



FY20 INVESTOR PRESENTATION (ASX:EYE)

31 August 2020

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OUR BUSINESS



Following the divestment of its capital equipment business, the company will focus on the fastest growing segment of the Ophthalmic market, consumable surgical devices for glaucoma disease management.

- Our primary focus is to grow market penetration of our proprietary glaucoma technologies iTrack™ and the recently acquired Molteno and to build a portfolio of complimentary novel consumable glaucoma devices that can leverage our sales and marketing infrastructure
- Glaucoma management is in a period of renaissance with a realization that pharmaceuticals do not represent the best treatment options
- Device solutions have been demonstrated as viable alternatives and this is the highest area of focus and return for patient, the ophthalmologist and the supplier. As with all burgeoning fields this area abounds with opportunity
- Nova Eye Medical owns two proven technology portfolios, one for mid and one for late stage glaucoma that have long tenure and unchallenged safety profiles
- Nova Eye Medical is developing new generation treatments based on these platforms as well as technologies for different stages of the disease

Additionally, we will develop and fund the commercialisation pathway for our proprietary 2RT® laser as a therapy for patients with intermediate age-related macular degeneration (iAMD)

82 MILLION

People worldwide with glaucoma

MARKET SIZE
US\$4.9 billion

Market Scope reports and Company data

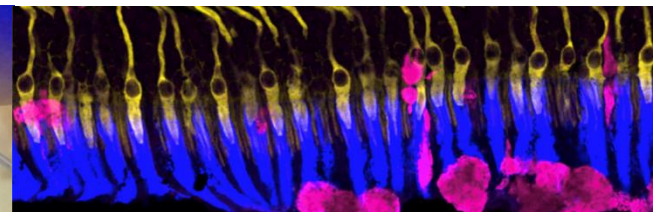
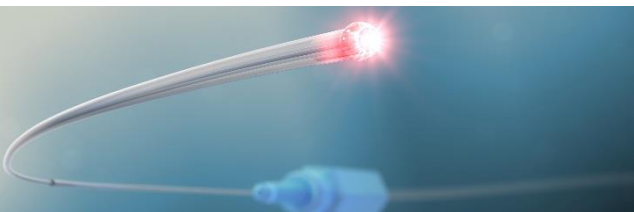
122 MILLION

People worldwide with early AMD

MARKET SIZE
US\$5.1 billion

Market Scope reports and Company data

OUR CURRENT TECHNOLOGIES



iTRACK™ FOR GLAUCOMA

Our proprietary iTrack™ MIGS technology is redefining the treatment of mild-moderate glaucoma, achieving excellent clinical outcomes while preserving future treatment options. It can also be performed via an ab-externo approach for cases of advanced glaucoma.

