

End tobacco addiction step by step - with smart technology

- Over 1 billion people smoke traditional cigarettes.
- Around 60% want to cut down first.



- Draft:**
- Design optimization for mass production
 - One device for different pack sizes

Pitch Deck

Appendix

- Why is the CiQuit system not bypassed?
- Why is the CiQuit system used?
- CiQuit and DiGA
- Successful first small market test
- Two sales variants of the same product



For self-payers or reimbursement through health insurers as a DiGA!

The societal challenge

The global impact of tobacco use



- Worldwide, there are **1.3 billion tobacco consumers**
- Tobacco kills over **7 million people every year**
- Tobacco use causes millions of **disabilities and long-term suffering**
- Smokers' life expectancy **is at least 10 years shorter** than non-smokers
- The total global economic cost of smoking is estimated at **around USD 1.4 trillion annually**

The global challenge is powerfully illustrated in a short video (1 minute) by the Pan American Health Organization:

<https://www.paho.org/en/campaigns/world-no-tobacco-day-2022>

or on YouTube:

<https://www.youtube.com/watch?v=d3RemnDHS9o&t=16s>

Environmental destruction per year

- 600 million trees
- 200,000 hectares of land
- 22 billion tons of water
- 84 million tons of climate-damaging CO₂³



An estimated

4.5 trillion

cigarette butts, containing more than 7,000 toxic chemicals, end up in the environment every year.^{4,5,6}

1) Source: <https://www.who.int/news-room/fact-sheets/detail/tobacco>

2) Source: <https://www.paho.org/en/topics/tobacco-control>

3) Source: <https://www.paho.org/en/campaigns/world-no-tobacco-day-2022>

4) Source: <https://www.nabu.de/natur-und-landschaft/aktionen-und-projekte/meere-ohne-plastik/29901.html>

5) Source: <https://www.euwid-recycling.de/news/wirtschaft/jaehrlich-werden-45-billionen-zigarettenstummel-weggeworfen-170522/>

6) Source: https://www.euwid-recycling.de/fileadmin/data/euwid_recycling_und_entsorgung/news/images/Talking_Trash_EN.pdf

Intention

CiQuit – The world's mass-scale solution for smoke-free health

- Despite numerous support programs, most quit attempts fail because many smokers suffer from **inability to abstain**.
- Quitting immediately is overwhelming - due to **inability to abstain**, most smokers never even attempt to quit.

CiQuit changes the paradigm:

A mass-scale, affordable and practical companion that step by step **restores ability to abstain** - and opens the path to smoke-free living.

Our Vision

CiQuit becomes what the seatbelt is for drivers: a global standard that saves millions of lives.



Mass-market ready:
Hardware only around €10
in mass production



CiQuit: From breakthrough technology to global standard



World Health Organization

Goals: Reduce tobacco consumption worldwide, drastically reduce smoking rates, implement public health strategies.

Governments

Goals: Relieve the burden on health systems, reduce costs due to tobacco-related diseases, and effectively implement prevention.

Foundations

e.g.: Bloomberg Philanthropies

Goals: Promote tobacco control globally and promote innovation in the fight against the tobacco epidemic.

CiQuit Goals:

Cooperation with WHO, governments and foundations

CiQuit addresses the common goals of WHO, governments and foundations:

Reduce tobacco consumption worldwide.

Through the very cost-effective, everyday and highly scalable application, CiQuit offers for the first time a solution that reaches millions of smokers **and thus has the potential to become the global standard for smoking cessation.**

Example

Bloomberg Philanthropies

Reducing Tobacco Use

Today, one in ten deaths around the world is caused by tobacco use. Since 2005, Bloomberg Philanthropies has invested **\$1.6 billion** to fight tobacco use, working with a global network of partners to prevent tobacco-related illnesses and save lives.

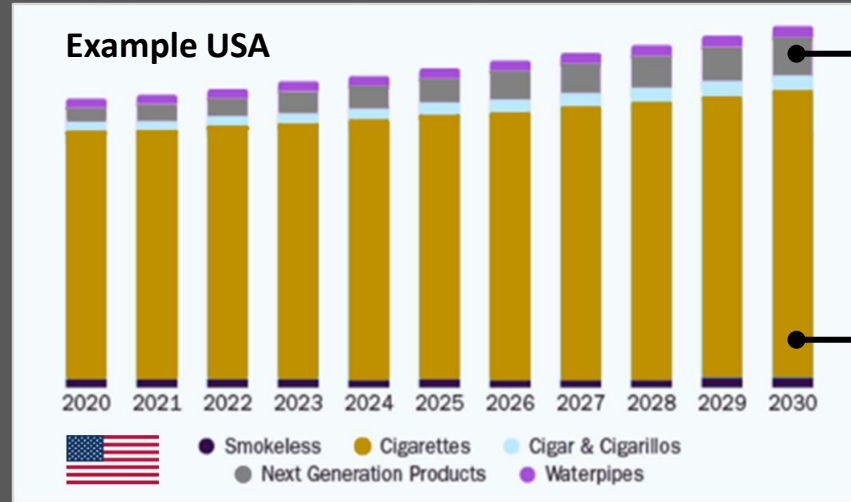
Unless urgent action is taken, tobacco will continue to kill people every year. The scale of this human tragedy is preventable.

The tobacco industry is fighting to ensure the dangers of their product are concealed, but we are fighting back.

