

The image shows the exterior of a modern building with a light-colored, metallic-looking facade. A central vertical section features a large glass entrance. Above the entrance, the AROA logo (a cluster of orange dots) and the word "AROA" are displayed. A smaller sign below the entrance reads "Aroa Biosurgery Richard Pearce Drive". Overlaid on the image is the text "Aroa Biosurgery AGM AUGUST 2022" in large white letters, and "CEO'S REPORT" in smaller white letters at the bottom center.

Aroa Biosurgery AGM AUGUST 2022

CEO'S REPORT

Unlocking regenerative healing for everybody

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FY22 metrics at a glance



NZ\$39.2m

84% increase in product sales
FY21 on constant currency
basis



**AROA Direct
Sales**

NZ\$14.3m up from NZ\$10.5m
in FY21



**36 US
Salespeople¹**



**72 Active
Myriad™ Accts²**

Up from 16 in FY21 (350%)



**Sales to TELA
Bio**

NZ\$24.8m up from NZ\$11.0m
in FY21



76% GM

8% improvement in product
gross margin



R&D NZ\$8.4m

Increased investment (31%),
AROA ECM™ platform (33%) &
Enivo™ (77%)



**Cash Balance
NZ\$56.2m**

Strong balance sheet

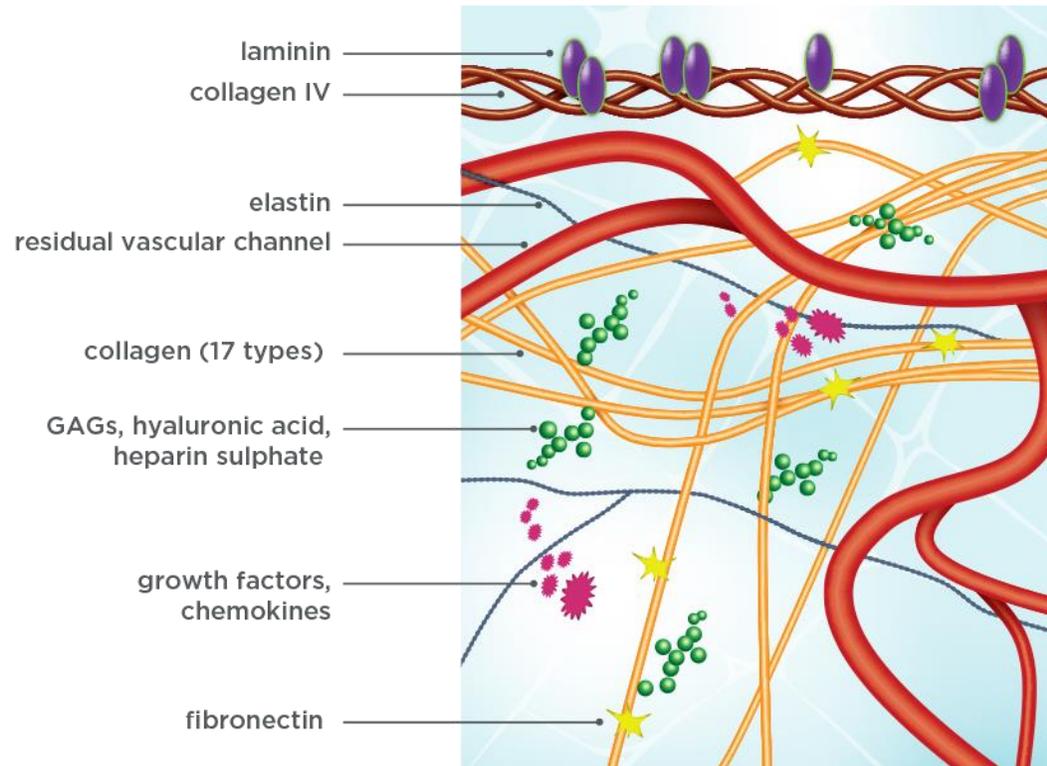


**Employees³
~220**

1. Includes US inside sales and direct field sales representatives.
2. Represents accounts to which sales were made in Q4 of the relevant financial year.
3. Worldwide.

