VAPOTHERM®

Initial Public Offering

NOVEMBER 2018

Safe Harbor Statement

Certain statements in this presentation, including responses to questions, contain or may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this presentation are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "anticipate," "could,"' "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential" or "continue" or the negative of these terms or other similar expressions, although not all forward-looking statements contain these words. Forward-looking statements include, but are not limited to, statements concerning: estimates regarding the annual total addressable global market for our Precision Flow systems, future results of operations, financial position, research and development costs, capital requirements and our needs for additional financing; commercial success and market acceptance of our Precision Flow systems; competitive companies and technologies in our industry; our ability to enhance our Precision Flow systems, expand our indications and develop and commercialize additional products; our business model and strategic plans for our products, technologies and business, including our implementation thereof; our ability to accurately forecast customer demand for our Precision Flow systems and manage our inventory; our ability to expand, manage and maintain our direct sales and marketing organization, and to distribute our Precision Flow systems in markets outside of the United States; our ability to hire and retain our senior management and other highly qualified personnel; our ability to obtain additional financing in the offering to which this presentation relates or future offerings; our ability to commercialize or obtain regulatory approvals for our products, or the effect of delays in commercializing or obtaining regulatory approvals; FDA or other U.S. or foreign regulatory actions affecting us or the healthcare industry generally, including healthcare reform measures in the United States and international markets; the timing or likelihood of regulatory filings and approvals; our ability to establish and maintain intellectual property protection for our products or avoid claims of infringement; the volatility of the trading price of our common stock; our expectations regarding the use of proceeds from the offering to which this presentation relates; our expectations about market trends; and the other risks described in the "Risk Factors" section in the Company's Registration Statement on Form S-1, declared effective by the Securities Exchange Commission on November 13, 2018, and the Company's other filings with the Securities Exchange Commission.

The forward-looking statements in this presentation are only predictions and are based largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this presentation and are subject to a number of known and unknown risks, uncertainties and assumptions. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified and some of which are beyond our control, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur, and actual results could differ materially from those projected in the forward-looking statements. Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

VAPOTHERM®

A global medical technology company focused on treating patients with **respiratory distress**

Proprietary Hi-VNI® Technology

The **only mask-free, clinically validated** alternative to current standard of care for the treatment of respiratory distress

Clinically	Over 1.5M	Over 13K	~$41M
Validated	Patients Treated	Installed Base	Revenues* 24% YoY Growth

* LTM 9/30/18

Respiratory Distress –

Severe Difficulty Breathing –
Can't inhale enough O_2
or clear enough CO_2

Affects All Ages
– pre-term infants, children, adults

A Large and Growing Market

THE CAUSES

Pneumonia

Heart failure

Asthma

COPD

… and many other diseases

THE DRIVERS

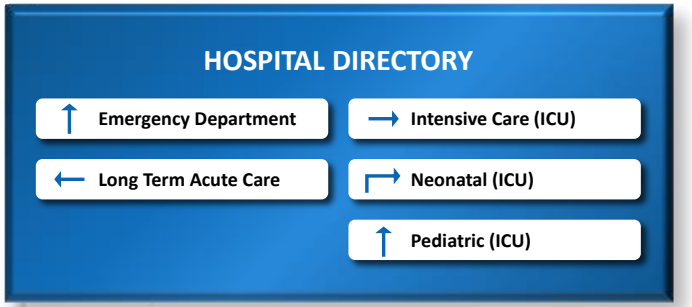
Aging population

Growing prevalence of heart failure

Growing prevalence of COPD

$1.5 Billion Global Market – in Current Products, in Current Care Areas Alone

CURRENT CARE SETTINGS

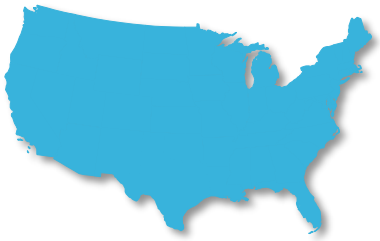


12M[1]

patients suffering respiratory distress

CURRENT ADDRESSABLE MARKETS

US



Select Ex-US[2]

Combined over

$1.5BN

[1] Suffering from respiratory distress in the US and select international markets who can benefit from Vapotherm technology
[2] UK, Germany, Brazil, Mexico, Japan, and select markets

VAPOTHERM® | Vapotherm® HiVNI™ TECHNOLOGY

Traditional Treatment Modalities
Have Limitations

LIMITATIONS

- O_2 delivery only
- Clinically unproven in patients with elevated CO_2

Oxygen-Based Therapies

- 30% patients do not tolerate
- High intensity of care
- Risks: skin breakdown, lung injury, etc.

