

INVESTOR PRESENTATION

CEO, Stephen Snowdy, PhD/MBA  
April 2020



# Visioneering Technologies Inc.

ASX: VTI



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# EXPERIENCED LEADERSHIP TEAM



**Dr. Stephen Snowdy**  
CEO and Executive Director

- Joined VTI as Chairman in May 2009 and has been Chief Executive Officer since June 2013
- 15 years of experience in life science venture investing and executive management
- Doctorate in Neurobiology and Master of Business Administration (Finance) from University of North Carolina. Bachelor of Science (Major in Chemistry) from University of Florida



**Brian Lane**  
CFO

- CFO with extensive track record of strong financial results.
- CFO of a private equity-backed company and CAO of multiple public companies
- Career foundation built on 11 years with EY
- Bachelor of Business Administration, Accounting from University of Georgia



**Tony Sommer, Jr.**  
Senior VP Sales and Marketing

- 20 years experience in sales and marketing management
- Previously Head of Sales for Bausch & Lomb's US Vision Care division
- Bachelor of Science from the United States Air Force Academy and Master of Business Administration from Oklahoma City University

# HIGHLY CREDENTIALLED BOARD OF DIRECTORS



**Dr. David J. Mazzo**  
**Chairman and**  
**Non-executive Director**

- 40 years of experience in the life sciences industry
- Currently President, CEO and Executive Director of Caladrius Biosciences (NASDAQ:CLBS) and Board member of 2 NASDAQ-listed companies
- Previously served as CEO of several public companies, including leading Regado through its IPO



**Christi Van Heek**  
**Non-executive Director**

- 25 years of experience in the life sciences industry
- Previously served as Vice President of Global Marketing for Genzyme, amongst other roles (acquired by Sanofi S.A. for >US\$20bn)
- Board member of a NASDAQ-listed biotechnology company and previous Board member of a NASDAQ-listed biopharmaceutical company



**Jean Franchi**  
**Non-executive Director**

- 20+ years of experience building finance & accounting systems and teams in life sciences
- Currently CFO of Replimune Group; served as SVP Corporate Finance at Genzyme, a biotech company with over \$4B in revenue, and as CFO of Merrimack Pharmaceuticals, Dimension Therapeutics and Good Start Genetics



**Zita Peach**  
**Non-executive Director**

- Over 30 years of experience in the pharmaceutical, biotechnology, medical device & healthcare sectors
- Currently serves on the board of ASX-listed Starpharma Holdings, Monash IVF Group and Pacific Smiles Group. Previously held executive roles at ASX-listed CSL Limited and Fresenius Kabi



**Tom Dooley**  
**Non-executive Director**

- 30 years of experience in pharma and medical devices, including contact lenses and eye care
- Most recently served as President of Alcon Japan, where he oversaw 1,300 employees, and \$1B in revenue from contact lens products, medical devices, and pharma
- Served as Alcon's country manager in Australia and New Zealand



**Dr. Stephen Snowdy**  
**CEO and Executive Director**

- See Leadership team slide for background information



# FINANCIAL OVERVIEW

## Key Financial Details

ASX code	VTI
Listing date	28 March 2017
GICS classification	Health Care Equipment & Services
CDI price (30 April 2020)	AUD\$0.016
Market capitalisation	AUD\$7.4M
Shares on issue	465.8M
Current cash (31 March 2020)	AUD\$1.5M
Trading range (last 12 months)	AUD\$0.012 – \$0.105
Average daily volume	0.7M

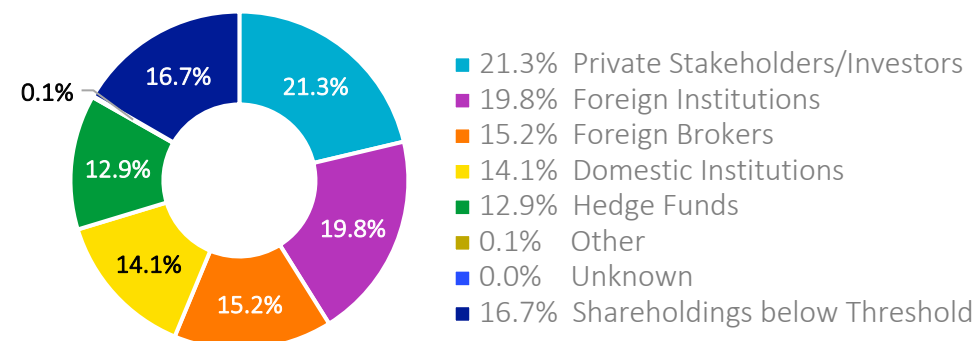
## Major shareholders

	%
Thorney Investment Group	15.2%
Regal Funds Management	12.9%
Charter Life Sciences	10.9%
Dr Paul Cozzi	8.2%
Other shareholders	52.8%
<b>Total</b>	<b>100.0%</b>

