



# Investor Presentation

August 2021



# Forward Looking Statements

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The information in this presentation contains estimates and other forward-looking statements regarding future events, including statements about the plans, strategies and intentions related to the development and commercialization of our products and procedures. Certain forward-looking statements may be identified by reference to a future period or periods or by use of forward-looking terminology such as “forecast,” “believe,” “planned,” “initiate,” “potential,” “anticipated,” or “expected.” Such forward-looking statements, which we intend to be covered by the safe harbor provisions contained in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, are just predictions and are subject to risks and uncertainties that could cause the actual events or results to differ materially. Potential risks and uncertainties that could cause actual results to differ from the results predicted are more fully detailed under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended January 2, 2021, and our Quarterly Report on Form 10-Q for the quarter ended July 3, 2021, each filed with the Securities and Exchange Commission (the “SEC”) and any additional reports filed with the SEC following the date of this presentation. It is not possible for IRIDEX management to predict all risks nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. This presentation also contains estimates and other statistical data made by independent parties and by us relating to market potential. These estimates involve a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated. Except as required by law, we assume no obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise.

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# Financial Snapshot

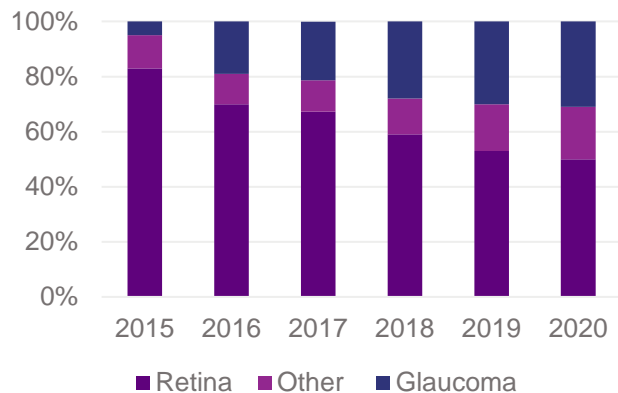
## Revenue Snapshot:

Q2 2021 Revenue: \$13.4 M, up 116% over Q2'20  
FY 2020 Revenue: \$36.3 M

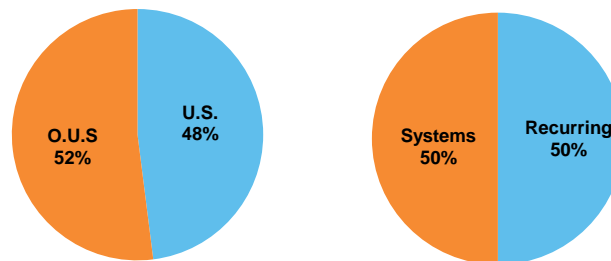
## FY 2021 Guidance:

Revenue: \$50-\$52 M  
Cyclo G6 probe sales: 58,000-60,000  
Laser system sales: 250-275

## Significant Glaucoma Growth Shifting Revenue Mix



## Revenue Breakdown Q2'21



## Balance Sheet at 7/3/21

Cash	\$26.3 M
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# Strategic Collaboration with TopCon

March 2021



- Combines Two Leaders in Glaucoma and Retinal Disease Treatment
- Delivers Increased Capital to Drive Iridex Growth
- Leverages Mutual Global Distribution Strength
- Improves Scale to Generate Design, Manufacturing and Marketing Efficiencies

March 2021



Transaction	Amount (\$Millions)	Comments
Equity Investment in Iridex	\$10.0	<ul style="list-style-type: none"> <li>Approximately 1.6 million Shares purchased at \$6.18/Share (prior 5-day closing average) netting approximately 10.4% of outstanding shares post closing</li> <li>Registration rights and 6-month Lockup</li> </ul>
<b>Topcon Purchase of Exclusive Distribution Rights &amp; Iridex Purchase of PASCAL Product Line</b>	\$9.5	<ul style="list-style-type: none"> <li>Topcon will become an Exclusive Distributor in regions and countries totaling ~60% of Iridex's international product revenue</li> <li>Iridex to acquire all assets to develop and manufacture PASCAL Product line and distribute in US and non-Topcon territories</li> </ul>
Net Proceeds to Iridex	\$19.5	<ul style="list-style-type: none"> <li>Excluding transaction related costs</li> </ul>



