

A photograph of three surgeons in an operating room, wearing blue scrubs, masks, and surgical caps with attached lights. They are focused on a patient lying on the operating table. The background shows medical equipment and bright surgical lights.

AROA INVESTOR MEETING

1 JUNE 2023

Unlocking regenerative healing for everybody



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Agenda

1.	Introduction	Brian Ward	10.00 – 10.10am	10 mins
2.	Extracellular Matrix Technology in Wound Care and Soft Tissue Reconstruction	Dr Samir S. Awad	10.10 – 10.40am	30 mins
3	Sales – Increasing Usage and Leveraging the Product Portfolio	Brad Adams	10.40 – 11.00am	20 mins
4.	Aligning with GPO & IDN Macro trends	Wes Snodgrass	11.00 – 11.15am	15 mins
	Session Break		11.15 – 11.20am	5 mins
5.	Myriad™ and Symphony™ Market Dynamics	Brian Ward	11.20 – 11.40am	20 mins
6.	Symphony - Launching into a Changing Landscape	Mike Linnell	11.40am – 12.00pm	20 mins
7.	Enivo™ - What's the Opportunity?	Isaac Mason	12.00 – 12.15pm	15mins
8.	Q&A	Brian Ward	12.15 – 12.30pm	15 mins
9.	Networking Session Drinks/Canapes	All	12.30 – 1.00pm	30 mins



Extracellular Matrix Technology in Wound Care and Soft Tissue Reconstruction



Samir Awad, M.D., M.P.H., FACS

Professor of Surgery; Vice Chair for Surgical Quality and Safety; Baylor College of Medicine



Hernia/Abdominal Wall Reconstruction & Wound Care Experience

- > **24 years of experience Acute Care/Emergency Surgery and General Surgery**
- > **Treat many open wounds/Sub-acute surgical wounds**
- > **Open, Laparoscopic & Robotic**
 - Primary ventral and umbilical hernias
 - Medium and small incisional hernias
 - Parastomal hernias
 - Hiatal hernias
 - Inguinal hernias
- > **Open abdominal wall reconstruction for large incisional hernias**
 - Retrorectus approach – preferred
 - Underlay with/without component separation

Surgical closures can involve many challenges which may impact healing and increase the cost of treatment

- **Risk factors for complications** include a range of local, systemic and extrinsic factors or conditions.
- **Complications** can result in delayed hospital discharge, prolonged wound care, readmission for additional surgical procedures, increased costs, and reduced patient Quality of Life.
- **Each incident** results in an average¹:



9.6

Additional days in hospital



\$38,656

In additional treatment costs

Patient factors impact surgical closure

- ✓ Advanced age
- ✓ Chronic disease/comorbidities
- ✓ Psychological stress
- ✓ Multiple medications
- ✓ Radiotherapy
- ✓ Smoking/substance dependency
- ✓ Malnutrition
- ✓ Connective tissue disorders
- ✓ Poor compliance

1. Sandy-Hodgetts K et al. International best practice recommendations for the early identification and prevention of surgical wound complications. Wounds International. 2020.

My motivation to try AROA

> Unique ECM derived From Ovine (Sheep) Forestomach

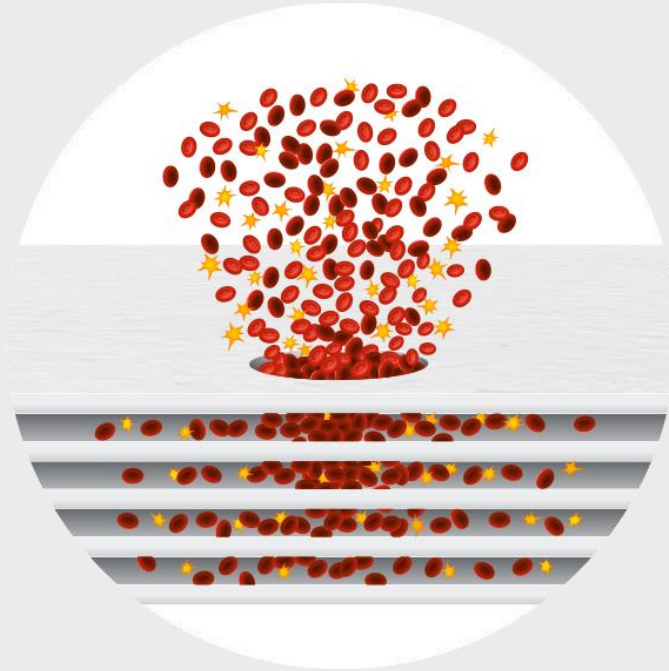
- Highly Vascular Organ
- Sustains high rate of tissue turnover/remodelling
- Full Spectrum Portfolio
 - Wound Care
 - Soft Tissue Reconstruction

> For Hernia Repair

- Minimizing the synthetic permanent Foreign Body Footprint
- Decrease chances of downstream complications

> Quality of Life

Optimal wound repair



- In wound repair, **angiogenesis is well recognized as an essential step in healing**¹
- **Vascularity allows tissue to resist or fight infection** by delivering essential cells, nutrients and oxygen locally¹
- Various materials have been produced whose use in wound repair & hernia repair provides both **support to weak or absent tissue and a template for natural wound repair**
- Key with interventions is to **avoid triggering additional inflammatory/immune response**

1. Honnegowda TM, et al. Role of angiogenesis and angiogenic factors in acute and chronic wound healing. *Plast Aesthet Res* 2015;2:243-9. <http://dx.doi.org/10.4103/2347-9264.165438>

Ovine (sheep) forestomach an ideal source material



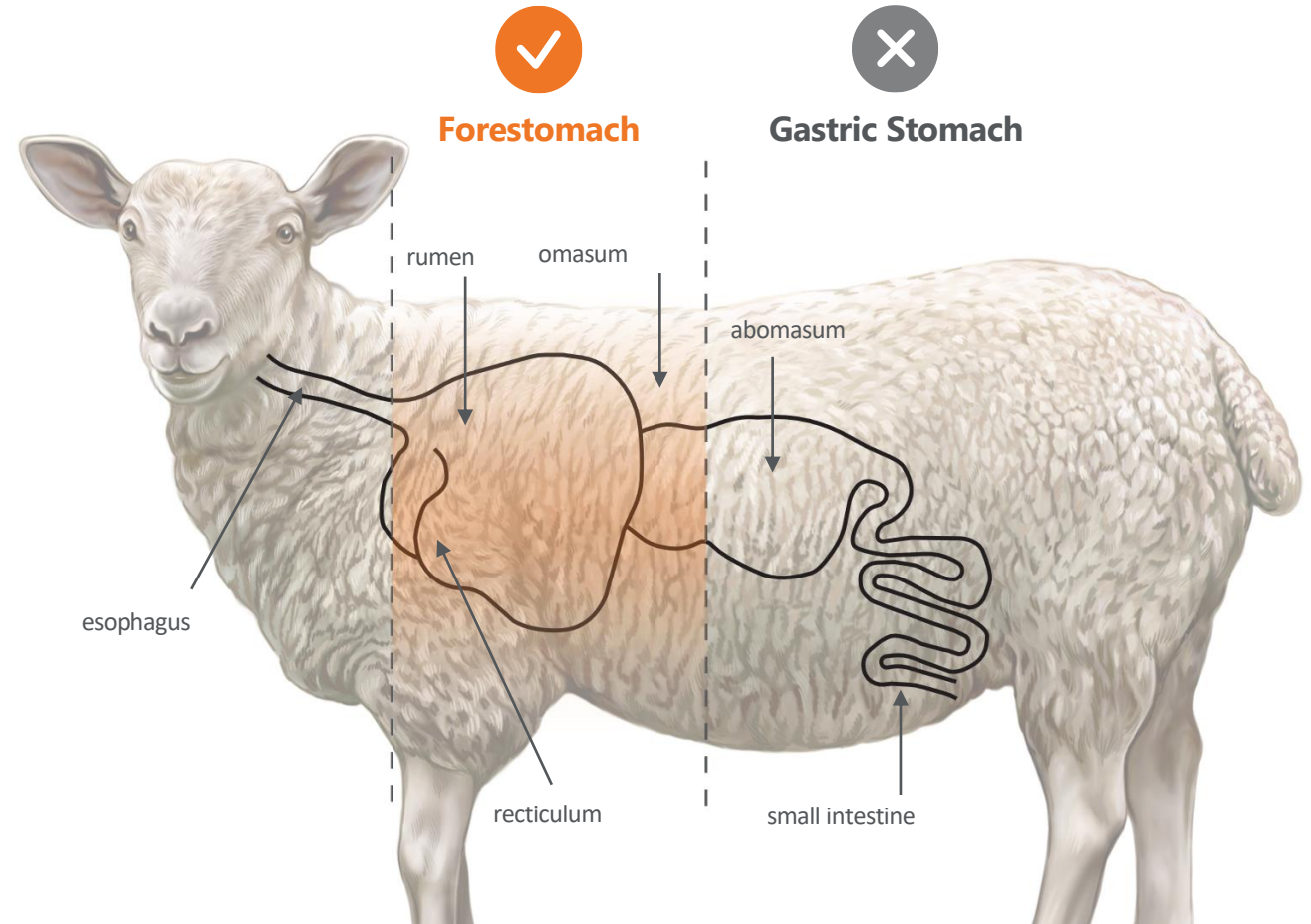
Abundant source – lambs are raised in New Zealand to supply high quality meat products globally



Forestomach is a uniquely **vascular tissue**, evolved for nutrient absorption^{1,2}



Sustains a high rate of tissue turnover (remodelling) – therefore a source of **rich biology**³

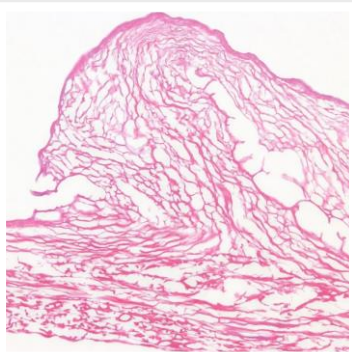


1. Topps J, Kay et al (1968). Digestion of concentrate and of hay diets in the stomach and intestines of ruminants. *Br J Nutr* 22, 261-280. 2. Engelhardt W and Hales J (1977). Partition of capillary blood flow in rumen, reticulum, and omasum of sheep. *American Journal of Physiology-Endocrinology and Metabolism* 232(1): E53. 3. Baldwin, R. L.; McLeod, K. R.; Klotz, J. L.; Heitmann, R. N. Rumen development, intestinal growth and hepatic metabolism in the pre- and post weaning ruminant. *J. Dairy Sci.* 2004, 87 (Suppl. E), E55-E65.

