



## INVESTOR UPDATE



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# Agenda

Obstructive Sleep Apnea overview

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Market opportunity

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Increasing adoption rate led by 'Lab in Lab' business model

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Strategic response to pandemic

# OBSTRUCTIVE SLEEP APNEA OVERVIEW



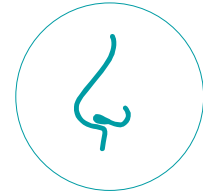
Obstructive sleep apnea (OSA) is the most common type of 'sleep apnea'



Compromises daytime functions leading to excessive sleepiness, memory impairment and depression



Co-morbidities include hypertension, heart disease, atrial fibrillation, stroke and diabetes



Occurs when there is obstruction or collapse of the nose, soft palate and lateral walls of the airway

**Risk factor for chronic disease**

**Cost burden US\$149.6B, US\$6,033<sup>1</sup> per person per year undiagnosed**



## THE TROUBLE WITH CPAP

### CPAP, the 'standard of care' works, but for many:

Masks and straps are uncomfortable, leading to facial abrasion, strap marks, claustrophobia and limited ability to move in bed

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Air pressures are hard to tolerate and CPAP can be noisy

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Technology has an image problem

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Cleaning and maintenance required, masks and hoses must be regularly resupplied

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50%-60%<sup>1</sup> of patients quit CPAP within first year.

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**Large US study<sup>2</sup> showed only 54% compliance long term**

# MANY PEOPLE HAVE NASAL CONGESTION AND CANNOT TOLERATE CPAP

The increase in nasal airway resistance can lead to mouth breathing.<sup>1</sup> Mouth breathing leads to CPAP intolerance.



**What drives nasal congestion?**  
Allergies  
Congestion  
Deviated septum  
Anatomical features  
Other issues

***“The importance of the nose to successful use of CPAP cannot be overstated.”***

*Dr. Jerrold A. Kram, MD, FCCP, FAASM*

## THE ALTERNATIVE TO CPAP

**Oventus O2Vent® Optima is a patented airway that works independently of nasal congestion**

Oventus O2Vent® technology helps customers sleep normally at night

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It is comfortable and efficacious

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It's the biggest innovation in sleep apnea treatment for decades

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O2Vent® is life changing.





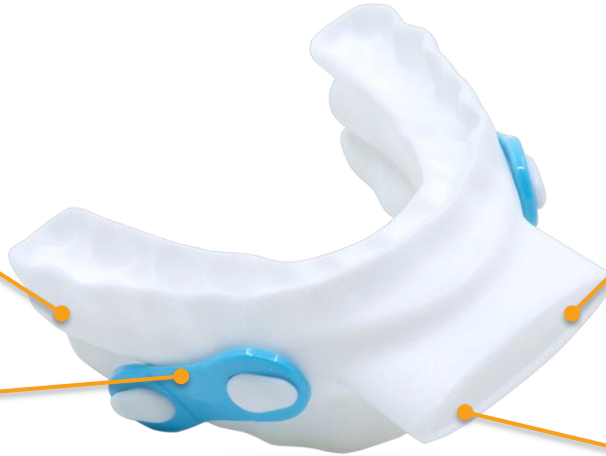
## O2VENT® OPTIMA: HOW IT WORKS

Air travels through the channel and is delivered to the back of the throat.

Air goes in through the duckbill on inhalation and out on exhalation.

The device is adjustable, bringing the lower jaw forward and stabilising the airway.

The duckbill acts as a “second nose”. An open mouth is undesirable when sleeping, as an open jaw can cause breathing obstruction in the throat.





# OUTSTANDING CLINICAL SUCCESS REPORTED ACROSS RANGE

Conventional lower jaw  
advancement

**56%**<sup>1</sup> of patients  
treated  
successfully



Mandibular Advancement Devices

O2Vent® /  
O2Vent® Optima

**63%**<sup>2</sup> of patients  
treated  
successfully



O2Vent® + ExVent™ PEEP  
valve technology

**80%**<sup>3, 4</sup> of patients  
treated  
successfully



## CUMULATIVE SUCCESS RATES WITH OVENTUS AIRWAY TECHNOLOGY\*

\*Apnea-Hypopnea Index (AHI) reduction to less than 10 events per hour

Available outside of the  
US. 510k Submission  
expected Q4CY20

# OVENTUS O2VENT® ADDRESSES NEEDS OF >80% OSA PATIENTS

**Based on the numbers below, Oventus could have a \$2.4b market for devices sales in the US alone.**

12%<sup>1</sup> of US adults (\$29.4m) suffer from OSA (US 55% of global market)

