

# BIONIK INVESTOR PRESENTATION

**OTCPink: BNKL**

August 2022



# Forward Looking Statements

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# Company Overview

**BIONIK Laboratories** (OTCPink: BNKL) is a global pioneering healthcare company working to transform neurorehabilitation by helping millions reclaim their mobility through cloud-connected, robotic evaluation and therapy.

BIONIK's suite of robotic rehabilitation products are the result of groundbreaking medical engineering research and development at the Massachusetts Institute of Technology (MIT).

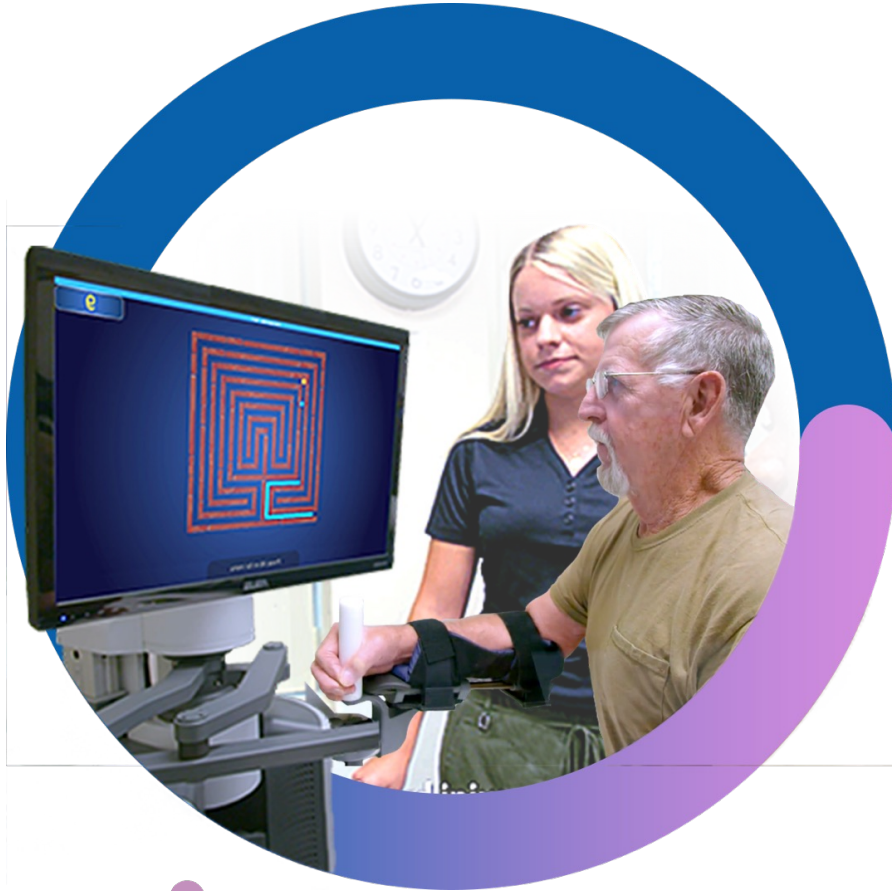




# Investment Highlights



- ✓ Gold standard for robotic upper extremity rehabilitation
  - ✓ Expanding distribution to new international markets including the EU, China, Canada & Brazil
  - ✓ Expanding portfolio of products and AI capabilities to increase connectivity, productivity and patient care outcomes
  - ✓ In process of launching “Centers of Excellence Neuro-Recovery Care Centers”, a showcase for BIONIK technology and solutions
- ✓ Increasing market opportunity from growing global market for recovery and rehabilitation, projected at \$17.5 billion in 2025
- ✓ Growing installed base of BIONIK devices increasing awareness and usage
- ✓ Strong balance sheet with \$2.2 million working capital as of June 30, 2022
- ✓ Management team and Board with significant experience



# Market Opportunity

BIONIK is targeting a growing global market for recovery and rehabilitation:

- \* The global market for rehabilitation devices is projected to reach \$16.6 billion in 2025
- \* The [rehabilitation robotics](#) market is forecast to be valued at \$2.6 billion by 2026
- \* The global neurorehabilitation devices market is projected to reach [\\$4.9 billion by 2028](#)
- \* The physical therapy market is expected to reach \$45 billion by 2023



## Stroke by Numbers

- \* Someone in the United States has a stroke every 40 seconds
- \* Worldwide, 15 million people suffer a stroke each year
- \* Up to 30% of stroke survivors are left permanently disabled, requiring specialized treatment for rehabilitation
- \* Heart disease and stroke cost the US healthcare system \$214 billion per year
- \* An aging population, worldwide, means the prevalence of stroke is expected to increase
- \* 7.8 million Americans have experienced a stroke in their lifetime.

