



# OxySure Systems, Inc. (OXYS)

2Q 2015 Financial Results

August 19, 2015

It's About Time.

# Forward Looking Statements

The following may contain forward-looking statements that involve risks and uncertainties, including uncertainties associated with the medical device industry. Except for the historical information contained herein, the matters set forth in this communication, including statements relating to our growth strategy, financial results, product approvals, and development programs, are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements speak only as of the date the statements are made and are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events. You should not put undue reliance on any forward-looking statements. Important factors that could cause actual performance to differ materially from the forward-looking statements we make include: range of treatment options, clinical applications, and market acceptance of products and other risks detailed from time to time in our filings with the Securities and Exchange Commission. Our actual results of operations may differ significantly from those contemplated by such forward-looking statements as a result of these and other factors.



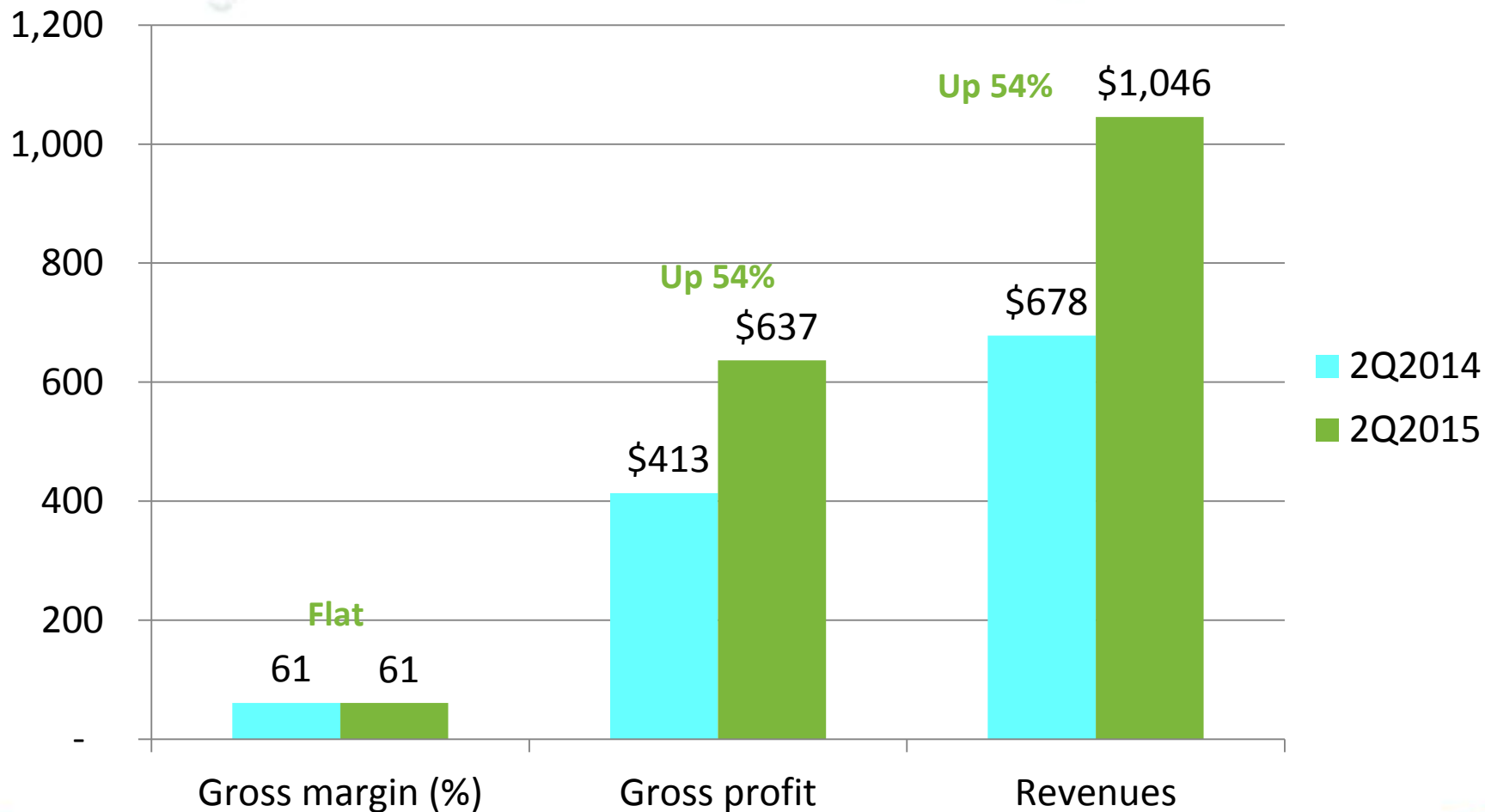
# 2Q 2015 Financial Highlights

- Total revenue up 54% to \$ \$1,046,019 (three months)
- Total revenue up 62% to \$1,670,533 (six months)
- Gross profit up 54% to \$ 636,836 (three months)
- Gross profit up 64% to \$925,494 (six months)
- Total cash up 344% to \$2,875,941 from \$647,093
- Working capital surplus up 441% to \$2,264,512 from \$418,734
- Total assets up 110% to \$5,282,567 from \$2,511,448
- Stockholder equity up 179% to \$2,997,385 from \$1,074,788
- Net loss \$.04 per share



# 2Q 2015 Financial Results

3-Month Results – 2Q15 v 2Q14 (in thousands)



# Revenue trends by Quarter

	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Revenues	103,327	75,595	240,420	476,071	545,819	538,017	356,228	678,112	818,456	584,606	624,514	1,045,693
Growth%	380%	16%	747%	655%	428%	612%	48%	42%	50%	9%	75%	54%

