



TM

# PainChek

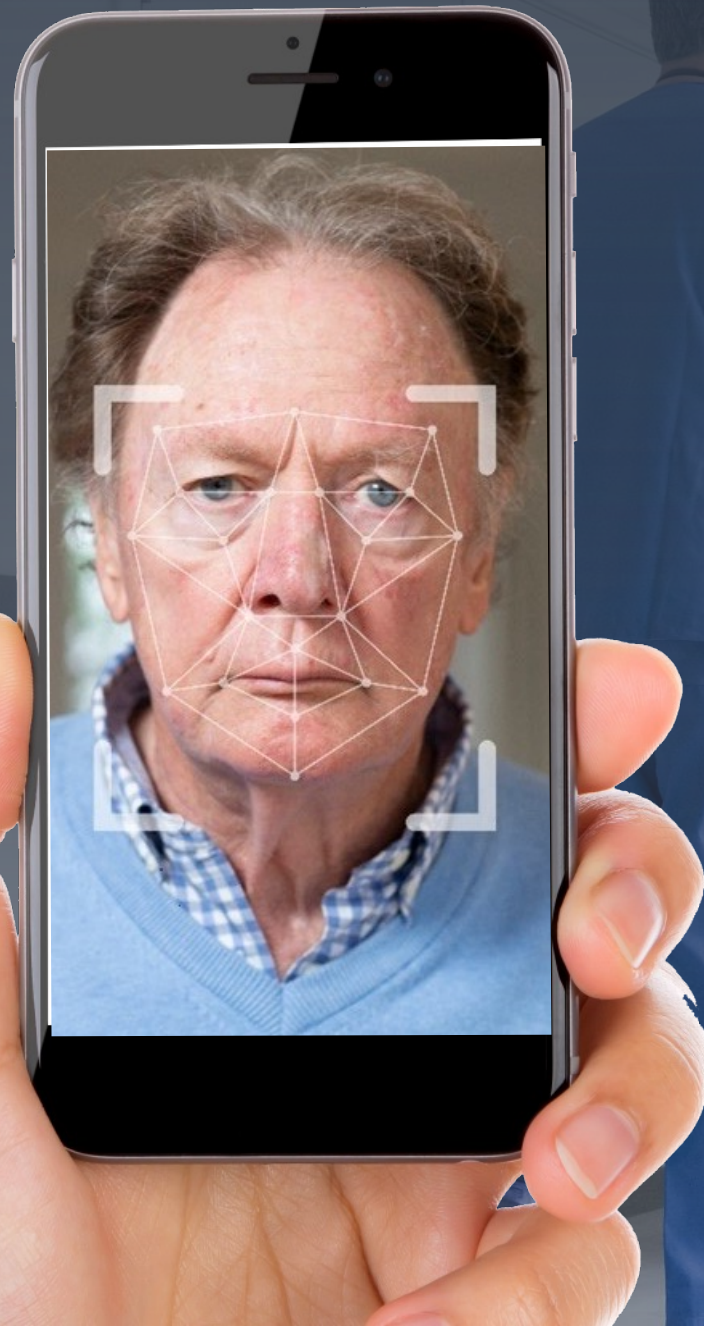
Intelligent Pain Assessment

**Investor Presentation**  
**14 September 2023**

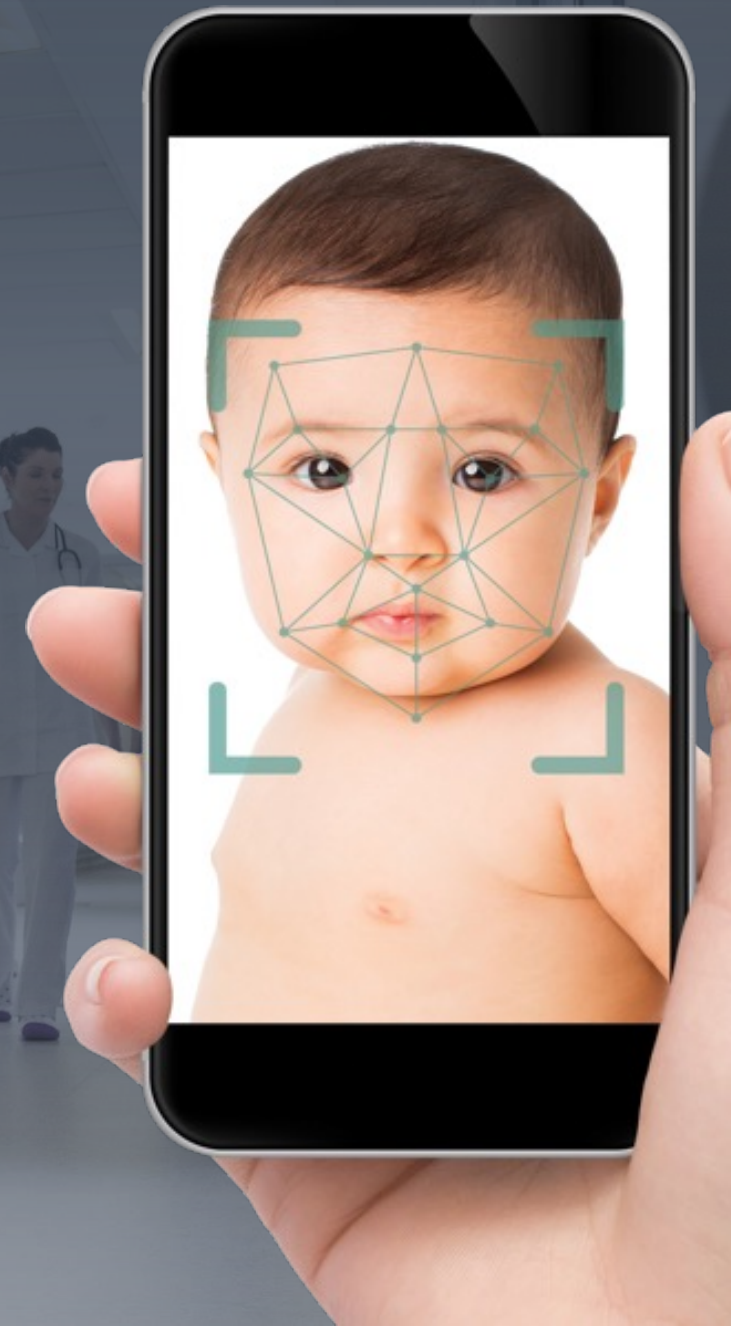
**PHILIP DAFFAS, CEO & MD**

**PAINCHEK LTD | ASX:PCK**





Our purpose is to give  
a **voice to people**  
who **cannot reliably**  
**verbalise** their pain





# INTRODUCTION TO PAINCHEK



**PainChek's** SaaS platform delivers **unique evidence based pain detection technology** using **AI and smart automation**



Multiple large **new global market opportunities** in hospitals and home care with **no competitive technology**



**Regulatory clearance** in multiple markets, supported by **peer reviewed clinical publications**



**Dominant Aged Care market position** in ANZ with **rapidly growing international sales and ARR** with strong retention rate



**Patent protected** in USA, Japan, China. EU patent pending



**Untapped potential** in infants/children's market





# THE BREADTH OF PAINCHEK'S GLOBAL MARKET OPPORTUNITY



**400M**

pre-verbal children<sup>1</sup>



**25-42%**

of hospital beds occupied by  
people with dementia<sup>4,5</sup>



**57M**

people living with dementia

>150M expected by 2050<sup>2,3</sup>



1. Ecology Communications Group. [www.ecology.com/birth-death-rates](http://www.ecology.com/birth-death-rates)
2. World Alzheimer Report 2016
3. Germossa et al. BMC Nursing (2019) 18:40

4. Tsai, I. P., Jeong, S. Y. S., & Hunter, S. (2018). Pain assessment and management for older patients with dementia in hospitals: an integrative literature review. *Pain Management Nursing*, 19(1), 54-71
5. Lancet Public Health – January 2022



# PAINCHEK WELL POSITIONED TO EXPLOIT LARGE GLOBAL MARKET OPPORTUNITES



## AGED CARE MARKET

**6 MILLION BEDS <sup>1</sup>  
&  
\$300M ANNUAL  
ARR <sup>2</sup>**



## HOME CARE

**UP TO 10X AGED  
CARE MARKET <sup>2</sup>**



## INFANT MARKET

**400M PRE-VERBAL  
CHILDREN  
- 150M ANNUALLY to  
FIRST TIME PARENTS  
<sup>3</sup>**



## HOSPITAL MARKET

**~\$1Bn ANNUALLY <sup>4</sup>**

1. World Alzheimer Report 2016  
2. Management Estimates

3. United Nations Population Facts  
4. Management estimates using sources from American Hospital Association, European Commission, Australian Institute of Health and Welfare



# PAINCHEK AROUND THE WORLD...AND ACROSS AUSTRALIA

## 1000+ Aged Care facilities across 3 continents



### Canada

- Initial RAC sales now in place and implemented
- Exploring additional Aged Care and Home Care partners for North America

### European Union (EU)

- Targeting RAC beds and home care dementia patients in EU
- Exploring International partnerships

### Japan

- Japanese patent granted
- Currently working with PDMA for regulatory clearance

### US / FDA

- Adult FDA de Novo regulatory clearance submission in progress – target Q4 2023
- Point Click Care integration partnership providing access to 10,000+ long term homes and 1,000,000+ beds
- Ethos Labs sales distribution agreement targeting US long term care sector

### UK

- ~ 20,000 contracted RAC beds across 300 RAC facilities
- 10+ integration partners providing access to ~285,000 beds

### Australia-NZ (ANZ)

- ~ 50,000 contracted RAC beds across 700 RAC facilities
- 15+ integration partners providing access to 180,000 beds

N.B. Highlighted countries indicate existing regulatory cleared markets with Japan and USA in progress



# PAINCHEK JUNE END OF YEAR HIGHLIGHTS CONFIRM PCK's RAPID SCALABILITY IN MULTIPLE MARKETS



**96%**

**increase** in global contracted bed licences over prior year to 70,000

**89%**

**increase** in contracted ARR to \$3.4M compared to prior year

**99%**

**increase** in annual customer revenue to \$1,951,000, with Q4 FY23 increasing 6% to \$604,000 vs PCP (unaudited).

**90%**

**increase** in annual customer receipts to \$2,241,000, with Q4 FY23 increasing 26% to \$737,000 vs PCP.

**150%**

Strong UK annual growth in beds with a **25% quarter on quarter increase** in contracted RAC beds to 18,800, and a solid sales pipeline in a 440,000 bed market.

