

Relay Medical Reports on Pharmatrac Development and Commercialization; Files Trademark, Launches Website, Showcases Technology and Telemedicine Applications to Serve Patients At-Home Around the Globe

Toronto, Ontario--(Newsfile Corp. - May 5, 2020) - Relay Medical Corp. (CSE: RELA) (OTCQB: RYMDF) (FSE: EIY2) ("**Relay**" or the "**Company**"), a developer of MedTech innovation, is pleased to provide a comprehensive update on development and commercialization activities related to its wholly owned Pharmatrac™ Medication System.

Highlights

- **User Studies** - Cliantha Research engaged to support next phase of Pharmatrac user studies
- **3D Gestures** - Relay completes proof-of-principle prototype with motion sensing ability to identify when a medication is taken
- **Website Launch** - The Company has launched dedicated www.Phamatrac.ca website to drive commercial activities and user studies
- **Intellectual Property** - Relay files trademarks for Pharmatrac use
- **Market** - Global transition toward deregulation and funding of telemedicine market offers additional opportunity in sector

The Pharmatrac System is a robust data-analytics driven platform that includes multiple user-facing smart hardware devices to offer users unique solutions to track and assist in proper use of prescribed medications and supplements. The Company took over commercialization of the system and its hardware applications in May of 2018, when Relay Medical acquired the Ottawa based data science company, UX Data Sciences Corp. The flexibility of the Pharmatrac™ uniquely positions the system to make a meaningful impact in multiple markets related to medication adherence, telemedicine and data validation.

"The value of telemedicine and contactless health solutions has been boldly illustrated during the spread of Covid-19 and this is only one of the reasons why doctors and carers are looking for reliable solutions to monitor and service patients remotely. This increased interest, understanding, acceptance and deregulation has greatly expanded Pharmatrac's potential and brings our solutions closer to the market with more advantageous cost structures for consumers. Demand is on the rise and we are focused on making a substantial difference within the global home care and telemedicine sectors," said Yoav Raiter, CEO, Relay Medical Corp.

Relay Medical is pursuing and in discussion with telemedicine providers to both initiate studies to demonstrate the utility of Pharmatrac, receive additional design inputs, and to collaborate on important initiatives with governments and agencies assisting in relief efforts.

User Studies

Relay Medical is pleased to announce the engagement of Cliantha Research to support the Company's next phase of user studies on the Phamatrac Countertop Medication Device. Cliantha Research is a full-service Clinical Research Organization (CRO) and is a leading provider of clinical research services. Cliantha's expertise will be utilized to advance user studies and recruitment for upcoming user studies.

"We've learned a lot from user studies that we've conducted, and we continue to gather useful insight into medication behaviour from patients who are using Pharmatrac on a daily basis to manage their medication regime. Pharmatrac seamlessly captures real time health related data and with its smart algorithm reports back to caregivers and becomes part of the patients' daily routine. Real-World Evidence (RWE) allows us to provide **Data-driven care** that delivers actionable recommendations to providers to improve medication adherence," said Yoav Raiter, CEO, Relay Medical Corp. "We are very pleased to have Cliantha engaged for our next user study while we work to prepare for studies with Telemedicine companies, Pharmacies and Insurers once the current corona restrictions relax."

About Cliantha Research - Cliantha Research, a full-service, global, Clinical Research Organization (CRO), is a leading provider of clinical research services. Cliantha's motto is Science with Integrity. Cliantha has fifteen years of impeccable regulatory history with USFDA, WHO, MHRA, Health Canada, AGES, AEMPS, MCC, MOH, ANSM, MOPH, ANVISA, CAP, and NABL.

Cliantha Research conducts Phase I-IV studies, in both healthy volunteers as well as in patients in certain disease areas. The Company specializes in the conduct of respiratory-related studies such as allergy, asthma, COPD and other diseases in this therapeutic area.

3D Gestures - Research & Development

As part of the Pharmatrac System, Relay Medical has developed the capability to automatically identify with a high probability when a medication user takes their medication. A proof of principle prototype of the digital label with motion sensing ability has been used to develop and test the ability to identify when a medication is taken from a pill bottle based on how the medication user handles the bottle.

The proof of principle prototype can be used with the existing Pharmatrac infrastructure that sends the sensor data to the Pharmatrac cloud. The system algorithms analyze the data and medication taking events are identified and communicated as required.

