



Wright Announces FDA Approval for Augment[®] Bone Graft

September 1, 2015



Forward-Looking Statements

This presentation contains “forward-looking statements,” as defined under U.S. federal securities laws, concerning, among other things, the positive effects final PMA approval of Augment® Bone Graft is anticipated to have for patients, surgeons and our business, our 2015 guidance, and the potential for future growth in our business. These statements reflect management's current knowledge, assumptions, beliefs, estimates, and expectations and express management's current view of future performance, results, and trends. Forward-looking statements may be identified by their use of terms such as anticipate, believe, could, estimate, expect, intend, may, plan, predict, project, will, and other similar terms. Forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to materially differ from those described in the forward-looking statements. The reader should not place undue reliance on forward-looking statements. Such statements are made as of the date of this presentation, and we undertake no obligation to update such statements after this date. Risks and uncertainties that could cause our actual results to materially differ from those described in forward-looking statements in this presentation include the risk that market acceptance of Augment® Bone Graft is less than anticipated, the risk that product quality or patient safety issues have an adverse impact on our sales of Augment® Bone Graft and/or product development plans for the Augment® platform, or result in product liability claims, the risk that we are unable to achieve our operations targets for the balance of fiscal 2015; and the additional risks and uncertainties that are discussed in our filings with the Securities and Exchange Commission (including those described in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2014, and as may be supplemented in our Quarterly Reports on Form 10-Q and other SEC filings).

FDA Approved on September 1, 2015



First clinically proven, cost-effective alternative to autograft for ankle and/or hindfoot fusion

- Roughly a \$300M U.S. market opportunity
- Commercial sale and distribution of Augment® Bone Graft can begin in the U.S.
- Anticipate U.S. Augment® revenue of \$10 million to \$12 million in first 7 to 8 months after launch

Breakthrough biologic



Further accelerate growth

Unique solution for ankle and/or hindfoot fusion



Leverages direct sales force, training capabilities

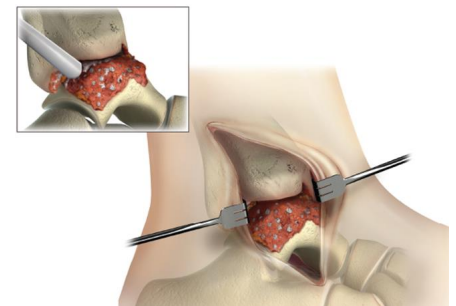
Platform for future growth opportunities



Bone repair, soft tissue indications

Augment[®] Bone Graft – A Breakthrough Product!

- In North American pivotal trial, Augment[®] demonstrated equivalent safety & efficacy and less pain compared to autograft
- Recombinant human platelet-derived growth factor (rhPDGF) provides a biological stimulus for the recruitment and proliferation of osteoblasts (cells responsible for bone formation)
- Beta-tricalcium phosphate (β -TCP) provides a framework or scaffold for new bone growth to occur
- Avoids unwanted bone formation in surrounding tissues observed with BMP-based products



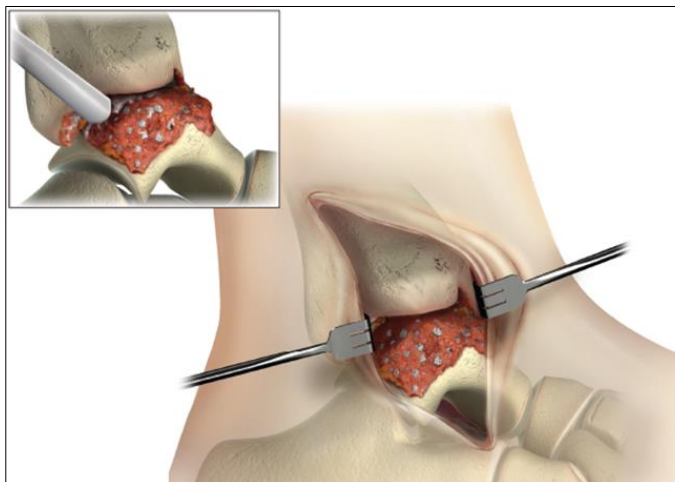
First clinically proven, cost-effective alternative to autograft for ankle and/or hindfoot fusion indications

