



Investor Presentation.

NASDAQ:MODD



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Corporate Overview.

Modular Medical is a development stage medical device company seeking to produce a next generation insulin pump to expand access to a higher standard of glycemic management for people with diabetes.

Founded by Paul DiPerna, **founder of Tandem Diabetes (TNDM)** and original designer of its popular t:slim pump. 30-year veteran of the medical device industry.

Large portfolio of patented technology makes insulin pumps easy to learn, use, and afford.

Addressable Market: \$3 Billion
unmet market need

MODD1: Anticipated FDA
submission Q3

Headquarters: San Diego, CA

NASDAQ: MODD





Insulin Pumps

Represent the gold standard in glycemic control. Better outcomes, better patient health, lower A1C. (Market share leaders: Medtronic, Tandem, Insulet)



Outcomes

Better outcomes lead to systemic savings: fewer trips to ER, reduced comorbidities. Saves \$10k/patient year (40%) even after cost of pump.



Limitations

Feature-heavy and complex systems have hampered adoption. These products are for "superusers." Prohibitive for many to learn and manage.



Cost Constraint

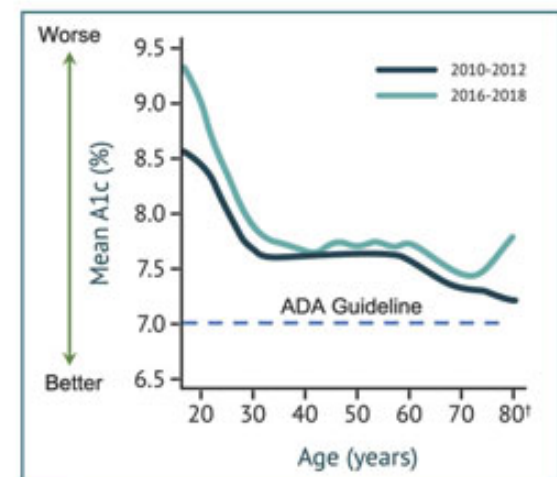
Expense of current offerings has placed them out of reach of many patients and insurance plans. Difficult reimbursement, large out of pocket expense.

1. Meaghan St. Charles et al. Value Health. Jul-Aug 2009

2. State of Type 1 Diabetes Management and Outcomes from the T1D Exchange 2016-2018

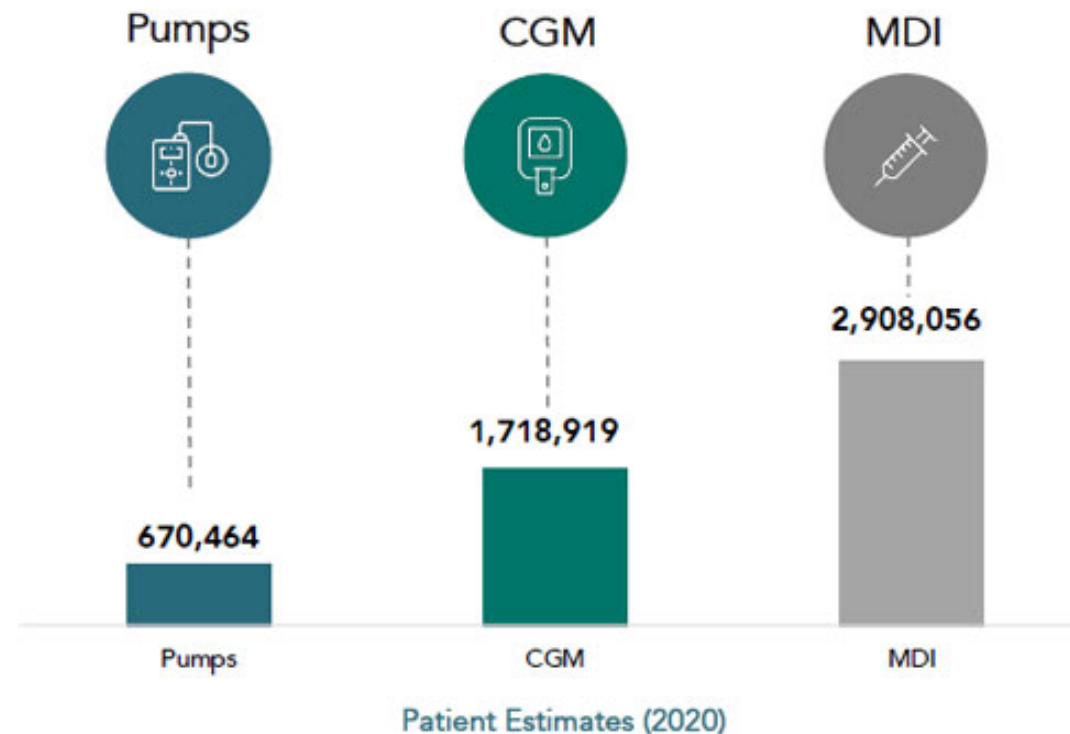
Current Market.

