

# Company Update Innovation Division



**Load-Bearing**  
Supports physiological loads



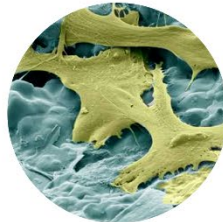
**Radiopaque**  
Visible by X-ray and CT



**Biocompatible**  
In accordance with ISO 10993-1



**3D Printable**  
Manufacture of complex geometries



**Osteoconductive**  
Supports bone growth onto material surface

Shareholder Presentation  
August 2023

# Overview



- The sale of the Orthopaedic business expected to be completed in August 2023
- AMT will then focus exclusively on Innovation projects such as the Sr-HT-Gahnite spinal cage
- Formal application with FDA was lodged in March 2023 with response expected in August 2023
- AMT has announced a 1 for 3 pro rata non-renounceable entitlement offer at \$0.09 per share to commence commercialisation of the spinal cage post FDA approval
- Rights issue closes 22 August, 2023 and the Board and management are recommending all shareholders participate
- Positive confirmation from key shareholders they will be taking their full entitlement under this offer
- **Independent assessment of AMT's fair market value conducted by Deloitte values AMT at \$56.4million (\$0.54/share) post FDA approval\***

*\*Important Notice: Deloitte was engaged solely by Awa Ltd in their capacity as an advisor to Allegra, to provide an independent assessment of the fair market value of Allegra's innovation business. The Purpose of this valuation was to assist in understanding the current value of the business and to inform a potential capital raise. Deloitte is not providing investment advice or recommendations to any third parties and has no responsibility or duty of care in this regard.*

# Allegra has solved the major challenge in bone regeneration



A synthetic material with both mechanical strength and bioactivity:  
Combined properties needed to treat large, load-bearing bone defects

## Current Industry Solutions

- Permanent Implants
- Harvested Bone Grafts
- Resorbable Bone Substitutes

## Superior Solution

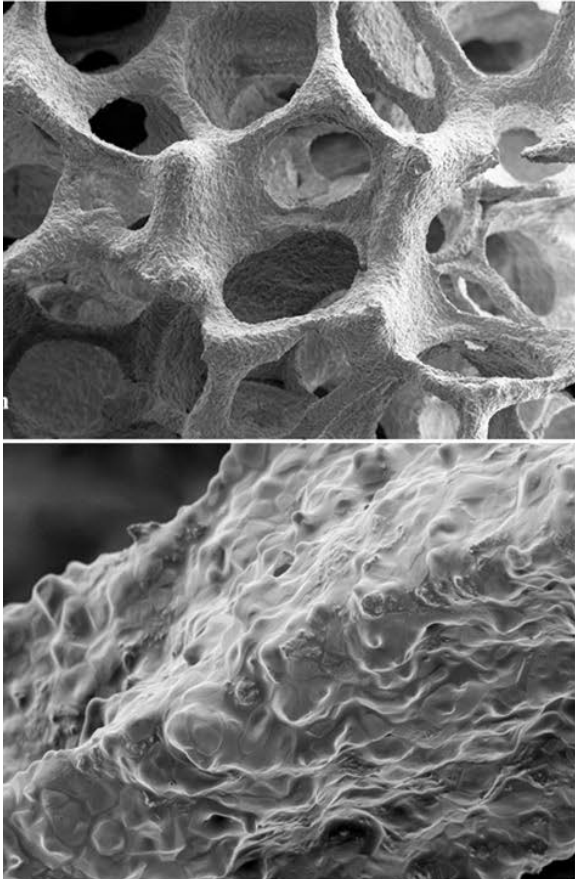


Sr-HT-Gahnite



# Sr-HT-Gahnite Bioceramic Material

## Strong, Tough and Bioactive



- 3D printed – highly versatile, potential for customisation
- Load-bearing – stronger than other synthetic bone substitutes
- Tough – reduced tendency to shatter like traditional ceramics
- Highly bioactive – promotes bone regeneration and regrowth
- Excellent biocompatibility – not rejected by the body
- Ability to be used as a bone graft material – eliminates donor site complications that come with autograft surgeries
- Accurate imaging – reduced artifacts and no need for added imaging pins