Source: <https://www.bloomberg.org/public-health/reducing-tobacco-use/>

Market forecast

The market for tobacco products will grow to US\$ **1,050 billion** by 2030



Source: www.grandviewresearch.com

The classic tobacco cigarette remains the benchmark!

Tobacco heaters and e-cigarettes*



Classic tobacco cigarette



World Health Organization

Worldwide
1.3 billion
tobacco users

Of these, over
1 billion
smoke the classic
tobacco cigarette



*E-cigarettes and tobacco heaters **are banned in many countries** as they increase the attractiveness of smoking, especially for young people. Many governments, such as in India and Brazil, see them as a gateway to nicotine addiction and potential tobacco use.

Problem

Around 60% of tobacco cigarette smokers do not find a suitable solution!



The key question:

What dynamics can be observed in the consumption behaviour of smokers over the next year?

- a) Continue to smoke the classic tobacco cigarette as before.

≈ 30%



- b) Quit completely or test e-cigarettes/tobacco heaters.

≈ 10%



Focus on competitors



Relapse rate
≈ 90%

- c) Reduce consumption or get out via reduction.¹

≈ 60%



CiQuit®

The soft exit via reduction
- enormous opportunity and mega potential.

Example Nicotine Replacement Therapy

Global Revenue
Forecast 2030

US\$ 3.7 billion

Solution for the masses

Gentle reduction without withdrawal symptoms and restoration of the ability to abstinence!

Our two target groups

1. A gentle start to quitting



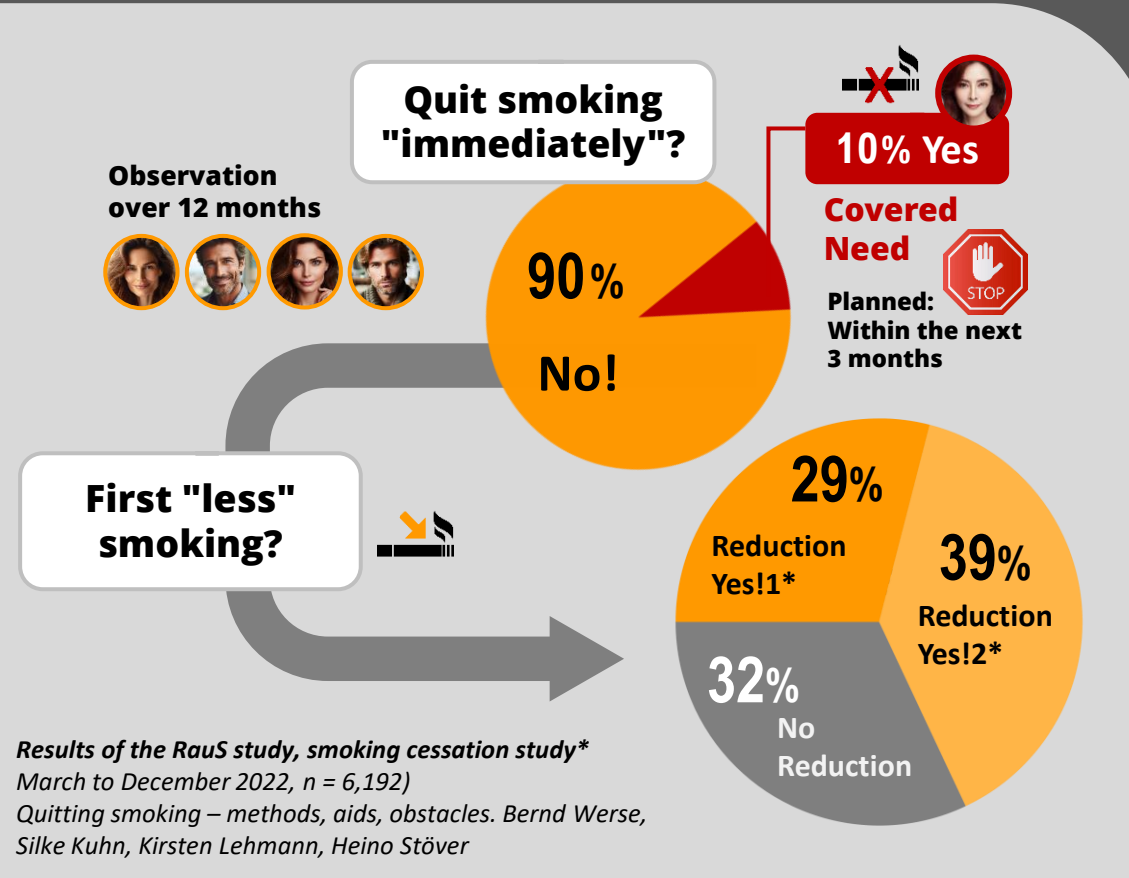
"First smoking less without it becoming stressful and then quitting completely without constant cravings would be exactly my thing."

2. Permanent reduction of tobacco cigarettes



"I smoke 20 cigarettes a day. 5 cigarettes a day (or only on certain occasions) without constant cravings would be fantastic."

CiQuit - The enormous gap in healthcare



*"First, daily smokers who have no motivation to quit smoking were asked whether they would like to reduce their consumption. Only 32% say that they do not want this. 39% state "Yes, I would like to reduce consumption at least somewhat (e.g. less cigarettes per day)" and 29% "Yes, I would like to significantly reduce consumption (e.g. no longer in everyday life, but only on special occasions)".