- **1 in 4** Healthcare dollars in the US are spent on diabetes and diabetes related complications.
- Only **1 in 3** Americans with type 1 diabetes use a pump. This number has been materially unchanged for 15 years.
- Only **8%** of insulin dependent Americans with type 2 diabetes use a pump. This number is just starting to rise.
- Only **21%** of T1D's reach ADA guidelines for glycemic control. Overall outcomes have not been getting better.¹



US Market Size.

27 million people with diabetes. 3.6 million require daily insulin (1.6M Type 1, 2.0M Type 2).



Only **20%** of insulin dependent people with diabetes use a pump for insulin delivery.

80% rely on multiple daily injections (MDI).

Continuous glucose monitors (CGM) have nearly **3X** the user base of pumps.

Patients estimates device type and therapy are for T1D and T2D combined. MDI defined as needing rapid acting and long-acting insulin. Other T2D not included are those on generic orals or diet and exercise only. 2020 National Diabetes Report (CDC).

Seagrove Partners LLC, HCP Perspectives August 2021
Precision Xtract September 2018

Encouraging Adoption.

Abbott Freestyle Libre made continuous glucose monitoring easier and more affordable. This expanded the product category and doubled its size.

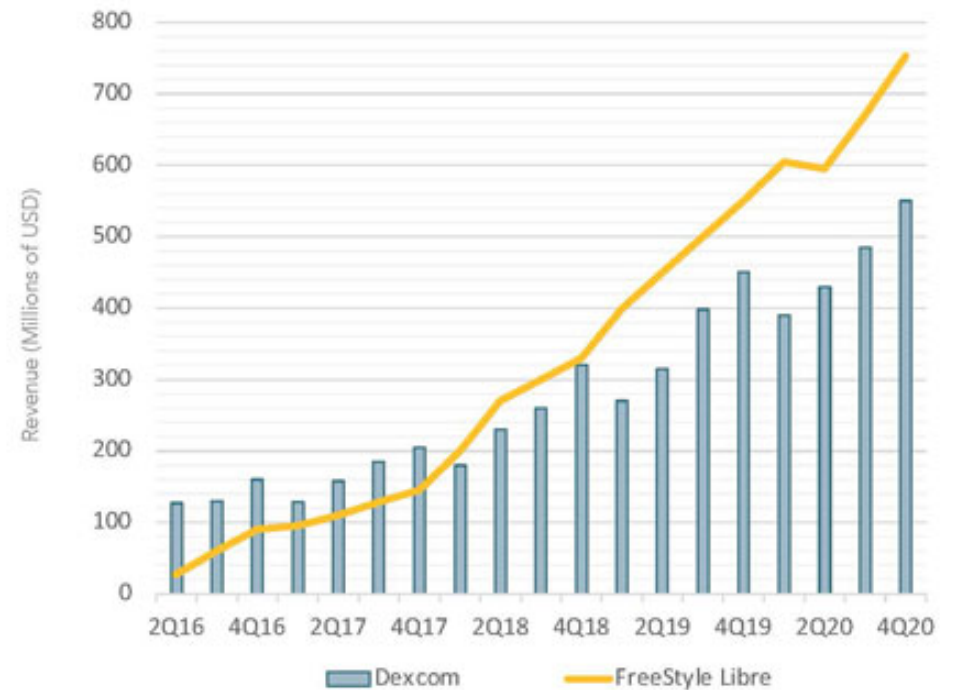
We believe the insulin pump market is ready for a similar transition.

"In short, Flash Glucose Monitoring is fundamentally trying to take something that is more "professional" (i.e., traditional CGM) and make it more accessible to the masses. In consumer-packaged goods, examples of this strategy include home espresso makers (Keurig), cleaning products (e.g., dilatable floor cleaners, spray cleaners, wipes, toilet wands), and teeth whitening (e.g., whitening strips).

In these cases, the new innovation completely changed the entire category; we look forward to seeing if Flash Glucose Monitoring does something similar in diabetes."

Kelly Close, 2014

FreeStyle Libre vs. Dexcom Revenue



\$3B US market of almost pumpers.

HCPs fairly consistently indicated that about 25% of their MDI population are “almost pumpers”, meaning that they have considered going on a pump, understand pump therapy benefits, but want something simpler that doesn’t have all the “bells and whistles” ...*



