



MILESTONE
MEDICAL

CompuFlo™ Epidural Instrument

Attach Disposable ID Adaptor and Start
Down The TABs To Configure The Procedure.

To Start

Patient

Settings

Locate

Data

System

BATTERY



MILESTONE
MEDICAL



INVESTOR ROADSHOW

Warsaw, December 2015

Injectons Reinvented

Investor Roadshow

December 2015

Certain of the statements and the projections set forth in this presentation constitute “forward-looking statements.” Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate, or imply future results, performance or achievements, and may contain the words “estimate,” “project,” “intend,” “forecast,” “anticipate,” “plan,” “planning,” “expect,” “believe,” “will,” “will likely,” “should,” “could,” “would,” “may” or words or expressions of similar meaning. All such forward-looking statements involve risks and uncertainties, including but not limited to the factors set forth in the Risk Factors section of this presentation and to the particular risks inherent in any development stage company that has developed new products for which it has not yet demonstrated market acceptance or generated any historical sales.

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KEY MANAGEMENT



Leonard Osser

- Chief Executive Officer and Director since the Company's founding in March 2011
- Served as Milestone Scientific's Chief Executive Officer since September 2009
- Over 20 years of experience in management of medical instrument companies
- Former owner and Chief Executive Officer of U.S. Asian Consulting Group, Inc.



Joseph D' Agostino, Chief Financial Officer

- Chief Financial Officer since the Company's founding in March 2011
- Also serves as Milestone Scientific's Chief Financial Officer and Chief Operating Officer



Steven Robins

- President of Milestone Medical since January 1, 2015, previously working as a Management Consultant
- Chef Marketing Officer and N. American President of Bausch + Lomb Vision Care 2009-2013
- Vice President and General Manager Johnson & Johnson Consumer Health, Canada 2006-2009
- Group Marketing Director at Pfizer 2000-2006

SCIENTIFIC ADVISORY BOARD



Paul Davis, M.D.

- Professor of Pharmacy at Albany College of Pharmacy and Health Sciences and a Professor in the Department of Medicine at Albany Medical College
- Director of Ordway Research Institute from 2002 to 2011
- Medical degree from Harvard Medical School and a B.A. magna cum laude from Westminster College
- Author or co-author of more than 200 scholarly medical articles

Ralf Erich Gebhard, M.D.

- Professor in the Department of Anesthesiology and in the Department of Orthopedics and Rehabilitation in the University of Miami, Miller School of Medicine
- Author of more than two dozen published refereed articles on various topics in Anesthesia including Epidurals and Locating the Epidural Space, Co-author of more than 40 articles relating to epidurals and on epidural related injuries
- Medical degree from the Medical School in Aachen, Germany

Olivier Choquet, M.D.

- Department of Clinical Anesthesiology and Critical Care Medicine, Lapeyronie Hospital, Montpellier, France.
- Widely published in the area of guided anesthesia and in multiple specialty areas of pain management.
- President of the committee against pain at Montpellier University Hospital and the Medical Director of the emergent surgical team at Lapeyronie hospital.
- M.D. and Certification in Anesthesiology from Université Lille II and is a Knight of the order of academic palms.

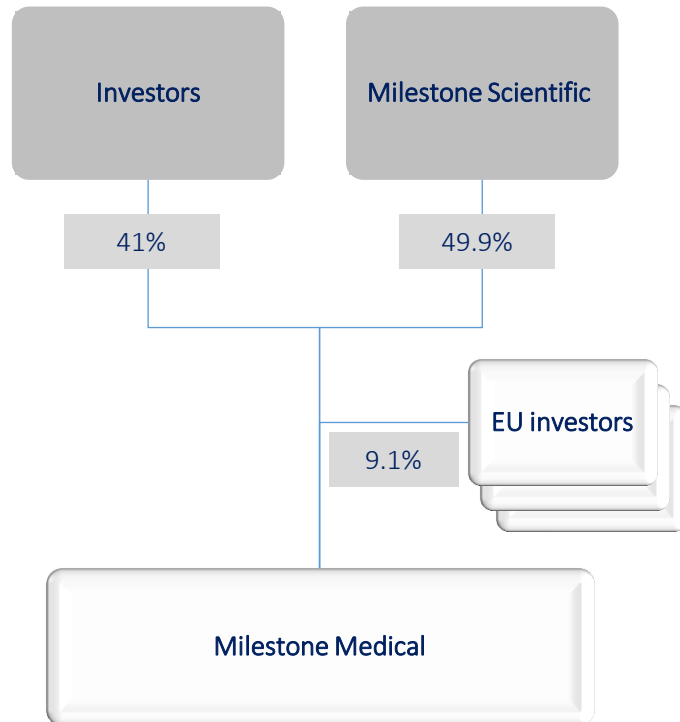
Lorrence Howell Green, Ph.D.

