

Investor Presentation

Q4 FY22 – 1 February 2023

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 CEO and Executive Director of Lisata Therapeutics (NASDAQ:LSTA) and Board member of a private company
- Previously served as CEO and Executive Director 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

- More than 25 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 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

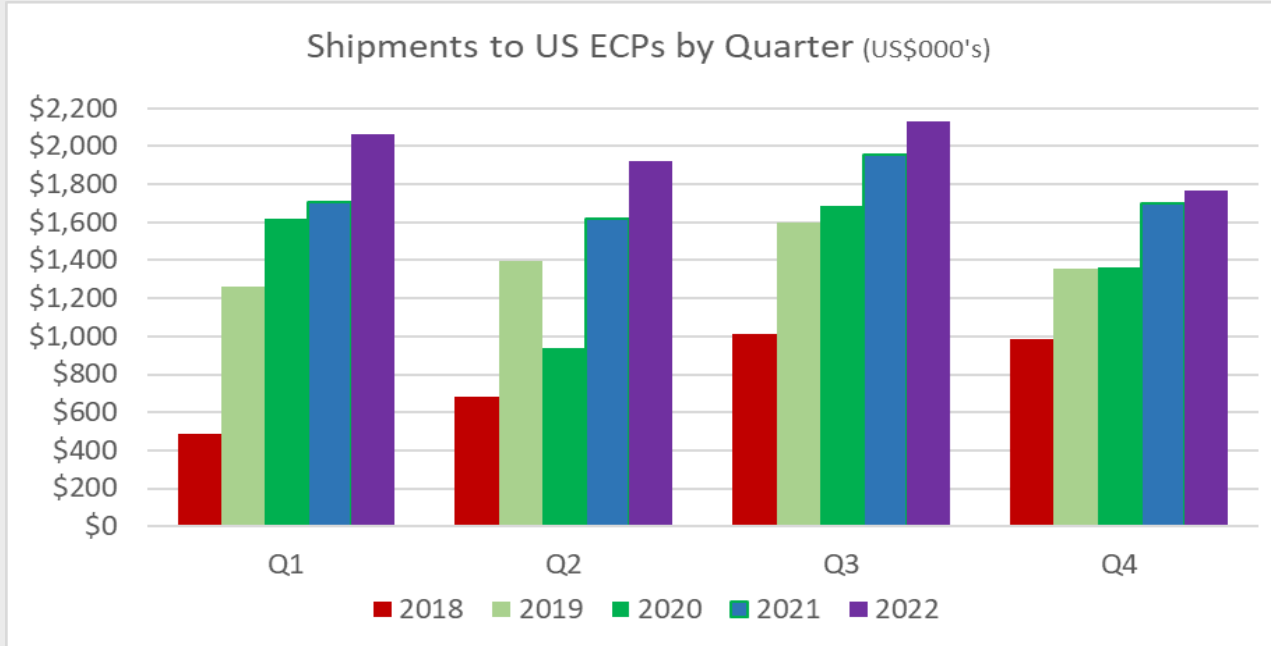
- CPA with 20+ years experience in financial management
- Past Controller for a multi-state surgery center practice / management company
- Began career progressing to Manager at Deloitte, then to Accounting Manager at The Coca-Cola Company.
- Bachelor of Science degree in Accounting from Louisiana State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



