

SkyWalker[®]
Robotic Platform

Paired with
Evolution[®] Medial-Pivot Knee System



\$250M Global Company

- Selling in approximately 45 Countries
- Operations in 11 countries
- 760 MPO employees
- US and China-based manufacturing
- Broad graphical reach



60 years of orthopedics experience

- Hip and knee product lines
- 100,000+ annual procedures
- Clinically supported superior knee offering
- Innovative fast recovery hip offering
- Robotic offering in U.S.
- 10% growth globally in 2022



- **New technology offerings – SkyWalker® Robotic Platform**
- Geographic expansion into major market countries (e.g. Brazil, Australia and India)
- New product development

The orthopedic landscape and healthcare environment are changing rapidly. What started as an interest in enabling technologies has evolved into a race to include data collection and insights through the whole continuum of care.

- There is a lot of potential for significant robotic adoption – robotics will become the new standard of care
- Expanding Robotic Applications Contribute to Growth

IN 2022



The US Robotic Ortho Market reached
\$442,97 M



190,400
Robotic-Assisted Procedures

EXPECTED IN 2023



Robotic TKA is projected to account for
79.6%
of all Robotic TJR procedures, and

23.8%
of all Primary TKA procedures

EXPECTED IN 2026



The US Robotic Ortho Market will reach
\$1.14B
Increasing at a 5-YR CAGR of 19.2%



Robotic TKA is projected to account for
48.5%
Robotic-Assisted Procedures

Technology Assessment Framework



What problem is the technology addressing?

Challenges being addressed in total knee arthroplasty:

- 20% patient dissatisfaction
- Opportunity to Reduce outliers
- Poor function
- Lower implant survivorship
- Need for revision surgery, roughly 25% of all revisions are the result of laxity
- Lack of conformity



What is the value to the patient?

Patients: The clinical value of combining Medial-Pivot kinematics with SkyWalker

- real-time ligament balancing
- precise implant sizing
- intraoperative procedural optimization

Should elevate the patient care experience resulting in:

- Better stability
- Less post-operative pain
- Higher level of patient satisfaction (95%)



What is the value to the physician?

- Optimized patient specific placement and the alignment
- Maximize functionality and increase patient satisfaction
- Clinical evidence (Evolution Medial-Pivot Knee) 98% survivorship
- Informed decision making in real-time
- Adaptable to surgeon's workflow



What is the value to the hospital?

- Opportunity to reduce outliers
- Precise 3D/CT based platform, patient specific data, surgeon/OR staff know **sizes ahead of time**
- Reduction in inventory
- Strategic robotic partner for market and clinical development
- Center of Excellence for SkyWalker Robotic Platform

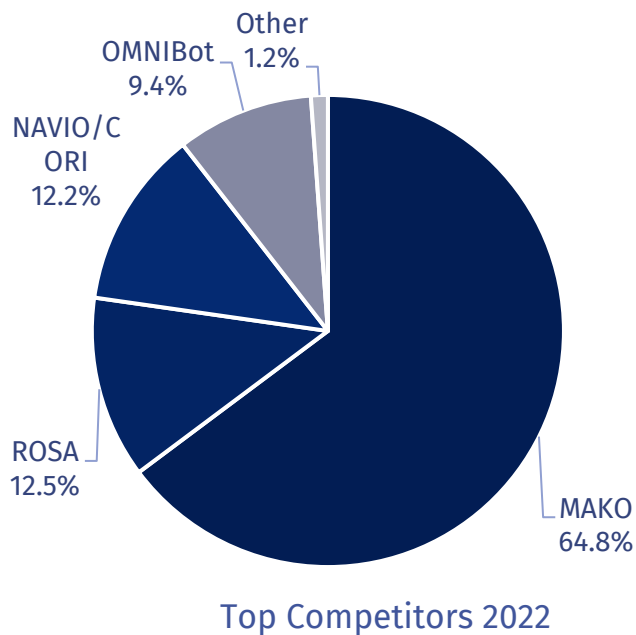


What direct competitors exist in this space? What is your competitive advantage?

Stryker (MAKO)
Smith + Nephew (Cori)
Zimmer Biomet (Rosa)
DePuy (VELYS)
See next slide

Competitive Orthopedic Robotic Landscape

Top competitors have robotic platforms with more than one application and hold the largest market share



