AROA BIOSURGERY (ARX)

HALF YEAR UPDATE
OCTOBER 2022

Unlocking regenerative healing for every*body*

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AROA™

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 "dead-space" NPWT platform

>US$2.5b[2] TAM
for existing products

US Direct (AROA) and Commercial partner (TELA Bio™) sales

5.6 million+
AROA products applied in treating patients

>40
Peer Reviewed Publications

Regulatory Approvals
in 50 countries

Enivo™ Tissue Apposition Platform

> 245
personnel[3]

1. Unaudited
2. SmartTRAK BiomedGPS data 2020; DRG Millennium Research data; Hernia Repair Devices, 2020, AROA management estimates; DRG Millennium Research, Breast Implants & Reconstructive devices, 2018. Market data was prepared before the onset of COVID-19, the economic effect of which is currently not possible to predict with any certainty. Consequently, while the Company has no reason to believe that the market data does not remain accurate based on the relevant markets operating normally, the impact of COVID-19 on the market data that is referenced is not possible to currently predict with any certainty and investors are cautioned against placing undue reliance on such data.
3. AROA NZ & US employees.

Substantial Growth Opportunities > $2.5B[1] TAM

AROA™

TELA BIO® SURGICAL RECONSTRUCTION COMPANY

SCIENCE. VALUE. INNOVATION.

Complex Wounds

Symphony™
Proliferative Bioscaffold

Endoform™ Antimicrobial
Restorative Bioscaffold

Endoform™ Natural
Restorative Bioscaffold

Total Addressable Market
> $1.4B[2] USD

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

Soft Tissue Reconstruction

Myriad Matrix™
Soft Tissue Bioscaffold

Myriad Morcells™
Morcellized Bioscaffold

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

OVITEX®
REINFORCED TISSUE MATRIX

OVITEX® PRS
REINFORCED TISSUE MATRIX

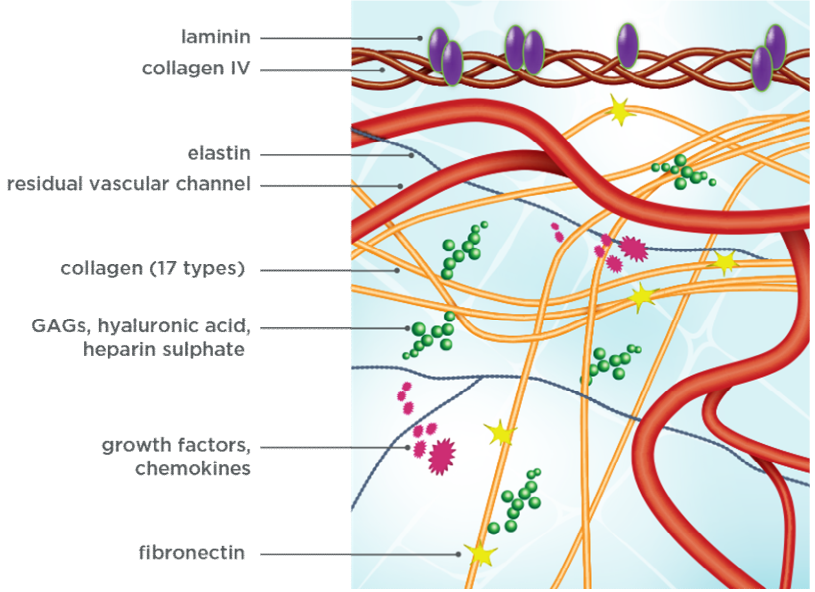
Total Addressable Market
> $1.3B[3] USD

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. DRG Millennium Research data; Hernia Repair Devices, 2020. DRG Millennium Research, Breast Implants & Reconstructive devices, 2018.

AROA ECM – Structure & Biology for Regenerative Healing

Unique Extracellular Matrix (ECM) derived from ovine forestomach with proven tissue regeneration properties across multiple products[1-6]



Endoform™	Myriad™	OVITEX® (Reinforced Bioscaffold)
78 PRESENTATIONS / PUBLICATIONS	18 PRESENTATIONS / PUBLICATIONS	27 PRESENTATIONS / PUBLICATIONS

- Rapid formation of well vascularized and functional tissue[1,2]
- Tolerated a contaminated field and resistant to infection [3-5]
- No negative inflammatory response reported[2-5]
- Reduced surgical complexity[4-6]

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.2020.29.12.742l7. 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

AROA™

H1 FY23 Half Year Results[1]