**Australian owned and produced - Allegra owns global patents and distribution rights**

# Sr-HT-Gahnite Bioceramic Material

## The Competitive Advantage



Required Property	Autografts (Patient's own bone)	Metal & Polymer Implants	Current Ceramic Implants	Sr-HT-Gahnite
Excellent bone regeneration and use in load-bearing applications	✓	✓	✗	✓
Composition similar to natural bone, excellent biocompatibility	✓	✗	✓	✓
Unlimited supply, no need for a secondary surgical site to harvest bone graft	✗	✓	✓	✓
Highly customisable size & shape	✗	✓	✓	✓

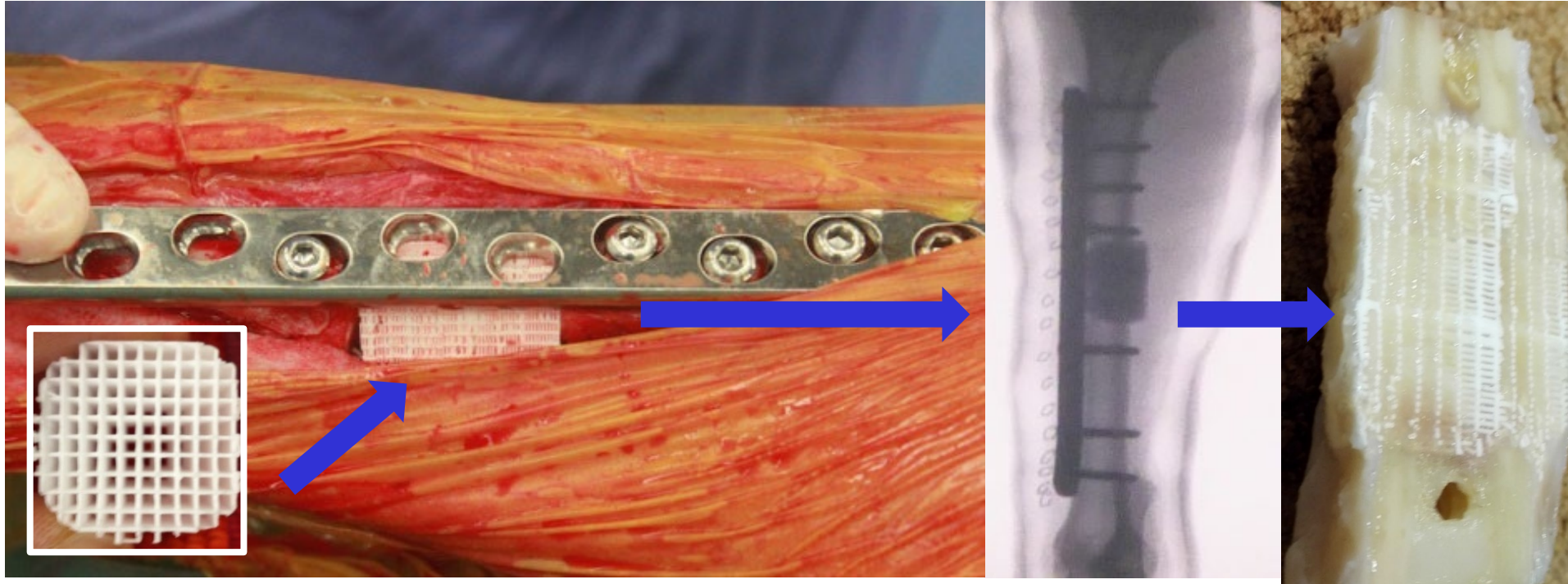
The unmet clinical need is a bone regenerative biomaterial that duplicates the performance of natural bone:

- Bioactive properties required for bone regeneration
- Mechanical properties required for load-bearing applications



