



Wedbush PacGrow Healthcare Conference

August 17, 2016

NASDAQ: DXTR



FORWARD LOOKING STATEMENT

The following material contains forward-looking statements, including statements regarding Dexter Surgical's future, business strategy, product development and plans and objectives of management for future operations. The words "may," "continue," "potential," "estimate," "intend," "plan," "will," "believe," "project," "expect," "anticipate" and similar expressions may identify forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking.

Any or all of forward-looking statements may turn out to be inaccurate. Forward-looking statements may be affected by the assumptions we make or by known or unknown risks and uncertainties, including the risks, uncertainties and assumptions related to product development and other risk factors described in the Company's SEC reports, including its Quarterly Report on Form 10-Q for the three months ended March 31, 2016.

In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur as contemplated, and actual results could differ materially from those anticipated or implied by the forward-looking statements. These forward-looking statements speak only as of the date made. We undertake no obligation to publicly update or revise any forward-looking statements to reflect new information or future events or otherwise.



DEXTERA IS...

...developing breakthrough technologies to advance minimally invasive surgery to enable surgeons to improve patient outcomes.

Under new leadership we are focused on commercializing our MicroCutter stapling technology, a disruptive technology in the \$2 billion surgical stapler market



INVESTMENT CONSIDERATIONS

- New leadership with proven medical device track record
- Addressing a \$2B market opportunity
- Smallest articulating stapler based on proprietary technology providing clear benefits to hospitals, surgeons and patients
- Intuitive Surgical agreement adds recognition as a disruptive leader in surgical stapler technology
- Achieving milestones demonstrating clinical performance and building credibility with surgeons and investors
- \$12.7 million in cash @ 6/30/16