- ~6M adult patients prescribed CPAP in the US alone.  
50-60% of those patients quit CPAP
  - ~3M existing patients in need of an effective alternative treatment
  - Oventus devices sold wholesale for an average of ~\$800AUD/unit
  - Valves/other accessories drive recurring revenues

**Oral appliances currently have 10% share.  
This number is predicted to grow a further 16% by 2025.**



Based on 12% prevalence in adults within US suffering OSA as defined by having five or more sleep events per hour (AHI>5).  
Source: Primary research with experts, U.S. Census (2014), Peppard "Increased Prevalence of Sleep-disordered Breathing in Adults."  
American Journal of Epidemiology (2013)

# OVENTUS IS DRIVING DISRUPTION IN THE SLEEP INDUSTRY

## Why do oral appliances only represent 10% of the therapeutic market?

- Variable efficacy of oral appliances
- Complex patient journey
- Competing economic imperatives between the sleep and dental channels

## Oventus is addressing these issues with new technology and a novel approach to care

- Clinically validated to be the most effective oral appliance with success rates comparable to CPAP<sup>1,2,3</sup>
- Digital workflow and virtual patient journey mean that Oventus' unique treatment modality can be delivered in both the sleep and dental channel
- 'Lab in Lab' program increases revenue and profit for both the sleep and dental channel

## 'LAB IN LAB' MODEL BRINGS MORE PATIENTS INTO CARE

**By enabling dentists to take oral scans of patients mouths within the sleep facility (under a low capex model), the patient is able to complete the whole care cycle at one location.**



Sleep doc consults/diagnoses/  
prescribes



Dentist within sleep centre\* scans  
patient for O2Vent, delivers  
device, handles reimbursement



Patient returns to sleep doc for  
follow up consultations

**Reimbursed under existing CPT codes for both commercial payers and government funded Medicare patients**

## WHAT IS DRIVING ADOPTION OF 'LAB IN LAB' MODEL?

Patient and provider acceptance of O2Vent® Optima as a highly effective OSA therapy with an efficient and simple delivery approach

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The 'Lab in Lab' model increases revenue and profit for both the dentist and sleep groups while improving clinical outcomes for patients

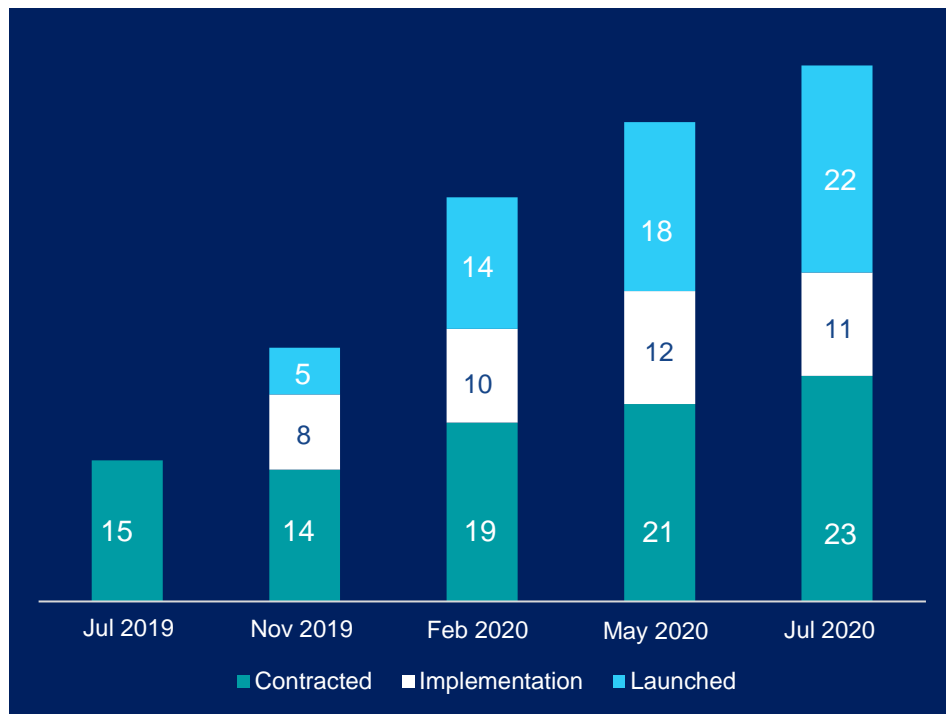
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It is a collaborative framework in which all stakeholders benefit

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## CONTRACT NEGOTIATIONS AND LAUNCHES CONTINUE THROUGH COVID-19



57 contracted sites in North America, capable of generating \$13.2m annualized revenue at minimum quotas.