Competitor	MicroPort Orthopedics	Stryker	Zimmer Biomet	Smith + Nephew	DePuy
Robotic System	SkyWalker® Total Knee System	MAKO Robotic-Arm Assisted Surgery	ROSA® Knee System	NAVIO◇ Robotic System	VELYST™ Robotic-Assisted Solution
Launch	<ul style="list-style-type: none"> TKA – 2022 THA – COMING SOON! UKA – COMING SOON! 	<ul style="list-style-type: none"> UKA - 2009 TKA – 2017 THA – 2015 	<ul style="list-style-type: none"> TKA – 2019 UKA - 2020 THA – 2021 	<ul style="list-style-type: none"> UKA - 2013 TKA – 2017 THA - 2022 	<ul style="list-style-type: none"> TKA - 2021
Imaging Type	<ul style="list-style-type: none"> CT-based 	<ul style="list-style-type: none"> CT-based 	<ul style="list-style-type: none"> Imageless 2D to 3D x-ray Atlas™ 	<ul style="list-style-type: none"> Imageless 	<ul style="list-style-type: none"> Imageless
Implant Design	Evolution® Medial-Pivot Knee System	Triathlon Primary Total Knee System CR/PS Femur with CR/PS/MC poly	Persona® The Personalized Knee® CR/PS Femur with CR/PS/CS poly	JOURNEY◇ II Bi-Cruciate Stabilized CR Femur - BCS poly	ATTUNE™ Knee System CR/PS Femur – CR/PS/MS Poly

SkyWalker® IS A ROBOTIC PLATFORM PAIRED WITH A TRUE MEDIAL PIVOT DESIGN

Celebrating 25 Years of Clinical Success in 2023¹

Designed to Replicate Natural stability and Motion¹



EVOLUTION[®]

