NOVEMBER 2023

Avecho

www.avecho.com.au | ASX:AVE

SAFE HARBOUR STATEMENT

AVECHO BIOTECHNOLOGY

This presentation, and any representations made before, during or after the presentation, may include forward-looking statements that are inherently subject to risks and uncertainties. These statements relate to, but are not limited to: (1) the safety or efficacy of, or potential applications for, Avecho's TPM® platform technology; (2) the strength of Avecho's intellectual property; (3) the timelines for Avecho's clinical trials and regulatory processes for its different products; (4) the scalability and efficiency of manufacturing processes; (5) revenue projections, market share expectations, share price expectations and capital requirements.

Actual results may differ from the expectations expressed in these forward-looking statements, and the differences may be material (whether positive or negative). The risks that may cause Avecho's actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, include but are not limited to: (1) risks inherent in the development, approval and commercialization of potential products; (2) uncertainty of clinical trial results or regulatory approvals or clearances; (3) changes to market trends or government laws or regulations; (4) the potential need for future capital; (5) dependence upon collaborators; and (6) protection of intellectual property rights, among others. Accordingly, you should not place undue reliance on these forward-looking statements.

CLEAR STRATEGIC FOCUS

1. Complete pivotal Phase III clinical trial for CBD capsule containing TPM® technology

2. License this and other TPM cannabinoid products into lucrative global markets

COMPANY SNAPSHOT

AVE Corporate Summary[1]	
Total shares (including T2)	3.17 Bn
Total options (including T2)[2]	2.37 Bn
Cash (end Q3 2023) **+ T2**	A$4.74 M A$2.80 M
MCAP[3]	A$10.79 M

[1] Assuming shareholder approval of all EGM resolutions
[2] Various exercise price and expiry dates
[3] As of 7th November 2023

Board and Management Team		
	**Dr Paul Gavin** Chief Executive Officer	- 20+ years Avecho, PhD Biochemistry - Ex-AVE CSO, Inventor of TPM platform - Ran pharmaceutical development programs from concept to licensing
	**Dr Roksan Libinaki** Chief Operating Officer	- 20+ years Avecho. PhD Biochem, Exec MBA - Company operations and clinical trials - Ran nutraceutical, animal health and manufacturing business units at Avecho
	**Melanie Leydin** Chief Financial Officer & Co. Sec	- 25+yrs accounting - 15+ yrs Co-Sec – Inst. of Chartered Accts - MD Vistra Australia
	**Dr Greg Collier** Chairman	- 25+yrs biotech exec experience - Sold (as CEO) Chemgenex ($200M+); one of the biggest Biotech exists in Australian history - 150 scientific publications, 33 scientific patents
	**Dr Ross Murdoch** Non-Executive Director	- 25+yrs biotech/Big Pharma exec experience - CEO of Extractas, Australia's largest cannabis grower/extractor - ex Shire Pharma, Glaxo, Astra-Zeneca.
	**Matt McNamara** Non-Executive Director	- 30+yrs healthcare, 20+yr venture capital - Director/CIO Horizon 3 Healthcare - Previous CIO BioScience Managers, CEO SciCapital, Merck & Co

THE GLOBAL CANNABIS MARKET IS ALREADY HUGE

Global Legal Cannabis Market[1]

- Legal use (medicinal or adult) in 30 countries
- Valued at $17.8 billion USD in 2021
- 65.0% of the market in North America in 2021
- Projected compound annual growth rate (CAGR) of 25.3%
- Expected to reach $73.6 billion USD by 2027

Australian Cannabis Market[2]

- Medicinal use only
- $66 million USD in 2022
- Expected to reach $540.6 million USD by 2030
- Projected CAGR of 30.1%

Despite the global value of the cannabis market, the products have become commodities with little commercial differentiation

Sources:
1. https://www.grandviewresearch.com/industry-analysis/legal-cannabis-market
2. https://www.researchandmarkets.com/reports/5450192/australia-legal-cannabis-market-size-share-and