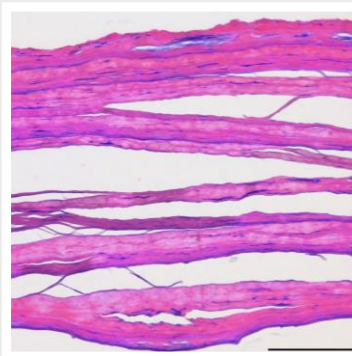
Gentle processing is optimized to effectively decellularize while retaining structure and biology

➤ Tissue decellularization **aims to eliminate residual genetic material.**¹

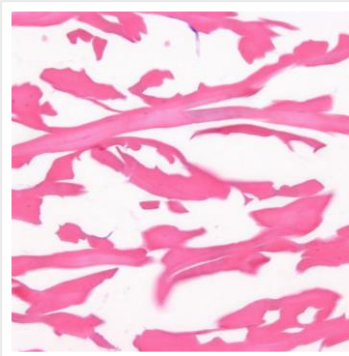
➤ Ineffective tissue decellularization **can lead to a pro-inflammatory response.**²



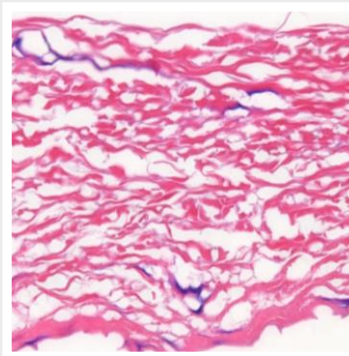
AROA ECM



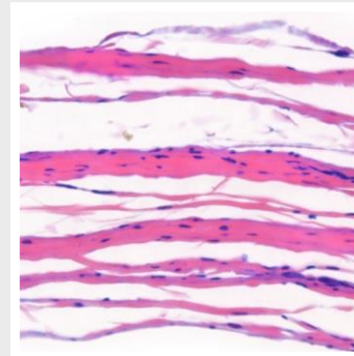
Layered porcine urinary bladder matrix



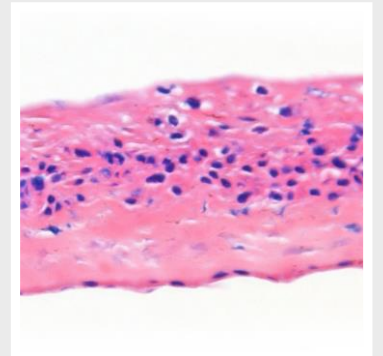
Fetal bovine dermal matrix



Cadaveric dermal matrix



Layered porcine small intestinal submucosa matrix



Human amnion/chorion membrane tissue

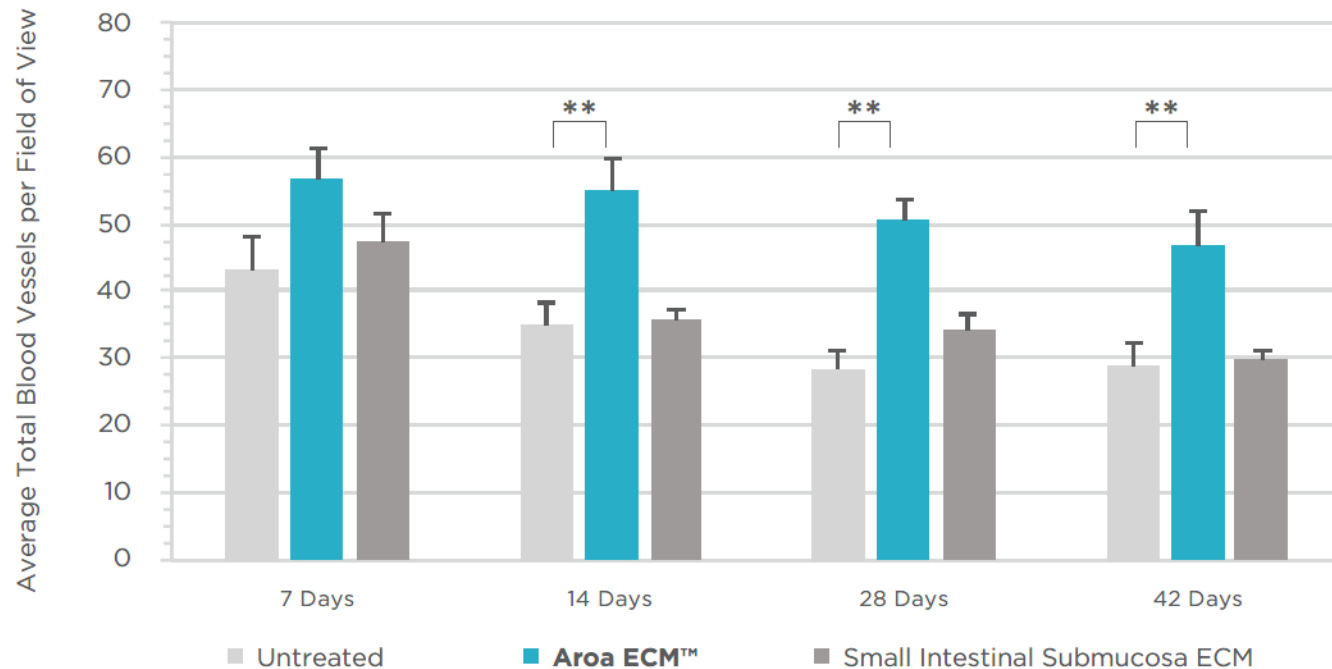
Haematoxylin and Eosin (H&E) staining of tissue sections can be used to visualize incomplete decellularization and residual DNA ('blue') and can be distinguished from the ECM components ('pink')(3).

*Representative H&E-stained tissue sections, 25x magnification. Scale bar=100 μ m. Data on file. (1) Badylak SF. Decellularized allogeneic and xenogeneic tissue as a bioscaffold for regenerative medicine: factors that influence the host response. *Ann Biomed Eng.* 2014 Jul;42(7):1517-27. doi: 10.1007/s10439-013-0963-7. (2) Keane TJ, Londono R, Turner NJ, Badylak SF. Consequences of ineffective decellularization of biologic scaffolds on the host response. *Biomaterials.* 2012 Feb;33(6):1771-81. (3) Fischer AH, Jacobson KA, Rose J, Zeller R. Hematoxylin and eosin staining of tissue and cell sections. *CSH Protoc.* 2008 May 1;2008:pdb.prot4986.*

AROA ECM™ gives rise to **more blood vessels**

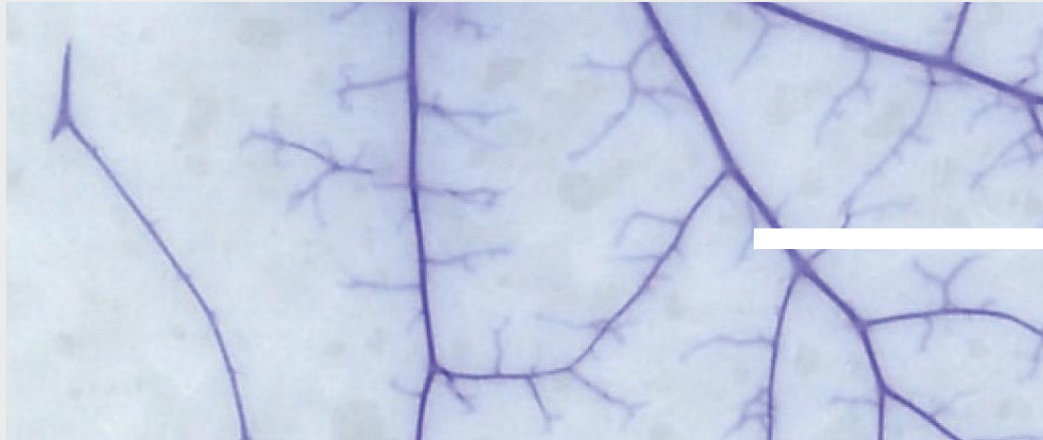
In a porcine model of soft tissue repair **AROA ECM** - treated tissue defects had more blood vessels

> **AROA ECM can lead to improved soft tissue vascularization**

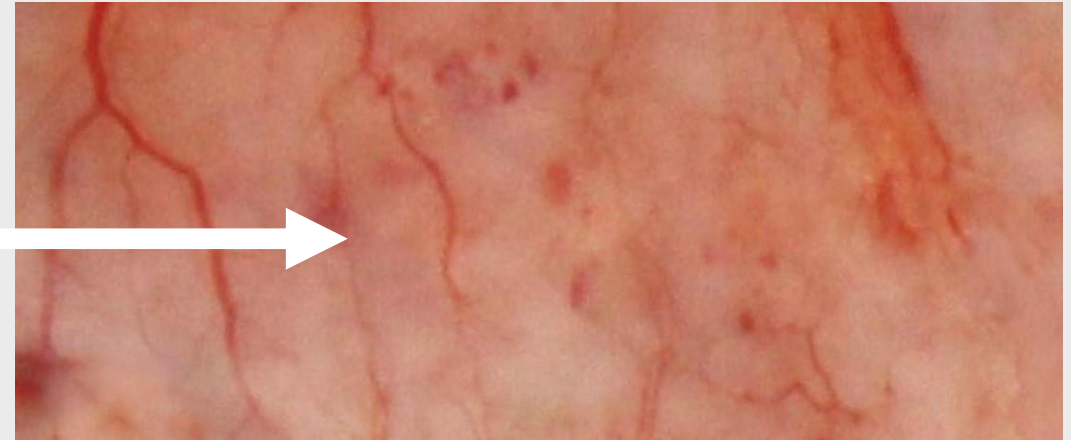


Source: Irvine, S. M., J. Cayzer, E. M. Todd, S. Lun, E. W. Floden, L. Negron, J. N. Fisher, S. G. Dempsey, A. Alexander, M. C. Hill, A. O'Rourke, S. P. Cunningham, C. Knight, P. F. Davis, B. R. Ward and B. C. H. May (2011). "Quantification of in vitro and in vivo angiogenesis stimulated by ovine forestomach matrix biomaterial." *Biomaterials* 32(27): 6351-6361.

AROA ECM facilitates rapid blood vessel formation



Dye stain shows residual vascular channels are retained in **AROA ECM**



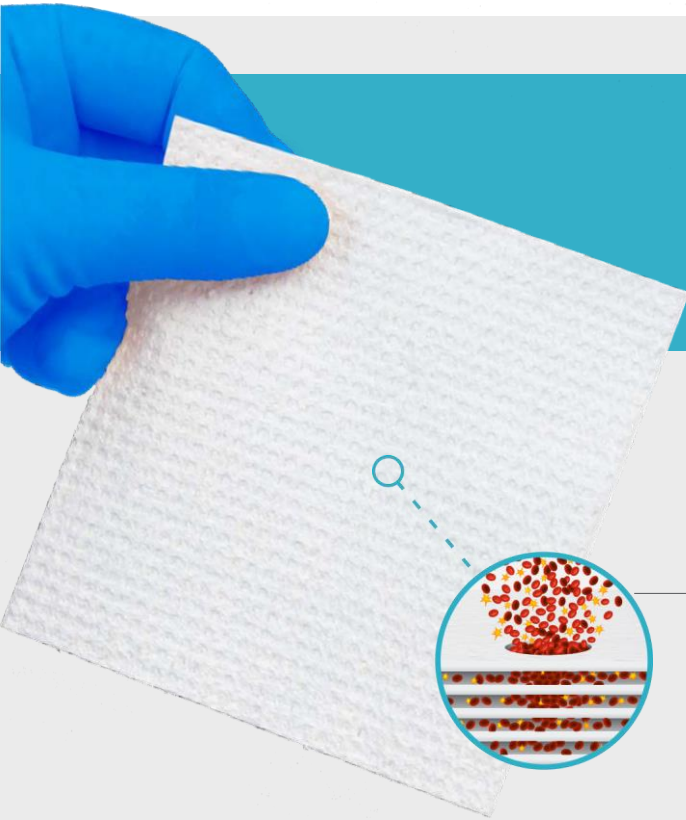
Newly formed tissue demonstrating the establishment of vasculature at the site of **AROA ECM** application

Cells utilize these channels as a template – termed 'angioconduction'

- > Builds new blood vessels
- > Leads to well-vascularized granulation tissue

Source: Smith, M. J., et al (2021). "Further structural characterization of ovine forestomach matrix and multi-layered extracellular matrix composites for soft tissue repair." *J Biomater Appl* 36(6): 996-1010

