



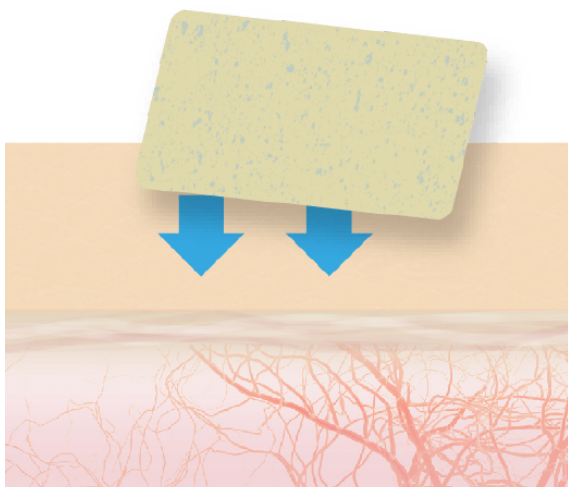
Corporate Update Presentation: Sumatriptan Alginate Film (KL-00119)

June, 2019

Agenda

- Technology Description
- Sumatriptan

An Enabling and Transformative Technology



- 1) The alginate film is attached to the oral mucosa
- 2) Film stays in place for 10 to 30 minutes
- 3) The drug transfers ***directly into the bloodstream***

Film does not melt, is not mixed with saliva and swallowed like other oral film technologies that claim trans-mucosal delivery but in fact achieve oral delivery

Drugs that are not orally available and have to be injected ***can be*** delivered with Klaria's Film Technology

By replacing injections we will both ***enable and transform the treatment*** in multiple indications

Features and Benefits of Technology

Simple and non-invasive

Enabling use where injection is not feasible or a poor option

- Example: Naloxone film vs injection by health care professional
- Example: Epinephrine vs injection

Consistent, low variability

Superior to nasal delivery

- Example: Sumatriptan film vs nasal spray

Rapid delivery of active substance

Faster than oral delivery

- Example: Sumatriptan film vs tablet
- Example: Cannabinoid film vs oral delivery technologies

Easy to manufacture

Lower COGS than injection systems, nasal spray devices etc.

- Example: Adrenaline film vs injection

Easy to store, ship, handle

Broader usage than injection devices or injections

- Example: Adrenaline film vs injection
- Example: Naloxone film vs injection by health care professional

Natural, Uniquely Efficacious, Approved and Patent Protected



- Alginate polymer extracted from the North Sea brown algae (Kelp)
- Extremely muco-adhesive when formulated using our proprietary process
- Approved for food and drug use world wide
- Patent protected world wide

Strategy to Create Value

Lower:
Risk, Time, Cost

Create Medical
Value

Create
Commercial Value

Claim Commercial
Value

- Well defined regulatory path with **lower risk, lower costs, shorter time lines and higher approval rates**
- **Create medical value** by focusing on projects that address high unmet medical needs and where injection or nasal route is preferred
- **Share benefits of lower COGS** between stakeholders, allowing for both lower price and high gross margins
- **Create pricing power** by avoiding pharmacy substitution with tablets
 - Clinical studies (ph II size studies) showing superior efficacy and/or safety
 - Develop doses that are bioequivalent but not identical
 - Establish bioequivalence to non-oral formulations

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Migraine is Prevalent, Debilitating and Costly



- Occurs in 12% of population in US and EU
- **85%** of Migraine sufferers are women
 - 25% of women suffer 4 or more attacks/month
 - 90% of sufferers are unable to function normally
- > 2.5 million hospital emergency room visits/year in US and EU due to Migraine Attacks
- **High societal cost**
 - \$70 billion per year in lost productivity in EU and US
 - \$9 billion per year in total treatment costs in EU and US

Migraine Patients are Willing to Try a New Medication

- Tablet, Nasal and Injection are Poor Options

80%^{1,2}

of migraine patients suffer
from Nausea

79%

willing to try a new
acute medication²

Nasal administration is a
poor delivery method

- High variability in uptake results in variable efficacy
- Drug falls through nasal cavity resulting in oral delivery



