

TREK READER LLC

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VISION

Significantly contribute to the population health of elementary SCHOOL children.

Trek Reader LLC is envisioned to provide anyone a portable, simple and economical way to test for 20 human pathogens* (illnesses) quickly and inexpensively at any location.

***The funding is for a system with twenty FDA approved tests but the potential is for over 70 tests.**



MISSION

Leverage existing health technology that can be used by parents and elementary school staff to determine the infection of children and help give parents and health care professionals, government leadership and the CDC the advance notice to provide health care remedies in an economical and efficient manner.

OBJECTIVES

- Improve the population health of millions of elementary school children in the U.S., their teachers and their families.
- Produce an inexpensive hand held reader (TREK READER, a universal reader) that will be used to read a minimum of twenty FDA approved tests of common illnesses children come down with every year.
- With the test results, help these sick children gain an up to two-day head start on treating these illnesses thus reducing the length and severity of illness.
- Provide leadership at all levels of government, (local, state, federal and global) real time data on location and infection rates of migration .
- Develop a company that generates revenues in excess of several hundred million dollars per year.

GOALS

- Completed ... *An advanced Prototype/Proof of concept fielded test with the US Army.*
- Completed ... Place a contract with the U.S.Army Chemical and Biological Center (Formerly the Edgewood Chemical and Biological Center) to complete the engineering and provide a production ready engineering package to initiate the first run of production Trek Readers.
- In Progress ... Acquire investor funding to complete the contract and the first production run of 1000 units.
- Develop a company generating several hundred million dollars a year.

WHAT PROBLEM DOES TREK READER ADDRESS?

- **National Impacts of the Flu (Covid 19):**

- Of the 74,000,000 children under the age of 18 in the United States, recent statistics estimate that 9.3%, or more than 6,500,000 children were affected in the recent season (Tokars, Olsen, & Reed, 2018). CDC estimates between 7,000-26,000 children under the age of 5 are hospitalized annually due to flu related complications.
- Estimates of the economic burden of seasonal flu are about \$10.4 - \$11.2 billion in the United States (Putri, Muscatello, Stockwell & Newall, 2018).
- Leadership does not have the real time data to make strategic and tactical decisions and allocate resources to successfully reduce the spread of infections and save lives.
- We believe a 10-20% penetration of this market will achieve a revenue in excess of several hundred million \$ a year.
 - *Looking to Improve Population Health **IN REAL TIME***
 - *Reduce the cost **DRAMATICALLY***
 - **Save Lives**

USE CASE THE TIME FOR TREK READER TECHNOLOGY IS NOW

- **Timing:** is ideal for schools and daycares to be protected by Trek Reader:
 - **The Trek Reader can save each school \$30,000 a year (almost enough to hire another teacher)**
 - **The Trek Reader difference: TR can confirm the toxin ~ 48 hours prior to the child presenting a fever.**
 - ***Trek Reader technology provides rapid, low cost, and on-site testing result within 15 mins, for a minimum of 20 contagious diseases.***
 - **Trek Reader System: TR** plus a Commercial Off the Shelf (COTS) Smart Phone & Physiological Monitor (ex: Apple watch) can aggregate data to share along with recommendations for care. (Ex: Center for Disease Control – National Outbreak Reporting System) Phone: education, communication to a Health Care Provider, parental notification, and physiological monitoring. An Electronic Medical Record will also record the care.

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USE CASE (2) THE TIME FOR TREK READER TECHNOLOGY IS NOW

- **Educational Advantages:** (by category)
 - **Patient** advantage. Early initiation of treatment reduces both the contagion to others and duration and severity of illness.
 - **School** Advantage: Fewer lost teacher days means cost avoidance for Substitutes (\$75/day saves \$3000 *each month/ site*).
 - **Day Care** Advantage: fewer lost Daycare staff days, saves \$3,640 costs avoidance, for staff (\$12 /hr.) sick days, / mo./ site.
 - **Reduction** of Parent and Child Stress

TREK READER IN-A-NUTSHELL

- **Trek Reader**

- Hand Held Portable Pathogen Reader that will test for
- 20 different infections.

