

## ASX Release

**Oventus receives firm commitments for approximately \$5m in a Placement and launches underwritten \$5m Entitlement Offer**

## Key highlights:

- Firm commitments received for a two tranche Placement reflecting strong support from existing and new institutional and sophisticated investors to raise approximately \$5 million (before costs)
- A fully underwritten 1 for 4.4 pro-rata non-renounceable Entitlement Offer launched to raise approximately \$5 million to acquire shares at the same price as the placement
- Investors who participate in the Placement and Entitlement Offer will receive a free attaching unquoted option on a 1-for-2 basis, exercisable at \$0.24 and expiring 2 years from date of issue
- Funds strengthen the balance sheet and enable Oventus to enhance its manufacturing operations and logistics and to support one-off restructuring and formation costs

Brisbane, Australia 10 May 2021: Obstructive Sleep Apnea (OSA) treatment innovator, Oventus Medical Ltd or the Company (ASX: OVN) announces that it has received firm commitments from institutional and sophisticated investors for a two tranche Placement of ordinary shares in Oventus; together with the launch of a fully underwritten non-renounceable entitlement offer.

The two tranche Placement is expected to raise a total of approximately \$5 million (before costs) (**Placement**). A fully underwritten 1 for 4.4 pro-rata non-renounceable entitlement offer (**Entitlement Offer**) will also be offered to eligible shareholders in Australia and New Zealand to raise approximately \$5 million.

Investors who participate in each of the Placement and Entitlement Offer will receive one (1) free attaching unquoted option for every two (2) new shares subscribed for (**New Option**), exercisable at \$0.24 and expiring 2 years from date of issue. The issue of New Options under the Placement will be subject to shareholder approval.

The first tranche of the Placement will fall within the Company's ASX Listing Rule 7.1 capacity (**Tranche 1**). The second tranche of the Placement will also include investment by Directors of the Company of a minimum of \$200,000, subject to shareholders' approval (**Tranche 2**).

The capital raise will strengthen Oventus' balance sheet and enable the Company to enhance its manufacturing operations and logistics, sales and marketing activities and to support one-off restructuring and formation costs relating to the reduction in operating expenses as outlined in the Company's March Quarterly Business Review.

Oventus' Chairman Sue MacLeman commented, "We thank all those investors who showed strong support for the Company through the placement, despite the challenges brought about by sustained lockdowns in our key markets. With changes to our business models removing barriers to patient treatment, and the macro-environment starting to open up, this funding will be key to underpinning the next stage in Oventus' growth."

Dr Chris Hart, CEO of Oventus added, "The launch of the virtual Lab in Lab program and direct-to-consumer model has been a key development for Oventus over the past two quarters, supported by the strong growth of telehealth, which is a lead indicator of our revenue growth. Both models offer Oventus a reduced cost base and significantly increased scalability, meaning we feel well positioned to deliver significant upside over the months ahead. In parallel, substantial reductions made to our fixed costs and capex allow for increased investment into our go-to-market strategy, designed to accelerate our sales growth."

### About the two tranche Placement

The Placement was co-led by Canaccord Genuity (Australia) Limited and Bell Potter Securities Limited. The Placement is to be completed in the following two tranches, namely:

Tranche	Number of Shares	Price per Share	Condition precedent to issue	Proposed issue date
Tranche 1 Placement	23.57 million ordinary shares  <b>(Tranche 1 Placement Shares)</b>	A\$0.12 per Tranche 1 Placement Share to raise a total of A\$2,828,742 (before costs)	Nil.  To be issued under the Listing Rule 7.1 placement capacity	The Tranche 1 Placement Shares are proposed to be issued on Thursday 14 May 2021 following receipt of clear funds.
	11.78 million options <b>(Tranche 1 Placement Options)</b>	Free attaching to the Tranche 1 Placement Shares on the basis of one (1) Tranche 1 Placement Option for every two (2) new shares subscribed for	To be issued following shareholder approval	The Tranche 1 Placement Options are proposed to be issued on Thursday 29 June 2021 following receipt of shareholder approval.

Tranche 2 Placement	18.56 million ordinary shares  <b>(Tranche 2 Placement Shares)</b>	A\$0.12 per Tranche 2 Placement Share to raise a total of A\$2,227,712 (before costs)	To be issued following shareholder approval to Directors and also to non-related institutional investors In excess of the Listing Rule 7.1 placement capacity. approval	The Tranche 2 Placement Shares are proposed to be issued on Thursday 29 June 2021 following receipt of clear funds and shareholder approval.
	9.28 million options <b>(Tranche 2 Placement Options)</b>	Free attaching to the Tranche 2 Placement Shares on the basis of one (1) Tranche 2 Placement Options for every two (2) new shares subscribed for	To be issued following shareholder approval	The Tranche 2 Placement Options are proposed to be issued on Thursday 29 June 2021 following receipt of shareholder approval.

### About the Entitlement Offer

Oventus is pleased to offer eligible shareholders with a registered address in Australia and New Zealand the opportunity to subscribe for Oventus shares under a fully underwritten 1 for 4.4 pro-rata non-renounceable Entitlement Offer at the price of \$0.12 per Oventus share (Offer Price) for approximately \$5 million, being the same price as for the Placement.

