



OVENTUS MEDICAL

Investor update | August 2021

Oventus Medical is leading **a new paradigm** in sleep apnea care

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Why Oventus?



The most effective non-intrusive treatment for Obstructive Sleep Apnea (OSA) available



Fast growing market, valued at \$2.4b¹ in the US alone



Existing treatments poorly received – more than 75% untreated or refusing current options²



Highly scalable models, requiring low fixed cost & minimal capex



Q4 FY21 cash receipts of \$321k, up 177% on the prior corresponding period



Telehealth bookings (leading indicator) up 25% QoQ

Source: ¹Frost and Sullivan, Inc. (2016). Hidden health crisis costing America billions: Underdiagnosing and undertreating obstructive sleep apnea draining healthcare system. American Academy of Sleep Medicine. (3 Million patients diagnosed and out of care if treated would generate revenues of US\$2.4b @ US\$800/Patient for Oventus with only one in five patients currently diagnosed.)

² Ibid., p. 3.



High percentage of CPAP drop outs:

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

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

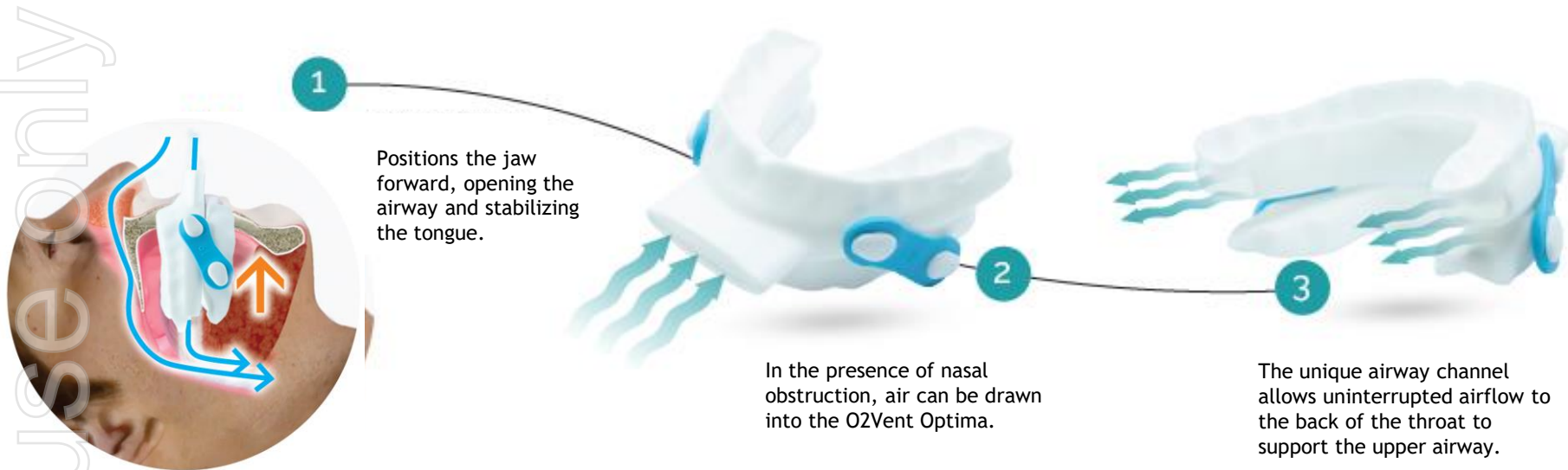
Air pressures are hard to tolerate and CPAP can be noisy

Technology has an image problem

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

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/>

How O2Vent[®] works



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^{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.

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



Available outside of the US. 510k approval pending

CUMULATIVE SUCCESS RATES WITH OVENTUS AIRWAY TECHNOLOGY*

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

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, Amatoory 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.