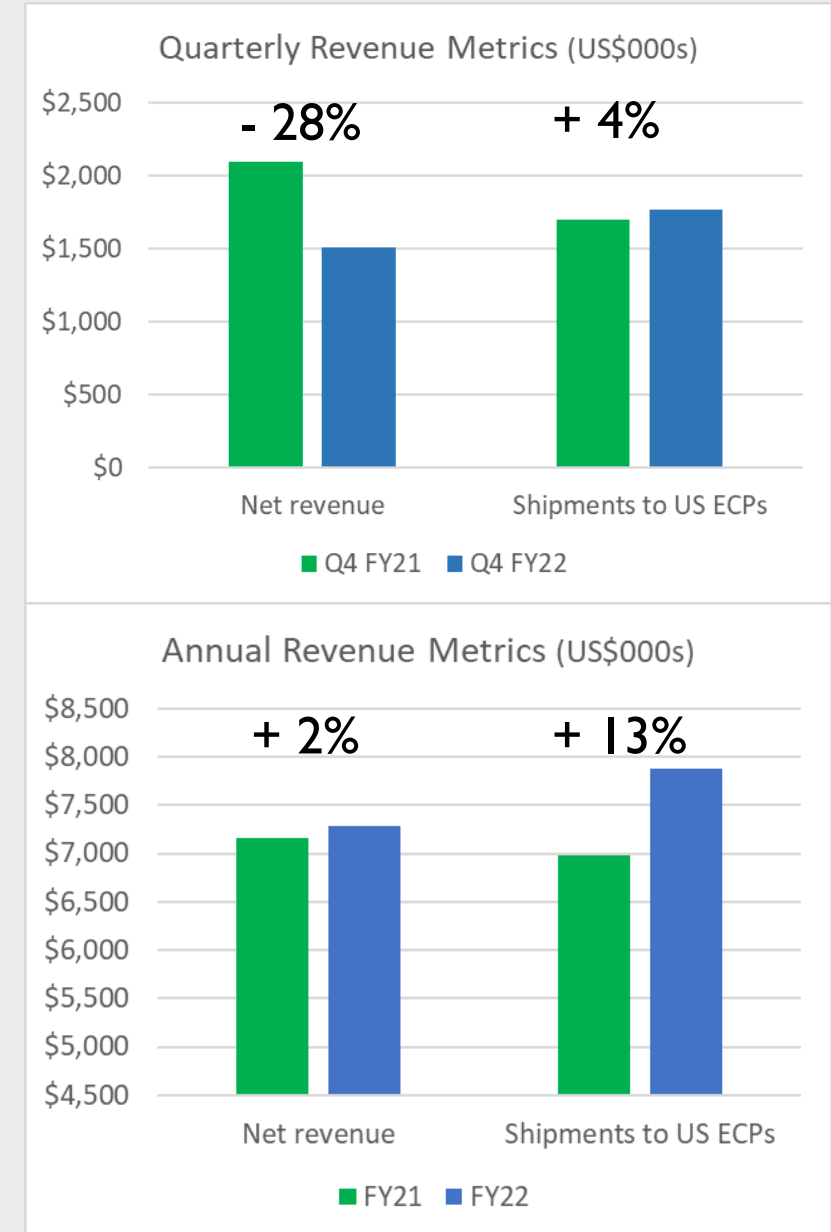
Tracy Wentworth
Director – Quality &
Regulatory

- Began career as a scientist before transitioning to Quality
- Over 15 years in Quality in the contact lens industry, primarily with Alcon, formerly CIBA Vision and as an independent consultant working with VTI
- Bachelor of Arts in Health Science degree from Kalamazoo College; MS in Quality Assurance, Engineering Technology from Kennesaw State University

Revenue Metrics



- Shipments to US ECPs grew 4% in Q4 FY22 and 13% in the full year
- Net revenue declined in the quarter due to Q4 FY21 including the Enhanced Multifocal product launch. Excluding the launch, net revenue declined 11% in the quarter and increased 8% in the full year
- US distributors decreased their inventory levels during FY22, resulting in the lower net revenue performance compared to Shipments to US ECPs



6-Year Myopia Progression Study

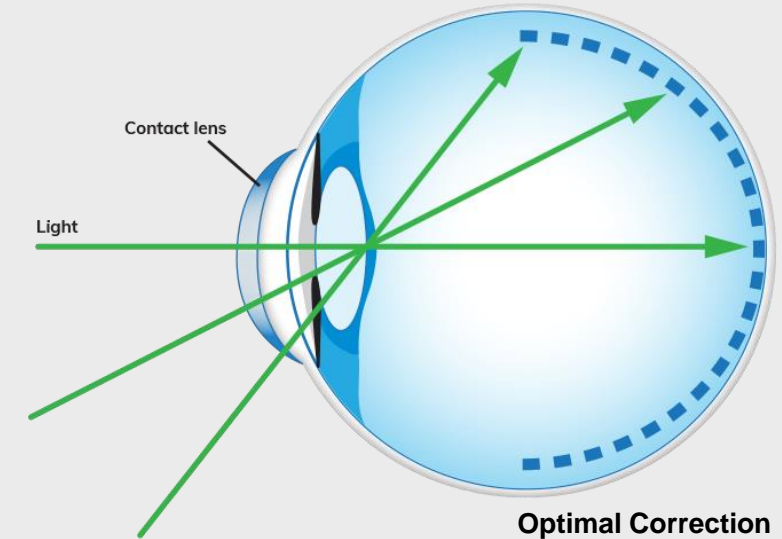
Published in [Clinical Ophthalmology](#), an international peer-reviewed journal