MOLTENO FOR GLAUCOMA

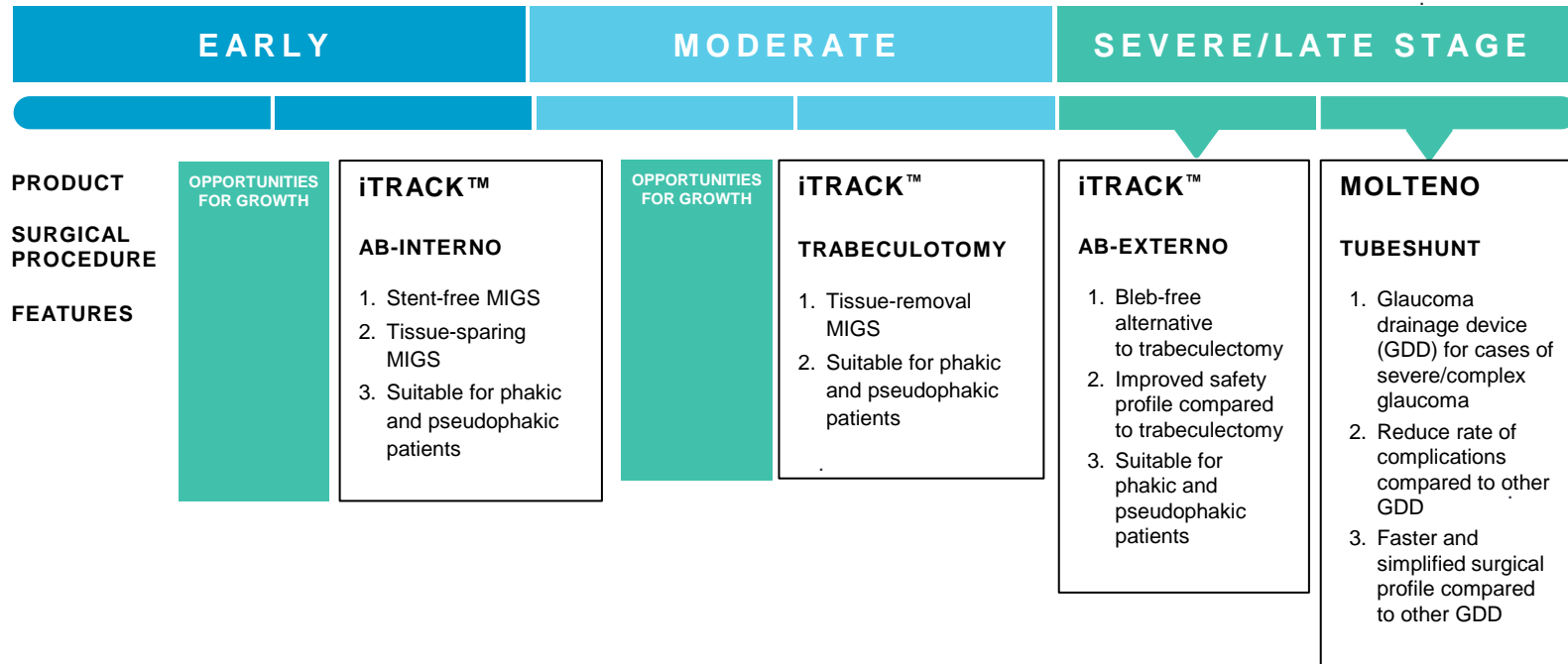
Acquired from world-leader Molteno Ophthalmic Ltd, the portfolio of Molteno glaucoma drainage devices are a highly effective option for cases of severe and complex glaucoma and provides the added benefit of a simplified and faster surgical procedure.

2RT™ FOR EARLY AMD

Our proprietary 2RT™ nanosecond laser therapy is a world-first intervention designed to slow the degenerative processes associated with age-related macular degeneration (AMD). Our focus is to establish a multicenter study in the USA to gain FDA approval

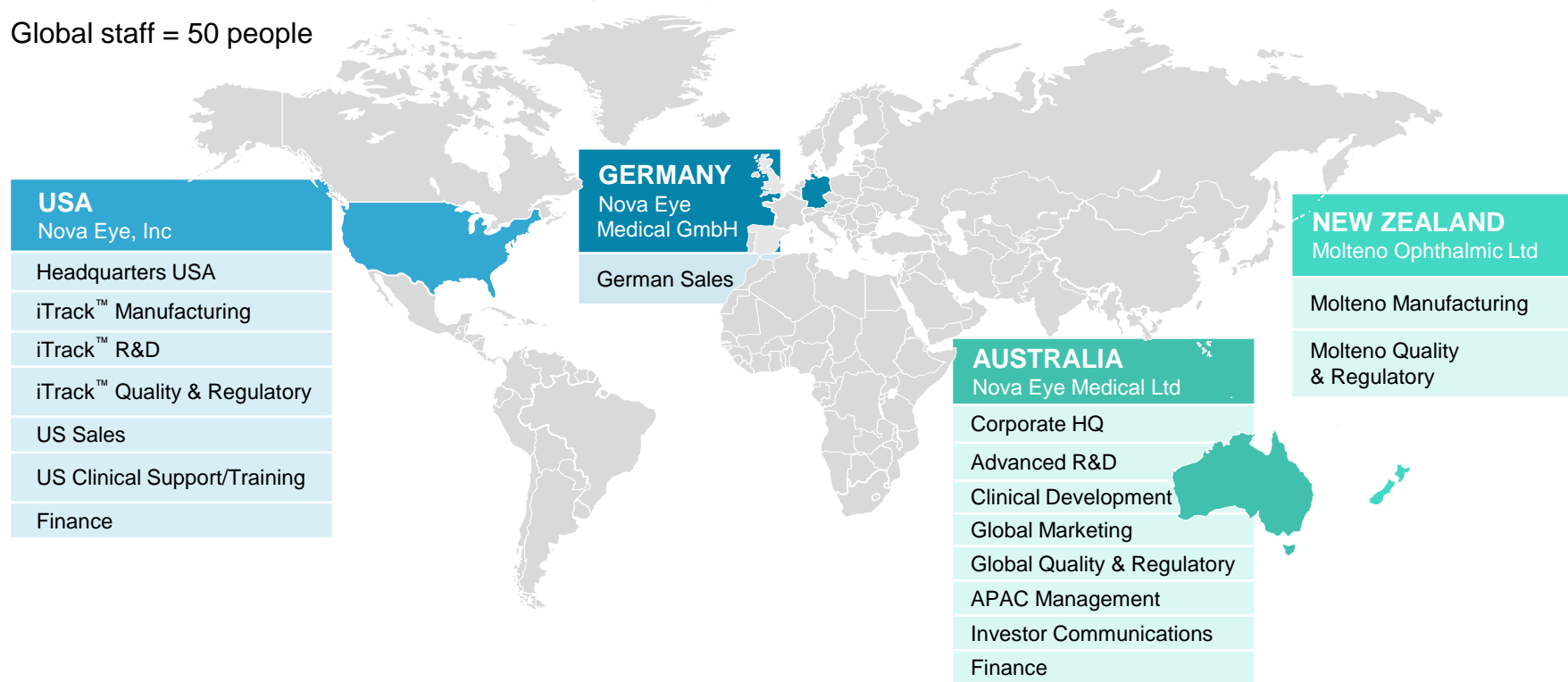
OUR PRIMARY FOCUS IS A PIPELINE OF GLAUCOMA PRODUCTS