# Overview



MIT-MANUS – Cambridge, MA

- \* BIONIK InMotion systems are the gold standard for robotic upper extremity rehabilitation as supported by 200 peer reviewed clinical studies.
- \* 450 BIONIK devices now installed in 20 countries worldwide, with more than 300 of these in the United States.
- \* A collaboration with the Kindred Hospital Network has resulted in approximately 30 Kindred locations that are currently equipped with InMotion devices
- \* Robust IP portfolio includes 5 issued US patents granted, and 3 US patent applications pending
- \* BIONIK devices were originally developed by medical engineering experts at MIT and are backed by data gathered from over 1,000 patients in clinical trials.



# The BIONIK Solution

- \* BIONIK's devices deliver compelling economic benefits with a ~25% reduction in healthcare costs following InMotion therapy.
- \* The company's robotic devices provide hope and motivation for patients and their families as they work through recovery.
- \* BIONIK Robotic solutions provide high repetition (dosage) by a factor of 10 as compared to traditional treatments.
- \* BIONIK InMotion Therapy is a safe and effective treatment for both acute and chronic patients with a wide range of impairments ranging from mild to severe
- \* BIONIK is in process of positioning itself as a stroke care expert with owned and operated Centers of Excellence to be located throughout the U.S.





# InMotion Therapy is the Established Standard of Care for Upper Extremity Neuro Rehab

- Supported by more than 200 independent, peer-reviewed articles beginning with ground-breaking MIT research. <sup>1</sup>
  - Significant improvements in chronic stroke <sup>2</sup>
  - Improvements seen 3 years after ceasing Rx <sup>3</sup>
  - 34% reduction healthcare expenses at 36 weeks <sup>4</sup>
- Robotic therapy recommended as a Best Practice in the American Heart Assoc. and Veterans Administration/DoD Guidelines for Stroke Care <sup>5</sup>
- Adopted by leading Health Care Systems as part of the Standard of Care
- Used in over 250 Rehabilitation Centers Worldwide

1. See a broad sample of relevant articles at: [bioniklabs.com/published-research](http://bioniklabs.com/published-research)  
2. Krebs et al, 2008  
3. Volpe et al., 1999  
4. Lo et al, 2010 AKA the VA Study  
5. VA/DoD Clinical Practice Guideline for the Management of Stroke Rehabilitation, Guideline Summary.

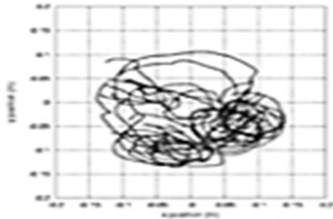
# Focus on Clinical Results

Movements Per Session	Only 32-80 movements per therapy session.
Protocols	Treatment protocols are therapist-dependent.
Metrics	Difficult to quantify true motor recovery and outcomes.

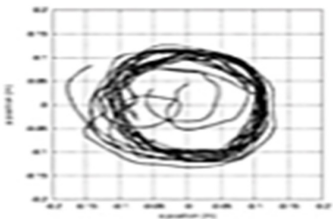
Conventional methods



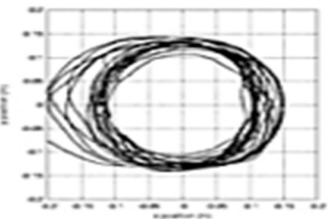
Circle Evaluation Test Measures motor coordination, joint independence and motor planning



