



Investor Presentation

August 2013

# FORWARD LOOKING STATEMENT

*This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, the market opportunity for and the market acceptance of the Company's products, the potential uses for the Company's tissue products, the expected growth in revenue and customer base, the availability of third-party reimbursement for the Company's products (whether by Regional Macs or private health insurers), and projected revenues. These statements are based on current information and belief, and are not guarantees of future performance. Our ability to predict results, financial or otherwise, or the actual effect of future plans or strategies is inherently uncertain and actual results may differ from those predicted depending on a variety of factors. Among the risks and uncertainties that could cause actual results to differ materially from those indicated by such forward-looking statements include that the Company's products may not gain the anticipated acceptance in the marketplace or that acceptance may be delayed; the effects of competition; delays or changes in reimbursement for the Company's products, delays in clinical trials or unexpected results, and the risk factors detailed from time to time in the Company's periodic Securities and Exchange Commission filings, including, without limitation, its 10-Q filing for the fiscal quarter ended June 30, 2013. By making these forward-looking statements, MiMedx Group, Inc. does not undertake to update those in any manner except as may be required by the Company's disclosure obligations in filings it makes with the Securities and Exchange Commission under the federal securities laws.*

# INVESTMENT HIGHLIGHTS

MiMedx (NASDAQ: MDXG) is a regenerative biomaterials company focused in delivering technologies that help the body heal itself

- ✓ Experienced & Proven management team
- ✓ Proprietary PURION Processed dHACM shown to be a “Stem Cell Magnet”
- ✓ Significant Clinical and Cost Effectiveness with Published Studies
- ✓ Strong I.P. portfolio
  - 8 Amniotic allograft patents issued and 35 pending
  - Over 100 patents issued & pending for all technologies
- ✓ In excess of 170,000 allografts distributed
- ✓ Regulatory Path – Human Transplanted Tissue (HCT/P), Section 361 of the Public Health Service Act, FDA regulated under 21CFR1271
- ✓ Reimbursement of EpiFix® Code Q4131
  - Six of Nine Medicare Contractors are covering
- ✓ Strong placental recovery network protected by contracts

# EXPERIENCED MANAGEMENT TEAM

**Parker H. "Pete" Petit**  
Chairman & CEO

**William C. Taylor**  
President & COO

**Michael J. Senken**  
Chief Financial Officer

**Brent D. Miller**  
Executive Vice President

**Deborah L. Dean**  
Executive Vice President

**Roberta L. McCaw**  
General Counsel

**Thomas J. Koob, Ph.D**  
Chief Scientific Officer

**Michael W. Carlton**  
Vice President, Global Sales

**Donald E. Fetterolf, MD**  
Chief Medical Officer

**Thornton A. Kuntz**  
Vice President, HR & Administration

**Rebecca Brown, Ph.D.**  
Vice President, Product Development &  
Quality Assurance & Regulatory Affairs

**H. Frank Burrows**  
Vice President, Corporate Strategy

**MATRIA**  
HEALTHCARE

**HEALTHDYNE**

**FACET TECHNOLOGIES.**

**GORE**

**smith&nephew**

**SYNTHES**

**HIGHMARK**  
An Independent Licensee of the Blue Cross and Blue Shield Association

**Abbott**  
A Promise for Life

**Boston Scientific**

**BAYER**

**ETHICON**  
a Johnson & Johnson company

**PATIENT portal**  
CONNECT

**PHILIPS**

**RTI | BIOLOGICS**

# TECHNOLOGY

- Transplanted amniotic membrane tissue allografts
- Placentas donated from Caesarean section deliveries
- Proprietary PURION® process
  - 8 Issued U.S. Patents; 33 patents pending for tissue
  - Trade secrets related to process
- Logistically superior; 5-year shelf life at room temperature storage
- Clinically effective and cost effective, Reduces time and cost to heal
  - Enhances healing
  - Reduces scar tissue
  - Reduces inflammation
  - Non-Immunogenic
- Broad patient and procedure usage to date
  - Over 170,000 grafts distributed
  - Zero tissue-related adverse events

- Chronic wounds
  - Diabetic foot ulcers (DFU's)
  - Venous stasis ulcers (VLU's)
  - Arterial ulcers
  - Pressure ulcers
- Acute/Surgical wounds
  - Burns
  - Plastic surgery
  - Scar revision
- Near term, accelerated ramp

- Tendon / Ligament wrap
- Peripheral nerve wrap
- Spinal surgery– Dural Repair
- Sports Medicine
- Ortho Surgery
- Prostatectomy
- Tendinopathy & Pain Management injections
- General surgery, gynecology, etc.
- Near to long-term, moderate ramp

## Soft Tissue Repair

*Not simply dermis or epidermis repair*

***\$13+ Billion Addressable US Market***

# SCIENTIFIC PUBLICATION

## *International Wound Journal*

### **Biological Properties of Dehydrated Human Amnion/Chorion Composite Graft: Implications for Chronic Wound Healing**

**Researchers from Stanford University School of Medicine and The Georgia Institute of Technology Biotechnology Complex found that:**

- PURION® processed dHACM retains biologically active growth factors and regulatory factors that are in part responsible for its clinical effectiveness in wound healing.
- dHACM contains one or more soluble factors capable of stimulating mesenchymal stem cell migration and recruitment.
- dHACM is a multifaceted tissue graft that positively affects at least four distinct physiological processes,
  - induce regenerative cell proliferation
  - modulates inflammatory processes
  - inhibit metalloproteinase activity and matrix degradation
  - recruitment of stem cells

