



Investor Presentation

April 2024

Filed Pursuant to Rule 433
Issuer Free Writing Prospectus
Dated: April 24, 2024
Relating to Preliminary Prospectus dated March 28, 2024
Registration No. 333-278358

Free Writing Prospectus

This presentation highlights basic information about us and the offering to which this presentation relates. Because it is a summary, it does not contain all of the information that you should consider before investing in our securities. The Company has filed a Registration Statement (including a prospectus, which is currently in preliminary form) with the SEC for the offering to which this presentation relates. The Registration Statement has not yet become effective. Before you invest, you should read the Preliminary Prospectus in the Registration Statement (including the risk factors described therein) and other documents the Company has filed with the SEC for more complete information about the Company and this offering.

You may access these documents for free by visiting EDGAR on the SEC website at www.sec.gov. The Preliminary Prospectus, dated March 28, 2024, is available on the SEC website at www.sec.gov/edgar. Alternatively, the Company or the underwriter participating in the offering will arrange to send you the Preliminary Prospectus, and, when available, the final prospectus and/or any supplements thereto if you contact ThinkEquity, Prospectus Department, 17 State Street, 41st Floor, New York, New York 10004, telephone at (877) 436-3673.

This presentation shall not constitute an offer to sell, or the solicitation of an offer to buy, nor will there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction. The offering will only be made by means of the Registration Statement and related Preliminary Prospectus, the final prospectus, when available, and/or any supplements thereto.

Forward Looking Statements

This presentation of Wearable Devices Ltd. (the “Company”) contains “forward-looking statements”. Words such as “expects”, “intends”, “plans,” “believes,” “seeks,” “estimates,” and similar expressions or variations of such words are intended to identify forward-looking statements. For example, the Company is using forward-looking statements when it discusses its vision, its products and technology, market potential for its products, including industry growth in Apple Watches, other smart-watches and AR/VR headsets, its go-to-market strategy, future payments from Qualcomm or under other license agreements, future milestones, sale projections and its products setting the standard for the meta verse. Forward-looking statements are not historical facts, and are based upon management’s current expectations, beliefs and projections, many of which, by their nature, are inherently uncertain. Such expectations, beliefs and projections are expressed in good faith. However, there could be no assurance the management’s expectations, beliefs and projections will be achieved, and actual results may differ materially from what is expressed or indicated by the forward-looking statements. Forward-looking statements are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the forward-looking statements.

For a more detailed description of the risks and uncertainties affecting the Company, the reference is made to the Company’s reports filed from time to time with the Securities and Exchange Commission (the “SEC”), including, but not limited to, the risks detailed in the Company’s preliminary prospectus dated March 28, 2024, filed with the SEC as a part of the Company’s Registration Statement on Form F-1 (File No. 333-27858), and the documents incorporated by referenced therein. Forward-looking statements speak only as of the date the statements are made. The company assumes no obligation to update forward-looking statements to reflect actual results, subsequent events or circumstances, changes in assumptions or changes in other factors affecting forward-looking information except to the extent required by applicable securities laws. If the Company does update on or more forward-looking statements, no inference should be drawn that the Company will make additional update with respect thereto or with respect to other forward-looking statements. NTD: To be revisited when deck is in more final form.

Offering Summary

Issuer	Wearable Devices Ltd.
Listing / Symbol	Nasdaq: WLDS
Securities Offered	Ordinary Shares or Pre-Funded Warrants in lieu thereof*
Expected Offering Size	Approximately \$7.0 million
Use of Proceeds	Manufacturing and marketing the Mudra Band, continued research and development of our Mudra technology, sales and support of our B2B customers, other working capital needs and general corporate purposes
Sole Book-Runner	ThinkEquity

*We are offering Pre-Funded Warrants in lieu of Ordinary Shares for those purchasers whose purchase of Ordinary Shares in this offering would otherwise result in the purchaser beneficially owning more than 4.99% of the outstanding Ordinary Shares immediately following the offering

Mudra technology empower intuitive neural input

transforming intentions into touchless digital actions across any device. Award winning gesture technology available to OEMs, Mudra is poised to become a leader in this rapidly growing market.

mudra



mudra



A non-invasive neural input interface powered by AI

A wearable wristband for controlling digital devices **using finger movements**

Investment Highlights



Brain-to-device

Direct brain-to-device interaction (neural input) is revolutionizing human interaction with technology



Mudra is proven

Mudra technology is AI-powered neural sensors enabling OEMs to build touchless sensing wearables



Shipped for Apple Watch

Shipped over a thousand Mudra Bands for Apple Watch proving technology readiness and establishing brand awareness