- 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 dependence¹⁻⁴
2. Location: Eccentricity dependence⁵⁻⁷
3. Duration/Visual quality: Wearing time⁸



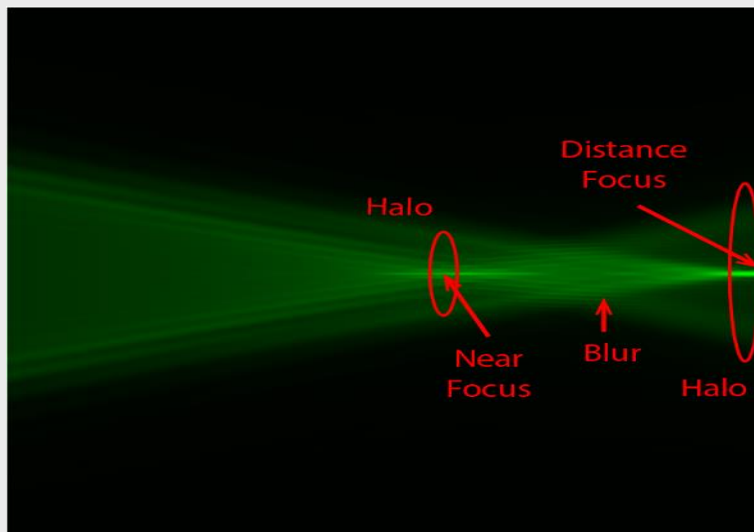
Optimal Correction
Data suggests that the optimal correction should bring the image inside the retina.

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

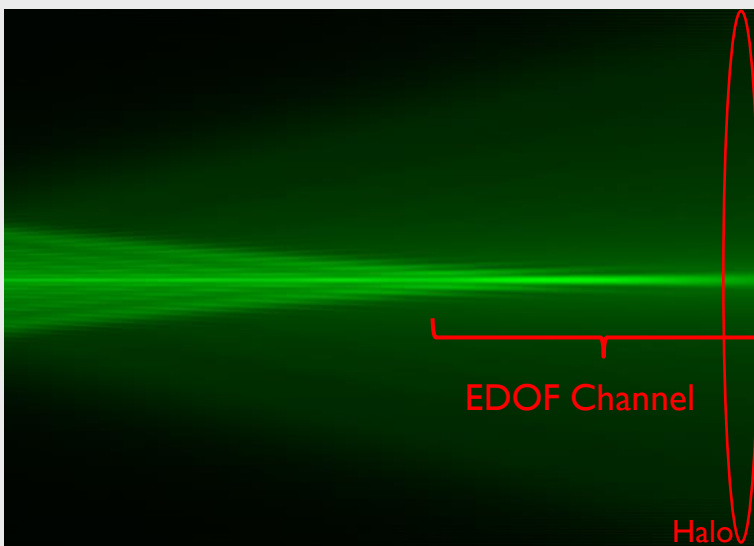
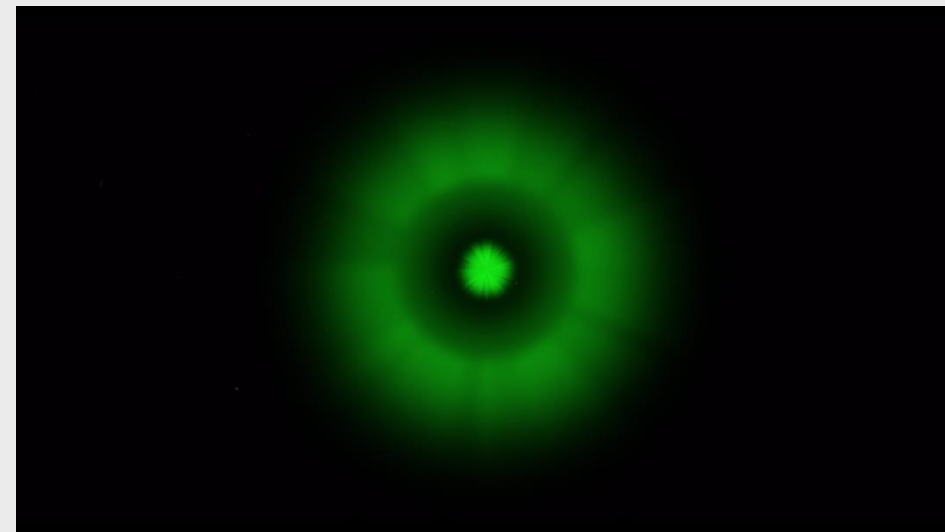
1. Woods J, Guthrie S, Keir N, Dillehay S, Tyson M, Griffin R, Jones L, Irving E. The Effect of a Unique Lens Designed for Myopia Progression Control (MPC) on the Level of Induced Myopia in Chicks. Invest Ophthalmol. Vis. Sci. 2011;52: E-abstract 6651.
2. Woods J, Guthrie S, Keir N, Dillehay S, Tyson 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