**“Stem Cell Magnet”**

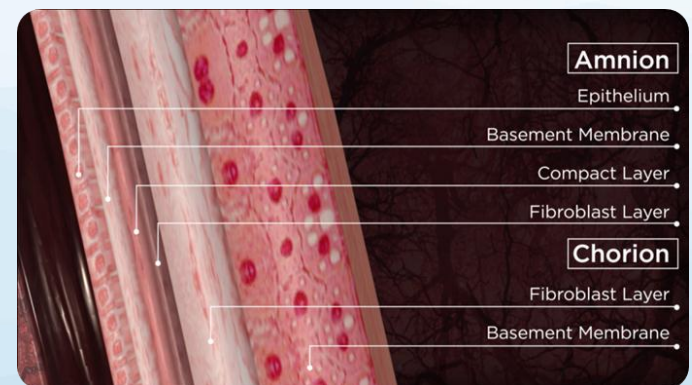
# EPIFIX<sup>®</sup> CONTAINS GROWTH FACTORS, CYTOKINES AND ENZYME INHIBITORS

- Over 70 Identified to date

Growth factors in this study	
FGF	Fibroblast Growth Factor
EGF	Epidermal Growth Factor
GCSF	Granulocyte Colony Stimulating Factor
PDGFAA	Platelet Derived Growth Factor alpha
PDGFBB	Platelet Derived Growth Factor beta
PIGF	Placental Growth Factor
TGFβ	Transforming Growth Factor

**Inflammation regulators**  
Interleukins 4,8,6 and 10

**Inhibitors of matrix degrading enzymes, e.g. collagenases**  
TIMPs 1, 2 and 4





# REGULATORY

- Regulated under Section 361 of the Public Health Service Act
- Passed March 2011 FDA audit and July 2012 FDA audit with clean inspection reports and no findings
- No 510(k) or PMA required for allograft tissue if:
  - Minimally manipulated
  - Homologous use
  - Not combined with another article
  - No systemic effect and No Living cells
- Human tissue already proven safe and effective
- MiMedx processing Certified by the American Association of Tissue Banks (“AATB”)
- This regulatory path is a distinct advantage for speed to market

# REIMBURSEMENT

- Completed two Random Controlled Trials (RCTs)
  - Diabetic Foot Ulcers – Published in *International Wound Journal*
  - Plantar Fasciitis – Published in *Foot and Ankle International*
- Conducting numerous additional RCTs
- Studies currently being conducted on:
  - Diabetic foot ulcers and venous leg ulcers
  - Spine scar tissue and cranial surgeries
  - Epicondylitis (tennis & golfer's elbow)
  - Radical prostatectomies
- Multiple health plans currently reimbursing
- Medicare Code Q4131 effective Jan 1, 2013 for EpiFix<sup>®</sup>, chronic wound care
  - Six Regional MACs have committed to paying using this code: Palmetto, Cahaba, NGS, Novitas, NHIC and WPS.
  - Total Medicare Covered lives: 32.2 million (81%)

# PLACENTA DONATION

- Cesarean sections
  - Placenta donor history
  - Serologic tests
- Recovery Network
  - 19 Hospitals currently
  - 75+ Hospitals in contract negotiation process



# PROPRIETARY PURION® PROCESS

- Gentle
- Dehydrated
- Effective bio-burden reduction
- 5 year shelf life
- Specifically developed for the unique characteristics of amniotic membrane
- Minimal graft manipulation maintains structural and biological integrity



**Over 170,000 Amniotic Tissue  
Grafts Distributed**

# U.S. MARKET OPPORTUNITY

## Annual Cases

Total Wounds 6 Million<sup>2</sup>  
 Difficult to heal wounds 2.5 Million<sup>2</sup>

Pain Management  
 Back/Spine Injections >10 million<sup>8</sup>  
 Epicondylitis >6 million<sup>3</sup>  
 Plantar Fasciitis >1 million<sup>9</sup>

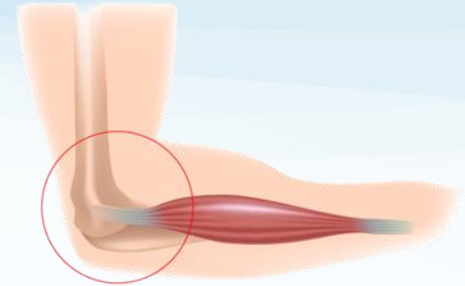
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>17 million

Surgical (Scar reduction and wound healing)  
 Prostatectomies >140k<sup>4</sup>  
 Rotator Cuff / Labrum >1 Million<sup>5</sup>  
 Spine & Cranial Surgery >1 Million<sup>6</sup>  
 Knees / Hips >1 Million<sup>7</sup>

