

Motus GI Presents Cost Analysis Data Demonstrating Pure-Vu® System Has the Potential to Reduce Costs and Incidence of Colorectal Cancer at Digestive Disease Week® 2018

- Cost Analysis Data indicates Pure-Vu[®] System has the potential to reduce inadequate colon prep rate for colonoscopy, leading to lower costs and lower projected incidence of CRC in average and high-risk patients –
- 5.7 million high medical need/difficult to prep outpatient colonoscopies performed annually worldwide –
 - Cost Analysis Data indicates Pure-Vu[®] System has the potential to reduce cost of repeated colonoscopy procedures due to inadequate prep by approximately 77% - 82% –

FORT LAUDERDALE, Fla.--(BUSINESS WIRE)-- Motus GI Holdings, Inc., (NASDAQ: MOTS) ("Motus GI" or the "Company"), a medical technology company dedicated to improving endoscopy outcomes, costs and quality of care, today announced that data from a cost-minimization analysis simulating the average lifetime costs and incidence of new colorectal cancer (CRC) comparing colonoscopy using Motus GI's Pure-Vu® System versus standard colonoscopy (SC) alone were presented by Professor Ian M. Gralnek, MD, MSHS, FASGE, at <u>Digestive Disease Week®</u> 2018 ("DDW"), on June 2, 2018. For high-risk CRC patients, results of the analysis found that the Pure-Vu® System has the potential to:

- Reduce CRC incidence by an estimated 36% by improving the quality of the exam;
- Minimize overall per-patient costs by up to \$3,400 for private payer patients and up to \$1,600 for Medicare patients; and
- Reduce direct costs of repeated procedures due to inadequate prep by \$804/\$951 for Medicare/private payer patients, respectively.

"While we are currently focused on improving quality of care and reducing hospital costs related to inpatient colonoscopy, the data from this cost analysis supports the future growth opportunity for the Pure Vu® System to address a key need in the outpatient market," commented Mark Pomeranz, CEO of Motus GI. "We are very pleased with the outcome of this analysis and believe the data further validates the Pure-Vu System's future potential to reduce the challenges of bowel preparation for outpatient colonoscopies, which affects clinical outcomes and the cost of care. We believe these cost analysis results highlight the potential of the Pure-Vu® System to become a new standard for high medical need and difficult to prep outpatients and lays a foundation for our efforts going forward to seek

reimbursement in this patient population which represents as much as 25% of the colonoscopy market."

"Bowel prep is a well-known major barrier to outpatient colonoscopy compliance, especially for patients with high medical needs like the elderly and diabetics. An inadequately prepped colon can often prolong procedure time, decrease cecal intubation rate, reduce adenoma and neoplasm detection, increase adverse events and lead to repeated colonoscopy exams, all of which can put the patient at higher risk and result in increased costs," said Dr. Gralnek. "The Pure-Vu® System's ability to facilitate rapid, intra-procedural cleaning of poorly prepped colons puts the control of visualization quality directly in the hands of the physician, potentially reducing the dependency on pre-procedural preparation to facilitate a quality exam. The Pure® System has the potential to make a difference for my patients and the healthcare system by improving detection rates and lowering costs."

The data presented was generated through the development of a Markov model, which compared the use of the Pure-Vu[®] System versus SC. The model analyzed both average and high-risk patients for CRC. Patients in the study were cycled through the models based on the probability of finding an adenoma. Probability of follow-up colonoscopy was based on colonoscopy findings and the probability of developing CRC based on follow-up care. The model assumed an inadequate prep rate of up to 25% for the SC cohort versus 5% when using the Pure-Vu[®] System. Cost inputs were based on 2017 Medicare reimbursement data. Sensitivity analyses over a wide range were performed to identify key drivers of costs and new CRCs.

