

iPill Platform



A Patented FDA
Breakthrough Product

Smart Dispensing to prevent addiction



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The Problem — Uncontrolled Access to Controlled Substances

- **1 in 4** overdoses now involves **children** and **teens**
- **86%** Heroin Fentanyl addicts report 1st abusing prescription opioids as **children** and **teens**

Annually

\$19,333

\$1.8 million

\$7 billion

\$62 billion

\$69 billion

Costs of addiction per patient

Cost per death

Total cost of addiction

Total cost of death

Total cost to society





The Need — Opioid Security in the Home



HOSPITAL

Opioids
are locked

Pyxis / OmniCell

HOME



Opioids
are free

28,000 deaths / year

The Solution — iPill platform

Tech enabled device to reduce addiction risk

iPill APP

Actively controlled
dispensing

Prescription adherence

- ◆ Only the prescribed person can access pills
- ◆ Only at the prescribed dose



iPill Dispenser

Secure storage
Safe disposal

Tampering

- ◆ Destroys contained pills by dissolution FDA approved solution
- ◆ Unused pills automatically destroyed in 90 days


Bluetooth Connection

iPill Patient Experience - Actively controlled dispensing

Patient Registration

Step #1

Patient gets
prefilled iPill



Step #2

Scans QR code

- Automatically downloads iPill App



Step #3

Registers in app

- name
- birthdate
- face / fingerprint
- personal code



After Registration For repeated doses

Step #1

Authenticate ID

- Face / fingerprint & personal code



Step #2

Dispense opioid



2018

- ◆ A winner **FDA Innovation Challenge** for the Prevention and Treatment of Opioid Use Disorder

2019

- ◆ Designated **FDA** breakthrough product.
- ◆ Granted **US Patent & PCT** patents **EU, UK, Canada**

2020

- ◆ A winner of the **Hartford InsurTech Hub**

2020

- ◆ **FDA Class I registration May 8, 2020**
- ◆ **Paid pilot study at Rutgers's Dental School** supported by a NIDA / NIH grant





Go to Market Strategy: Target Population of Youth < 26 y/o

High risk population

- ◆ Start of addiction risk
- ◆ Reduce acute use opioids turning into a chronic risk problem

Lowest barrier to entry

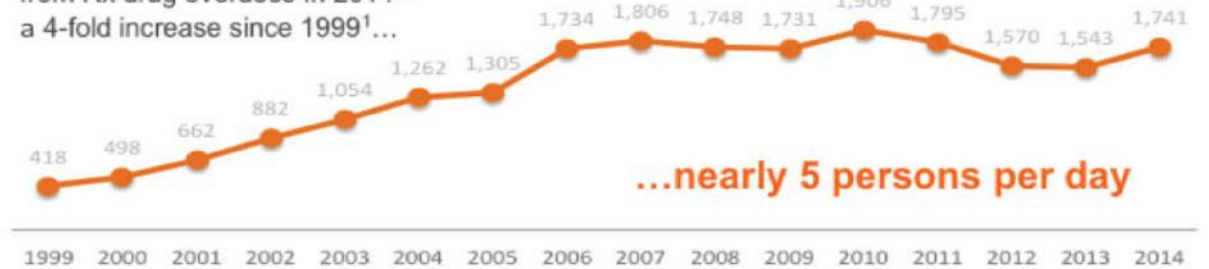
- ◆ Familiar with apps/devices
- ◆ Parental guidance

Highest cost to society

- ◆ Long term addiction cost
- ◆ Greatest loss of worker productivity

CONSEQUENCES

More than 1,700 young adults, ages 18-24, died from Rx drug overdose in 2014—a 4-fold increase since 1999¹...



...nearly 5 persons per day

Among young adults, for every death due to Rx drug overdose, there were:

119

Emergency Room Visits⁶

&

22

Treatment Admissions⁷



Software plus Hardware



App is free to users

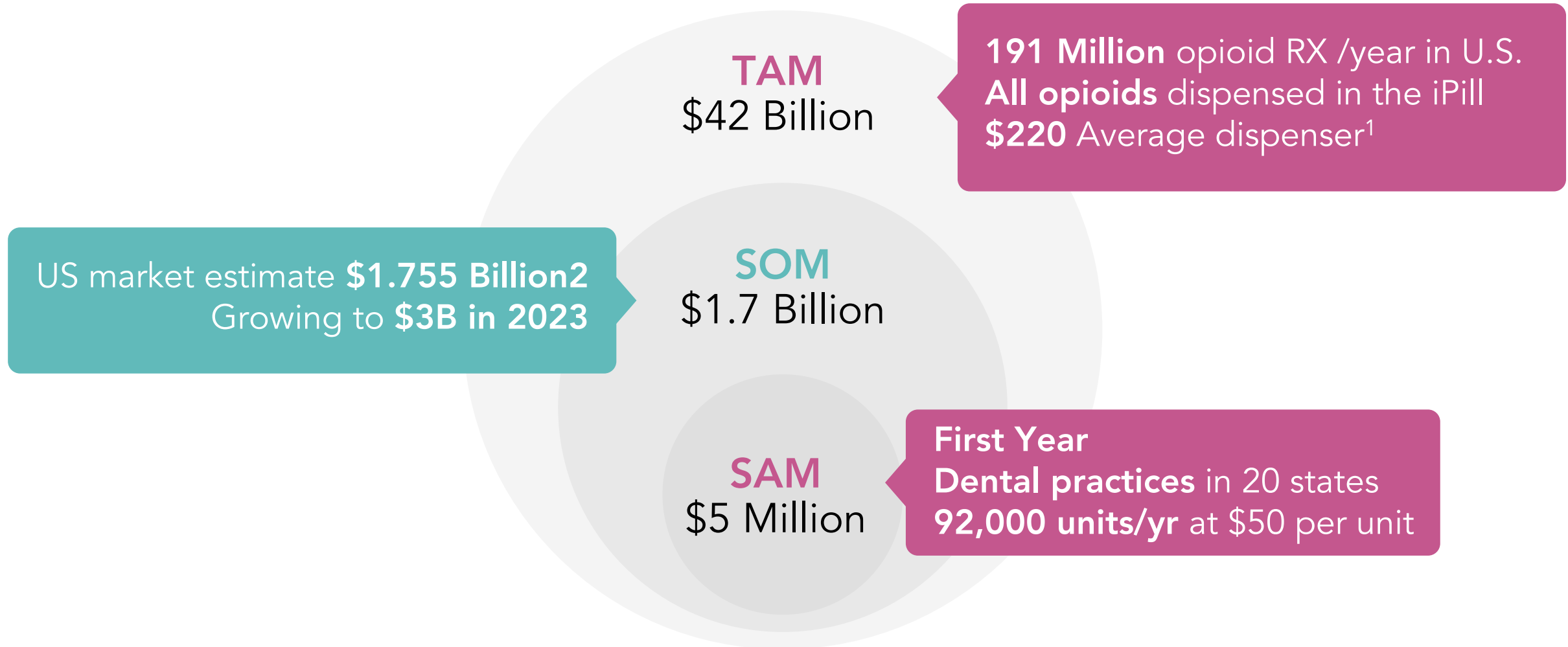


Dispensers paid by insurance

Discussions with CVS-Aetna
Interested to cover because of long term costs in
this population is throughout their lifecycle



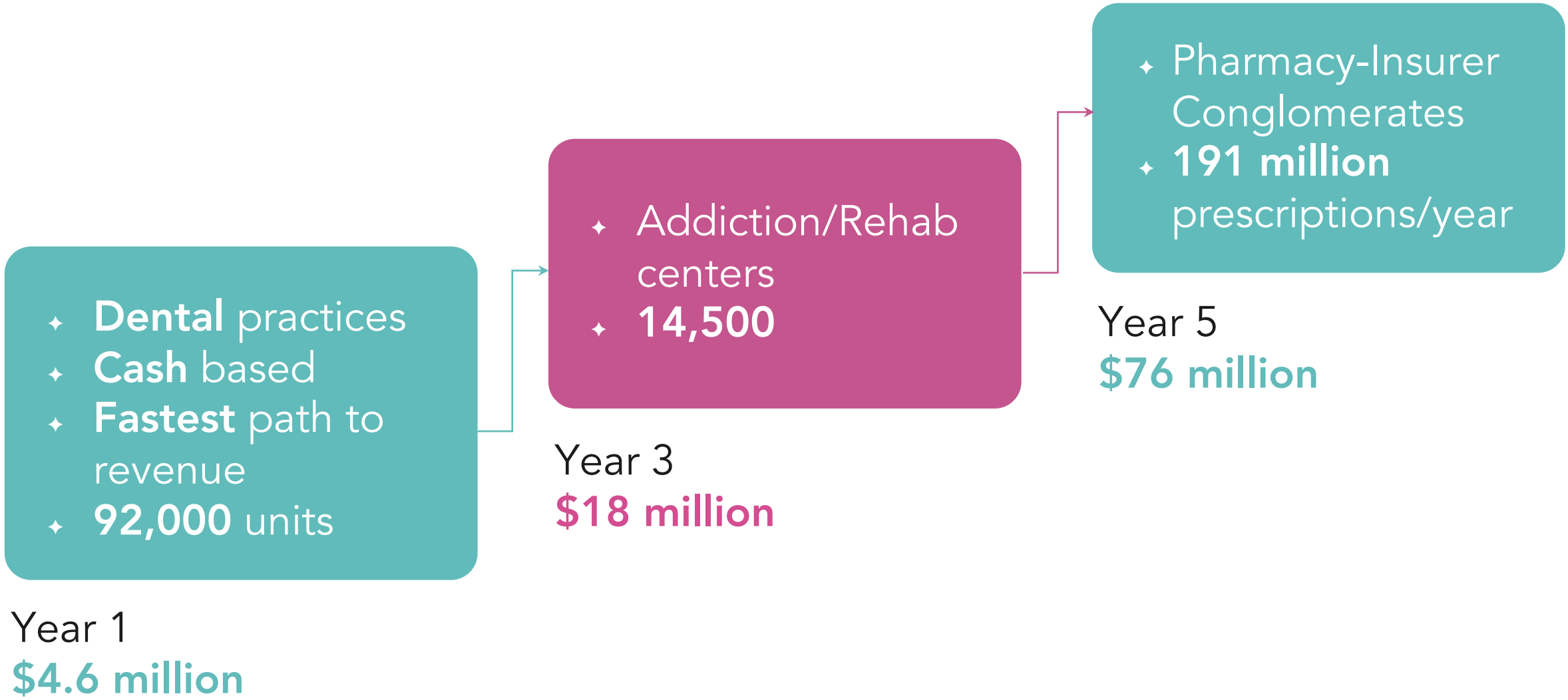
iPill — Opportunity to lead prevention of addiction in the children and teens



