Stabilized Rice Bran Nutraceuticals & Functional Food
*The Road to Healthy Aging*

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2nd MedSpring brokerage and venturing event on innovation
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Healthtech-eg.com
WHY Healthy Aging?

Within only 10 years, there will be one billion older people worldwide.

Global rise in aging population

The number of people in the world aged 60 and older is expected to grow past 2 billion by the year 2050.

SOURCE: United Nations Population Fund
Aging & Diseases

The Increasing Burden of Chronic Noncommunicable Diseases: 2008 and 2030

- High-income Countries
- Middle-income Countries
- Low-income Countries

Global Aging Economics

“Age related disease (NCD); one of the leading threats to global economic growth” World Economic Forum 2009

• In 2010, NCD cost > $30 Trillion (48% Global GDP)
• In 2020, NCD cost > $47 Trillion (75% Global GDP)
• Mental health cost = $16.1 Trillion

+ decreased Productivity & Quality of Life
Global Dementia Economics

Need & Market

Current and projected numbers for people with Alzheimer’s or another dementia worldwide (in millions):

- Today: 35.6
- 2030: 65.7
- 2050: 115.4

Annual Costs of Dementia Care, 2010:

- Europe: $239 Billion
- North America: $213 Billion
- Asia-Pacific: $124 Billion


STABILIZED RICE BRAN
Eat Well, Age Well

2012
Number 60+
809m
11% of total worldwide population

2030
Number 60+
1,375m
16% of total worldwide population

2050
Number 60+
2,031m
22% of total worldwide population

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Nutraceutical Products

**ORYZA**
- Powder
- Functional Food & Bakery
- Healthy Food Ingredient

**RICEPLEX**
- Product Range: Extract
  - Soft Gel Capsules
  - Chewable Tablets
- Functional Beverages & Food Ingredient

**BRAN RICE**
- Egyptian white rice fortified + stabilized rice bran powder
- Healthy Rice
Stabilized Rice Bran
Eat Well, Age Well

• **Prophylaxis Nutraceutical for healthy aging**
Rice bran extract protects from mitochondrial dysfunction in guinea pig brains.

• **Provides brain protection against aging**
Rice bran extract compensates mitochondrial dysfunction in a cellular model of early Alzheimer's disease.
PorridgePlus
Food Against Dementia

Develop a food product for elderly with the objective to promote healthy brain aging.

Rice Bran Extract protects from mitochondrial dysfunction in the brain.

*To date, there is no cure for Alzheimer. Only products that delay disease progression*

BMWi #KF320461
Global Market

Global Nutraceutical Market, 2011
Total Market Size: $149.5 Billion
ROW 16%
USA 36%
India 1%
Japan 22%
Europe 25%

Growth: $149.5 B → $210 B → 7.0% (CAGR)

US, Europe, and Japan are the largest markets, while India, China, and Brazil are key growth geographies.
## Market Opportunity; EU

<table>
<thead>
<tr>
<th>Country</th>
<th>Death Rate (100,000)</th>
<th>World Rank</th>
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<tbody>
<tr>
<td>Finland</td>
<td>34.89</td>
<td>1</td>
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<tr>
<td>Sweden</td>
<td>21.48</td>
<td>4</td>
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<tr>
<td>Netherlands</td>
<td>21.41</td>
<td>5</td>
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<tr>
<td>Switzerland</td>
<td>20.02</td>
<td>6</td>
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<tr>
<td>Spain</td>
<td>18.74</td>
<td>10</td>
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<tr>
<td>Denmark</td>
<td>17.41</td>
<td>13</td>
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<tr>
<td>United Kingdom</td>
<td>17.08</td>
<td>14</td>
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<tr>
<td>France</td>
<td>16.56</td>
<td>15</td>
</tr>
<tr>
<td>Belgium</td>
<td>14.63</td>
<td>19</td>
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<tr>
<td>Ireland</td>
<td>11.81</td>
<td>24</td>
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<tr>
<td>Italy</td>
<td>9.74</td>
<td>35</td>
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<tr>
<td>Germany</td>
<td>5.90</td>
<td>89</td>
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</table>

Source: [www.worldlifeexpectancy.com](http://www.worldlifeexpectancy.com)

5 of top ten countries with high deaths from Alzheimer’s are EU countries
Market Opportunity; EGY

EGY Growth Rate = 1.9%

Population at risk = 5%

Population with disease = 2.5%

Risk factors:
- Diabetes = 11%
- Hypertension = 25%

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
<th>Target Customer (Dementia &amp; Alzheimer's)</th>
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<tbody>
<tr>
<td>2015</td>
<td>85,762,790</td>
<td>4,313,264</td>
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<td>2016</td>
<td>87,134,995</td>
<td>4,394,738</td>
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<td>2017</td>
<td>88,529,155</td>
<td>4,478,238</td>
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</table>
## Business Model