NIPPV (Non-Invasive Positive Pressure Ventilation)

TRADITIONAL STANDARD OF CARE

35 year-old Technology

- Sedation often required
- Increases clinical risk and cost
- Difficulty weaning

Mechanical Ventilation

INVASIVENESS of Modality

ACUITY of Respiratory Distress

NIPPV:
Challenging for Many Patients and Clinicians

TIGHT-FITTING MASK

- Can't eat / drink / communicate
- Uncomfortable / claustrophobic
- Side effects: skin ulcers / risk of vomiting / aspiration

ESCALATION THERAPY

- Start at low pressure, increase as tolerated until patient stabilizes

PRESSURE VENTILATION

- Must time their breathing

ALTHOUGH EFFICACIOUS:

POORLY Tolerated | VARIABLE Administration | FREQUENT Patient Monitoring

On the Front Lines:
Care Giver Experience with NIPPV

INTERVIEWS WITH CRITICAL CARE NURSES AT THE 2018 NATIONAL TEACHING INSTITUTE & CRITICAL CARE EXPOSITION

Q How many of your patients, approximately, experience some sort of anxiety when you're applying a BiPAP or CPAP mask?

Not going to say 100%...but at least 80%.

20-30% I would say at least…they just get agitated.

Almost all of them… a lot of our patients feel claustrophobic with the masks.

Q How do you deal with that? What happens to those?

Some of them we negotiate and do the off for a while, on for a while. Some of them we have to do medication to make them calm. Sometimes somebody has to sit with them.

We give them medications, anxiety medications; Ativan, Valium, and sometimes it progresses to more aggressive treatment, you know, having to be intubated and things like that.

* Each of these statements is an expression of opinion of the individual making the statement and not of the Company and is not intended to be representative of all cases. You should not rely on any of these statements, individually or in combination, when making an investment decision.

Hi-VNI Technology:
Attractive Alternative to NIPPV

NON-OCCLUSIVE NASAL CANULA

- No mask-fitting required
- Easy to eat / drink / talk
- Better tolerated and more comfortable

DE-ESCALATION THERAPY

- Appropriate to start at high flows

NO POSITIVE PRESSURE

- Decreases risk of soft tissue damage

Clinically validated to be **AS EFFICACIOUS AS NIPPV** for spontaneously breathing patients **AND:**

BETTER Tolerated | EASIER Administration | REDUCED Patient Monitoring Potential

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Hi-VNI Technology **Redefines the Continuum** of Care for Respiratory Distress