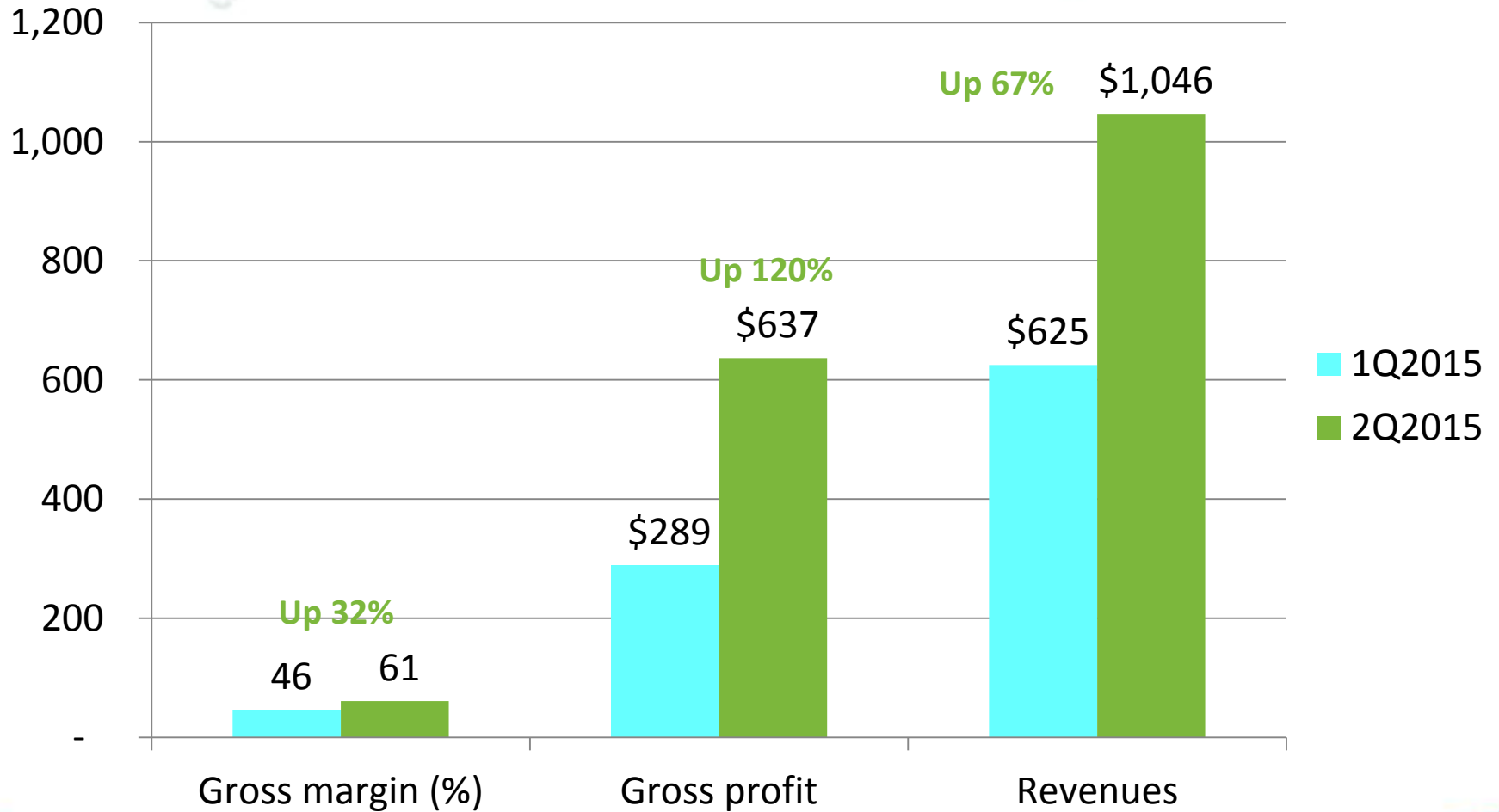
## Annual revenues

	FY2012	FY2013	FY2014
Revenues	269,697	1,800,327	2,437,402
Revenue Growth	84,488	1,530,630	637,075
Growth%	46%	568%	35%



