

A photograph of three surgeons in a sterile operating room, wearing blue scrubs, masks, and surgical caps. They are focused on a patient lying on the operating table. The room is brightly lit with overhead surgical lamps. In the background, there are medical monitors and equipment. The overall scene is professional and clinical.

AROA BIOSURGERY (ARX)

FULL YEAR RESULTS

MAY 2024

Unlocking regenerative healing for *everybody*



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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\$3B¹ 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

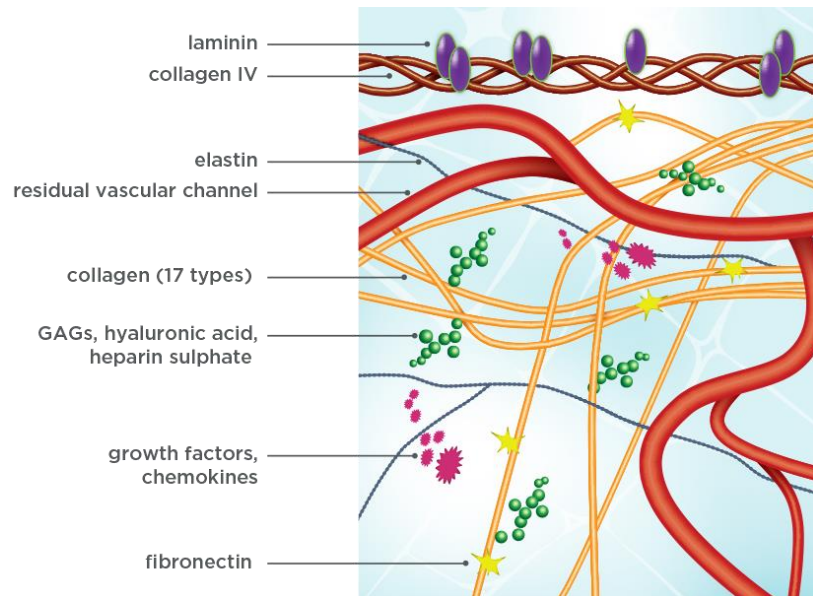


~ 270

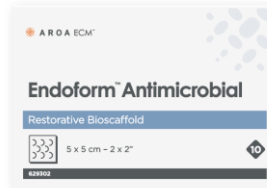
personnel²

AROA ECM – Structure & Biology for Regenerative Healing

Unique Extracellular Matrix (ECM) derived from ovine forestomach with proven tissue regeneration properties across multiple products¹⁻⁶



Endoform™



Myriad™



Symphony™



OVITEX™



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. Holifield, 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>

FY24 Financial Results¹



NZ\$69.1m

Total Revenue vs. Guidance
NZ\$67-70m
Product revenue ~ NZ\$68m



85%

Product Gross Margin
vs. Guidance 85%



(NZ\$3.1m)

Normalised EBITDA²
vs. Guidance ~ NZ\$1-3m loss

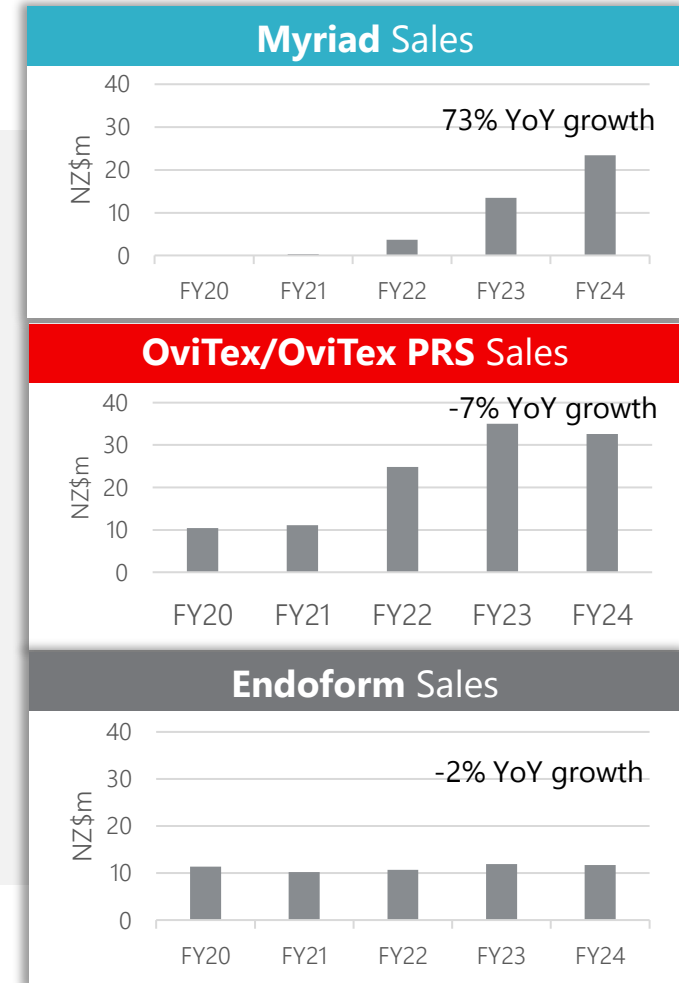
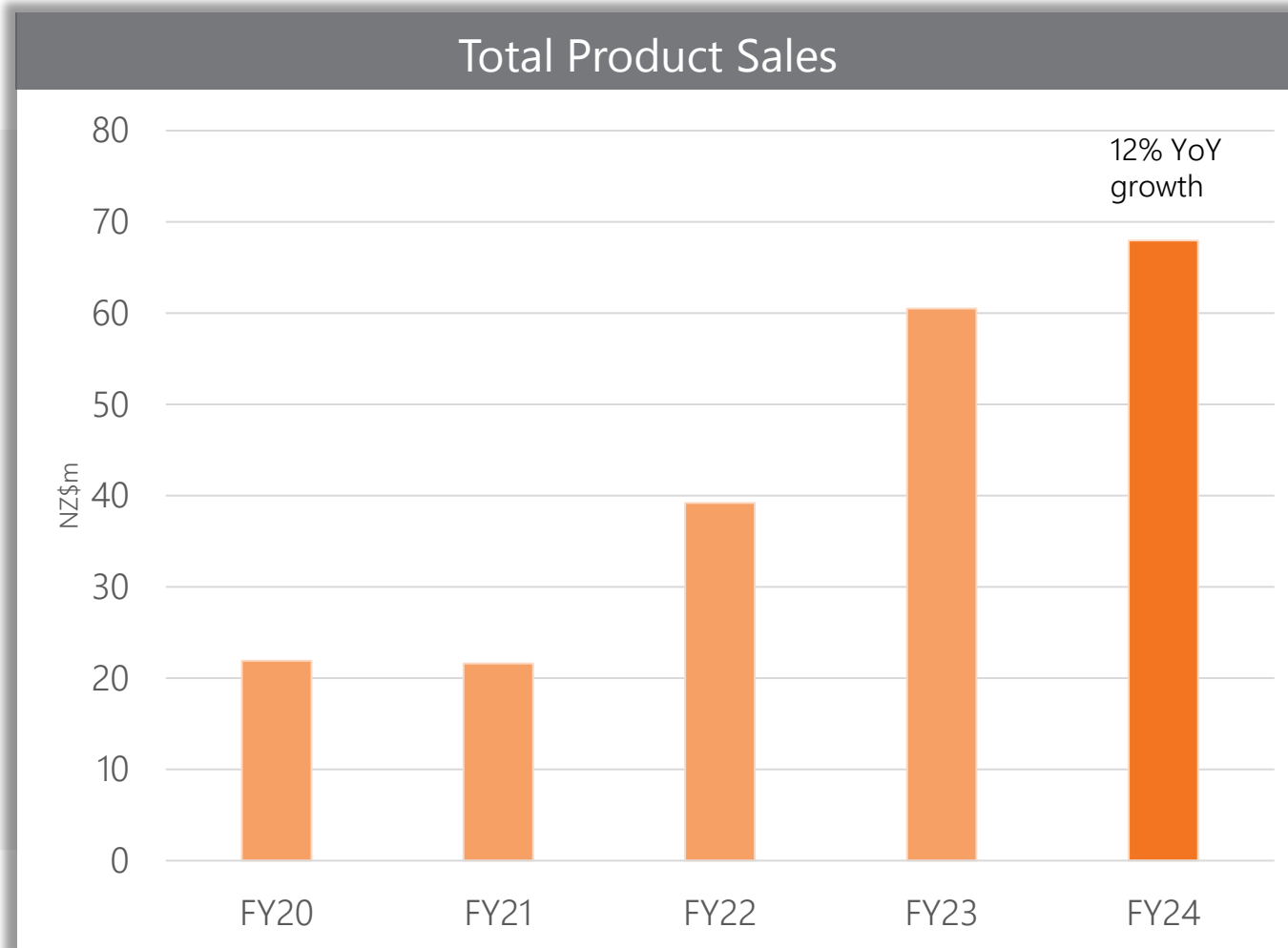


