



Investor Presentation – June 2015

NewConnect: “MMD”

SAFE HARBOR

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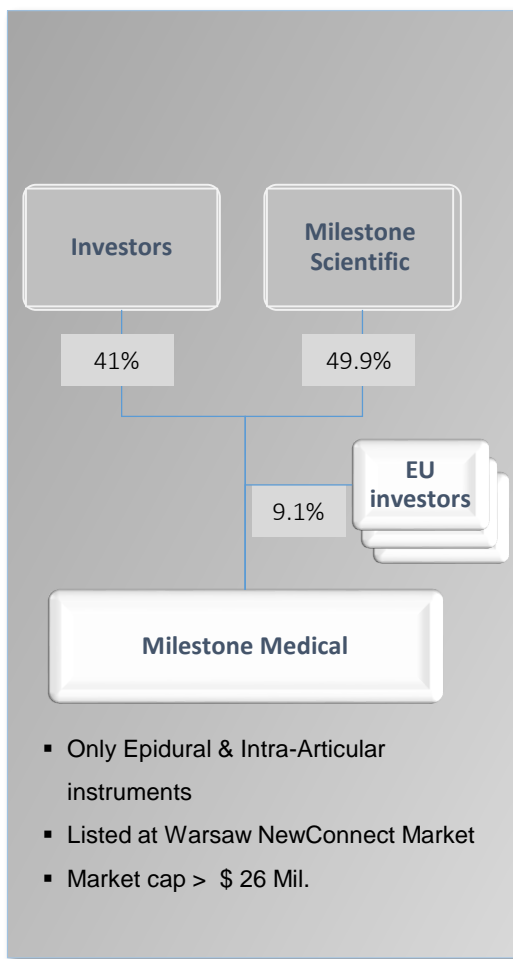
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EXECUTIVE SUMMARY

1. **Alternative** to the syringe; provides safe, controlled and painless injections
2. Scientific **precision** and **safety** for medical professionals
3. Over **20 patents** surrounding injection/drug delivery system
4. **CE** certification for epidural and intra-articular (IA) instruments; **FDA** launched and well advanced
5. **Distribution partners** in the U.S., Poland, China and Italy provide global platform
6. Disposable handpieces create **high-margin recurring-revenue** model
7. Highly **scalable business** utilizing outsourced production model

COMPANY OVERVIEW



1. Milestone Medical is a joint venture formed in 2011 with Chinese and American Investors for the development of **Epidural and Intra-Articular injection systems** based on Milestone Scientific Dynamic Pressure Sensing (DPS) © technology

2. Milestone Medical has exclusive worldwide **royalty-free license** for Epidural and Intra-Articular applications

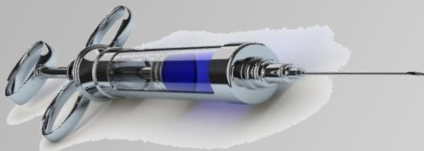
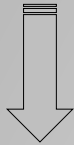
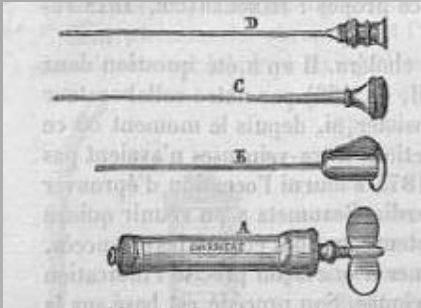
3. **Distribution rights** geographically distributed

- Milestone Scientific: US and Canada
- Milestone China: China and other Asian countries

4. **Listed** at the Warsaw NewConnect (MMD)

- Raised \$ 3 Mil. in November 2013
- Private placement of 9.1% at post-money valuation of \$ 33 Mil.
- 50% of funding provided by one of the largest financial institution in Central Europe

HYPODERMIC NEEDLE SYRINGE



1. An over **150 year-old** technology with little innovation since its invention
2. Generally efficient means of drug delivery, but with **weaknesses** that can not be addressed
3. Weaknesses:
 - **Pain and the fear of pain**
 - **Tissue damage** caused by uncontrolled flow rates of drug into tissue
 - Transient or permanent **paralysis**
 - Post-operative **complications**
 - Risk of **medical emergencies** including patient fatality