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>3 Million procedures



# U.S. MARKET OPPORTUNITY

## Revenue Potential

**\$13+ Billion addressable US market<sup>8</sup>**

**\$2.5 Billion Chronic & Acute wounds**

DFUs      VLUs  
Burn      Trauma

**\$7.5+ Billion Tendinopathy & Pain Mgmt**

Tennis & Golfer's Elbow  
Plantar Fasciitis  
Back Injections

**\$3 Billion Barrier & Minimize Scar Formation**

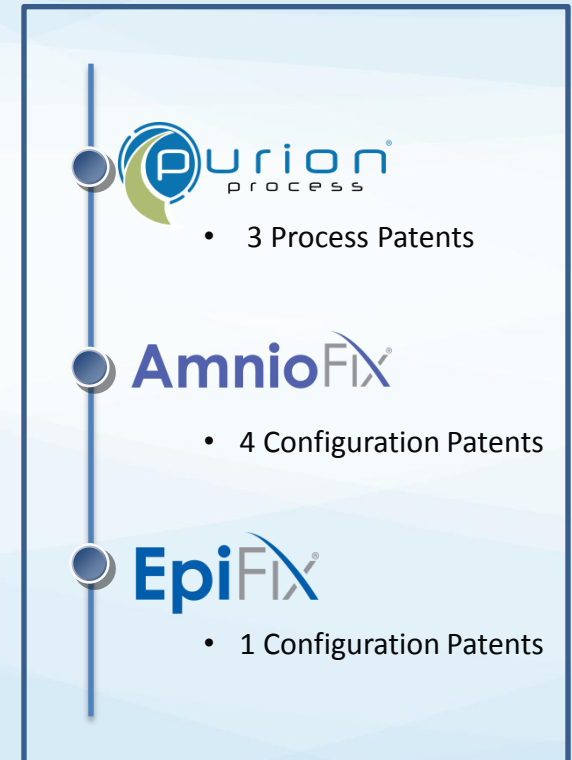
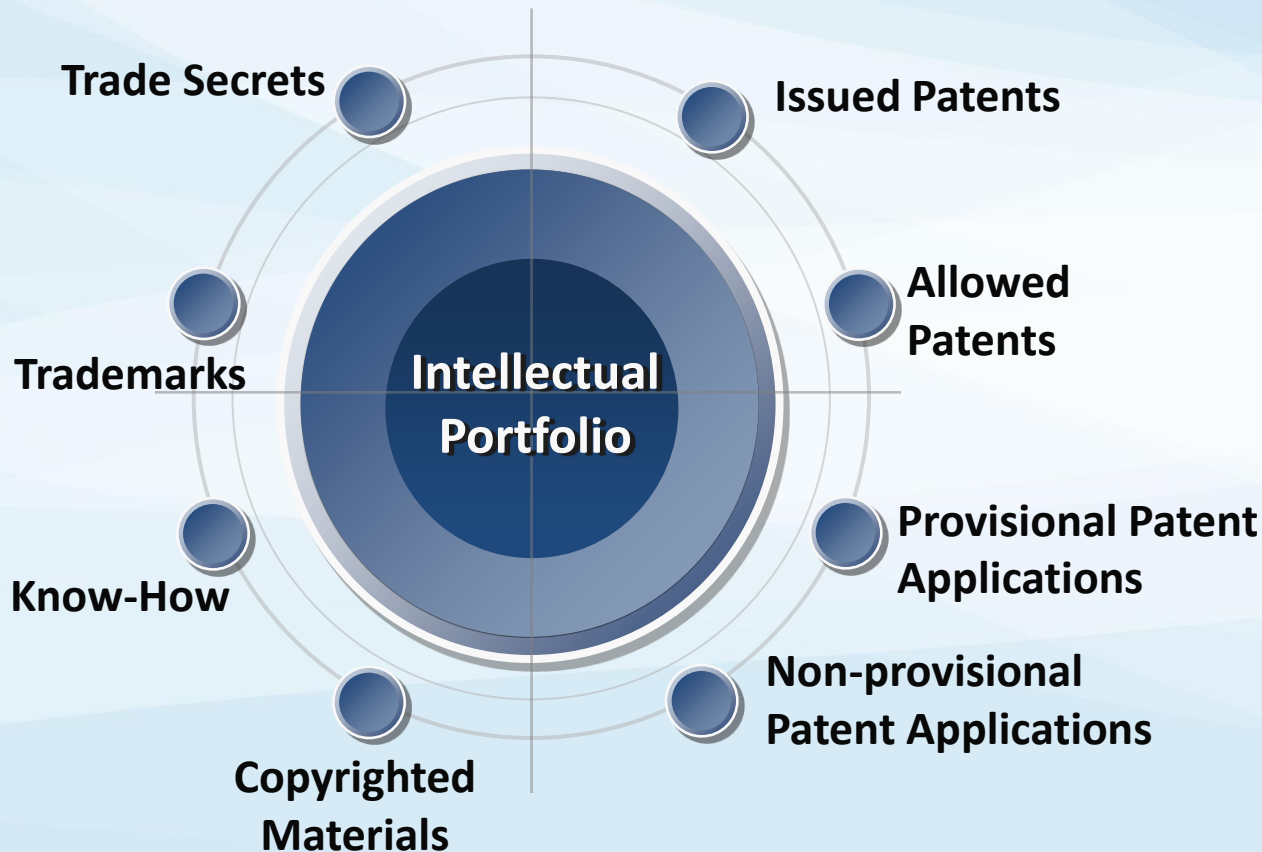
Spine Surgery      Ortho Surgery  
Sports Medicine      Prostatectomies

### Key Market Drivers:

- Over 25 million people in US with Diabetes<sup>2</sup>
  - 1 million DFUs annually
- Chronic Wound treatment costs<sup>2</sup>
  - >\$2.5 Billion annually
- Chronic wounds estimated to affect as many as 6 million patients annually<sup>2</sup>
  - DFUs, VLUs, Arterial, Pressure, Burns, Trauma
- Aging Population
  - Desire for active lifestyle
- Pain Management and emerging market

