

# Investor Presentation

November 2020

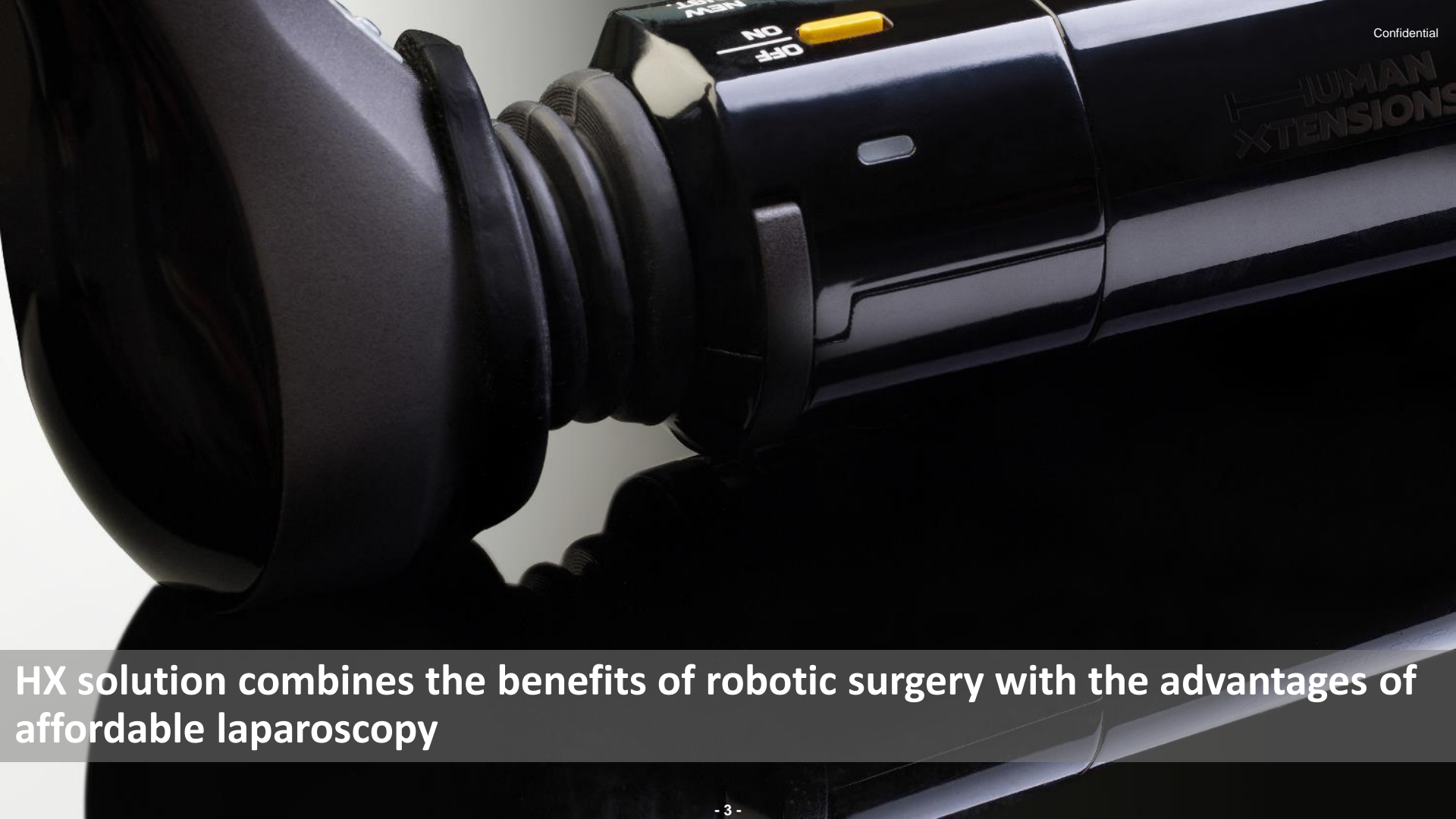
**HUMAN  
XTENSIONS™**

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**HX solution combines the benefits of robotic surgery with the advantages of affordable laparoscopy**

# Company Overview

Human Xtensions is a commercial, R&D-driven medical device company, focusing on smart digital systems for minimal invasive surgery (MIS) - “simplified/handheld surgical robotics”