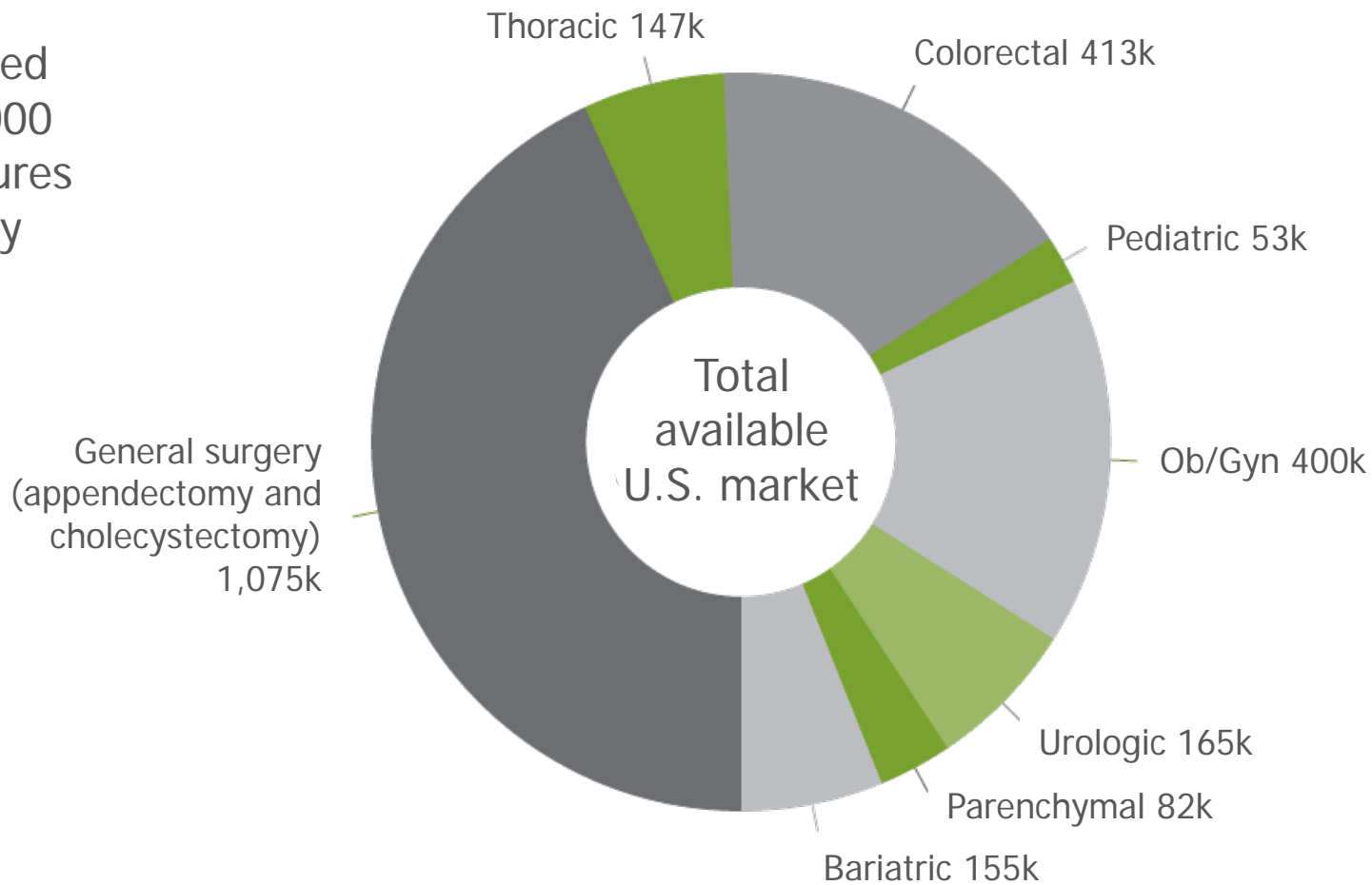
MARKET OPPORTUNITY

\$2B global market for minimally invasive surgical stapling products



TOTAL U.S. SURGERIES

Estimated
2,500,000
Procedures
Annually



Source: Quattro Consulting and Company estimates.



GROWING DEMAND FOR MINIMALLY INVASIVE SURGERY

- Increasing diagnostic capabilities
- Increasing understanding of disease progression
- Growing detection of earlier stage disease
- Patients motivated to excise lesions if risk and morbidity is low and recovery is fast
- 30% of lobectomies in STS database performed by VATS and thoracic surgeons want to increase penetration



MICROCUTTER - NOVEL STAPLER TECHNOLOGY PLATFORM

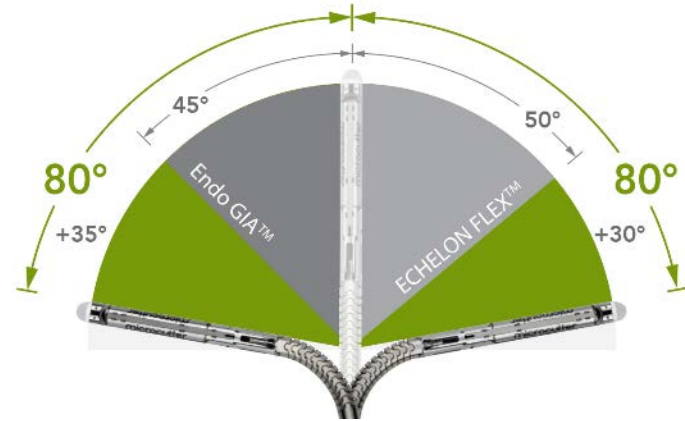
Less Dissection
Easier Placement
Better Visibility



microcutter 5/80

The first and only 5mm stapler with 80° of articulation
















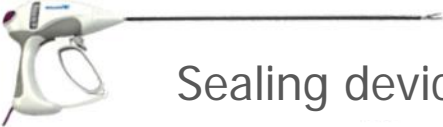




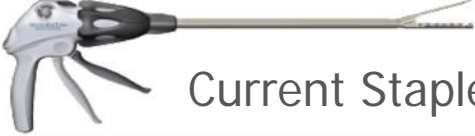




Widest Articulation



Smallest Anvil



SIZE MATTERS FOR MINIMALLY INVASIVE SURGERY

| | 5mm | 8mm | 12mm | 15mm |
|--|--|---|---|---|
|  Grasper |  |  |  |  |
|  Camera |  |  |  |  |
|  Clip applier |  |  |  |  |
|  Sealing device |  |  |  |  |
|  Current Staplers |  |  |  |  |