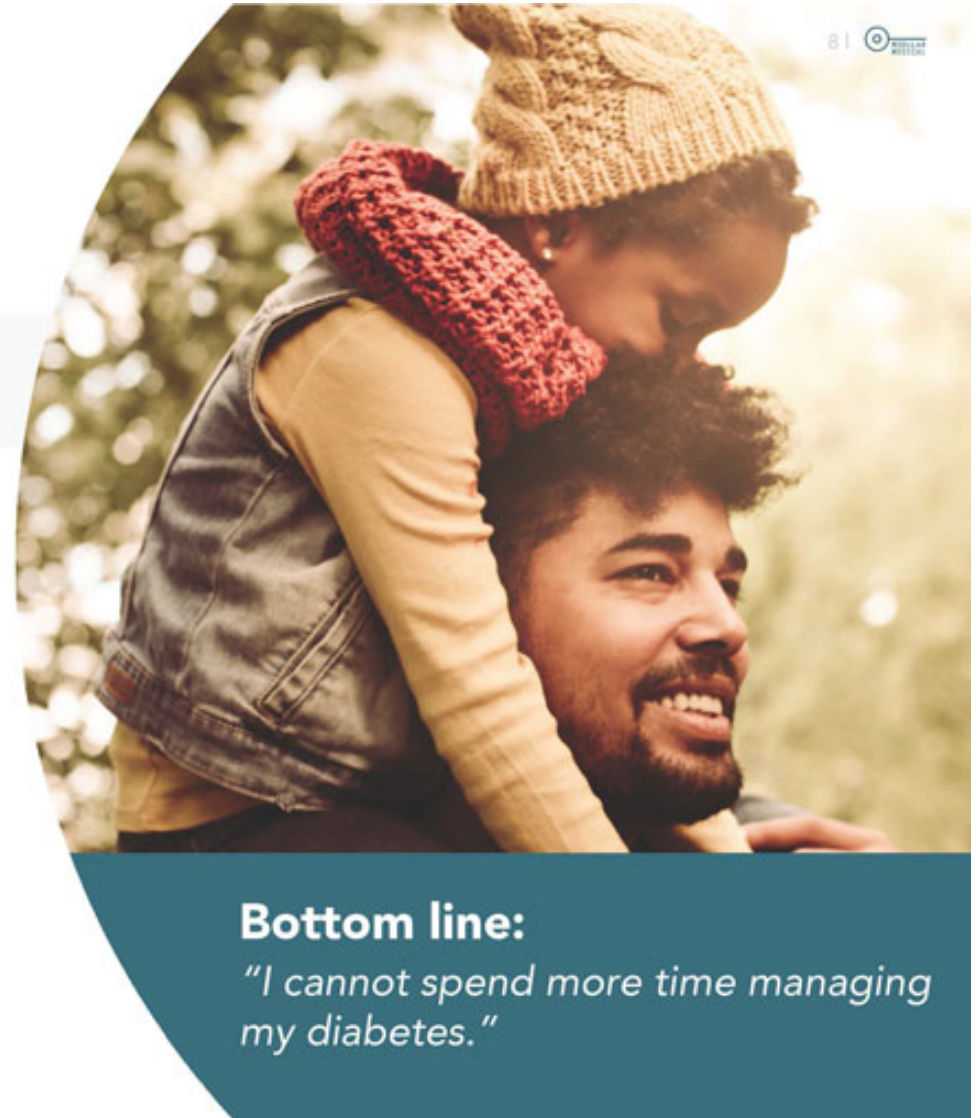
*Seagrove Partners LLC, HCP Perspectives August 2021.

What are almost pumpers asking for?

45% expressed a desire to go on pump

- Make it easy **for me**
- Make it easy for **my doctor**
- Make it easy to get **coverage**
- Make it easy to **share my data with my care team**

Seagrove Partners LLC, HCP Perspectives August 2021
Precision Xtract September 2018