**EU Launch with World Market Leader Aesculap/B. Braun & Direct/Focused US Launch**



**Significant Revenues on First Commercial Year**  
**>\$6M**



**FDA/CE/AMAR Regulatory Clearance for 1<sup>st</sup> product Hand-X & Significant IP Protection**



**Clinical Validation and High Surgeon Satisfaction**



**Multi-Billion-USD Abdominal Surgery Market with Surging Awareness to MIS**

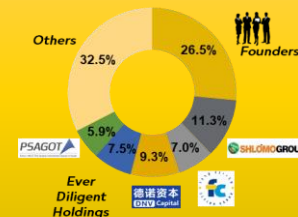


**Highly MedTech Experienced Management**



**Robust R&D Pipeline: additional HandX Tools; Mounted/Remote-HandX Hybrid; HandX-AI System**

**Major Share Holders**  
 (fully diluted basis)



# Management Team

Experienced MedTech Management Team with years of experience in start-up and public companies



Dr. Tami Frenkel, CEO, Chairman & Co-Founder



**visionSENSE** Guide-X  
Meitav Medical Incubator



Hillegonda (Honny Kipnis) Groen,  
Sales & Marketing



VP



Moti Sholev, CTO & Co-Founder



Surgical Structures



Yuval Blyakhman, VP R&D



Dr. Amir Szold, Chief Medical Officer, Co-Founder



Barak Klein, COO



Asaf Stolovy, CFO



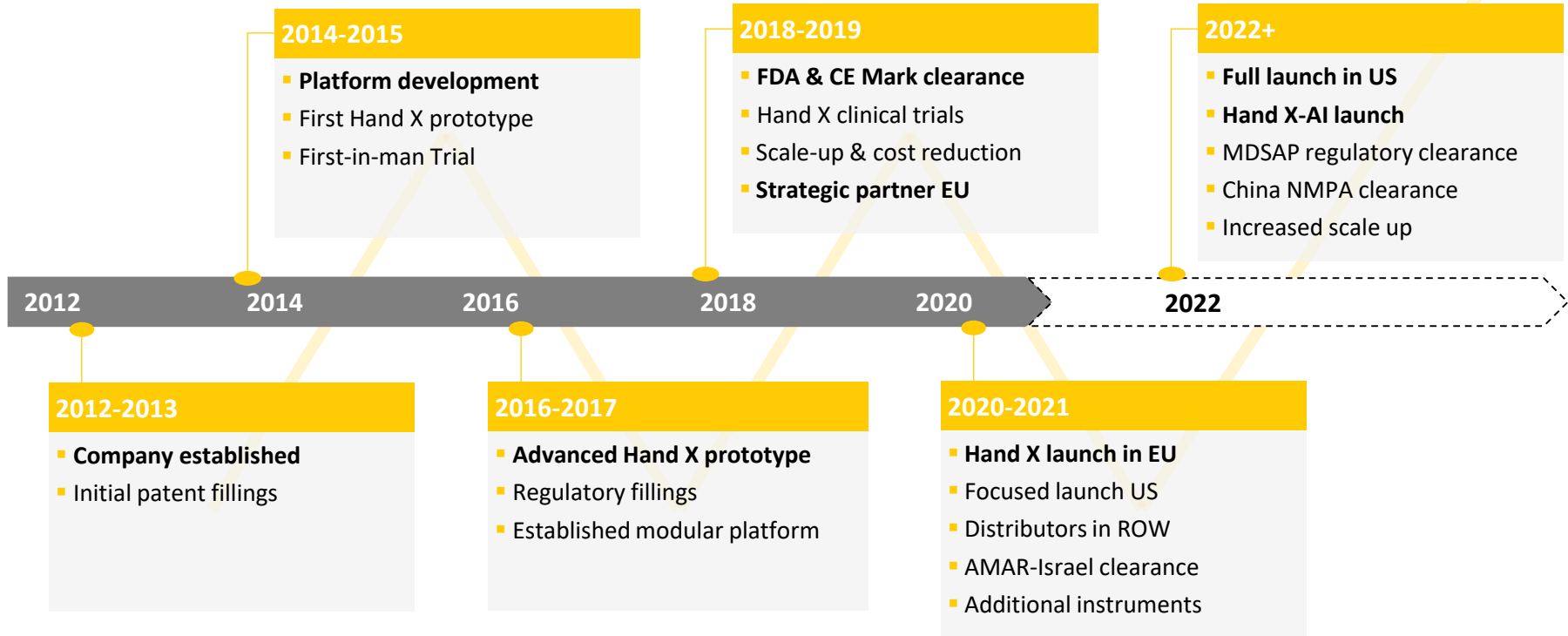
Hobart Medical Incubator



Hagar Lissner, HR Director



# Key Milestones



# The Clinical Need

## Existing Market landscape

### Open Surgery



- Trauma to the patient
- Lengthily recovery
- Higher hospital cost

**Highly unfavorably for patient and healthcare provider**

### Laparoscopy



- Limited access & control
- Poor ergonomics
- Uniquely skilled surgeons

**Limits MIS expansion into complex procedures**

### Robotics



- Very high cost & big footprint
