

# Exceptional New Product Opportunity

A clinically proven supplement that is patented for treating renal failure and reducing the frequency of dialysis.



HB BIOTECHNOLOGIES CORPORATION





# Problem

**Millions of people suffer from fluid overload caused by congestive heart failure and chronic kidney disease.**

**When kidney function begins to fail, fluid that would normally be excreted through urination has nowhere to go, so it begins to build up in the body.**

**The accumulation of fluid causes the heart to work harder and can lead to heart failure.**





# Solution

**A globally patented innovation in fluid management and control that is backed by science and supported by clinical results.**

**An accessible and safe pathway beyond dialysis to help manage fluid while bypassing the kidneys.**

**A “whole journey” plan with the tools to track, measure and maintain fluid management goals.**

**Reasonable affordability, easy availability, and convenience increase the likelihood of compliance, adherence and success.**



# Market

**In the US, EU, Canada, and Japan, there are over 88 million people with chronic kidney disease, over 22 million people with congestive heart failure, and nearly a million people on hemodialysis.**

**Between hemodialysis, ultrafiltration, heart failure treatments, and diuretics, over \$265 billion in global markets address the management of excess fluid in the body.**

**Even moderate penetration of the market can result in exponential product adoption by willing consumers.**





# Competitive Landscape

Superabsorbent technology for use in the gastrointestinal tract is a growing industry – with over \$1 billion invested in clinical studies that support safety and effectiveness. There is no direct competition for Fluid Manager as a supplement in the cardio-renal space for use as a tool for fluid management. HB Biotechnologies maintains patented competitive advantages over other superabsorbent players.

There are various companies in various stages in the superabsorbent space.

Plenity®



GELESIS®

Plenity® is indicated to aid weight management in adults with excess weight or obesity, a Body Mass Index (BMI) of 25–40 kg/m<sup>2</sup>, when used in conjunction with diet and exercise. Plenity is currently regulated as a medical device and prescribed like a drug.

## Key Business Metrics

### Plenity

In thousands

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022 (Unaudited)	2021 (Unaudited)	2022 (Unaudited)	2021 (Unaudited)
New members acquired	43,800	14,200	84,200	28,300
Units sold	129,890	33,120	244,460	81,881
Product revenue, net	\$ 8,973	\$ 2,178	\$ 16,487	\$ 5,279
Average selling price per unit, net	\$ 69.08	\$ 65.76	\$ 67.44	\$ 64.47
Gross profit	\$ 4,187	\$ 173	\$ 6,788	\$ 458
Gross margin	47%	8%	41%	9%

## Second Quarter 2022 Results

Product revenue, net, was \$9.0 million for the second quarter 2022 compared to \$2.2 million for the second quarter 2021, a 312% increase year-over-year.

A total of 43,800 members joined during second quarter 2022 compared to 14,200 members joined during the second quarter 2021, a 208% increase year-over-year.

Gross profit was \$4.2 million for the second quarter 2022 compared to \$0.2 million for the second quarter 2021, with gross margin for the second quarter 2022 increasing to 47% from 8% in the second quarter 2021, attributable to increased sales volume and lower costs of goods sold.

Net loss for the quarter was \$(12.5) million and Adjusted EBITDA was \$(24.2) million for the second quarter 2022, compared to net loss of \$(24.8) million and adjusted EBITDA of \$(16.6) million for the second quarter 2021.

Nestlé  
HealthScience  
epitomee

A superabsorbent strip is rolled up and encapsulated and then unfurls in the body to occupy stomach volume and induce fullness. In a 2020 licensing agreement, Epitomee grants Nestle exclusive and global rights to use, market, and sell the product.

SIGRID  
THERAPEUTICS

Patients pour the superabsorbent material into water and ingest a pre-hydrated gel that occupies stomach volume. The product is being studied as a medical device for lowering blood sugar in prediabetics and obese patients. Raised \$18+ million.

Veltassa®

Veltassa approved by the FDA in 2015 as a non-absorbed drug to treat hyperkalemia. Patients pour the dry polymer into water and ingest a pre-hydrated gel that helps the body get rid of excess potassium through the stool. Purchased by CSL Vifor for \$1.5 billion. \$121+ million in sales in 2021.