1. <https://www.medgadget.com/2019/10/automatic-pill-dispenser-market-2019-global-industry-analysis-by-size-share-trends-growth-business-opportunities-type-end-user-and-regions-upto-2024.html>
2. <https://www.top5reviewed.com/automatic-pill-dispensers/>

iPill Market Strategy — Higher ROI

Revenue model: Saas + Hardware





iPillUnit Economics

Young adults age 18-25 are the biggest abusers of prescription opioids	Overdose deaths <26 y/o	iPill used in <u>at risk</u> <26 y/o	iPill used in <u>all</u> <26 y/o	35-55 y/o	55+	Source
			Highest opioid use without a prescription	Highest overdose death rate		https://pubmed.ncbi.nlm.nih.gov/29049118/ https://ucdavis.pure.elsevier.com/en/publications/psychological-comorbidities-predicting-prescription-opioid-abuse- https://drugabuse.com/prescription-opiates/
Number of People	3700	3.2 million	40 million	83 million	59 million	US Census 2019 www.americanaddictioncenters.org
Number of Opioid Scripts		1.8million	23 million	48 million	34 million	% of population per RX
iPill sales price	\$50/unit	\$162 million	\$2 billion	\$4 billion	\$3 billion	
iPill cost of manufacturing	\$15/unit	\$15 million	\$600 million	\$1.2 billion	\$885 million	Ennoconn/Foxconn
iPill Gross margin	35/UNIT	\$147 million	\$1.4 billion	\$2.8 billion	\$2.1 billion	CVS-Aetna



iPill Team

Management



- ◆ **John Hsu MD,**
Anesthesiologist
- ◆ Pain management for 28 years



- ◆ **James Yang, BS,**
Software Engineer,
- ◆ Ticketmaster and Hilton Hotel apps



- ◆ **Bruce Sargeant, BSEE**
Hardware Engineer
- ◆ Developer of Velodyne

Advisors



Daniel I. Sessler, MD, Professor Cleveland Clinic editor of Anesthesiology



Brian Harvey MD, PhD, Former CDRH Dir. of FDA



Omar Sinno MD, MBA Former VPMA of Unite Genomics

Board



- ◆ **Sherie Hsieh, BS Co-Founder**
Clinical Toxicologist



- ◆ **Nick Spring**
Exited from medical device and biopharma company



- ◆ **Peter Weinstein, PhD, JD**
IP Attorney, Baxter



Jared Adams, MD, PhD SelfCare Catalysts



Robert Nickell, PharmD FDA pharmacy Regulations



Competitive Analysis — Market Competitors



iPill
\$50



Child Resistant Cap



Hero
\$399



Protex RX
\$189



Med Time
\$289



Auto Pill
\$69.95



Med Ready
\$179



Med Smart
\$589.99



TAD
Est. \$200



Medica Safe
Est.\$250

Prescription adherence ↑

✓✓

✓

✓

✓

✓

✓

✓

✓

✓

Deterrence ↑

✓✓

✓

✓

✓

✓

Secure storage

✓✓

✓✓

✓

Safe disposal

✓✓

Destroys drug

✓✓

Unused opioids ↓

✓✓

Healthcare cost ↓

✓✓

Provider liability ↓

✓✓

Manufacturer liability ↓

✓✓

What makes iPill different:

- Destroys pills on tampering and at 90 days
- 2-point authentication for active controlled dispensing.
- Low cost

\$1.5 million



12 months

Q3 2020

- ◆ Market Launch Class I product
- ◆ Working with Foxconn manufacture iPill
- ◆ Make a 15 pill model

Q2 2020

- ◆ FDA Class I registration



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A Smart Dispenser for
Revolutionary
Prescription
Safety

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