

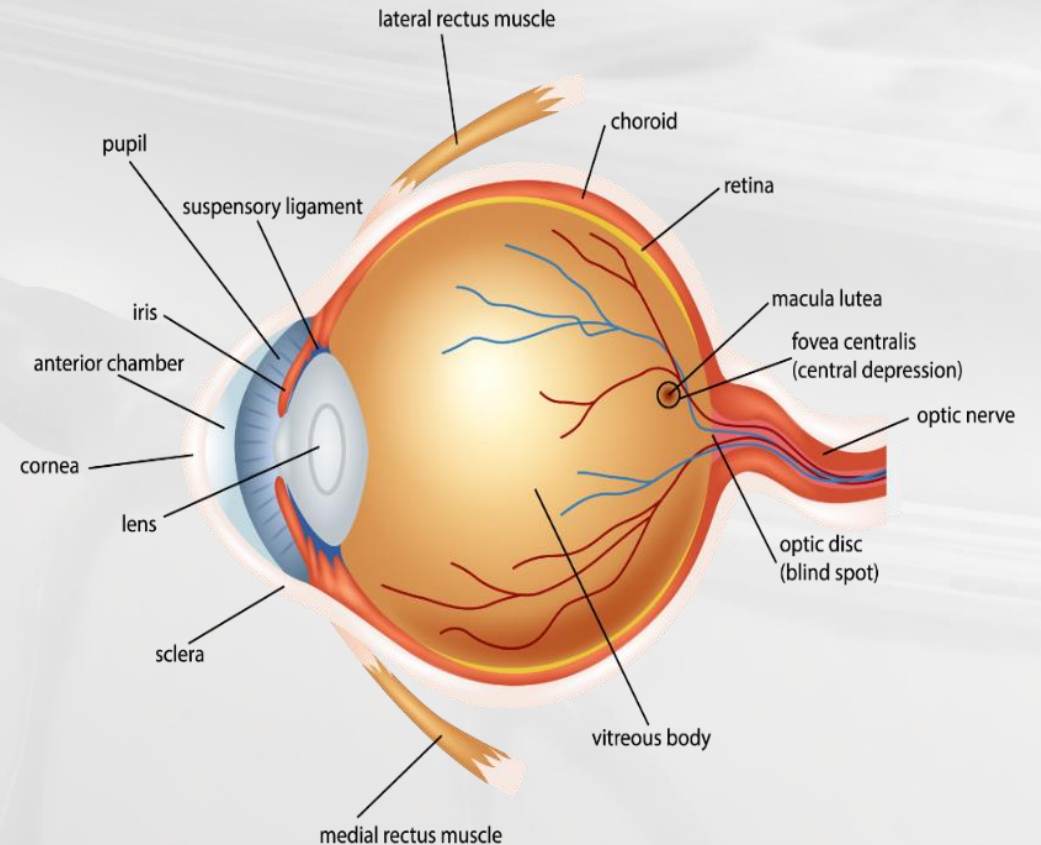
# Nova Eye Medical Limited (ASX:EYE) Annual General Meeting

21 November 2024

# Disclaimer



This presentation has been prepared by Nova Eye Medical Limited (ASX: EYE). While the information in this presentation has been prepared in good faith and with reasonable care, no representation or warranty, express or implied, is made as to the accuracy, adequacy or reliability of any statement, estimates, opinions or other information contained in the presentation. This presentation may contain forward looking statements. These forward-looking statements have been made based upon Nova Eye Medical's expectations and beliefs concerning future developments and their potential effect on Nova Eye Medical (and its controlled entities) and are subject to risks and uncertainty which are, in many instances, beyond Nova Eye Medical's control. No assurance is given that future developments will be in accordance with Nova Eye Medical's expectations. Actual results could differ materially from those expected by Nova Eye Medical. This presentation does not constitute an offer to sell or a solicitation or an offer to purchase any security or financial product or service. Any such offer or solicitation shall be made only pursuant to a Product Disclosure Statement, Information Memorandum, Prospectus or other offer document relating to a financial product or service. Past performance is not necessarily indicative of future results and no person guarantees the performance of any financial product or service or the amount or timing of any return from it. There can be no assurance that the financial product or service will achieve any targeted return, that asset allocations will be met or that the financial product or service will be able to implement its investment strategy and investment approach or achieve its investment objective. The information contained in this presentation is not intended to be relied upon as advice to investors or potential investors, who should consider seeking independent professional advice depending upon their specific investment objectives, financial situation or particular needs.