~NZ\$29.5m

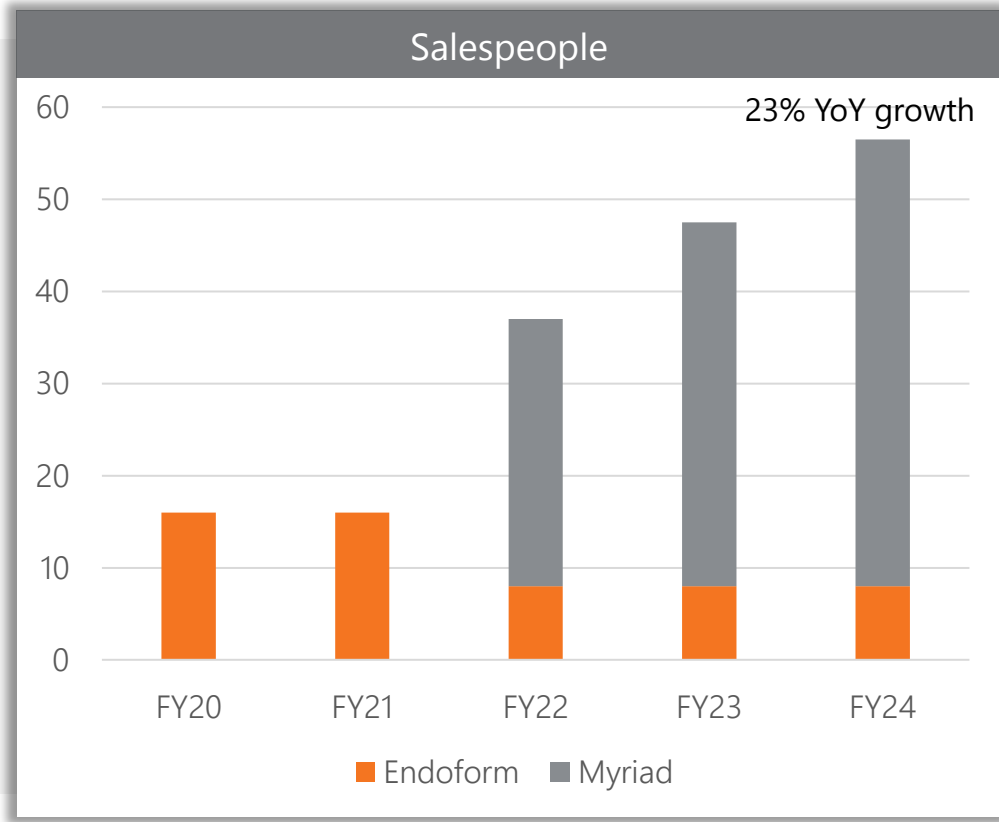
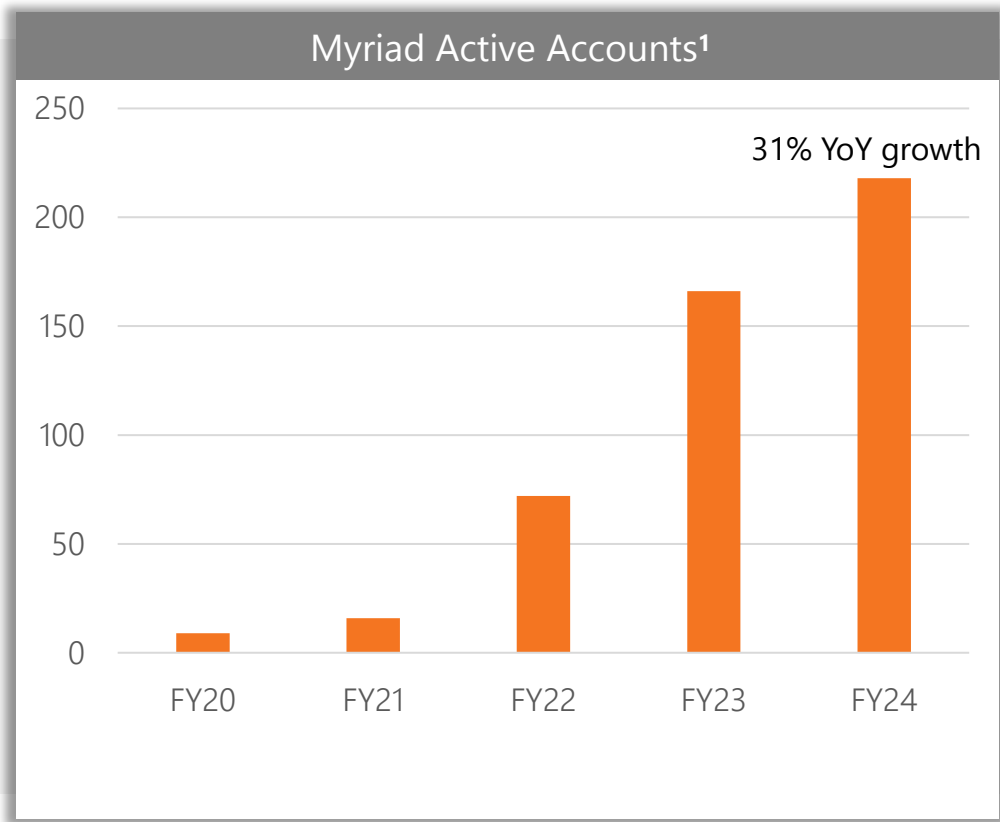
Cash Balance

1. Results are presented on a reported basis. Guidance was provided on an average NZ\$/US\$ rate of 0.615 compared to an average NZ\$/US\$ rate of 0.61. Constant currency removes the impact of exchange rate movements.
2. Normalised EBITDA is non-conforming financial information, as defined by the NZ Financial Markets Authority, and has been provided to assist users of financial information to better understand and assess the AROA group's ('Group') comparative financial performance without any distortion from one-off transactions. The impact of non-cash share-based payments expense and unrealized foreign currency gains or losses has also been removed from the Profit or Loss. This approach is used by Management and the Board to assess the Group's comparative financial performance. All references in this presentation to normalised EBITDA is as set out in this footnote.