THE PROBLEM WITH CANNABINOIDS

Cannabinoids have very poor oral bioavailability; only ~6% of ingested cannabinoids are absorbed

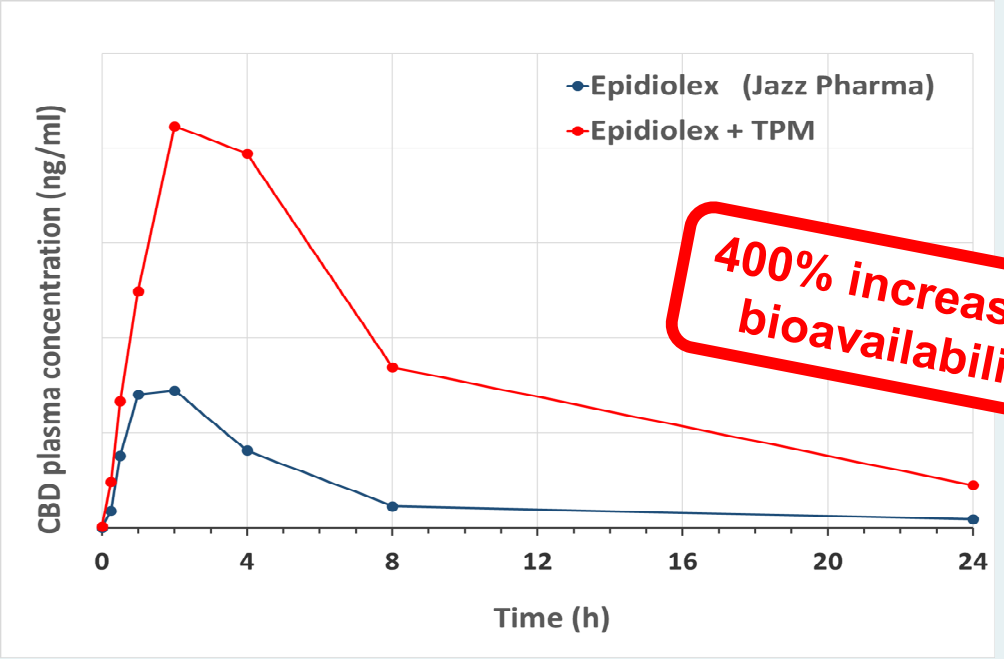
Increasing cannabinoid absorption has become a focus for many laboratories around the world

Increasing bioavailability can allow;

- ✓ Greater therapeutic effect
- ✓ New indications, previously untreatable because of high doses required
- ✓ Reduced dosing for cost savings to patients
- ✓ Provide **commercial differentiation**

Few medicinal cannabis companies have the expertise to address these issues

Avecho's TPM increases oral CBD absorption



- Single oral dose of Epidiolex (FDA approved CBD oil) or Epidiolex + TPM administered to dogs
- Blood collected over time and the amount of CBD in blood quantified

PHARMACEUTICAL CANNABIDIOL IS VALUABLE

Only one pharmaceutical CBD product is approved by the FDA (Epidiolex®)[1]

- Epidiolex was developed by GW Pharma
- Approved for rare childhood epilepsy conditions[2] – rarely prescribed
- GW Pharma was acquired for **$7.2Bn USD** by Jazz Pharma (2021) to obtain Epidiolex[3]
- **It is anticipated that registered pharmaceutical CBD products for broader indications would be more valuable**

Avecho is targeting large indications such as insomnia for its pharmaceutical CBD product – large commercial opportunity

Sources:
1. https://www.epidiolex.com/
2. https://www.fda.gov/news-events/press-announcements/fda-approves-first-drug-comprised-active-ingredient-derived-marijuana-treat-rare-severe-forms
3. https://investor.jazzpharma.com/news-releases/news-release-details/jazz-pharmaceuticals-acquire-gw-pharmaceuticals-plc-creating

INSOMNIA IN AUSTRALIA – UNIQUE CBD OPPORTUNITY

Insomnia can be broadly defined as difficulty initiating or maintaining sleep

The TGA allows CBD products to be registered as over-the-counter (OTC) medicines[1] for indications such as insomnia