UNIQUE APPROACH & ROBUST INTELLECTUAL PROPERTY



Driverless deployment from staples-on-a-strip

Staples shaped like a suture needle

Staple deployed by wedge (no driver) making direct contact with staple

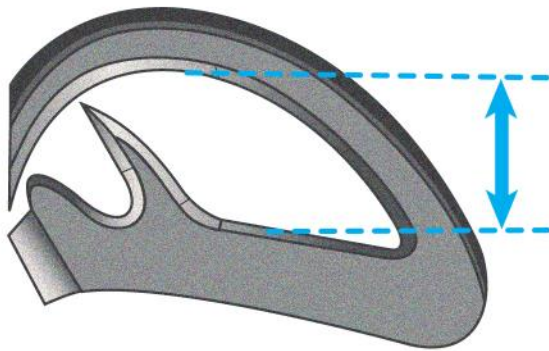
Accurate motion frangibly separates staple from strip

Patents

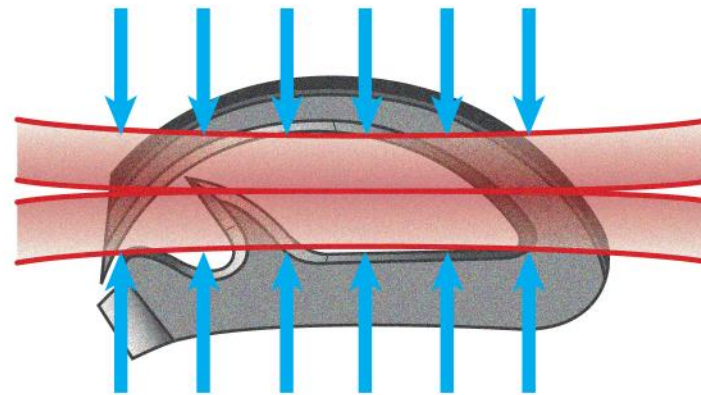
| | | |
|------------------|--------------|------------|
| U.S. | 41 Issued | 47 Pending |
| Foreign | 8 Issued | 35 Pending |
| Expiration range | 2027 to 2033 | |

KEY DRIVERS TO SUCCESSFUL STAPLE PERFORMANCE

- Control “tissue gap” during deployment
- Uniform & reliable staple form height – paramount to providing tissue opposition and creating hemostasis
- Tissue thickness



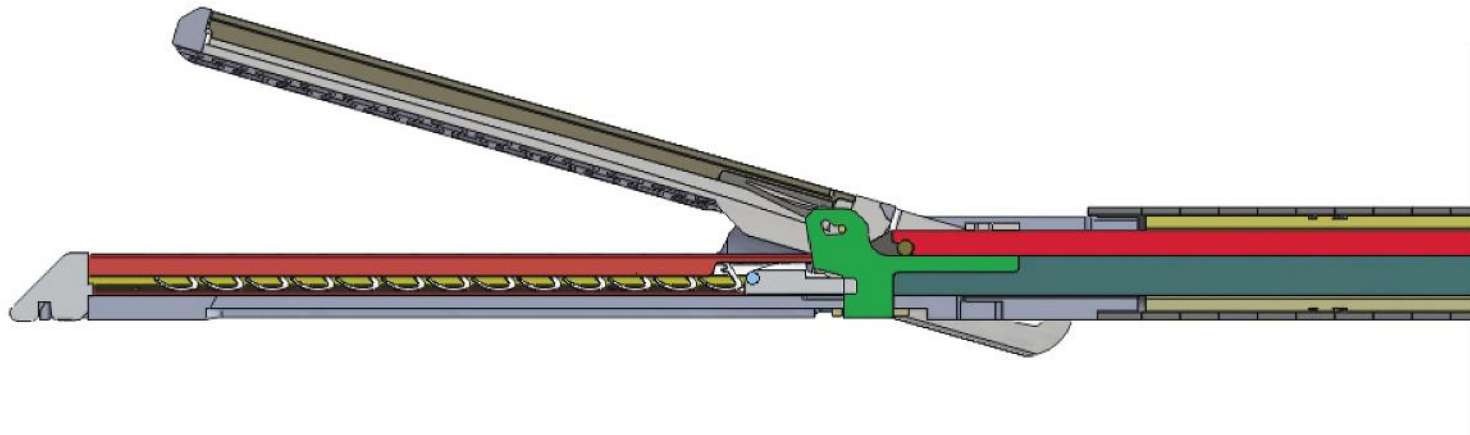
If the tissue gap is controlled, staple form height for each staple is reliably achieved.