# Competitive Advantages

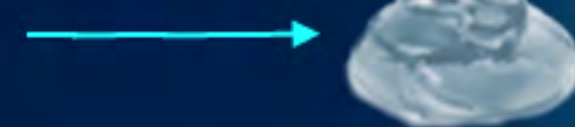


**Fluid Manager absorbs fluid and becomes a gel that is excreted from your body – bypassing your kidneys.**

**One grain.**



**Superabsorbent swelling.**



**DRY**



**HYDRATED**



Demonstration only.  
Not to scale.

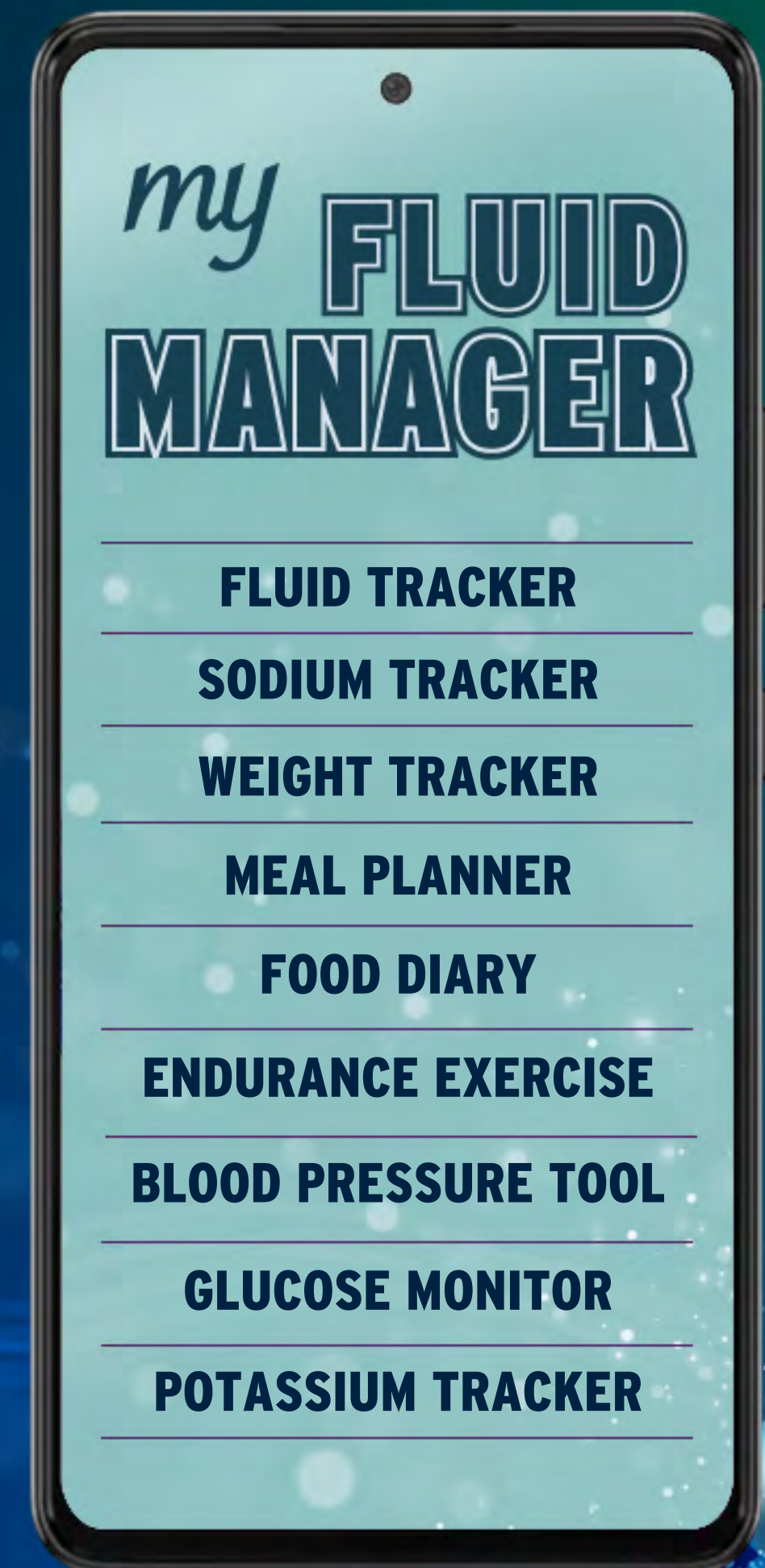
- Patented supplement for kidney health that does not deliver protein to the body. Protein is toxic for people with chronic kidney disease and can worsen the condition.
- Patented in 40 countries including all 38 member states of the European Patent Organisation, Japan, and Canada. Pending USA.
- New class of supplement with 100% market exclusivity.
- Numerous clinical benefits to health can result from managing fluid including improvements in blood pressure, body weight, ability to breathe, edema, endurance, heart failure classification, and other quality of life measures.
- Available without a prescription, over the counter supplement to manage fluid offers convenience and accessibility to a broader larger consumer audience.
- Fluid Manager supplements come with My Fluid Manager app: a complimentary suite of smart digital tools to track, measure, and manage fluid in a way that is personalized, and self-managed.
- Committed manufacturing relationships with industry titans to provide scale and infrastructure for sustained global growth.
- Compliant with all GMP, ISO, and QMS regulations. FDA and CE certified facilities.



