

ASX Release**Oventus to present at virtual investor conference**

Brisbane, Australia 18 March 2021: Obstructive Sleep Apnoea (OSA) treatment innovator, Oventus Medical Ltd or the Company (ASX: OVN), is pleased to share a copy of the investor presentation that it will present at the NWR Communications Virtual Investor Conference today.

The Company also invites investors to see Managing Director and CEO Chris Hart present an update at 10:45am AEDT.

Investors can register online to view the presentation here:

https://us02web.zoom.us/webinar/register/WN_JkKiYlt5TDO5SIIm6g_IKg

For more information on the conference click here: <https://nwrconference.webflow.io/>

—ENDS—

For further information, please visit our website at www.o2vent.com or contact the individuals outlined below.

Dr Chris Hart, Managing Director and CEO: M: +61 409 647 496 or investors@oventus.com.au

Jane Lowe, IR Department: M: +61 411 117 774 or jane.lowe@irdepartment.com.au

About Oventus – see more at www.o2vent.com

Oventus is a Brisbane-based medical device company that is commercialising a unique treatment platform for obstructive sleep apnea (OSA) and snoring. The Company has a collaborative Sleep Physician/Dental strategy that streamlines patients' access to treatment. The Oventus lab model incorporates digital technology via intra oral scanning to achieve operational efficiencies, accuracy and ultimately patient outcomes.

Unlike other oral appliances, O2Vent Optima devices manage the entire upper airway via a unique and patented built-in airway. O2Vent Optima devices allow for airflow to the back of the mouth while maintaining an oral seal and stable jaw position, avoiding multiple obstructions from the nose, soft palate and tongue. The devices reduce airway collapsibility and manage mouth breathing while keeping the airway stable.

O2Vent Optima devices are designed for any patient that is deemed appropriate for oral appliance therapy, but especially beneficial for the many people that suffer with nasal congestion, obstruction and mouth breathing. The O2Vent Optima allows nasal breathing when the nose is unobstructed, but when obstruction is present, breathing is supplemented via the airway integrated in the appliance.

The ExVent® is a valve accessory that fits into the open airway of the O2Vent Optima device, to augment traditional oral appliance therapy by stabilizing the airway. The ExVent valve contains air vents that open fully on inhalation for unobstructed airflow. The valve closes on exhalation, directing the air through the vents, creating the mild resistance or airway support required to keep the airway stable (known as PEEP, positive end expiratory pressure).

According to a report published by the Sleep Health Foundation Australia, an estimated 1.5 million Australians suffer with sleep disorders and more than half of these suffer with obstructive sleep apnea^[1].

Continuous positive airway pressure (CPAP) is the most definitive medical therapy for obstructive sleep apnea, however many patients have difficulty tolerating CPAP^[2]. Oral appliances have emerged as an alternative to CPAP for obstructive sleep apnea treatment^[3]. The O2Vent Optima and ExVent provide a discreet and comfortable alternative to CPAP for the treatment of OSA.

^[1] Deloitte Access Economics. Reawakening Australia: the economic cost of sleep disorders in Australia, 2010. Canberra, Australia.

^[2] Beecroft, et al. Oral continuous positive airway pressure for sleep apnea; effectiveness, patient preference, and adherence. Chest 124:2200–2208, 2003

^[3] Sutherland, Kate, et al. "Oral appliance treatment for obstructive sleep apnea: an update." Journal of Clinical Sleep Medicine 10.2 (2014): 215-227.



Oventus Medical

INVESTOR BRIEFING

March 2021



Oventus Medical is leading a new paradigm of sleep apnea care

Disclaimer

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Any opinions expressed reflect the Company's position at the date of this presentation and are subject to change.

Why Oventus and why now?



- ✓ The most effective non-invasive treatment for Obstructive Sleep Apnea (OSA) available
- ✓ Massive fast-growing market with huge unmet need
- ✓ Poised for post COVID growth – developed disruptive clinical model during the pandemic to bring innovative, home-based, low-cost care to patients in need
- ✓ Proven technology and clinical model generating revenue with levers in place to accelerate growth
- ✓ Highly scalable with low fixed cost and minimal CAPEX required
- ✓ Gross profit margins on manufacturing of ~60% with improvements targeted as production scales

Obstructive Sleep Apnea overview



OSA is the most common type of 'sleep apnea'¹



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



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



Occurs when a person's airway repeatedly becomes blocked despite efforts to breathe

Risk factor for chronic disease

Cost burden US\$149.6B, US\$6,033¹ per person per year undiagnosed

Source: ¹Sullivan, F. (2016). Hidden health crisis costing America billions: Underdiagnosing and undertreating obstructive sleep apnea draining healthcare system. American Academy of Sleep Medicine.