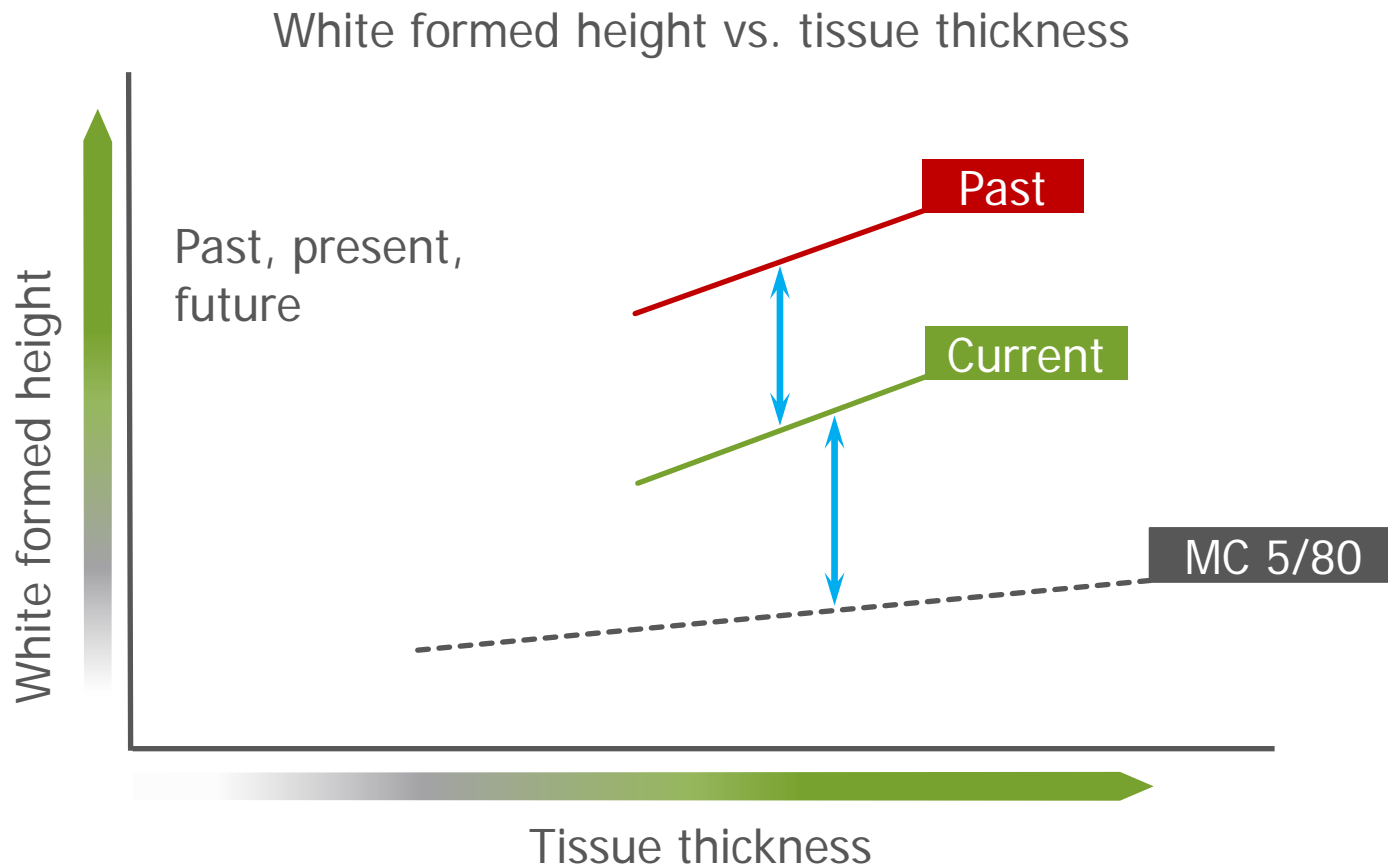
When proper staple form height is achieved, optimal tissue opposition occurs & reliable tissue seal created.

