



## Corporate Overview

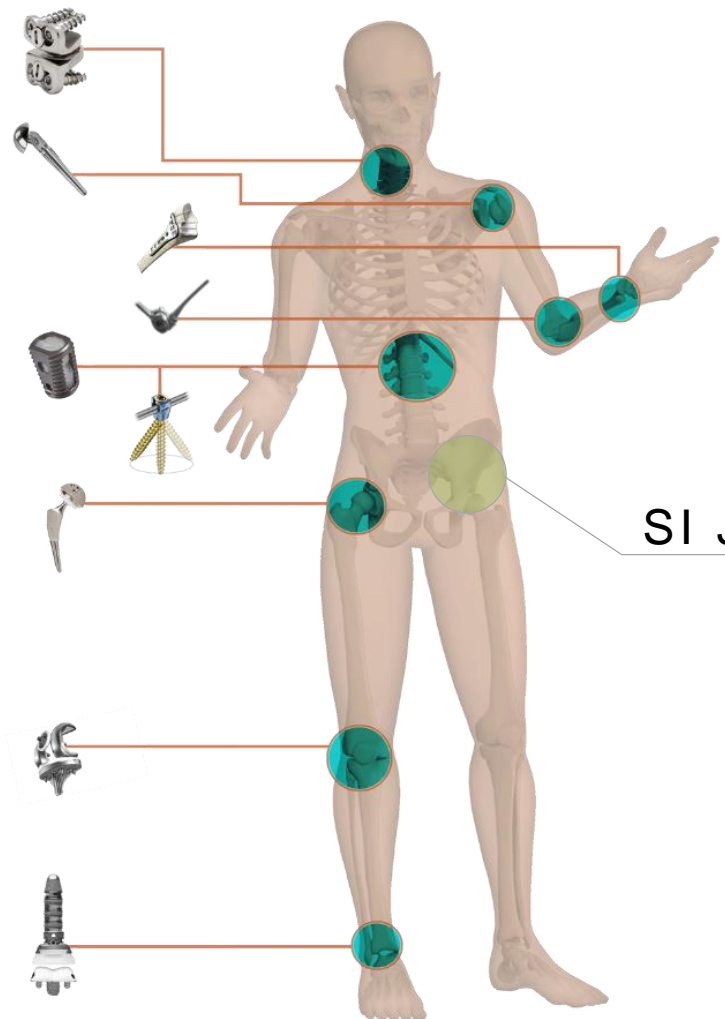
May 2019



# Safe Harbor Statement

This presentation contains “forward-looking statements,” which are statements related to future events that by their nature address matters that are uncertain. All forward-looking information is inherently uncertain and actual results may differ materially from assumptions, estimates or expectations reflected or contained in the forward-looking statements as a result of various factors. For details on the uncertainties that may cause our actual results to be materially different than those expressed in our forward-looking statements, please review our registration statement on Form S-1 and Quarterly Report on Form 10-Q, which contain risk factors. Forward-looking statements address our expected future business, financial performance, financial condition as well as results of operations, and often contain words such as “intends,” “estimates,” “anticipates,” “hopes,” “projects,” “plans,” “expects,” “seek,” “believes,” “see,” “should,” “will,” “would,” “target,” and similar expressions and the negative versions thereof. Such statements are based only upon current expectations of SI-BONE. Any forward-looking statement speaks only as of the date made. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed or implied. Forward-looking statements include statements that address activities, events or developments that SI-BONE expects, believes or anticipates will or may occur in the future. Forward-looking statements are based on SI-BONE’s experience and perception of current conditions, trends, expected future developments and other factors it believes are appropriate under the circumstances and are subject to numerous risks and uncertainties, many of which are beyond SI-BONE’s control. With respect to the forward-looking statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. We undertake no obligation to publicly update or revise any forward-looking statements to reflect new information or future events or otherwise unless required by law.

# Major Joints Market



SI JOINT

LAST  
JOINT

LARGEST  
JOINT







Pioneering a new minimally  
invasive surgical solution to  
treat sacroiliac joint  
dysfunction

38,000+  
Procedures

1,800+  
Surgeons

266M+  
Covered lives

# Market Leadership



## ROBUST CLINICAL DATA

>65 published clinical studies/papers  
2 randomized trials



## POSITIVE FINANCIAL PROFILE

\$55.4M revenue: 2018  
15% growth

\$15M: Q1 2019  
18% growth

~90% gross margins



## REIMBURSEMENT ADVANTAGE

266M+ U.S. covered lives  
33 U.S. payor exclusives



## MARKET LEADER

5,100 U.S. procedures in 2018  
279,000 U.S. potential patients per year



# SI Joint Pain: Prevalent and Highly Burdensome

15%  
OF LOWER BACK  
PAIN

32 - 43%  
SYMPTOMATIC  
POST-LUMBAR  
FUSION



# 30M+ in the U.S. Suffer From Lower Back Pain...

4.7M

SI joint pain sufferers

1.4M

Eligible for surgery

5 years in pain



279K

Eligible for SIJ surgeries each year


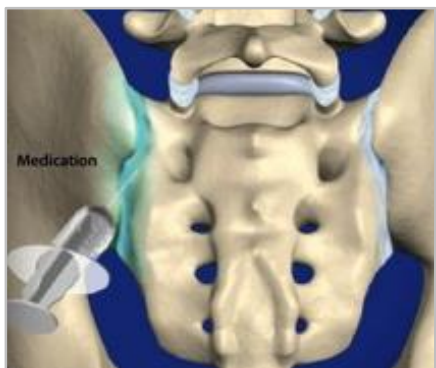





\$2.7B

Annual U.S.  
Market Opportunity

Sources: Jensen M, Brant-Zawadzki M, Obuchowski N, et al. Magnetic Resonance Imaging of the Lumbar Spine in People Without Back Pain. *N Engl J Med.* 1994;331:69-116.; Bernard 1987, Schwarzer 1995, Maigne 1996, Irwin 2007, Sembrano 2009.; INSITE RCT data: 5 years in pain and 31% of patients screened were eligible for surgery.