Signed with Qualcomm

Partnering with industry leaders like Qualcomm to integrate WD technology into their products



Positioned for Growth

Integrating our technology with existing devices and platforms for various user engagement and monitoring applications

At a Glance

2014

Founded

\$2.2M

Research Grant: \$2.2M from the Israeli Innovation Authority



1,000+

Shipped Mudra Band for Apple Watch since Q4 2023

SNC

Advanced electronics and AI-powered SNC (Surface Nervous Conductance) sensors



XR

Qualcomm Collaboration: Optimizing the mudra technology for XR Chipset & Snapdragon Spaces

7

Patents



Mudra Technology



Gestures can be customized per use case/customer request



Ergonomic Design using flex rigid board



Customizable software app



SNC sensors convert neural signals from the ulnar, radial & median nerves into digital actions



Pre-built gestures including continuous tap, double tap, discreet gestures



Enhanced signal processing using deep learning neural networks



Neural Signals Enhanced with AI



Captures nerve signals from Ulnar, Radial, and Median nerves



96% accurate using deep learning AI for signal pattern matching



Decodes the neural impulses into accurate Mudra 'Air-Touch' gestures, which are translated into digital commands



Allows standard and custom-designed gestures to monitor and analyze user behavior

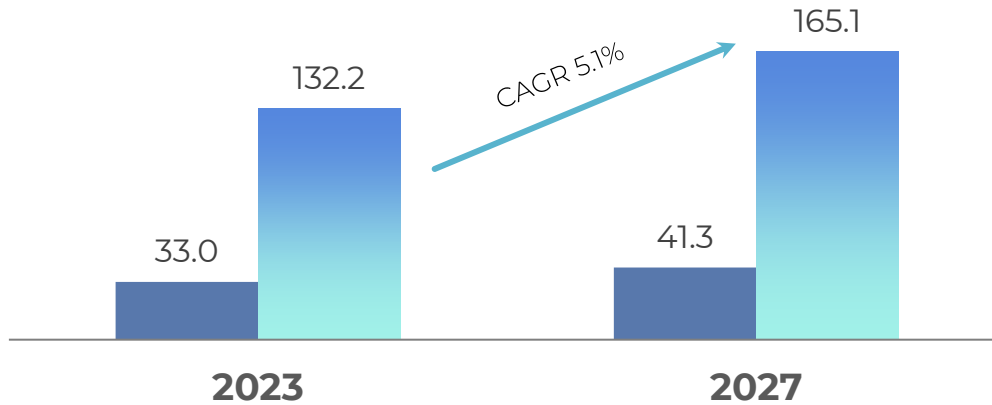


Makes the Mudra Band applicable across multiple market segments including gaming, sports analytics, digital health and industry 4.0

Live Demo

Industry overview

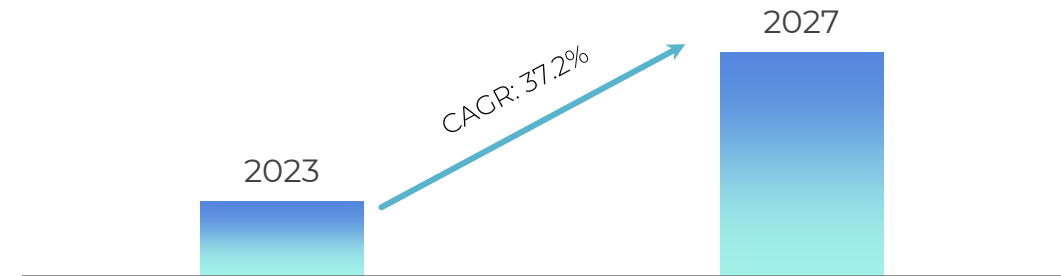
SMART WATCHES (M UNITS)



■ Apple Watch ■ Other Smart Watches

- Continued purchase by first-time users
- Emerging vendors are shipping significant volumes
- Strong refresh cycles and a strong fly wheel to keep volumes growing
- Apple's market share in Q2,2023: 20.2%

WORLDWIDE AR/VR HEADSET FORECAST (M UNITS)



- Strong recovery in 2024, expected to grow 46.4%
- Lower-cost tethered headsets are expected to drive sales of AR headsets

Go-To-Market Strategy

Mudra Band for Apple Watch

B2C Push

Multi-channel distribution

Retail price

\$349

Industry gross margin

Wholesale step pricing

Higher quantity at a lower Gross margin



Mudra Dev-Kit

B2B Pull

High Margin Licensing Programs

Annual Licensing Fee

Royalty Per Device



B2C: Multi- channel Distribution Strategy

Mudra Band for
Apple Watch



Target: High growth of units sold in the next 18 months

Direct Sales – crucial for market education, direct customer relationships and offering exclusive deals.