OPTIMIZATION PLAN LEADING TO IMPROVED STAPLER PERFORMANCE

- Systematic characterization conducted of stapler components impacting performance & reliability
- Components/processes modified to achieve stable delivery platform, design validation conducted confirming performance & reliability

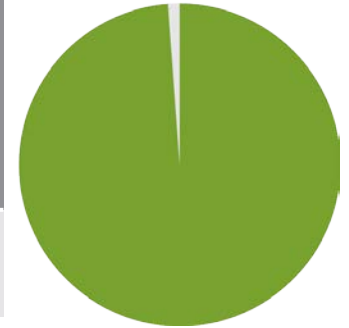


STAPLE FORMED HEIGHT RESULTS



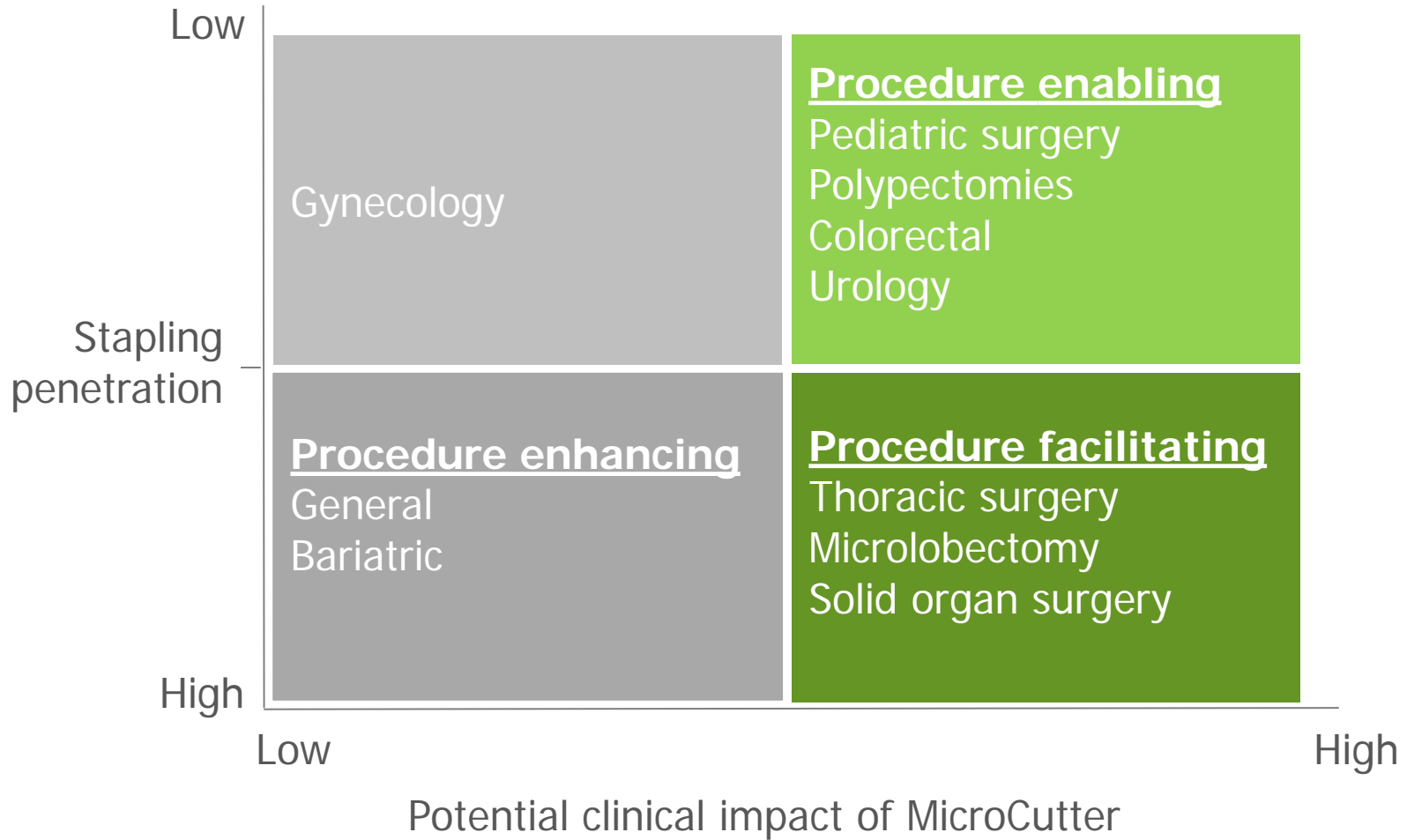
WHITE-ONLY CURRENT CLINICAL PERFORMANCE

| No Intervention | Bleeding with intervention | Total deployments | Rate of bleeding with intervention |
|-----------------|----------------------------|-------------------|------------------------------------|
| 303 | 8 | 311 | 2.6% |