**85%**

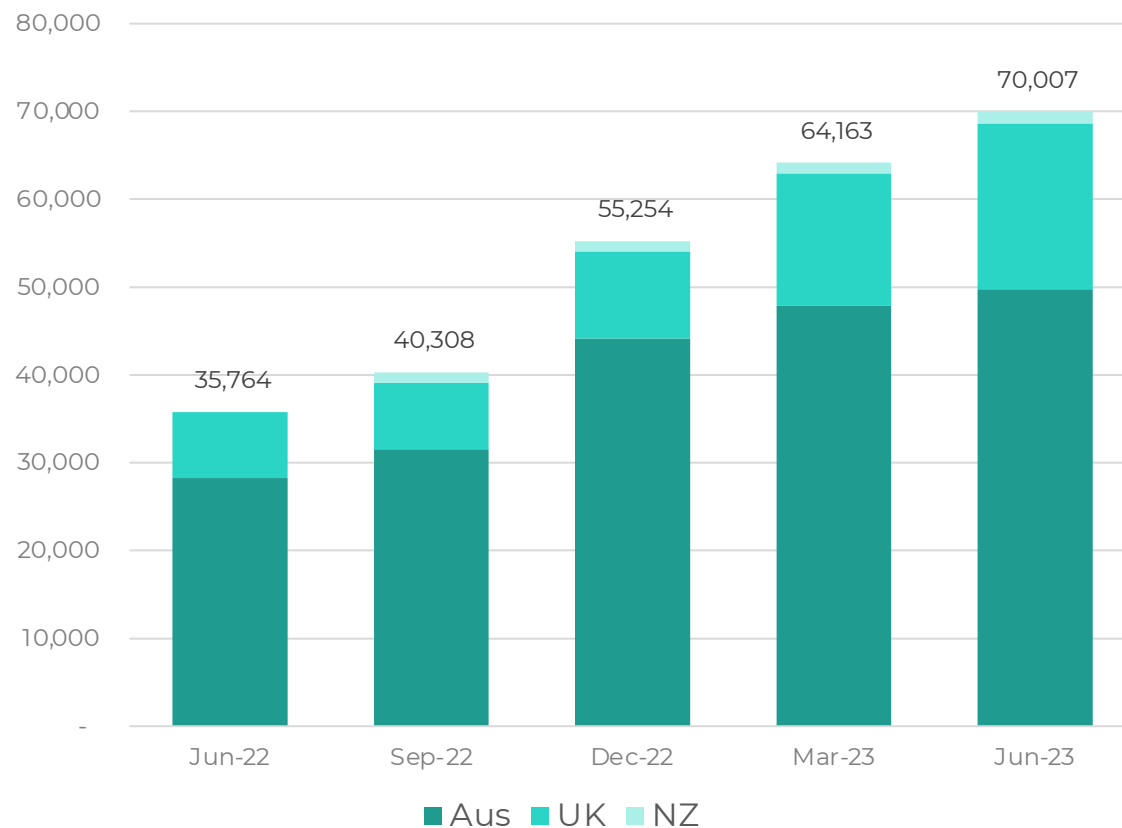
**client retention** rate on annual renewal

Cumulative PainChek pain assessments **exceed 2,900,000** as of 30 June – an increase of 115% over the previous year.



# STRONG GROWTH AND PIPELINE IN ANZ & UK AGED CARE

## Global - Contracted Licences



**96% increase** in annual contracted bed licences over prior year



**150% increase in UK** contracted beds to 18,800 beds over prior year in a 440,000 bed market



**Strong pipeline** of beds in pilot programs and contracts in negotiation

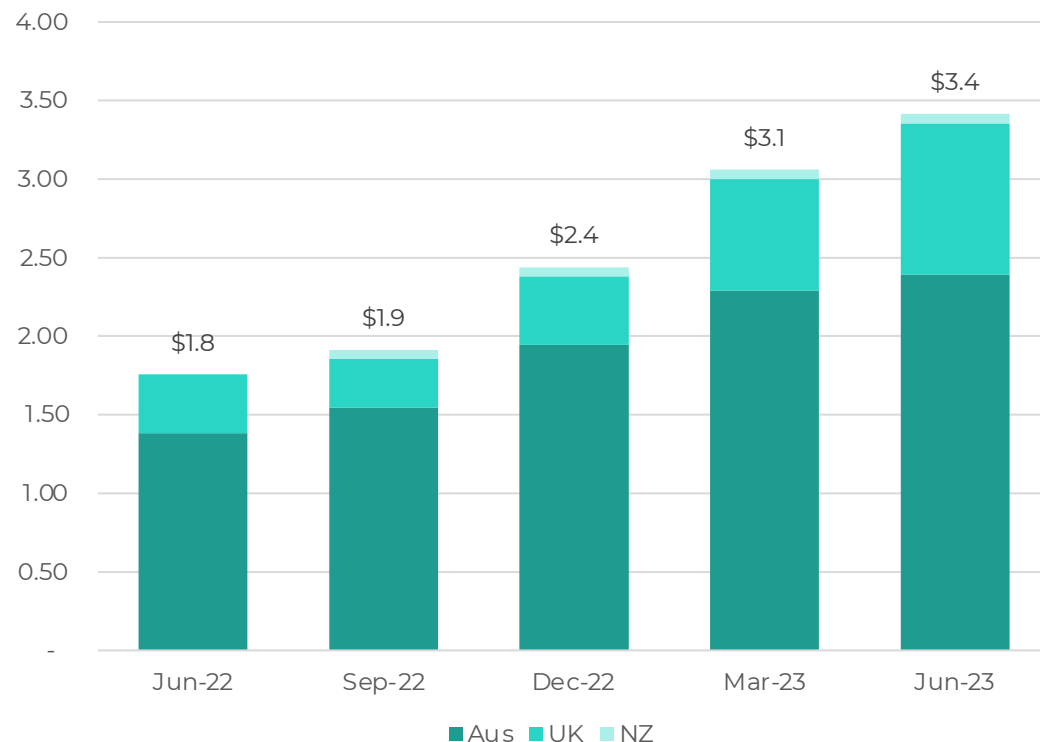


Over **12,000 trained users** and UK training capacity for continued growth



# STRONG ARR GROWTH AT HIGH GROSS MARGINS

Global - ARR \$m



**89% increase in ARR<sup>1</sup>** over the prior year



SAAS business model with **70-85% gross margins<sup>2</sup>** on annual licences



**85% retention rate** of on annual renewals



**Rapid UK market entry** with ARR growing from \$0.4M to \$1.0M in 1 year

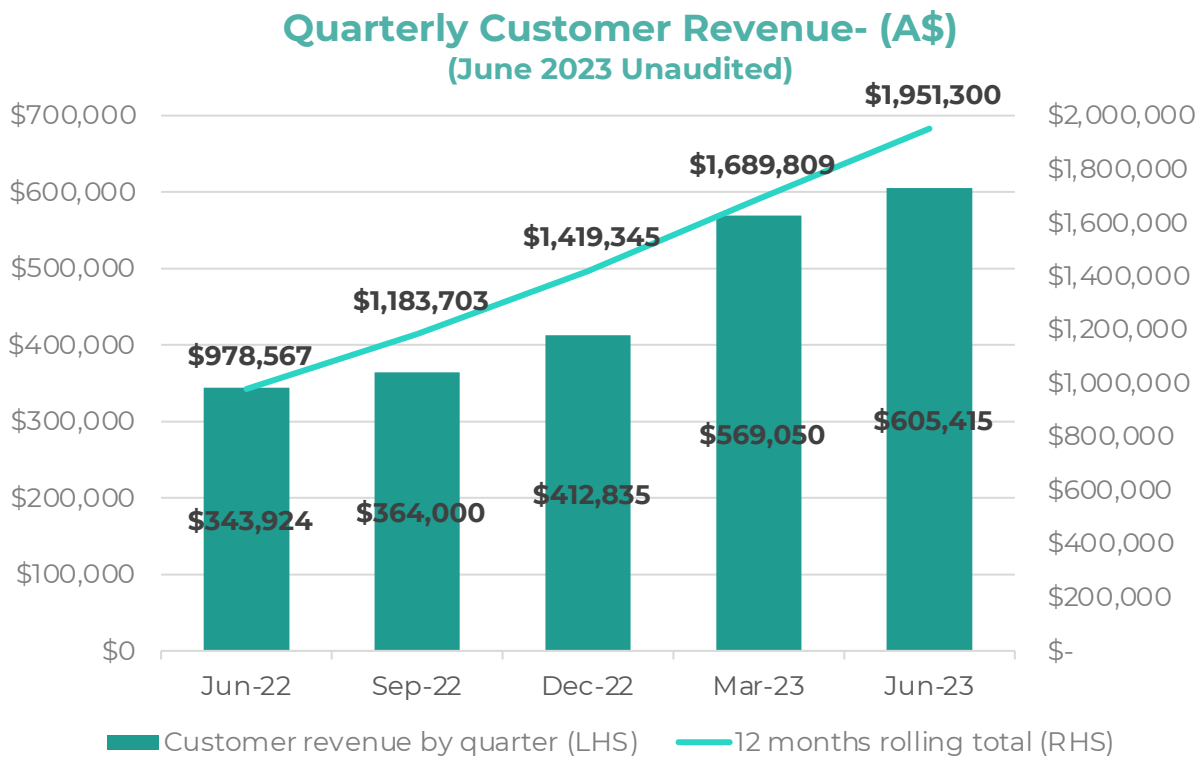


Next **ARR target** is \$4.8m, covering core operating costs<sup>3</sup>

1. ARR on contracted bed licences 75% implemented at 30 June 2023
2. Gross margins depend on partner allocation and integration fee
3. Excluding R&D, corporate overhead & investment in new markets



