

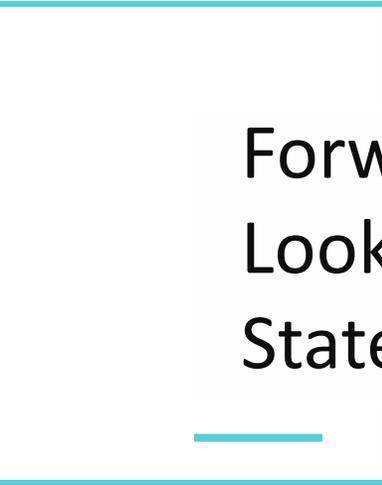


# Semler Scientific

**Corporate Presentation**

**October 2018**

**OTCQB: SMLR**



# Forward Looking Statements

This presentation includes statements that are, or may be deemed, “forward-looking statements.” In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believe,” “estimate,” “anticipate,” “expect,” “plan,” “intend,” “may,” “could,” “might,” “will,” “should,” or, in each case, their negative or other variations thereon or comparable terminology, although not all forward-looking statements contain these words. Such forward-looking statements appear in a number of places throughout this presentation and include statements regarding our expectations regarding revenue growth, growth in operating expenses, and continued generation of cash from operations and profitability. These statements are based on our current intentions, beliefs, projections, outlook, analyses or current expectations concerning, among other things, the impact of healthcare reform (including the Affordable Care Act) on our business, the effect of new financial incentives for medical providers and the amount of such payments, our ongoing and planned development of products, the timing of launch of such new products, the strength and breadth of our intellectual property, the degree of clinical utility and adoption of our product, particularly for specific patient populations, and the success of new service models.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events, competitive dynamics, our expected financing needs and sources of financing, the industry in which we operate and the trends that may affect the industry or us. Our results of operations, financial condition, liquidity, prospects, growth and strategies depend on the economic circumstances that may or may not occur in the future or may occur on longer or shorter timelines than anticipated. Although we believe that we have a reasonable basis for each forward-looking statement contained in this presentation, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this presentation as a result of, among other factors, the factors referenced in the “Risk Factors” section of our Annual Report on Form 10-K as filed with the Securities and Exchange Commission on March 8, 2018 and as may be amended from time to time. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this presentation, they may not be predictive of results of developments in future periods. Any forward-looking statements that we make in this presentation speak only as of the date of such statement, and we undertake no obligation to update such statements to reflect events or circumstances after the date of this presentation, except as required by law.

You should read carefully our “Cautionary Note Regarding Forward-Looking Statements and Industry Data” and the factors described in the “Risk Factors” sections of the Annual Report to better understand the risks and uncertainties inherent in our business.

# Announcing Fourth Consecutive Profitable Quarter Three Months ending September 30, 2018

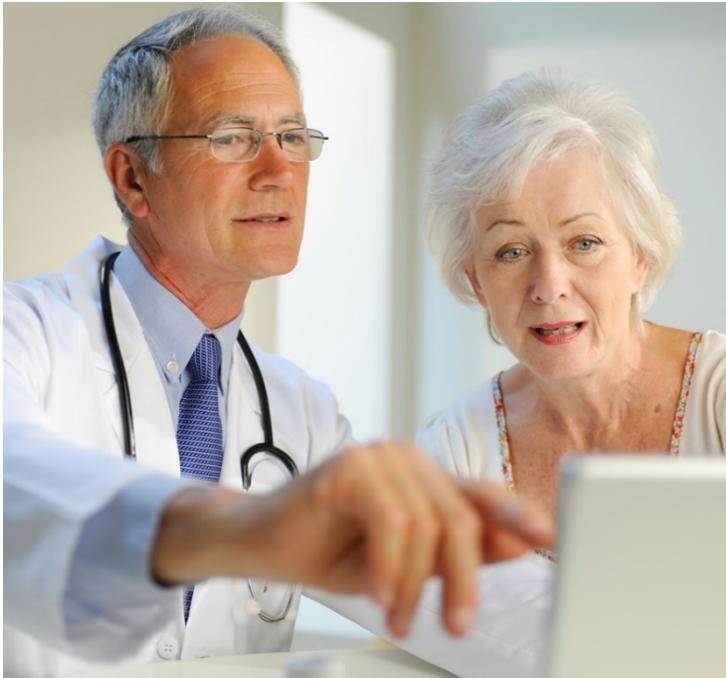
	Q4 2017	Q1 2018	Q2 2018	Q3 2018
<b>Revenues</b>	\$4,213,000	\$4,463,000	\$5,484,000	\$5,579,000
<b>Operating Expenses</b>	\$3,837,000	\$3,650,000	\$3,949,000	\$4,033,000
<b>Operating Income</b>	\$376,000	\$813,000	\$1,535,000	\$1,546,000
<b>Net Profit</b>	\$254,000	\$706,000	\$1,453,000	\$1,468,000