MEDIAL-PIVOT KNEE SYSTEM

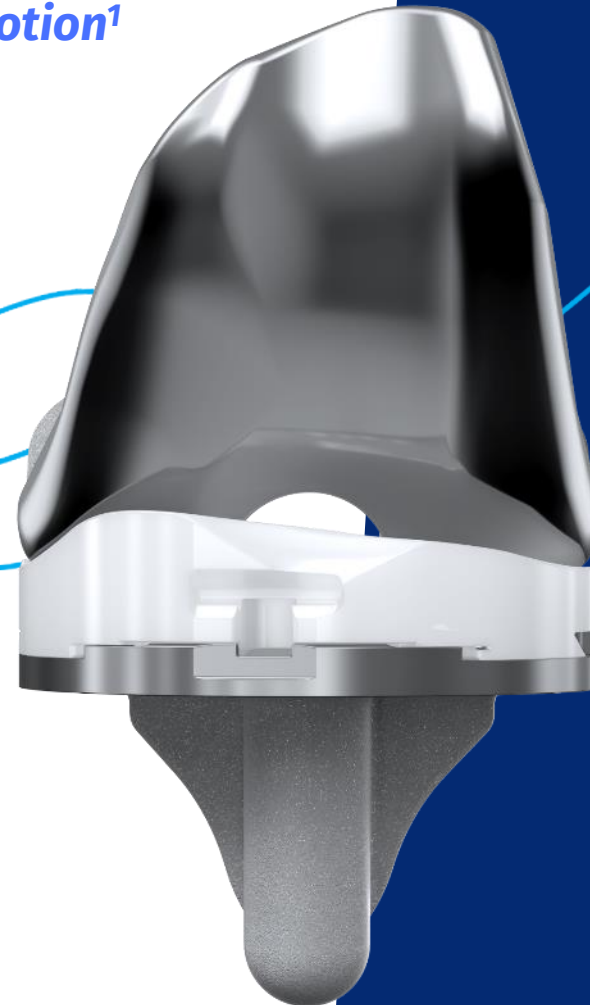
2023



1998

Advance[®] Medial-Pivot Knee System

The FIRST fully commercialized medial-pivot knee system



95%²
**PATIENT
SATISFACTION**



98.8%²
**SURVIVORSHIP
AT 17 YEARS**

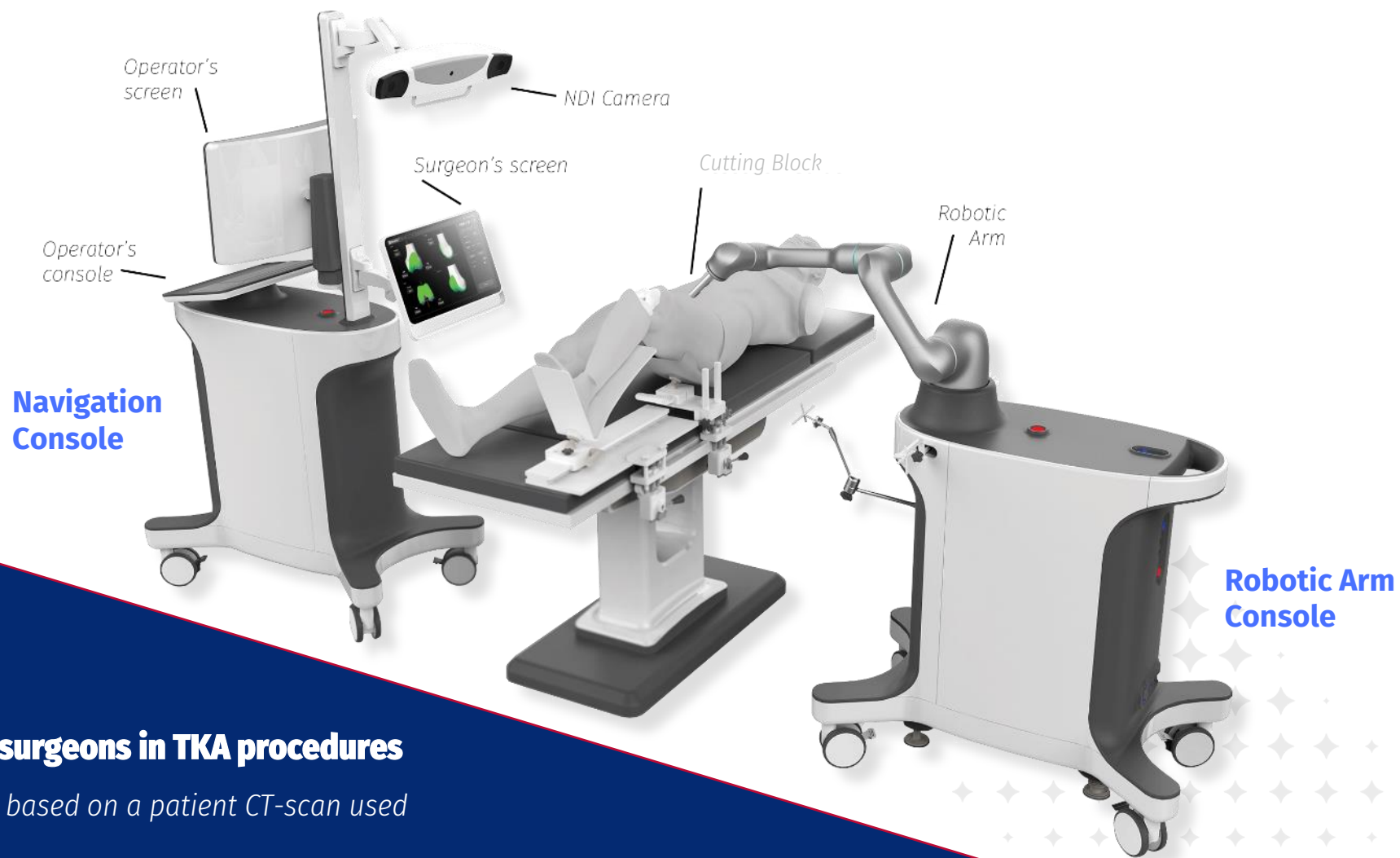
NOTE: Products referenced above are of the sole ownership of MicroPort Orthopedics.

1. MPO data on file

2. Based on a retrospective study of Advance[®] Medial-Pivot. Macheras, G.A.; Galanakis, S.P.; Leptsos, P.; Anastasopoulos, P.P.; Papadakis, S. A. A long term clinical outcome of the Medial Pivot Knee Arthroplasty System. The Knee 24 (2017): 447-453

👉👉 *The clinical value of combining **Medial-Pivot kinematics** with **real-time gap balancing** and **intra-op data** offers an opportunity for procedural optimization facilitated by the **SkyWalker® Total Knee System*** aiming to elevate the patient care experience*

SkyWalker® Surgical Robot** with Evolution® Medial-Pivot Knee System

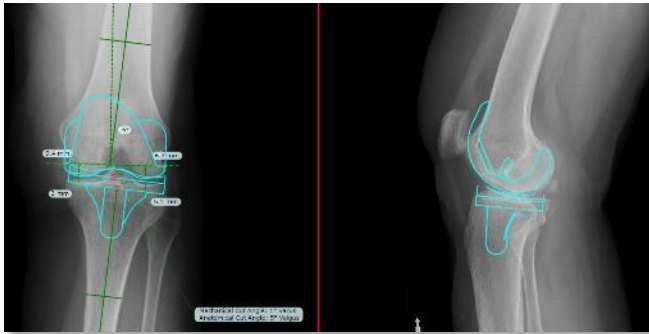


Robotic platform solution to assist surgeons in TKA procedures

Provides pre-op and intra-op information based on a patient CT-scan used for implant placement

