Figure 2

Service Utilization Among Medicaid and Uninsured Nonelderly Adults at or below 138% FPL, 2009

- Medicaid with Respiratory Disease
- Medicaid without Respiratory Disease
- Uninsured with Respiratory Disease

<table>
<thead>
<tr>
<th>Category</th>
<th>Medicaid w/ Respiratory Disease</th>
<th>Medicaid w/o Respiratory Disease</th>
<th>Uninsured w/ Respiratory Disease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Office Visits</td>
<td>10.7†</td>
<td>3.2</td>
<td>1.2</td>
</tr>
<tr>
<td>Number of Prescriptions/Month</td>
<td>5.6</td>
<td>1.2</td>
<td>1.1</td>
</tr>
<tr>
<td>Any Inpatient Stay</td>
<td>3.5†</td>
<td>1.2</td>
<td>6%</td>
</tr>
<tr>
<td>Any ED Visit</td>
<td>19%*</td>
<td>17%</td>
<td>23%</td>
</tr>
</tbody>
</table>

*Statistically different from Uninsured (p<0.05). †Statistically different from without respiratory disease (p<0.05)

SOURCE: Kaiser Family Foundation analysis of 2009 Medical Expenditure Panel Survey data.
$56 Billion per yr.
Remote monitoring is trending up for chronic conditions

CAGR = 13.4%

U.S. remote patient monitoring devices market
2014 – 2025 ($MM)
01. TRACK
Use the PulmaWear device and connected application to monitor key indicators of lung function including wheezing, coughing and inhalation/exhalation rate.

02. TRENDS
The PulmaWear platform allows you to track daily, weekly and monthly trends in lung function against key control measures including medication usage, symptom triggers and peak flow measurements.

03. MANAGE
Communicate symptoms, triggers and medication usage with a caregiver, parents or your provider through an SMS message or email notification.
Value Proposition

A wearable lung monitor and connected mobile platform where people can remotely self-manage asthma to:

- **BETTER IDENTIFY** asthma symptoms and episodes
- **IMPROVE COMPLIANCE** with medication and therapies
- **SAVE MONEY** with fewer ER visits, missed work
Wear + Sync
Monitor symptoms
Take action
Tech Progress

2016

- Proof of Concept
- Literature Review

2017

- Prototype III
- Wearability
- Prototype IV
- Algorithm

Figure 1. Example of Spectrogram.
<table>
<thead>
<tr>
<th>Feature Description</th>
<th>Pulmawear™</th>
<th>AirSonea®</th>
<th>Asthma Wing®</th>
<th>Spirometer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pulmonary Function Calculation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health Management Platform</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internet of Things (IoT)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Trigger Tracking</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hands-Free Monitoring</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Interest in integrating our remote monitoring device for pulmonary focused trials & studies

Letter of Support from 2 Asthma Researchers

Usability Studies with 30+ patients and 10+ providers are in IRB Approval (March 2017)

Healthy Cities NJ Pilot Program Stage 2 (March 2018)

Potential access to 100K+ Asthma patients through existing managed care portfolio (2019)
Market Validation

Physician Promotion and Interest

8.2/10
Promoter Score

90%
Like the device design

Providers want:
Lung Trend Data
Correlation to Medication
Reimbursement for Pulmawear data review

20+ practitioners were surveyed and interviewed across several disciplines:

- Pulmonologists
- Primary Care Physicians
- Respiratory Therapists
Patients + Caregivers Willing to Buy & Use

60+ patient and parent respondents

92%
Believe will help improve their asthma management

70%
Willing to pay out of pocket for Pulmawear

$50-$150
Range of price responses
**Revenue Model**

- **B2B**
  (~50% of total addressable market)

- **18M Patients**
  In CMS Asthma/COPD Managed Care*

- **1M Volunteers**
  In CRO and Research Studies

- **$15**
  per patient/month

* CMS Patients with Asthma/COPD X % Enrolled in CMS Managed Care
Revenue Model

B2C
(~50% of total addressable market)

20M Patients
Pediatric Asthmatics
Active Adult Asthmatics
Elderly Asthma/COPD Patients

$200 + $1.99
per device     monthly app price
## Road Map

<table>
<thead>
<tr>
<th>Alpha Prototype</th>
<th>Full Development</th>
<th>Approval &amp; Pilots</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar 2017</td>
<td>Dec 2017</td>
<td>2018</td>
</tr>
<tr>
<td>Functional Prototype</td>
<td>Product Optimization</td>
<td>Class II Device</td>
</tr>
<tr>
<td>Noise Cancellation Software</td>
<td>Packaging</td>
<td>510(k) Clearance</td>
</tr>
<tr>
<td>Primary Lung Sound Algorithms</td>
<td>Testing Units</td>
<td>Vendor Audits</td>
</tr>
<tr>
<td>Product-Market-Fit Testing</td>
<td>Mobile App Integration</td>
<td>Pilot Programs / Clinical Validation</td>
</tr>
<tr>
<td>Provisional IP Filed</td>
<td>File Utility</td>
<td></td>
</tr>
<tr>
<td>Indiegogo Campaign</td>
<td></td>
<td>B2B Launch</td>
</tr>
</tbody>
</table>

