



Bioventus Inc.

Canaccord Genuity Musculoskeletal Conference – May 20, 2021



Disclaimer

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Experienced Leadership Team

Ken Reali, Chief Executive Officer

Former CEO of:



Former Executive of:



Greg Anglum

SVP, Chief Financial Officer



Alessandra Pavesio

SVP, Chief Science Officer



John Nosenzo

SVP, Chief Commercial Officer



Tony D'Adamio

SVP, General Counsel



Leigh Ann Stradford

SVP, Chief HR Officer



Katrina Church

Chief Compliance Officer



Chris Yamamoto

SVP, Business Development & Strategy

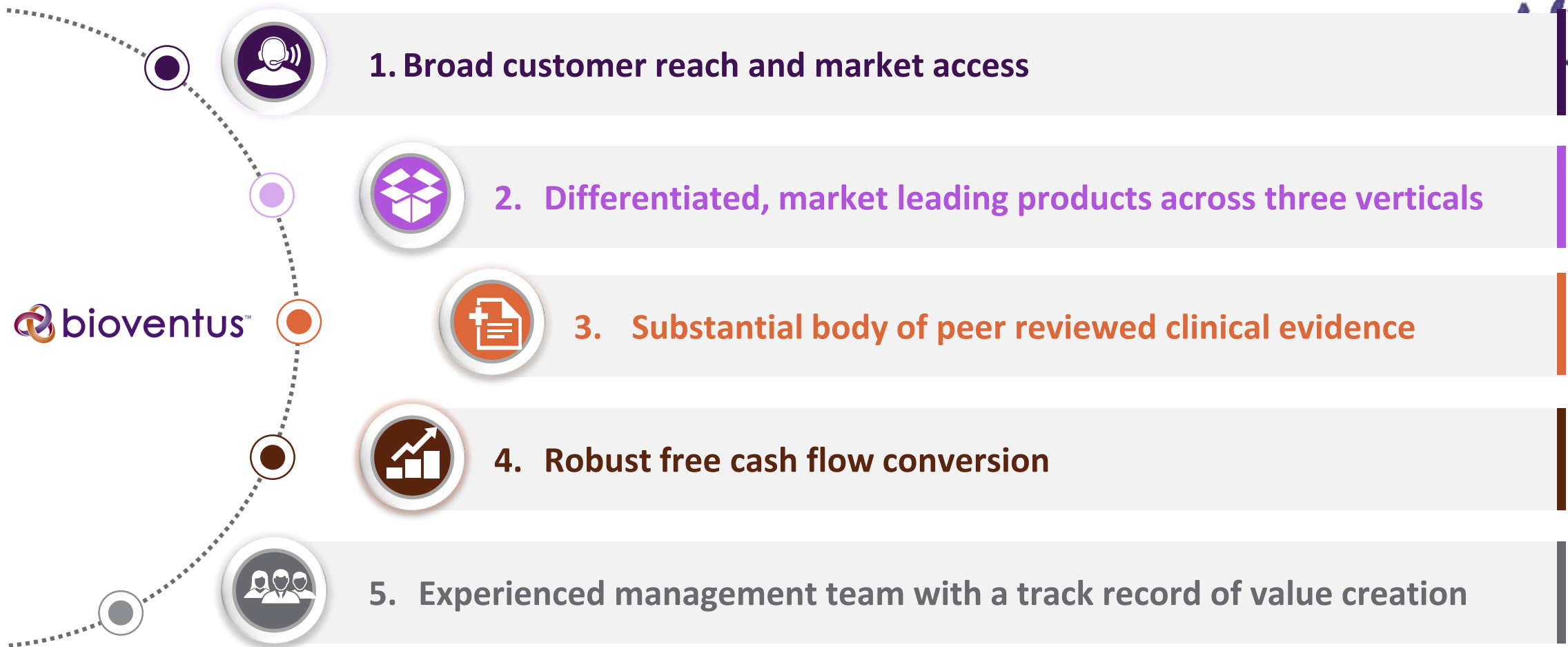


Miguel Beltran-Delgado

SVP, Operations

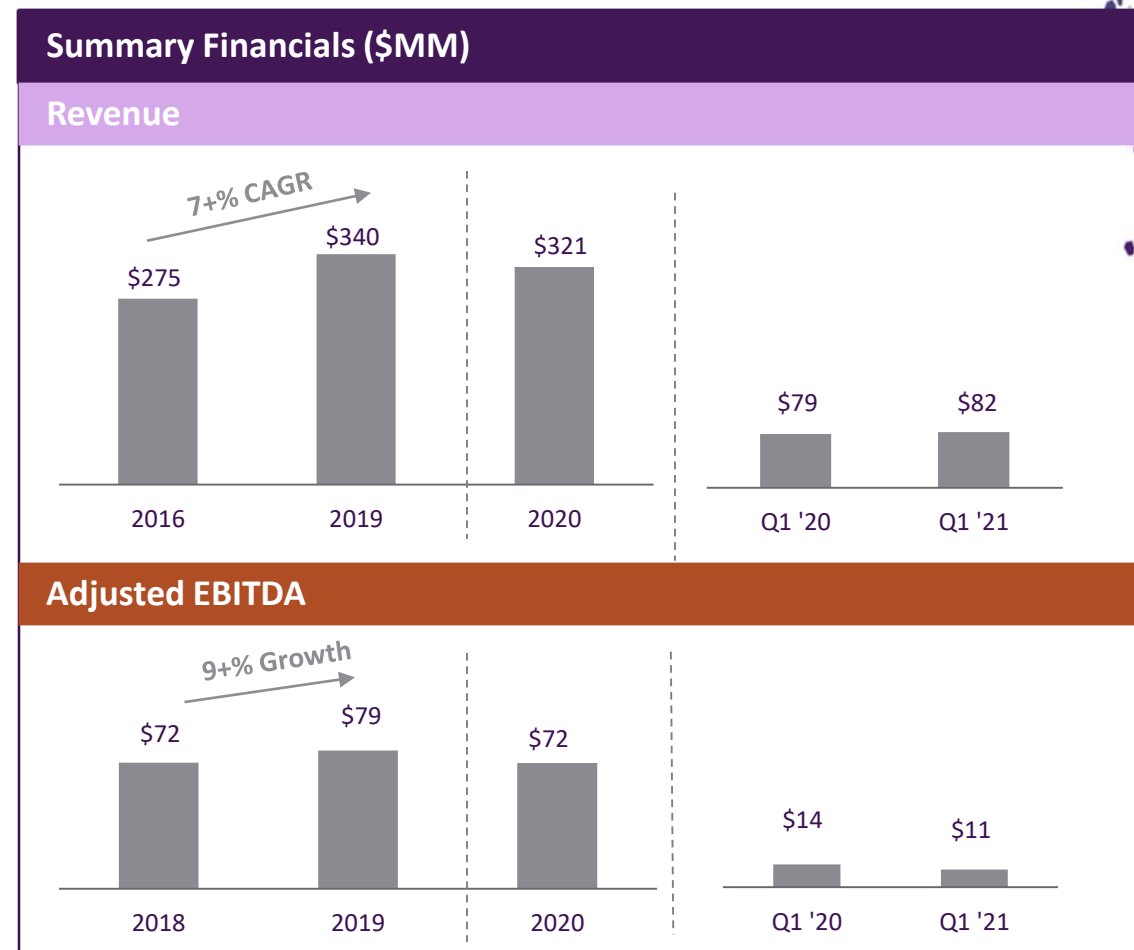


Key Investment Highlights

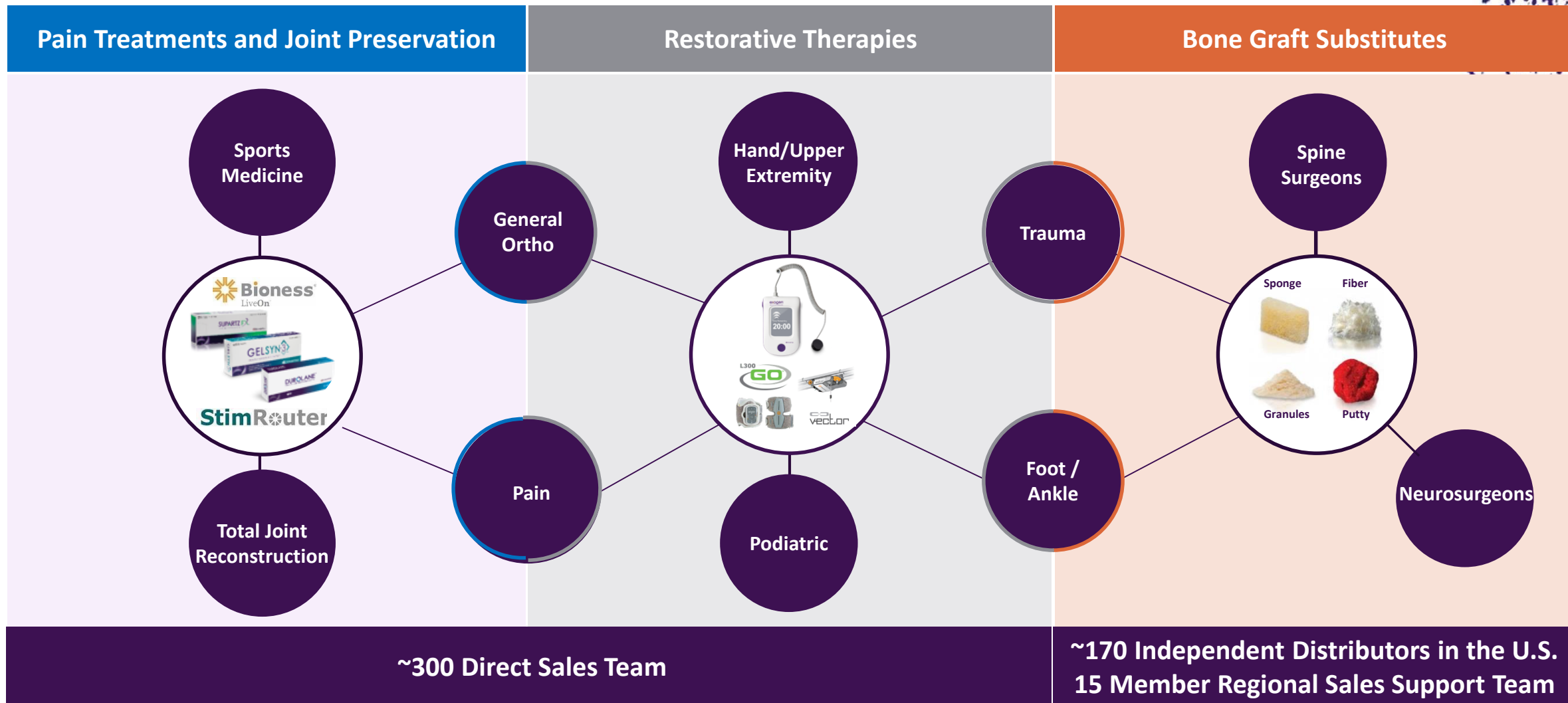


Bioventus At a Glance

- Bioventus offers clinically differentiated, cost efficient, and minimally invasive treatments that engage and enhance the body’s natural healing process