Evolution of Pre-Op Planning - Enhanced Planning Capabilities

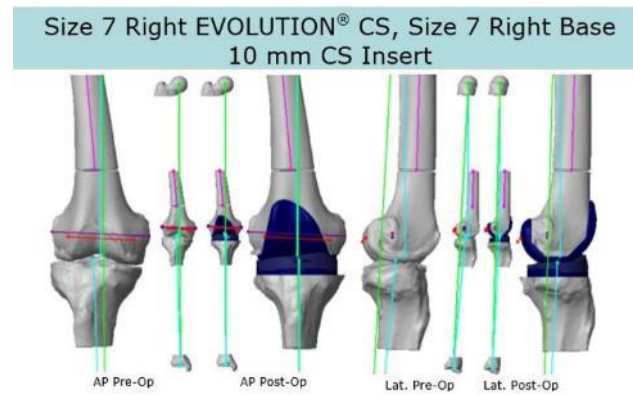
X-Ray Templating



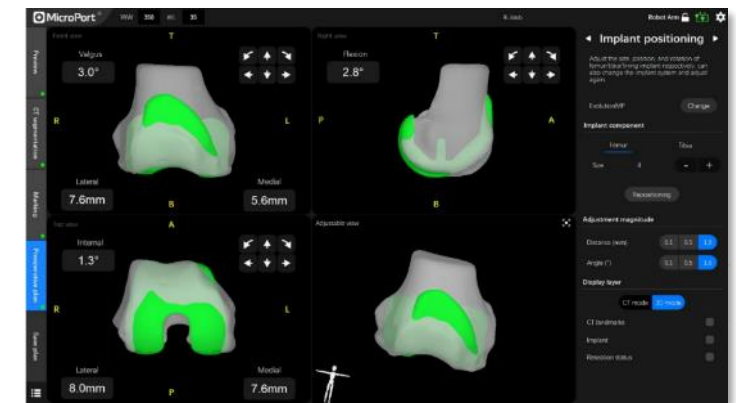
- CT-based
 - Recreates patient-specific anatomy
- Customized pre-op plan
 - Based on surgeon's preferences

= Tailored both to the patient and the surgeon

3D Modeling



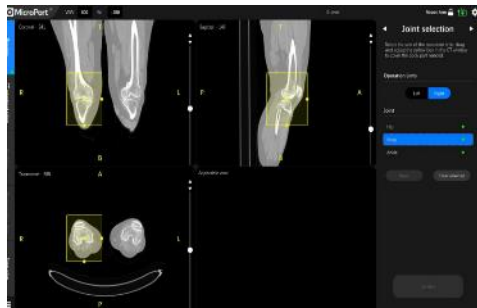
Robotic CT-Based Pre-Planning and Execution



For the Skywalker™ Total Knee System

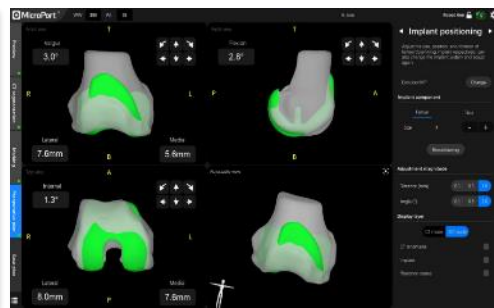
Skywalker™ Total Knee System Interface

CT Scan



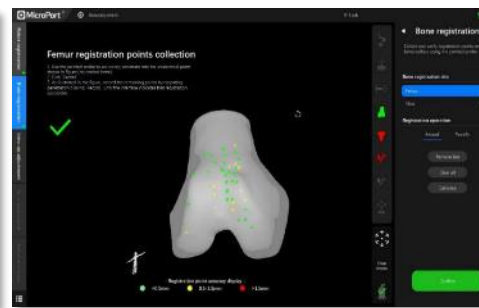
- Patient-specific data
- 3D model recreates patient's anatomy

Preoperative planning



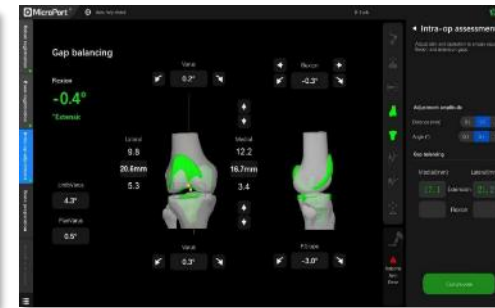
- Customized plan based on each surgeon's preferences
- Implant sizing and placement are planned preoperatively

Bone Registration



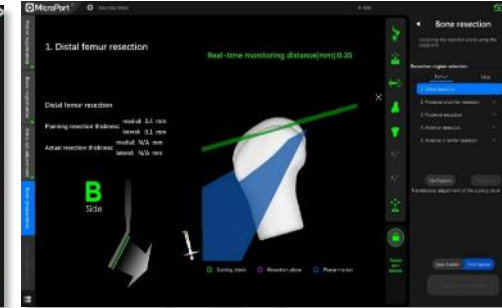
- Marries the CT-scan, pre-op plan and patient-specific 3D model

