

## FORWARD LOOKING DISCLAIMER



This presentation contains certain statements that may be deemed "forward-looking statements."

All statements in this document, other than statements of historical fact, that address events or developments that the Company expects to occur, are forward looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward looking statements include, failure to successfully negotiate or subsequently close such transactions, inability to obtain required shareholder or regulatory approvals, uncertainty with respect to findings under exploration programs and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

Forward looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. The Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

## COMPANY OVERVIEW







# Aurora Spine & Pain HQ is located in Carlsbad California.

- Opened 2014
  - A Publicly traded company
  - 18 fulltime in-office employee
- In-house Engineering Team
- New In-house manufacturing
- Prototyping Capabilities
- Aurora's Quality Management System is ISO 13485 MDSAP certified that allows the company to sell its products in Japan, Australia, Brazil, Canada and the USA.

# COMPANY OVERVIEW





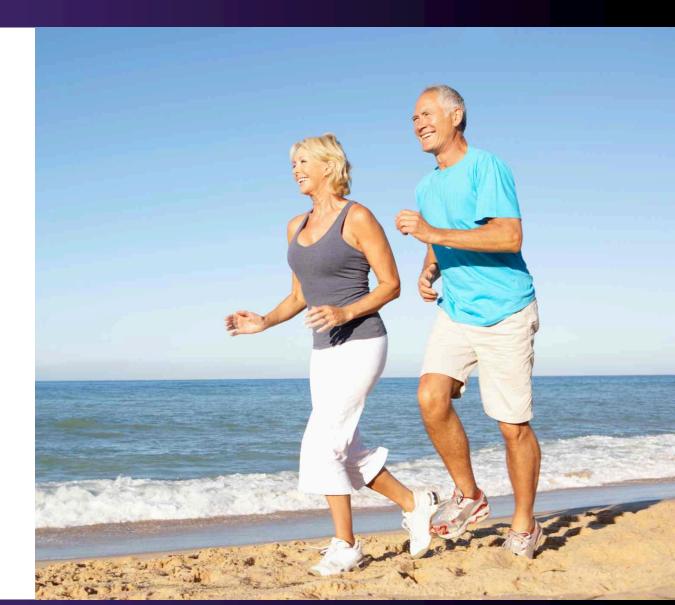
Aurora Spine has developed a portfolio of solutions for the spinal implant market through a series of innovative, minimally invasive, regenerative spinal implant technologies, making procedures easier and more effective for doctors and patients --

#### **SPINE**

Legacy business Innovative Space Target market: Ortho spine and Neuro Spine surgeons

#### **PAIN**

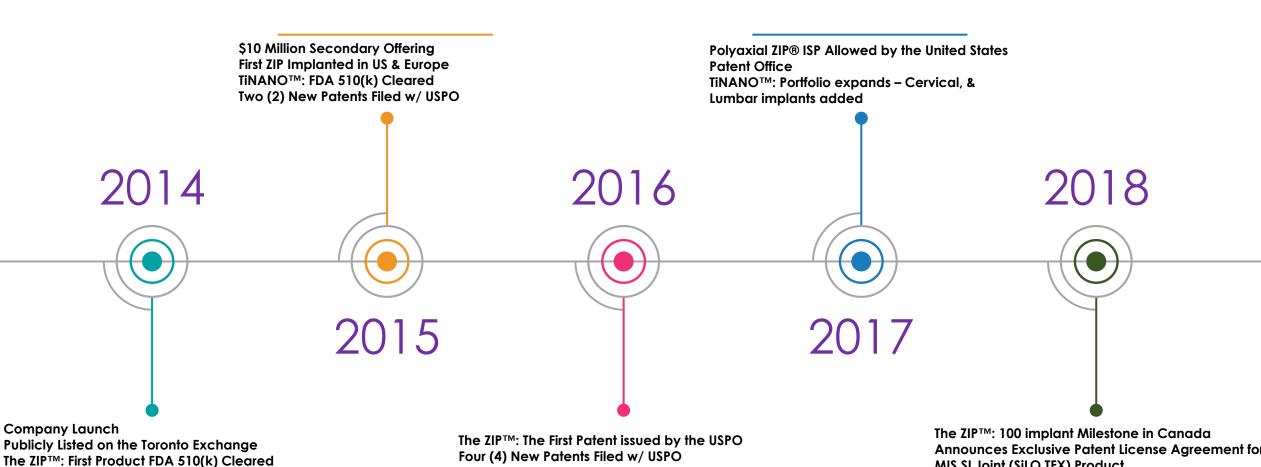
Established mid-2020
Target market: Pain
Interventionalists
Larger market, ratio of pain
interventionalists to Ortho &
Neuro Spine surgeons is 6:1