 - The only complete portfolio of single, three and five injection HA viscosupplementation therapies
 - Fastest growing participant in the bone graft substitute market
 - Exogen system is the number one prescribed bone healing treatment for long bone fractures by revenue⁽¹⁾
 - 5 FDA approved and commercialized Advanced Rehabilitation devices focused on restoring extremity utilization through Functional Electrical Stimulation (FES).
 - Recognized technology leader in Peripheral Nerve Stimulation (PNS) to treat post surgical pain within high-growth neuromodulation market.
- An estimated \$13BN+ global market opportunity, with compelling industry dynamics and multiple growth drivers



Broad Customer and Market Access



Bioventus Offers *Clinically Differentiated, Cost Efficient, and Minimally Invasive Treatments* That Engage and Enhance the Body's Natural Healing Processes.....

Pain Treatments and Joint Preservation



DUROLANE
hyaluronic acid, stabilized single injection

GELSYN-3
3 injection hyaluronic acid treatment

SUPARTZ FX
sodium hyaluronate



Bone Graft Substitutes

Granules



Putty



Sponge



Fiber



osteoamp
Allogenic Morphogenetic Proteins

signafuse
Bioactive Bone Graft

interface
Bioactive Bone Graft

cellxtract
Autologous Cell and Bone Marrow Extraction

extractor
Autologous Cell and Bone Marrow Extraction

exponent
Demineralized Bone Matrix

osteoatrix
Biphasic Bone Graft

purebone
Demineralized Cancellous

Restorative Therapies

exogen
ultrasound bone healing system



.....we believe our portfolio of products plays a critical role in supporting the body's own healing mechanisms to heal or eliminate pain

We are the **Fastest Growing** and Now the **Second Largest US HA⁽¹⁾ Provider**

Products

- ✓ Knee OA pain relief
- ✓ Complete portfolio offering 1, 3 & 5 injection regimens
- ✓ Long Term Exclusive Distribution Agreements
- ✓ Peripheral Nerve Stimulation (PNS) – alternative to Opioids.