Quelle: https://www.uni-frankfurt.de/138678087/Zigarette__Werse__1.pdf

1* 29% = Only on selected occasions

2* 39% = Less cigarettes per day

Patients with pre-existing conditions



Example: **Smoker inability to abstain** despite COPD treatment

Approximately 40% of those with COPD are current smokers!¹

Inability to abstain

CiQuit supportive therapy for restoring the ability to abstain



Ability to abstain

- A significant proportion of patients with relevant pre-existing conditions (e.g. respiratory, cardiovascular or cancerous diseases) are **unable to abstain**.
- **CiQuit**
Ideal therapy support for patients with pre-existing conditions who are unable to abstain:
 - **Lower Barrier to Entry:** No immediate, complete abstinence required.
 - **Stronger Motivation:** The existing motivation driven by their health condition is specifically supported by the CiQuit system.
 - **Sustainable Success:** Gradual restoration of the ability to abstain is often the only way to help this patient group remain smoke-free in the long term.

The Power of Tobacco Addiction

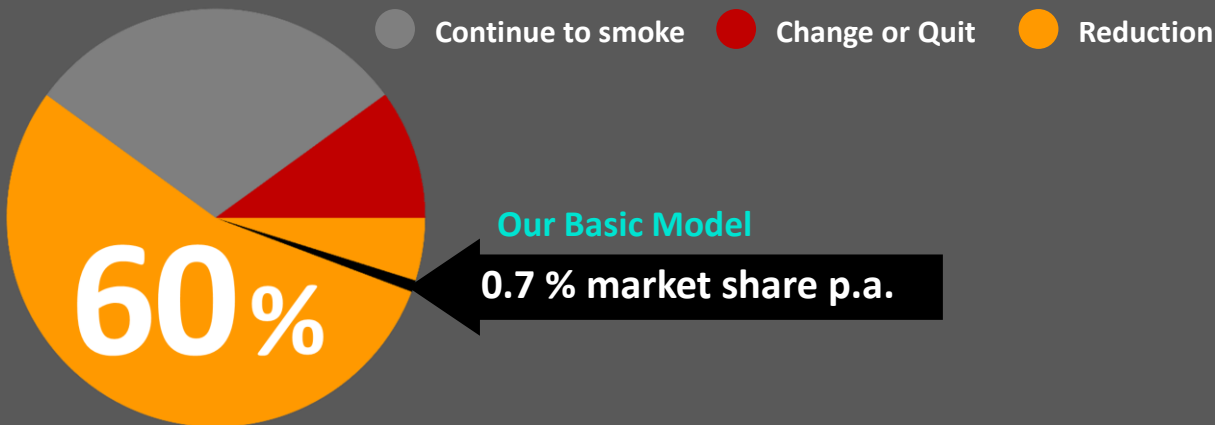
- **≈ 40%** of patients who have undergone laryngectomy attempt to continue smoking shortly afterwards.”
- **≈ 50%** of patients operated on for lung cancer resume smoking after surgery.²

Conservative revenue planning

€219 million in revenue with 101 million EBIDTA (year 5) – EU and US only and only 0.7% market share

Basic-Market

EU		115.000.000	
USA		45.000.000	
total		160.000.000	

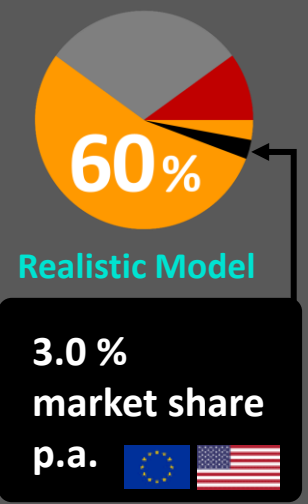


Examples of Asian markets

China*	293.000.000
India	74.000.000
Indonesia	77.000.000
Japan	18.000.000

*<https://tobaccoatlas.org/factsheets/china/>

Users via	2026	2027	2028	2029	2030
Companies	700	1.800	34.500	82.900	114.500
Corporate Health Management					
Self-payers	3.000	17.000	54.000	250.000	900.000
Health insurance	0	5.000	20.800	59.000	153.000
in € million					
Revenue	0,5	5,4	34,4	83,4	219,3
Total costs	2,0	4,8	14,4	45,9	118,1
Marketing (proportion)	0,2	1,2	4,3	14,5	44,7
Hardware (proportion)	0,1	1,2	5,7	19,9	46,1
EBITDA	-1,5	0,5	20,0	37,5	101,1
Employees	5	7	10	22	56



2030
548.500
3.608.999
642.600
895,6
377,2
98,3
189,6
518,3
204

CiQuit-Box = 24/7 companion: Unlearn smoking at the exact moment of craving!

Reconditioning = Body and mind unlearn smoking step by step!



- 1) **Behavior control** (Allowed Daily Limits: Slowly Falling): „Even the observation of one's own smoking behaviour leads to a significant reduction in smoking.“
Rainer Tölle, Gerhard Buchkremer, Cigarette smoking: epidemiology, psychology, pharmacology and therapy
- 2) **Access Delay** (The locked box delays the removal slowly increasing): The interruption of automated behaviour is one of the decisive factors. “
Mag. Ilse Müller, Psychotherapist (behavioural therapy), Focus on nicotine addiction, among other things

CiQuit-App = AI-driven training and coaching: Relearn not to smoke!



Partial successes = „Happiness hormones“
for motivation
and successful
learning



Goal 1
Restoring the
ability to abstain

Goal 2
Building motivation to
quit smoking

Goal 3
Permanent abstinence
without

- Cravings
- Withdrawal symptoms
- Smoking rituals

Coaching, positive experiences, and reinforcements provided by the CiQuit app help stabilize changes, foster positive emotions, and strengthen the motivation to quit smoking.

