



## Corporate Presentation

As of June 30, 2018

**NASDAQ: AXGN**

It's time to rethink nerve repair.™



# Safe Harbor Statement

This Presentation contains "forward-looking" statements as defined in the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations or predictions of future conditions, events, or results based on various assumptions and management's estimates of trends and economic factors in the markets in which we are active, as well as our business plans. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "projects," "forecasts," "continue," "may," "should," "will," and variations of such words and similar expressions are intended to identify such forward-looking statements. The forward-looking statements may include, without limitation, statements regarding our assessment on our internal control over financial reporting, our growth, our 2018 guidance, product development, product potential, financial performance, sales growth, product adoption, market awareness of our products, data validation, our visibility at and sponsorship of conferences and educational events.

The forward-looking statements are subject to risks and uncertainties, which may cause results to differ materially from those set forth in the statements. Forward-looking statements in this release should be evaluated together with the many uncertainties that affect AxoGen's business and its market, particularly those discussed in the risk factors and cautionary statements in AxoGen's filings with the Securities and Exchange Commission. Forward-looking statements are not guarantees of future performance, and actual results may differ materially from those projected. The forward-looking statements are representative only as of the date they are made and, except as required by law, AxoGen assumes no responsibility to update any forward-looking statements, whether as a result of new information, future events, or otherwise.

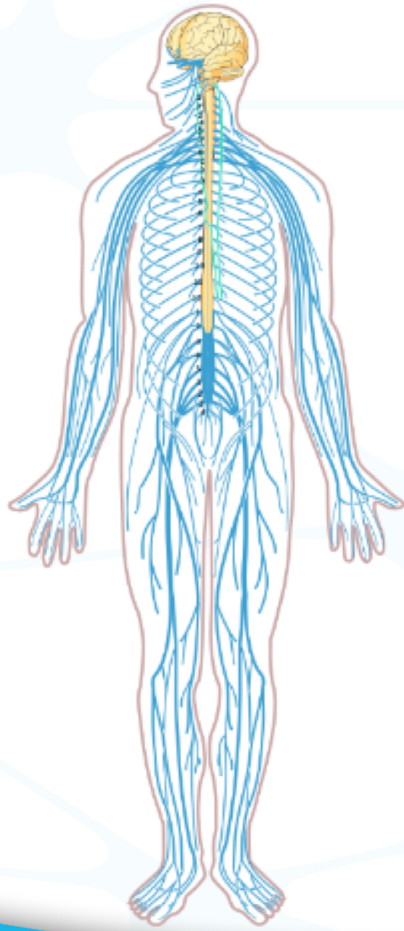


# The AxoGen Platform for Nerve Repair



It's time to rethink nerve repair.™

# The Nervous System



Central Nervous System (CNS)

Brain and Spinal Cord - yellow

Peripheral Nervous System (PNS)

All other nerves - blue

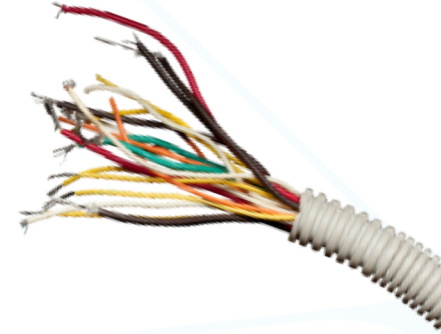
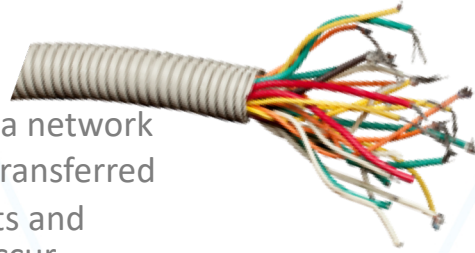
**AxoGen is Dedicated to  
Peripheral Nerve Repair**

It's time to rethink nerve repair.™

# The Function of Nerves

## Nerves are like wires

- Transfer signals across a network
- If cut, data cannot be transferred
- If crushed, short circuits and data corruption may occur



## The peripheral nervous system is a vast network from every organ to and from the brain

- Sensory
- Motor
- Autonomic



# Consequences of Peripheral Nerve Damage

**Numbness and Loss  
of Sensation**

**Partial or Full Loss  
of Movement**

**Chronic, Debilitating,  
Stabbing, Radiating  
Pain**

**Reduced  
Quality of Life**

# Peripheral Nerve Functions

## SENSORY

- Pressure
- Touch
- Temperature
- Pain
- Location



## MOTOR

- Fine motor control
- Stability
- Mobility



# AxoGen is the Pre-eminent Nerve Repair Company

- ✓ Exclusive focus on peripheral nerve repair and protection solutions
- ✓ Comprehensive product portfolio addresses 900,000+ procedures
- ✓ \$2.2B+ market opportunity
- ✓ “Five Pillar” Market Development Strategy delivered 30 consecutive quarters of YOY double-digit growth

**Q2 2018 Revenue**

**\$20.6M, 36% growth vs Q2 2017**

**2017 Revenue**

**\$60.4M, 47% growth vs 2016**

**High Gross Margins**

**84.9% as of June 30, 2018**

**Cash as of June 30, 2018**

**\$133.6M**

- ✓ Solid balance sheet provides resources to execute business plan
- ✓ Significant barriers to competitive entry including a growing body of clinical data
- ✓ Strong management team with track record of commercial success
- ✓ Expansion opportunities beyond current markets

# How are Nerves Injured?

## Repair

### Transections

Motor vehicle accidents,  
power tool accidents,  
battle field injuries, gunshot  
wounds, surgical injuries,  
natural/other disasters



## Protect

### Compression

Carpal, cubital, tarsal tunnel  
revision, blunt trauma,  
previous surgery



# Patients are our First Priority



**Pablo**

- Benign tumor was found encompassing a large portion of his chin and inferior alveolar nerves on both sides of his face
- Jaw and nerve reconstruction performed by Dr. Ramzey Tursun, Miami, FL
- Repaired with Avance® Nerve Graft and AxoGuard® Nerve Connector
- Back to his social life and work as a cabinetry customer care specialist



**Erica**

- At the age of six, suffered a partial hand amputation
- Suffered significant nerve damage to much of her hand
- Hand replant and nerve repairs were performed by Dr. Jeffrey Yao, Stanford, CA
- Avance® Nerve Graft was used to reconstruct her injured nerve tissue
- Now a vibrant and active 15-year-old



**John**

- Hand smashed through a glass door during an accidental fall
- Severed his median and ulnar nerves
- Nerves were repaired by Dr. Nirav Gupta, Ocala, FL
- Repaired with Avance® Nerve Graft and AxoGuard® Nerve Connector
- Back to working out and studying engineering



**Veronica**

- Benign tumor was found on the right side of her jaw involving her inferior alveolar nerve
- Jaw and nerve reconstructions performed by Dr. Michael Miloro, and Dr. Brent Markiewicz, Chicago, IL
- Repaired with Avance® Nerve Graft and AxoGuard® Nerve Connector
- Back to school and Taekwondo