The Entitlement Offer of approximately \$5 million at \$0.12 per Oventus share, will result in the issue of approximately 41.3 million new fully paid ordinary shares, in addition to the Placement shares.

The Offer is fully underwritten by Canaccord Genuity Australia Limited ACN 075 071 466 and Bell Potter Securities Limited ACN 006 390 772.

The underwriting is subject to the Prospectus for the Entitlement Offer and the offer of all New Options and the s708A cleansing notice for the Placement being lodged with the ASX in accordance with the Key Dates detailed in this Announcement below.

The Offer Price equates to a discount of approximately 27.3% based on the share price of \$0.165 at close of trading on Wednesday, 5 May 2021 and a discount of 30.6% to the 5-day volume weighted average price up to and including Wednesday, 5 May 2021.

Participation in the Entitlement Offer is open to all holders of Oventus shares with a registered address in Australia and New Zealand on the Record Date at 7:00pm (Melbourne time) on Tuesday, 18 May 2021.

The shares issued under the Entitlement Offer will rank equally in all respects with Oventus' existing fully paid ordinary shares.

More information regarding the Entitlement Offer will be set out in the Prospectus to be circulated to eligible shareholders in accordance with the timetable of Key Dates below. The Prospectus will be accessible from the ASX and Oventus' website, [www.asx.com.au](http://www.asx.com.au) and [www.o2vent.com](http://www.o2vent.com) respectively today, 10 May 2021.

Existing Option holders will not be able to participate in the Entitlement Offer unless they have become entitled to exercise their options in Oventus under the terms of their issue and do so, so they are registered as holders of Share (underlying those options) prior to the Record Date.

The Entitlement Offer will include the ability for Eligible Shareholders to apply for additional shares not taken up by other Eligible Shareholders.

### Key Dates

Indicative Timetable for the Entitlement Offer and Placement	
Activity	Date
<b>Prospectus lodgement date</b> Lodgement of Prospectus for the Entitlement Offer and the offer of all Tranche 1 Placement Options and Tranche 1 Placement Options	10 May 2021
<b>Issue Date – Tranche 1 Placement Shares</b> Expected issue of Tranche 1 Placement Shares	14 May 2021
<b>Record Date - Entitlement Offer</b> Record Date for Eligible Shareholders for Entitlement Offer	7:00 p.m. 18 May 2021
<b>Prospectus despatched</b> Despatch of Prospectus for Entitlement Offer and Tranche 1 Placement Options and Tranche 1 Placement Options	21 May 2021
<b>Opening Date</b>	21 May 2021

<b>Indicative Timetable for the Entitlement Offer and Placement</b>	
<b>Activity</b>	<b>Date</b>
Opening Date for the Entitlement Offer Opening Date for the offer of Tranche 1 Placement Options and Tranche 1 Placement Options	
<b>Closing Date</b> Closing Date for the Entitlement Offer Closing Date for the offer of Tranche 1 Placement Options and Tranche 1 Placement Options	7 June 2021
<b>Issue Date – Entitlement Offer (Shares and Options)</b> Issue of the Shares and Options under the Entitlement Offer	15 June 2021
<b>Quotation date – Entitlement Offer - Shares</b> Expected ASX quotation of Entitlement Offer Shares	16 June 2021
<b>General Meeting</b> Extraordinary General Meeting for approval of Tranche 1 Placement Options, Tranche 2 Placement Shares and Tranche 2 Placement Shares.	21 June 2021
<b>Issue Date - Tranche 1 Placement Options, Tranche 2 Placement Shares and Tranche 2 Placement Shares</b> Issue date of Tranche 1 Placement Options, Tranche 2 Placement Shares and Tranche 2 Placement Shares	29 June 2021
<b>Quotation Date – Tranche 2 Placement Shares</b> ASX quotation of the Tranche 2 Placement Shares	30 June 2021

We look forward to keeping the market updated with further material progress.

—ENDS—

For further information, please visit our website at [www.o2vent.com](http://www.o2vent.com) or contact the individuals outlined below.

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**About Oventus – see more at [www.o2vent.com](http://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®<sup>1</sup> 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<sup>2</sup>.

Continuous positive airway pressure (CPAP) is the most definitive medical therapy for obstructive sleep apnea, however many patients have difficulty tolerating CPAP<sup>3</sup>. Oral appliances have emerged as an alternative to CPAP for obstructive sleep apnea treatment<sup>4</sup>. The O2Vent Optima and ExVent provide a discreet and comfortable alternative to CPAP for the treatment of OSA.

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<sup>1</sup> Not yet cleared for sale in the US.

<sup>2</sup> Deloitte Access Economics. Reawakening Australia: the economic cost of sleep disorders in Australia, 2010. Canberra, Australia.

<sup>3</sup> Beecroft, et al. Oral continuous positive airway pressure for sleep apnea; effectiveness, patient preference, and adherence. Chest 124:2200–2208, 2003

<sup>4</sup> Sutherland, Kate, et al. "Oral appliance treatment for obstructive sleep apnea: an update." Journal of Clinical Sleep Medicine 10.2 (2014): 215-227.