Product sales

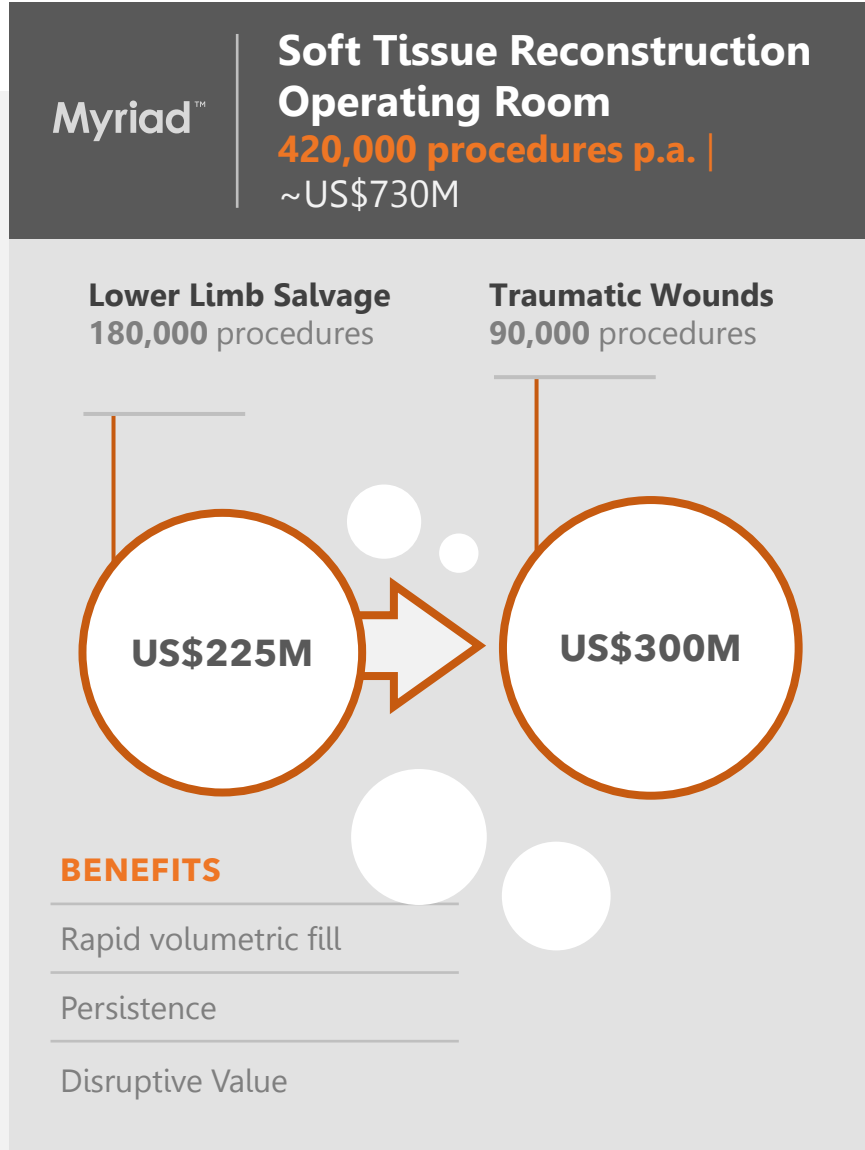


Sales expansion



1. Represents accounts to which Myriad sales were made in the three consecutive months prior to the end of the applicable period.

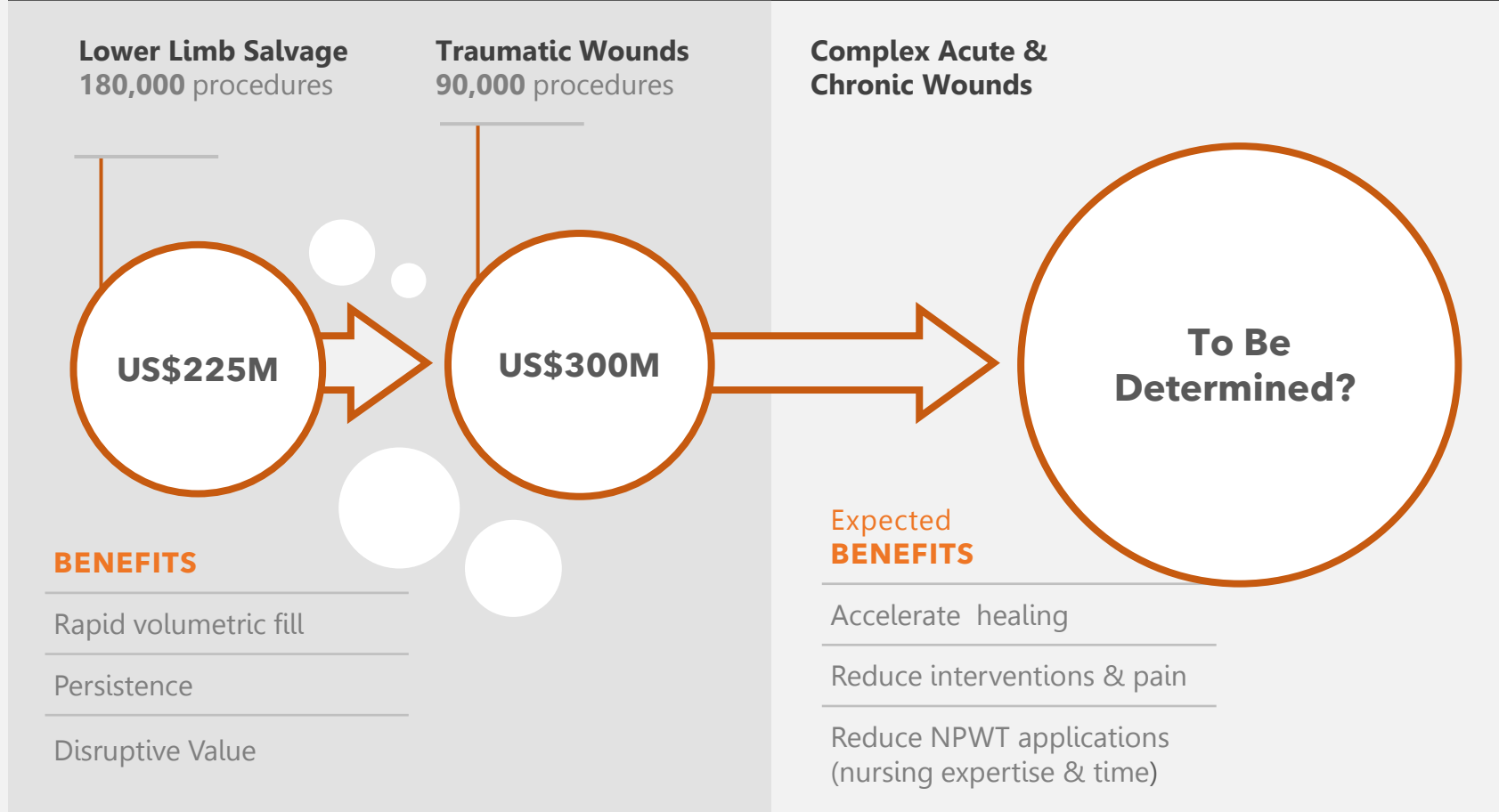
Market Potential¹



1. Management estimates.

Market Potential¹

Myriad™	Soft Tissue Reconstruction Operating Room 420,000 procedures p.a. ~US\$730M	ARO A ECM™	Negative Pressure Wound Therapy (NPWT) > 1M procedures p.a.
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1. Management estimates.