The Myriad portfolio for soft tissue repair



Myriad Matrix™

Contains 2-, 3- or 5-layers of non-crosslinked **AROA ECM**

For **soft tissue repair, reinforcement** or **complex wounds**

Myriad Morcells™

Morcellized AROA ECM

For **management of acute and chronic wounds**



Myriad products can be used in a **contaminated field**

- > Wound bed contamination is known to limit the use of certain dermal matrices due to high rates of infection¹⁻³
- > **Myriad** products have been shown to be resistant to bacterial contamination^{4,5}
- > **Myriad** products may be used in contaminated soft tissue defects without having to wait until a pristine wound environment is achieved⁶



1. Nguyen DQ, Potokar TS, Price P. *Burns* 2010; 36(1):23–28. 2. Heimbach DM, et al. *J Burn Care Rehabil* 2003; 24(1):42–48. 3. Peck MD, et al. *J Trauma* 2002; 52(5):971–978. 4. Chaffin A et al. *Journal of Wound Care*; Vol 30, No. 7, July 2021. 5. Parker, M.J et al. *Surg Endosc* 35, 5173–5178 (2021). 6. De Noto et al. *J.Clin.Med.* 2021;10(21):4998

Myriad Matrix™

Soft Tissue Bioscaffold

> Reduces post-surgical complexity:

- Contains anti-inflammatory proteins that help modulate wound proteases
- High volume, porous ECM that can fill surgical dead space and help reduce the risk of seroma and hematoma

Redacted – graphic images

Source: Chaffin A et al. Surgical reconstruction of pilonidal sinus disease with concomitant extracellular matrix graft placement: a case series. *Journal of Wound Care*; Vol 30, No. 7, July 2021. <https://www.magonlinelibrary.com/doi/full/10.12968/jowc.2021.30.Sup7.S28> Parker, M.J., Kim, R.C., Barrio, M. et al. A novel biosynthetic scaffold mesh reinforcement affords the lowest hernia recurrence in the highest-risk patients. *Surg Endosc* 35, 5173–5178 (2021). <https://doi.org/10.1007/s00464-020-08009-1> Dempsey, S. G., et al (2019). "Functional Insights from the Proteomic Inventory of Ovine Forestomach Matrix." *J Proteome Res* 18(4): 1657-1668. Dr. A. Chaffin has a consultancy arrangement with AROA.

Myriad Matrix™

Soft Tissue Bioscaffold



Facilitates organized
functional tissue
formation

Redacted – graphic images

Source: Dr. Castater, she has a consultancy agreement with AROA.

Redacted – graphic images

Implanting Myriad Matrix may help reduce the complications associated with surgical closures

Surgical closure challenge & complication	How Myriad Matrix can help
Chronically inflamed tissue	<ul style="list-style-type: none">• Contains naturally occurring anti-inflammatory proteins¹• Modulates tissue proteases and neutrophil elastase²
Seroma or hematoma	<ul style="list-style-type: none">• Myriad Matrix utilizes 2-, 3- or 5-layers of high volume porous AROA ECM bioscaffold to fill surgical dead space• Helps resolve inflammation
Tissue necrosis	<ul style="list-style-type: none">• Contains 150+ ECM proteins, including cytokines, chemokines and growth factors important in healing³• Contains residual vascular channels that promote rapid establishment of new vasculature⁴• Endothelial basement membrane that anchors and guides migrating vascular cells⁴• Contains engineered channels and interstices to enable rapid cell access and graft repopulation
Microbial contamination	<ul style="list-style-type: none">• Resistant to bacteria in contaminated fields⁵

1. Dempsey, S. G., et al. (2019). "Functional Insights from the Proteomic Inventory of Ovine Forestomach Matrix." *J Proteome Res* 18(4): 1657-1668. (2) Negron, L., et al. (2012). "Ovine forestomach matrix biomaterial is a broad-spectrum inhibitor of matrix metalloproteinases and neutrophil elastase." *Int Wound J* 11(4): 392-397. (3) Lun, S., et al. (2010). "A functional extracellular matrix biomaterial derived from ovine forestomach." *Biomaterials* 31(16): 4517-4529. (4) Irvine, S. M., et al. (2011). "Quantification of in vitro and in vivo angiogenesis stimulated by ovine forestomach matrix biomaterial." *Biomaterials* 32(27): 6351-6361. (5) Parker, M. J., et al. (2020). "A novel biosynthetic scaffold mesh reinforcement affords the lowest hernia recurrence in the highest-risk patients." *Surg Endosc*.

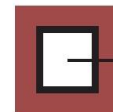
Surgical Reconstruction of Stage 3 and 4 Pressure Injuries



A Literature Review and Proposed Algorithm

Published in the Advances in Skin and Wound Care -May issue

https://journals.lww.com/aswcjournal/Fulltext/2023/05000/Surgical_Reconstruction_of_Stage_3_and_4_Pressure.5.aspx



Original Investigation

OPEN

Surgical Reconstruction of Stage 3 and 4 Pressure Injuries: A Literature Review and Proposed Algorithm from an Interprofessional Working Group

Samir S. Awad, MD, MPH, FACS; James D. Stern, MD, FACS; Cathy T. Milne, APRN, MSN, ANP/ACNS-BC, CWOCN-AP; Shane G. Dowling, MSPAS, PA-C, CWS; Ron Sotomayor, BA, RN, CWOCN; Elizabeth A. Ayello, PhD, ETN, RN, CWON, FAAN; Leandro J. Feo Aguirre, MD, FACS, FASCRS; Basil Z. Khalaf, MD; Lisa J. Gould, MD; Michael N. Desvigne, MD, FACS, CWS; and Abigail E. Chaffin, MD, FACS, CWSP

ABSTRACT

OBJECTIVE: Stage 3 and 4 pressure injuries (PIs) present an enormous societal burden with no clearly defined interventions for surgical reconstruction. The authors sought to assess, via literature review and a reflection/evaluation of their own clinical practice experience (where applicable), the current limitations to the surgical intervention of stage 3 or 4 PIs and propose an algorithm for surgical reconstruction.

METHODS: An interprofessional working group convened to review and assess the scientific literature and propose an algorithm for clinical practice. Data compiled from the literature and a comparison of institutional management were used to develop an algorithm for the surgical reconstruction of stage 3 and 4 PIs with adjunctive use of negative-pressure wound therapy and bioscaffolds.

RESULTS: Surgical reconstruction of PI has relatively high complication rates. The

INTRODUCTION

Pressure injuries (PIs) place a substantial burden on patients and the hospital systems that manage these complex wounds. In the US, there are roughly 2.5 million PIs per year, with approximately 30% occurring in long-term care facilities.¹ In 2019, PIs cost the US healthcare system an estimated \$26.8 billion with 59% of those costs being attributed to stage 3 and 4 PIs.² The incidence and severity of PIs are dependent on the site of care. For example, in the acute care setting, medical-surgical inpatient care units have the lowest overall PI prevalence (7.78%),

Myriad Ultra™/OviTex™ Reinforced Biologics: An evolution in abdominal wall reconstruction

Multiple layers of **ARO A ECM** are reinforced with interwoven polymers creating a cohesive device for abdominal wall reconstruction, characterized by:

Engineered channels
Enable fluid transmission & improves cell infiltration^{3,4}

Natural vascular channels support angioconduction¹

ARO A ECM Foundation
150+ ECM proteins known to be important in healing²

Unique Lockstitch pattern
Ripstop effect prevents unraveling if cut

Interwoven Polymer
Increases strength by 25%

Multi-layered design
Increases surface area for multi-directional cell migration^{3,4}

OviTex: US & EU (TELA Bio)
Myriad Ultra: Rest of World
ECM: Extracellular matrix

1. Irvine, S.M., et al. Quantification of in vitro and in vivo. Angiogenesis stimulated by ovine forestomach matrix biomaterial. Biomaterials. 2011; 32(27):6351-61. 2. Dempsey, S.G., et al. Functional Insights from the Proteomic Inventory of Ovine Forestomach Matrix. J Proteome Res, 2019; 18(4): p. 1657-1668. 3. Lun, S., et al. A functional extracellular matrix biomaterial derived from ovine forestomach. Biomaterials, 2010; 31(16): p. 4517-29. 4. Sizeland, K.H., et al. Collagen Fibril Response to Strain in Scaffolds from Ovine Forestomach for Tissue Engineering. ACS Biomater. Sci.Eng., 2017; 3(10): p. 2550-2558.

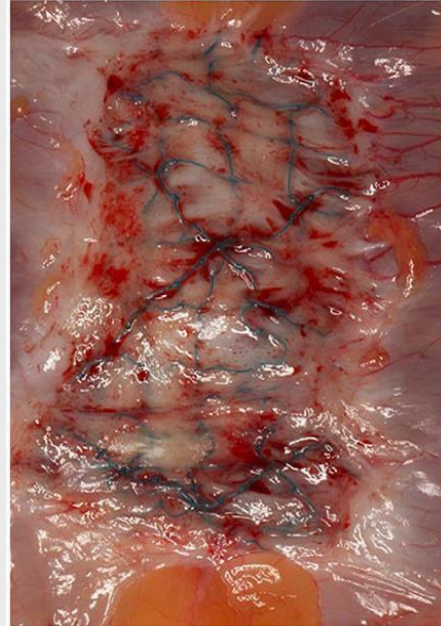


OviTex was well tolerated in a comparative non-human primate (NHP) Study¹

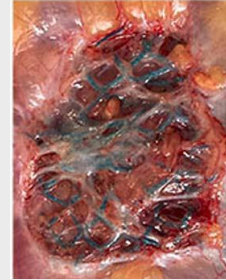
OviTex Resorbable



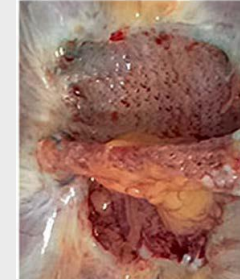
OviTex Permanent



Zenapro®



Phasix™



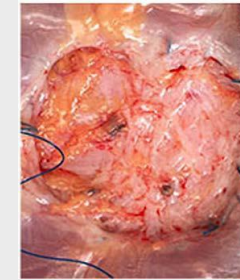
Ventralight™



Physiomesh®



SurgiMend®



Strattice™



- NHP is the leading pre-clinical model for evaluating immune response & tissue remodeling properties^{1,2,3}
- Studies conducted in 200 NHPs compared leading competitive products, both biologic and synthetic^{1,2,3}
- OviTex devices were shown to facilitate functional tissue formation and are well tolerated¹

1. Overbeck N, et al. In-vivo evaluation of a reinforced ovine biologic: a comparative study to available hernia mesh repair materials. *Hernia*. 2020 Dec;24(6):1293-1306. doi: 10.1007/s10029-019-02119-z. Epub 2020 Jan 31. Images licensed by article authors under [CC BY-ND 4.0](https://creativecommons.org/licenses/by-nd/4.0/)

2. Lombardi, J., Stec, E., Edwards, M. et al. Comparison of mechanical properties and host tissue response to OviTex™ and Strattice™ surgical meshes. *Hernia* (2023). <https://doi.org/10.1007/s10029-023-02769-0>

3. Ji H, Sukarto A, Deegan D, Fan F. Characterization of Inflammatory and Fibrotic Aspects of Tissue Remodeling of Acellular Dermal Matrix in a Nonhuman Primate Model. *Plast Reconstr Surg Glob Open*. 2021 Feb 16;9(2):e3420

