

The logo for Adherium, featuring the word "adherium" in a lowercase, orange, sans-serif font. To the right of the text is a stylized icon of a pill, split vertically into a white left half and an orange right half.

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**Investor Conference Call Q1
Fiscal Year 2019**

October 31, 2018

Forward Looking Statement

The following material is of a general nature and has only been prepared as a presentation aid. This presentation does NOT contain all of the information that may be required for evaluating Adherium Limited ACN 605 352 510 (Adherium or the Company), its assets, prospects or potential opportunities.

This presentation may contain budget information, forecasts and forward looking statements in respect of which there is NO guarantee of future performance and which of themselves involve significant risks (both known and unknown). Actual results and future outcomes will in all likelihood differ from those outlined herein.

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to, statements regarding market size, future results, regulatory approvals, production targets, sales, staffing levels etc. All of such statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

These risks and uncertainties include, but are not limited to: (i) the possible delays in and the outcome of product development, (ii) risks relating to possible partnering or other like arrangements, (iii) the potential for delays in regulatory approvals, (iv) the unknown uptake and market penetration of any potential commercial products and (vi) other risks and uncertainties related to the Company’s prospects, assets / products and business strategy. This is particularly the case with companies such as Adherium which operate in the field of developing and commercializing medical devices and related services. You are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

Additionally there are a number of factors, both specific to Adherium and of a general nature, which may affect the future performance of Adherium. There is no guarantee that Adherium will achieve its stated objectives/milestones, that any of its forecasts will be met or that forward looking statements will be realized.

Q1 FY 2019 Highlights Summary

- Shipped over 4K Hailie sensors, bringing global total sold to date to 135K
- Surpassed milestone of acquiring 10 new Hailie subscribers per day
- Began patient identification and onboard preparation with Vitalus Health
- Expanded potential Enterprise Partner channel relationships
- Broadened awareness through media coverage in more than 21 outlets in the US
- Advanced product development and sensor compatibility
- Integrated new US-based warehouse



Market Channel

Enterprise Partners



Patient Acquisition Channel

- Self-insured corporations
- Home health agencies
- Pharmacies



Business Impact

- Covers early adopter portion of the addressable market today
- Profitable and scalable customer acquisition model
- Demonstrable ROI drives “stickiness” with patients and caregivers
- Generates largest part of savings/reduces burden



Early Traction



- Program to support underserved children in LA county
- Department of Public Health initiative sponsored by Blue Shield of California Foundation
- Hailie solution provided to track medication adherence and connect physicians with data to customize treatment



- Health and wellness solutions focused on pulmonary disease management
- Offer Hailie to 40k+ patients who see their network of specialists

- Hailie Sensors were rebranded in May 2018; formerly known as Smartinhaler™

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Market Channel

Direct to Consumer (DtC)



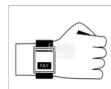
Patient Acquisition Channel

- Direct, digital marketing
- Partnerships
- Direct fulfillment



Early Traction

- Launched eCommerce portals in the U.S. and New Zealand
- Built scalable infrastructure for direct delivery to patients
- Drove expansion of regulatory (OTC) clearance in the U.S.
- Surpassed milestone of acquiring 10 new subscribers/day
- Built brand awareness across patients, healthcare and enterprise partners



Expanding patient access through a major consumer wearable company's distribution channels



MobihealthNews, FierceBioTech, Mass Device, mHealthIntelligence, BioSpace, MedCity News, Fox News

- Hailie Sensors were rebranded in May 2018; formerly known as Smartinhaler™

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Financial Results Review

Q1 2019 Financial Results Sequentially from Q4 FY18 to Q1 FY19

	3 months to September 30, 2018	3 months to June 30, 2018	Change % on comparable period basis
Revenue	\$0.5M	\$2.5M	82% decrease
Gross profit	\$(0.2)M -44% margin	\$1.8M 81% margin	111% decrease
Other income (grants and interest)	\$19K	\$208K	91% decrease
Operating expenses	\$4.7M	\$3.7M	26% increase
Net loss	\$4.8M	\$1.7M	179% increase
Cash at balance date	\$7.7M	\$12.1M	\$4.5M net use of funds
<i>(in AUD)</i>			

First Quarter 2019 Cash Flows Sequentially from Q4 FY18 to Q1 FY19

	3 months to September 30, 2018	3 months to June 30, 2018	Change %
Receipts from customers	\$1.1M	\$2.2M	50% decrease
Staff costs	\$3.0M	\$2.0M	50% increase
Other operating cash outflows (net)	\$2.6M	\$1.7M	53% increase
Total operating cash outflows	\$4.5M	\$1.3M	246% increase
	As at September 30, 2018	As at June 30, 2018	Change
Cash at balance date	\$7.7M	\$12.1M	\$4.4M net use of funds
<i>(in AUD)</i>			



Growth Strategies and Outlook

Chronic Respiratory Disease in the U.S.

ASTHMA

Patients
Diagnosed

25M

Economic Burden
from Non Adherence

\$56B+

COPD

Chronic or
Severe

15M

Economic Burden
from Non Adherence

\$50B+

\$100B+ Economic Burden of **Avoidable Costs** in the U.S.
from Non-Adherence to Respiratory Medication

Growth Opportunities

Expansion of DtC & Enterprise Partners

- Extend the reach of platform and grow subscriber base across DtC and Enterprise channels
- Broaden the dataset to enhance value (tiered level of subscriptions)
- Grow addressable market through traditional payors, Medicare/Medicaid, VA, etc.

Leverage AstraZenca Success

- Add devices – accelerate sales as partnership agreements grow
- Focus on large scale global rollouts in high-growth markets
- Expand into new medications and chronic diseases
- Sign contracts with other biopharmaceutical companies

Beyond Respiratory

- Expand into other key markets across the globe
- Monetize data – create value from most extensive respiratory database
- Leverage channels to expand beyond asthma and COPD to other chronic diseases

Establish comprehensive platform for chronic disease management

Summary and Guidance

Grow Subscriptions

- Extend the reach of our Hailie platform and grow subscriber base to 20,000 subscribers across our Direct-to-Consumer and Enterprise Partner channels

Expand Market

- Increase Hailie sensor coverage to 90% of respiratory inhalers on the market
- Commence Vitalus patient rollout and add new Enterprise Partners

Strengthen Financials

- Continued strong revenue growth through subscription model and BioPharma Partner growth
- Plan to raise additional capital in Q2 or early Q3 FY19

Execute Vision

- Become the adherence company in Digital Health through employing data to ensure proper patient use of medication
- Reduce costs of healthcare, enhance comprehensive care, improve quality of patients' lives

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THANK YOU