

A photograph of three surgeons in an operating room, wearing blue scrubs, masks, and surgical caps. They are focused on a patient lying on the table, illuminated by bright overhead lights. The scene is a professional medical environment.

# AROA BIOSURGERY (ARX) MARCH QUARTERLY (Q4 FY24) REPORT

Unlocking regenerative healing for everybody



# Important Notice and Disclaimer

This presentation (**Presentation**) is dated 30 April 2024 and has been prepared by Aroa Biosurgery Ltd, New Zealand company number 1980577, ARBN 638 867 473 (**AROA** or the Company).

## Information in this Presentation

The information in this Presentation is of a general background nature, is in summary form and does not purport to be complete. This Presentation has been prepared in conjunction with an oral presentation and should not be taken out of context. 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. Products shown may not be available in your region. The content of this Presentation is provided as at the date of this Presentation (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 Presentation whether as a result of any new information, future events, changed circumstances or otherwise.

## Not a prospectus or an offer of securities

This Presentation is not a prospectus or any other offering document under Australian law (or under the law of any other jurisdiction in which an offer of securities may be received). Nothing in this Presentation should be construed as an invitation, offer or recommendation of securities in AROA (or any of its subsidiaries) for subscription, purchase or sale in any jurisdiction. Potential investors should read this presentation in conjunction with AROA's other periodic and continuous disclosure announcements lodged with ASX and should rely solely on their own judgement, review and analysis when making an investment decision about AROA.

## Future performance

Past performance information in this Presentation is given for illustrative purposes only and should not be relied upon as an indication of future performance. The Presentation 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, as are outlook, milestones and catalysts sections. 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 Presentation are inherently uncertain and susceptible to changes in circumstances. Opinions 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, market data reflects estimates only and investors are cautioned against placing undue reliance on it. Market data also includes data prepared before the onset of COVID-19. Whilst the Company has no reason to believe that the markets to which that data relates will not return to the operating levels experienced before COVID-19, the impact of COVID-19 (if any) on such data is not possible to currently predict with any certainty.

## IP notice

AROA, Aroa Biosurgery, AROA ECM, Endoform, Myriad, Myriad Matrix, Morcells, Myriad Morcells, Myriad Ultra, Myriad Flow, Symphony and Enivo are trademarks of Aroa Biosurgery Limited. All other trademarks are properties of their respective owners. ©2023 Aroa Biosurgery Limited