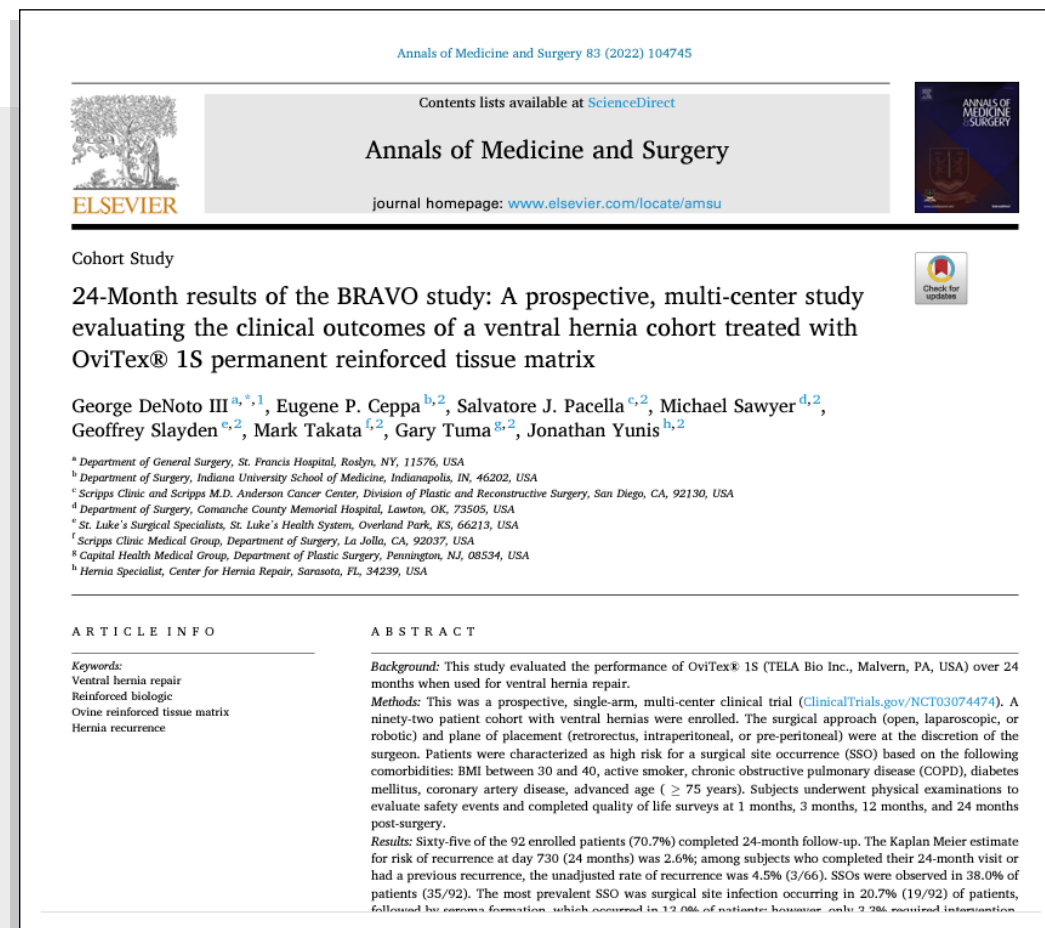
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BRAVO¹ study - 2-year results of OviTex 1S in ventral hernia repair



Key study takeaways:²

- OviTex 1S is safe to use in a broad spectrum of ventral hernia repair patients with various techniques
- **Low 2.6%** Kaplan Meier estimated **recurrence rate at 24 months**
- Ventral hernia repair with OviTex 1S results in statistically significant and clinically meaningful improvements in patients' self-reported quality of life



1. BRAVO: **B**ioscaffold **R**econstruction of **A**bdominal wall and **V**entral hernia defects with **O**pen or laparoscopic repair; 2. DeNoto, G et al. 24-Month results of the BRAVO study: A prospective, multi-center study evaluating the clinical outcomes of a ventral hernia cohort treated with OviTex 1S permanent reinforced tissue matrix. *Ann Med Surg (Lond)*. 2022 Sep 27;83:104745. doi: 10.1016/j.amsu.2022.104745.

How does my OviTex clinical experience to date compare?

- Total # of OviTex cases to date – **324**
- Follow-up range: 3 weeks – **66 months**
(Mean – 42 Months)
- SSI Rate – **18/214 (5.6%)**
- Recurrence Rate – **9/214 (2.8%)**

Hernia Type	# of Cases	% of Total Cases
Ventral	169	52%
Inguinal	61	19%
Hiatal	40	12%
Parastomal	48	15%
Bridged	6	2%

Summary – AROA's versatility & portfolio breadth offers clinicians a unique toolset for soft tissue repair & reconstruction

- > AROA's products **provide structure, biology, & undergo constructive remodeling** facilitating **functional tissue formation**
 - The **resistance to bacteria** means **AROA products can be applied in contaminated defects** without having to wait for a pristine wound environment
 - **Resilience & longevity** of AROA ECM to promote wound healing and closure

- > AROA has a **broad portfolio to addresses clinical need** in multiple: applications, sites of care & stages of healing

- > **Positive experience in multiple different applications & product usage**

- > AROA is **well placed to compete in surgical soft tissue repair** space

- > AROA is committed to improve patient outcomes



Q&A

Increasing Usage and Leveraging the Product Portfolio

Brad Adams

Vice President, Commercial Operations, North America



Navigating the US Market

- US Wound Market
 - Huge growth opportunity given US population demographics
 - Complexity of marketplace provides opportunities for companies offering access across the continuum of care
 - Multiple Business Channels for product distribution AND multiple Clinical Site-of-Care ('SOC') that have differing customer needs/opportunities & pain points
 - Driven by clinical & economic incentives
 - Marketplace complexities
 - Space in which we operate has multiple sites of care and multiple reimbursement models, and they've been in a constant state of flux over the last 10 years
 - Introduction of quality outcome metrics by SOC and challenge to find products that are cost effective
 - Medicare has recognized the need for effective transitions of care
 - Unique Reimbursement Models by SOC
 - Inpatient Hospital – products not separately reimbursed – i.e. part of a “bundled” payment
 - Outpatient Hospital – separately reimbursed and the methodologies for payment are constantly changing and complex
 - Physician/Provider Office
 - Alternate SOC's, particularly home-based

Current Market Trends, Behaviours, and Events

- Post Covid – significant cost pressures – threatening margins
- Focus on transitioning patients to lowest cost SOC
- CMS actively addressing confusion in outpatient cellular and/or tissue-based product ('CTP')¹ / 'Skin Substitute' reimbursement
- Fixing the incentives – Realization that reimbursement of CTPs needs to be addressed
 - Need a model where the financial incentives do not override clinical decisions

1. ASTM F3163-22 Jan;36(6): 996-1010.

SOC – Understanding the Pain Points

Hospitals



Formulary Requirements

**Myriad
Matrix™**

Soft Tissue Bioscaffold

**Myriad
Morcells™**

Morcellized Bioscaffold

**Myriad
Morcells Fine™**

Morcellized Bioscaffold

Nursing Homes/LTACHS



**Insurance Approval/Denial
Setting Challenges in Application
Pre and Post Care Challenges
Extended wait times to apply**

**Endoform™
Antimicrobial**

Restorative Bioscaffold

**Endoform™
Natural**

Restorative Bioscaffold

Symphony™

Proliferative Bioscaffold

Home Care



**Insurance Approval/Denial
Setting Challenges in Application
Product Delivery
Pre and Post Care Challenges
Extended wait times to apply**

**Endoform™
Antimicrobial**

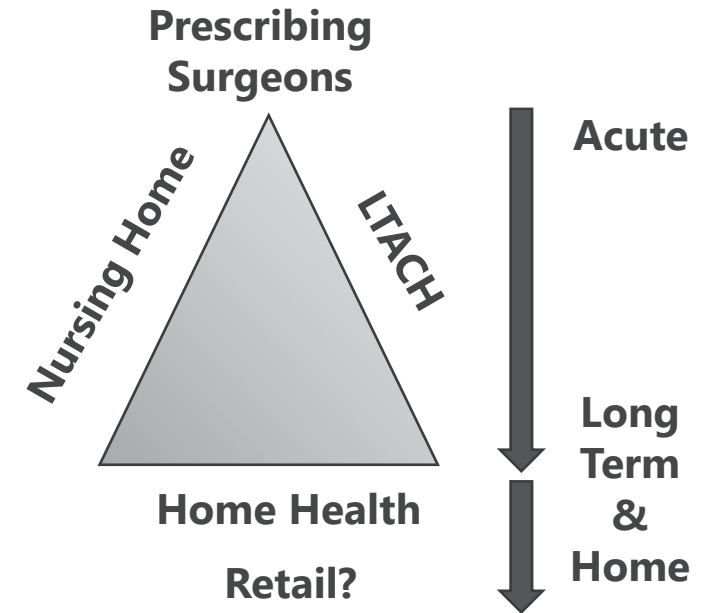
Restorative Bioscaffold

**Endoform™
Natural**

Restorative Bioscaffold

Capitalizing on this Environment

- Our Mission
 - Unlocking regenerative healing for every *body*
- Product Opportunity
 - AROA ECM™ technology available as a viable option in most SOC
 - Aggressive product line extensions to address specific needs by SOC
 - Specific messaging/targeting to lead to deeper penetration by surgeons, earlier and more often
 - Standard of Care → ***First-Line Therapy***
- Strategic Focus
 - Top-down sales model – establish clinical demand for AROA ECM technology with physicians in the inpatient model
 - Utilize product portfolio to “pull-through” AROA ECM in each SOC while address the unique clinical & economic environment of each SOC





Q&A

Aligning with GPO & IDN Macro Trends

Wes Snodgrass

Director of National Accounts



Key Trends in US Healthcare

- Workforce shortages, particularly nursing but across the board in key support positions
- Financial Pressures
 - Large number of not-for-profit US Health systems lost staggering amounts of money during and post pandemic
 - Patient volumes and procedures are trending towards pre-pandemic levels in many areas of the country
 - AROA's disruptive pricing model provides an advantage in this area
- The implementation of Artificial Intelligence into Healthcare
 - Product Development, Care Design, Waste Reduction, Supply Chain
- The ongoing development of a more resilient Supply Chain
 - Less dependence on China, return to on-shore or friendly nation production of key products, drugs, and pharmaceutical ingredients
 - Create and maintain national and system stockpiles of key products
- Ensure Healthcare Equity
 - The government and healthcare industry working to ensure that all Americans have access to affordable quality care
- More healthcare moving out of the hospital into outpatient and home settings along with telehealth for routine patient checkup and follow-up visits
- Consolidation expected to continue across healthcare
 - Providers, manufacturers, distributors and insurance providers.