## Share Price Performance (last 12 months)



## Shareholder types



# RECENT ANNOUNCEMENTS AND COVID-19 RESPONSE

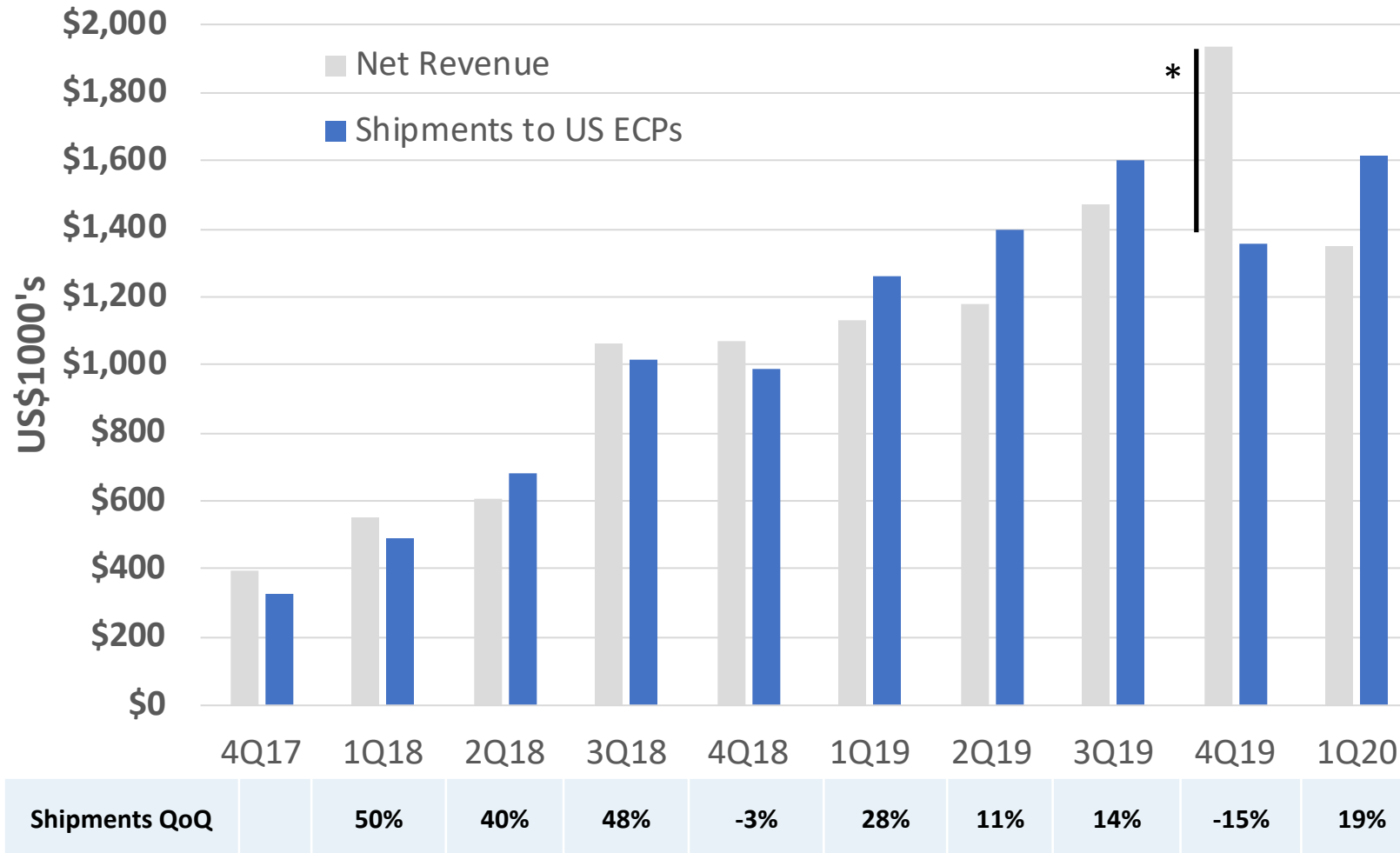
**2 April 2020:** Announced reduction in headcount by 22 employees, bringing personnel from 42 to 20 employees, reduction in cash salaries companywide, pause on new product development and new product and international launches. Retained core sales team, and retained all personnel required to maintain world-wide regulatory compliance. Supply of product expected to remain uninterrupted, and company stands ready to accelerate when conditions permit. Company expecting sharp downturn in 2QFY20, followed by beginnings of recovery in 3QFY20.

