



# Oventus: Innovators in Sleep Apnoea Treatment

Investor Presentation  
September 2017



# Disclaimer

1. The information in this presentation does not constitute personal investment advice. The presentation is not intended to be comprehensive or provide all information required by investors to make an informed decision on any investment in Oventus Medical Limited ACN 608 393 282 (Company). In preparing this presentation, the Company did not take into account the investment objectives, financial situation and particular needs of any particular investor.
2. Further advice should be obtained from a professional investment adviser before taking any action on any information dealt with in the presentation. Those acting upon any information without advice do so entirely at their own risk.
3. Whilst this presentation is based on information from sources which are considered reliable, no representation or warranty, express or implied, is made or given by or on behalf of the Company, any of its directors, or any other person about the accuracy, completeness or fairness of the information or opinions contained in this presentation. No responsibility or liability is accepted by any of them for that information or those opinions or for any errors, omissions, misstatements (negligent or otherwise) or for any communication written or otherwise, contained or referred to in this presentation.
4. Neither the Company nor any of its directors, officers, employees, advisers, associated persons or subsidiaries are liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying upon any statement in this presentation or any document supplied with this presentation, or by any future communications in connection with those documents and all of those losses and damages are expressly disclaimed.
5. Any opinions expressed reflect the Company's position at the date of this presentation and are subject to change.



# Oventus – investment highlights

1. Oventus is driving the most significant change the sleep apnoea market has seen for years
2. Two key product ranges, both of which are set to disrupt a large and growing market:
  - O<sub>2</sub>Vent Airway Technology oral appliance – currently generating revenue
  - CPAP machine\* connector to O<sub>2</sub>Vent– in late stage development (replaces face mask)
3. Agreement executed in June 2017 with world's largest dental prosthetics supplier, Modern Dental Group. Oventus and Modern now preparing for Modern to distribute Oventus' range globally through their established channels
4. Obstructive Sleep Apnoea (OSA) is a massive market. US\$3.8b\*\* globally, growing at a CAGR of 15-20% with only 20% of OSA sufferers in care
5. Strong institutional investor interest and solid balance sheet with \$8.6m in cash (as at 30/6/17)

\* CPAP machine: continuous positive airway pressure machine. Examples include by ResMed, Fisher & Paykel, and Phillips Respironics

\*\* In 2015: Sleep Apnea Diagnostic & Therapeutic Devices Market, Markets and Markets, Table 98



## About Obstructive Sleep Apnoea

# What is obstructive sleep apnoea (OSA)?

OSA is a massive and growing market – it affects around 34% of men and 17% of women\*

- Obstructive sleep apnoea (OSA) is the most common type of 'sleep apnoea'
- It affects the way people breathe when they are sleeping, where breathing is briefly interrupted or becomes very shallow during sleep
- Occurs when the soft tissue in the back of the throat relaxes during sleep and blocks the airway, often causing snoring
- Commonly measured by the apnoea-hypopnoea index (AHI), which measures the number of obstructive and central apnoea or hypopnoea episodes per hour of sleep



**Sleep  
apnoea**



**Key indicator:  
snoring**



**Result:  
lack of quality sleep**



# OSA is a global health and economic issue with 80% of sufferers out of care

## A serious disorder which can lead to much greater health implications

Immediate effects include:

- Fatigue
- Stroke
- Daytime sleepiness

Recognised longer term issues include:

- Diabetes
- Stroke
- Heart disease
- High blood pressure
- Heart failure
- Depression
- Increased incidence of accidents and workplace injuries

### *Economic cost\**

*“In Australia in 2016-17, inadequate sleep imposed financial losses of \$26.2 billion, and loss of wellbeing valued to be \$40.1 billion.”*

# A whole family of problems

OSA is higher in men than women however can affect the entire family unit

- Daytime sleepiness can make it difficult to work and lead to job loss
- Snoring is almost always associated with OSA and can impact the whole family, and lead to relationship issues
- Depression and memory problems are very common in people with OSA
- People untreated with OSA have greater rates of hospitalisation and healthcare costs



**Snoring as a social problem is one of the main drivers for people seeking treatment – Oventus Airway Technology delivers exceptional outcomes for snoring**