AROA ECM – Structure & Biology for Regenerative Healing

Unique Extracellular Matrix (ECM) derived from ovine forestomach



Substantial Growth Opportunities > \$2.5B¹ TAM



Complex Wounds

Soft Tissue Reconstruction

Symphony™

Proliferative Bioscaffold

**Endoform™
Antimicrobial**

Restorative Bioscaffold

**Endoform™
Natural**

Restorative Bioscaffold

**Myriad
Matrix™**

Soft Tissue Bioscaffold

**Myriad
Morcells™**

Morcellized Bioscaffold

OVITEX®
REINFORCED TISSUE MATRIX

OVITEX® PRS
REINFORCED TISSUE MATRIX

Total Addressable Market
> \$1.4B² USD

Total Addressable Market
> \$1.3B³ USD

e.g. Diabetic Foot Ulcers,
Venous Ulcers, Pressure Ulcers,
chronic wounds

e.g. Trauma, tumour removal,
general surgery, inflammatory
skin disease

e.g. Hernia repair, abdominal
dehiscence, breast surgery

1. SmartTRAK BiomedGPS data 2020; DRG Millennium Research data; Hernia Repair Devices, 2020, AROA management estimates; DRG Millennium Research, Breast Implants & Reconstructive devices, 2018.

2. SmartTRAK BiomedGPS data 2020. Aroa management estimates.

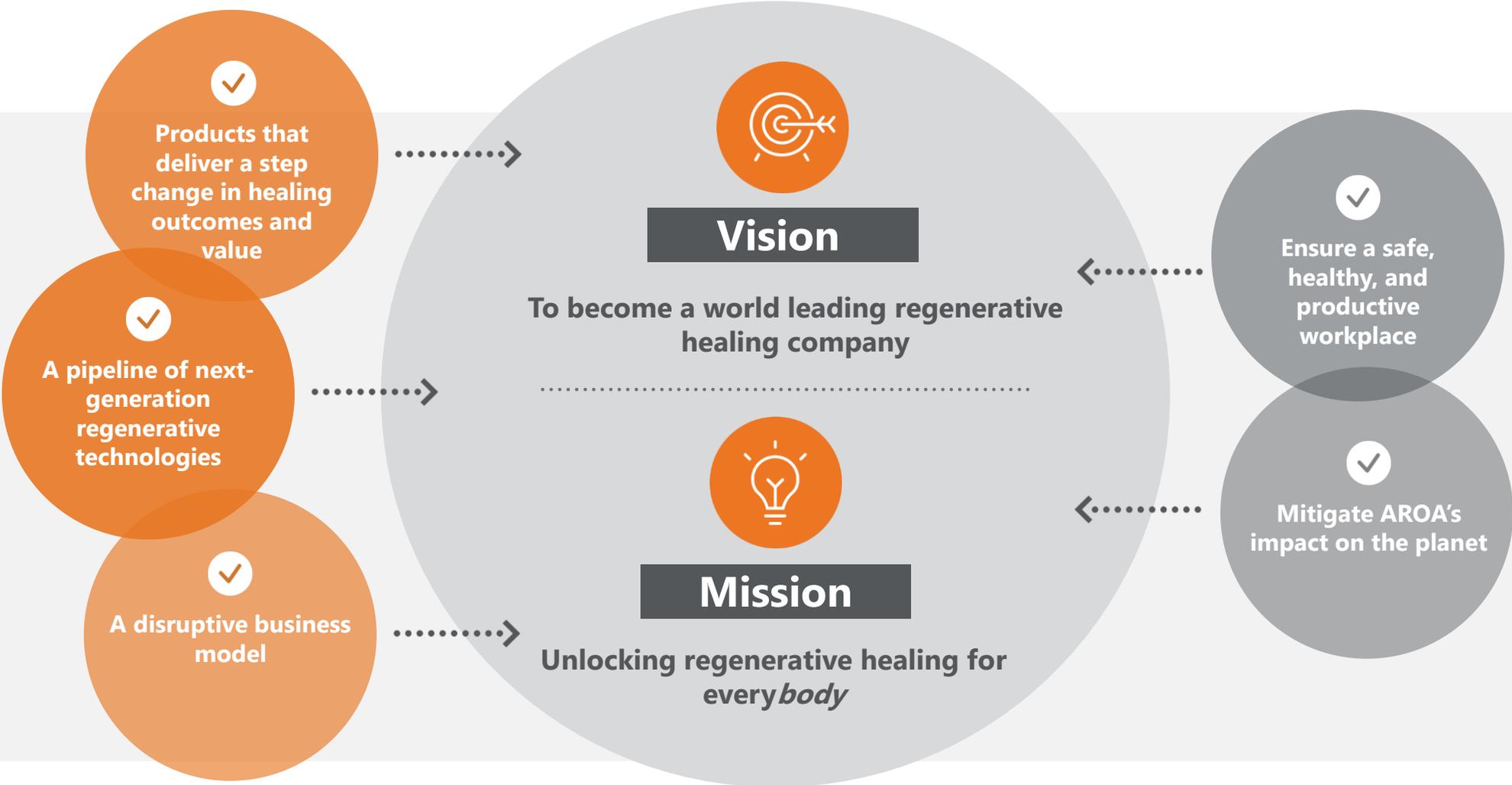
3. Licensed to TELA Bio for abdominal wall reconstruction, hernia repair and breast reconstruction. DRG Millennium Research data; Hernia Repair Devices, 2020. DRG Millennium Research, Breast Implants & Reconstructive devices, 2018.