Market Potential¹

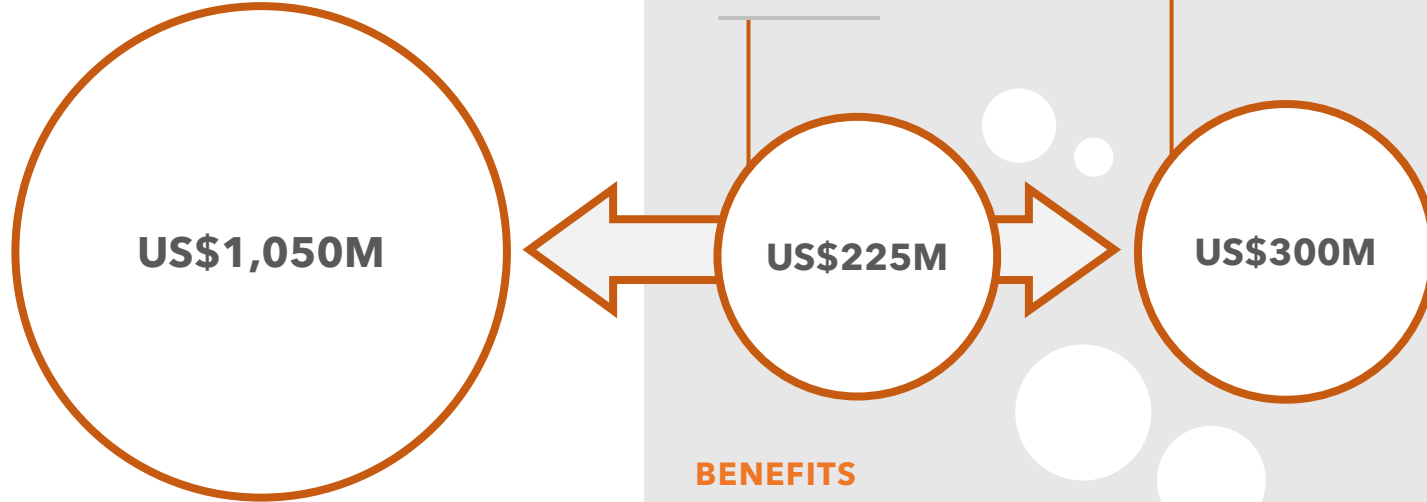
Symphony™
Endoform™

Lower Limb outpatient CTP procedures
>475,000 CTP procedures p.a. | ~US\$1B

Myriad™

Soft Tissue Reconstruction Operating Room
420,000 procedures p.a. | ~US\$730M

DFUs / VLU



BENEFITS

Widens patient access to advanced biologics

Rate & quality of healing

BENEFITS

Rapid volumetric fill

Persistence

Disruptive Value

1. Management estimates.

Investing in clinical evidence

- Evidence that products are effective for specific procedures
- Determines comparative efficacy versus standard of care & alternative products
- Evidence that product save hospitals money
- Investigates new uses
- Elevates clinical engagement & share of voice
- Basis for promotional activities
- Informs commercial strategy

AROA ECM - Restores functional tissue

96

PRESENTATIONS/
PUBLICATIONS

Endoform™

46

PRESENTATIONS/
PUBLICATIONS

Myriad™

37

PRESENTATIONS/
PUBLICATIONS

REINFORCED BIOSCAFFOLD
OVITEX®



Volumetric fill- Rapid formation of well vascularized and functional tissue^{1,2}



Tolerated and contaminated field resistant to infection^{3,5}



No negative inflammatory response reported²⁻⁵

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. Ceppia (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. Holifield, 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>

Selected clinical evidence – trauma

Study	Initiator	Product	Sample Size	NPWT	Description	Expected Publication Date
Exposed structures (Bohn et al)	IIR	Myriad	6	+	Retrospective case series	Published - Dec, 2020
Trauma (Cormican et al)	IIR	Myriad	13	+	Retrospective case series	Published - Sep, 2023
Open Abdomin (Taarea et al)	IIR	Myriad	3	+	Retrospective case series	Published - Mar, 2024
Myriad + NPWT (MASTRR)	Aroa sponsored	Myriad	~40-50	+	Prospective	Q3, FY25
Loftus et al – Burn (MASTRR)	Aroa sponsored	Myriad	~30	-	Prospective	Q4, FY25
Trauma (MASTRR)	Aroa sponsored	Myriad	~40-50	+	Prospective	Q4, FY25
Exposed Structures + NPWT – pilot RCT	Aroa sponsored	Myriad	20	+	Prospective comparative	Q1, FY26
Exposed Structures + NPWT – RCT	Aroa sponsored	Myriad	~50-80(?)	+	Prospective comparative	TBD

Selected clinical evidence – lower extremity

Study	Initiator	Product	Sample Size	NPWT	Description	Expected Publication Date
DFU (Bosque et al)	Aroa sponsored	Endoform	~2000	-	Retrospective comparative (RWE)	Published - Aug, 2021
Limb salvage (Bosque et al)	Aroa sponsored	Myriad	50	+	Retrospective case series	Published - May, 2023
Limb salvage (Lawlor et al)	Aroa sponsored	Myriad	130	-	Prospective	Q1, FY25
DFU - Symphony (RCT Interim Report)	Aroa sponsored	Symphony	60	-	Prospective RCT	Q3, FY25
DFU - Symphony RCT Full Report	Aroa sponsored	Symphony	120	-	Prospective RCT	Q1, FY26
VLU - Endoform RWE	Aroa sponsored	Endoform	~2000	-	Retrospective comparative (RWE)	Q2, FY25

