



Relevant Health

Building the Health Tech Capital

Program Summary

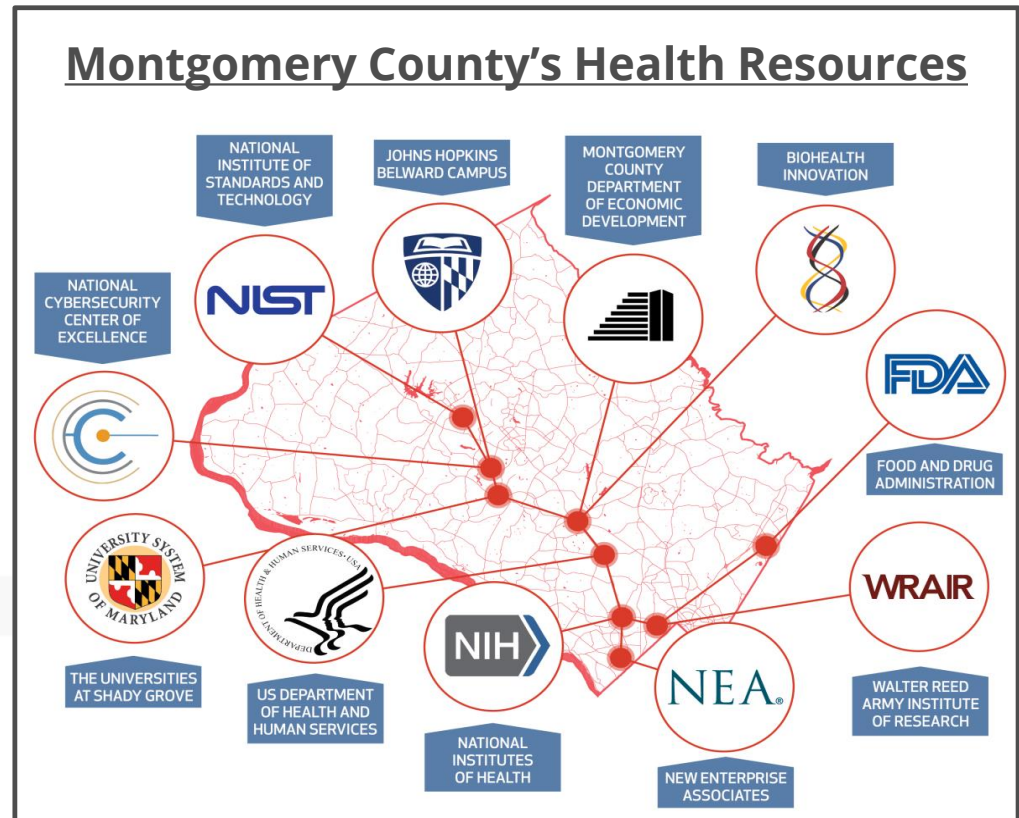


July 2016

Relevant Health is a health tech accelerator

RH is a health technology accelerator in the heart of the nation's capitol region with the first cohort running October 26, 2015 – March 30, 2016

- 7 startup companies begin RH's five-month program on October 26th 2015
- RH companies receive a \$50,000 stipend in exchange for 8% equity in their Company
- Located in Montgomery County, MD, close to the unmatched public health resources
- Robust network in MD and beyond



The Opportunity

Maryland's 1st product-focused health tech accelerator

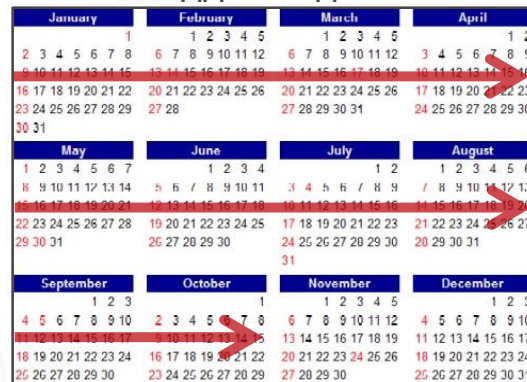


It's a crowded field, why another accelerator?