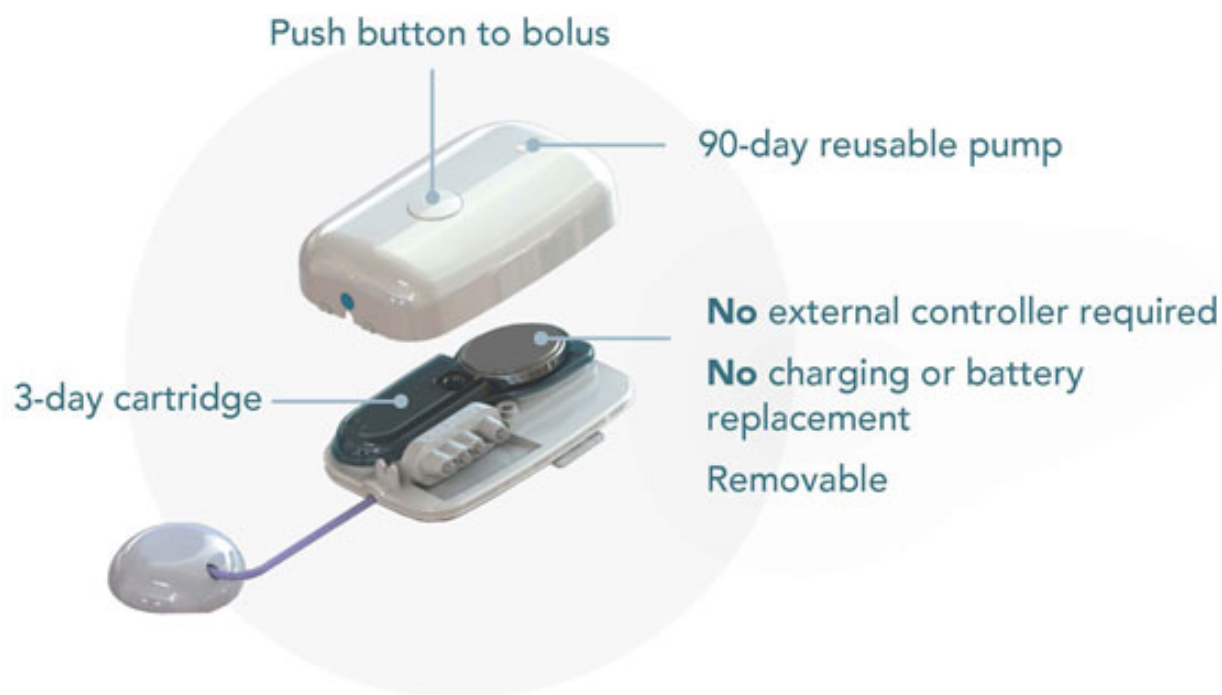


Bottom line:

"I cannot spend more time managing my diabetes."

MODD1

Insulin Delivery for Almost Pumpers.



Currently under research and development, not available for investigational use or sale
*Testing is currently in progress

Eliminate trade offs to expand the market.

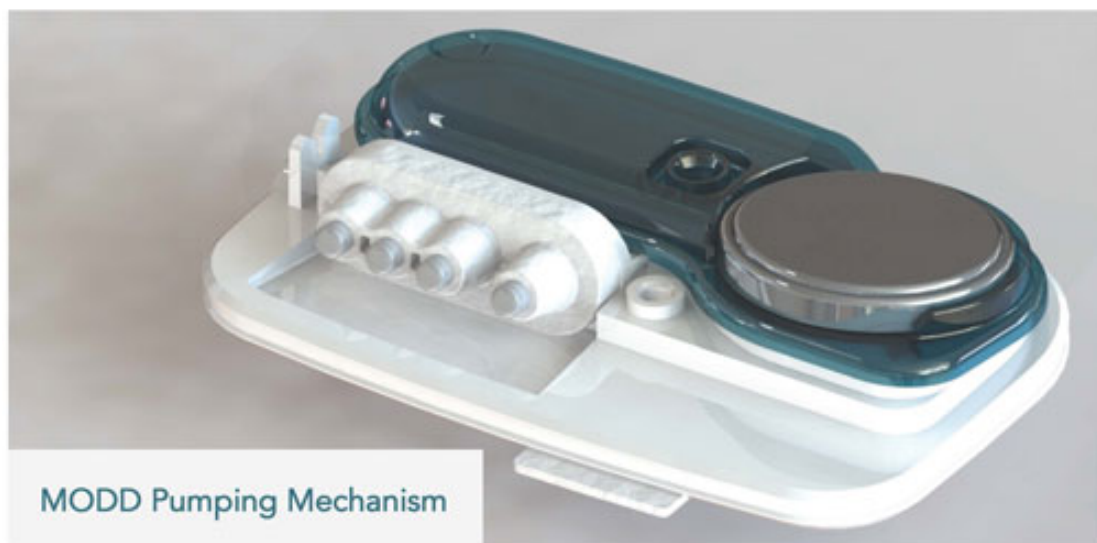
Same accuracy as leading pumps*. Smoothest, most continuous basal administration in the industry*.

Only patch pump with full sized **3ml reservoir.**

Latest low power Bluetooth, Near Field Communications (NFC) and mobile app for **ease of pairing and data-connectivity**

MODD Technology

Designed to Provide Precision and Safety.



MODD Pumping Mechanism



Disposable Cartridge



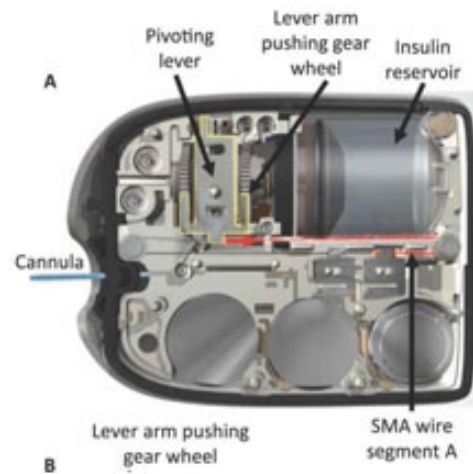
Rotating Cam

Currently under research and development, not available for investigational use or sale

*Testing is currently in progress

- **Precision micro-dosing** limits excessive insulin exposure and preserves insulin molecule integrity*
 - Can be used with the **latest ultra rapid insulins***
 - **More continuous insulin delivery** with small increments as needed, not locked into five-minute intervals like other pumps
- **8 family patents underway** to provide a sustainable competitive advantage
- **Ultra high-volume major components** make low cost manufacturing a reality for the first time in the industry
- **50% lower cost of goods** than leading patch pump

Simple Design Enables Automated, High-Volume Manufacturing.



