

# Investor Presentation

Q3 FY22 – 20 October 2022

Release approved by Brian Lane,  
Chief Operating and Chief Financial Officer  
Vioneering Technologies Inc.  
ASX:VTI



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# What we do: Vision correction

**Our flagship contact lenses NaturalVue MF, address two high-need and underserved populations worth up to \$25bn combined:**



\$13-17bn global TAM

## **Near-sightedness or "Myopia"**

- Affects up to one-third of children in US and 80-90% of children in many Asian nations, 2 billion people worldwide
- Quarantine has likely increased rates (J. Am Med Assoc, 2021)
- Correlates to elevated life-time risk for blindness and other debilitating ocular diseases
- Risk for ocular diseases correlates with level of near sightedness
- Lifetime of management required, starting in young children
- US\$2bn addressable market in US, ~\$10bn China, plus other large OUS markets



\$8bn global TAM

## **Adults over 45 losing up-close vision, or Presbyopia**

- Affects nearly everyone over 45-50 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, large OUS markets

# Board Guidance & Executive Management



**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



**Brian Lane**  
Chief Operating and Chief  
Financial Officer

- 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



**Dr. Ashley Tuan**  
Chief Medical Officer

- 27 years experience in clinical and vision research; previously VP at Mojo Vision, a smart contact lens company
- Part of CooperVision team that enabled the launch of their MiSight contact lens
- Member of ARVO & BCLA, and Fellow of the AAO.
- Masters degree in Physiological Optics, Doctor of Optometry from The Ohio State University, PhD in Vision Science from Univ of California at Berkeley

# Experienced Board Guidance & Leadership Team



**Mike Tilleli**  
National Sales Director

- Leads VTI sales team for North America
- Over 40 years of optical industry experience, primarily with Alcon, formerly CIBA Vision, CooperVision and IDOC.
- Bachelor of Arts in Business & Managerial Economics from City University of New York – Queens College



**Pam Pritchard**  
Executive Director – Sales Operations

- Extensive experience in the contact lens industry.
- Nearly 30 years with Alcon, formerly CIBA Vision. Held management positions in Strategic Accounts; Planning, Communications & Operations; Inside Sales; Sales Training; and was a Senior Sales Representative
- MBA, Finance and Bachelor of Business Administration, Marketing from The University of Akron



**Layna Mendlinger**  
Global Head of Marketing

- 30+ years experience in marketing management
- Previously with Alcon, formerly CIBA Vision, progressing from Brand Manager to Global Marketing Senior Director – New Product Development
- Bachelor of Arts in Advertising from the University of Georgia; Executive Education - Brand Management Program, Emory University, Goizueta School of Business