Once fully launched, 49 sites have a monthly minimum purchase order of 20 units per site and 8 sites have a minimum monthly purchase order of 10 units per site

22 sites launched, including post COVID relaunches at various stages of reopening. Launched 'Lab in Lab' sites capable of generating \$5.3m annualized revenue at minimum quotas.

11 sites in the implementation phase and a robust pipeline of launches scheduled throughout the remainder of CY 2020

# REDUCED PATIENT ACCESS DURING COVID-19

The majority of launched sites were closed to patient access during the June quarter

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In response Oventus quickly introduced telehealth and remote training to continue to engage with patients and to enable virtual launches

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By the end of July approximately half of the launched sites had returned to scanning patients

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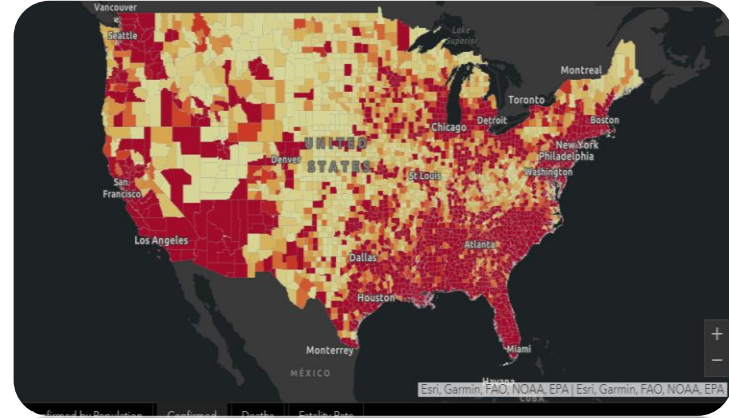
Previously launched sites reopening has supported device sales and orders exceeding pre COVID-19 levels in July

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The Company will continue to bring previously launched sites back online in the September quarter

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Additional launches will continue through the September quarter and are being scheduled through the remainder of calendar 2020



Above: Heatmap of US COVID-19 cases



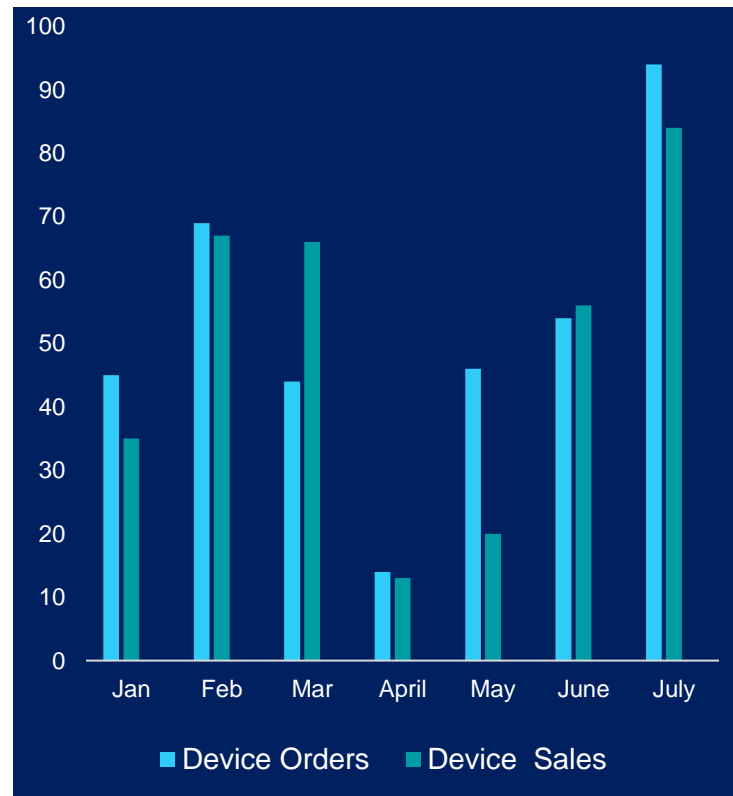
## POST COVID-19 RELAUNCH UNDERWAY

Device orders and sales were building in March before being truncated by COVID-19 with booked revenue increasing 60% in the March quarter