# STRONG GROWTH IN RECOGNISED REVENUE



99% annual increase in 12 month trailing revenue



6% increase in Q4 FY23 revenue on Q3 FY23



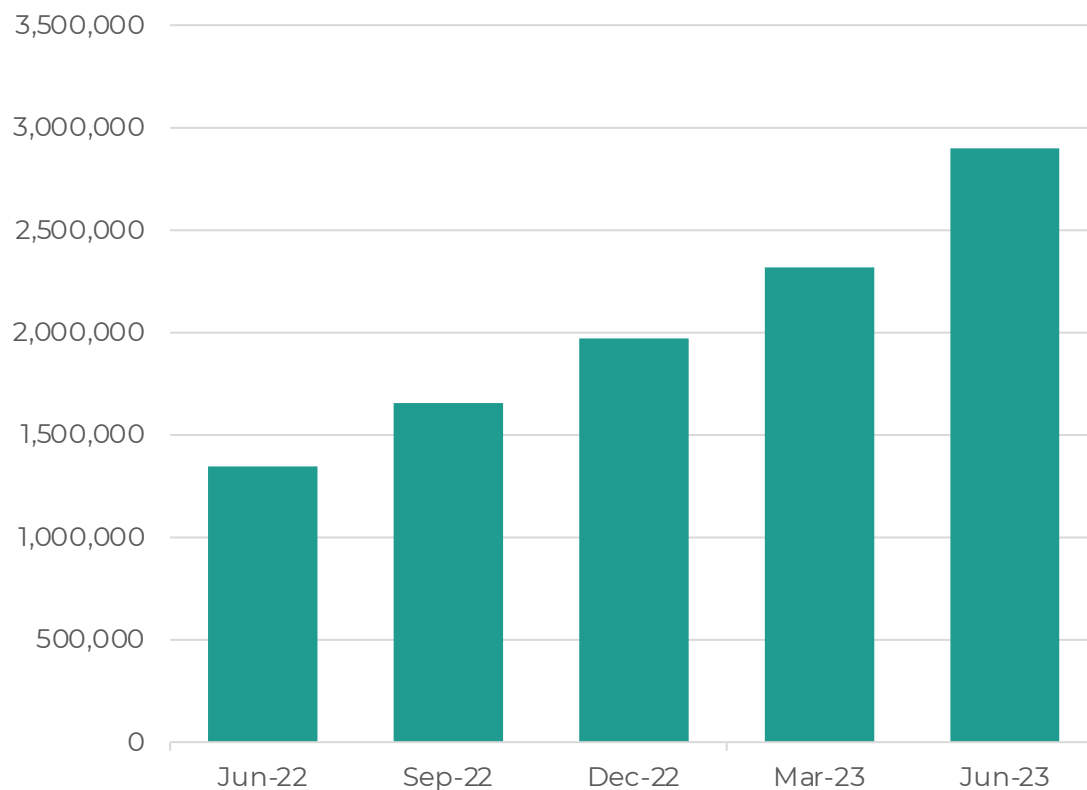
\$1.9m recognised revenue last 12 months

**SaaS business model – annual licences paid in advance**



# CONSISTENT GROWTH IN UTILITY

## Cumulative Number of PainChek® Assessments



**2.9M+ pain assessments conducted - 12,000+ Carers trained**



Over **2.9 million global pain assessments** conducted on the PainChek platform



**115% increase in global pain assessments** over the previous year in Aged Care alone



**Strong ongoing growth** quarter on quarter clinical utility and implementation progress.



**Over 12,000 carers** and health care professionals trained



# PAINCHEK ACROSS AUSTRALIA

## AGED CARE'S MOST POPULAR DIGITAL CLINICAL TOOL



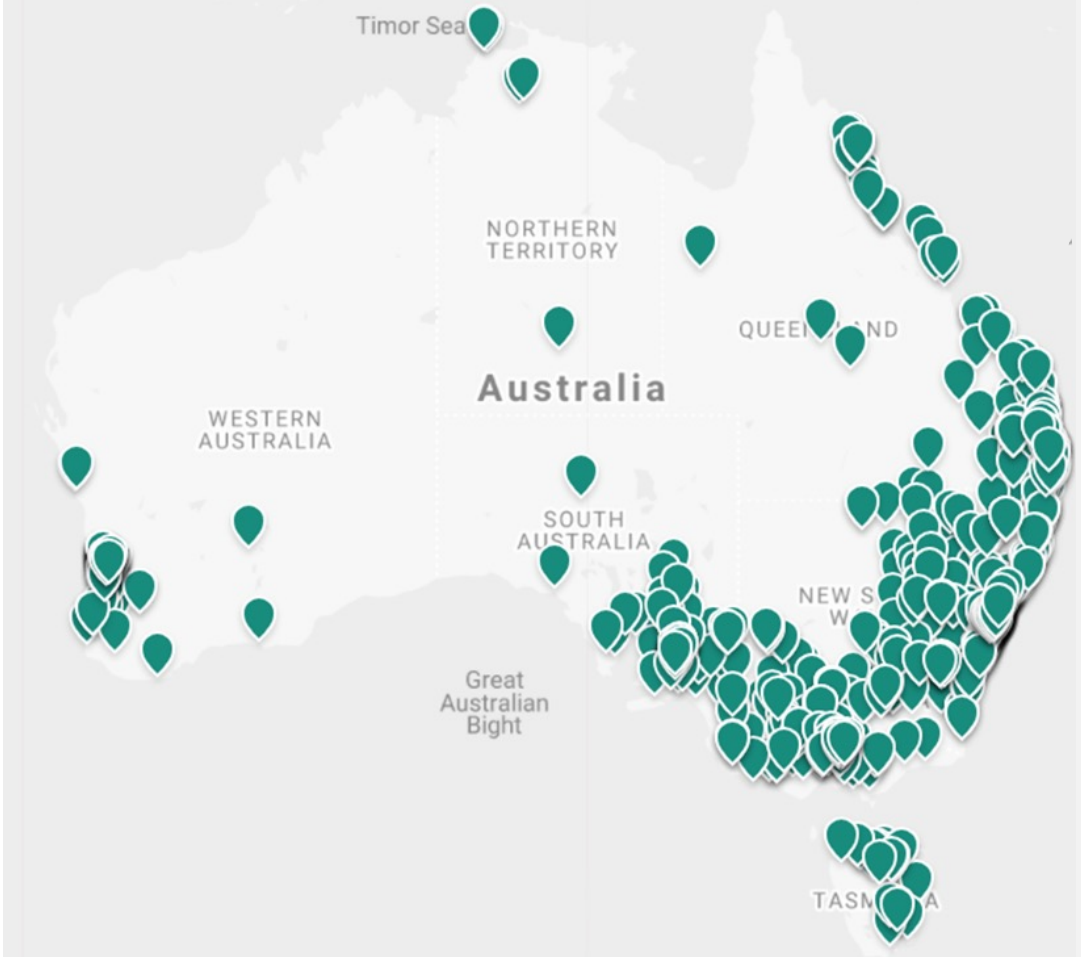
### Aged Care

PainChek® has been widely adopted across Aged Care in Australia.

PainChek commercial licences cover more than **50,000 beds** and **700 aged care homes**, approximately **25% of total AU market** and growing with a current retention rate of 85%.

### Providers of Note

Notable Australian Aged Care Providers contracted to or currently using PainChek, representing **~20,000 beds** include:





# UK – 150% ANNUAL GROWTH INTO THE 440,000 BED RESIDENTIAL AGED CARE MARKET



UK market traction accelerated –  
~19,000 contracted beds (150%  
growth in year) with ~8,000 live  
beds and a strong pipeline



Scotland's Care Inspectorate now  
features PainChek® as a key  
technology in its Quality  
Improvement Plan



New RAC clients in Qtr  
include Exemplar  
63 homes - 1800 beds, TLC  
Care 9 homes,  
600 beds



HC-One, the largest UK care provider,  
is using PainChek® in 3 of its sites  
through Welsh government funding.

Shaw Healthcare reporting strong  
outcomes through an independent  
evaluation



8 Care Planning partner integrations  
covering 285,000 UK beds.  
Our first client through our latest  
integration partner, Care Control, is  
Angel Care, 9 homes 350 beds



London Borough of Enfield  
Local Authority has  
contracted with PainChek to  
provide funding for up to 80  
Care Homes (1,900 beds)  
across their region.



# PAINCHEK HELPING TO IMPROVE PAIN MANAGEMENT OUTCOMES IN UK – PAPER SUBMITTED FOR PUBLICATION



Implementation of  
PainChek across 24  
homes & 1365 beds

## Initial outcomes (Year 1)

- **100% increase** in frequency of pain assessments
- **50% increase** in number of residents on regular pain relief as a result of newly identified pain
- **50% reduction** in distressed behaviours thought to be associated with pain
- **92% reduction** in quantity of Safeguarding reported incidents

## Ongoing outcomes (2 years on)

- **10% reduction** of antipsychotic drug use (46% stopped use)
- **29% reduction** in use of Benzodiazepines & PRN (46% stopped use)
- **44% reduction** in medication incidents driven by polypharmacy reduction
- **18% reduction** in falls due to promptly identifying pain



# OUTSTANDING OUTCOMES FROM REGULAR PAIN MONITORING IS DRIVING RAPID NEW CLIENT GROWTH IN THE UK



## Regular pain monitoring has delivered outstanding results

Ability to identify and treat unreported fractures<sup>1</sup>

Reduce levels of stress and distress from 34 events to 4 in one month<sup>2</sup>

Reduced stress and distress from rate of 12 incidents to 4 in 6 months<sup>3</sup>

Reduction in falls by 75% in 3 months (42% over 6 months)<sup>3</sup>

Removed residents off Opioids onto milder pain relief<sup>2</sup>

Reduction of laxative prescribing by 27% over 6 months<sup>3</sup>

***“Facial recognition technology is a real step forward in strengthening dementia care. We have carried out over 50,000 pain assessments, PainChek supports us with our fall’s prevention work. We are using it with everyone”***

- 1. Adept Care Homes
- 2. Harbour Healthcare
- 3. Braeburn Care Homes (Scottish pilot)

Article from April 2023 edition of Caring Times and Care Home professional.  
**Cheryl Baird, Director of Quality and Care at Orchard Care Homes**





# **THE PAINCHEK® SOLUTION ADDRESSING A GLOBAL MARKET NEED**



# PAIN MANAGEMENT CHALLENGES

- **Difficulties in assessing Pain**
  - Complex
  - Dynamic
  - Multidimensional
  - Subjective
- **Education & Training**
- **Reporting & Documentation**
- **Continuous Monitoring**

Up to

**80%**

of people in aged care experience chronic pain<sup>1</sup>

More than

**70%**

of people in aged care have dementia<sup>2</sup>

Over

**50%**

of people living with dementia have undetected and untreated pain<sup>3</sup>

<sup>1</sup> Managing Chronic Pain in the Elderly: An Overview of the Recent Therapeutic Advancements Sep 2018

<sup>2</sup> CPEC London School Of Economics Nov 19

<sup>3</sup> Carter, D (2015) Dementia and Homecare: Driving Quality and Innovation by the UK Homecare Association



# THE EVOLUTION OF PAIN ASSESSMENT

## Legacy Pain Assessment Tools

**Abbey Pain Scale**  
For measurement of pain in people with dementia who cannot verbalise.

How to use scale: While observing the resident, score questions 1 to 6

Name of resident: \_\_\_\_\_  
Name and designation of person completing the scale: \_\_\_\_\_  
Date: \_\_\_\_\_ Time: \_\_\_\_\_  
Latest pain relief given was \_\_\_\_\_ at \_\_\_\_\_ hrs.