Goal:

A smoke-free life – without cravings and without feeling like you're giving anything up!

CiQuit – The Proof-of-Principle Study shows:

Each indicator for achieving ability to abstain is improved after just 8 weeks!

Proof-of-Principle Study: 51 participants (n)

Start week 1:

10 cigarettes a day

n 2 = 4%

11 to 20 cigarettes a day

n 33 = 65%

21 to 30 cigarettes a day

n 14 = 27%

31 cigarettes a day

n 2 = 4%

End of week 8:

10 or less cigarettes daily

n 27 = 53%

11 to 20 cigarettes a day

n 20 = 39%

21 to 30 cigarettes a day

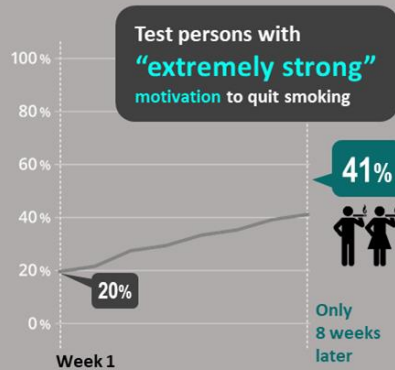
n 4 = 8%

31 cigarettes a day

n 0 = 0%

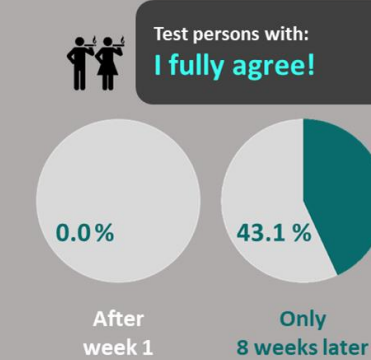
At the start of the study, only 2 out of 51 participants (4%) smoked an average of 10 cigarettes per day. After 8 weeks, 27 out of 51 participants (53%) were already smoking 10 or fewer cigarettes per day.

Example indicator: Motivation to quit



An extremely strong motivation to quit smoking was given at the start of 20%, after week 8 of already 41%.

Example indicator: Control the smoke impulse



At the start, none of the participants had stated that they could control the smoke pulse, after week 8 already 43.1%.

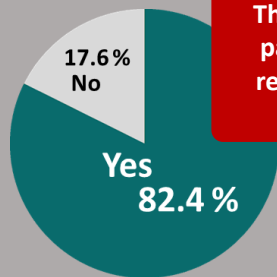
Example indicator: Awareness



At the start, only 2% of the participants stated that they paid attention to their smoking behaviour, after week 8 already 35.3%.

Week 8:

Would you recommend the CiQuit application to support cigarette reduction?



The vast majority of participants would recommend CiQuit.

Start CiQuit therapy
51 test persons smoked per week

6.685

Average per day

18,7

Only 8 weeks later
51 test persons smoked per week

3.962

Average per day

11,1

Average monthly cost of cigarettes at the start of the study around €230, after 8 weeks around €137

All countries with a high smoking rate and a high population are covered

Method and device for restoring the ability to abstain



Patents granted in over 30 countries:

European Union

Grant of a Unitary Patent:

Austria, Belgium, Bulgaria, Denmark, Estonia, Finland, France, Germany, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Sweden, Slovenia

Direct grant:

Greece, United Kingdom, Poland, Spain, Turkey

- China, India, Indonesia, Vietnam, South Korea
 - Brazil
 - Eurasian Union
- Russian Federation, Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan

Patents under review: USA, Japan, Thailand

Important!



Effective patent enforcement

- Health insurance funds are legally obliged to reimburse only the costs of medical devices that are lawfully placed on the market.
- Products that infringe existing patents do not meet this requirement.
- The financing of such products would not only constitute a violation of applicable laws and regulations, but would also undermine the integrity of the healthcare system.



China



India



Indonesia



Vietnam



South Korea



Brazil



Eurasian Union

Problem / Solution from a medical point of view

Previous treatment approach

- Medication



to **mitigate** the effects of nicotine withdrawal

- Psychological help



- Hypnosis
- Acupuncture
- Books
- Apps
- Online courses and much more

to **overcome** the effects of nicotine withdrawal

Problem Quit smoking with inability to abstain



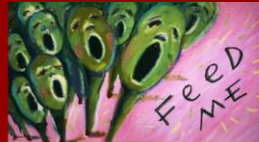
Psychological (mental) dependence +
Physical (bodily) dependence

Addiction Center

Effects of nicotine withdrawal

- Craving = agonizing craving for addiction
- Irritability and restlessness
- Frustration and anger
- Anxiety
- Insomnia
- Concentration disorders
- Decreased heart rate
- Increased appetite and weight gain

"Hungry nicotine receptors"



Quelle: J. Henningfield

High level of suffering

High relapse rates (despite assistance)

Next smoking cessation attempt is usually postponed for years

NEW! Restoration of the ability to abstain!



Solution Quit smoking with ability to abstain



Psychological (mental) dependence +
Physical (bodily) dependence

Addiction Center

Effects of nicotine withdrawal

Very much reduced.
At best, no longer available!

"Hungry nicotine receptors"



Quelle: J. Henningfield

No or weak level of suffering

High success rates*

In case of relapse: resume CiQuit.