COMPUFLO®/DPS® TECHNOLOGY



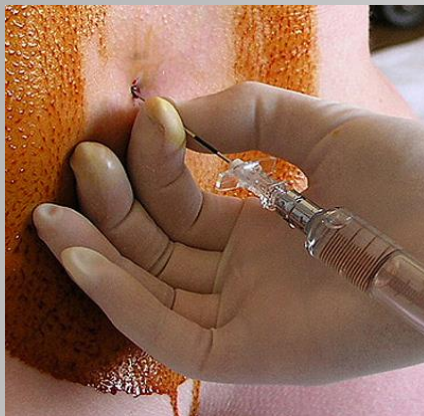
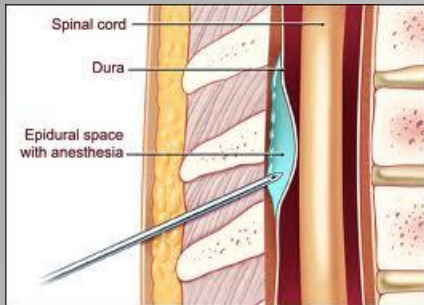
1. Originally developed by Milestone Scientific, the CompuFlo®/DPS® Technology regulates and **controls flow rate** of any fluid
2. **Dynamic Pressure Sensing®** capability provides visual and audible in-tissue pressure feedback in real time
 - Ability to **identify tissue** types and inject drugs precisely at the desired location, eliminating guesswork
 - **Minimizes** tissue **damage** and eliminates the pain of the injection
3. Disposable handpiece allows **precise tactile control** during injection
4. Demonstrated **success** in dentistry
 - Over **55 million** injections
 - Favorably evaluated in more than 50 peer reviewed and independent clinical research reports

REGULATORY STATUS FOR ED AND IA INSTRUMENTS



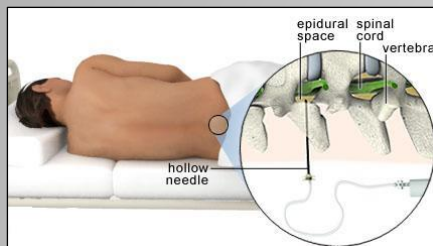
1. European regulatory (**CE**) marketing clearance on the epidural and intra-articular instrument received in September 2014
2. Epidural and Intra-Articular instruments have been submitted for **FDA** marketing clearance – expected approval by end of 2015
 - Commenced pivotal **Investigational Device Exemption (IDE)** clinical trial in the U.S. for epidural instrument
 - Multi-site clinical trials underway in the U.S.; Est. 400 trial participants will be in the study
 - Over 150 clinical trial participants have completed the clinical trial procedures
 - Plan to return to the FDA for final market clearance upon completion of statistical analysis
 - Timing for **U.S. FDA** approval on **intra-articular** instrument is yet to be determined
3. FDA marketing clearance is catalyst for **China's** regulatory process
4. Next target area is [Brazil](#)

MARKET OVERVIEW: EPIDURAL



1. Epidural market is estimated **over \$1B** annually in the U.S. alone
 - **2.4M** women receive epidurals while in labor each year in U.S.
 - More than **8.9M** epidurals for other purposes each year
2. Doctors using conventional syringes identify the epidural space **subjectively** which can lead to **complications**
 - **1 in 30** women suffer complications
 - Complications ranging from severe pain, to wet tap to paraplegia and death
 - Average cost per epidural malpractice settlement: over **\$362,000**
3. **Demographic change** in developed countries can increase challenge of manual approach
 - Obesity
 - Multiple births

EPIDURAL INSTRUMENT



1. In clinical studies, CompuFlo® reliably **identified pressure characteristics** of the different tissues, including the decrease in pressure the epidural space
2. Within seconds, the **needle location** can easily be determined giving the doctor indication the needle is in the ligamentum flavum
3. Practitioners using Milestone's instrument correctly identified the epidural space with a **success rate of 100%**

(Gelber, Gebhard, et al. Regional Anesthesia and Pain Medicine, 33:4; 2008)