**20 April 2020:** Company reported 1QFY20 record US shipments (~A\$2.5 million), accounts, repeat customers, and gross margin, despite sales force being grounded for second half of March due to COVID-19.

**21 April 2020:** Announced receipt of ~A\$1.6M in non-dilutive loan funding from the US government. Debt is at least partially forgivable, 1% APR, payments deferred for 6 months, any remaining principal and interest paid over 24 months.

**29 April 2020:** Announced VTI has received commitments for A\$5M in new capital in Placement to institutional and sophisticated investors, and the launch of a A\$1M SPP, both at A\$0.014 per share. Each 2 shares purchased receive an option to purchase an additional share at A\$0.028. Placement funding expected 3 June 2020, subject to shareholder approval at AGM on 29 May 2020.

# STRONG GROWTH IN SHIPMENTS AND REVENUE

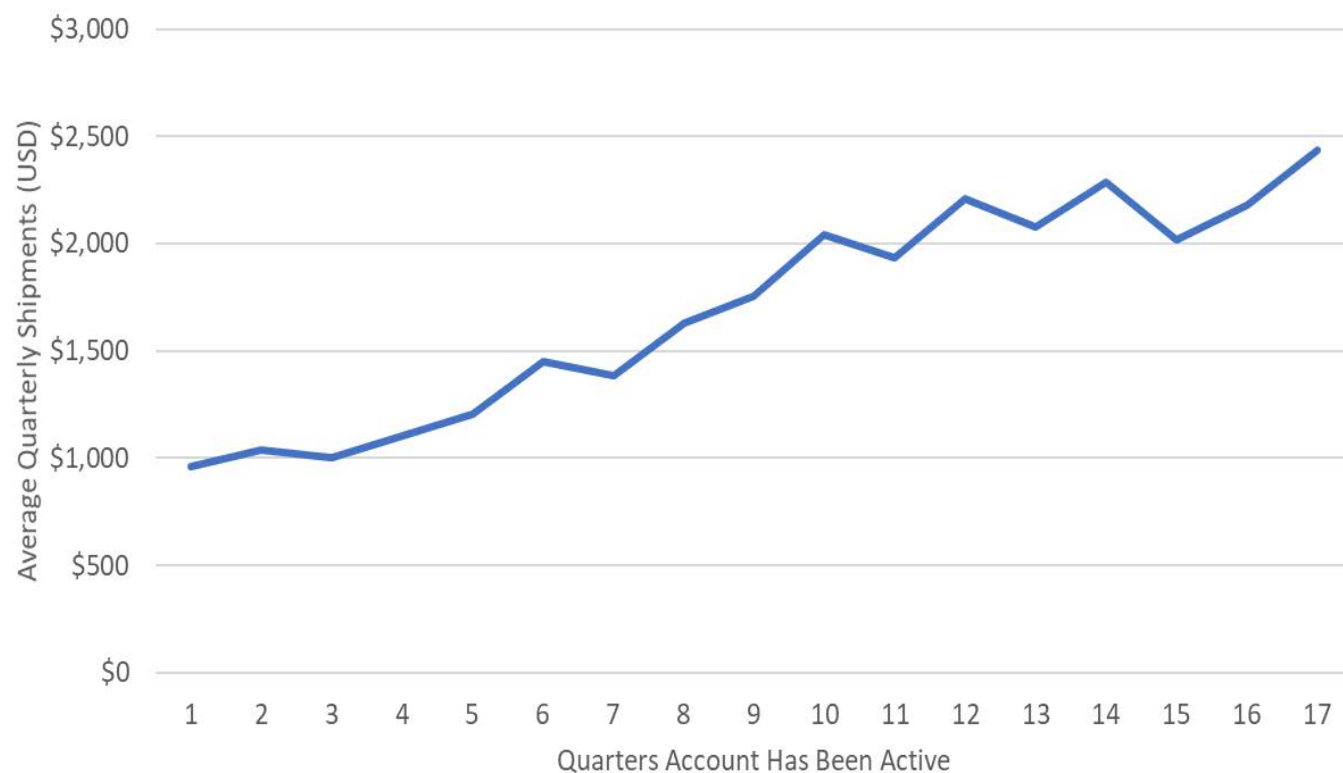


- 1Q20 Shipments to US ECPs increased 19% over 4Q19
- 2019 Shipments to US ECPs up 77% over 2018 to US\$5.6M
- 2019 Net Revenue up 74% over 2018 to \$5.7M
- 99% repeat customers in 1Q20, with 2,120 accounts ordering
- Shipments to US ECPs represents gross value to VTI of shipments going from distributors' inventories to US practitioners, and removes effect of inventory changes at distributor level
- Industry-wide December quarters typically lower than September quarters

\*4Q19 revenue included US\$0.5M initial stocking order from Menicon; this is unlikely to recur in the first half of 2020

# OUR ACCOUNTS ARE STICKY AND GROW OVER TIME

Maturation of Accounts that were > US\$2,000 in TTM Q1 FY2020



- The 765 accounts included in analysis were 36% of total Active accounts as of 31 March 2020, and represented 75% of total Shipments for the TTM period ended 31 March 2020
- “n=” represents the number of accounts included in calculation of average Shipments for quarter
- Example: Accounts that were active for 8 quarters had average shipments of US\$1,600 in their 8th quarter; Accounts that were active for 17 quarters had shipments of US\$2,400 in their 17th quarter



