



Fiscal Q3/2008 Quarterly Results  
Period ending 30 June 2008

David Christie, President and CEO

## Agenda

- Business Overview
- F08 Q3 Financial Results Summary
- F08 Q3 Achievements
- F08 Q4 Strategic Priorities
- F08 Guidance
- Questions & Answers

## Introduction

- Incorporated in 1988
  - **FAST1®** Regulatory clearance in 1997
- New management November '06
  - Broad, deep experience in medical device industry
- Inventor, manufacturer, seller
  - **FAST1™** Intraosseous (“**IO**”) Infusion System
    - Over 146,000 sold to date
    - Fastest, most effective delivery of drugs
    - Solid intellectual property protection
      - ❖ 9 patents in 8 countries

## Current Solutions are Inadequate

- In cardiac arrest, veins collapse
  - IV is virtually impossible
- Central lines require a doctor
  - 10 minutes to insert
  - Costly, risky, sometimes deadly
  - Abysmal survival rates
    - 15% of in-hospital "Code Blues"
    - 5% curbside cardiac arrests

## The Solution: ***FAST1™***

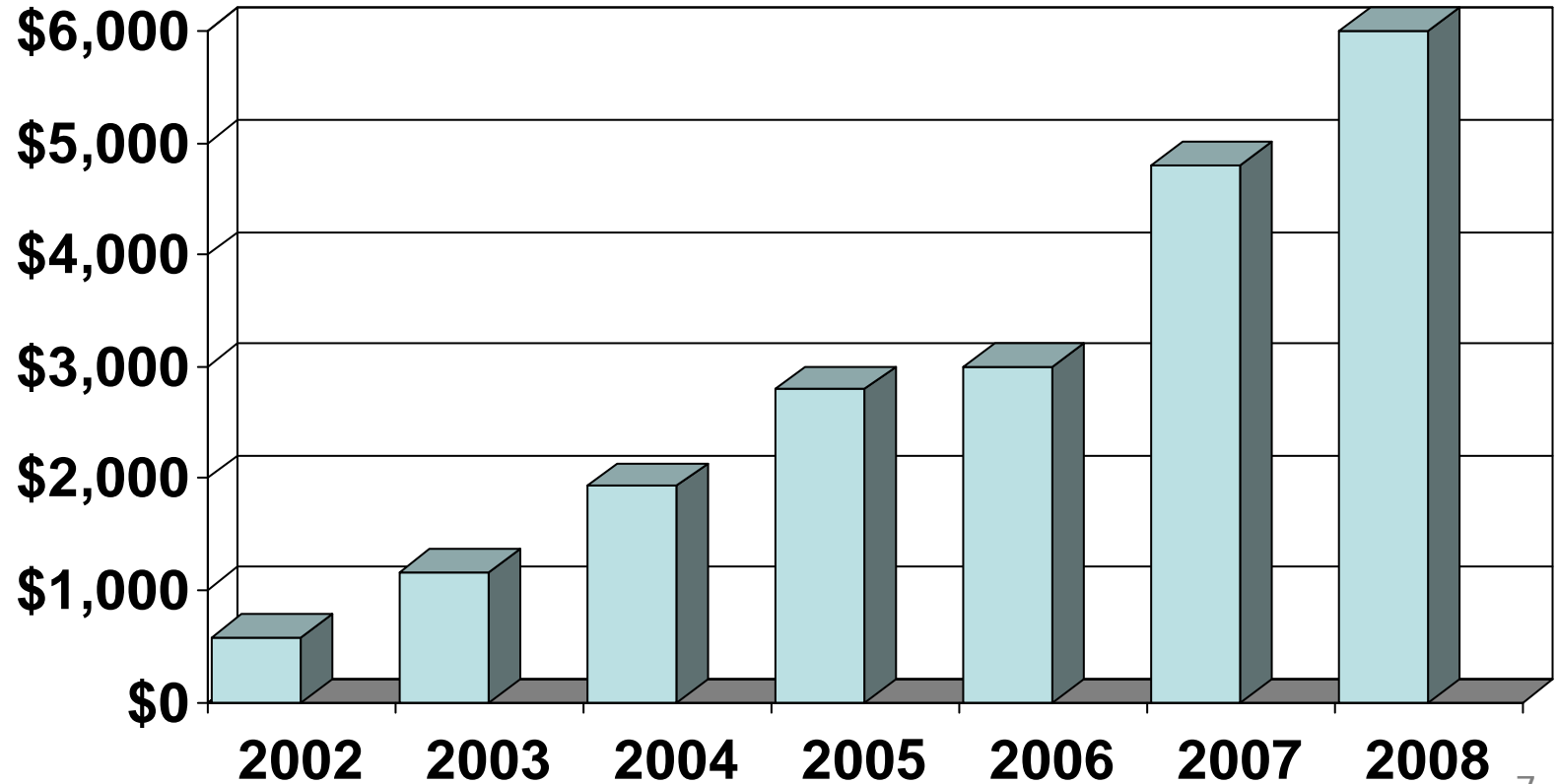
- Think ***FAST***: a "*firehose to the heart*"
- Seconds to establish the line
  - Seconds later drugs are in the heart
- Easily done by any caregiver
  - on the battlefield, curbside or in-hospital
- Safe, sterile, single-use, fully disposable