Q1. Vocalisation  
eg: whimpering, groaning, crying  
Absent 0 Mild 1 Moderate 2 Severe 3 Q1 ☐

Q2. Facial expression  
eg: looking tense, frowning, grimacing, looking frightened  
Absent 0 Mild 1 Moderate 2 Severe 3 Q2 ☐

Q3. Change in body language  
eg: fidgeting, rocking, guarding part of body, withdrawn  
Absent 0 Mild 1 Moderate 2 Severe 3 Q3 ☐

Q4. Behavioural change  
eg: increased confusion, refusing to eat, alteration in usual patterns  
Absent 0 Mild 1 Moderate 2 Severe 3 Q4 ☐

Q5. Physiological change  
eg: temperature, pulse or blood pressure outside normal limits, perspiring, flushing or pallor  
Absent 0 Mild 1 Moderate 2 Severe 3 Q5 ☐

Q6. Physical changes  
eg: skin tears, pressure areas, arthritis, contractures, previous injuries  
Absent 0 Mild 1 Moderate 2 Severe 3 Q6 ☐

Add scores for 1-6 and record here → Total pain score

Now tick the box that matches the Total pain score →

0-2 No pain	3-7 Mild	8-13 Moderate	14+ Severe
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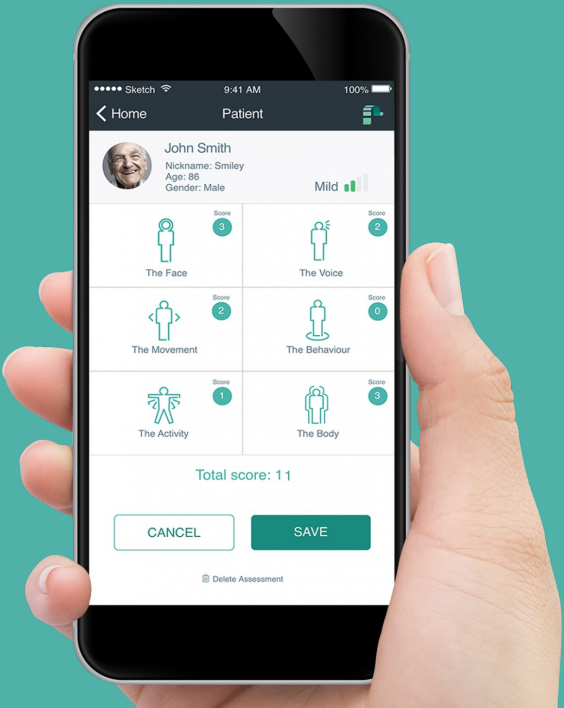
Finally, tick the box which matches the type of pain →

Chronic	Acute	Acute on chronic
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Dementia Care Australia Pty Ltd  
Website: [www.dementiacareaustralia.com](http://www.dementiacareaustralia.com)

Abbey, J; De Bellis, A; Piller, N; Esterman, A; Giles, L; Parker, D and Lewsey, B.  
Funded by the JH & Qum Medical Research Foundation 1998-2002  
(This document may be reproduced with this acknowledgement retained.)

## PainChek®



*“**The PainChek app**, which I see as a welcome evolutionary development of my past work, was introduced to improve pain management practices by ensuring an **evidence-based** assessment of pain could be made at the **point of care**, and digitally linked to other systems.*

*This would make **information quickly available to prescribing physicians**, for example, as well as guiding nursing staff in dispensing PRN medication.*

**Dr Jennifer Abbey,  
Creator of the Abbey Pain Scale**

Abbey Pain Scale & similar manual systems were the standard of care in developed countries for assessment of pain in people who cannot verbalise. It significantly relies on subjective measures that can vary greatly between practitioners/carers.

<sup>1</sup> Dr. Jennifer Abbey AM (of the Abbey Pain Scale) is on the PainChek advisory board & supports the transition from APS to PainChek

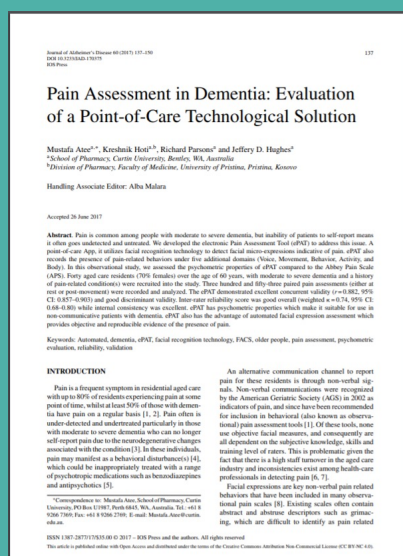


# THE EVOLUTION OF PAIN ASSESSMENT

Developed at  
Curtin University



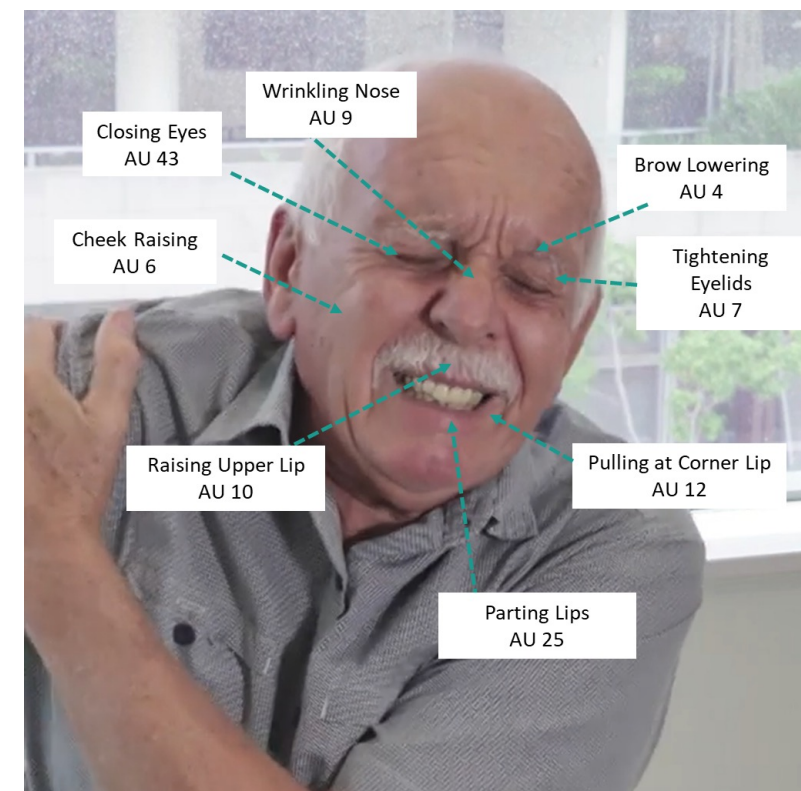
Supported by multiple  
peer-reviewed  
publications



Originally developed at Curtin University by Professor Jeff Hughes, Dr. Kreshnik Hoti, and Dr. Mustafa Atee, PainChek builds on decades of research to product a modern, multidimensional assessment format utilizing AI to support high levels of specificity, accuracy, and reliability.



## Facial Action Coding System (FACS)



A catalogue of facial muscle movements to describe facial expressions. Different muscle movements/ combinations of muscle movements have been found to indicate pain.

Research ongoing since original publication in 1978 by Prof. Paul Ekman



# THE PAINCHEK® UNIVERSAL APP: QUICK AND EASY OPERATION

## AI based micro-facial pain expression analysis:

- 3 second scan of patient face
- recognises 9 micro-facial expressions indicative of pain

## Guided Digital questionnaire checklist:

- guides the carer in other pain assessment factors e.g. movement, vocalization etc.
- questions with Yes/No decisions

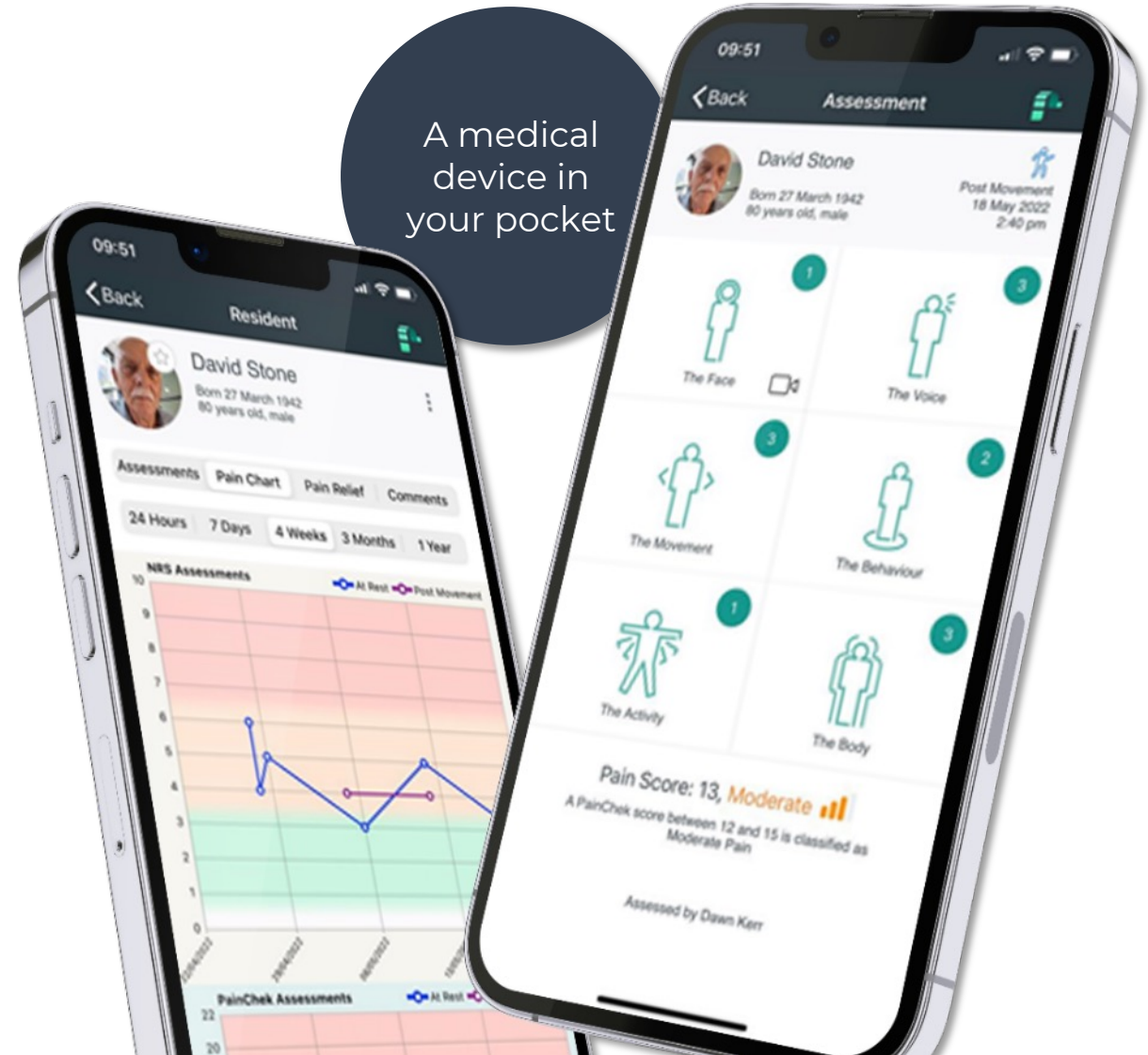
## Automated pain assessment score:

- 42 test points
- generates overall pain severity score
- no pain, mild, moderate or severe

## Documented via cloud backend:

- pain trend line and monitoring of treatment
- capability to integrate into resident medical records
- data analytics capability for audit and accreditation

A medical device in your pocket

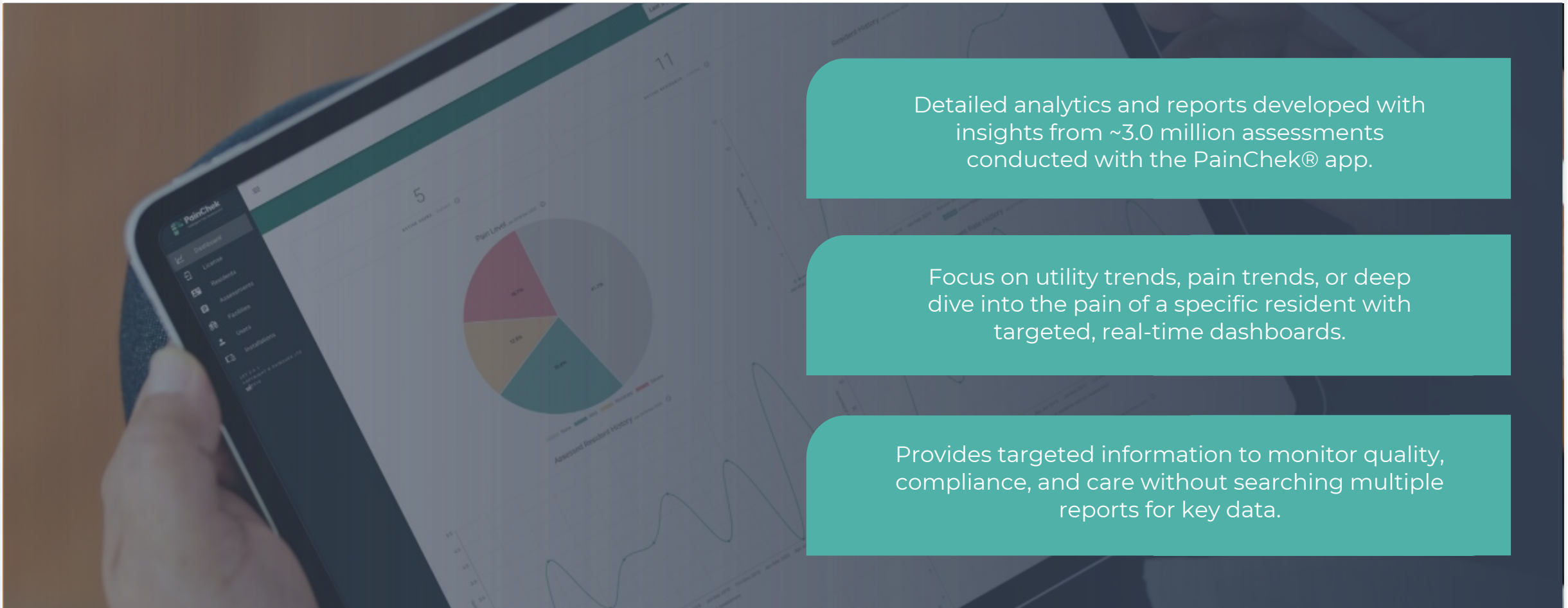




# PAINCHEK ANALYTICS



**PainChek® Analytics provides actionable insights from the PainChek® pain assessment data which helps reduce clinical risk, ensure pain is identified early and enable clients to focus on providing care.**



Detailed analytics and reports developed with insights from ~3.0 million assessments conducted with the PainChek® app.

Focus on utility trends, pain trends, or deep dive into the pain of a specific resident with targeted, real-time dashboards.

Provides targeted information to monitor quality, compliance, and care without searching multiple reports for key data.



# PAINCHEK® GLOBAL MARKET STRATEGY AND PARTNERSHIPS



# PAINCHEK GLOBAL MARKET STRATEGY



**PainChek  
Adult**



**PainChek  
Infant**



**Healthcare  
Professionals**



**Home Carers**

## **BUSINESS MODEL**

### **B2B Enterprise: licence**

- Hospitals
- Care Homes
- Home care
- Primary Care

## **TARGET MARKETS/USERS**

- Dementia &/geriatric wards
- ER/Post surgical care
- Residential & home care providers

## **BUSINESS MODEL**

### **B2C Direct to Carer Subscription licence**

- Pharmacy services
- Retail stores
- Direct from supplier
- Apple/Google Play Store

## **TARGET MARKETS/USERS**

- Mums & Dads
- Personal Home Carers
- Visiting healthcare professionals



# PAINCHEK'S PARTNERS: ACCESS TO 1,500,000 AGED CARE BEDS AND A PATHWAY TO ACCELERATED GLOBAL GROWTH



PainChek integrates and works with aged care management and medication management systems covering more than 1,500,000 aged care beds across ANZ, UK and North America

These integration partnerships support better care delivery, eliminate duplication of effort and optimise medication management

## AUSTRALIA (180,000 beds access)



## UNITED KINGDOM (285,000 beds access)



## NEW ZEALAND (25,000 beds access)



## NORTH AMERICA (1,000,000+ beds access)





# MARKET PARTNERSHIPS AND DRIVERS FOR USA & CANADA



## PAINCHEK IS TARGETING FDA DE NOVO CLEARANCE AND US LAUNCH IN 2024

### NORTH AMERICAN LONG TERM CARE MARKET OPPORTUNITY

USA – 15,000 nursing homes with 1,700,000 beds<sup>1</sup>

Canada – 2,000 care homes with 200,000 beds<sup>2</sup>

US National Committee for Quality Assurance driving change to move to “multidimensional” pain assessment tools for elderly with chronic pain<sup>3</sup>

<sup>1</sup> <https://www.cdc.gov/nchs/fastats/nursing-home-care.htm>

<sup>2</sup> <https://www.cihi.ca/en/how-many-long-term-care-beds-are-there-in-canada>

<sup>3</sup> <https://www.ncqa.org/wp-content/uploads/2023/02/05.-COA.pdf>



**PointClickCare:** PainChek integrated with PointClickCare leading long term care provider in USA & Canada – providing access to 1,000,000+ beds.



**Ethos Labs:** PainChek sales distribution agreement with Ethos Labs to rapidly penetrate US long term care market



**InterSystems:** Global agreement to provide global hospital interoperability and EMR capability – initial focus in Europe and Asia Pacific



# INTERSYSTEMS PARTNERSHIP - GLOBAL MARKET ACCESS



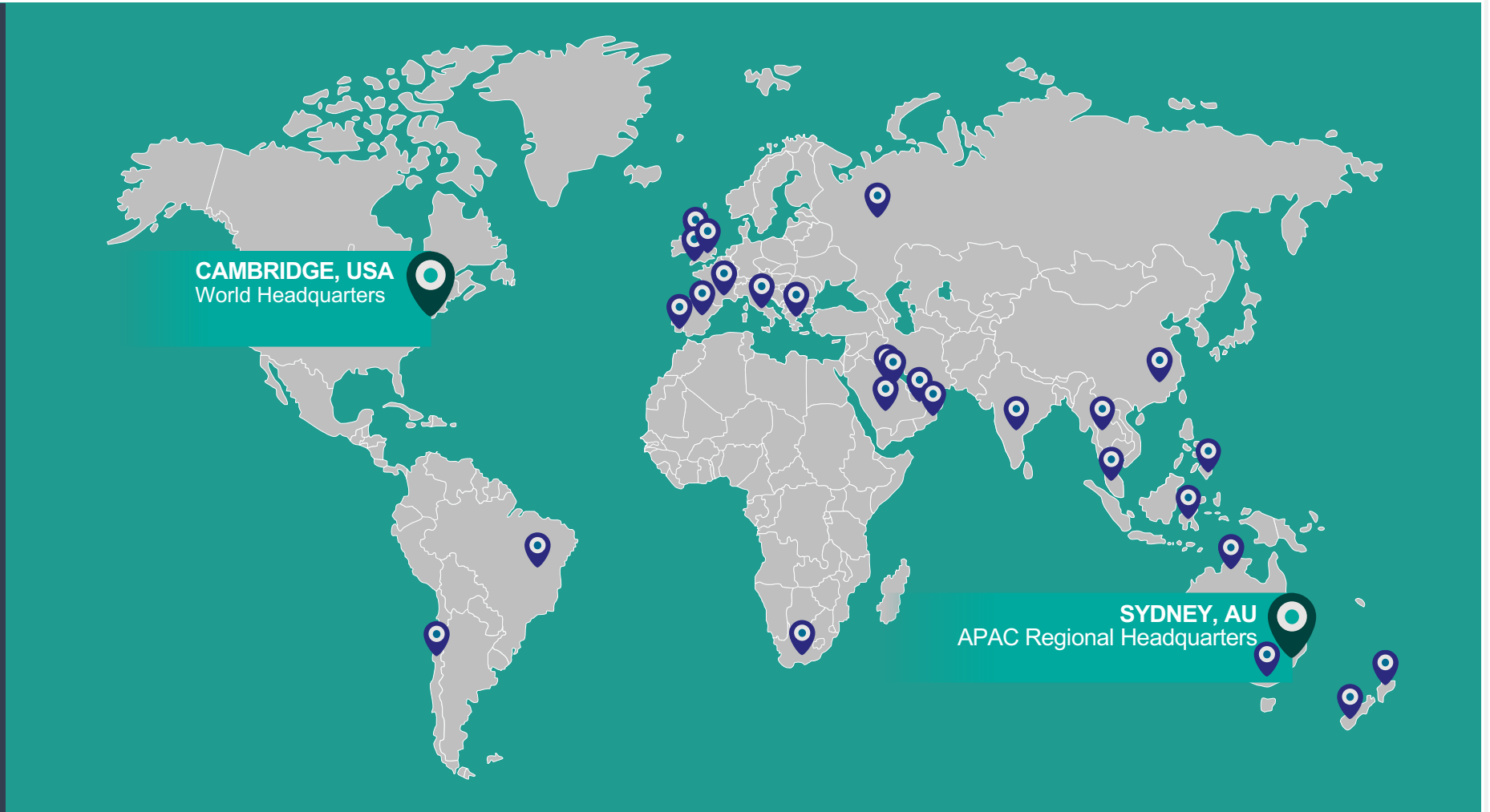
**500+ TrakCare**  
sites around the globe



