



## Corporate Overview

December 2018



# 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. This presentation includes the use of non-GAAP measures. Please review our Form 8-K filing which includes the furnishing of our earnings release for a reconciliation to the related GAAP measures.



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

35,000+  
Procedures

1,700+  
Surgeons

250M+  
Covered lives

# Market Leadership



## ROBUST CLINICAL DATA

>60 published papers  
2 randomized trials



## POSITIVE FINANCIAL PROFILE

\$53.5M revenue<sup>1</sup>  
16% growth<sup>2</sup>  
91% gross margins<sup>2</sup>



## REIMBURSEMENT ADVANTAGE

254M covered lives  
24 payor exclusives



## MARKET LEADER

4,300 U.S. procedures in 2017  
279,000 U.S. potential patients per year

Notes:  
1. LTM revenue as of September 30, 2018  
2. YTD



# Major Joints Market



# 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




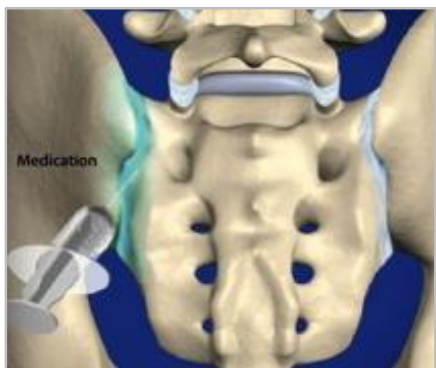



\$2.7B

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**

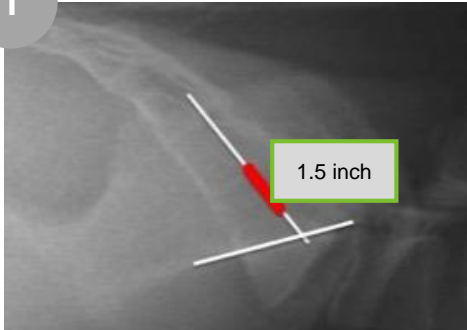
CE MARK

**34**

COUNTRIES

# The iFuse Procedure™

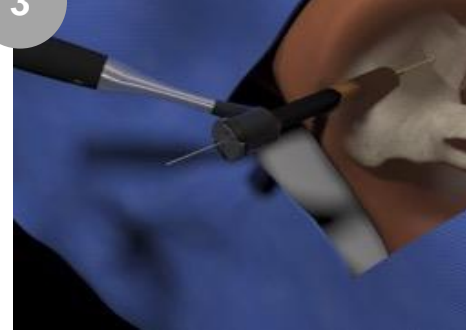
1 Incision



2 Pin



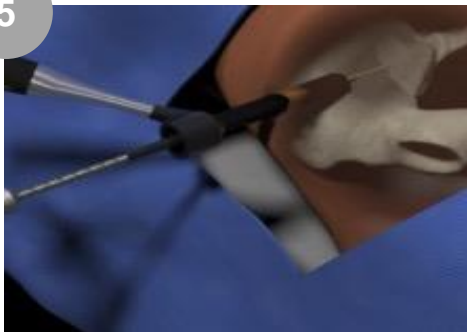
3 Protector



4 Measure



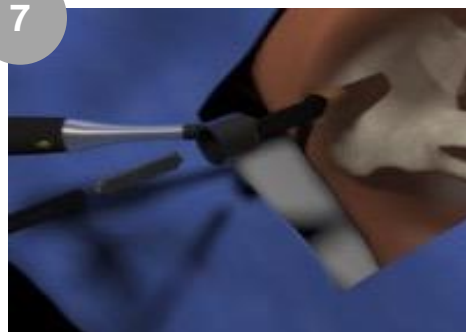
5 Drill



6 Broach



7 Implant



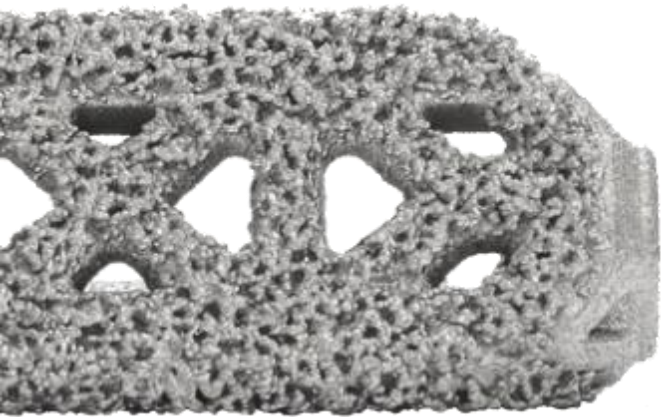
8 Repeat



Performed inpatient, outpatient or ASC

# Platform Technology: iFuse-3D™

## Enhanced Implant Benefits

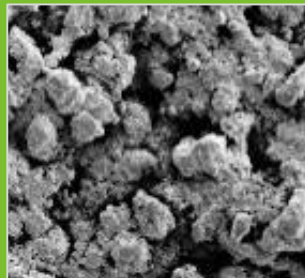


- Proven triangular design and procedure
- Porous, 3D-printed titanium implant
- Bony on-growth, in-growth, through-growth
- FDA/CE clearance in March/May 2017