US Contracted Positions – May 2023

Vizient

- Vizient is the largest healthcare performance improvement company in the US
 - Over 4000 hospitals, 97% of Academic Medical Centers, 20% of Ambulatory Care Sites
 - Member owned and based in Dallas TX with members across the country
- Full Line Agreement for Endoform™, Symphony™ and all Myriad™ Products through 7/25
- Multiple Vizient Systems utilizing AROA products

Ascension

- Ascension is the largest faith-based healthcare organization in the US
 - Owns 142 hospitals, 50 Senior Care Facilities, and over 2600 total sites of care
 - Privately held and headquarter in St. Louis, MO with facilities in 21 states
- Full Line Agreement for Endoform and Myriad Products through 6/24
 - Currently participating in the agreement renewal event for new 3-year term
- Ascension has been supportive of moving facilities to Myriad™ due to clinical effectiveness and cost savings
- Growth into additional Ascension markets is a key objective for 2024

US Contracted Positions – April 2023

HealthTrust Purchasing Group

- HealthTrust is the largest “For Profit” Group Purchasing Organization ('GPO') in the US
 - Owned by Hospital Corporation of America ('HCA'), Tenet Healthcare ('Tenet'), and 6 other healthcare systems
 - Serves over 1800 hospitals and 57,000 non-acute care sites in the US and the United Kingdom
- Full Line Agreement for Myriad, Symphony and Endoform Products through 7/25
- HCA has been key driver of success
- Interesting to note that HCA and Tenet were among the few US healthcare systems to show a profit in 2023

US Contracted Positions – April 2023

Premier

- Premier is the second largest healthcare improvement GPO in the US
 - Over 4000 hospitals are members of Premier as well roughly 250,000 sites of care
 - Premier has created one of the largest data bases of clinical and care performance metrics in the industry
- Myriad, Symphony, Endoform added to Premier agreement mid-term on 3/1/23
 - New Myriad sizes and all Endoform SKUs added effective 4/1/23
 - Mid-term contract addition through 3/24 and in process for next contract cycle
- Capstone Health Alliance is a large Premier Regional GPO and will remain its own GPO agreement

US Contracted Positions

Federal Government

- Currently Full Line Agreement for Endoform and initial Myriad Product on AROA's stand-alone Federal Supply Schedule ('FSS')
- Marathon Medical
 - Denver based (Service-Disabled Veteran Owned Small Business) distributor covering the US
 - All Myriad, Symphony and Endoform products on Marathon FSS



Q&A

5 Minute Session Break

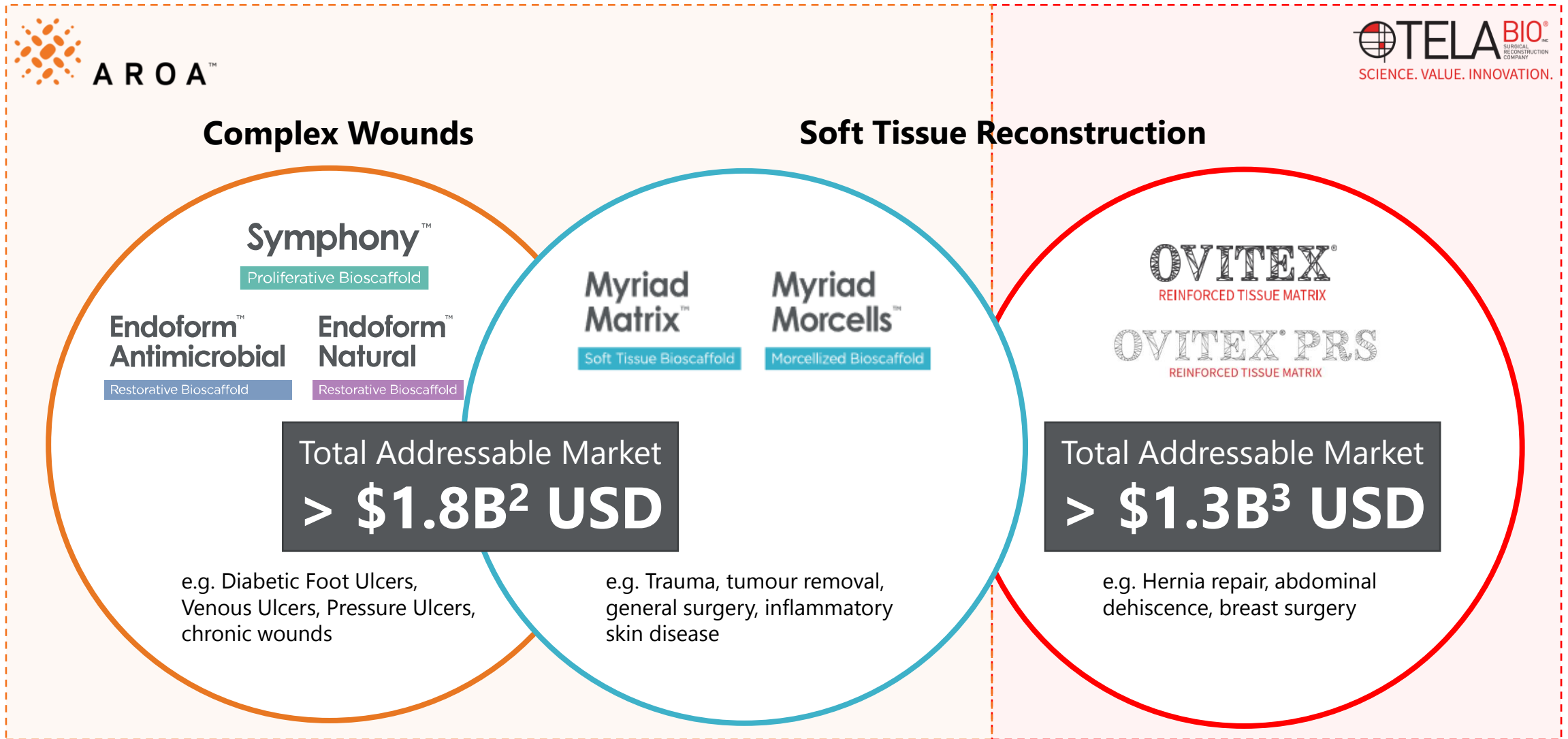
Myriad and Symphony Market Dynamics

Brian Ward

Chief Executive Officer

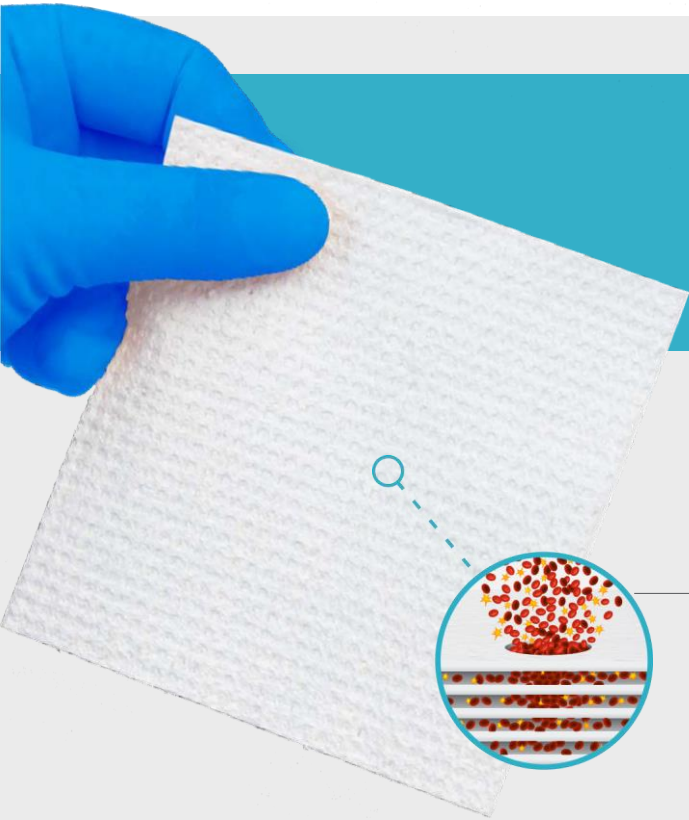


Substantial Growth Opportunities > US\$3B¹ TAM



1. Estimate based on Idata, Soft Tissue Repair Market 2022; DRG Millennium Research data, Hernia Repair Devices, 2020; AROA management estimates; DRG Millennium Research, Breast Implants & Reconstructive devices, 2018.
2. Estimate based on Idata, Soft Tissue Repair Market 2022; AROA management estimates.
3. Estimate based on DRG Millennium Research data, Hernia Repair Devices, 2020; DRG Millennium Research, Breast Implants & Reconstructive devices, 2018. OviTex and TELA Bio are trademarks of TELA Bio, Inc.

Myriad: acute surgical soft tissue repair



Myriad Matrix™

Contains 2-, 3- or 5-layers of AROA ECM

For **soft tissue repair**, **reinforcement** or **complex wounds**

Myriad Morcells™

Morcellized Myriad

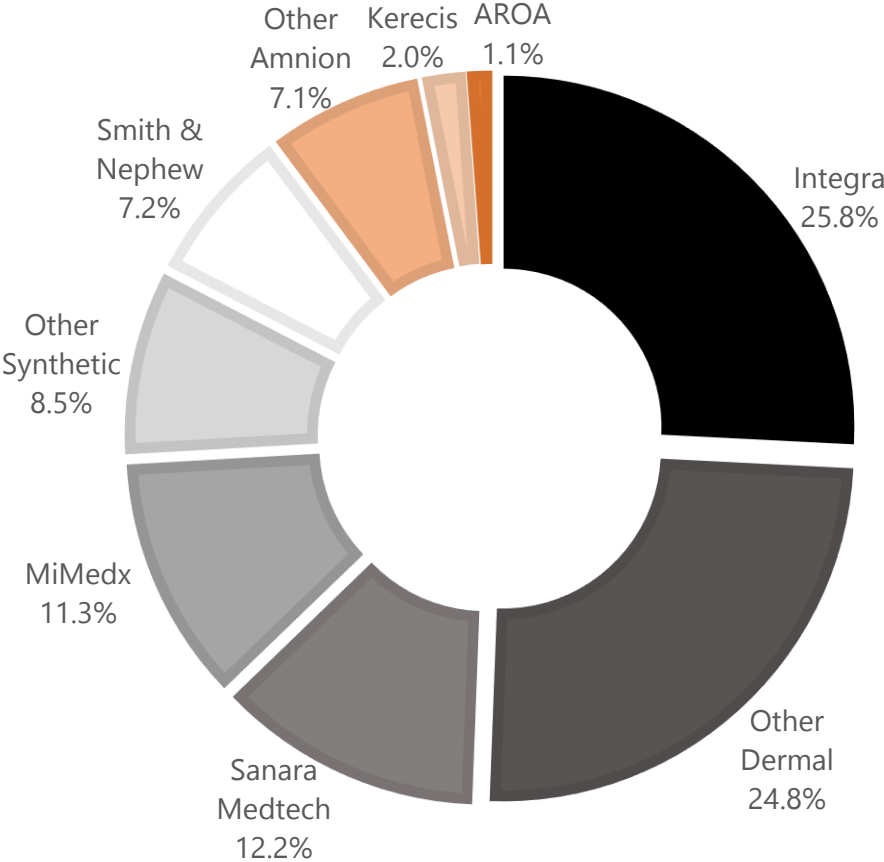
For **management of acute and chronic wounds**