**Shareda**

- Mother of two with a deep glass laceration to the wrist
- Severed her ulnar nerve resulting in loss of nerve function
- Ulnar nerve was repaired by Dr. Michael Friel, New Orleans, LA
- Repaired with Avance® Nerve Graft and AxoGuard® Nerve Protector
- Back to work as a typist



**David**

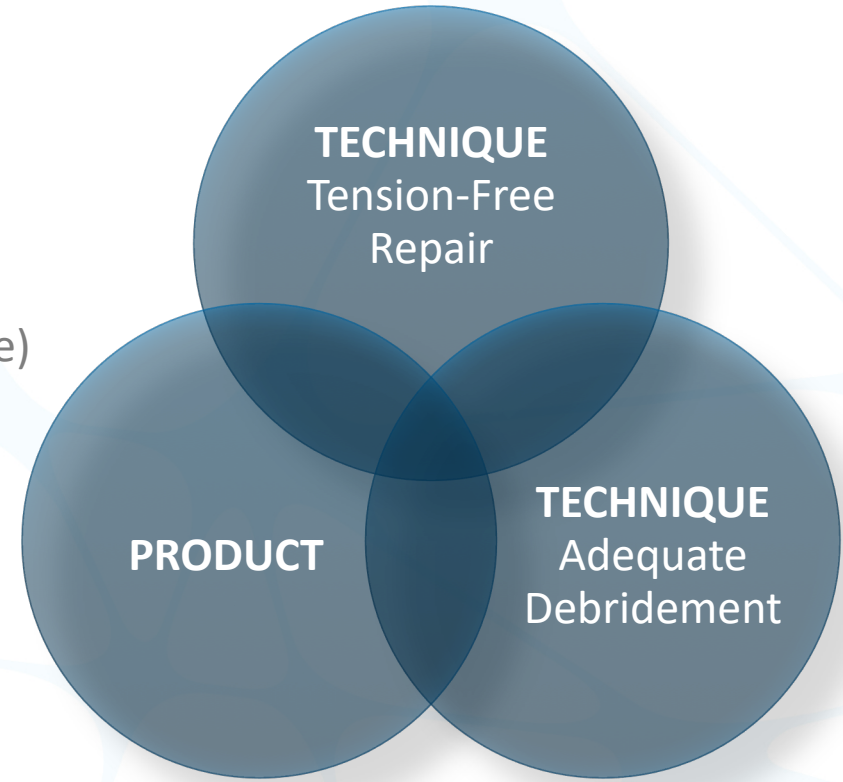
- Marathon runner forced to stop running
- Suffered from a compressed peroneal nerve
- Nerve repaired by Dr. Shawn O'Leary, Arlington Heights, IL
- AxoGuard® Nerve Protector was used to wrap his damaged nerve
- Recently completed his 50<sup>th</sup> marathon



# Best Practices of Nerve Repair

## TECHNIQUE + PRODUCT

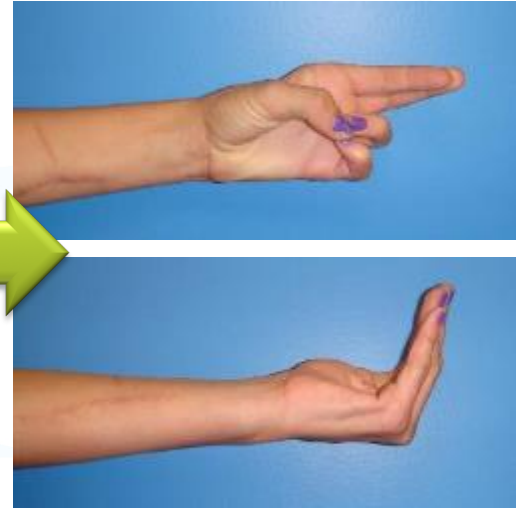
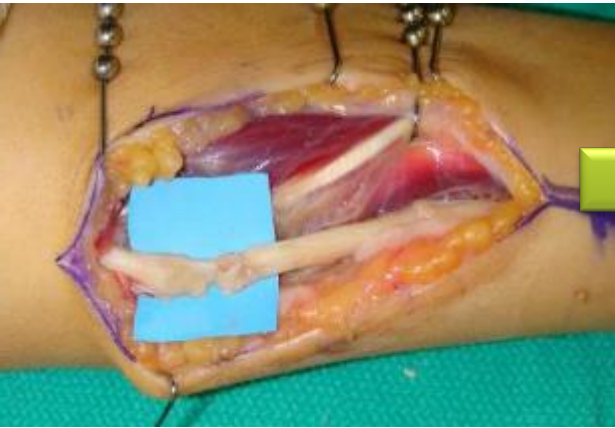
- Tension-Free repair
- Adequate resection (remove nerve scar tissue)
- Scaffold to direct and support growth
- Protection from soft tissue attachments
- Manage Inflammation



# Peripheral Nerves are Capable of Regeneration with Appropriate Guidance and Protection

## GOALS OF REPAIR

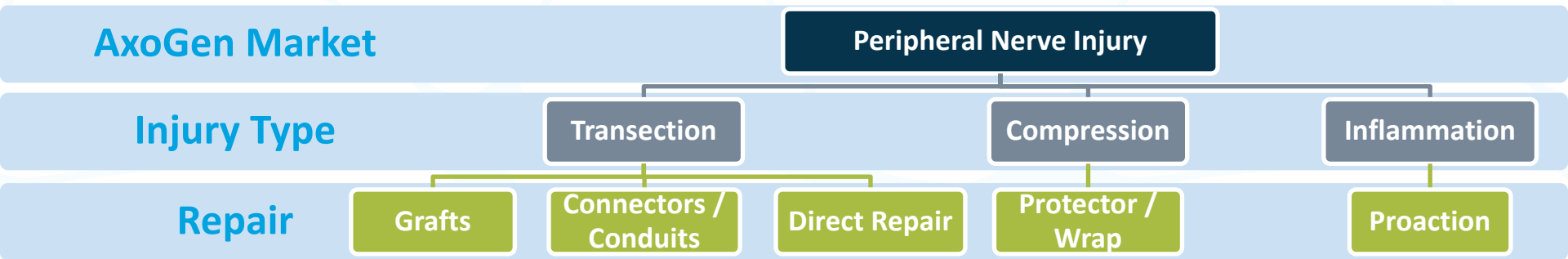
- Restore sensation and muscle function
- Prevent neuroma / chronic pain