- Founder and President of Westbury Diagnostics, Inc., a conductor of clinical trials, since 1992
- Ph.D. in cell and molecular biology from Indiana University, an MA Degree in Zoology from Indiana University and a BA Degree in biology from Brooklyn College

Mark Hochman, D.D.S., Clinical Director and Director of Research and Development

- Clinical Director and Director of Research and Development at Milestone Medical since March 2011 and of Milestone Scientific since 1999
- Doctorate of Dental Surgery with advanced training in the specialties of Periodontics and Orthodontics from New York University of Dentistry and practicing dentistry since 1984.

COMPANY OVERVIEW



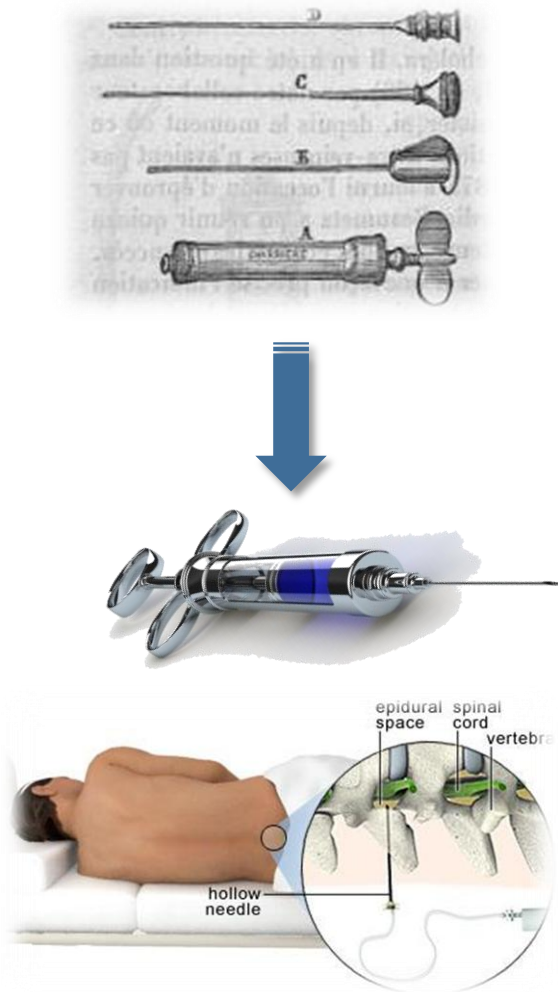
- Only Epidural & Intra-Articular instruments
- Listed at Warsaw NewConnect Market

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** on 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 institutions in Central Europe

HISTORY – timeline

| | |
|---------|--|
| 1989 | <ul style="list-style-type: none">• Incorporation of Milestone Scientific |
| 1995 | <ul style="list-style-type: none">• Public offering of Milestone Scientific on NASDAQ |
| 1997 | <ul style="list-style-type: none">• Launch of the Wand instrument |
| 2006 | <ul style="list-style-type: none">• FDA approval for commercialization of the CompuFlo. technology. |
| 3.2011 | <ul style="list-style-type: none">• Formation of Milestone Scientific Research & Development - joint venture between Milestone Scientific and Beijing 3H (PRC) |
| 6.2013 | <ul style="list-style-type: none">• Name change to Milestone Medical |
| 11.2013 | <ul style="list-style-type: none">• Issue of 2m shares on the NewConnect market, raising USD 2.4m (USD 3m gross) |
| 9.2014 | <ul style="list-style-type: none">• CE certification for sale of both instruments in the European Union |
| 12.2014 | <ul style="list-style-type: none">• Exclusive distribution agreement with Milestone China in Asia |
| 3.2015 | <ul style="list-style-type: none">• Launch of the clinical trials for the epidural system in compliance with IDE procedure (Investigational Device Exemption) approved by FDA• Exclusive distribution agreement with Trimed in Poland |
| 6.2015 | <ul style="list-style-type: none">• Exclusive distribution with Moss in Italy |
| 11.2015 | <ul style="list-style-type: none">• Initial results of clinical trials presented at event for leading Anesthesiologists and Key Opinion Leaders |

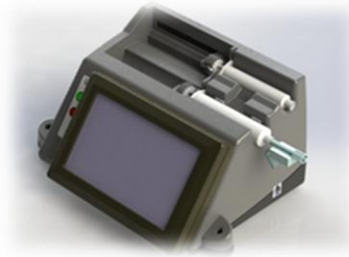
TRADITIONAL INJECTIONS – 150 year-old technology with little innovation



- An over **150 year-old** technology with little innovation since its invention
- Generally efficient means of drug delivery, but with **weaknesses** that can not be addressed
- Doctors using conventional syringes identify the epidural space subjectively which can lead to complications
- Weaknesses:
 - **Pain and the fear of pain**
 - **Tissue damage** caused by uncontrolled flow rates of drug into tissue
 - Post-operative **complications** ranging from severe pain, to wet tap to paraplegia and death
 - Risk of **medical emergencies** including patient fatality
 - **1 in 30** women suffer complications
 - Average cost per epidural malpractice settlement in USA is over **\$362,000**
- Current solution for correctly identifying epidural space - fluoroscopy using X-ray machines has several challenges:
 - **Risk of radiation** exposure for patients office and staff
 - **Not feasible for Labor & Delivery** and perioperative setting
 - Involves high capital and staff costs – equipment costs **\$150,000**