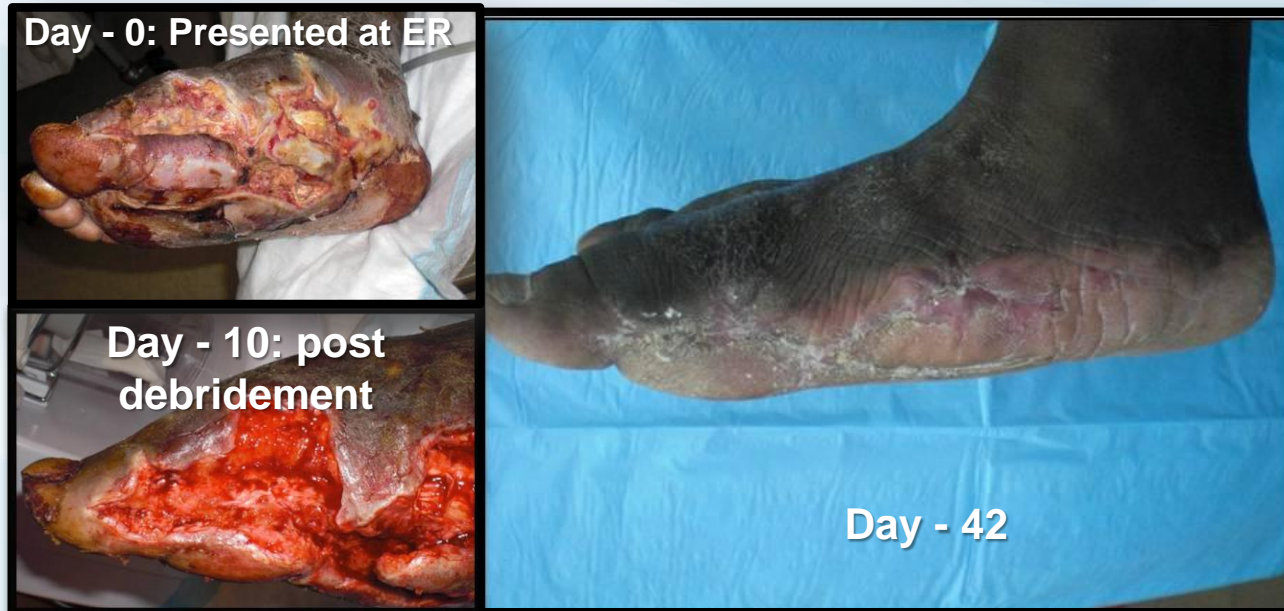
# INTELLECTUAL PROPERTY

Patent coverage through 2028 - 2032



# CLINICAL DATA

## Case Study: Saving a Limb



- Wound size was 18.75 cm<sup>2</sup> Amputation already scheduled – EpiFix<sup>®</sup> last resort
- Application of EpiFix<sup>®</sup> Graft with **30%** area reduction at **7 days**
- Additional **15%** area reduction at **Day 14**
- Additional application of EpiFix<sup>®</sup> Graft and **wound closed at day 28**
- At 3 months wound remains fully closed and patient walking with custom molded shoe

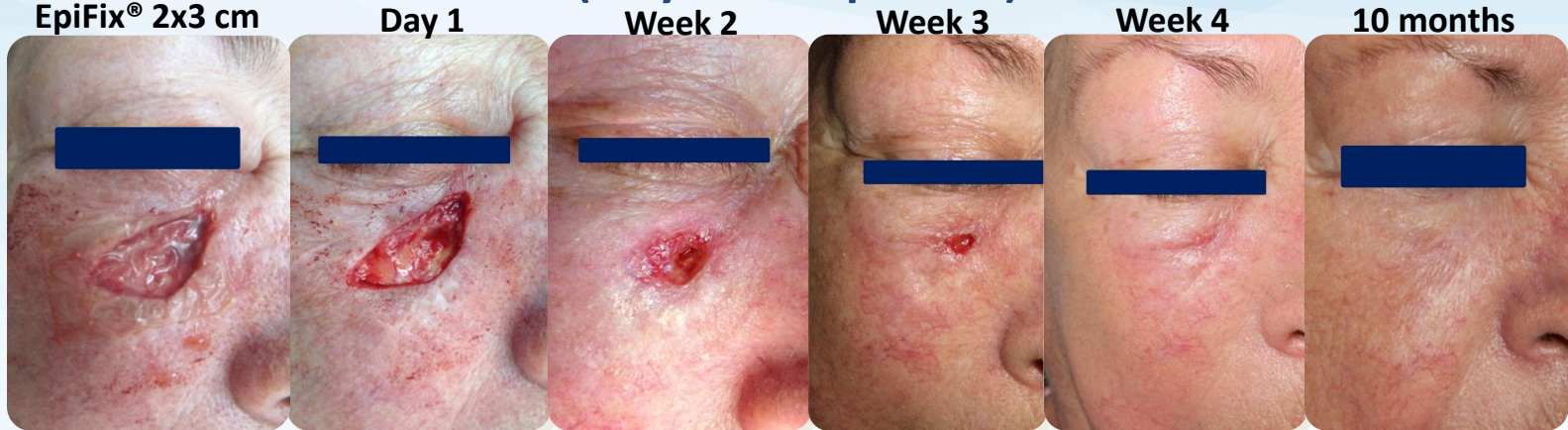


# CLINICAL DATA

## Case Study: Healing with Reduced Scar Tissue

Application of  
EpiFix® 2x3 cm

(69 year old patient)