#### COMPANY TIMELINE

Six (6) New Patents Filed w/USPO





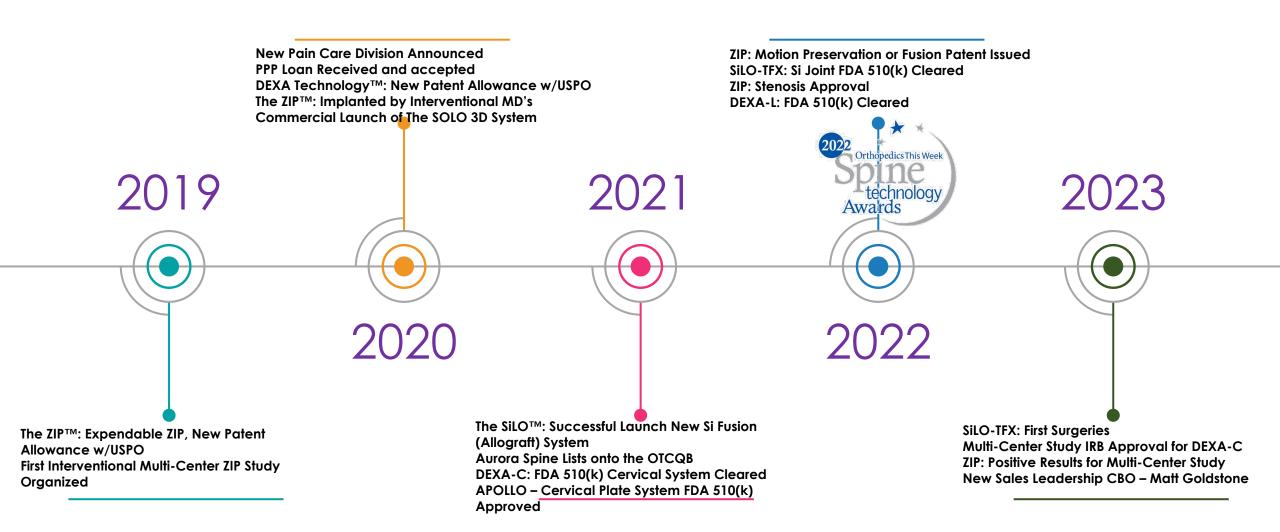
The ZIP™: Receives CE Mark

MIS SI Joint (SiLO TFX) Product

The ZIP™: European Patent Issued

#### COMPANY TIMELINE





#### RECENT ACCOMPLISHMENTS



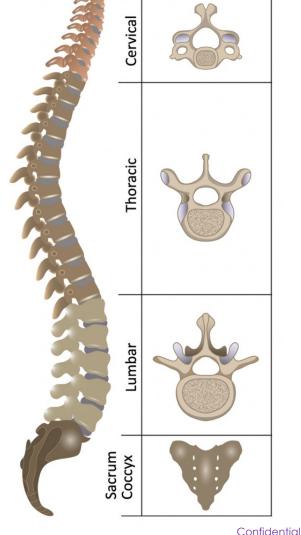
- Strong Sales Growth Record Revenues Strong sales from ZIP®, SiLO™, and DEXA-C helped the company report strong sales growth of 26% in Q3:22 when compared to same quarter in 2021.
- Increased Margin Margins increased to 53.2% for Q3:22 from 46.9% in Q3 2021, due to selling more proprietary products, which carry a higher gross margin.
- **Positive EBITDAC** Second consecutive quarter of positive EBITDAC at \$150,687 in Q3 and \$96,285 in Q2 compared to (\$153,972) in Q1 and (\$171,247) in Q3 2021. EBITDAC is a non-GAAP financial measure.
- **ZIP® Stenosis Indication** Received FDA clearance of a new Lumbar Spinal Stenosis Indication for use for ZIP family of MIS implants.
- **SiLO TFX™ FDA 510(K) Clearance** Received FDA 510(K) clearance for Aurora's SiLO TFX MIS Sacroiliac Joint Fixation System.
- **DEXA-L FDA 510(K) Clearance** Received FDA 510(K) clearance for Aurora's DEXA SOLO-L™ spinal fusion system.
- **Award** Aurora Spine received the 2022 Best New Spine Technology Award for its DEXA bone density-matched spine implant innovation at the annual North American Spine Society (NASS) meeting..

## SPINE SURGERY MARKET OVERVIEW



- Majority of spine surgery is targeted at relieving pain caused by disc injury or disease
- Most surgeries involve damaged disc remediation or removal
- Removal necessitates fusing together of the vertebrae above and below the damaged area
- Vertebrae must be held in place to ensure bone growth (fusion) between the vertebrae

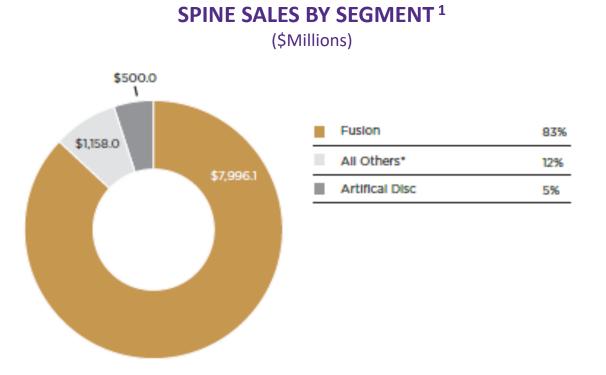




#### ADDRESSABLE MARKET OPPORTUNITY



- An estimated \$9.6 billion spine implant market in the U.S.
- ► Market growing at >3% annually
- 80% of the market supplied by 6 companies
- Innovation comes from the other 20%
- Successful innovators get acquired



Kyphopiasty, dynamic stabilization, etc.