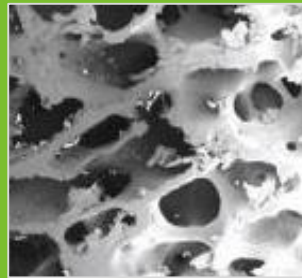
REPRESENTATIVE  
COMPETITOR



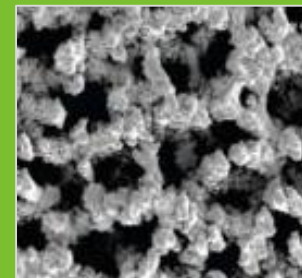
TPS-COATED  
IFUSE



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>▪ 12 publications (no RCTs)</li></ul>	<ul style="list-style-type: none"><li>▪ &gt;60 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

**3.5%** Low revision rate<sup>2</sup>



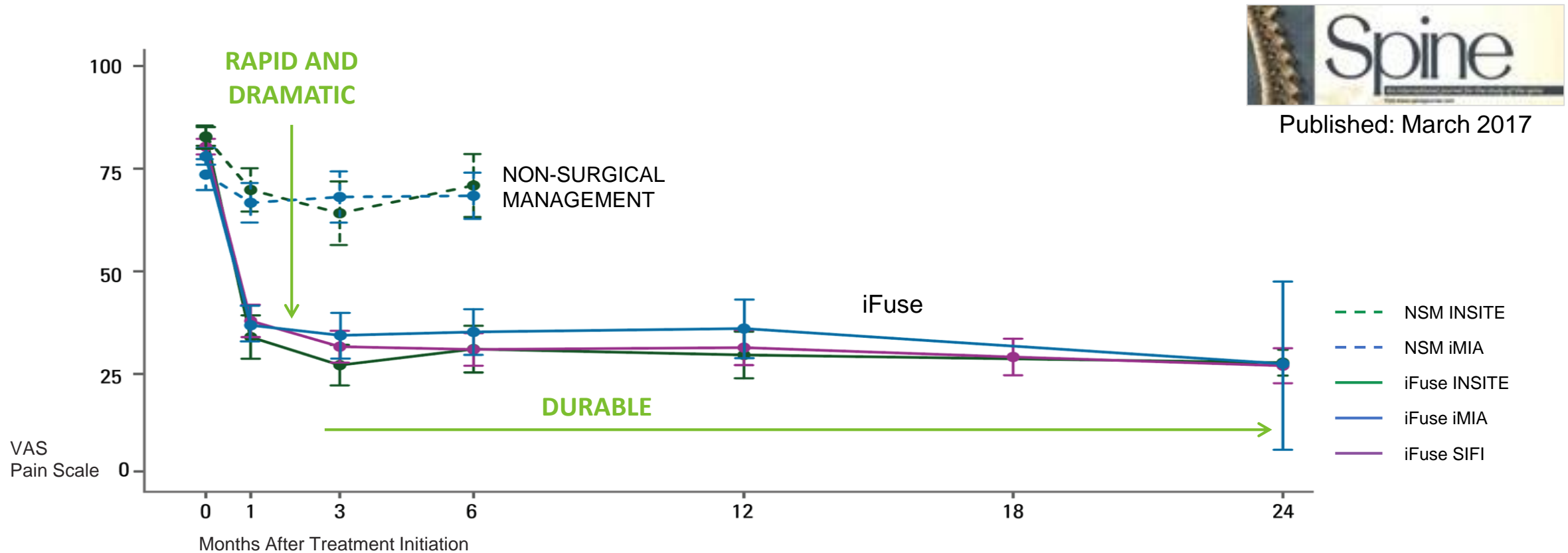
# Robust Data and Clinical Evidence

- >60 peer-reviewed published papers
- Long-term 6-year data
- Two level 1 randomized studies