# CLINICAL DATA

## Case Study: Thermal Burn



Treatment Day 1:  
EpiFix® Application



Day 6:  
Follow up



Day 9:  
Treatment & EpiFix®  
Application



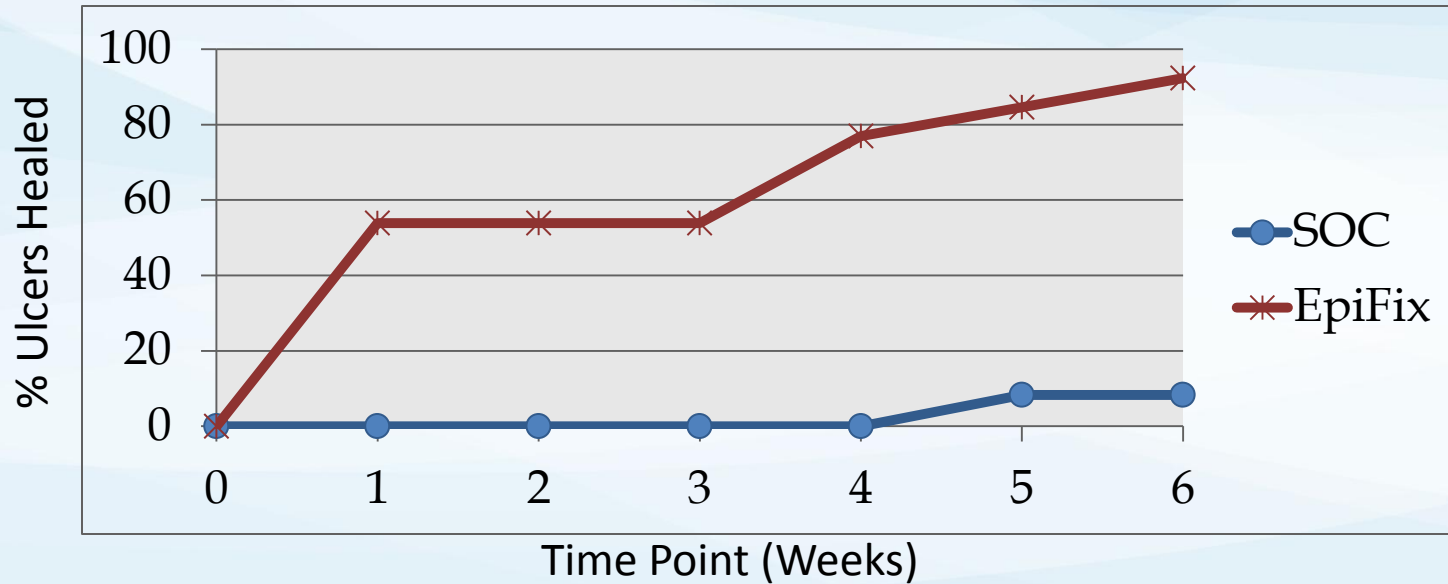
Day 16: Healed

2 graft applications  
16 days from initial  
EpiFix® Allograft  
application to healed  
wound

- Deep partial thickness burn to the left small finger
- Considered serious because of location
- Extremely painful

# CLINICAL DATA

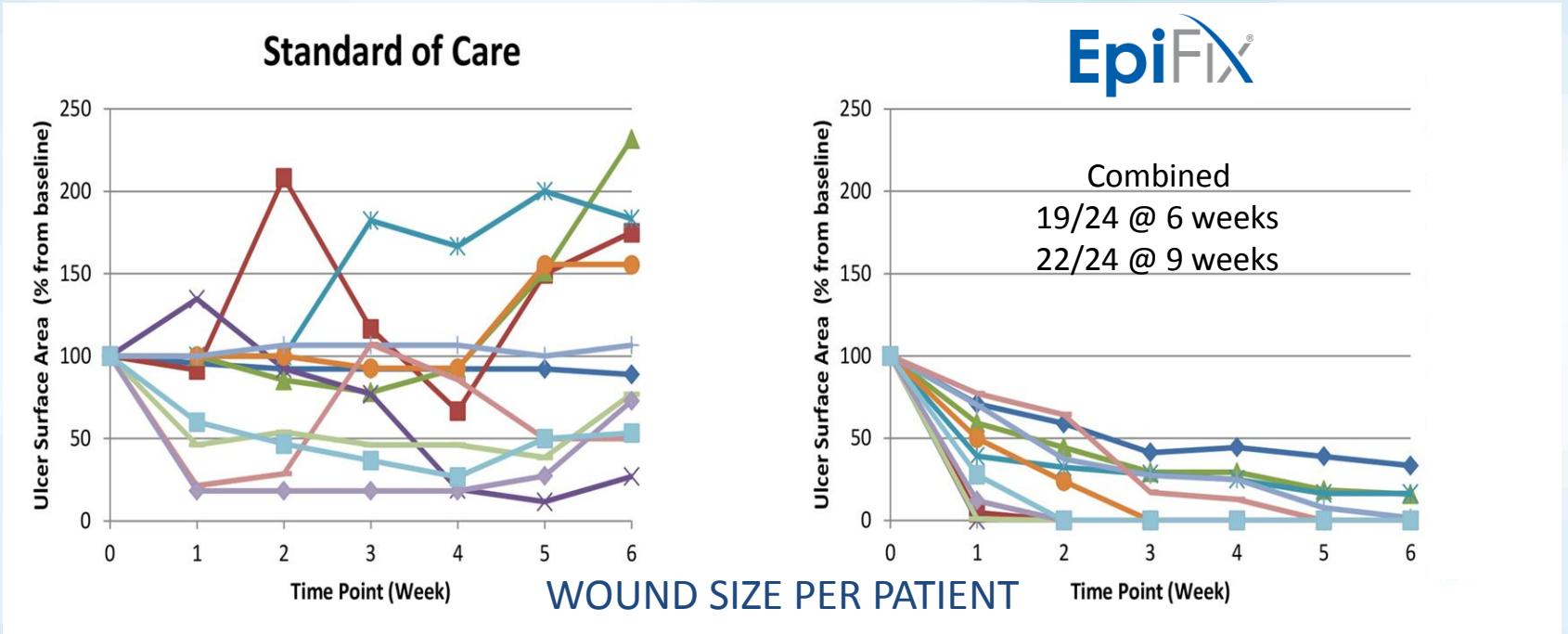
## EpiFix<sup>®</sup> RCT on Diabetic Foot Ulcers



Time point	Intervention Group		p
	SOC (n=12)	EpiFix <sup>®</sup> (n=13)	
4 Weeks	0 (0%)	10 (77%)	<0.001
6 Weeks	1 (8%)	12 (92%)	<0.001

# CLINICAL DATA

## EpiFix® Cross-over Study on DFU's



- In the initial study period while receiving SOC only, wound sizes were inconsistent week to week.
- During the dHACM treatment period consistent reduction in wound size was noted week to week.