# Company Overview



## Capital Structure

ASX Code	<b>EYE</b>
<b>Share Price</b> (at 20 November 2024)	<b>\$0.16</b>
Shares on Issue	229M
Unlisted Options	~3.35M
<b>Market Capitalisation</b>	<b>\$36.65M</b>
Cash at 30 September 2024	\$3.70M
Top 20 Shareholders	45%

## Shareholders

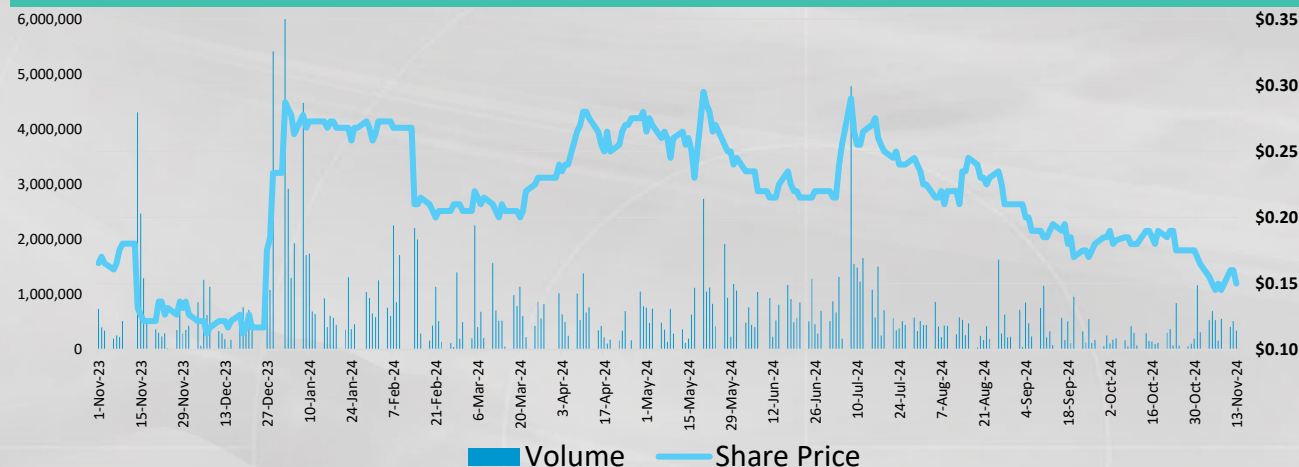
Significant shareholders in top 20 shareholders

- Australian Ethical Investments – 18.21%
- Various Australian Funds - 4.16%
- Victor Previn (Chair) – 5%

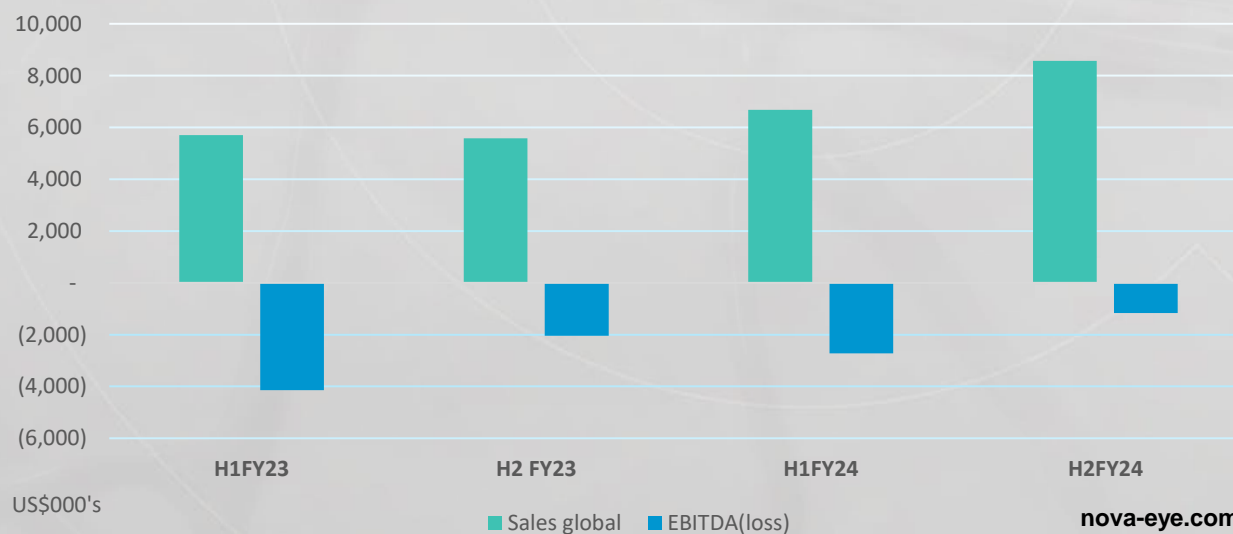
Directors<sup>(1)</sup>

- Rahmon Coupe – ~1,300,000 ordinary shares
- Tom Spurling – ~1,000,000 ordinary shares and 700,000 options
- Dan Webb - 550,000 ordinary shares
- Mike Southard – 20,000 ordinary shares

## Share Price Chart



## Global Sales and Group EBITDA US\$<sup>(2)</sup>



(1) All ordinary shares purchased on market or via subscribing to new share issues

(2) 99% of revenue and 75% of costs in USD or Euro



# Highlights

---



- **Strong U.S. Sales Growth**

- Sales increased 35% during the four months to October 31, 2024, compared to the prior corresponding period (pcp), reflecting strong market penetration by our direct sales force.

- **Robust Global Performance**

- Global sales rose 44% (including 55% in the USA) over the trailing 12 months. Achieving early returns on commercial investments in international markets.

- **Supply Chain Resilience**

- Temporary supply chain challenges in the first quarter impacted growth but were effectively resolved.
- Sales rebounded in October, meeting growth targets and solidifying operational stability.