Large total addressable market ripe for disruption¹

\$2B

Market Opportunity in the US

OSA Patients in Need of Alternative

6m US adult patients prescribed CPAP
50% - 60% of CPAP patients quit within one year

12%

30M

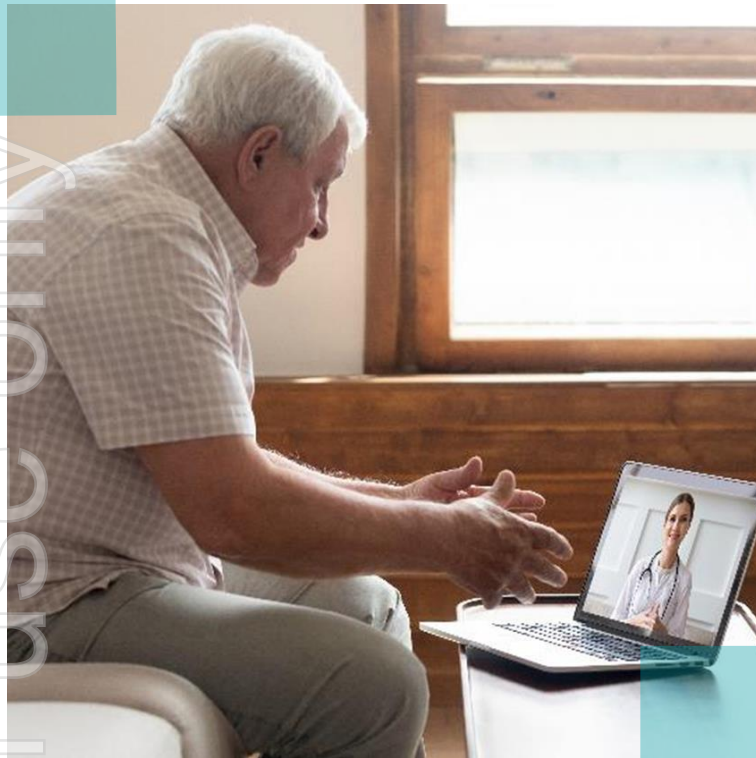
US Adults Suffer from OSA

US represents 55% of the total global market

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

COVID-19 has accelerated the transition to online purchasing and virtual care

- Most patients are now tested for Sleep Apnea at home
- Virtual diagnosis and telehealth are quickly becoming mainstream
- Patients prefer at-home options to multiple clinical and equipment supplier visits
- Online CPAP sales have grown, but half of CPAP users still abandon therapy because they find it intolerable and stigmatising
- There is considerable pent-up demand for an alternative to current therapeutic options
- CPAP Recall may lead to increased opportunity for alternate therapies



Positioned for success in the new normal

In response to this the company has made significant operational changes



Reduced expenses

Reduced operational expenses to allow for increased investment into go to market and virtual operations



Restructured sales and marketing

Restructured sales and marketing to enable a brand revamp and improved digital marketing program, to tap pent-up demand



Generate demand virtually

Developed capabilities to generate demand virtually, then provide services to patients through our clinical partners virtually or with fewer office visits



Reviewed manufacturing

Reviewed manufacturing operations to increase efficiency and improve gross margins

Mixed channel delivery brings benefits to patients, partners & margins

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

Lab in Lab
(LIL)

Virtual
Lab in Lab
(VLIL)

Direct to
Consumer

Patient inquiry converted to treatment
through the same patient services
operations

Oventus network
of dentists &
physicians

**Patients receive care and
stakeholders generate value**

Tuning focus to channels with maximum ROI



Of the sites contracted and launched under the LIL and VLIL programs 29 Lab in Lab Sites are currently active of which 7 groups are virtual



Virtual channels – Scheduled new patient telehealth consultations increased 25% QoQ



While model is still in early stages, direct to consumer (DTC) marketing contributes over half of telehealth consultations scheduled



Patient flow is starting to increase across all channels



Conversion rates and customer acquisition costs becoming more predictable

Potential for sales acceleration in the direct to consumer (DTC) channel

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.



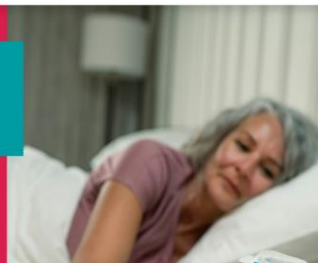
AM I A CANDIDATE?