# Product



- Fluid Manager absorbs fluid and becomes a gel that is excreted from the body – bypassing the kidneys.
- Proven to absorb comparable amounts of fluid as typical dialysis treatments.
- Important drug-free tool to help manage fluid overload without relying on kidney function.
- My Fluid Manager app provides a suite of smart digital tools to track, measure, and manage fluid in a way that is convenient, personalized, and self-managed – in conjunction with use of Fluid Manager superabsorbent supplements.
- Providing a comprehensive set of tools in a “whole health” approach can help increase the likelihood of fluid management success.
- People who use Fluid Manager may notice other improvements in health during use.





# Customers



- Fluid Manager customers are adult women and men who want effective and convenient tools to help manage fluid.
- Customer acquisition is gained through education, events, and social media.
- Form direct connections with people through social media dialog and community building to grow brand trust and establish loyalty.
- Create personal relationships with people and keep health top of mind by sponsoring events targeting their interests.
- Promotional tie-ins with kidney health and lifestyle influencers to build awareness, grow user base, and increase likelihood of production adoption on a viral scale.

*my* **FLUID  
MANAGER**

**FLUID TRACKER**

**SODIUM TRACKER**

**WEIGHT TRACKER**

**MEAL PLANNER**

**FOOD DIARY**

**ENDURANCE EXERCISE**

**BLOOD PRESSURE TOOL**

**GLUCOSE MONITOR**

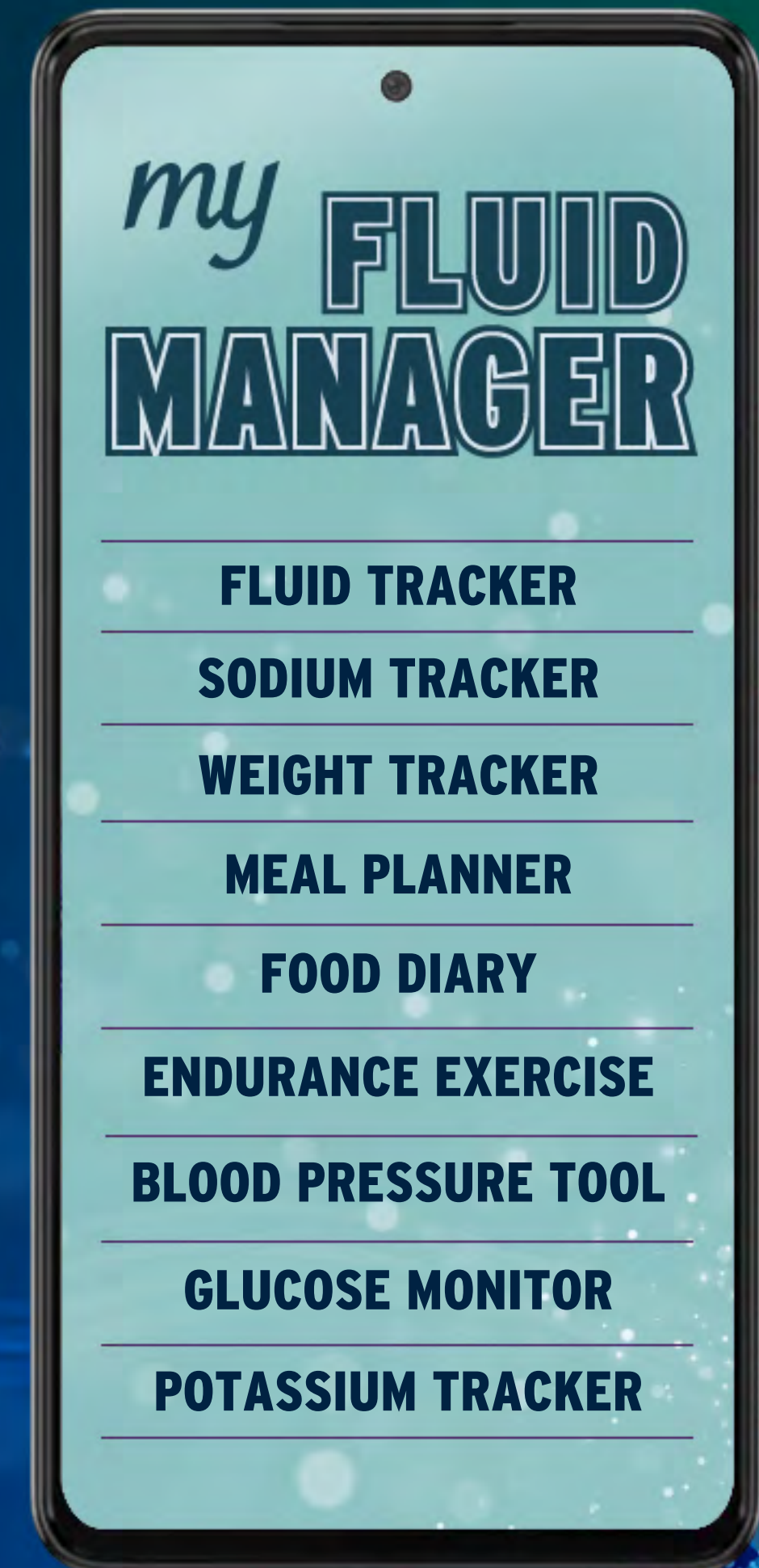
**POTASSIUM TRACKER**



# Business Model



- MyFluidManager.com is the main sales portal for Fluid Manager superabsorbent supplements. Direct to consumer (DTC).
- Opportunity for Subscribe & Save to create recurring benefits to customers.
- Massive opportunity for retail pick up such as Walgreens, Rite Aid, CVS, etc. for a patented, proprietary supplement for fluid management – a need which affects over 39 million people in the USA alone.
- Online retail channel integration such as Amazon, Walmart.com, etc.
- Opportunity for licensing and creating competitive private label brands.





# Financials



Fluid Manager is a clinically proven fluid management supplement that is patented for renal failure and reducing the frequency of hemodialysis.

PROJECTIONS	YEAR TWO	YEAR THREE	YEAR FOUR	YEAR FIVE	YEAR SIX
# 336-count Bottles (thousands)	1,000.0	2,000.0	3,000.0	4,000.0	5,000.0
Gross Revenue (\$ millions)	139.2	278.5	417.7	557.0	696.2
Gross Expenses (\$ millions)	73.5	145.2	216.9	288.6	360.3
EBIDTA (\$ millions)	65.7	133.3	200.8	268.4	335.9
EBIDTA Margin	47.2%	47.8%	48.1%	48.2%	48.3%

**YEAR ONE = RAMP UP/LAUNCH PREP YEAR** (no sales)

## PRODUCT ASSUMPTIONS

Suggested Retail Price = \$139.24

Each 336-count bottle contains two months of Fluid Manager.