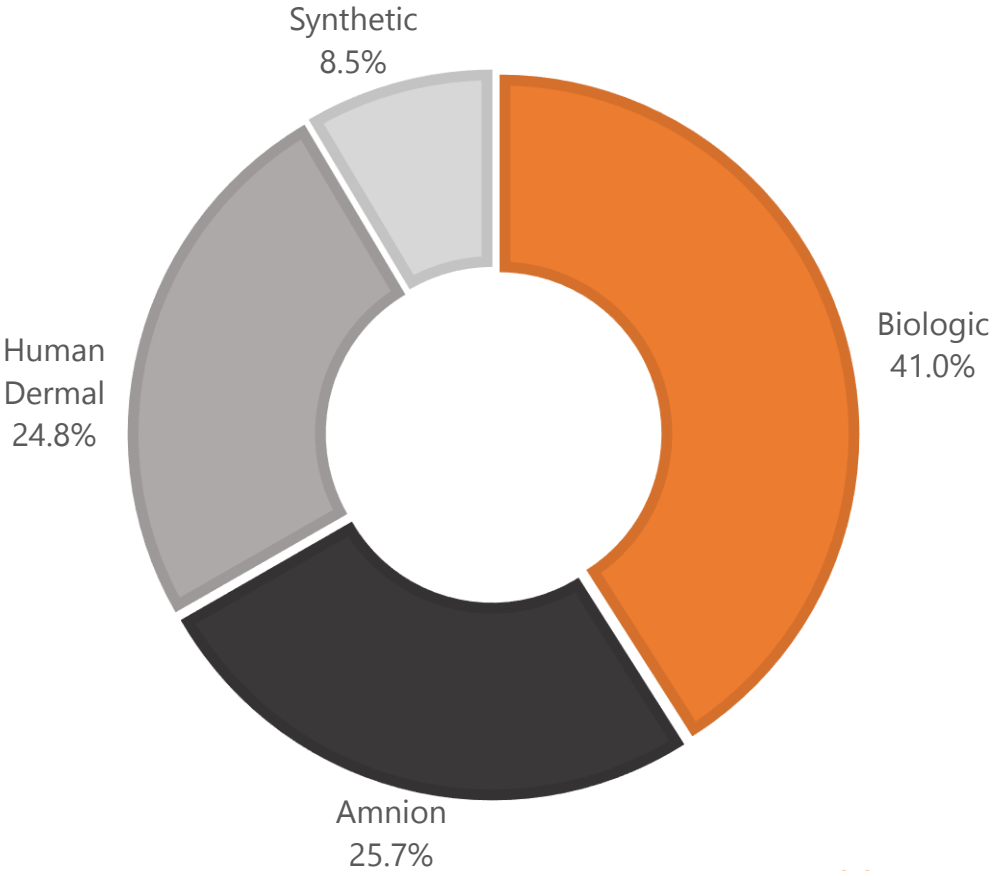
Myriad Market Dynamics

TAM ~US\$740M¹

Market share by company



Market share by technology



1. Management's estimate based on 2022 market sales data (Idata, Soft Tissue Repair Market 2022).

Myriad – market potential

Procedure Type	Relevant US Procedures ¹	TAM ² (US\$M)	SAM ³ (US\$M) @50%	SOM ⁴ (US\$M) @30%
Trauma	86,783	300	150	45
Lower Limb Ulcers (Inpatient)	179,206	224	112	34
Burns	44,802	113	56	17
Pressure ulcers	14,071	63	32	9
Maxillofacial Reconstruction	25,609	32	16	5
Necrotising Soft Tissue Infections	7,549	26	13	4
Abdominal Dehiscence	6,870	24	12	4
Scar revisions	21,091	16	8	2
Compartment Syndrome	4,191	12	6	2
Myomectomy	12,264	9	5	1
Hidradenitis Suppurativa	1,983	5	3	1
Anal Fistula	6,759	5	3	1
ENT Reconstructions	3,250	4	2	1
Aortobifemoral/fem pop Bypass	5,141	4	2	1
Total		875	438	131

1. Management's estimates based on 3rd party data of the annual number of US procedures (by procedure type) requiring hospitalisation and where a 'biologic' product may be used.
2. Management's estimate reflects the annual number of relevant US procedure (by procedure type) multiplied by the estimated ASP and number of applications.
3. Serviceable Addressable Market; Management's estimate of the portion of the TAM potentially serviceable by a sales force with full US geographic coverage.
4. Serviceable Obtainable Market; Management's estimate of reasonable market share at maturity.

Symphony: chronic complex wounds

Symphony:

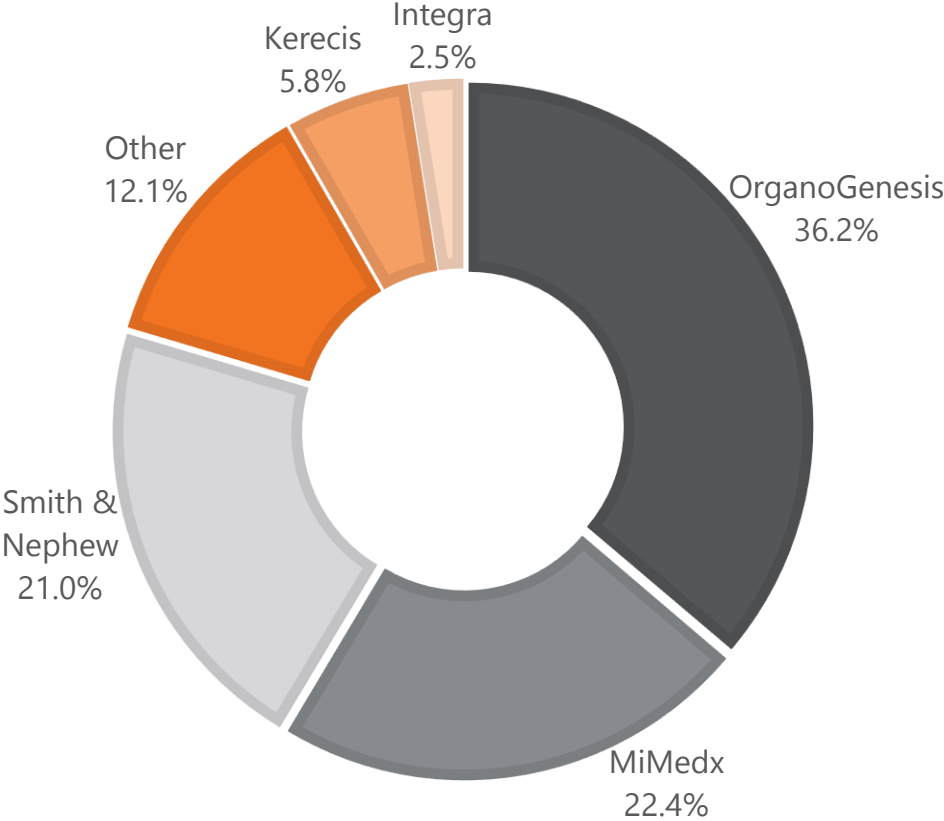
First Advanced Regenerative
ECM combined with
Hyaluronic Acid



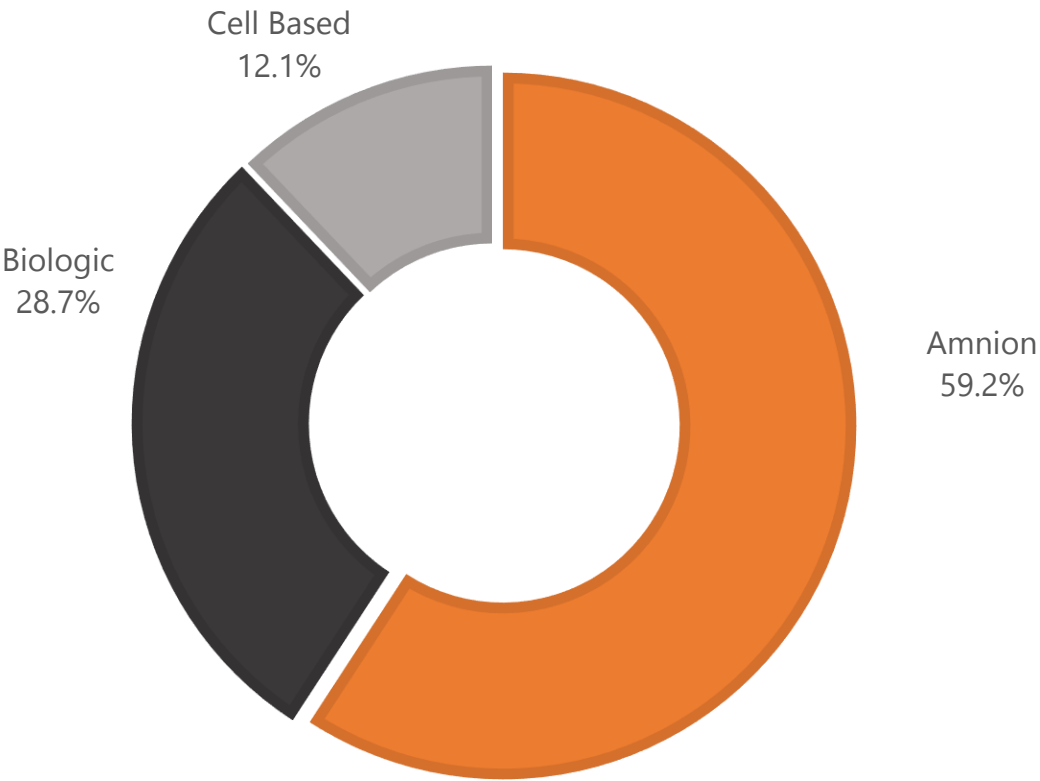
Symphony Market Dynamics

TAM ~US\$1B¹

Market share by company



Market share by technology



1. Management's estimate based on 2022 market sales data (Idata, Soft Tissue Repair Market 2022).

Symphony – market potential

Procedure Type	Relevant US Procedures ¹	TAM ² (US\$M)	SAM ³ (US\$M) @50%	SOM ⁴ (US\$M) @30%
Diabetic Foot Ulcers (Outpatient)	67,863	433	217	65
Venous Leg Ulcers	65,024	415	207	62
Pressure ulcers	7,391	47	24	7
Total		895	448	134

1. Management's estimates based on 3rd party data of the annual number of US procedures (by procedure type) requiring hospitalisation and where a 'biologic' product may be used.
2. Management's estimate reflects the annual number of relevant US procedure (by procedure type) multiplied by the estimated ASP and number of applications.
3. Serviceable Addressable Market; Management's estimate of the portion of the TAM potentially serviceable by a sales force with full US geographic coverage.
4. Serviceable Obtainable Market; Management's estimate of reasonable market share at maturity.



Q&A

Symphony: Launching into a Changing Landscape

Mike Linnell

Global Product Manager



Symphony™

Proliferative Bioscaffold

Facilitates regeneration of functional tissue in complex wounds¹

Advanced combination cellular and tissue product (CTP*), comprising AROA ECM and hyaluronic acid²

