

# Oventus Medical

## INVESTOR UPDATE

April 2021



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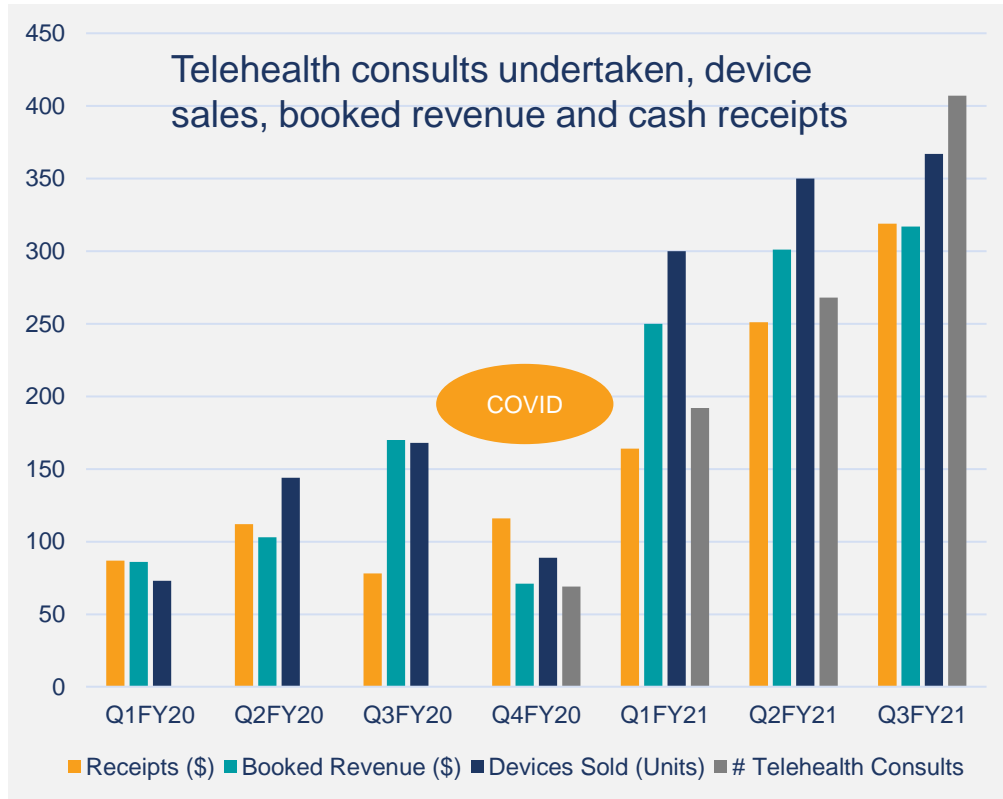
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# Why Oventus and why now?

- The most effective non-intrusive treatment for Obstructive Sleep Apnea (OSA) available
- Major fast-growing market, valued at \$2.4b<sup>1</sup> in the US alone
- Huge unmet need of which 50% non-adherent to CPAP<sup>2</sup>, with Oventus technology providing clinically proven benefits over other alternate therapies
- Proven technology with innovative clinical business models that have evolved through the pandemic, generating revenue with levers in place to accelerate growth
- Highly scalable models, requiring low fixed cost and minimal capex
- Q3 FY21 device sales up 110% and revenues up 98% vs pcip
- Telehealth (leading indicator) up 52% QoQ
- Gross profit margins on manufacturing of ~60% with improvements targeted as production scales

# Oventus shows growth across key performance indicators



- Strong sales and revenue growth in Q3FY21 vs pcp:
  - Device sales up 110%
  - Revenue up 98%
- Evolution of the LIL program through COVID has supported continued growth
- Sales direct to dentists have also increased as a result of their engagement in the LIL programs
- The launch of the virtual LIL program and direct to consumer model has supported telehealth growth
- Telehealth has grown strongly in Q3 FY21 and is a lead indicator of revenue growth

# Obstructive Sleep Apnea overview



OSA is the most common type of 'sleep apnea'<sup>1</sup>



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\$6,033<sup>1</sup> per person per year undiagnosed**