Increased Acuity Levels of Respiratory Distress

TRADITIONAL Treatment Continuum

Oxygen

NIPPV

Mechanical Ventilation

REDEFINED Treatment Continuum

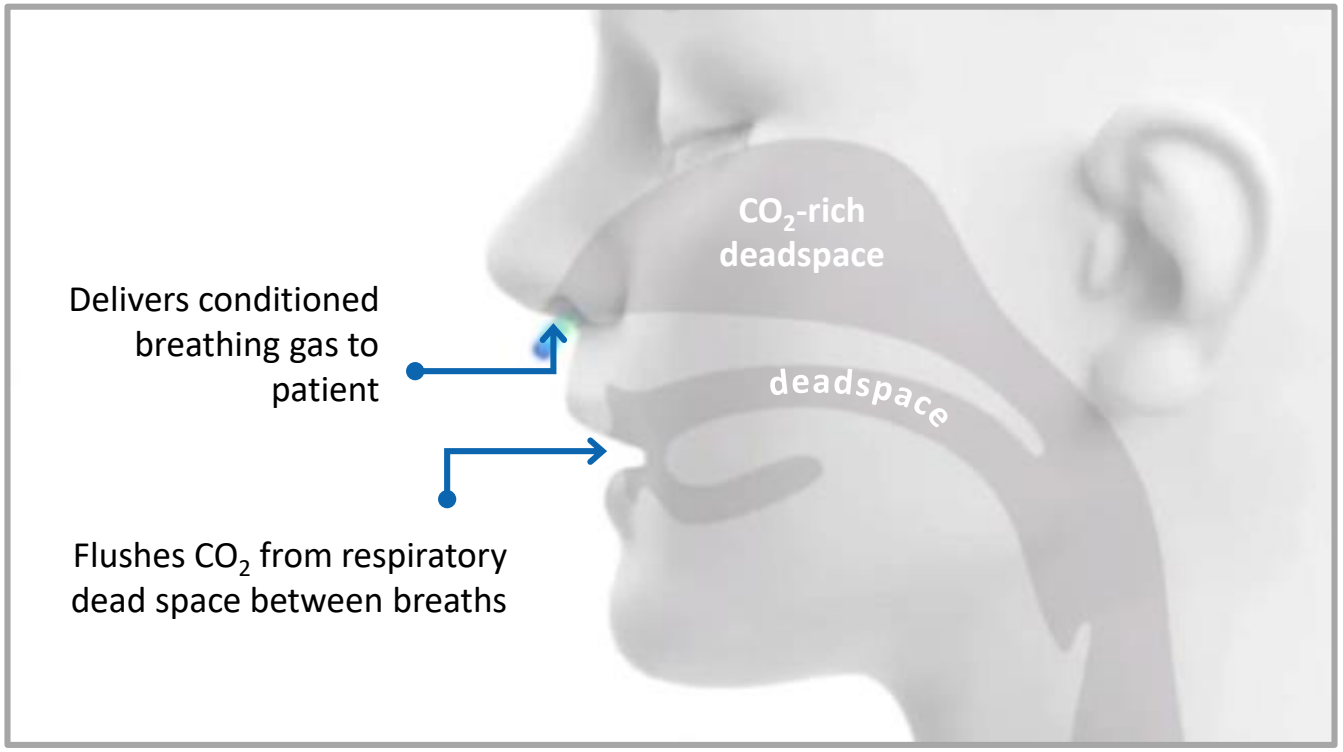
Hi-VNI Technology by Vapotherm

NIPPV

Mechanical Ventilation

> *"High velocity nasal insufflation of oxygen is easier to set up than NIPPV. Should this study's findings be replicated in larger studies, Hi-VNI might replace NIPPV in EDs, intensive care units, and ambulances."*
>
> NEJM Journal Watch – Feb 2018

Hi-VNI Technology:
Breakthrough Solution to Help **Avoid Intubation**



OUR SECRET SAUCE

High **VELOCITY**
… in an open system

Proper **HUMIDIFICATION**
… delivers adequately conditioned oxygen

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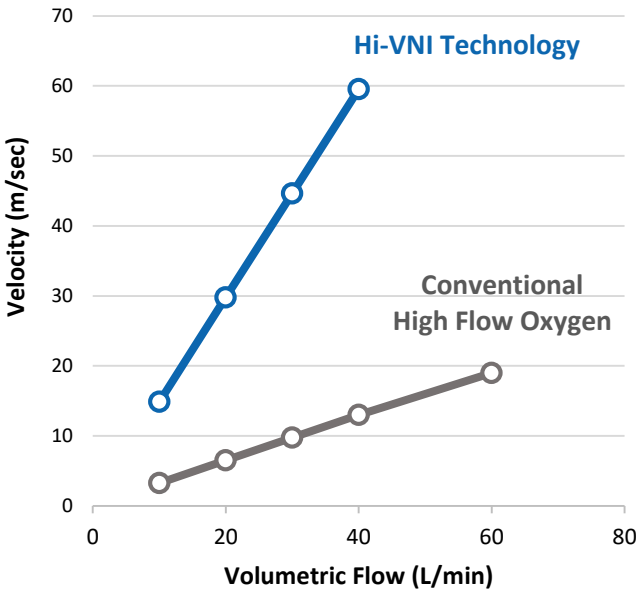
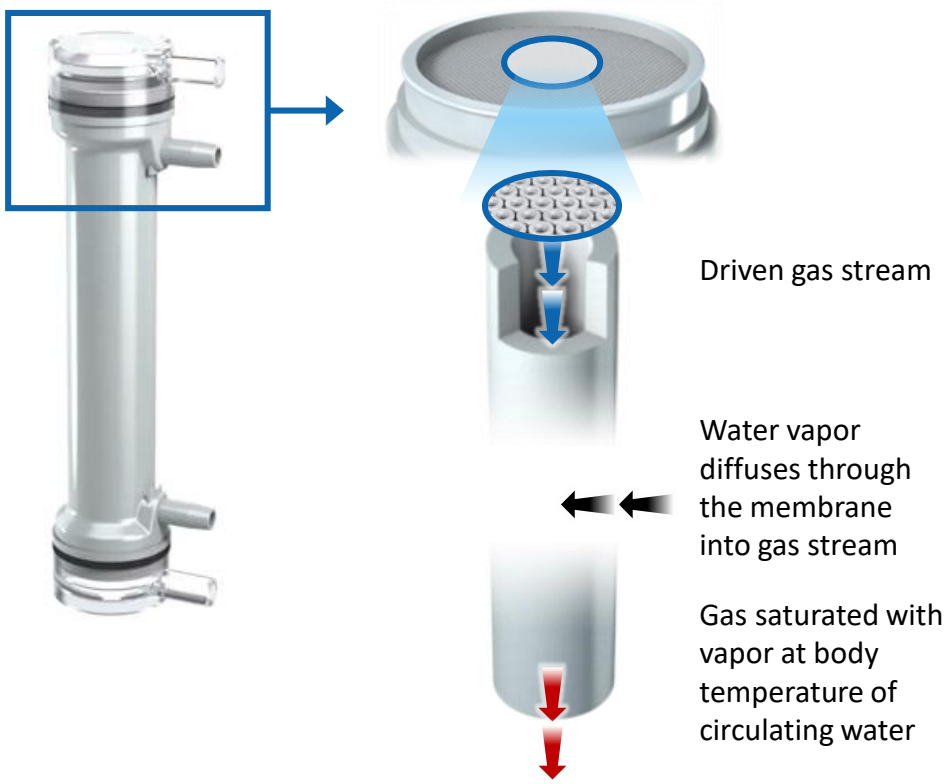
Delivering **Velocity** and **Humidification** with Hi-VNI Technology