Solutions  
to Improve  
Healthcare  
for Age 50  
and Over



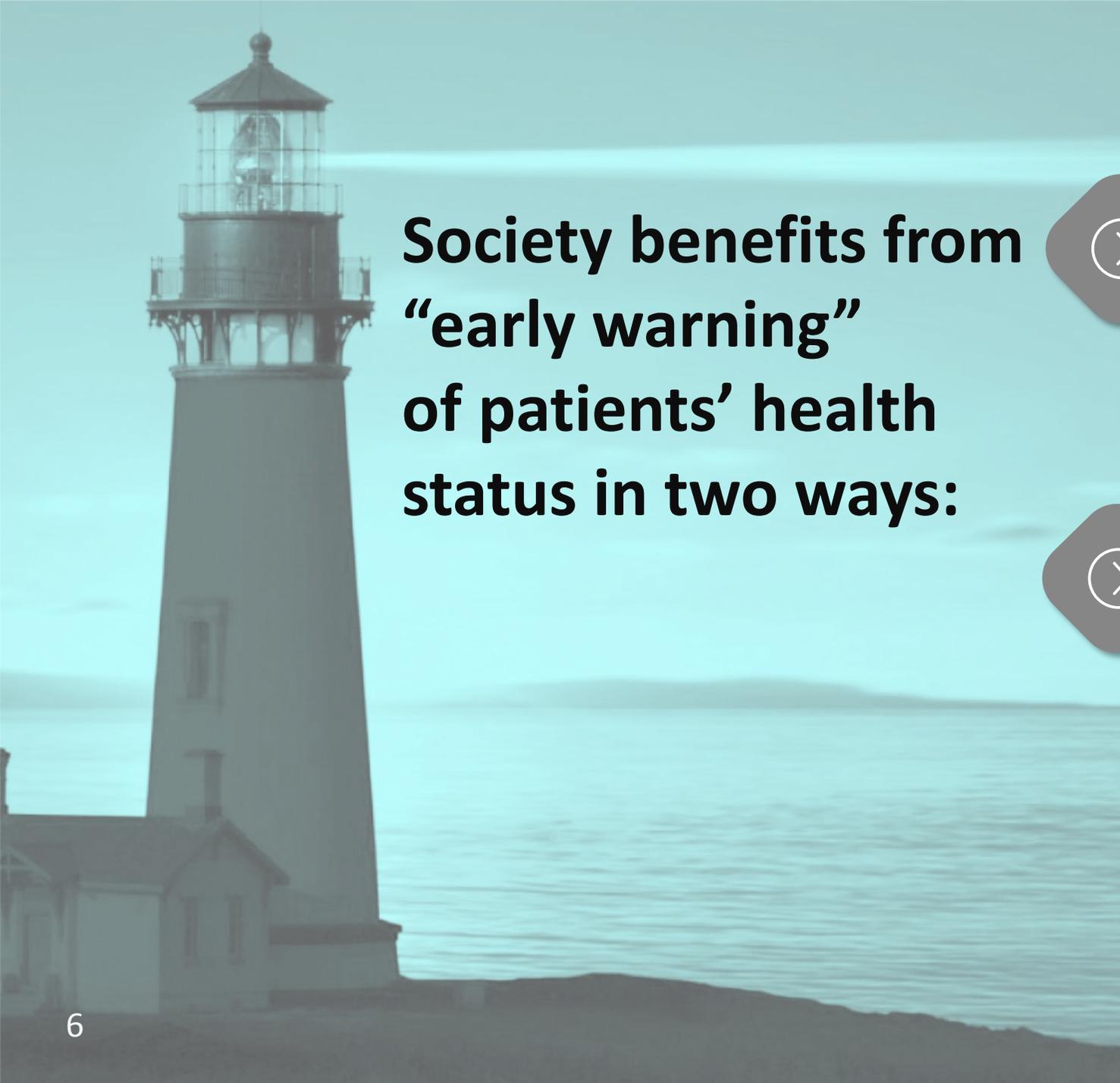
# What Is Currently Lacking?