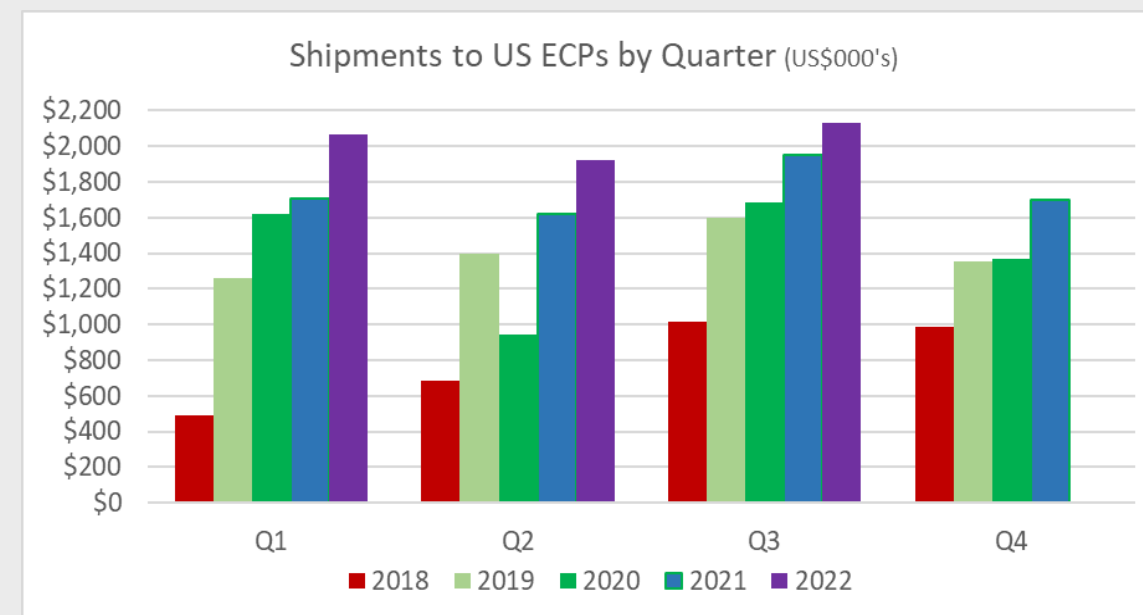
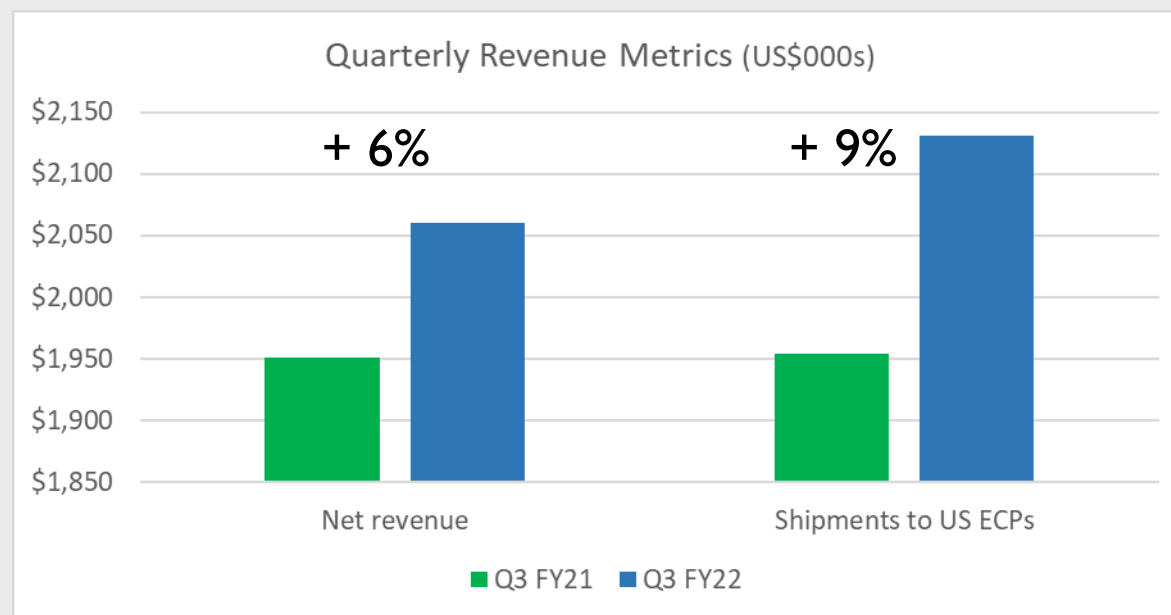


**Heather Hale**  
VP, Controller

- CPA with 20+ years experience in financial management
- Past Controller for a multi-state surgery centre practice / management company
- Began career progressing to Manager at Deloitte, then to Accounting Manager at The Coca-Cola Company.
- Bachelor of Science degree in Accounting from Louisiana State University



# Revenue Metrics



- Record Shipments to US ECPs
- Net revenue near record, eclipsed only by Q4 FY21 when the Enhanced Multifocal product was launched

