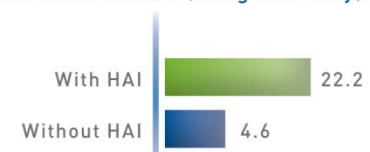
Awareness of impact of HAIs and increased regulation will dramatically enhance Nanosonics' revenue opportunities.

- HAIs are the 4<sup>th</sup> highest cause of death in the US
- ASUM guidelines support use of an automated system utilising hydrogen peroxide.
- HLD for intra-cavity probes is mandated by the FDA
- HMOs refusing to reimburse costs linked to HAIs

Leading Causes of Death (US)



Impact of HAIs on LOS (Length of Stay)



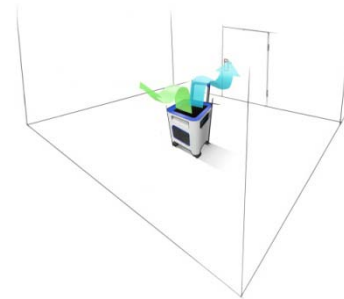
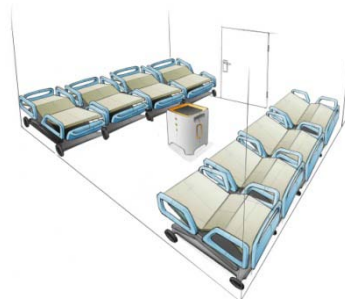


# Full commercialisation underway

- ✓ Regulatory Approvals (FDA, CE Mark, TGA, Canada)
- ✓ Regional distributors appointed in Europe and ANZ
  - Significant market share achieved in Australia
- ✓ GE Healthcare exclusive North American distributor
  - Significant volumes shipped and installed in Q1
- ✓ Strong, experienced team
- ✓ Production capacity ~6,000 units p.a.

# Other product opportunities

Current platform technologies can be leveraged into multiple future low temperature disinfection opportunities and discussions continue with a number of global partners.



## Trophon Platform

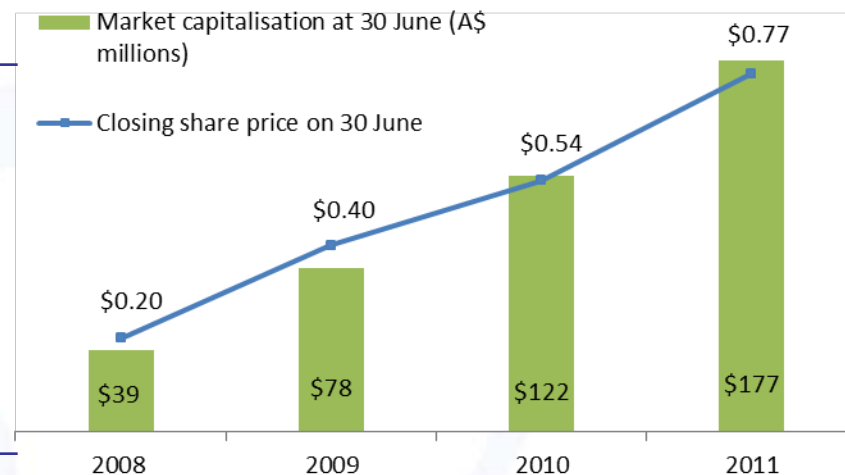
- Trophon EPR
- TEE probe disinfectant
- Single lumen probe decontamination
- Rigid endoscopes
- Scientific labs (cell culture)

## Xonar Platform

- Critical areas, room / surface decontamination
- Bed decontamination
- Transport
- Food processing

# Financials

Category	As at 30 June 2011
Total shares on issue	230.5 million
Share price	A\$ 0.77
Market capitalisation	A\$ 177 million
Average trading volume	205,000 daily (3 mths)
Cash on hand	A\$ 12.4 million
Operating expenses	~A\$1.0 million per mth



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The image features the Nanosonics logo, which consists of the word "nanosonics" in a sans-serif font. The "nano" part is in blue, and the "sonics" part is in grey. A blue swoosh underline is positioned beneath the "sonics" portion. The logo is centered on a white background. Behind the logo, there are several large, overlapping, curved shapes in light blue and pink, creating a sense of motion or sound waves. The top of the image is a solid blue rectangle.

# **nano**sonics