- 27 comparable health tech accelerators, many launched within last 2 years, but only 1 in the Delaware, Maryland, D.C., Virginia region
- Existing accelerators neglect product development: startups emerge from the accelerator without a functional product, then struggle to gain traction

Health tech requires a longer timeline than the typical accelerator models allows

- Strategic partnerships take 6-12 months to form
- Pilots with insurance companies and hospitals are difficult to achieve but critical to demonstrating value proposition



Relevant Health provides a curriculum focused on building products and offers long term partnerships through BHI and the Montgomery County Incubation Network

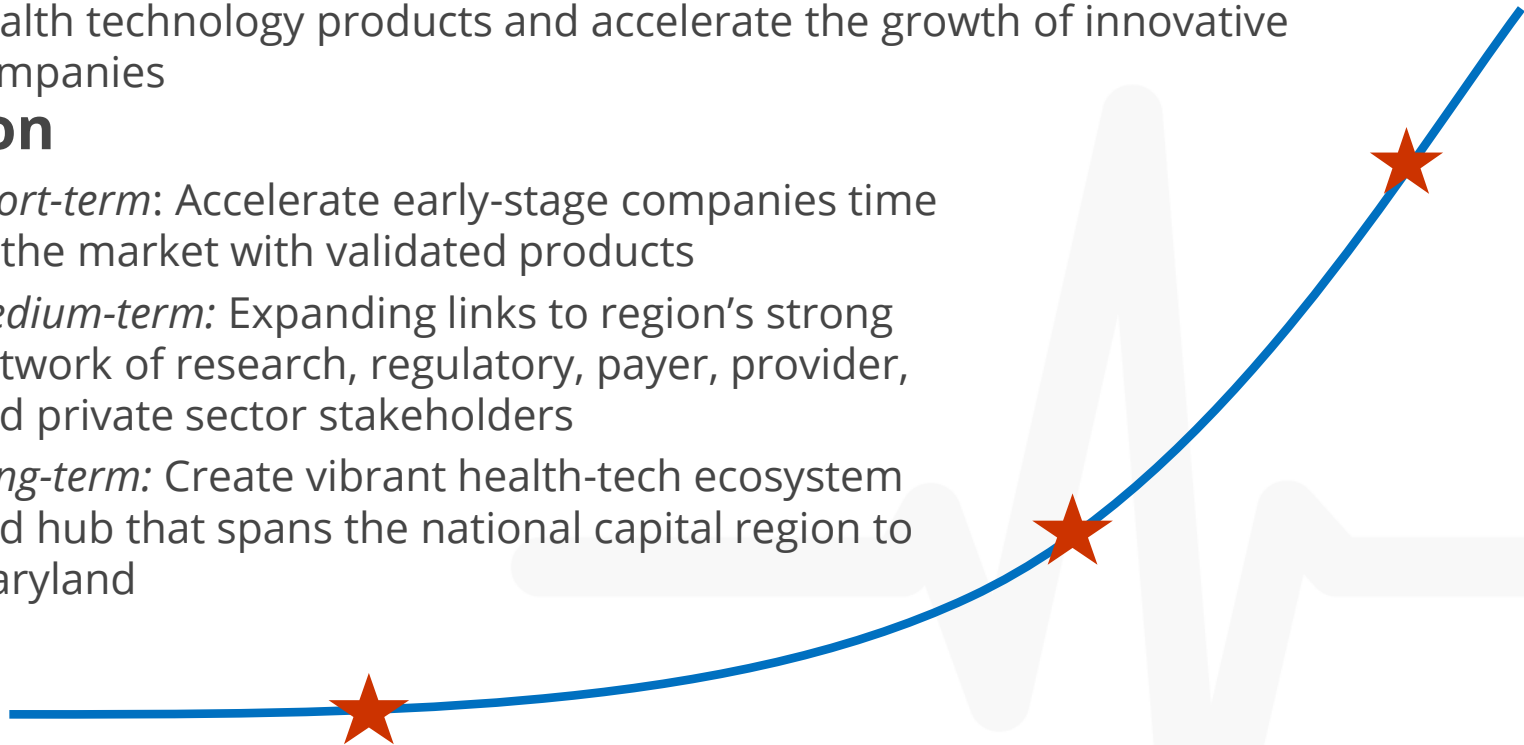
Relevant Health's Mission and Vision

Mission

- Provide the missing piece to Maryland's health tech innovation ecosystem – a connection between the startup community and established, regional health assets – by developing talented people that build differentiated health technology products and accelerate the growth of innovative companies

Vision

- *Short-term:* Accelerate early-stage companies time to the market with validated products
- *Medium-term:* Expanding links to region's strong network of research, regulatory, payer, provider, and private sector stakeholders
- *Long-term:* Create vibrant health-tech ecosystem and hub that spans the national capital region to Maryland



What Makes The Relevant Health Program Unique?