Pictures provided courtesy of Bauback Safa, MD, MBA, FACS and The Buncke Clinic

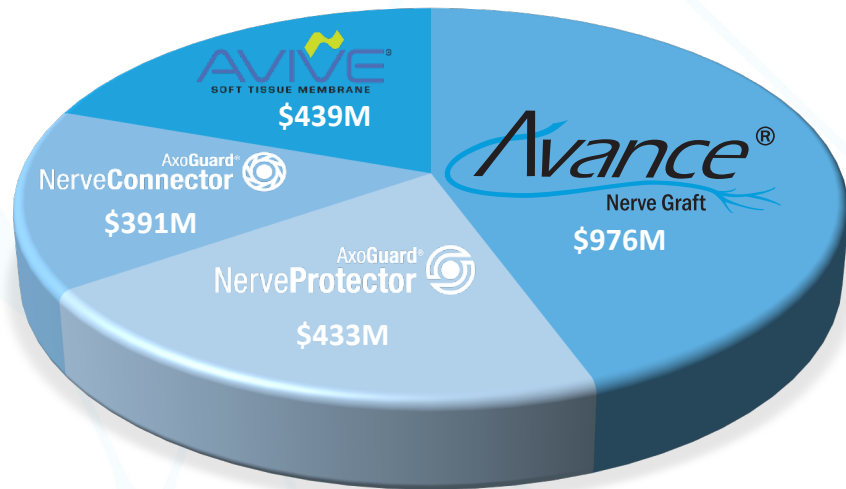
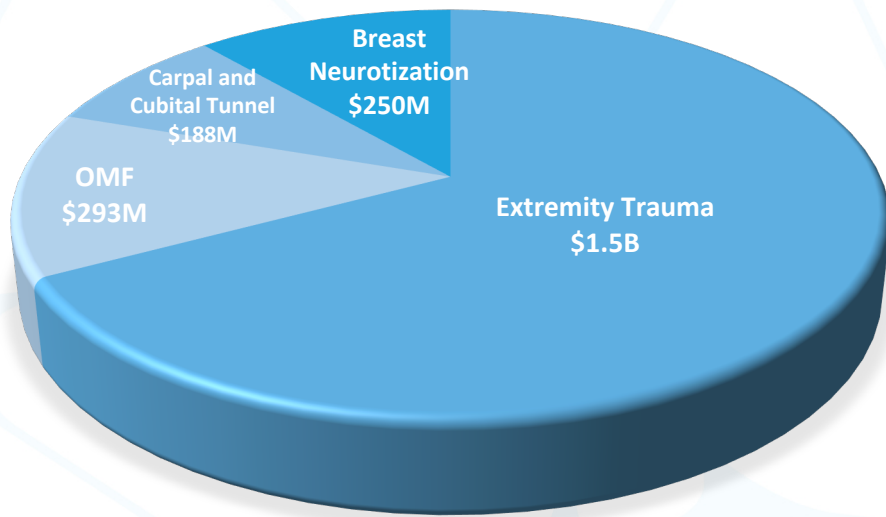
It's time to rethink nerve repair.™

# Peripheral Nerve Injuries and Repair Paradigm



# Current Targeted Nerve Markets (U.S.)

## AxoGen Current Target Markets \$2.2 Billion



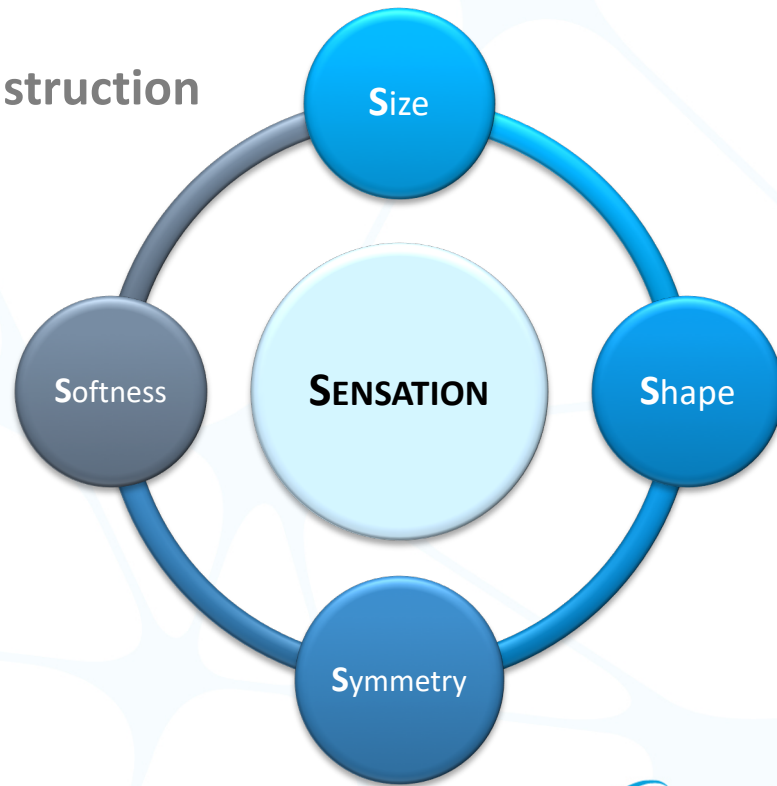
### Over 900,000 Procedures Annually in U.S.:

Extremity Trauma	719,000 <sup>1</sup>
Carpal/Cubital Tunnel	118,000 <sup>2</sup>
OMF	80,350 <sup>3</sup>
Breast Neurotization	14,500 <sup>4</sup>

It's time to rethink nerve repair.™

# Breast Reconstruction – Every Woman's Right

Raise the bar in outcomes for breast reconstruction



It's time to rethink nerve repair.™

# Breast Reconstruction Neurotization \$250 Million Market Opportunity

**307,660 BREAST CANCER  
PATIENTS<sup>34</sup>**

**113,834 MASTECTOMIES<sup>35</sup>**

vs Breast Conserving options (Lumpectomy)

**20,650 AUTOLOGOUS  
RECONSTRUCTIONS<sup>36</sup>**

vs implant based reconstructions

**14,500 APPLICABLE PATIENTS<sup>4</sup>**

65% Bilateral

**24,000 BREAST RECONSTRUCTIONS<sup>37</sup>**

65% Dual Neurotization

**\$250 Million**

It's time to rethink nerve repair.™

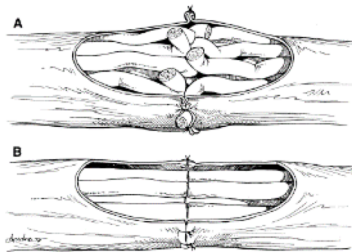


# Traditional **TRANSECTION** Repair Options are Not Optimal

## SUTURE

**Direct suture repair of no-gap injuries**

- Common repair method
- May result in tension to the repair leading to ischemia
- Concentrates sutures at the coaptation site



## AUTOGRAFT

**Traditional “Gold Standard” despite several disadvantages**

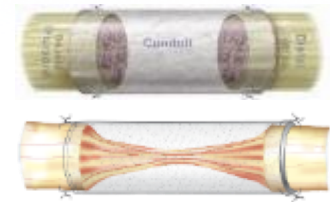
- Secondary surgery
- Loss of function and sensation at harvest site
- 27% complication rate including infection, wound healing and chronic pain<sup>5</sup>
- Limited availability of graft length and diameter