# Patient landscape

## Treatment options and success rates for 20% of patients in care



**Oral devices**  
55%<sup>1</sup>



**Surgery\*\***  
UPPP – 33%<sup>2</sup> / RFA – 34%<sup>2</sup>  
Maxillo-Mandibular Advancement – 87%<sup>2</sup>  
Multilevel surgery – 56%<sup>2</sup>



**CPAP devices**  
83%<sup>1</sup>

## Why are 80%\* of patients out of care?



Poor acceptance of current treatment options (high non-compliance and non-adherence) e.g. CPAP with facial mask – high pressure is hard to tolerate



Risk of failure



Lack of awareness



Time & cost restrictions

\* Sleep Apnoea Diagnostic & Therapeutic Devices Market – Market Overview & Market By Products: Global Forecast up till 2017 – Markets and Markets 2014.

\*\* Surgical treatments:

UPPP: uvulopalatopharyngoplasty, is a surgical procedure to remove tissue in the throat to make the airway wider.

RFA: radiofrequency ablation, is a technique which changes the shape of tissue using radio waves to heat tissue.

Maxillo-Mandibular Advancement involves a surgery moving the upper (maxilla) or lower (mandible) jaw.

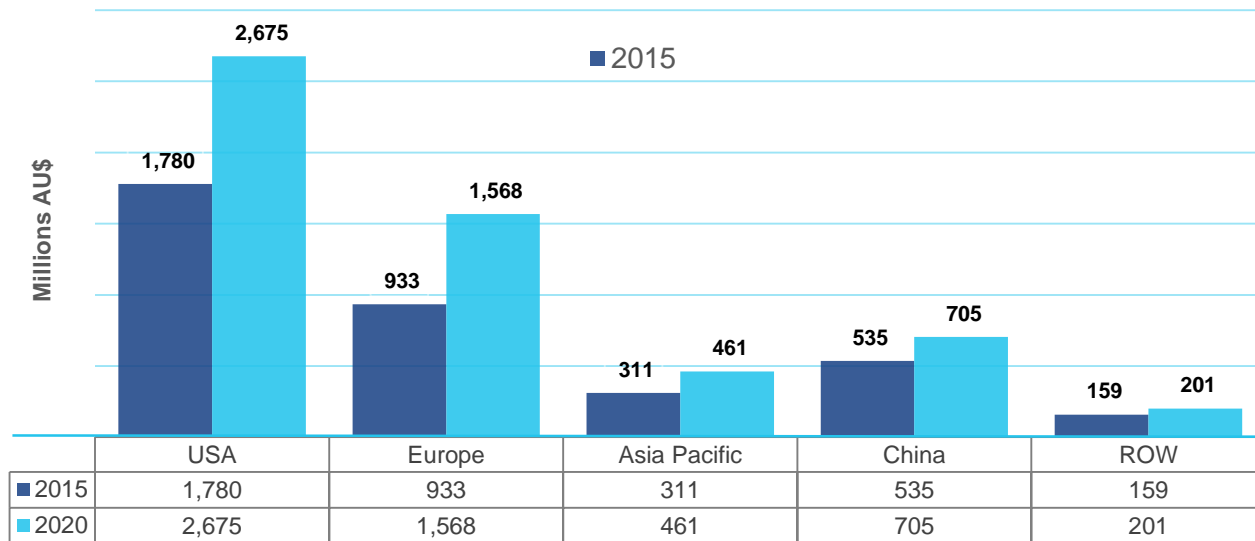
<sup>1</sup> Marklund ERJ 2012, <sup>2</sup> Caples Sleep 2010



# Market Outlook

Current sleep treatment market has been growing at 15-20% CAGR Historically

Market size: oral appliance and CPAP interface\*/\*\*



Large untapped market  
- 80% of sleep apnoea sufferers are out of care

Huge social cost

Sleep dentistry is a  
lucrative developing  
market

Sleep device technology  
evolving

Oventus O<sub>2</sub>Vent and  
CPAP connector are a  
superior offering backed  
by clinical studies

\* Sleep Apnoea Diagnostic & Therapeutic Devices Market, Markets and Markets, Table 98. China data – Anti-snoring Devices and Snoring Surgery Market: 2016-2024 p101