- Via www.mudra-band.com

Online Distribution

- Amazon Global (approved for listing by Amazon on all marketplaces)
- Specialty Online Retailers

Retail Partnership

- Apple Premium Resellers
- Hybrid retail & E-commerce partner

USA Wholesale Distribution

- In discussions with several wholesale distributors

International Distribution

- In discussions with distributor of Apple products and accessories in Europe

B2B: Licensing Program

Enables OEMs to
customize Mudra
technology's touchless
control



Multiple engagements with OEMs

Qualcomm: Strategic Collaboration

- Strengthens Qualcomm and QTI-XR / Spaces positioning
- Mudra technology optimized to work with XR Chipset & Snapdragon Spaces
- Available to all 80 members of the Snapdragon Spaces Pathfinder Program including the leading global operators, smartphone OEMs, 3D engine developers and content creators
- WD Mudra-XR Solution is pre-Integrated with the XR Chipset and Snapdragon Spaces

WisePlus Value Added Reseller

- Support in onboarding and scaling new customers in Asia
- Offices in Singapore, South Korea

Top 50 defense contractor

- Agreement for silent activation of tactical equipment

OPPO

- Mudra technology integrated with OPPO MR Glass Developer Edition

Currently in discussion with an additional 20+ multinational technology companies

mudra

The Mudra Band is setting the input standard for extended reality experiences



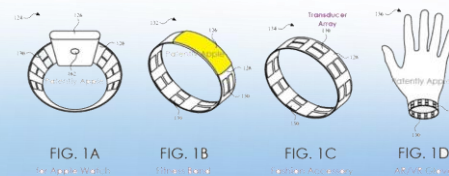

Meta

Based on technology acquired from CTRL-Labs in 2019, Meta is said to be launching a neural interface wristband product in the next few years.

*US 20230099288

**Micro-machined ultrasonic transducers

Transducers woven into various Flexible Bands



Patent application* incorporates MUTs** into a watch band for detecting touch & gestures to enhance VR experiences.

“... **basically a wristband and ... it's a neural interface** you'll be able to in the future essentially just like **type and control something by kind of thinking about how you want to move your hand**...I think that that is **just going to be insane ...**”

- **Mark Zuckerberg**, Founder, Chairman and Chief Executive Officer of Meta in a recent interview with The Morning Brew Daily, Mark Zuckerberg was asked about the purpose and future of smart glasses and headsets



Management Team



Asher Dahan

**CEO & Co-Founder,
Director**

Project execution expert. Talent in business leading and strategic planning. Manager and team leader. High expertise in major corporate decisions and experience managing the overall operations and resources of the Company.



Guy Wagner

**Company President
& Chief Scientist,
Co-Founder,
Director**

Hardware expert and main inventor. Multi-disciplinary expertise in board design, biomedical signal processing, embedded programming, and sensor design.



Leor Langer

**CTO &
Co-Founder**

Algorithms expert. Machine learning and signal/image processing developer. Lead algorithms engineer in industry and academia. Wrote several papers and articles.



Alon Mualum

CFO

An experienced CFO with diverse experience in multinational hi-tech, communication and industrial companies, both public and private. Previously served as the CFO of Eltek Ltd. (NASDAQ:ELTEK), as the CFO of Mer Telemangement Solutions Ltd., and as the CFO of Xfone Inc. and Xfone 018 Ltd.



Offir Remez

**EVP of Business
development & sales**

A serial entrepreneur and a senior business executive with a proven track record among OEMs and international corporations. Co-founder and former President and VP BD of LucidLogix (acq. Google). Active board member and VP BD at Adshir (acq. Snap)Adv. board member at Play-Cast (acq. GameFly), 3DV (acq. Microsoft), North-Bit (acq. MagicLeap), Giraffic (acq. Roku)Co-founder & CEO of Enbaya

Financials Summary



- **Public offerings** – Raised \$18.0 million in gross proceeds since our IPO which closed on September 15, 2022
- **Israeli Innovation Authority** – (“IIA”) participation in Company’s R&D activity was \$2.2 million until December 31, 2023
- **Financial Liabilities** – No Debt. We had \$500K Simple Agreements for Future Equity in 2022, of which \$400K were converted to shares and warrants upon consummation of IPO and \$100K were repaid.
- **Cash and Deposits balance** – \$4.9 million, as of December 31, 2023

INCOME STATEMENT

USD thousands (except per share data)	2023	2022
Revenues	82	45
Total Expenses	7,896	6,541
Net loss	(7,814)	(6,496)
Loss per share (USD)	(0.48)	(0.53)

BALANCE SHEET

USD thousands (except per share data)	2023	2022
Cash and Cash Equivalents and short-term bank deposits	4,855	10,373
Governmental and other receivables	865	597
Inventory	1,032*	6
Total Assets	7,592	11,224
Total Liabilities	2,066	1,244
Total Shareholders’ Equity	5,526	9,980

*Substantial investments in 2023 to finalize the transition from R&D to production, including the buildup of inventory, which increased to \$1.0M by year-end, to support the anticipated B2C business expansion in 2024.