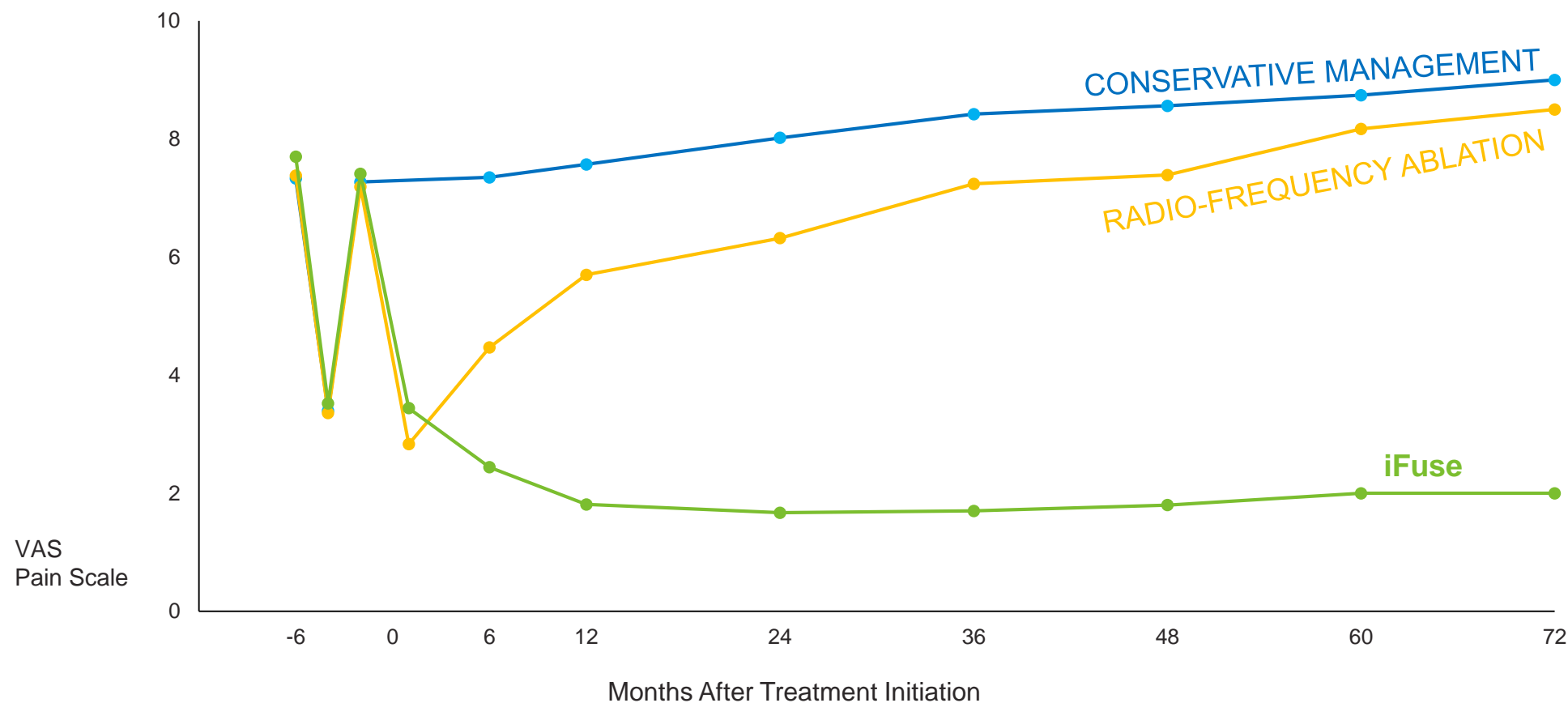


# Prospective Outcomes

Pooled analysis of two randomized and one large prospective study



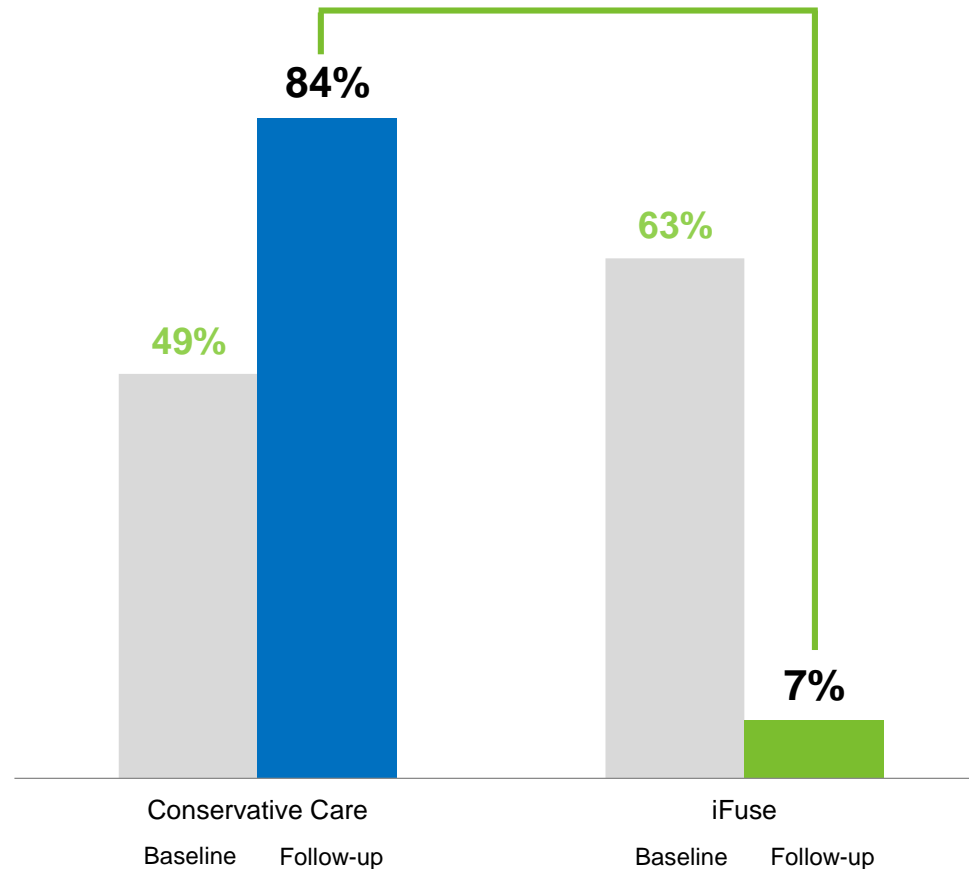
# 6-Year Cohort Study





# Significant Reduction In Opioid Users

6-year study, 2 controls, single center



# Economic Payor Benefit

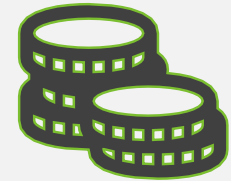
