

The background of the slide is a photograph of the Aroa Biosurgery building. The building is a modern, multi-story structure with a light-colored, metallic-looking facade. Large windows are visible on the upper floors. In the center of the building, there is a prominent vertical section with the Aroa logo (a cluster of red dots) and the word 'ARO A' in large, dark letters. Below this, the text 'Aroa Biosurgery' and 'Richard Pearce Drive' is visible on a lower level. The sky is a clear, deep blue.

Aroa Biosurgery AGM JULY 2021

CEO'S REPORT

Unlocking regenerative healing for everybody

Important Notice and Disclaimer

This report (**Report**) is dated 20 July 2021 and has been prepared by Aroa Biosurgery Ltd, New Zealand company number 1980577, ARBN 638 867 473 (**AROA** or the Company).

Information in this Report

The information in this Report is of a general background nature, is in summary form and does not purport to be complete. It does not contain all information relevant or necessary for an investment decision or that would be required to be included in a prospectus or other disclosure document under the Corporations Act for an offer of securities in Australia or in any other jurisdiction. The content of this Report is provided as at the date of this Report (unless otherwise stated). Except as required by applicable law, AROA does not plan to publicly update or revise any information contained in, or provided with, this Report whether as a result of any new information, future events, changed circumstances or otherwise.

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Future performance

The Report contains certain "forward-looking statements". The words "forecast", "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. These statements are based on current expectations and assumptions regarding AROA's business and performance, the economy and other circumstances. As with any projection or forecast, forward-looking statements in this Report are inherently uncertain and susceptible to changes in circumstances. Opinions may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Actual results, performance or achievements may differ materially from those expressed or implied in forward looking statements and statements of opinion. In particular, while the Company has no reason to believe that the markets to which the data relates will not return to the operating levels experienced before COVID-19, the impact of COVID-19 (if any) on the market data that is referenced is not possible to currently predict with any certainty and investors are cautioned against placing undue reliance on such data.

AROA at a Glance

Well established high-growth soft tissue regeneration company



NZ\$23.1m

product sales FY21 on constant currency basis



68% Gross Margin

FY21, impacted by lower sales and FX



4 million+

Procedures with AROA's products



6 patented product families

selling in United States



Regulatory Approvals

in 49 countries



AROA ECM™ platform

Provides new products and line extensions year on year



32

Peer Reviewed Publications



>US\$2.5b¹ TAM

for existing products



~170

personnel²

1. SmartTRAK BiomedGPS data 2020; DRG Millennium Research data; Hernia Repair Devices, 2020, AROA management estimates; DRG Millennium Research, Breast Implants & Reconstructive devices, 2018 Market data was prepared before the onset of COVID-19, the economic effect of which is currently not possible to predict with any certainty. Consequently, while the Company has no reason to believe that the market data does not remain accurate based on the relevant markets operating normally, the impact of COVID-19 on the market data that is referenced is not possible to currently predict with any certainty and investors are cautioned against placing undue reliance on such data.
2. AROA NZ & US employees.

Milestones since listing

- ✓ **Myriad™ Clinical Evidence:** Four peer reviewed publications in a wide variety of soft tissue reconstructions
- ✓ **Myriad Morcells™:** FDA Clearance & commercial launch
- ✓ **Symphony™:** FDA Clearance & submitted for reimbursement coding
- ✓ **Salesforce Expansion:** Fully dedicated team of 31 sales professionals in United States
- ✓ **Dead Space Management:** Design lock & preparations underway for 1st regulatory submission Dec' 22
- ✓ **Global Expansion:** 6 new market authorisations and agreements with over 20 local distributors
- ✓ **FY21 Financials:** **NZ\$23.1m** product sales on constant currency basis and **68% Gross Margin**, impacted by lower sales and FX

Catalysts



Post-COVID

Vaccinations expected to improve throughout CY21



AROA Direct Sales

Fully dedicated field sales team. Myriad expected to drive growth.