Deployed in  
**27 countries**



Serving a **patient**  
**population** of 100 million+





# PAINCHEK IN HOSPITAL SETTING – THE FIFTH VITAL SIGN

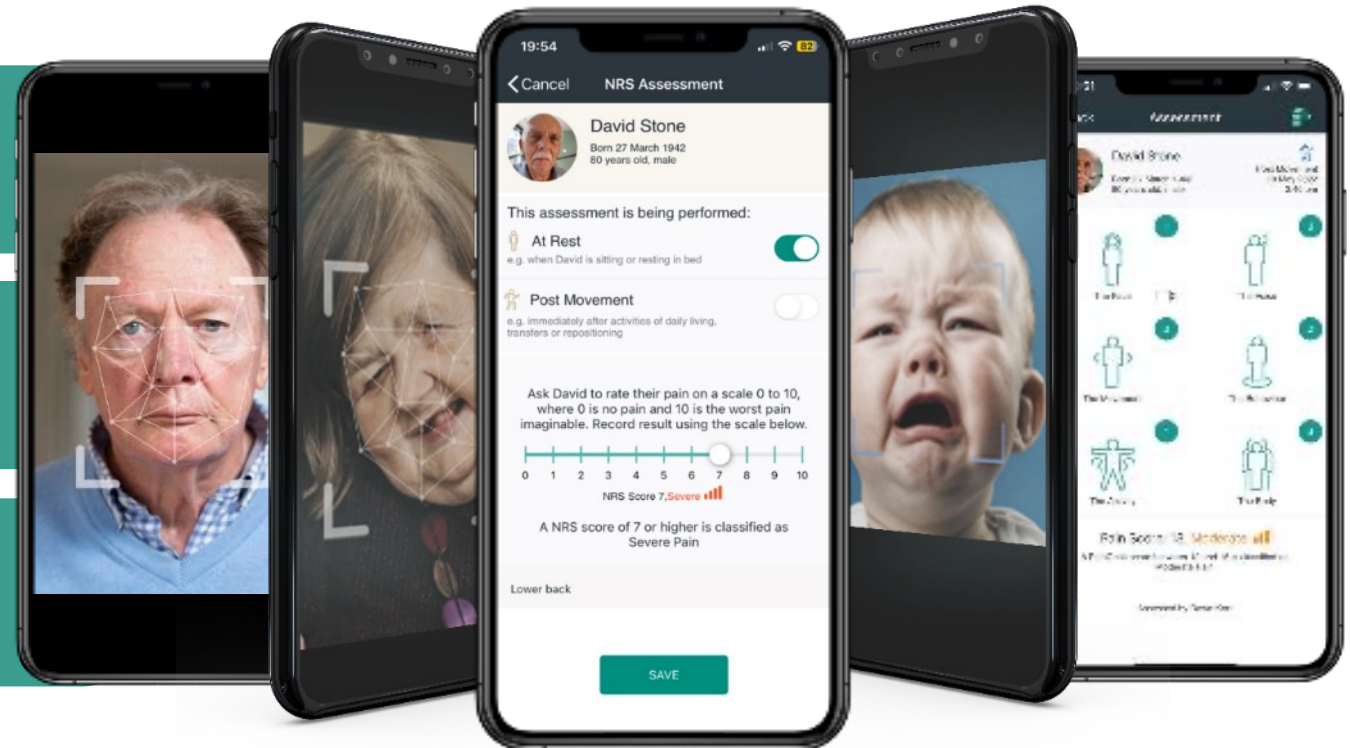


PainChek and InterSystems have developed a hospital version of PainChek incorporating clinical workflows and full integration within the TrakCare EMR - providing nurses and doctors with the following capability:

Early warning alerts for physicians and nurses of a deteriorating patient, or patient requiring treatment plan review

Better post surgical, and general pain management can help reduce the risk of a delirium

Accurate and rapid pain assessment can reduce the days stay and optimize therapeutic treatments










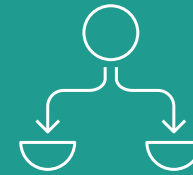
Two hospital opportunities (one in Europe and one in Asia) to commence a hospital wide PainChek pilot programme



## ETHOS LABS PARTNERSHIP: Developer of the world's first biochemical pain index



-  30,000 ft2 state-of-the-art laboratory
-  \$12M+ recent expansion investments
-  High-throughput specimen processing
-  High-volume capacity instruments
-  **Developer of the world's first biochemical pain index**
-  Cutting-edge advancements delivered through partnership with Ethos Research & Development
-  National network for sales, logistics and customer support



Implement **US “go to market” strategy** utilizing Ethos sales force and pain specialists to distribute PainChek across US Aged Care in 2024



Work together to obtain a **reimbursement item number** for PainChek Adult in parallel with the FDA clearance

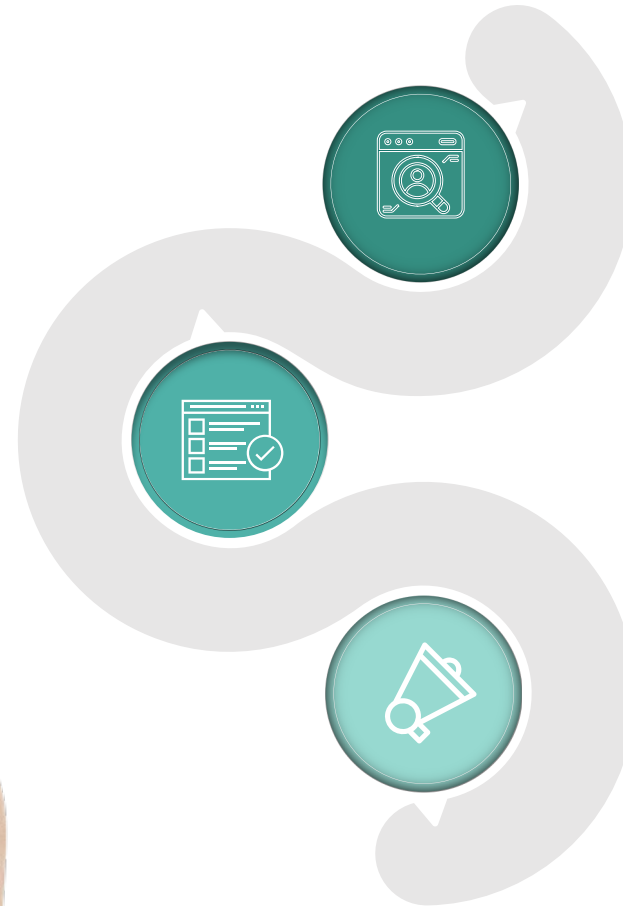
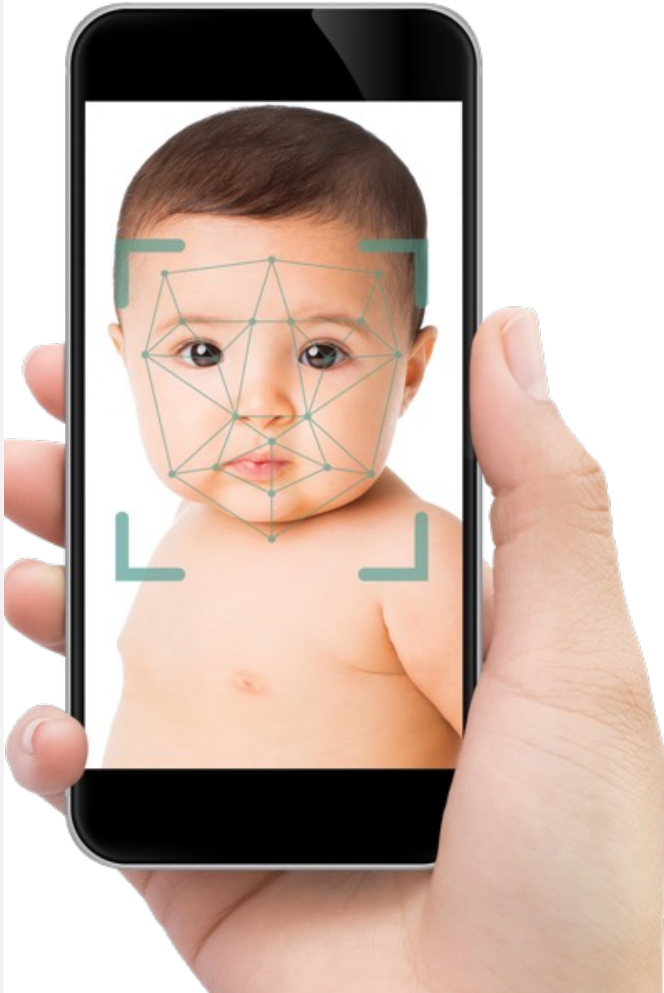


Explore **collaborative global commercialisation** opportunities



# PAINCHEK INFANT PROGRESS

THREE STEP STRATEGY TARGETING MARKET OF 400M PRE-VERBAL CHILDREN



## ● **Direct to Consumer Marketing**

- Market testing in progress with parents prior to direct-to-consumer (DTC) market entry
- Develop channel partners for DTC market entry

## ● **Enrolling additional Health Care Professional reference centers**

- Collaboration with Melbourne Murdoch Children's Research Institute has restarted
- US-based partnerships in progress to extend Infant technology hospital use
- European recruitment for ongoing research projects

## ● **New AI Vocalisation feature**

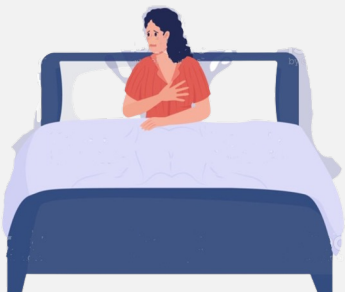
- Merging audio/voice monitoring with PainChек's technology to determine a cry of pain or no pain



# PAINCHEK® INFANT

## How PainChek® Infant works

1.



Parent or Caregiver  
hears an  
Infant's cry

2.



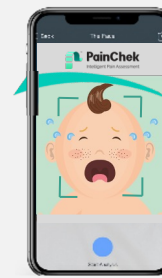
PainChek® Infant Vocalisation  
technology detects cry of pain  
through Baby Monitor  
integration or via PainChek  
Infant App

3.



Parent or Caregiver  
intervenes and  
treats accordingly

4.



PainChek® Infant  
Facial technology  
measures and  
monitors ongoing  
pain levels

5.



Parent or Caregiver uses  
PainChek® Infant to  
measure and monitor pain  
levels wherever and  
whenever

**The world's first AI-enabled pain assessment tool for infants.**



# PAINCHEK UPCOMING CATALYSTS



Continued acceleration of sales and ARR growth within **RAC sector** in ANZ, UK, Canada and new EU opportunities



Enter global **hospital market** sector with InterSystems partnership



Commence **“direct to parent”** sales and marketing for Infant App



Complete FDA studies to lodge for **US FDA De Novo** clearance in Q4 2023



Leverage existing US partnerships including Point Click Care, InterSystems and Ethos Labs to prepare for **US market entry** in 2024



Build on existing **Home Care** and **Disability** markets





# CORPORATE SUMMARY

## Top shareholders %

Peters Investments Proprietary Ltd	9.14%
Founders	5.8%
Board & key staff	4.1%

## Financial information

Share price (11 September 2023)	A\$0.028
Shares on issue	1,298.0m
<b>Market capitalisation</b>	<b>A\$36.3m</b>
Cash (30 June 2023)	A\$2.5m
Unlisted options/performance rights	71.8m
Debt	Nil



# THE TEAM



**Philip Daffas**  
CEO & Managing  
Director, MBA, BSc

Philip is a highly accomplished global business leader & people manager. Philip has held senior global leadership positions with Cochlear & Roche in Europe, US & Australia.



