



OxySure Systems, Inc. (OXYS)

1Q 2014 Financial Results

May 16, 2014

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.



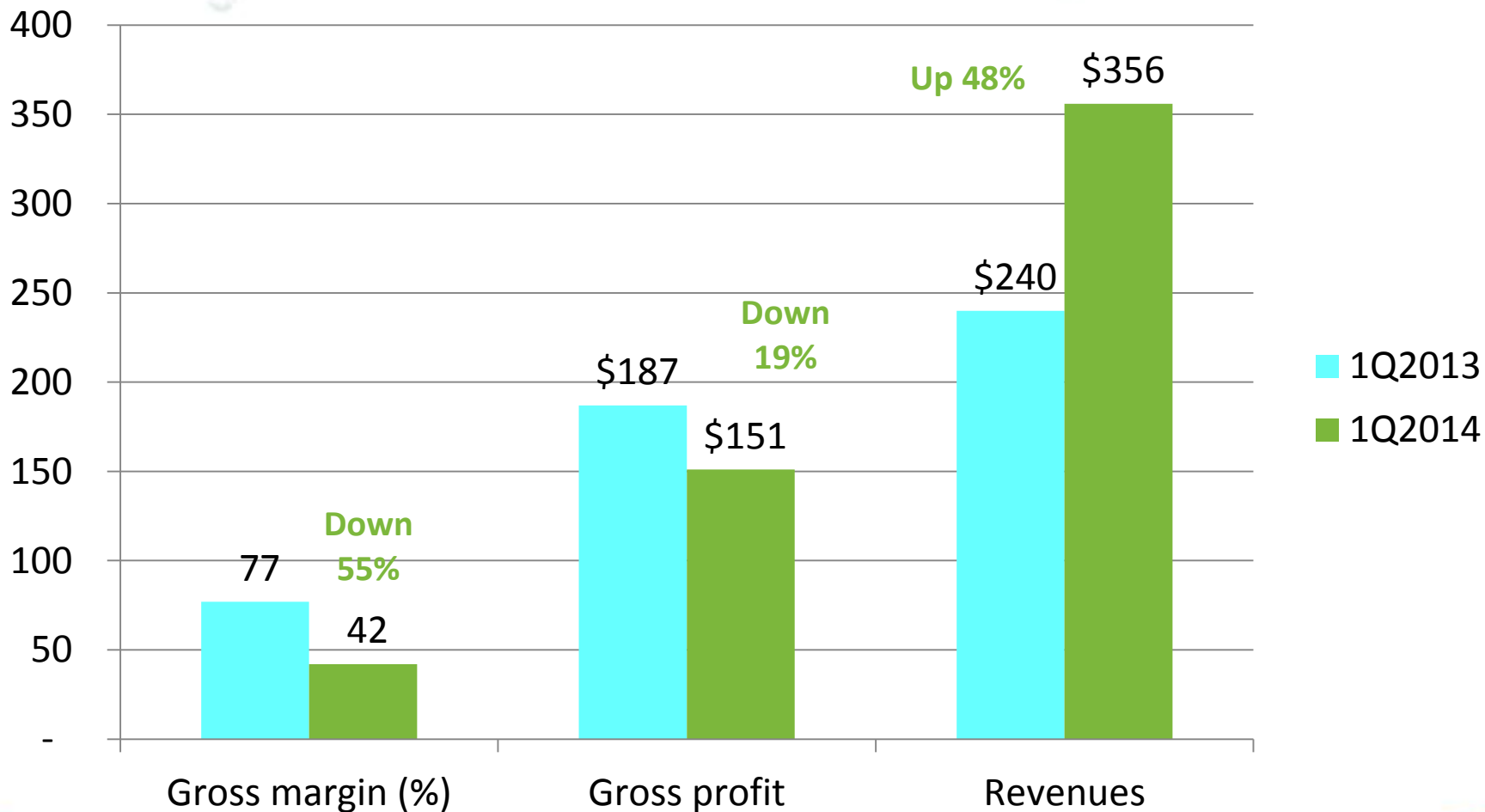
1Q 2014 Financial Highlights

- Revenues were \$356,229, up 48%
- Sales & marketing expense down 18%
- Research & development expense down 96%
- G&A expense up 35%
- Notes payable slightly up by \$25,843 to \$375,818
- Net loss per share flat at \$.01 for the quarter
- Cartridge shipments increased 201%