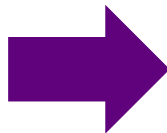
## RETHINKING GLAUCOMA CARE

### Rethinking Treatment Attacking Two Leading Causes of Blindness

- \$5B global glaucoma market
- \$3B global retinal equipment market

### Initial Glaucoma Traction Proven:

- ✓ Recurring revenue procedure probes
- ✓ Significant and growing worldwide installed base
- ✓ Expansive clinical studies and KOL support
- ✓ 150K+ procedures proven safe and effective
- ✓ Established attractive reimbursement

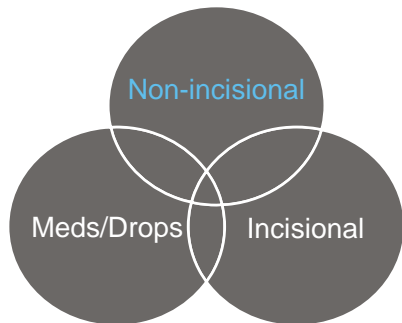


**Growth through converting proven traction  
into significant market penetration**

# Iridex Solution: MicroPulse® Transscleral Laser Therapy

- *Objective: Target ciliary body tissue inducing thermal changes to safely reduce IOP*
- *Result: An effective, repeatable, low-risk solution to extend non-incisional runway*

## Therapy Choices



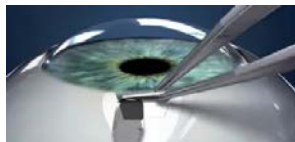
DRUGS + SLT

Mild



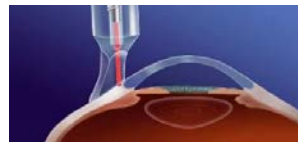
CATARACT + MIGS

Moderate



INVASIVE  
SURGERIES

Advanced



CW TSCPC

Refractory



MICROPULSE® TRANSSCLERAL LASER THERAPY

Non-incisional

Durable

Repeatable

# MicroPulse TLT – A Proven Procedure



**MicroPulse P3® Probe  
+  
Cyclo G6® Laser System**

- Easy to perform
- Non-incisional
- Benign safety profile
- Does not preclude other treatment options

- Durable up to 24 months per dosing
- Repeatable, multiyear IOP control
- Demonstrated in broad disease range
- Can reduce eye drop burden
- Cost effective



# Clinical Validation

Over 150,000 procedures performed in 80 countries since 2015 Launch



## SAFE

**70+** posters and presentations  
show low adverse event  
occurrence



## EFFECTIVE

**32 peer-reviewed papers**  
demonstrate sustained IOP  
reduction of 30-45% in  
60-85% of patients



## DURABLE

**500+** eyes in studies  
demonstrating durability  
greater than 12 months



## VERSATILE

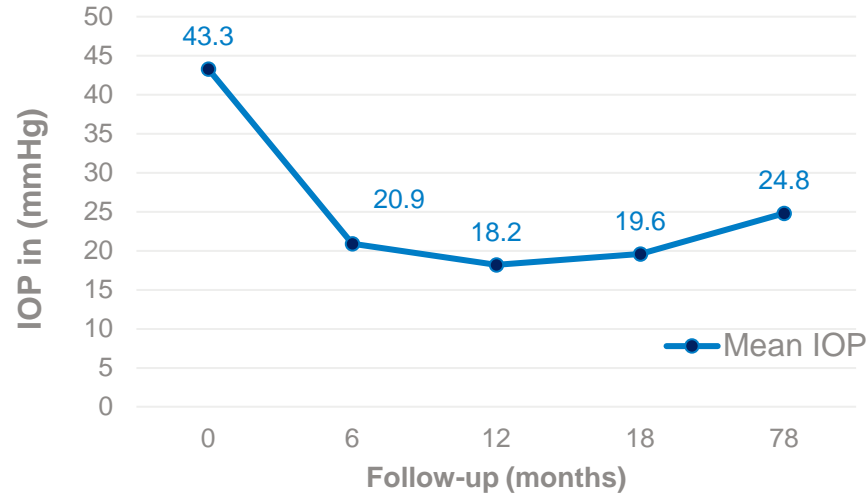
**2,500+** eyes studied in a  
wide spectrum of glaucoma  
types and stages

