



COMPANY OVERVIEW

Xtant Medical Holdings, Inc. (NYSE American: XTNT) is a medical technology company specializing in the design, manufacture, and commercialization of regenerative biologics and spinal implant systems. The company distinguishes itself as the only orthobiologics manufacturer producing products across all five major categories: demineralized bone matrix, synthetic bone grafts, cellular allografts, traditional allografts, and growth factors. With vertically integrated tissue processing facilities and proprietary manufacturing capabilities, Xtant controls the entire value chain from tissue procurement through final product delivery, enabling the company to capture margins at each production stage while maintaining quality control throughout the supply chain.

The company is executing a strategic transformation to become a pure-play regenerative biologics company, as evidenced by its July 2025 agreement to divest select spinal implant systems and international operations to Companion Spine for approximately \$19.2 million. This strategic focus positions Xtant to capitalize on the \$2.5 billion U.S. orthobiologics market growing at approximately 5% annually, while expanding into adjacent high-value markets including chronic wound care (\$10 billion), sports medicine (\$7.2 billion), and surgical repair (\$500+ million). With second-quarter 2025 revenue of \$35.4 million representing 18% year-over-year growth, positive net income of \$3.6 million, and adjusted EBITDA of \$6.9 million, Xtant has achieved a financial inflection point demonstrating the earnings power of its streamlined business model.

KEY CONSIDERATIONS

- **Unique Market Position:** The only orthobiologics company manufacturing products across all five major categories, providing comprehensive solutions through single-supplier relationships and creating barriers to entry for competitors.
- **Financial Inflection Point:** Achieved profitability with Q2 2025 positive net income of \$3.6 million, adjusted EBITDA of \$6.9 million, and positive operating cash flow of \$1.2 million, demonstrating sustainable business model.
- **Strategic Focus:** Pending \$19.2 million asset sale to Companion Spine sharpens focus on high-margin biologics business while strengthening balance sheet and reducing debt by approximately 50%.
- **Vertical Integration:** Complete control of manufacturing process from tissue procurement through distribution drives increasing gross margins (63%–65%) and ensures control over the supply chain.
- **Commercial Infrastructure:** Established distribution network of approximately 450 integrated delivery network contracts and 670 independent distributors provides broad market access across the United States.
- **Innovation Pipeline:** Five major products launched between Q1 2024 and Q2 2025, including OsteoFactor Pro growth factor and SimpliMax/SimpliGraft amniotic membrane products, demonstrating rapid product development capabilities.

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PIONEERING REGENERATIVE MEDICINE THROUGH VERTICAL INTEGRATION

The Only Complete Orthobiologics Platform Capturing Full Value Chain Economics

COMPREHENSIVE PORTFOLIO

Manufacturing across all five orthobiologic categories provides surgeons with complete solutions from a single supplier, enhancing revenue per surgery.

VERTICAL INTEGRATION

Control from tissue procurement through final delivery captures margins ranging from 75% to 90% depending on product complexity and processing requirements.

STRATEGIC TRANSFORMATION

Divesting non-core assets to focus exclusively on regenerative biologics positions the company for accelerated growth in higher-margin markets.

MARKET EXPANSION

Leveraging core tissue processing capabilities to enter adjacent markets worth over \$10 billion including wound care, sports medicine, and surgical repair.

FINANCIAL MOMENTUM

Second-quarter 2025 results validate strategy with 18% revenue growth, 69% gross margins, and achievement of positive net income and cash flow.

PROVEN EXECUTION

Management team with decades of medical device experience has delivered consistent operational improvements while positioning for sustainable profitable growth.

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XTANT
MEDICAL

TRANSFORMING ORTHOBIOLOGICS THROUGH INNOVATION AND INTEGRATION

Xtant Medical develops products that help the human body regenerate bone and tissue post-surgery. The company's portfolio addresses the growing need for biological materials in spine surgery, where hundreds of thousands of annual procedures require bone graft materials. Beyond spine applications, Xtant's technologies serve trauma reconstruction and complex orthopedic procedures.