# A Major Gap in Sacroiliac Joint Therapy

NON-SURGICAL MANAGEMENT			SURGERY	
MEDICATIONS, PHYSICAL THERAPY	THERAPEUTIC INJECTIONS	RADIO-FREQUENCY ABLATION	MIS SI JOINT FUSION	OPEN SI JOINT FUSION
				



# Clinically Proven Minimally Invasive Solution

- Patented unique **triangular** implants
- **3x the strength** of a screw
- **6X the rotational resistance**



**2008**

FDA 510(k)

**2010**

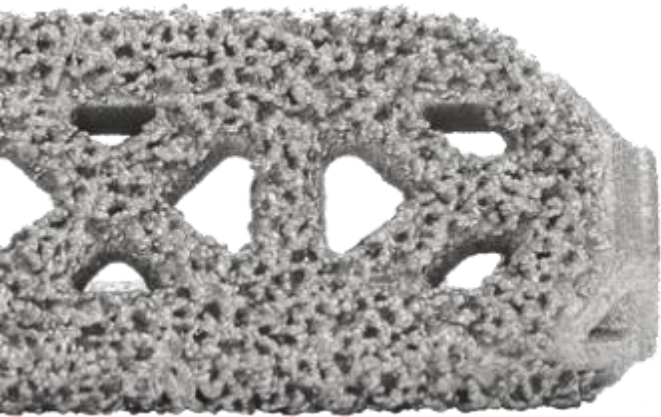
CE MARK

**34**

COUNTRIES

# Platform Technology: iFuse-3D™

## Enhanced Implant Benefits

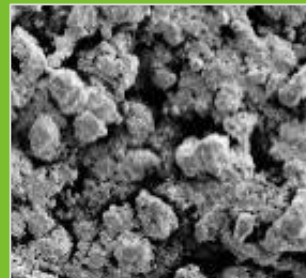


- Proven triangular design and procedure
- Porous, 3D-printed titanium implant
- Bony on-growth, in-growth, through-growth
- FDA and CE clearance in 2017

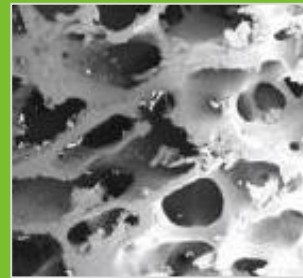
REPRESENTATIVE  
COMPETITOR



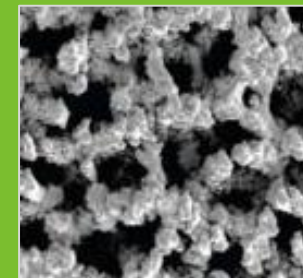
TPS-COATED  
IFUSE



CANCELLOUS  
BONE






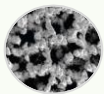
3D-PRINTED  
IFUSE-3D



3 MONTH  
SHEEP STUDY



# Proprietary, Differentiated Technology

	SI Screws	iFuse
Rotation	 <ul style="list-style-type: none"><li>▪ 1X resistance</li></ul>	 <ul style="list-style-type: none"><li>▪ &gt;6x resistance</li></ul>
Safety	<ul style="list-style-type: none"><li>▪ Unknown</li></ul>	<ul style="list-style-type: none"><li>▪ Very low complication rate</li></ul>
Revision	<ul style="list-style-type: none"><li>▪ Unknown</li></ul>	<ul style="list-style-type: none"><li>▪ 3.5% (4-year)</li></ul>
Clinical Evidence	<ul style="list-style-type: none"><li>▪ 16 publications (no RCTs)</li></ul>	<ul style="list-style-type: none"><li>▪ &gt;65 publications</li></ul>
Surface	<ul style="list-style-type: none"><li>▪ Smooth </li></ul>	<ul style="list-style-type: none"><li>▪ Porous </li></ul>

# Patient Experience

VAS  
Pain  
Reduction<sup>1</sup>

**55**  
POINTS

Clinically meaningful at 20 pts

ODI  
Disability  
Improvement<sup>1</sup>

**28**  
POINTS

Clinically meaningful at 15 pts

**91%**

Patient satisfaction



Note: 1. At 24 months. Source: Darr – *Med Devices Evid Res* 2018 [ACCEPTED, in press] 2. At four years. Source: Cher: *Medical Devices: Evidence and Research* 2015.



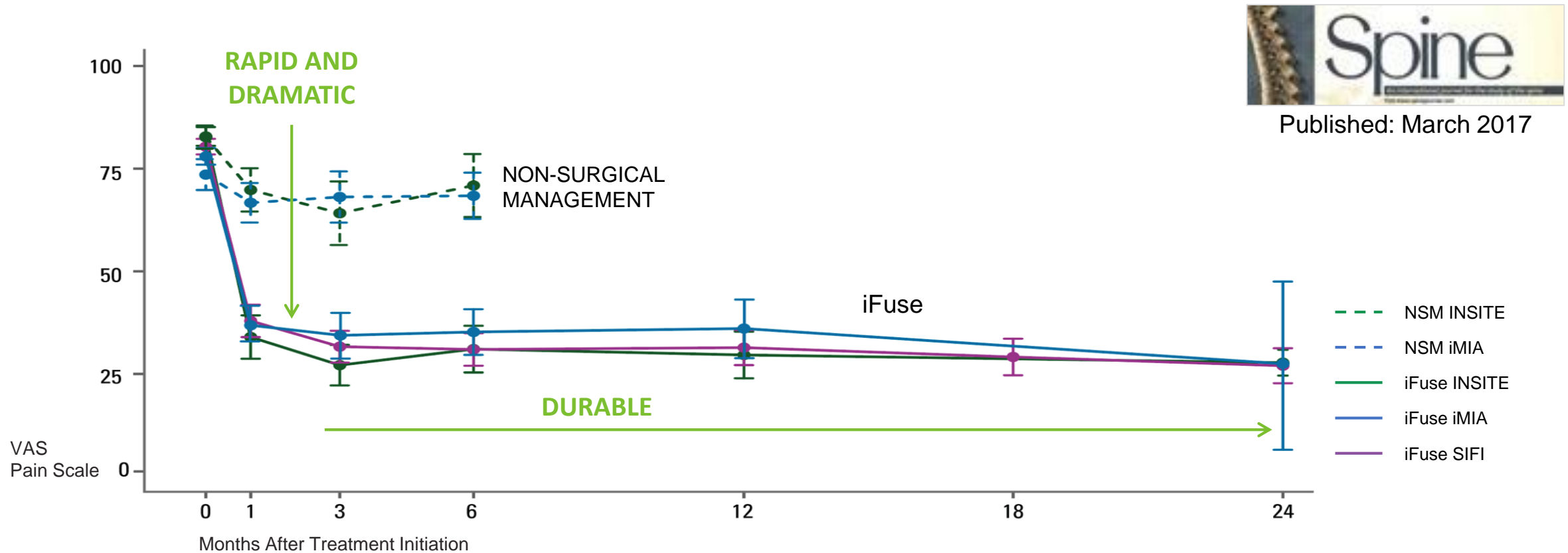
# Robust Data and Clinical Evidence

- >65 peer-reviewed published papers
- Long-term 6-year data
- Two level 1 randomized studies