- Surgeon isolated from patient
- Unique certification & skills

**Limits installations to major medical centers**





# HX Solution: Affordable & Simplified “Robot-Like” MIS

skilling surgeons to perform complex procedures minimally invasively, in an affordable way - by combining the capacity of robotics with the simplicity of laparoscopy

## Addressing Issues of Current Techniques

- **Affordable for various types of surgical settings**
- **Highly mobile system**, integrating into any OR
- **Cost advantages at all levels:** capital equipment, disposables, maintenance, OR time and training
- **Accessible to complex anatomies** with precise control of difficult maneuvers
- **Natural ergonomics creating effortless surgery**
- **Short learning curve**
- **Personalize surgeon's proficiency with data analytics & AI**



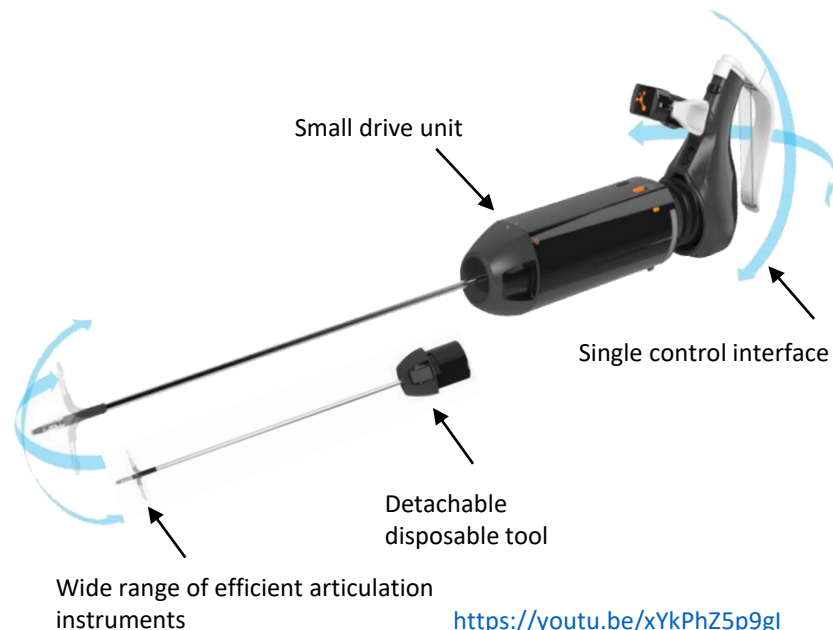


# First Commercial Product: Hand X Leading Smart Laparoscopy

1<sup>st</sup> Product: HandX, a handheld powered device that is FDA/CE/AMAR cleared

## Smart Laparoscopic Tool = Handheld “Robot-like”

- Controls complex maneuvers with high surgical dexterity
- 8 DOF within the interface & drive unit
- Hand-X can control multiple instruments: grasper, needle holder, hook, dissector, scissors, etc.
- Fully integrated natural ergonomic, safety features and scalable control, personalizing product for the surgeon
- “Razer & Razor Blade” revenue model: the control interface and drive unit are capital equipment, and the detachable instruments are disposables