There are 5.7 million high medical need/difficult to prep outpatient colonoscopies performed annually worldwide. Approximately twenty-three percent of these patients arrive for their colonoscopy with inadequate prep and up to 38% of patients do not complete the bowel prep prior to the colonoscopy procedure due to poor palatability and/or intolerance of prep volume. Results of the analysis found that as colonoscopy adherence increases, the incidence of CRC decreases, and more significantly when using the Pure-Vu® System. Using a 60% adherence rate of CRC screening with colonoscopy, the incidence of developed cancers in the high-risk population was reduced from 0.53 to 0.34 (36%) comparing the use of SC and the Pure-Vu® System, respectively. Under the same adherence rate, the Pure-Vu® System was found for high risk patients to have a cost minimization zone of up to \$3,400 for private payers and \$1,600 for Medicare patients. Analysis related to repeated colonoscopy procedures due to inadequate prep found that the Pure-Vu® System has the potential to reduce cost in these procedures by 77-82% with potential cost-savings of up to \$804/\$951 for high-risk Medicare/private payer patients, respectively, after accounting for the assumed cost of the Pure-Vu® disposable sleeve.

The presented poster, titled "The Pure-Vu Colon Cleansing System Reduces Lifetime Costs and Incidence of Colorectal Cancer (CRC) – A Cost Minimization Analysis," is available on Motus GI's website in the Pure-Vu® Publications section. The abstract is available on the DDW website in the Online Planner.

Motus GI also has a booth at DDW located in the Exhibit Hall at Booth #720.

Digestive Disease Week[®] ("DDW") is the largest international gathering of physicians, researchers and academics in the fields of gastroenterology, hepatology, endoscopy, and gastrointestinal surgery. Jointly sponsored by the American Association for the Study of Liver Diseases (AASLD), the American Gastroenterological Association (AGA) Institute, the American Society for Gastrointestinal Endoscopy (ASGE) and the Society for Surgery of the Alimentary Tract (SSAT), DDW takes place June 2- 5, 2018 at the Walter E. Washington Convention Center. The meeting showcases more than 5,000 abstracts and hundreds of lectures on the latest advances in GI research, medicine and technology. More information can be found at www.ddw.org.

About the Pure-Vu® System

The Pure-Vu[®] System is a 510(k) U.S. Food and Drug Administration cleared medical device indicated to help facilitate the cleaning of a poorly prepared colon during the colonoscopy procedure. The device integrates with standard colonoscopes to enable cleaning during the procedure while preserving standard procedural workflow and techniques. The Pure-Vu[®] System has received CE mark approval in Europe. The Pure-Vu[®] System is currently being introduced on a pilot basis in the U.S. market, and the Company is planning to initiate a full commercial launch focused on the inpatient colonoscopy market in the U.S. and select international markets in 2019.

About Motus GI

Motus GI Holdings, Inc. is a medical technology company, with subsidiaries in the U.S. and Israel, dedicated to improving endoscopy outcomes, lowering costs and enhancing patient experiences. The Company is focused on the development and commercialization of the Pure-Vu[®] System to improve the colonoscopy experience and assist in the early detection and prevention of colorectal cancer and other diseases of the rectum and colon. In clinical studies to date, the Pure-Vu[®] System significantly increased the number of patients with an adequate cleansing level, according to the Boston Bowel Preparation Scale Score, a validated assessment instrument.

For more information, visit <u>www.motusgi.com</u> and connect with the Company on <u>Twitter</u>, <u>LinkedIn</u>, <u>Facebook</u> and <u>Google+</u>.

Forward-Looking Statements

This press release contains certain forward-looking statements. Forward-looking statements are based on the Company's current expectations and assumptions. The Private Securities Litigation Reform Act of 1995 provides a safe-harbor for forward-looking statements. These statements may be identified by the use of forward-looking expressions, including, but not limited to, "expect," "anticipate," "intend," "plan," "believe," "estimate," "potential," "predict," "project," "should," "would" and similar expressions and the negatives of those terms. Forward-Looking statements involve risks and uncertainties, including, without limitation, risk inherent in the development and commercialization of potential products, uncertainty in the timing and results of clinical trials or regulatory approvals, maintenance of intellectual property rights or other risks discussed in the Company's Form 10-K filed on March 28, 2018, and its other filings with the Securities and Exchange Commission. Prospective investors are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this presentation. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information,

future events or otherwise.

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