\*\* Excludes cost of CPAP machine



**Oventus appliance  
'airway' technology and  
benefits**

# Oventus oral appliances – how it works

The O<sub>2</sub>Vent technology is the first major innovation in the treatment of sleep apnoea for years

1. Air goes in through the airway on inhalation and out through the airway on exhalation. Acts like a “second nose”



2. Air in on inhalation delivered to throat, air out on exhalation

3. The device brings the lower jaw forward, making more room for air to go into the patient's lungs

# Current product range – designed to suit patient preferences



## O2Vent Mono

Original device

Delivers clinically superior OSA outcomes to competing oral devices



## O2Vent Titratable

Works in the same manner as Mono, but jaw position can be adjusted by patient at the front of the appliance



## O2Vent Wings

Works in the same manner as Mono, but jaw position can be adjusted by the patient – one each side of the appliance



## O2Vent trial device

A composite low cost entry device

**For release in CY2018**



## Combibite

Used by dentists to take an impression and bite record of a patient's mouth so a personalised device can be created

**For release in October 2017**



## HME

Sponge for use inside appliance  
Duckbill to control dry mouth

**For release in October 2017**



# Oventus oral appliances - benefits

O<sub>2</sub>Vent oral appliances enable patients to breathe better at night, reducing 'sleep events'

- Unique in-appliance 'airway technology' channel
- Better regulates breathing pressure between nose and mouth
- Superior to existing oral appliance offerings
- Clinical results consistently demonstrate the O<sub>2</sub>Vent ability to:
  - Reduce snoring and
  - Decrease their Apnoea-Hypopnoea Index (AHI - the main OSA measurement score) by more than 50%
- Better patient compliance and comfort



Of patients experienced significant improvement in snoring using O<sub>2</sub>Vent



Of patients experienced complete elimination of snoring using O<sub>2</sub>Vent



Of patients decreased their Apnoea-Hypopnoea Index (AHI) by more than 50%

# Market needs – where Oventus fits in

## Oral jaw advancement

Device bringing lower jaw forward for mild to moderate sleep apnoea

E.g. Somnomed



## Oventus treatment platform

### O<sub>2</sub>Vent

Standalone oral appliance with 'airway' for mild to moderate/severe sleep apnoea

INCREASED COMFORT and REDUCED APNOEAS



### CPAP connection

Connects O<sub>2</sub>Vent to CPAP machine for severe to very severe sleep apnoea

NO MASK REQUIRED and LOWER CPAP PRESSURES



## CPAP machine + mask

Pressurising breathing airway with mask for moderate to severe sleep apnoea

E.g. Resmed



Mild

Degree of obstructive sleep apnoea (OSA)

Severe

**Oventus appliances sit between the current 'oral jaw advancement' and 'CPAP' standards of care, providing a new treatment platform for patients depending on their sleep apnoea severity**



**Driving our oral  
appliances into the  
dental market**



## Distribution channels – two pathways

Modern Dental Group  
(leading global dental  
prosthetics group)  
will undertake  
marketing and sales  
leveraging their large  
network (agreement  
signed June 2017)

Dentist  
Channel



Sleep  
clinician  
Channel



Oventus will  
undertake  
marketing and  
sales with sleep  
clinicians, though  
channel  
partnerships are  
being investigated

# Go to market strategy for 'dentist channel' – Modern Dental agreement

**The Modern Dental agreement announced in June 2017 sets Oventus up to fast-track global expansion**

- World-wide distribution and co-manufacturing agreement signed with Modern Dental Group in June 2017
- World's largest dental prosthetic device provider
  - Europe: top 3 market share in all major countries
  - US: cover ¼ of all dentists (approx. 34,000 dental offices)
  - Australia: largest dental laboratory network
- Listed on Hong Kong Stock Exchange (HKG:3600)
- 70+ sales and customer service centres overseas
- Focused on making custom-made prostheses
- Global portfolio of brands
- Strong manufacturing capability





# How the Modern Dental agreement works

**Agreement provides Oventus access to the worlds largest dental distribution channel**

- Modern Dental are in the top three by sales volumes in every major world market
- Sales and customer support teams on the ground with sophisticated marketing systems
- Well developed educational capability (currently delivering Invisalign training)
- Scalable onboarding of “new” providers enabling Oventus to rapidly expand the oral appliance market