Product-first focus

- Structured, formal curriculum focused on building both product and company ensures a product at demo day, not a well-rehearsed presentation
- Dedicated in-house software development team

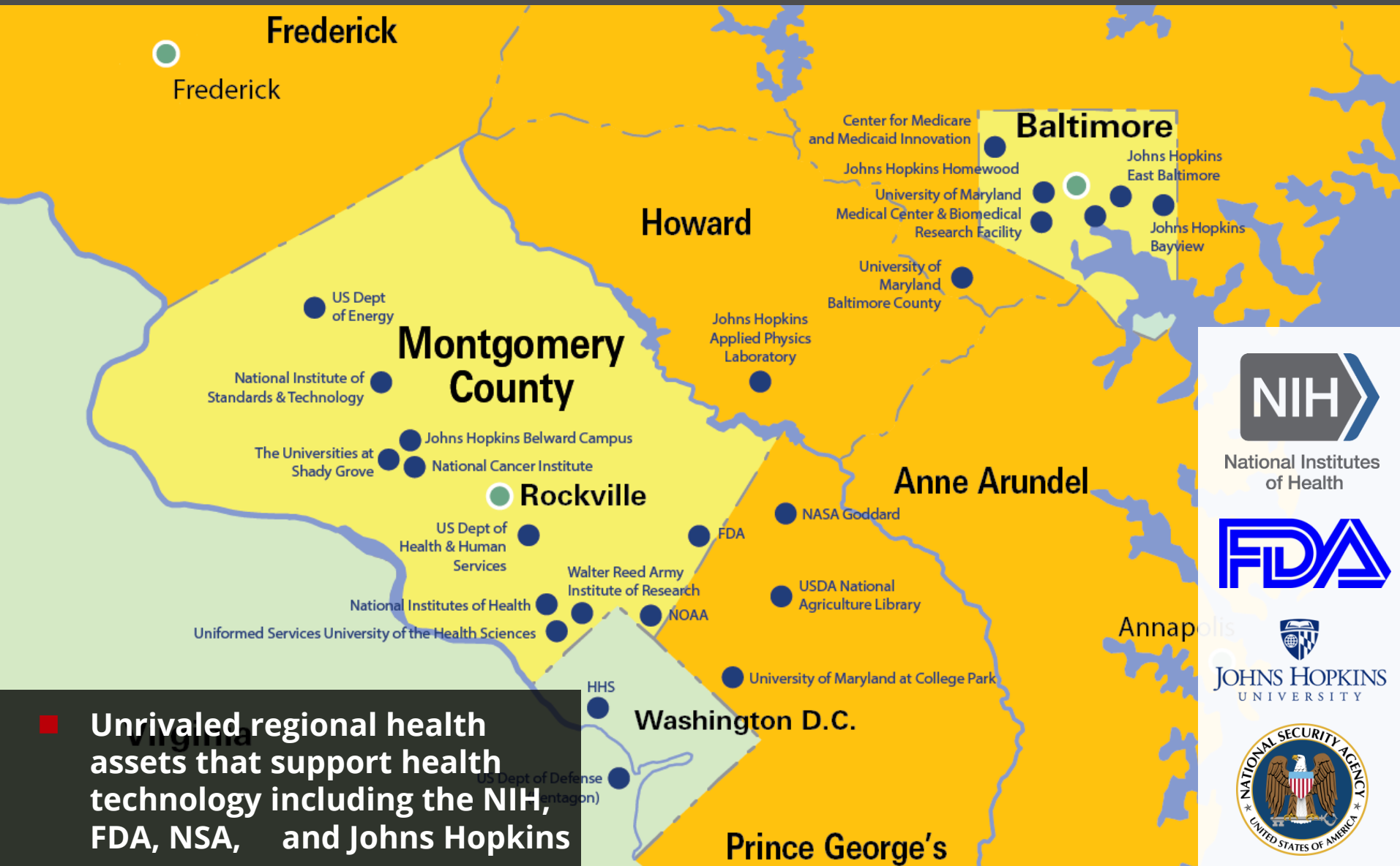
Pilots, customers, and funding

- Access to robust network of big pharma & biotech, venture capital, medical device, academia, insurance, government agencies, and international trade representatives

Long-term partnership

- Opportunity to partner with BioHealth Innovation and other local partners that offer year-round commercialization support

Maryland's Unparalleled Health Resources



■ Unrivaled regional health assets that support health technology including the NIH, FDA, NSA, and Johns Hopkins



National Institutes of Health



Founding Partners



- Facilitates the support of entrepreneurship in the health industry and the commercialization of market-relevant research from universities, federal labs, and biohealth companies in Central Maryland. Deep network of top tier venture capital, large pharma, & medical technology companies.

