Arrinex, Inc.

One Time Therapy For Nasal Allergy Symptoms

Vahid Saadat
President & CEO

Our Business

Arrinex technology provides lasting relief from the symptoms of chronic nasal allergies by targeting the source of autonomic control of congestion and nasal discharge. Arrinex's procedure mimics the action of gold standard pharmaceuticals.

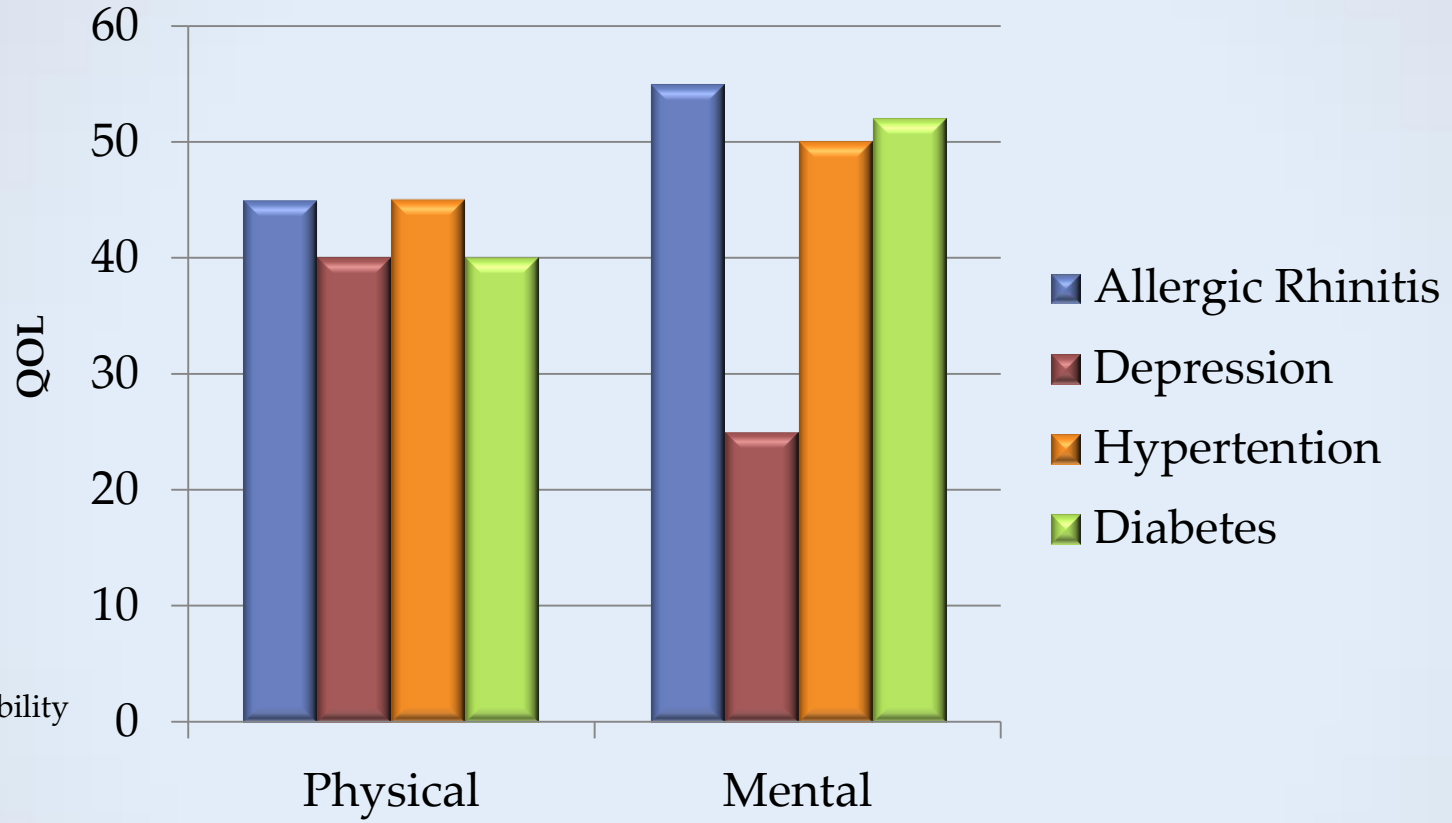
Business	First company offering durable relief from symptoms of nasal allergy through a painless in-office procedure
Market	• 24M patients in U.S. , 2.5M qualified pool of patients • Launch in Q3 / 2016
Regulatory & Clinical	• 510(k) with predicates • Clinical study under way
Technical/IP	• Disposable single use – no capital equipment • Solid IP
Funding	• $5M series "A" to achieve milestones of: 510(k), pivotal clinical study and limited market release