**Insulet
Omnipod**



Designed with the Patient & Provider in Mind.

Provider

- Direct sales Force Focused on Providers
- Free Samples to Encourage Trial
- Point of Prescription Couponing
- Simple to Teach and Support Patients

Patient

- Only product that you can take home today from doctor's office
- App to Learn Product
- Free 30-Day Trial Coupons
- Co-Pay buydowns
- Reduced outlay of time and money

Telehealth Optimized

Endocrinologists are perfect candidates for telehealth. They are overworked, underpaid, and need to drive more volume through their practices. Most of what they do can be done online (tests, guidance). There are only 4,000 patient facing endos in the US.

"Remote Patient Monitoring is still a relatively new concept for most respondents, and few knew about the five codes established by CMS. However, upon education about the requirement and reimbursement amounts behind these codes, HCPs indicated an overwhelming amount of interest in this mode of patient management, with 85% saying that it was worth their time and effort."

Recently established remote monitoring codes offer \$200-250 reimbursement rate per patient month.

-Seagrove Partners Aug 2021 HCP Perspectives

Payor Preferred.

Our products are designed to attain preferential reimbursement and avoid the coverage pitfalls many other pumps have experienced.

Payor Benefits:

- **20% Discount vs Insulet (PODD) Provides Preferred Status**
- Designed to use PBM codes as a disposable
- No New Code: Reimbursed at Launch
- Saves Provider \$1,032/Patient/Year vs Omnipod

National Payor Survey

Retained ISA to perform National Payors Survey on 1/3 of all commercial lives in US (50 million lives)

Survey data¹ shows that a product with Gen-1 features set at 10-20% discount to Omnipod will gain equivalent or preferential reimbursement at launch.

"I would say that if they could come in with an average monthly cost of, say, 20% less than Omnipod...we would make this our preferred."
- IDN

Data shows that discounting and rebates have been uncommon and small in insulin pumps. 5% is currently the largest in the space.

"We expect that the manufacturer will come to the table, probably with an access rebate [of approx. 5%]. This is based on the fact that Medtronic has already come to us with this kind of rebate."
- National Health Plan

Payors showed an interest in a simple product that was less expensive.

"I like the simplicity and so as a consequence, it's attractive to me mostly because I'm very price sensitive. I don't think there's any meaningful evidence basis for all those fancy and high-tech products."
- Regional Health Plan

1. Primary research, Precision Xtract, Modular Medical Insulin Pump Rapid-Pulse Payer Assessment, June 2019.

Unit Economics.

Profitable From the First Sale

First month: 1 Re-Usable + 10 Disposables

Price: \$344
Cost: $\$34 + \$76.80 = \$110.80$
Gross Profit: \$233.20

68%
Profit Margin

Subsequent 2 Months: 10 Disposables

Price: \$344
Cost: $\$76.80 = \76.80
Gross Profit: \$267.20

78%
Profit Margin



90 Day Re-Usable

Price: FREE
Cost: \$34



3 Day Disposable

Price: \$34.4*
Cost: \$7.68

*OmniPod CPT code with 20% discount

Costs based on internal estimates

Business Model.

New microfluidics technology allows for low-cost pumping of insulin.

New design philosophy makes product simple enough for provider driven sales.

Enables a classic pharma style business model

And a more rapid path to profitability.