Gap Balancing



- Data-driven intra-op gap balancing in extension and flexion position

Resection



- Robotically located cutting planes
- Assists the surgeon during osteotomy

Real-Time Gap Balancing & Streamlined Customizable Workflow

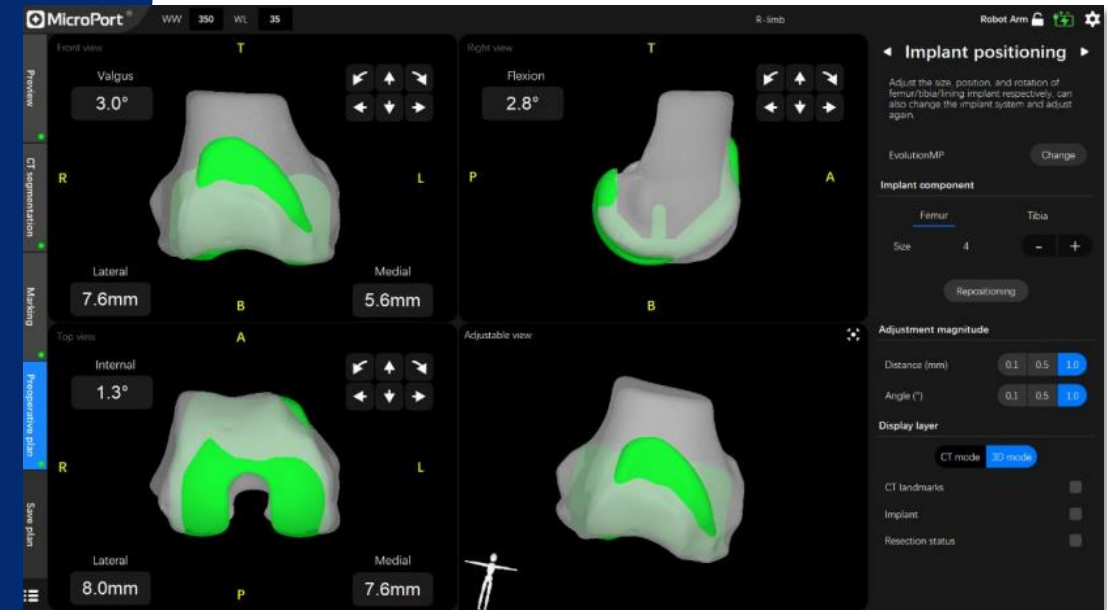
For the Skywalker™ Total Knee System

- Intra-op assessment
- Data-driven execution

= Informed decision making

- Adaptable to surgeon's workflow
- "The robot can follow your lead"

= Power to decide in a more informed

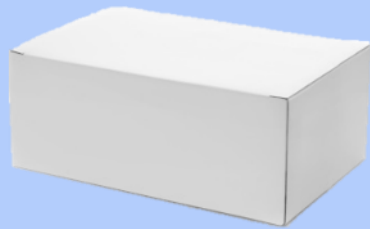


Skywalker™ Knee Instrumentation and Disposables

FOR 1 CASE

Markers Box - MPS10147

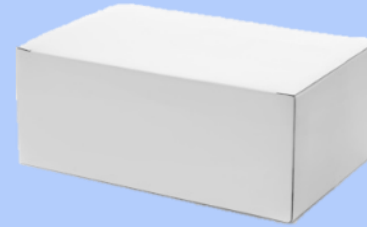
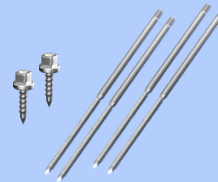
34 Sterile Markers (2 Extra)



Pins & Nails Box

OPTION A - MPS10137

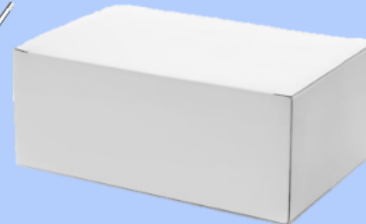
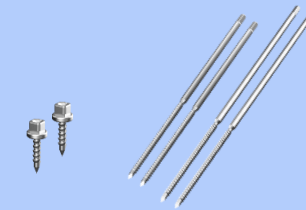
4 STD Pins + 2 Nails



OR

OPTION B - MPS10139

4 Pins (2 STD Pins, 2 Long Pins) + 2 Nails

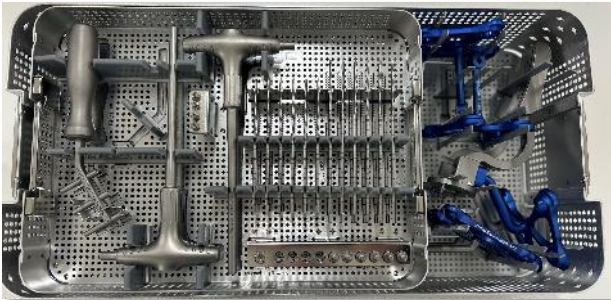
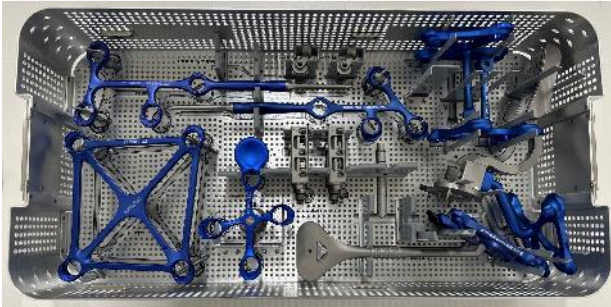


