Sanolla Q1/2022 Update

Sanolla has shown great progress in Q1/2022, in key areas – product development, business development and funding.

- ***Regulation: The VoqX received FDA 510(k) clearance last month clearing the way for sales in the US and in other regions for which FDA clearance will shorten the approval process.***

- **Business Development:** Sanolla is currently in discussions with strategic partners. Among those companies, the most advanced and important future partners relations are:
    - **Edwards/Clalit:** Edwards has 5 billion USD revenues, and is a world leading manufacturer of cardiac diseases solutions (https://www.edwards.com/) . The clinical trial to be done with Clalit was brought under the purview of the Corporate VP for the product line of interest and is being managed by the European director of Medical Affairs in conjunction with the local Israeli team.
    - **Riester:** After concluding a signed term sheet with them in Q3/2021 and following a market evaluation they have done in Europe and in the United States, they have now asked to formalize the relationship in a contract that is currently being negotiated. Product sales through Riester are expected to begin in Q2/2022 in the United States.
    - **HyLabs:** A veteran and well-established medical equipment manufacturer and distributor in Israel that is well connected in the Israeli health care system is working with Sanolla to finalize a distribution agreement.
    - **Clalit:** The largest HMO in Israel with 50% of the Israel's national health insured has concluded an evaluation of the VoqX and is now working towards a pilot study that will cover the use of the VoqX in primary care clinics.

- **Human Resource:** Sanolla has adjusted and realigned its priorities to match the progress and recent developments. We are putting a strong focus concluding clinical studies and validations towards regulatory approval for its AI algorithms. As such we are currently seeking a *clinical affairs manager* and terminating the system engineering position.

    - **Product: The VoqX** (smart stethoscope) is currently in production. Components for 1,000 units have been ordered and the first batch of 50 units will be produced this month. The first units are being sent to the US (via Riester), Israeli distribution, Japan and for ongoing evaluation.
- **PyXy** (Home Device) is in pre-production prototype phase and the first 20 units to be used in the Horizon 2020 project (The European funded project - €5M Grand) have been produced and are being delivered to the Horizon partners for system integration and data collection.

- **Market exposure:** PR program has begun around the FDA clearance announcement, with continued announcements planned in order to generate market interest in Sanolla leading up to the Round A funding planned for Q3. 3 papers have been submitted to various journals and are currently under review.

- **IP:** 20 patents have been filed and 9 have been granted.

Funding

The SAFE round has been concluded and over $3M has been raised in hard commitments and/or fund transfers. This will give the company a runway of 12 months at an anticipated average burn rate of $280,000.

Thank you again for your continued support and we look forward to providing you with great news soon

With Warm Regards

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