\$4,128

Revenue Per
Patient/Year¹

36,000

Users = 1% of US
insulin Dependent
Market

\$148M

Recurring Revenue
from 1% share

75%

Gross Margins

20%

Operating Margin
at ~2% Market
Share

\$3.0B

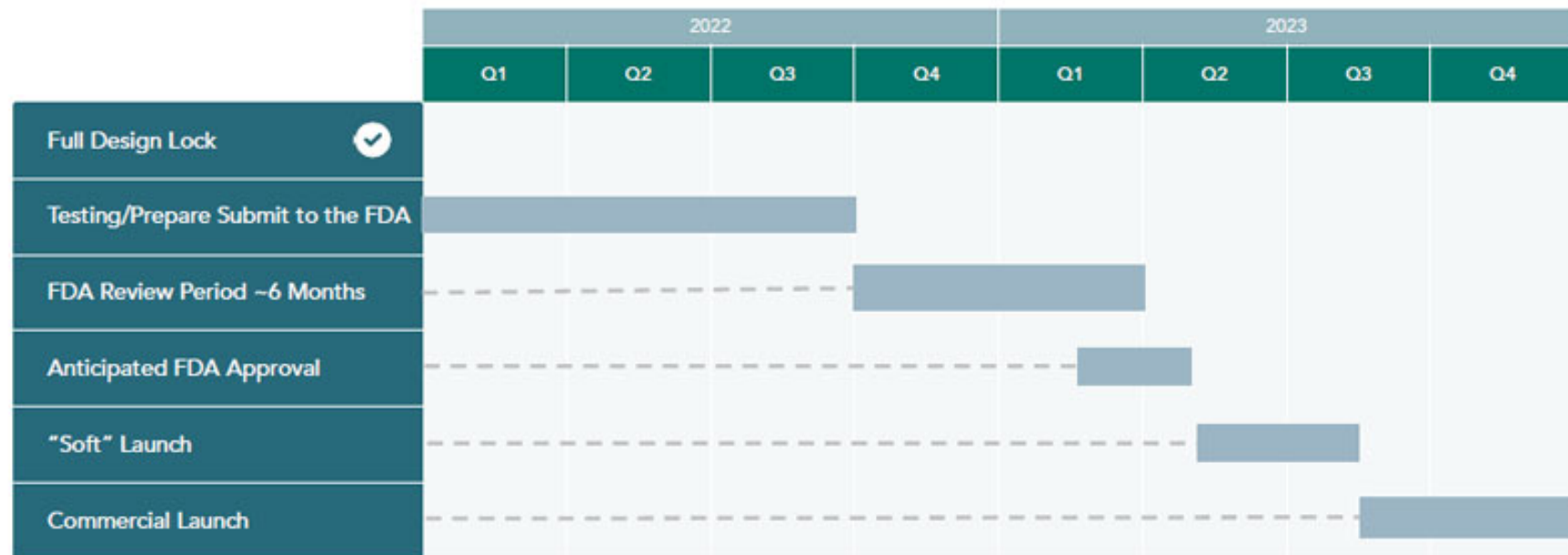
Expansion of Market

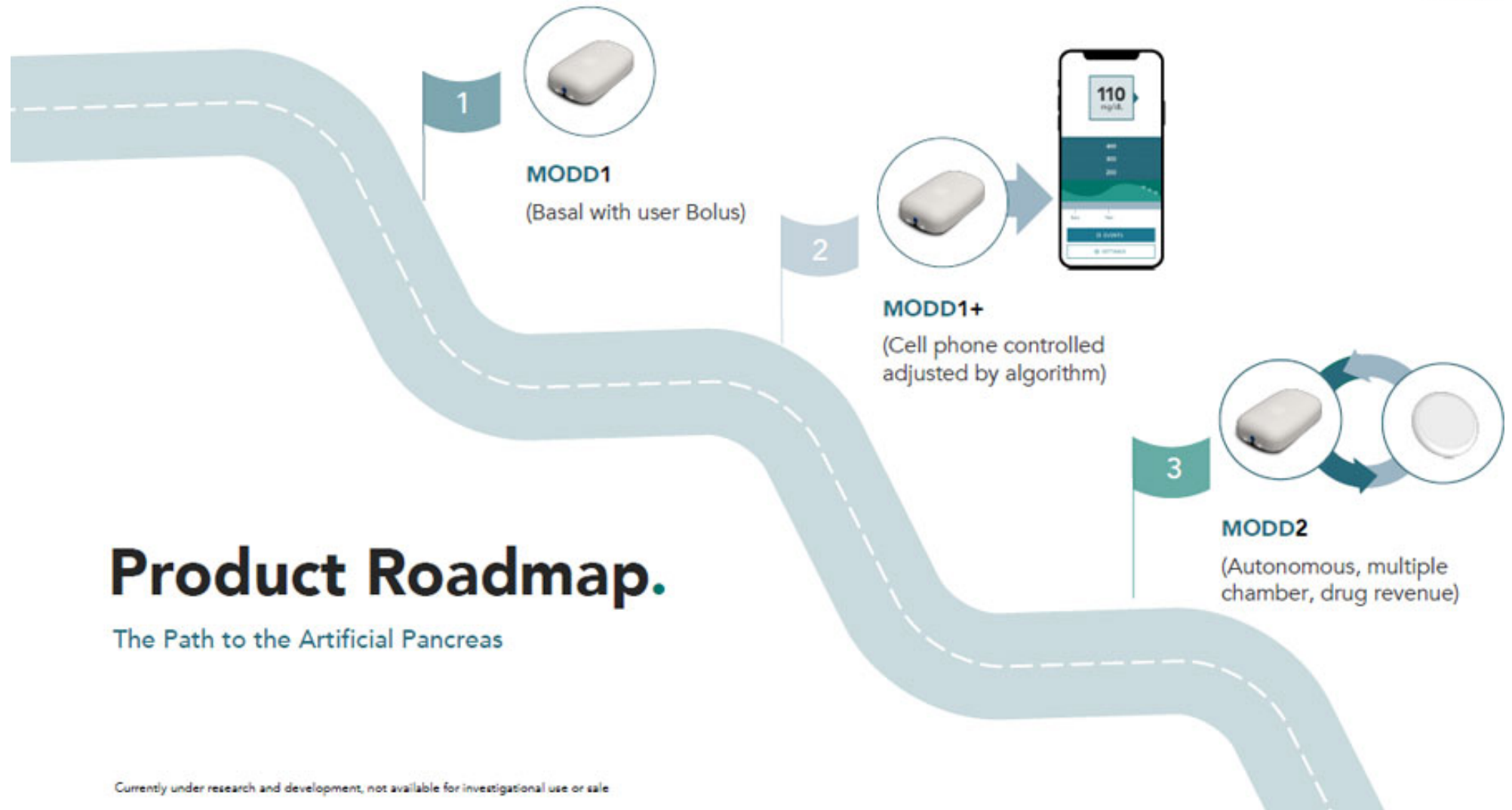
1. Based on 20% discount to published CPT codes for Omnipod.