Market entry phases

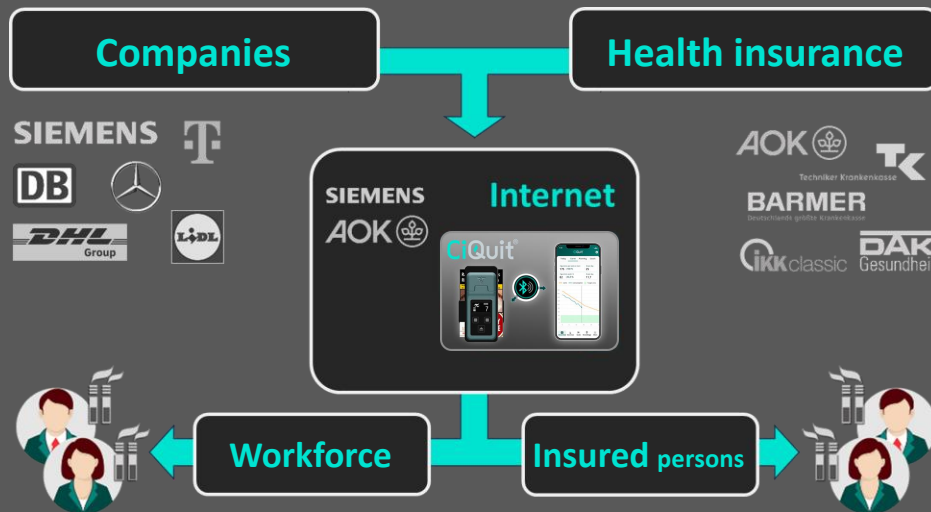
Initial market entry via cooperations = low marketing costs!

CiQuit®

Phase 1

B2B

- Corporate clients (occupational health management)
- Health insurance companies



CiQuit®

Phase 2

B2C

- Online direct sales
- Targeting customers via social networks
- Target customers > 30 years.

CiQuit®

Phase 3

B2B and B2C

- CiQuit as a medical device (according to MDR I) and DiGA.
- Costs are covered by health insurance in many countries.

Cooperation with companies and health insurance companies keeps the initial marketing costs low.

Subscription model for self-payers without MDR I/DiGA certification
79 € one-off + 14.90 € per month
Ø Planned term revenue: € 290

Price model for cost coverage by health insurance companies with MDR I/DiGA certification **between € 300 and € 350 net** (depending on the country)

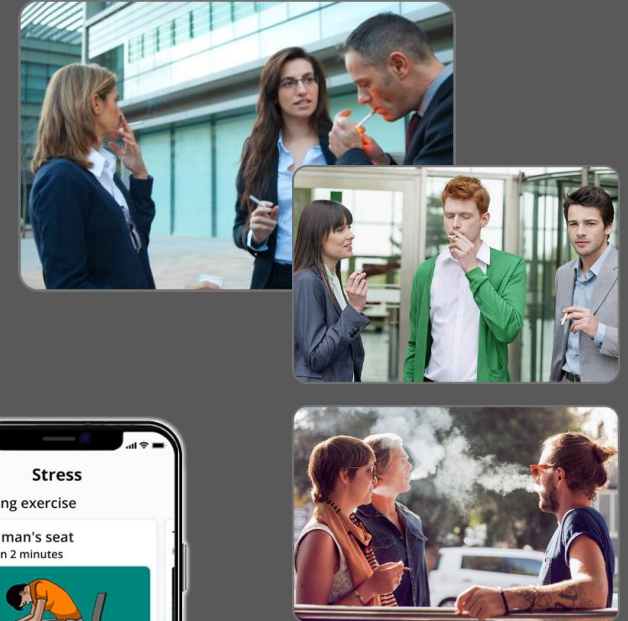
Exemplary cooperation partners for global marketing:

Pharma | **MedTech** | **Clinic chains**

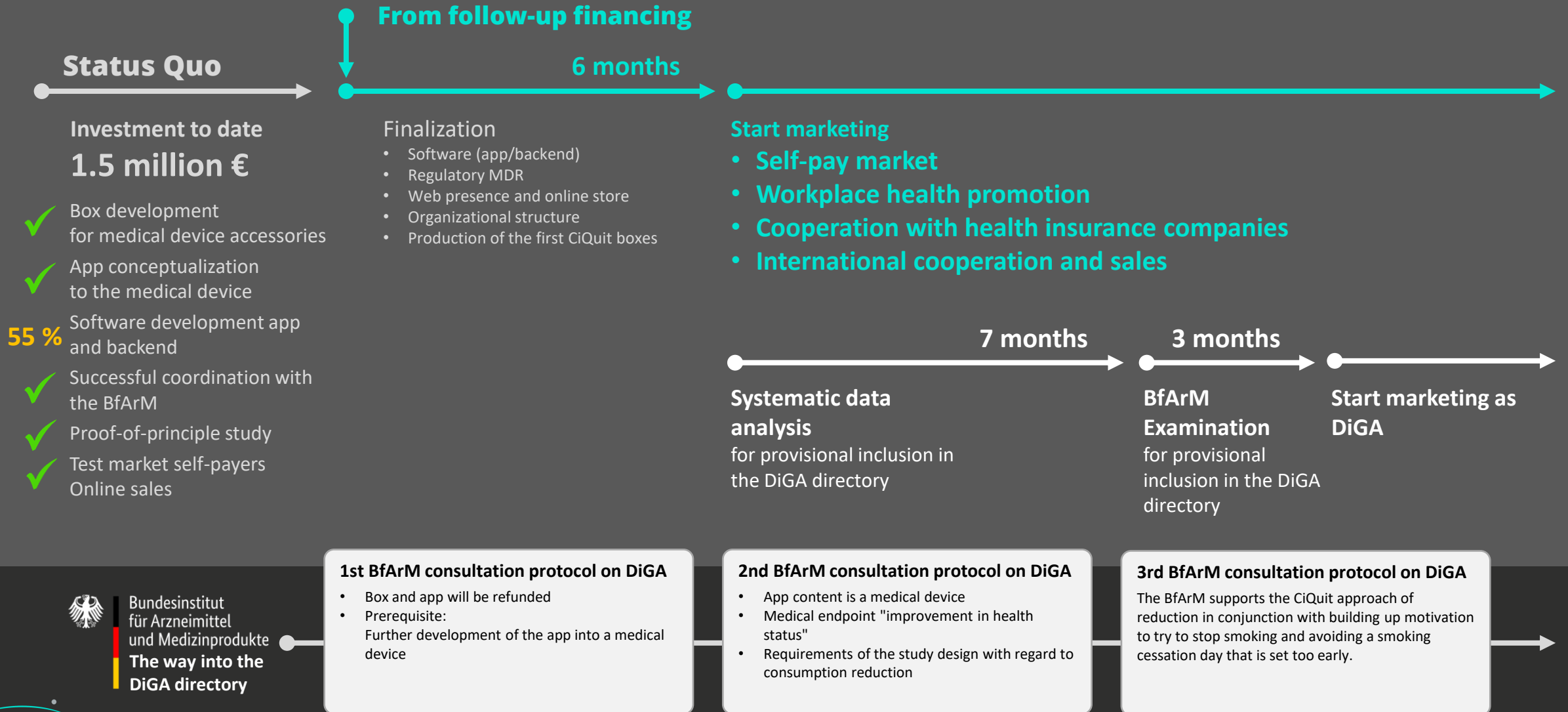
Visibility in the target group as a growth driver

When smokers meet, the box grabs attention – and starts the CiQuit conversation.

- **The CiQuit Box immediately stands out within the target group** – every user is approached by other smokers: ‘What is that? Where can I get it?’
- **The benefit can be explained in seconds** – the app makes progress visible, boosts motivation, and clearly conveys the therapeutic approach.
- **Visibility as a growth driver:** The Box sparks curiosity, and the App convinces. CiQuit users thus open direct access to millions of smokers worldwide.



Milestones and successes



Bundesinstitut
für Arzneimittel
und Medizinprodukte
**The way into the
DiGA directory**

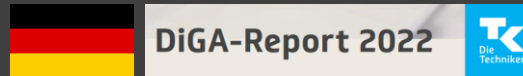
Highlights and capital requirements

- **Market gap 60%:**
Unique solution between reduction and complete smoking cessation that existing methods do not cover.
- **1 billion smokers = high scalability:**
CiQuit provides access to a global market of over 1 billion people.
- **Growing health awareness:**
Ideal positioning within the trend toward a sustainable, healthy lifestyle.



For mass production
around €10

Cost coverage by health insurance as a medical device according to MDR I and as a DiGA (digital health application)



The top five most common diseases that could currently be treated with a DiGA:

- Obesity/Overweight: ~ 37 million
- **Smoking: ~ 23 million.**
- Back and spine: ~ 21 million
- Sleep disorders: ~ 21 million.
- Diabetes: ~ 7 million

Planned DiGA costs for these five diseases for all health insurance companies in Germany

450 million per year

Capital requirement: **€ 1.5 Mio.**

- **Product finalization**
- **Market entry via companies and health insurance companies**
- **Inclusion in the DiGA directory**

25%

CiQuit research and development cost are reimbursed by the German Government (§ 6 FZulG)!



Let's make the world a healthier place – together!



Foundation
June 2021

Management



Andreas Unsicker
Business economist (FH)

- Company founder
- Network, marketing, patent development



Jürgen Röck
Entrepreneur

- IT specialist
- Development of IT systems and IT team



Gregor Schommer
Dipl.-Kfm.

- Specialist for hardware development
- 20 years in China

Cooperation partner

Engineering Hardware



<https://www.insys-locks.com/de/>

Hardware production



<https://www.zollner.de/branchen/healthcare-lifesciences>

LUNA medical GmbH: Primary areas of responsibility

- Hardware conception / control
- Software conception / development / control
- Regulation
- Marketing
- Internationalization
- Product extension
- New product developments

Scientific support



**Universitätsklinikum
Tübingen**

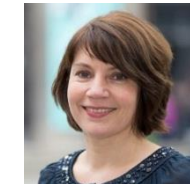


Prof. Dr. med. Anil Batra
Head of the Addiction Medicine
and Addiction Research Section

Prof. Dr. Batra is currently leading the development of the S3 guideline "Screening, diagnosis and treatment of harmful and dependent tobacco use".



**Institut für Therapieforschung
München**



Dr. Eva Hoch, Dipl.-Psych.
Scientific Director and Managing
Director Research

S3 guideline development, intervention research (focus: cannabis and nicotine), health services research, clinical epidemiology.

Thank you very much!

Further information and statements

Detailed information about **CiQuit[®]**
www.luna-medical.com



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Appendix

1. Why is the CiQuit system not bypassed?
2. Why is the CiQuit system used?
3. CiQuit and DiGA
4. Successful first small market test
5. Two sales variants of the same product

Convinced users stating:

Statements from the proof-of-principle study

*"**Very good thing**, thanks to the control I was able to reduce my cigarette consumption from 18-20 to an average of 13 after just 8 weeks."*

Rainer W.