The trouble with CPAP



CPAP, the 'standard of care' works, but for a significant percentage:

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

Air pressures are hard to tolerate and CPAP can be noisy

Technology has an image problem

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

50%-60%¹ of patients quit CPAP within first year

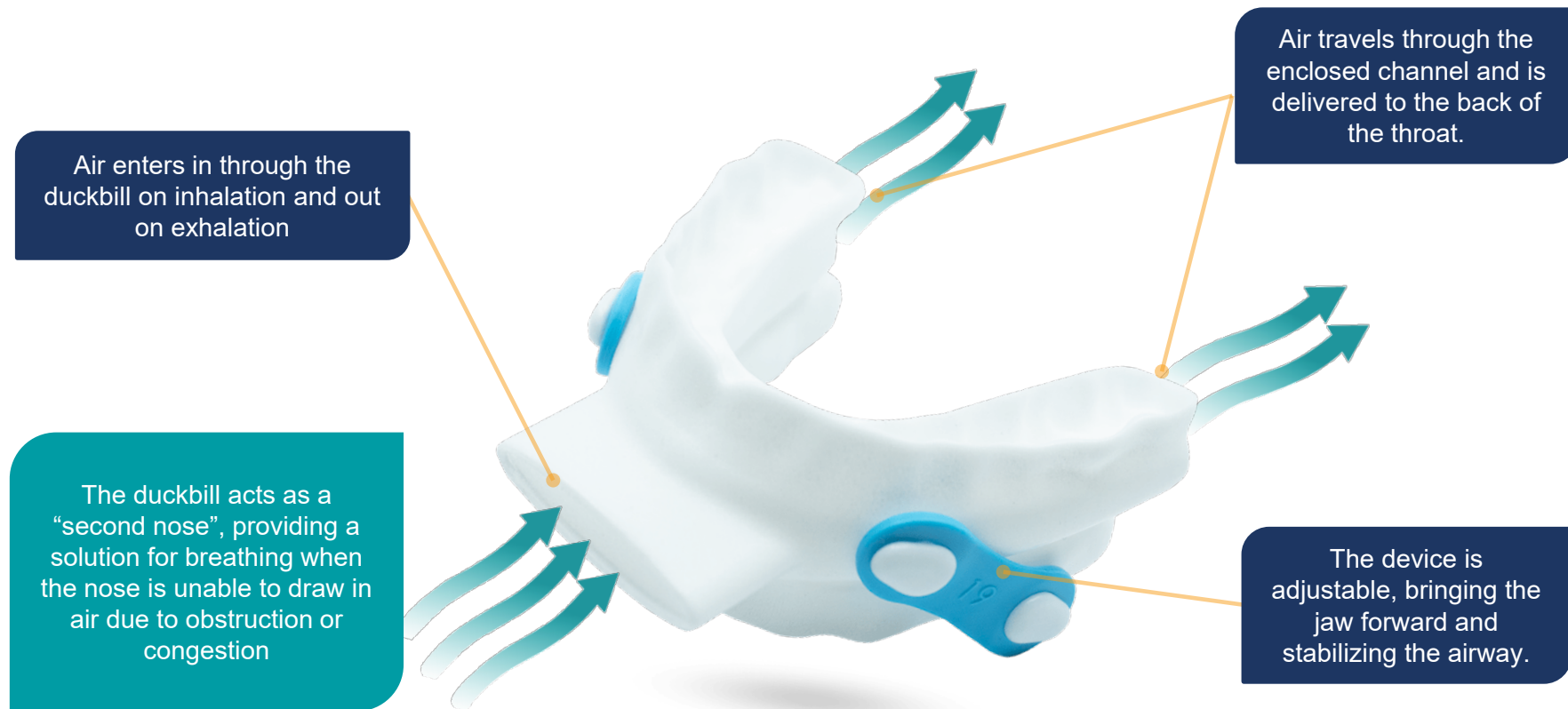
Large US study² showed only 54% compliance long term

Sources:

¹. Ballard RD, Gay PC, Strollo PJ. Interventions to improve compliance in sleep apnoea patients previously non-compliant with continuous positive airway pressure (CPAP), JCSM 2007, Vol 3, No7, 706-12

² <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2679572/>

O2Vent Optima[®]: How it works



Oventus O2Vent® addresses the needs of 80%¹ of OSA patients



Conventional lower jaw
advancement

56%² of patients
treated
successfully



Mandibular Advancement Devices

O2Vent® /
O2Vent Optima®

63%³ of patients
treated
successfully



O2Vent® + ExVent® PEEP
valve technology

80%^{3, 4} 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
pending

1. Based on success rates of O2Vent + ExVent. Refer clinical resources on O2Vent.com. 2. Lavery D, Szollosi I, Moldavtsev J, McCloy K, Hart C. Airway open-airway closed: The effect of mandibular advancement therapy for obstructive sleep apnoea with and without a novel in-built airway. Poster session presented at: Australasian Sleep Society Sleep DownUnder, 2018, October 17-20; Brisbane, Australia 3. Lai, V, Tong, B, Tran, C, Ricciardiello, A, Donegan, M, Murray, N, Carberry, J, Eckert, D. 'Combination therapy with mandibular advancement and expiratory positive airway pressure valves reduces obstructive sleep apnea severity', Sleep, vol 42, no. 8, August 2019, zsz 119. 4. Tong B, Tran C, Ricciardiello A, Donegan, Murray N, Chiang A, Szollosi I, Amatoury J, Eckert D. Combination therapy with CPAP plus MAS reduces CPAP therapeutic requirements in incomplete MAS responders. Poster session presented at: Australasian Sleep Society Sleep DownUnder, 2018, October 17-20; Brisbane Australia 5. ExVent available in Oventus' key markets of Australia and Canada, not yet approved in the US.