High VELOCITY



… creates efficient flush – even in patients breathing rapidly

Proper HUMIDIFICATION



… allows patient comfort and ability to tolerate therapy

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Our Connected, Mobile, Adaptable
Precision Flow Systems

Capital Unit

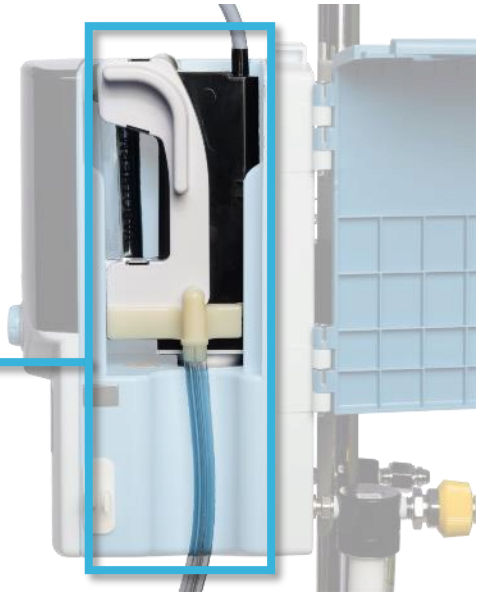
Disposables

PRECISION FLOW PLUS

Vapotherm Transfer Unit

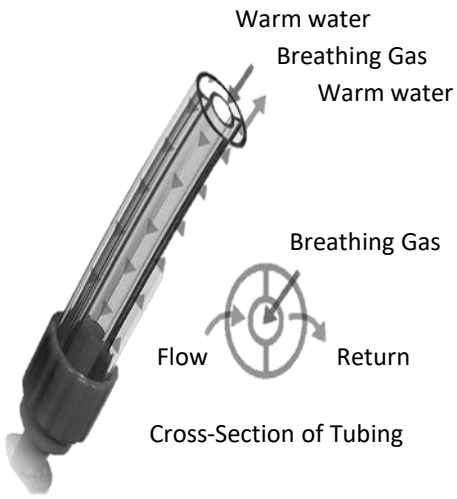
Electronic Components; Input Gas Controls

PATIENT CIRCUIT



Breathing Gas

DELIVERY TUBE



Triple-lumen Delivery Tube

Small-bore Nasal Interfaces and Adapters

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Broad Use Today Across Care Areas … and Care Givers

Physicians

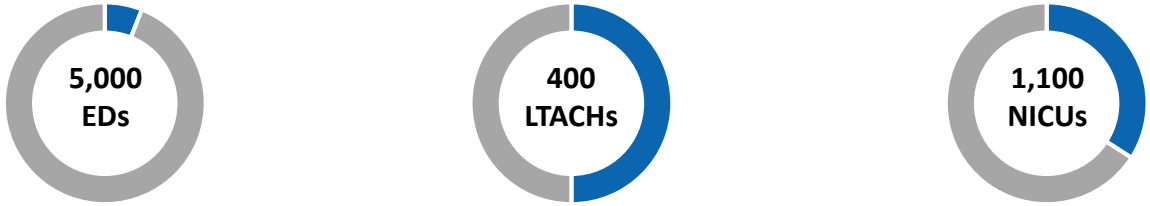
Respiratory Therapists

Nurses

HOSPITAL DIRECTORY

- Emergency Department
- Intensive Care (ICU)
- Long Term Acute Care
- Neonatal (ICU)
- Pediatric (ICU)

US OPPORTUNITY & CURRENT PENETRATION (*in blue*):



GROWTH FOCUS	Emergency departments	New hospital departments	New areas pre- and post-hospital