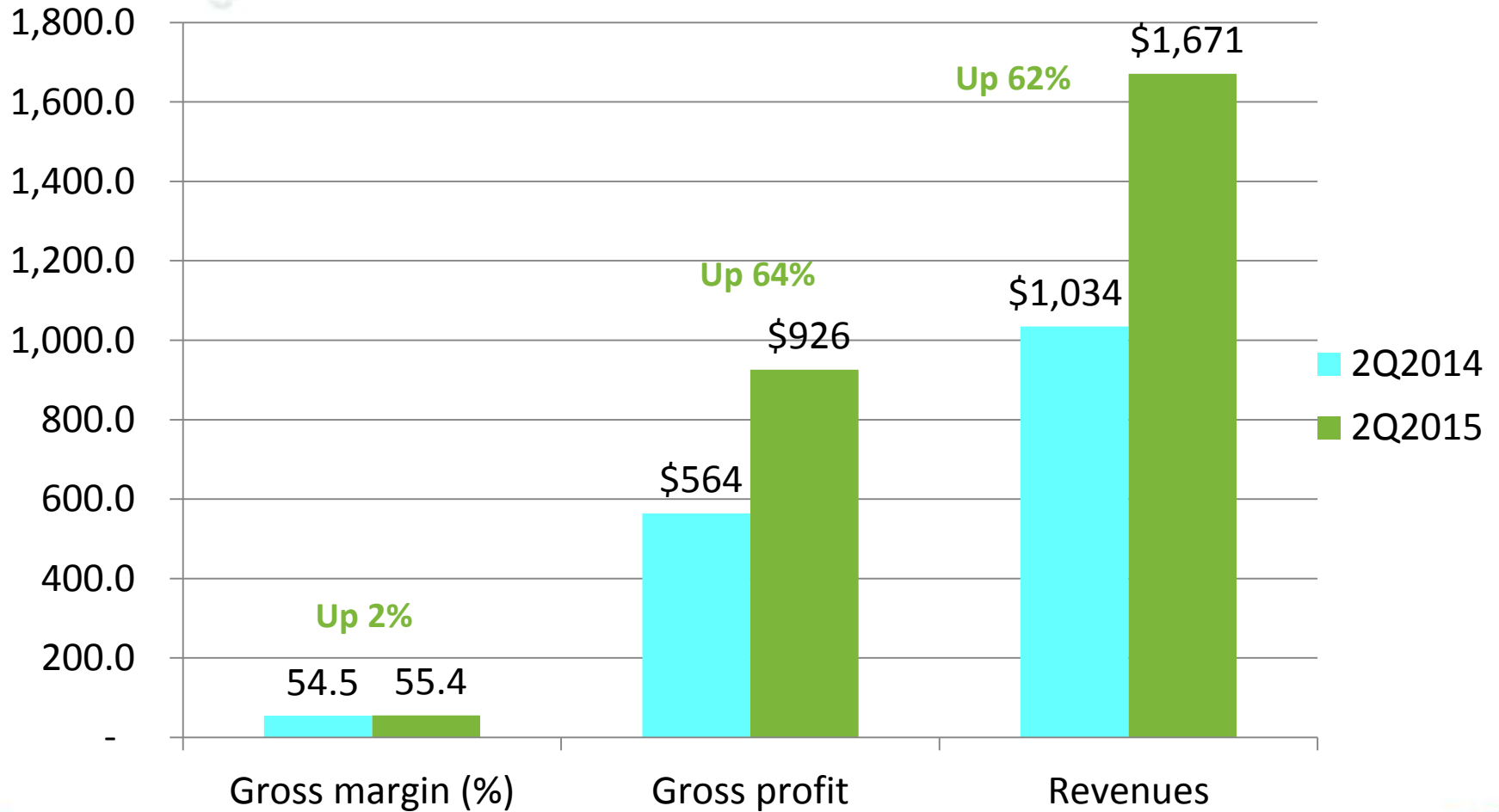
# 2Q 2015 Financial Results

3-Month Results – Consecutive Quarters (in thousands)