## HOLLOW-TUBES

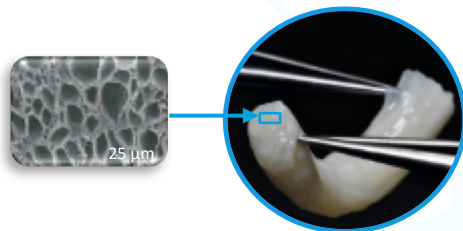
**Convenient off the shelf option; limited efficacy and use**

- Provides only gross direction for regrowth
- Limited to small gaps
- 34%-57% failure rate >5mm gaps<sup>6</sup>
- Semi-rigid and opaque material limits use and visualization
- Repair reliant on fibrin clot formation



# AxoGen Solutions for **TRANSECTION** Repair

**Avance**<sup>®</sup>  
Nerve Graft



## Processed human nerve allograft for bridging nerve gaps

Clinically studied off-the-shelf alternative

- 87% meaningful recovery in sensory, mixed and motor nerve gaps in multi-center study<sup>7</sup>
- Eliminates need for an additional surgical site and risks of donor nerve harvest<sup>8</sup>
- May reduce OR time

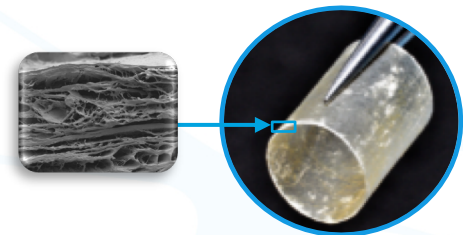
Structural support for regenerating axons

- Cleansed and decellularized extracellular matrix (ECM)
- Offers the benefits of human peripheral nerve micro-architecture and handling

Revascularizes and remodels into patient's own tissue similar to autologous nerve<sup>8</sup>

16 Size options in a variety of lengths (up to 70mm) and diameters (up to 5mm)

**AxoGuard**<sup>®</sup>  
NerveConnector



## Only minimally processed porcine ECM for connector-assisted coaptation

Alternative to direct suture repair

- May reduce surgery time by as much as 40%<sup>9</sup>
- Reduces the risk of forced fascicular mismatch<sup>10</sup>

Alleviates tension at critical zone of regeneration

- Disperses tension across repair site<sup>11</sup>
- Moves suture inflammation away from coaptation face<sup>9</sup>

Revascularizes and remodels into patient's own tissue<sup>12, 13, 14, 15</sup>

It's time to rethink nerve repair.™



# Compelling Economic Value Proposition to Hospitals



## Reimbursement coding and coverage is in place for nerve repair and grafting

- CMS announced new CPT codes for nerve allograft, effective January 1, 2018 (CMS-1676-F)
  - Nerve Repair, with nerve allograft, each nerve, first strand (cable), CPT: 64912
  - Nerve Repair with nerve allograft, each additional strand, CPT: 64913
- Result of approval by the American Medical Association and CPT Advisory Committee
- Reflects clinical evidence supporting Avance® processed nerve allograft
- Medicare reimbursement for hospital in-patient ranges from \$11,514 - \$22,948<sup>16</sup>

## Reduces overall procedure costs

- Eliminates cost of additional OR time for autograft nerve harvest; saves 30-90 minutes in procedure time<sup>17, 18</sup>
- May save \$3,200 to \$9,500 per procedure<sup>19</sup>
- May allow the use of cheaper local or regional anesthesia versus general anesthesia<sup>20</sup>

## Prevent costs associated with potential complications from nerve autograft procedure<sup>21,22</sup>

- Surgical Site Infections at harvest site, may exceed \$20,000 per case
- Eliminate costs of increased hospitalization due to SSI, 9.7 days on average

## Increase OR efficiency

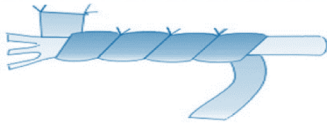
- May increase time available for additional OR procedures<sup>23</sup>

# Traditional **COMPRESSION** Repair Options are Not Optimal

## VEIN WRAPPING

### Autologous vein

- Barrier to attachment to surrounding tissue
- Requires extra time and skill to perform spiral wrapping technique
- Second surgery site

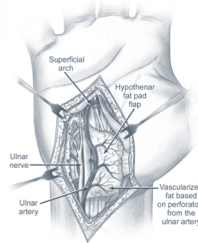


Sotereanos DG, et al., Microsurgery 1995

## HYPOTHENAR FAT PAD

### Autologous vascularized flap

- Barrier to attachment to surrounding tissue
- Only wraps part of the nerve circumference
- Increases procedure time

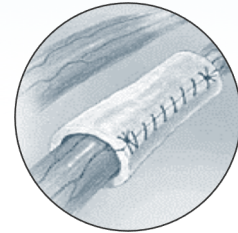


Lippincott and Williams

## COLLAGEN WRAPS

### Off-the-shelf

- Semi-rigid material limits use
- Degrades over time and does not provide a lasting barrier to soft tissue attachment

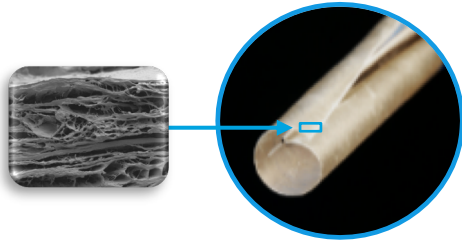


# AxoGen Solutions for **COMPRESSION** Repair Offer Advantages

**Minimally processed porcine extracellular matrix for wrapping and protecting injured peripheral nerve**

- Protects repair site from surrounding tissue
  - Minimizes soft tissue attachments<sup>24</sup>
  - Allows for diffusion of nutrients through the material<sup>12</sup>
- Allows nerve gliding
  - Minimizes risk of entrapment<sup>24</sup>
  - Creates a barrier between repair and surrounding tissue bed<sup>24</sup>
- ECM Revascularizes and remodels into patient's own tissue<sup>11, 12, 25</sup>
- Easy to use
  - Semi-translucent to allow visualization of underlying nerve
  - Conforms to nerve

**AxoGuard<sup>®</sup>**  
**NerveProtector**



# Options for Management of INFLAMMATION are Not Optimal

## DO NOTHING

- Inflammation in and around the peripheral nerve can result in swelling and increased internal pressure within the nerve, leading to ischemia, impaired nerve function, and pain

## AUTOLOGOUS FAT FLAP

- Barrier to attachment to surrounding tissue
- May only wrap part of the nerve circumference
- Increases procedure time

## PLACENTAL AMNION

- Very thin, handling is not optimal for nerve surgical applications
- Resorbed too quickly; in wound care applications must be reapplied bi-weekly

# AxoGen Proactive Solution for **INFLAMMATION**








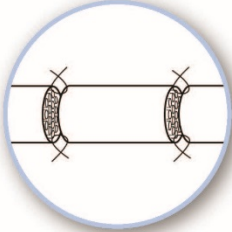
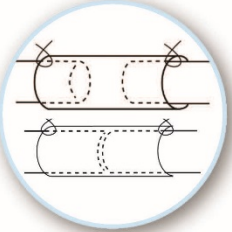
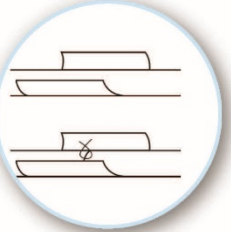
**Avive® Soft Tissue Membrane** is minimally processed human umbilical cord membrane that may be used as a resorbable soft tissue covering to separate tissues and modulate inflammation in the surgical bed.