<https://youtu.be/xYkPhZ5p9gI>

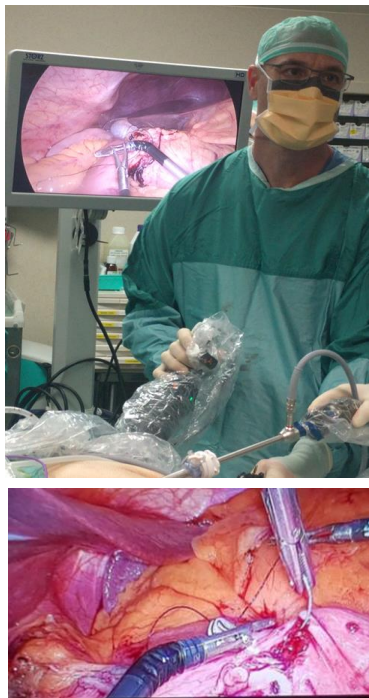


# Clinical Validation, Surgeon Satisfaction & IP Protection

≥300 procedures performed to date in Israel, US & Europe by more than 30 surgeons at various sites using HandX in wide clinical indications

## Successful clinical study in HandX

- **Showing safety, performance, surgeon satisfaction** and ability to enable affordable advanced laparoscopy
- **Used in a wide range of procedures**, included: Inguinal Hernia, Ventral Hernia, Para esophageal Hernia, Colorectal, Cholecystectomy and Sleeve Gastrectomy
- **Surgeon satisfaction** has recorded in an extensive surveys, that showed **88% overall satisfaction** (rated very-good to excellent) with 89% seeing HandX & 3D camera an alternative to surgical robotics



## Strong IP Protection

- **Protecting the multi-disciplinary platform technology**, its different components and solutions to support a wide range of applications and configurations
- **Total of 13 patent families**, giving the HX technology 20-year protection with **expiring dates between 2032 and 2040**
- **Freedom to Operate clearance report** from a prominent US law firm



# Commercialization: Strategic Partnership with B. Braun

Signed 5 year distribution contract for Europe with a strategic partner B. Braun a world-renowned player in MIS.



## Partnership Agreement

- **B. Braun is a global medical device company** rooted in Germany with 175 years of history, manufactures & supplies 5,000 healthcare products and services, in 64 countries around the world
- **Annual revenues of €7.5 Billion** in 2019, a 6.7% growth at constant exchange rates. Surgical tools and instrument are a major business unit that generated €2 billion, via Aesculap subsidiary
- **HX and B. Braun signed a 5-year distribution contract covering Europe.** B. Braun is committed to minimal quantity purchases under the terms of the contract - which are effected by Covid-19 pandemic
- **Manufactured & supplied** several hundred HandX systems, and over 10,000 disposable instruments



## Human Xtensions Business Model

- **Main business model** (effective in Europe), is based on the sale of the HandX capital equipment and the continues sales of disposables detachable instruments
- **The Hand X is sold to end users** at an attractive and affordable price 5-10% of a full robotic system. Likewise, the disposable instruments are sold to end users at a reasonable price for several hundred USD
- **Alternative business model**, is based on the leasing of the capital equipment under a defined commitment and the continues sales of the disposables

# Next-Generation Product Development: Hand X with AI

HandX-AI, laparoscopy game changer introducing artefficient surgery

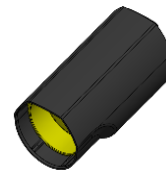
## Smart Digital Laparoscopic tool with AI features

- Based on HandX control interface and drive unit with wireless technology & additional digital features
- Onboard computer system that captures valuable surgeon, procedure, instrument and patient data
- Smart end effectors
- Intraoperative safety features
- Smart data analysis for intra & post operative feedback
- Analysis of utilization data