Cap Table*

Shares Outstanding	20,387,428
Options (WAEP \$0.73)	1,749,189
Warrants (WAEP \$2.33)	8,765,893

*As of March 27, 2024

Planned Commercial Objectives

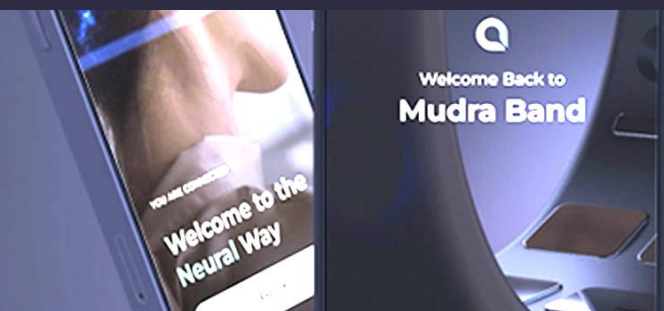
B2C



Scale Mudra band for Apple Watch

- High growth of units expected to be sold over next 18 months
- Agreements with major APR (Apple premium reseller) in USA, Europe and Japan.

B2B



OEM Expansion & Partnerships

- License deals with OEM's
- Launch integrated product with Qualcomm spaces for XR market
- Agreements with VAR (Value Added Reseller) – e.g. WisePlus
- Pilot program with defense contracting company



Industry Defining Technology

Direct
brain-to-device
interaction
(neural input) is
revolutionizing
human interaction
with technology



Multiple Revenue Streams

Push/pull strategy
targeting both B2B
and B2C markets
significantly expands
addressable market



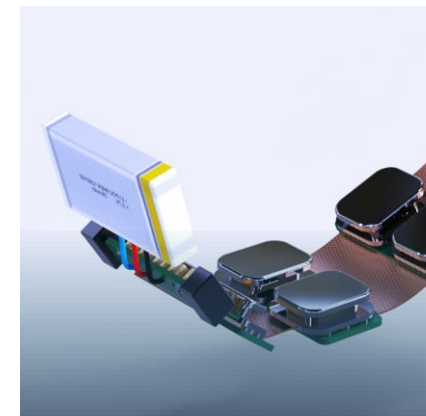
Demonstrated Demand

Shipped over 1,000
Mudra Bands for Apple
Watch; Enhancing
production and
manufacturing
capabilities to meet
demand



Strategic Partnerships

Partnering with
industry leaders like
Qualcomm to
integrate WD
technology into their
products



Positioned for Growth

Leveraging cutting-
edge technology
and partnerships
to drive demand in
a fast growing
market

Thank you

Nasdaq ticker: WLDS



Appendix



IP Strategy

- Proactive and strategic approach to IP management, aimed at maximizing protection and flexibility in a dynamic market environment

Country	Patent No.	Title	Status
US	20230305633	Gesture and voice controlled interface device	Submitted & PCT
US	18388528	Gesture and voice controlled interface device	Submitted
US	9720515	Method and apparatus for a gesture controlled interface for wearable devices	Granted
US	9612661	Closed loop feedback interface for wearable devices	Granted
China	2017105439945	Method and Apparatus for a Gesture Controlled Interface for Wearable Devices	Allowance
China	2023116909051	Method and Apparatus for a Gesture Controlled Interface for Wearable Devices	Submitted
China	2023110369613	Method and Apparatus for a Gesture Controlled Interface for Wearable Devices	Submitted

Competitive Advantage

Key enabler for mobile AR, overcoming the inherent limitations of cameras, offering additional use cases (e.g. health and biometrics), lower power consumption and allowing a more compact form factor.

	Hands free	Pressure Gradations	User Physiology	Field-of-View	Interaction richness
SNC (Mudra Technology)	Intuitive interaction	Accurate measurement	Physiology-sensitive	Unlimited Field-of-View	Direct Brain-to-Device interaction
Camera	Visual tracking	No measurement	Physiology-aware	Limited Field-of-View	Traditional interaction
Handheld device	Hands-on	No measurement	Physiology agnostic	Narrow Field-of-view	Intermediate interaction