Day 1



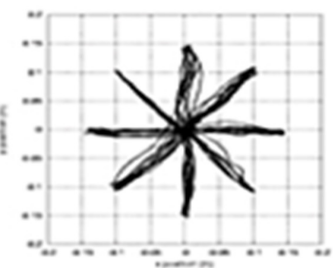
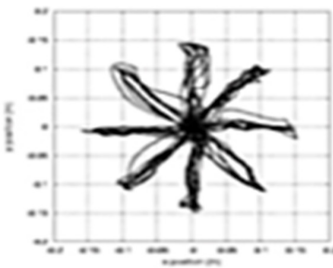
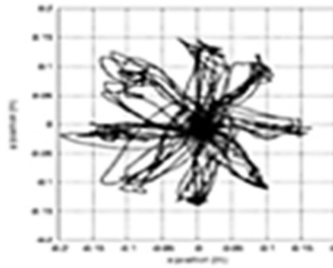
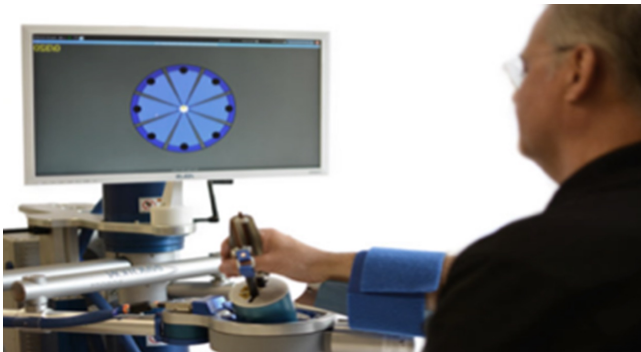
Day 14



Day 70

Movements Per Session	600 to 1,000 movements per session
Protocols	Reproducible to advanced clinical research standards
Metrics	BIONIK EVAL™ software quantifies true motor recovery

BIONIK InMotion™



Point-to-Point Evaluation: Measures motor control through changes in acceleration, speed, accuracy, and movement coordination

# Product Portfolio

BIONIK's product portfolio includes two robotic devices and one cloud-based data software solution

## InMotion® ARM

- \* Provides safe and effective sensorimotor therapy to patients with real-time "assistance-as-needed"
- \* Clinicians can customize therapy to the specific needs of each patient



## InMotion® ARM/HAND

- \* Incorporates a hand grasping training component to InMotion ARM, combining isolated movement patterns into reach and grasp retraining activities
- \* Monitors the patient's movements during therapy, helping them complete the hundreds of repetitions required for neural plasticity.



## InMotion® Connect

- \* A cloud-based software solution that enables real-time monitoring of InMotion robot usage and generates valuable data that can be used in decision-making by hospital administrators
- \* In the future, InMotion connect will use the data gathered from each patient to optimize individual treatments
- \* BIONIK has plans to develop an app and patient portal to facilitate patient and family connectivity with treatment





# Competitive Advantages



BIONIK's robotic devices and InMotion cloud-based software solution offer evidence-based therapy intervention, making rehabilitation methods and processes smarter and more intuitive, and potentially facilitating faster patient recovery.



Suite of products backed by 20 years of clinical research



Compelling economic benefits for insurers and providers



Smart, intuitive rehabilitation with outcomes of 1000 patients demonstrated in clinical trials



Cost-effective solutions for facility administrators



Patient data tracked over 200 times per second, with benefits for patients and clinicians as therapy can be individualized



More than 300 devices currently installed in the United States, with a 72% increase reported in patient sessions on devices used in Kindred facilities nationwide in the past year

# Competitive Matrix

BIONIK



Hocoma



motorika



tyromotion



Barrett MEDICAL



Feature	InMotion ARM/HAND	Power	Spring	ReoGo	Diego/Amadeo	Burt
AI Data Collection	✓					
AI Patient Assistance	✓					
Cloud Connectivity	✓	✓	✓			
Research Driven	✓	✓	✓	✓	✓	✓
Evaluation Capabilities	✓	✓	✓	✓	✓	✓
Hand System	✓	✓			✓ *	
Price	\$ \$	\$ \$ \$	\$	\$	\$	\$

\*Requires purchase of separate system (Amadeo)