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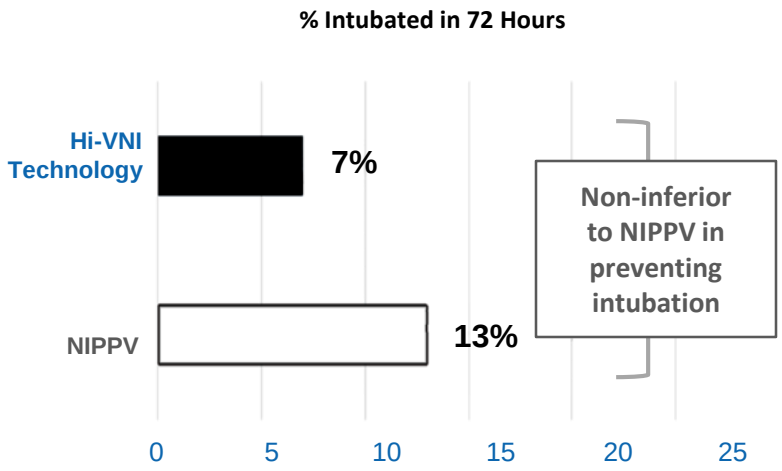
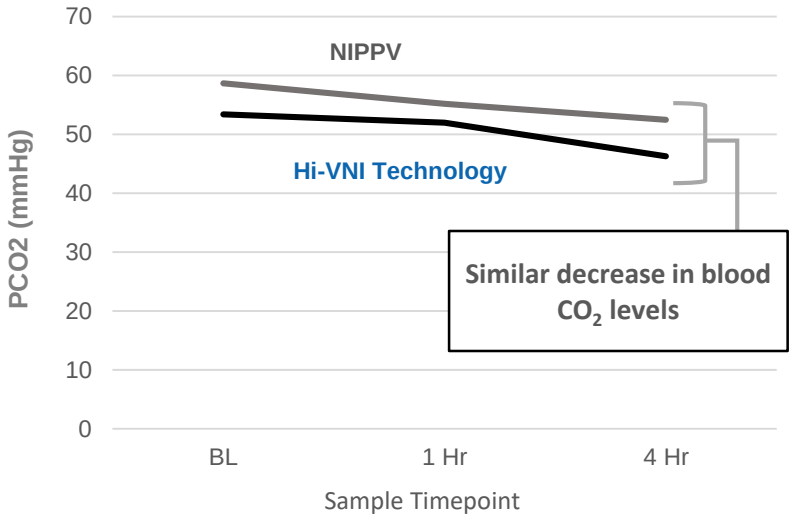
Compelling **Clinical Data**

INTUBATION RATES
Hi-VNI TECHNOLOGY vs. NIPPV



BLOOD CARBON DIOXIDE LEVELS OVER TIME



A 204-patient, multi-site prospective randomized controlled trial showed Hi-VNI is a safe and effective alternative to NIPPV for all cause respiratory distress patients

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Expanded **FDA Indications for Use**

APRIL 2018

De novo Grant for Expanded Indication for Use with Updated Version of Precision Flow Systems

Created new category and expanded indication for use:
The updated version of our system is the ONLY product listed

We believe validates clinical differentiation and value proposition, establishing Hi-VNI as attractive alternative to NIPPV

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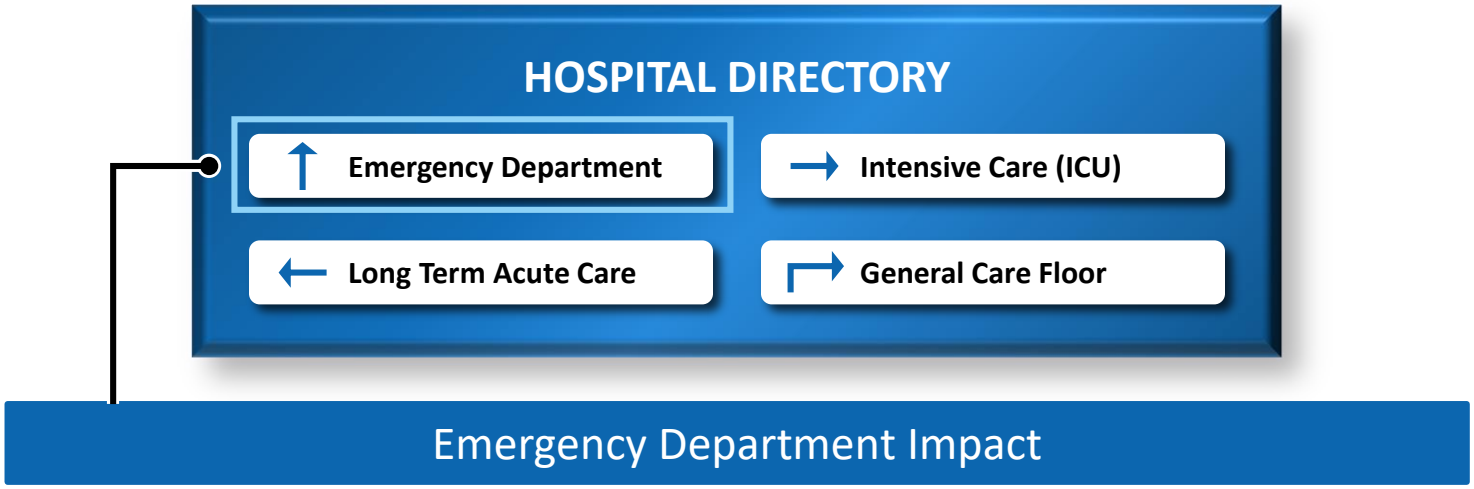
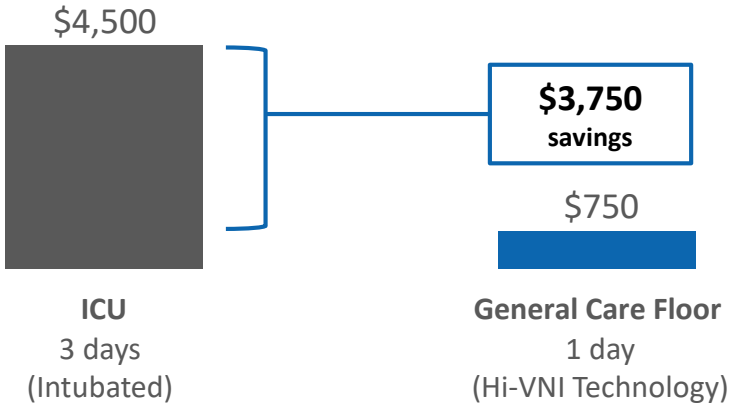
Improved Patient Experience with **Reduced Cost of Care**