1 Sterile Drape - MPS10001

Skywalker™ Knee Instrumentation and Disposables

SkyWalker® Surgical Platform

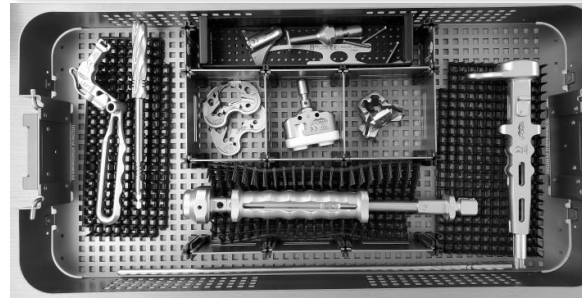
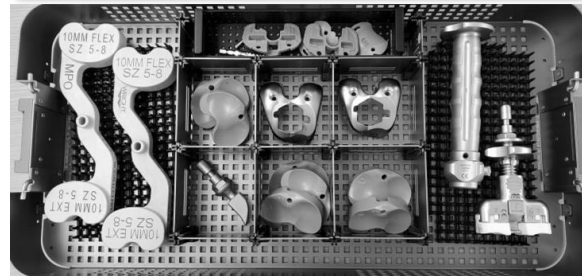
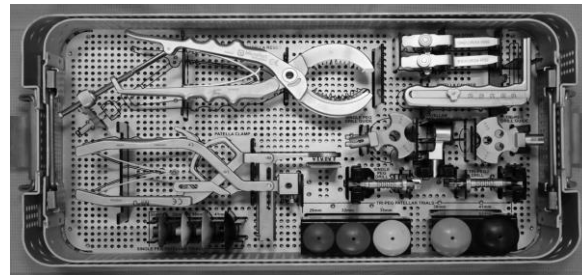
- Knee Application Kit



- Only 1 additional tray

SkyWalker® Surgical Platform

- Evolution® ICE Trays



Evolution® Medial-Pivot Knee System*

- Cemented and cementless - CS, CR, PS
- E200 and ICE instrumentation

Note: Also compatible with Advance® Medial-Pivot Knee System

- **Less instruments and trays**
(no cutting blocks, IM rod, etc. required)
- Surgeon and OR staff know the **sizes ahead of time**

Skywalker® Robotic Program Implementation

Robot Install

- Robotic Unit delivered and fully installed by the SkyWalker® System team in tandem with local Biomed
- In-Servicing dates established with OR management

CT Training

- Determine which CT facility the surgeon would like to use for CT scans and certify them on the CT protocols
- SkyWalker® system team will take full responsibility for this step

Case Scheduling

- Schedule staffing in the room along with date and time of the first surgical cases
- SkyWalker® system team to work with surgeon to ensure scan is done at a minimum 7 days prior to surgery

OR Staff Training

- Complete staff training for entire staff group
- Complete a sawbones case demo with surgical team who will be in the room the day before surgery

SPD Staff Training

- Deliver robotic trays to SPD and ensure they are properly trained on sterilization
- Sterilize trays and establish where they will live during the trial time frame
- Ensure trays are complete

Case Run-Through

- The day or two days before the case do a full robotic run through of the case with a sawbones to ensure all staff are comfortable with the system and workflow
- Double check trays and inventory
- Review the surgical case plan with the surgeon

First Case

- SkyWalker® system staff member(s) will arrive early to the case the morning of and ensure proper trays and disposables are in the room
- Following the case, all staff and surgeon team members participating in the case will complete the post case survey

Installation, Service & Maintenance

- Key competitors all offer and deliver on excellent service levels for their medical robotic equipment.
- A 98% uptime is a category expectation. Importantly, based on competitive experience this high success bar should be eminently achievable.