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

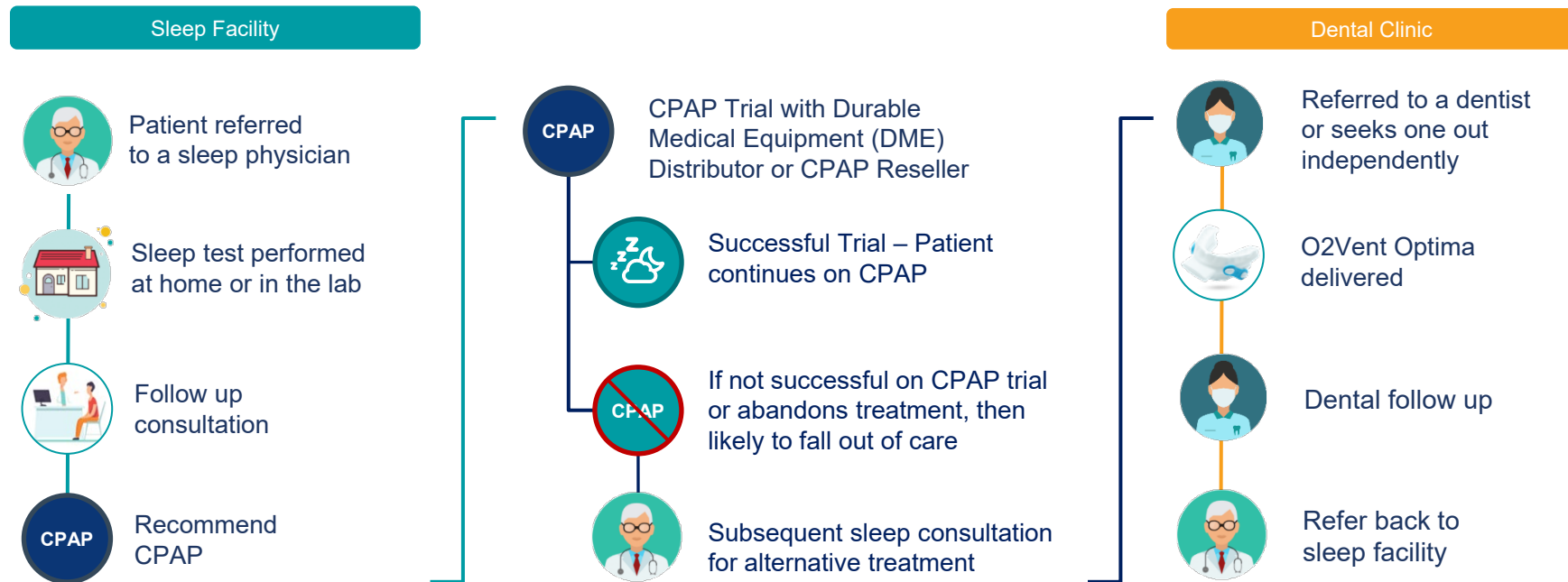


Oventus is addressing these issues with new technology and a novel approach to care

- Clinically validated to be the most effective oral appliance with success rates comparable to CPAP^{1,2,3}
- 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' (LIL) program increases revenue and profit for both the sleep and dental channel

1 McCloy K, Lavery D, Moldavtsev J, Airway open-airway closed: The effect of mandibular advancement therapy for obstructive sleep apnoea with and without a novel in-built airway. Abstract Submitted ASA Brisbane 2018. 2 Lai V, Tong B, Tran C, Ricciardiello A, Donegan M, Murray N, Carberry J and Eckert D. Combination therapy with mandibular advancement and expiratory positive airway pressure valves reduces OSA severity. Abstract Submitted ASA Brisbane 2018. 3 Tong B, Tran C, Ricciardiello A, Donegan M, Murray N, Chiang A, Szollosi I, Amatoury A and Eckert D. Combination therapy with CPAP plus MAS reduces CPAP therapeutic requirements in incomplete MAS responders. Abstract submitted ASA Brisbane 2018.

Patients struggle with traditional treatment pathways



Oventus' LIL network of mini clinics inside sleep facilities simplifies the patient journey and brings more patients into care



By enabling dentists to take oral scans of patients mouths within the sleep facility, the patient is able to complete the whole care cycle at one location.

1



Sleep doc consults/ diagnoses/ prescribes

2



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

3



Ongoing patient management shared by the sleep physician and dentist

*Reimbursed in the US under existing HCPC codes for both commercial payers and government funded Medicare patients

Oventus' 'Lab in Lab' program has gone virtual



Virtual model successfully piloted and launched in the US:

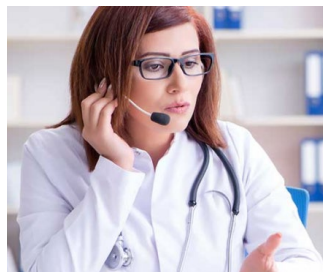
- Virtual collaboration between dentists and sleep groups
- Dentist-guided virtual impressions
- Home delivery of O2Vent therapy

With greatly reduced costs, therapy can be delivered at low cost to the patient while maintaining industry standard profits or revenue to channel partners.