# AROA at a Glance

Well established high-growth soft tissue regeneration company



## Four product families

predominantly sold to US hospitals



## AROA ECM™ platform

for new products, line extensions & enables AROA's tissue apposition platform



## > US\$3B<sup>1</sup> TAM

for existing products



## US Direct (AROA) & Commercial partner (TELA Bio™) sales



## 6 million+

AROA products applied in treating patients



## > 71

Peer Reviewed Publications



## Regulatory Approvals

in 50 countries



## Enivo™ Tissue Apposition Platform



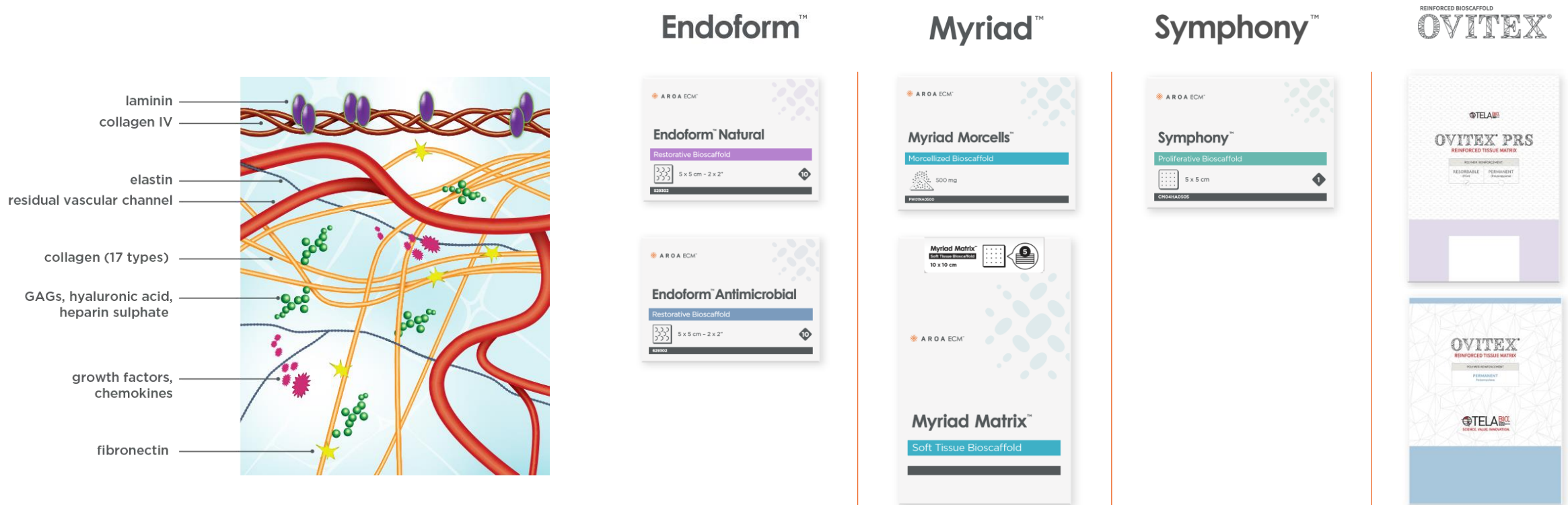
## ~ 270

personnel<sup>2</sup>

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. AROA NZ & North American employees.

# AROA ECM – Structure & Biology for Regenerative Healing

Unique Extracellular Matrix (ECM) derived from ovine forestomach with proven tissue regeneration properties across multiple products<sup>1-6</sup>



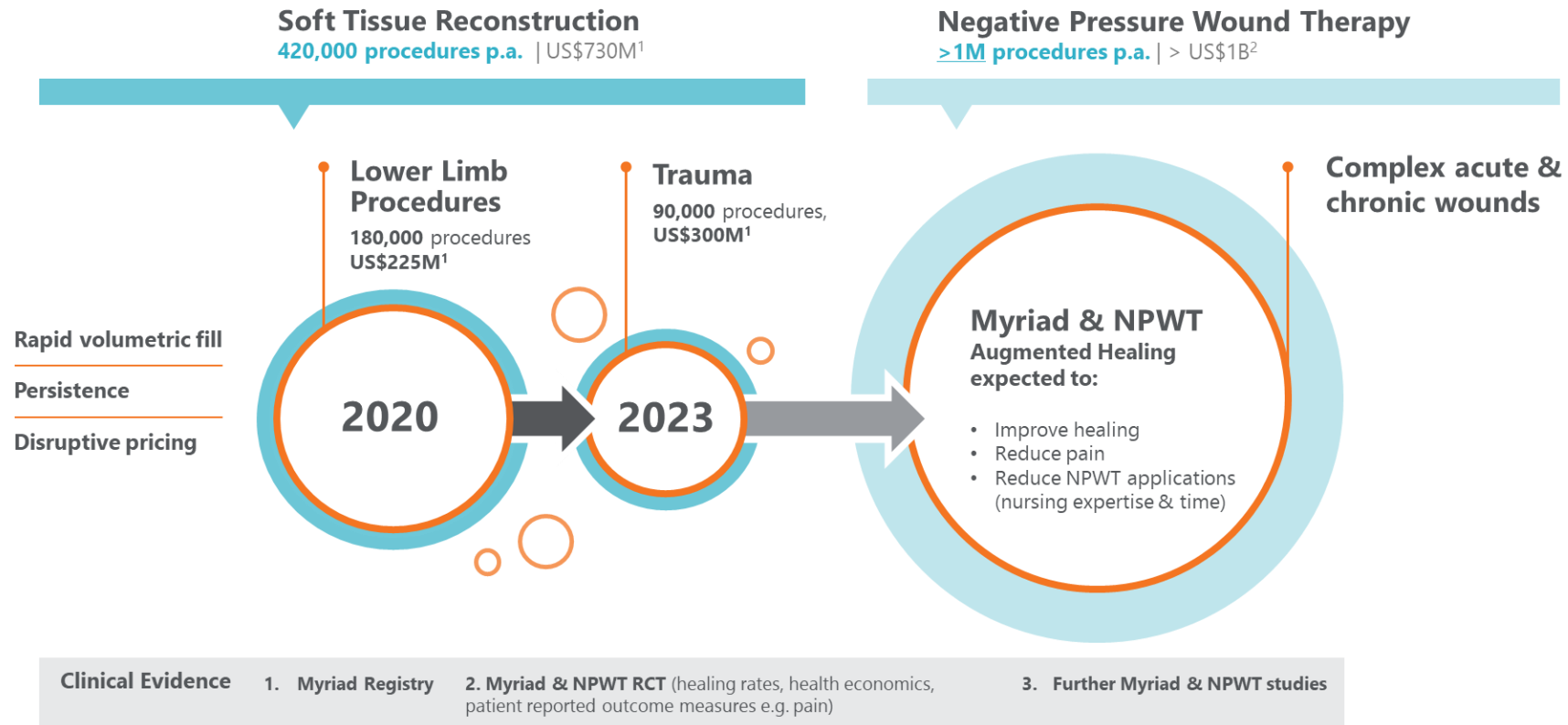
1. Irvine, S. M., et al. (2011). "Quantification of in vitro and in vivo angiogenesis stimulated by ovine forestomach matrix biomaterial." *Biomaterials* 32(27): 6351-6361. 2. Bohn, G. A. and A. E. Chaffin (2020). "Extracellular matrix graft for reconstruction over exposed structures: a pilot case series." *J Wound Care* 29(12): 742-749. <https://www.magonlinelibrary.com/doi/full/10.12968/jowc.2020.29.12.74217>. 3. Parker, M. J., R. C. Kim, M. Barrio, J. Socas, L. R. Reed, A. Nakeeb, M. G. House and E. P. Ceppa (2020). "A novel biosynthetic scaffold mesh reinforcement affords the lowest hernia recurrence in the highest-risk patients." *Surg Endosc* 35(9): 5173-5178. 4. 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>. 5. Chaffin, A. E. and M. C. Buckley (2020). "Extracellular matrix graft for the surgical management of Hurley stage III hidradenitis suppurativa: a pilot case series." *J Wound Care* 29(11): 624-630. <https://www.magonlinelibrary.com/doi/full/10.12968/jowc.2020.29.11.624>. 6. Desvigne, M. N., K. Bauer, K. Holfield, K. Day, D. Gilmore and A. L. Wardman (2020). "Case Report: Surgical Closure of Chronic Soft Tissue Defects Using Extracellular Matrix Graft Augmented Tissue Flaps." *Frontiers in Surgery* 7(173). <https://www.frontiersin.org/articles/10.3389/fsurg.2020.559450/full>