# Repeatable Procedure Delivers Long-Term IOP Control

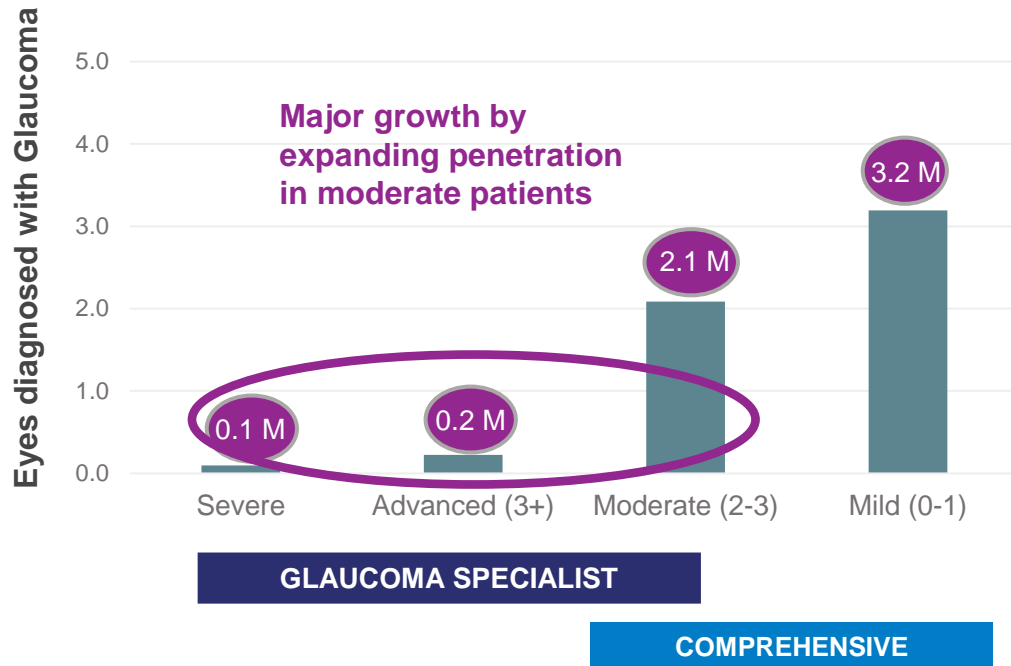
## Clinical Outcomes Summary at 78 Months

- 39% mean IOP reduction at 78 months
- Reduction in eye drops from mean of 1.8 to 1.1
- On average 3.6 treatments per patient with MP3 probe

## NUHS Follow-up Study – 39% IOP reduction at 78 months



# U.S. Market Opportunity



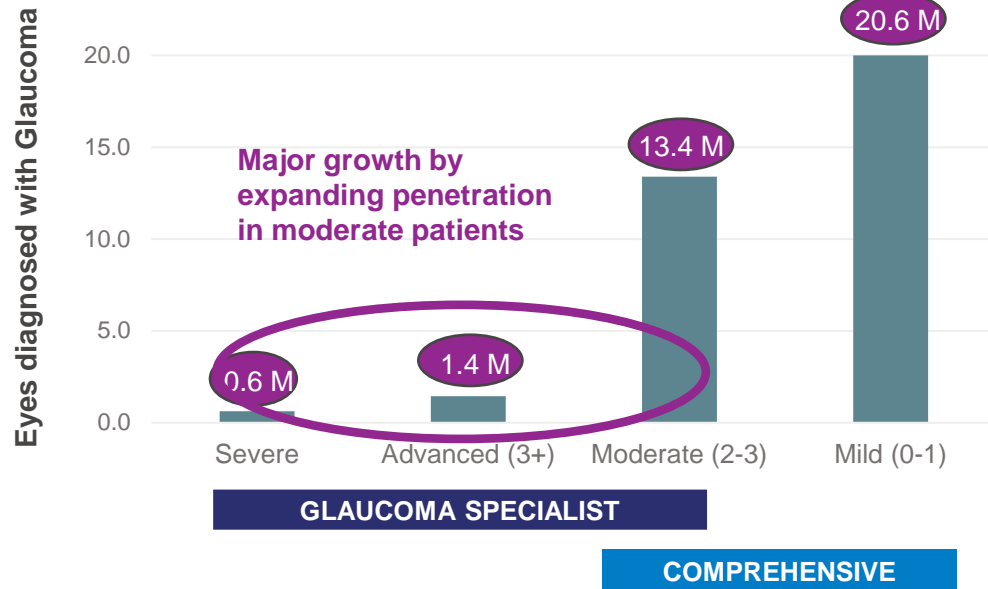
- U.S. 2021 MicroPulse P3 probes: 30K run rate
- U.S. 2021 installed systems: 900