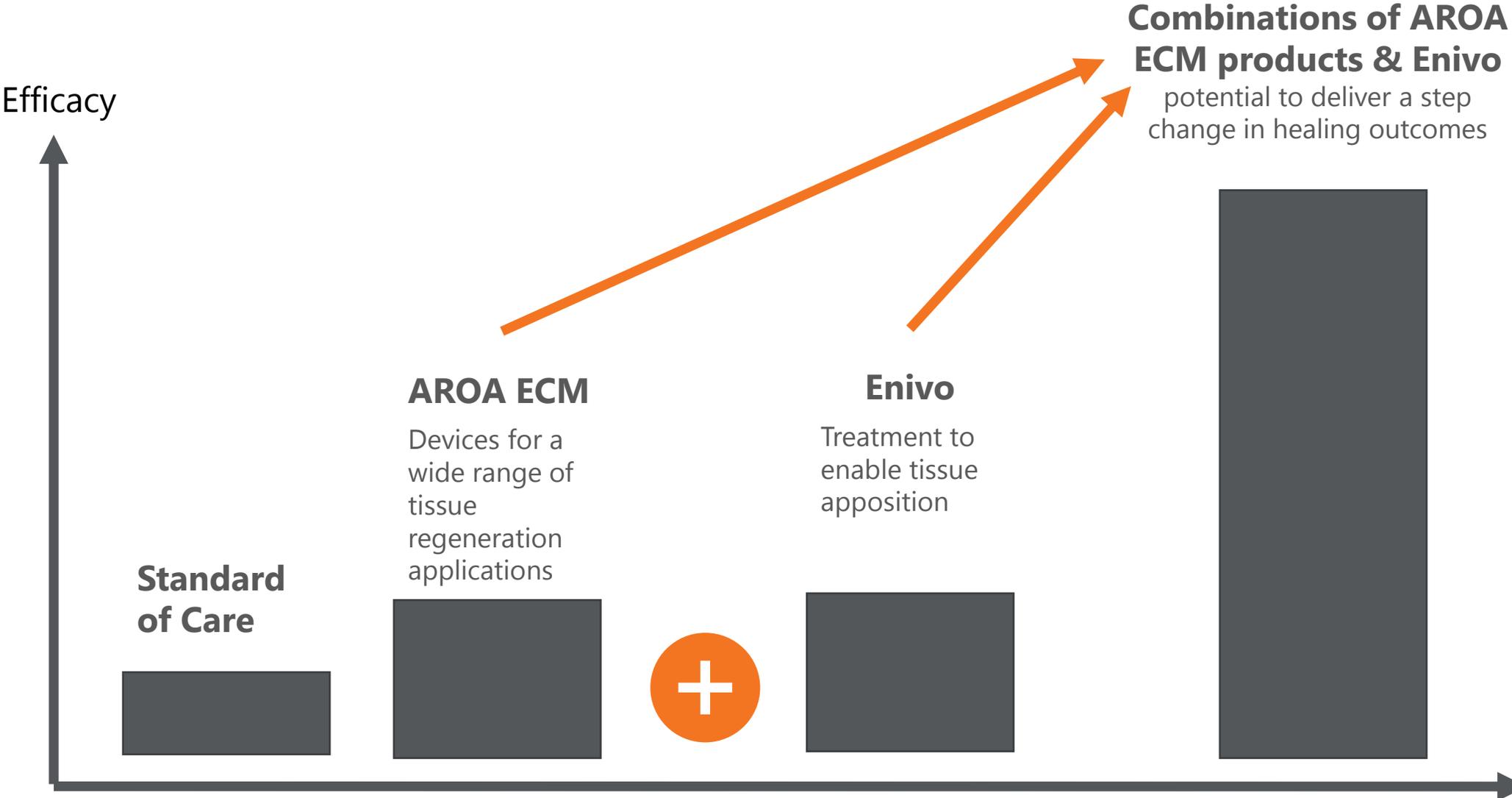


Strategy

Strategic Overview



Product Platforms



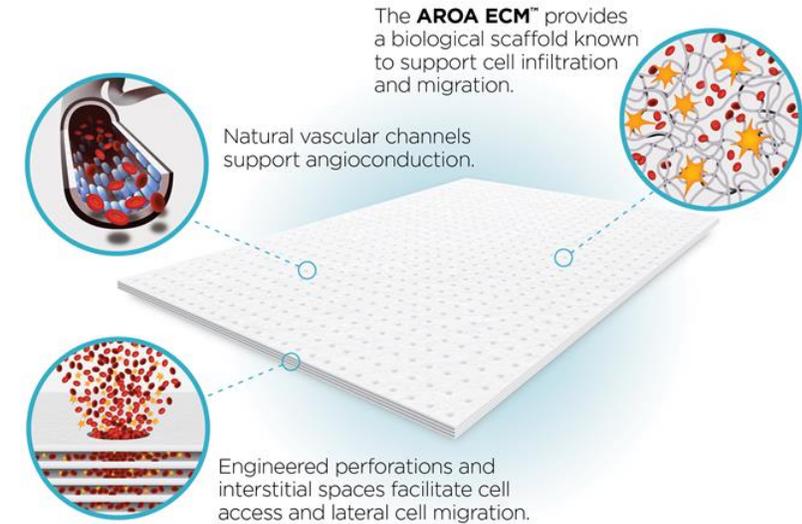
High-level graphic to represent strategic direction only. For example, not representative of quantified market opportunities.



