

Xenia is entering the market for medical devices designed to treat respiratory arrest:

Xenia to Invest NIS 2.5 Million in Ninox Medical

Israel, Kiryat Gat, June 10, 2012, Xenia Venture Capital (TASE: XENA), is announcing an NIS 2.5 million investment in Ninox Medical, of which NIS 2.1 million are to be taken from Chief Scientist grants. Following the investment Xenia will hold 38% of Ninox,.

According to Xenia CEO, Anat Segal: "We are delighted to have in our ranks a promising medical device company such as Ninox. Xenia currently operates 8 medical device companies, five of which are at the advanced stages of sales. Ninox is developing a miniaturized medical device designed to treat respiratory arrest, from which one out of five US citizens suffer. Looking forward, we continue to examine investments in new companies and to promote our portfolio companies as well as our more seasoned companies in an attempt to achieve substantial sales and commercial activity which will create value for our shareholders."

Obstructive sleep apnea (OSA) stems, among other reasons, from the aging of the population and obesity, and results in respiratory failure in the course of the patient's sleep. OSA is a chronic disease with severe health-related and financial repercussions. The diseases may put patients at risk for diabetes, high blood pressure and obesity. There are 100 million people suffering from this disease in the West, and the respiratory arrest solutions market is estimated at USD 3 billion a year. The market is also characterized by indemnity schemes provided by US insurance companies. The current treatment for the disease takes the form of a device which continuously conveys air into the nose and mouth while the patient is asleep, a highly uncomfortable arrangement among other shortcomings, causing most patients to abandon the treatment within a short period of time.

Ninox Medical is developing an innovative device for treating obstructive sleep apnea. Ninox's alternative will be efficient, easy-to-use and devoid of the side effects inherent in other devices. The advantage of Ninox's product is its miniaturized, more comfortable design, as well as its innovative operating mechanism, which does not require the use of the cumbersome systems found in existing solutions. The product's business model consists of a fixed and disposable component. The product's primary target market is the United States.

The company's founder is Alex Rapoport, a seasoned entrepreneur with more than 20 years' experience in leading global companies that develop, manufacture and sell medical devices in global markets. Moreover, Alex Rapoport is highly-experienced in providing business consultation to medical device companies.

About Ninox Medical:

Ninox Medical is developing an innovative device for treating obstructive sleep apnea. Ninox's alternative will be efficient, easy-to-use and devoid of the side effects inherent in existing devices. Ninox will operate as part of the incubator.

About Xenia Venture Capital:

Xenia Venture Capital is a publically traded investment company which operates a privatized technology incubator that invests in seed stage start ups and initiatives in the fields of medical devices and IT. Among Xenia's founders and main shareholders are the Novacom Group and C. Mer Industries, leading institutional investors such as IBI, Menora Insurance Group, Dash Apax, Mivne Taasia (of the Fishman Group), Anat Segal (CEO), as well as additional hi tech and industry figures. Xenia's Board of Directors and Advisory Board comprises highly successful entrepreneurs and high-tech industry executives, including Haim Mer, Tal Menipaz, Dr. Orna Berry, Roni Einav, Aki Ratner, Gideon Mantel, Dr. Yafit Stark, Prof. Yossi Shacham, and others. The aim of the company is to jump-start and accompany start up companies in the field of technology and medical devices, striving to increase the companies' chances to succeed and realize their business potential. Since its inception in 2003, Xenia Venture Capital has invested in more than 20 companies, many of which have completed follow-on investment rounds, launched products in global markets, reached significant sales and profitability, and formed valuable strategic partnerships with leading players in their fields. Leading IT portfolio companies include, among others, Correlix, Arcos, BandWD, M-Photo, SafePeak, Saguna, BookPulse, SAManage, Superfish, Intuview, and Playcast. In the medical device field, Xenia has invested in BioProtect, NeatStitch, Medi-tate, Polypid, ActiVein, Xenolith, OrthoSpace, PolyPid, ActiVein and other. Please visit our website at: www.xenia.co.il