(One Patient; Two Visits) [1]



1. A single-patient case study report from Athens Regional Medical Center

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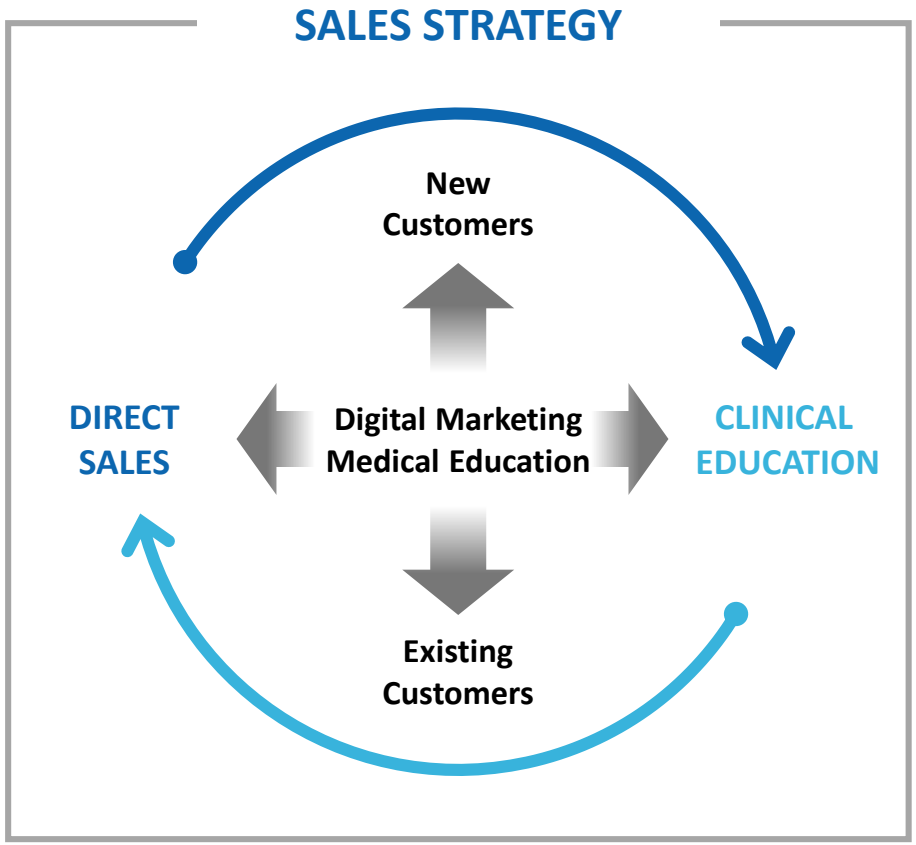
Clinically-Focused Sales Approach

US
DIRECT

100+ person
sales organization

INTERNATIONAL
DISTRIBUTORS

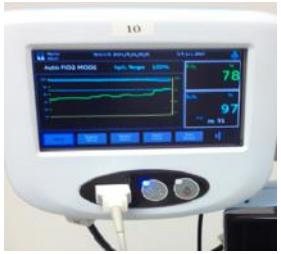
Germany, UK, Brazil,
Japan, Mexico



Pipeline of **New Products**

Updated Precision Flow Systems

- Updating electronics to comply with new regulatory requirements in Europe
- Updating software to meet requirements of *de novo* grant



Modules to simplify and automate adjustments to Precision Flow systems' delivery of oxygenated breathing gas

- Recently completed clinical trials in pre-term infants

Next Generation Hi-VNI Technology Product

- Provide high-velocity nasal insufflation using a portable device, removing requirement for access to built-in wall outlets that provide compressed air