FY23 Execution

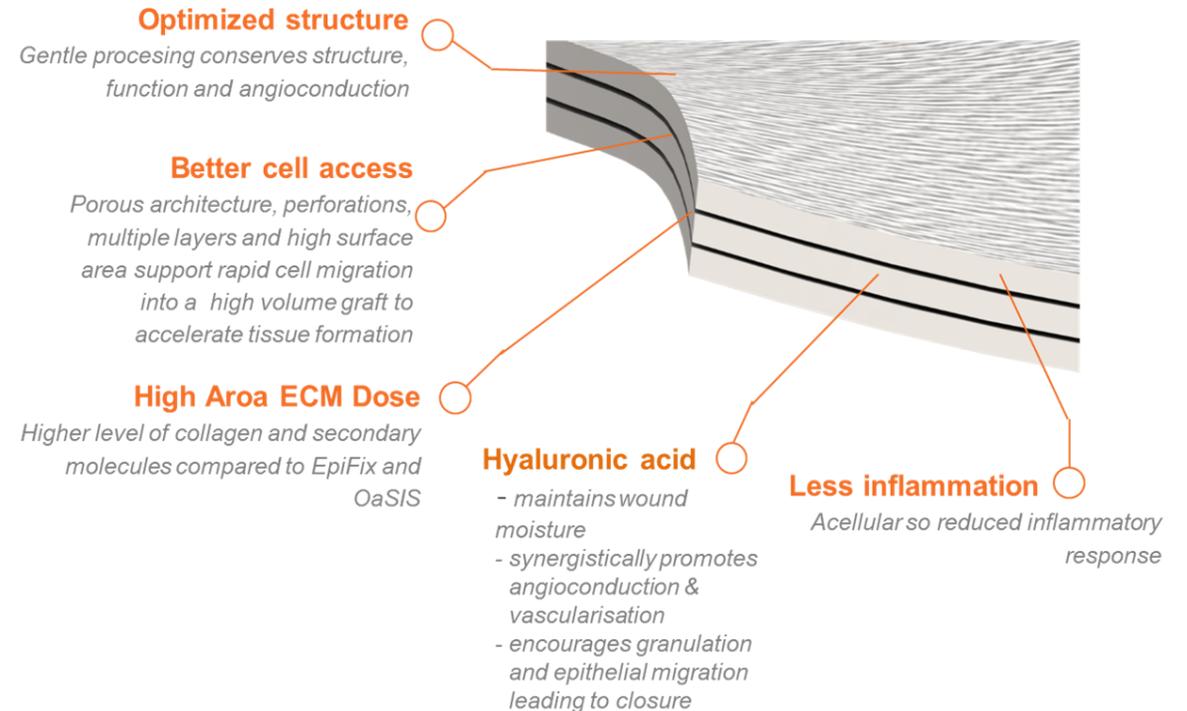
Myriad

- ✓ **Ongoing salesforce expansion:** targeting ~40 field salespeople by end of FY23
- ✓ **Salesforce productivity:** continuous improvement & verify that the sales model is scalable
- ✓ **Myriad - MASTRR Clinical Registry :** targeting 300 patients across ten US sites over a three-year period.
- ✓ **Target procedures:** Started broad and refining based on efficacy & case value
- ✓ **Myriad line extensions:** Myriad Morcells™ (fine), new Myriad Matrix™ formats



Symphony

- ✓ **Soft launch in US Veterans Affairs:** Early clinical experience, modest sales, set up for FY24
- ✓ **US reimbursement changes for 'Skin Substitutes':** CMS targeting changes in physician's office in 2024, Hospital Outpatient TBD. Impacts future sales & pricing strategy
- ✓ **Symphony Randomised Control Trial:** 120 patient multi-centre prospective study vs. standard of care
- ✓ **Symphony and Endoform combination Study:** 50 patient multi-centre prospective study vs retrospective published data.



OviTex & OviTex PRS

- ✓ **OviTex, OviTex LPR & PRS continue to gain momentum.** TELA Bio sales guidance of US\$40-45m in CY22 up from US\$29.5m in CY21
- ✓ **Bravo I (ventral hernia):** 92 patients, 2.6% recurrence rate in ventral hernias at 24-months
- ✓ **Bravo II (robotic)** 157 inguinal hernia repairs, 1.9% recurrence rate at 24-months
- ✓ **Ongoing innovation:** OviTex, OviTex LPR & OviTex PRS



OviTex® is a thicker product comprised of multiple AROA ECM sheets with reinforcement from embroidered permanent (polypropylene) or temporary (PGA) synthetic polymers.