Control



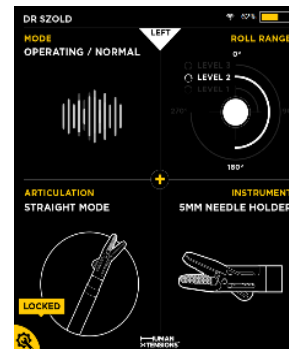
Shell



Core

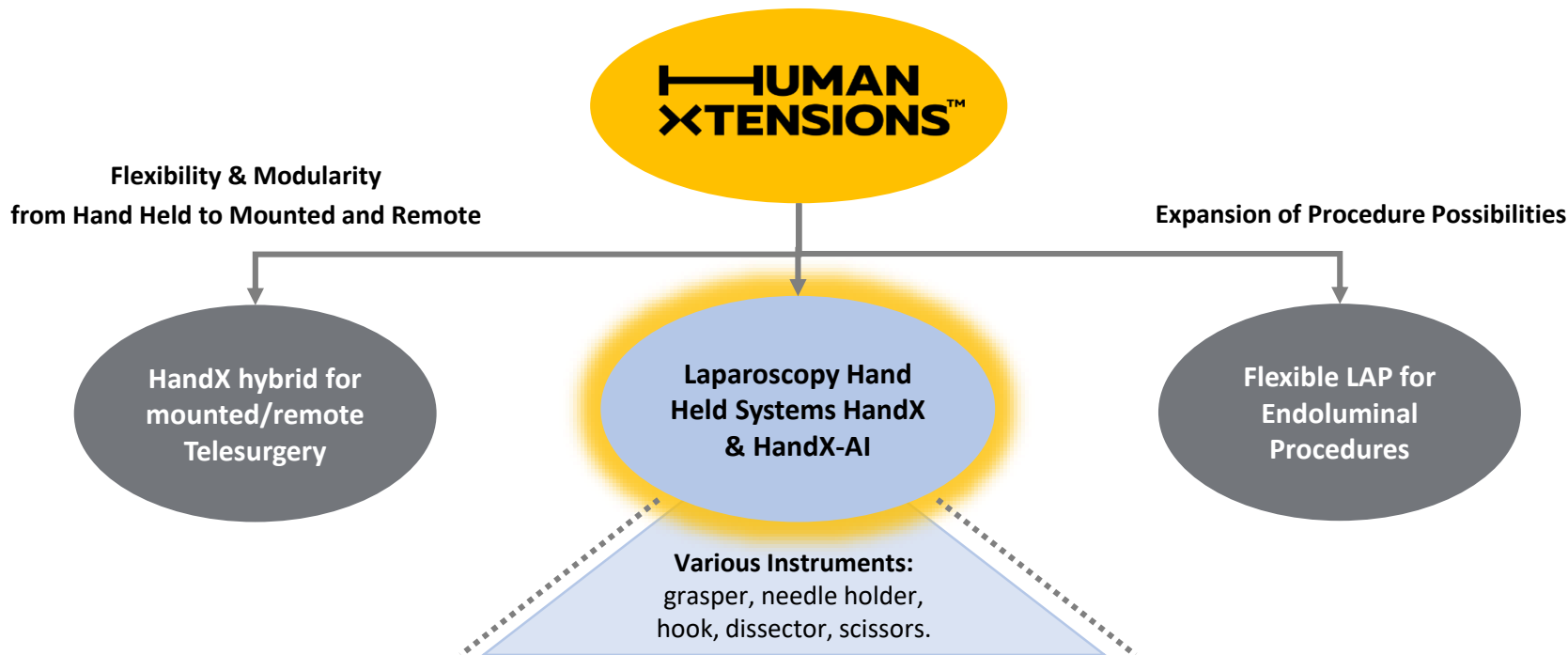


Data & Communications



# Human Xtensions Development Pipeline

HX surgical platform has generated a pipeline with a wide range of applications, addressing the entire MIS ecosystem. Hand-X is just the beginning of our strive to transform MIS