COMPUFLO®/DPS® TECHNOLOGY

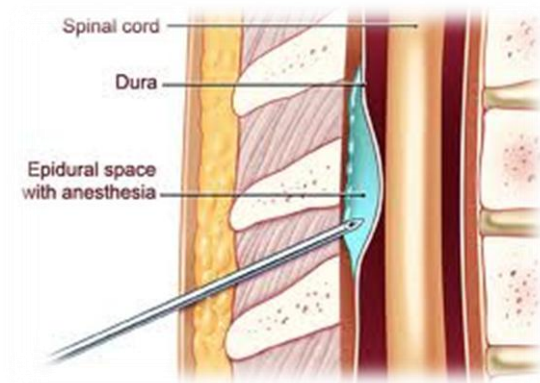
– revolution in injections



- Milestone Medical developed epidural and intra-articular location and injection systems based on a patented, painless, computer-controlled injection and drug delivery technology originally developed by Milestone Scientific
- The CompuFlo®/DPS® Technology regulates and **controls flow rate** of any fluid
- **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
- Disposable handpiece allows **precise tactile** control during injection
- **Demonstrated success** in dentistry
 - ✓ Successful commercialization of the Wand - Single Tooth Anesthesia (STA) System
 - ✓ Over **65 million** injections successfully delivered to date
 - ✓ Favorably evaluated in more than 50 peer reviewed and independent clinical research reports

EPIDURAL INSTRUMENT

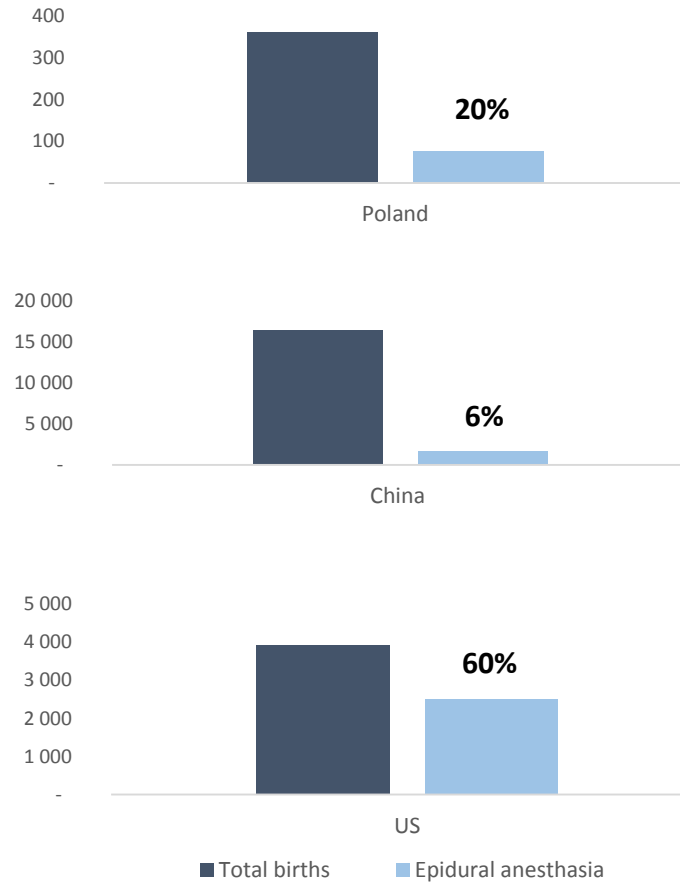
– proved 100% successful



- In clinical studies, CompuFlo® reliably **identified pressure characteristics** of the different tissues, including the decrease in pressure the epidural space
- Within seconds, the needle location can easily be determined giving the doctor indication the needle is in the ligamentum flavum
- Practitioners using Milestone's instrument correctly identified the epidural space with a success rate of 100%
- CompuFlo Epidural Instrument advantages:
 - ✓ Provides real-time, continuous graphical, digital and audible feedback
 - ✓ Allows for documentation of correct Epidural Space identification
 - ✓ Higher patient satisfaction and cost savings
 - ✓ Reduce complication
- Epidural anesthesia is used in cases:
 - pre and post surgical pain management
 - labor & delivery
 - surgery in the pelvic area and lower body parts

MARKET POTENTIAL – global growth boosted by pro-birth policies

Epidural anaesthesia in labour in 2013 (in ths)



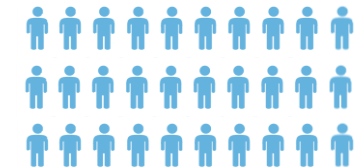
Poland

- 360k births in 2013
- 75.4k of epidural injections during childbirth a year
- Since 2014 increase in number of births
- Since July 2015 number of epidural injections increased significantly due to National Health Fund reimbursement



China

- 1.6 m of epidural injections during childbirth
- 6% increase in number of births in 2010-2014
- Over 46k births per day
- Two-child policy introduced in October 2015