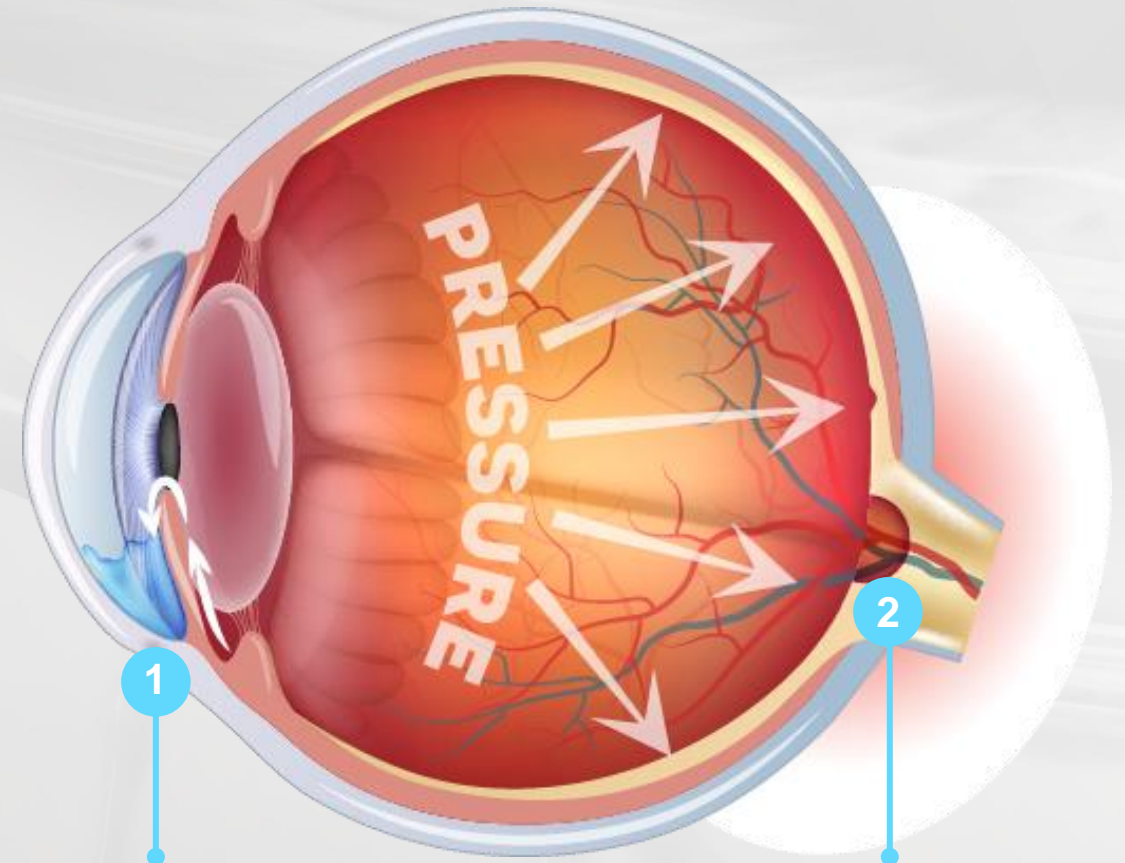
- **Progress Toward Profitability in Glaucoma Division**

- U.S. glaucoma operations are approaching breakeven, with a significantly improved with EBITDA loss of A\$0.4 million for the six months to June 30, 2024, down from A\$2.5m in H1FY24.
- The division is on track to achieve breakeven in FY25.

# What is Glaucoma?



- Glaucoma is the second leading cause of blindness in the developed world (behind cataracts)<sup>(1)</sup> with no cure.
- The body produces a protein rich liquid that circulates through the ocular structures to keep it healthy.
- Glaucoma is a failure of the eye's natural outflow system through which that liquid flows. Pressure builds.
- Progressive, irreversible eye disease that causes vision loss due to optic nerve damage from elevated intraocular pressure (IOP).



**1. Drainage canal becomes blocked; too much fluid stays in the eye and IOP rises.**

**2. High IOP damages optic nerve, leading to blindness.**

# Glaucoma Treatment Overview

- Traditional medication treatment paradigm is chronic medication use which causes eye damage limiting future treatment options.
- Patients and surgeons are favouring<sup>(1)</sup> minimally invasive glaucoma surgery (MIGS) earlier in the disease state.
- MIGS are a solution to nonadherence and can offer improved safety profile and better certainty of outcome<sup>(1)</sup>.
- 131 million<sup>(1)</sup> people with glaucoma worldwide with US\$5.7 billion<sup>(1)</sup> annual expenditure of which 92%<sup>(1)</sup> is spent on medications and devices. Market for surgical devices is US\$772 million<sup>(2)</sup> and forecast to reach US\$1,560<sup>(2)</sup> million by 2029.
- **Nova Eye is a key player in the global MIGS market with its canaloplasty device, *iTrack*<sup>TM</sup> Advance.**

(1) Marketscope 2024 Glaucoma Surgical Device Market Report



## Patient adherence to glaucoma medications is poor

Approx 50% of patients are non-compliant with their medications

Approx 50% purposely discontinue their medication(s) within 6 months

Nordstrom BL, Friedman DS, Mozaffari E, Quigley H, Walker AM. Persistence and adherence with topical glaucoma therapy. Am J Ophthalmol. 2005;140(4): 598-606

.....  
**Glaucoma surgical devices are increasingly recognised as a viable alternative to medications – and this is the highest area of focus and return for the patient, the physician and the supplier.**  
.....