Enhance
Current Portfolio

Market-Expanding
Products

We Hire, Develop and Retain **Talented People** in the Medical Industry

BEST 2015 COMPANIES TO WORK FOR BUSINESSNH

BEST 2016 COMPANIES TO WORK FOR BUSINESSNH

BEST 2017 COMPANIES TO WORK FOR BUSINESSNH

BEST 2018 COMPANIES TO WORK FOR BUSINESSNH

Management Team with Proven Track Record

MANAGEMENT TEAM

Joe Army
President and CEO
SALIENT SURGICAL TECHNOLOGIES · WESTAIM

John Landry
VP & CFO
Medtronic · SALIENT SURGICAL TECHNOLOGIES · Bottomline Technologies

Lindsay Becker
VP HR
silvertech

David Blouin
VP US Sales
Medtronic · SALIENT SURGICAL TECHNOLOGIES

John Coolidge
VP Operations
ASPECT MEDICAL SYSTEMS · Johnson & Johnson · Medtronic · COVIDIEN

Marc Davidson
VP R&D
Alere · COVIDIEN · ASPECT MEDICAL SYSTEMS

Jill Dooling
VP Strategic Accts
Medtronic · SALIENT SURGICAL TECHNOLOGIES · COVIDIEN

George Dungan
VP Science and Innovation
PHILIPS RESPIRONICS

Lise Halpern
VP Marketing
SALIENT SURGICAL TECHNOLOGIES · HAEMONETICS THE Blood Management Company