Selected clinical evidence – colorectal

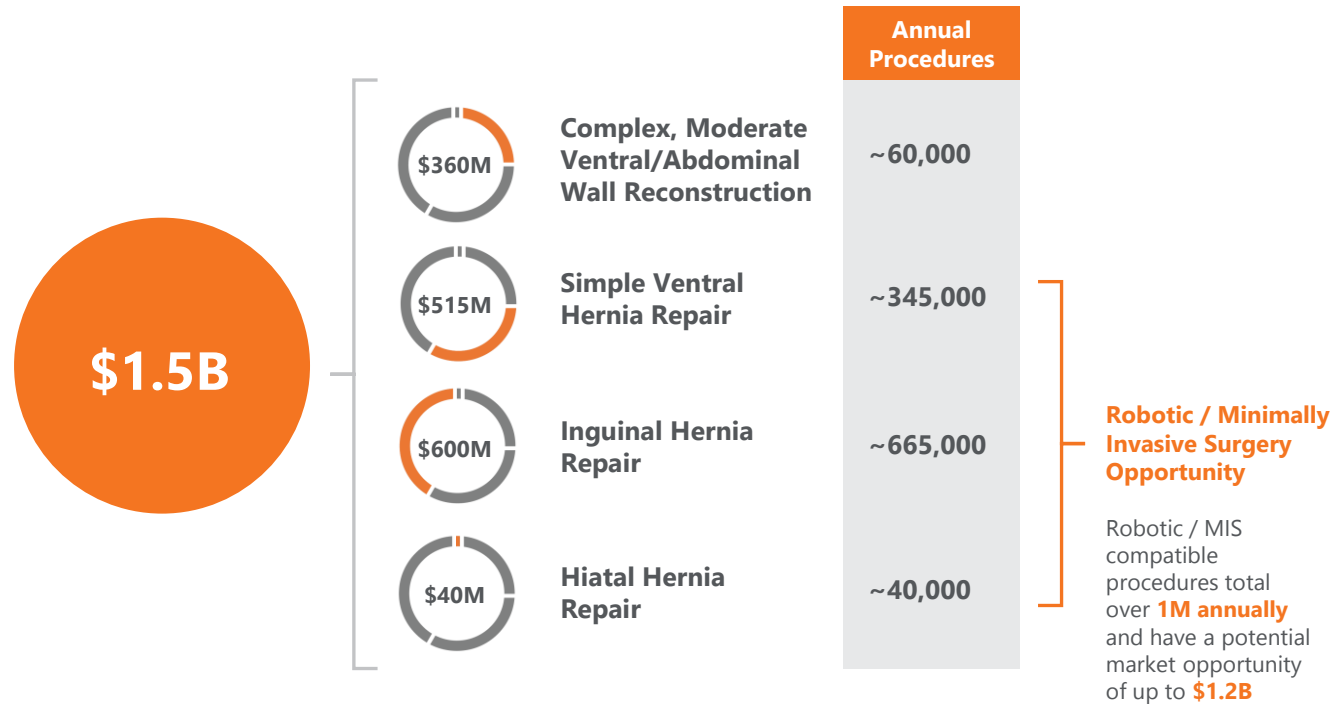
Study	Initiator	Product	Sample Size	NPWT	Description	Expected Publication Date
Pilonidal sinus (Chaffin et al)	IIR	Myriad	6	+		Published - July, 2021
Pilonidal sinus (Nasseri et al)	Aroa sponsored (MASTRR)	Myriad	100	No	Prospective, comparative	Q2, FY25
Anal Fistula	Aroa sponsored (MASTRR)	Myriad	~30-50	No	Prospective	Q4, FY25
Anal fistula (Hsu et al)	Aroa sponsored	Myriad	14	No	Retrospective case series	Published - May, 2023
Anal fistula (Kumar et al)-	IIR	Myriad	29	No	Retrospective case series	Q2, FY25
Ostomy Takedown	Aroa sponsored (MASTRR)	Myriad	TBD	No	Prospective	Q4, FY25

Selected clinical evidence – general

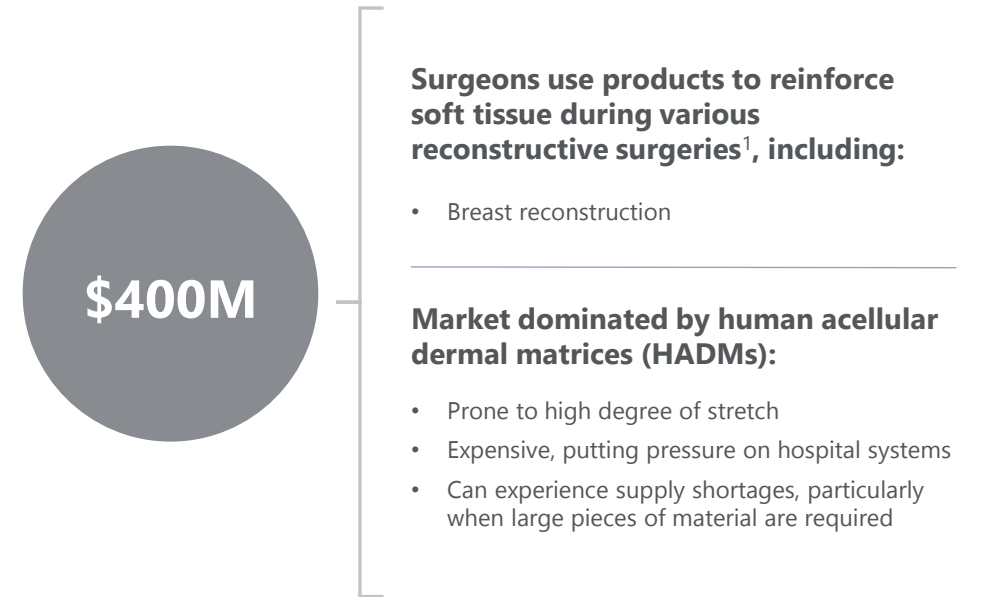
Study	Initiator	Product	Sample Size	NPWT	Description	Expected Publication Date
Chronic defects (Desvigne et al)	IIR	Myriad	6	+	Retrospective case series	Published - Jan, 2021
Hidradenitis suppurativa (Chaffin et al)	IIR	Myriad	6	+	Retrospective case series	Published - Nov, 2020
Pressure injuries (Desvigne et al)	IIR	Myriad/Morcells	40-60	+	Retrospective case series	Q3, FY25

OviTex & OviTex PRS – Market Potential¹

U.S. Hernia Surgery Market: ~\$1.5 Billion Annual Opportunity



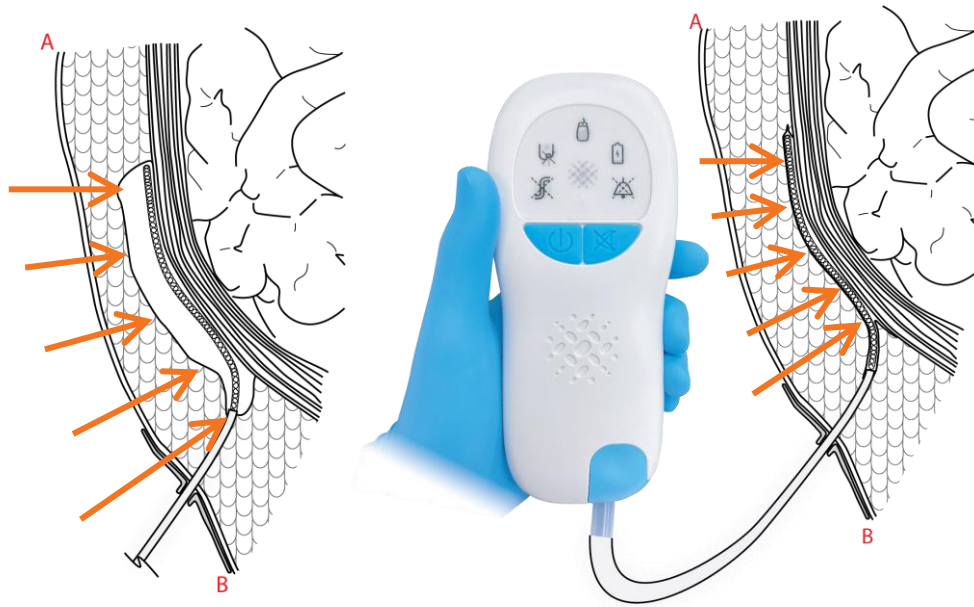
U.S. Plastic & Reconstructive Surgery Market: ~\$700 Million Annual Opportunity