OTC medicines are available direct from a pharmacist without a prescription, a significant commercial advantage

Australians spend **$5B per year** on OTC medicines[2]

No pharmaceutical CBD products are approved for sleep, but insomnia remains one of the most prevalent indications targeted globally by medical cannabis and consumer CBD products[3]

Avecho is well placed to be one of the first to achieve OTC TGA registration

- **40%** of Australians getting less sleep than they need
- **59.4%** Experience symptoms 3-4 times per week
- Only **20%** report their sleep is uninterrupted
- Costs Australian economy $19.1 B per annum
- Australian insomnia market **~$250M per annum**
- Global insomnia market **>$4B per annum**

https://www.deloitte.com/au/en/services/economics/analysis/rise-try-to-shine.html

Sources:
1. https://www.tga.gov.au/news/media-releases/over-counter-access-low-dose-cannabidiol
2. Medicines in the health system, Australian Institute of Health and Welfare (2022)
3. Suraev, A.S., et al.. Cannabinoid therapies in the management of sleep disorders: A systematic review of preclinical and clinical studies. Sleep Medicine Reviews 2020b (53); 101339.

PHASE III STUDY DESIGN

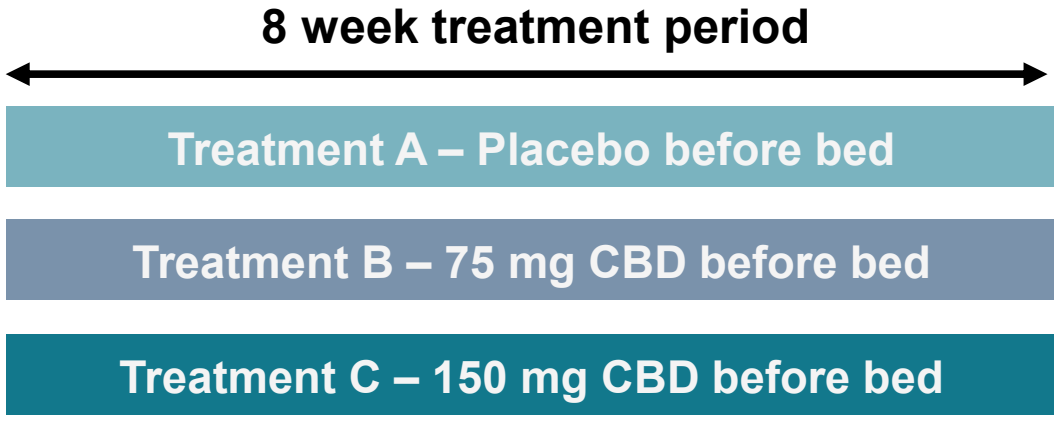
Based upon study design from FDA approved insomnia medications

Avecho's Phase III insomnia trial has been designed to maximise the chance of success. Compared to recent studies, Avecho's trial uses;