## Cost Effective

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

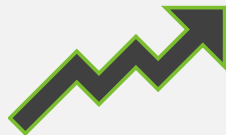
**\$3,100**

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



## Worker Productivity

Worker productivity improves with iFuse surgery



## Rapid Breakeven

**2.5** YEARS

Outpatient surgery breakeven

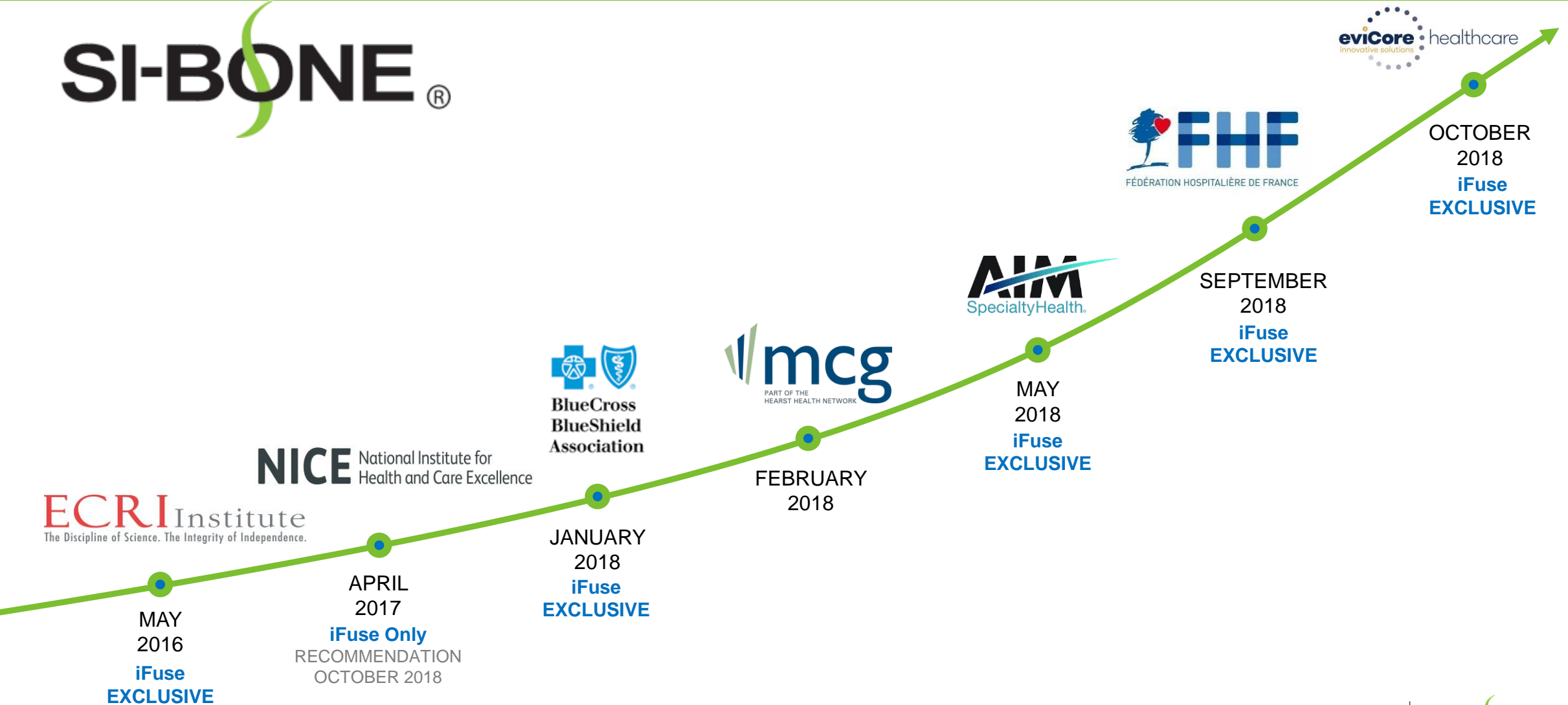