1. Start with a free consultation with one of Oventus' sleep professionals to review the process and see if you're a fit for O2Vent Optima

2. If you're a candidate, Oventus will ship the patient an impression kit and schedule a Virtual Impression Appointment with a board certified dentist

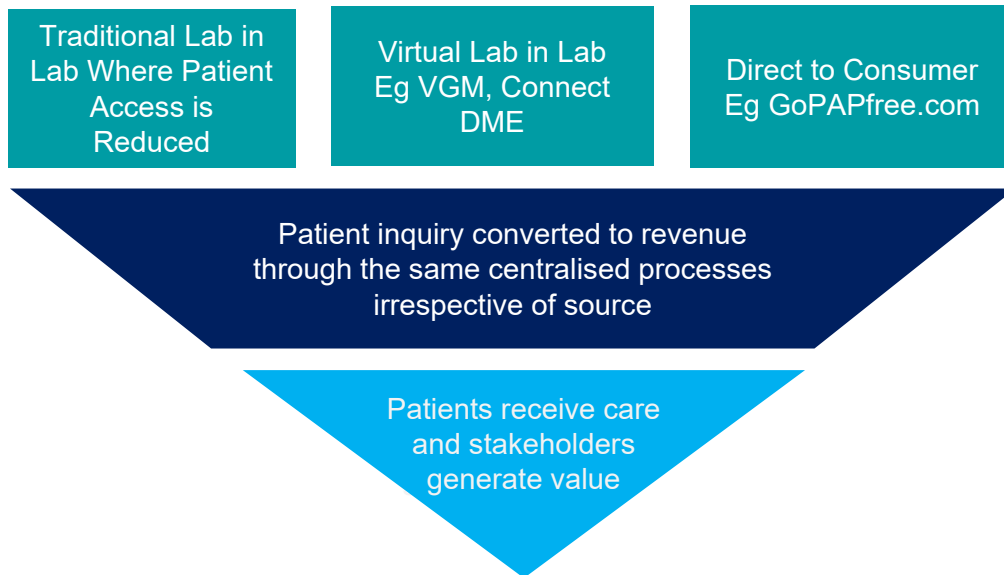


3. During your virtual impression appointment, you'll be guided to use the impression kit. If you prefer to get scanned in person, that is an option as well at one of our locations near you

Oventus' 'Lab in Lab' program has gone virtual

Evolution of the virtual business model as a result of COVID-19 has delivered significant potential

- Reduced capital requirements
- Lower fixed costs
- National coverage without fixed facilities
- Significantly increased scalability
- Centralised patient management and implementation across all channels
- Ability to deliver care in any setting



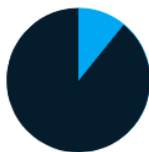
Oventus positioned for telehealth growth surge



How has COVID-19 changed the outlook for telehealth?

1 Consumer

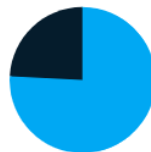
Shift from:



11%

use of telehealth in 2019

To:



76%

now interested in using telehealth going forward

While the surge in telehealth has been driven by the immediate goal to avoid exposure to COVID-19, with more than 70 percent of in-person visits cancelled,¹ 76 percent of survey respondents indicated they were highly or moderately likely to use telehealth going forward,² and 74 percent of telehealth users reported high satisfaction.³

2 Provider

Health systems, independent practices, behavioral health providers, and others rapidly scaled telehealth offerings to fill the gap between need and cancelled in-person care, and are reporting