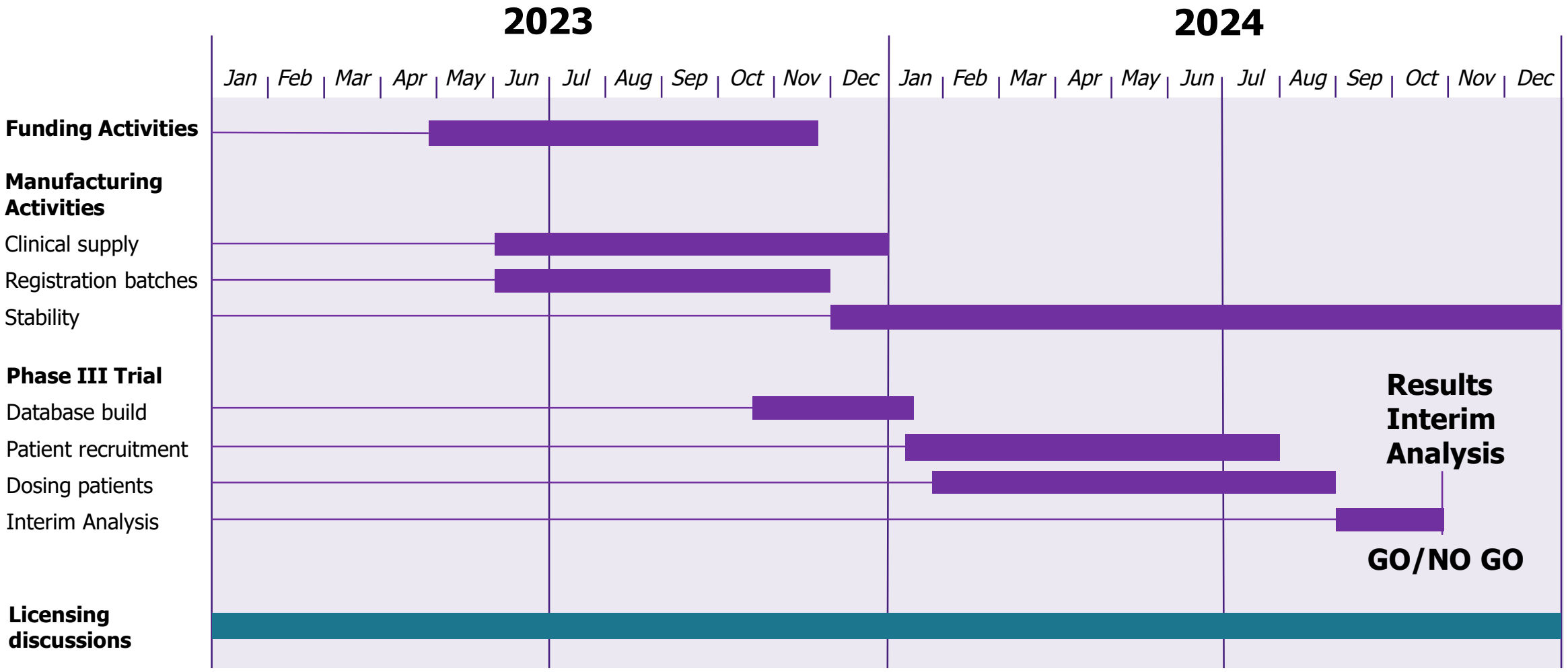
- **The maximum dose (150mg)**
- **Larger patient numbers (540 patients)**
- **Higher insomnia scores required for inclusion**
- **Longer dosing period (8 weeks)**
- **An interim analysis (after 200 patients) to calculate required patient numbers**
- **Methods to minimise the placebo effect**

Assessments include;

- Daily sleep diary to record nightly sleep.
- Sleep questionnaire every two weeks.
- Wearable device to record daily objective sleep data
- Secondary endpoints related to anxiety



TIMELINES TO INTERIM ANALYSIS - MAJOR GO/NO GO



VALUE DRIVERS

- Proprietary **cannabinoid** portfolio **differentiated with TPM delivery technology**
- Pivotal **Phase III trial** for an insomnia indication ready to go
    - Dosing to commence early 2024 – Interim analysis Q3/Q4
- **CBD capsule** targeting over-the-counter **registration in Australia,** followed by ROW
    - Huge potential commercial opportunity – competitor studies all failed their primary endpoints
- **Further clinical trials** being conducted on CBD capsule, **funded by third parties**
- **Further cannabinoid products** under investigation (gels, oils, edibles)
- **Partnerships for non-cannabinoids** products (Perrigo, Arthur Group)

QUESTIONS WELCOME

Dr Paul Gavin
Chief Executive Officer
T. +61 3 9002 5000
E. pgavin@avecho.com.au

Melbourne Office
Unit A8, 2A Westall Road
Hallmarc Business Park
Clayton VIC 3168
Australia
T: +61 3 9002 5000
E: info@avecho.com.au

Questions welcome via our InvestorHub platform.