<table>
<thead>
<tr>
<th>Key partners</th>
<th>Key Activities</th>
<th>Value Propositions</th>
<th>Customer Relation</th>
<th>Market Segments</th>
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</thead>
<tbody>
<tr>
<td>ITM (Mother Company)</td>
<td>What Key Activities do our Value Propositions require? Innovative Formulation Niche positioning R&amp;D National and regional marketing</td>
<td>Niche Product Range <strong>Oryza, Ricyplex, BranRice</strong> Value delivered Functional Food &amp; Healthy Supplements</td>
<td>Awareness program Cost 20 % of selling price</td>
<td>Aging Society (55 and above @ 4.5%) 2015: 3.8 M @ 0.01% = 38 K unit/product Sales Forecast (2 products/unit/month) &gt; 900,000 Units</td>
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<td>R&amp;D (Institutes &amp; programs)</td>
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<td>Key Suppliers</td>
<td>Key Resources</td>
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<td>Key Resources</td>
<td>Trade Secret processing</td>
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<td>R&amp;D Funds</td>
<td>Revenue streams</td>
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<td>Shareholders</td>
<td>Types of resources</td>
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<td>National and regional marketing</td>
<td>Intellectual Financial</td>
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<td>Key Activities partners perform</td>
<td>Motivations for partnerships</td>
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<tr>
<td>Product Development; R&amp;D Strategy &amp; Marketing activities</td>
<td>Profit Margins</td>
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<td>Innovative Development Unique Technology Scientific support Niche market targets</td>
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<td>Key Resources partners perform</td>
<td>Value delivered</td>
<td>Customer’s Problem Solving</td>
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<td>Niche Aging Segments Alzheimer’s Disease Dementia</td>
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<td>Customers’ needs satisfaction</td>
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<td>Convenience in administration Formulation to push daily product intake</td>
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<td>Characteristics New Ingredient Innovative product segmentation Competitive pricing strategy Product development range</td>
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<td>Channels</td>
<td>Which ones work best?</td>
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<td>Store promotion Social Media</td>
<td>In store Promotion</td>
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<td>channel phases Push &amp; Pull</td>
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<td>1. Awareness 2. Acceptance 3. Demand</td>
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<td>Cost Structure</td>
<td>Revenue Streams (RS)</td>
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<td>Raw Materials (20%)</td>
<td>Healthy food for Healthy aging value purchase</td>
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<td>Packing materials (10%)</td>
<td>RS are on the basis of retail sales. Fixed price cash payment</td>
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<td>Distribution cost (5 %)</td>
<td>Price is market segment dependant</td>
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<td>Marketing expenses (20%)</td>
<td>RS contribute to 100 % of the overcall revenues</td>
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<td>Retail discount (20%)</td>
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<td>Growth Profit (25%)</td>
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### Segments
- Aging Society (@ 4.5%) = 38 K unit/product Sales Forecast (2 products/unit/month) > 900,000 Units
- Dementia (@ 2.5%) = 2.1 M @ 0.01 = 21 K unit/product Sales Forecast (2 products/unit/month) > 500,000 Units
- Diabetic (@11%) = 9 Million Niche target customer @ 0.001 = 90 K units/product Sales Forecast (2 products/unit/month) = 2 Million Units
Value Proposition

Value delivered: Functional Food & Healthy Supplements

Problem Solving: Healthy Aging Segments Alzheimer’s Disease Dementia

Needs satisfaction: Convenience - Daily product intake

Characteristics: New Ingredient - Innovative product segmentation - Competitive pricing strategy - Product development range
Market Segment

Aging Society (55 and above @ 4.5%) 2015: 3.8 M @ 0.01% = 38 K unit/product
Sales Forecast (2 products/unit/month) > 900,000 Units

Segments
Dementia (@ 2.5 %) = 2.1 M @ 0.01 = 21 K unit/product
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Diabetic (@11%) = 9 Million
Niche target customer @ 0.001 = 90 K units/product
Sales Forecast(2 products/unit/month) = 2 Million Units
Revenue Streams

Value: Healthy food for Healthy aging value purchase

Method: Retail sale – (FMCG/OTC) Fixed price cash payment

Type: Market segment dependant pricing

RS contribute to 100 % of the overall revenues
International Marketing

• **Marketers and Ex-product managers:**
  - Product Registration
  - Product Market & Sales Plan
  - Export from Europe to Gulf Region

• **European producers** for local production of HealthTech selected products

• **Business Developers** for European SME targeting in the filed of Nutraceuticals – Functional Food & Cosmocetuticals for Health Tech raw material supply of current and future raw materials.
OBJECTIVE: EU to partner with HealthTech for EU and Gulf Region market penetration.

1. Identification of reliable partners

2. Marketing support for international marketing strategy, participation in fairs, representative office, etc.

3. Business development support
Contact Data

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