**\$83** PER MONTH

Post-op LBP cost

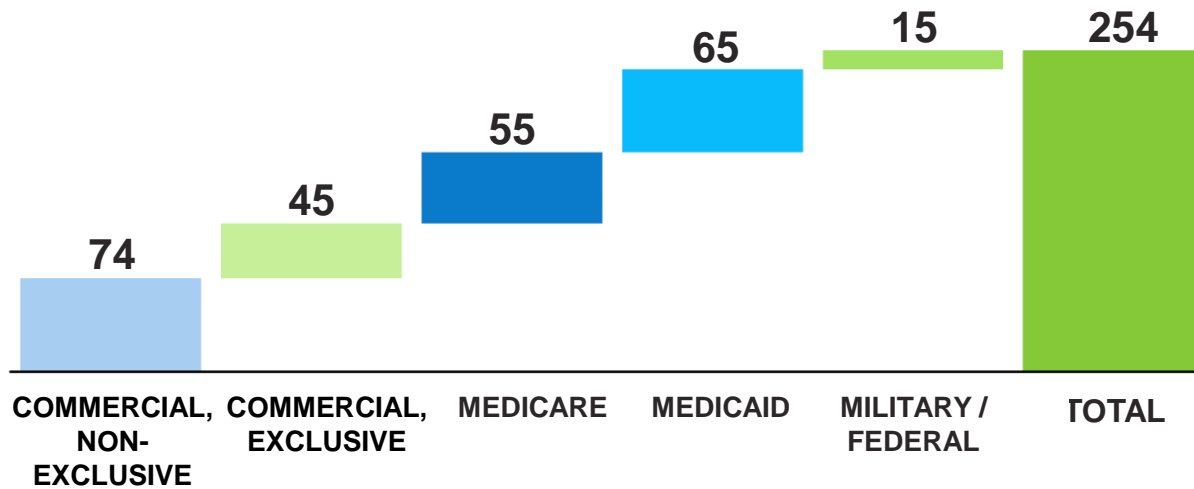
**Optum Study**

Accepted for  
publication August  
2018

# Health Technology Positive Appraisals



# Coverage Highlights



119M covered by private payors

All 7 Medicare MACs cover

Growing exclusive iFuse private coverage policies

- 24 in the U.S.