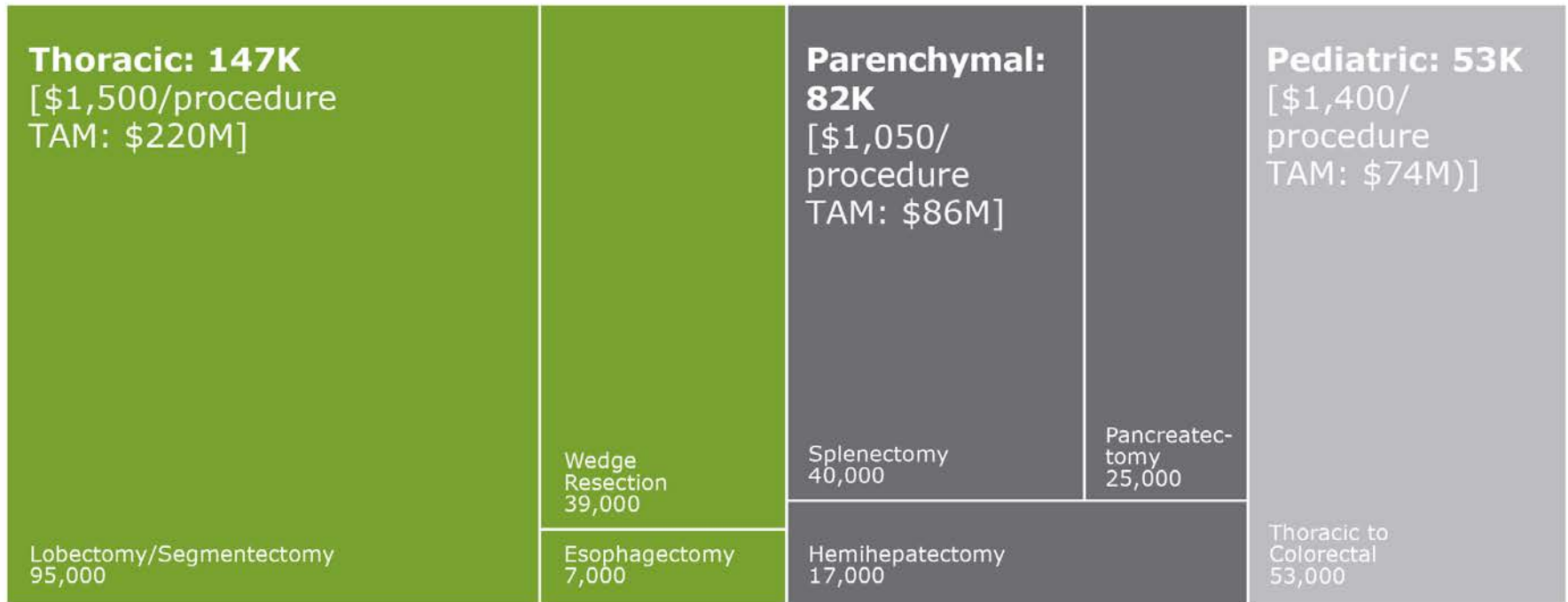


Note: Data from July 2016 to present for cases with Dexterera rep present and does not include data for cases not observed by a Dexterera rep