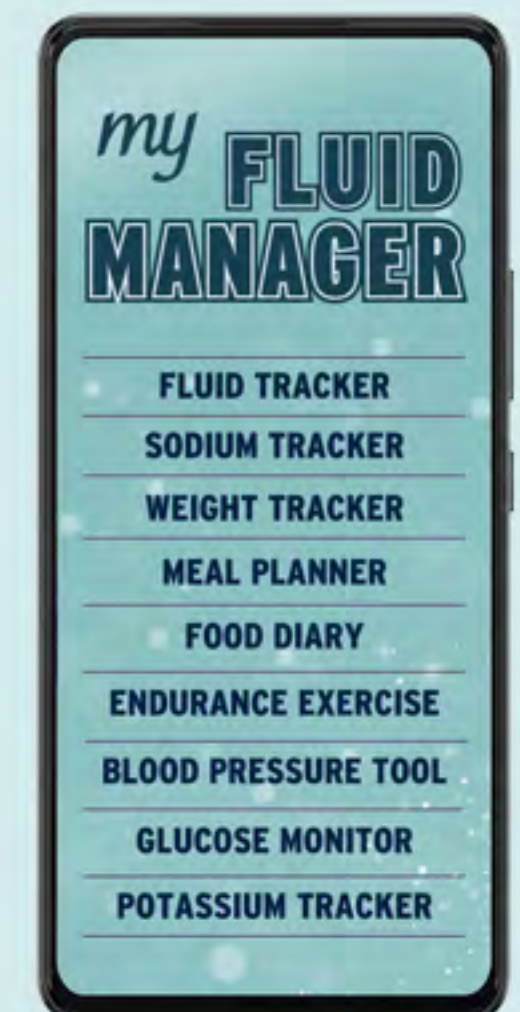
Three supplements each with lunch and dinner.

Shelf life: 24 months

## OPPORTUNITY

- Clinically proven technology. Backed by science. Supported by clinical results..
- Important drug-free tool to help manage fluid overload while bypassing the kidneys.
- Low competition in this space. No other products with this technology for this market.
- Sales potential competes with the \$265+ billion global fluid management industry.
- Patented new generation of supplements. 100% market exclusivity. 40 countries.
- Manufacturing partnerships with industry titans to support sustained global growth.
- Meaningful benefits to health with proprietary superabsorbent technology.

My Fluid Manager app provides a suite of smart digital tools to track, measure, and manage fluid in a way that is convenient, personalized, and self-managed.





# Team

HB BIOTECHNOLOGIES  
CORPORATION

 **EVONIK**  
Leading Beyond Chemistry

**patheon**  
by Thermo Fisher Scientific



- Dani Berger is founder and CEO of HB Bio and creator of patented Fluid Manager supplements.
- 30+ year career around ideas, problem-solving, and creating solutions. Prolific creator, inventor, and innovator.
- Created and commercialized The Simpsons Vitamins, an OTC family vitamin brand, including securing a multi-year exclusive license with Twentieth Century Fox, custom vitamin formulations and packaging, securing and managing manufacturing and logistics, creation of all promotional materials, consumer and brand marketing, and distribution through retail.
- Award-winning creative director, marketer, and business development executive responsible for conceptualizing, commercializing, and marketing products and brands including for Merck, Bayer, Johnsons, Reckitt-Benckiser, Pfizer, Astra Zeneca, Kraft, Disney, Scholastic, and diverse others.
- Top 3 global manufacturer of superabsorbent polymer material and a \$14 billion company committed to being the long-term supply partner for HB Bio's proprietary and innovative polymer that is clinically proven to support fluid management.
- Evonik Biomaterials and Evonik Oral Drug Delivery Solutions will be leveraging their core competencies to manufacture the product material in Fluid Manager superabsorbent supplements.
- Compliant with GMP, ISO, and QMS regulations and meets all global regulatory compliance and conformity mandates.
- FDA and CE certified facilities.
- Highest quality manufacturing for a trusted health supplement.
- Patheon is the \$7 billion contract manufacturing arm of Thermo Fisher Scientific, a \$20+ billion Fortune 500 Company.
- As a leading CDMO, Patheon is GMP, ISO, and QMS compliant, and has committed to provide a fully integrated global network of facilities to encapsulate, package, and prepare Fluid Manager superabsorbent supplements for distribution.
- Led by Anil Kane, Ph.D., MBA, Executive Director and Global Head of Technical and Scientific Affairs for Thermo Fisher Scientific.





# Make a difference.

---

**We look forward to working together to make this important product a reality for consumers.**

**Thank you!**

**contact@hb-biotechnologies.com**

**HB BIOTECHNOLOGIES CORPORATION**

**Sources:**

<https://worldpopulationreview.com/country-rankings/obesity-rates-by-country>

<https://www.apa.org/news/press/releases/stress/2021/sia-pandemic-report.pdf>

<https://www.prnewswire.com/news-releases/global-weight-management-market-2022-to-2030---size-share--trends-analysis-report-301559412.html>

Euromonitor International Report, 2021

<https://www.gelesis.com/2022/08/15/gelesis-reports-second-quarter-2022-results/>

THIS DOCUMENT CONTAINS FORWARD LOOKING STATEMENTS.