Smart processing to preserve the natural properties of the umbilical cord amniotic membrane

Designed with the Nerve Surgeon in Mind:

- Easy to handle, suture, or secure during a surgical procedure
- Up to 8x thicker than placental amniotic membrane alone<sup>26</sup>
- Specifically designed as a soft tissue covering to modulate inflammation, and provide a longer resorption profile to separate the tissue layers for at least 16 weeks<sup>27</sup>

# AxoGen Surgical Solution Portfolio

Proaction	Connection		Protection
	 Transected Nerve ( $\geq 5\text{mm}$ )	 NerveConnector Transected Nerve ( $\leq 5\text{mm}$ )	 NerveProtector
			

# IP and Regulatory Protection

Avance Nerve Graft 2007

Avance® Nerve Graft is processed and distributed in accordance with US FDA requirements for Human Cellular and Tissue-based Products (HCT/P)

IP Protection to 2022 and beyond

## Issued U.S. Patents

6972168	8986733
7402319	7851447
7732200	8758794
6696575	9996729

New (non-biosimilar) Competitive BLA product estimated 8 years

AxoGen has Enforcement Discretion from FDA allowing continued sales under controls applicable to HCT/Ps with agreed transition plan to regulation as a Biologic Product under a Biologic License Application (BLA) if approved.

A new (non-biosimilar) competitive processed nerve allograft would need to complete clinical testing and obtain BLA approval prior to clinical release.

Expected Biosimilar Protection –12 years exclusivity

Avance® expected to be the reference product for the category of processed nerve allograft



It's time to rethink nerve repair.™



# Expansion of Nerve Repair Product Portfolio

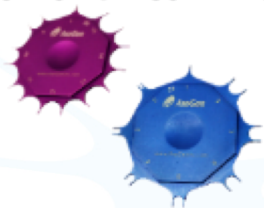
**AcroVal**<sup>®</sup>  
Neurosensory &  
Motor Testing System



A nerve function evaluation system designed to be used as a tool for surgeons and other allied health professionals in **measuring, mapping, and monitoring** of patients with peripheral nerve injuries and conditions

- **Pressure Specified Sensory Device<sup>®</sup> / PSSD**
  - Patented, first-in-class somatosensory measurement device combines nerve density assessment with pressure threshold sensitivity. Measures both 1-point and 2-point discrimination and the pressure applied
- **AcroGrip<sup>®</sup> Device**
  - Hand grip strength measurement measures the total strength of the hand, including the ulnar and radial forces
- **AcroPinch<sup>®</sup> Device**
  - Measures the pinch force of a patient's fingers

**AxoTouch**<sup>®</sup>  
Two-Point Discriminator



Measurement tool to assist in detecting changes in sensation, assessing return of sensory function, establishing effective treatment interventions, and providing feedback to the patients.

- Set of two aluminum discs
- Two point discrimination between 2 to 15 mm
- Additional 20 and 25 mm spacing also provided

It's time to rethink nerve repair.™



# AxoGen Comprehensive Portfolio of Peripheral Nerve Products

## SURGICAL



**Avance**<sup>®</sup>  
Nerve Graft



**AxoGuard**<sup>®</sup>  
NerveConnector



**AxoGuard**<sup>®</sup>  
NerveProtector

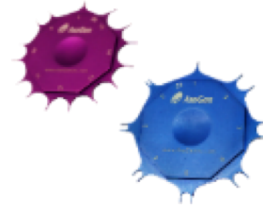


**AVIVE**<sup>®</sup>  
SOFT TISSUE MEMBRANE

## EVALUATION



**AcroVal**<sup>®</sup>  
Neurosensory &  
Motor Testing System



**AxoTouch**<sup>®</sup>  
Two-Point Discriminator

# Market Development Strategy

**Build Market Awareness**

**Educate Surgeons,  
Develop Advocates**

**Grow Body of  
Clinical Evidence**

**Execute Sales Plan**

**Expand Product  
Pipeline & Applications**

# Market Development Strategy



It's time to rethink nerve repair.™

# Focus on Building Awareness Among Surgeons, Patients, and Investors

Participate in Clinical Conferences

- ❑ Exhibits, Podium presentations, KOL panels

Promote Awareness Among Patients

- ❑ AxoGen Patient Ambassador Program

Garner Positive Media Attention

- ❑ National, Regional, and Local Broadcast, Print, and Online



Build Market  
Awareness

It's time to rethink nerve repair.™

# Emphasis on Education

**2016: 13 National Programs**

**2017: 15 National Programs**

**2018: 18 National Programs Expected**

- ☐ Educate on “best practices” of nerve repair
- ☐ Local Grand Rounds and handling labs
- ☐ Fellows education – training the next generation of surgeons, expect to train two-thirds of hand surgeon Fellows in 2018
- ☐ Nerve Matters® – Online surgeon forum for sharing cases and techniques



Educate Surgeons  
Develop Advocates

# Strong Commitment to Developing Clinical Evidence

**62**

Portfolio Peer-Reviewed Clinical Papers\*

**5**

**RANGER®**

**53**

**Avance®**  
Nerve Graft

**7**

Oral and Maxillofacial

**25**

**AxoGuard®**

**Grow Body of  
Clinical Evidence**

\*Total number for the portfolio of surgical implant products.  
Certain publications contain data on multiple products.  
As of March 31, 2018



**It's time to rethink nerve repair.™**

# Strong Commitment to Developing Clinical Evidence

## RANGER® Study: Avance® Nerve Graft On-going registry study

- ❑ The largest multi-center clinical study in peripheral nerve repair, over 1,400 Avance® nerve repairs enrolled to date
- ❑ Overall meaningful recovery rates of 84-87%; comparable to autograft outcomes without associated donor site comorbidities
- ❑ Five peer reviewed publications, referenced over 220 times, and more than 50 clinical conference presentations

## Significant Improvement over Manufactured Conduit

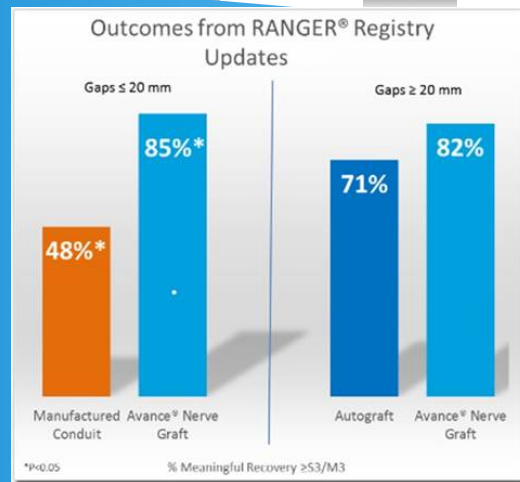
- ❑ Sensory<sup>28, 29, 30</sup> Motor<sup>28,30</sup>
- ❑ Complication Rate<sup>29,30</sup>