# Sr-HT-Gahnite Bioceramic Material

## Excellent Results in Sheep Studies

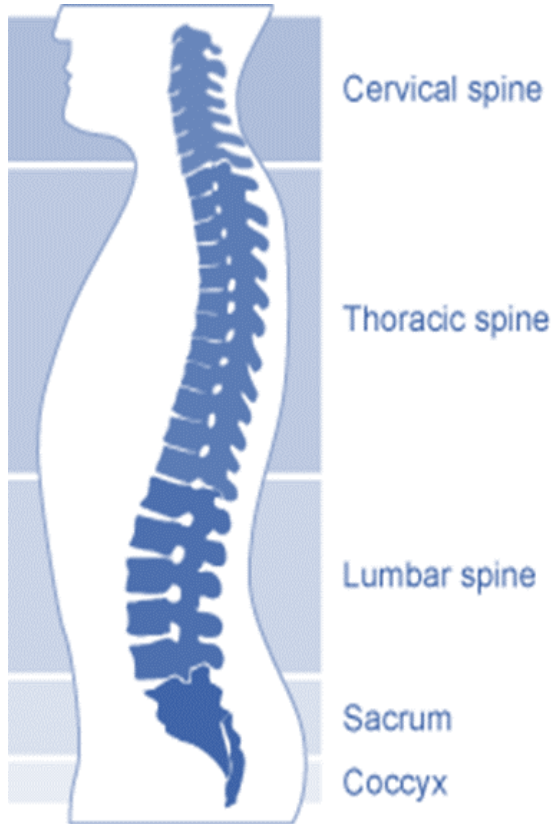


Material successfully regenerates new bone in a large load-bearing defect  
Complete bridging and filling of the defect at 12 months, without the need for bone grafts

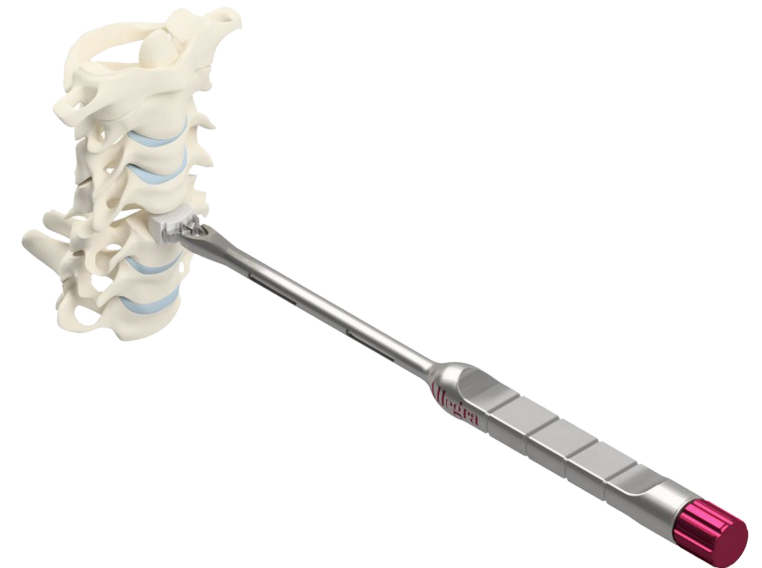
# Sr-HT Gahnite Cervical Spinal Fusion Cage



## First Product to Market



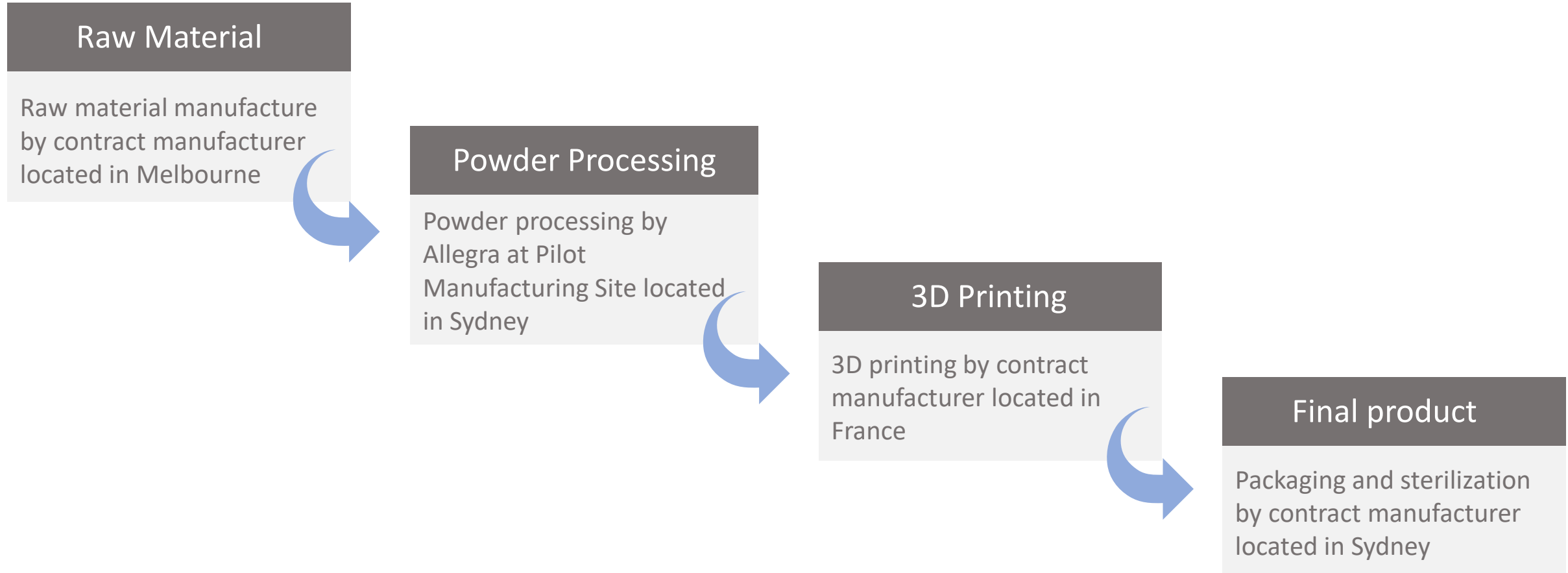
- World's first load-bearing, 3D printed ceramic cervical spinal cage
- Manufactured from Sr-HT-Gahnite
- Testing complete with promising results
- Device strength meets/exceeds FDA-approved products
- Strong profit margins scalable to other orthopaedic applications