# 6-Year Myopia Progression Study

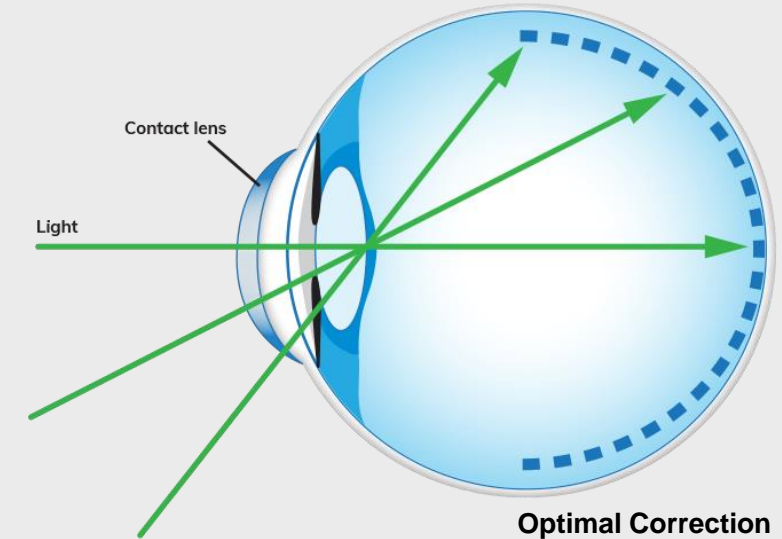
Published in [Clinical Ophthalmology](#), an international peer-reviewed journal

- Article entitled, Reduction of Myopic Progression Using a Multifocal Soft Contact Lens: A Retrospective Cohort Study
- Authors include some of the industry's myopia experts, including Jeffrey Cooper MS, OD, FAAO; Brett O'Connor, OD; Thomas Aller, OD, FBCLA; Sally M. Dillehay, OD, EdD; Katherine Weibel, OD; and Douglas P. Benoit, OD, FAAO
- Publication provides further validation of the effectiveness of NaturalVue® Multifocal in slowing or stopping myopia progression in real-world practice
- 196 real-world subjects studied for up to 6 years
- 95% of subjects showed a decrease in myopia progression, with 78% showing a decrease of 70% or more as compared to baseline
- The average rate of myopia progression slowed by 85% as compared to baseline from 6 – 72 months
- Axial lengthening was slowed to the normal rate of change expected for non-myopic children of a similar age range

# Optical Defocus to Slow the Progression of Myopia

## What matters?

1. Dosage: Magnitude dependence<sup>1-4</sup>
2. Location: Eccentricity dependence<sup>5-7</sup>
3. Duration/Visual quality: Wearing time<sup>8</sup>



**Optimal Correction**  
Data suggests that the optimal correction should bring the image inside the retina.

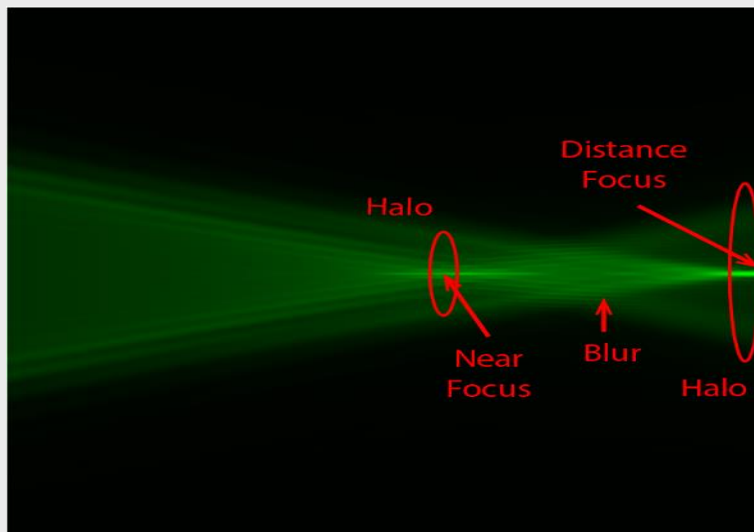
## VTI's design principle:

- Maximize the amount of relative plus power with minimal visual disturbance
- Smoothly and rapidly increasing the relative plus optical power is the key

1. Woods J, Guthrie S, Keir N, Dillehay S, Tyson M, Griffin R, Jones L, Irving E. The Effect of a Unique Lens Designed for Myopia Progression Control (MPC) on the Level of Induced Myopia in Chicks. Invest Ophthalmol. Vis. Sci. 2011;52: E-abstract 6651.
2. Woods J, Guthrie S, Keir N, Dillehay S, Tyson M, Griffin R, Irving E. Inhibition of Defocus-Induced Myopia in Chickens. Investigative Ophthalmology & Visual Science. 2013;54(4):2662-2668.
3. Irving EL, Yakobchuk-Stanger C. Myopia progression control lens reverses induced myopia in chicks. Ophthalmic Physiol Opt. 2017 Sep;37(5):575-584.
4. Walline JJ, Walker MK, Mutti DO, et al. Effect of High Add Power, Medium Add Power, or Single-Vision Contact Lenses on Myopia Progression in Children. JAMA. 2020;324(6):571-580
5. Wallman, J., & Winawer, J. (2004). Homeostasis of eye growth and the question of myopia. Neuron, 43, 447–468.
6. Smith EL III, Optical treatment strategies to slow myopia progression: Effects of the visual extent of the optical treatment zone. Experimental Eye Research 114(2013)77-88.
7. Smith EL III, Arumugam B, Hung LF, et al. Eccentricity-dependent effects of simultaneous competing defocus on emmetropization in infant rhesus monkeys. Vision Research 177(2020) 32-40.
8. Lam CSY, Tang WC, Tse DYY et al. Defocus Incorporated Soft Contact (DISC) lens slows myopia progression in Hong Kong Chinese schoolchildren: a 2-year randomized clinical trial. Br J Ophthalmol 2014;98:40-45.

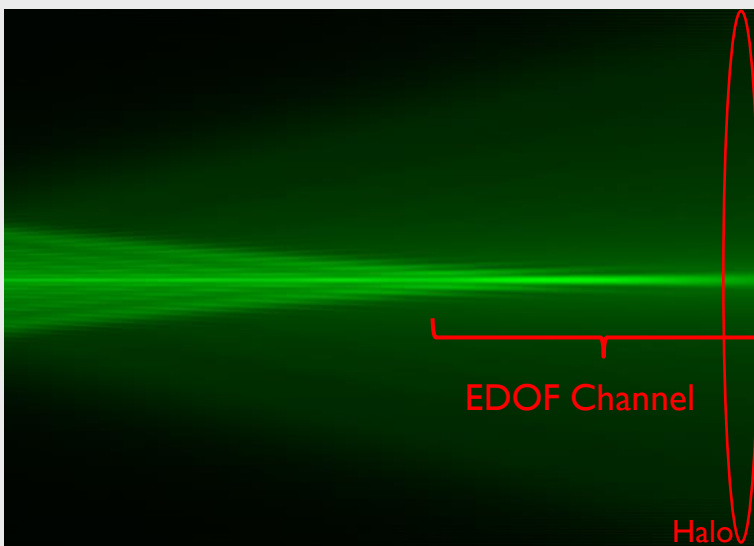
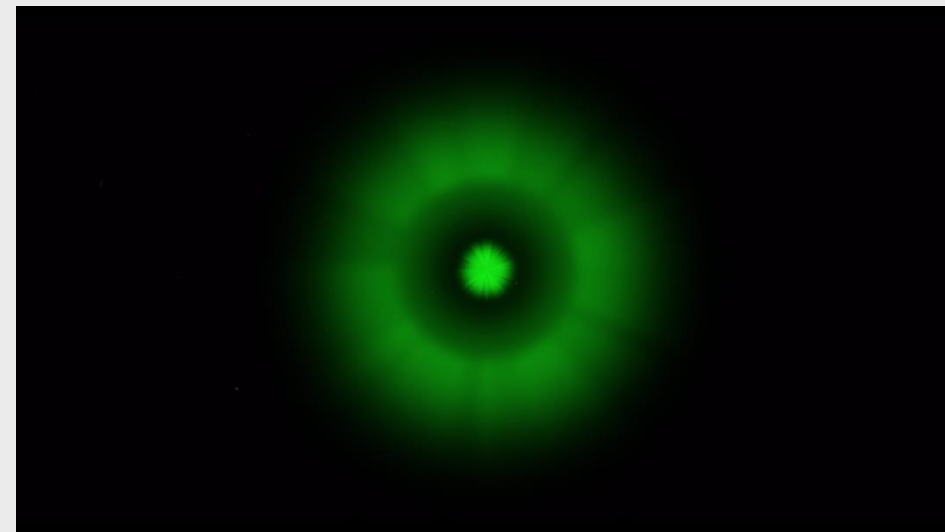