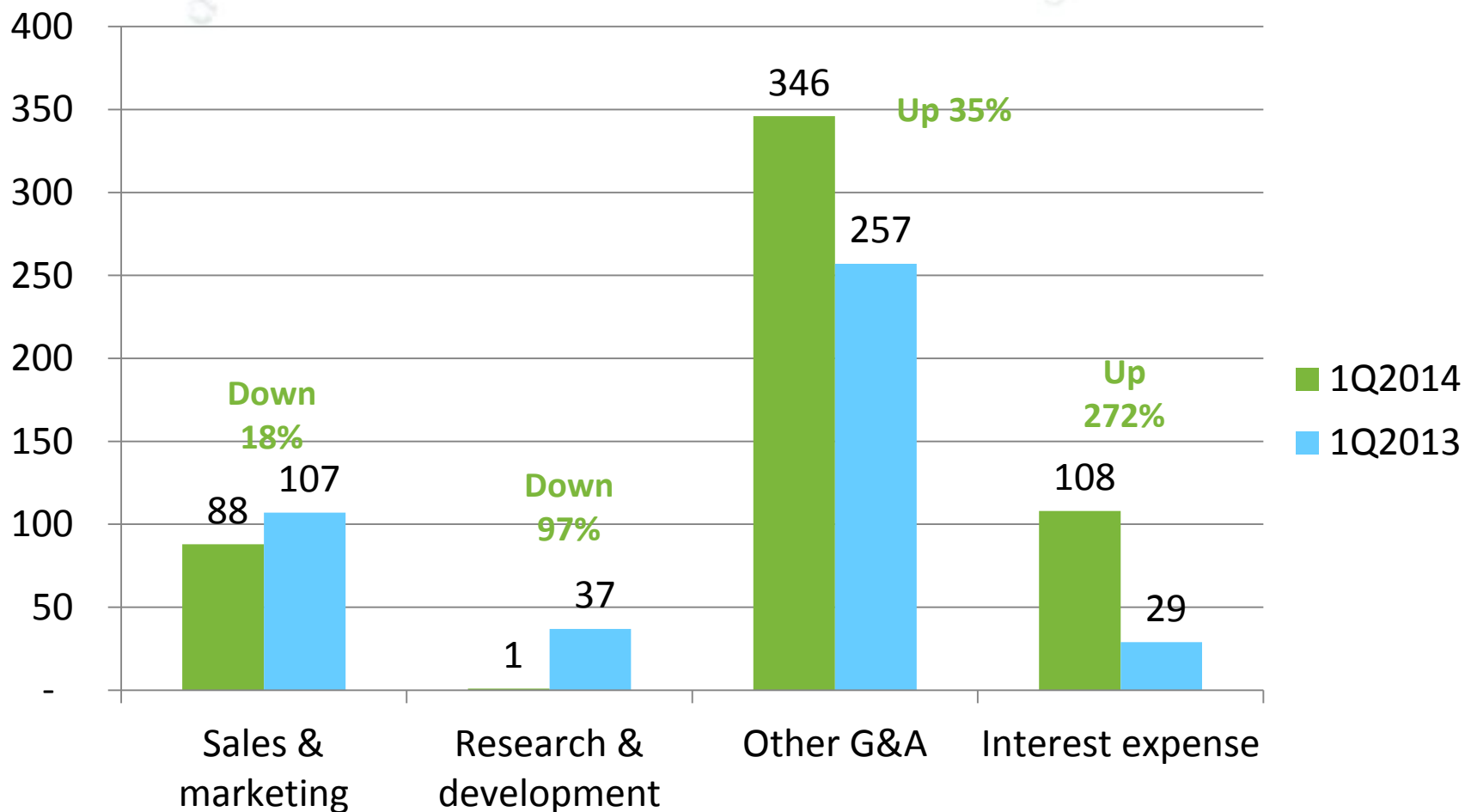
1Q 2014 Financial Results

Q/Q Results – 1Q14 v 1Q13 (in thousands)