# The problem with CPAP



## High percentage of CPAP drop outs:

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

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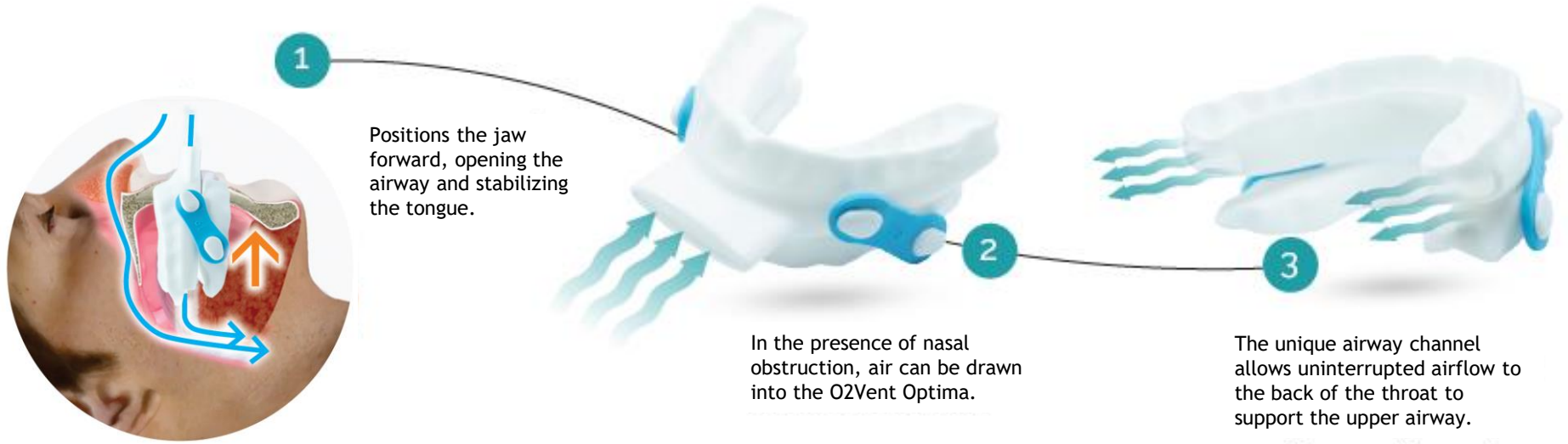
**Large US study<sup>2</sup> showed only 54% compliance long term**

### 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/>

# Patented Airway Technology

## How O2Vent<sup>®</sup> works



# Oventus is driving disruption in the sleep industry

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

- Variable effectiveness of current 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' (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.