# Not all Optical Defocus is the Same



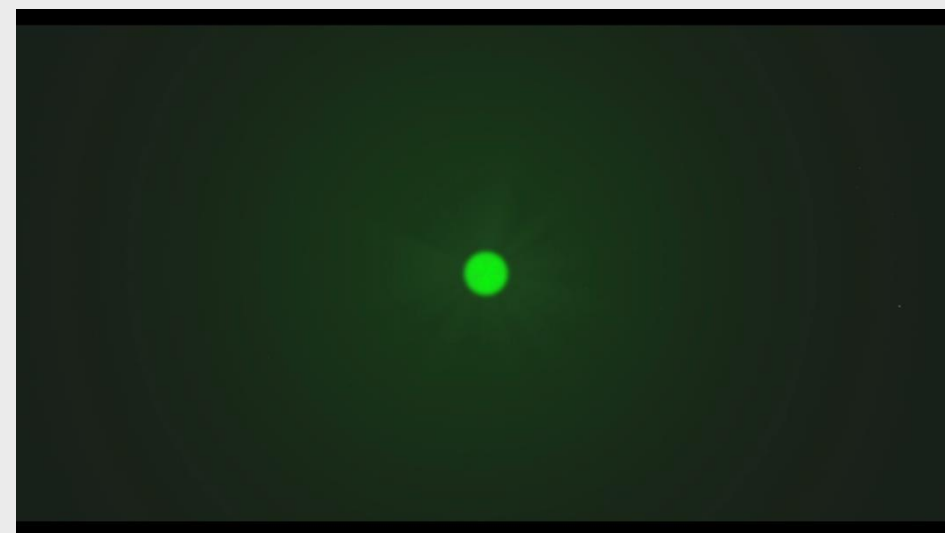
## Bifocal optic

- Halo and ghosting could be obvious
- Defocus treatment area is limited



## Neurofocus Optics® (Catenary)

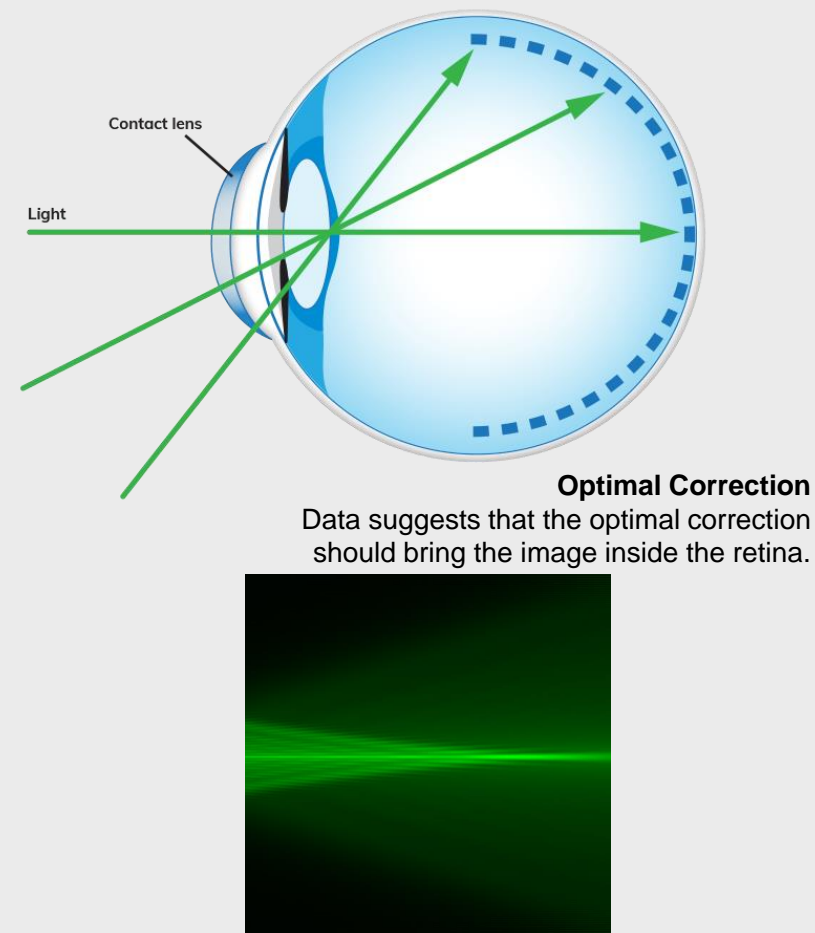
- Halo evenly spread out, reduced intensity (<20% of +2D SA)
- Defocus treatment area significantly increased  $>\pm 30^\circ$



# The Best-in-Class Design to Slow the Progression of Myopia

## The Neurofocus Optics® technology (Catenary curve)

- **Magnitude:** generates an extremely high magnitude of myopic defocus but is smooth and gentle in intensity which preserves visual quality and visual comfort
  - 6-8D ADD at pupil margin
  - focuses peripheral light rays from both meridians in front of the retina to reduce peripheral hyperopia<sup>1,2</sup>
- **Eccentricity:** the defocus evenly distributed **over 30 degrees**
- **Vision:** Minimal image disturbance results in easy neuroadaptation<sup>1-3</sup>
  - ➔ preserves visual quality (visual acuity, contrast sensitivity, quality-of-life PREP survey)
  - ➔ preserves stereopsis (depth perception)
  - ➔ reduces accommodative stress (eye fatigue)



1. Dillehay S, Woods J, Situ P, Payor R, Griffin R, Tyson M, Jones L. (2014). Comparison of Three Power Levels of a Novel Soft Contact Lens Optical Design to Reduce Suspected Risk Factors for the Progression of Juvenile Onset Myopia. Investigative Ophthalmology & Visual Science.; 55(13), abstract 3637

2. Payor R, Woods J, Situ P, Dillehay S, Griffin R, Tyson M, & Jones L. (2014) Feasibility Testing of a Novel SCL Optical Design to Reduce Suspected Risk Factors for the Progression of Juvenile Onset Myopia. Investigative Ophthalmology & Visual Science; 55(13), abstract 3638.

3. Patents Awarded – MULTIFOCAL OPHTHALMIC LENS WITH INDUCED APERTURE. See <https://vtivision.com/about/patents/> for patent numbers.

## PROgressive Myopia Treatment Evaluation for NaturalVue Multifocal Contact Lens Trial

- Protocol approved by independent review board
- Protocol design allows head-to-head comparison with MiSight and BLINK
- Third-party contract research organization: LabCorp Drug Development
- First patient completed the initial visit 22 January 2022
- 8 sites under contract and actively recruiting subjects (Canada: Toronto & Waterloo; US: New York, Chicago, Houston & Fresno, CA; Hong Kong Polytechnic University; Singapore)
- Additional site planned in Australia
- Over 90% enrollment to date
- Full enrollment expected in October 2022
- One-year follow up data expected in Q4 FY23
- One-year data shown to be strong predictor of overall outcomes
- Longer-term data expected in late 2024 and late 2025