50–175x

the number of telehealth visits pre-COVID.⁴



In addition, **57%**

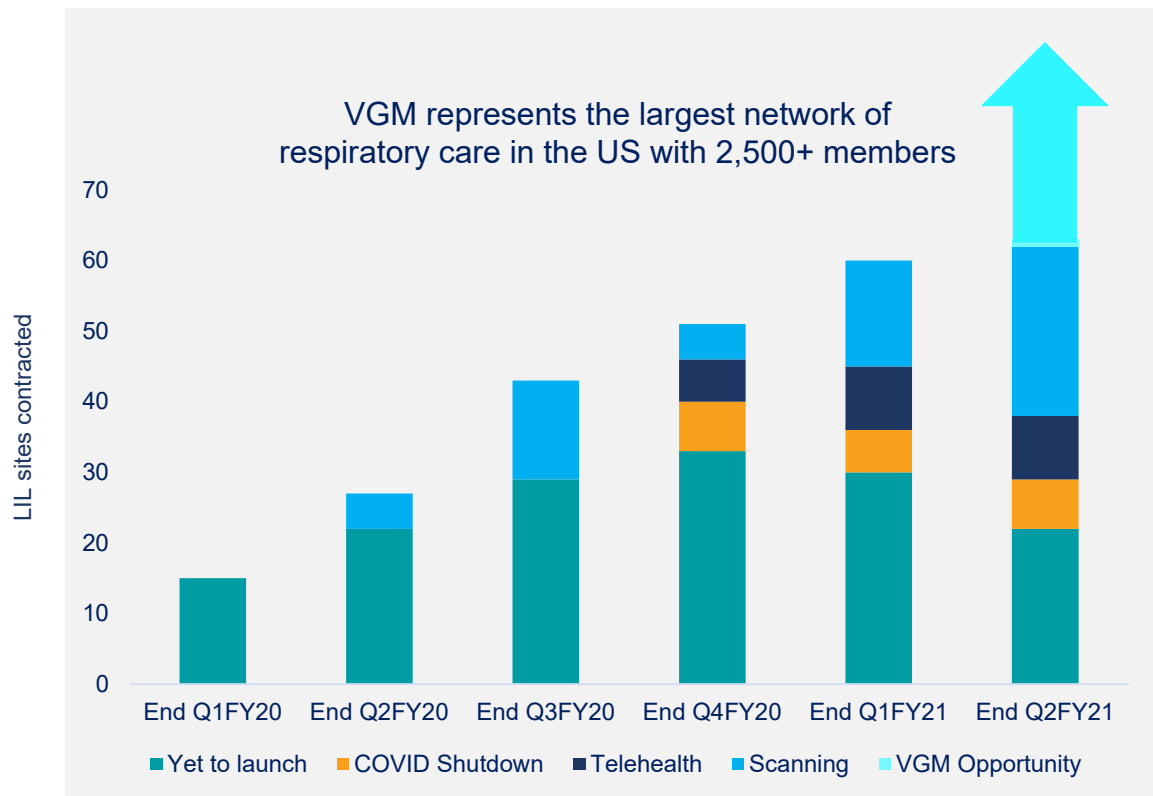
of providers view telehealth more favorably than they did before COVID-19 and

64%

are more comfortable using it.⁵

<https://www.mckinsey.com/industries/healthcare-systems-and-services/our-insights/telehealth-a-quarter-trillion-dollar-post-covid-19-reality#>

Contract negotiations, launches and relaunches ongoing through COVID-19



At the time of writing:

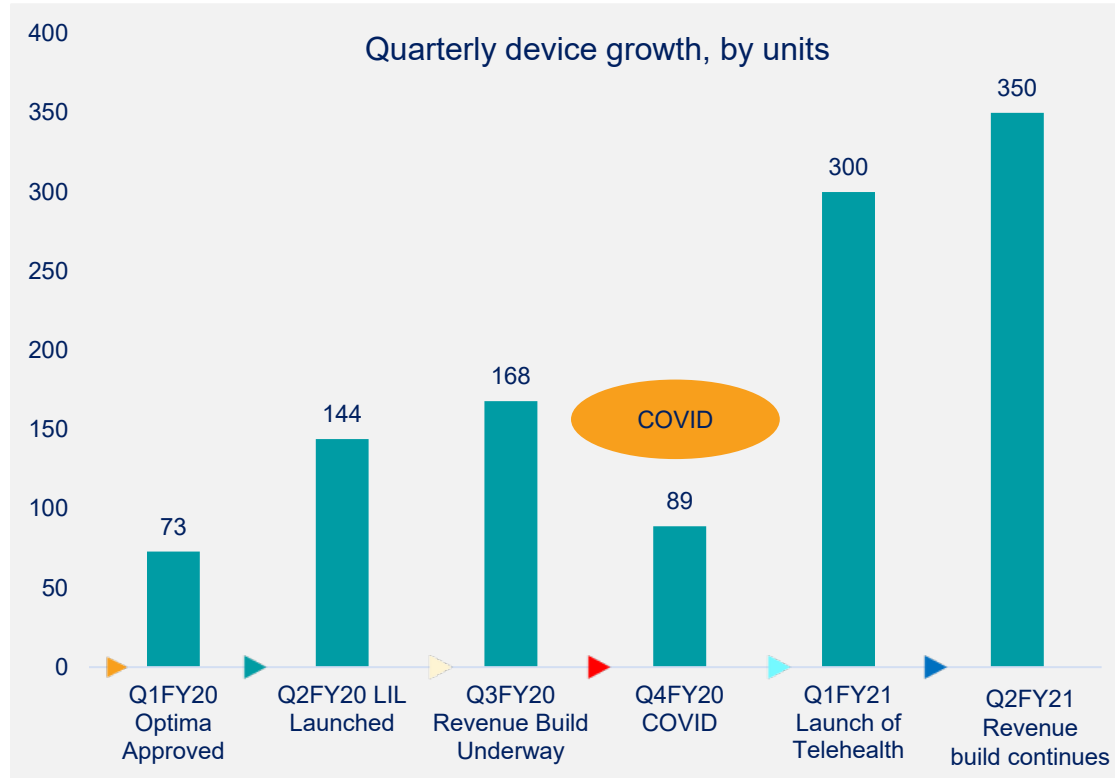
- 69 traditional lab in lab sites had been contracted
- 40 sites had been launched
- 24 sites were physically seeing patients