# Oventus O2Vent® addresses the needs of 80%<sup>1</sup> of OSA patients

## Conventional lower jaw advancement

**56%**<sup>2</sup> of patients treated successfully



Mandibular Advancement Devices

## O2Vent® / O2Vent Optima®

**63%**<sup>3</sup> of patients treated successfully



## O2Vent® + ExVent® PEEP valve technology

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



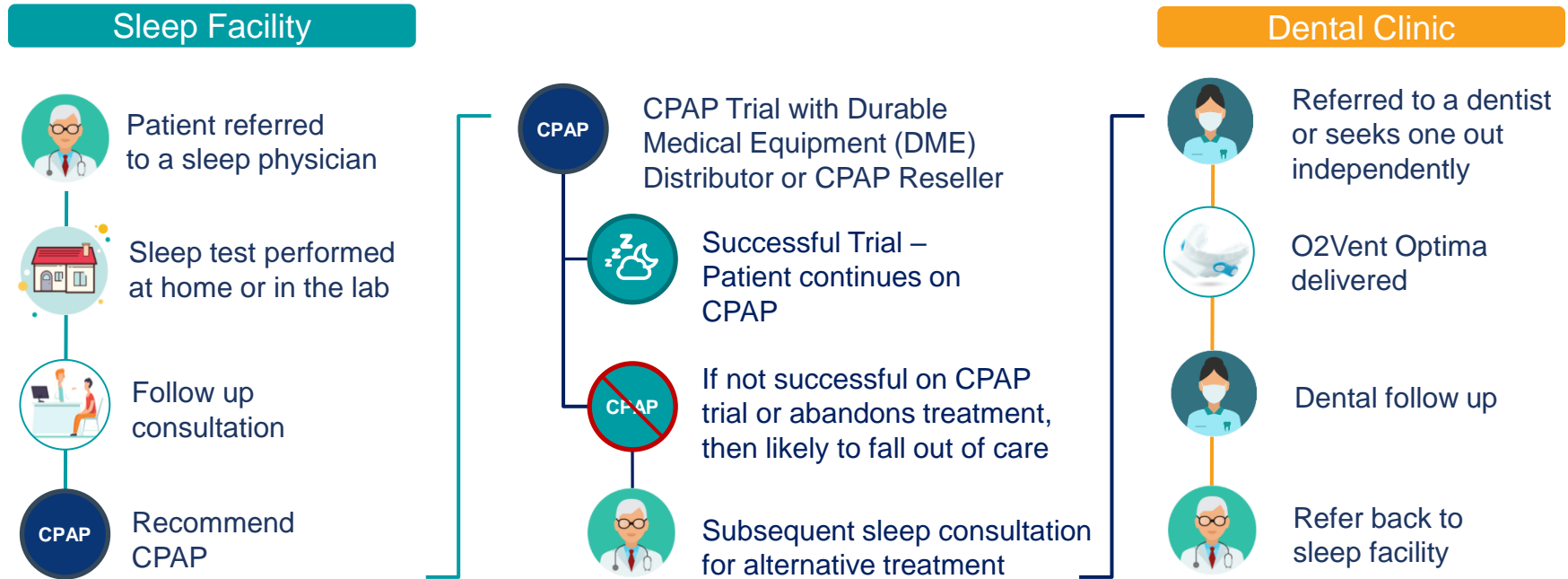
## CUMULATIVE SUCCESS RATES WITH OVENTUS AIRWAY TECHNOLOGY\*

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

Available outside of the US. 510k approval 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, Amatory 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.

# Patients struggle with traditional treatment pathways



# Lab in Lab

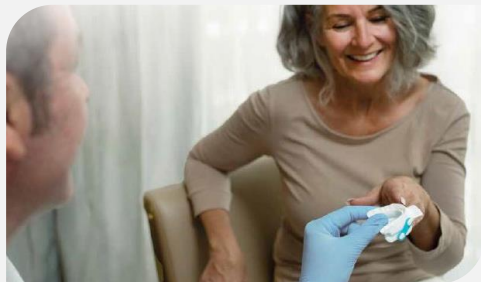
**By enabling dentists to take oral scans of patients' mouths within the sleep facility, the patient is able to complete the whole care cycle at one location.**

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

# Virtual Lab in Lab

## Virtual model developed in response to COVID-19

- Virtual collaboration between dentists and sleep groups
- Dentist-guided virtual impressions
- Home delivery of O2Vent therapy
- 98% fit rate validated, comparable to digital scans

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



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

2. If they're a candidate, Oventus will ship the patient an impression kit and schedule a virtual impression appointment with a board certified dentist