We are expanding our glaucoma treatment portfolio to address the cycle of the disease progression.

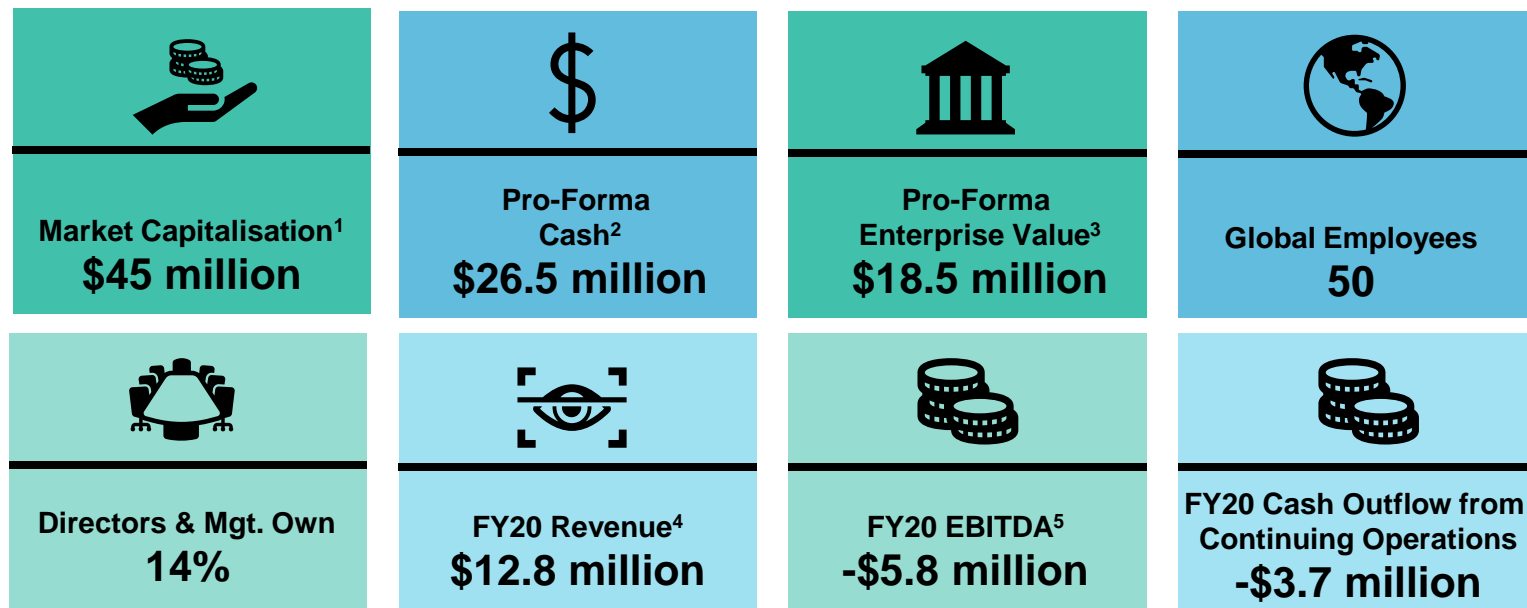


GLOBAL OFFICES

Global staff = 50 people



FY20 COMPANY SNAPSHOT (ASX:EYE)