1. Information derived from TELA Bio investor presentation dated November 2023.

Enivo¹ – tissue apposition platform

Expected to improve the rate and quality of tissue healing with fewer complications



- Novel device expected to create new product category
- Enivo TAM >US\$1B (management estimates)
- Pump and catheter cleared. “Envelope” requires further preclinical & clinical development in FY25/FY26 for US FDA clearance
- Preclinical model demonstrates almost complete dead-space closure.² Pilot mastectomy study fully recruited
- Fits with existing call point/sales team and adjunct to procedures where Myriad products are already used
- Elevates clinical engagement & share of voice
- Potential future out-licensing opportunities
- Strategic alignment with Myriad & NPWT

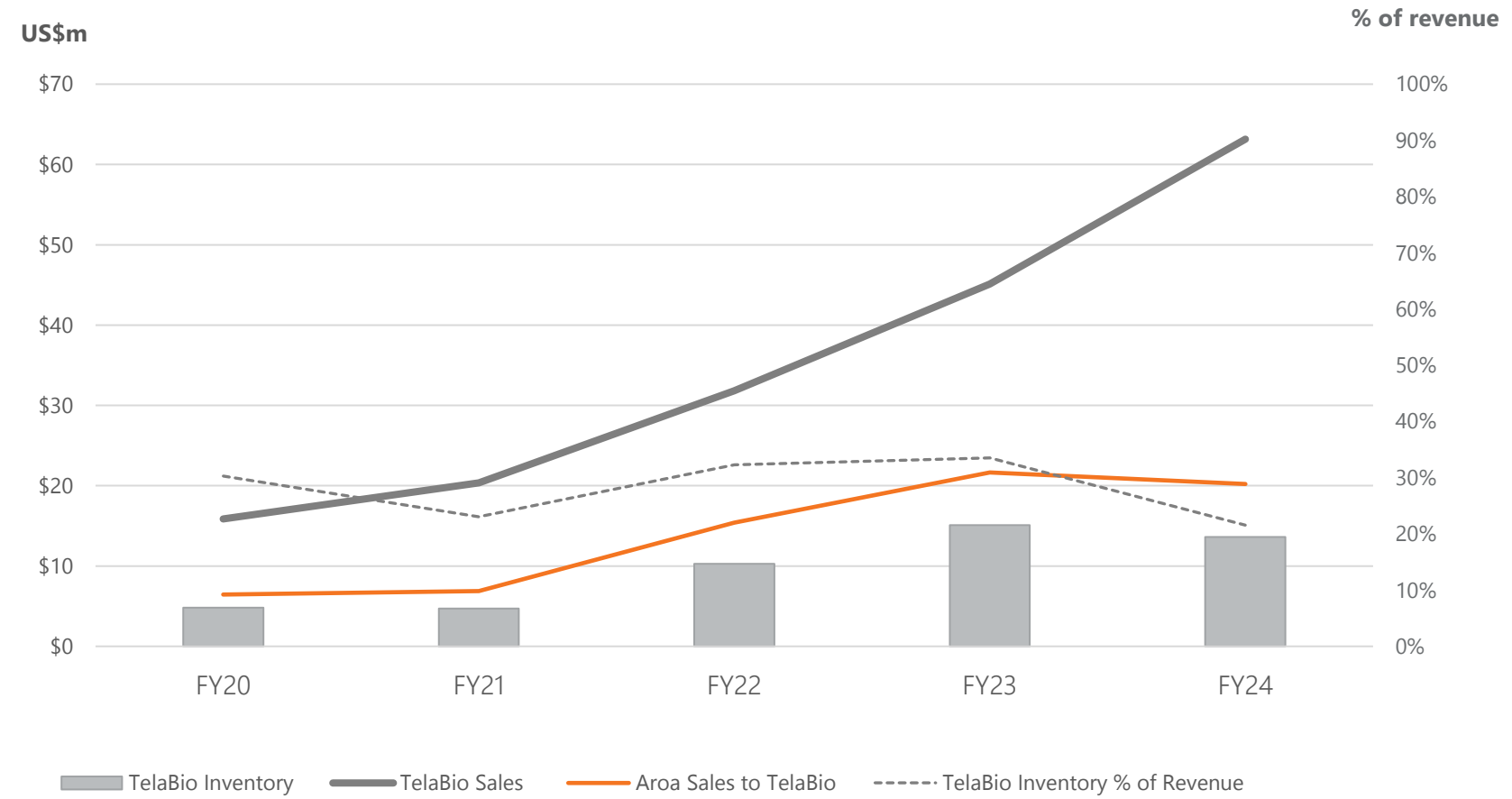
1. New product platform, not yet available for sale.
 2. Mason, I. T., et al. (2022). Evaluation of Tissue Apposition and Seroma Prevention in an Ovine Model of Surgical Dead Space Using a Novel Air-Purged Vacuum Closure System. *Eplasty*, 22. <https://www.hmpgloballearningnetwork.com/site/eplasty/original-research/evaluation-tissue-apposition-and-seroma-prevention-ovine-model>.

H1/H2 FY24 Financial Results

H1 FY24 Reported		H2 FY24 Reported		FY24 Reported
NZ\$31.9m Total Revenue		NZ\$37.2m Total Revenue		NZ\$69.1m Total Revenue
84% Product Gross Margin	+	86% Product Gross Margin	=	85% Product Gross Margin
(NZ\$2.7m) Normalised EBITDA		(NZ\$0.4m) Normalised EBITDA		(NZ\$3.1m) Normalised EBITDA

- Total revenue stepped up in H2
- Myriad ~30% growth on H1
- TELA ~19% growth on H1
- Product gross margin improvement
- Normalised EBITDA improvement despite lumpy Symphony clinical development costs (NZ\$2.7m in H2)

