



XTANT

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www.xtantmedical.com

Investor Presentation

September 2021

DISCLOSURE STATEMENTS

Cautionary Statement Regarding Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “intends,” “expects,” “anticipates,” “plans,” “targets,” “believes,” “estimates,” “continue,” “future,” “will,” “potential,” similar expressions or the negative thereof, and the use of future dates. Forward-looking statements in this presentation include, but are not limited to, statements about market size and potential, the Company’s total addressable market and the Company’s future growth plans, initiatives and strategies. The Company cautions that its forward-looking statements by their nature involve risks and uncertainties, and actual results may differ materially depending on a variety of important factors, including, among others: the Company’s future operating results and financial performance; the effect of the COVID-19 pandemic on the Company’s business, operating results and financial condition; the ability to increase or maintain revenue; the ability to remain competitive; the ability to innovate and develop new products; the success of our future growth initiatives; the ability to engage new and retain current independent distributors and other qualified personnel; government and third-party coverage and reimbursement for Company products; the ability to obtain and maintain regulatory approvals and comply with government regulations; the effect of product liability claims and other litigation to which the Company may be subject; the effect of product recalls and defects; the ability to obtain and protect Company intellectual property and proprietary rights and operate without infringing the rights of others; the ability to service Company debt and comply with its debt covenants; the ability to obtain additional financing; and other factors. Additional risk factors are contained in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020 filed with the Securities and Exchange Commission (SEC) on February 24, 2021 and subsequent SEC filings by the Company, including without limitation its most recent Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 filed with the SEC on November 12, 2021. Investors are encouraged to read the Company’s filings on the Company’s website or at www.SEC.gov. The Company undertakes no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law. All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this cautionary statement.

DISCLOSURE STATEMENTS

Non-GAAP Financial Measures

To supplement its consolidated financial statements prepared in accordance with United States generally accepted accounting principles (GAAP), the Company uses certain non-GAAP financial measures, such as Adjusted EBITDA. The Company's Adjusted EBITDA is calculated by adding back to net loss the charges for other expense, depreciation and amortization expense, interest expense, and tax expense and further adjusted by adding back in or excluding, as appropriate, non-cash compensation and separation-related expenses. The Company uses Adjusted EBITDA and the other non-GAAP measures in making operating decisions because it believes these measures provide meaningful supplemental information regarding its core operational performance. Investors should consider these non-GAAP measures only as a supplement to, not as a substitute for or as superior to, measures of financial performance prepared in accordance with GAAP. Reconciliations of the non-GAAP financial measures used in this presentation to most comparable GAAP measures can be found on the Company's website.



LEADING ORTHOBIOLOGICS AND SPINE FIXATION BUSINESS

Xtant Medical: (NYSE American: XTNT)

- Based in Bozeman, MT- tech derived from MSU
- Human tissue based biologics - so we must honor the gift of donation
- Serves the specialized needs of Spine Surgeons