1. Source: ORTHOWORLD's The Orthopaedic Industry Annual Report (June 2020)

#### BACK PAIN MARKET AND PATIENT OPTIONS



#### **Back Pain Market**

- 30M+ in the U.S. suffer from lower back pain
- 13M+ go to the doctor each year for chronic back pain
- 8 out 10 adults in the U.S. will experience some form of back pain
- One of the main reasons for employee absenteeism and major cost to the economy (loss of productivity)

#### **Treatment Intensity**

- Medications
- Physical Therapy
- Acupuncture
- Chiropractor
- External Support
- Epidurals

- Therapeutics
- SI Joint Injections (anesthetic & steroids)
- Radiofrequency Ablation
- Facet
- Injections

Non-Surgical Management

- SI Joint Fusion
- LumbarFusion

Minimally Invasive Surgery

- Cervical Fusion
- Laminectomy
- Decompression
- Deformity
- Scoliosis
- Trauma

Open Spine Surgery

Pain Interventionalists



# KEY VALUE CREATION DRIVERS

## KEY COMPANY INTIATIVES



Aurora Spine currently has three key initiatives that have capabilities of adding significant value to the company.



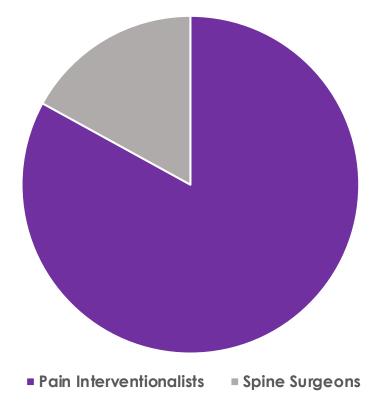
## NEW EMERGING MARKET - PAIN MANAGEMENT



# The global pain management devices market size is expected to reach USD \$14.55 billion by 2026 registering a CAGR of 13.8%.

- Aurora entered market in November 2020
  - o Introduced two key products for the pain market: ZIP® & SiLO™.
- ► Pain Management Physicians are reducing use of opioids and increasingly using mechanical devices such as the ZIP® & SiLO™.
- North America was the largest regional market in 2018 and held around half of the global revenue share owing to the increased number of people affiliated with pain requiring management devices.
- Key companies in the global pain management devices market include B Braun Melsungen AG., Baxter International, Inc., Boston Scientific Corp., Codman and Shurtleff, DJO Global LLC, Pfizer, Inc., Medtronic Plc, Smiths Medical, Stryker Corp., and St. Jude Medical







The ZIP® is Aurora Spine's minimally invasive interspinous fixation implant for spinal fusion (screwless procedure). It was developed as an alternative to pedicle screw fixation.

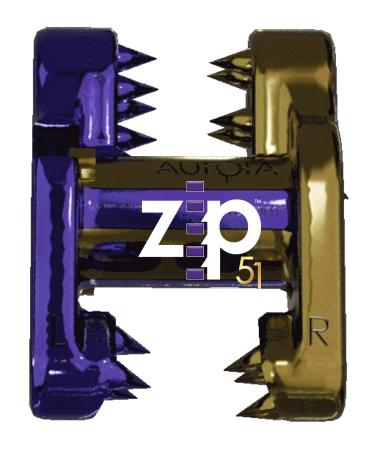
- ▶ Reduces OR time by 36%: 98 minutes vs. 153 minutes ISP vs. pedicle screws.
- ▶ 40% less hospital stay: 1.9 days vs. 3.1 days ISP vs pedicle screws.
- ► 69% less blood loss vs. pedicle screws





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- ► Reduces OR time by 36%: 98 minutes vs. 153 minutes ISP vs. pedicle screws.
- ▶ 40% less hospital stay: 1.9 days vs. 3.1 days ISP vs pedicle screws.
- ► 69% less blood loss vs. pedicle screws



# NEW PRODUCT DEVELOPMENT: Clinical Study - ZIP®



In December 2020, Aurora commenced a major multicenter study of its ZIP® Interspinous Fixation Device for relief of back pain due to symptomatic degenerative disc disease

#### In October 2022, Aurora announced positive interim results from this study:

- 82% of patients reported improvement as a result of procedure;
- 65% of patients demonstrated clinical meaningful improvement in their pain and function;
- Device was both effective and safe.
- Goal of study is to advance the benefits of Aurora Spine's ZIP-Screwless™ procedure.
- ▶ 5,000+ procedures already completed worldwide, demonstrating ZIP® is safe and effective in an outpatient setting.
- All procedures done in surgery centers selected, initial cohort to be 100 patients, with initial results expected within 12 months, with additional options up to 5 years.
- ▶ Significant population of patients who will benefit from the ZIP-Screwless procedure once this important study is completed.
- Published study titled: <u>Multicenter Retrospective Review of Safety and Efficacy of a Novel Minimally Invasive Lumbar Interspinous Fusion Device</u>



"This device has been revolutionary in my practice as a minimally invasive device to significantly improve function and pain for my patients with back pain.

I am excited to be part of the study and to train others so that we can continue to advance therapies that relieve pain and restore function."