## Current Business

- Drives premium average price of \$175 each @ >70% gross margin
- Military market is great for Pyng
  - \$5 million/year in current sales
- The real opportunity: 24 times larger
  - Hospitals & emergency medical services

# Accelerating Growth Trajectory

Revenue (\$000)  
FY2002 - FY 2008



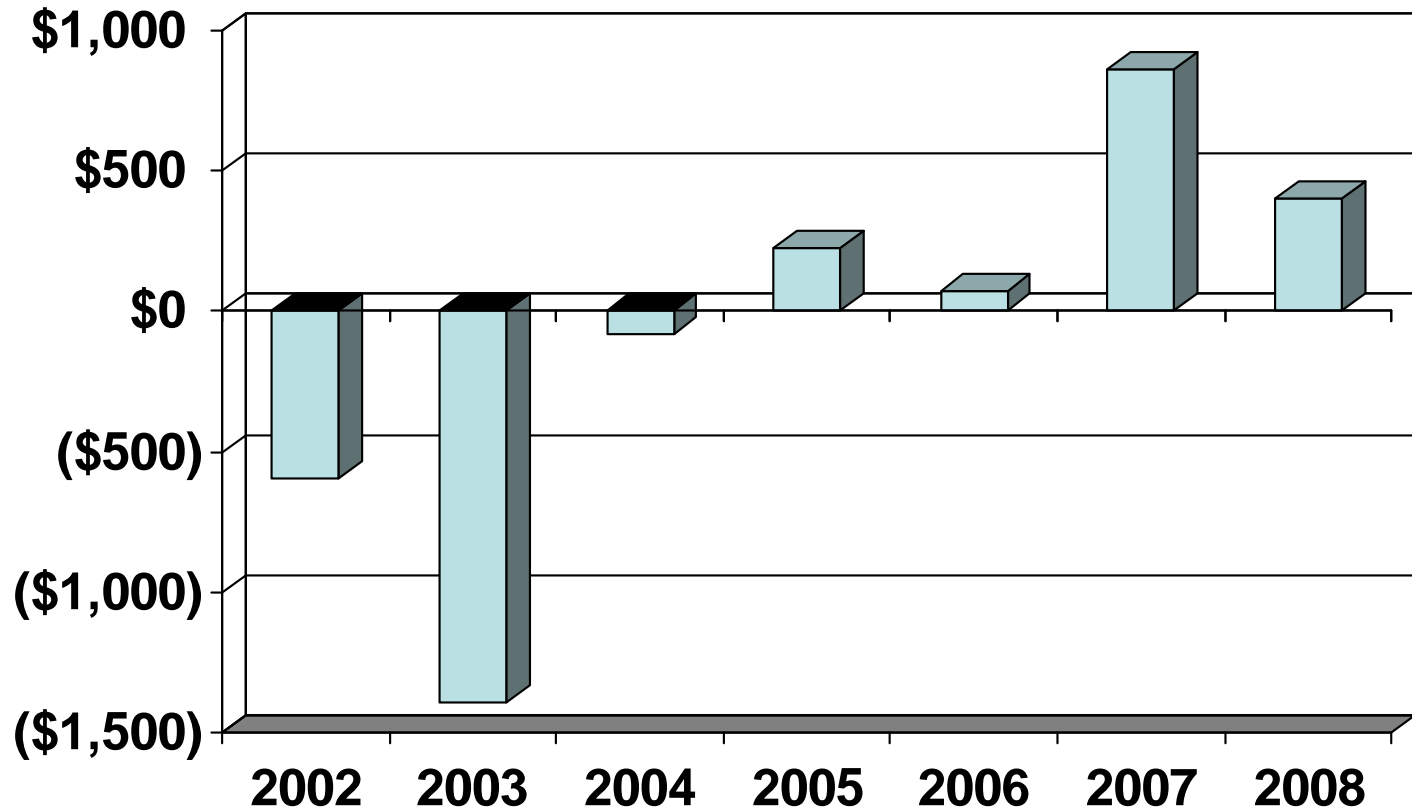
## Q3 Quarterly Revenue & Income

- \$1.6 million revenue
  - 20% growth over Q3/07
- \$98 thousand net income
  - 105% growth over Q3/07