# iTrack™

---

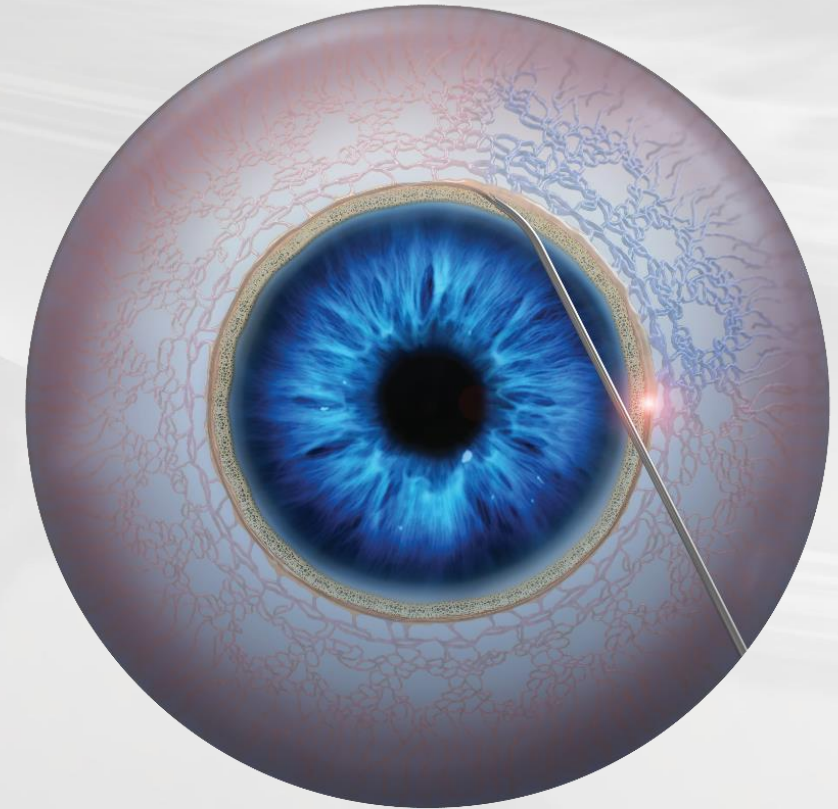
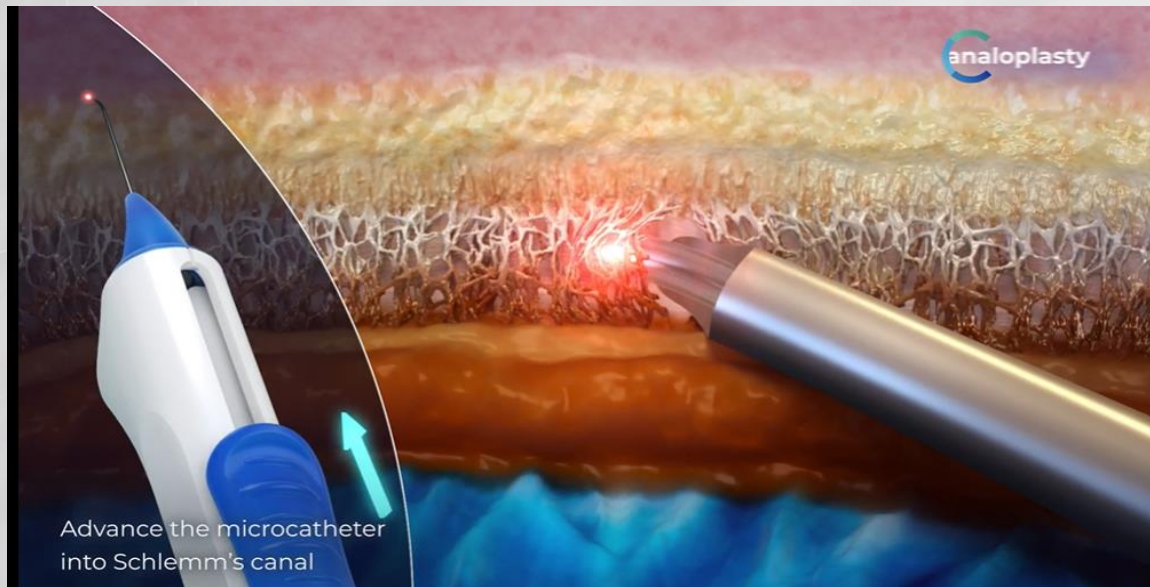
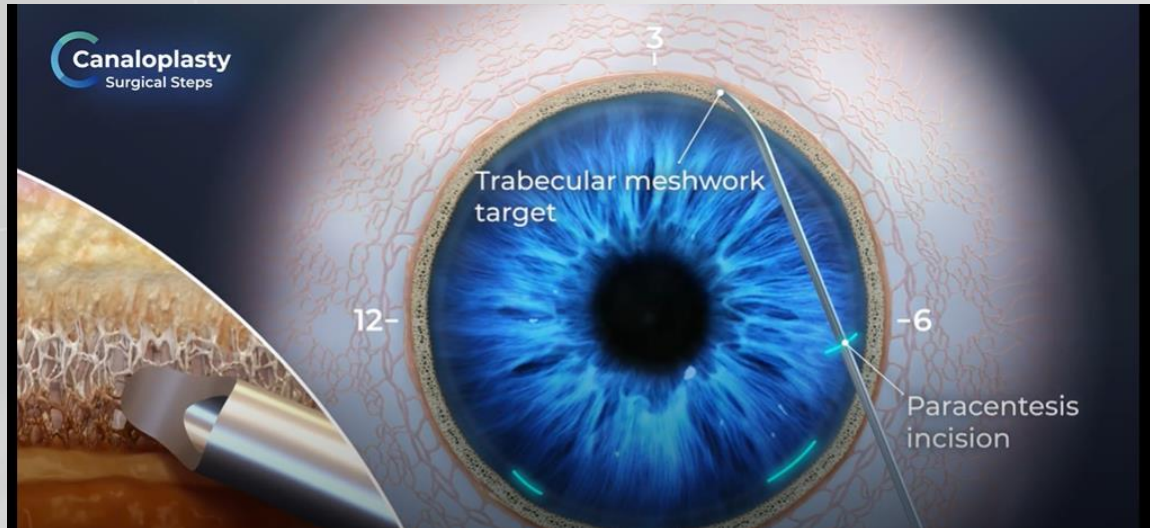
A D V A N C E