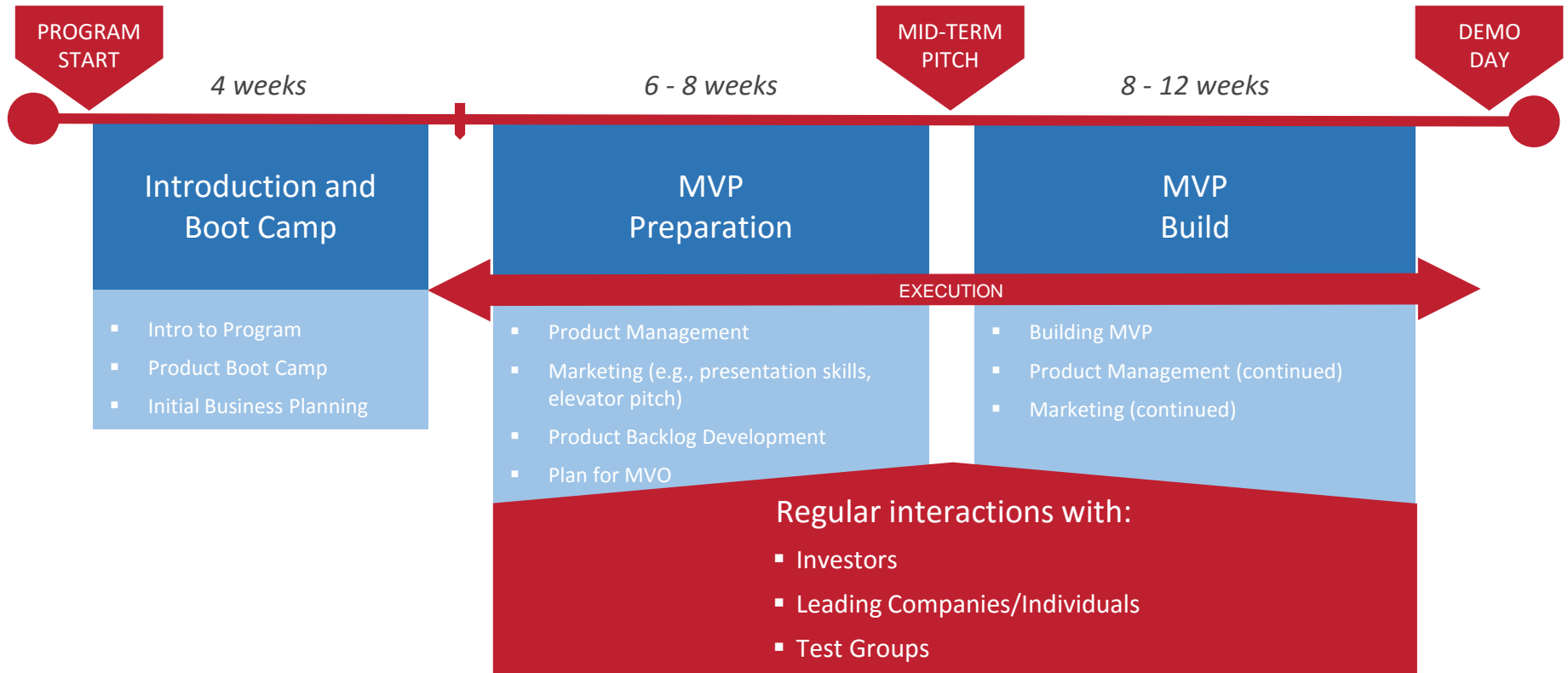


- Product acceleration company that supports tech startups with product strategy, marketing, and management and software development management.



- Provides facilities management to four incubators and the Rockville Innovation Center, where RH is located.

Relevant Health's 5-Month Model



- Provides startups with product-focused support and incorporates repeated validation sessions that provide interaction with investors, corporate partners, and users.