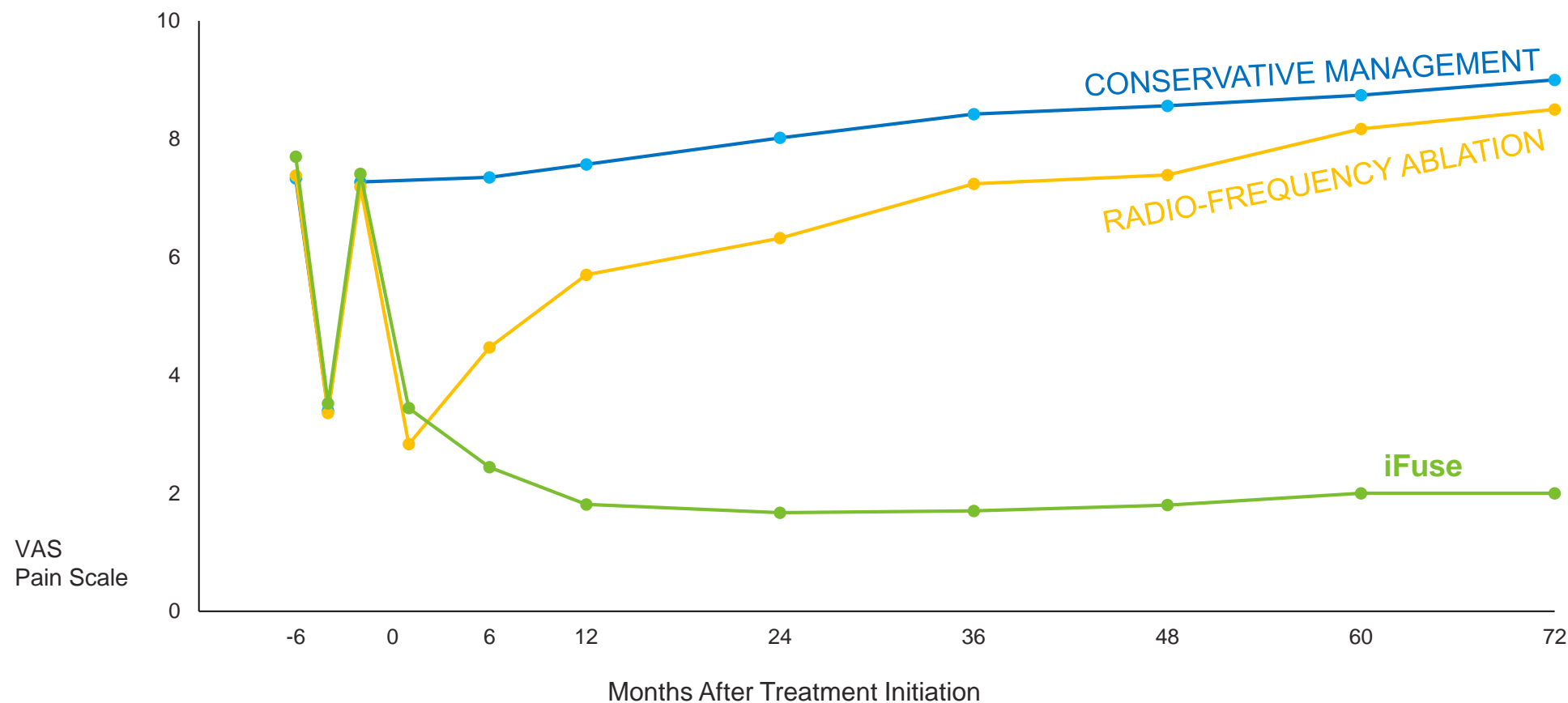


# Prospective Outcomes

Pooled analysis of two randomized and one large prospective study

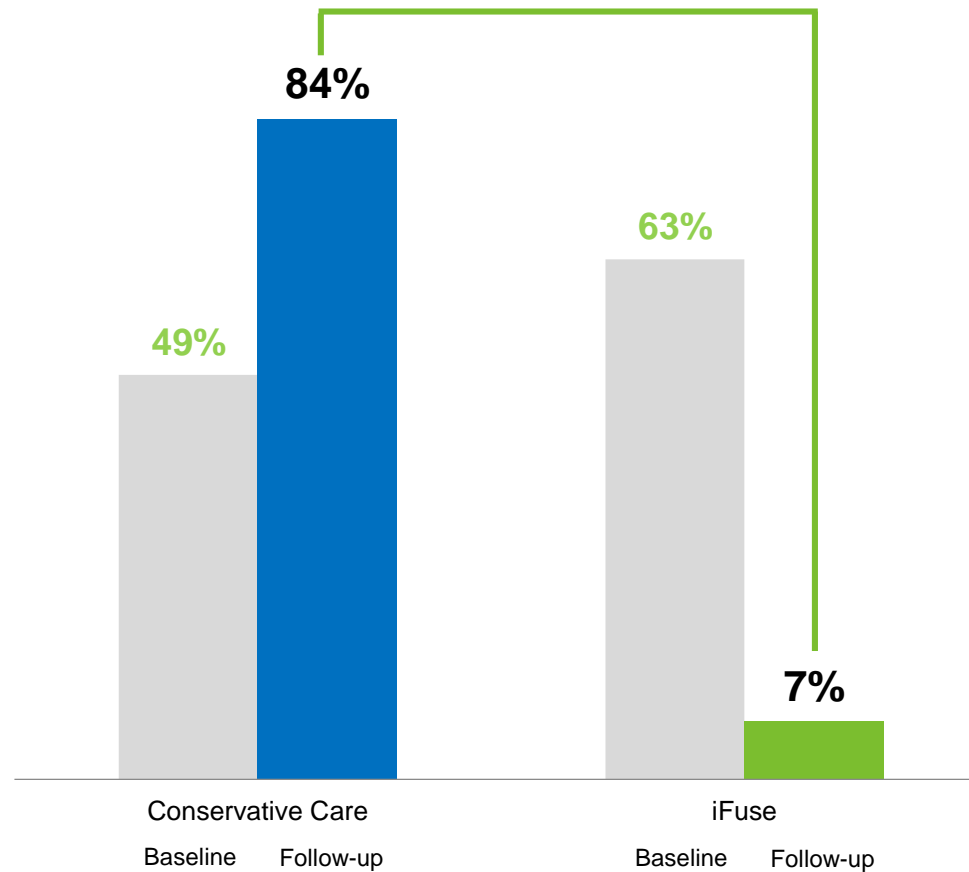


# 6-Year Cohort Study



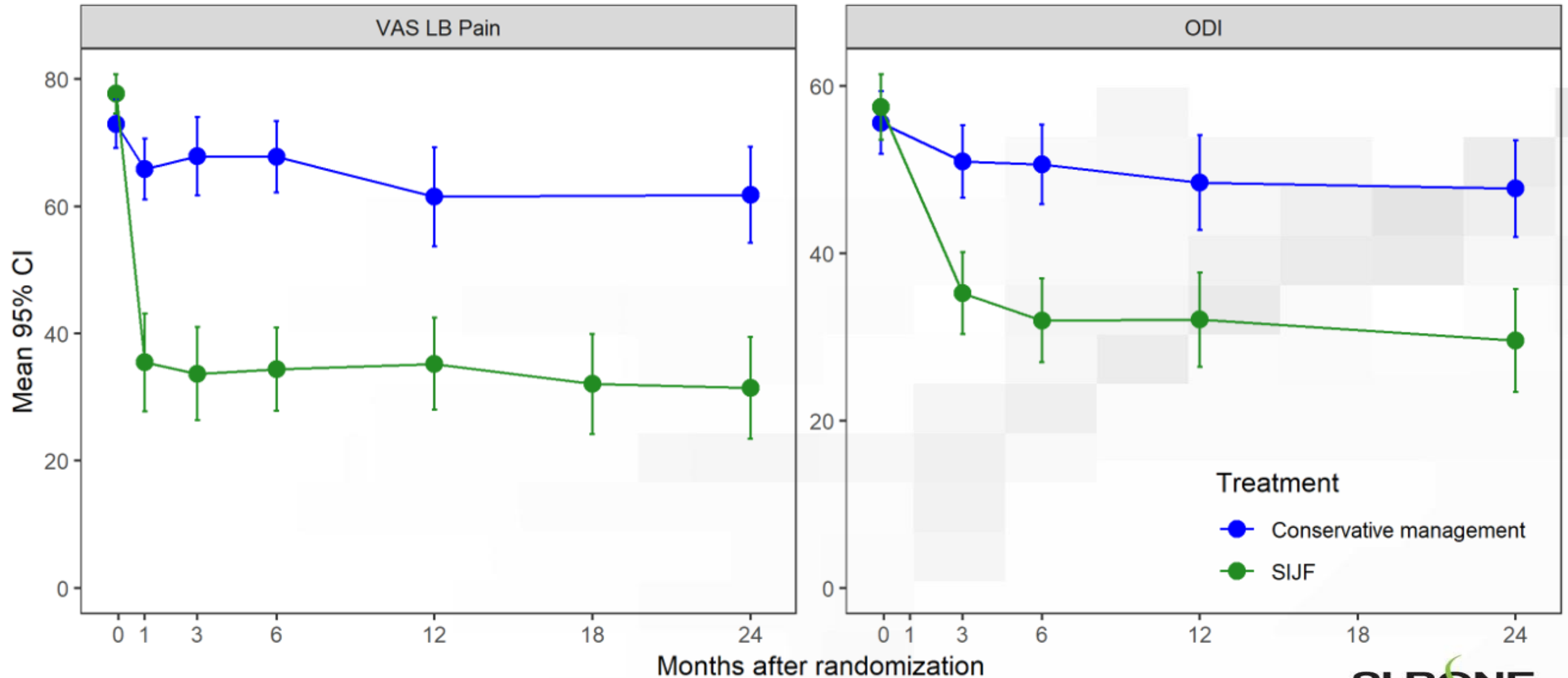
# Significant Reduction In Opioid Users

6-year study, 2 controls, single center





# iMIA 2 Year RCT



# Economic Payor Benefit

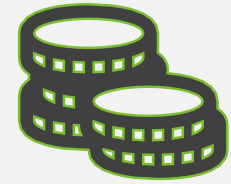
## Cost Effective

SURGERY	Incremental Cost-Effectiveness Ratio (ICER)
Hip	~\$10K
Knee	~\$12K
<b>SI Joint</b>	<b>~\$13K</b>
Disc Herniation	~\$21K
Spinal Stenosis	~\$59K
Degen Spondy	~\$64K