PARTNERSHIP WITH TRIMED FOR EPIDURAL INSTRUMENT IN POLAND



1. **Exclusive distribution** agreement with Poland-based TRIMED for Milestone's epidural instrument
2. TRIMED is one of the **largest distributors of diagnostic equipment** in Poland
3. Guaranteed annual **minimum purchases**
4. The addressable market in Poland alone includes over **8M** people suffering from chronic pain
5. Legislation pending to allow **reimbursement** of epidural anesthesia in natural childbirth

MILESTONE CHINA PARTNERSHIP



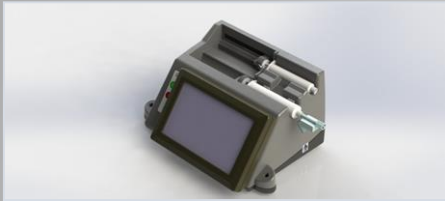
1. Agreements signed for distribution of epidural and intra-articular instruments in **China** pending CFDA approval
2. Annual **minimum** purchases in place for each instrument
 - Epidural minimums
 - Year one: 250
 - Year two: 550
 - Year three: 750
 - Intra-Articular minimums-
 - Year one: 300
 - Year two: 600
 - Year three: 800
3. Regional coverage to include **China** and **other parts of Asia**
4. Milestone China is a **joint venture** between Milestone Scientific and a team headed by a senior healthcare executive from China

MOSS PARTNERSHIP FOR EPIDURAL INSTRUMENT IN ITALY



1. **Exclusive distribution** agreement with Italy-based Moss for Milestone's epidural instrument
2. Moss is one of the **leading distributors of diagnostic** and specialty surgery equipment in Italy
3. Guaranteed annual **minimum purchases**
4. High growing addressable market in Italy
 - Over **1Mil** Epidural anesthesia delivered for surgeries per year
 - **60.000+** Epidural anesthesia delivered for childbirth per year

INTRA-ARTICULAR INSTRUMENT (OSTEOARTHRITIS)



1. Intra-articular market projected **\$7B by 2015** in **US** alone
 - Osteoarthritis affects **33M** patients in the U.S.
 - **21M** people receive intra-articular injections
2. **Low effectiveness** of conventional injections:
 - **Failure** to locate intra-articular space
 - **Inappropriate** use of volume of hyaluronic acid
 - **Only 77.3%** success with traditional techniques in knee injections
 - Painful injection
3. **Ultrasound** techniques - capital intensive & requires changes
 - Estimated capex: **\$20/40k**
 - Relevant **training** need
 - Significantly changes the way of administering injections

DPS® has been successful in identifying the intra-articular space for the administration of medications to treat a variety of joint pathologies in an independent study*