AROA ECM

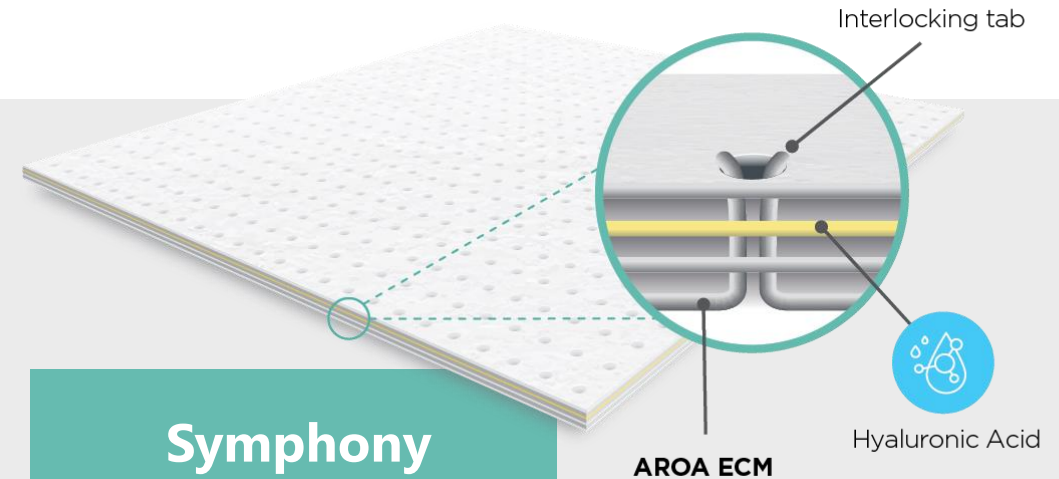


Hyaluronic Acid



Symphony

Symphony's key components act synergistically to help drive wound closure³

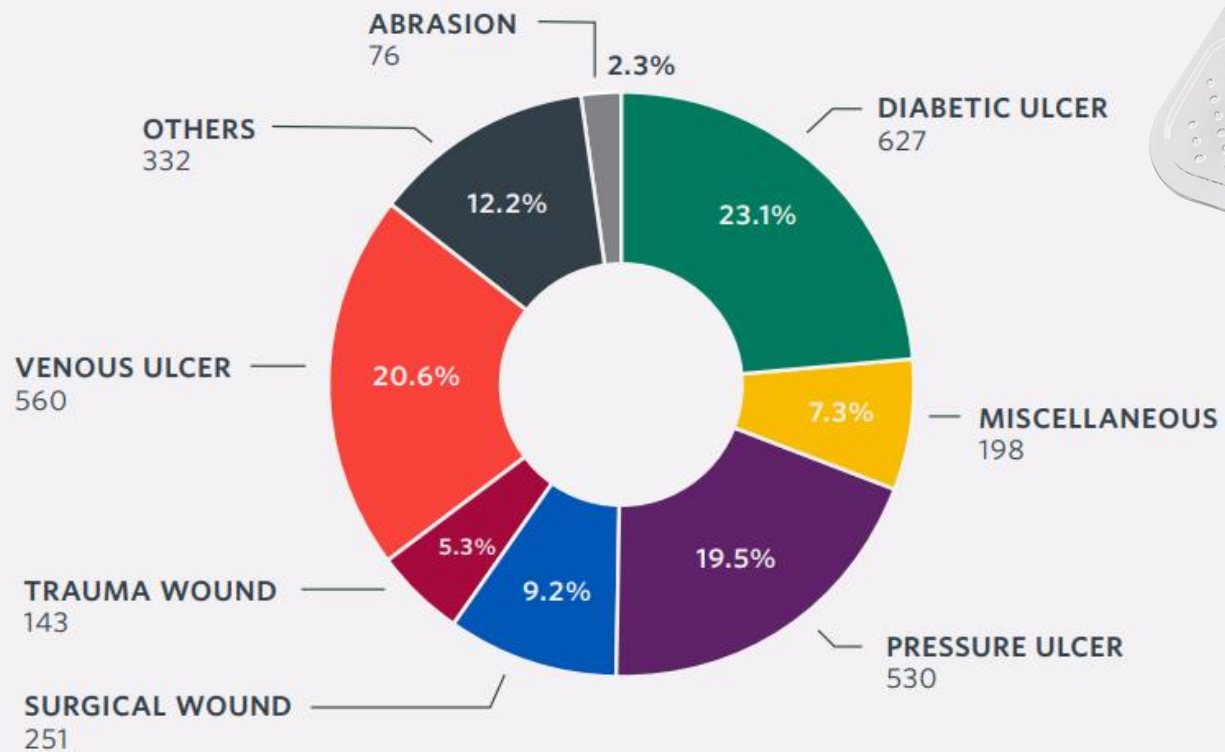


*ASTM F3163-22
Jan;36(6): 996-1010.

1. Overbeck N. et al. Hernia. 2020 Dec;24(6):1293-1306. 2. Symphony Instruction for Use (IFU). 3. Smith MJ, et al. Journal of Biomaterials Applications. 2022

CTP usage by Wound Type

WOUNDS BY ETIOLOGY AND VOLUME



Source: NetHealth (Tissue Analytics) Outpatient data

Significant Shifts in CTP Landscape



- **Favorable reimbursement may supersede clinical outcomes in this space**
 - Proof of reimbursement is often necessary before clinicians will onboard
- **Disruptive US reimbursement landscape with large-scale changes proposed for CY24. These include:**
 - moving to site-neutral fixed payment
 - incentives to favor products with high efficacy at a reasonable price
 - fewer applications during an episode of care (8-12→4)

- **Currently:**
 - Further public consultation
 - LCD overhauls involving multiple Medicare Administrative Contractors ('MAC')
 - OIG pressure on CMS
 - Mandatory ASP reporting
- **Recovery Audit Committee Audits:**
 - All points of service
 - 3-year potential recoup

Amniotic Segment Under Additional Pressures



- Regulatory Compliance
 - FDA investigations and warnings letters around “Minimal Manipulation and Homologous Use”
 - Preserving structure, integrity and biology of the tissue
 - Product must perform the same basic function/s in the recipient as in the donor
 - Stringent tissue tracking and/or storage requirements
- Reimbursement, Coding & Coverage
 - CMS requesting confirmation of being ‘appropriately marketed for distribution’ by the FDA.
 - Likely significant pricing reductions due to ASP reporting requirements
 - Potential bundled payments will favour more cost-effective products
 - More class-action lawsuits around pricing and profit manipulation?

Culminates in considerable risk and pressure on the largest value segment in the CTP market (~60%)

Source: Regulatory Considerations for Human Cells, Tissues, and Cellular and Tissue-Based Products: Minimal Manipulation and Homologous Use Guidance for Industry and Food and Drug

Landscape Changes = New Opportunities



Opportunities:

- Symphony established high-cost bucket (pricing reimbursement)
- Early clinical feedback shows effective healing & persistence → conducive for fewer applications
- Opportunities for well-priced products (especially with proposed capitated payments)
- Large competitors under pressure

Symphony now covered in 6 of 7 MACs, as well as contracted with several major GPO's and the US DoD

- **Covered (LCD)**
 - First Coast
 - Novitas
- **Covered (Medical Necessity)**
 - Noridian
 - NGS
 - WPS
 - Palmetto
- **Not Covered (we have submitted an application)**
 - CGS

Currently testing reimbursement with MACs through processing actual Symphony claims

Medicare Administrative Contractors



Developing a comprehensive & bespoke support offering - fundamental for customer experience & CTP utilization

Symphony's support pathway

Coding Set Up Support

- Coding set up in-service
- Formulary support

Concierge Support

- Insurance verification and preauthorization support.
- Coding and Billing in-services

Claims Support (post claim)

- Claim reviews
- Appeal support
- Live 1:1 customer service



Symphony™

Symphony Application in Chronic Stage IV Pressure Injury of Heel

Alpash K. Patel, DPM

Podiatric Surgeon – Oak Bend Medical Center, Richmond, TX

Kindred Sugar Land Hospital, Sugar Land, TX



Symphony Application in Stage IV Chronic Pressure Injury of Heel

Alpash K. Patel, DPM. Podiatric Surgery, Kindred Sugar Land Hospital, Sugar Land, TX

Redacted – graphic images

Dr. Patel has a consultancy agreement with AROA.



Q&A

Enivo: What's the Opportunity ?

Isaac Mason

Vice President Product Development



The Problem - High Cost of Surgical Complications

Surgical Sites	Complications	Site Specific Challenge
Mastectomy	Non-infectious wound complication ('NIWC') rate of 13.4% - 15.2% in flap and implant reconstructions ¹ , with 10.3% ¹ incidence of surgical site infections ('SSIs') in immediate reconstructions.	High level of wound exudate
Caesarean	1.9% to 7.6% incidence ² of dehiscence following caesarean section.	High movement / shear force
Other Laparotomy (Colorectal, Hysterectomy)	13% - 30% re-operation ³ rate for patients with superficial, deep and organ space SSIs.	Contamination

¹ Fraser, V. J., et al. (2016). The epidemiology and outcomes of breast cancer surgery. *Transactions of the American Clinical and Climatological Association*, 127, 46.

² Ousey, K., et al. (2018). Surgical wound dehiscence: improving prevention and outcomes.

³ Mahdi, H., et al. (2014). Predictors of surgical site infection in women undergoing hysterectomy for benign gynecologic disease: a multicenter analysis using the national surgical quality improvement program data. *Journal of minimally invasive gynecology*, 21(5), 901-909.

Enivo¹

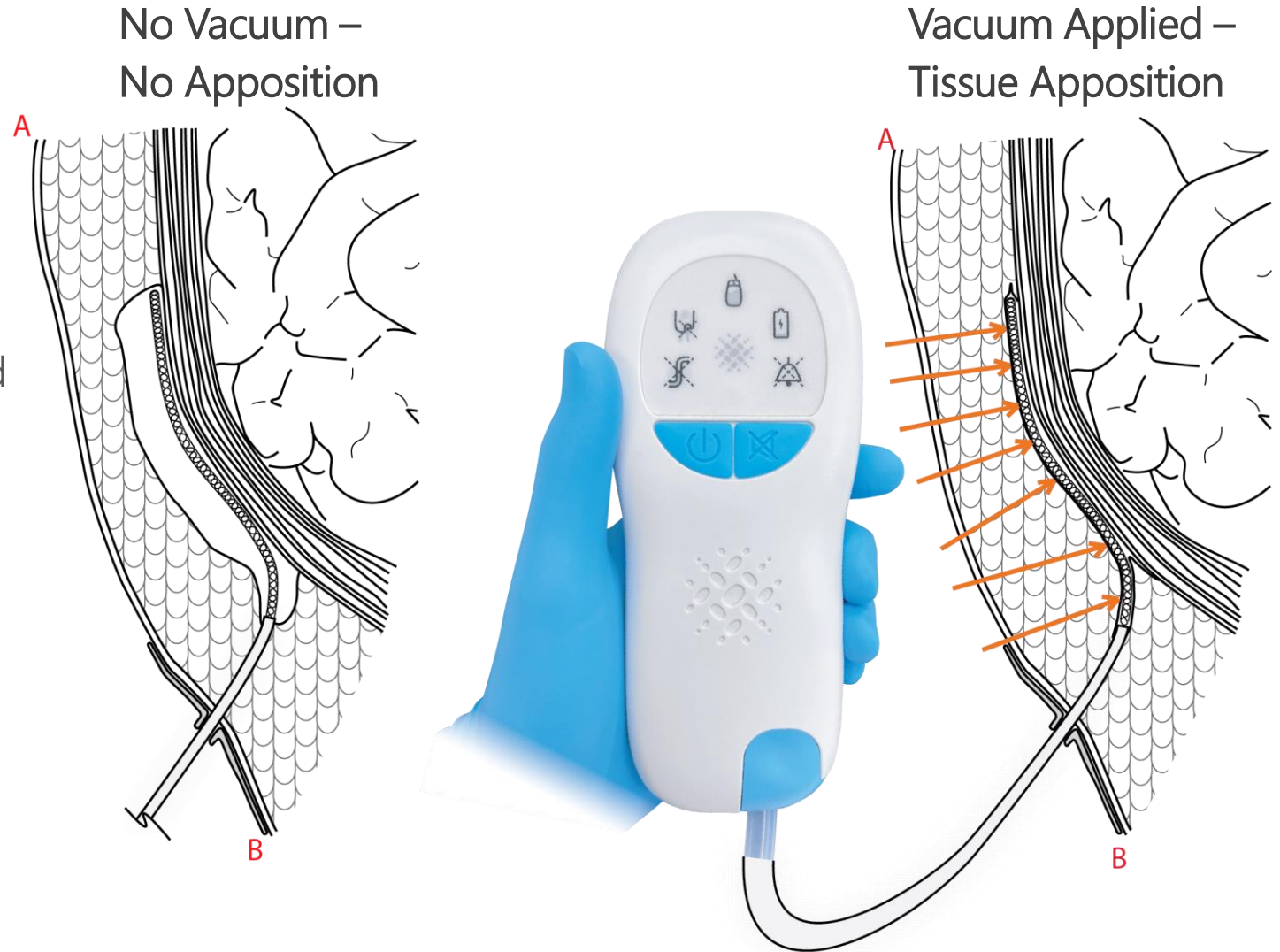


1. New product platform, not yet cleared for sale.

How Does it Work? – Pulsed Air Closure Technology (PACT™)

Preclinical Snapshot¹

- Use of Enivo resulted in near complete dead space closure at the conclusion of treatment (14 days), with a median seroma area of 2% and volume of near 1.3mL, compared to an area of 98% and volume of 188.5mL for the Standard of Care treatment.
- All nine (100%) cases were successfully treated with the Enivo system, with approximately three times more fluid removed using Enivo vs Standard of Care.