Product Sales
NZ$28.8m
44% constant currency[2] growth on pcp

Myriad sales
NZ$5.6m
242% constant currency growth on pcp

Product Gross Margin
84%
vs. guidance of 77%[3]

Normalised[4] EBITDA positive

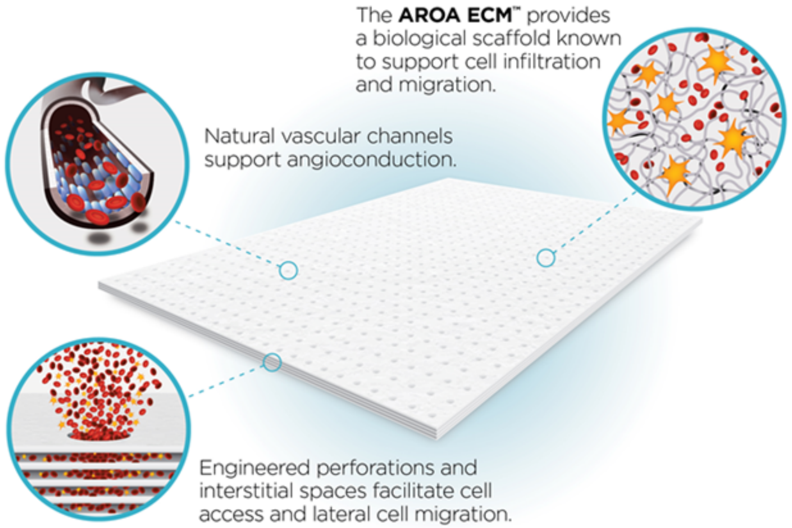
FOREX tail winds
positive contribution (~NZ$3.4m) to performance

Cash balance
NZ$50.1m[5]

1. Unaudited
2. Constant currency removes the impact of exchange rate movements. This approach is used to assess the AROA group's underlying comparative financial performance without any distortion from changes in foreign exchange rates, specifically the USD. Prior to 25 October 2022, references to 'constant currency' in relation to AROA's FY23 results utilised an exchange rate of US$0.70/NZ$1.00 (being the AROA group's then budget rate for FY23). Due to the material impact of significant movement in the actual US$/NZ$ exchange rate to date, AROA has revised the rate used in its constant currency analysis to US$0.62/NZ$1.00 (being approximately the AROA group's average US$/NZ$ exchange rate for H1 FY23). All references in this presentation to constant currency are as set out in this footnote.
3. FY23 Product Gross Margin % guidance was 77%, on the basis of a constant currency exchange rate of US$0.70/NZ$1.00 (compared to the revised constant currency exchange rate of US$0.62/NZ$1.00). The revised currency rate has contributed to approximately 3% of the increase in product gross margin % compared to previous guidance.
4. 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 NZ GAAP accounting treatment specific to one-off fair value adjustments, one-off transaction costs associated with capital raisings. The impact of non-cash share-based payments expense 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.
5. As at 30 September 2022.

