Chocolate Vascular Technologies

a QTVascular company

Chocolate Vascular Technologies (CVT)
to be spun-off as a separate legal entity

$1.8B TAM

Current Series B Round: $17M

("Series A" self-funded by parent company)

Regulatory & Commercialization Path:

- PMA
- IDE enrollment approximately 90% complete
- 12-month follow-up

Parent Company Profile:
www.qtvascular.com
QTV SGX IPO: 2014
CVT Location: Pleasanton, CA, USA

IDE Study Leadership:

Mehdi H. Shishehbor, MD, DO, PMH, PhD, University Hospitals - Cleveland Harrington Heart & Vascular Institute

Prof. Thomas Zeller, Universitäts— Herzzentrum Freiburg, Department of Interventional Angiology, Germany

Sahil A. Parikh, MD, FACC, FSCAI, Assistant Professor of Medicine, Endovascular, Columbia University/NY Presbyterian

Alexandra Lansky, MD, FACC, FAHA, FSCAI, Yale University Medical School

Key CVT Leadership:
Founder & Group CEO: Eitan Konstantino, PhD Technion University, TriReme Medical CEO & Founder, Quattro Vascular CEO & Founder, former CSO & Founder, AngioScore, Advanced Stent Technologies former CEO & COO. Products invented have generated close to $800M in global sales to date.

President & CEO: Michael D. Van Zandt, MBA Columbia University, Former CEO USCI Ireland/USCI Japan, VP/GM Boston Scientific Cardiology Japan, Medtronic Global Marketing Director, VP Sales Bard/Medicon (now BD) Contact: MVZ@TriRemeMedical.com
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The Problem: Peripheral artery disease (PAD), lesions causing blockages in the leg arteries, are currently treated with angioplasty balloon catheters coated with anti-proliferative drugs, drug-coated balloons (DCBs). Upon inflation, the balloon dilates the artery's stricture while simultaneously delivering drug into the artery wall. Unfortunately, the very thing that opens the stricture, the balloon inflating and pushing plaque against the vessel wall, also slightly injures the wall. The injury causes an inflammatory response in the form of smooth muscle cell proliferation within the artery, often-times causing suboptimal results.

The Solution, Atraumatic Drug Delivery: Chocolate Vascular Technologies (CVT) has developed a unique drug delivery catheter whereby an angioplasty balloon is framed in nitinol scaffolding. The nitinol memory is set in the "closed" position such that upon inflation, the scaffolding gently restrains the balloon as it predictably grows. The retaining scaffold creates atraumatic pillows dilating the lesion while minimizing injury to the vessel. Traditional balloon growth is unpredictable, often causing acute damage. Chocolate Touch® is the only differentiated platform that minimizes injury while delivering needed drug via its proprietary formulations and coating processes.

Market & Competition: Several interventional vascular companies have a play in this space at varying stages, including Medtronic, Boston Scientific and Becton Dickinson. With so few players in this expanding oligopoly, there is great opportunity to take significant market share via the only differentiated DCB, while simultaneously benefiting from market growth. This growing market is poised for companies and clinicians to help improve patient QOL on a large scale. The market size stands at approximately $500M in 2019, growing to $1.8B in 2026. However, unlike the competition, CVT has employed a unique delivery system (with strong IP) avoiding traditional DCB drawbacks, and a promising pipeline of new drugs and drug combinations for the future.

CVT Achievements to Date:

- Chocolate PTA: Non-coated PAD asset acquired by MDT for approximately $45M in cash & ongoing supply agreements
- Chocolate PTCA (non-coated coronary) & Chocolate Heart (coated coronary) assets & options acquired by Teleflex for $98M
- Chocolate Touch®: Coated PAD technology owned by CVT with strong Phase I data and IDE study ahead of plan (approximately 90% enrolled)

Approach: The first target market is the large, well-established**,** above-the-knee (ATK) market which accounts for the current $500M revenue market. The second market CVT has targeted is the below-the-knee (BTK) segment which adds an additional $250M* in revenue to the first-mover's annualized revenue. according to a WF analyst. No further R&D required for the BTK product, only clinical study work, an easy add-on for continued value creation.

Experienced Team: Leadership team & Board are all experienced in growing new ventures and developing drug-device combination products for clinical use in an FDA environment. The team's transaction history includes the sale of AST to Boston Scientific in 2005, AngioScore to Spectranetics (now Philips) in 2014, product line sales (and certain assets) to Medtronic & Teleflex, in 2018, respectively. The CVT team achieved these milestones via its industry leaders in their functions: Clinical Affairs, Commercial, Finance, Operations, Regulatory Affairs, Quality Affairs, R&D and Science & Technology.

The Opportunity

- CVT requires $10M to complete US FDA approval for ATK indication (short time frame, 90% enrolled).
- CVT requires $7M to conduct its US IDE study for the BTK indication. Chocolate Touch® is ideal for this indication which is a huge burden on society often times leading to amputation if left untreated.

*July 9, 2019 Wells Fargo analyst report highlighting Bard's forecasted Lutonix sales prior to BD acquisition