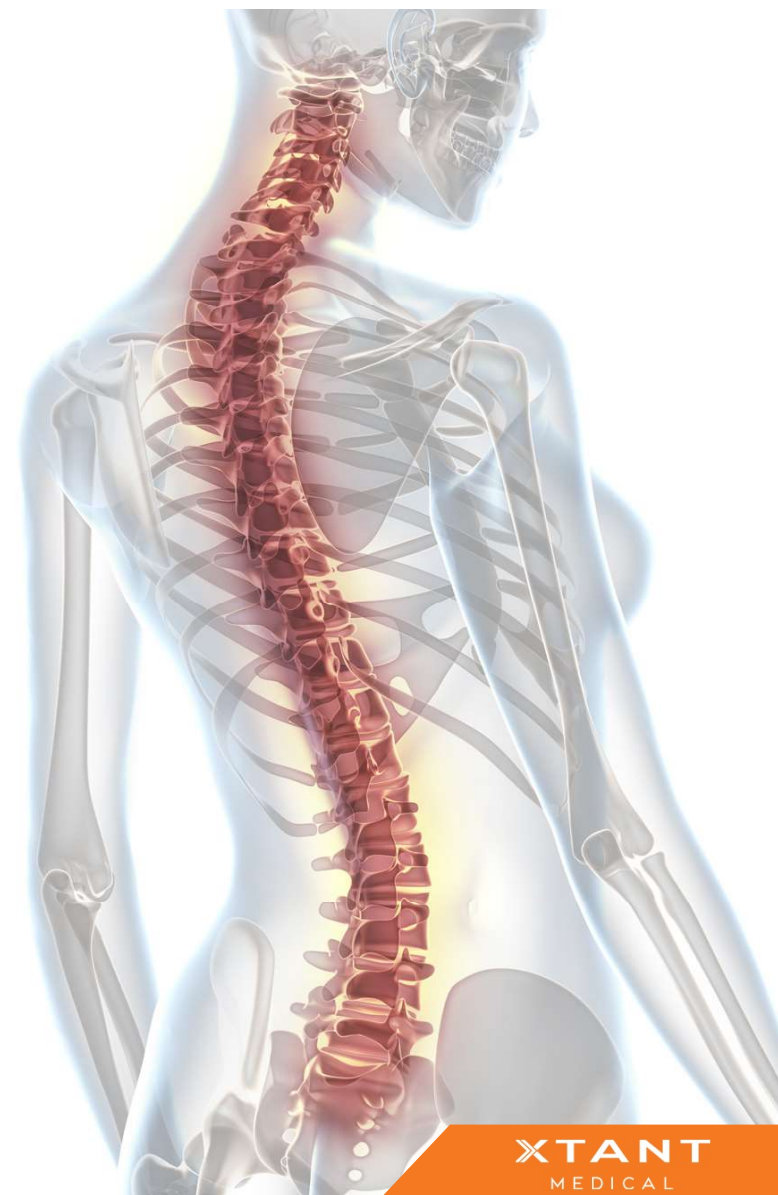
Platform for Growth

- Exceptional market access with contracts and nationwide distribution
- Updated bioproduction capabilities
- Public Market Access

Financially Sound

- Debt conversion resulting in a clean balance sheet
- Efficient cost structure
- Positive EBITDA*

*Non-GAAP Financial Measure



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EXPERIENCED SENIOR LEADERSHIP TEAM

Xtant Executive Officers:



SEAN BROWNE
**PRESIDENT, CHIEF
EXECUTIVE OFFICER**

- Baxter
- McKesson
- Integra LifeSciences
- CCS Medical



KEVIN BRANDT
**CHIEF COMMERCIAL
OFFICER**

- Zimmer
- Stryker
- RTI



SCOTT NEILS
**INTERIM CHIEF
FINANCIAL OFFICER**

- Baker Tilly, US
- Grant Thornton

Key Commercial Leadership:



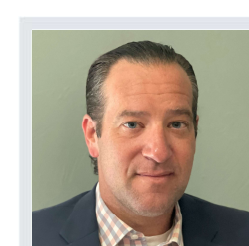
DANA LYONS
VP OF SALES

- Biomet
- Stryker
- Zimmer
- Amedica



JAMEY ROTTMAN
VP OF MARKETING

- Sulzer SpineTech
- Zimmer
- Amedica




**MICHAEL
MANSFIELD**
**VP OF BUSINESS
DEVELOPMENT**


- Arthrex/DMM
- Bacterin

EVOLUTION NOW HAS XTANT POISED FOR GROWTH

Xtant Medical unites exceptional biologics with intuitive fixation design to provide surgical solutions that advance regenerative medicine.

 **BACTERIN**
1999
Bacterin Orthobiologics is founded

 **X·spine**
2003
X-spine Systems is founded


2015
Bacterin acquires X-spine, changes name to Xtant Medical


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2019-2020

- New management team
- Re-engineered most major functions
- Converted debt
- Lowered operating cost basis

Stabilization of Business


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2021 - 2022

“Poised for Growth”

- \$20M private placement
- Refinanced debt with reduced rates
- Capital efficient new product flow
- Leverageable channel strategy

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HONORING THE GIFT OF DONATION

Xtant's Mission: "We honor the gift of donation by allowing our patients to live as full and complete a life as possible."