*"So I'm **very enthusiastic**, I arrived on day 30 and I can only say one thing: simply great."*

Astrid P.

*"**The box made me realize** how often I had reached for a cigarette without thinking. Now, before every cigarette, I think about whether I really want it and how many I have left to achieve my own daily goal."*

Constanze K.

*"**It's simple to use**. The box remembers your smoking behavior pretty quickly and I have to say that I smile every time the access time is increased. Habit becomes mindfulness!"*

Stefan F.

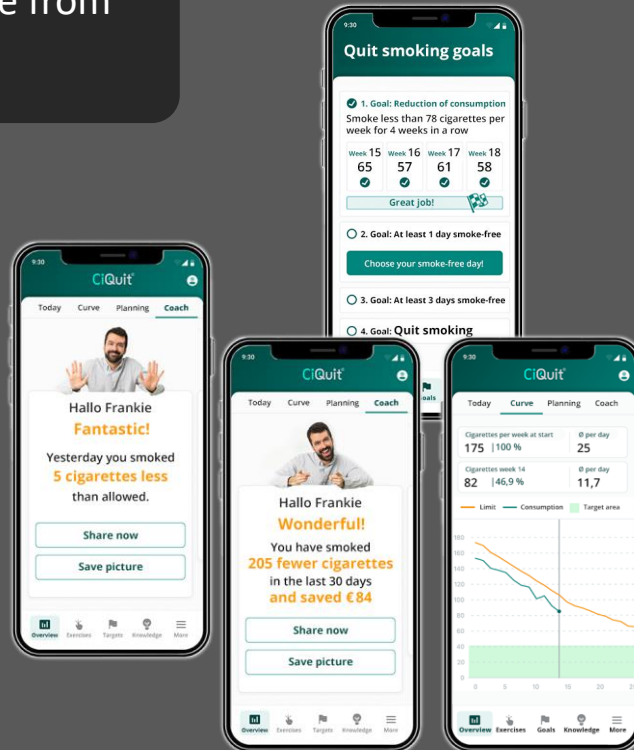
*"**I no longer light up a cigarette** without thinking or reflecting. I can easily do without one or two. It makes you proud and, in retrospect, happy. I believe it is possible to become a real non-smoker. The brain adapts to it. Great invention!"*

Nils O.

Appendix 1

Why is the CiQuit system not bypassed?

If a diet helps you lose 1 kilo per week **without hunger attacks**, why deviate from the plan and snack on the side?



Keyword Second pack of cigarettes

- If there are **no withdrawal symptoms** and cravings, there is no reason to bypass the system.
- Continuous partial successes **activate the reward system** and keep you from risking the progress you have made.
- Safety measures ensure **sustainable success** in the event of excessive demands.

CiQuit works - simple, effective, suitable for everyday use!

Why is the CiQuit system used?

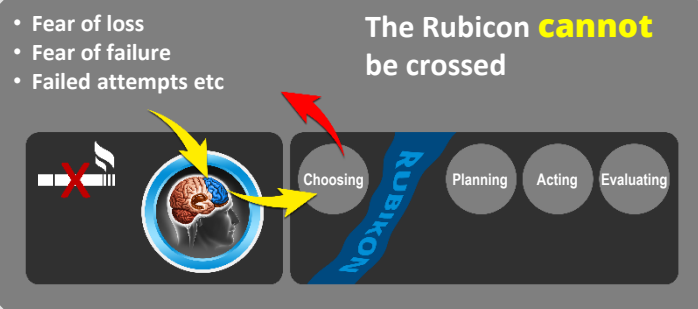
From wish to decision – the Rubicon model

Support programs that require an abrupt quit.

Quit smoking "immediately"!

Fear of losing something
"precious"!

- **Long** decision-making process
- **High** persuasion effort



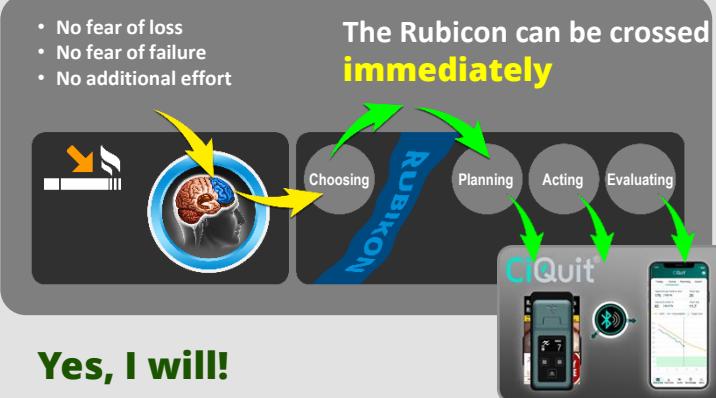
No, not now!

CiQuit

First "less" smoking!

No fear of losing something
"precious"!

