

## INVESTOR PRESENTATION

CEO, Stephen Snowdy, PhD/MBA  
Annual General Meeting  
May 2020



# Visioneering Technologies Inc.

ASX: VTI



The material contained in this document is a presentation of general information about the activities of Visioneering Technologies, Inc. (“VTI”, or “Visioneering”) current as at the date of this presentation. The information is provided in a summary form, does not purport to be complete and should not be relied upon as advice for investment purposes. This presentation does not take into account the investment objectives, financial position or needs of any particular investor. Independent advice should be sought before making any investment decision. VTI is not licensed to provide financial product advice in respect of its securities or any other financial products.

Certain statements in this presentation may constitute forward-looking statements or statements about future matters that are based on management’s current expectations and beliefs, including but not limited to, statements related to VTI’s financial performance, business strategy and goals, plans and prospects, potential benefits of its products and technology, product development, timing of international regulatory approvals, market size, commercial success, and future financial performance. These statements are subject to risks and uncertainties that are difficult to predict and are based on assumptions as to future events that may not prove accurate. Actual results may differ materially from what is expressed in this presentation.

The information in this presentation is subject to change and unless required by law, VTI assumes no obligation to update this presentation or its contents for any matter arising or coming to VTI’s notice after the date of this presentation.

To the extent permitted by law, no responsibility for any loss arising in any way (including by way of negligence) from anyone acting or refraining to act as a result of this presentation or its contents is accepted by VTI or any of its officers, employees or agents.

The distribution of this presentation outside of Australia may be restricted by law and any such restrictions should be observed. This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in Australia, the United States or any other jurisdiction.

# 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                   | 25 May 2017                      |
| GICS classification            | Health Care Equipment & Services |
| CDI price (28 May 2020)        | AUD\$0.020                       |
| Market capitalisation          | AUD\$9.3M                        |
| Shares on issue                | 465.8M                           |
| Current cash (28 May 2020)     | AUD\$1.2M                        |
| Trading range (last 12 months) | AUD\$0.012 – \$0.105             |
| Average daily volume           | 0.7M                             |

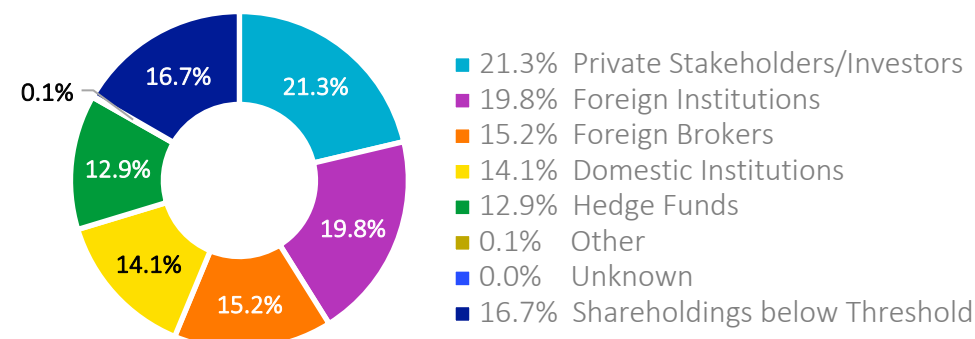
## Major shareholders

|                          | %             |
|--------------------------|---------------|
| 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



# 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

# 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

## FY2019 was another year of growth for VTI

|                                 | 2018   | 2019          |
|---------------------------------|--------|---------------|
| Net Revenue (US\$)              | \$3.3M | \$5.7M (+74%) |
| Shipments to US accounts (US\$) | \$3.2M | \$5.6M (+77%) |
| Active Accounts 31 Dec          | 1,489  | 1,997 (+34%)  |

### Strong start to FY2020 before pandemic

- Shipments to US accounts in 1Q2020 achieved a record \$1.6M while facing COVID-19 headwinds . Net revenue in 1Q2020 was \$1.3M, impacted by reduction in inventory at distributors
- Repeat orders were a record 99% in 1Q20, and there were 2,120 active accounts in the US for the quarter, also a record.
- Gross margins rose to 39.5% in 1Q20 as we work through inventory purchased at higher prices



# KEY OPERATIONAL HIGHLIGHTS-JAN 2019 TO MAY 2020



## VTI signed its first strategic deal

- In 3Q19, VTI entered a private label agreement with the multinational contact lens company Menicon, which is Japan's largest contact lens company. Menicon will sell and distribute VTI's NaturalVue MF lenses in Europe under Menicon's new paediatric myopia control brand, Bloom. This arrangement resulted in VTI receiving US\$476K from Menicon in 4Q19 for its initial lens stocking in Europe.
- Menicon's launch in Europe has been delayed by COVID-19, however still planned for 2020



## VTI entered Asia, and will soon enter Canada

VTI received key international clearances and registrations in 2019 and early 2020: Singapore, Hong Kong, and Canada. Direct sales have started in HK and SG, and VTI is in discussions with potential sales and distribution partners for those territories. Canada will be managed by VTI's US-based team and logistics partners, with launch planned for late June / early July 2020



## Strong clinical data presented

In 2019, nine practitioners presented data on 141 children who had been wearing NaturalVue MF for up to 4 years. This group of children experienced an average 90% annual reduction in the progression of their nearsightedness.

# COVID-19 IMPACT AND RESPONSE

**Mid-March** - VTI grounded its field sales force, switched to exclusively electronic and telephonic communications with eye care practitioners

**Late-March** - Most practitioners fell under shelter-at-home orders and closed shops. Existing patients still able to order product for delivery at home, strong growth in shipments to US accounts in 1Q2020 despite decline in final week

**2 April 2020** - Enacted cash conservation measures:

- Reduced headcount by 22 employees, from 42 down to 20 employees. Retained core sales team, and retained all personnel required to maintain world-wide regulatory compliance
- Reduction in cash salaries company-wide
- Delayed clinical data programs
- Delayed new product launches and new product development
- Forecasted steep decline in sales in 2Q2020, with beginnings of recovery in 3Q2020

**24 April 2020** - Received ~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.

# CURRENT STATE AND THE PATH FORWARD

## Current State

- Eye care providers are starting to open offices in the US
- A bottom in sales has likely been reached, and a recovery is in early stages.
- The company is financially stable, with cash sufficient through approximately September 2021 at current operational scale (assuming completion of the placement and SPP).
- Current operational scale has field sales force of 5, down from 20. This extends cash but will negatively impact revenue.
- Current operational scale also includes delay of clinical data, delay of new product development and new product launches, all of which will likely negatively impact revenue.

## Going Forward

- Maintain reductions in sales staff and product and clinical data development for the time being
- Support existing direct sales in Singapore, Hong Kong, and prepare for Canada launch.
- Continue development of partnering relationships outside the US, execute sales and distribution partnerships for Singapore, Hong Kong, and potentially others, and support Menicon's Europe launch
- As demand and economic activity increase, add both internal and potential external products to increase efficiency of sales team
- Slowly and prudently add sales staff as the economics make sense
- Initiate longer-term clinical projects important for long-term value and growth



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

## CONTACT US

### INVESTOR ENQUIRIES

Dr Stephen Snowdy, CEO  
Vioneering Technologies  
[investors@vtivision.com](mailto:investors@vtivision.com)  
[www.vtvisioninvestors.com](http://www.vtvisioninvestors.com)

### Media enquiries

Julia Maguire  
The Capital Network  
P: +61 419 815 386  
[julia@thecapitalnetwork.com.au](mailto:julia@thecapitalnetwork.com.au)