

Universal Biosensors, Inc.  
ARBN 121 559 993

1 Corporate Avenue  
Rowville Victoria 3178  
Australia

Telephone +61 3 9213 9000  
Facsimile +61 3 9213 9099  
Email [info@universalbiosensors.com](mailto:info@universalbiosensors.com)  
[www.universalbiosensors.com](http://www.universalbiosensors.com)



## **Universal Biosensors, Inc.**

### **Commentary on Q1 2020 Appendix 4C Cash Flow Summary**

Universal Biosensors, Inc. (ASX:UBI) (**UBI**) has today released its cash flow report (ASX Appendix 4C) for the quarter ending 31 March 2020 (**Q1 2020**). Unless otherwise noted, all references to "\$" are references to Australian dollars.

Net cash (cash and cash equivalents less short and long-term debt) as at 31 March 2020 was \$34.9 million.

Q1 2020 revenue from the sale of Xprecia Stride™ strips was \$0.4 million, down from \$0.8 million in the prior comparable period. Siemens made a US\$4 million prepayment to UBI for future Xprecia Stride™ strip sales in Q4 2019. As a result, UBI will not receive cash from Xprecia Stride™ strip sales until the US\$4 million prepayment has been exhausted. The Siemens prepayment account reduced by US\$0.2 in Q1 2020 to US\$2.6 million.

Q1 2020 cash flows from operating activities includes a \$0.5 million outflow relating to an insurance premium for the entire 2020 fiscal year.

For further information, please contact:

**Salesh Balak**  
Chief Financial Officer  
(03) 9213 9000

## Appendix 4C

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

**Name of entity**

UNIVERSAL BIOSENSORS, INC.

**ABN**

67 950 836 446

**Quarter ended ("current quarter")**

31 March 2020

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	150	150
1.2 Payments for		
(a) research and development	(440)	(440)
(b) product manufacturing and operating costs	(138)	(138)
(c) advertising and marketing	(13)	(13)
(d) leased assets	(352)	(352)
(e) staff costs	(1,579)	(1,579)
(f) administration and corporate costs	(1,183)	(1,183)
1.3 Dividends received (see note 3)		
1.4 Interest received	179	179
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)	42	42
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(3,334)</b>	<b>(3,334)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(115)	(115)
(d) investments		
(e) intellectual property		
(f) other non-current assets		

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
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>(115)</b>	<b>(115)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
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		
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)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>0</b>	<b>0</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	37,193	37,193
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,334)	(3,334)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(115)	(115)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	0	0
4.5	Effect of movement in exchange rates on cash held	1,118	1,118
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>34,862</b>	<b>34,862</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	27,601	27,601
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details) - The Company maintains restricted cash which includes tenant security deposits, credit card security deposits and letter of credit issued in favour of a Customer	7,261	7,261
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>34,862</b>	<b>34,862</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

<b>Current quarter \$A'000</b>
83

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

Item 6.1 includes non-executive directors' fees and salaries, allowances and superannuation

## 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.

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (Item 1.9)	(3,334)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	34,862
8.3 Unused finance facilities available at quarter end (Item 7.5)	0
8.4 Total available funding (Item 8.2 + Item 8.3)	34,862
8.5 <b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	10.5

- 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: Yes. However the Company is monitoring the potential impact of the novel coronavirus (COVID-19) and the impact it may have on the operations. The duration and intensity of these impacts and resulting disruption to the Company's operations is uncertain and the Company will continue to assess the financial impact.

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: N/A

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: Yes. However the Company is monitoring the potential impact of the novel coronavirus (COVID-19) and the impact it may have on the operations. The duration and intensity of these impacts and resulting disruption to the Company's operations is uncertain and the Company will continue to assess the financial impact and its business objectives.

## 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.

20 April 2020

Date: .....

Chief Financial Officer

Authorised by: .....  
(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.