- Post-demo day, longer term partnerships are offered through BHI and the Montgomery County Incubation Network

Relevant Health Network

Private Sector



Government



Academia



NGOs



Implementation & Funding

Funding and Partners

- Relevant Health is a \$1,000,000 program

Three types of supporters:

■ Investors

- Investors receive Class A Preferred Distribution Units in Relevant Health Holding Company which holds the common stock in in the companies (see appendix for distribution structure)

■ Supporting Partners

- Funding supports operational budget for the accelerator management and programming for organization. Option selected for partners who are conflicted by being investors in the companies. Nonprofit donation also an option.

■ Network Partners - In-Kind

- Building RH network – test beds, events, meetings, facilitation, and outreach from people and organizations that can impact the direction of the companies

Key Performance Metrics

Success for Relevant Health

- Supporting the health tech capacity in the region: A groundswell of early stage health tech entrepreneurs coming to the area to grow their companies (inside and outside the accelerator)
- Partners engaged in supporting the entrepreneurial ecosystem
- Seed capital increasingly flowing to the health tech sector
- Cohort companies progress:
 - Product development
 - Customer acquisition
 - Fundraising

Program Launch

Co-working facility in Rockville, Maryland Innovation Center

- Dedicated accelerator co-working space (4500 sq. ft.)
- Hosted events for participants and alumni; open year round

Timeline

- 1st Program October 26, 2015 - March 2016
- 2nd Program - February 2017 - June 2017
 - Marketing kick-off in November 2016

Rockville Innovation Center



Rockville, Maryland



Relevant Health Co-working Space



Seven Companies in the First Relevant Health Cohort

CheeksUp

AgeWell
biometrics

lazy

Ergonometri 
We've got your worker's back

GastroGirl™ 
EMPOWERING OPTIMAL DIGESTIVE HEALTH

Neopenda


GlucoseMama

Seven Companies in the First Relevant Health Cohort

Wearable devices and sensors

- **Agewell Biometrics (Baltimore)** is developing a data analytics tool which can use the accelerometers in cell phones and wearables to determine risk of falling among seniors
- **Ergonometrix (Rockville)** is developing a wearable device to determine the risk of back injury
- **Neopenda (New York City)** is developing a monitor to measure neonatal vitals with engineered hats for use in the developing world

Consumer-facing mobile health

- **CheeksUp (Riga, Latvia)** is developing a gamified system for children receiving speech and language support
- **Gastro Girl (Falls Church, Virginia)** is developing a technology platform focused on delivering health coaching and support to the GI community
- **Werbie (Bethesda)** is developing a mobile and web application focused on the dietary needs of women managing high risk pregnancies specifically manage gestational diabetes

Provider-facing health IT

- **Lazy (Washington, DC)** is developing a product to automate and streamline the collection and submission of key quality metrics by hospitals and other health providers

2016 Cohort Performance Metrics

Performance Metrics include

- 170 Demo Day Registrants
- Company retention: 6 of the 7 companies retained locally through June 30th
- County investment leveraged more than 1:1
 - US Small Business Administration - \$25,000 (Accelerator Challenge)
 - MITRE Corporation - \$25,000
 - Private investors - \$198,000
 - BHI General Fund - \$300,000
- Pilots completed: 5 - Agewell Biometrics, 2 (Motion Picture Television Fund & Portland, OR assisted living facility. ErgonometriX, 3 (Movers, Firefighters, Manufacturing floor)
- Follow-on capital raised: \$600,000 (Neopenda, Lazy Corporation)
 - Neopenda won the Cisco Internet of Everything Innovation Challenge Prize
 - Werbie won Maryland Industrial Partnerships award
- ErgonometriX finalist at the Regional BioHealth Capital Forum Crab Trap Competition

Investor Information

Strategic investors in the program can receive a preferred distribution on Capital returned from shared ownership in the companies.

Distribution of Profits / Losses Among Share Classes

Investors: Class A Shares shall receive 100% of the distributions on a pro rata basis (of A Units) until \$1.00 has been distributed for each A Unit.

Program Managers: Class B Members shall then receive 50% of the distributions on a pro rata basis (of B Units) and Class A Members shall receive 50% of the distributions on a pro rata basis (of A Units) until \$2.00 has been distributed for each A Unit.

Tax Implications:

Any distributions back to investor taxed as capital gains. If distributions do not occur immediately, investors would recover a tax loss that can offset to other passive income from other investment holdings.

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