# SALES FORCE

As of August 1



## Government

AmnioFix  
EpiFix

28

Sales Professionals

## Commercial Wound Care

EpiFix

21

Sales Professionals

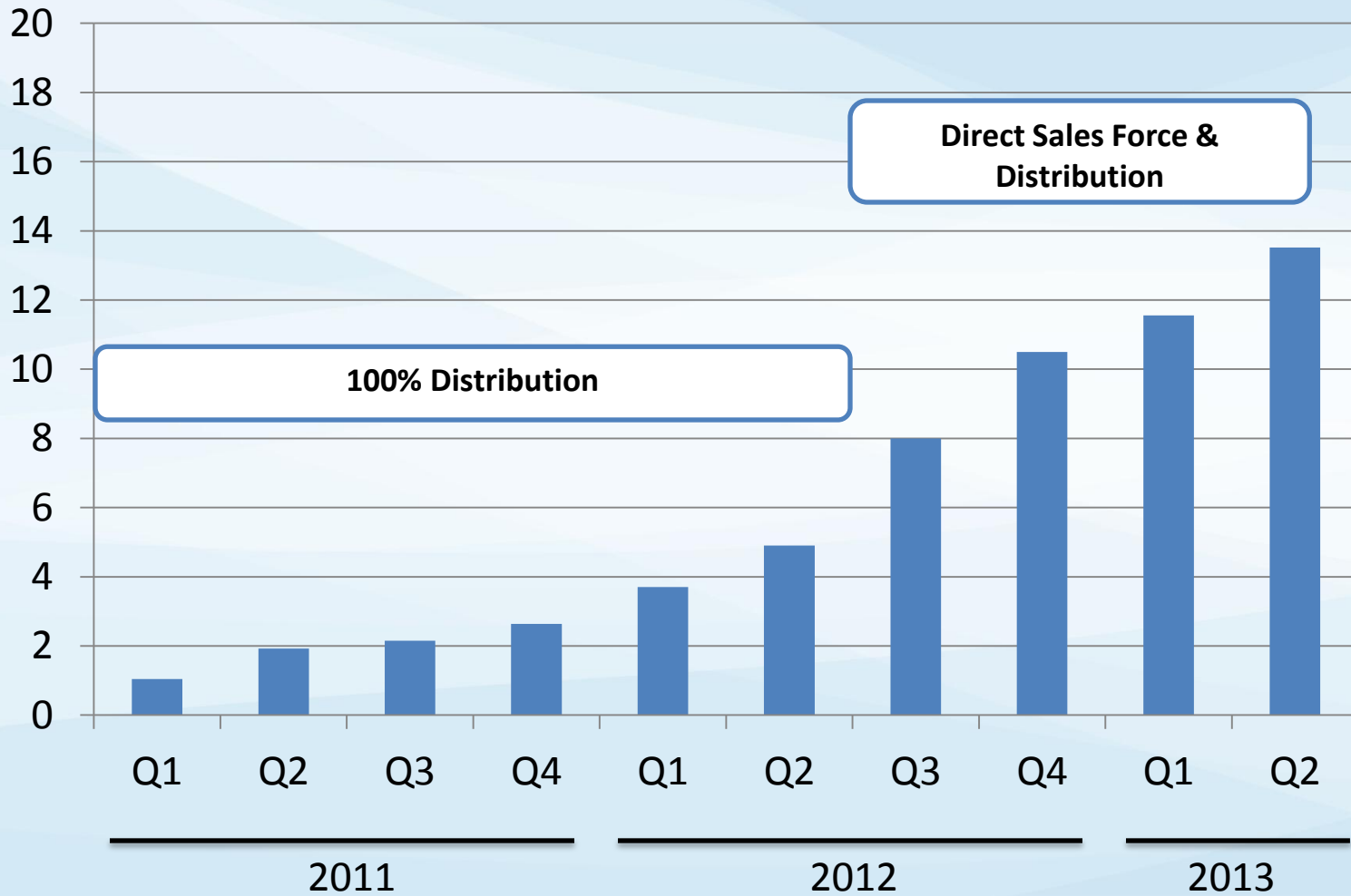
## Distributors & Sales Agents

AmnioFix

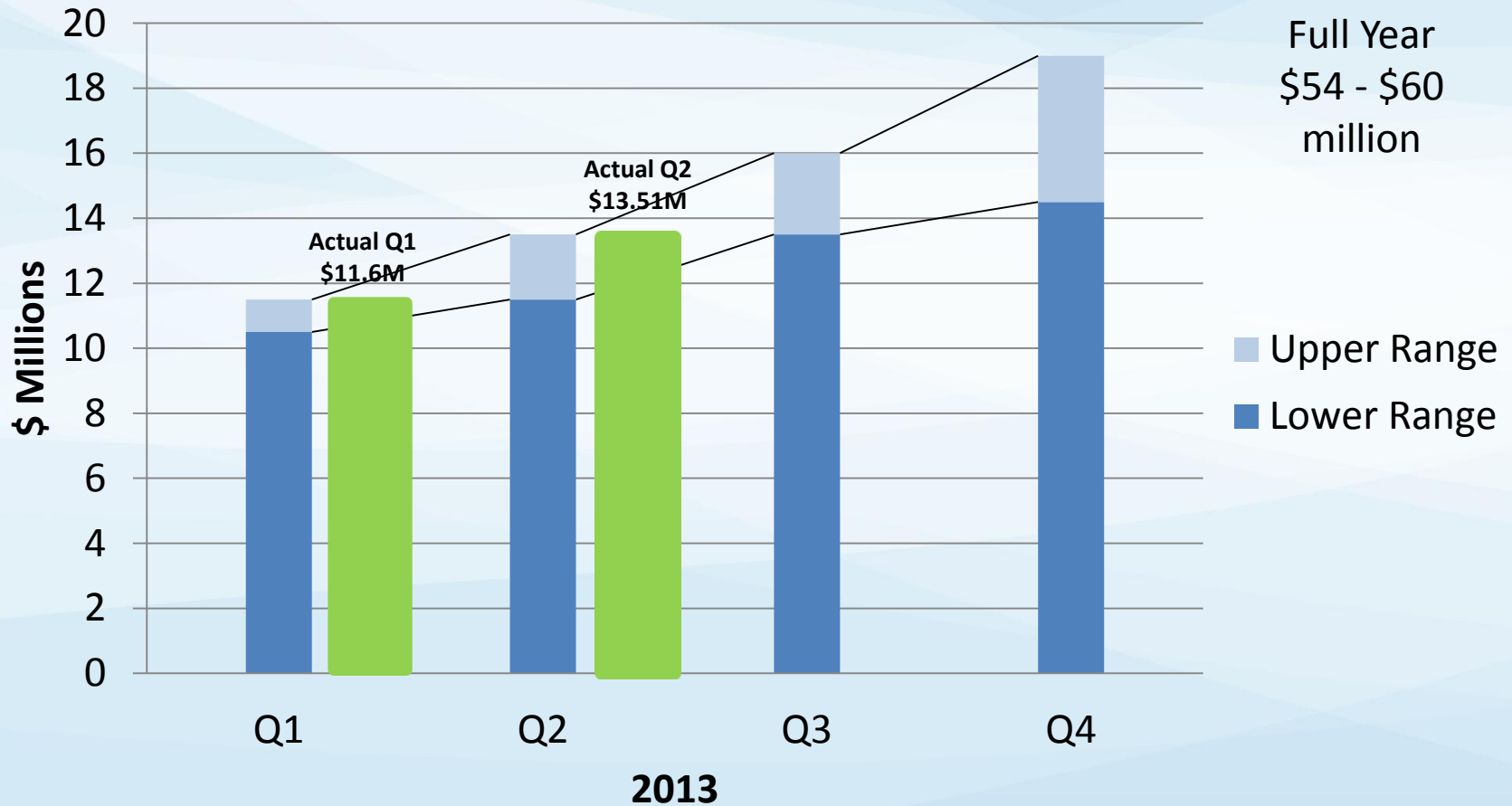
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Sales Professionals