Market

~14MM
OA Patients⁽²⁾

~\$2BN
Global HA Market⁽³⁾

#2
Participant in U.S.
HA Market⁽³⁾

~\$6BN
Global PNS Market⁽⁴⁾

Growth Strategy

Market Expansion:

- Grow share through access and channel expansion
- International growth
- Leverage Orthopedic call points for post-surgical pain with PNS

New Planned Product Introductions:

- Placental Tissue Biologic
- Advanced Knee Repair
- Biologic Shoulder Repair
- Implantable nerve stimulation

M&A Opportunities

- Recent acquisition of Bioness allows for the leverage of our sales force and customer call points in Sports Medicine, Total Joint Reconstruction, Foot/Ankle/Podiatric) to expand the market penetration of Bioness products

- 8 -

1. Hyaluronic Acid "HA"
2. Deshpande BR, et al. Number of persons with symptomatic knee osteoarthritis in the US: impact of race and ethnicity, age, sex, and obesity. *Arthritis Care Res* 2016;68:1743-50
3. SmartTRAK Business Intelligence
4. LSI procedure database, clinical literature & McKinsey research

Pain Treatments and Joint Preservation: Development and Pipeline

motys

- ~\$110MM U.S. amniotic tissue market for orthopedic, sports and spine applications, with projected 25% CAGR from 2019 through 2023⁽¹⁾
- Received IND Approval in Q4 2020, began clinical studies in Q1 2021; in parallel, we intend to pursue a BLA for the product

CartiHeal Agili-C™

- CartiHeal's Agili-C technology is the only off-the-shelf aragonite scaffold implant designed to address osteochondral defects in the knee
- Potentially unlocks applications for the millions of patients in the global knee cartilage repair market, which we estimate at over \$1.3 billion
- Granted FDA **breakthrough device** designation in Q4'20 for the treatment of certain knee-joint surface lesions
- Option to acquire this technology from CartiHeal upon PMA approval
- Submitted CartiHeal's non-clinical PMA Module in Q1'21 & expects to complete its Modular PMA submission in Q4'21

PROcuff™ Bioimplant

- Exclusive Collaboration Agreement with Harbor to commercialize ProCuff
- Bio-inductive collagen implant for regeneration of tendon tissue in the rotator cuff
- 534,000 rotator cuff injuries surgically repaired in the US in 2020, at least 25% of which are in-scope⁽¹⁾
- Have completed a pilot sheep implantation study
- Expects to submit 510(K) in 2022

TalisMann

- TalisMann is a next generation, less invasive, implantable PNS, offering more localized access to smaller nerve areas, enabling targeted treatment.
- Patent protected Electric Field Conduction (EFC) delivery method, overcoming RF attenuation.
- ~8 million extremity surgeries each year in the US alone ⁽³⁾
- Expects FDA clearance in 2022

Bioventus Biologic Portfolio for Pain Treatments and Joint Preservation



Portfolio of Orthobiologic Products to Supplement Bone Growth

Products

- ✓ Used to supplement bone growth, primarily in spine surgery
- ✓ Differentiated clinical data
- ✓ Can be used in conjunction with any orthopedic fixation and spinal fusion implant

Granules		
Putty		
Sponge		
Fiber		

Market

~\$2.0BN U.S. Market⁽¹⁾

Growing 3.6%-5.6% from 2019 to 2024 according to iData Research⁽¹⁾⁽²⁾

~1.3MM Procedures Used Bone Graft Substitutes in 2019⁽¹⁾

~\$55MM Bioventus Global Sales in 2019

~3% Market Share

Growth Strategy

Market Expansion:

- Grow share through access and channel expansion
- International growth

New product introductions:

- **Signafuse Bioactive Strip**
 - Osteoblastic differentiation compared to other synthetics
 - Focus on Posterolateral Fusion procedure
 - Launched August 2020
- **Flowable OsteoAMP**
 - Designed for enhanced handling characteristics
 - Focus on Minimally Invasive Surgical Spine Fusions
 - Expected to launch in H2 2021

M&A opportunities

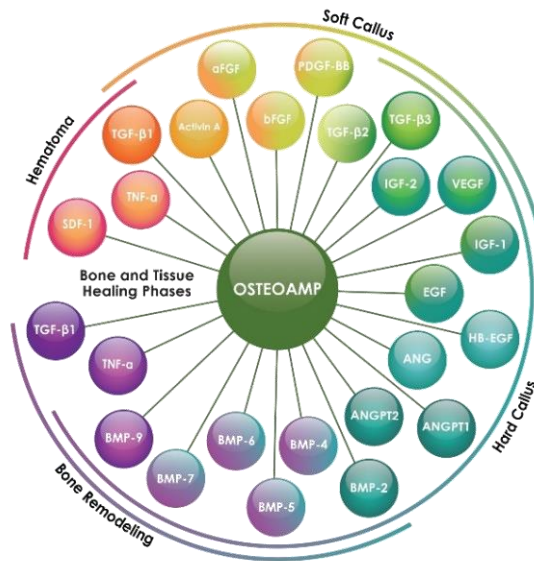
1. As of 2019; iData Research: US Market Report Suite for Orthopedic Biomaterials

2. Bone Graft Substitutes are used in the following procedures: orthopedic spine bone grafting procedures growing at 3.6%; trauma bone graft substitute procedures growing at 4.0%; other surgeries excluding craniomaxillofacial growing at 5.6%

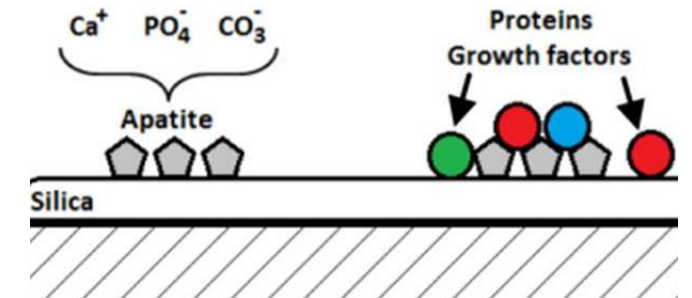
Bioventus Platform Technologies



Allograft bone graft substitute with retained growth factors to support bone formation



Bioactive synthetic bone graft with osteostimulative properties to activate bone cells



Established Market Leader; Building Clinical Evidence to Expand Label

Products

- ✓ Uniquely Indicated for most nonunion fractures & select fresh fractures
- ✓ 20 minutes / day home treatment



- ✓ Advanced rehab products restore extremity utilization.
- ✓ 17 of top 20 rehab hospitals in US are customers

Market

~\$250MM Long bone stimulation U.S. Market⁽¹⁾

#1

Prescribed Bone Healing Treatment for Long Bones⁽²⁾

~\$1.75B Advanced Rehabilitation Global Market⁽³⁾

Growth Strategy

Market Expansion:

- Expand indications for use
- International growth
- Transition focus from Neuro rehab to Ortho & Neuro rehab
- Recent acquisition of Bioness allows for the leverage of our sales force and customer call points in Total Joint Reconstruction, Foot/Ankle/Podiatric to expand the market penetration of Bioness products

Product Extension:

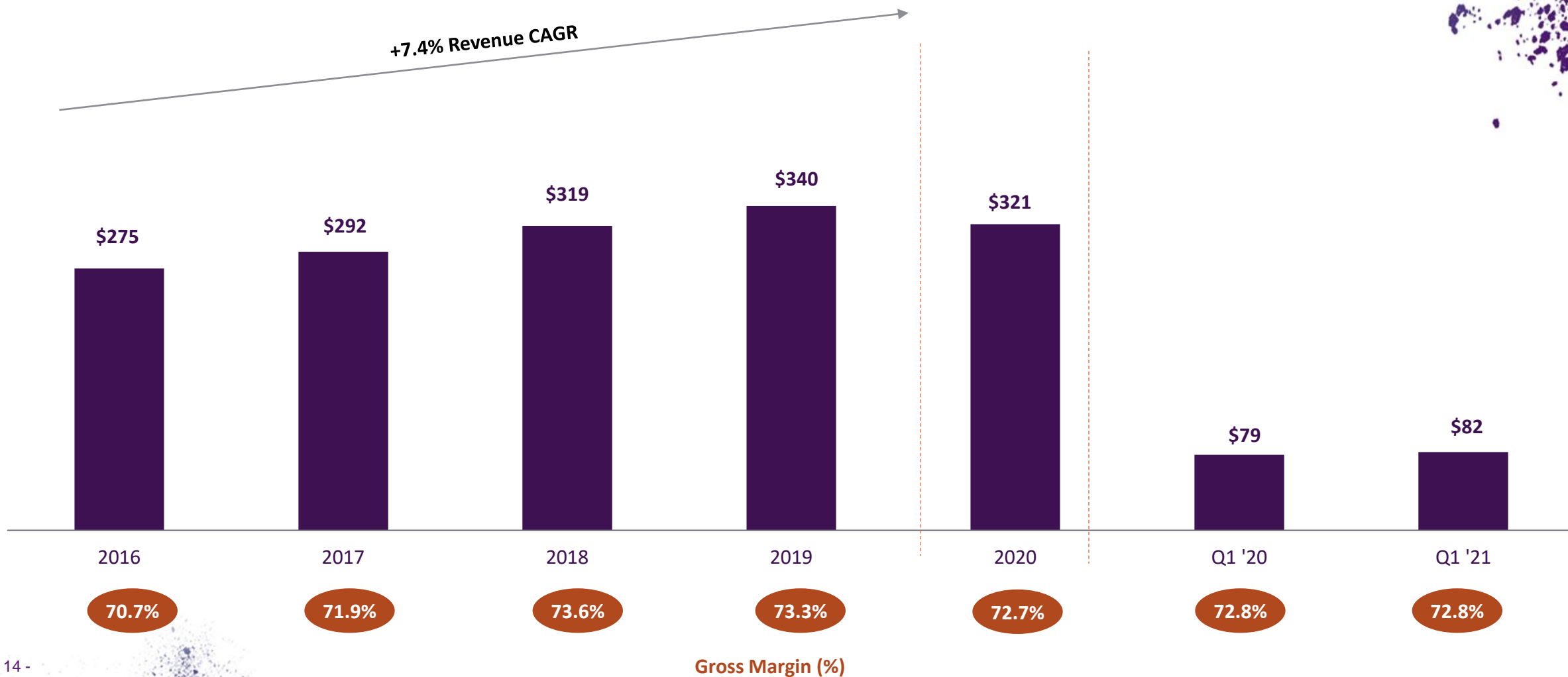
- **“B.O.N.E.S.” clinical study** - Treatment of fresh fractures to mitigate risk of fracture non-union in pre-disposed patients:

- 5th Metatarsal – Submitted PMA in Q4 2020
- Scaphoid – Enrollment complete in Q4 2020
- Tibia – Expects to complete enrollment in 2021

- **Continuous product improvements**

M&A Opportunities: Opportunities for M&A in Restorative Therapies and in leveraging reimbursement business model

Strong Track Record of Revenue Growth (\$MM)