-Large market
-Pent up demand

24 million **patient pool in the U.S.**
2.5 million **patients fail medical therapy**
$11 billion **cost to the healthcare system**
50%+ **overlap of sinusitis and rhinitis symptoms**

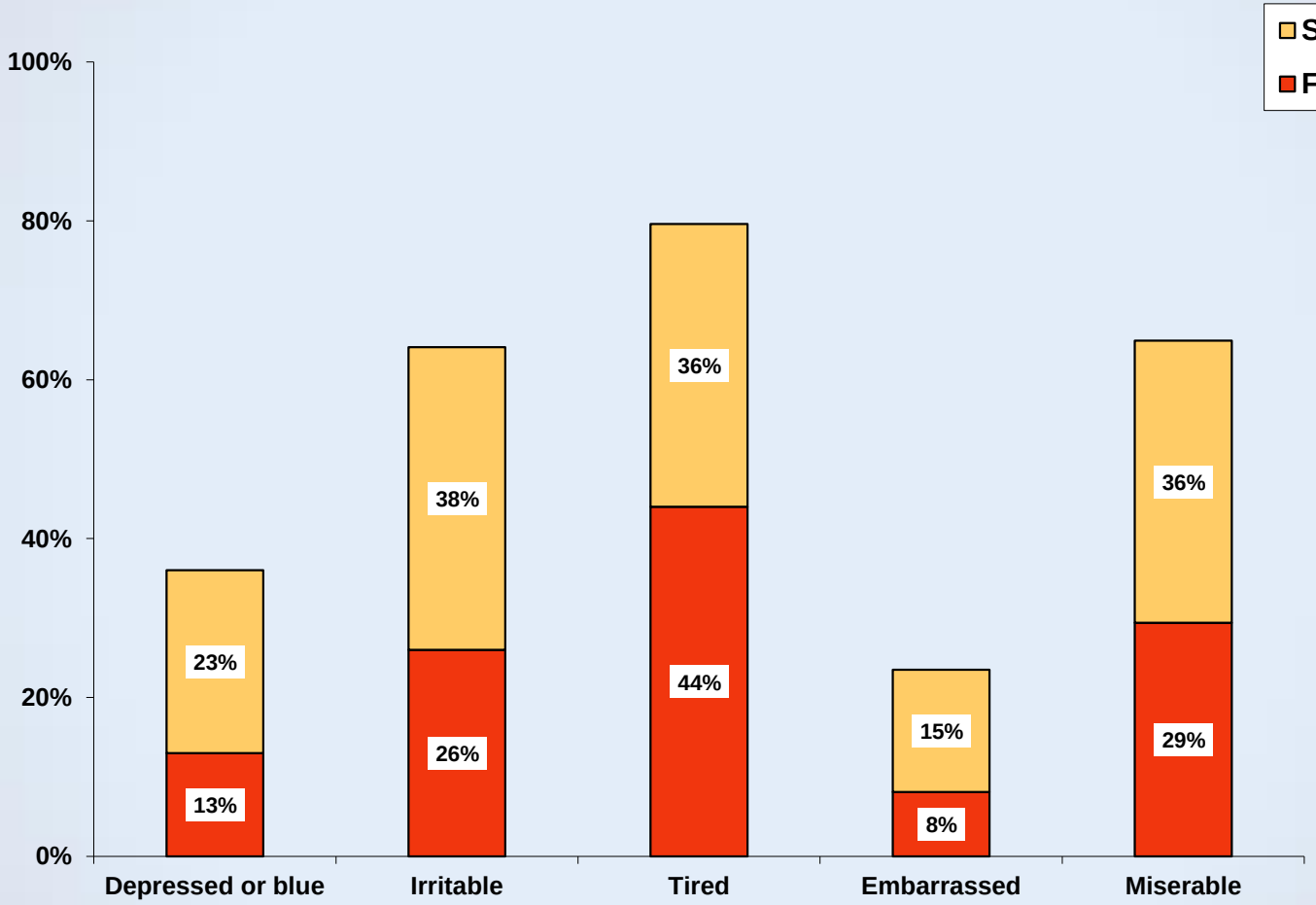
1-Source: 1 CDC
2-Source: 2 Schulman/SRBI landmark study of 15000 households, conducted by: Michael Blaiss M.D., Jennifer Derebery M.D., James hadley M.D., Robert Naclerio M.D. et. al. (14% diagnosed with rhinitis)
3-Source: 2 MEPS Statistical Report #204, Allergic Rhinitis: Trends in Use and Expenditures, 2000 and 2005. Soni, A., May 2008.
4-World Allergy Organization