Reengineered Bioproduction Processes

Product mix demand changed to our sweet spot of Cortical Fiber-based products

Increased engineering support to improve processes, workflow and capacity

Changed donor specs resulting in increased yields

Reconfigured our plant to optimize workspace

Outsourced non-core products - more efficient and better at honoring the gift

Net outcome – Improved capacity of bioproduction by over 50%

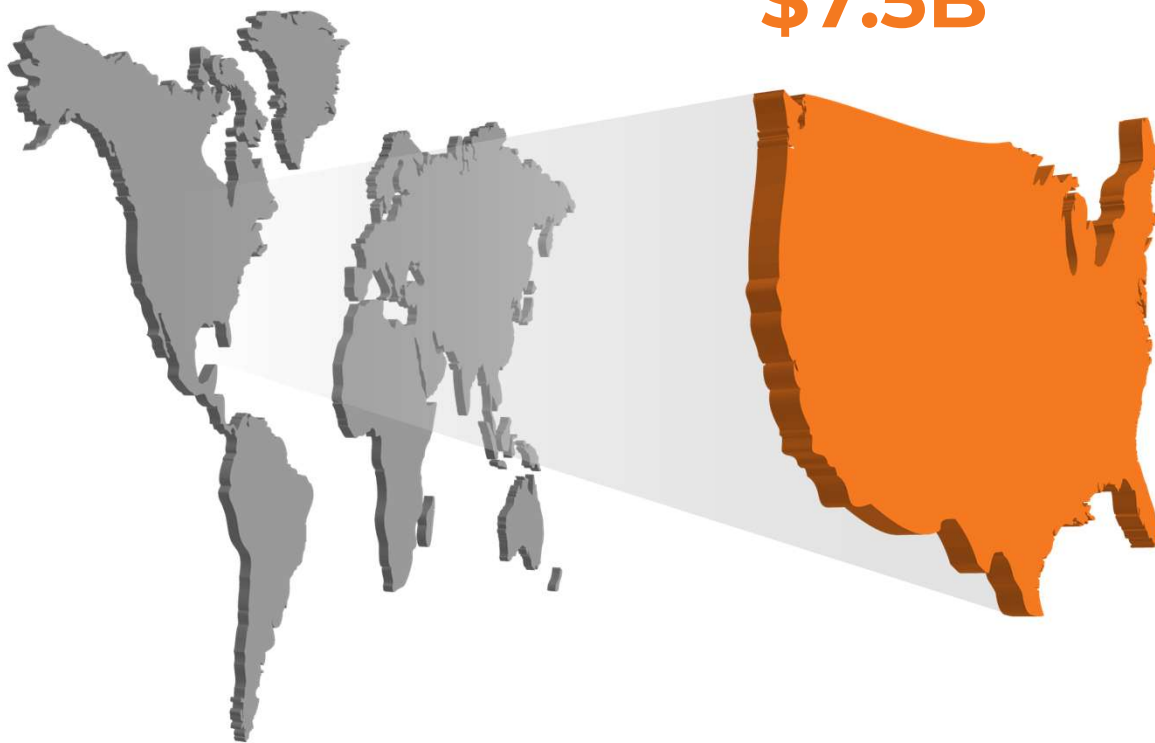
GLOBAL SPINE AND ORTHOBIOLOGIC MARKET

Total WW market:

\$9.7B

Total US market:

\$7.5B



ORTHOBIOLOGICS:

\$2.4B

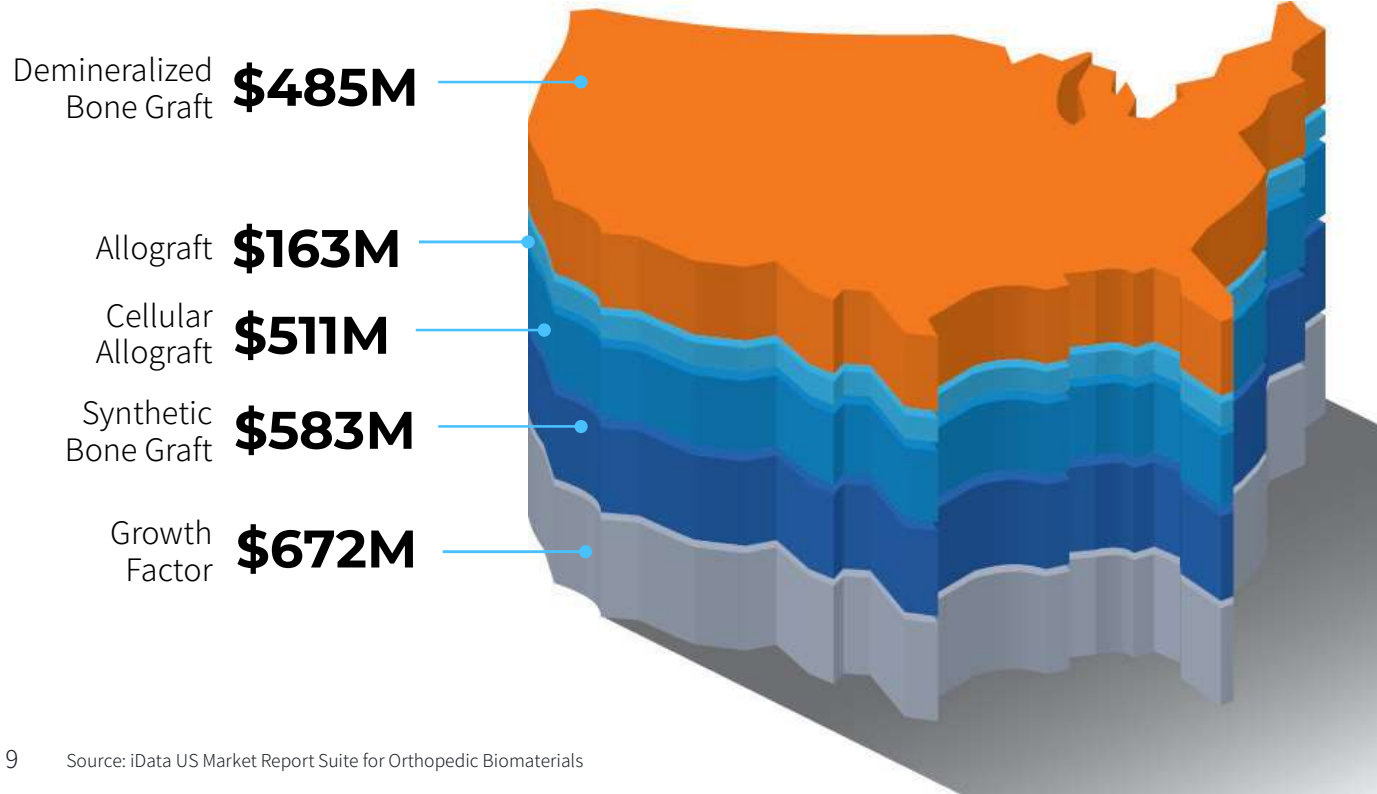
SPINAL IMPLANTS:

\$5.1B

US ORTHOBIOLOGIC MARKET

Opportunity to leverage #4 U.S. market share position in demineralized bone matrix (DBM) via strong distribution and GPO/IDN relationships and expansion into adjacent markets.

\$2.4B



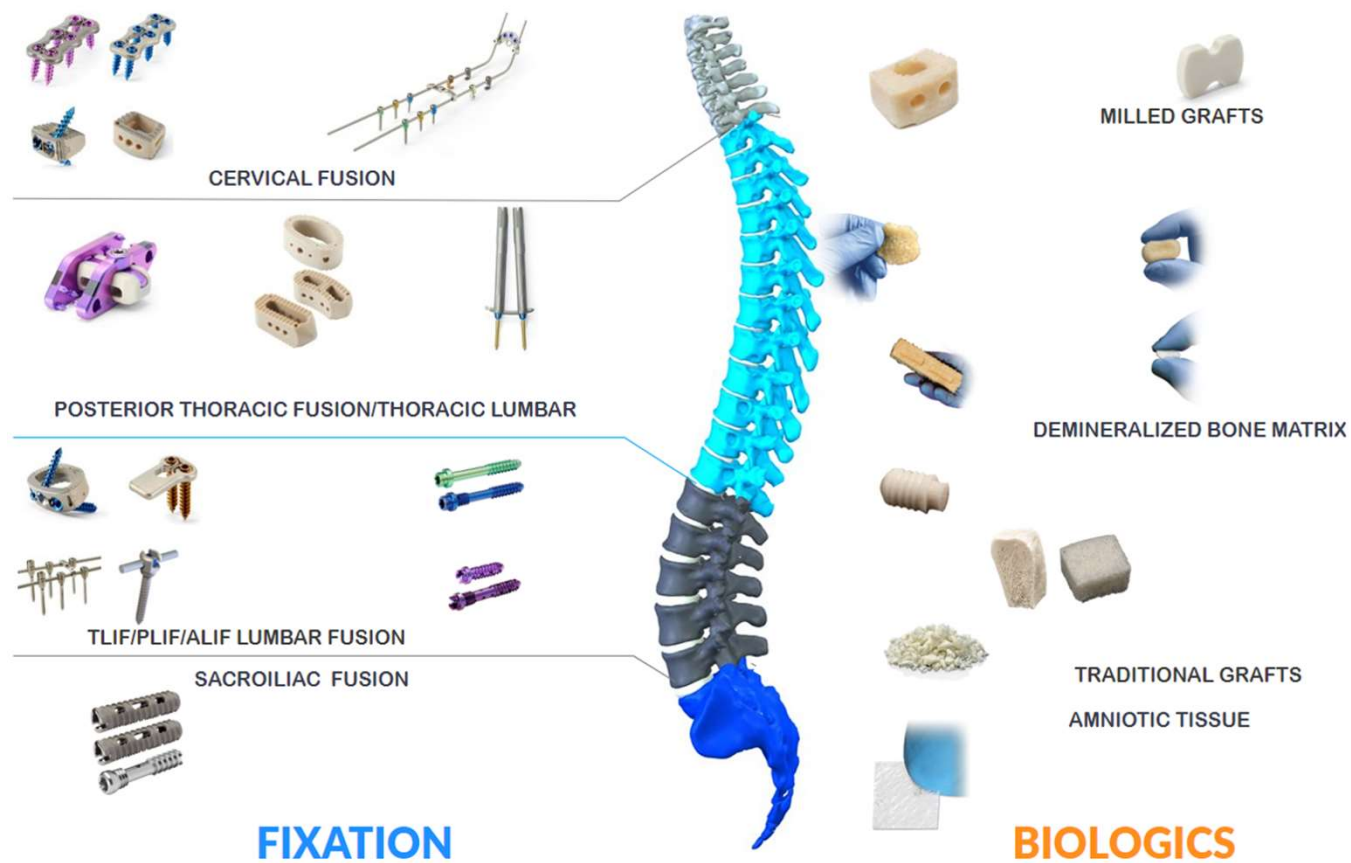
Xtant's current portfolio addresses \$1.74B of the available market in the following areas:

- Demineralized Bone Graft
- Cellular Allograft
- Allograft
- Synthetic Bone Graft

Marrow-Derived Growth Factor new product line introduction

(Released in Q3 2021)

COMPLEMENTARY PRODUCT OFFERING



GROWTH STRATEGY PILLARS

XTANT MEDICAL GROWTH STRATEGY



New Product Flow

Drive new innovations and distributor mindshare

Expand Distribution Network

Sell deeper and broader – become a strong national company

Leverage Adjacent Markets

Utilize current portfolio to penetrate underserved vertical markets

M&A Activity

Acquire best in class technologies to enhance current portfolio

ORGANIC GROWTH INITIATIVE: NEW PRODUCT FLOW

- Focus on products that expand our reach into new markets
- Revive and update existing successful product launches



2021 Focus Products

- OsteoFactor**
Growth Factor Market
- OsteoVive Plus**
Cellular Allograft Market
- Matriform Si**
Synthetic Bone Graft Market
- BMA Kit**
BMA delivery + OsteoSponge / 3Demi
- SimpliMix**
Bone Graft Delivery System
- OsteoMax**
100% Allograft Putty



2022 Product Launches

- Injectable Bone Cement**
Trauma Applications
- Tissue Patch**
Sports Medicine Applications



2023

- Synthetic Putty**
Synthetic Bone Graft Market
- BMAC System**
Cell Concentration System
- 3Demin Ready to Use**
Pre-hydrated 3Demin
- 3Demin Blocks**
Interbody applications



OUT Years

- OsteoSelect Fiber Putty**
Fiber Based Putty,
- OsteoSelect MIS Gun**
Bone Graft Delivery System
- 3Demin Fiber Plus**
Enhanced loose fiber formulation
- Growth Factor Strip / Shapes**
Growth Factor Market



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EXPAND DISTRIBUTION NETWORK INITIATIVE

CONTRACTUAL ACCESS:

- All National GPO Contracts
- 385 IDN Contracts
- DOD/VA Access

**Plan to Increase
Distributor Revenue
by 10% Annually**

Penetration: **10%**

Expansion: **10+**

**Plan to Add 10+
Distributors per Quarter**

Open Distribution Channel

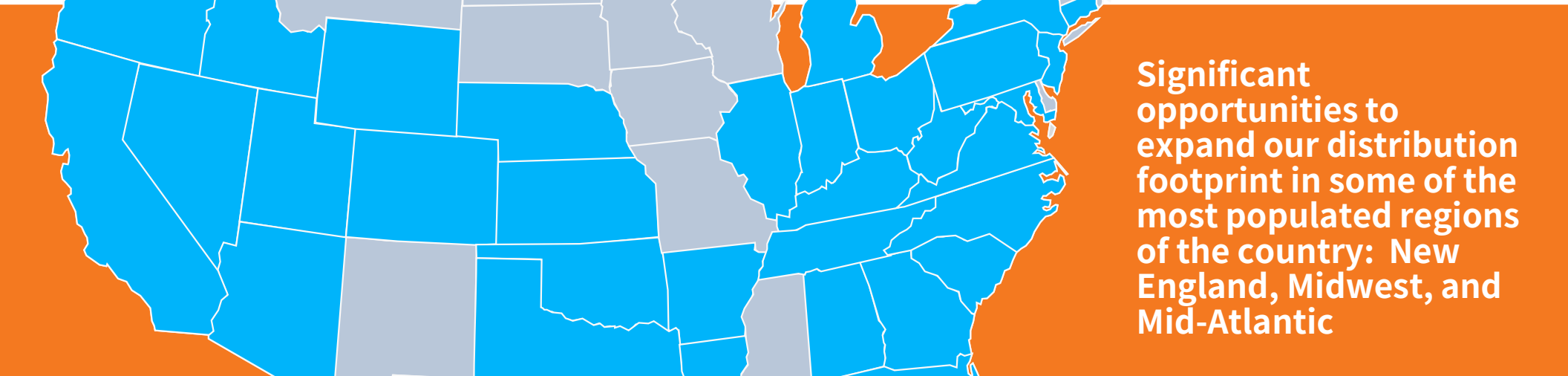
288 current distributors

\$224K revenue per distributor
annually – target to grow to
\$300K per distributor by 2024

Build a National Network:

Approx. 44% of all sales come from
TX, CA, AZ

New agreements open-up Midwest,
Mid-Atlantic & New England



- * Blue states have Independent Agents of over \$100K/YR, while Gray states have agents below \$100K/YR



Significant opportunities to expand our distribution footprint in some of the most populated regions of the country: New England, Midwest, and Mid-Atlantic

PLAN TO GROW ADJACENT MARKETS

82%

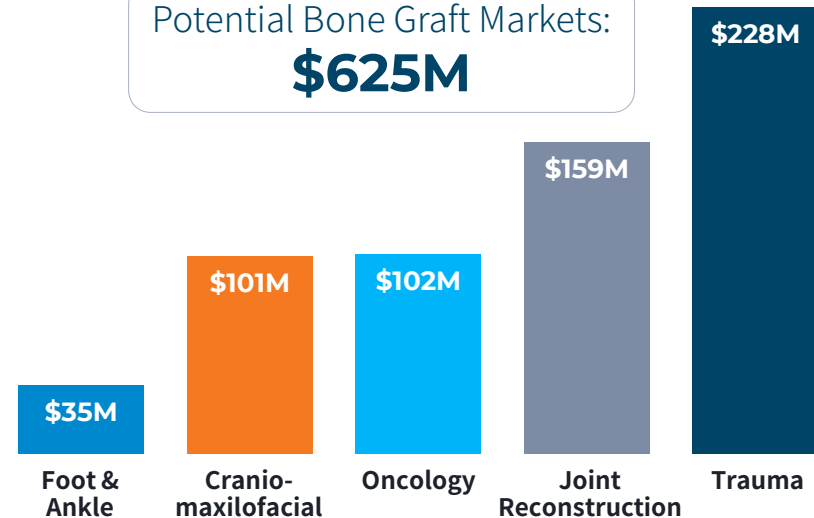
of Xtant's Biologics Revenue is
Focused on Spine Procedures



18%

of Xtant's Biologics Revenue
is Non-Spine Sales

Potential Bone Graft Markets:
\$625M



PLAN TO LEVERAGE XTANT'S GROWTH PLATFORM ORGANICALLY AND THROUGH M&A

- Use Xtant's Public Market Access
- Achieve scale
- Fill product/capabilities gaps
- Bring differentiated products
- Increased market access



**Goal:
Increase
Long-term
Shareholder
Value**

INVESTMENT OPPORTUNITY

- **REBIRTH OF A LEADING SPINE BRAND**

Realign our business around our mission and what we do better than anyone else

- **LEVERAGEABLE GROWTH PLATFORM**

Market leader in DBM biologics
Advantageous GPO/IDN contract access
Large & scalable distribution network
Adjacent market expansion opportunity

- **GROWTH OPPORTUNITIES**

Public Market Access
Technology and product acquisition
Accelerate organic growth



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