**Prof. Jeff Hughes**  
Chief Scientific  
Officer PhD, MPS

Jeff is a professor in the School of Pharmacy, Curtin University in Western Australia. Jeff is one of the team who developed the PainChek® concept.



**Andrew Hoggan**  
Head of Operations

Andy is a Psychologist, management consultant, business leader & executive coach. Andrew has worked in both Australia & the UK across aged care & home care services.



**Iain McAdam**  
CFO

Iain has over 20 years finance & transformational change experience within listed high growth multinational software & services companies, including iSoft & eServGlobal.



**Scott Robertson**  
Chief Technology Officer, MBA,  
B.Eng.(Comp. Systems)

Scott has over 25 years' experience designing, deploying & managing enterprise software systems, adapting to changing client needs.



**David Allsopp**  
Head of Business  
Development ANZ

David has extensive account management, relationship management. He is renowned for establishing trusting, transparent & long-standing relationships in the healthcare space.



**Tandeep Gill**  
Senior Business  
Development Manager, UK

Tandeep is a registered pharmacist in both the hospital & community setting, with ten years experience in senior health & social care positions. He has spent three years leading the advancement of technology solutions in the UK.



# THE BOARD



**John Murray**  
Non-Exec Chair

---

25 years in tech & Venture Capital. Founder of Technology Venture Partners, ex Chair of Residential Aged Care provider. Multiple non-exec board roles.



**Philip Daffas**  
CEO & Managing Director

---

Philip is a highly accomplished global business leader & people manager. Philip has held senior global leadership positions with Cochlear & Roche in Europe, US & Australia.



**Ross Harricks**  
Non-Exec Director

---

Senior global medical device executive with Nucleus & experienced healthcare NED.



**Adam Davey**  
Non-Exec Director

---

Corporate finance executive with extensive capital markets experience.



**Cynthia Payne**  
Non-Exec Director

---

30 years executive leadership experience as well as significant board and operational experience in residential and home aged care services in Australia.



# Capital Raising Risks and Notices



## KEY RISKS

### Successful commercialisation of Adult App in international markets

PCK has commenced selling its Adult App in Australia and certain international markets, being the United Kingdom, New Zealand and Canada. Expansion of PCK's products to international markets is still in early stages and there is no certainty of comparable success in these jurisdictions to that of Australia. Such success will depend on market acceptance and adoption of PCK's products. Market acceptance of PCK's products will depend on many factors, including positive clinical trial results (where additional clinical trials are required) and PCK's ability to develop and market products that are recognised and accepted as reliable, efficacious and cost effective. Clinical evidence may be based on trials conducted by third parties, and as such, PCK will be partially reliant on the accuracy and efficiency of the trials and reports produced by those third parties. There is no guarantee that adoption of PCK's existing products and new products will be substantial or sufficient to meet PCK's sales objectives. If sufficient market acceptance in international markets is not achieved, the growth of PCK's revenue may slow or decline which will have an adverse impact on PCK's operating and financial performance.

### Successful commercialisation of Infant App in international markets

PCK has not commenced selling the Infant App, and its success will depend on market acceptance and adoption of the product. PCK has received regulatory approval in European Union, United Kingdom and Australia. In the USA the Infant App is available for use as a Clinical Decision Support device initially for use by Healthcare Professionals. Market acceptance of PCK's products will depend on many factors, including positive clinical trial results (where additional clinical trials are required) and PCK's ability to develop and market products that are recognised and accepted as reliable, efficacious and cost effective. Clinical evidence may be based on trials conducted by third parties, and as such, PCK will be partially reliant on the accuracy and efficiency of the trials and reports produced by those third parties. There is no guarantee that adoption of PCK's existing products and new products will be substantial or sufficient to meet PCK's sales objectives. If sufficient market acceptance in international markets is not achieved, the growth of PCK's revenue may slow or decline which will have an adverse impact on PCK's operating and financial performance.

### Regulatory clearances

The distribution of PCK's products is subject to obtaining or maintaining regulatory clearances issued by appropriate governmental authorities and regulatory bodies. Regulatory clearances are also required to enter new markets such as the United States. These processes typically involve new clinical trials and may take extended periods of time and incur unplanned costs, with no certainty of success. Any delay in the receipt of regulatory approvals may result in a delay to the intended launch date of certain products, which will delay revenue and adversely affect PCK's financial performance. If PCK is unable to obtain any of these required regulatory clearances PCK's ability to achieve its growth objectives by expansion of its product offerings or geographic expansion of sales may be materially impaired.

### Cyber security and privacy risks

The technological infrastructure that PCK has in place may be subjected to external cyber attacks or security breaches, which could cause the Company to lose control of its core systems or lose data, which could include personal information in some cases, despite the privacy controls that the Company has in place. If an attack or breach of this kind does occur, this could result in a breach of law by the Company or the breach of its contractual obligations, which may have a material adverse effect on PCK's business and its reputation.



# KEY RISKS

<b>Competition</b>	Other companies may develop competing products or services which assess and monitor pain in target market segments. PCK's failure to compete effectively against existing competitors and potential new entrants could have a material adverse effect on PCK's operating and financial performance.
<b>Customer retention</b>	There is no guarantee that existing paying customers will elect to renew their existing annual or multiple annual contracts when those contracts become due for renewal.
<b>Product Development</b>	PCK's business is dependent on the continued improvement of existing products and development of new products utilising current or other potential future technology. PCK cannot guarantee that any products under development will result in the launch of a commercially viable product. If PCK does not develop new products and product enhancements on a timely basis, the products may become obsolete over time and revenues, cash flow, profitability and competitive position will suffer. Difficulties or delays in research, development or production of new products and services or failure to gain market acceptance of new products and technologies may reduce future revenues and adversely affect PCK's competitive position.
<b>Intellectual property protection</b>	The value of PCK's products is dependent on PCK's ability to protect its intellectual property, including by trademarks, copyright, patent and moral rights. Any failure to adequately protect its intellectual property rights could have an adverse impact on PCK's operating and financial performance. PCK is in the process of developing and protecting its intellectual property, and currently has granted patents in the United States, Japan and China. PCK is awaiting patent protection in Europe. There is a risk that pending patent application will not be granted. PCK's intellectual property rights are dependent on legal protections. However, these protections do not guarantee that PCK will have commercially significant protection of its intellectual property or that its competitive position will be maintained. Further, actions that PCK takes to protect its intellectual property may not be adequate or enforceable. The prosecution of intellectual property rights claims are costly and time consuming and their outcome is uncertain. Failure by PCK to protect its intellectual property rights could have an adverse impact on PCK's operating and financial performance.
<b>Dependence on technology suppliers</b>	PCK's business relies on its ability to attract and retain in-house or third party technology suppliers. PCK has contractual agreements in place with third parties such as Darwin Digital for support and development of its applications and has commenced development of its own proprietary technology to alleviate future supplier risks. Any inability or failure of suppliers to supply PCK with relevant products or services may adversely affect PCK's operating and financial performance. Given the evolution of technology and future capabilities that may be required, PCK plans to further develop in-house technology and additional suppliers.
<b>Dependence on key personnel</b>	PCK currently has a small team of employees and contractors and depends on key people for its success. There is no certainty that key people can be retained or additional resources recruited to execute PCK's business plans. There is a risk that the departure of such personnel, or any delay in their replacement, could have a significant negative impact on management's ability to operate the business and achieve financial performance targets.



## KEY RISKS

<b>Risk of shareholder dilution</b>	PCK is an emerging company which is not yet profitable or cash flow breakeven. The company may need to raise further funding (via equity or debt financing) to reach cash flow breakeven or to fund growth initiatives. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.
<b>Failure to manage growth</b>	PCK's future success depends on its ability to manage growth in revenue, employee number and the customer base. Failure to appropriately manage growth could result in failure to retain partners and customers which could adversely affect operating and financial performance.
<b>Going Concern</b>	The ability of the consolidated entity to continue as a going concern is principally dependent upon one or more of the following including the successful commercialisation of its intellectual property in a manner that generates sufficient operating cash inflows; and the ability of the consolidated entity to raise sufficient capital as and when necessary.
<b>Investment risks</b>	There are risks associates with any stock market investment, including the demand for PCK securities, which may increase or decrease and PCK securities may trade above or below the issue price on the ASX. If PCK issues new securities, an existing securityholder's proportional interest in PCK may be reduced. The market price of PCK securities may be affected by factors unrelated to the operating performance of PCK such as stock market fluctuations and volatility and other factors that affect the market as a whole.
<b>Macro-economic risks</b>	Changes to economic conditions in Australia and internationally, investor sentiment and international and local stock market conditions, changes in fiscal, monetary and regulatory policies which may impact economics conditions such as interest rates and inflation and consequently the performance of PCK.
<b>Taxation changes</b>	An investment in securities involves tax considerations which differ for each securityholder depending on their individual financial affairs. Changes in tax law or changes in the way taxation laws are interpreted, may impact PCK's tax liabilities or the tax treatment of a securityholder's investment.
<b>Litigation risk</b>	In the ordinary course of business, PCK may be involved in litigation disputes from time to time. Litigation disputes with third parties may adversely impact the financial performance and industry standing of the business.
<b>Other risks</b>	The above risks should not be taken as a complete list of the risks associated with an investment in PCK shares. The risks outlined above and other risks not specifically referred to may in the future materially adversely affect the value of PCK shares and the financial performance of the company. No assurance or guarantee of future performance or profitability of PCK or the value of PCK shares is given.



# IMPORTANT NOTICE

This Presentation has been prepared by PainChek Ltd (ACN 146 035 127) ("**PainChek**" or "**Company**").

## **Summary Information**

This Presentation contains selected summary information about PainChek and does not purport to be all inclusive or relevant, or to contain all of the information that may be relevant, or which a prospective investor may require in when making an investment decision. It should be read in conjunction with PainChek's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at [www.asx.com.au](http://www.asx.com.au). The information in this Presentation is current as at the date of this Presentation unless otherwise specified and is subject to change without notice.