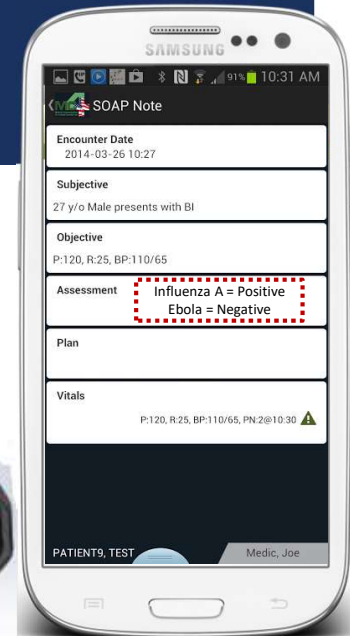
- **Trek Reader System**

- Trek Reader plus a COTS (Commercial Off The Shelf) Smart Phone and COTS Physiological Monitor
- Provides real time Physiological Monitoring and Patient Care Considerations.



TREK READER HISTORY ... THE SMARTCAR

- Proof of Concept – SMART Colorimetric Assay Reader
- Prototype
- Evaluation – 3 years
- Approximately \$3 Million Invested



The opportunity now is to Scale this up and expand on its capabilities for the private sector.

THE PARTNERS

- US Army Edgewood Chemical and Biological Center**
 - Contract (CRADA): Trek Reader Complete Engineering Package

THIS IS AN IMPORTANT PARTNERSHIP

- Investor (TBD)

- ** Name Changed to U.S.Army Chemical and Biological Center

FINANCIAL CONSIDERATIONS

Projected Financial
Statement

Critical Factors Determining
Profitability

Return on Investment

Information on Profitability

PROJECTED FINANCIAL RETURNS BY MARKET PENETRATION

| Market | 100% | 2% | 3% | 5% | 10% | 15% | 20% |
|----------------------|-----------|--|--------|--------|---------|---------|---------|
| Elementary Education | | | | | | | |
| Total Net Sales | 582,658 | 11,653 | 17,480 | 29,133 | 58,266 | 87,399 | 116,532 |
| Minority | | | | | | | |
| Total Net Sales | 1,415,290 | 28,306 | 42,459 | 70,764 | 141,529 | 212,293 | 283,058 |
| Army (Deployed) | | | | | | | |
| Total Net Sales | 568,000 | Assumes 100% of the medics receive a TR all deployed soldiers. | | | | | |
| Colleges | | | | | | | |
| Total Net Sales | 96,510 | 1,930 | 2,895 | 4,825 | 9,651 | 14,476 | 19,302 |

Numbers are \$, and x 1000

Net Sales includes TR and Test strip Sales but does NOT include Organization Budget.

With an initial Post CRADA budget of \$4 million a year the projects will cover that organization cost.

WHY MARKET PENETRATION CRITICAL FINANCIAL CONSIDERATIONS

Institutions and People are the focus of TR Testing ... Not ...the Lab facilities and doctors office labs.

- TR Market focuses on institutions and homes
 - Schools
 - Homes
 - Colleges
 - Mobile Health Professionals
- NOT Labs (National Labs, Physician Offices)
- Financially the Numbers are Larger
 - Millions of Households
 - Thousands of Schools/Colleges
 - Millions of Sick Children and Adults that do not go to a clinic early in the earlier stage of an illness.

There appears to be little market penetration for the target populations of TR LLC.

POINT OF CONCERN VS. POINT OF CARE

- US Health Care is Point of Care centric i.e. care and thus testing is located at the doctors office or hospital.
- The U.S.Army has Point of Care with four Roles or Levels from the fields Point of Injury to increasing medical facilities with the highest being in the Medical facilities in the States.
- Point of Concern is when the individual wants to know if the person is sick. Parents and Institutions have the institutional perspective that (except for a few over the counter test) they must go to a medical facility to get tested. It could takes hours to days depending upon the individuals situation.

