

# Titan Medical Reports Operating and Financial Results for the First Quarter 2023

TORONTO, Ontario, June 09, 2023 (GLOBE NEWSWIRE) -- Titan Medical Inc. (“Titan” or the “Company”) (TSX: TMD; OTC: TMDIF), announced today financial results for the three months ended March 31, 2023.

## Recent Activities:

- On May 26<sup>th</sup> and June 5<sup>th</sup>, respectively, the Company announced IP licensing transactions for total upfront payments of -\$15.5 million.
- Subsequent to the quarter, the Company improved its working capital position further by settling multiple trade-related payables that cancelled approximately \$0.9 million of its financial obligations.
- On May 29<sup>th</sup>, as a result of the strategic review process (**Strategic Review**) announced on November 30, 2022, the Board of Directors of Titan (the “**Board**”) approved a strategic transition in the Company’s business from the development and commercialization of robotic-assisted surgeries (“**RAS**”) technologies to evaluating new opportunities to further develop and license its intellectual property (“**Strategic Transition**”). Titan continues to retain the rights necessary to develop and commercialize RAS technologies, should it choose to do so, including the two-instrument Enos single-access RAS system (the “**Enos System**”) and, as announced on January 9, 2023, a three-instrument single-access RAS system that builds on the Enos System technologies.
- On May 29<sup>th</sup>, the Company announced executive leadership team changes effective June 1, 2023, reflecting the Company’s Strategic Transition and to reduce operating expenses in the business, including the appointment of Paul Cataford as interim President and CEO, and Chien Huang as CFO.

## Financial Highlights:

As of March 31, 2023, Titan had cash of \$1.3 million, compared to \$3.3 million at December 31, 2022. The Company has since improved its cash position with proceeds of \$15.5 million from two IP licensing transactions announced on May 26<sup>th</sup> and June 5<sup>th</sup>.

Working capital deficit was \$6.4 million at March 31, 2023. Subsequent to the quarter, the Company received proceeds of \$15.5 million which has improved its working capital position. In addition, the Company has reduced its outstanding financial obligations to multiple vendors by approximately \$0.9 million.

For the three months ended March 31, 2023, research and development (**R&D**) expenses were \$0.5 million compared to \$9.4 million in the comparative period. The decrease in R&D expenses is related to the Strategic Review. In the three months ended March 31, 2023, the Company implemented cost-cutting measures that significantly reduced R&D expenses. In

the comparative period, R&D expenses were related to the development of the Enos System and transferring key components of the Enos System to manufacturing.

General and administrative (“**G&A**”) expenses were \$2.3 million for the three months ended March 31, 2023 compared to \$2.5 million in the comparative period. The decrease in G&A expenses is related to the Strategic Review. In the three months ended March 31, 2023, the Company implemented cost-cutting measures that reduced G&A expenses.

The company’s interim financial statements and management discussions and analysis (MD&A) are available at [www.sedar.com](http://www.sedar.com).

## **About Titan Medical**

Titan Medical Inc. (TSX: TMD; OTC: TMDIF), a medical technology company headquartered in Toronto, Ontario with operations in Chapel Hill, North Carolina, has developed an expansive patent portfolio related to the enhancement of robotic assisted surgery (RAS), including through a single access point, and is currently focused on evaluating new opportunities to further develop and license its intellectual property.

## **Cautionary Statement Regarding Forward-Looking Information**

This news release contains “forward-looking statements” within the meaning of applicable Canadian and U.S. securities laws, which reflect the current expectations of management of the Company’s future growth, results of operations, performance and business prospects and opportunities. Forward-looking statements are frequently, but not always, identified by words such as “may”, “would”, “could”, “will”, “anticipate”, “believe”, “plan”, “expect”, “intend”, “estimate”, “potential for” and similar expressions, although these words may not be present in all forward-looking statements. Forward-looking statements that appear in this release may include, without limitation, references to: the Company evaluates new opportunities to further develop and license its intellectual property; the Company continues to retain the rights necessary to develop and commercialize RAS technologies; the Company’s current focus on evaluating new opportunities to further develop and license its intellectual property.

These forward-looking statements reflect management’s current beliefs with respect to future events and are based on information currently available to management that, while considered reasonable by management as of the date on which the statements are made, are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward-looking statements. Forward-looking statements involve significant risks, uncertainties and assumptions and many factors could cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Such factors and assumptions include, but are not limited to, the Company’s ability to retain key personnel; its ability to execute on its business plans and strategies, including the Strategic Transition; its ability to continue to license some or all its intellectual property to third parties and receive any material consideration and other factors listed in the “Risk Factors” section of the Company’s Annual Information Form for the fiscal year ended December 31, 2022 (which may be viewed at [www.sedar.com](http://www.sedar.com)). Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements

prove incorrect, actual results, performance, or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this news release. These factors should be considered carefully, and prospective investors should not place undue reliance on the forward-looking statements.

Although the forward-looking statements contained in the news release are based upon what management currently believes to be reasonable assumptions and the Company has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking statements, the Company cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. Except as required by law, the Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise. Accordingly, investors should not place undue reliance on forward-looking statements. All the forward-looking statements are expressly qualified by the foregoing cautionary statements.

**Contact**

Chien Huang  
Chief Financial Officer  
investors@titanmedicalinc.com

###

**TITAN MEDICAL**

Source: Titan Medical Inc.