¹ Data for market capitalisation as at 21 August 2020, ² Pro-Forma cash calculated as 30 June 2020 cash less return to shareholders, less tax, less transaction-related costs ³ Enterprise Value calculated as market capitalisation, less pro-forma cash; ⁴ Revenue excludes discontinued operations (Ellex Lasers & Ultrasound), ⁵ EBITDA excludes discontinued operations (Ellex Lasers & Ultrasound)

FY20 FINANCIAL HIGHLIGHTS

\$100M CASH SALE

- Sale of the capital equipment business to Lumibird for \$100 million in cash (completed 30 June 2020)
- Strong cash position from transaction proceeds and no debt

\$61M RETURN TO SHAREHOLDERS

- \$61.0 million return of capital and dividend from transaction proceeds to shareholders (completed July 2020)

PROFIT & LOSS NOVA EYE MEDICAL

	\$000's		% Change
	FY19	FY20	
Revenue - iTrack	14,324	11,572	-19%
- 2RT	1,816	1,197	-34%
Total	16,140	12,769	-21%
COGS (excl labour)	(2,977)	(3,022)	
Gross Margin	13,163 82%	9,747 76%	
Operating Expenditure	(20,095)	(15,558)	-23%
EBITDA (loss)	(6,932)	(5,811)	+16%
Amortisation & depreciation	1,031	1,438	
Loss before tax & gain on sale	(7,963)	(7,249)	+9%

- Worldwide iTrack unit volumes decreased 11% on pcp, revenues down 19%: COVID-19 impacts
- USA unit sales down 28%, OUS (excluding China) down 35% primarily due to 2H COVID-19 impact on surgical procedure volumes, Chinese unit sales up 16%
- Operating expenditures down 23%: pre & post COVID-19 restructure and cost-out
- EBITDA loss of \$5.8M improved 16% versus pcp
- Some evidence of return to pre-COVID-19 surgical volumes evident in US since 30 June

CASH FLOW NOVA EYE MEDICAL

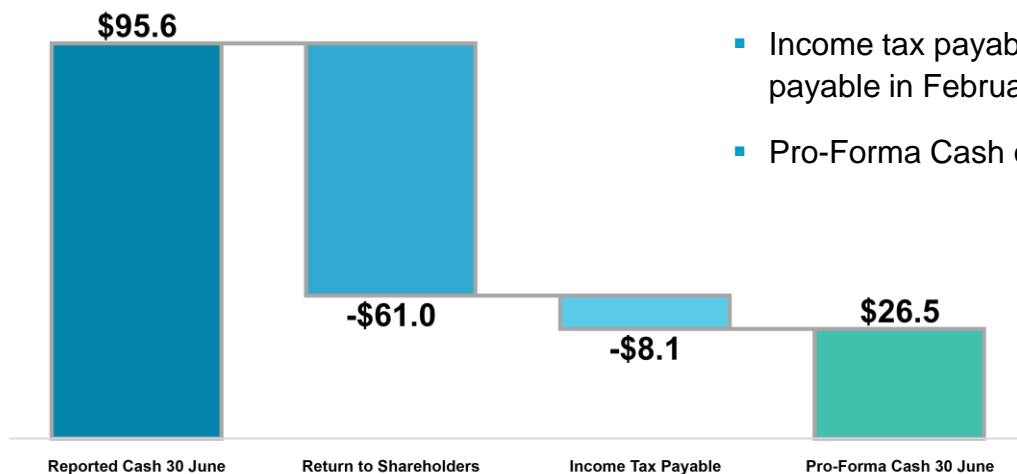
	\$000's	
	FY19	FY20
EBITDA from continuing operations	(6,932)	(5,811)
<i>Add/(deduct)</i>		
Working capital movement	(100)	1,785
Free cash flow	(7,032)	(4,026)
<i>Less</i> Product development iTrack and 2RT	(1,906)	(1,119)
<i>Less</i> Capex	(98)	-
<i>Add</i> COVID-19 US Govt. Stimulus Payment	-	1,533
Cash flow continuing operations	(9,037)	(3,688)