- **Mar 2017**: Alpha Prototype
- **Dec 2017**: Full Development
- **2018**: Approval & Pilots
- **2019**: B2B Launch
## Financials

<table>
<thead>
<tr>
<th>Element</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit Sales</td>
<td>9</td>
<td>9</td>
<td>9,999</td>
<td>99,999</td>
<td>999,999</td>
</tr>
<tr>
<td>Device $(000)</td>
<td>$9</td>
<td>$9</td>
<td>$9,999</td>
<td>$9,999</td>
<td>$99,999</td>
</tr>
<tr>
<td>SaaS $(000)</td>
<td>$9</td>
<td>$9</td>
<td>$99</td>
<td>$999</td>
<td>$9,999</td>
</tr>
<tr>
<td>Total Sales $(000)</td>
<td>$9</td>
<td>$9</td>
<td>$9,999</td>
<td>$9,999</td>
<td>$99,999</td>
</tr>
<tr>
<td>Expenses $(000)</td>
<td>$999</td>
<td>$999</td>
<td>$9,999</td>
<td>$9,999</td>
<td>$99,999</td>
</tr>
<tr>
<td>EBITDA $(000)</td>
<td>($999)</td>
<td>($999)</td>
<td>$99</td>
<td>$9,999</td>
<td>$99,999</td>
</tr>
</tbody>
</table>
Management Team

CEO
Nick Delmonico, CPA MBA Candidate

Device Engineer
Kan Au, MD, B.Eng.

Software Engineer
Tanziyah Muqeem, B.Eng. MD/PhD Candidate
Advisors / Mentors

Dr. Joan Dorn
CUNY School of Medicine – Dept. Chair
Asthma Population Health Researcher

Dr. Gary Fletcher
CEO SpherVis
R&D Consultant

Mrs. Jan Oldenburg
Patient Engagement Consultant
Co-Chair of HIMSS Connected Health

Mr. Don Ragas
CTO ERT
Clinical Research Organization Technology
Asthma/COPD is the #3 costliest chronic disease behind Heart Disease and Diabetes.

Remote patient monitoring of those conditions has improved outcomes and reduced costs.

The next frontier is respiratory disease monitoring.
Real-Time Monitoring

Trend Analysis

Value Drivers
Seed Round Fundraising Strategy - $500K

February 2017

Smithwise and Ben Franklin Investment* and Family/Friends ($20K)

March 2017

WeWork Creator Awards ($36k)

April 2017

UD Business Competition ($10k*)

May 2017

NextFab Hardware Accelerator ($25K)

June 2017

Temple Business Competition ($20k)

July 2017

Ben Franklin TAF Loan ($50K)

MADV / Angel Venture Forum ($350K)

Various Accelerator / Incubator programs across the country including DreamIt Health, 500 Startups, TechStars, Boomtown Health, Rock Health, Quake Capital and Bolt.io Hardware
## Break-Even Analysis

### 2016-2019

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>$9,999,999</td>
<td></td>
</tr>
<tr>
<td><strong>Contribution Margin</strong></td>
<td>Gross Margin</td>
<td>999,999</td>
</tr>
<tr>
<td></td>
<td>Net Sales</td>
<td>9,999,999</td>
</tr>
<tr>
<td><strong>Break-even point ($Sales)</strong></td>
<td>Total Operating Expenses</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Contribution Margin</td>
<td></td>
</tr>
</tbody>
</table>

*Break-even estimated in Q9 2099*
Use of Proceeds – Develop MVP

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost (kUSD)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>99,999</td>
<td>soldering tools, RF test equipment, hand tools, office equipment</td>
</tr>
<tr>
<td>FCC Certification</td>
<td>99,999</td>
<td>out-sourced pre-screening, intentional radiator plus EMI/EMC testing -- will obtain FCC ID</td>
</tr>
<tr>
<td>Prototype Manufacturing</td>
<td>99,999</td>
<td>two spins at 4 kUSD/spin (quick turn)</td>
</tr>
<tr>
<td>Labor</td>
<td>999,999</td>
<td>three highly-talented technical team-members for 6mo, each at $100k/yr salary, total $150k/yr incl. payroll tax, benefits, &amp; insurance</td>
</tr>
<tr>
<td>Cloud Computing</td>
<td>99,999</td>
<td>to develop a Cloud Computing machine learning component to the software</td>
</tr>
<tr>
<td>Administrative Overhead &amp; Overruns</td>
<td>99,999</td>
<td>for project management and ancillary costs (20% of labor costs)</td>
</tr>
<tr>
<td>&amp; Overruns (20% of labor costs)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PROJECT TOTAL</td>
<td>999,9990</td>
<td>total product development costs, not including: marketing, corporate, legal, production, rent, utilities, and importantly labor runway post-6mo</td>
</tr>
</tbody>
</table>