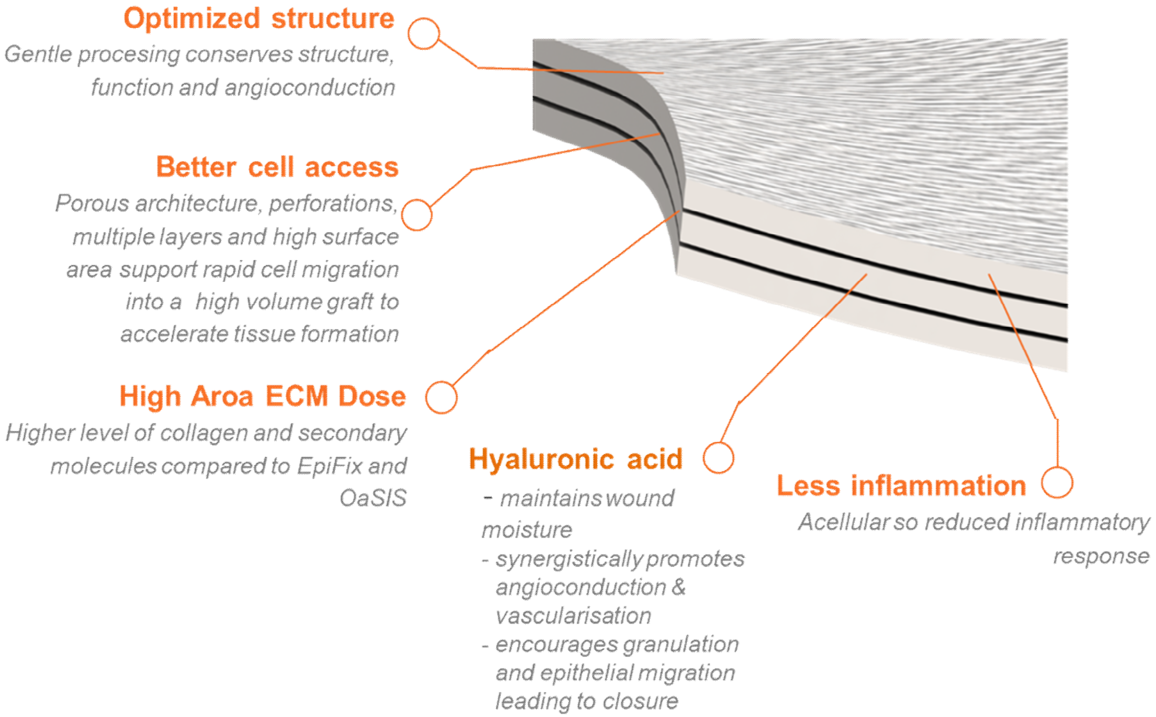
Myriad

- **Ongoing field salesforce expansion:** 35 targeting ~41 by end of FY23.
- **Salesforce productivity:** positive operational trends with anticipated gains from line extensions & Symphony launch.
- **Myriad - MASTRR Clinical Registry:** 97 patients recruited, 3 sites - targeting 300 patients & 10 sites over a three-year period.
- **Target procedures:** growing use in trauma, NSTI's, open abdomens, NSTI's & pressure injuries.
- **Myriad line extensions:** Myriad Morcells™ (fine) Apr '23.



Symphony

- **Disruptive US reimbursement changes proposed for 'Skin Substitutes' from CY23:**[1] Draft changes include moving to site-neutral fixed payment, incentives to favor products with high efficacy at a reasonable price & fewer applications during an episode of care. Under public consultation and expected to be finalized in Nov '22.
- **US reimbursement coding & coverage:** Symphony assigned new "A" code with LCD coverage from major Medicare Administrative Contractors (Novitas, First Coast & CGS).[2]
- **Full Launch Apr '23:** After positive early clinical experience in Veterans Affairs over last six months.
- **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.



1. See https://www.federalregister.gov/public-inspection/2022-14562/medicare-and-medicaid-programs-calendar-year-2023-payment-policies-under-the-physician-fee-schedule and Calendar Year (CY) 2023 Medicare Physician Fee Schedule Proposed Rule | CMS.
2. Representing three of the seven Medicare Administrative Contractors.

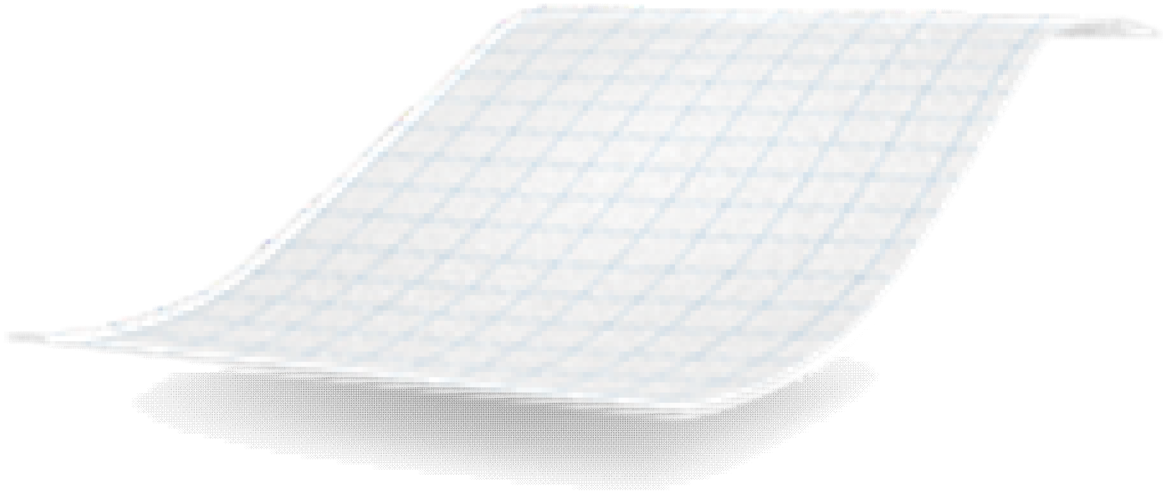
OviTex & OviTex PRS

- **OviTex, OviTex LPR & PRS continue to gain momentum:** TELA Bio™ sales guidance of US$42-45m in CY22 up from US$29.5m in CY21.[1]

- **Bravo I (ventral hernia):** 92 enrolled patients, 2.6% recurrence rate in ventral hernias at 24-months.[2]

- **ReBAR (robotic):** 157 inguinal hernia repairs, 1.9% recurrence rate at 24-months.[2]

- **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.