Quality of Life Impact



SF36 validated QOL questionairre: SF-36

Impact of Symptoms on Daily Life*



*As Reported by Patients (N=2500)

Schulman/SRBI landmark study of 15000 households,

Typical Patient Journey

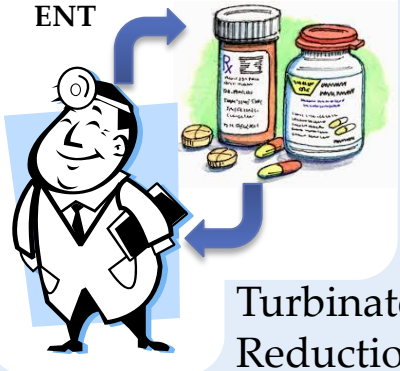
Local Pharmacy/ Over the counter meds

$1B

PCP

Medical Therapy

ENT



Turbinate Reduction, 2nd gen meds

ALLERGIST

Allergy Shots 300-400K

Arrinex In-office Procedure

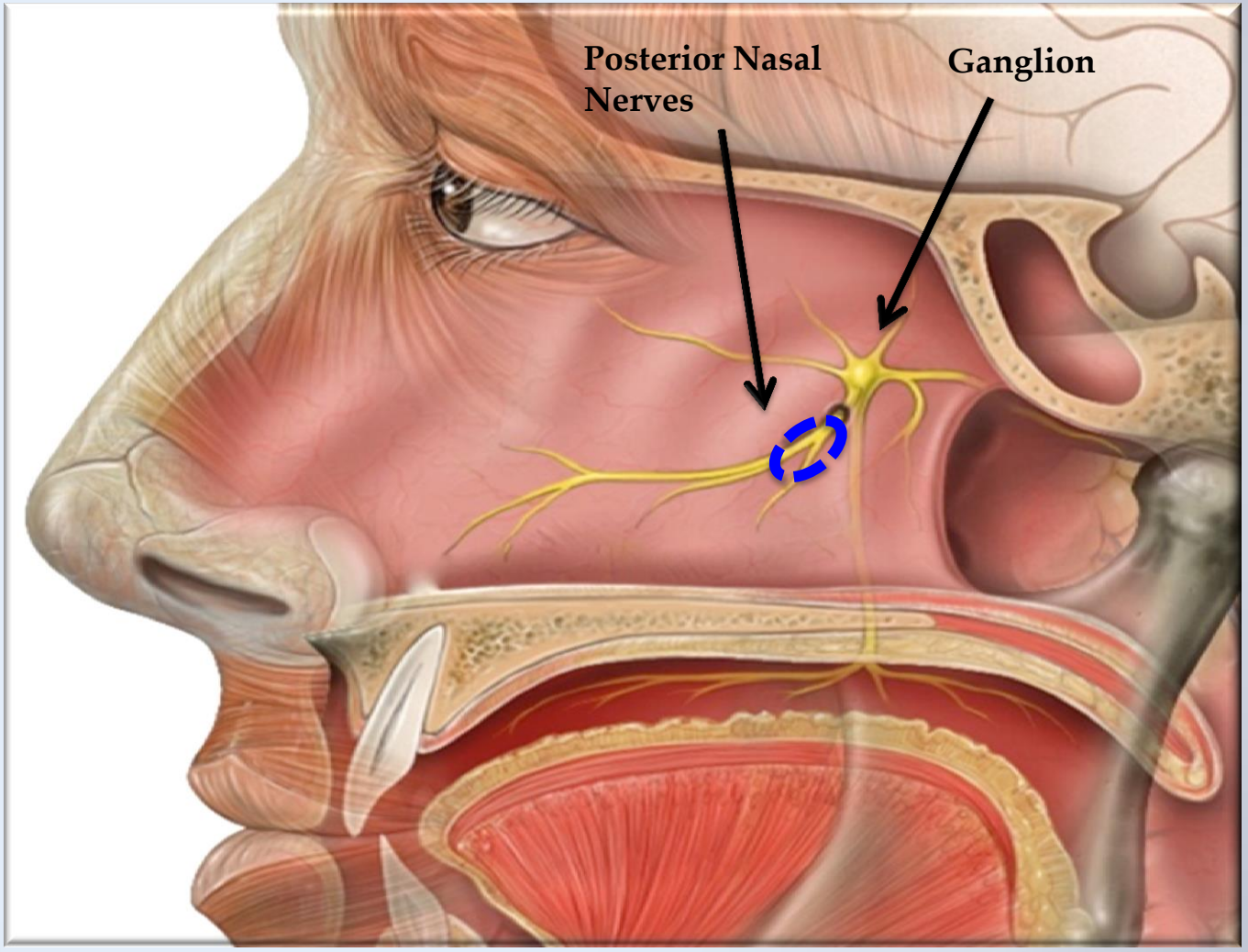