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:

Customer acquisition costs are falling and becoming more predictable

Close management of the patient journey increases conversion to therapy

As visibility on acquisition costs crystalizes the ROI increases enabling greater investment into sales growth

Highly scalable, low operating costs

Telehealth bookings – a lead indicator of unit sales growth grew **25% QoQ**

Levers to generate revenue and gross profit



Increase the number of patients in the funnel by increasing direct to consumer (DTC) investment



Increase conversion rate

- More targeted marketing
- Improve internal procedures and systems
- Reduce out of pocket expenses to patients

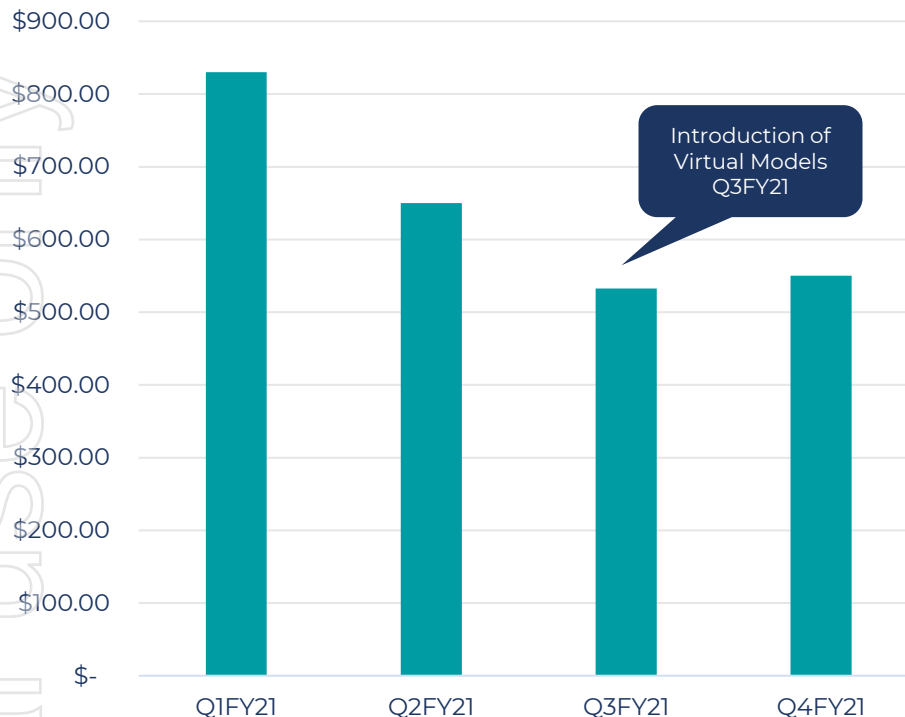


DTC and virtual lab in lab (VLIL) generates greater margins that can be invested into customer acquisition and/or increasing conversion rates



Cost to acquire is decreasing and patient numbers are growing

Customer Acquisition Costs (US\$)



Over 2,000 patients on our database and growing



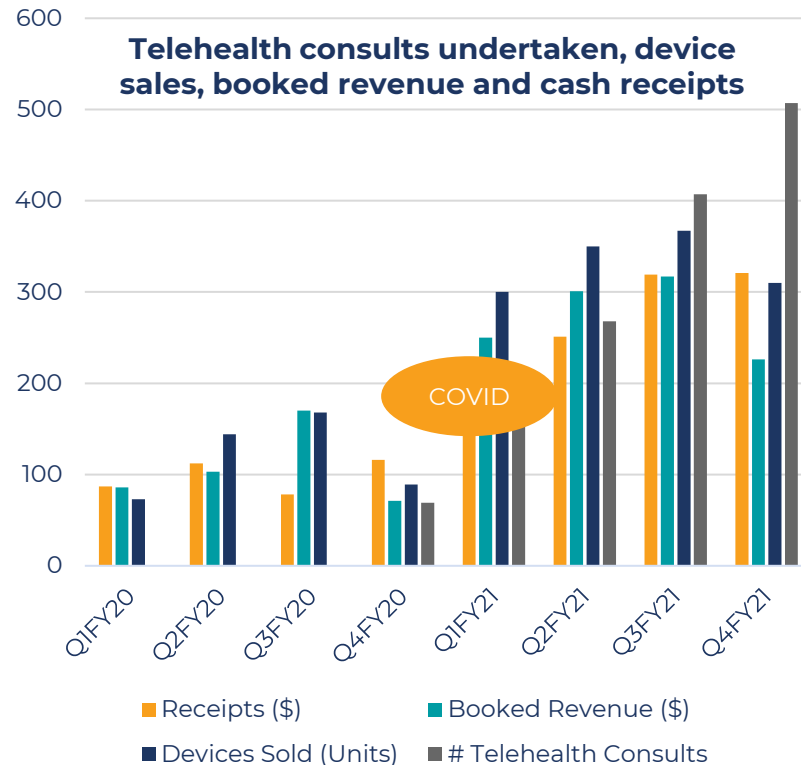
The patient journey is more streamlined



Sales and revenue growth will become more predictable enabling increased investment into go-to-market acceleration over time