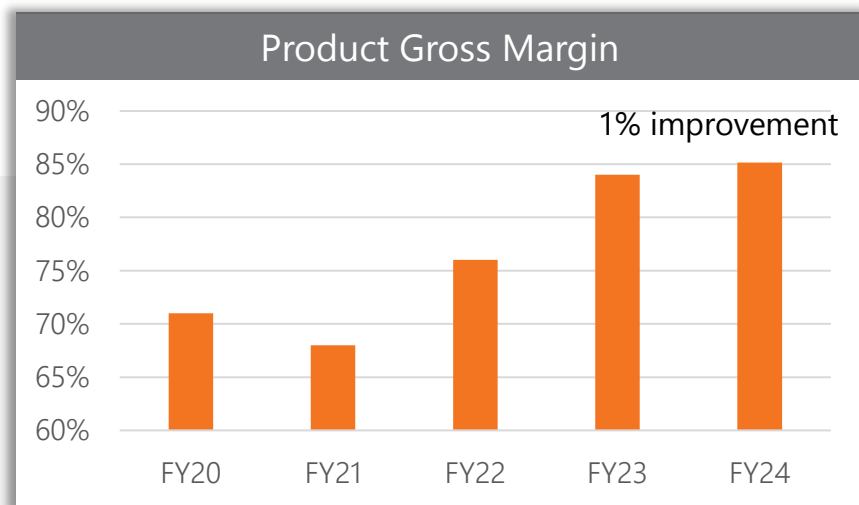
TELA Bio Sales & Inventory



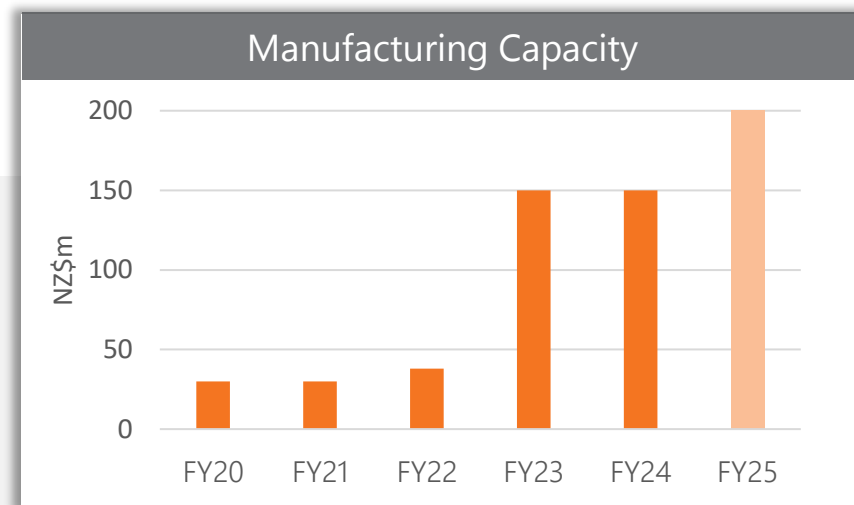
Reference to FY represents AROA's Financial Year 1 April to 31 March.



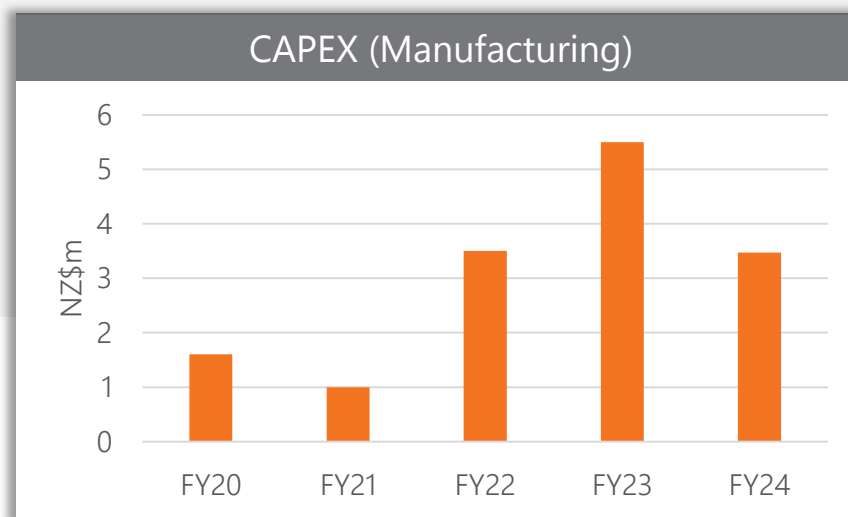
Manufacturing



Ongoing margin improvements

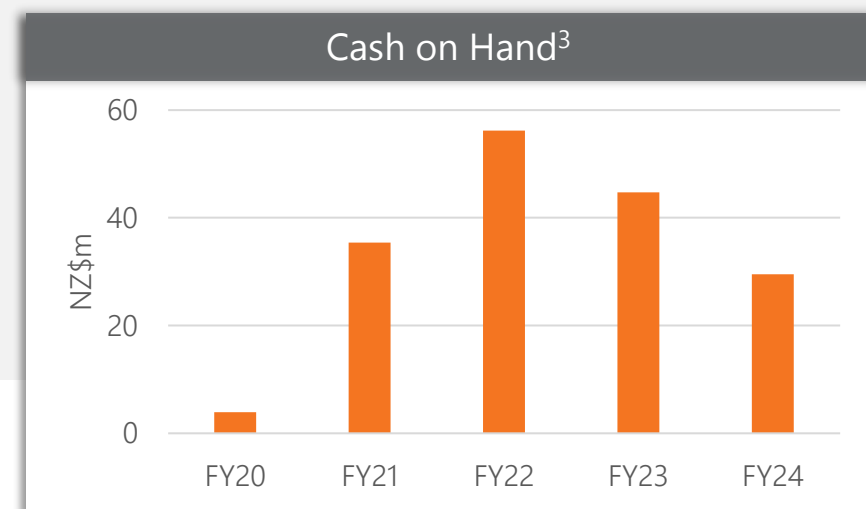
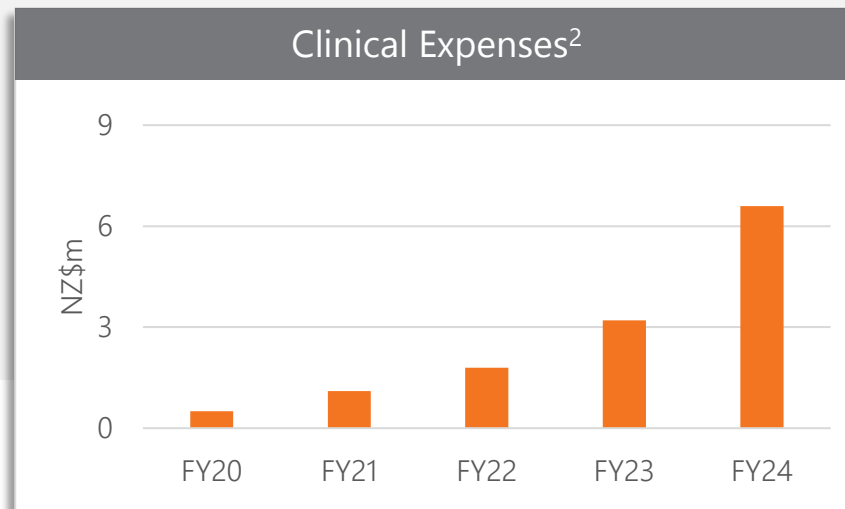
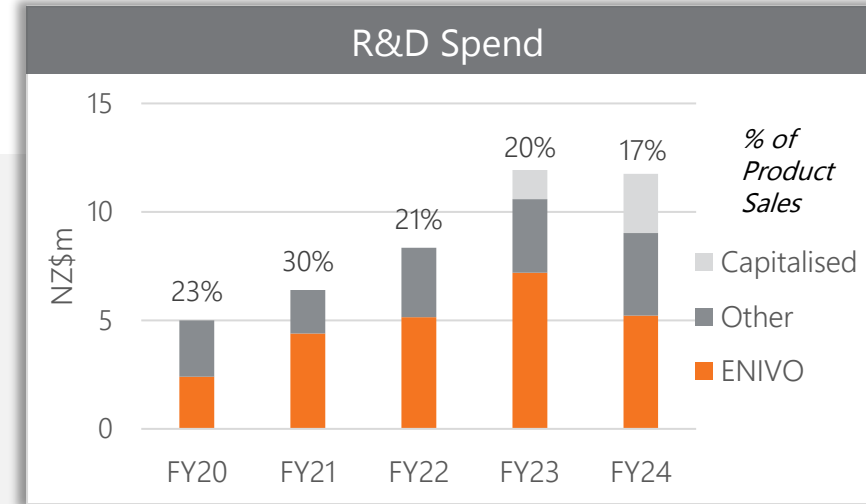
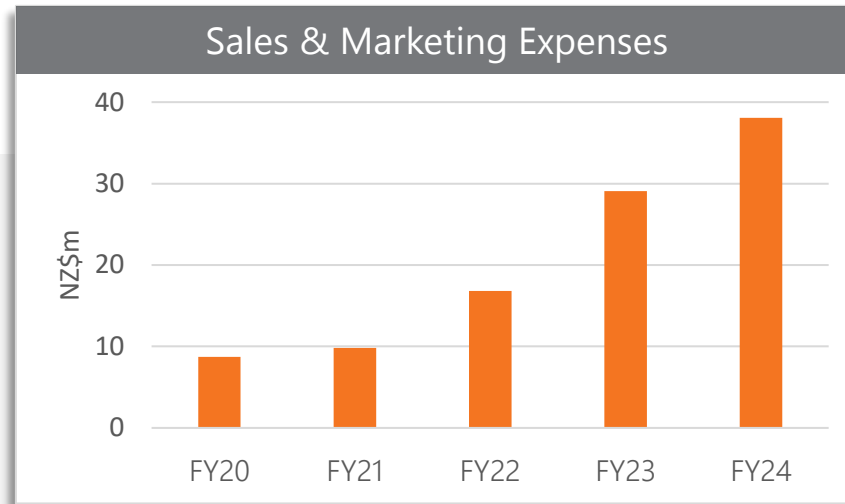