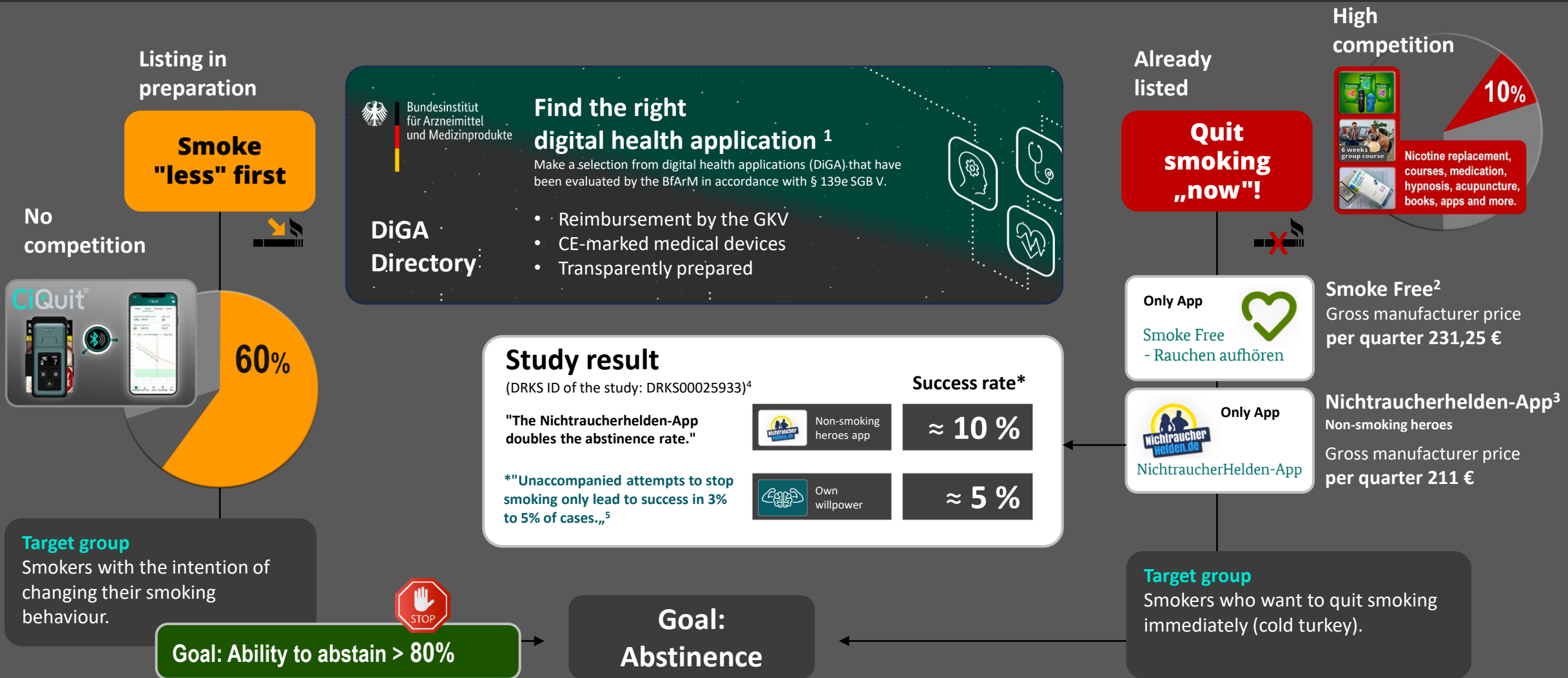
- **Fast** decision-making process
- **Low** persuasion effort



Yes, I will!

- **CiQuit lowers the barrier to entry:** first smoke less – then become smoke-free.
- **Crossing the Rubicon becomes easy:** no high level of suffering, no fear of failure.'
- **'Maybe someday'** turns into a clear **'Yes, I will!'**
- **Faster decision-making** – minimal persuasion – immediate, tangible benefits.

CiQuit and DiGA e.g.: Cost coverage by health insurance companies



Appendix 4

Successful first small market test via Google Ads

Version 1

Box: Production in China



App: Rudimentary support without backend connection

End User Costs

- Gross sales price 149,00 €
- shipping costs 5,90 €

total 154,90 €

Google Ads cost per sale

≈ 54,- €

Google Ads campaign

- Budget per day: 50,00 €
- Campaign duration: 41 Tage
- Total budget: 2.050,00 €
- Number of clicks: 5.450
- Cost per click: 0,38 €
- Conversion rate: 0,7 %
- Sale in pieces: 38
- Total turnover: 5.886,20 €
- Google Ads cost per sale: 53,95 €

Note:

- CiQuit had no brand awareness, and buyers could only learn about it through the website.
- A subscription model (e.g. €79 one-time payment plus €14.90 monthly) is expected to generate average **revenue of €290 per customer.**

Appendix 5

In principle, two sales variants of the same product

1. Self-pay market



Mass-market ready:
Hardware only around €10
in mass production

- Simple CE marking for self-pay market
- No medical device certification required
- Optional subscription model

2. DiGA market with MDR I

Cost coverage by health insurance companies



Mass-market ready:
Hardware only around €10
in mass production

CiQuit-Box

Medical device accessories
according to MDR I

CiQuit-App

Medical device certification for DiGA market
according to MDR I

CiQuit-Backend

- Data security according to MDR and DiGA guidelines
- Payment processing with health insurance companies
- Data analysis for science and research

Developments

CiQuit-Box

The box was further developed in Germany according to the MDR I guidelines for a medical device accessory.

CiQuit-App

The app was expanded with many effective modules from motivation and addiction research and prepared for medical device certification (DiGA market according to MDR I).

Note:

- The diagnosis of tobacco dependence only requires answering 6 questions (3 questions with YES).
- With telemedicine, CiQuit can be prescribed instantly online – no physical doctor appointment needed.