2. Calculation based on Omnipod US data from SGP 2019 diabetes bluebook and internal cost estimates.

Testing is based on benchtop tests, **no human trials required** (no insulin pump has done pre-approval human trials)

FDA submission expected **Q3 2022**. Anticipated 6-month review period.





Currently under research and development, not available for investigational use or sale

In Development MODD1+.

Enhanced Modular Patch Pump: Cell Phone Controlled



2-Factor Authentication

Allows use of user's own cell phone as controller. No dedicated controller required.



CGM Integration

Allows algorithms to adjust basal rate for meals and exercise.



Ease of Use

Same modular design and ease of use as MODD1, with enhanced control functionality.

Currently under research and development, not available for investigational use or sale

Cell Phone Controlled



In Development

50% complete

The Future of Care MODD2.

MODD2 is a native multi-chamber pump developed with enhanced ease of use in mind. Designed to be prefilled, the MODD2 will enable Modular Medical to capture drug revenue.

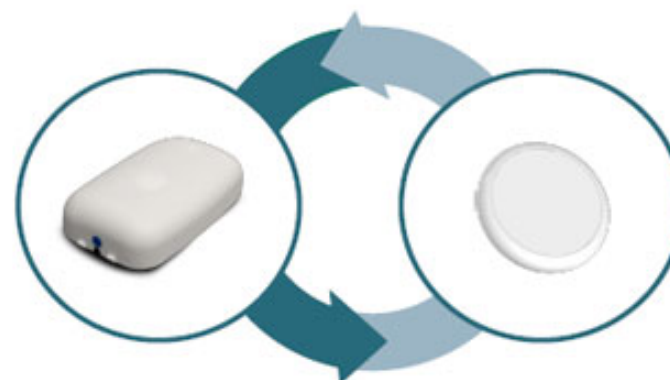
Modular Medical will become the one-stop shop for all of a user's diabetes needs.

MODD2 Features

- Closed Loop System
- Continuous Glucose Monitor Measures Blood Sugar, Feeds Data to Pump
- Algorithms Inform Pump Activity
- No Human Intervention Required
- Working prototype currently complete

1. Reuters "US insulin costs" 2012-16, Good RX.
2. \$1,088 Avg price for monthly supply from Good RX. Assume ~50% price drop for generic.
3. $(\$4,800 + \$6,000 + \$4,300) \times 1.5 \text{ million T1 Diabetics} = \22.65bn

Artificial Pancreas



\$4,800

Insulin Spend
Patient / Year¹

\$4,128

Pump System
Patient / Year

\$6,000

Symlin Spend
Patient / Year²

\$22.6 B

US Addressable
Market³

EU: Single-Payors Want Lower Overall Costs.

Hesitant to Pay Upfront for Durables

60
MILLION

people have
diabetes in
Europe¹



\$1 in \$4

global diabetes spending occurs in this
region²

\$156B

spent annually in diabetes healthcare
costs³

3 European countries in Top 10 countries for highest number of children and adolescents with T1D ²

- European **single payor** systems avoid upfront costs, instead preferring low initial cost and a strong relationship between cost and health outcomes
- Pumps have had limited success in UK and Germany
 - UK guidelines mandate pump usage for all pediatric T1D patients, yet only 1/3 use pumps due to scarce NHS funding. Current funding would buy MODD pumps for all UK pediatric diabetics. \$25-30 million annual opportunity with no direct sales force needed.
 - Low pump penetration outside of Germany and UK. Green-field opportunity

¹WHO – Europe Regional Office website; ² International Diabetes Federation Atlas, 2017; ³ IDF, 2015

The Team.



Paul DiPerna

Chairman & CTO

30 years of experience in medical device industry

- Led over 10 projects to FDA approval
- Founder Tandem Diabetes (TNDM:NAS)
- Designer and lead developer of t:slim pump, a leading insulin pump in type 1 diabetes
- Founder and CEO, Modular Medical: an innovative next generation insulin pump

Proven ability to develop products and win FDA approval

Tandem Diabetes Care – 510k approval on their T-Slim –2012

National Cardiac – 510k approval on a disposable EKG sensor -2018

Ivera Medical – 510k approval on a Luercap for infection control –2015

Baxter Healthcare – FDA approvals (1988-2003) on product in the fields of: Blood Canisters, Suction Yankhauers, Wound Drains, High Speed Centrifuges for separating blood, Povidone Iodine anti microbials and a variety of blood collection devices.



