



Adherium: CEO Presentation to AGM

November 2019

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A Digital Health Company focused
on Medication Adherence, with the
market leading Respiratory solution

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Adherium Overview

- Digital health company, founded in **2001** and listed on **ASX** in 2015
- A leader in providing **connected health solutions** to the respiratory health community with a primary focus on **enhancing adherence among asthma patients** supported by:
 - Our **Hailie® sensor technology set** with broad US market coverage, addressing an estimated **80% in volume** of the inhaled drugs used by asthma patients
 - **Hailie® cloud-based digital platform**, comprising a mobile app and web portal, providing feedback to **patients, providers and payers**
- Hailie® technology has been shown to **improve adherence** and **reduce the frequency of negative outcomes**, ultimately helping **enhance the patients' quality of life** while **lowering healthcare treatment costs**
 - Our technology benefits have been evidenced across **85 peer reviewed publications**, **large-scale clinical trials** and disease program involving **~10,000 patients** across **30+ countries**
- Our **17 years of experience** developing and commercializing our adherence technology puts us in a unique position to seize the opportunity of a **fast-growing market** to further empower patients to take control of their health while supporting providers and payers in delivering higher-value more-efficient care

With 17 years of experience in adherence technology, Adherium is well positioned to address the digital health adherence opportunity with partners

Why Adherence Technology?



US\$56b US economic burden of asthma



US\$34b Annual preventable US healthcare cost for uncontrolled asthma & COPD patients



>50% Forecasted Compound Annual Growth Rate over '18-'26

Why now?

Changing market conditions triggering a tipping point in the opportunity:



Healthcare needs to do more with less in a value-based context



Digital health reimbursement is now available (e.g. US CPT codes)



Providers are incentivized to adopt digital tech, alongside consumers

Why Adherium?

A leader in digital health in respiratory disease with robust foundations...

- **17 years of experience** developing adherence tech solution for respiratory disease
- **170,000 sensors sold globally**, demonstrating scale
- Adherium has strong medical endorsement (**10,000 patients** on clinical trials or disease management programs)
- Sensor set with **broad US market coverage** for asthma (est. 80% in US)
- Strong **regulatory and compliance capabilities**

...and a new focus to enable successful growth execution informed by our experience and changing market conditions

Evolved Strategic Focus

Payer & Provider-led patient acquisition



Stronger and New Partnerships



New Management Team

Adding commercialisation and execution capabilities to deliver on the new strategy

In the last four years, we have made significant progress to enhance and distribute our technology, while preparing for growth



Commercial

~170,000 sensors sold globally

- Further development of our relationship with **AstraZeneca** via commercial pilots and clinical trials
- **New partnerships**



SUMMATIX
HEALTH



TRUDEMEDICAL
INTERNATIONAL

monaghan



Clinical

Clinically supported adherence solution
for respiratory disease

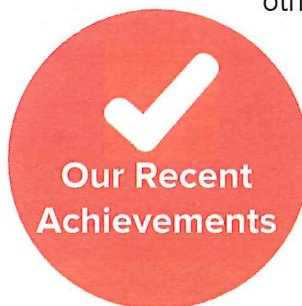
- **~10,000 patients** using Hailie® sensors via trials or disease management programs in 30+ countries
- Major **clinical studies** completed (SYGMA, PRACTICAL) and 85 peer-review publications
- Endorsement via UK **NICE Publication**



Product

Sensor set with **broad US market coverage** for asthma (80%)

- Recent US FDA **510(k) OTC** clearances for Handihaler®, Diskus® & Bevespi® sensors in the US, alongside clearance in other global markets
 - Six new sensors released in last four years
- New **highly-scalable, compliant** and **interoperable** digital platform leveraging behavioral design



Our Recent
Achievements



Regulatory

Quality standards successfully met

- **ISO 13485** audit completed in June 2019, upgrading to 2016 standard and in 2019 to an EU Notified Body auditor, the British Standards Institution
- **FDA** audit in 2019 with no significant findings
- Supported South East Asian manufacturing supplier in gaining **ISO 13485 accreditation**