- **iTrack™ Advance**  
Single-use MIGS device is redefining the treatment of glaucoma in its early stages.
- Canaloplasty offers a stent-free, tissue-preserving surgical treatment for glaucoma using an injector technology.
- Injector technology has enhanced our original iTrack™ which has now been used in approx. 150,000<sup>(1)</sup> procedures globally.
- iTrack™ Advance was approved by the FDA in April 2023 and has driven substantial sales growth since then.

(1) Based on Nova Eye's sales records

# iTrack<sup>(TM)</sup> Advance - Angioplasty of the Ocular System



- Clearing blockages and rejuvenating the eye's natural outflow pathways that have been compromised by glaucoma disease.



# Clinically Significant Features *iTrack*<sup>TM</sup> Advance vs Other MIGS

Device	Company	Procedure	Patient Population	Natural Outflow Pathway			Implant-free	Preserves Tissue
				Trabecular Meshwork	Schlemm's Canal	Collector Channels		
<b>iTrack<sup>TM</sup> Advance</b>	Nova Eye Medical	Canaloplasty	Mild-moderate glaucoma	✓	✓	✓	✓	✓
<b>KDB<sup>(1)</sup></b>	New World Medical	Goniotomy i.e. cutting of tissue	Mild-moderate glaucoma	✓	✗	✗	✓	✗
<b>OMNI<sup>(1)</sup></b>	Sight Sciences	Canaloplasty followed by goniotomy i.e. cutting of tissue	Mild-moderate glaucoma	✓	✓	✓	✓	✗
<b>iStent<sup>(1)</sup></b>	Glaukos	Micro-trabecular bypass stent	Mild-moderate glaucoma	✓	✗	✗	✗	✓
<b>Hydrus<sup>(1)</sup></b>	Alcon	Micro-trabecular bypass stent	Mild-moderate glaucoma	✓	✓	✗	✗	✓

(1) Based on collation of information in Marketscope 2024 Glaucoma Surgical Device Market Report and company information on websites

# Nova Eye Glaucoma Surgical Device Sales Model



Canaloplasty surgery has a well-established CPT1 code authorised by the USA CMS<sup>2</sup>

Eye surgeon selects  
Nova Eye product.

Nova Eye delivers the  
product to the Facility and  
invoices the Facility  
(approx. US\$1000 per unit).

The operating notes are submitted to  
Medicare Administrative Contractor  
(MAC) responsible for that  
geographic area.<sup>(1)</sup>



Eye surgeon operates in a facility  
and advises purchasing department  
to issue an order to Nova Eye for  
the product.

Eye surgeon conducts the  
surgery. CMS<sup>(2)</sup> reimbursement  
code specified in surgery  
operating notes.

The MAC will pay the claim on  
behalf of CMS in two parts; a  
payment to the Facility  
(US\$2043)<sup>3</sup> and an additional  
payment to the eye surgeon  
(US\$607).<sup>3</sup>

(1) Medicare for patients older than 65-years, certain private payors for other patients  
(2) Centers for Medicare and Medicaid Services  
(3) 2024 Approved Rates. Rates approved for 2025 are US\$2,094 to the facility and US\$600 for the surgeon

# Revenue by Geographic Region



US \$000's	4 months to 31 Oct 23 <sup>(1)</sup>	4 months to 31 Oct 24 <sup>(1)</sup>	Growth on PCP	Trailing 12 months to 31 Oct 23 <sup>(1)</sup>	Trailing 12 months to 31 Oct 24 <sup>(1)</sup>	Growth on PCP
<b>USA</b>	3,338	4,385	31%	8,033	12,419	55%
<b>Germany</b>	435	563	29%	1,490	1,759	18%
<b>China</b>	-	360		957	1,356	42%
<b>ROW</b>	382	318	-17%	1,083	1,111	3%
<b>Total sales in US\$</b>	<b>4,155</b>	<b>5,627</b>	<b>35%</b>	<b>11,563</b>	<b>16,645</b>	<b>44%</b>
<b>Total sales in A\$</b>		<b>8,525</b>			<b>25,219</b>	

- Robust growth continues, with a 44% increase year-on-year driven primarily by ongoing USA demand.
- October sales realigned to growth targets underscoring the strong surgeon appetite for the Company's *iTrack™ Advance*.
- Sales growth in all global territories achieved for the first time.