Potential implementations of Pharmatrac's 3D labels include the clinical trial market, consumer market, and for expensive and sensitive drug usage that needs to be monitored carefully with safety features to deter incorrect dosage. Several of these use cases can be deployed in cooperation with insurance companies.

Pharmatrac™ Website

Pharmatrac™ is excited to announce the launch of its website, interfacing with customer segments including healthcare and telemedicine providers, clinical trial companies and at-home users around the globe. Visit at www.Pharmatrac.ca



Pharmatrac New Website

To view an enhanced version of this graphic, please visit:

https://orders.newsfilecorp.com/files/952/55407_41546ca1d46d18cc_001full.jpg

Global Transition Toward Telemedicine

It is expected that global telemedicine services will be in heightened demand through to and after the Coronavirus outbreak. In response to the crisis, an emergency healthcare bill in the U.S. was passed that increased Medicare coverage for telemedicine to seniors, vastly expanding the coverage to patient care in their homes. This is expected to increase spending on telehealth by \$500 million¹. In 2018, the telemedicine market size was valued at US \$31.46 billion globally, and it is expected to reach US\$108.08 billion by 2025².

President Trump has lifted restrictions on telemedicine providers to encourage seniors not to attempt in-person care at hospitals or clinics, amidst the coronavirus outbreak³. Vice President Mike Pence also announced that state lines no longer limit the reaches of telemedicine providers. The Coronavirus Task Force is also involved as, "They've committed to no surprise billing; and they've committed to encourage telemedicine," Pence said.⁴ The CEO of the American Telemedicine Association, Anna Mond Johnson, further clarified: "Providers should be able to use every tool at their disposal... We encourage states that have not already waived these [Telemedicine] restrictions to do so as soon as possible to ensure health care providers can quickly expand access to virtual services."⁵

The new reimbursements codes for telemedicine in Canada⁶ and the US⁷ support the Pharmatrac business model.

Medication Adherence

In both the telemedicine market and the medication adherence market, there is a need to understand and track how medication is taken at home in order to understand and improve medication adherence. Current solutions rely on the medication user to self-report when and how they take their medication. As the number of medications and supplements a person takes increases, it becomes difficult to remember what was taken when and communicating medication habits with doctors and pharmacists becomes overwhelming. Even when medication reminder apps are used, the self-reported time when the medication was actually taken may not be accurate, and as has been observed in Relay Medical's own user studies, many seniors and people with declining health find it difficult to use complicated technology solutions. The use of the Pharmatrac Medication device, on the other hand, is seamless. Medication users need only to cluster their medication in the device instead of in their hand and take it as usual. The Pharmatrac Medication device solves the problem of the unreliability of self-reported medication use by automatically recording and reporting what medications are taken and when they are taken.

When connected to telemedicine solutions, doctors are automatically informed of how the patient has adhered to the protocol, so that they can immediately get to the root of an adherence problem and recommend solutions. Patients will no longer need to collect all their medication and walk through each one with the doctor; the doctor will already have all the information to provide data driven care.

When connected through adherence apps, the medication users and their caregivers will be able to see the consumption habits and easily share the information with their doctors. The pill counter data will be used with pharmacy-connected apps to

automatically refill a prescription when the medication is *actually* used up, instead of when the pharmacy thinks it should be refilled, leading to less waste and buildup of medication.

Medication Adherence Market

Medication non-adherence is a world-wide problem that costs payers and healthcare systems billions of dollars annually and puts consumers at significant risk. In the United States, around 50% of all prescriptions filled are taken incorrectly. This could mean the wrong timing, dosage, frequency or duration⁸. Annual costs of non-adherence are estimated to be US\$100-US\$290 billion in the US, 1.25 billion euros in the Europe and A\$7 billion in Australia.⁹

In 2016, the global market for medication adherence was nearly \$1.7 billion, and it is expected to grow to over \$3.9 billion by 2021. The market consists of both hardware-based adherence systems and software-based applications. The expected growth will be driven by the strong need to improve adherence (as indicated above) and the growing number of people around the world with chronic diseases.^{10,11}

References

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About Relay Medical Corp.

Relay Medical is a MedTech innovation Company headquartered in Toronto, Canada focused on the development of novel technologies in the diagnostics and data science sectors.

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