# WHAT WE DO: OUR REVOLUTIONARY CONTACT LENSES

VTI sells patented revolutionary daily disposable contact lenses that address two underserved populations:

1

## Paediatric Myopia and Myopia Progression Control – *\$13-17bn global TAM*



- Affects up to one-third of children in US and 80-90% of children in many Asian nations, 2 billion people worldwide
- Correlates to elevated life-time risk for blindness and other debilitating ocular diseases
- Risk for ocular diseases correlates with level of nearsightedness
- No widely adopted solutions are available
- US\$2bn addressable market in US, ~\$10bn China, plus other large OUS markets

2

## Presbyopia – *\$8bn global TAM*



- Loss of near vision in people over the age of 40-45
- Affects nearly everyone in this age group in every part of the world
- Progressive disease; worsens with age
- Current contact lenses for presbyopia compromise either near or distance vision and are time-consuming for practitioners to optimize
- US\$3bn addressable market in US; increases to \$8bn for current target markets excluding China, which is \$15bn using same metrics as US

# OPTIONS AVAILABLE TO SLOW MYOPIA PROGRESSION ARE LIMITED

Glasses or most contacts only correct the nearsighted vision, but have little to no impact on slowing the progression of myopia. Some believe that simple correction of vision may even accelerate the progression nearsightedness.

**Myopia progression is caused by the abnormal lengthening of the eye, and generally remains untreated owing to the treatment options available:**

## Atropine

Drug formulated as eyedrops or ointment for the eye.



### Drawbacks

- Uncertain efficacy
- Significant side effects
- Rebound effect
- Temporary use only
- Difficult to obtain
- PDL: “Should not be supplied”

## Ortho-K

Hard contact lenses worn at night to reshape the front surface of the eye.



### Drawbacks

- Expensive
- Requires daily lens sanitization
- Loss of vision correction through day
- Limited optical powers
- High practitioner time and training
- Off-label for myopia progression control

## Soft contact lenses



High interest in soft contact lenses for myopia progression control.

