

Osprey Medical Financial Results for FY2021

February 28, 2022- Minnesota, United States and Melbourne, Australia – Osprey Medical (ASX: OSP) today released its Appendix 4E Preliminary Final Report for the full year ended 31 December 2021 and its audited consolidated financial statements, with accompanying notes.

Financial highlights:

- **Achieved total unit sales of 6,685 in 2021 (up ~27% from 5,284 in 2020) and recorded total sales revenue of ~US\$2.0m (up ~17% from ~US\$1.7m in 2020)**
- **Execution of operating cost reduction strategy leads to further ~9% reduction in cash used in operating activities compared to 2020**
- **Strategic distribution agreement with GE Healthcare drives strong sales growth outside the US with the region now contributing to ~28% of total unit sales**
- **Additional funding secured with A\$14.5m raised from options exercised and US\$1.1m from the US Paycheck Protection Program**
- **Closing cash balance of US\$5.4m (A\$7.4m¹) on 31 December 2021**

Operational highlights:

- **Strategic partnership with GE Healthcare expanded to include distribution in Canada following Canadian Medical Device License (MDL) approval**
- **Sales coverage in the US market expanded throughout 2021, now with an active presence in 42 US states**
- **Two key appointments to the Board in the last year, Martin Emerson and Steven Brandt who each bring over 35 years' experience in the healthcare sector**
- **Osprey's technology featured and validated in multiple prominent global conferences, scientific sessions, papers, and webinars**

Financial performance: Throughout 2021, hospitals slowly returned to pre-pandemic procedure volumes and re-focused on cost efficiencies and broader health concerns beyond COVID. Osprey's growth reflects this with the Company selling ~6,685 units worldwide in 2021 (up ~27% from 2020) and achieving a net revenue of US\$2.0m (up ~17% on 2020). Osprey's strong sales figures come despite a resurgence of the COVID Omicron variant during the final quarter of 2021 which further disrupted hospitals in key markets, however the successful execution of Osprey's global expansion strategy has allowed the Company to remain resilient in the face of new variants.

Supporting Osprey's sales growth, the Company has lowered its net cash outflows from operating activities to US\$11.6m in 2021, a reduction of ~9% from US\$12.8m in 2020. These impressive results are due to the execution of Osprey's operating cost reduction strategy which aims to sustainably lower Osprey's cost base while maintaining the highest standards of product quality and consistency.

As part of the 2020 capital raise, Osprey issued unlisted options on a 1 for 1 basis to eligible shareholders with an exercise price of A\$0.014. The exercise of these options in February last year resulted in A\$14.5m being raised by the Company before costs. The funds have been used to strengthen Osprey's partnership with GE Healthcare, with positive results demonstrated through an 477% YoY increase in European unit sales in 2021. Further, the Company received a second loan of US\$1.1m from the US Paycheck Protection Program, with the proceeds to go towards funding the ongoing commercial growth of Osprey.

In September 2021, Osprey completed a 100:1 stock consolidation with the main purpose being to align the Company's share price with its listed peers, reduce volatility, and to appeal to more institutional investors.

Sales expansion: Following approval from Health Canada for a Canadian Medical Device License (MDL), Osprey expanded its existing strategic agreement with GE Healthcare to include exclusive distribution rights in Canada. In a testament to the effectiveness of GE's distribution capabilities, first sales were achieved in the region in shortly after the agreement was signed and Osprey looks forward to the Canadian market making a material contribution to group revenues in the near to medium term.

In 2021 revenue generated Outside the US (OUS) grew by ~674% since its Q4 2020 launch which was predominately driven by the strategic partnership with GE. The partnership has been beneficial for both parties and now contributes a significant proportion of Osprey's total revenue (~18% of total revenues in 2021). Further, the willingness for GE to engage in additional promotional activities and distribute Osprey's products in new markets validates the clinical and commercial effectiveness of the Company's technology and speaks to a strengthened relationship with the multinational conglomerate. A close working relationship with GE may also be beneficial in terms of product development opportunities as their expertise could be leveraged to inform an optimised clinical and regulatory strategy.

Key appointments: Osprey made two key appointments to the Board in the last year, Martin Emerson and Steven Brandt, who each bring over 35 years' experience in the healthcare sector. Martin Emerson's track record of success in market development, geographic expansion and existing market growth makes him a welcome addition to the board, and Steven Brandt's extensive experience in new therapy adoption in the cardiovascular space has already been beneficial to the organisation.