COVERED  
LIVES

133  
MILLION

2016

162  
MILLION

2017

254  
MILLION

SEPTEMBER 30, 2018



# Commercial Execution

**ROBUST CLINICAL DATA**



**EDUCATION**



**PHYSICIAN  
CONFIDENCE**

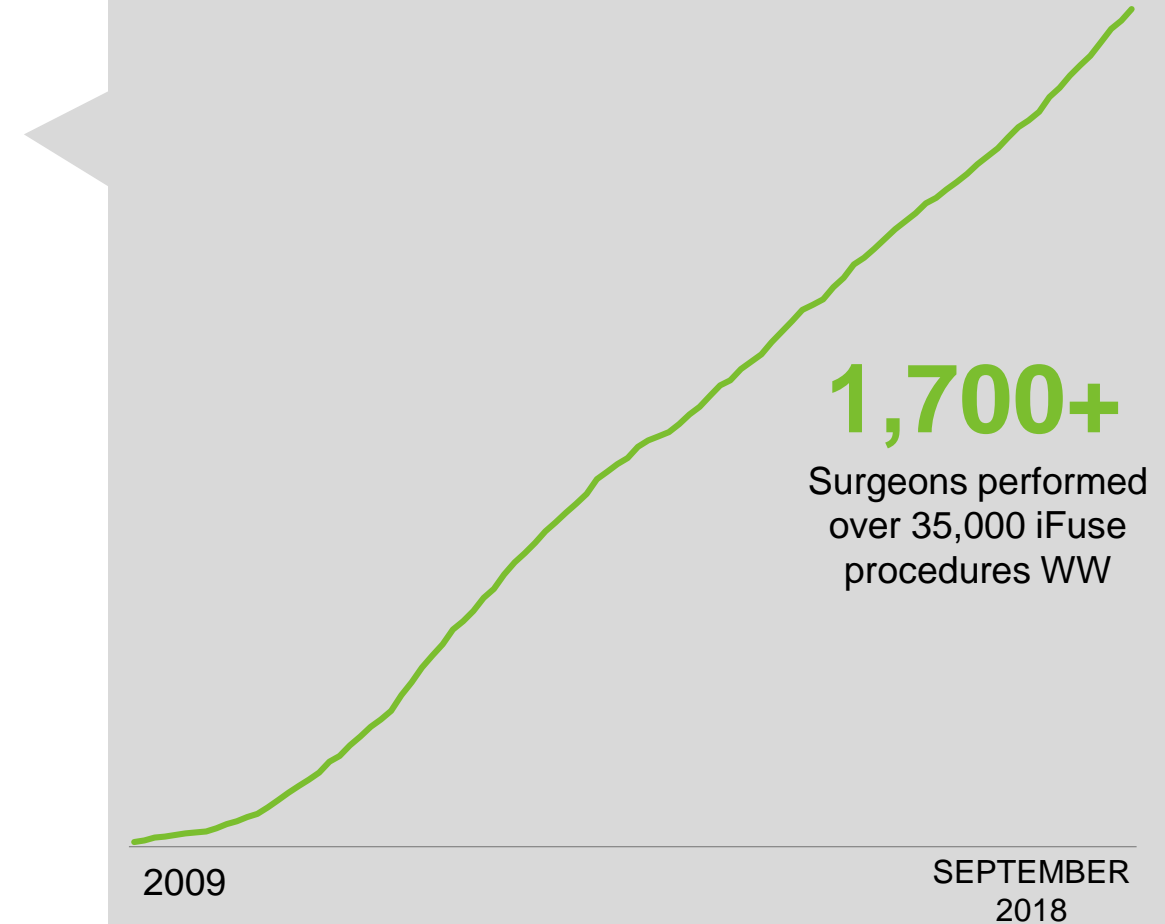
+

**REIMBURSEMENT  
EXCLUSIVITY**



**EXPANDING ADOPTION**

- New surgeons trained
- Deeper penetration in existing accounts



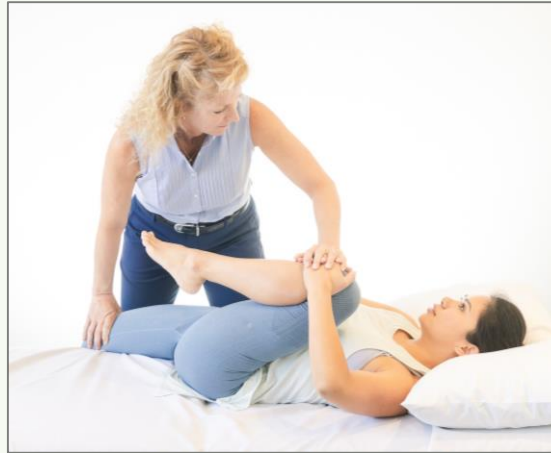
# Diagnostic Algorithm Acceptance and Adoption

Results are **as good or better** than rules for other lumbar spine conditions

## PATIENT HISTORY



## PROVOCATIVE TESTS



Series of simple physical exams that lead to an accepted diagnosis

## LOCAL ANESTHETIC INJECTION



# Surgeon and HCP Education

- Focus on training 7,500 U.S. spine surgeons
- 196 SI-BONE consultants educating HCPs
- Additional Programs
  - Referring community
  - Mid-level/PA
  - Advanced courses



**SHIFT >> SOCIETY CME DRIVEN EDUCATION**



# U.S. Commercial Execution

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

## 46 DIRECT SALES REPS

- Deep relationships in spine and pain
- Leverage expertise to create referral channels
- Focused technical sales force
- Supported by:
  - Clinical Support Specialists
  - Field Marketing Specialists