Sensor R&D delivered six new devices

Hailie® for Symbicort®
pMDI



Hailie® for Bevespi®



Hailie® for Diskus®



Hailie® for Ventolin®



Hailie® for Symbicort®
Turbuhaler®

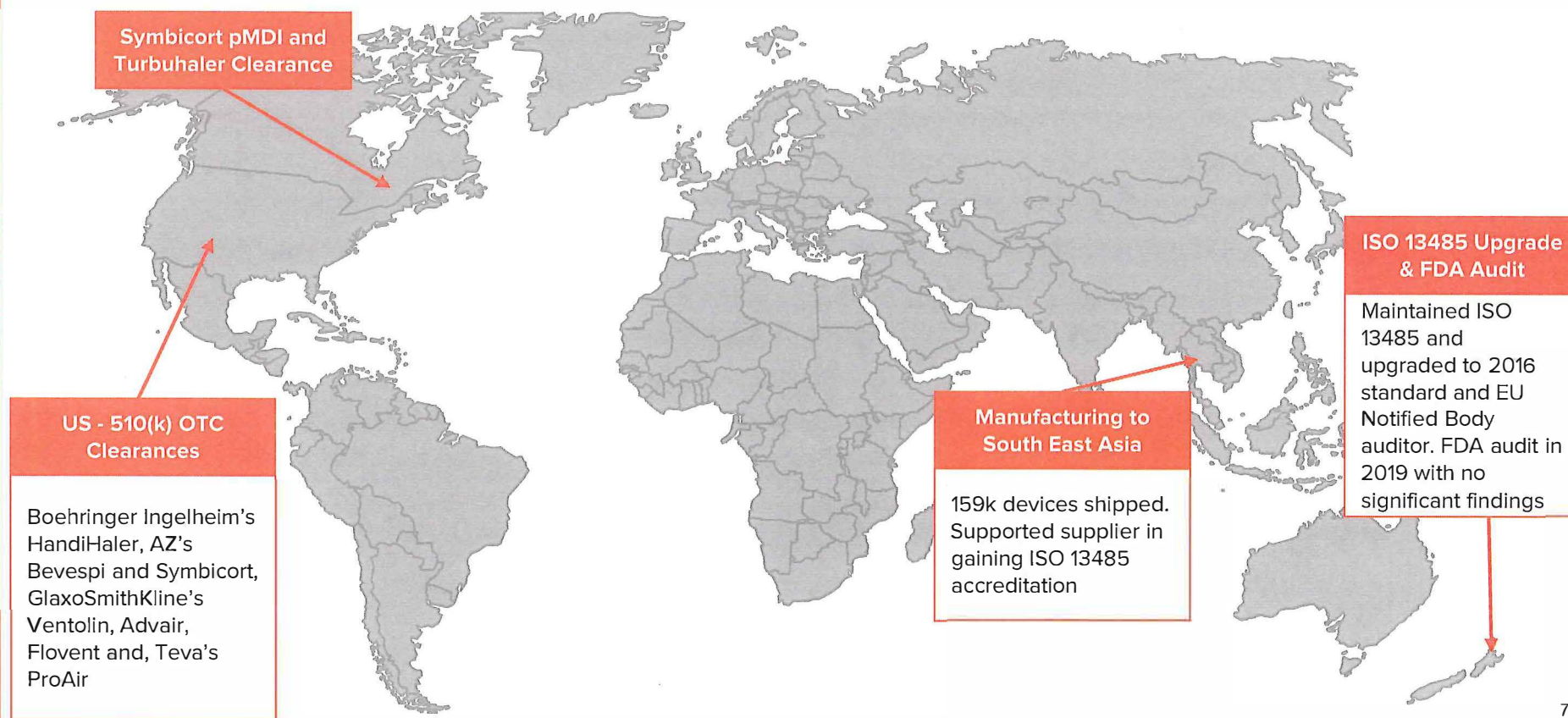


Hailie® for Handihaler®



Manufacturing & Regulatory: 159k sensors shipped in last four years

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Medication non-adherence among asthma and COPD patient has a particularly significant clinical and cost impact on the healthcare system



Asthma & COPD patients
only take estimated

~50%

of their daily prescribed doses



70%

higher risk of hospital admissions
for children with <50% adherence



\$34b

annual preventable US healthcare
cost for uncontrolled asthma &
COPD patients



\$46b

revenue lost due to non-adherence
for respiratory agents in the US
biopharmaceutical market

When **patients are non-adherent** (i.e. do not take their medication at the right time, in the right way or the right amount), **the entire healthcare system is impacted: Patients, Payers, Providers & Pharmas**

Adherium's Hailie® solution, with over 85 peer reviewed journals, has improved medication adherence among asthma and COPD patients