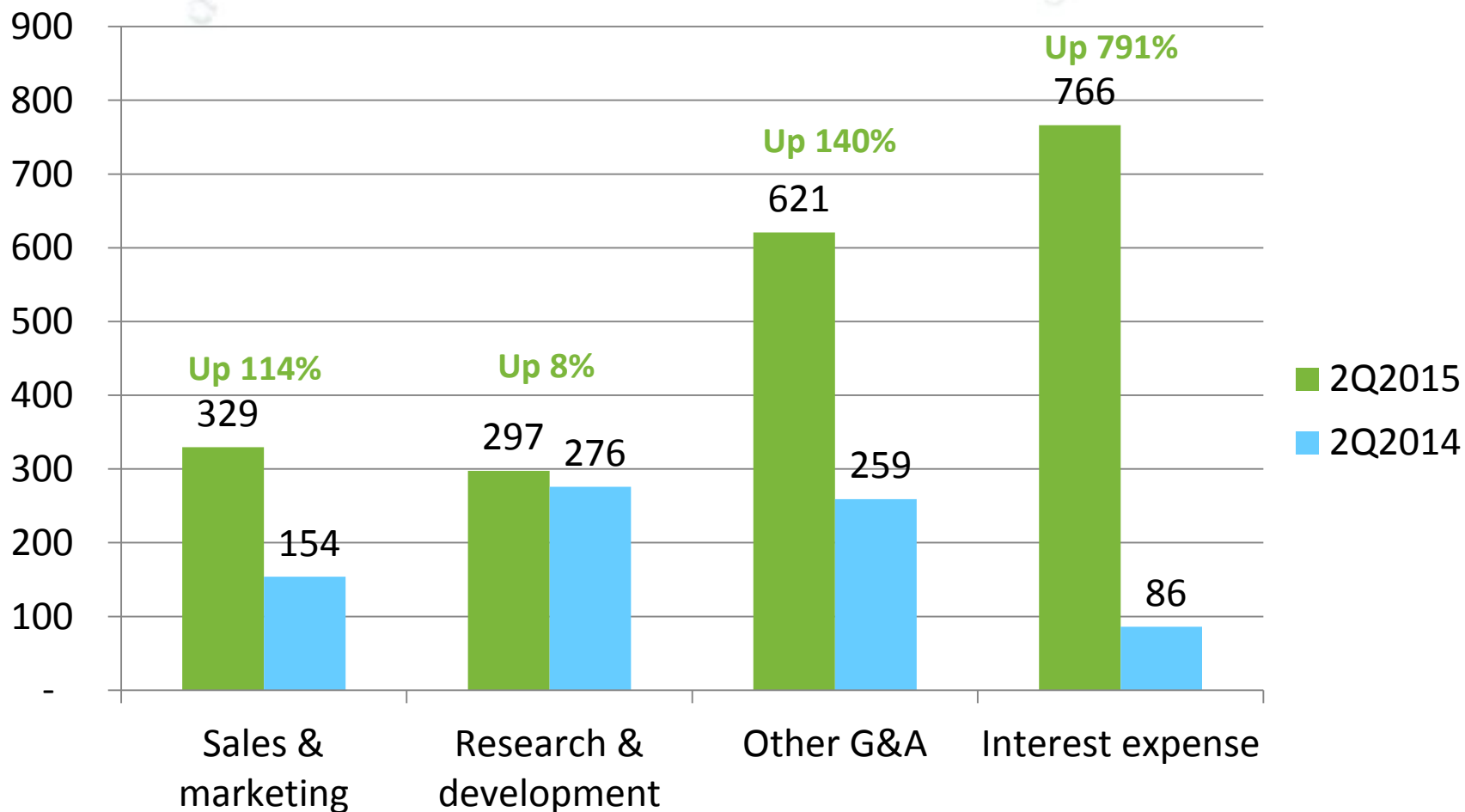
# 2Q 2015 Financial Results

6-Month Results – 2Q15 v 2Q14 (in thousands)