- **Vipul Mangal, M.D.**, an interventional pain specialist from National Spine & Pain Centers



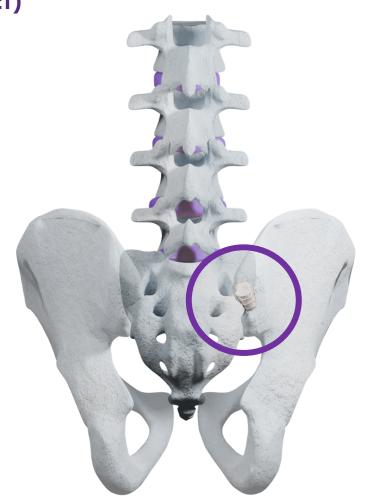






#### SiLO™ Posterior Si Joint Fusion System

- Addresses new market opportunity for Aurora spine -- Joint Pain
- Sacroiliac joint (Si Joint) fusion is a surgical procedure which fuses the iliac bone (pelvis) to the spine (sacrum) for stabilization.
- ▶ The Global MIS Sacroiliac Joint Fusion market was valued at US \$150 million in 2018 and will reach \$450 million by the end of 2025, growing at a CAGR of 14.7% during 2019-2025.
- ► A Crossover product: Ortho, Neuro, and Pain Physician can all use this product.
- ► Launched Q4 2020



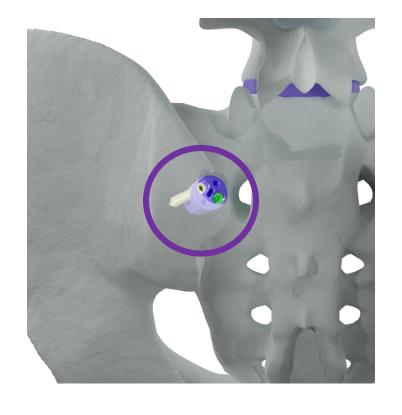




SiLO-TFX is Aurora Spine's MIS Transfixing Si Joint Fusion System.

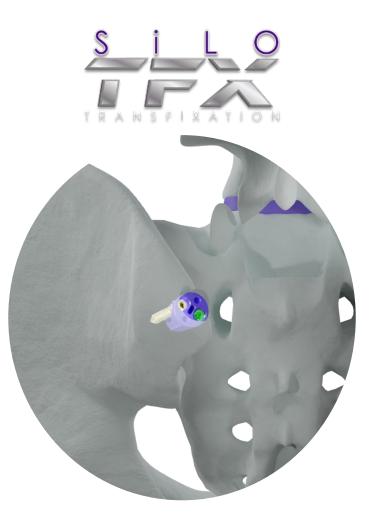
- ► A Crossover product: Ortho, Neuro, and Pain Physician can all use this product.
- ► FDA 510(k) cleared: Oct. '22.
- ► Estimated Commercial Launch 1H 2023
- ► Initial surgeries completed in Q1:23















KEY GROWTH DRIVER:

DEXA
PLATFORM &
TECHNOLOGY

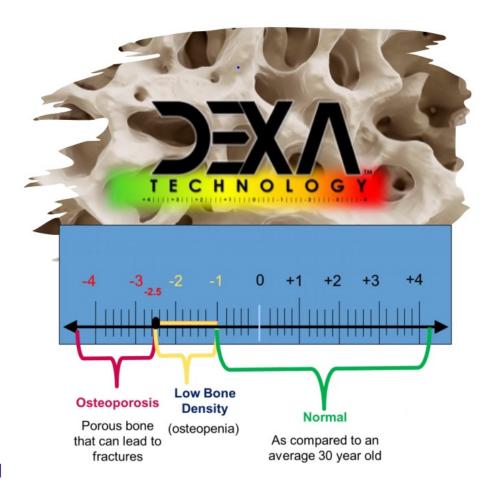
# NEW OPPORTUNITY: PATENT FOR CUSTOMIZED IMPLANTS



#### Aurora: Patent for DEXA™ Technology –

# The World's First to Market Patient-Matched Interbody Implant Technology to Enable Improved Spine Surgery.

- ▶ Patent (No. US 10,779,954 B1) will be utilized to create spinal implants that match the patient's specific bone density based on a DEXA Scan/T-score allowing for the best bone fusion treatment and most favorable outcome based on that patient's bone density.
- ➤ Traditionally, medical devices for spinal procedures are 'one size fits all' and assumes that every patient's bone density is similar. Not all patients have the same bone density, but most of the implants used have a significantly higher density and are more rigid than bone found in spine joints.
- ▶ Enter Customization: Aurora Spine to develop patient-matched implants that will be bone density specific and may be used on patients with osteoporotic bone.
- ► First commercialized DEXA Technology™ product, DEXA-C for anterior cervical discectomy with fusion (ACDF) procedures, approved by FDA in August 2021.



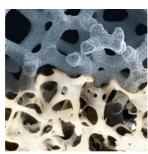
#### DEXA: BIO-MIMICKING BONE



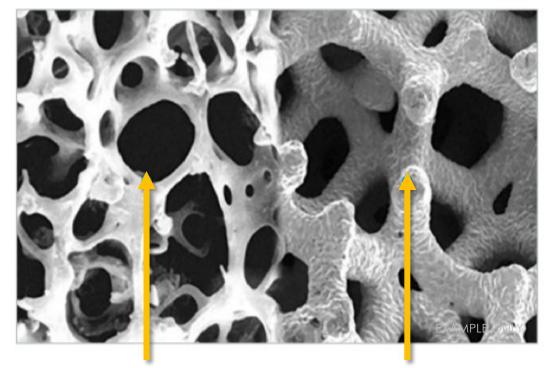
#### **DEXA Technology –**

- The consistent and open pore structure provides for bony in-growth and vascularization.
- Textured (rough) surfaces have been shown to have a positive bone response including tissue ingrowth and surface osteointegration compared to smooth surfaces in a variety of applications.
- Consistent Pore Size and Structure
- Supports osteo integration