Richelle Helman
VP RA/QA
NeuroTherm · Teleflex

Michael McQueen
VP MedED
Envision HEALTHCARE

Gregoire Ramade
VP International
BD · PHILIPS RESPIRONICS

Experienced **Board**

BOARD OF DIRECTORS

Jim Liken
Chairman

Joe Army
President and CEO

Tony Arnerich
Investor

Bess Weatherman
Independent

Geoff Pardo
Investor

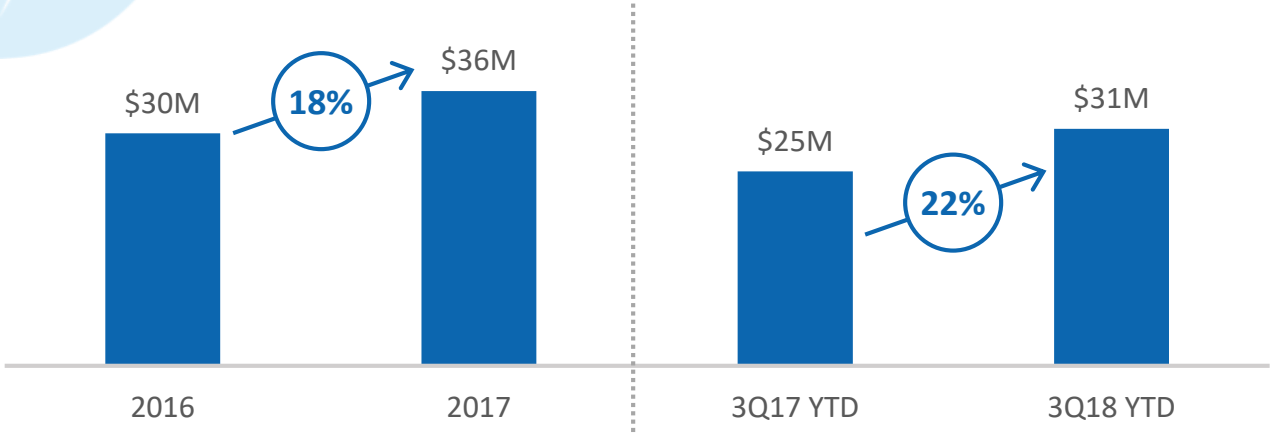
Craig Reynolds
Independent

Neal Armstrong
Independent

Marina Hahn
Independent

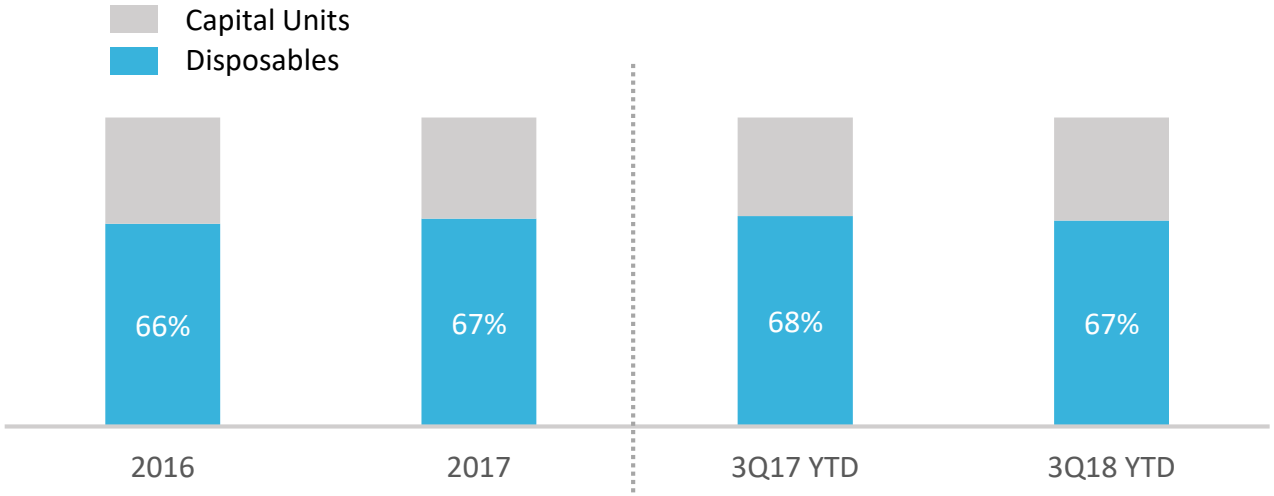
STRONG INVESTOR BASE

Revenue



As of September 30, 2018, global installed base of over 13,000 capital units

Disposables as % of Revenue



Disposables revenue driving consistent, predictable revenue

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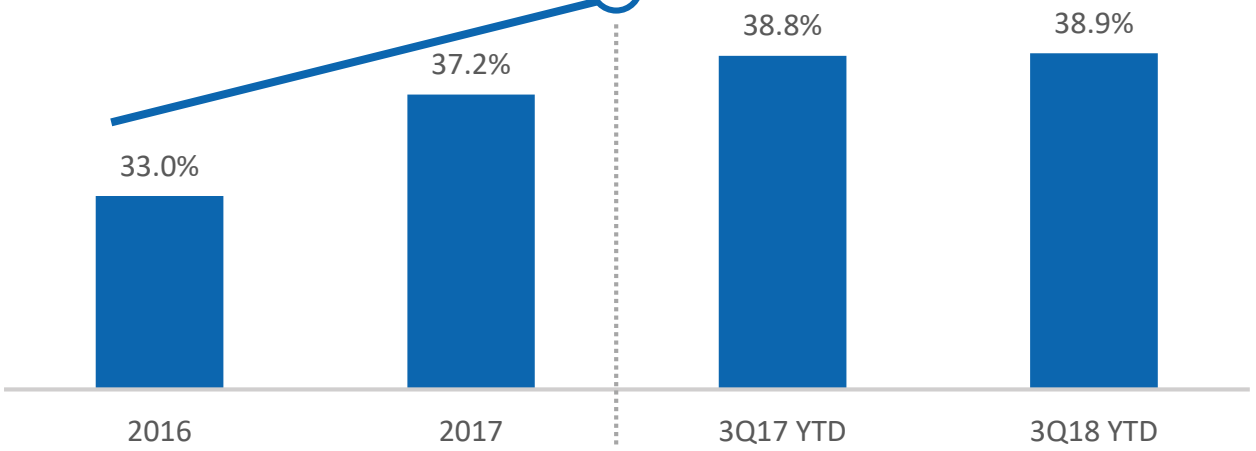
Gross Margins

Additional Gross Margin Improvement from:

1. New products
2. Cost reductions
3. Increased manufacturing volumes

Gross Margin Improvement (2016 - 3Q18 YTD):

+590 bps



Increase in the acquisition cost of delivery tubes 4Q17

Historical **P&L**

$ Thousands	FISCAL YEAR ENDING DECEMBER 31		9 MONTHS ENDED SEPTEMBER 30	
	2016	2017	2017	2018
Total Revenue	**$30,122**	**$35,597**	**$25,190**	**$30,691**
% Growth	--	*18.2%*	--	*21.8%*
Gross Profit	**$9,939**	**$13,240**	**$9,780**	**$11,954**
Gross Margin %	*33.0%*	*37.2%*	*38.8%*	*38.9%*
Sales & Marketing	20,026	26,221	18,575	24,331
% of Revenue	*66.5%*	*73.7%*	*73.7%*	*79.3%*
G&A	5,939	8,020	5,953	7,789
% of Revenue	*19.7%*	*22.5%*	*23.6%*	*25.4%*
R&D	6,211	7,569	5,441	6,074
% of Revenue	*20.6%*	*21.3%*	*21.6%*	*19.8%*
(Gain) Loss on Disposal of Fixed Assets	(14)	301	0	59
Total Operating Expenses	**$32,162**	**$42,111**	**$29,969**	**$38,253**
Loss from Operations	**($22,223)**	**($28,871)**	**($20,189)**	**($26,299)**

Building Long Term, Sustainable **Competitive Advantage**

Disruptive Hi-VNI **TECHNOLOGY** for the treatment of respiratory distress

Large global $1.5BN+ **MARKET** opportunity

Compelling body of CLINICAL DATA and an FDA *de novo* grant of expanded indications for use

Direct US **SALES FORCE** and experienced **international DISTRIBUTORS**, supported by clinical team

Robust and **growing** IP **PATENT PORTFOLIO**

Recurring REVENUE MODEL with high visibility on our disposables utilization

Experienced management **TEAM**, board and investors

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