# 3Q FY22 Summary Results



(US\$ in 000's, unaudited)	Q3 FY21	Q3 FY22	Q3 FY22 vs Q3 FY21
<b>Net Revenue (A)</b>	\$1,951	\$2,060	6%
<b>Shipments to US ECPs (B)</b>	\$1,954	\$2,131	9%
<b>Cash receipts from customers (A)</b>	\$1,968	\$2,461	25%
<b>Active US Accounts (C)</b>	2,316	2,269	(2)%
<b>Shipments to US ECPs per Active US Account</b>	\$844	\$939	11%
<b>Net cash used in operating activities</b>	\$1,877	\$733	(61)%
<b>Gross profit %</b>	40.1%	47.5%	
<b>Repeat Customer Rate (D)</b>	99.3%	97.3%	

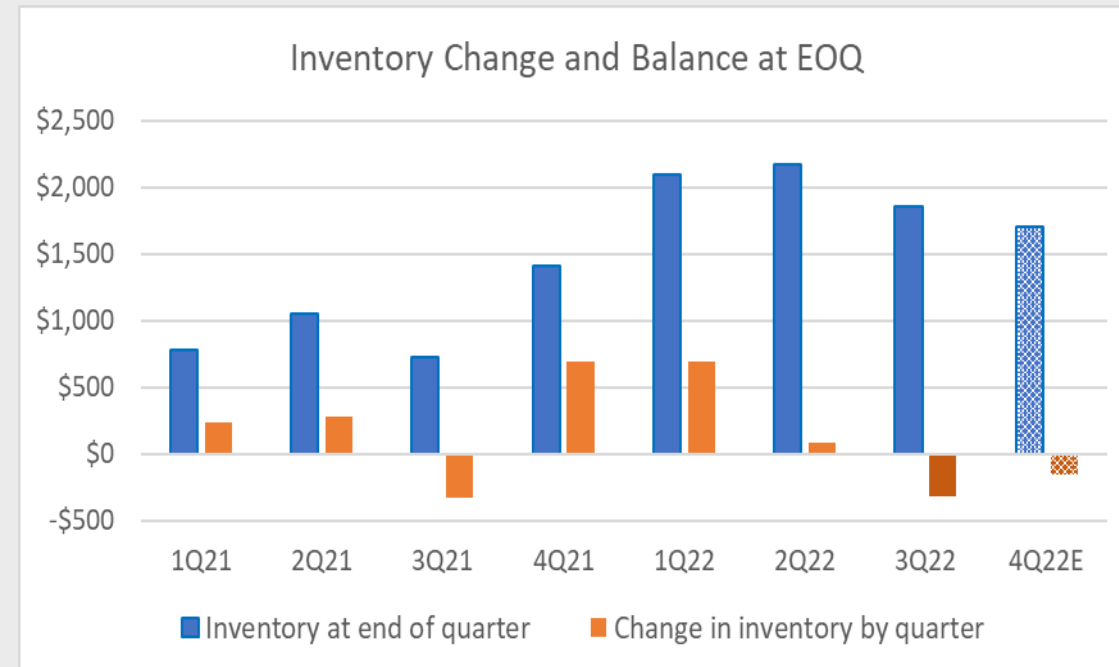
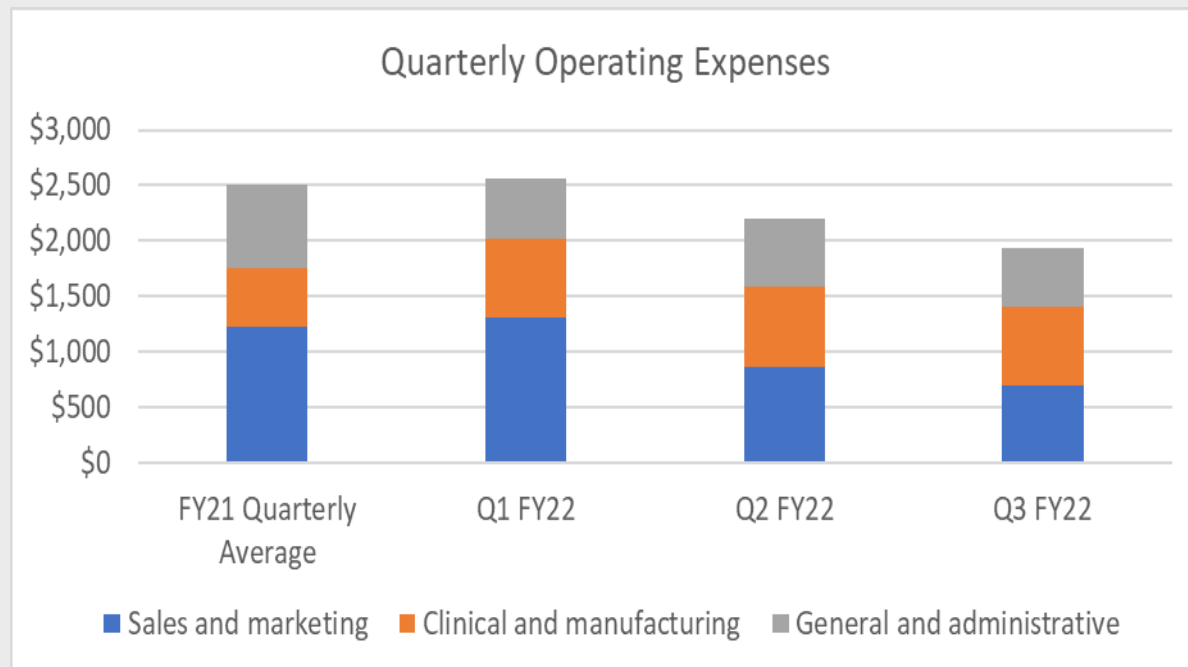
(A) Includes international results.