**Oventus O<sub>2</sub>Vent range is the only premium oral appliance range that will be sold by Modern Dental globally**

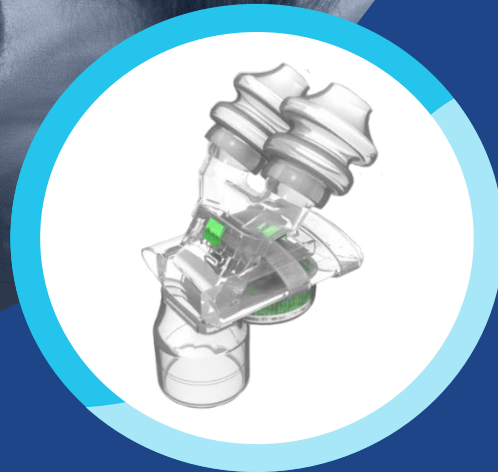


# Rolling out the Modern Dental agreement

**Work has commenced to prepare the Modern Dental team for a soft launch in October**

- Training of sales and customer support teams launched in Australia and North America
- Development of “Modernised” marketing communications materials nearing completion
- Online training platform developed for Oventus Specific training
- Partnership with Tufts University Boston for dental sleep educational content and “independent” training
- Manufacturing and logistics partnership with Modern completed testing and ready for roll out from October

**Oventus expects to see revenues from the Modern agreement begin to make an impact in 1<sup>st</sup> quarter calendar 2018**



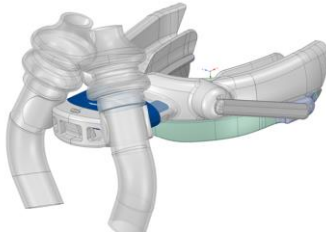
**Product innovation**

# Coming product range – trial oral device and CPAP connector set to disrupt the market



## Trial device

- O<sub>2</sub>Vent with 'airway technology' low cost 'boil & bite' device - try before you buy
- Patient can receive immediate benefits
- Available over the counter

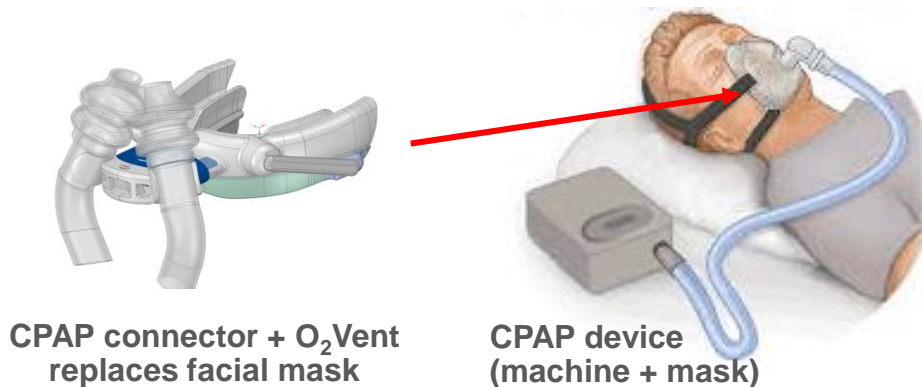


## CPAP connection

- Connects Oventus' O<sub>2</sub>Vent with 'airway technology' to existing CPAP device (e.g. ResMed)
- Replaces facial mask
- Provides traditional CPAP users with a major improvement in comfort and potential to operate CPAP device at significantly lower pressure thereby providing a more tolerable experience
- Enable the use of smaller, lower pressure CPAP machines
- Available through a sleep clinician

## Oventus O<sub>2</sub>Vent + CPAP connector – under development

Oventus oral appliances alleviate the need to wear a face mask during sleep and deliver a superior efficacy result



- O<sub>2</sub>Vent connects to CPAP machine - replaces facial mask
- Enables patients to have the benefits of assisted airway pressure, without needing to have a mask over their face
- Efficacy expected to be superior when pairing the O<sub>2</sub>Vent with CPAP (clinical trials underway\*)