Cancellous Bone DEXA TiBone™

#### DEXA: COMPARISON



#### THE DEXA REFINEMENT PROCESS

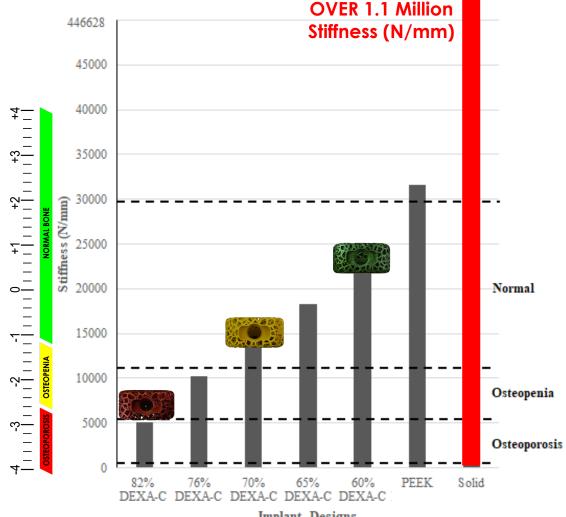
(In-Vitro and In-Silico Analysis)

What porosity is needed in Titanium DEXA-C to match the stiffness of Bone DEXA-C?









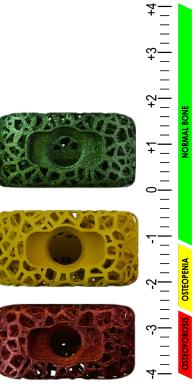


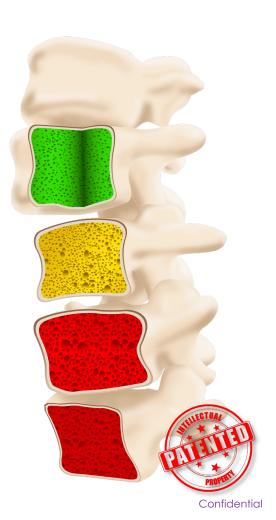
#### **DEXA: TAKE AWAY**



Having low bone density or osteoporosis affects <u>54 million</u> Americans. DEXA can match the bone density of the patient and promote bone growth and provide better implantation.

- ▶ Bone stiffness correlates to Bone Quality
- ► Bio-Mimicks bone
- ▶ DEXA tunes its stiffness to closely match the patients' bone stiffness
- ► Minimizes risk of subsidence
- ► Supports osteo integration
- ▶ Provides for bony in-growth and vascularization





# FUTURE OPPORTUNITIES: ADDITIONAL DEXA BRANDED PRODUCTS



Aurora will add DEXA Technology™ to its product portfolio – Cervical Fusion, Lumbar Fusion, and Si Joint Fusion.

- ► First commercialized DEXA Technology<sup>TM</sup> product implanted Q1:2022 DEXA-C Generating over \$1.1 Million in new revenue
- ► The entire interbody product line will be DEXA<sup>TM</sup> adaptive
- ► The SiLO TFX system will feature DEXA Technology™











# ADDITIONAL PRODUCT PORTFOLIO

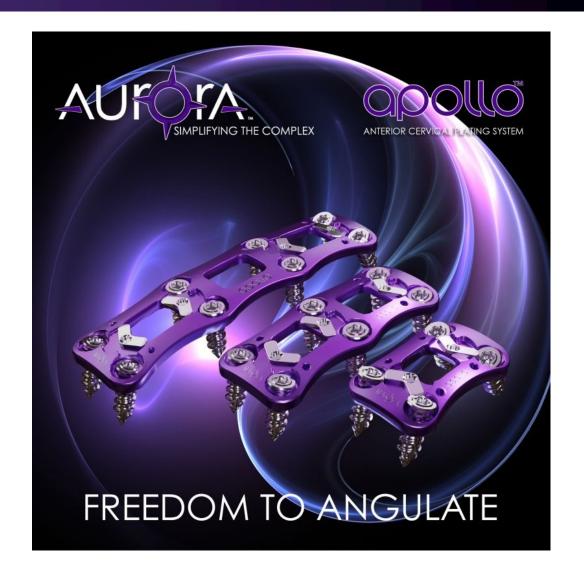


#### APOLLO™ (CERVICAL PLATE)



APOLLO™ is a thin & low-profile anterior cervical plate with large windows that allow graft access & visualization.

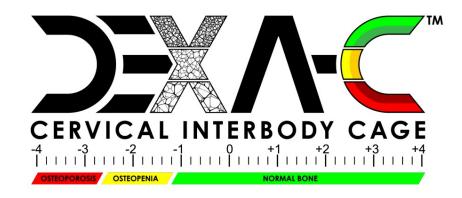
- ► Acquired Apollo Cervical Plate; product 510(k) FDA Cleared Q1 2021
- Featuring a sleek 1.9mm design, with Hyper-Angulation™ variability in the Cephalad-Caudal screw angulation of 32°
- Apollo to replace 3<sup>rd</sup> party cervical plate products represent about \$1.1 million of annual revenue and supports TiNANO<sup>™</sup> cervical cage sales.