Patients



Hailie® Sensor



Hailie® Mobile App

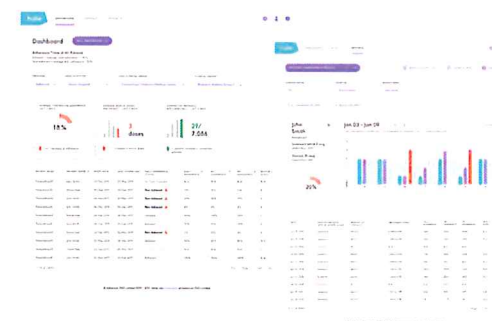
hailie



Clinicians &



Providers

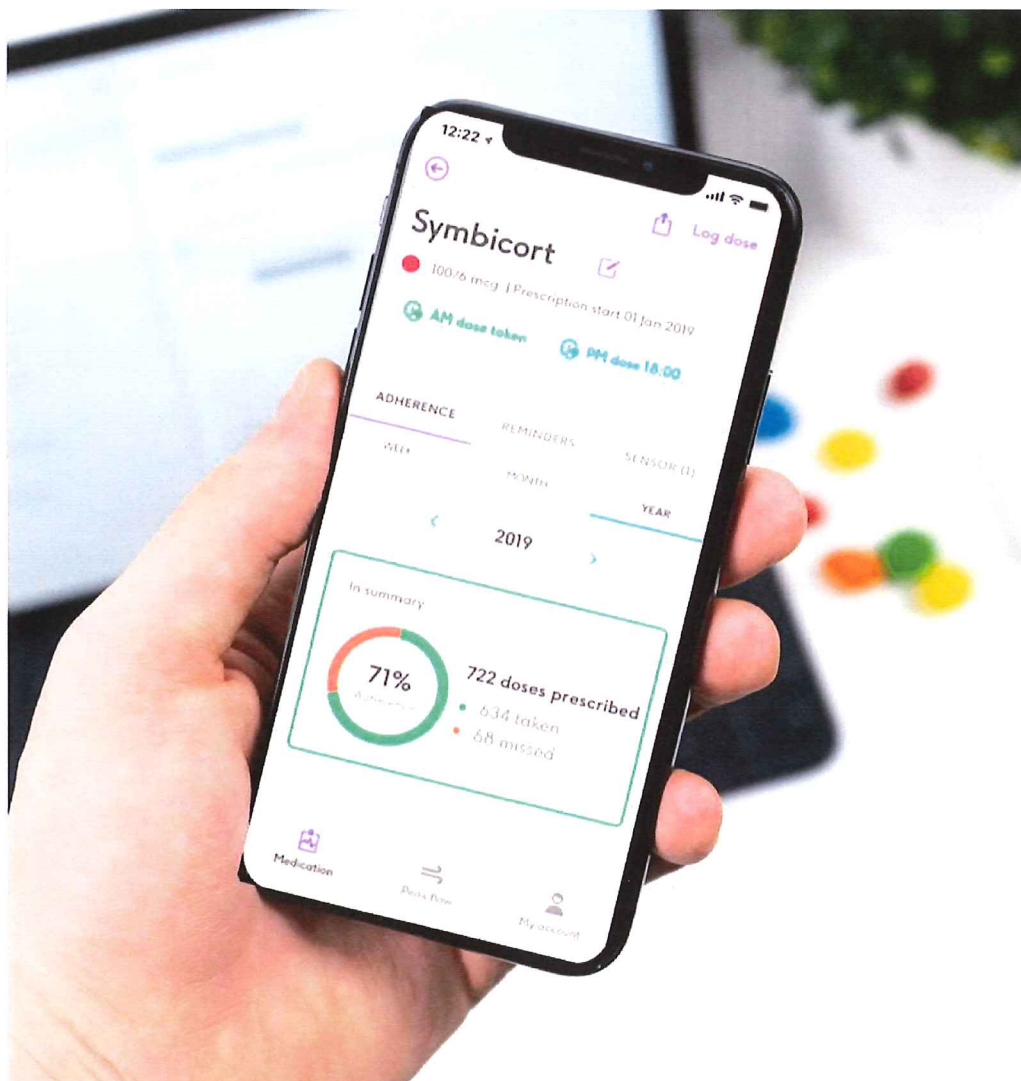


Hailie® Clinician Web Portal

Patients know when they have to take their medication and get reminded if they miss a dose...