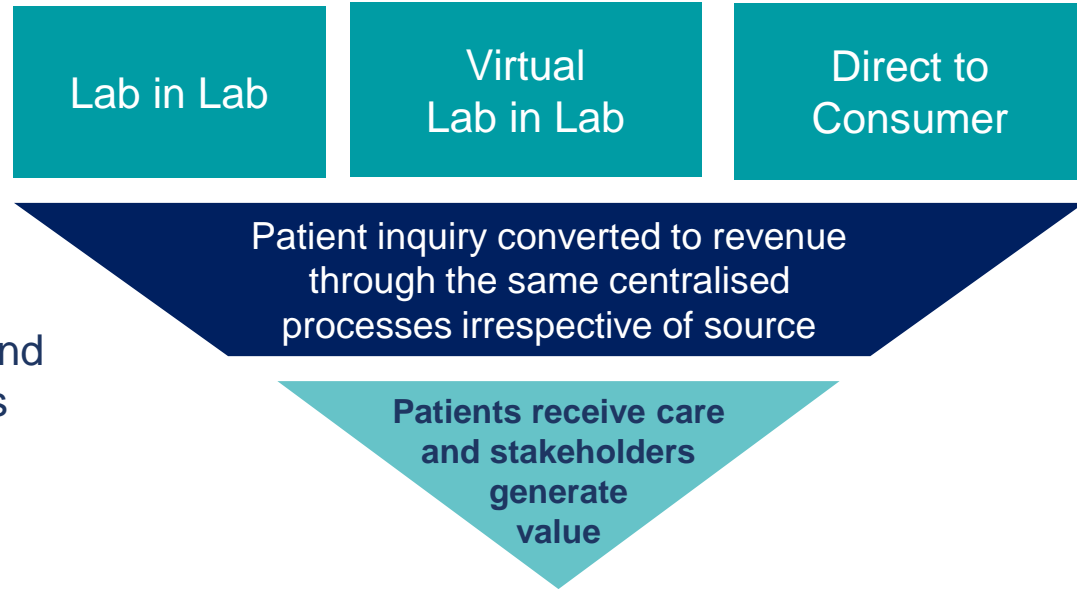


3. During the virtual impression appointment, patients are guided to use the impression kit.

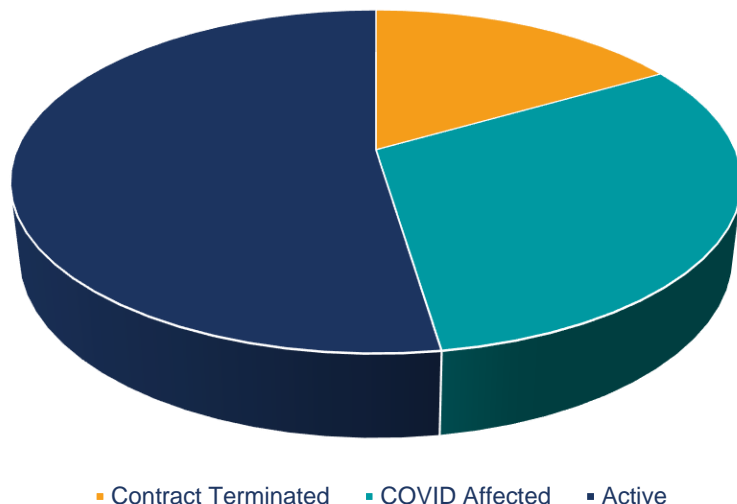


# Evolution of the virtual business model as a result of COVID-19 is positioned to deliver significant upside

- Reduced capital requirements
- Lower fixed costs
- Significantly increased scalability
- Centralised patient management and implementation across all channels
- Ability to deliver care in any setting
- Ability to sell through home equipment providers and direct to consumer



Site status



At the time of writing Oventus had signed contracts with 18 groups representing 71 potential sites of which:

- 51 had been planned for launch prior to and during COVID
  - 42 sites were launched
  - 22 sites are active
  - 13 sites currently COVID affected and
  - 7 sites have had contracts terminated

LIL sites trending below quotas during COVID

Still a broad base of contracts and sites to accelerate device sales as markets reopen

First fully virtual contracts signed and launched with national partners, opening up access to a significantly greater market opportunity than the traditional LIL program.

# Virtual Lab in Lab program – progress to date

Fully remote patient management program established & rolling out

- Marketing agency agreement signed with VGM and Associates – the largest network of sleep and respiratory care providers in the US
- First VGM members launched in March 2021
- VGM – 2,500+ members with +7,000 sites across the US
- Additional national contract with Connect DME signed in March 2021 now launched
- Contract with Circadian Health Australia – providing fatigue management services to 24/7 industries now able to offer non-CPAP therapeutic option remotely



# Direct to Consumer Marketing


**Telehealth meets oral appliance therapy**

With a completely virtual process, you don't have to leave your home to treat your sleep apnea and get a better night's sleep.