### Drawbacks

- Several past and present attempts
- None have achieved widespread adoption
- Highly variable published data

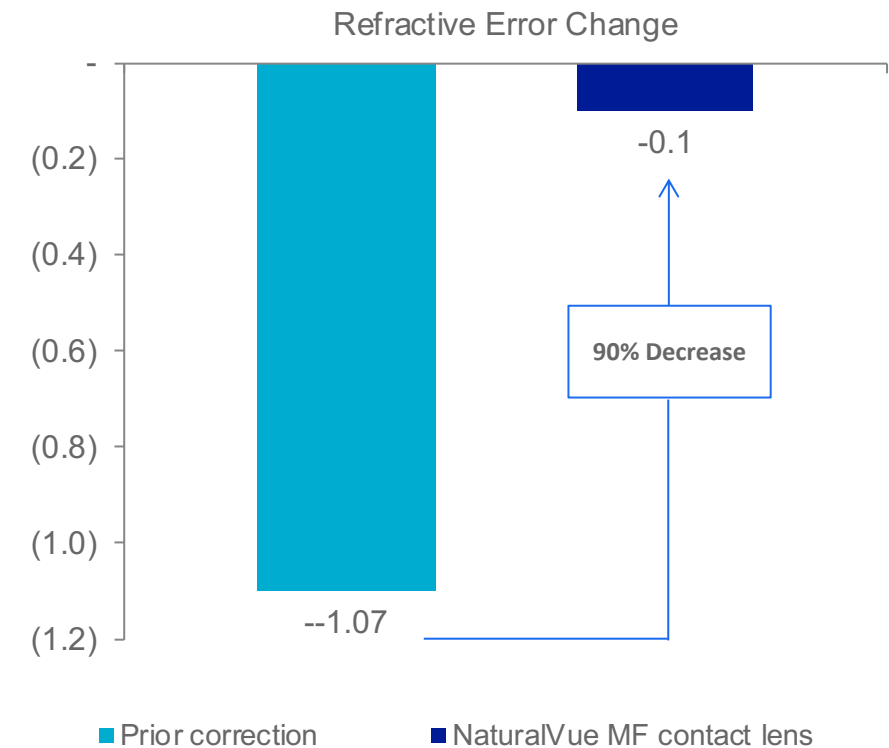
# DATA SUPPORTS VISIONEERING'S NATURALVUE MF ABILITY TO SLOW OR STOP MYOPIA PROGRESSION

At an international meeting of optometrists in January 2019, the Global Specialty Lens Symposium, practitioners presented data on children wearing NaturalVue MF.

Their pooled data of 141 children showed:

- **90%** average decrease in rate of myopia progression
- **72%** of children showed complete stop of refractive progression
- **55%** slowing of axial elongation

## Annualized myopia progression in children wearing NaturalVue MF



# VTI AT FOREFRONT OF AMPLIFIED INDUSTRY INTEREST IN MYOPIA

## Alcon

Recently IPO'd/spun out of Novartis and called out myopia control as an area of market expansion opportunity for the company (no products available or in publicly listed clinical trials)

## J&J Vision Care

Initiated \$25M research collaboration with Singapore for myopia control treatments (no products available or in publicly listed clinical trials)

## Coopervision

Announced intention to launch MiSight in the US. MiSight is a myopia control contact lens Coopervision has had available outside the US for many years; not widely used

## Essilor

World's largest eye care company, formed task force for myopia control, Myopia In Action

## Global Myopia Awareness Coalition (GMAC)

- This is a coalition of the largest eye care companies to join forces in creating awareness in myopia
- VTI is a founding member and sits alongside the world's largest eye care companies



## WORLD COUNCIL OF OPTOMETRY

- The organization, which operates as an advisory board under the World Council of Optometry, has 11 corporations committed to this effort
- These include Alcon, CooperVision, Essilor, Euclid Systems Corporation, Hoya, Johnson & Johnson, Menicon, Nevakar, Oculus, SightGlass Vision, and Visioneering Technologies

# STRONG RECENT INTEREST IN MYOPIA THERAPIES



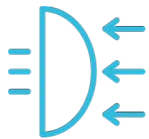
Menicon announced new myopia control brand in May 2019 in Europe, Menicon Bloom. First product is an orthokeratology lens. Added NaturalVue Multifocal to complete the offering.



No known investigational products by Bausch Health, Alcon, or J&J Visioncare.



Sightglass-Startup company in trials with a spectacle lens design.



Hoya and Hong Kong Polytech-Developed a spectacle lens called DIMS. Seems to be on sale in Hong Kong. Status is not clear outside Hong Kong.



Eyenovia-Phase III trial in US for micro-dosed atropine (children must still correct vision with contacts/glasses).



Nevakar/Syneos-Clinical trial of unknown compound.