**Global spinal fusion market US\$6.3 Billion and growing**

# Sr-HT Gahnite Cervical Spinal Fusion Cage

## Established Supply Chain





# Other Applications

## Sr-HT Ceramic coating

Allegra's novel Sr-HT Ceramic addresses limitations of current hydroxyapatite coatings

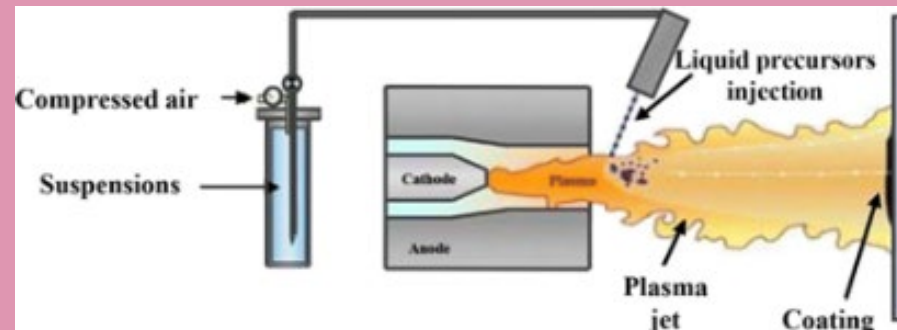
- ✓ Superior bond strength and bioactive properties
- ✓ Nano coating of complex geometries
- ✓ Enhanced bio integration with bone tissue
- ✓ Initial investigations demonstrate anti-microbial properties

Current industry standard for HA coatings is atmospheric plasma spraying

Allegra is researching and developing a new technique, suspension plasma spray, to bring Sr-HT ceramic coating to market

- ✓ Emerging technology for the medical devices industry – one of the first of its kind in Australia
- ✓ Utilises ultra-fine ceramic feedstock dispersed in a liquid suspension
- ✓ Unique hierarchical nano- and micro-scale features → enhanced biointegration with bone tissue and anti-microbial properties

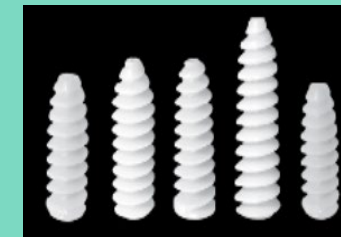
**Global Hydroxyapatite market US\$3.0 Billion and growing**



## ACL Interference Screw

- Integrate Sr-HT-Gahnite and/or Sr-HT into an ACL interference screw
- 3D printed
- Two approaches:
  - ✓ Pure ceramic screw: Sr-HT-Gahnite
  - ✓ Composite screw: 70% polymer & 30% ceramic powder (Sr-HT)