# 2Q 2015 Financial Results

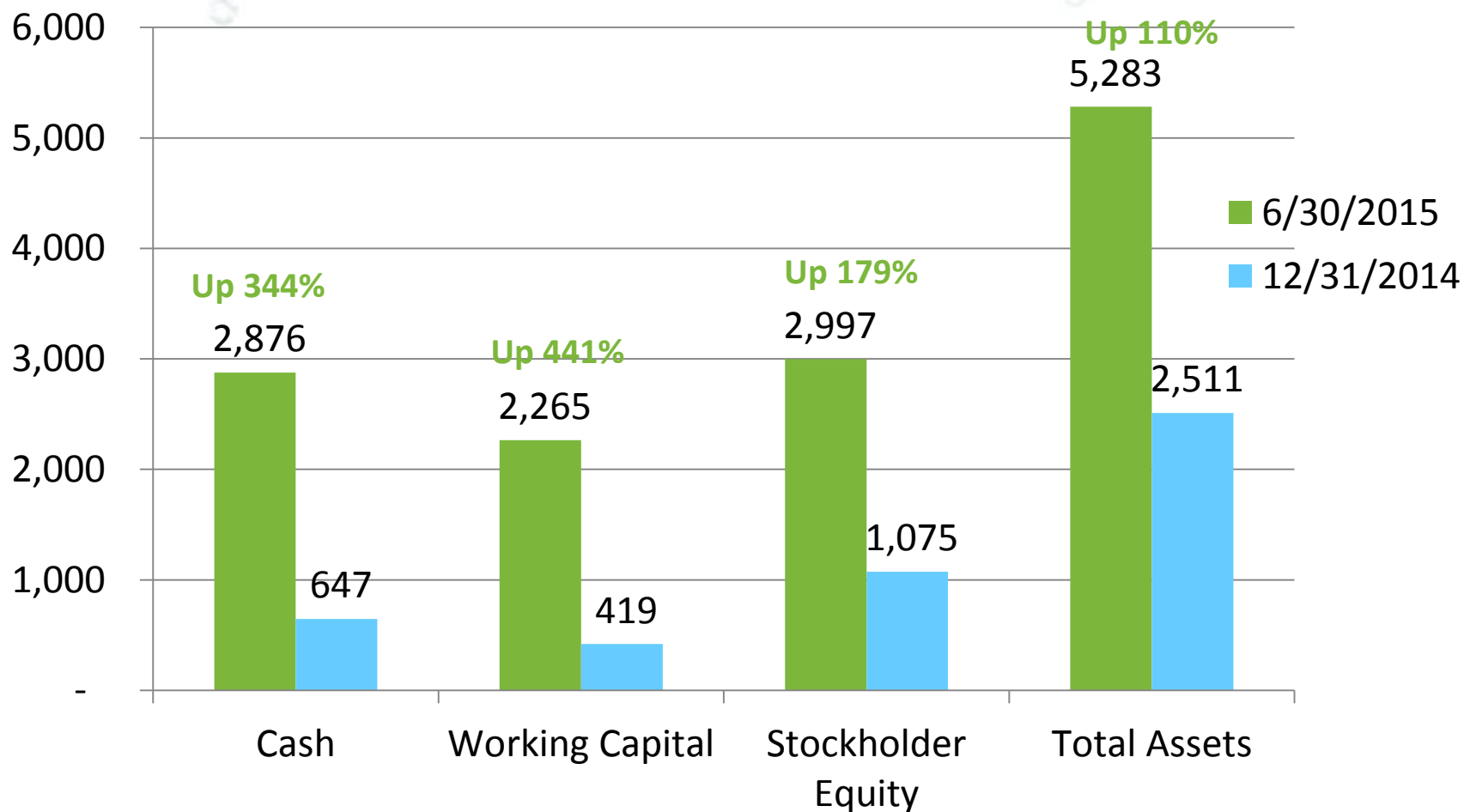
Q/Q Results – 2Q15 v 2Q14 (in thousands)