\* Clinical trials are being run to validate and support marketing activities and are not a requirement for appliance sales



# Problems with existing CPAP technology

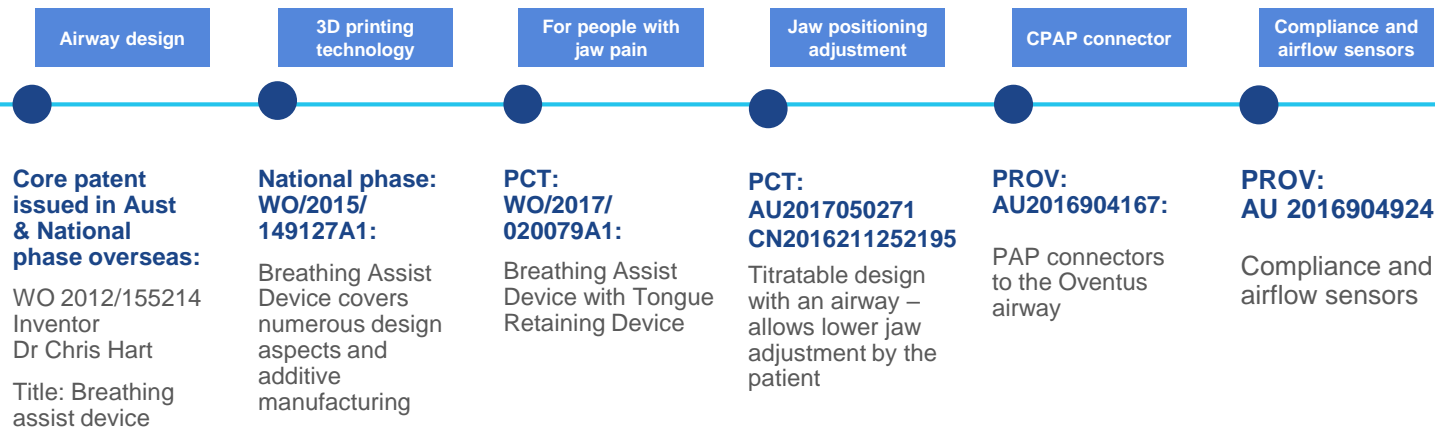
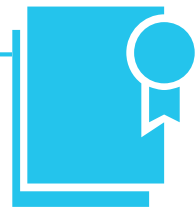
**It is well understood that while CPAP technology is effective, many OSA patients can not tolerate it**

- CPAP device offers a known solution to sleep apnoea sufferers however is not well tolerated
- 50% do not adhere to proper use within a year\*
- Lack of portability, air leakages and noise
- Discomfort of high pressure
- Discomfort of face mask



\* 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  
Collen, J., Lettieri, C., Kelly, W., and Roop, S. Clinical and polysomnographic predictors of short-term continuous positive airway pressure (CPAP) compliance

# Strong IP position



Multiple domain names registered



Trademarks advancing according to Madrid protocol



**Our push into the sleep  
clinician channel**

## Distribution channels – two pathways

Modern Dental Group  
(leading global dental  
prosthetics group) will  
undertake marketing  
and sales leveraging  
their large network

Dentist  
Channel



Sleep  
clinician  
Channel



Oventus will  
undertake  
marketing and  
sales with sleep  
clinicians,  
though channel  
partnerships are  
being investigated



# Rolling out to the ‘sleep clinician’ channel

## Oventus will directly engage with sleep clinicians

- Using existing links of dentist customers with sleep clinicians
- Engage with health insurers and Durable Medical Equipment (DME) suppliers
- Engage with distributors e.g. existing CPAP suppliers, sleep test providers and home care providers
- Build out marketing materials and validation through clinical evidence (clinical trials ongoing)