Expanded capacity



Investment in plant & equipment

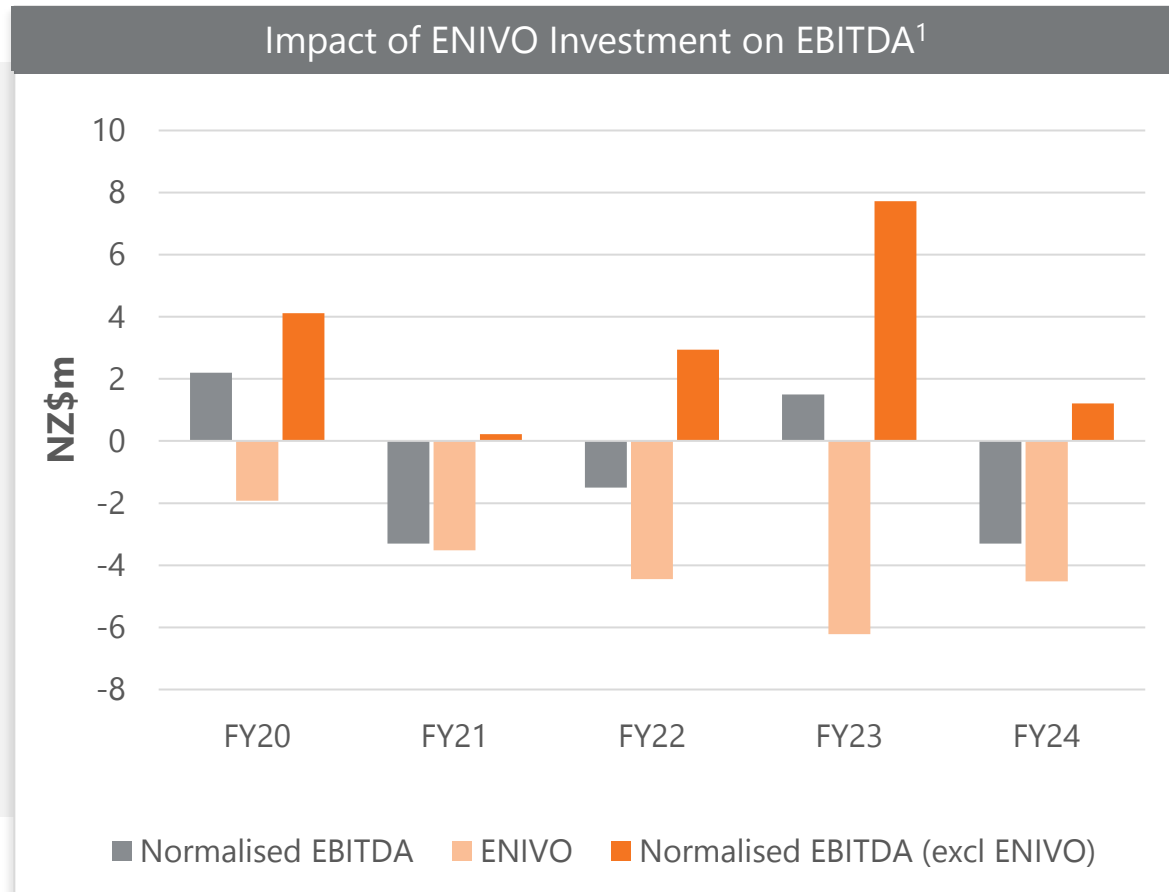
Use of Funds



1. Clinical expenses are included within Selling and administrative expenses and excludes any clinical activities attributable to products in the Research & Development phase

2. As at 31 March of the relevant year.

Investing to transform clinical outcomes - ENIVO



- Business would be highly profitable (normalised) in the absence of the large Enivo investment
- Sacrificing short-term profitability for longer term competitive advantage & profit

FY25 Guidance¹



NZ\$80-87m

Total Revenue

(YoY CC growth 21 – 32%)



NZ\$2-6m

Normalised EBITDA

1. All guidance is presented on a constant currency basis using a NZ\$/US\$ exchange rate of 0.64, compared to the average exchange rate of 0.61 in FY24. Constant currency removes the impact of exchange rate movements. Guidance is subject to TELA Bio delivering on its CY24 revenue guidance of US\$74.5-76.5 million.

FY25 Catalysts & Milestones



AROA sales momentum

Myriad is the major growth driver.



TELA Bio sales momentum

Sales team expansion, clinical evidence, increasing adoption



Enivo FDA clearance

Parallel initiatives being progressed to expedite FDA clearance



Symphony

Completion of RCT and reimbursement re-alignment



Myriad trauma & limb salvage evidence

Supports Myriad efficacy and cost savings



Q&A

CONTACT

James Agnew
investor@aroa.com

Visit our website www.aroa.com and find us on LinkedIn at www.linkedin.com/company/aroa-biosurgery-limited/

64 Richard Pearse Drive,
Auckland 2022, New Zealand

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