USA

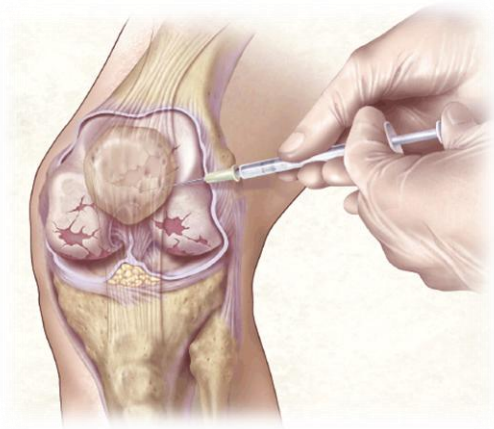
- USD 1bn market value in 2015
- 2.5 m of epidural injections during childbirth a year
- 8.9 m epidural injections in other cases a year



Source: the Company

INTRA-ARTICULAR INSTRUMENT

- revolution in treating joint diseases



- Intra-articular injections are applied into inflamed joints in the disease p.ex.:
 - Rheumatoid arthritis
 - Osteoarthritis
- **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
- **Current solution - ultrasound** techniques are capital intensive & requires procedural changes
 - Estimated capex: **\$20/40k**
 - Relevant **training** need
 - Significantly changes the way of administering injections
- **Milestone Medical solution:**
 - 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

MARKET POTENTIAL

- aging society and obesity

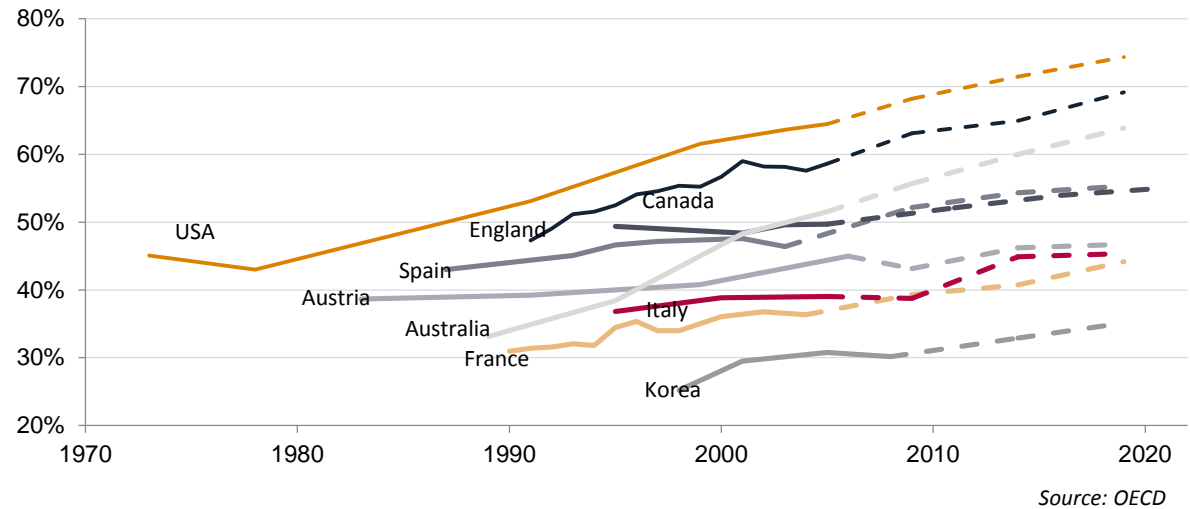
Market data

- Intra-articular market projected **\$7B by 2015** in **US** alone
- Osteoarthritis affects **33M** patients in the U.S.
- **21M** people receive intra-articular injections

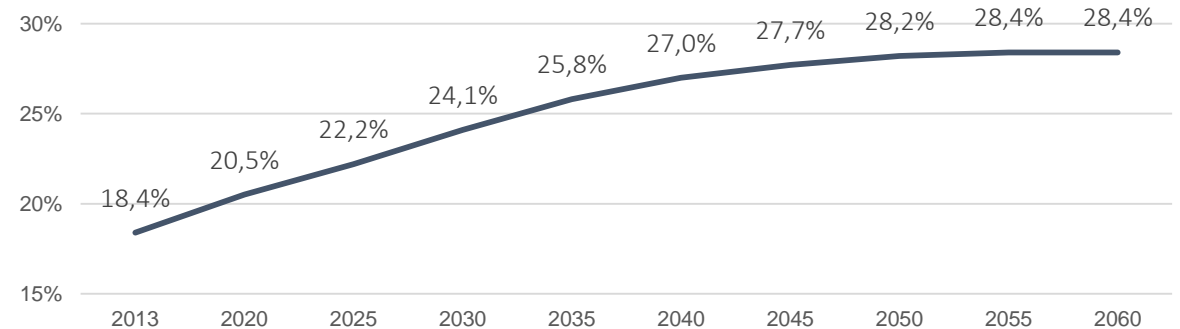
Key market growth factors:

- Aging of the society
- Increasing prevalence of obesity
- Growing expenditures on pain treatment

Historical and projected prevalence of obesity and overweight holding in selected OECD countries, 2009