## Payor Savings

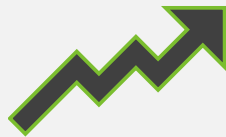
**\$3,100**

Savings per patient when SI joint is included in diagnosis of low back pain



## Worker Productivity

Worker productivity improves with iFuse surgery

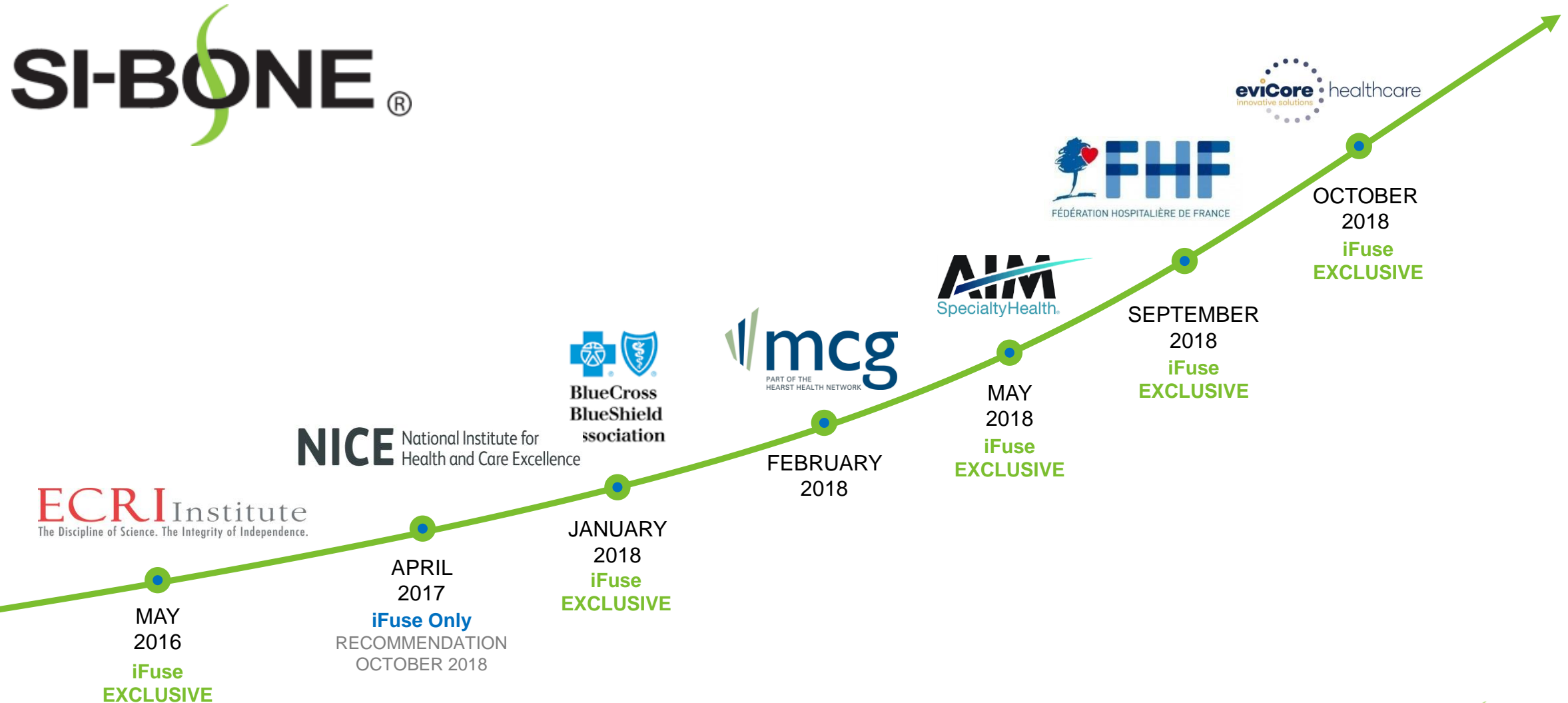


## Rapid Breakeven

Optum: UHC Database

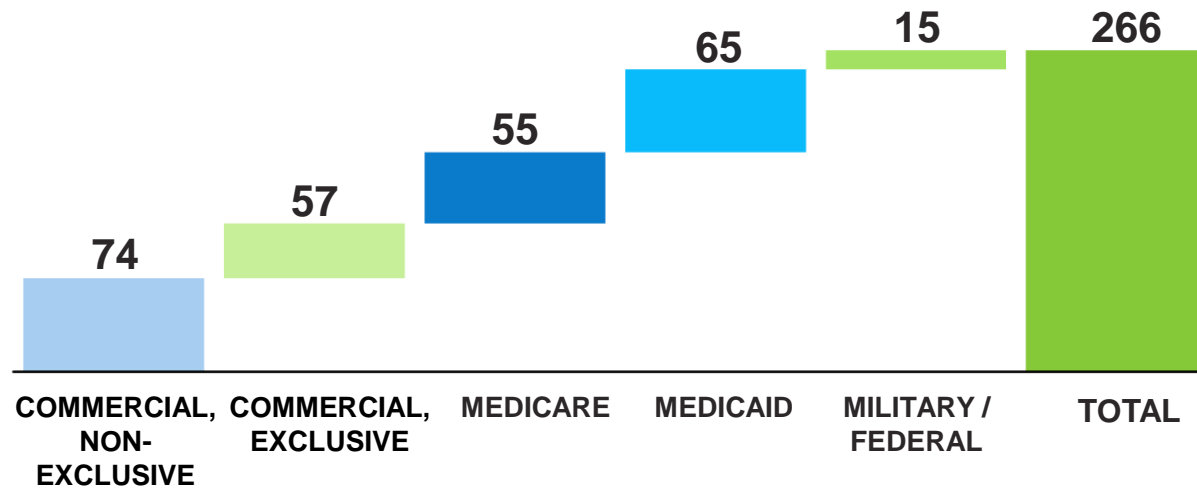
**\$83** PER MONTH  
Post-op LBP cost

# Health Technology Positive Appraisals



# Coverage Highlights

As of Q1 2019



131M covered by private payors

All 7 Medicare MACs cover

Growing exclusive iFuse private coverage policies

- 33 U.S. exclusive payers

COVERED  
LIVES (12/31)

162  
MILLION

2017

256  
MILLION

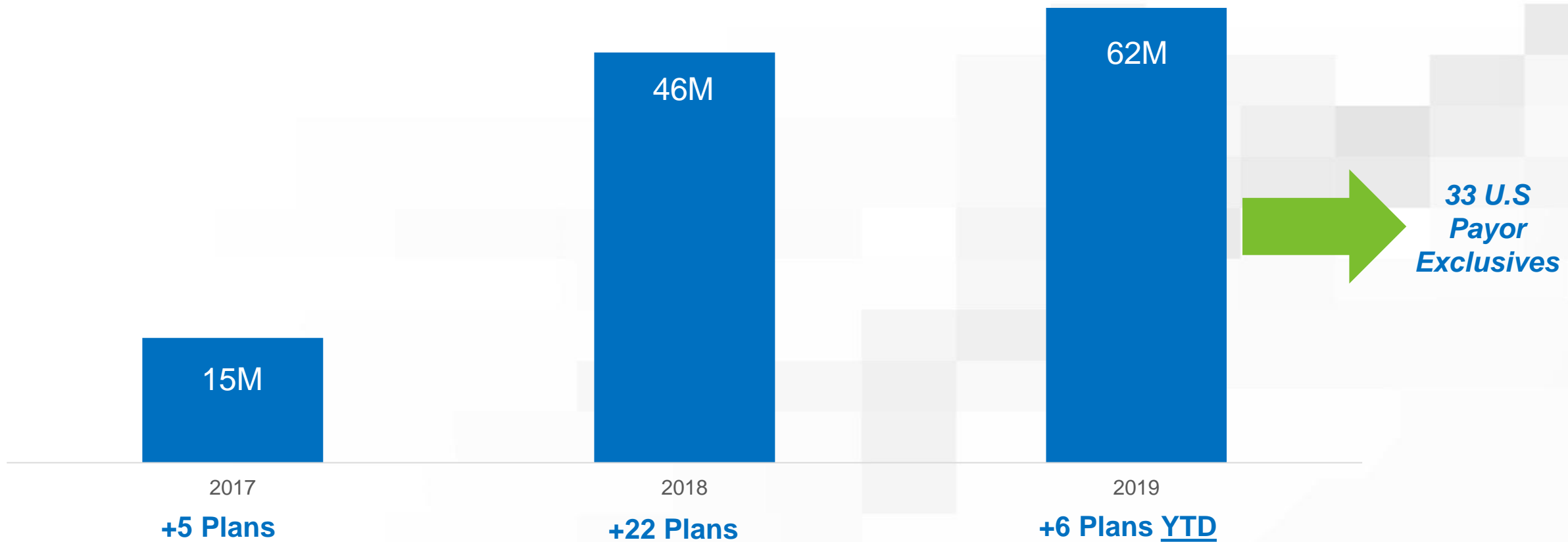
2018

266+  
MILLION

April 2019



# Exclusive U.S. Reimbursement Coverage



# 2019 -2021 Commercial Execution

**FIELD TEAM EXPANSION: USA & EUROPE**



**INCREASE IN TRAINED SURGEONS ON  
DIAGNOSTICS/PROCEDURE**



**GEOGRAPHIC  
EXPANSION  
(JAPAN)**

+

**REIMBURSEMENT  
INITIATIVES**

- Expansion of payer coverage, exclusives included
- Higher more appropriate CPT surgeon payment

**NEW PRODUCTS: DECORTICATION INSTRUMENTS & ADULT DEFORMITY**

- Engaging over 2 dozen academic KOL deformity centers
- Aura and “Trickle down” effect: from KOL to surgeons, Fellows and Residents

# U.S. Commercial Execution

Market and sell through **direct sales force** and **select 3rd party agents**

## FIELD REPS

	Field EOY 2018	2019 Additions	Forecast EOY 2019
Sales Reps	45	10-15	55-60
Clinical Specialist	22	25-30	47-52
<b>Total</b>	<b>67</b>	<b>35-45</b>	<b>102-112</b>

- Deep relationships in spine and pain
- Leverage expertise to create referral channels
- Focused technical sales force