## Appliance validation

# Appliance validation - O<sub>2</sub>Vent and CPAP connector

## Clinical trials to validate Oventus 'airway technology' and assist marketing\*

Name	Objective	Patients		Results and events
<b>Sydney study (NeuRa) OVEN-005</b>  CRC-P funded 3 stages over 3 years	<b>O<sub>2</sub>Vent range</b>  - as alternative to CPAP  or  - as a strapless interface using CPAP connection	<b>Expanded trial</b> n = 40 year 1 n = 40 year 2 n = 100 year 3	<b>Ongoing</b>  First patient recruited, announced 1 May 2017	<b>Prague, 9-12 October 2107</b> <b>World Sleep Congress (abstract)</b>  <b>Final results to be released in 1H CY2018</b>
		<b>Pilot study</b> n = 4	<b>Study completed: 78% reduction in respiratory events and, when connected with CPAP device, 66% reduction in pressure required, announced 24 January 2017</b>	<b>Sleep 2017 in Boston, June (abstract)</b>  <b>AADSM 2016 (abstract)</b>
<b>Perth study OVEN-004</b>	<b>O<sub>2</sub>Vent T</b>  - impact on upper airway mechanics	<b>n = 30</b>	<b>First patient recruited, January 2017</b>  <b>Data collection complete by December 2017</b>	<b>Auckland ASA Conference 25 October 2017 (abstract)</b>  <b>Final results to be released in Q1H CY2018</b>
<b>Brisbane study OVEN-003</b>	<b>O<sub>2</sub>Vent T</b>  - comfort, safety and efficacy	<b>n = 40</b>	<b>First patient recruited, announced 26 July 2016</b> <b>30 out of 40 patients completed trial</b>	<b>Final results to be released 1H CY2018</b>

\* Clinical trials are not a requirement for appliance sales





## Achievements, Board and corporate



## Progress over the past year has been strong

- ✓ Agreement with Modern Dental Group for global distribution into dental channel and co-manufacturing (July 2017)
- ✓ Product development
  - CPAP connection and O<sub>2</sub>Vent trial appliance (sleep clinician channel)
- ✓ Manufacturing setup with certification
- ✓ Additional clinical evidence
- ✓ Regulatory clearance for O<sub>2</sub>Vent T and O<sub>2</sub>Vent W followed by launch in Australia and more recently in US
- ✓ Progress made for China market
  - significant opportunity
- ✓ Australian Government grant 02/2017
- ✓ Listing on ASX in July 2016

# Our aim: to be cash positive by 2019

## Key Success Measures

### **Generate sales in 'dental channel'**

global roll out – agreement signed with Modern Dental Group for distribution and manufacturing (announced June 2017)