1Q 2014 Financial Results

Q/Q Results – 1Q14 v 1Q13 (in thousands)



1Q 2014 Financial Results

Q/Q Results – 1Q14 v 1Q13 (in thousands)

1Q 2014	1Q 2013
Revenues:	
\$356,229	\$240,420
Net income (loss):	
\$(376,320)	\$(242,152)
Net income (loss) per share:	
\$(.01)	\$(.01)



Replacement cartridge sales



OxySure Model 615



Replacement cartridge for OxySure Model 615



Open the Lid



Remove Expended Cartridge

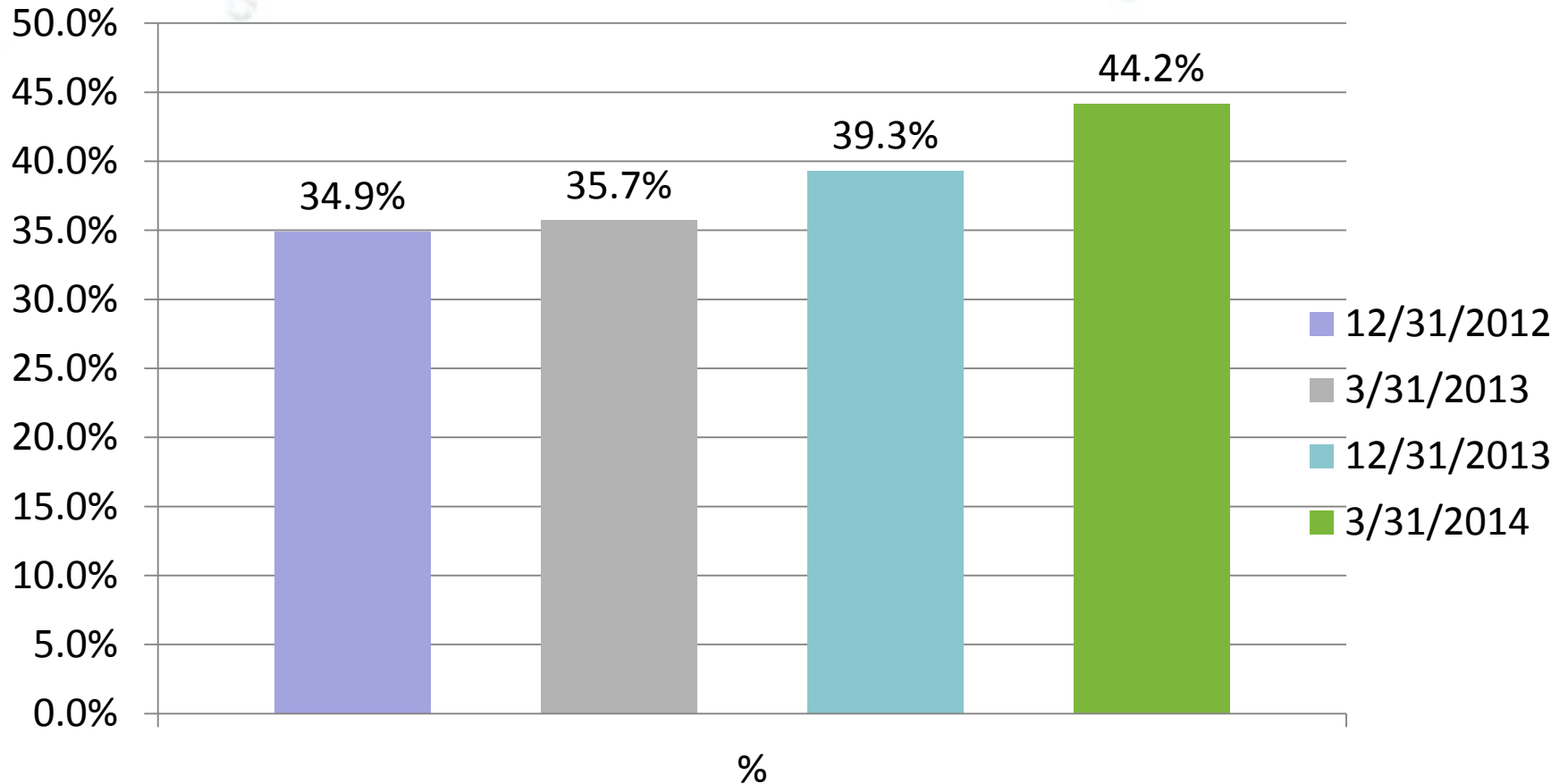


Replace with New Cartridge & Remove Safety Tabs



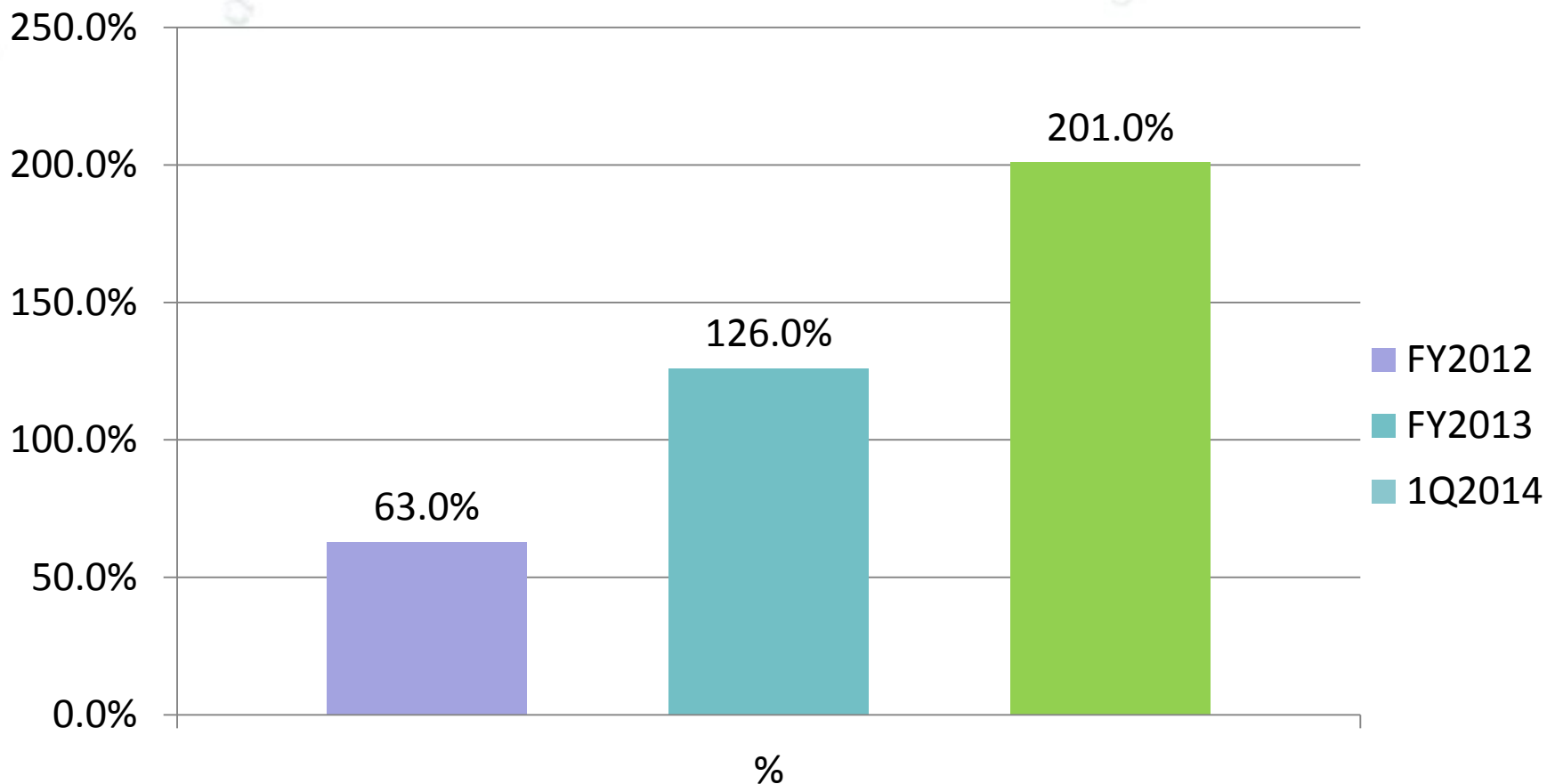
1Q 2014 Financial Results

Cartridges as % of known installed base



1Q 2014 Financial Results

Cartridges shipments as % of Model 615 shipments



Consolidated Balance Sheets

	March 31,	
	2014	2013
		Restated
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	\$ 150,669	\$ 657,673
Accounts receivable, net of allowances for sales returns and allowance for doubtful accounts	319,999	47,183
Inventories	277,259	287,666
License fees receivable	463,308	500,000
Prepaid expenses and other current assets	50,542	107,305
Total current assets	1,261,776	1,599,827
Property and equipment, net	129,617	70,249
Intangible assets, net	385,238	392,746
Other assets	306,122	289,532
TOTAL ASSETS	\$ 2,082,754	\$ 2,352,354



Consolidated Balance Sheets, cont.

<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current liabilities		
Accounts payable and accrued expenses	\$ 352,021	\$ 147,719
Related party payable	29,501	118,627
Deferred revenue	-	2,976