In response to the global pandemic the company has developed an entirely virtual clinical business model

The development of this model has led to the signing of a marketing agency agreement with VGM as the preferred provider of oral appliance therapy – VGM is the largest network of respiratory care providers in the US with over 2500 members and ~7000 sites

The number of sleep and respiratory care groups looking to adopt the technology continues to grow as the LIL program gains acceptance across North America

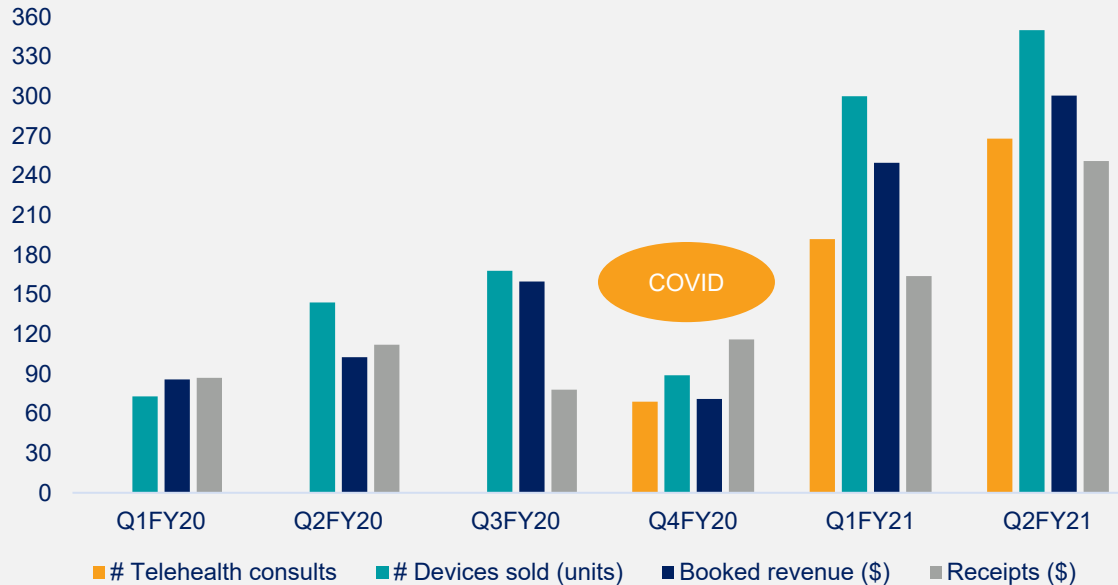
Launch of Optima and Lab in Lab program builds revenue through pandemic



- ▶ O2Vent Optima FDA clearance in September 2019
- ▶ First Lab in Lab sites launched in October 2019
- ▶ Additional sites launched and revenue building to mid March 2020
- ▶ OVN launches telehealth in the face of significantly reduced patient flow to the clinics
- ▶ Device sales grow significantly – exceeding pre-COVID revenue build
- ▶ Fully remote patient treatment model launched and first national contracts signed with traditional CPAP distributors – revenue build continues amidst challenging market

Oventus shows growth across all key performance indicators

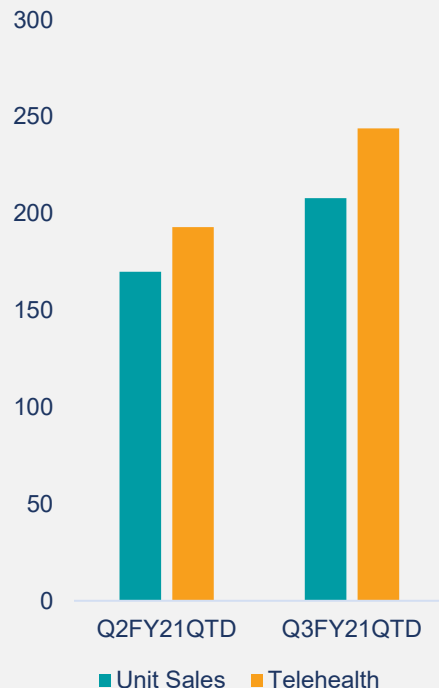
Telehealth consults undertaken, device sales (units), booked revenue and cash receipts



- Steady growth from Q4FY20
- Telehealth program launched in Q4 FY20 as response to restricted patient access to physical venues
- Consults undertaken by Oventus' Telehealth team have grown steadily from Q4 FY20 (69) to Q2 FY21 (268)
- Device sales, booked revenue and cash receipts from customers have grown at corresponding rates