In July, device orders and sales exceeded pre COVID-19 levels on a similar growth trajectory to pre-COVID-19

Improvement in sales achieved on reduced patient flow as a result of improved workflows with higher conversion rates and an increase in direct sales

As patient flow improves along with reopening and new site launches, device sales are expected to continue to build



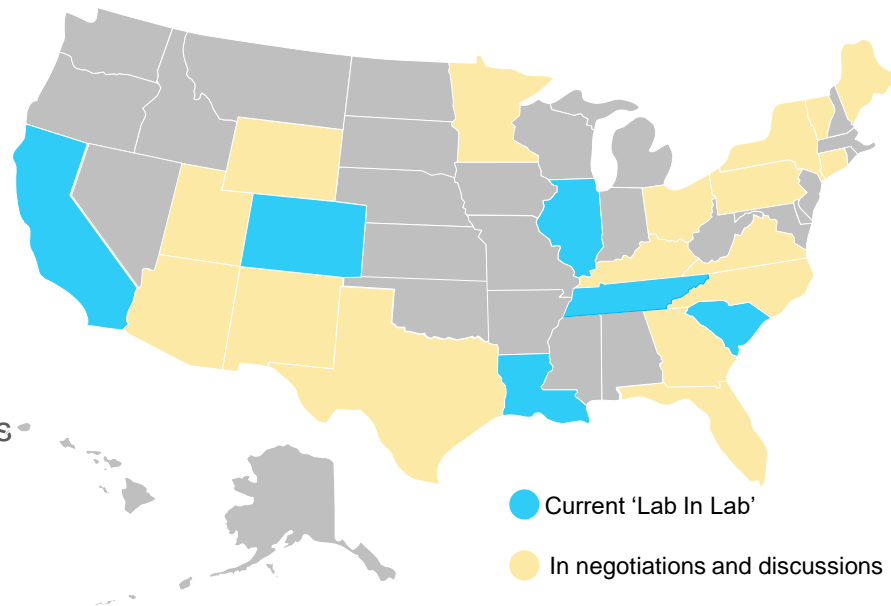
# PLANNING AHEAD FOR 'LAB IN LAB' EXPANSION AS STATES REOPEN

Oventus is in deal negotiations across many other US states as sleep groups seek ways to fill revenue gaps

More states and site launches expected as North America comes out of COVID-19 lockdown

Demand is increasing for both the technology and clinical delivery model especially as sleep groups look to fill their revenue gaps and to treat patients, (e.g. first responders<sup>1, 2</sup>)

The current deal funnel in discussions and negotiations at minimum quotas is >\$70M per annum across more than 100 groups in North America



1. <https://torontosun.com/news/local-news/toronto-firefighters-no-longer-allowed-cpap-machines-at-work>

2. <https://blackburnnews.com/windsor/windsor-news/2020/04/21/firefighters-told-not-use-cpap-machines-pandemic/>

## RECENT LARGE REGIONAL AND NATIONAL CONTRACTS SIGNED



Aeroflow, a fast-growing US sleep group, recently signed with Oventus and has identified seven of its own sites to launch across the US nationally, as it executes an aggressive growth plan



Regional Health Diagnostics, a neurological testing and sleep disorders centre which operates 12 sleep lab locations across Tennessee, Georgia, Alabama, North Carolina and South Carolina, will offer 'Lab in Lab' services at two of its locations. Scope exists to expand the agreement once the first two sites are operational.



Ontario Sleep Care, a large privately-owned provider of treatment for obstructive sleep apnea with 8 locations across the province of Ontario



Careica Health, a leading provider of respiratory services in Canada is the first national agreement to be signed with patients be referred from Careica's 26 homecare locations which span the provinces of Manitoba, Saskatchewan, Alberta, and British Columbia

## OPERATING IN THE 'NEW NORMAL' ENVIRONMENT

**Significant cost saving measures** implemented, preserving capital for expected rebound in patient flow. Net cash used in operating activities further reduced in June quarter

**Revenue build recovered** to pre COVID-19 levels with more sites opening up and patient flow increasing across the sites as momentum returns.