# ADDITIONAL PRODUCT PORTFOLIO

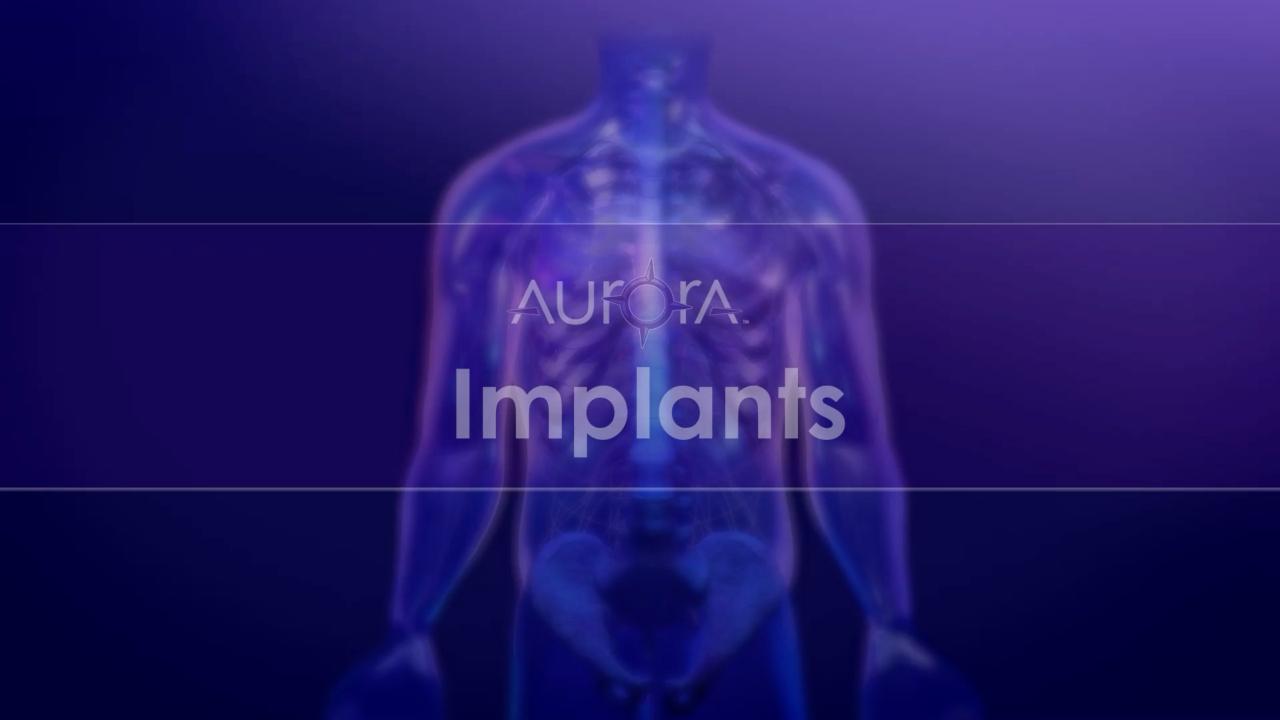


DEXA™ & The APOLLO™ finally together... at last.