# Growth Strategy

## COMMERCIAL

- Expansion of InMotion Tech to New Markets
- EU, China, Canada & Brazil

## NEW TECHNOLOGY AND PRODUCTS

- M & A
- IoT / Data Integration with existing products



## DATA ENHANCEMENT

- IMC - Data to Patient
- New SaaS Products

## CENTERS OF EXCELLENCE

- Neuro-recovery Care Continuum
- BIONIK Technology

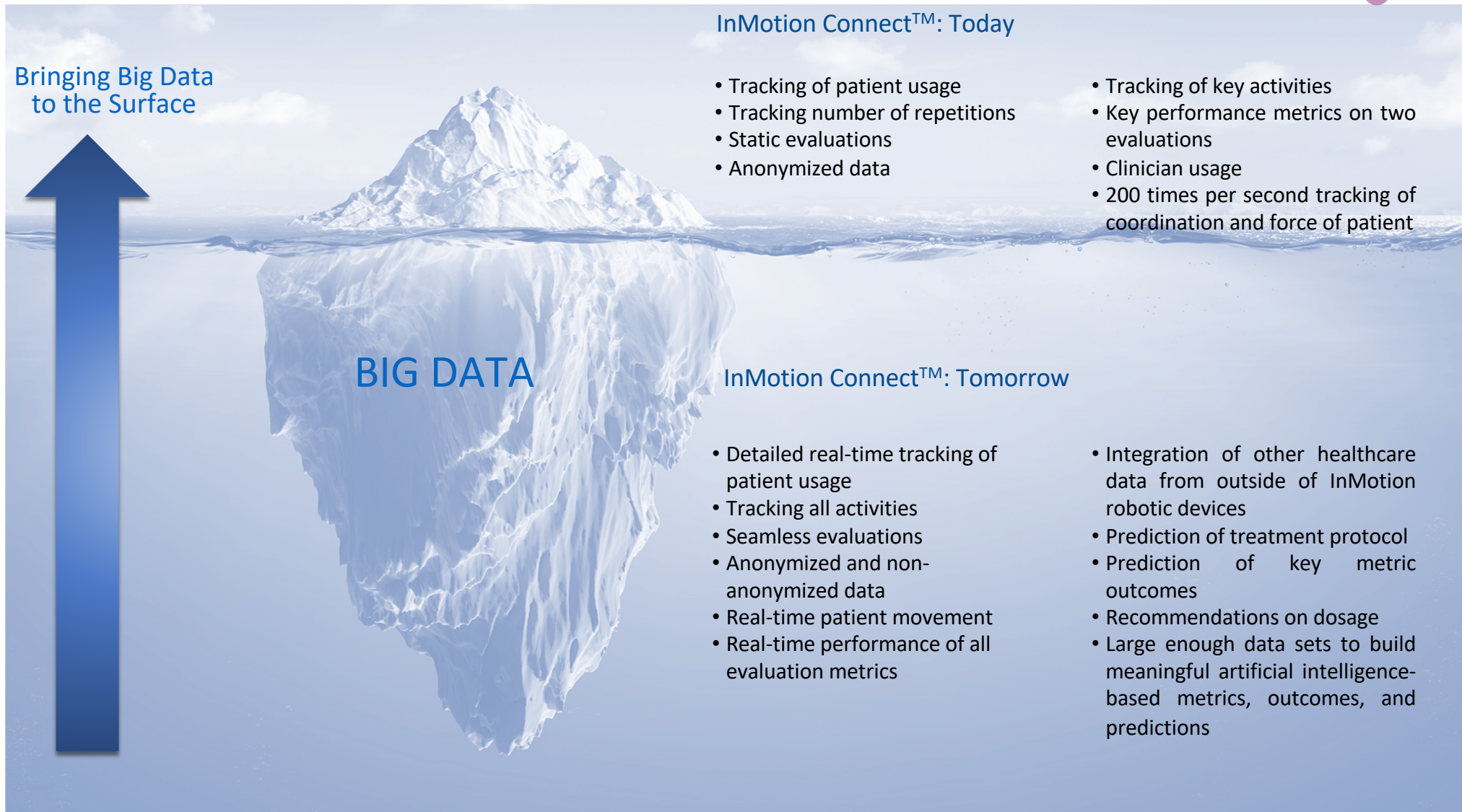


# Centers of Excellence

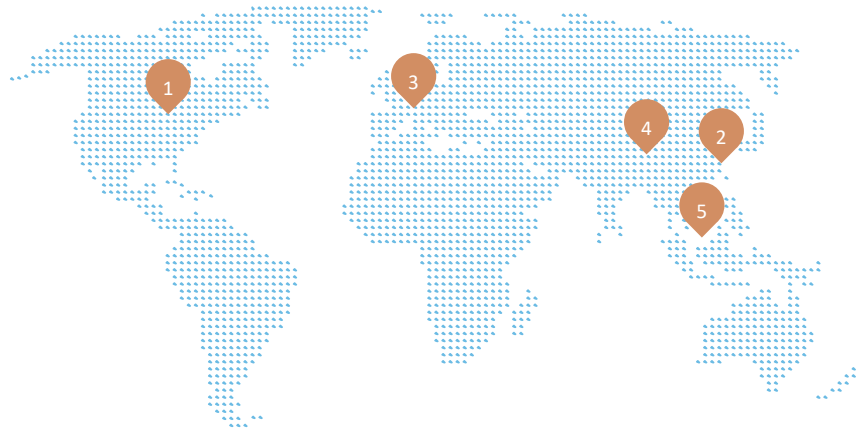
- \* Neuro-recovery Care Centers
- \* Showcase for BIONIK technology and solutions which will act as a vehicle for data strategy and bringing data directly to patients
- \* Goal is to expand the continuum of care beyond the boundaries of insurance through robotics
- \* Top-line revenues expected instantly with a net profit margin between 20-40%
- \* Allows for recurring revenues with Patient Care Model
- \* Growing opportunity from expanding Physical Therapy market estimated at \$45B in 2023



## InMotion Connect™ Data is Just the Tip of the Iceberg



# Planned Commercial Expansion



## Decision Methodology for Market Expansion

- **Each market segment / geography is evaluated based on key market variables (size, regulatory and reimbursement, appetite for advanced technologies, effectiveness of local 3rd party distribution and existing base.**
- **Current Market Priorities**
  - Strategic accounts development for US Market is most significant and most attainable market over next two years
  - Continued support and realization of market opportunity for Korea
  - Assessment of Europe based on country by country match to our key market variables with reference to our existing client base : target is to have 2 to 4 countries being directly operated by Bionik and the rest with distributors

### 1 North America

Boston, USA (Watertown) – Headquarters, Engineering, R&D, Quality and regulatory, Service and Maintenance & Contract Manufacturing

### 2 Korea

Distribution relationship with Curexo  
Regulatory approval for InMotion Arm™  
Existing customer base in place

### 3 Europe & Middle East

Customers in 5 countries, multiple locations  
Developing Europe based sales organization  