Capital leases - current	308,553	309,129
Notes payable - current, net of discount	47,103	44,000
Convertible notes payable, net of discount	252,643	229,903
Total current liabilities	989,821	852,354
Long-term liabilities		
Capital leases	554	554
Notes payable, net of discount	76,072	76,072
Total long-term liabilities	76,626	76,626
TOTAL LIABILITIES	1,066,448	928,980
<u>STOCKHOLDERS' EQUITY</u>		
Preferred stock, par value \$0.0005 per share; 25,000,000 shares authorized;		
693,750 Series A convertible preferred shares issued and outstanding as of March 31, 2014 and 743,750 shares issued and outstanding as of December 31, 2013.	346	371
750 Series B convertible preferred shares issued and outstanding as of March 31, 2014 and 750 shares issued and outstanding as of December 31, 2013.	-	-
Common stock, par value \$0.0004 per share; 100,000,000 shares authorized;		
25,969,163 shares of voting common stock issued and outstanding as of March 31, 2014 and 25,854,307 shares issued and outstanding as of December 31, 2013	10,391	10,343
Additional Paid-in Capital	16,669,538	16,700,307
Accumulated deficit	(15,663,968)	(15,287,647)
TOTAL STOCKHOLDERS' EQUITY	1,016,307	1,423,374
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 2,082,754	\$ 2,352,354



Statement of operations

	For the three months ended March 31,	
	2014	2013
Revenues, net	\$ 356,229	\$ 240,420
Cost of goods sold	205,590	53,181
Gross profit	150,639	187,239
Operating expenses		
Research and development	1,541	36,711
Sales and marketing	87,949	107,347