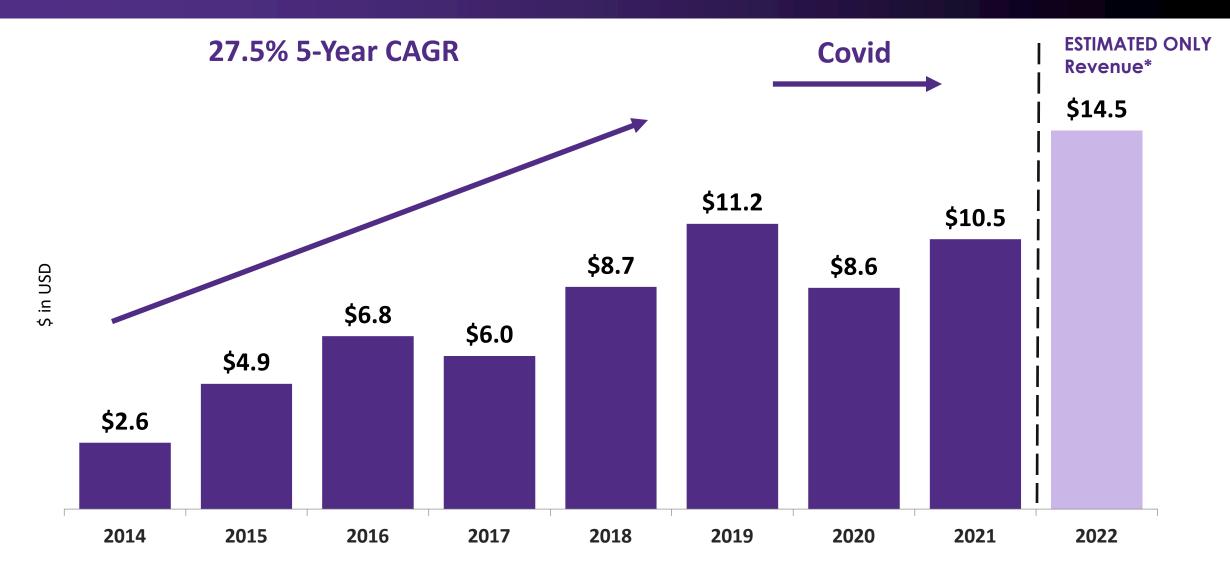






## REVENUE GROWTH





## INCOME STATEMENT HIGHLGHTS - ANNUAL & YTD

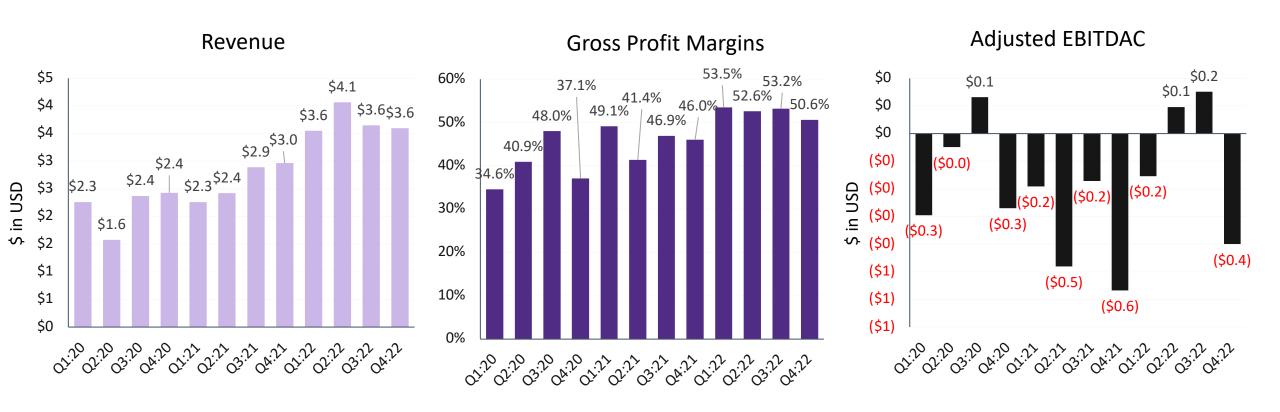




Company's successful deployment of key investments during 2021 to shift to sales of more proprietary products and focus on pain market has caused sales and gross margins to improve and moving towards a return to Adjusted EBITDA profitability.

## INCOME STATEMENT HIGHLGHTS - QUARTERLY





Successful execution of selling more proprietary products strategy and focus on pain market has caused sales to reach record levels and improvements in gross margins and moving to a return to sustained Adjusted EBITDAC profitability.

# CAPITALIZATION SUMMARY



Stock price: \$0.23

52-week range: \$0.17-\$0.46

Shares outstanding: 66.7 million

Market capitalization: \$14.0 million

Warrants: 15.2 million Avg exercise price of C\$0.61

1.75m @ \$0.21/sh. Expire on 12/13/23

4.47m @ C\$0.45/sh. Expired 2/6/23 – approximately half exercised, and half expired.

8.42m @ C\$0.75/sh. Expire 9/17/24

0.56m @ C\$0.58/sh. Expire 9/17/24

Options: 4.244 million @ Avg. price: \$0.32/sh

Key Shareholders:

18.3% - All Insiders (Board of directors and

Management)

13.3% - David Rosenkrantz, Chairman

2.0% - Trent Northcutt, CEO

Fully Diluted Share Count assuming all warrants and options: 81.4 million

# PEER COMPARISON INFORMATION



As of 4/20/2023	USD
, 15 01 1/20/2020	

				SALES	EV/SALES
Ticker	Company	Stock Price	Enterprise Value	(TTM)	(TTM)
ASG/ASAPF	Aurora Spine Corporation	\$0.23	\$17.08	\$14.23	1.20

				SALES	EV/SALES
Ticker	Company	Stock Price	Enterprise Value	(TTM)	(TTM)
MDT	Medtronic	\$84.31	\$135,907.92	\$30,771.00	4.42
ZBH	Zimmer Biomet	\$138.50	\$33,903.05	\$6,939.40	4.89
JNJ	Johnson & Johnson (DePuy)	\$162.06	\$444,472.63	\$94,943.00	4.68
SYK	Stryker	\$300.00	\$124,673.00	\$18,449.00	6.76
NUVA	NuVasive	\$42.93	\$3,107.82	\$1,091.00	2.85
SRGA	Surgalign	\$1.24	\$2.08	\$81.98	0.03
ATEC	Alphatec	\$16.00	\$1,919.21	\$350.87	5.47
OFIX	Orthofix Medical	\$18.72	\$325.57	\$460.71	0.71
KIDS	OrthoPediatrics	\$47.80	\$990.78	\$122.30	8.10
ZIMV	ZimVie	\$8.08	\$654.33	\$913.86	0.72
TNON	Tenon Medical	\$1.84	\$12.62	\$0.69	18.29
SIBN	SI-Bone	\$21.61	\$753.53	\$106.41	7.08

Peer Group 5.01

Discount to Peer Group -76.03%

#### INDUSTRY ACQUISITIONS



\$465+ Million Acquisition

~\$60 Million FY 2019 Sales

7.8X Revenue

MARLBOROUGH, Mass., May 9, 2019 -- Boston Scientific (NYSE: BSX) today announced that it has entered into a definitive agreement to acquire Vertiflex, Inc., a privately-held company which has developed and commercialized the Superion® Indirect Decompression System, a minimally-invasive device used to improve physical function and reduce pain in patients with lumbar spinal stenosis (LSS). The procedure – primarily performed by physicians who treat chronic pain patients with therapies including spinal cord stimulation and radiofrequency ablation – is expected to reach \$60 million in sales in 2019. The transaction consists of \$465 million in upfront cash and additional payments contingent on commercial milestones for the next three years.