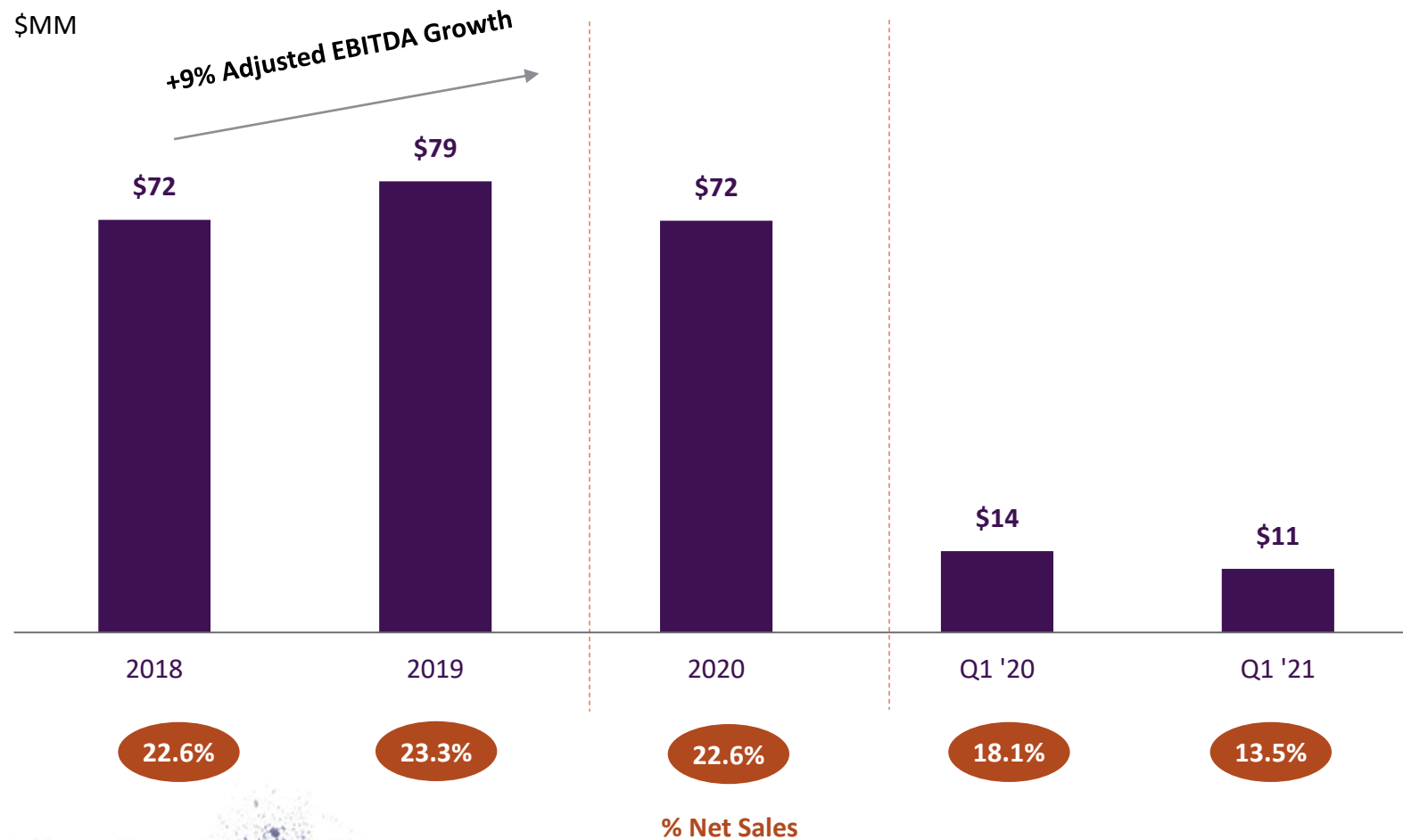


Strong Track Record of Improving Profitability

Adjusted EBITDA

\$MM

+9% Adjusted EBITDA Growth



- ✓ 70%+ Gross Margins
- ✓ Expanding Operating Margin
- ✓ Strong Cash Position (\$124MM at end of Q1 '21)
- ✓ >90% of EBITDA converts to free cash flow

Adjusted EBITDA Reconciliation

(\$, thousands)	Twelve Months Ended			Three Months Ended	
	December 31, 2020	December 31, 2019	December 31, 2018	April 3, 2021	March 28, 2020
Net income	14,722	8,113	4,443	24,528	10,486
Depreciation and amortization	28,642	30,316	29,238	7,184	7,265
Income tax (benefit) expense	1,192	1,576	1,664	(73)	39
Interest (income) expense	9,751	21,579	19,171	(2,876)	2,381
Equity compensation	10,103	10,844	14,325	(22,412)	(7,026)
COVID-19 benefits, net	(4,123)	-	-	-	-
Succession and transition charges	5,609	-	-	157	773
Restructuring costs	563	575	1,373	-	-
Impairment of intangible assets	-	-	489	-	-
Change in fair value of contingent consideration	-	-	(739)	-	-
Foreign currency impact	(117)	8	234	(52)	86
Acquisition costs	467	-	-	3,196	-
Equity loss in unconsolidated investments	-	-	-	469	-
Other non-recurring costs	5,633	6,177	1,973	949	242
Adjusted EBITDA	\$ 72,443	\$ 79,188	\$ 72,171	\$ 11,070	\$ 14,246

Strategy to Continue Building a Market-leading Company