Our team of dentists will guide your impression taking remotely and get your personalised OzVent Optima delivered to your home.

**Schedule a free virtual consultation to see if OzVent Optima is a fit for your sleep apnea treatment.**


[AM I A CANDIDATE?](#)



**AwakeXpress**    Struggling with CPAP?    OzVent Optima®    Am I a Candidate?    How do I get an OzVent?    Free Consultation


**Unmask your sleep potential.**

For the last 30 years, CPAP has been the leading form of obstructive sleep apnea treatment. Unfortunately, many who try CPAP are unable to tolerate it. If you're ready for a new approach to obstructive sleep apnea, welcome to the OzVent Optima®. With a more elegant design and proven clinical results, the OzVent Optima is a life-changing alternative to CPAP.



**GoPAPfree**    How it works    Pricing    Testimonials    Insurance    Contact    [GET A PRICE](#)

**...softly supporting your breathing through the night.**



**The first innovation in sleep apnea treatment in decades.**

OzVent Optima is the only device for sleep apnea designed with Integrated Airway Technology which helps you breathe through the night. Forget the other CPAP alternatives and go with the only proven sleep apnea treatment customized just for you.

- Lightweight, discreet & portable
- No hoses, masks or machines
- Easy to use and clean
- 3D Printed Nylon for precision fit oral appliance
- FDA cleared. Covered by most insurance.

The direct-to-consumer marketing channel:

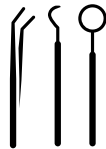
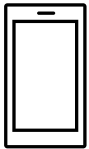
- Generated first revenue within 30 days (compared to 3-4 months for traditional Lab in Lab)
- Low customer acquisition costs
- Highly scalable
- Low operating costs
- Close management of the patient journey will build relationships and generate goodwill

**Telehealth consultations – a lead indicator of unit sales growth – accelerated to 52% growth QoQ**





# Patient focused omni-channel marketing



Patients are online looking for care

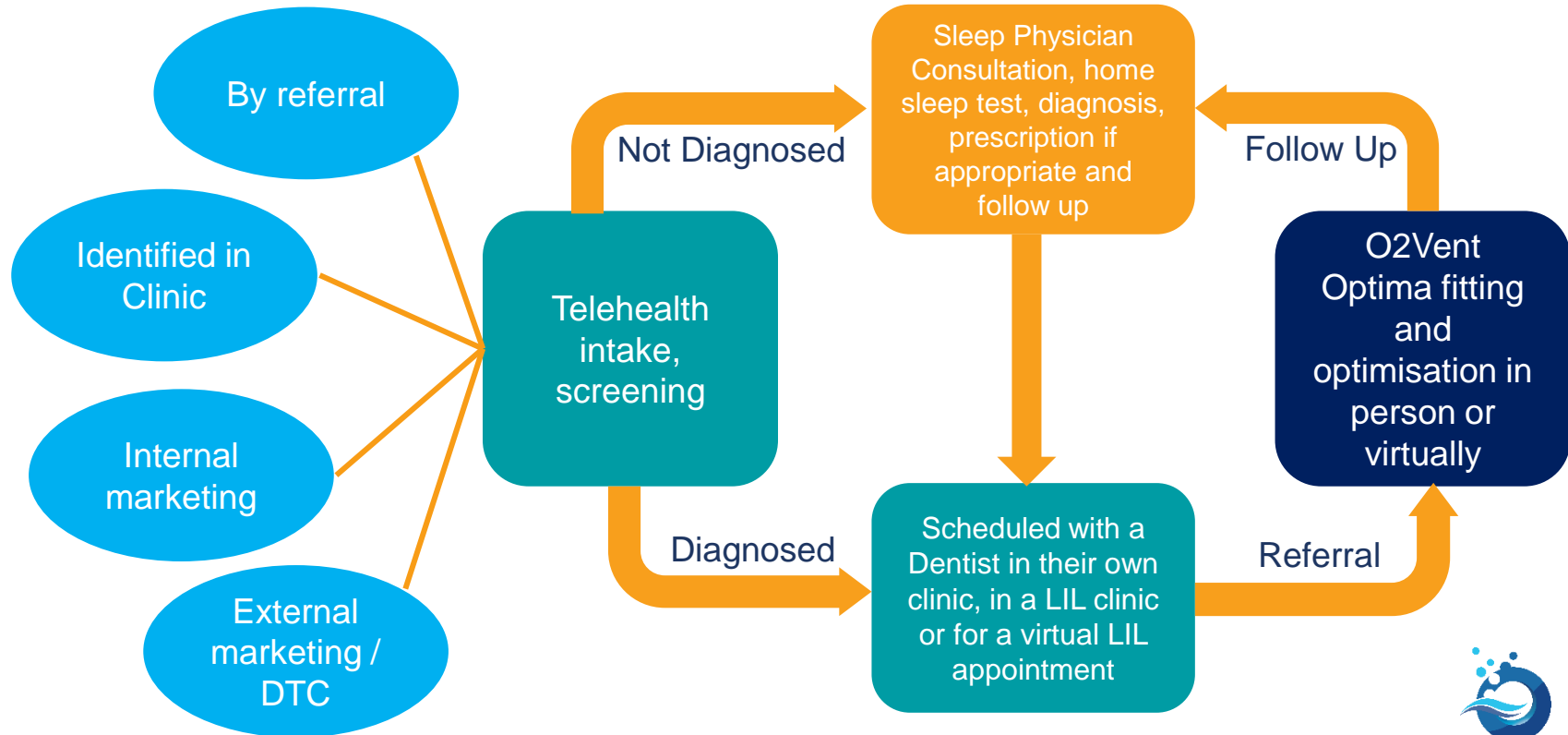
The pandemic has given us the ability to bring sleep physicians and dentists together in a digital world with:

- Telehealth platforms
- Digital workflow model
- Cloud-based electronic medical records

Omni-channel marketing can now inform patients that diagnosis and therapy can be managed by qualified professionals anytime, anywhere:

- Sleep channel
- Dental channel
- In the home

# Many ways to receive O2Vent therapy irrespective of channel



# Path to profitability



Increase investment in direct-to-consumer marketing to accelerate revenue growth with visibility on customer acquisition cost and ROI



Reduce unit operating costs and capex to allow for increased investment into go-to-market, to accelerate QoQ sales growth



Expand lower cost VLIL program with national partners



Focus on selected higher yield targets for LIL program and convert lower yielding sites to lower cost VLIL model

# 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**

# Oventus airway technology



*“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**



## Dr Chris Hart

FOUNDER & CEO

[chris@oventus.com.au](mailto:chris@oventus.com.au)

+1 949 599 8948

Authorised for release by the Oventus Board of Directors

# Addendum



# Intellectual Property: Expiry dates between 2032-2039

Airway design	3D printing technology	For people with jaw pain	Jaw positioning adjustment	CPAP connector	Compliance and airflow sensors	Valve Arrangement	Integrated airway and bite
Airway Platform	Design and additive manufacturing	Breathing assist device with Tongue Retaining Device	Titratable design with an airway – allows lower jaw adjustment by the patient	PAP connectors to the Oventus airway	Compliance and airflow sensors	Valve arrangements for airflow control	Integrated device
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  As at 2 March, 2020



Multiple domain names registered



Trademarks advancing according to Madrid protocol



# 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% of 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
<b>Perth study OVEN-004</b>	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
<b>Effect of Oventus Airway on Upper airway Physiology</b>	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
<b>Brisbane study OVEN-003</b>	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 obstructors and previous treatment failures	Final results presented at the ASA Sleep DownUnder Oct 2018
<b>Brisbane study OVEN-001</b>	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

\* Apnea-Hypopnoea Index (AHI), known as 'sleep events' per hour occurring when the breathing airway collapses temporarily, leading to disruptions in breathing and sleep, in patients with Obstructive Sleep Apnea (OSA)

\*\* 10 patients data on this study were presented previously in Auckland Sleep DownUnder ASA Conference

# 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 now 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, MULTI-BILLION DOLLAR AND FAST-GROWING MARKET**