# 2Q 2015 Financial Results

Balance Sheet Items – 6/30/15 v 12/31/2014 (in thousands)



# 2Q 2015 Financial Results

2Q 2015	1Q 2015	2Q 2014
<b>Revenues:</b>		
\$ 1,045,693	\$624,514	\$678,111
<b>Net income (loss):</b>		
\$(1,259,314)	\$(1,340,103)	\$(233,528)
<b>Net income (loss) per share:</b>		
\$(.04)	\$(.05)	\$(.01)



# Consolidated Balance Sheets

	<u>June 30,</u> <u>2015</u>	<u>December 31,</u> <u>2014</u>
	(Unaudited)	
<b><u>ASSETS</u></b>		
Current assets		
Cash and cash equivalents	\$ 2,875,941	\$ 647,093
Accounts receivable, net	711,148	369,575
Inventories	422,551	277,346
License fee receivable	448,308	463,308
Prepaid expenses and other current assets	<u>91,747</u>	<u>53,588</u>
Total current assets	4,549,695	1,810,910
Property and equipment, net	88,617	91,537
Intangible assets, net	347,650	362,764
Other assets	<u>296,605</u>	<u>246,237</u>
<b>TOTAL ASSETS</b>	<b><u><u>\$ 5,282,567</u></u></b>	<b><u><u>\$ 2,511,448</u></u></b>



## LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities		
Accounts payable and accrued expenses	\$ 810,784	\$ 558,338
Related party payable	200,000	154,850
Capital leases - current	-	149
Notes payable - current, net of discount	43,723	40,897
Convertible notes payable, net of discount	1,116,109	606,932
Derivative liability	114,566	31,010
Total current liabilities	2,285,182	1,392,176
Long-term liabilities		
Notes payable	-	44,484
Total long-term liabilities	-	44,484
<b>TOTAL LIABILITIES</b>	<b>2,285,182</b>	<b>1,436,660</b>

## COMMITMENTS AND CONTINGENCY

### STOCKHOLDERS' EQUITY

Preferred stock, par value \$0.0005 per share; 25,000,000 shares authorized;		
518,750 Series A convertible preferred shares issued and outstanding as of June 30, 2015 and 593,750 shares issued and outstanding as of December 31, 2014.	258	296
900 Series B convertible preferred shares issued and outstanding as of June 30, 2015 and 1,145 shares issued and outstanding as of December 31, 2014.	1	1
770,000 Series C convertible preferred shares issued and outstanding as of June 30, 2015 and 0 shares issued and outstanding as of December 31, 2014.	385	-
1,050,000 Series D convertible preferred shares issued and outstanding as of June 30, 2015 and 0 shares issued and outstanding as of December 31, 2014.	525	-
531,666 Series E convertible preferred shares issued and outstanding as of June 30, 2015 and 0 shares issued and outstanding as of December 31, 2014.	266	-
Common stock, par value \$0.0004 per share; 100,000,000 shares authorized;		
31,224,000 shares of voting common stock issued and outstanding as of June 30, 2015 and 28,438,631 shares issued and outstanding as of December 31, 2014	12,492	11,377
Stock subscription receivable	(1,231,666)	-
Additional Paid-in Capital	24,854,869	19,104,322
Accumulated deficit	(20,639,745)	(18,041,208)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>2,997,385</b>	<b>1,074,788</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 5,282,567</b>	<b>\$ 2,511,448</b>