*Ask an Army medic if he ever evaluated a soldier in the field or in the back of a Humvee and see what they say.
The answer ... "All the Time.: Ask him if he records it in the Electric Medical Record ..He or she will say "almost never."
It is the same with parents or institution personnel. Almost never but they are evaluating all the time.*

FINANCIAL NUMBERS ASSUMPTION

Institutions and or Homes

- When seeing the calculations we have sources in the public domain.
- Households for Minorities: Us Census
- Colleges: >>>>>
- Elementary Schools >>>>>
- U.S.Army Military >>>>>

People with a Concern

- Population Resident in the U.S. Household
- Colleges
- Elementary Schools
- U.S.Army: Fielded Personnel at the highest surge

TREK READER AND TEST MARGINS

The Trek Reader

- We are looking for a margin of \$650 per unit.
 - The TR will cost a few hundred to build and ship.
 - The actual cost is unknown for now but we are confident in the rough cost of the circuit boards and the cases, integration and shipping.
 - Numbers with a greater fidelity will emerge as the Army completes their contract (CRADA) with TR LLC.

The Test Strips

- We are using a margin of \$5 per test sold.
- Test cost from the test companies range between a few dollars to hundreds. But the one we focus on are dollars. For example Influenza a is \$16.55. We mark it up \$5.
- How many test used for each reader is a guess. But we feel a TR Unit would use 30 per day test per season.
- Institutions would use thousands in a 9 month season.

*Margins are not higher because of the very large number of locations and numbers of parents.
Focusing our pricing thus allows us to keep the costs down and increase the volume of Reader and Tests sold.*

WHERE DOES THE INITIAL INVESTMENT GO?

- 1.425 Million Contract with the U.S. Army:
 - Provides all the science and engineering to produce and scale up production.
 - Production documentation
 - Competitor Studies and product cost
 - Demo Support for Marketing
- \$675,000 Non CRADA Budget Deliverables
 - Marketing
 - Phone Integration
 - Physiological Monitor Integration
 - Initial 1000 TRs
 - Travel
 - Legal, Legislative, Insurance etc.

*The above is based upon the CRADA contract period of 18 months.
Not: the principles (Dave, Brent Rob) will not take salary during this period unless sales escalate significantly.
The primary focus is to apply as much of the sales as possible to increase production.*

READERS/TESTS REQUIRED TO MEET % MARKET PENETRATION

| Elementary Schools (Penetration) | 100 % | 2 % | 3 % | 5% | 10% | 15 % | 20 % |
|--|-------------|-----------|-----------|------------|------------|------------|------------|
| Total # Readers Required for Production | 989,091 | 19,782 | 29,673 | 49,455 | 98,909 | 148,364 | 198,818 |
| Total # Tests Required | 285,930,952 | 5,718,619 | 8,577,929 | 14,269,548 | 28,593,095 | 42,889,643 | 57,186,190 |

BUDGET REQUIRED TO MEET MARKET PENETRATION

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|---|-------------------|-----------|-----------|------------|------------|------------|------------|
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| Required Budget (Estimated per year for Organization) | Not Applicable | 97,000 | 97,000 | 97,000 | 97,000 | Unknown | Unknown |

FUTURE CONSIDERATIONS

- Doc In a Box
 - CVS
 - Walgreens
 - Walmart
 - **BORDER CROSSING**
- Military Medicine
- World Health Organization
- Private Homes
- Medical Offices/Hospitals
- Other Countries
- Technology Evolution
 - Hazmat TrekReader
 - Blood TrekReader
 - Genetic TrekReader
- Go Public

FOR ADDITIONAL IN DEPTH INFO

- TR a Brief Information Introduction
- Trek Reader Plan of Opportunity
- Trek Reader Press Release
- CRADA Explained
- JUPITR Report: *Recommendations on the Use of Diagnostic Devices in Far Forward Military*
- Economic Burden of Influenza in the U.S.

THANK YOU

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