**>30 SELECT INDEPENDENT AGENTS**

**10 SALES REGIONS**



# OUS Commercial Execution

**28 EUROPEAN EMPLOYEES**

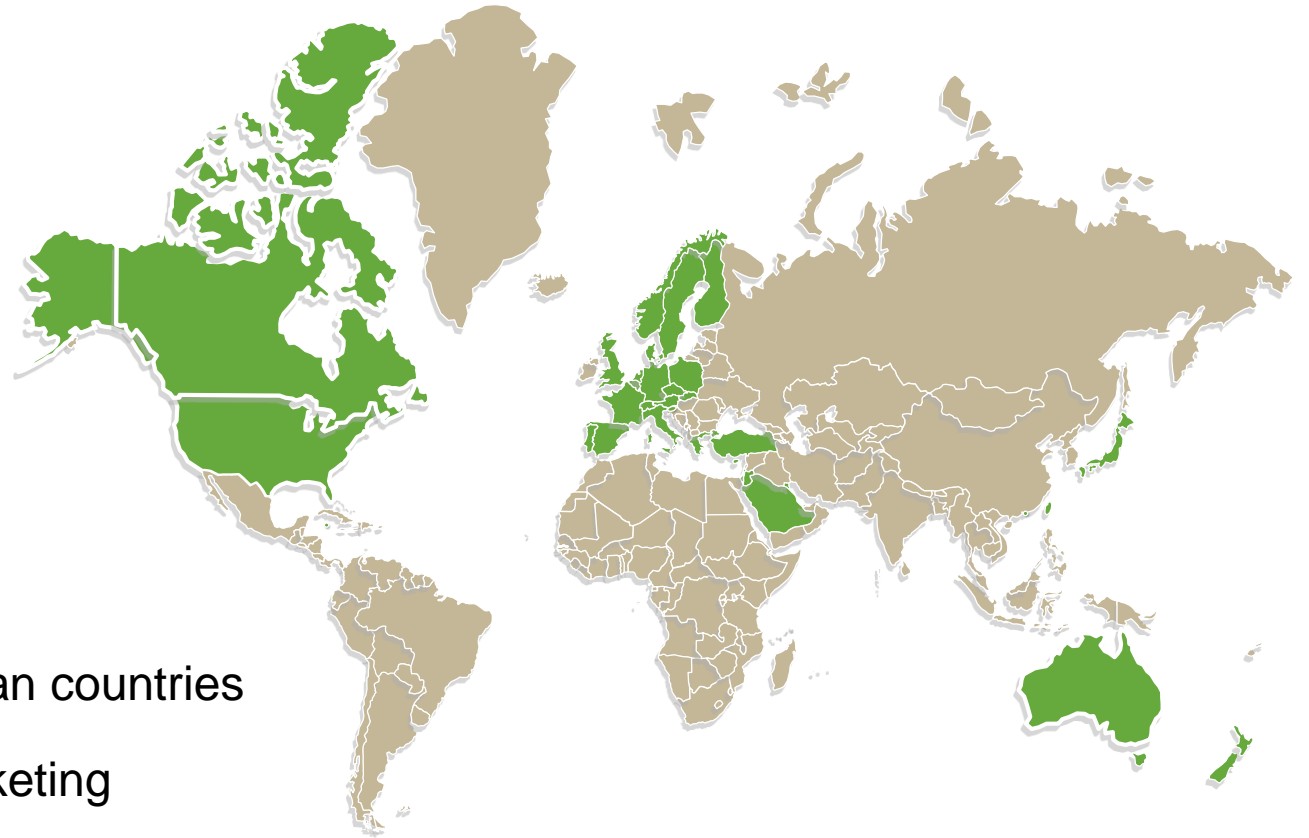
**INTERNATIONAL SALES FORCE**

**15 DIRECT SALES REPS**

**21 EXCLUSIVE DISTRIBUTORS**

**33 COUNTRIES**

- Focused expansion in major European countries
- UK NICE: recommendation and marketing
- Fédération Hospitalière de France
- New German Sales Leadership





# Revenue Highlights

**Annual Revenue (millions)**



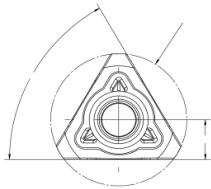
**Quarterly Revenue (millions)**



# Intellectual Property Overview

- 44 issued patents: U.S. (35), OUS (9)
- 17 pending patents: U.S. (12), OUS (5)
- iFuse patents cover until August 2024
- iFuse-3D patents cover until September 2035

## SHAPE



Joint ... fused ... **a rectilinear bone fusion implant** ... across the joint

## APPROACH

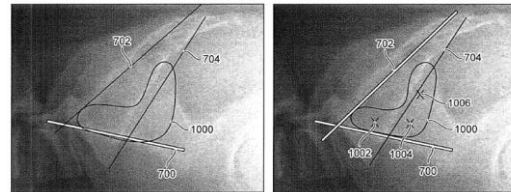
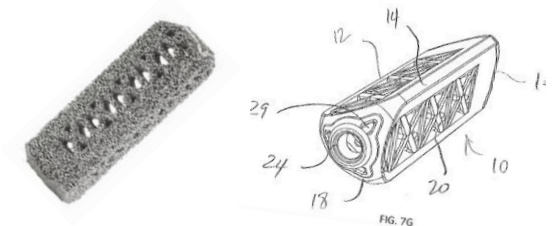


FIG. 10A

FIG. 10B

Lateral insertion path through the ilium and into the sacrum. A posterolateral insertion path angling through the SI joint.

## 3-D TECHNOLOGY



Fenestration is offset from both the distal end and the proximal end. One repeating internal portion comprising a plurality of apex struts.