## Comparable to Autograft<sup>28,30</sup>

- ❑ Sensory<sup>28,29,30</sup>
- ❑ Motor<sup>28,30</sup>

## Predictable Performance<sup>28,29,30</sup>

## Reproducible Outcomes<sup>28,29,30</sup>



Grow Body of  
Clinical Evidence



# Strong Commitment to Developing Clinical Evidence

## RECON Study: Enrollment Ongoing

- ❑ Prospective, randomized study of Avance® Nerve Graft controlled vs hollow-tubes in digital injuries 5 to 25mm
- ❑ IND Pivotal Study to support BLA Submission

## CHANGE Study: Completed and published<sup>29</sup>

- ❑ Prospective, randomized study comparing Avance® Nerve Graft to hollow tube repairs in digital injuries 5mm to 20 mm
- ❑ Pilot study for Avance® Nerve Graft IND Study for Biological License Application (BLA)
- ❑ Showed statistically significant difference between treatment groups
- ❑ Investigators of the AxoGen sponsored CHANGE study received the “Hand Journal Award,” a recognition given by the journal’s editorial board to the manuscript that is considered the most impactful and interesting of the year



Grow Body of  
Clinical Evidence



It's time to rethink nerve repair.™



# Strong Commitment to Developing Clinical Evidence

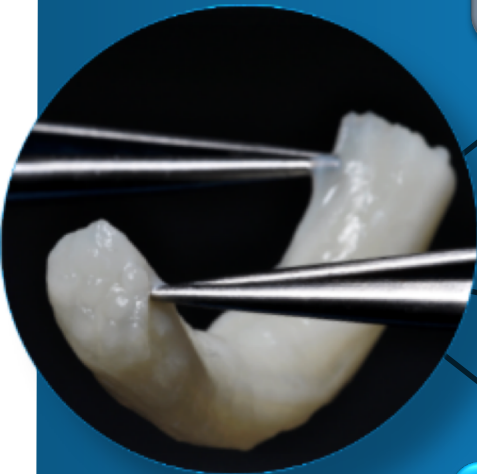


**87%** Overall Return of Function<sup>7</sup>

**90%** Return of Sensory Function<sup>30</sup>

**86%** Return of Motor Function<sup>30</sup>

**Safe** : No Donor Site Morbidity<sup>30</sup>



Study	n	Gap (mm)	Nerve Injury	Repair Technique	Successful Repair
<b>RANGER® Control</b> <sup>30</sup>	34	10-30	Digital and Mixed	Conduit	51%
Wangenstein and Kalliainen	64	3-25	Sensory, Mixed, and Motor	NeuraGen®	43%
Chiriack et al.	16	2-25	Digital	Neurolac™	44%
Haug et al.	35	5-26	Digital	NeuraGen®	40%
Taras et al.	22	5-17	Digital	NeuraGen®	72%
Chiriack et al.	12	2-25	Median and Ulnar	Neurolac™	8%
<b>RANGER® Control</b> <sup>30</sup>	13	10-60	Digital and Mixed	Autograft	71%
Kallio et al.	77	<50	Digital	Autograft	60%
Frykman and Gramyk	14	<50	Digital	Autograft	88%
Frykman and Gramyk	--	--	Ulnar/ Median	Autograft	60- 80%
Kim and Kline	7/15	--	Ulnar/Median	Autograft	57- 67%
Vastamaki et al	14	≤ 35	Ulnar	Autograft	57%

**Grow Body of Clinical Evidence**



It's time to rethink nerve repair.™

# Focused Sales Execution, Increasing Market Penetration



## Sales Execution Focused on Driving Results

- ❑ Continue expansion thru driving penetration in active accounts and adding new active accounts
- ❑ 5,100 potential U.S. accounts performing nerve repair
- ❑ 634 Active accounts as of June 30, 2018

## Expanded Sales Reach

- ❑ U.S. sales team
  - ❑ 72 direct sales professionals as of June 30, 2018
  - ❑ 19 independent agencies as of June 30, 2018
  - ❑ 80+ direct sales professionals by end of 2018

Execute Sales Plan

It's time to rethink nerve repair.™



# Commercial Strategy

## 20 to 25 Breast Neurotization Centers

### Build Market Awareness

- Digital marketing for patients
- Increased awareness of the issues and solution through media and PR efforts
- Focused co-marketing agreements with Reference Centers

### Emphasis on Education

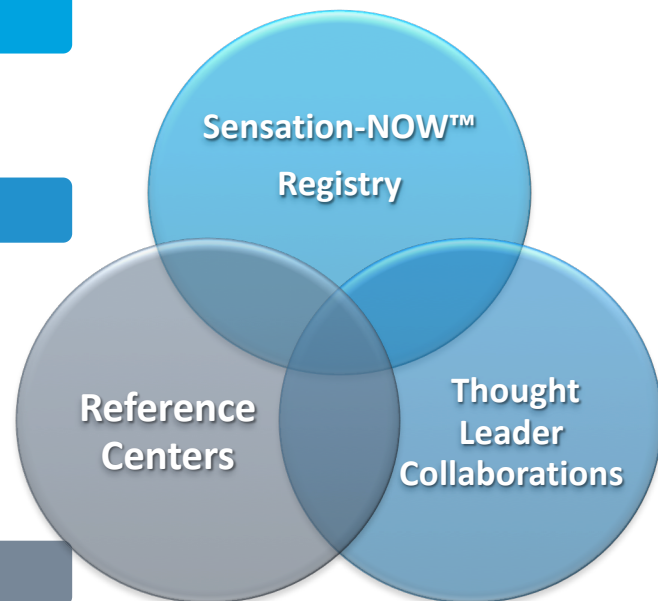
- Train residents and fellows
- Create a library of resources focused on techniques
- Nerve Matters®

### Develop Clinical Evidence

- Sensation-NOW™ (Sensation Neurotization Outcomes for Women) Registry
- Single vs Dual Neurotization – randomized prospective study
- Additional investigator initiated clinical studies and sponsored studies

### Focused Sales Executions

- Accelerate adoption of our ReSensation™ technique at Reference Centers and Sensation-NOW™ locations