¹ Mason, I. T., et al. (2022). Evaluation of Tissue Apposition and Seroma Prevention in an Ovine Model of Surgical Dead Space Using a Novel Air-Purged Vacuum Closure System. *Eplasty*, 22. <https://www.hmpgloballearningnetwork.com/site/eplasty/original-research/evaluation-tissue-apposition-and-seroma-prevention-ovine-model>

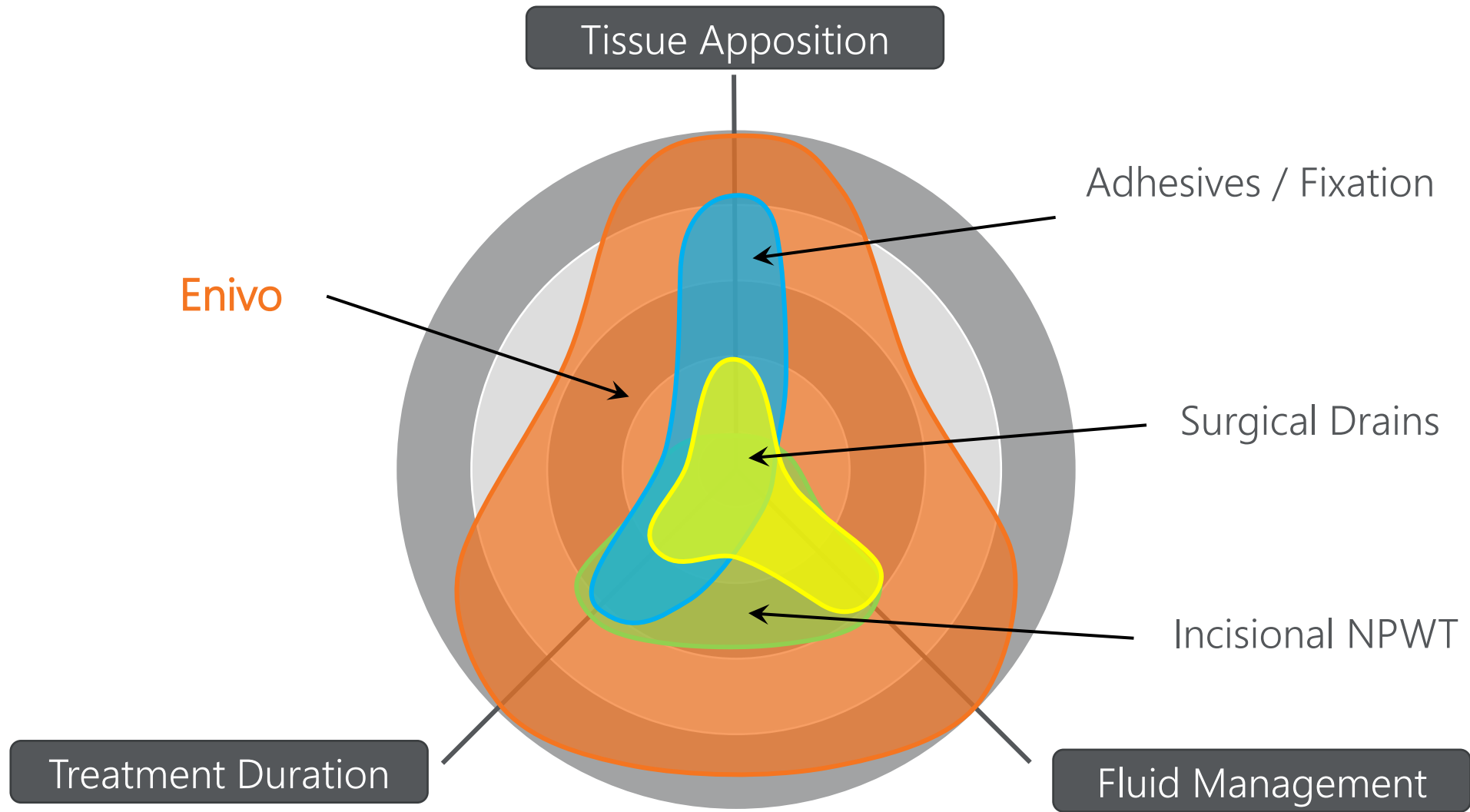
Significant Market Opportunity

>US
\$1.0B TAM¹

Clinical Speciality	US TAM (USD) ¹	Primary Use Cases	Addressable Procedures (PA) ¹
General	\$245m	Open Colorectal	~215,000
		Mastectomy	
Plastics & Reconstructive	\$285m	Reconstruction / Trauma	~190,000
		Panniculectomy	
Orthopaedics	\$275m	Spinal Decompression / Fusion	~220,000
		Hip Revision	
Obstetrics & Gynecology	\$200m	Caesarean	~195,000
		Open Hysterectomy	

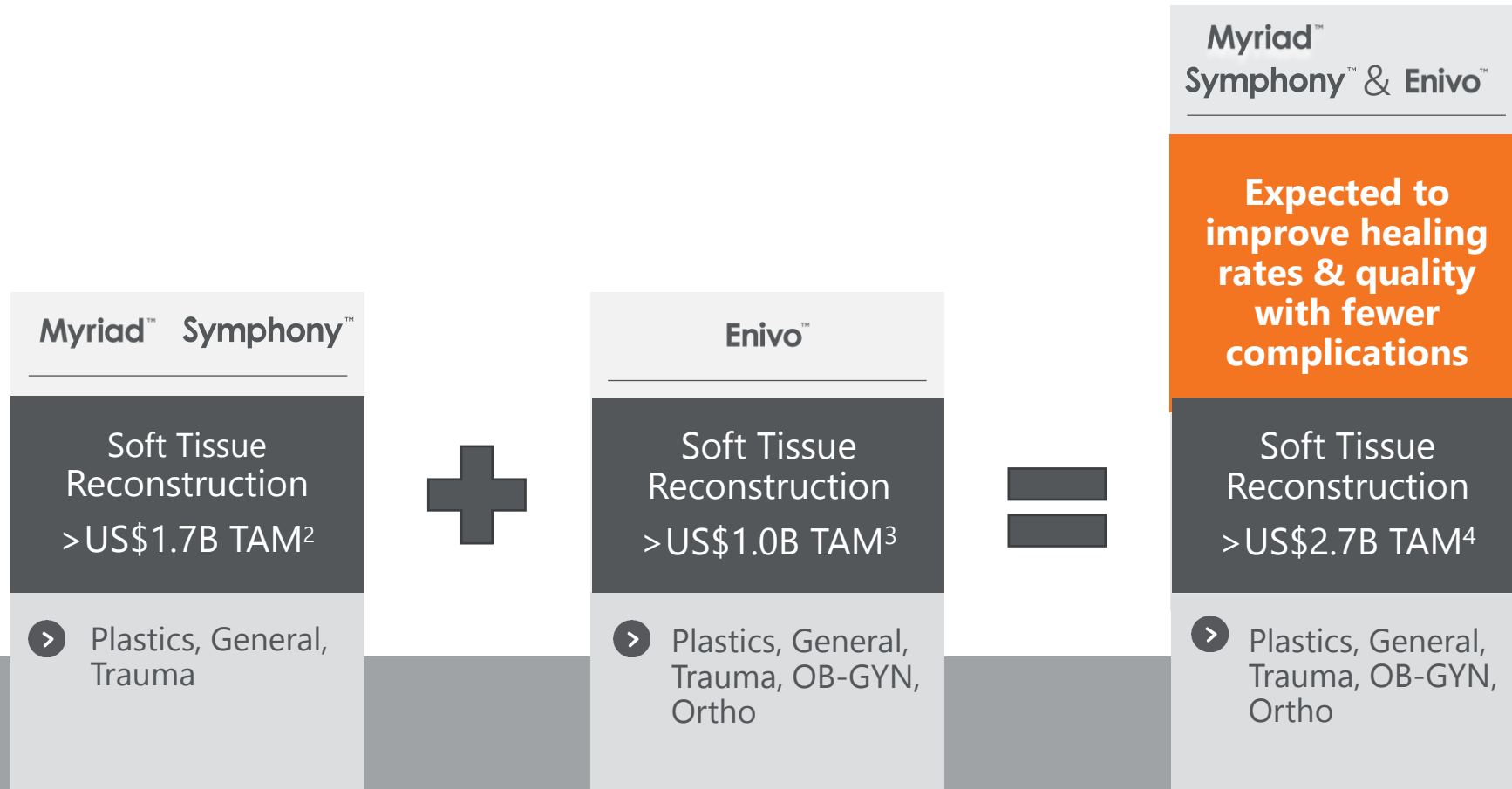
1. AROA management estimates.

Competitor Landscape¹ – Key Product Characteristics



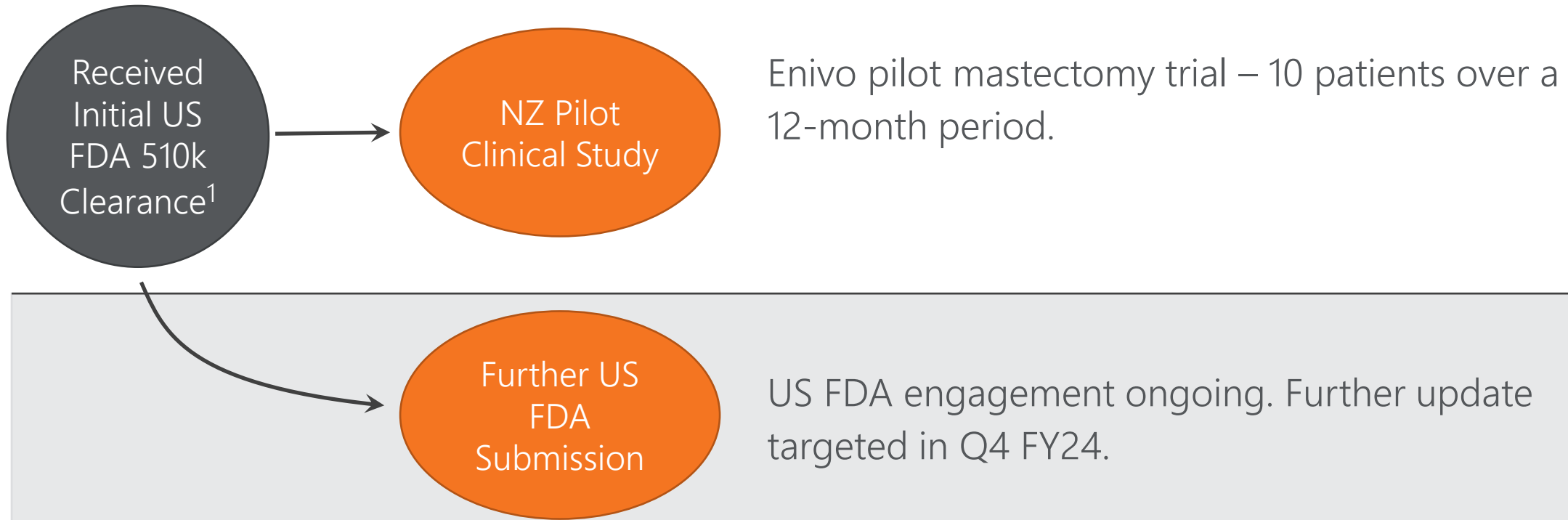
1. This slide represents Management's proposed strategy and opinion.

Step change in soft tissue reconstruction¹



1. This slide represents Management's proposed strategy and opinion.
2. Management's estimate based on 2022 market sales data (ldata, Soft Tissue Repair Market 2022).
3. AROA management estimates.
4. SmartTRAK BiomedGPS data 2020. AROA management estimates.

Next steps



1. US regulatory clearance received to date only for certain components of the Enivo system.



Q&A



Open Q&A

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