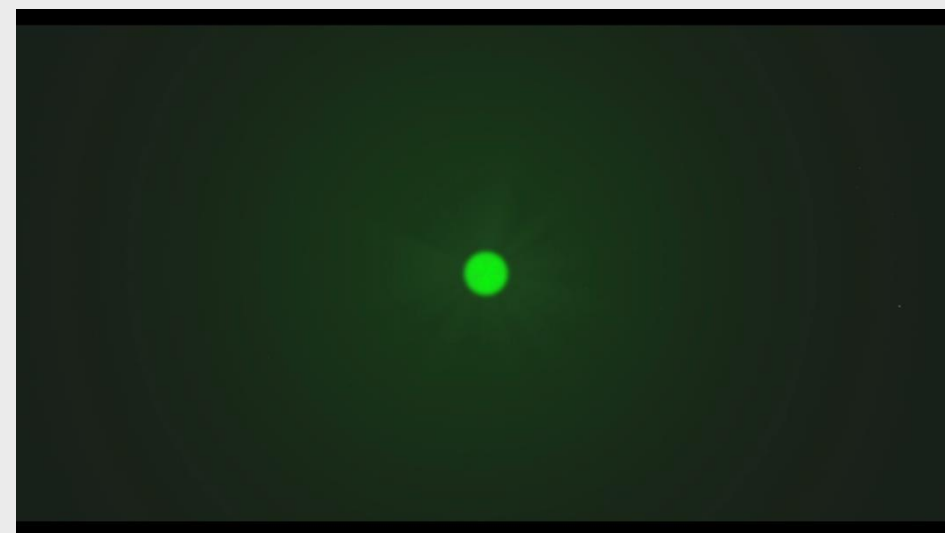
Bifocal optic

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



Neurofocus Optics® (Catenary)

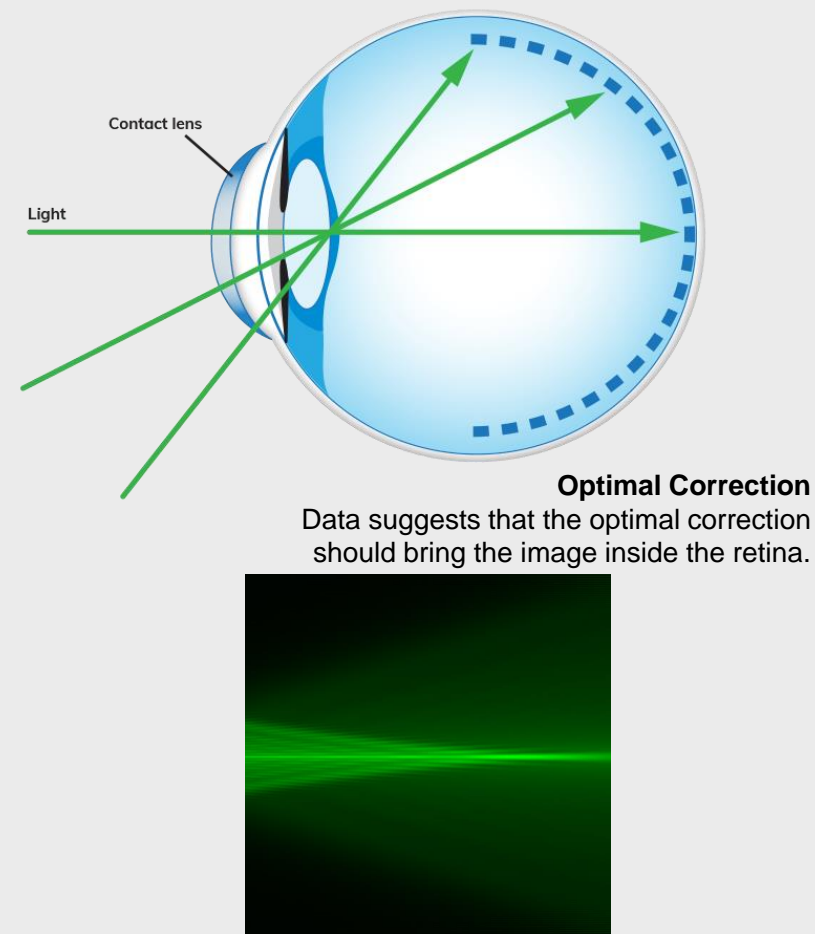
- Halo evenly spread out, reduced intensity (<20% of +2D SA)
- Defocus treatment area significantly increased $>\pm 30^\circ$