Endoform

- ✓ **Modest growth** : serviced by virtual inside sales team
- ✓ **Clinical evidence:** Targeting completion of Venous Leg Ulcer real-world study by Mar' 23



Enivo

- ✓ **Design locked & completing testing for US FDA submission:** targeting confirmation of 510k or DeNovo by mid CY23
- ✓ **Preclinical model demonstrates treatment efficacy:** targeting Peer-reviewed publication Sept' 22
- ✓ **Setting up for pilot clinical study**
- ✓ **Platform technology for a family of new products:** partially removable and resorbable implants, variety of formats for different anatomical sites/procedures



FY23 Catalysts & Milestones



Post-COVID

COVID-19 expected to have a reduced impact through CY22



AROA Sales Momentum

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



TELA Bio Sales Momentum

Clinical outcomes & cost savings driving increasing adoption



Clinical Data

Myriad MASTRR Registry & Symphony RCT.



Enivo

Preclinical data, FDA regulatory submission, initiate pilot clinical study

FY23 Guidance¹



Forecast Product Sales
NZ\$51-55m



Forecast Gross Margin
77%



Cash Balance
NZ\$40-45m

1. Given the dynamic and evolving impact of COVID-19, guidance is subject to no material decline in US medical procedure numbers or sustained disruption to AROA's manufacturing or transportation activities and TELA Bio, Inc. delivering on its revenue guidance of US\$40-45million in CY22 (TELA Bio press release dated 10 May 2022). It also assumes an average NZD/USD exchange rate of 0.70.

Thank you for attending

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