Sub-optimal
treatment

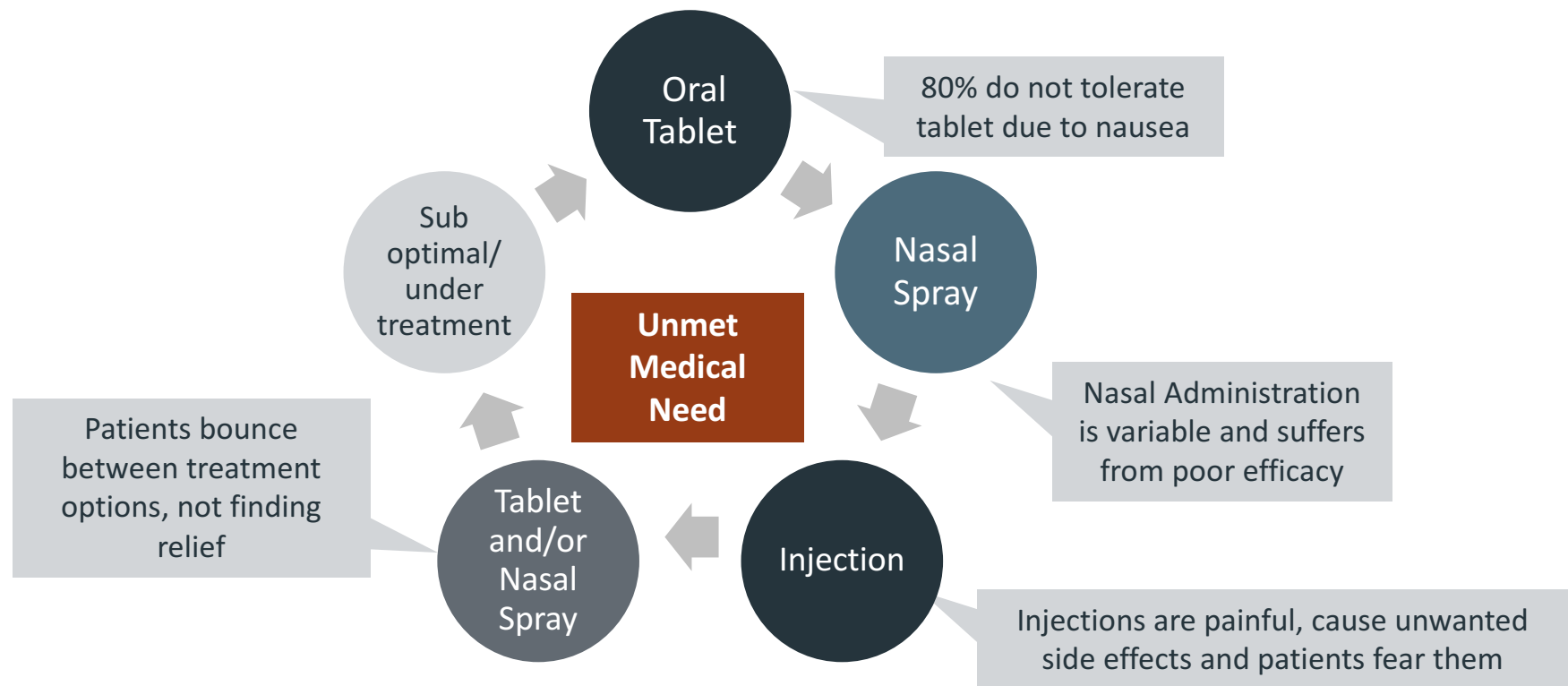
Injections are risky and
distressing to patients

- Fear of injection
- Difficult to administer correctly
- Potential complications



Under-treated
patients

Large Pool of Migraine Patients Currently Poorly Served



Sub-optimal treatment and under-treatment causes:

- Significant patient suffering³
- High societal cost due to lost productivity and co-morbidities³

Administration to the Vasculature around the Trigeminal Nerves to Achieve Maximum Efficacy



Placement of Film and **absorption of Sumatriptan is local**

on the facial artery which has its terminus in the ophthalmic and maxillary regions of the face

where migraines originate^{1, 2}

Sumatriptan Film is a \$300+ million peak sales opportunity

- The Film will claim significant share of tablet, nasal and injection market
- The oral/tablet market is large and low-priced
- The film will be priced similarly to current US market prices for nasal sprays and injections