# Expand the Opportunity in Nerve Repair



**Market  
Expansion**

**Future Market  
Development**

**Core  
Business**

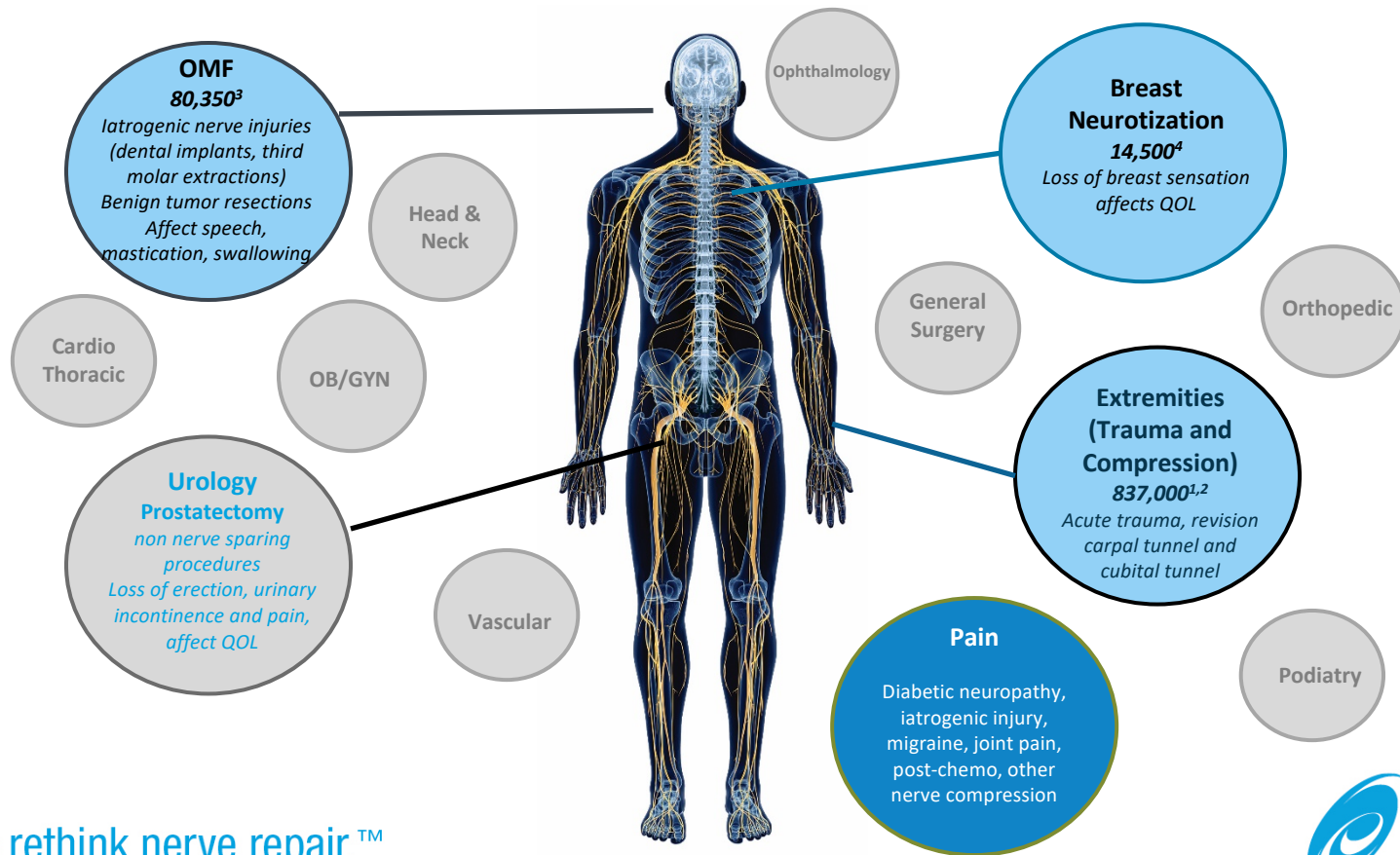
**Product  
Pipeline**

**International  
Expansion**

**Expand Product  
Pipeline & Applications**

It's time to rethink nerve repair.™

# Platform for Nerve Repair Across Multiple Applications

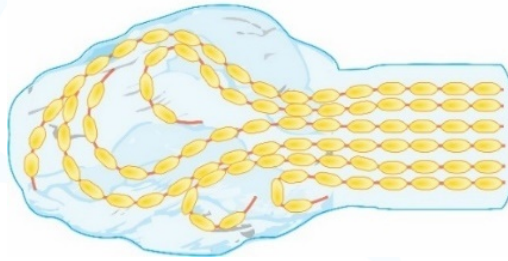


It's time to rethink nerve repair.™



# Future Expansion Application – Neuroma Management

- A neuroma is a tangled mass of disorganized nerve and fibrous tissue



- If not properly diagnosed and addressed, the management of these injuries require long term pharmacologic treatment and pain management

# Neuromas Form Following Surgery or Trauma



Neuroma-in-Continuity



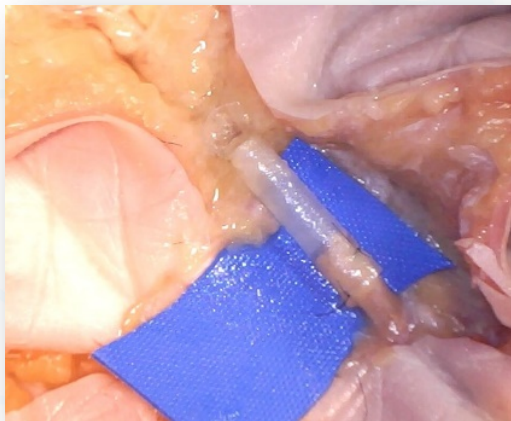
Stump Neuroma

Etiology	Examples
General Surgery	Hernia repair Mastectomy Lap. Cholecystectomy
Gynecology surgery	C-section Hysterectomy
Orthopedics	Arthroscopy Amputation Knee replacement
Other Causes	Post traumatic injury Occipital neuralgia





# AxoGuard<sup>®</sup> NerveCap



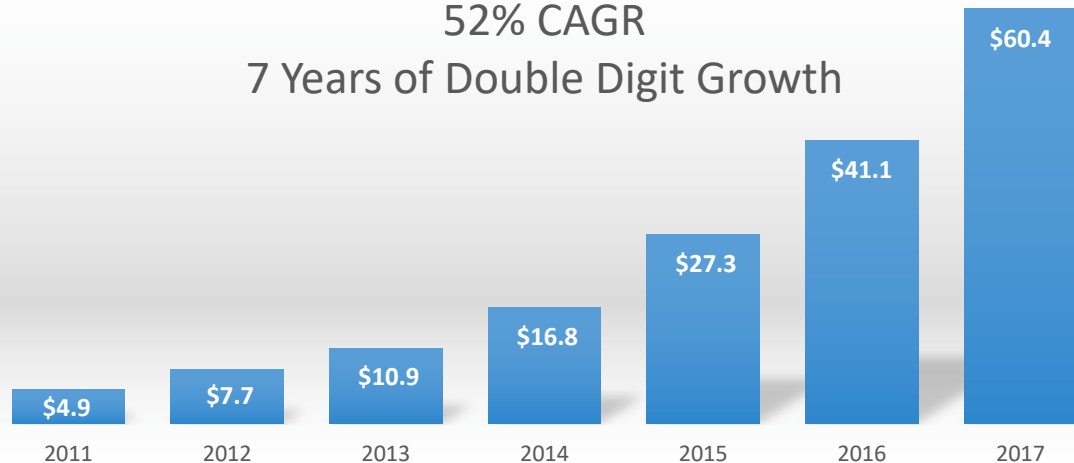
- Patented method for protecting against neuromas  
#9,629,997
- U.S. FDA Clearance – K163446
  - Indicated to protect a peripheral nerve end and separate the nerve from the surrounding environment to reduce the development of symptomatic or painful neuroma
- Conducting clinical evaluation and user preference studies in 2018