Evaluating 3<sup>rd</sup> Party Distribution Relationships  
CE Mark Certification achieved

### 4 China

Preparing for a new Joint Venture partner  
Continued positive market signs in terms of size and market pricing

### 5 Rest of Asia

Customers in 7 countries outside of China and Korea  
Evaluating 3<sup>rd</sup> Party Distribution Relationships



# Pathway to Success

BIONIK is positioning for growth in the near, medium and long term:

## Near Term

- \* Expansion of sales team throughout the world via distributor partnerships and entry into new markets
- \* Developing a joint-venture in China to address the Chinese market
- \* Planning to launch of *Centers of Excellence* strategy in Fall 2022 with purchase of first center
  - \* Development of scalable business processes

## Medium Term

- \* Over the next 24 months, BIONIK plans to position itself as a stroke care expert with a chain of *Centers of Excellence*
- \* *Centers of Excellence* expected to be a showcase for BIONIK robotics and technology
- \* Expect to foster relationships with insurance providers and local medical professionals for patient referrals
- \* Per clinic revenue estimated at \$0.5-2 million annually

## Long Term

- \* Data Offering: BIONIK is developing its data and AI capabilities via a partnership with machine learning expert, Bitstrapped
- \* M&A: BIONIK to explore opportunities to acquire complementary technology or facilities



# Impacting Insurance Reimbursement Now and in the Future

InMotion Eval – objective data used to extend coverage period

Private Insurances and CMS moving towards Valued Based Care Model

- Medicare payments based on the quality of care provided, rather than on the quantity of services performed.
- Data supports robotic therapy as a more effective, value-based quality treatment. <sup>1</sup>

French Rehabilitation Center Funding Reform – Pending 2023

- Goal – Better Insurance reimbursement for specialized care
- Annex 4: Specialized technical platform - Specifications for an assisted rehabilitation platform for the upper limb

Promote and drive higher reimbursement amounts with evidence-based, cost-effective robotic therapy.

