

# Xtant Medical Holdings

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NYSE: XTNT

Second Quarter 2018 Conference Call

August 8<sup>th</sup>, 2018

# Important Cautions

## Regarding Forward Looking Statements

This presentation contains certain disclosures that may be deemed 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 “continue,” “expects,” “anticipates,” “intends,” “plans,” “believes,” “estimates,” “strategy,” “will,” “can” or similar expressions or the negative thereof. Statements of historical fact also may be deemed to be forward-looking statements. The Company cautions that these 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 ability to increase revenue; the ability to achieve expected results; the ability to remain competitive; the ability to innovate and develop new products; the ability to engage and retain qualified personnel; government and third-party coverage and reimbursement for Company products; the ability to obtain and maintain regulatory approvals; government regulations; product liability claims and other litigation to which we may be subjected; product recalls and defects; timing and results of clinical studies; 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 debt covenants; the ability to raise additional financing and other factors. Additional risk factors are listed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2017 filed with the Securities and Exchange Commission (SEC) on April 2, 2018 and subsequent SEC filings by the Company, including without limitation its Quarterly Report on Form 10-Q for the quarter ended March 31, 2018 and June 30, 2018. Investors are encouraged to read the Company’s filings with the SEC, available at [www.sec.gov](http://www.sec.gov), for a discussion of these and other risks and uncertainties. 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 us or persons acting on our behalf are expressly qualified in their entirety by this cautionary statement.

# Second Quarter Performance

**\$18.7  
Million  
Revenue**

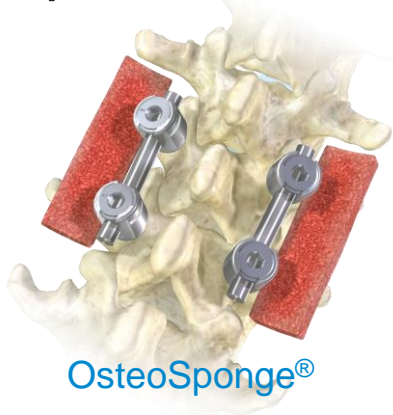
**66.6%  
Gross  
margin**

**\$0.8  
Million  
EBITDA**

# Commercial Performance

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- Biologics continue to drive strong performance



OsteoSponge®



3Demin®



OsteoSelect®  
DBM Putty



OsteoVive™

- National Accounts focused on strengthening relationships, and alignment with customer partners
- OUS revenue was 5.4% of total Q218 revenue, continues to be an opportunity for Xtant
- Addition of Kevin Brandt as Chief Commercial Officer, driving our sales and marketing strategy
  - Recently CCO for RTI Surgical
  - 18 years experience with Stryker Spine

# 2018 HPMS Initiatives

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- Continued focus on EBITDA growth through commercial and operational excellence
- Focused asset/inventory management to improve liquidity
- Improved execution enhancing sales channel optimization

# Financial Overview

# Financial Overview

## Unaudited Summary

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(000's)	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017
Revenue	\$ 18,741	\$ 21,408
Gross Profit	12,475	13,528
Gross Margin	66.6%	63.2%
Net Loss From Operations	(2,261)	(6,351)
Net Loss	(5,002)	(9,693)
Adjusted EBITDA Gain (Loss)	\$ 813	\$ (2,146)

# Adjusted EBITDA

## Calculation of Adjusted EBITDA

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Unaudited	3 Months Ended June 30,		6 Months Ended June 30,	
	2018	2017	2018	2017
<b>Net loss</b>	\$ (5,002)	\$ (9,693)	\$ (10,255)	\$ (15,477)
Other expense		-	12	-
Depreciation & amortization	1,671	2,100	3,289	4,171
Interest expense	2,820	3,328	6,365	6,729
<b>EBITDA (loss)</b>	<b>(511)</b>	<b>(4,265)</b>	<b>(589)</b>	<b>(4,578)</b>
<b>Adjusted EBITDA Calculation</b>				
Change in warrant derivative liability	(79)	14	(41)	(156)
Separation related expenses	55	381	55	605
Non-cash compensation	41	92	405	237
Dayton transition costs	120	-	233	-
Restructuring expenses	1,187	1,633	1,921	1,633
<b>Adjusted EBITDA gain (loss)</b>	<b>\$ 813</b>	<b>\$ (2,146)</b>	<b>\$ 1,984</b>	<b>\$ (2,260)</b>



# Balance Sheet; Cash Position

Consolidated Balance Sheet, (\$000's)

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	As of June 30, 2018 (Unaudited)	As of December 31, 2017 (Unaudited)
Cash & Cash Equivalents	\$ 6,049	\$ 2,856
Total Current Assets	39,700	39,505
Total Assets	102,785	105,705
Total Liabilities	92,177	164,404
Total Liabilities & Stockholders Equity	\$ 102,785	\$ 105,705

# Continue Restructuring to Transform into a More Profitable Company

- Continuing to drive and establish an operations platform that is highly efficient and quality driven.
- Continue to build profitable reseller and distributor relationships, increasing margins and capitalizing on sales opportunities.
- Pursuing a national strategy to strengthen our position through contractual access with healthcare providers for the sale of our products.

**XTANT**  
MEDICAL

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Thank You