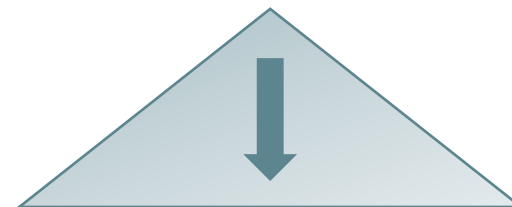
- 2.4 million potential eyes in U.S. moderate + patients
- Over 4,000 U.S. ASC and hospital target sites
  - 1,300 Glaucoma specialists
  - 8,700 Comprehensive ophthalmologists
- \$500 Million U.S. Probe Opportunity

\$50M probe revenue is  
10% U.S. penetration

# Rest of World Market Opportunity



- ROW 2021 MicroPulse P3 volume: 30K run rate
- ROW 2021 installed systems: 1100



- 4.5 million target eyes in developed economies
  - 3,000 Glaucoma specialists
  - 25,000 Cataract surgeons performing glaucoma procedures
- \$700 million ROW probe opportunity

**\$50M probe revenue is  
7% ROW penetration**

# Cyclo G6: Commercialization Initiatives



## Strong Distribution Channel

- 16-person U.S. field team
- 60+ international distributors

## Education and Training

- Expanding peer-reviewed publications
- Seminars/webinar/wetlabs
- KOL support
- IRIDEX-sponsored clinical trials
- Social media outreach

## Product Enhancements

- Commercial rollout of enhanced probe tip
- Technique and protocol simplification focus



## Sales Cycle: Focusing on Existing + New Customers

PHYSICIAN EDUCATION



Targeting



Commitment to  
Benefits



Validation



Conversion

HANDS-ON TRAINING

# Key Takeaways

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Significant market opportunity in non-incisional glaucoma therapy



Initial penetration demonstrates market demand exists



Strong publication proofs and KOLs demonstrate efficacy and safety



Proven sales process to focus on adoption and usage to drive growth



Achieve financial returns through high margin disposables growth



# Retinal Disease

Business Overview

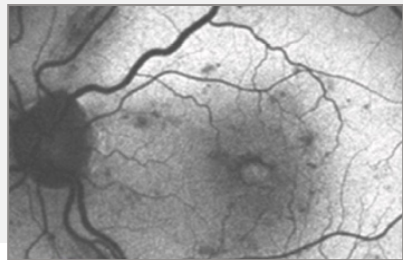


# MicroPulse® Retina Laser Treatment

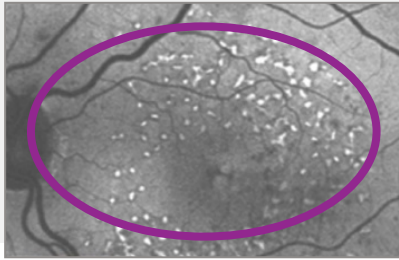
- Full Line of retina lasers and delivery devices with differentiated technology
- Premium position in retina laser systems, a more mature and price-competitive segment
- Retina business contributes two thirds of overall revenue
- Significant contributor to total IRIDEX platform scale and operating expense coverage

## Standard Laser

Pre-treatment



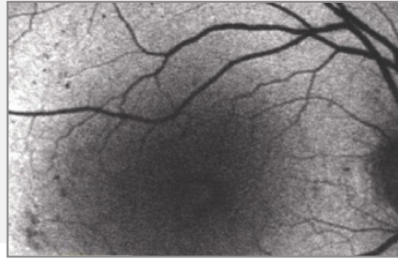
1 Year Post-treatment



*Scarring clearly visible  
using legacy laser  
technology*

## MicroPulse Laser Treatment

Pre-treatment



1 Year Post-treatment



*Scarring non-existent  
using MicroPulse*



No visible  
tissue  
damage



Long-term  
vision  
stabilization



Significantly lower cost:  
financial and treatment  
burden

# Established Customer Base and Broad Global Support



## Safety

- 10-year follow-up data proved no detectable retina damage



## Efficacy

- Randomized controlled trials showed improved vision and improved retinal sensitivity
- Over 135 published studies



## Efficiency

- More treatable patients
- Improved patient pass-through rates
- Reduce financial cost and treatment burden



## Economics

- Using anti-VEGF and MicroPulse therapy may reduce treatment burden and costs



## Established

- More than 1 million patients treated
- Over 1,200 systems sold
- More than 65 countries served



# Longer-Term Growth Opportunities

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**Launch  
New System  
Platform and  
Lasers**

**Long Runway for  
Non-Incisional  
Glaucoma  
Paradigm**

**Expand Country  
Approvals and  
Adoption Volume**

**Glaucoma and  
Retina Therapy  
Delivery Devices**



Thank you!