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^{1,2}
- **Eccentricity:** the defocus evenly distributed **over 30 degrees**
- **Vision:** Minimal image disturbance results in easy neuroadaptation¹⁻³
 - ➔ 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 recruited subjects (Canada: Toronto & Waterloo; US: New York, Chicago, Houston & Fresno, CA; Hong Kong Polytechnic University; Singapore)
- Full enrollment achieved in early December 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

4Q FY22 Summary Results

(US\$ in 000's, unaudited)	FY21	FY22	FY22 vs FY21		Q4 FY21	Q4 FY22	Q4 FY22 vs Q4 FY21
Net Revenue (A)	\$7,154	\$7,285	2%/8%*		\$2,092	\$1,506	(28)%/(11)%*
Shipments to US ECPs (B)	\$6,980	\$7,881	13%		\$1,701	\$1,766	4%
Cash receipts from customers (A)	\$7,801	\$7,964	2%		\$2,640	\$1,763	(33)%
Active US Accounts (C)					2,305	2,129	(8)%
Shipments to US ECPs per Account					\$738	\$829	12%
Net cash (used in) operating activities	\$(8,005)	\$(5,983)	25%		\$(2,128)	\$(1,168)	45%
Gross profit %	41.5%	45.5%			41.5%	46.9%	
Repeat Customer Rate (D)					96.0%	91.6%	

(A) Includes international results.