## MILESTONES AND OBJECTIVES



#### Company now has several proprietary products to drive revenue growth and profitability

- ➤ ZIP Interspinous Fixation Device screwless procedure
- ➤ SiLO-TFX FDA Cleared, product launch 1H:23
- ► Commercialize DEXA<sup>TM</sup> products: DEXA-C and DEXA-L
- ► Apollo cervical plate to be sold with DEXA cages

#### Focus on emerging, fast growing pain market

- Expand sales focus into Pain Interventionalist market
- Continued outreach to educate and train pain interventionalists
- ► Tap into rapidly growing segment of spinal healthcare market

#### **Develop DEXA IP**

- Two products now FDA approved with sizable, untapped market opportunity
- Create additional Aurora products using DEXA technology
- ► Seek licensing opportunities for other orthopedic medtech devices

#### **Launched Multicenter Studies**

- ► Studies approved and launched for ZIP®, SiLO-TFX and DEXA-C
- ➤ Studies to investigate efficacy and produce published clinical outcomes



#### MANAGEMENT TEAM





Trent Northcutt
Chief Executive Officer

- 20+ years experience in medical device market
- VP of Sales and Business
   Development for Alphatec
   Spine, Inc.
- VP of Spineart USA, Inc.
- VP Sales and Operations at Lanx, LLC – responsible for launching Aspen ISP fusion device



Laszlo Garamszegi Chief Technology Officer

- 20+ years experience in medical device market
- Co-inventor of the ZIP ISP
- Co-founder of several successful medical start-ups
- Co-inventor of 4Closure Laparoscopic Fascia Closure Device; subsequently sold to Baxter Int'l (NYSE: BAX)
- Holds 11 patents in US for spinal implant designs



Dave Meyer VP & Chief Legal Officer

- 25+ years of legal experience and 30+ business experience
- COO of Anthony Robbins Companies
- Represented clients including Pulte Homes, Chevy's, Ross Dress for Less, Gymboree, Oakland Alameda County Coliseum and Carruth Cellars



**Chad Clouse Chief Financial Officer** 

- 15+ years of corporate accounting experience with small and medium-sized companies
- CPA licensed in California
- Served in U.S. Army with the 1<sup>st</sup> Armored Division

## BOARD OF DIRECTORS





#### David Rosenkrantz Chairman

- 18+ years experience in investment banking
- Co-founded Patica Corporation in 1993
- Focus on financing equity needs for small-cap, high growth companies.



Trent Northcutt CEO

- 20+ years experience in medical device market
- VP of Sales and Business Development for Alphatec Spine, Inc.
- VP of Spineart USA, Inc.
- VP Sales and
   Operations at Lanx, LLC
   – responsible for launching Aspen ISP fusion device



Jim Snow Board Member

- 23+ years executive healthcare management and start-up experience
- President and CEO of Renaissance Biologic and Medical Resources
- Co-founded US
   Healthworks and served as VP of M&A
- Co-founded Integrated Healthcare Services (IHS)



Mike Seid Board Member

- 17+ years of investment, finance, management and operations experience
- President and managing partner of Axxcess Wealth Management
- Director of Axxcess Healthcare Group, LLC, focus on early stage life science and medical device companies



#### Daryl Maclellan Board Member

- President of Desante Financial Services, Inc. and Managing Director of Maximum Financial Services Inc.
- Was President of CIT Canada and President of CIT Group Securities (Canada) Inc.
- Board member of the Canadian Financing Lease Association



Tracy Graf Board Member

- President of Carfinco Financial Group Inc. (TSX: CFN) since 1998
- Was General Manager of Graf Management and Cattle Co. Ltd.
- Board position with Canadian Simmental Association and director of Casablance Capital Corp.

Confidential

## STRONG PATENT PORTFOLIO



# Aurora's Intellectual Property

- ► Company has built upon IP and has been issued several key patents proving strength in its R&D and proprietary technology.
- ► 10 Patents Issued
- ► 8 US Patents Issued
- ► 6 New Patents Pending

Title	Ser. or Pat. No	Filing Date	Issue Date	Continuity Data	Status
Dynamic and Non-Dynamic Interspinous Fusion Implant and Bone Growth Stimulation System	9,364,267	4-17-13	6-14-16		Granted 7.5 Year MF Open 6-14-23
Dynamic and Non-Dynamic Interspinous Fusion Implant and Bone Growth Stimulation System	10,213,233	6-7-16	2-26-19	Continuation of 001US05	Granted 3.5 Year MF Open 2-26-22
Dynamic and Non-Dynamic Interspinous Fusion Implant and Bone Growth Stimulation System	10,786,286	12-28-17	9-29-20	Continuation of 001US06	Granted 3.5 Year MF Open 9-29-23
Dynamic and Non-Dynamic Interspinous Fusion Implant and Bone Growth Stimulation System	2013249305	4-17-13	8-24-17		Granted Renewal Due 4-17-21
Dynamic and Non-Dynamic Interspinous Fusion Implant and Bone Growth Stimulation System	2838453	4-17-13	10-12-17		Granted Renewal Due 4-17-21
Polyaxial Interspinous Fusion Implant And Bone Growth Stimulation System	9,603,637	6-5-15	3-28-17		Granted 7.5 Year MF Due 3-28-24
Expandable Interspinous Device	9,387,016	2-6-13	7-12-16		Granted 7.5 Year MF Due 7-12-23
Expandable Interspinous Device	10,143,501	5-10-16	12-4-18	Continuation of 005US01	Granted 3.5 Year MF Due 12-4-21
Body Density Scan Result-Matched Orthopedic Implants and Methods of Use	10,779,954	12-13-17	9-22-20		Granted 3.5 Year MF Open 9-22-23
Spinal Implant for Motion Preservation of Fusion	11,331,199	4-29-20	5-17-22		Granted