2.5M Fail medical therapy

Various sources:
CDC, Arrinex Notes, Average from Mularkey chart in Arrinex White Paper. MEPS Statistical Report #204, Allergic Rhinitis: Trends in Use and Expenditures, 2000 and 2005. Soni, A., May 2008.

Arrinex Non-Invasive Solution

Innervation of Nasal Mucosa & Rhinitis

Suppression of the posterior nasal nerves to mitigate nasal discharge and congestion.



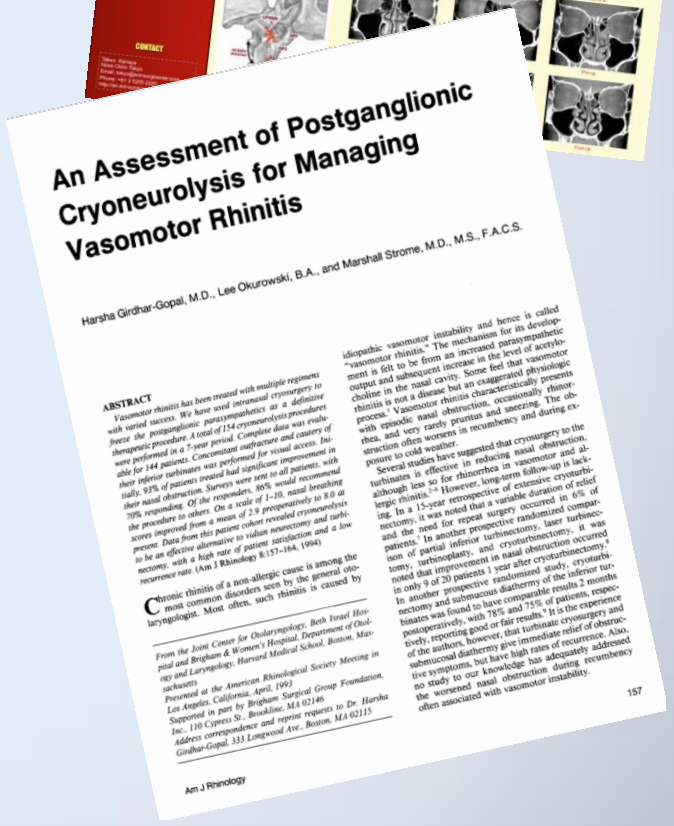
Clinical Evidence

Surgery
(Kikawada, 2012)