**Strong demand for 'Lab in Lab'** continues to build in current macro environment. Existing and potential partners see Oventus technology and the 'Lab in Lab' program as an opportunity to regain lost ground.

**Launches progressing** for scheduled 'Lab in Lab' sites, along with relaunching of previously launched sites, supported by virtual training and implementation.

**Virtual / phone consultations** are driving patient traffic. This new workflow is more efficient with potentially higher conversion rates to treatment and has become a permanent workflow change.

**Strong balance sheet** after successful and oversubscribed capital raise.  
  
Oventus well funded for future growth.

**Demand for the clinical business model and technology continues to accelerate.**

# OVENTUS MEDICAL BOARD OF DIRECTORS

Experience in the health & medical industries and early stage companies



**DR MEL BRIDGES**  
Chairman and  
Non-Executive Director

Over 35 years' experience founding and building international life science, diagnostic and medical device companies and commercialising a wide range of Australian technology.



**SUE MACLEMAN**  
Non-Executive Director

Sue has more than 30 years' experience as a pharmaceutical, biotechnology and medical technology executive having held senior roles in corporate, medical, commercial and business development.



**PAUL MOLLOY**  
Non-Executive Director

Based in Southern California, Paul has considerable global and US medical device industry expertise, with twenty-five years' experience leading a range of public, private and venture capital funded healthcare companies. He is currently President and CEO of ClearFlow Inc., a US-based medical device company.



**DR CHRIS HART**  
Founder and CEO

As the inventor of the O2Vent technology, Chris is overseeing the launch of the O2Vent to patients and through clinicians via dentists and the 'Lab in Lab' model. Chris has relocated to the US to assist with roll-out of the Oventus Sleep Treatment Platform.



**SHARAD JOSHI**  
Non-Executive Director

Based in Boston, Sharad has worked in the medical technology industry for over 30 years. He has held senior positions including as a global entrepreneurial medical devices CEO, with experience in launching medical devices and a strong track record of driving rapid global growth.



**JAKE NUNN**  
Non-Executive Director

California based, Jake has more than 25 years' experience in the life science industry as an investor, independent director, research analyst and investment banker. Jake is currently a venture advisor at New Enterprise Associates (NEA).

# FINANCES: CORPORATE OVERVIEW, ASX: OVN

## Overview

Cash on hand 30 June 2020	\$8,455,000
Revenue FY June 2020 (up 26% from FY 2019)	\$419,000

## Capital structure (as at 31 July 2020)

Shares on issue	158.24m
Options	19.85m
Share price (30 July 2020)	\$0.26
Market Cap (30 July 2020)	\$41m

## Shareholders (as at 31 July 2020)

Dr Chris Hart	16.8%
Other directors and founders	7.2%
Other top 20 shareholders	32.0%
Remaining shareholders	44.0%

## ASX: OVN | share price history



## OVENTUS AIRWAY TECHNOLOGY



*"I wanted a treatment approach conducive to my lifestyle, as I travel frequently. CPAP and other oral appliances seemed too cumbersome to me.*

*The O2Vent Optima is comfortable and easy to use, which makes it easy to stick with it as a treatment. After only a few weeks of use, I've noticed my daytime alertness and energy have increased and my snoring, much to the relief of my wife, has decreased."*

***Ervin Magic***





**Dr Chris Hart**

Founder & CEO  
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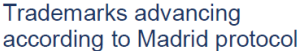
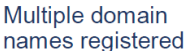


# Addendum

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AU2012255625 EP2709572 (DK, FI, FR, DE, NL, NO, SE, GB) US10,010,444 US16/003,558	AU2015240431 AU2017228641 CA2944525 CN201580026949.1 EP15773894.9 JP2016-560790 KR10-2016-7028505 US15/300,865 MO J/4021	AU2016303791 CA2994175 CN2016800575152 EP16831973.9 HK18108763.8 JP2018-505470 NZ739363 US15/750,023	AU2017243874 CA3016209 CN201780022113.3 CN201621125219.5 CN201721839219.6 EP17772876.3 HK19127755.7 JP2018-545631 KR10-2018-7026715 NZ745767 US16/089,084	AU2017343672 CA3039830 CN201780076017.7 EP17860264.5 JP2019-518265 KR10-2019-7012830 NZ752624 US16/340,519	AU2017369738 CA344314 CN201780084588.5 EP17876938.6 JP2019-525808 NZ752621 KR10-2019-7017495 US16/465,023	PCT/AU2019/050223	PCT/AU2019/050402P CT/AU2018/051132
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As at 2 March, 2020