(B) Shipments to US ECPs represents the gross revenue equivalent of lenses shipped to ECPs located in the US, net of fulfillment fees.

(C) Active US Accounts are ECPs located in the US that purchased VTI products during the quarter.

(D) Repeat Customer Rate is the percent of prior quarter Active US Accounts that purchased in the current quarter.

# Cash Use Metrics



- Net cash used in operating activities averaged over \$2.0M from 1Q FY21 to 2Q FY22
- Net cash used in operating activities was \$0.7M in 3Q FY22, a 61% decrease from 2Q FY22 and from 3Q FY21
- Quarterly operating expenses dropped \$0.4M in Q2 and a further \$0.3M in Q3 and expected to stay low in Q4
  - Personnel attrition with no plans to replace
  - Lower trial lens costs due to completion of new product launch
- Inventory levels declined through Q3 FY22 and expected to decline further in Q4 FY22

# Stockholder Meeting – Convertible Notes

VTI has US\$2.8M of Convertible Notes currently outstanding

- US\$1.68M proposed to convert at A\$0.39 per share
- US\$1.12M proposed to adjust to A\$0.60 conversion price
- Maturity dated extended from July 2023 to June 2024
- Interest rate lowered from 10% to 8%
- Majority of Convertible Notes held by Thorney Investment Group, a substantial holder in VTI
- Stockholder approval required to amend the Convertible Notes and complete the transaction
- Amended conversion prices are at a meaningful premium to current trading prices
- Proposed conversion and interest rate change will save the Company in excess of US\$1.7M of cash
- Defers payment of US\$1.1M by nearly a year, if notes are not converted prior to the revised maturity date in June 2024
- EGM scheduled for 27 October 2022 at 8:00 a.m. AEDT (5:00 p.m. US Eastern time)
- Voting closes for CDI holders at 8:00 a.m. on Monday, 24 October 2022 AEDT





## Contact Us

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VTI-IR-ASX70



NaturalVue® Daily Disposable Multifocal  
Soft Contact Lenses