Other general and administrative	345,757	256,617
Loss from operations	(284,608)	(213,436)
Other income (expenses)		
Gain on settlement of debt	16,226	-
Other income (expense)	(331)	-
Interest expense	(107,607)	(28,716)
Total other income (expenses)	(91,712)	(28,716)
Net loss	\$ (376,320)	\$ (242,152)
Basic net income (loss) per common share	\$ (0.01)	\$ (0.01)
Diluted net income (loss) per common share	\$ (0.01)	\$ (0.01)
Weighted average common shares outstanding:		
Basic	25,889,334	23,036,157
Diluted	25,889,334	23,036,157



Statement of cash flows

	Three Months Ended March 31,	
	2014	2013 Restated
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ (376,320)	\$ (169,349)
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Depreciation and amortization expense	12,141	35,610
Amortization of debt discount and beneficial conversion features	95,776	21,802
Expenses paid by related parties	4,374	-
Stock based compensation	17,588	(12,061)
Gain on extinguishment of debt	(16,226)	-
Stock issued for services	-	19,023
Changes in operating assets and liabilities:		
Accounts receivable	(272,816)	(54,542)
Inventories	10,407	(142)
License fees receivable	36,692	-
Prepaid expenses and other current assets	40,173	-
Accounts payable and accrued liabilities	212,259	91,364
Deferred revenue	(2,976)	(125,000)
NET CASH USED IN OPERATING ACTIVITIES	(238,928)	(193,295)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(64,000)	(623)
Purchase of intangible assets	-	-
NET CASH USED IN INVESTING ACTIVITIES	(64,000)	(623)