# NATURALVUE CONTACT LENSES ALSO HAVE BENEFITS FOR OVER-45 ADULTS

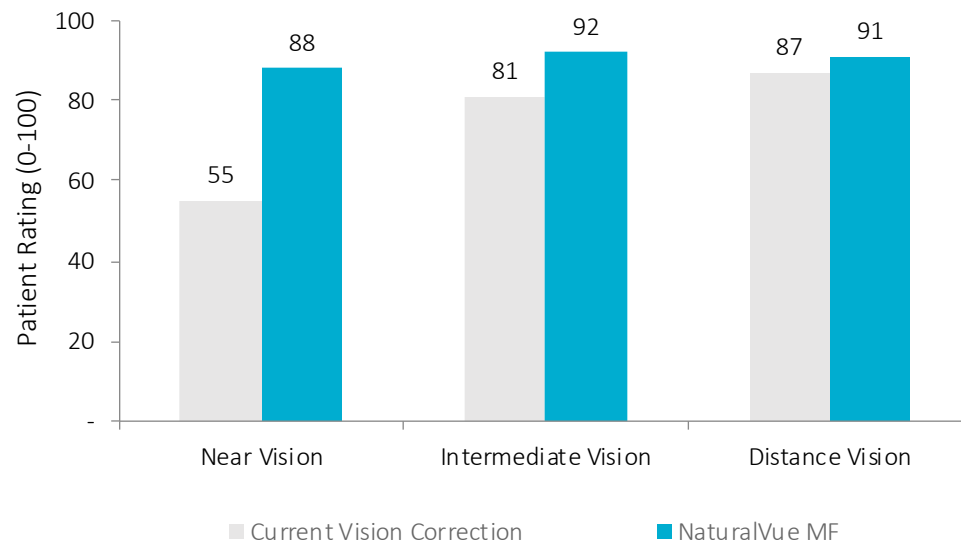
## Superior clinical performance

- The NaturalVue MF contact lens solves the near vision problem
- Simultaneously provides superior near, intermediate and distance vision.

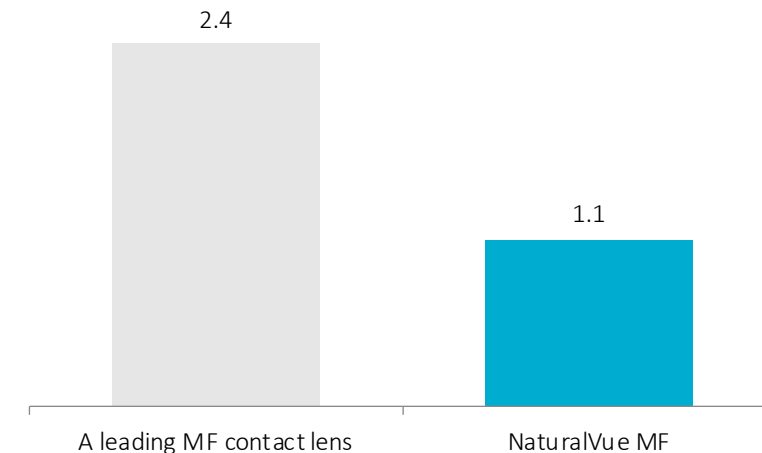
## Much easier to fit

- Currently marketed MF contact lenses require multiple visits (up to 6) to achieve a successful fit a majority of the time<sup>1</sup>
- In Visioneering's clinical trial, NaturalVue was successfully fit in an average of 1.1 visits vs 2.4 for a leading MF competitor<sup>2</sup>

PMET Trial – near, intermediate & distance vision (n=59)



Average fitting visits – NaturalVue MF vs Competitor MF



1. As reported by ECPs when fitting presbyopic patients
2. As reported by the manufacturer of the contact lens



# RECENT NATIONAL MEDIA COVERAGE



## Today Show Australia | January 2019

Interview with Optometrist, Dr Jim Kokkinakis, discussing screen time being a major contributor to shortsightedness, which causes conditions such as myopia to significantly develop.



## 10 News First | February 2019

News presenter Sandra Sully introduces the innovation behind VTI's disposable contact lenses for children with shortsightedness.



## ABC News | August 2019

Interview with Optometrist Oliver Woo about the myopia epidemic, including how advances in technology can play a role in the solution.