## **Not Financial Product Advice**

This Presentation is for information purposes only and is not financial product advice or a recommendation to acquire or sell shares. It has been prepared without taking into account any investor's objectives, financial position, situation or needs. Recipients should not rely on this Presentation in considering the merits of PainChek or the acquisition of shares in PainChek. Before making an investment decision, the recipient should consider the appropriateness of the information in this Presentation and have regard to their own objectives, financial situation and needs, and conduct their own independent investigation and assessment of the contents of this Presentation, including obtaining investment, legal, tax, accounting and such other advice as it considers necessary or appropriate. Any references to or explanations of legislation, regulatory issues, benefits or other legal commentary (if any) is indicative only, does not summarise all of the relevant issues and are not intended to be a full explanation of a particular matter. PainChek is not licensed to provide financial product advice in relation to an offer of shares. Cooling off rights do not apply to the acquisition of the New Shares.

## **Not an Offer**

This Presentation is not an offer or an invitation to acquire or sell shares in PainChek or any other financial products, or a solicitation to invest in or refrain from investing in, shares in PainChek or any other financial products. It is not a prospectus, product disclosure statement or other disclosure document under the Corporations Act. It has not been, and is not required to be, lodged with the Australian Securities and Investments Commission (ASIC).

## **Financial Information**

All references to monetary amounts in this Presentation are in Australian dollars unless stated otherwise. A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation and totals may vary slightly due to rounding.

## **Past Performance**

Information regarding past performance, including past share price information, given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

## **Disclaimer**

Canaccord Genuity (Australia) Limited ACN 075 071 466 ("**Lead Manager**") is the lead manager to the Offer. The Placement is not underwritten. To the maximum extent permitted by law, PainChek, its related bodies corporate and their respective officers, directors, employees, advisers, partners, affiliates and agents (the "**PainChek Parties**"), and the Lead Manager, its related bodies corporate and their respective officers, directors, employees, advisers, partners, affiliates and agents (the "**Lead Manager Parties**"), make no representation or warranty, express or implied, as to the accuracy, completeness, timeliness or reliability of the contents of this Presentation. To the maximum extent permitted by law, none of the PainChek Parties nor the Lead Manager Parties accept any liability (without limitation, any liability arising from fault or negligence) for any loss whatsoever arising from the use of or reliance on this Presentation or its contents or otherwise arising in connection with it.

## **Forward-looking statements**

This Presentation may contain "forward-looking" statements including statements, guidance, forecasts, estimates, prospects, projections or statements in relation to future matters, including statements regarding PainChek's intent, belief or current expectations with respect to its business operations, market conditions, results of operations, financial conditions, and risk management practices. Forward-looking statements can generally be identified by the use of forward-looking words such as "anticipated", "expected", "aim", "predict", "projections", "should", "plans", "guidance", "forecast", "estimates", "could", "may", "target", "consider", "will" and other similar expressions. Indications of, and guidance on, future earnings, financial performance, and financial position are also forward-looking statements. Forward-looking statements including projections, indications or guidance on future earnings or financial position and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Forward-looking statements, opinions and estimates are based on assumptions and contingencies which are subject to certain risks, uncertainties and change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Many of these risks are not in the control of PainChek. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, there can be no assurance that actual outcomes will not differ materially from these statements. No independent third party has reviewed the reasonableness of these forward-looking statements.

To the fullest extent permitted by law, the PainChek Parties disclaim any obligation or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions. Except as required by law, none of the PainChek Parties assume any obligation to release any updates or revisions to forward-looking statements to reflect any changes.

## **Investment Risk**

An investment in securities in PainChek is subject to investment and other known and unknown risks, some of which are beyond the control of PainChek, including possible loss of income or principal invested. PainChek does not guarantee any particular rate of return or the performance of PainChek, nor does it guarantee any particular tax treatment. Investors should have regard to the risk factors outlined in this Presentation when making their investment decision and should make their own enquiries and investigations regarding all information in this Presentation, including the assumptions, uncertainties and contingencies which may affect future operations of PainChek and the impact that different future outcomes may have on PainChek.



# IMPORTANT NOTICE (CONT.)

## General

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Any failure to comply with such restrictions may violate applicable securities law. No party other than PainChek has authorised, permitted, caused the issue, submission, dispatch or provision of this Presentation, or takes any responsibility for, or makes or purports to make any statements, representations or undertakings in this Presentation. None of the PainChek Parties take any responsibility for the information in this Presentation or any action taken by the recipient on the basis of such information. To the maximum extent permitted by law, the PainChek Parties:

- exclude and disclaim all liability, including for negligence, or for any expenses, losses, damages or costs incurred by you as a result of your participation in the Offer and the information in this Presentation being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise; and
- make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of information in this Presentation.

Determination of eligibility of investors for the purpose of the Offer is determined by reference to a number of matters, including legal requirements and the discretion of PainChek and the Lead Manager. The PainChek Parties and Lead Manager Parties disclaim any liability in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

## International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

### New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

### Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.



# IMPORTANT NOTICE (CONT.)

## United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

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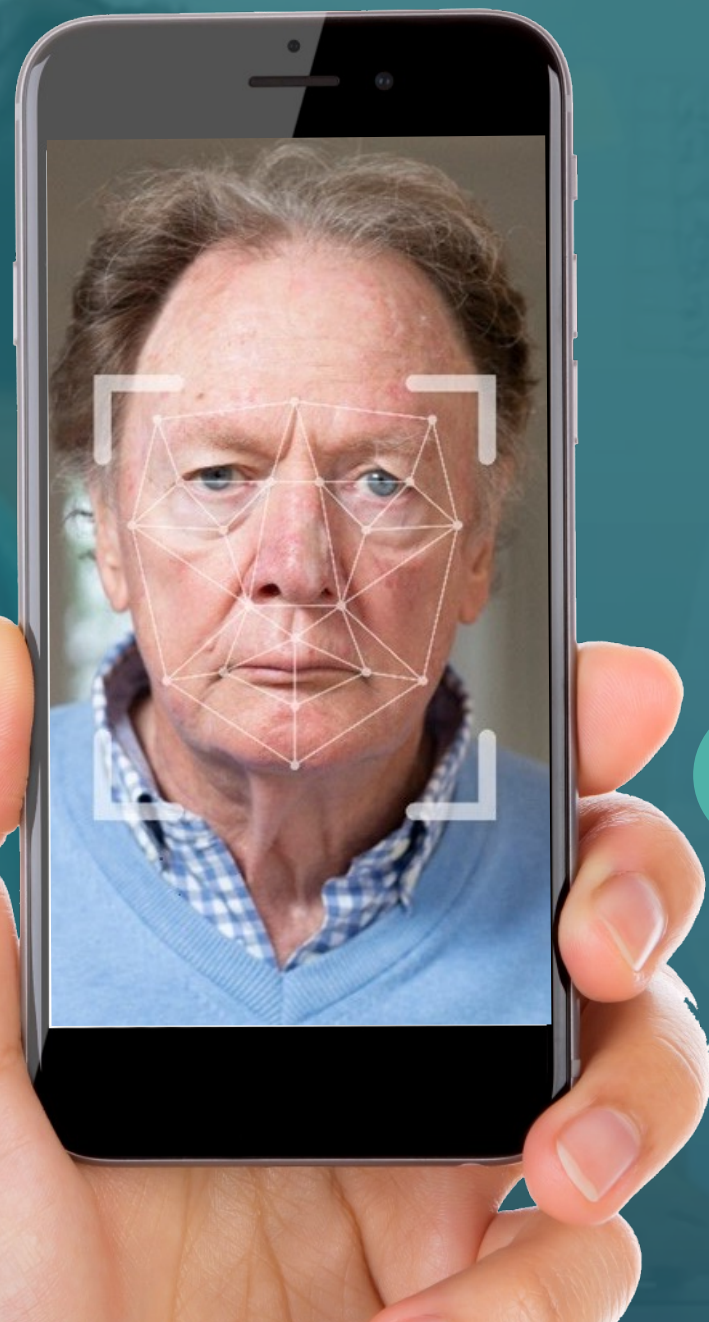
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The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.





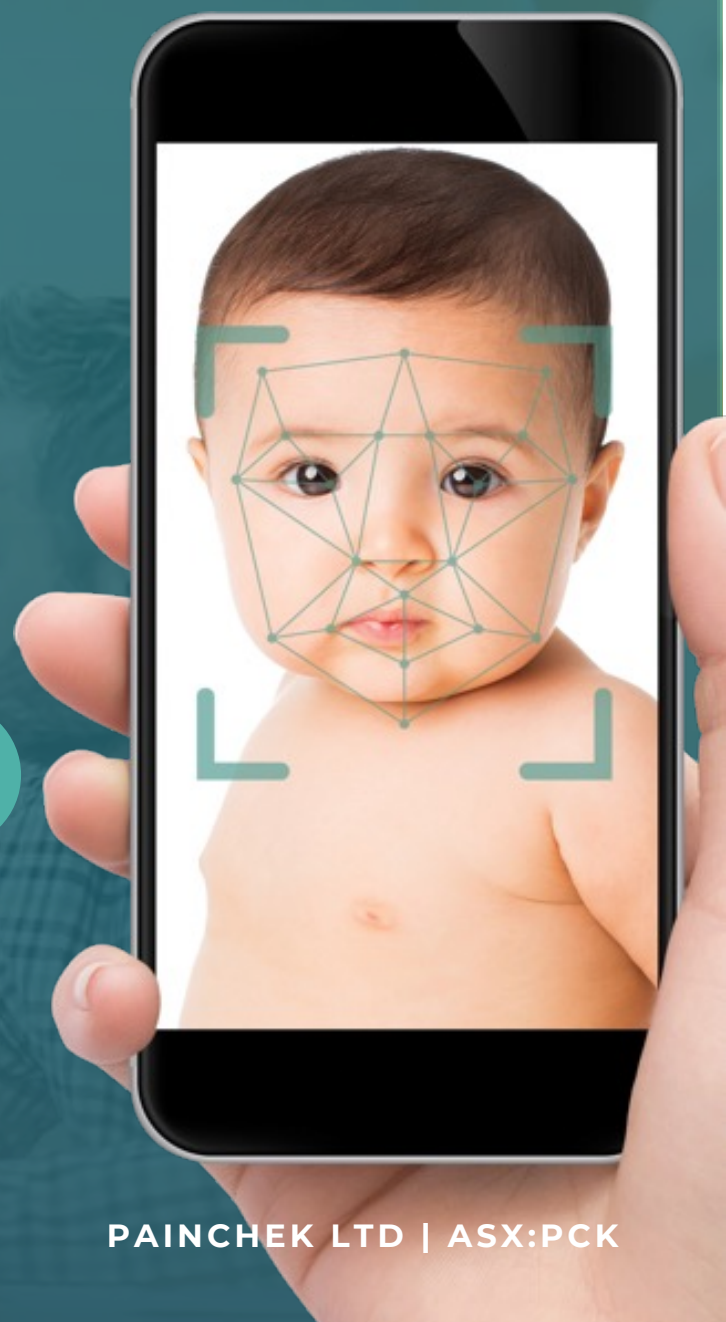
# PainChek<sup>TM</sup>

Intelligent Pain Assessment

Investor Presentation

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