# Experienced Team

## Proven track records



**Jeffrey Dunn**

Chairman, President, CEO & Founder  
7 time CEO

**INBONE** TECHNOLOGIES **TOPEZ, Inc.**  
**REILEY ORTHOPEDICS**



**Tony Recupero**

Chief Commercial Officer

**USSC** **KYPHON**  
AHEAD OF THE CURVE™  
**BAXANO**



**W. Carlton Reckling, MD**

Chief Medical Officer

*Private practice for 20 years*



**Laura Francis**

Chief Financial Officer

**BRUKER** **pwc**  
**McKinsey & Company**



**Mike Pisetsky**

General Counsel & Chief Compliance Officer

**New Wave Surgical** **Cooley**



**Scott Yerby**

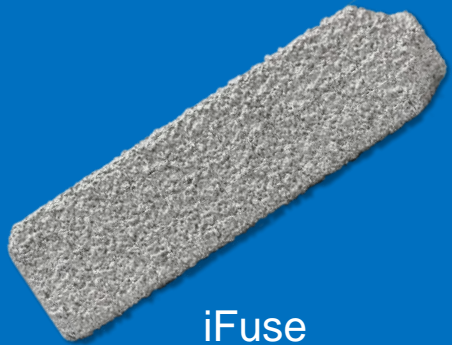
CTO & VP, Engineering

**UC DAVIS**  
UNIVERSITY OF CALIFORNIA  
**ST. FRANCIS MEDICAL**  
**TECHNOLOGIES, INC.**

# Adjacent Markets

ONE PRODUCT  
COMPANY

2009 – 2016



iFuse

SACRO-PELVIC SOLUTIONS  
COMPANY

2017 – 2019

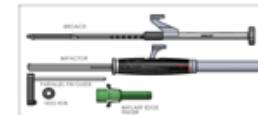
Platform  
Technology



iFuse-3D



iFuse  
Neuromonitoring



iFuse  
Navigation



iFuse  
Robotics



iFuse  
Decorticator

Adjacent  
Markets



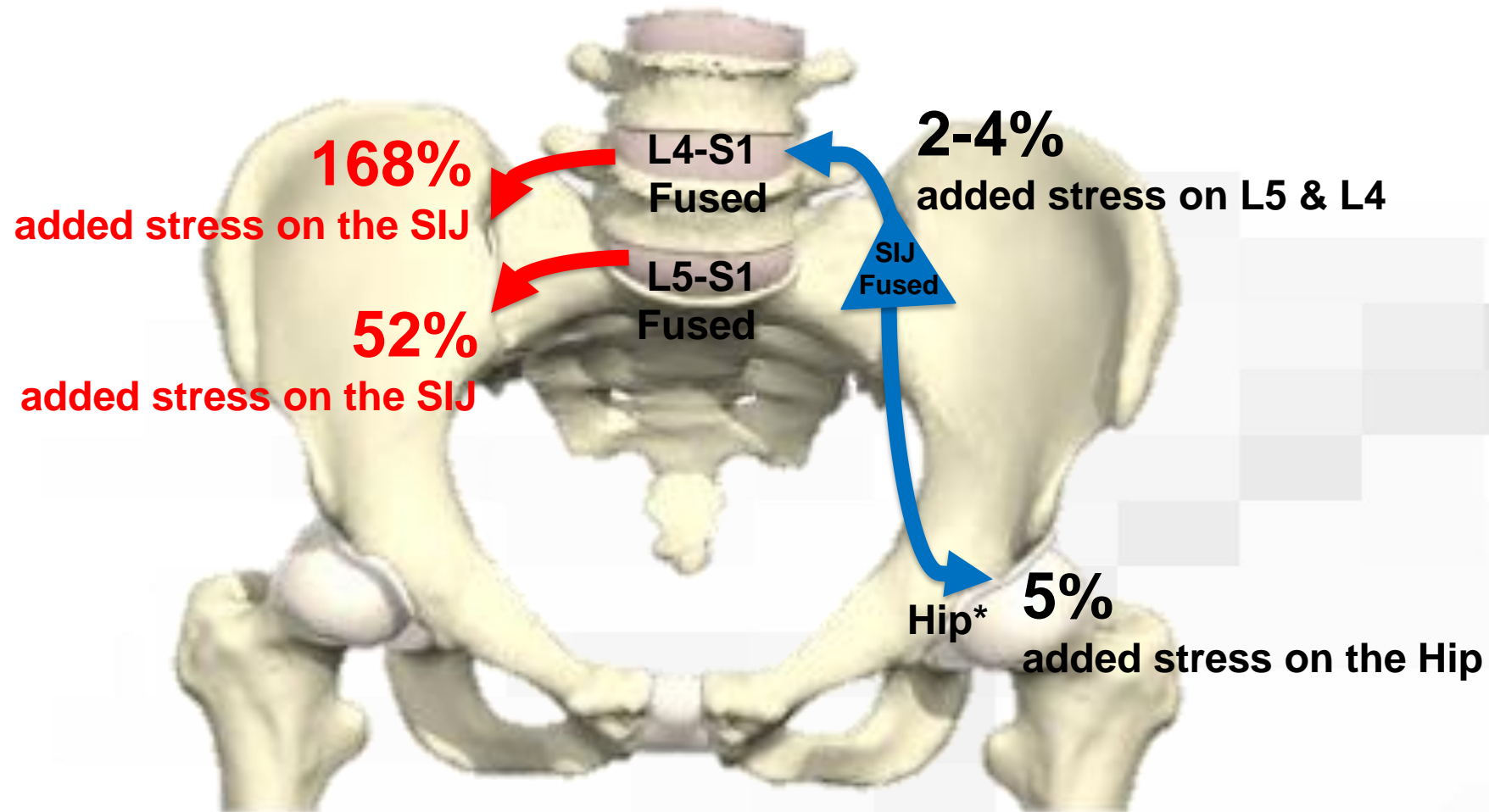
Adult  
Deformities

2017

2018

2019

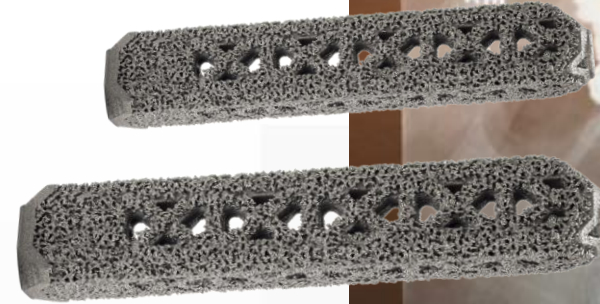
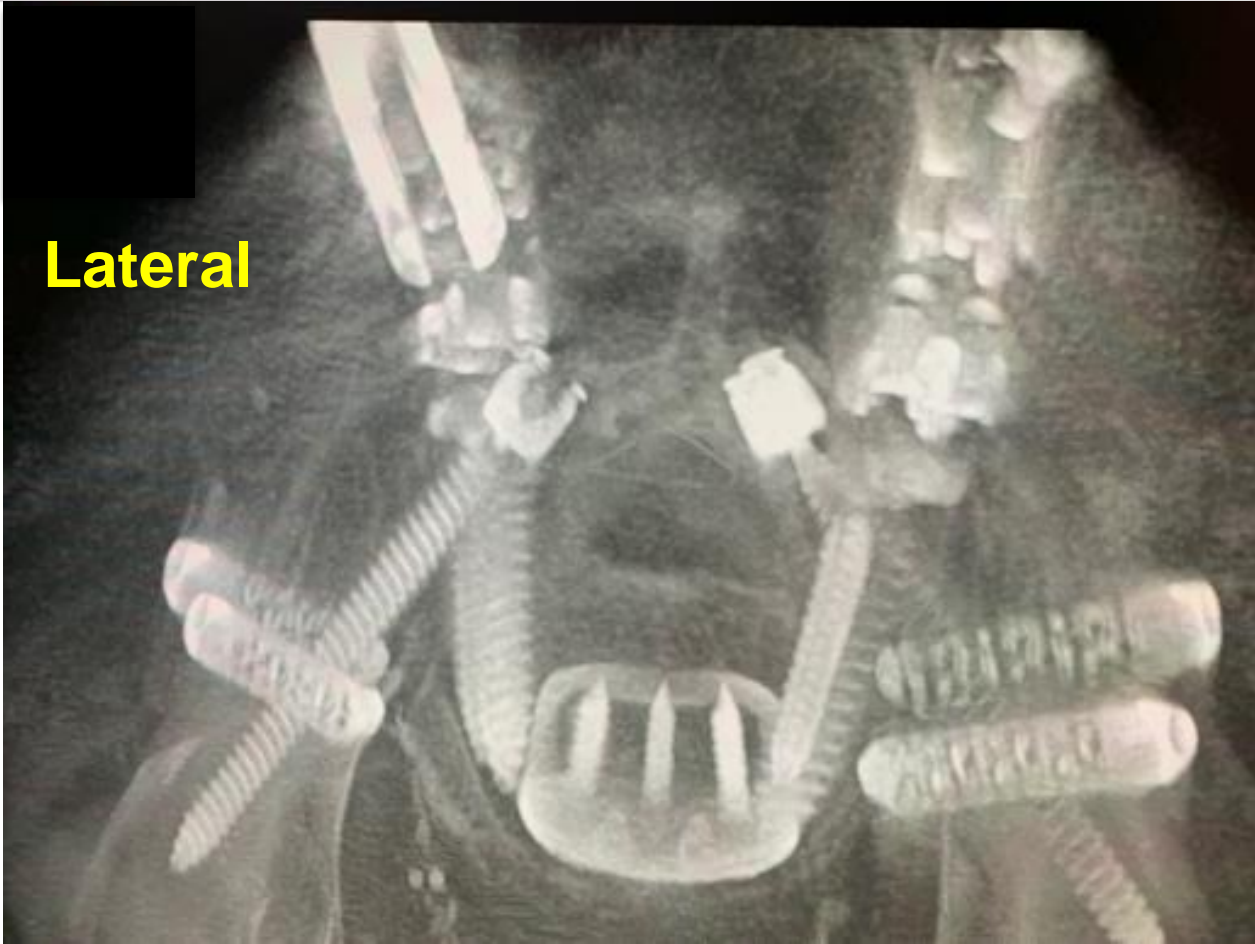
# Fused L4-S1: Significant Stresses on the SIJ