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Patients at risk for **heart attacks and strokes** are often unaware of their status

A **need** exists for cost efficient or time efficient means to identify these patients



**Society benefits from  
“early warning”  
of patients’ health  
status in two ways:**



Start preventive care to avoid acute care costs down the road



Improved economics to mitigate the financial costs of heart attacks, strokes and chronic disease



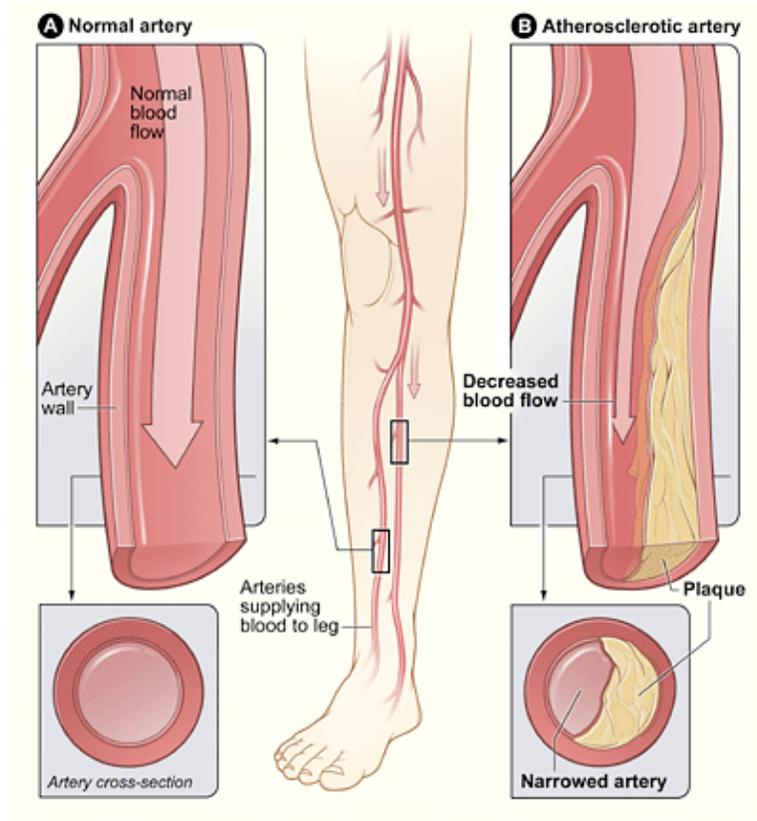
# Semler Scientific

## Software and Products Platform

Software & Products  
that are:

- ▶ Faster
- ▶ More practical to use
- ▶ More accurate
- ▶ Less expensive

# Reducing Costs for The Government



## Example:

## Vascular Disease

- ▶ 75% of cases undiagnosed (~12 million Americans)
- ▶ Significant annual costs to the U.S. Government
- ▶ Early detection may mean:
  - ▶ More preventive care
  - ▶ Improved patient lives
  - ▶ Reduced healthcare costs