### **Generate sales in 'sleep clinician channel'**

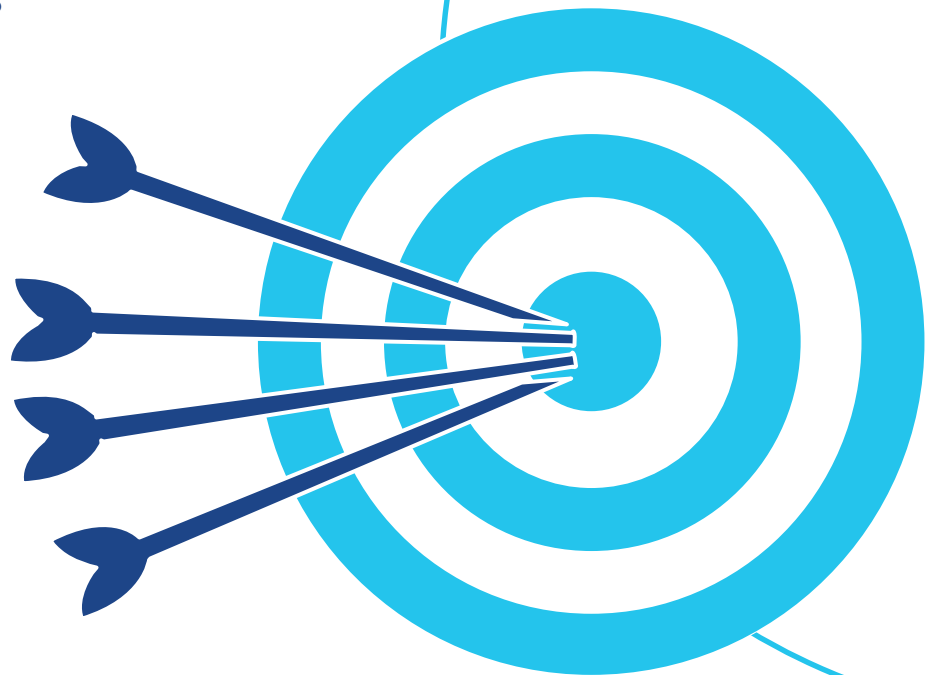
2H calendar 2018

### **Appliance validation**

complete ongoing clinical studies and engage with KOLs

### **Complete O<sub>2</sub>Vent product range**

CPAP connector and trial devices



# Board and Management



**Dr Mel Bridges**  
**Non-executive Chairman**

Extensive experience as an Executive and Company Director in healthcare, agricultural technology, drug development, pathology, diagnostics and medical devices.

Has successfully raised in excess of \$300M investment capital in the healthcare/biotech sector and been directly involved in over \$1B in merger and acquisition and related transactions.



**Ms Sue MacLeman**  
**Non-executive Director**

Very broad commercial experience in multiple companies – currently CEO of the Medical Technology and Pharmaceutical Industry Innovation Growth Centre.

Underpinned by graduate qualifications in pharmacy and post graduate qualifications in corporate governance, commercial law, business administration and marketing.



**Mr 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.

Bachelor of Business in Accountancy, Graduate Diploma in Applied Corporate Governance and is a member of the Institute of Chartered Accountants in Australia & New Zealand.



**Dr Chris Hart**  
**Clinical Director &  
Executive Director**

Experienced dentist with extensive business experience.

Heads up clinician engagement for the delivery of the Oventus appliances.

Inventor of the core design.



**Mr Neil Anderson**  
**Managing Director &  
Chief Executive Officer**

Experienced CEO, project manager, materials scientist and entrepreneur.

In-depth skills and knowledge of medical device commercialisation – in the field for over 30 years.

Has managed the R&D, manufacturing process and regulatory.

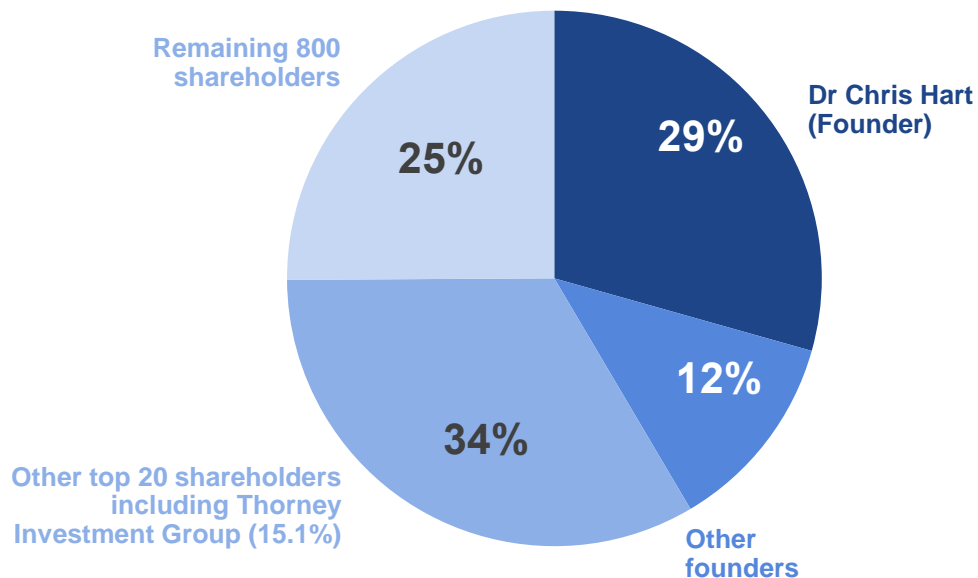
# Corporate

## Capital Structure

Shares on Issue	92.1m
Options	3.84m
Price (25/9/17)	\$0.37
Market Cap	\$34.1m

Cash on hand (30/6/17)	\$8,663,000
Revenue FY17	\$447,994

## Shareholders





# Be a part of this revolution in sleep apnoea treatment



Neil Anderson

**Managing Director & Chief Executive Officer**

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

0403 003 475

Dr Chris Hart

**Clinical Director & Founder**

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

0409 647 496