**HX is opening  
a new market:**

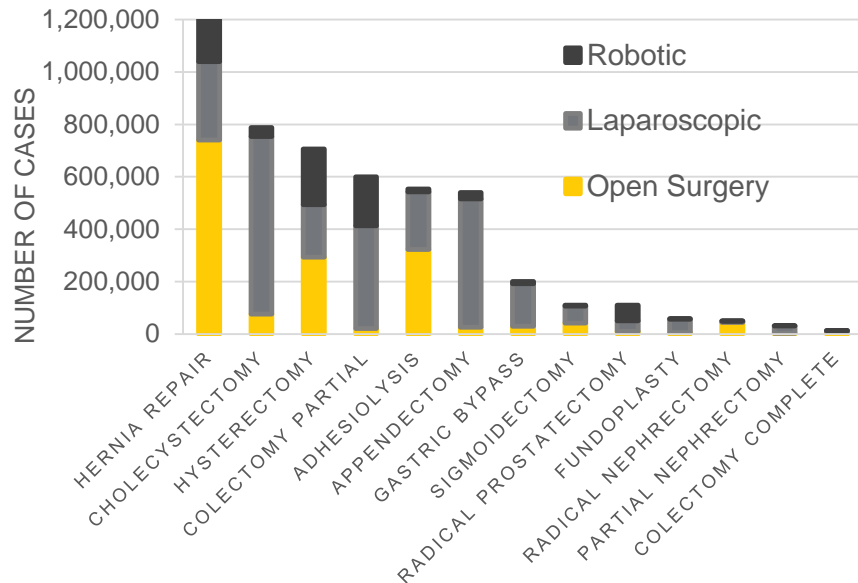
# Artefficient surgery

**A complimentary solution to the high cost, large footprint robotic surgery and superior to traditional laparoscopy and open surgery - addressing the majority of the market**

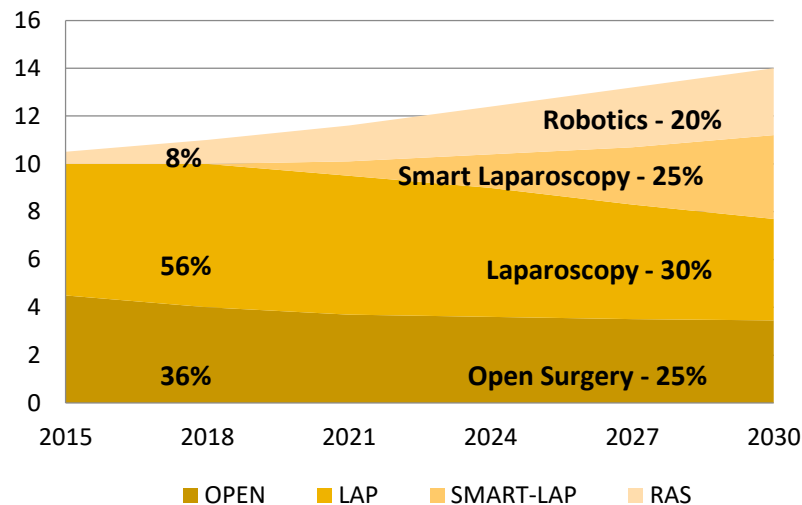
# Market Size by Type of Surgical Procedure

HX is leading the Smart Laparoscopy space and changing the landscape of minimal invasive surgery. We estimate that by 2030, smart Laparoscopy will take at least 25% of the abdominal surgical market

**Abdominal Procedures (US, 2017)**



**Estimated Development of MIS Procedures**





# Addressable Market

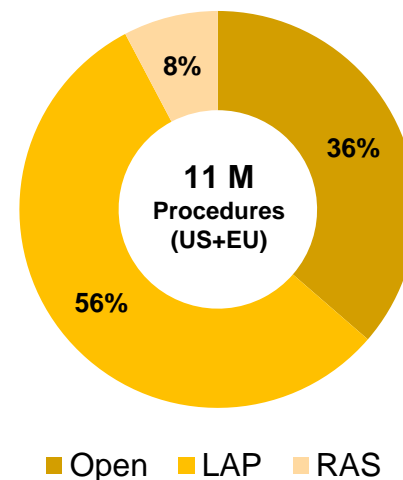
Global Minimally Invasive Surgical Systems Market (including robotics) is expected to grow from \$24 billion in 2017 to \$40 billion by 2025\*. **HX immediate addressable market estimated at \$2-\$3 billion per year**

## Addressing the Abdominal Surgical Market\*\*

- **Abdominal surgical procedures: 11M** (total US & EU)
- **Laparoscopic procedures (2017): 6.2 M** in the US & EU. Almost entirely in abdominal surgery
- **Estimated number of OR's:** 50,000 in US & 130,000 in EU, with less than 3% that installed expensive robotic systems
- **HX is targeting 25% of the abdominal market**, Taking share from traditional LAP and from open surgery