James (Jeb) Besser

CEO

- 23 year Managing Member, Manchester Management LLC, largest shareholder of Modular Medical, Inc.
- 25+ years of U.S. public equity and capital markets experience, with a focus in life science and technology
- Provided long term strategic planning and due diligence, business development, and investor relations guidance to over 100 public companies
- Active involvement in developing Modular Medical's commercial go to market strategy since 2017

Financial Highlights.

Stock Information	
Listing	NASDAQ
Symbol	MODD
Share Structure (as of May 2, 2022)	
	Inclusive of 5/2/22 Financing
Shares Outstanding*	12.3 M
Price Per Share	\$4.32
Market Cap	\$53 M
Executive & Insider Ownership	44%
Warrants at \$6.00 strike	768 K
Warrants at \$6.60 strike	5.4 M
Employee Stock Options at \$7.56 Weighted Average	1.9 M

*includes pre-funded warrants as share equivalents



Investor Relations
ir@modular-medical.com

NASDAQ:MODD



Appendix.

T1D Insulin Pump Comparisons (US Market).

Modular Medical



Tandem Diabetes Care



Medtronic (MiniMed)



Insulet



	Modular Medical	Tandem Diabetes Care	Medtronic (MiniMed)	Insulet
Reservoir Size	300 units/3mL	300 units/3mL	300 units/3mL	200 units/2mL
Pump Cost	Pump: \$0 3-Day Disposables: \$349/month (PBM Pricing)	Pump: \$4,200 Disposables: \$134/month	Pump: \$4,600 Disposables: \$148/month	Pump: \$0 Disposables: \$437/month (PBM Pricing)
Monitorable Via Cell Phone	Yes	No	Yes	No
External Controller Required	No	No	No	Yes
Charger/Battery	No Charger/Single-use disposable battery provided	Charger Required	Battery Required	Handset Charging Required
Easy to Learn	Yes	No	No	No
Remove & Reattach	Yes	Yes	Yes	No

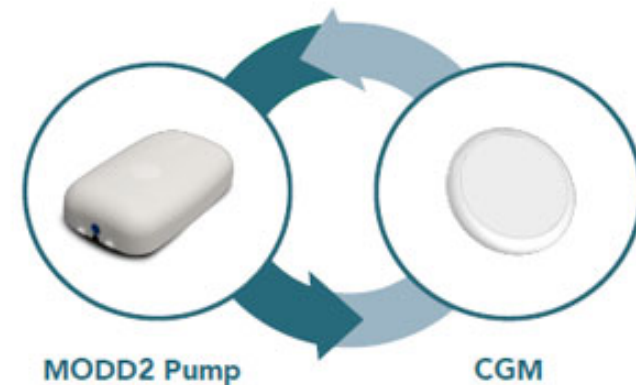
Currently under research and development, not available for investigational use or sale

Artificial Pancreas Will Be Multi-Chamber.

- FDA has established 70% Time In Range “no human intervention” standard for AP.
- “Control IQ” study published in NE Journal of medicine barely reached 70% despite announcing meals, sleep, and exercise.
- Prominent KOL’s and Algo designers feel 70% TIR without intervention is out of reach with insulin alone: the Artificial Pancreas will have to be multiple liquid.
- Multiple liquid will require small, simple, affordable pumps. Complexity and cost are multiplied. Legacy technology is not well suited.
- MODD well positioned to be first to market with viable multi-chamber product.

Currently under research and development, not available for investigational use or sale

Artificial Pancreas



MODD2 Features

- Closed Loop System
- Continuous Glucose Monitor Measures Blood Sugar, Feeds Data to Pump
- Algorithms Inform Pump Activity
- No Human Intervention Required

MODD Clinical Advisors.

ENDOCRINOLOGY

Bruce Bode, MD:

Among the top tier of insulin and insulin pump kols in the world (atlanta, practicing)

Orville Kolterman, MD:

Led the development of symlin (pramlintide) and byetta / bydureon (exenatide) at amylin pharmaceuticals (san diego, practicing)

Poul Strange, MD:

Led and participated in the development of several insulin products and insulin delivery devices (new jersey, not practicing)

CDCES, NP, PA

Virginia Valentine CDCES:

Recent winner of the outstanding educator of the year from the ADA, author and editor. Board chairperson (new mexico, practicing)

Davida Kruger NP:

Former chair at the ADA research foundation, multiple award winner, former editor at numerous publications (detroit, practicing)

Gary Scheiner CDCES:

Award winning author of 6 books on diabetes. Founder of integrated diabetes (philadelphia, practicing)

Neesha Ramchandani NP:

Focused on technology use, particularly in urban pediatrics (bronx, practicing)

Diane Herbert CDCES:

Former VP clinical services at livongo. Published author and frequent speaker (philadelphia, practicing)

Chris Sadler PA:

Award-winning previous president of the american society of endocrine pas (san diego, not practicing)

PHD

Lutz Heinemann:

Founder of the profile institute for metabolic research, author of hundreds of publications on diabetes technology, and managing editor of the journal of diabetes science and technology