Breakthrough 3D printed bioresorbable implants to assist with the natural stages of bone healing.

Osteopore Limited (ASX: OSX)
Investor Presentation – August 2020
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Osteopore Limited (ASX: OSX) is an Australian / Singapore-based medical technology company that specialises in the production of 3D printed bioresorbable implants to assist with the natural stages of bone healing.

Osteopore’s products are fabricated in-house using proprietary 3D printing technology that is precise, biomimics the cancellous bone and allows for customisation of shape and geometry.

The implants naturally dissolve over time to leave only natural, healthy bone tissue, significantly reducing post-surgery complication rates associated with long term permanent bone implants.

Our products are FDA 510(k) cleared, and CE Mark approved and have been successfully used in over 40,000 surgical procedures, generating revenue of over $1.3m in FY2020.

Osteopore is embarking on a global growth strategy to increase revenue and penetrate new markets with additional products.
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Investment Highlights

Revenue Generating

**Over A$1.3m in revenues** for the twelve month period to 30 June 2020, with strong revenue growth demonstrated since IPO. Over 40,000 successful treatments to date.

Proprietary Technology

Osteopore has licensed a range of **patented technologies** from Singapore’s leading universities NTU and NUS, with the underlying technology being developed over more than a decade of research.

Regulatory Clearance

Osteopore’s products have **secured** key regulatory hurdles including FDA clearance, TGA clearance and CE marking of conformity.

Highly Credentialed Team

The Company has a highly **credentialed, collaborative and experienced** team to progress the commercialisation and expansion of the Company’s technology.

Scalable Business Model

Proven wholesale / distributor business model with distribution agreements for key territories in place. Digital manufacturing, integrating robotics and medical imaging technologies provide significant opportunity to scale the business.

Funded to Deliver Growth and Returns

Funding in place to drive growth and important clinical and commercial inflection points and **deliver sustained shareholder value** into 2021 and beyond.
Prof. Teoh’s research focused on the study of mechanisms that promote cells proliferation and differentiation as a result of mechano-induction through load bearing scaffolds for tissue regeneration and remodeling.

30-year career spanning both start-ups and global multinational corporations, with responsibilities in research and development, manufacturing, regional sales and marketing, and country management. The last 20 years were at Medtronic Inc and Edwards Lifesciences Asia.
Customisable 3D printed bioresorbable implants to enable the natural stages of bone healing across multiple applications.

- Highly customisable to biomimic different bone types
- Naturally dissolves over time
- Leaves only healthy bone tissue
- Reduces post surgery complication rates
- Unlikely inflammation or infection
Encouraging sales growth despite difficult global macroeconomic environment caused by COVID-19
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**Strategic Milestones Since IPO**

Osteopore has achieved significant strategic milestones over the past 11 months since IPO

- Secured **initial US Distribution Agreement** with Bioplate Inc.
- Gained Australian TGA approval for **market entry in Australia**.
- Established partnership for **initial entry in the Chinese market**.
- **Success in orthopaedic procedures** and encouraging early stage clinical trial activities.
- Building **team and manufacturing capability** to drive further revenue growth.
Revenue Growth Strategy

Osteopore is now looking to build value through short, medium and long term strategic goals.

**Phase One**
Revenue Expansion
Increase underlying revenue from its current commercially ready products.
- Growth in revenue from existing Asian markets
- Establish new geographic markets (US, Europe, Australia, China) for current products, therapeutic areas (CMF, cosmetic)

**Phase Two**
New Therapeutic Segments
Expand Osteopore’s therapeutic scope with applications of Osteopore’s bone regeneration scaffold in new therapeutic areas
- Dental
- Orthopaedic (long bone / spine)

**Phase Three**
Future Horizons
Additional applications of Osteopore technology that could present significant commercial opportunities.
- New polymers to improve patient outcomes
- Application of Osteopore’s 3-D printed scaffolds for regeneration of other tissues

*Investors are cautioned that Phase 2 and Phase 3 are subject to Osteopore being able to demonstrate clinical and technical efficacy and obtain the relevant regulatory approvals.*
Opportunities in Multi-Billion Dollar Global Markets

Current Sales

Current sales of Osteopore products are predominantly in Cranial / Maxillofacial (CMF) area, which represents less than 20% of the total Bone Graft Substitute market.

Additional Segments

Osteopore is now starting to penetrate additional market segments, including Dental and Cosmetic (nasal) markets, both markets comparable in size to CMF.

Untapped Market

Orthopaedic and Spine, which amount to over 40% of the total Bone Graft Substitute market, represent minimal sales to date and offer a significant untapped opportunity for Osteopore’s products.

Current market opportunities (Bone Graft substitutes, US$3.9bn by 2025)

1. Allied Market Research, BCC Research.

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Permanent implants sales are currently estimated at over $100bn pa, more than 20 times the entire Bone Graft Substitute market.¹ Regenerative procedures enabled by technologies including the Osteopore scaffold are expected to strongly compete in this market in the future.

1. Osteopore’s current market penetration is evident in its annual revenue figures announced on 1 April 2020. Osteopore cautions investors that there are regulatory barriers and unique access challenges associated with entry into new markets, which can adversely impact entities’ ability to access such markets.
FY2021 Strategic Commercial Priorities

1. **US Market Penetration**
   Build market penetration through existing distributor and develop new distribution networks to cover additional territories.
   
   **Key progress milestones**
   - First “stocking” order with Bioplate – H2 2020

2. **New Markets**
   Establish new geographic markets in Australia, Europe and Asia via new distribution agreements.
   
   **Key progress milestones**
   - Australian distribution agreement – H2 2020
   - Australia / NZ stocking order – H2 2020

3. **Revenue Growth**
   Increase underlying revenue from current geographic territories and expand manufacturing capability to meet demand.
   
   **Key progress milestones**
   - Sales performance (quarterly reports)

4. **Develop China Strategy**
   Build on current Co-operation agreement with Boao Yiling Life Care Centre in China and secure initial orders and procedures.

5. **Expand Product Scope**
   Expand therapeutic scope with applications of Osteopore’s bone regeneration scaffold in dental and orthopaedic sectors.

6. **Educate & Assist**
   Work closely with current distribution partners to ensure sales teams are educated and supported to drive adoption and sales.
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Corporate and Capital Structure

Capital Structure
- No debt
- 42.6m shares under escrow for 12-24 months
- Options could provide an additional $2.8m in capital

Shares on Issue
- 117.2m

Total Options on Issue
- 13.1m

Market Cap @ $0.53c
- $62.1m

EV @ $0.53
- $51.8m

Pro Forma Cash Balance
- $10.3m

Shareholders
- Tight free float with current Top 20 holding 77.4% of issued capital
- 24% shares held by Inventors, Board, Management and Advisors

Substantial Shareholders
- The Rain Maker Mgmt: 15.1%
- Hanry Yu: 9.0%
- Marcus Liew: 7.1%
- Professor Teoh Swee Hin: 7.0%
- Goh Khoon Seng: 6.8%

Notes:
1. Shares on issue includes 16.0m placement shares.
2. 9.7m options with an exercise price of $0.25 and an expiry date of 30 June 2022, 0.4m options with an exercise price of $1.00 and an expiry date in December 2022, 3m options with exercise price of $1.20 and expiry August 2023. Option incentives held by executive management, directors & advisors.
3. Price of capital raise
4. Pro Forma Cash balance shown based on cash balance at 30 June 2020 plus placement proceeds (net of costs)
5. Top 20, management holding calculation and Substantial shareholders are all as at IPO and do not include dilution from placement shares