**Estimated addressable market for smart laparoscopy is about 3 million procedures, resulting in 2-3 USD billion annually. Mainly coming from the three major procedures: Hernia, Colorectal and Hysterectomy**

## Abdominal Surgical Procedures



# Value Proposition to all Four Customers

HX's great value proposition for all stakeholders is expected to be enhanced in the "post corona" era



## Surgeon

- **Enabler: easier access and more control with greater dexterity**
- Operating at patient bedside, short learning curve with no additional certification
- Personalized to the surgeon with data analytics & artificial intelligence



## Hospital

- **Affordable: cost efficient, modular portable technology with low OR burden**
- Increase MIS procedures (including outpatient), reducing open surgery burden
- Data collection and analytics to improve efficiency



## Patient

- **Accessible & affordable: smarter MIS with more procedures offered at ASC**
- Less trauma, bleeding, pain and healing time
- Shorter and easier recovery with less complications and better results



## Payer

- **Inline with existing reimbursement on MIS procedures**
- Shorter length of stay and faster recovery with less complications and Infections
- Enabler of more outpatient procedures including ASC

# Uniquely Differentiated in Robotic Surgery Landscape

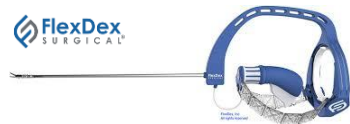
## Smart Laparoscopic Tools

Motored Articulation with Control Interface:

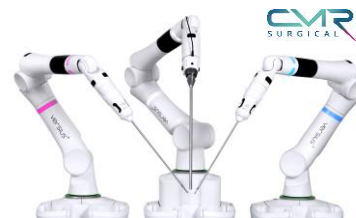


Manual Articulation:

Motored Articulation:



## Complex Large Robotic Systems



# Competitive Advantage: HX vs. “Giant” Robots

A robotic user replaces the Da Vinci with the HandX in the middle of surgery

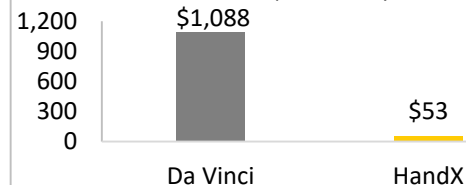


## 20 years of HandX™ Surgery on 1 year of Robotics Costs

Number of Surgeries with 1 Year Cost of Da Vinci



Annual Cost for 150 Surgeries (\$ in 000's)



- ✓ **Regulatory clearance - FDA, CE mark & AMAR (IL) for 1<sup>st</sup> product**
- ✓ **Clinical data** supporting safety and performance
- ✓ **Surgeon satisfaction** survey
- ✓ **Strong IP** with FTO clearance for the 1<sup>st</sup> product
- ✓ **Commercialization Europe** – 5 year distribution contract with B. Braun **major distributing partner** – **world-renowned player in MIS** (signed July-2019)
- ✓ **Secured significant sales growth** through the distribution contract

# Business Plan

## Achievements up to date



- ✓ **Full launch of 1st product HandX in Europe** with strategic partner
- ✓ **Initiated soft focused direct sales launch in US**
- ✓ **Distribution agreements for ROW**
- **Release of additional instruments for HandX**
- **Develop market awareness** and establish adoption evidence
- **Generating additional clinical data** and cost effectiveness
- **Manufacturing cost reduction**, established additional scale up capacity
- **Next generation product** development

# Business Plan Next Step Highlights



# Business Summary

- 1 Medical Device company with FDA/CE/AMAR regulatory approved surgical device secured for growth with major strategic partner
- 2 Well-positioned for market with a novel, personalized technology platform; “democratizing” robotic surgery
- 3 Addresses unmet need for complex minimally-invasive procedures not well-served by laparoscopy & “giant” robotics
- 4 “Razor/razor blade” –business model with compelling provider economics
- 5 Platform technology facilitates robust, flexible pipeline: modular surgical platform supports all procedures/tools
- 6 Wide IP portfolio with numerous proprietary key technologies developed in-house
- 7 Seasoned management team of proven operators

**Human Xtensions: fundamentally altering the existing treatment paradigms in MIS**



***"HandX** the right thing in the  
right time at the right Place"*

**Be Artefficient**



**H—UMAN  
XTENSIONS™**