Technological validation: Osprey's DyeVert technology was featured in multiple conferences, scientific sessions, papers, and webinars globally throughout 2021. Key opinion leaders spoke to the important role DyeVert plays in the reduction of CI-AKI and improved patient outcomes. Some of the key events Osprey featured in included:

- Society for Cardiovascular Angiography and Interventions (SCAI) Scientific Sessions
- Cardiovascular News
- Italian Society of Interventional Cardiology (GISE) meeting in Italy (featured by GE)
- CHIP (Complex and Higher risk Indicated Patient) Congress in Italy
- Acute Kidney Injury (AKI) in complex high risk interventional catheter lab procedures Webinar
- Three perspectives on the reduction of CI-AKI in Invasive Cardiology, The Hospital Report
- The American Heart Association Scientific Sessions 2021

Outlook: As the pandemic subsides and hospitals resume their focus on reducing costs and improving coronary angiography patient outcomes, Osprey's DyeVert technology provides the perfect solution. The reduction in COVID cases globally has translated into revenue growth for Osprey and the Company looks forward to seeing this positive momentum continue into 2022.

Osprey remains focused on constantly assessing opportunities for portfolio expansion focused on leveraging the DyeVert technology into suitable additional markets such as the contrast delivery market.

Osprey remains focused on delivering shareholder value and is exploring different prospective capital funding pathways to accelerate their next phase of growth. The Company will keep the market informed in line with its continuous disclosure obligations.

This release has been authorised for lodgement to ASX by Mike McCormick, CEO of Osprey Medical and lodged by Brendan Case, Company Secretary.

– ENDS –

Contact details:

Osprey Medical

Doug Schoenberg

VP of Marketing

T: +1 (952) 955 8230

dschoenberg@osprey-med.com

Investors

Prash Jitendran

Vesparum Capital

T: +61 3 8582 4800

osprey-med@vesparum.com

Media Relations

Ciara Byrne

Mana Communications

T: +61 41 3519 430

cb@manacommunications.com

About Osprey Medical (ASX: OSP)

Osprey Medical's vision is to make heart imaging procedures safer for patients with poor kidney function. The amount of dye (contrast) used during angiographic imaging procedures increases the patient's risk for dye-related kidney damage known as Contrast-Induced Acute Kidney Injury (CI-AKI). The Company's core technologies originated from research conducted by Dr David Kaye at Melbourne's Baker Institute. Its proprietary dye reduction and monitoring technologies are designed to help physicians minimize dye usage and monitor the dose of dye real time throughout the procedure. The Company's DyeVert™ System reduces contrast while maintaining image quality in a self-adjusting easy-to-use design that monitors dye usage. Osprey Medical's Board and Management are comprised of experienced and successful personnel with established track records covering medical device development, regulatory approvals, sales and marketing, and mergers-acquisitions. Osprey Medical's advisory board comprises world-recognised experts in heart and kidney diseases.

Forward-Looking Statements

This announcement contains or may contain forward-looking statements that are based on management's beliefs, assumptions, and expectations and on information currently available to management. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements, including without limitation our expectations with respect to our ability to commercialize our products including our estimates of potential revenues, costs, profitability and financial performance; our ability to develop and commercialize new products including our ability to obtain reimbursement for our products; our expectations with respect to our clinical trials, including enrolment in or completion of our clinical trials and our associated regulatory submissions and approvals; our expectations with respect to the integrity or capabilities of our intellectual property position. Management believes that these forward-looking statements are reasonable as and when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. Osprey does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Osprey may not actually achieve the plans, projections or expectations disclosed in forward-looking statements, and actual results, developments or events could differ materially from those disclosed in the forward-looking statements.

Foreign Ownership Restriction

Osprey's CHES Depositary Interests (CDIs) are issued in reliance on the exemption from registration contained in Regulation S of the US Securities Act of 1933 (Securities Act) for offers or sales which are made outside the US. Accordingly, the CDIs have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US. The holders of Osprey's CDIs are unable to sell the CDIs into the US or to a US person unless the re-sale of the CDIs is registered under the Securities Act or an exemption is available. Hedging transactions with regard to the CDIs may only be conducted in accordance with the Securities Act.