1. TELA Bio, Inc. press release dated 10 August 2022.
2. TELA Bio, Inc. press release dated 4 August 2022.

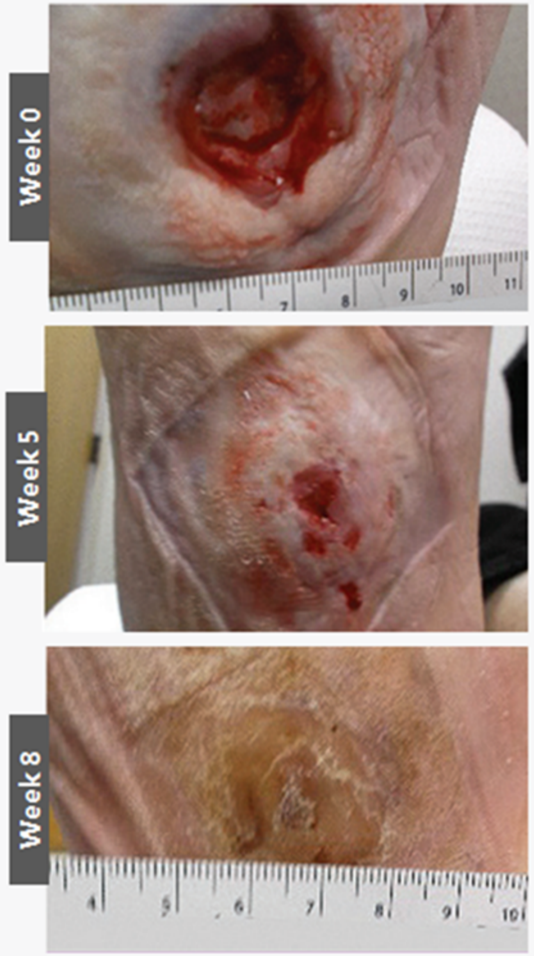
Endoform

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

Endoform Natural is a single layer of the Aroa ECM.

Endoform Antimicrobial a single layer of Aroa ECM with 0.3% ionic silver embedded to provide broad spectrum antimicrobial activity

Endoform Natural in a Diabetic Foot Ulcer



Enivo

- **US FDA 510k submission:** Nov ’22.
- **Pre-clinical model demonstrates efficacy potential:** Peer-reviewed publication Oct ’22.[1]
- **Set-up for pilot clinical study:** 10 patients in Mastectomy H1 CY23.
- **Platform technology for a family of new products:** partially removable and resorbable implants, variety of formats for different anatomical sites/procedures.

US Total Addressable Market
>$1B
(AROA management estimate)

1. https://www.hmpgloballearningnetwork.com/site/eplasty/original-research/evaluation-tissue-apposition-and-seroma-prevention-ovine-model.

FY23 Updated Guidance[1]

Forecast Product Sales

NZ$60-62m[2]

Total revenue of NZ$62-64M

Forecast Product Gross Margin

84%

Normalised EBITDA[3]

~breakeven

Cash Balance

~NZ$50m

1. Given the dynamic and evolving impact of COVID-19, all forward looking statements in relation to FY23 performance are subject to there being 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$42-45 million in CY22. It assumes an average exchange rate of US$0.62/NZ$1.00.
2. Prior FY23 product revenue guidance was NZ$51-55 million, on the basis of a constant currency exchange rate of US$0.70/NZ$1.00. At that rate, current product revenue guidance represents approximately NZ$53 – 55 million.
3. 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 NZ GAAP accounting treatment specific to one-off fair value adjustments, one-off transaction costs associated with capital raisings. The impact of non-cash share-based payments expense 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.

FY23 Catalysts & Milestones

Post-COVID

COVID-19 expected to have a reduced impact for remainder of FY23

AROA Sales Momentum

Fully dedicated field sales team. Myriad expected to drive growth

Symphony Product Launch

Disruptive potential reimbursement changes, clinical outcomes & cost savings expected to drive increasing adoption

TELA Bio Sales Momentum

Clinical outcomes & cost savings driving increasing adoption

Enivo

Pre-clinical data, FDA regulatory submission, initiate pilot clinical study

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