Elderly population (65 and over) as % of total population in EU28 countries



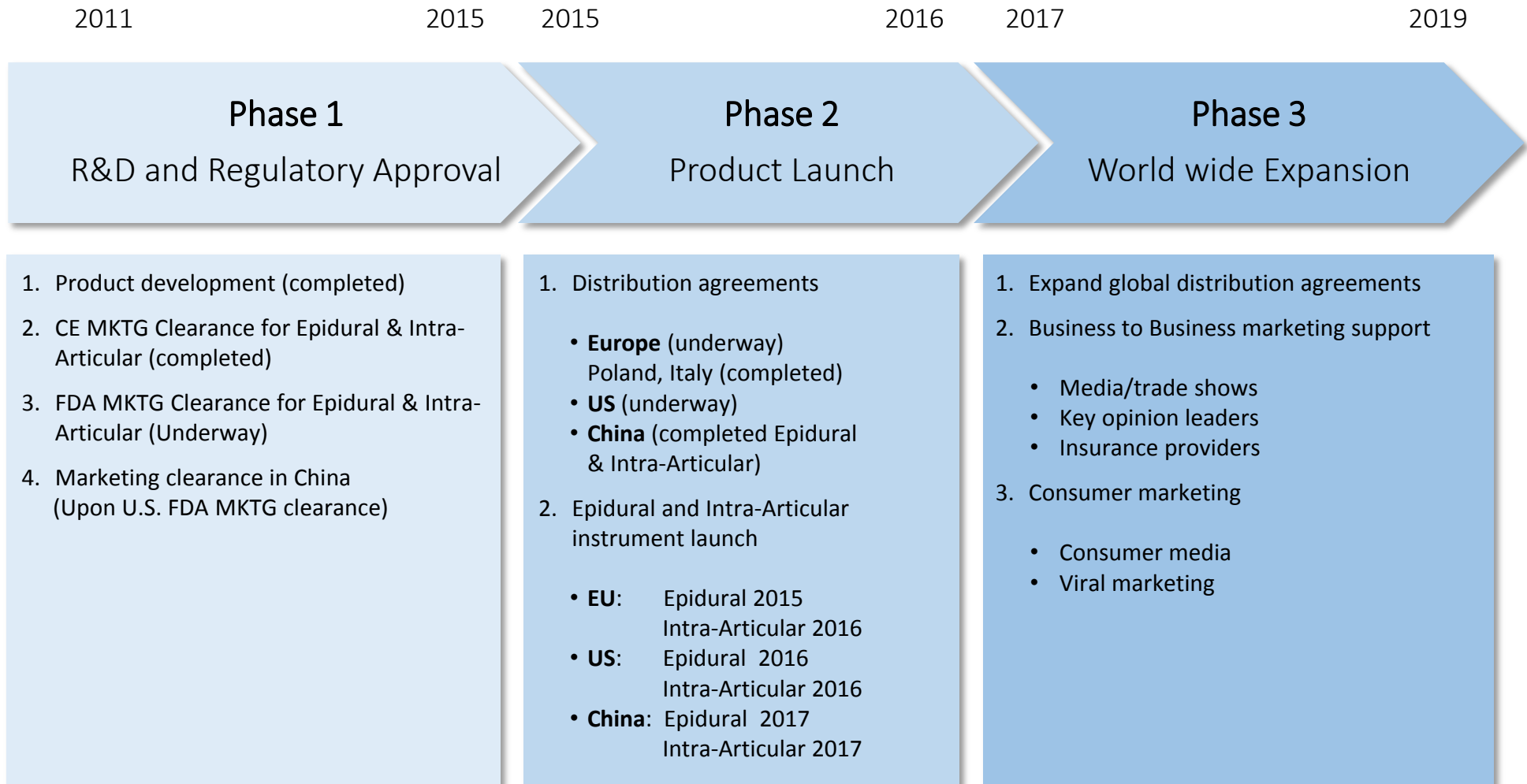
REGULATORY STATUS

- CE completed, FDA pending



- European regulatory (**CE**) marketing clearance on the epidural and intra-articular instrument received in September 2014
- Epidural and Intra-Articular instruments have been submitted for FDA marketing clearance – expected approval timing Q4/2015-Q1/2016
 - 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 250 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
- FDA marketing clearance is catalyst for China's regulatory process
- Successful Interim Analysis of clinical trials (COMPASS study) for chronic pain management – CompuFlo® technology has the potential to successfully replace the current standard of medical care
 - CompuFlo® technology was as accurate and effective as the loss of resistance technique assisted with radiological X-ray based fluoroscopy – in objectively and accurately identifying the epidural space while eliminating exposure to radiation

COMMERCIALIZATION STRATEGY



STRATEGY & DISTRIBUTION: POLAND



- **Exclusive distribution** agreement with Poland-based TRIMED for Milestone's epidural instrument
- TRIMED is one of the **largest distributors of diagnostic equipment** in Poland
 - **360k births** in 2013
 - **75.4k** of epidural injections during childbirth a year
- Guaranteed annual **minimum purchases**
- The addressable market in Poland alone includes over **8M** people suffering from chronic pain
- Starting July 2015, the National Health Fund allows **reimbursement** of epidural anesthesia in natural childbirth – every woman in Poland has the right to receive a free epidural anesthesia on request.
- Only 36% of hospitals are able to offer anesthesia during childbirth because hospitals lack of anesthesiologists, and they are reluctant to apply anesthesia during childbirth due to potential complications. *