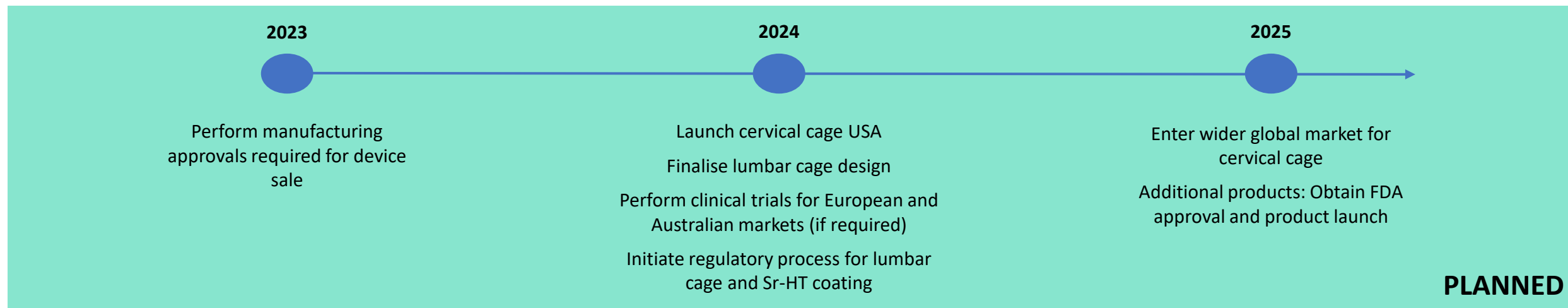
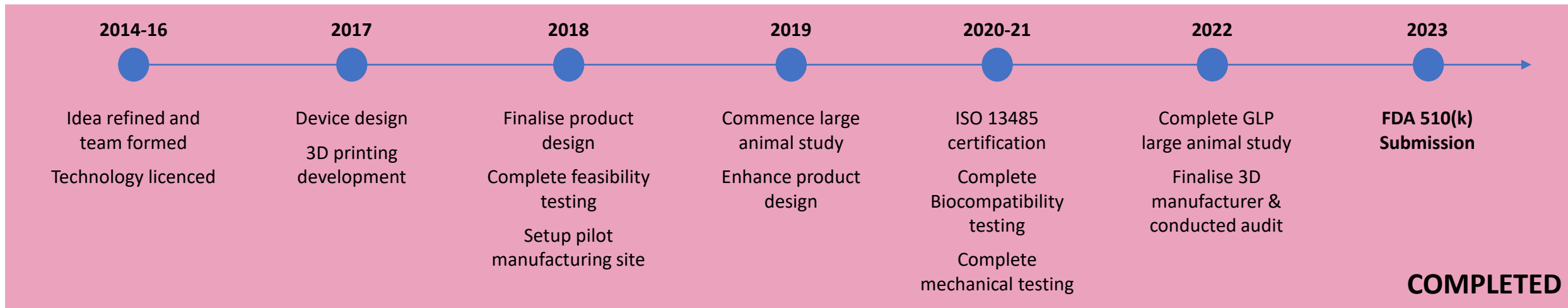
**Global Interference Screw Market US\$108 Million (2022) and growing**



# Product commercialisation roadmap



## Completed Activities



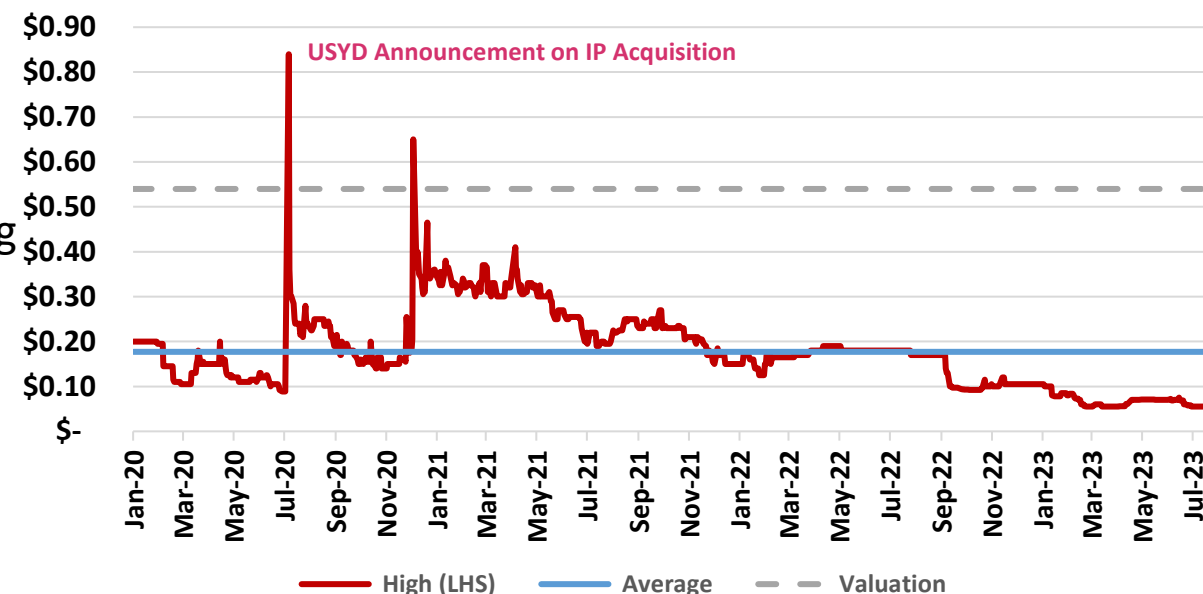
**Commercialisation of the spinal cage will lead to significant, scalable revenue opportunities**