It's time to rethink nerve repair.™

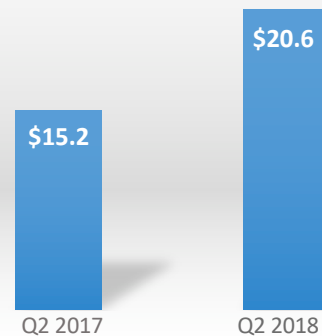
# Delivering Strong Consistent Revenue Growth & Gross Margin

U.S. \$ in millions

**Annual Revenue**  
52% CAGR  
7 Years of Double Digit Growth



**Q2 Revenue**  
36% Growth



84.9% Gross Margin for the quarter ended June 30, 2018

It's time to rethink nerve repair.™

# Balance Sheet and Capital Structure

Balance Sheet Highlights	June 30, 2018
Cash	\$133.6 Million
Total Bank Debt*	\$0
Capital Structure (shares)	June 30, 2018
Common Stock	38,310,884
Common Stock Options, RSUs, PSUs	4,594,807
Common Stock and Common Stock Equivalents	42,905,691

\*On May 22, 2018 the Company repaid in full its \$25 million outstanding debt, which included accrued interest up to the date of payoff, a prepayment fee of \$620,000 and an exit fee of \$1,050,000. This repayment of debt will save the Company an estimated \$2.4 million in annual interest and fees.

# Executive Team



**Karen Zaderej, MBA**  
Chairman, Chief  
Executive Officer,  
and President  
J&J (Ethicon)



**Peter Mariani**  
Chief Financial Officer  
Lensar, Hansen, Guidant



**Greg Freitag, JD, CPA**  
General Counsel and  
SVP Business  
Development  
Pfizer, Guidant



**Jon Gingrich**  
Chief Commercial Officer  
Hologic, Boston Scientific



**Shawn McCarrey**  
SVP, Sales  
Bayer, Medrad, Possis



**Greg Davault**  
VP of Marketing  
Ekso Bionics,  
Given Imaging



**Kaila Krum**  
VP, Investor Relations and  
Corporate Development  
William Blair



**Mark Friedman, PhD**  
VP, Regulatory and  
Quality Assurance  
AtriCure, Enable Medical



**Mike Donovan**  
VP, Operations  
Zimmer



**Erick DeVinney**  
VP, Clinical and  
Translational Sciences  
Angiotech,  
PRA International



**Ivica Ducic, M.D.**  
Medical Director  
Plastic Surgeon,  
Georgetown,  
Washington Nerve  
Institute



**Dave Hansen**  
VP, Finance and Treasurer  
Perma-Fix, Kraft

# AxoGen is the Pre-eminent Nerve Repair Company

- ✓ Exclusive focus on peripheral nerve repair and protection solutions
- ✓ Comprehensive product portfolio addresses 900,000+ procedures
- ✓ \$2.2B+ market opportunity
- ✓ “Five Pillar” Market Development Strategy delivered 30 consecutive quarters of YOY double-digit growth

**Q2 2018 Revenue**

**\$20.6M, 36% growth vs Q2 2017**

**2017 Revenue**

**\$60.4M, 47% growth vs 2016**

**High Gross Margins**

**84.9% as of June 30, 2018**

**Cash as of June 30, 2018**

**\$133.6M**

- ✓ Solid balance sheet provides resources to execute business plan
- ✓ Significant barriers to competitive entry including a growing body of clinical data
- ✓ Strong management team with track record of commercial success
- ✓ Expansion opportunities beyond current markets



**NASDAQ: AXGN**

Deloitte Technology Fast 500 : 2014, 2015, 2016, 2017

Russell 2000 Index : June 2016

DecisionWise Intl Employee Engagement Best Practices Award Winner: 2018

It's time to rethink nerve repair.™



# Footnotes

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2. University of Maryland Medical Center, Carpal Tunnel Syndrome – Surgery.
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15. Data on file at AxoGen, Inc.
16. Hospital IDC-10-CM 2017, Volumes 1, 2 & 3. American Medical Association, Chicago, IL for MS-DRG 40, 41, 42
17. Intra-Service times based on median intra-service times for CPT codes (64885-6, 64890-93, 64895-98, 64910-64911) provided by CMS, Physician Fee Schedule
18. <http://my.clevelandclinic.org/ccf/media/files/Patients/cleveland-clinic-main-charges.pdf>
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# Footnotes

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33. Pro forma amounts reflect the impact of the equity raise and the debt refinancing completed in October had the transactions taken place on September 30, 2016. The Company sold a total of 2,683,334 shares at \$7.50 and received proceeds, net of underwriter's discounts and offering expenses, of \$18.6 million. Additionally, the company refinanced its previous \$25.0 million debt facility with Three Peaks Capital into a new facility with MidCap Financial. The new facility provides for up to \$31.0 million of debt comprised of a \$21.0 million term loan and a \$10.0 million revolving line of credit. The revolver may be increased to \$15.0 million at a later date at the Company's request and with the approval of MidCap. Borrowings under the revolver are subject to the available borrowing base which, at closing was \$5.4 million, and the company drew \$4.0 million. At closing, the interest rate was 8.5% on the Term Loan and 5.0% on the revolver. The company anticipates that annual interest cost savings of this new facility will be at least \$1.5 million compared to the previous facility. Expenses and fees of approximately \$600,000 were paid in October to complete the refinancing, and prepayment fees of approximately \$2.3 million were owed to Three Peaks Capital and were paid from the company's own funds.
34. Historical Incidence based on NIH National Cancer Institute [http://www.breastcancer.org/symptoms/understand\\_bc/statistics](http://www.breastcancer.org/symptoms/understand_bc/statistics) ; Growth rate based on CAGR 2015 – 2017
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36. 2016 ASPS Plastic Surgery Statistics Reports, Includes TRAM, DIEP, and "Other Flaps", Distribution based on 2016 ASPS Data

Avance® Nerve Graft, AxoGuard® Nerve Protector, AxoGuard® Nerve Connector, AxoGuard® Nerve Cap, Avive® Soft Tissue Membrane, AcroVal® Neurosensory & Motor Testing System, Pressure Specified Sensory Device®, AcroGrip®, AcroPinch®, AxoTouch® Two-Point Discriminator, Nerve Matters®, RANGER® and their logos are registered trademarks of AxoGen Corporation. It's time to rethink nerve repair.™, ReSensation™, SensationNOW™, and Connector-Assisted Repair™ are trademarks of AxoGen Corporation. AxoGuard® Nerve Connector and AxoGuard® Nerve Protector are manufactured in the United States by Cook Biotech Incorporated, West Lafayette, Indiana, and are distributed exclusively by AxoGen Corporation.

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