*Source: Rodzic po ludzku foundation

STRATEGY & DISTRIBUTION: ITALY



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



STRATEGY & DISTRIBUTION: US

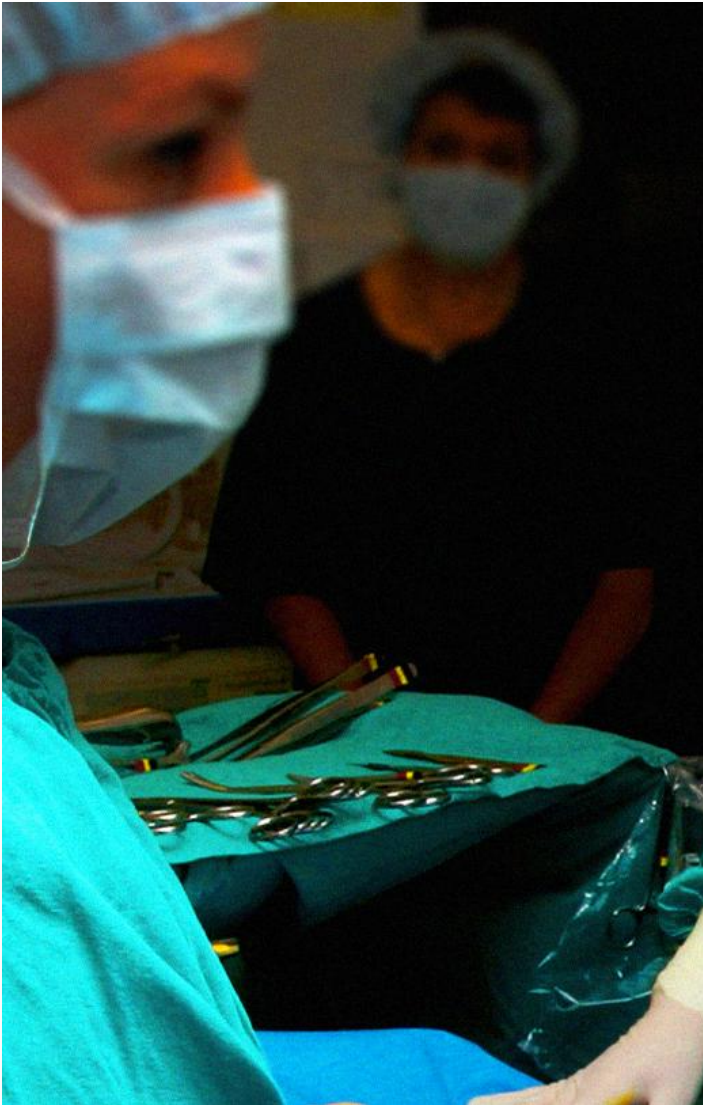


- Milestone Scientific will serve as a master distributor for the US market
 - US business development of distribution network
 - Ongoing sales management
 - US partnerships will follow FDA approval
- Targeting strong, regional, distributors for hospitals and outpatient pain management
 - Portfolio includes capital equipment as well as disposables
 - Existing relationships with key opinion leaders
- The profit margin that Milestone Scientific generates as master distributor will cover the commercial costs in US that Milestone Medical covers in other markets:
 - Customer training,
 - Sales management
 - Distribution costs
 - Professional and trade marketing
- Targeted Instrument and disposable price consistent globally. Volume and market conditions will determine final landed price.

STRATEGY & DISTRIBUTION: CHINA



- Agreements signed for distribution of epidural and intra-articular instruments in **China** pending CFDA approval
- 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
- Regional coverage to include **China** and **other parts of Asia**
- Milestone China is a **joint venture** between Milestone Scientific and a team headed by a senior healthcare executive from China



- MMD hosted an event on November 20th in Miami, FL (USA) for a group of leading anesthesiologists and key opinion leaders in the field.
 - Professor Ralf E. Gephard, M.D., University of Miami, discussed the clinical areas of application for the CompuFlo® technology
 - MMD addressed the COMPASS Pivotal clinical study;
 - A randomized, controlled, parallel group,
 - Multicenter, study aimed at assessing the safety and effectiveness of epidural space verification with the CompuFlo® Epidural Computer Controlled System.
 - Demonstrate the accuracy of the CompuFlo® technology in identifying and confirming the epidural space location as part of the US regulatory pathway.
 - MMD shared the initial outcome of patient data in chronic pain management.
 - Study results suggested that the non-invasive CompuFlo® technology was as accurate and effective as the current standard of medical care (Fluoroscopy) in objectively and accurately identifying the epidural space.
 - Dr. Gephard emphasized that data further suggested that the CompuFlo® technology has the potential to successfully replace the current standard of medical care while eliminating exposure to radiation.