## Q4 Financial highlights

- ✓ **Strong cash receipts from customers** of NZ\$18.0 million, reflecting a continuation of the prior quarter's step-up in Myriad™ and OviTex™/OviTex PRS sales.
- ✓ **Positive net cash inflows from operations** of NZ\$0.3 million, exceeding Q4 breakeven expectations.
- ✓ Net cash outflows from investing activities reduced to NZ\$0.7 million, reflecting continued planned investment into additional manufacturing plant & equipment capacity with completion expected by Q3 FY25.
- ✓ The Company achieved a **71% reduction in quarterly cash burn to ~NZ\$1 million**, ending the year with a strong closing cash balance of NZ\$29.5 million.

# AROA Sales

- ✓ Continuing expansion in Myriad sales access during the quarter, with Myriad active accounts increasing from 205 to 218 during the quarter.



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. Estimate reflects the annual number of relevant US procedures (by procedure type) multiplied by the estimated ASP and number of applications.

2. Management's estimates of annual procedures based on 3rd party source for disposable sales data (data- US Negative Pressure Wound Therapy 2022 MedCore Report) multiplied by the estimated Myriad ASP

# TELA Bio Sales

- ✓ Strong CY23 OviTex™ PRS and OviTex sales, with TELA Bio, Inc. ('TELA Bio') reporting CY23 revenue of US\$58.5 million (41% pcp growth) and providing CY24 revenue guidance of US\$74-76 million (27-30% pcp growth).<sup>1</sup>
- ✓ Product shipments to TELA Bio continue to re-align with its sales trajectory (following a reduction in shipments during H1 FY24) with H2 FY24 cash receipts from TELA Bio increasing 20% compared to H1 FY24.
- ✓ US launch of OviTex IHR, a new AROA ECM™ product specifically designed for use in laparoscopic & robotic-assisted inguinal hernia repair and co-developed with TELA Bio under the parties' existing license arrangement.

1. TELA Bio press release dated 21 March 2024.

# Clinical Evidence

- ✓ Enrolments completed for two clinical studies; the pilot study assessing Enivo™, AROA's new tissue apposition platform technology, and the Myriad Augmented Soft Tissue Regeneration Registry ('MASTRR') AROA expects to commence publishing study results from Q3 FY25.
- ✓ AROA's Symphony™ randomised control trial continues to progress well, with a total of 90 patients enrolled by the end of the quarter (n=120).
- ✓ A peer-reviewed publication of three case reports indicates that Myriad Matrix™ and Myriad Morcells™ may complement existing negative pressure wound therapy ('NPWT') protocols, reduce the frequency of dressing changes associated with NPWT usage in abdominal soft tissue defects and decrease the overall healing time of complex abdominal defects.<sup>1</sup>

1. Taarea, R., A. Florence, B. Bendixen and C. A. Castater (2024). "Early Experience with Ovine Forestomach Matrix for the Reconstruction of Abdominal Defects following Emergency Open Abdomen Surgery at a Level 2 Trauma Center." Trauma Cases Rev 10(1): 102..





# Q&A

# CONTACT

**James Agnew**

m +64 21 744 915

[investor@aroa.com](mailto:investor@aroa.com)

Visit our website [www.aroa.com](http://www.aroa.com) and find us on LinkedIn at [www.linkedin.com/company/aroa-biosurgery-limited/](http://www.linkedin.com/company/aroa-biosurgery-limited/)

---

64 Richard Pearse Drive,  
Auckland 2022, New Zealand

PO Box 107111, Auckland Airport, Auckland 2150,  
New Zealand

Unlocking regenerative healing for *everybody*