Lead indicator continues to grow through strategic restructure

- Sales and revenue growth in Q4FY21 vs pcq:
 - Device sales: \$223k, up 214% over Q4 FY20
 - Cash receipts of \$321k in line with prior quarter
- The launch of the virtual LIL program and direct to consumer model has supported telehealth growth – a lead indicator for revenue growth
- Strategic restructure now complete
- OVN has the organisation, technology and strategy to be a virtual oral appliance therapy market leader
- Sales and unit growth is expected to increase as virtual business models overtake traditional channels
- As customer acquisition costs in virtual channels fall, investment will increase to accelerate sales growth





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



Focus only on selected higher yield targets for lab in lab (LIL) program



Expand lower cost virtual lab in lab (VLIL) program with national partners



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



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).



JOHN COX
President
and COO

John will lead the sophisticated roll out of the virtual & director to consumer models for Oventus. He brings 30 years experience in the MedTech sector, including direct experience in sleep and related technology marketing & operations.



**PAUL
MOLLOY**
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.



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.



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.

"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

+1 949 599 8948

Authorised for release by the Oventus Board of Directors

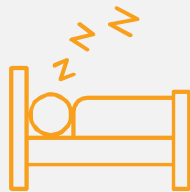


Addendum



Obstructive Sleep Apnea (OSA) overview

OSA is the most common type of 'sleep apnea'



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



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



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.

Patients struggle with traditional treatment pathways

Sleep Facility



Patient referred to a sleep physician



Sleep test performed at home or in the lab



Follow up consultation



Recommend CPAP



CPAP Trial with Durable Medical Equipment (DME) Distributor or CPAP Reseller



Successful Trial – Patient continues on CPAP



If not successful on CPAP trial or abandons treatment, then likely to fall out of care



Subsequent sleep consultation for alternative treatment

Dental Clinic



Referred to a dentist or seeks one out independently



O2Vent Optima delivered



Dental follow up

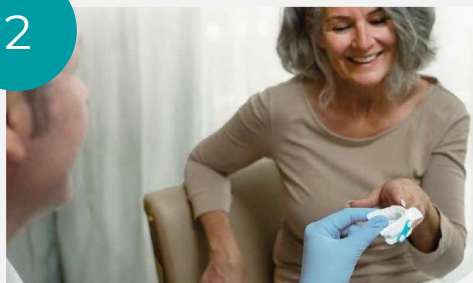


Refer back to sleep facility

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.



Sleep doc consults/
diagnoses/
prescribes



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



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 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

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

1

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



1

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



Appliance Validation – O2Vent (Oventus Airway Technology)

Name	Study/ Investigation	Patients completed (per Nov 2018)	Results - reduction in AHI (sleep events per hour)*	Commentary	Events
Sydney study (NeuRa) OVEN-005	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
	Nasal Resistance Study	7 39	34.4 reduced to 7.0 = 80% reduction 29 reduced down to 14.5 = 50% 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
3 stages over 3 years	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
180 Patients in Total	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

* 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)

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

* 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

Intellectual Property: Expiry dates between 2032-2039

Airway
design

3D printing
technology

Valve
Arrangement

Integrated airway
and bite

Airway
Platform

Design and
additive
manufacturing

Valve arrangements
for airflow control

Integrated
device

AU2012255625
EP2709572 (DK, FI, FR, DE, NL,
NO, SE, GB)
US10,010,444
US16/003,558

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As at 15 July, 2021



Multiple domain
names registered



Trademarks advancing
according to Madrid protocol

OSA IS A MASSIVE, MULTI-BILLION DOLLAR AND FAST-GROWING MARKET



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)