POTENTIAL CLINICAL IMPACT



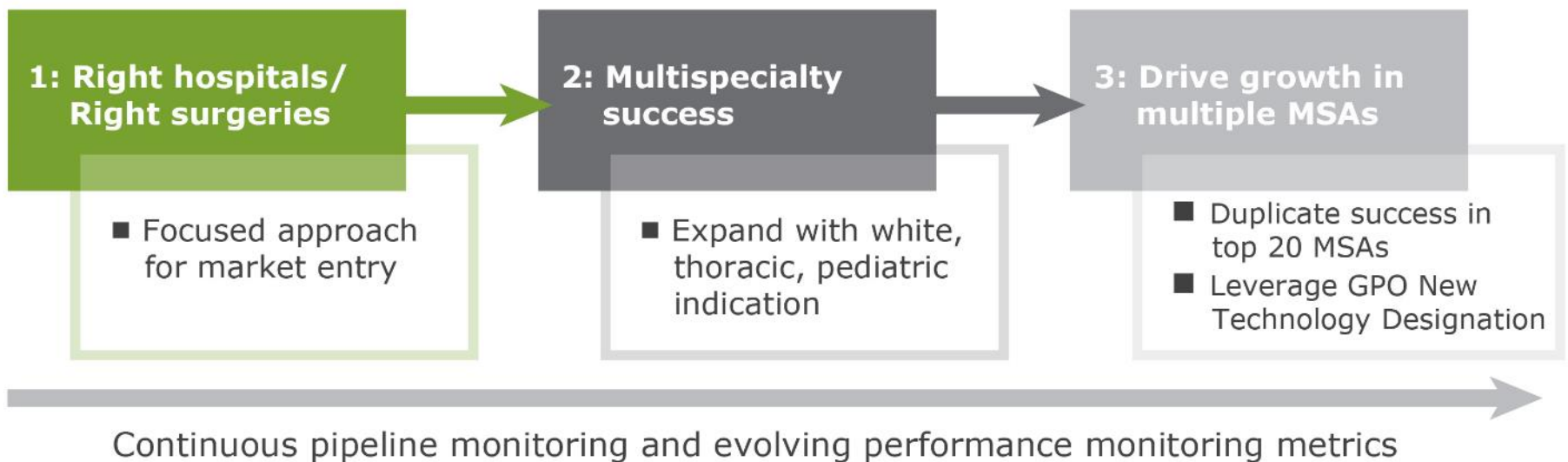
STRATEGIC SEGMENT FOCUS



These segments represent 280K procedures & \$380MM market in the U.S. alone.

COMMERCIALIZATION APPROACH AND METRICS

- Tightly controlled direct sales effort focused on few geographies where key KOLs and hospitals are located
- Focus on narrow and deep penetration
- Demonstrate performance and deep penetration before investing in broader distribution
- Initial phase: Controlled release of MicroCutter 5/80 to selected KOL's





BUILDING MARKET AWARENESS

- Rebranded Cardica as Dexter Surgical
- Agreement with Intuitive Surgical for robotic applications
- MicroCutter continually highlighted in all major thoracic surgery meetings (STS, EACTS, ESTS, etc.)
- MicroCutter featured in **Lung Surgery of the Future** session at Society for Thoracic Surgeons (STS) 2016 annual meeting
- Global thoracic/pediatric community continues to be excited about MicroCutter
- MicroCutter 5/80 Performance Evaluation:
 - Systematic pre-clinical testing and validation
 - Controlled market preference testing
 - MATCH (**M**icroCutter **A**ssisted **T**hora**C**ic Surgery **H**emostasis) Registry