# SI-BONE's Bedrock Surgical Technique

Lateral



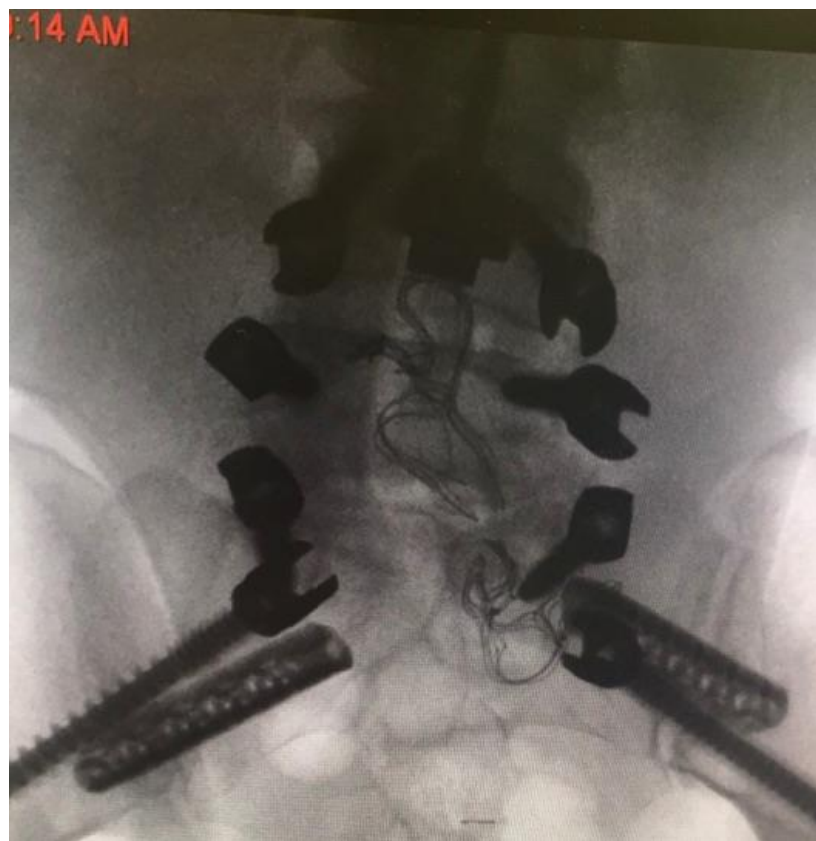
Posterior





# SI-BONE's Bedrock

- Leadership academic centers engaging
- The trickle-down effect
  - Surgeons focusing on the Sacroiliac joint



## 2018

Barrow's Neurological Institute  
Columbia University (HSS)  
Duke University  
Henry Ford College  
Istituto Ortopedico Rizzoli  
Michigan State University  
New York University  
Rush University  
Scripps College  
Thomas Jefferson University  
University of California San Diego  
University of California, San Francisco  
University of Arkansas  
The University of Iowa  
University of Minnesota  
University of Missouri  
University of Washington  
University of Wisconsin  
UT Southwestern Medical Center  
University of Virginia  
Washington University  
Wayne State University

## Q1 2019

Henry Ford College  
Louisiana State University  
New England Baptist Hospital  
Cornell University  
Albert Einstein / Montefiore  
University of Rochester  
University of Colorado  
Ortho Carolina  
Baylor Scott & White Medical  
Center - Temple



# Investment Highlights

5,100 U.S. PROCEDURES IN 2018

## ROBUST DATA

**>65** PUBLISHED  
PAPERS

**2** RANDOMIZED  
TRIALS

## REIMBURSEMENT ADVANTAGE

**266+**  
MILLION  
COVERED LIVES

**33** PAYOR  
EXCLUSIVES

## Q1 POSITIVE FINANCIAL PROFILE

**↑18%**  
GROWTH

Q1 2019: \$15M REVENUE

**~90%** GROSS  
MARGINS

279,000 U.S. POTENTIAL PATIENTS PER YEAR

# Accelerating Growth in 2019

## 1. EXPAND SALES ORGANIZATION

- Increase direct field sales organization by **10-15 reps**
- Add **25-30 reps** to field support organization

## 2. TRAIN ADDITIONAL SURGEONS

- Increase active surgeons by **100**
- Continue to invest in education and training courses

## 3. ROLLOUT NEXT GENERATION PRODUCTS

- Decorticator
- Bedrock- adult deformity
- Adjacent markets

## 4. GROW REIMBURSEMENT COVERAGE

- Coverage from remaining major U.S. commercial payors
- More exclusive U.S. policies



**SI-BONE**

The logo features the text "SI-BONE" in a bold, black, sans-serif font. A green, curved swoosh element is positioned behind the letters "B" and "O", starting from the top left of the "B", curving around the "O", and ending at the bottom left of the "O". The background is split diagonally from the top-left to the bottom-right, with a white upper-left section and a green lower-right section.

# Disclosure

The iFuse Implant System is intended for sacroiliac fusion for conditions including sacroiliac joint dysfunction that is a direct result of sacroiliac joint disruption and degenerative sacroiliitis. This includes conditions whose symptoms began during pregnancy or in the peripartum period and have persisted postpartum for more than 6 months.

The iFuse Implant System is also indicated for sacroiliac fusion to augment stabilization and immobilization of the sacroiliac joint in skeletally mature patients undergoing sacropelvic fixation as part of a lumbar or thoracolumbar fusion.

There are potential risks associated with the iFuse Implant System. It may not be appropriate for all patients and all patients may not benefit. Risk information available upon request.

One or more of the individuals named herein may be past or present SI-BONE employees, consultants, investors, clinical trial investigators, or grant recipients. Research described herein may have been supported in whole or in part by SI-BONE.

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