<http://www.nhlbi.nih.gov/health/health-topics/topics/pad/>

Source: Yost, ML, The Sage Group, 2010 <http://thesagegroup.us>

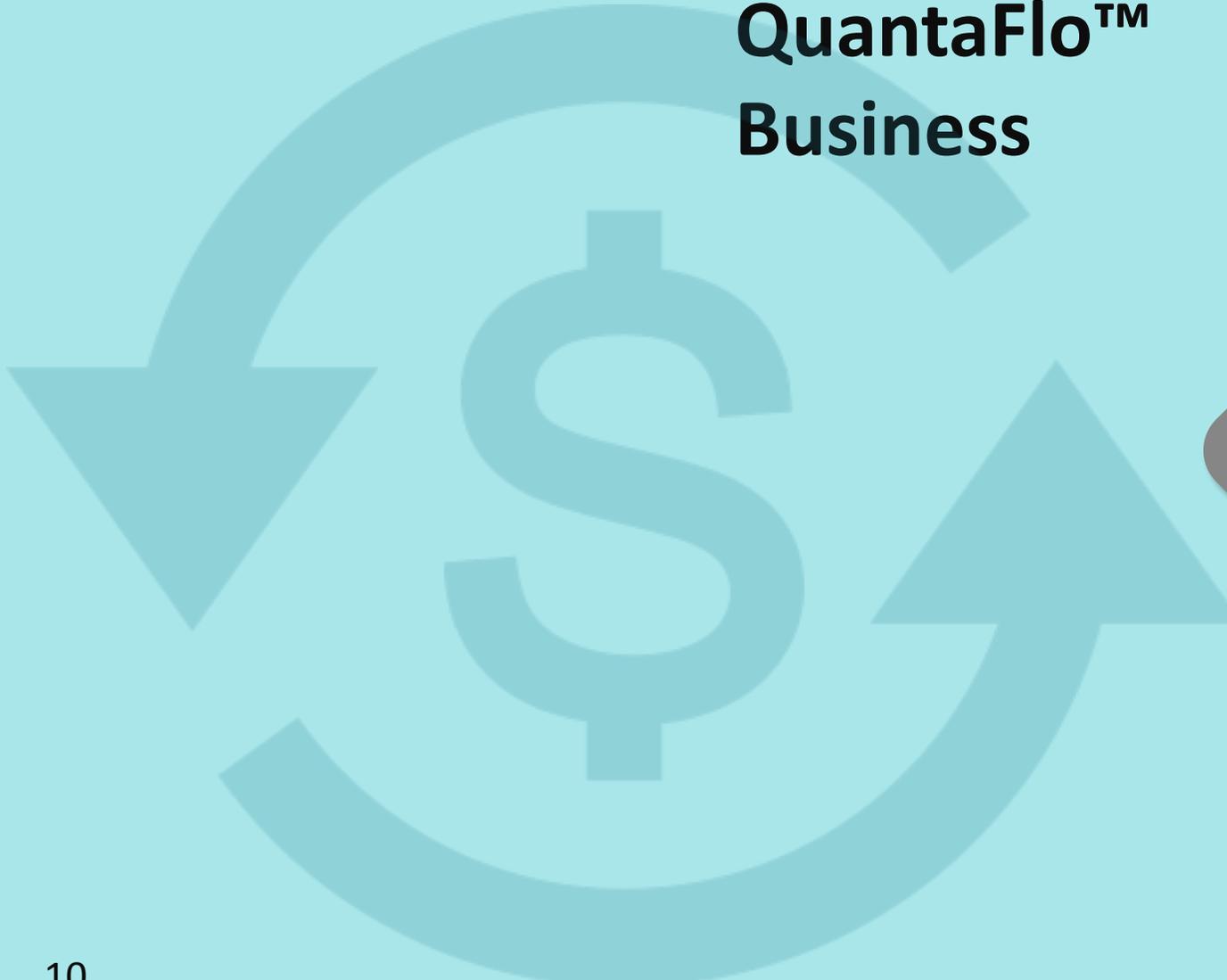
Jaff, MR, et al. Clinical outcomes and medical care costs among medicare beneficiaries receiving therapies for peripheral artery disease. *Ann Vasc Surg* 2010; 24(5): 577-87.

Mahoney, EM, et al. Vascular hospitalization rates and costs in patients with peripheral artery disease *Circ Cardio Qual Outcomes* 2010; 3(6): 642-51.

# Saving Time for the Primary Care Physician



- ▶ Semler's QuantaFlo™ point-of-care, vascular disease test can be performed by a medical aide in less than 5 minutes.
- ▶ The primary care physician is spared substantial time and paperwork, which may be better spent on patient care management.



## Semler's QuantaFlo™ Business



Recurring revenue model, typically with monthly software license fees and/or fee per test



Customer base includes health insurance plans, physician groups and home risk assessment companies

# Operations

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- ▶ 28 person sales and marketing team as of September 30, three of whom do direct sales
- ▶ Contract manufacturing
- ▶ Few capital expenditure requirements
- ▶ Experienced management, accomplished Board
- ▶ Partners and sub-contractors for distribution and fulfillment