FINANCIAL UPDATE AND CAP TABLE

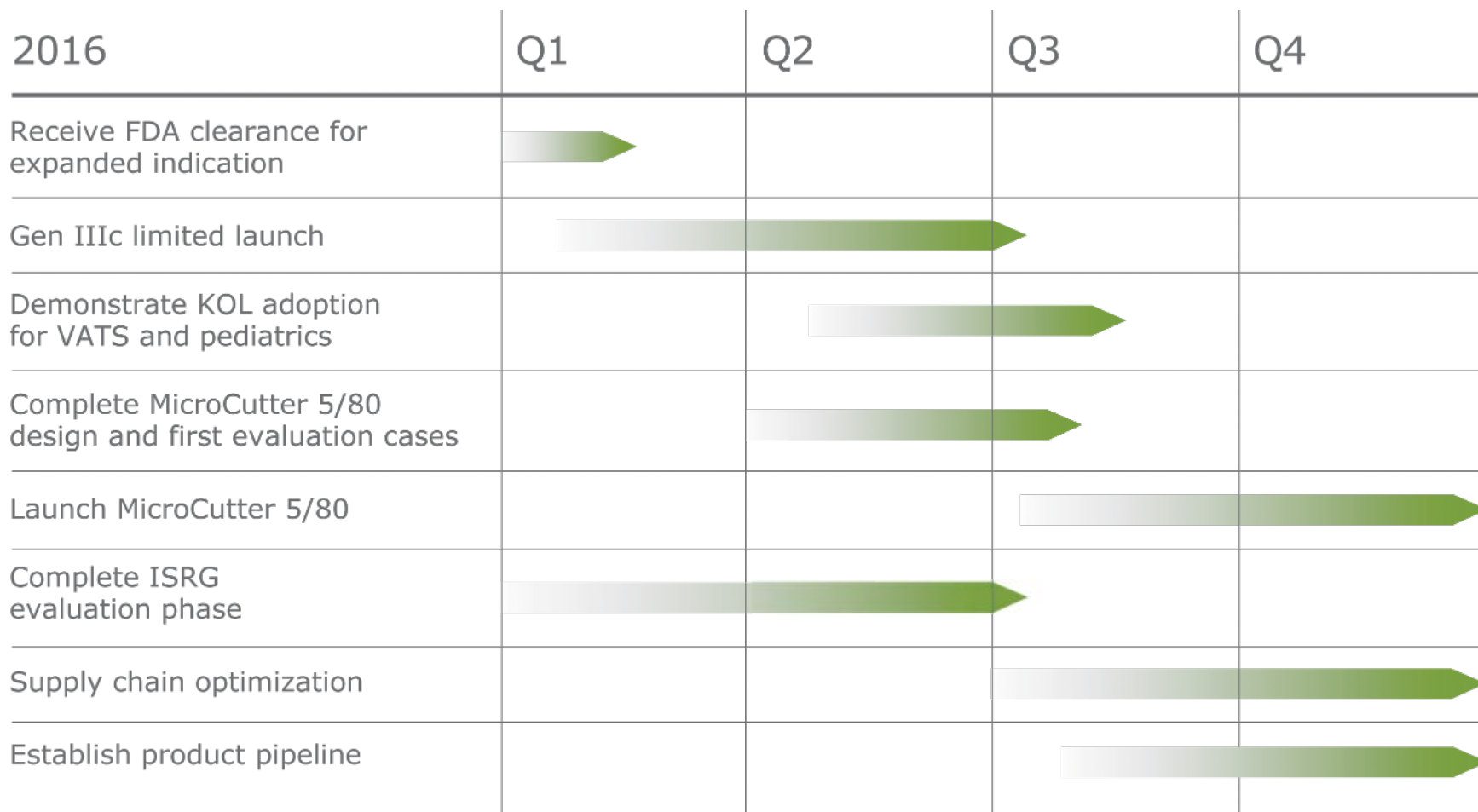
As of June 30, 2016:

- Product revenue ~\$600k per quarter
- Cash balance \$12.7 million
- Cash burn rate goal ~\$3.5 million quarterly

| | |
|------------------------------|-----------|
| Common stock outstanding | 8,901,855 |
| Preferred stock outstanding | 191,474 |
| Options and RSUs outstanding | 1,483,292 |

- Average option price \$4.45

CY 2016 MILESTONES



NEW MANAGEMENT TEAM: PROVEN MED-TECH LEADERS



Julian Nikolchev

President, CEO & Director (Oct. 2015)

- Founder, CEO & CTO, Pivot Medical
- Founder, President & CEO, CardioMind
- President & CEO Pro*Duct Health
- Founder & CTO, Conceptus
- Stanford, BS & MS; MIT, MS



Bob Newell

VP, Finance & CFO (2003)

- CFO, Omnicell
- CFO, Cardiometrics
- William & Mary, BA; Harvard, MBA



Tom Palermo

Chief Operating Officer (Nov. 2015)

- CEO, UlceRx Medical
- President & CEO, ReVascular Therapeutics
- VP, Operations & Engineering, Ensure Medical
- New Hampshire College, BS



Greg Watson

VP, Operations (May 2015)

- VP, Manufacturing Operations & Product Development, Uptake Medical
- VP, Operations & Manufacturing, TherOx
- Manufacturing Management, Baxter Healthcare and Becton Dickinson
- California State Polytechnic University, BS



Liam Burns

VP, Sales & Marketing (2014)

- VP Marketing, Power Medical Interventions
- Sales & Marketing Management, Ethicon, J&J
- Holy Cross, BA; Case Western Reserve, MBA

SUMMARY: DEXTERA AT INFLECTION POINT

- New management team with proven commercial track record
- MicroCutter 5/80 designed to expand procedure penetration
- Improving performance, encouraging feedback and clinical adoption with target KOLs
- Intuitive Surgical agreement expands MicroCutter platform
- Addressing growing demand for less invasive surgical procedures
- Platform technology enables new procedures and multiple product pipeline



Breakthrough technologies to
advance minimally invasive surgery