As the only manufacturer producing all five orthobiologic categories, Xtant offers complete solutions through single-supplier relationships. This comprehensive portfolio increases revenue per surgery while simplifying hospital inventory management. The vertical integration model enables development of sophisticated products with margins ranging from 75% to 90%, moving from base demineralized bone matrix toward premium growth factors.

Xtant's manufacturing platform handles everything from tissue procurement through final packaging in FDA-regulated facilities. Direct tissue bank relationships secure access to donor materials while ensuring product availability during industry shortages. This control allows the company to capture margins typically lost to third-party processors and creates barriers for competitors who specialize in limited categories.

The \$19.2 million Companion Spine transaction transforms Xtant into a pure-play biologics company. Divesting the Coflex and Paradigm Spine international operations, which generated only 16% of revenue, allows focus on higher-margin segments. Transaction proceeds will reduce debt and fund expanded tissue procurement and product development.

Xtant is positioned to capture growth in both core orthobiologics and adjacent markets worth over \$10 billion. The company's infrastructure, proven portfolio, and strengthened balance sheet provide the foundation for expansion. Following the Q4 2025 transaction close, Xtant emerges as a focused regenerative medicine company with the capabilities and resources to execute its growth strategy.

450+

Integrated delivery network
contracts

670

Independent distributors
nationwide

69%

Gross Margin achieved Q2
2025

\$131–135M

Full year 2025 revenue
guidance

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XTANT
MEDICAL

LEADERSHIP

SEAN BROWNE

CHIEF EXECUTIVE OFFICER

- OVER 30 YEARS OF EXPERTISE IN MEDICAL DEVICE AND HEALTHCARE INDUSTRY, INCLUDING SENIOR ROLES AT CCS MEDICAL, THE KINI GROUP, AND NEURO RESOURCE GROUP
- PREVIOUSLY SERVED AS PRESIDENT OF MILTEX SURGICAL INSTRUMENT DIVISION FOR INTEGRA LIFESCIENCES FOLLOWING SUCCESSFUL ACQUISITION
- HELD SENIOR POSITIONS AT MCKESSON CORPORATION AND BAXTER HEALTHCARE WITH INCREASING OPERATIONAL RESPONSIBILITIES
- MBA FROM KELLOGG SCHOOL OF MANAGEMENT AT NORTHWESTERN UNIVERSITY AND BS IN FINANCE FROM BOSTON UNIVERSITY

SCOTT NEILS

CHIEF FINANCIAL OFFICER

- 15 YEARS OF EXPERIENCE IN PUBLIC ACCOUNTING AND CORPORATE FINANCE, PREVIOUSLY SERVED AS COMPANY CONTROLLER SINCE AUGUST 2019
- FORMER AUDIT SENIOR MANAGER AT BAKER TILLY US, LLP AND AUDIT MANAGER AT GRANT THORNTON LLP
- CERTIFIED PUBLIC ACCOUNTANT WITH EXTENSIVE EXPERIENCE IN FINANCIAL REPORTING AND COMPLIANCE
- MASTER OF ACCOUNTANCY AND BS IN ACCOUNTING FROM CARLSON SCHOOL OF MANAGEMENT AT UNIVERSITY OF MINNESOTA

MARK SCHALLENBERGER

CHIEF OPERATING OFFICER

- DEEP ORTHOBIOLOGICS EXPERTISE WITH PREVIOUS ROLE AS CHIEF OPERATIONS OFFICER AT SURGENEX LLC FROM 2019 TO 2023
- SERVED AS SENIOR DIRECTOR OF MARKETING & PRODUCT DEVELOPMENT AT DCI DONOR SERVICES TISSUE BANK FROM 2016 TO 2019
- PREVIOUSLY HELD DIRECTOR OF SCIENTIFIC AFFAIRS POSITION AT XTANT MEDICAL (FORMERLY BACTERIN INTERNATIONAL)
- MASTER OF SCIENCE IN CHEMICAL BIOLOGY FROM THE SCRIPPS RESEARCH INSTITUTE AND BS IN CHEMISTRY FROM UNIVERSITY OF MONTANA