# APPLIANCE VALIDATION - O2VENT

## (OVENTUS AIRWAY TECHNOLOGY)

Name	Study/ Investigation	Patients completed (per Nov 2018)	Results - reduction in AHI (sleep events per hour)*	Commentary	Events
<b>Sydney study (NeuRa) OVEN-005</b>	Pilot study	4	37 reduced to 8 = 78% reduction  Airway Technology increased efficacy by 50% cf Traditional oral appliance	In addition to AHI reduction, 66% reduction in CPAP pressure required when using Oventus CPAP connector	Presented at AADSM/AASM Sleep 2017 in Boston
<b>CRC-P funded (\$2.95m)</b>	Nasal Resistance Study	7	34.4 reduced to 7.0 = 80% reduction	Increased nasal resistance did not impact treatment outcomes	Interim results presented at Prague, World Sleep Congress (abstract) 9-12 October 2017. Expanded results presented at European Respiratory Society in Paris September 2018
		39	29 reduced down to 14.5 = 50% reduction		
<b>3 stages over 3 years</b>	PEEP Valve Study	22	21.6 reduced to 7.2 67% reduction In previous treatment failures	Success rates increased by 59% enabling over 75% of patients to be treated successfully without CPAP	Final results being presented at the ASA Sleep DownUnder Oct 2018. Published in <i>SLEEP</i> June 2019
<b>180 Patients in Total</b>	MAS Combo Study	16	CPAP Pressure requirements reduced by 35-40%	Patients able to breathe through the device while using nCPAP eliminating the need for full face masks	Interim results presented at European Respiratory Society in Paris September 2018. Expanded results presented at ASA Sleep DownUnder Oct 2018

# APPLIANCE VALIDATION

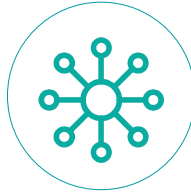
## O2Vent (Oventus Airway Technology)

Name	Study/ Investigation	Patients completed (per Nov 2018)	Results - reduction in AHI (sleep events per hour)*	Commentary	Peer Review
Perth study OVEN-004	Airway Open/Airway Closed	10	69.6 reduced to 19.4 = 72% reduction	Airway Technology increased efficacy by 30 %	Interim results: Auckland Sleep DownUnder, ASA Conference (abstract) 25 October 2017
Effect of Oventus Airway on Upper airway Physiology	Predictors of response to Oventus Airway	22**	53.6 reduced to 29.4 = 45% reduction	Physiologic Study showing females exhibited greater response to Oventus Airway Technology	Final results presented at the ASA Sleep DownUnder Oct 2018
Brisbane study OVEN-003	Effect of Oventus Airway on Efficacy & Compliance	32	24 reduced to 10 = 58% reduction	Airway Technology increased response rate by 40% and success rate by 20% Increased efficacy in nasal obstructers and previous treatment failures	Final results presented at the ASA Sleep DownUnder Oct 2018
Brisbane study OVEN-001	Efficacy of Oventus O2Vent	29	42 reduced to 16 = 62.5% reduction	Same response rate and efficacy with and without self reported nasal congestion	Journal of Dental Sleep Medicine, Vol 4, No. 3

## ABOUT OVENTUS



Oventus is an Australian medical device company with a proprietary technology for the treatment of *obstructive sleep apnea* (OSA). Our focus is on treating those patients that are not being, or cannot be treated effectively with existing treatment modalities.



There is a huge unmet need many times the size of the existing market due to the abandonment of existing treatments by the majority of patients



Oventus has a clinically proven ability to deliver superior outcomes for more than 80% of these patients with the first products in its treatment platform new available in the US with FDA clearance and existing reimbursement codes



Platform technology developed and company founded in 2013 by CEO, Dr Chris Hart B.Sc. B.D.Sc (Hons) M.Phil (Cantab), Oventus is listed on the Australian Securities Exchange (ASX:OVN)

**OSA IS A MASSIVE, MULTIBILLION DOLLAR AND FAST-GROWING MARKET**