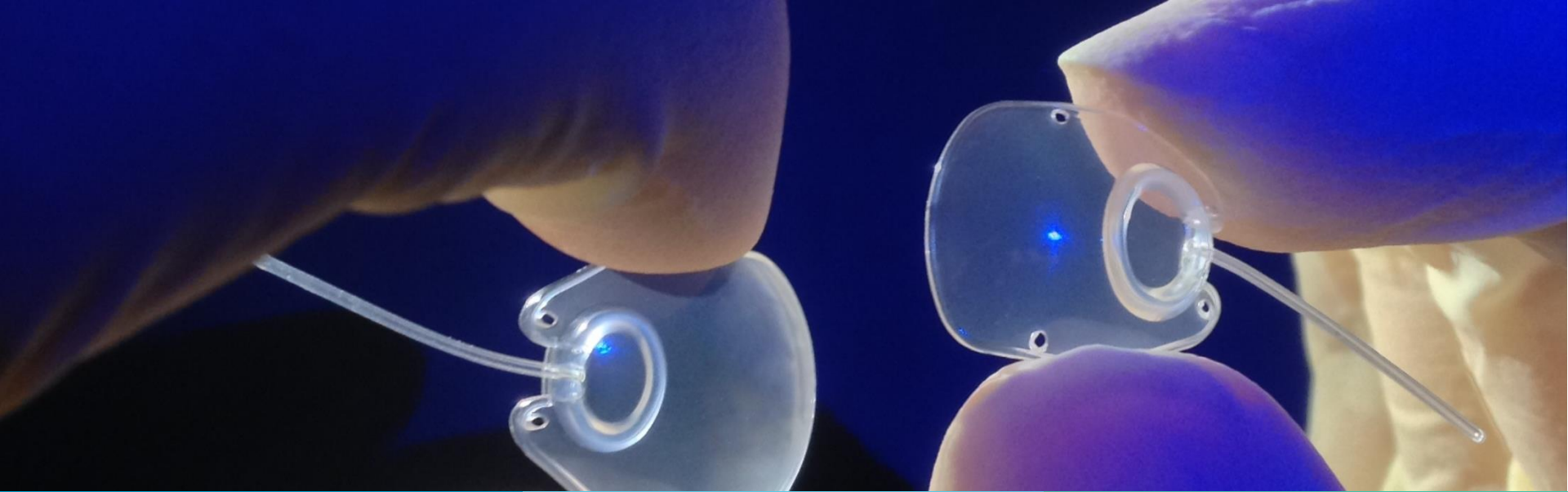
- US\$1.1 million US government stimulus received part of Paycheck Protection Program (PPP)
- \$3 million improvement in free cash flow versus pcp relating to reduction in operating expenditures augmented by PPP funds

CASH RETAINED FROM TRANSACTION

Proforma cash refers to cash from the sale of the capital equipment business, adjusted for dividend, tax and transaction costs

- Completed \$61.0 million return to shareholders on 29 July
- Income tax payable of \$8.1 million, lower than initially estimated and is payable in February 2021
- Pro-Forma Cash of \$26.5 million



