

# INVESTOR FACT SHEET

As of March 31, 2017



## Corporate Global Profile

AxoGen (NASDAQ: AXGN) is a global leader in innovative surgical solutions for peripheral nerve injuries dedicated to the \$1.8 billion market for repair and protection of peripheral nerves. Peripheral nerves provide the pathways for both motor and sensory signals throughout the body and their damage can result in the loss of function and feeling. AxoGen's innovative approach to regenerative medicine has resulted in first-in-class products that offer benefits compared to traditional and competitive options.

AxoGen's portfolio of products includes Avance® Nerve Graft, an off-the-shelf processed human nerve allograft for bridging severed nerves without the comorbidities associated with a second surgical site, AxoGuard® Nerve Connector, a porcine submucosa extracellular matrix (ECM) coaptation aid for tensionless repair of severed nerves, AxoGuard® Nerve Protector, a porcine submucosa ECM product used to wrap and protect injured peripheral nerves and reinforce the nerve reconstruction while preventing soft tissue attachments, and Avive® Soft Tissue Membrane, a minimally processed human umbilical cord membrane that may be used as a resorbable soft tissue covering to separate tissue layers and modulate inflammation in the surgical bed. Along with these core surgical products, AxoGen also offers AcroVal™ Neurosensory & Motor Testing System and AxoTouch™ Two-Point Discriminator. These evaluation and measurement tools assist health care professionals in detecting changes in sensation, assessing return of sensory, grip and pinch function, evaluating effective treatment interventions, and providing feedback to patients on nerve function. The AxoGen portfolio of products is available in the United States, Canada, the United Kingdom, and several other international countries.



**Avance®**  
Nerve Graft

- Processed nerve allograft for bridging transected peripheral nerves
- Available in lengths up to 70mm and diameters up to 5mm
- Proprietary process that maintains micro & macro structure to support axonal regeneration



**AxoGuard®**  
Nerve Protector

- Bridges transected nerves up to 5mm
- Coaptation aid to facilitate tensionless repair
- Minimally processed ECM



**AxoGuard®**  
Nerve Connector

- Wraps and protects injured nerves
- Reinforces coaptation sites
- Minimally processed ECM



**AVIVE®**  
SOFT TISSUE MEMBRANE

- A minimally processed human umbilical cord membrane that may be used as a resorbable soft tissue covering to separate tissue layers and modulate inflammation in the surgical bed



**AcroVal™**  
Neurosensory &  
Motor Testing System

- Measures, maps, and monitors nerve function in patients with peripheral nerve injuries
- Three accessory devices designed to evaluate neurosensory function and hand strength

Symbol  
**AXGN**

Exchange  
**NASDAQ**

Price  
**\$10.45**

52-Week High  
**\$10.90**

52-Week Low  
**\$5.15**

Market Capitalization  
**\$345.5 M**

Average Volume  
**152,169 shares/day**  
*average volume 3 months ended  
March 31, 2017*

## Analyst Coverage

**JMP Securities –**  
David Turkaly

**Lake Street Capital  
Markets –**  
Bruce Jackson

**ROTH Capital  
Partners –**  
Chris Lewis

**Wedbush Securities –**  
Tao Levy

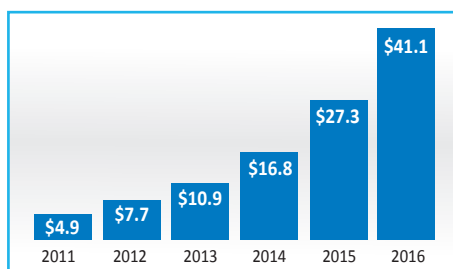
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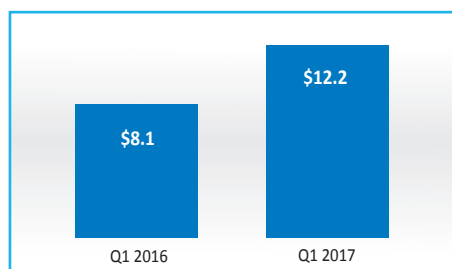


## Delivering Strong, Consistent Revenue Growth and Gross Margins (U.S. \$ in millions)

### Annual Revenue 53% CAGR 6 Years of Double Digit Growth



### Q1 Revenue 51% Growth



84.4% Gross Margin for the quarter ended March 31, 2017

## Financial Summary

\$ in millions	Q1 2017 3 months	Q1 2016 3 months	2016	2015
<strong>Income Statement</strong>				
Net Revenue	\$12.2	\$8.1	\$41.1	\$27.3
Gross Profit	\$10.3	\$6.7	\$34.6	\$22.5
Gross Margin	84.4%	82.7%	84.3%	82.3%
Adjusted Net Loss	(\$3.8)	(\$3.7)	(\$12.0)*	(\$13.4)
<strong>Balance Sheet</strong>				
Cash	\$25.9	\$20.9	\$30.0	\$25.9
Total Bank Debt	\$25.0	\$25.0	\$25.0	\$25.0

\*Excludes refinancing charges of \$2.5 million.

## Growing Body of Clinical Evidence

The RANGER® Study is the largest, multi-center study in peripheral nerve repair. The Study has reported over 87% meaningful recovery in sensory, motor, and mixed nerve injuries treated with Avance® Nerve Graft (*Microsurgery, Journal of Hand*) and compares favorably with historical studies using autograft and hollow tubes.

“The RANGER® Study is now the largest multi-center clinical study in peripheral nerve repair and it has been influential in helping surgeons in the U.S. understand the clinical outcomes of processed nerve allograft in sensory and motor repairs. AxoGen’s portfolio of nerve repair products, especially Avance® Nerve Graft, has made it easier for our group to surgically repair severe nerve injuries and it is exciting to share our experiences and the clinical outcomes with other clinicians who perform surgical nerve repair.”

Bauback Safa, MD, FACS, MBA  
The Buncke Clinic, San Francisco  
RANGER® Study Investigator



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## Investment Considerations

- Company focused on peripheral nerve repair and protection solutions
- U.S. market opportunity for peripheral nerve repair exceeds \$1.8 billion
- Complete peripheral nerve product portfolio
- Barriers to competitive entry and growing body of clinical data
- Strong growth with high gross margins
- Long term expansion potential beyond current markets

## Strategic Initiatives

- Build Market Awareness
- Educate Surgeons, Develop Advocates
- Grow Body of Clinical Evidence
- Execute Sales Plan
- Expand product pipeline and applications

## Company Leadership

**Karen Zaderej** – Chief Executive Officer  
**Peter J. Mariani** – Chief Financial Officer  
**Greg Freitag** – General Counsel & SVP Business Development  
**Shawn McCarrey** – SVP Sales  
**Kevin Leach** - VP Marketing  
**John Engels** – VP International Sales & Co-Founder  
**Mark Friedman, PhD** – VP Regulatory Affairs & Quality Assurance  
**Erick DeVinney** – VP Clinical & Translational Sciences  
**Mike Donovan** – VP Operations  
**Dave Hansen** – Chief Accounting Officer

## Contact

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