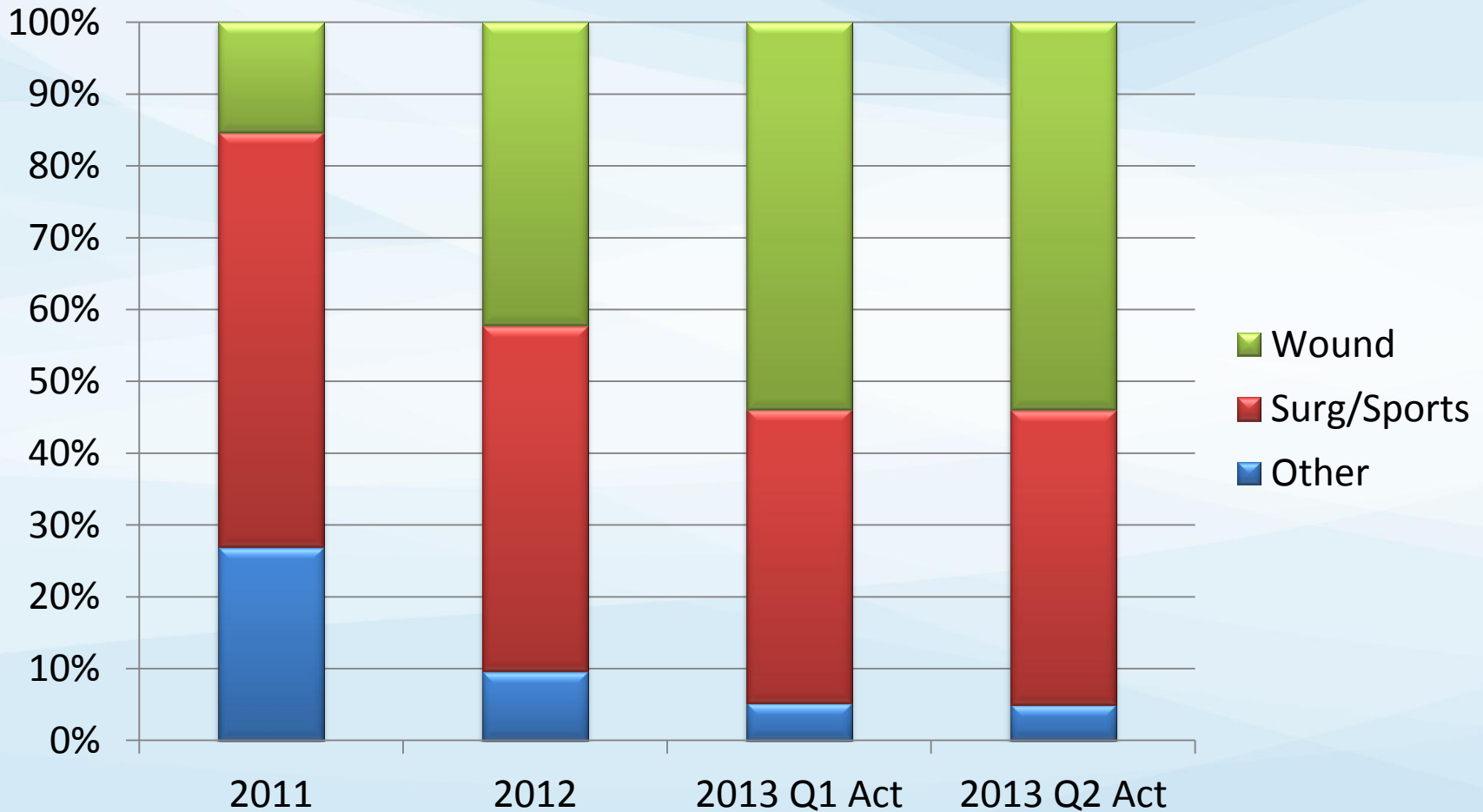
# REVENUE GROWTH



# 2013 REVENUE PROJECTION



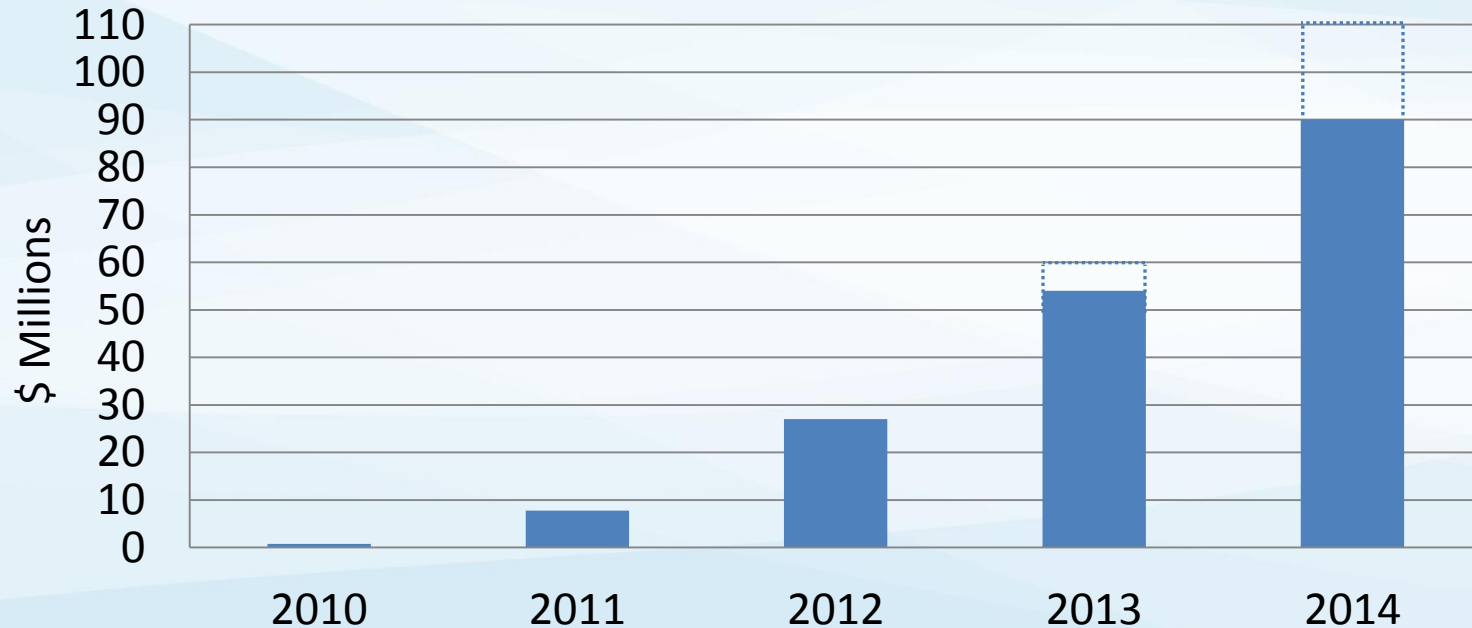
# % REVENUE BY THERAPEUTIC AREA





# REVENUE PROJECTIONS

**329% Average Annual Growth Rate**



# OTHER KEY DATA

(\$ thousands)	As of June 30, 2013	As of December 31, 2012	As of December 31, 2011
EBITDA (ytd)	\$2,284	\$2,395	\$(6,314)
Current assets	21,528	18,089	6,882
Total Assets	40,283	35,183	27,096
Current Liabilities	6,141	5,071	4,732
Total Debt/ Earnout	0	9,805	12,579
Total Liabilities	7,391	15,175	15,200
Stockholders' Equity	32,892	20,007	11,897
Common Shares O/S	96,374	88,423	74,307
Employees	202	166	47

# SUMMARY

- Technology platform well positioned to exploit large high growth markets, including wound care and soft tissue regeneration and stem cell like opportunities
- More predictable REGULATORY profile compared to traditional device companies due to allograft platform offerings
- EXPERIENCED management team with proven track record of success in high growth healthcare businesses
- Strong PATENT portfolio creates significant barriers to entry
- PURION® processed allografts demonstrate clinical and cost advantages over smaller competitors
- Near term milestones for value creation:
  - Completion of additional RCT's and scientific studies
  - Issuance of eight tissue related Patents with 33 filed
  - Expansion into additional surgical procedures with associated clinical studies
  - CMS Q code in Q1 2013 expands wound market opportunity
  - First Peer Reviewed Articles Published in Nationally Recognized Medical Journals