## 7 SALES REGIONS



## >30 SELECT INDEPENDENT AGENTS



# OUS Commercial Execution

**29 EUROPEAN EMPLOYEES**

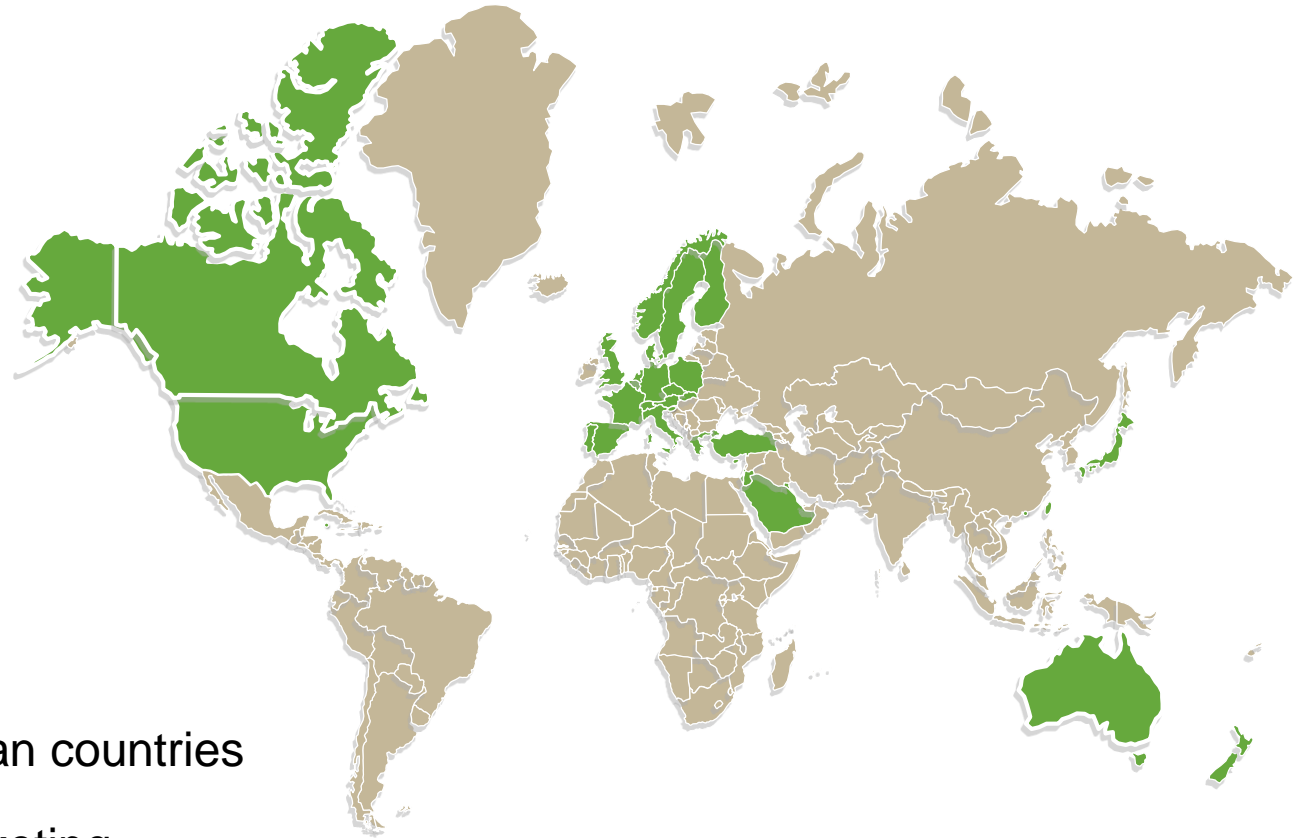
**INTERNATIONAL SALES FORCE**

**15 DIRECT SALES REPS**

**21 EXCLUSIVE DISTRIBUTORS**

**33 COUNTRIES**

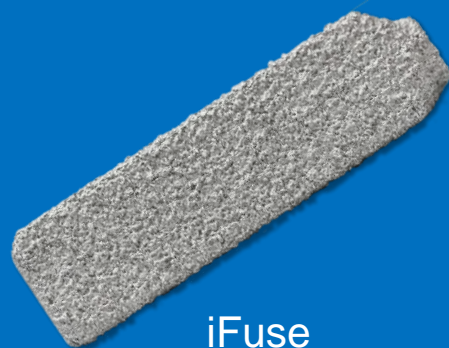
- Focused expansion in major European countries
- UK NICE: recommendation and marketing
- Fédération Hospitalière de France



# Expanding and Strengthening SI-BONE

## ONE PRODUCT COMPANY

2009 – 2016



iFuse

## SACRO-PELVIC SOLUTIONS COMPANY

2017 – 2018

### Platform Technology



iFuse-3D

2017

### Enabling Technologies



iFuse  
Neuromonitoring

2017



iFuse  
Navigation

2018



iFuse  
Robotics

2018



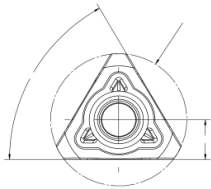
iFuse  
Decorticator

2018

# Intellectual Property Overview

- 40 issued patents: U.S. (34), OUS (6)
- 18 pending patents: U.S. (11), OUS (7)
- 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

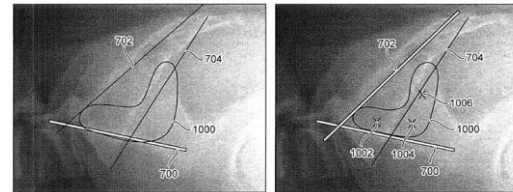
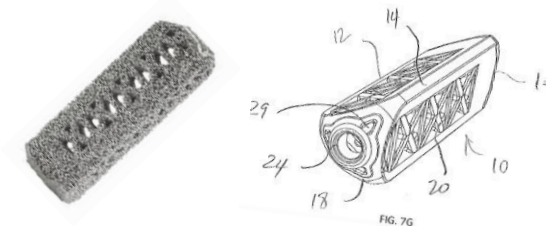


FIG. 10A

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** **TOPEZ, Inc.**  
**REILEY ORTHOPEDICS**