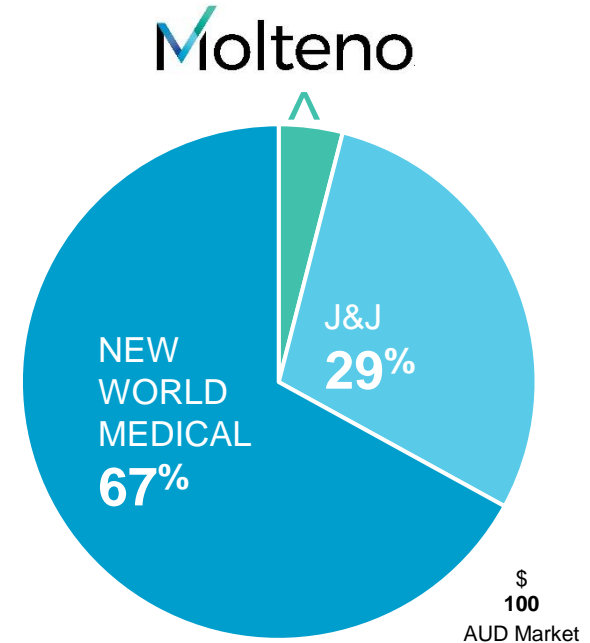


Molteno

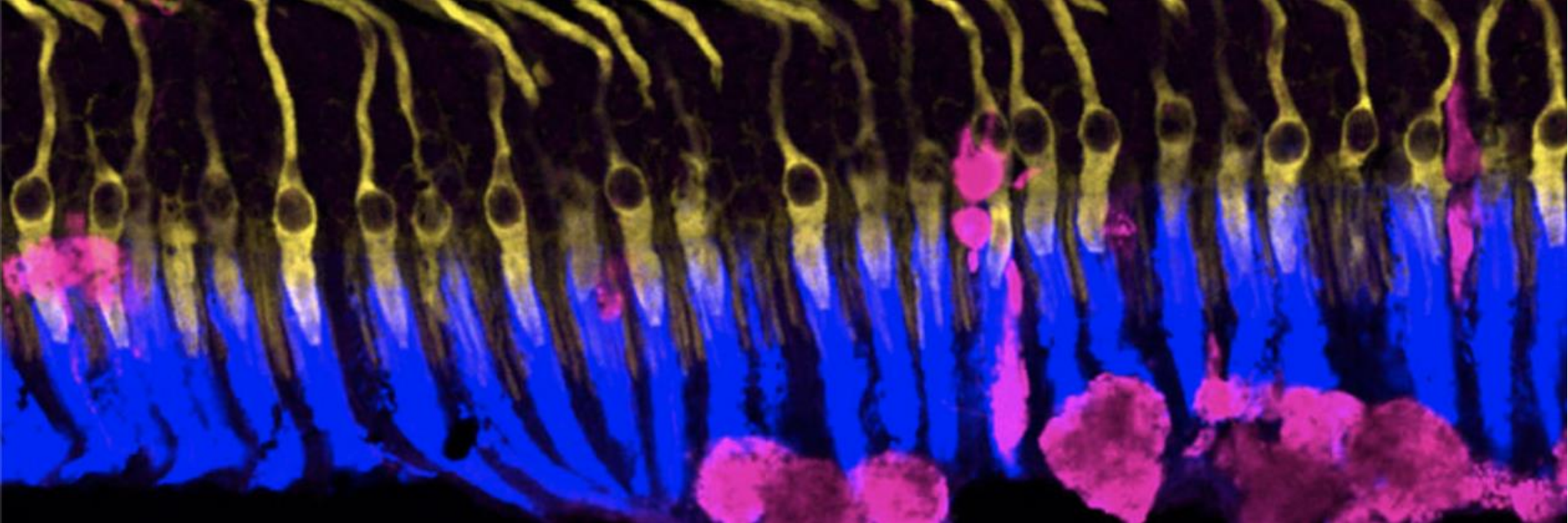
Recently acquired from the inventors of glaucoma drainage device technology, Molteno Ophthalmic Limited, the Molteno range of glaucoma drainage device is designed to manage long-term IOP control in cases of severe and complex late stage glaucoma.

MOLTENO ACQUISITION

- Acquisition completed on 3 August 2020 for NZ\$1.05 million (A\$0.99 million) in cash, representing an acquisition multiple of 1.2x FY20 revenues¹
- The Molteno range offers significant product advantages but underpenetrates the market because of insufficient investment in clinical development
- Molteno is significantly underpenetrated at <4% market share [J&J – 29%, New World Medical – 67% dominate market] – Global market worth US\$70M annually²
- Molteno offers first-in-class technology with significant commercial upside; Nova Eye Medical will leverage its current sales and marketing infrastructure to support Molteno sales
- Recently clinical data (published July 2020) highlights benefits of Molteno compared to Baerveldt® (J&J) with similar efficacy and a significantly lower surgical time (15.7 minutes less, 30% less time)
- Nova Eye Medical will invest in R&D to expand this product range



¹ Unaudited revenues for year ended 31 March 2020 of NZ\$0.838m; ² Marketscope data



2RT™

A potential breakthrough therapy for patients with intermediate age-related macular degeneration (iAMD), a multi-center trial has demonstrated that our proprietary 2RT™ technology achieves a 77% reduction in the rate of progression to late-stage AMD in 75% of iAMD patients, compared to sham non-treated group.

2RT™ UPDATE

- Company focus on establishing US regulatory pathway for approved indication to treat patients with intermediate AMD
- Solid progress with US FDA during the year
- Anticipate filing an Investigational Device Exemption (IDE) in 2H CY2020
- Nova Eye Medical plans to seek a partner for funding the IDE study for 2RT



OUTLOOK

Nova Eye Medical has a number of objectives for the 2021 financial year, which are shown below:

1. Investment into iTrack and Molteno in clinical market development in preparation for aggressive sales drive post COVID-19
2. Product development including next generation iTrack for deployment post COVID-19 market recovery
3. File for 2RT IDE with the US FDA
4. Significantly reduced operating costs and continued prudent cash flow until market recovers

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