- 1056 patients
- 95% success at one month
- 80% success at 2 years

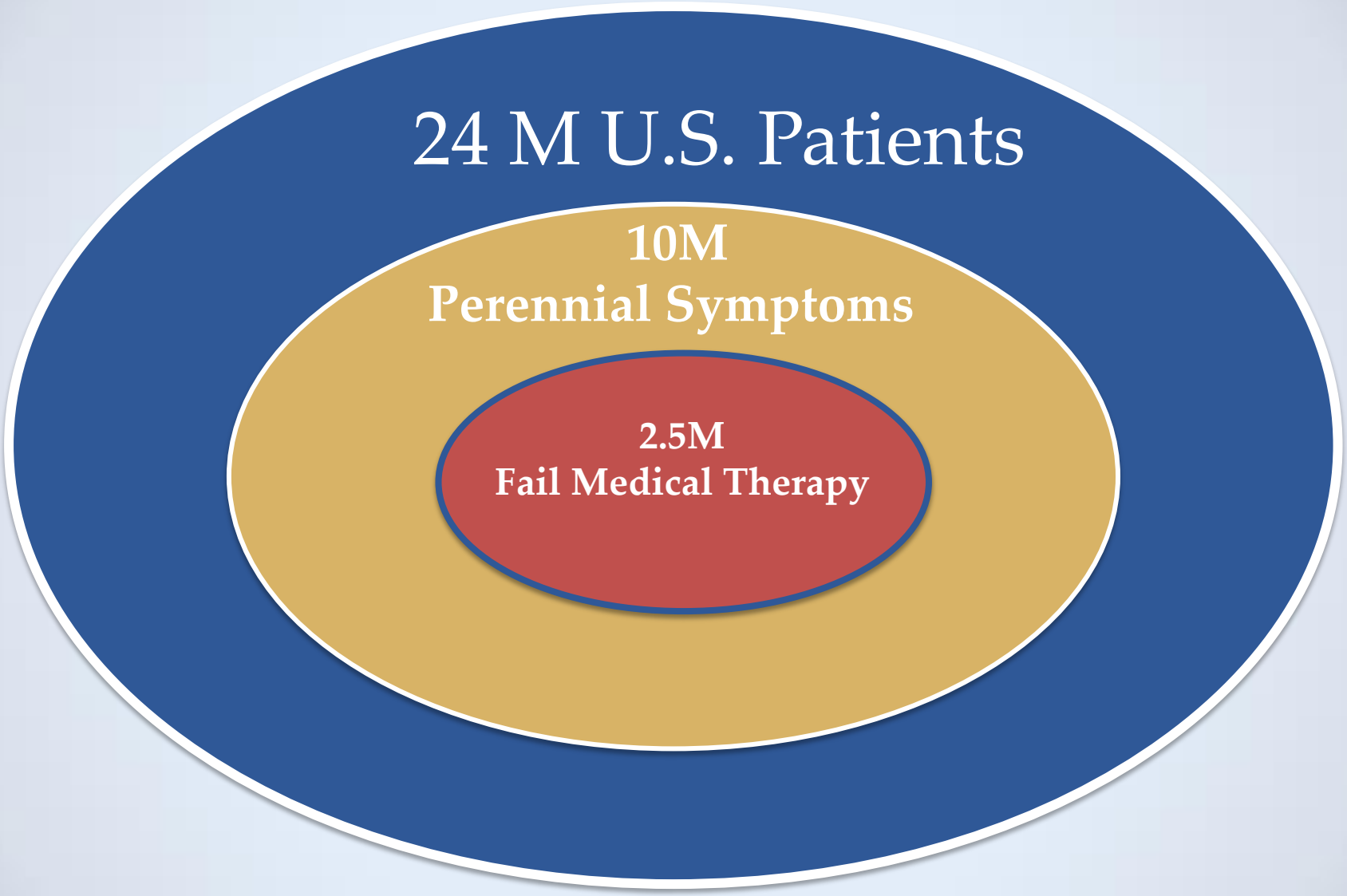
Ablation
(Strome, 1994)

- 154 patients treated
- 93% success at one month
- 75% success at 2 years



Market size and segmentation

Market



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Clinical & Regulatory Plan

Clinical Plan

30 patient U.S. pilot study started

- **Pilot Study**
  - Follow up: 7, 30, and 90 days
  - Endpoints: Symptom ratings using standard tests, patient satisfaction, safety

- **Pivotal study**
  - 100 patients
  - Symptom ratings using standard tests, quality of life questionnaire.
  - Data will support marketing and publications

U.S. Regulatory Plan

- **Initial clearance:**
  - Traditional 510(k) without clinical data
  - Indication: to destroy tissue during endoscopic surgical procedures by applying freezing cold.
  - Multiple predicates with same intended use & technological characteristics

Milestones and Financial Overview

Commercial Rollout Plan

PRE-COMMERCIAL CLINICAL	SOFT LAUNCH	FULL LAUNCH
• Prove safety & efficacy • Develop champions • Generate data	• Optimize & refine procedure • Expand awareness	• Grow customer base • Broaden patient population by expanding indications • Increase awareness among referring physicians

Intellectual Property

- Multiple patent applications
- Freedom to operate confirmed
- Solid IP given our first entrant position in the field

Clinical Advisors

Peter Hwang, M.D., Chief, Division of Rhinology, Stanford School of Medicine

William Bolger, M.D., Chief of Rhinology at the Mayo Clinic, Florida

Richard Goode, M.D., Professor Emeritus, Stanford School of Medicine

Lionel Nelson, M.D., Private Practitioner, San Jose, CA

Marshall Strome, M.D., Chairman Emeritus, Cleveland Clinic H&N Institute

END