INVESTMENT HIGHLIGHTS

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;
- Successful Interim Analysis of clinical trials

3. Distribution partnership world wide underway

- Poland, Italy and China provide global platform
- US distribution agreements will follow FDA approvals

4. Attractive business model

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

Revenue

2015 focus is seeding key opinion leaders and presenting to hospital systems. A small revenue of \$11,550 has also been generated. The Company's focus in 2015 was on seeding KOLs.

Costs

| | 2011 | 2012 | 2013 | 2014 | 3Q2015 | 2011-3Q2015 |
|-------------------|------|------|------|-------|--------|-------------|
| R&D costs | -0.2 | -0.9 | -0.3 | -0.4 | -0.4 | -2.4 |
| Shared services | 0.0 | -0.2 | -0.4 | -0.4 | -0.1 | -1.2 |
| D&A | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -0.1 |
| SG&A | 0.0 | 0.0 | -0.3 | -1.1* | -1.5* | -3.8 |
| Operational costs | -0.2 | -1.2 | -1.0 | -1.9 | -2.0 | -7.5 |

* increase resulted from an increase in spending on travel and advisory services related to the search for new distributors

History of financing

2011 Joint venture:

- Capital contribution of USD 1.5m from Beijing 3H (Chinese Investors)
- In kind contribution - free of charge the right to use the patented CompuFlo technology priced at US \$ 1.5m (American partners)

2013 NewConnect

- USD 2.4m (USD 3m gross) raised by issuance of 2m shares on NewConnect - issue price of PLN 4.65 / share (US \$ 1.5 / share).

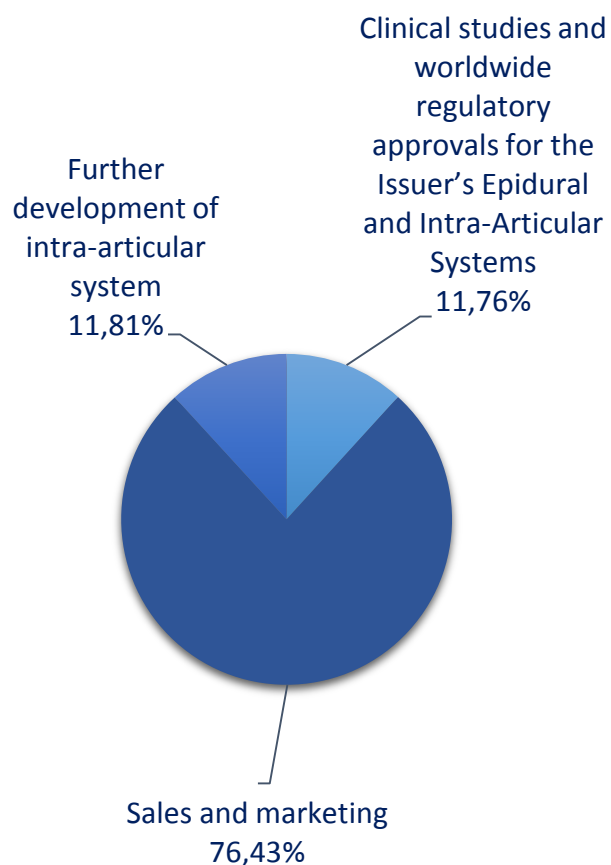
2015 – Credit Line from Milestone Scientific

- Up to USD 2.5m granted in December 2014 valid until 15 April 2016. Current balance: USD 2.0m.
- USD 1.0m will be repaid after FDA approval, the rest of the loan will be converted to equity at the IPO price.

Grants

- Issuer plans to apply for a grant under the programs of the National Centre for Research and Development.