## Q3 YTD Revenue, GM & Income

- \$4.4 million revenue
  - 28% increase over F2007
- \$3.1 million gross margin
  - 29% increase over F2007
- \$293 thousand net income
  - 7% increase over F2007

## Profit (loss) (in '000)





## Solid Balance Sheet

- \$1 million Working Capital
- \$1 million Bank Loan
- \$1 million Line-Of-Credit

## Cash flow

- \$715 thousand YTD EBITDA
- \$121 thousand net cash
- \$666 thousand decrease during period due to asset purchase

## Fiscal Q3/08 Key Accomplishments

- Expanded indications for use
  - **FAST1** now the only adult IO device cleared for use in adolescents (12 years or older)
- Sustained growth - 7<sup>th</sup> consecutive quarter of profitability
- Asset acquisition
- On-track with strategic initiatives

## Asset acquisition

- Complimentary trauma products purchased from BCI
  - ***T-POD® & MAT®***
    - Tracking to \$1 million revenue @ 70% gross margin
      - Paid \$1.6 million cash
  - ***CRIC™***
    - FDA pending this fall
    - \$750K DOD grant to develop
      - Will pay \$750 thousand in three installments

## ***T-POD, MAT & CRIC***

- All synergistic to our core product
  - Fits perfectly with ***FAST1*** and ABCs of resuscitation
- Same markets, same distributors, same call points, same people
- Adds significant revenues at comparable gross margins
- Very few direct costs (one sales person)
- Immediately accretive to earnings

## ***T-POD***

- Pelvic stabilizer
- Saves lives in “open-book” pelvic fractures
- The only external device shown to be equivalent to surgical fixation
- Also used to control pain for any pelvic fracture or after surgery
- Includes hospital direct accounts
- Global patent-protection

## ***MAT***

- Mechanical advantage tourniquet
- Saves lives and limbs
- The only tourniquet that meets all ten DOD requirements
- Patents-pending
- Featured in August issue of JEMS
- Global sales in pre-hospital and military markets

## ***CRIC***

- The “leatherman” of cricothyrotomy devices
- Saves lives when upper airway is obstructed
  - #2 preventable cause of loss of life on the battlefields of Iraq & Afghanistan
- Patents & FDA pending

## Near-term Market Opportunity

- The real opportunity
  - Hospitals & emergency medical services
- ILCOR/AHA Guidelines November 2005
  - specify IO infusion whenever IV fails
- ***T-POD, MAT & CRIC***
  - are all synergistic to ***FAST1***

## Hospital & EMS opportunity

- **>\$120M** total market potential (US)
  - Sales recur every 2<sup>nd</sup> year or sooner
- **\$53M** hospital market for **FAST1™** equipping "Crash Carts"
  - *150,000 carts x 2 FAST1/cart x \$175 ASP*
- **\$70M** EMS market
  - *400,000 IO-eligible ambulance runs @ \$175*

## Strategic Priorities Fiscal 2008

- ✓ Acquisition opportunities
- ✓ Continued geographic expansion
  - Diversify into new vertical markets
- ✓ Broaden indications for use
- ✓ Initiate clinical trials
- ✓ Appoint European region manager

## Strategic Priorities Fiscal 2008

- Broaden sales with US fed. govt
- ✓ Leverage distribution strength
- ✓ Advance product development
- ✓ Expand manufacturing capacity
  - ✓ Continue to lower COGs
- Raise Pyng's profile with key stakeholder groups

## F08 Guidance

- \$6.0 million revenue
- \$400 thousand income
  - Allows for 1-time acquisition costs
- Assumes dollar parity
- Successfully execute strategic plan
- Maintain open, transparent style



## Questions and Discussion

Pyng Medical Corp

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

TSX-V:PYT

David Christie

President and Chief Executive Officer

[dchristie@pyng.com](mailto:dchristie@pyng.com)

1-800-349-7964

**Thank you for your interest in Pyng**