Oventus drivers for near term growth

QTD on QTD device unit sales and telehealth consults to end Feb 2021



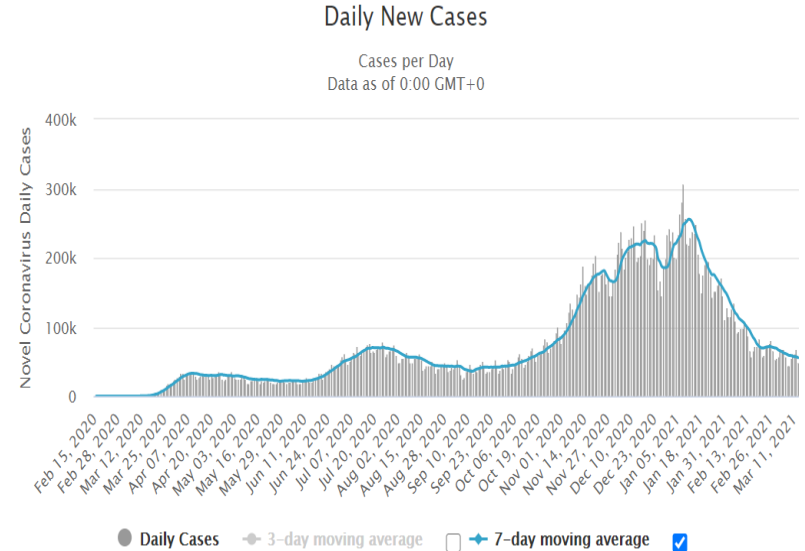
- Quarter-to-date (QTD) growth at the end of February on a similar trajectory to previous quarters
 - Device unit sales ↑ ~ 20% QoQ as at end February 2021
 - Telehealth consults ↑ ~ 25% QoQ to date as at end February 2021
- Growth significantly increased over previous corresponding period which was the last quarter of growth prior to the pandemic
- Unit sales for March are expected to be in line with December followed by acceleration through CY2021
- Telehealth is a lead indicator of unit sales and is continuing to accelerate

Three key drivers for near term growth

- Key markets starting to re-open with the outlook for traditional LIL patient flow improving through the remainder of CY2021
- The deployment of the virtual model and expansion with national groups
- The addition of direct-to-consumer marketing to raise awareness and drive referrals

Reopening and virtual clinical model: significant growth opportunity

- 11 sites in Ontario affected by stay-at-home orders since November, but lock downs starting to ease
- Four sites in the Carolinas affected in January with one reopened in February and the others aiming to reopen next quarter
- One site in California shut down for three months – reopened in February with another site launching virtually in March
- VGM launch of virtual model underway with first contracts issued and patients scheduled
- Successful pilot of direct-to-consumer model ready for expansion



<https://www.worldometers.info/coronavirus/country/us/>

National Lab in lab marketing agreement for the virtual clinical model represents a significant opportunity



- VGM Respiratory is available to 2,500+ VGM members who either specialise in providing respiratory-related equipment to their patients or would like to add a new service to their business
- Initial engagement is with groups performing ~300-1000 CPAP set ups per month
- A CPAP set up involves a 90 day trial of CPAP
- The patient needs to show compliance of at least four hours per night, for five nights per week for them to have their CPAP treatment reimbursed
- 25-35% of patients do not achieve this – these patients are to be offered O₂Vent therapy
- Patient recruitment via internal marketing and patient identification for treatment via the virtual lab in lab program
 - ***Low-cost marketing and access to large patient numbers***
 - ***Direct-to-consumer co-marketing to accelerate ramp up***
- First member contracts being negotiated and first patients scheduled

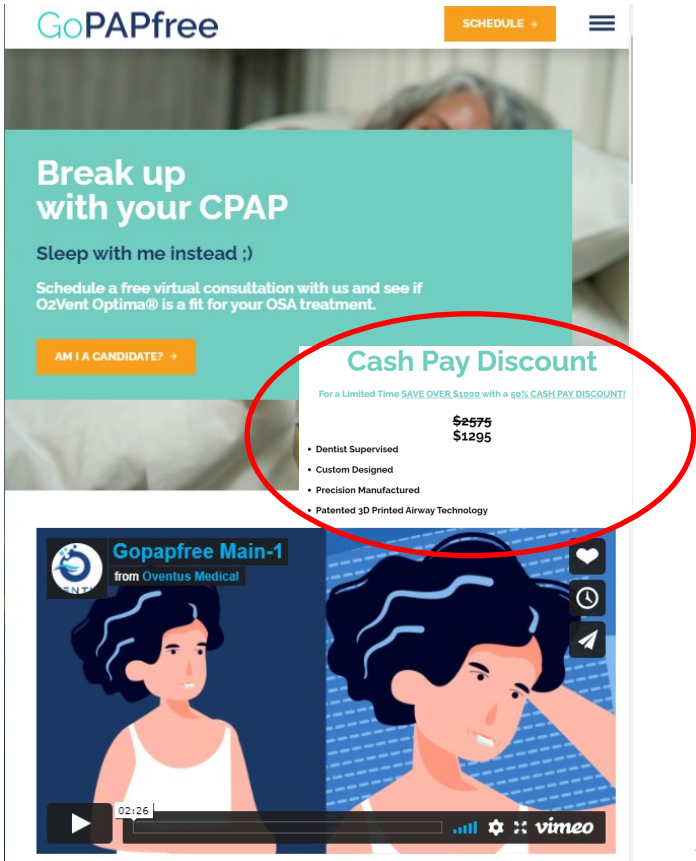


Direct-to-consumer marketing presents an additional significant opportunity

Within the first 30 days of the pilot launch, direct-to-consumer marketing has:

- Generated early first revenue (compared to 3-4 months for traditional LIL)
- Become the largest single referral source
- Had low customer acquisition costs
- Been highly scalable
- Had low operating costs

The cost to the consumer can be greatly reduced while maintaining the revenue for stakeholders due to the absence of fixed facility costs



The screenshot displays the GoPAPfree website interface. At the top, there is a 'GoPAPfree' logo and a 'SCHEDULE' button. The main content area features a teal banner with the text 'Break up with your CPAP' and 'Sleep with me instead :)'. Below this, it says 'Schedule a free virtual consultation with us and see if OzVent Optima® is a fit for your OSA treatment.' and a button 'AM I A CANDIDATE?'. A red circle highlights a 'Cash Pay Discount' section, which states 'For a Limited Time SAVE OVER \$1000 with a 50% CASH PAY DISCOUNT!'. The original price is '\$2575' and the discounted price is '\$1295'. Below the prices, a list of features is shown: 'Dentist Supervised', 'Custom Designed', 'Precision Manufactured', and 'Patented 3D Printed Airway Technology'. At the bottom, there is a video player showing a woman speaking, with the title 'Gopapfree Main-1 from Oventus Medical' and a 'vimeo' logo.

H1FY21 highlights

Growth of Lab in Lab

- 69 sites contracted = A\$13.8m potential annualised revenue
- 40 sites launched = A\$8.8m potential annualised revenue
- 24 sites scanning = A\$5.2m potential annualised revenue

Business improvements

- Telehealth implemented in response to COVID resulting in increased conversion rates
- Homecare extension has lead to adoption by VGM – the largest network of respiratory care providers in the US

Reduced Cash Burn

The previously reduced cash burn has been maintained at A\$1.6M for the quarter ahead of sales ramping through CY21

COVID Response

The short term impact of COVID-19 has been overcome by the evolution of the business model and continued virtual engagement with both patients and customers

Revenue Uplift: Q1FY21

H1 FY21 booked revenue **up 192% on pcp to A\$550k and cash receipts from customers up 109% to A\$415k**, despite COVID-19 driven interruptions

Cash and funding

Cash of A\$4.8 million as at 31 Dec 2020, providing a further three quarters of funding at the current burn rate with further revenue growth expected through CY2021

Strategic focus FY2021



Ramp up virtual 'LIL' model with national partners such as VGM and scale up direct-to-consumer model



Relaunching and launching additional LIL sites along with expansion of the telehealth/homecare extension



Continued contract negotiations for additional LIL sites and implementation of first national LIL agreement in the US



Maximising device sales from LIL sites, reducing lead times to revenue and driving to contracted quotas



Reduction of COGS, targeting gross profit margins of ~80% on device sales



510k FDA approval for ExVent in the US



Cost control, combined with revenue build to increase cashflow from operations



Launch 'LIL' program in other markets with strategic partners

Oventus Medical Board of Directors



SUE MACLEMAN
Chair and
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.



DR MEL BRIDGES
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.



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.



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).



STEVE DENARO
Company
Secretary

Experienced Company Secretary and Chief Financial Officer of various public companies and with major chartered accountancy firms in Australia and the UK.

Experience in the health and medical industries and early stage companies



"The O2Vent Optima has made such a difference to my quality of sleep and I no longer wake in the night with that 'drowning feeling'.

It channels air to the back of my throat allowing me to breathe easily and sleep through the night.

I now wake more refreshed and can concentrate better during the day without feeling drowsy."

Sarah Atkins

Corporate overview, ASX: OVN

Overview

Cash on hand 31 December 2020	A\$4,833,000
Revenue H1 FY21 (up 192% on pc)	A\$550,232
Customer receipts H1 FY21 (up 109% on pc)	A\$415,000

Capital structure (as at 17 Mar 2021)

Shares on issue	158.26m
Options	29.43m
Share price (17 March 2021)	A\$0.20
Market Cap (17 March 2021)	A\$31.7m

Shareholders (as at 17 Mar 2021)

Dr Chris Hart	16.8%
Other directors and founders	7.5%
Other top 20 shareholders	32.0%
Remaining shareholders	43.7%

ASX: OVN | share price history



Investment highlights



- Patented solution to Obstructive Sleep Apnea – demonstrated to assist up to 80% of OSA patients
- High 50 – 60% failure rate of CPAP is driving patients toward better solutions
- Commercialisation of the patented Oventus oral device for Obstructive Sleep Apnea is accelerating
- Revenues grew 192% in H1 FY21 on pcp to \$550k
- The Oventus business model is now proven for both Lab in Lab and telehealth delivery:
 - 69 sites contracted to the Lab in Lab model with 40 launched and 24 actively treating patients
 - Device sales grew 143% to 350 units in Q2 FY21 vs pcp
 - Telehealth consults grew 40% QoQ in Q2FY21 and tightly correlated to future device sales
- Early signs of improvement in patient flows as COVID-19 impact subsides
- Growth to strengthen further as national groups launch such as VGM, Connect DME and Circadian Health launch under the virtual Lab in Lab model
- Additional lever for growth in the direct-to-consumer market directly or co-marketing with LIL partners



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