<sup>(1)</sup> Based on management accounts



# USA Sales 2 Years to 30 June 2024 and First 4 Months FY25

- Four consecutive half-year periods of growth in USA. Introduction of *iTrack™ Advance* in April 2023 (H2FY23).
- Growth continues into the first four months of FY25.
- Revenue growth in H2FY24 compared with H2FY23, demonstrates surgeon take up and satisfaction with *iTrack™ Advance*.
- Marketing investment, surgeon engagement and expanded podium presence, augmented by sales specialists' recruitment, has driven sales increase.

**Launch of *iTrack™ Advance*  
in the USA in April 2023**

**iTrack™**  
ADVANCE

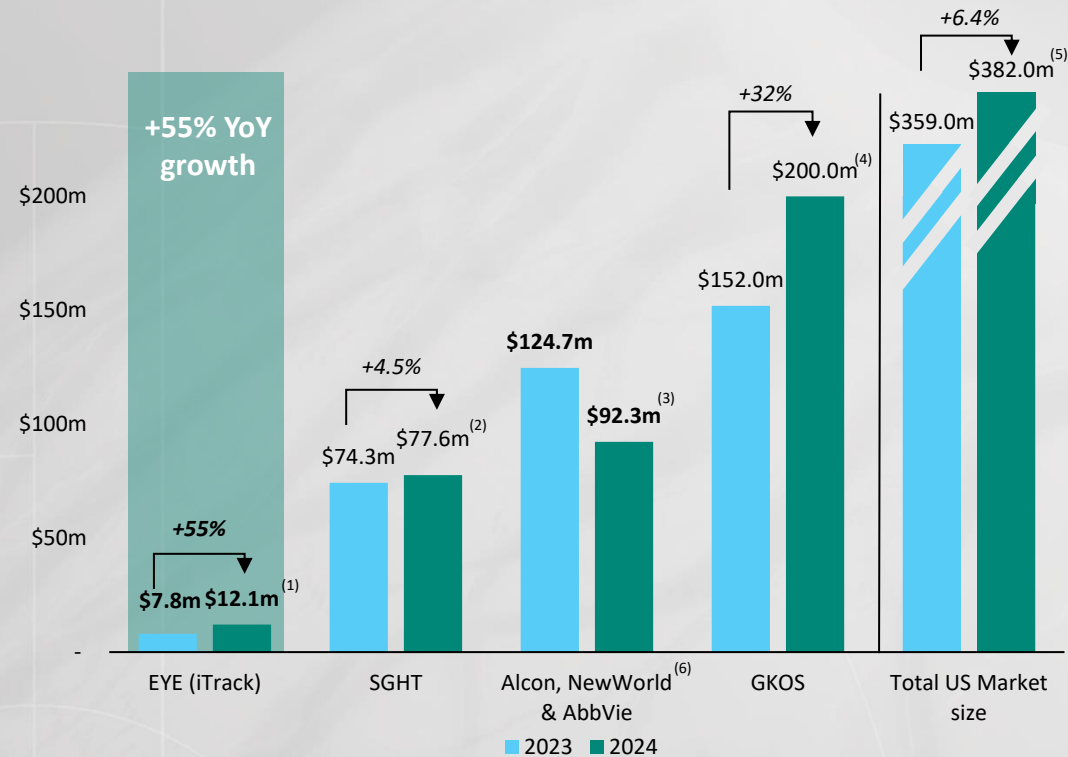
USA sales growth FY23 to 31 October 2024