Essential Care Plan

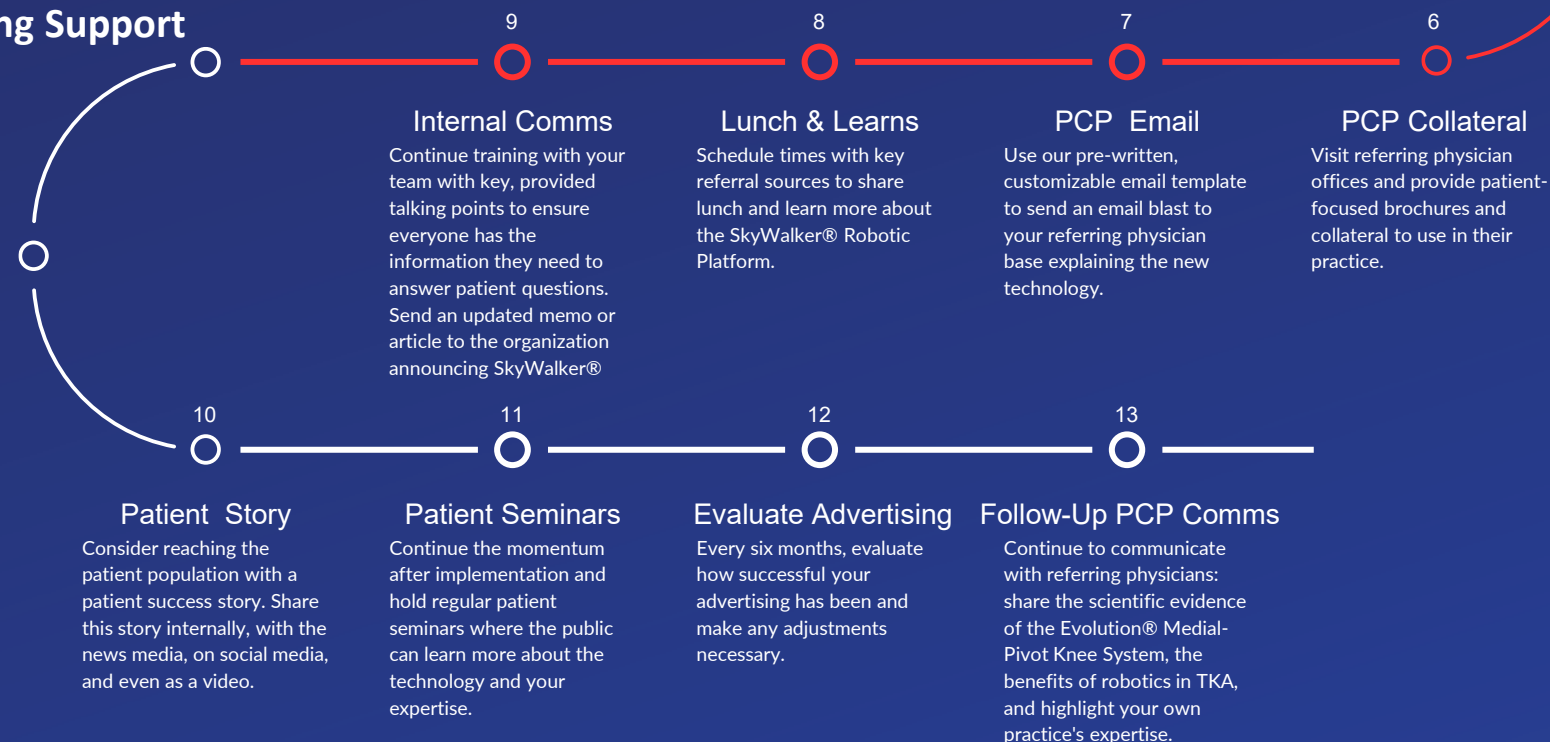
- **Software updates**
- **Preventative Maintenance**
- **System Repairs**
 - Replacement parts
 - 100% labor and travel

SAMPLE SKYWALKER® MARKETING ROADMAP

Pre-Acquisition



Ongoing Support



Co-Marketing Program

Here at MicroPort Orthopedics, we strive to be your partner in communications and promotions. When you purchase a SkyWalker® Surgical Robot, you gain access to templates, pre-drafted communication, and digital collateral to help skyrocket your program and success. These tools provide the resources your organization needs to effectively reach your key audiences:

- Referring Physicians
- Patients



You'll unlock access to a guidebook for building your own promotional calendar with access to exclusive resources, including:

News Media and General Public

- Pre-written, customizable press releases
- Templates for print and digital advertising
 - Facebook ads
 - Google Ads
 - Banner ads
 - Standard-sizes for print ads
- Customizable social media posts
- Template for future patient stories

Patient Facing Content

- Patient-facing video content
- Patient brochures
- Guides and support for patient events and seminars.
- Template for future patient stories

Referring Physician Content

- Internal promotional content
- Referring Physician Collateral:
 - Brochures
 - Postcards
 - Email template
- Support for Lunch and Learns

• News Media and the General Public
• Internal Teams

SkyWalker Robotic Platform Volume Partnership

September 30, 2023

It is my pleasure to provide you with the following Per Procedure proposal to acquire the MicroPort Skywalker system and pay for it as it is utilized.