MiMedix<sup>®</sup>

# EpiFix<sup>®</sup> ATTRIBUTE MATRIX

TREATMENT COST*	EpiFix <sup>®</sup>	Apligraf <sup>®</sup>	Dermagraft <sup>®</sup>
Average Applications per Patient	<b>1-2</b>	3-5	4-8
Average Cost to Closure	<b>\$3,410</b>	\$8,000	\$12,800
EASE OF USE	EpiFix <sup>®</sup>	Apligraf <sup>®</sup>	Dermagraft <sup>®</sup>
Vulnerable Viable Cells	<b>NO</b>	Yes	Yes
Wide Temperature Range	<b>0-38° C</b>	NO	NO
Frozen	<b>NO</b>	NO	Yes
Limited Temperature Range	<b>NO</b>	YES 20-23° C	YES (-80°C) ±10%
Shelf Life	<b>5 Years</b>	10 days	6 months
Shipping	<b>Easy</b>	Special (CO <sub>2</sub> )	Dry Ice
Multiple Sizes	<b>YES</b>	NO	NO

\*1 EpiFix: Value Based Purchasing for Wound Care White Paper; Donald Fetterolf, MD, MBA; <sup>2</sup> Falanga V; Margolis D; Alvarez O; Auletta M; Maggiasimo F; Altman M; Jensen J; Sabolinski M; Hardin-Young and the Human Skin Equivalent Investigators Group "Rapid healing of venous ulcers and lack of clinical rejection with an allogeneic cultured human skin equivalent." ArchDermatol. (134)3. 01-MAR-1998. pp 293-300. <sup>3</sup> Apligraf product promotional literature estimates of cost/reimbursements. 2010. <sup>4</sup> Apligraf product literature, "Rethink the Wound. Think Apligraf" 2010. John, T. "Human amniotic membrane transplantation: Past, present, and future." Ophthal Clin N Am. (16). 2003. pp 43-65. <sup>5</sup> Dermagraft product literature, describing treatments weekly for 8 applications.

# REFERENCES

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MiMedix®