	Three Months Ended March 31,	
	2014	2013 Restated
CASH FLOWS FROM FINANCING ACTIVITIES		
Common stock issued for cash	-	230,824
Payments made to related parties	(93,500)	-
Cash received from convertible notes payable	-	28,103
Payments made on convertible notes payable	(110,000)	-
Payments on capital leases	(576)	12,881
Exercising of warrants	-	3,500
NET CASH PROVIDED BY FINANCING ACTIVITIES	(204,076)	275,308
Net change in cash and cash equivalents	(507,004)	81,390
Cash and cash equivalents, at beginning of period	657,673	13,514
Cash and cash equivalents, at end of period	\$ 150,669	\$ 94,905
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	\$ 7,492	-
Income taxes	\$ -	\$ -

Looking ahead...

- Multiple launches overseas
- Australia TGA approval
- Direct to consumer effort
- New US distributors
- New international distributors
- Military combat unit
- Management expansion
- Asset tracking and incident reporting



Multiple launches overseas

- Australia
- United Kingdom
- Netherlands
- Hong Kong



Australia TGA approval

- Most of the process completed
- Approved for codes from GMDN

Page 1 of 1 TERM APPLICATION
NT14205

GMDN TERM DEVELOPMENT & RESULT CERTIFICATE

APPLICATION

Date of Application: 26/04/2014 23:34:06
 Name of requestor: Mr. Julian Ross
 Company: OxySure Systems, Inc.
 Address: 10880 John W. Elliott Dr #600, Frisco, 75033, USA
 Country: USA
 Proposed Term: Oxygen Generator, Portable

RESULTING TERM

GMDN Term: Emergency oxygen production system
 GMDN Code: 61062
 Type of Term: P

Definition: A portable assembly of devices designed to produce oxygen from powdered chemicals to administer to patients in first aid or emergency situations (e.g., cardiac emergencies, asthma or COPD exacerbations, shock, trauma). It consists of: 1) a reusable housing/container with an activation button; 2) a single-use mask and tubing set; and 3) a single-use, oxygen-generating cartridge containing chemicals intended to create medical grade oxygen at high concentration and flow rate when mixed upon activation. The device may be used by healthcare professionals in a clinical setting or by lay persons in a public setting; it is normally available (non-prescription) over-the-counter (OTC).

Developed By: Dr. Barry Daniels
 (Expert Name)
 Finalised By: Dr. Barry Daniels Date: 26/04/2014 23:34:06
 (on behalf of GMDN Agency)
 Comments:

Page 1 of 1 TERM APPLICATION
NT14206

GMDN TERM DEVELOPMENT & RESULT CERTIFICATE

APPLICATION

Date of Application: 26/04/2014 23:36:21
 Name of requestor: Mr. Julian Ross
 Company: OxySure Systems, Inc.
 Address: 10880 John W. Elliott Dr #600, Frisco, 75033, USA
 Country: USA

Proposed Term: Oxygen Generator, Portable, Cartridge

RESULTING TERM

GMDN Term: Emergency oxygen production system cartridge
 GMDN Code: 61063
 Type of Term: P

Definition: A self-contained, replaceable component of an emergency oxygen production system that contains dry powders intended to create medical grade oxygen at high concentration and flow rate when mixed upon activation. It is designed to be placed within the external housing of the system and is intended to be discarded after use. This is a single-use device.

Developed By: Dr. Barry Daniels
 (Expert Name)
 Finalised By: Dr. Barry Daniels Date: 26/04/2014 23:36:21
 (on behalf of GMDN Agency)
 Comments:



Other initiatives

- New US distributors
- New international distributors
- Military combat unit
- Management expansion
- Asset tracking and incident reporting

Branding: Direct to consumer effort

- Evolve from a proposition to a brand
- A brand will make sense of our message across categories
- A brand inspires and supports category expansion
- A brand creates shorthand for key constituencies in the financial marketplace



Summary

- Good building quarter
- Invested in our future, while maintaining bottom line
- Cartridge reorder model exceeding expectations
- Product continues to make a difference



FY 2013 Financial Results

OxySure Systems, Inc. (OXYS)

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Questions & Answers



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