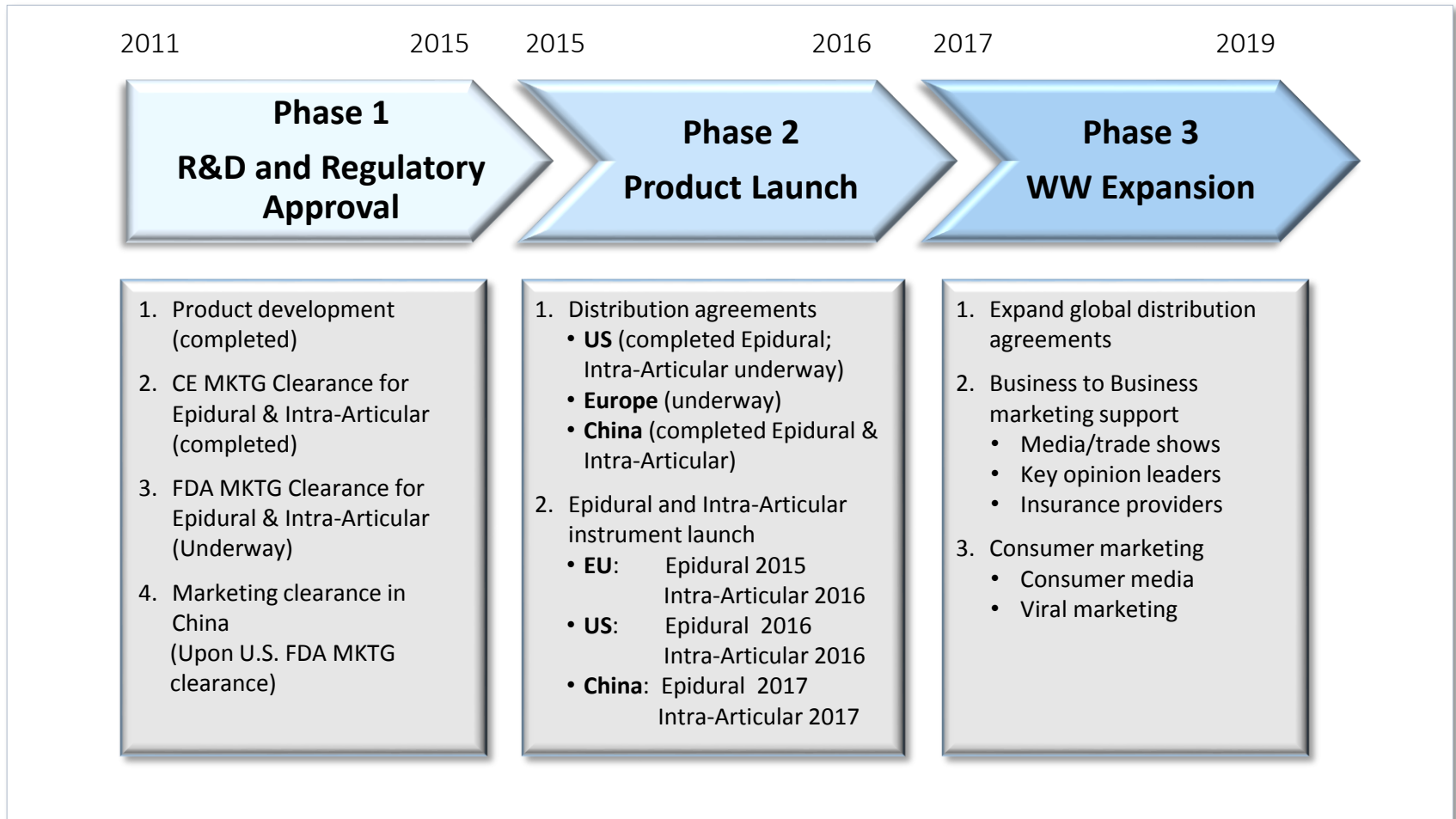
*Animal Study

MEMORANDUM OF UNDERSTANDING FOR FIDIA FARMACEUTICI PARTNERSHIP



1. Signed a MOU for the co-development and manufacture of **custom Intra-Articular instrument**
 - Instrument to deliver Fidia's hyaluronic acid formulations
2. Fidia Farmaceutici is a **leading producer** of hyaluronic acid formulations
 - Specialty **pharmaceutical** company based in Italy
 - Part of the **P&R Group**
 - **Global** market reach
 - **Joint healthcare** is primary focus of its product portfolio

COMMERCIALIZATION STRATEGY PLAN



WARSAW LISTING



WARSAW
STOCK
EXCHANGE

1. In 2013, Milestone Medical listed and commenced trading on the NewConnect Market of the Warsaw Stock Exchange
2. Raised **\$3M** led by one of the largest mutual funds in Central Europe
3. In final stage of regulatory approval of Prospectus to raise **\$7M**
4. Plans to **uplist** to Main Market of the Warsaw Stock Exchange and list in the United States

IN SUMMARY...

1. Unique and innovative **technology**

- **Alternative** to the syringe, provides safe, controlled and painless injections
- Controls cost, lowers malpractice and records events
- Scientific **precision** and safety for medical professionals

2. Patented and certified

- Over **20 patents** surrounding injection/drug delivery system
- **CE** certification for epidural and intra-articular (IA) instruments; **FDA approval underway**

3. Distribution partnership WW well underway

- U.S., Poland, China and Italy provide global platform

4. Attractive business model

- Disposable handpieces create **high-margin recurring-revenue** model
- Highly **scalable business** utilizing outsourced production model



THANK YOU