# Achievements



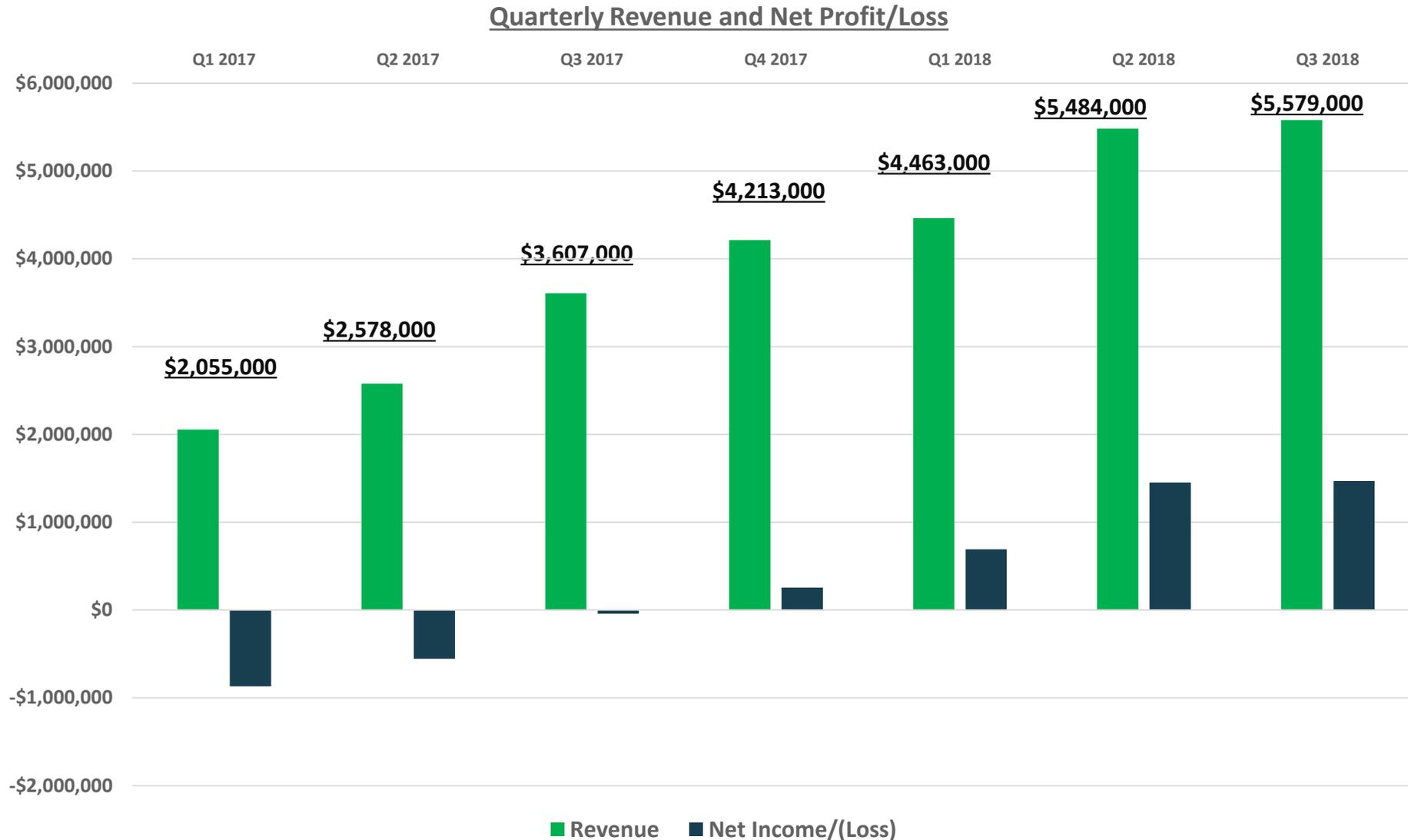
FDA marketing clearance and patent granted



Clinical trials have demonstrated the accuracy of the Semler product



# Performance



# Performance

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- ▶ \$5.6M revenue in Q3 2018  
increased 55% compared with \$3.6M in Q3 2017
- ▶ \$1.5M net profit in Q3 2018, or \$0.24 per basic share  
and \$0.19 per diluted share, compared with (\$41k)  
net loss in Q3 2017 or (\$0.01) per share
- ▶ 6.1M basic weighted average shares, 7.8M diluted  
weighted average shares as of 9/30/2018

# Business Outlook

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- ▶ Revenue is expected to continue to grow
- ▶ Operating expense is expected to grow but at a slower rate than revenue
- ▶ Cash generation from operations and continued profits are anticipated in the remainder of 2018 and continuing in 2019

# 2018 Goals

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- ▶ Add additional customers
- ▶ Generate profits from operating activities
- ▶ Keep stockholder dilution at a minimum
- ▶ Establish our products as a standard of care in the industry



**Semler Scientific**