- Cost effective standard robotic treatments



1. Using IoT Data to Quantify InMotion Therapy Gains on Upper Extremity Motor Impairments (Bionik Labs - March 2022)

## Management Team & Board of Directors\*



**Richard Russo, Jr.**

CFO & Interim CEO

Richard brings over 20 years of finance and accounting leadership experience. VP of finance and US CFO of ICarbonX, where he was responsible for the merger of 3 companies, fundraising and the ultimate dissolution of the US companies. He started his career as an auditor at PwC



**Mark Eiseman**

Director of Sales

Mark started with BIONIK in 2022 and serves as our Sales Director leading the Sales and Clinical Teams. Mark graduated from the University of Nebraska at Omaha and has worked with advanced rehabilitation technology companies for over 10 years, such as AlterG, Ekso Bionics and most recently as a Total Solutions Specialists for DIH (Hocoma).



**Dan Gonsalves**

Corporate Controller

Dan has over 16 years of Finance and Accounting leadership experience and is a licensed CPA. Dan spent 4 years with DXL Group where he held Director roles in Accounting and Financial Planning and Analysis. Prior to DXL Group, Dan spent 6 years with CFGI advising companies across a variety of industries on technical accounting issues, financial statement preparation and IPO readiness, and internal controls. Dan started his career with Deloitte in the Audit practice.



**John Smathers**

Director of Operations

John brings over 27 years of experience in development of market leading medical devices for radiation oncology, neurosurgery, and neurocritical care. He joined BIONIK from the Codman Specialty Surgical division of Integra LifeScience.

\* Visit [www.bioniklabs.com](http://www.bioniklabs.com) for full biographies



**André Jacques Auberton-Hervé**  
Chairman of the Board



**Rémi Gaston Dreyfus**  
Independent Director



**Peter Gerald Malone**  
Independent Director



**Audrey D. Thévenon**  
Independent Director



**Joseph Martin**  
Independent Director



**Charles Martine**  
Independent Director



**Michal Prywata**  
Co-Founder



**Professor Neville Hogan**  
Scientific Advisor



# Financial Highlights

	3 Months Ended 6/30/2022	3 Months Ended 6/30/2021	Year Ended 3/31/2022	Year Ended 3/31/2021
Revenue, Net	\$242,829	\$671,283	\$1,273,712	\$1,193,430
Gross Profit	167,648	540,777	953,258	923,798
Gross Profit Margin %	69.0%	80.6%	74.8%	77.4%
Total Non-GAAP Operating Expenses	1,488,668	1,228,485	5,742,469*	6,165,536*
Non-GAAP Loss from Operations	\$(1,321,020)	\$(687,708)	\$(4,789,211)	\$(5,241,738)
Weighted Average Number of Shares Outstanding – Basic and Diluted	6,879,554	5,701,815	5,844,006	5,128,421

\*Excludes noncash amortization & impairment of goodwill and intangible asset charges of \$5.3M in the year ending 3/31/2022 and \$7.3M in the year ending 3/31/2021, along with share-based compensation expense etc.

Condensed Balance Sheet	6/30/2022
Cash	\$1,328,777
Other Current Assets	2,594,322
Total Current Assets	3,923,099
Current Liabilities	\$1,691,980
Deferred Revenue, Net of Current Portion	210,896
Long Term Debt*	503,467
Stockholders Equity	1,596,645
Total Liabilities & Stockholders Equity	\$4,002,988

\*To convert at next qualified financing

# Key Takeaways

- ✓ Gold standard for robotic upper extremity rehabilitation
  - ✓ Expanding distribution to new international markets including the EU, China, Canada & Brazil
  - ✓ Expanding portfolio of products and AI capabilities to increase connectivity, productivity and patient care outcomes
  - ✓ In process of launching “Centers of Excellence Neuro-Recovery Care Centers”, a showcase for BIONIK technology and solutions
- ✓ Increasing market opportunity from growing global market for recovery and rehabilitation, projected at \$17.5 billion in 2025
- ✓ Growing installed base of BIONIK devices increasing awareness and usage
- ✓ Strong balance Sheet with \$2.2 million working capital as of June 30, 2022

# BIONIK

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