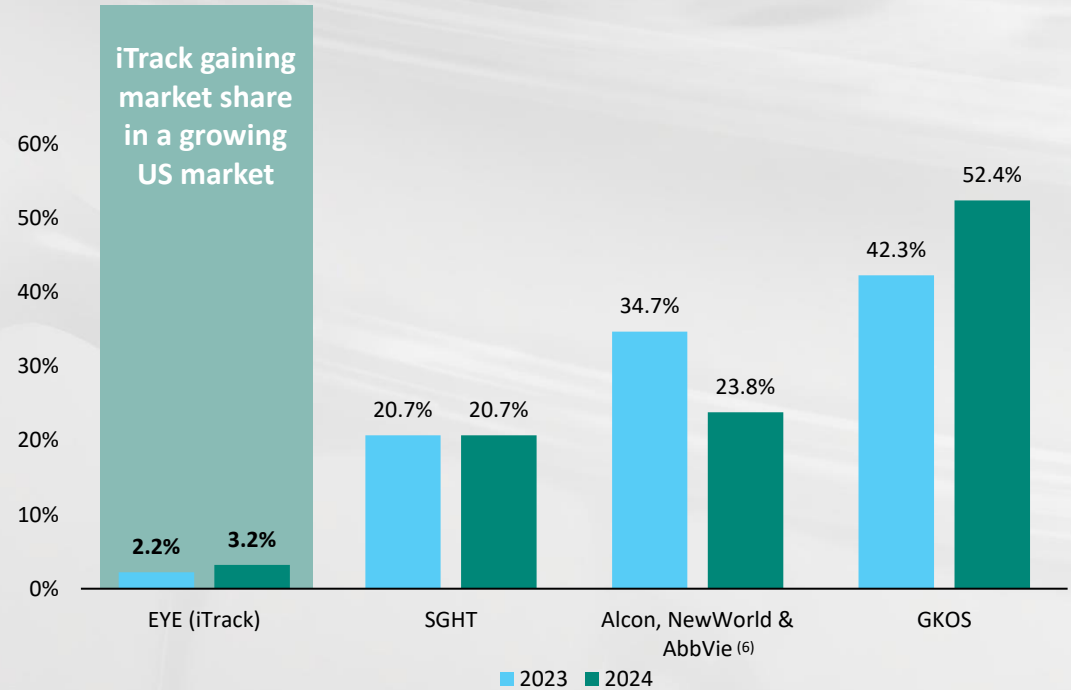
# USA Market Share Estimate - iTrack



## Reported revenue (US\$m)



## Market Share



- (1) Nova Eye trailing 12 months revenue to 31 October 2023 and 31 October 2024 for iTrack only, excludes Molteno.
- (2) Based on published data for USA sales 2023 and 9 months to 30 September 2024. and Nova Eye estimate using guidance for 2024 provided in GKOS September 2024 quarterly report
- (3) Balancing item using (1), (2), (3) and (4). There is no data published by the companies to support this. The companies listed sell products in this market.
- (4) Based on published data for 2023 and 9 months to 30 September 2024. and Nova Eye estimate using guidance for 2024 provided in SGHT September 2024 quarterly report
- (5) Based on Market Scope Glaucoma Surgical Devices 2024 report, sum of stents, canaloplasty and goniotomy
- (6) Assumes Alcon Hydrus, New World Medical Kahook Dual Blade, and AbbVie Xen stent. There may be other products.

# USA Reimbursement Update

---



- Surgeries with iTrack continue to attract the established CPT1 reimbursement code from US Medicare (CMS).
- From December 2024 MAC's (Medicare Administrative Contractors) will reduce reimbursement payments of stents used in for combination with MIGS procedures in same patient eye.
- 2025 US Medicare reimbursement for surgeries with iTrack continues at a constant rate, underpinning our growth plans.

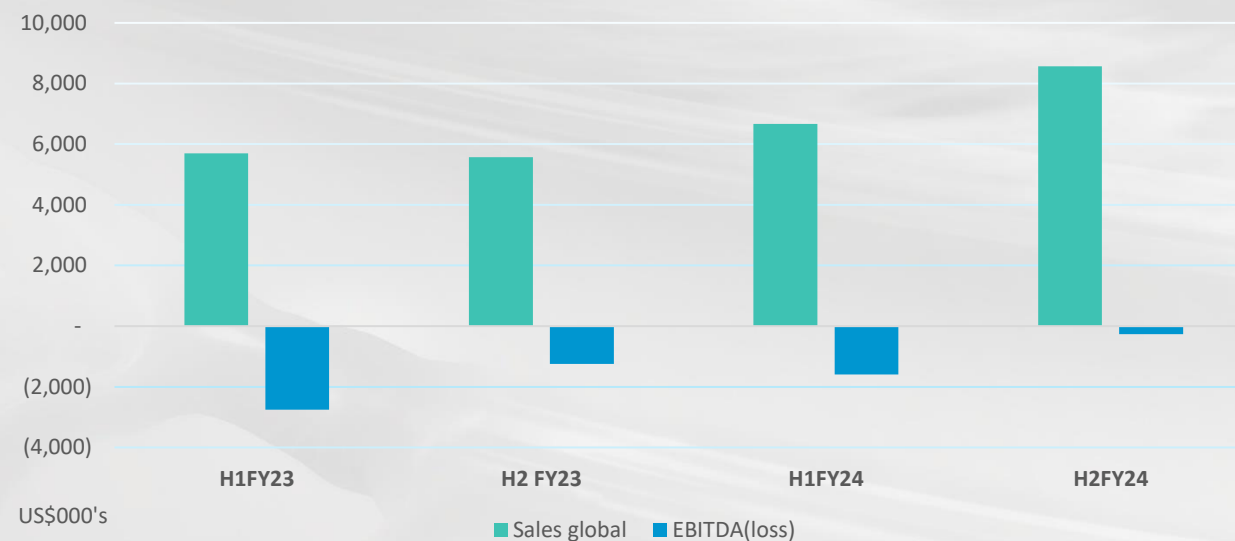


# Operating results for glaucoma segment shows positive trends <sup>(1)</sup>



USD '000	H1FY23	H2 FY23	H1FY24	H2FY24
<b>Sales global</b>	5,698	5,575	6,673	8,565
<b>GM</b>	3,305	4,243	4,604	6,262
	58%	76%	69%	73%
<b>Opex</b>	(6,057)	(5,491)	(6,193)	(6,530)
<b>EBITDA(loss)</b>	(2,752)	(1,248)	(1,589)	(268)