# STRATEGIC PARTNERSHIP SIGNED WITH MENICON LTD



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Menicon Co., Ltd. is **Japan's first and largest contact lens manufacturer** founded by Mr Kyoichi Tanaka in 1951, and is now represented in over 80 countries with US\$700M annualized revenue

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Menicon **announced new myopia control brand** in May 2019, Menicon Bloom

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**VTI will private label NVMF** for Menicon with Bloom branding for Europe market (<https://menicon.com.au/news/590/>)

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**Expands footprint** of NaturalVue MF with large contact lens company

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Structure of deal allows VTI to **maintain strategic flexibility**

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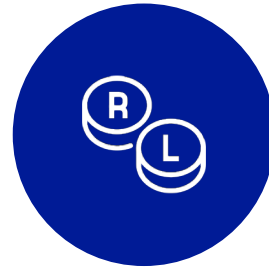




## Regulatory clearances

VTI has gained regulatory clearances or registrations in Europe, Hong Kong, New Zealand, Australia & Singapore

Canada clearance received  
12 March 2020



## Sales and distribution partnerships

NaturalVue MF sells outside the US via partnerships

Europe private label signed late 2019, sales expected to ramp in 2020

VTI launched Hong Kong and Singapore without partnerships, but partnerships needed to maximise penetration. Those partnerships expected in 2020



## Additional opportunities available

China: Largest market opportunity in the world for paediatric myopia, but likely to require local trial

Japan: Attractive market for myopia, likely to require local trial

Korea, Taiwan: Smaller, but attractive markets, regulatory requirements are unexplored

# WORLDWIDE MARKETS FOR PEDIATRIC MYOPIA CONTROL

Geography	Addressable Market (US\$)	Entry Date	Clearance
United States	\$2-4bn	1Q 2016	Myopia
Australia/NZ	\$0.3bn	4Q 2018	MPC
Nordics	\$0.3bn	4Q 2018	MPC
United Kingdom	\$0.6bn	1Q 2019	MPC
Canada	\$0.4bn	1H 2020	MPC
Hong Kong	\$0.1bn	4Q 2019	MPC
China	\$7-9bn	2023 Est	MPC
Singapore/Korea	\$0.7bn	2020	MPC
Japan	\$1.4bn	2024 Est	MPC

*Total Worldwide: US\$13bn-\$17bn*

*MPC = Myopia Progression Control*

# 2020 ACTIVITIES AND BEYOND

## Current Environment

- Service our existing US-based accounts and wearers with core sales team, and supporting users in Europe, HK, Singapore, ANZ
- Continue preparations for international expansion (scaled-down and slowed)
  - Develop partners for sales and distribution in SE Asia and HK
  - Prepare for Canada launch
  - Continue preparations for Menicon Europe launch
- Continue preparations for new products (scaled down and slowed)
  - Multifocal toric
  - Next-gen multifocal
- Wrap up small clinical projects
  - Larger projects will be delayed
- Maintain readiness to hit the throttle when macro-conditions improve

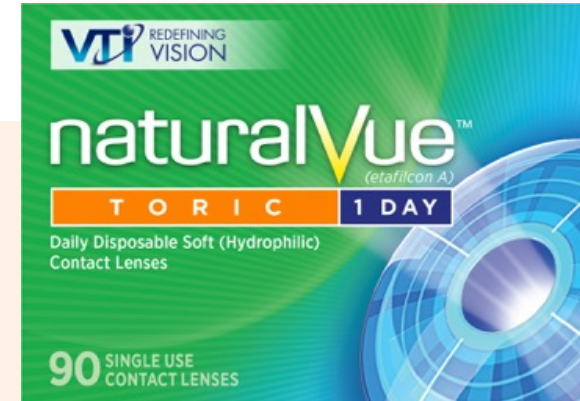
## As conditions improve

- Prudently pursue growth in the US
- Launch Canada and launch partnerships in Singapore and HK
- Launch multifocal toric and conduct clinical projects on additional products
- Explore addition of other companies' products into the VTI sales bag



## NaturalVue® Multifocal Toric Daily Disposable Soft Contact Lenses

- Correction of astigmatism, distance vision and presbyopia
- Daily disposable Multifocal Toric is revolutionary in the eye care industry, enabled by our technology
- No additional regulatory clearance required in US
- Launch in US 1H2020



## NaturalVue® Toric Daily Disposable Soft Contact Lenses

- Correction of astigmatism and distance vision
- No additional regulatory clearance required in US
- Timing of launch not determined





*NaturalVue® Daily Disposable Multi-Focal Soft Contact Lenses*

## CONTACT US

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