- **Agreement Duration:** 60 Months
- **Monthly Procedure Volume Target:** 25 Total Procedures (Manual Knees/Hips/SkyWalker Knees)
- **Monthly Robotic Procedure Target:** 6 Procedures
- **Each Per Procedure Fee Includes:**
 - One MicroPort SkyWalker Robotic Platform
 - One Year Warranty
 - One Implant per procedure
- **Per Procedure Fee:**
 - \$2,750 Per Procedure with Knee Implant
 - \$3,250 Per Procedure with Hip Implant
 - \$600 Per Procedure with SkyWalker Disposables
- **Purchase Option at Agreement Conclusion:** Fair Market Value

Thank you for your consideration of this proposal. If you have any questions, please contact me.

If you wish to proceed, please sign below, scan and email this proposal back to me.

MicroPort Orthopedics
Thomas Kearney
thomas.kearney@ortho.microport.com

- *Agreed Subject to Credit Approval and Review of Per Procedure Program Documentation*

• BY: _____

DATE: ____/____/____

SkyWalker Robotic Platform FMV Partnership Options

September 30, 2023

Thank you for the opportunity to provide this Lease Proposal which offers a choice of three payment plans.

- **Equipment:** Microport SkyWalker Robotic Platform
- **Amount Financed:** \$425,000
- **Payment Options:** 36 Mos. @ \$9,855 /mo. **OR** 48 Mos. @ \$9,234 /mo. **OR** 60 Mos. @ \$8,100 /mo.
- **Purchase Option at Lease Conclusion:** *Renew Lease, Return Equipment, or Purchase Equipment for Fair Market Value*
- **100% Section 179 Tax Deduction:** You may qualify for a deduction from this year's taxable income equal to
- 100% of the Equipment Price. Please check with your accountant for details.

Thank you for your consideration of this proposal. If you have any questions, or wish to proceed, please contact me.
Interest rates are rising, this proposal is valid for 10 days.

Thank you for your consideration of this proposal. If you have any questions, please contact me.

SkyWalker Robotic TKA Platform Partnership Options				
SkyWalker	Capital Purchase	Capital FMV Lease	Robotic Placement	Robotic Volume Placement <ul style="list-style-type: none"> • 60 Month Agreement • Monthly robotic case (6) number must be achieved • *Total Volume commitment (25 Total Cases monthly, Manual Knee/Hip/Robotic Knee Monthly Case Commitment).
Cases per Month	N/A	N/A	25	
Term	N/A	36/48/60 Month	60 Months	
Payment Terms	Net 30 Days	Monthly	Monthly	
Essential Care Plan	60K	60K	60K	
Warranty	1-year Warranty	1-year Warranty	1-year Warranty	
Cost	\$425,000 system + Implant/Disposables	\$9,855/36month system \$9,234/48month system \$8,100/60month system + Implant/Disposables	\$2,750. Knee Implant \$3,259. Hip Implant \$600. Robotic Disposable	

Key Considerations

Topic	Notes
Components	<ul style="list-style-type: none">• OSR-1100-NB SkyWalker Robotic Platform• 10008-NB-SUB Robotic Arm & Accessoreis• 10010-NB-SUB Surgical Console Package• 10014-NB-SUB Navigation Console Packaged• 10019-NB Knee Kit• 10021-NB Knee Tray• 10023-NB Leg Positioner• E.Z.3626-NB Monitors• E.Z.5500-NB Foot Switch
Upgradeability	<ul style="list-style-type: none">• SkyWalker is a Robotic Platform designed to have applications added to its clinical capabilities (THA/UKA are planned additions to the platform. MPO will work with Scripps Health on an upgradability pathway.
Consumables	<ul style="list-style-type: none">• MPS10147 Markers• MPS10137 Option A (Pins)• MPS10139 Option B (Pins)• MPS10001 Drape
Case Support and Service	<p>Essential Care Plan</p> <ul style="list-style-type: none">• Software updates• Preventative Maintenance• System Repairs<ul style="list-style-type: none">• Replacement parts• 100% labor and travel
Personnel and space requirements	<ul style="list-style-type: none">• Slightly smaller than but comparable in space to MAKO/ROSA System.• Robotic Specialist will run system and interact with surgeon/staff during each procedure
Indications for use	SkyWalker Total Knee System is intended to assist the surgeon to perform Total Knee Arthroplasty (TKA) procedures by providing software-defined spatial boundaries for orientation and reference information to anatomical structures for the accurate placement of compatible knee implant components. It is indicated for use in TKA procedures in which the selection of stereotactic surgery is appropriate, and the anatomical bony structures can be identified with a CT based model
Growth strategies	<ul style="list-style-type: none">• Quarterly Business Reviews (QBR)• Partnership w/Scripps Health to onboard and educate additional physician users• Co-marketing opportunities<ul style="list-style-type: none">• Medial Pivot Performance + Technology enabled implantation