**Glaucoma Segment Global Sales and EBITDA**



## Commentary

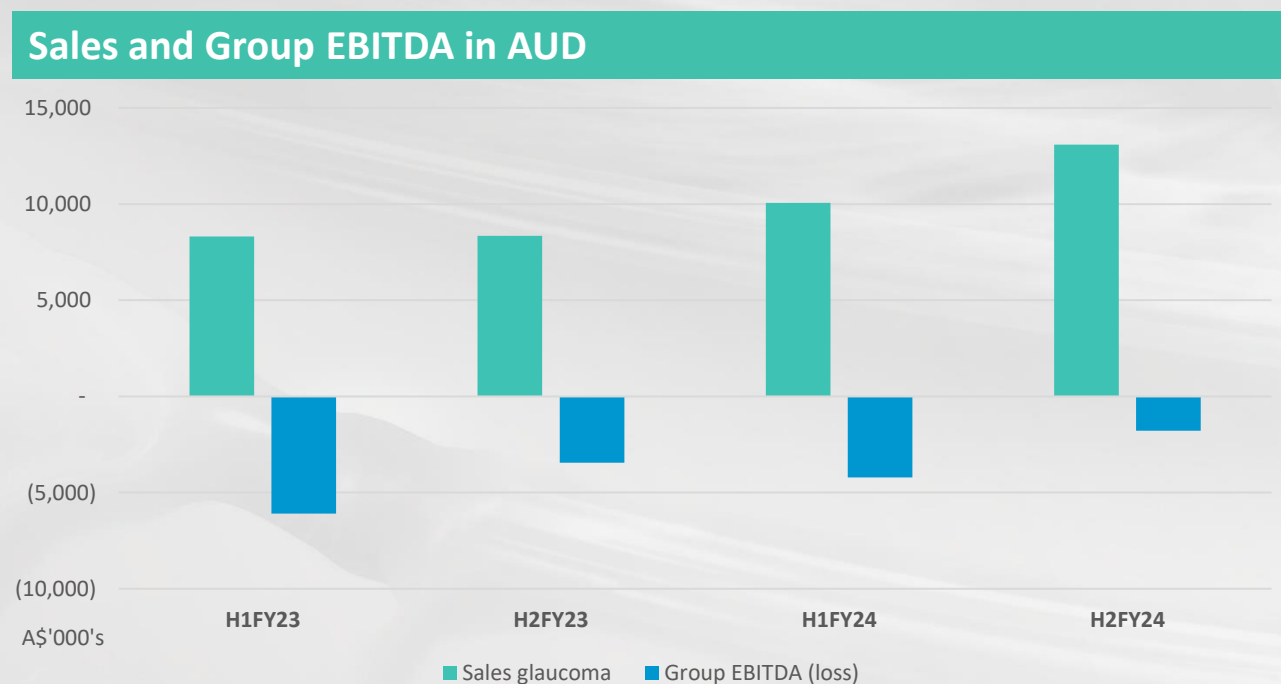
- Improved gross margin with expanded volumes
- Continuing production methods improvement to lower costs
- Improved return on marketing investment with recruitment of new sales reps in the USA has seen sales growth improve the bottom line
- Last 4 half year periods, show progressive improvement in EBITDA

(1) Approximately 99% of glaucoma segment revenues and 90% of the glaucoma segment costs are denominated in US\$ or Euros

# Positive glaucoma operating results drive group results



AU\$'000's	H1FY23	H2FY23	H1FY24	H2FY24
<b>Sales glaucoma</b>	8,315	8,346	10,062	13,096
<b>Group EBITDA (loss) <sup>(2)</sup></b>	(6,096)	(3,454)	(4,203)	(1,781)



AU\$'000's	H2FY24
<b>Glaucoma segment</b>	(451)
<b>AlphaRET segment</b>	(268)
<b>Corporate</b>	(1,062)
<b>Group EBITDA (loss) <sup>(2)</sup></b>	(1,781)

(1) Approximately 99% of glaucoma segment revenues and 75% of the group costs are denominated in US\$ or Euros  
 (2) US government COVID grant income recognised is income in FY23 and R&D grant income in FY24 removed to aid period to period comparison



- **Sustained Sales Momentum:** Strong sales growth in FY24 extended into FY25, demonstrating resilience and market demand, despite temporary supply chain disruptions (now resolved).
- **Operational Recovery:** October 2024 sales rebounded to meet growth targets, underpinned by robust adoption of the *iTrack™ Advance* by leading surgeons globally.
- **Clear Path to Profitability:** The glaucoma segment is nearing breakeven, with FY25 expected to mark a significant milestone in Nova Eye's financial performance.



# Update on 2RT for Age Related Macular Degeneration

---



- 2RT has the potential to change the treatment paradigm for age-related macular degeneration.
- To fully exploit its potential, capital is required, and the Board is seeking non-dilutive alternatives
- The company remains committed to pursue sales growth and profitability improvement in our interventional glaucoma business while we continue to seek partnerships to fund 2RT



**Tom Spurling**

Managing Director

+61 8 8362 0193

tspurling@nova-eye.com

**Mark Flynn**

Investor Relations

+61 416 068 733

mflynn@nova-eye.com