Augment[®] adds high margin, breakthrough product to Wright's comprehensive suite of biologic technologies



Augment[®] Accelerates Wright's Growth Opportunities

- ☑ PMA-demonstrated results
- ☑ Eliminates harvest site complications
- ☑ Patients avoid any donor site pain



**Ankle
Fusions**

**Hindfoot
Fusions**

Compelling Value Proposition

	Augment [®] Bone Graft	rhBMP	Stem Cells	Demineralized Bone Matrix (DBM)
FDA APPROVED for ankle and/or hindfoot fusion indications	YES			
Level I evidence	YES			
PMA-demonstrated safety and effectiveness	YES			
Reliable/consistent quality	YES	✓	?	?
Available off-the-shelf	YES	✓	✓	✓
Cost effective (relative to autograft)	YES		✓	✓

In ankle and/or hindfoot fusion procedures, delayed or non-union still a major concern

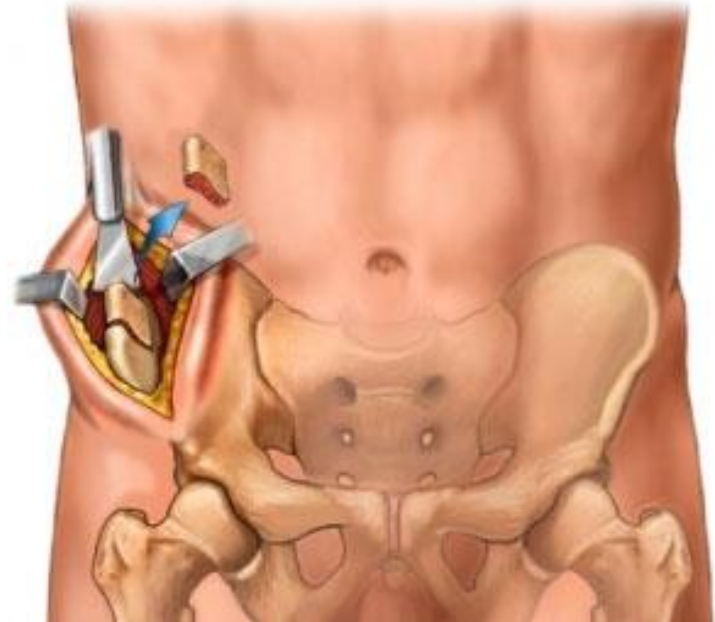
- Current literature suggests nonunion rates for ankle/hindfoot fusions are ~15-20%⁽¹⁾
- Much higher rates (16-41%) in high risk groups⁽²⁾:
 - smokers
 - diabetics
 - revision surgery
 - post-traumatics
- Both a mechanical and biological problem



Autograft has been used to enhance fusion rates

- Stimulates the biological healing process
- Fills any joint irregularities (voids/gaps)
- Acts as a scaffold for new bone formation

Iliac Crest Autograft Harvest



But autograft comes with a price...

Harvest site pain

- ~12% of patients who received autograft in Augment pivotal trial had clinically significant harvest site pain at 24 weeks
 - ~9% had clinically significant harvest site pain at 52 weeks
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Increases Complication Potential⁽¹⁻⁴⁾

- Up to 49% complication rate for iliac crest bone graft
 - Potential for more serious complications and infections
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Higher Procedure Costs

- Direct costs to harvest autograft include additional surgeon/anesthesia/clinician time and instruments
 - Indirect cost of complications can further increase cost
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Variable Quality

- Variable bone quality across donor sites
- Especially problematic for compromised patients – diabetics, smokers, osteoporotics, elderly, etc.; these represent a significant portion of foot & ankle patient population

Augment[®] Bone Graft: A Proven Therapeutic Option

Effective

When used as bone graft substitute in ankle and/or hindfoot fusion procedures, Augment[®] Bone Graft was shown to achieve comparable:

- Improvements in clinical and functional outcomes

Safe

Augment[®] Bone Graft offers:

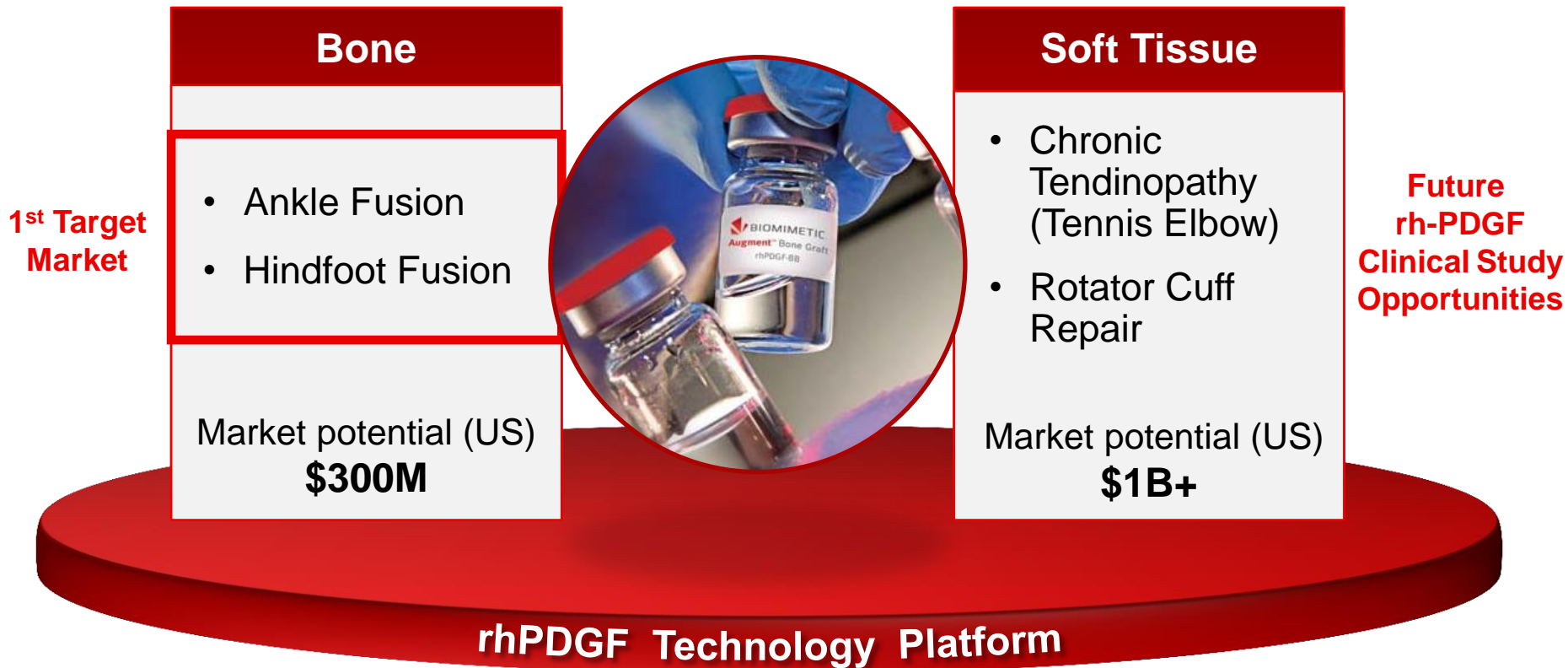
- Comparable safety profile to autograft
- Comparable clinical healing to autograft



Augment offers a synthetic alternative to autograft:

- Eliminates complications and morbidity associated with autograft harvest
- Patients avoid any donor site pain associated with autograft harvest

Augment[®] - A High Potential Platform Technology



IN SUMMARY

A Breakthrough Biologic that Accelerates Wright's Growth Opportunities

**Breakthrough
biologic**



**Unique solution for
ankle and/or hindfoot
fusion**



**Platform for future
growth opportunities**



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