### Laura Francis

Chief Financial Officer

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



### Tony Recuperero

Chief Commercial Officer

**USSC** **KYPHON**  
**BAXANO**

### Mike Pisetsky

General Counsel & Chief Compliance Officer

**New Wave Surgical**

**Cooley**

### Scott Yerby

CTO & VP, Engineering

**ST. FRANCIS MEDICAL  
TECHNOLOGIES, INC**



**UC DAVIS**  
UNIVERSITY OF CALIFORNIA

### W. Carlton Reckling, MD

Chief Medical Officer

*Private practice for 20 years*

### Joe Powers

VP, Marketing

**KYPHON**  
AHEAD OF THE CURVE™

**BenvenueMEDICAL**  
Advancing Spine Repair®

**TARGET  
THERAPEUTICS**

### Nikolas Kerr

VP, Product Marketing

**Medtronic**

**BAXANO**

### Daniel Cher, MD

VP, Clinical

**pulmonX**  
International Pulmonology

**Chestnut Medical**

**KYPHON**  
AHEAD OF THE CURVE™

### Andrea Mercanti

VP, EMEA Operations

**ORTHOFIX**  
Spinal Implants

**Medtronic**

**KYPHON**  
AHEAD OF THE CURVE™

### Troy Wahlenmaier

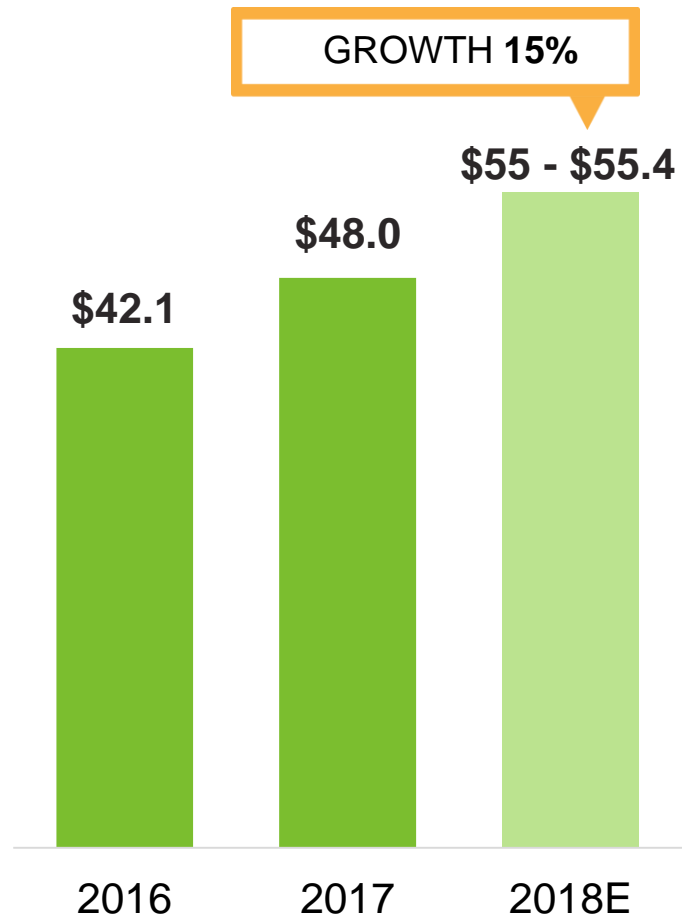
VP, US Sales

**KYPHON**  
AHEAD OF THE CURVE™

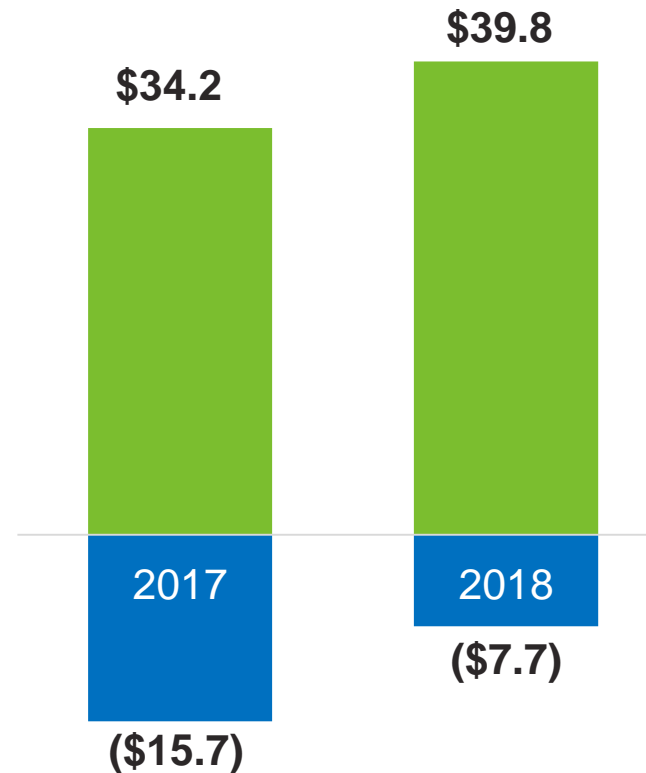
**NUVASIVE**

# Financial Highlights

## Annual Revenue (millions)



## YTD Revenue (millions)<sup>1</sup>



- ⊕ \$14 million in cash<sup>1</sup>
- ⊕ 91% gross margins<sup>1</sup>

■ Revenue  
■ Operating Loss

# Future Growth Drivers

## 1. GROW REIMBURSEMENT COVERAGE

- Coverage from remaining major U.S. commercial payors
- More exclusive U.S. policies
- Reimbursement coverage in Japan

## 2. EXPAND SALES ORGANIZATION

- Increase direct field sales organization
- Add to field support organization
- Increase rep productivity

## 3. ROLLOUT NEXT GENERATION PRODUCTS

- Build off iFuse-3D introduction
- Launch products in adjacent markets



# Investment Highlights

4,300 US PROCEDURES IN 2017

## ROBUST DATA

**>60** PUBLISHED  
PAPERS

**2** RANDOMIZED  
TRIALS

## REIMBURSEMENT ADVANTAGE

**250+**  
MILLION  
COVERED LIVES

**23** PAYOR  
EXCLUSIVES

## POSITIVE FINANCIAL PROFILE

**↑16%**  
GROWTH<sup>2</sup>

**\$53.5M** REVENUE<sup>1</sup>

**91%** GROSS  
MARGINS<sup>2</sup>

279,000 US POTENTIAL PATIENTS PER YEAR

Notes:

1. LTM revenue as of September 30, 2018

2. YTD as if September 30, 2018



**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.

# Disclosures

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.

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.

*SI-BONE* and *iFuse Implant System* are registered trademarks of SI-BONE, Inc.  
*iFuse-3D*, *iFuse Bone*, *iFuse Decorticator*, *iFuse Implant*, *iFuse Navigation*, and *iFuse Neuromonitoring*  
are trademarks of SI-BONE, Inc.  
© 2018 SI-BONE, Inc. All rights reserved.