TELA Bio[®] Momentum

Clinical outcomes & cost savings driving increasing adoption



Product Synergies

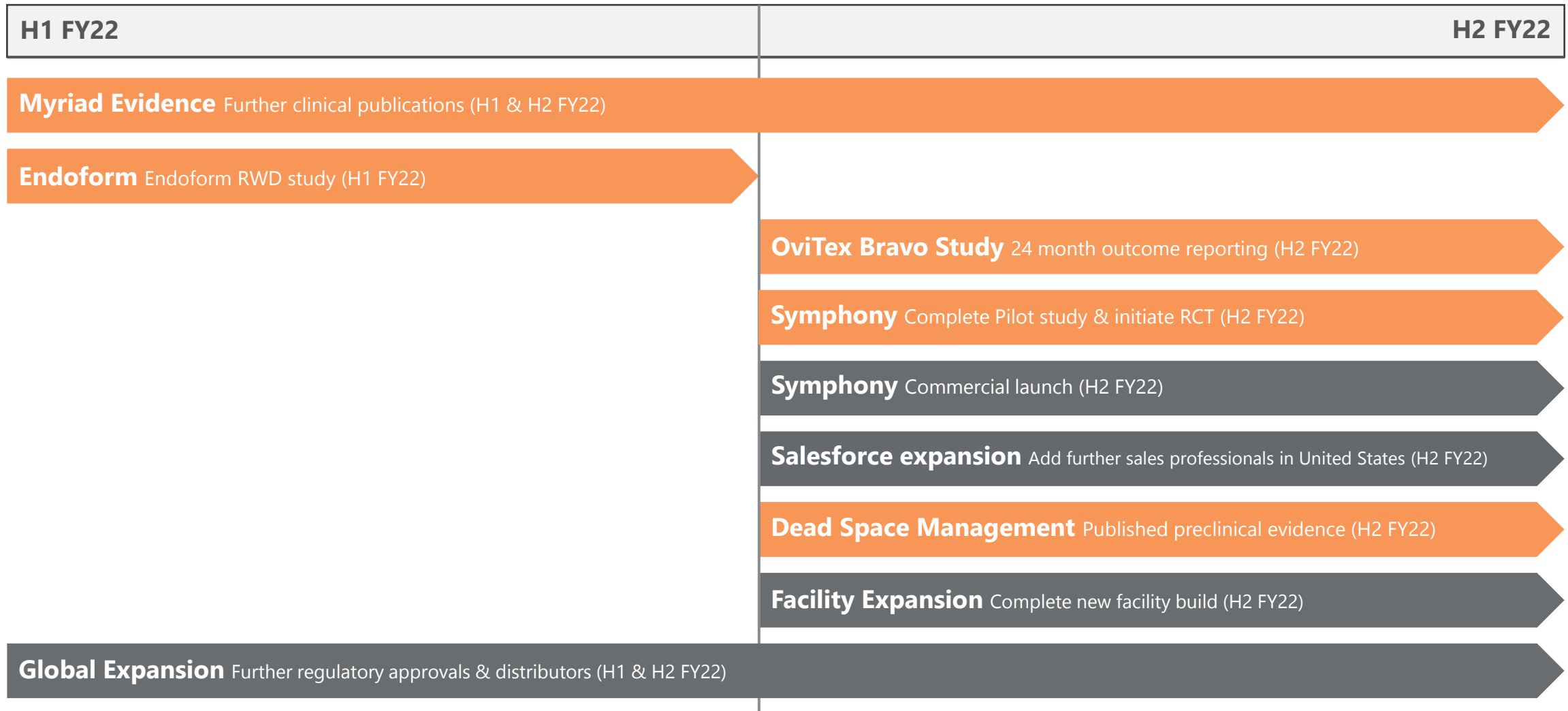
Complementary products for every phase of healing & continuum of care



Clinical Data

Endoform[™] RWD, Myriad Registry & Symphony RCT.

Milestones - FY22



CLINICAL

COMMERCIAL

AROA FY22 Outlook



NZ\$30-\$33m¹

product sales FY22
39-53% higher than FY21



**GM
improvement**

- **AROA is well placed for FY22** following an improved second half of FY21 and sales transition
- **Focused on building our US commercial operations** over next 24 months to drive revenue growth to take advantage of the opportunities presented by our expanded product portfolio
- **TELA Bio sales expected to deliver strong growth** based on their revenue guidance of 48% to 65% growth in CY21 compared to CY20
- **EBITDA will be negative** (as previously forecasted) as a result of increased investment into its sales force (announced in February 2021)

¹Guidance subject to no resurgence of COVID-19 in the US, continued improvement in US medical procedure numbers & TELA Bio sales performance. It assumes an average \$NZD-\$USD exchange rate of US\$0.72

Thank you for attending

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