# Capital Raise and Pricing



- Allegra announced a 1 for 3 pro rata non-renounceable entitlement offer at \$0.09 per share
- Proceeds will be used to:
  - ✓ Bring the Sr-HT Gahnite cervical spinal fusion cage to market
  - ✓ Complete development and commercialisation of Sr-HT-Gahnite lumbar spinal fusion cage and Sr-HT coating
- **Rights issue closes 22 August 2023**
- The Board and management are recommending all shareholders participate and we have received positive confirmation from key shareholders they will be taking their full entitlement under this offer
- Allegra shares are thinly traded in the market and difficult to trade
- This capital raise provides an opportunity for shareholders to maintain their holding status at an historically attractive level ahead of an expected uptick in value post FDA approval

## AMT ASX Chart Share Price History Jan 2020-June 30, 2023



AMT Trading Activity		
	YTD	3 Year
High	\$ 0.11	\$ 0.84
Low	\$ 0.06	\$ 0.06
Average	\$ 0.07	\$ 0.18
Volume (shares)	1,170,253	20,073,352
Total Turnover \$	\$ 85,453.96	\$ 8,919,322.06

# Independent Valuation- AU\$ 56.4 million



- There is currently a premium being paid for regenerative medical devices internationally
- Deloitte has provided an independent assessment of fair market value of our innovation business\*
- Assumptions were based on FDA approval for the spinal cage and subsequent new products to market, and management forecasts
- **Deloitte estimates the combined Allegra fair market value was A\$56.4 million (A\$0.54/share)\***
  - ✓ Sr-HT Gahnite valuation A\$ 24.1 million
  - ✓ Sr-HT Coating valuation A\$ 32.3 million
- Current rights issue provides an excellent opportunity for shareholders to participate in value uplift potential for shareholders

## Allegra - Fair Market Valuation

AU\$m Scenario	Valuation range		
	Low	Medium	High
Sr-HT-Gahnite: selected range	18.5	24.1	31.6
Sr-HT Coating: selected range	28.0	32.3	37.5
<b>Deloitte selected range</b>	<b>46.5</b>	<b>56.4</b>	<b>69.1</b>
Shares outstanding (m)	104.5	104.5	104.5
Fair market value per share (\$)	<b>0.45</b>	<b>0.54</b>	<b>0.66</b>

Source: Deloitte analysis

*\*Important Notice: Deloitte was engaged solely by Awa Ltd in their capacity as an advisor to Allegra, to provide an independent assessment of the fair market value of Allegra's innovation business. The Purpose of this valuation was to assist in understanding the current value of the business and to inform a potential capital raise. Deloitte is not providing investment advice or recommendations to any third parties and has no responsibility or duty of care in this regard.*

# Senior Management



**Jenny Swain** – Chief Executive Office

Jenny has 25 years' experience in orthopaedic sales, strategy and product development commencing her commercial sales role with J&J and LHC before moving to Allegra. Jenny's background is a Registered Nurse and Registered Operating Room Nurse, working not only in several Australian hospitals but also spending 5 years in a leading hospital in Los Angeles as the Orthopaedic Unit Manager in the operating rooms



**Chris Calamos** - Commercial Manager

Chris has more than 30 years in executive roles with venture capital "start-up" organizations such as Retriever Communications and RadioMail Inc. He also has experience with ASX listed entities, including Anittel Group Ltd, and USA based global corporation TIBCO Software Inc. Chris specializes in corporate finance and accounting and governance.