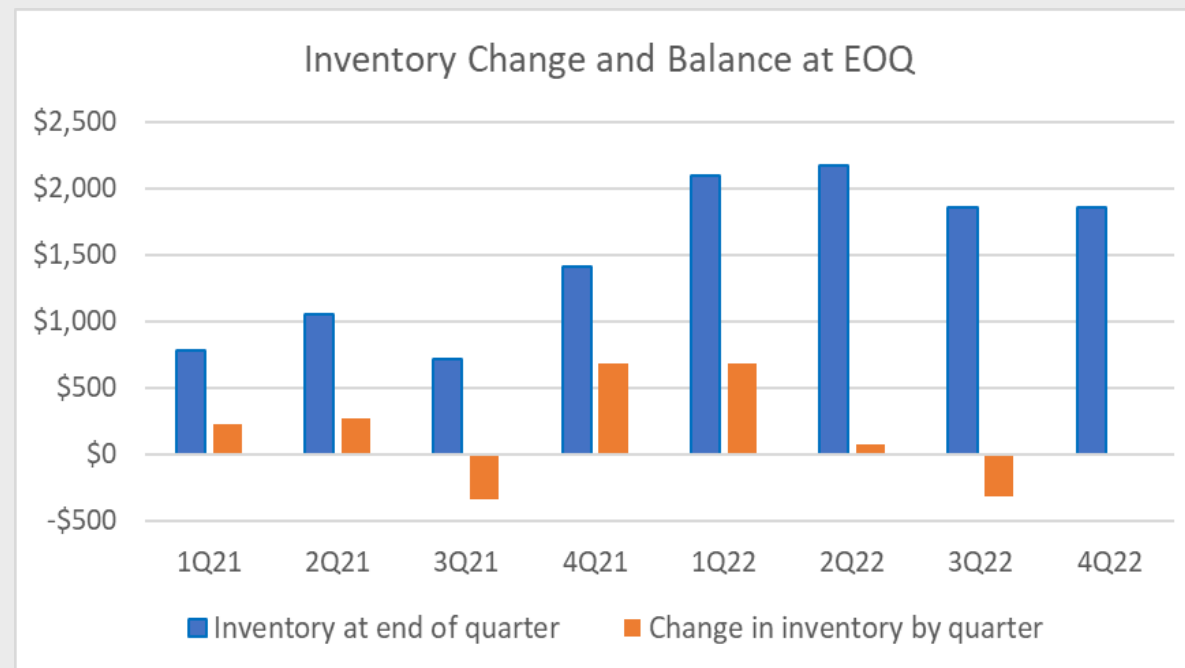
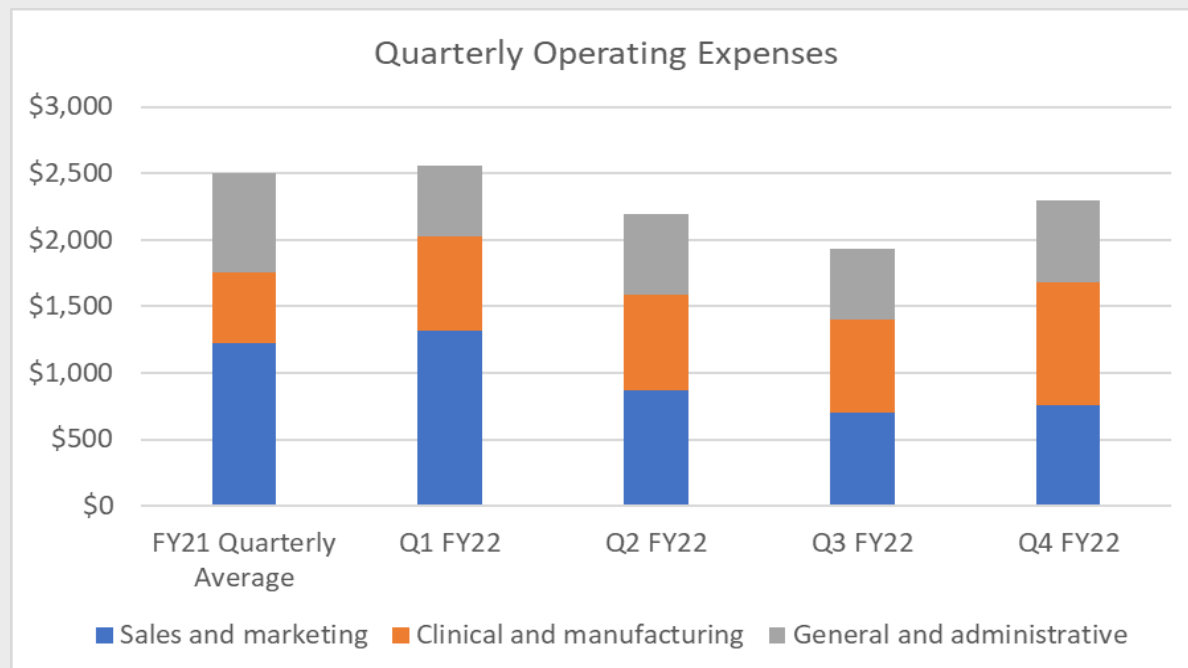
(B) Shipments to US ECPs represents the gross revenue equivalent of lenses shipped to ECPs located in the US, net of fulfillment fees.

(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.

* Second % change represents results excluding the impact of initial stocking orders for the new product launch in Q4 FY21.

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 and \$1.2M in 4Q FY22
- Quarterly operating expenses dropped \$0.4M in Q2 and a further \$0.3M but increased in Q4 due to higher PROTECT Clinical Study expenses; lower quarterly operating expenses expected in FY23 due to
 - Personnel attrition with no plans to replace
 - Lower trial lens costs due to completion of new product launch
 - PROTECT expenses expected to be lower in FY23 and FY24 with enrollment complete
- Inventory levels declined through Q3 FY22, flat in Q4 FY22 and expected to decline in FY23

Stockholder Meeting – Convertible Notes

VTI had US\$2.8M of Convertible Notes outstanding

- US\$1.68M converted at A\$0.39 per share
- US\$1.12M adjusted 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
- EGM held on 27 October 2022 at which the variation to the Convertible Notes was approved
- 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
- Lower conversion price may lead to notes being converted prior to the revised maturity date in June 2024



Contact Us

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Financial Officer**

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VTI-IR-ASX75

NaturalVue® Daily Disposable Multifocal
Soft Contact Lenses