IPO – NEAR-TERM KEY FINANCING NEEDS

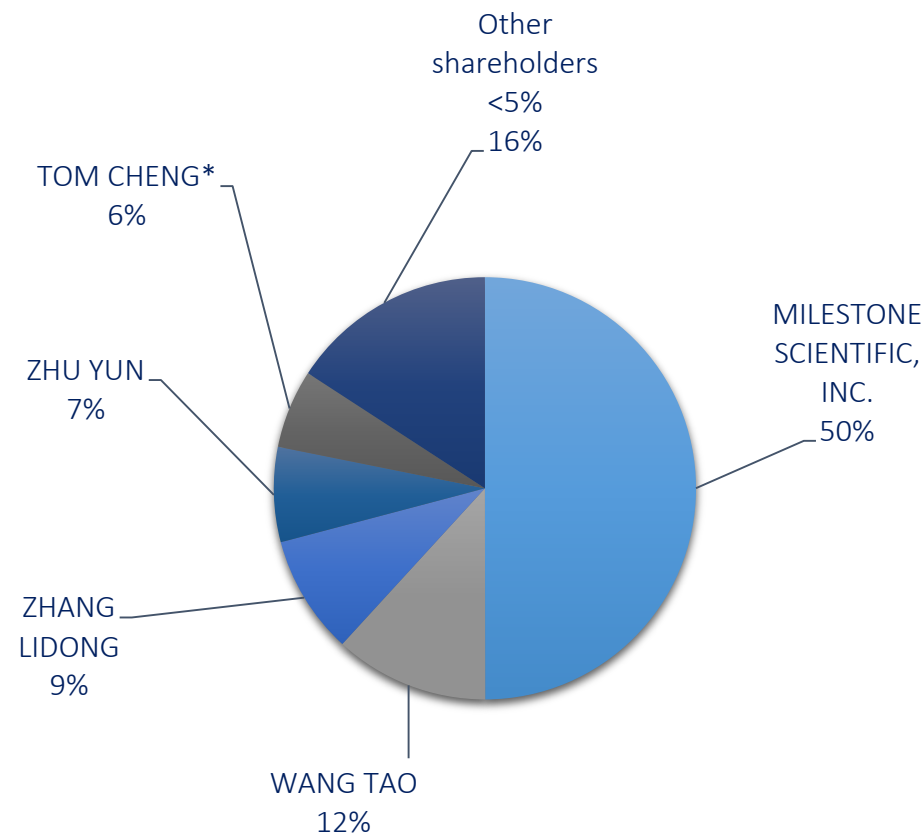


| USE OF CAPITAL | APPROXIMATE AMOUNT (\$) | APPROXIMATE PERCENTAGE (%) |
|---|-------------------------|----------------------------|
| Clinical studies and worldwide regulatory approvals for the Issuer's Epidural and Intra-Articular Systems | 565 000 | 11,76% |
| Sales and marketing | 3 670 000 | 76,43% |
| Further development of intra-articular system | 567 000 | 11,81% |
| | | |
| Total | 4,802,000 | 100% |

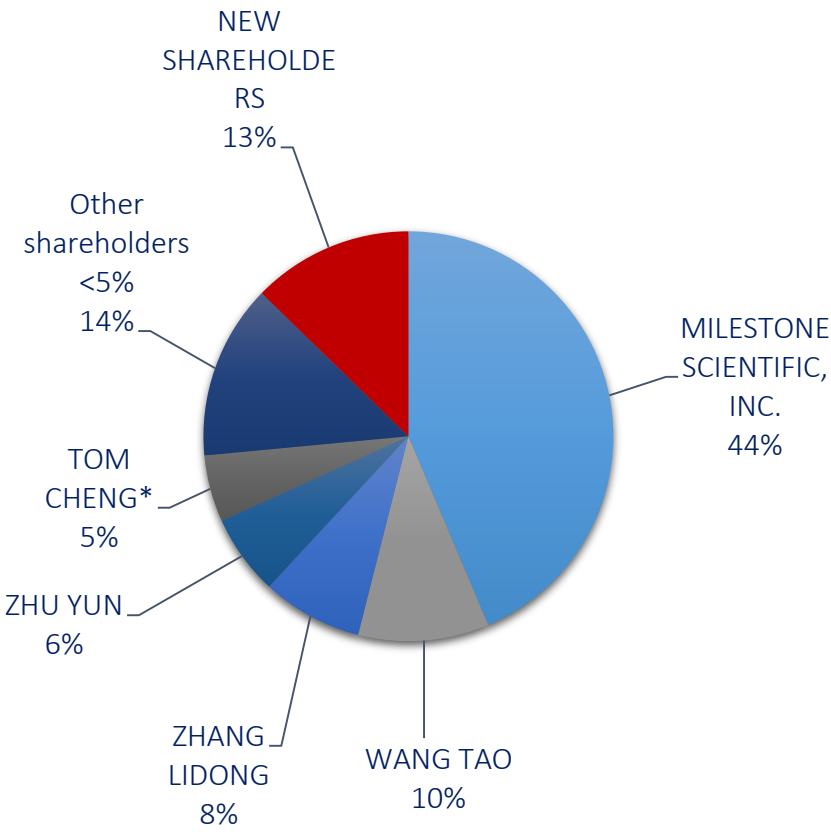
| | |
|-------------------------------|--|
| Shares offered | Up to 3.200.000 shares of new issue |
| Lock-up | Milestone Scientific - 12 months Founders - 12 months |
| Timetable of the IPO | |
| To 7.12.2015 | Public Disclosure of maximum price |
| From 8.12.2015 to 15.12.2015 | Bookbuilding / roadshow |
| From 8.12.2015 to 14.12.2015 | Subscriptions and payments in the Retail Tranche |
| To 16.12.2015 | Public disclosure of the issue price, the final number of the shares offered and the final number of Shares Offered in each tranche. |
| From 16.12.2015 to 17.12.2015 | Subscriptions and payments in the Institutional Tranche |
| To 22.12.2015 | Allocation of shares in Retail Tranche through WSE |
| To 22.12.2015 | Allocation of shares in Institutional Tranche |

SHAREHOLDER STRUCTURE

Shareholder structure before IPO
(% of share capital and votes)



Shareholder structure after IPO assuming the maximum number of the Offer Shares is issued



* Tom Cheng holds 320 000 shares directly and 1 005 000 shares through its United Systems Inc.

THANK YOU