**Dr Ellen Newsom** – Head of Technology and Innovation

Ellen heads the team developing and commercializing the composite biocompatible ceramic material known as Sr-HT- Gahnite. Ellen holds a PhD and a Bachelor of Biomedical Engineering and Bachelor of Science degrees from the University of Sydney.

# Companies Directors and Secretary



**Peter Kazacos** - Board Chair

30+ years entrepreneur experience in founding and growing KAZ from a small IT services company to one of Asia Pacific's leading IT service providers. KAZ was listed on the ASX in 2000 with over 4,000 employees. Peter has received numerous awards, including the prestigious CSIRO Tony Benson Award for Individual Achievement in ICT and Australian Entrepreneur of the Year for Technology.



**Sean St Clair Mulhearn** - Board Member

Sean has been involved in the financial markets for 30+ years, with global experience. He recently founded Jacaranda Capital Partners, a boutique advisory and markets training business with offices in Singapore and Australia.



**Dr Nick Hartnell** – Surgeon advisor, Board Member

Orthopaedic surgeon and entrepreneur, with 20+ years' international surgical experience - Australia, USA, China, Europe, UK. Nick owns 3 surgeries and has considerable experience in medical distribution. He is the board chair for Bone Ligament Tendon a medical device company and has been an investor and advisor to Taska Prosthetics. Founder of BeSpoke, producing a unique 3D printed mask for treating sleep apnoea.



**Robyn Slaughter** - Company Secretary

Robyn provides company secretarial support to ASX listed, unlisted public and private companies across a range of industries including financial services, biotechnology and healthcare, technology, cyber security and manufacturing. Robyn is a qualified Governance Professional and has a M.Sc. in Corporate Governance and a Bachelors degree in Accounting and Finance.



# Important Notice and Disclaimer



This presentation (**Presentation**) is dated February 2023 and has been prepared by Allegra Orthopaedics LTD, ACN 066 281 132 (**AMT** or the **Company**). The Presentation was prepared primarily in connection with discussions regarding a potential capital raise.

## **Information in this Presentation**

The information in this Presentation is of a general background nature, is in summary form and does not purport to be complete. It does not contain all information relevant or necessary for an investment decision or that would be required to be included in a prospectus or other disclosure document. The content of this Presentation is provided as at the date of this Presentation (unless otherwise stated). The information in this Presentation is subject to change without notice and, subject only to any legal obligation to do so, AMT does not have any obligation to correct or update the contents of this Presentation.

## **Not a prospectus or an offer of securities**

This Presentation is not, and does not constitute, an invitation, offer or recommendation of securities for subscription, purchase or sale in any jurisdiction and must not be relied upon as such, and does not and will not form any part of any contract or commitment for the acquisition of Shares. This Presentation also does not form the basis of any contract or commitment to issue, sell or apply for securities in BLT or any of its subsidiaries.

Investors must read any future documents or offers carefully before making any decision as to whether they should invest in AMT.

## **Past performance**

Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

## **Future performance**

The Presentation contains certain forward-looking statements. The words “forecast”, “expect”, “anticipate”, “estimate”, “intend”, “believe”, “guidance”, “should”, “could”, “may”, “will”, “predict”, “plan” and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings, valuation, and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and certainties and other factors which are beyond the control of AMT, and its directors and management, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumption on which these statements are based. Recipients are cautioned not to place undue reliance on forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this Presentation. The forward-looking statements are based on information available to AMT as at the date of this Presentation. Circumstances may change and the contents of this Presentation may become out-dated as a result. Except as required by law or regulation, none of AMT, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

## **Restriction on distribution**

This document is intended for the recipient only. This Presentation may not be reproduced or published, in whole or in part, for any purpose without the prior written permission of AMT.



Thank you

© Copyright. The information contained in this document is the property of Allegra Orthopaedics Limited

Level 8, 18-20 Orion Rd, Lane Cove West NSW 2066 AUSTRALIA.

Unauthorised use or disclosure is prohibited.