# Statement of operations

	For the three months ended June 30,		For the six months ended June 30,	
	2015	2014	2015	2014
Revenues, net	\$ 1,046,019	\$ 678,111	\$ 1,670,533	\$ 1,034,340
Cost of goods sold	409,183	264,856	745,039	470,446
Gross profit	636,836	413,255	925,494	563,894
Operating expenses				
Research and development	\$ 297,456	\$ 275,974	\$ 510,801	\$ 277,515
Sales and marketing	329,393	154,044	794,139	241,993
Other general and administrative	621,066	259,230	1,243,350	604,987
Total operating expenses	1,247,915	689,248	2,548,290	1,124,495
Loss from operating expenses	(611,079)	(275,993)	(1,622,796)	(560,600)
Other income (expenses)				
Interest expense	(561,791)	(85,980)	(892,945)	(193,587)
Change in value of derivative liabilities	119,933	-	122,584	-
Derivative expense	(204,272)	-	(204,272)	-
Other income (expense)	(1,225)	42,465	(1,108)	58,360
Total other income (expenses)	(647,355)	(43,515)	(975,741)	(135,227)
Net loss	<u><u>\$ (1,258,434)</u></u>	<u><u>\$ (319,508)</u></u>	<u><u>\$ (2,598,537)</u></u>	<u><u>\$ (695,828)</u></u>
Basic and diluted net loss per common share	<u><u>\$ (0.04)</u></u>	<u><u>\$ (0.01)</u></u>	<u><u>\$ (0.09)</u></u>	<u><u>\$ (0.03)</u></u>
Weighted average common shares outstanding:				
Basic and diluted	<u><u>30,215,788</u></u>	<u><u>25,996,642</u></u>	<u><u>29,587,327</u></u>	<u><u>25,956,948</u></u>



# Statement of cash flows

	<b>For the six months ended June 30,</b>	
	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$(2,598,537)	\$ (695,828)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation and amortization expense	21,934	24,853
Amortization of debt discount and beneficial conversion features	803,870	121,140
Gain on forgiveness of debt	(37,714)	-
Gain on extinguishment of debt	-	(42,525)
Excess derivative over proceeds	204,272	-
Derivative liability fair value adjustment	(122,584)	-
Expenses paid on behalf of related parties	137,150	-
Expenses paid by related parties	-	4,374
Warrants issued for services	8,883	-
Stock based compensation	106,911	17,588
Common stock issued for services	62,670	-
Changes in operating assets and liabilities:		
Accounts receivable	(341,573)	(363,543)
Inventories	(145,205)	1,804
License fees receivable	15,000	36,692
Prepaid expenses and other current assets	(38,159)	62,509
Other assets	(50,368)	-
Accounts payable and accrued liabilities	282,345	304,405
Deferred revenue	-	(2,976)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(1,691,105)</b>	<b>(531,507)</b>



# Statement of cash flows

<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(3,900)	(70,651)
Purchase of intangible assets	-	(198)
		<u>          </u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(3,900)</b>	<b>(70,849)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Common stock subscribed and issued for cash	80,001	10,672
Preferred stock issued for cash and warrants	2,650,001	-
Cash received from related parties	-	9,800
Payments made to related parties	(92,000)	(108,300)
Cash received from convertible notes payable	1,461,000	247,500
Payments made on convertible notes payable	(175,000)	(192,000)
Payments on capital leases	(149)	(1,008)
	<u>          </u>	<u>          </u>
<b>NET CASH PRODUCED BY FINANCING ACTIVITIES</b>	<b>3,923,853</b>	<b>(33,336)</b>
Net change in cash and cash equivalents	2,228,848	(635,692)
Cash and cash equivalents, at beginning of period	<u>647,093</u>	<u>657,673</u>
Cash and cash equivalents, at end of period	<u><u>\$ 2,875,941</u></u>	<u><u>\$ 21,981</u></u>

# Business updates

- Distribution agreement with Z-Medica
- Official Supplier of Medical Equipment for Special Olympics World Games Los Angeles 2015
- Three new Territory Managers
- Distribution agreement with Team Life of New Jersey
- Medical drone solution





# Regulatory update

- Field Corrective Action (FCA)
- Standard A: average of 6.5 LPM for 15 min
- Standard B: min 6 LPM for 15 min
- 19 Cartridges covered so far
- Max exposure \$55,000

# Looking ahead...

- Launch new product
- Initiate test & learn for DTC campaign
- Grow direct sales force
- Uplist to national exchange



# Summary

- Strong building quarter with excellent momentum
- Stellar growth, while scaling adoption curve
- Solid improvements to balance sheet
- Keeping solidifying our medical device platform



# 2Q 2015 Financial Results

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[investors@oxysure.com](mailto:investors@oxysure.com)

[www.oxysure.com](http://www.oxysure.com)

Questions & Answers



# Contact Information

OxySure Systems, Inc.

**OXYS: OTCQB**

10880 John W. Elliott Road, Suite 600

Frisco, TX 75034 USA

Tel: (+1) 972-294-6450

[info@oxysure.com](mailto:info@oxysure.com)

[www.OxySure.com](http://www.OxySure.com)