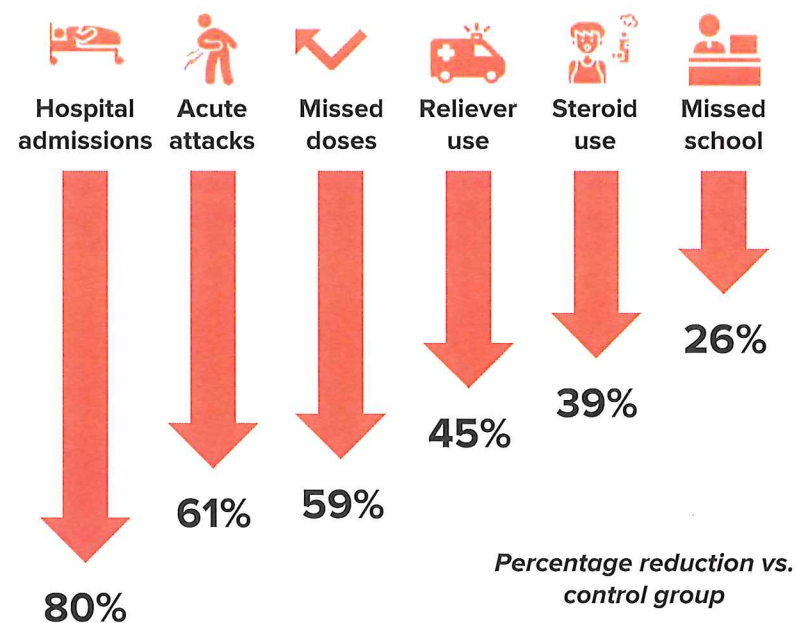
...***Clinicians and providers*** can monitor their patients remotely and identify those at-risk of exacerbations

*with over 85 peer reviewed papers published to date



Clinical research involving the Hailie® solution demonstrates significant health outcomes

Monitoring the use of asthma medication with Hailie® reduces the frequency of negative outcomes



Source: Clinical Studies including Forster et al 2014, Chan et al 2015, Morton et al 2016,

By enhancing adherence and patient outcomes, the Hailie® solution also helps drive significant healthcare cost savings



Asthma & COPD patients using Hailie® sensors take estimated

~80%

of their daily prescribed doses instead of 50%, leading to...



Less

attacks and hospitalizations for the patients



\$17b

estimated healthcare savings potential for total asthma patients in the US (~\$1.5k per patient average based on 2017 data)



59%

potential increase in number of preventer medication refills

Based on learnings from our experience and evolving market conditions, we have now a new focus to address the opportunity

Changing Market Conditions



Healthcare needs to do more with less in a context of a changing healthcare environment



Digital health reimbursement is available now (e.g. new US CPT reimbursement codes 99453, 99454, 99457)



Providers are incentivized to adopt digital tech, while digital care is becoming consumerized



Our Learning from Experience

- **Direct to Consumer pilot** highlighting a need to align with clinical practices to **gain strong physician endorsement**
- Gained expertise in **device development & regulatory submissions**
- **Commercial-ready portfolio** of solutions, covering sensors & digital platform

Our New Focus



Payer- and provider-led strategies, as critical path to payment and adoption by physicians (e.g. risk/reward, CPT codes)



Commercialization in **US, China, Japan** where we already have strong presence, alongside **strategic entries** in UK, Canada and Australia



Commercial-focus product development to enhance **value from data** and to **access reimbursement strategies**

Proven Leadership Team



Adding significant commercialisation strategy experience with proven track record in US, APAC and RoW

Jeremy Curnock Cook

*Interim CEO
Transition*

Bill Hunter

*Interim CCO
Transition*



Thomas Lynch
Chairman

- Moved multiple offshore companies to the US
- Chairman of multiple multi-billion healthcare companies
- Deep connections and insights in US & EU healthcare & hospital economics



Peter Stratford
CEO

- Proven track record of bringing products from development through successful market launch
- Head of Innovation at BTG plc acquired by Boston Scientific for \$4.2B
- At BTG (Biocompatibles plc) grew the Interventional Oncology business from start-up to US\$200m



Mike Motion
CCO

- Experience of success in strategy development and execution across a broad range of therapeutic areas and digital initiatives
- Grew Biocompatibles Oncology business to US\$40m (acquired by BTG plc \$283m).
- Proven track record of commercial execution in US, APAC and ROW



Rob Turnbull
General Manager

- Six years CFO/finance and senior management at Adherium
- Over 25 years corporate experience, including 14 years with listed entities leading finance and corporate governance

Conclusion

Key Drivers...



Ever growing **burden** of **respiratory** and broader chronic diseases

25m asthma patients in the US



Urge to **contain costs** while enhancing clinical outcomes

\$56b US economic burden of asthma



Evolving **patients base** - living longer, with chronic diseases, and increasingly using consumer technology for personal / health reasons



Providers encouraged to adopt **digital techs** becoming more and more **accessible**

New reimbursement codes and adoption programs

...Our Plan



Provide digital solutions that address needs across the end-end healthcare system:

- Partnership-enabled commercialization in the US, Canada and RoW
- Step change in our relationship with AstraZeneca (AZ)
- UK reimbursement & NHS commercialization as strategic pillar to RoW growth
- New partnerships to deliver our next-generation product(s)

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