

Third Quarter 2019 Earnings Call

October 29, 2019

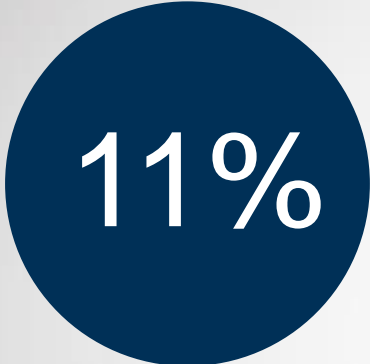
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This presentation includes statements that may be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words “believe,” “estimate,” “expect,” “anticipate,” “project,” “forecast” and similar expressions, or the negative thereof, among others, generally identify forward-looking statements. Forward-looking statements used in this presentation include statements regarding revenue guidance; future revenue growth; timeline to becoming cash flow positive; new product launches; market opportunity, market share and market share growth; timelines for regulatory approvals and other events, including commencement, enrollment and progress of clinical trials; and anticipated product labeling. SeaSpine® cautions that these forward-looking statements are based on management's current expectations, estimates, forecasts and projections about SeaSpine, and assumptions management believes are reasonable, and are subject to risks and uncertainties that may cause actual results to differ materially from those indicated in the forward-looking statements. Such risks and uncertainties include, but are not limited to, surgeons' willingness to use the Company's existing and newly launched products; the Company's ability to continue to invest in medical education and training, product development, and/or sales and marketing initiatives at levels sufficient to drive future revenue growth; the Company's ability to attract new, high-quality distributors and potential disruption to the Company's existing distribution network; continued pricing pressure, as well as exclusion from major healthcare systems; the risk of supply shortages and the associated, potentially long-term disruption to product sales; unexpected expense and delay; changes to laws and regulations applicable to the Company and the industry in which it competes; and general economic and business conditions in the markets in which the Company does business, both in the U.S. and abroad. Additional information about the factors that may affect the operations of SeaSpine and results is set forth in the SeaSpine annual and periodic reports filed with the U.S. Securities and Exchange Commission. Forward-looking statements contained in this presentation are made only as of the first day of the month and year set forth on the cover hereof, and SeaSpine undertakes no obligation to release publicly any revisions or updates to forward-looking statements as a result of subsequent events or developments, except as required by law.

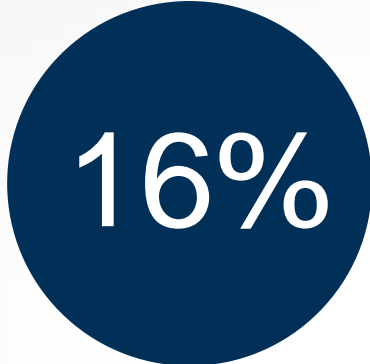
Third Quarter Financial and Operational Highlights

Record Revenue and Continued Gross Margin Expansion

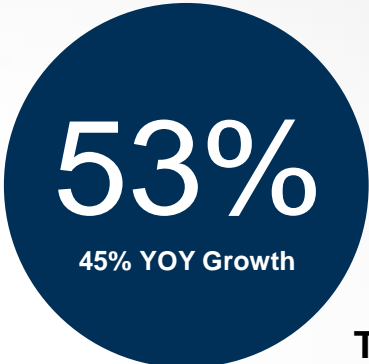
Total Revenue Growth



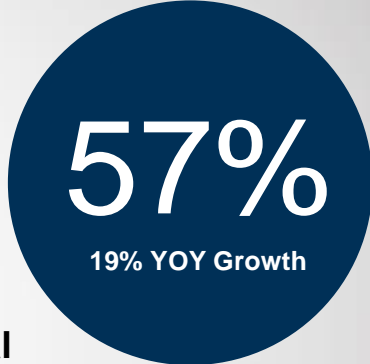
U.S. Spinal Implants Revenue Growth



% of U.S. Spinal Implants Revenue from Recently Launched Products



% of U.S. Revenue from Core Distributors



Products Launched



Gross Margin



Total Potential Liquidity*



* Maximum potential borrowing capacity based on eligible accounts receivable and inventory, assuming minimum fixed charge coverage ratio is not achieved

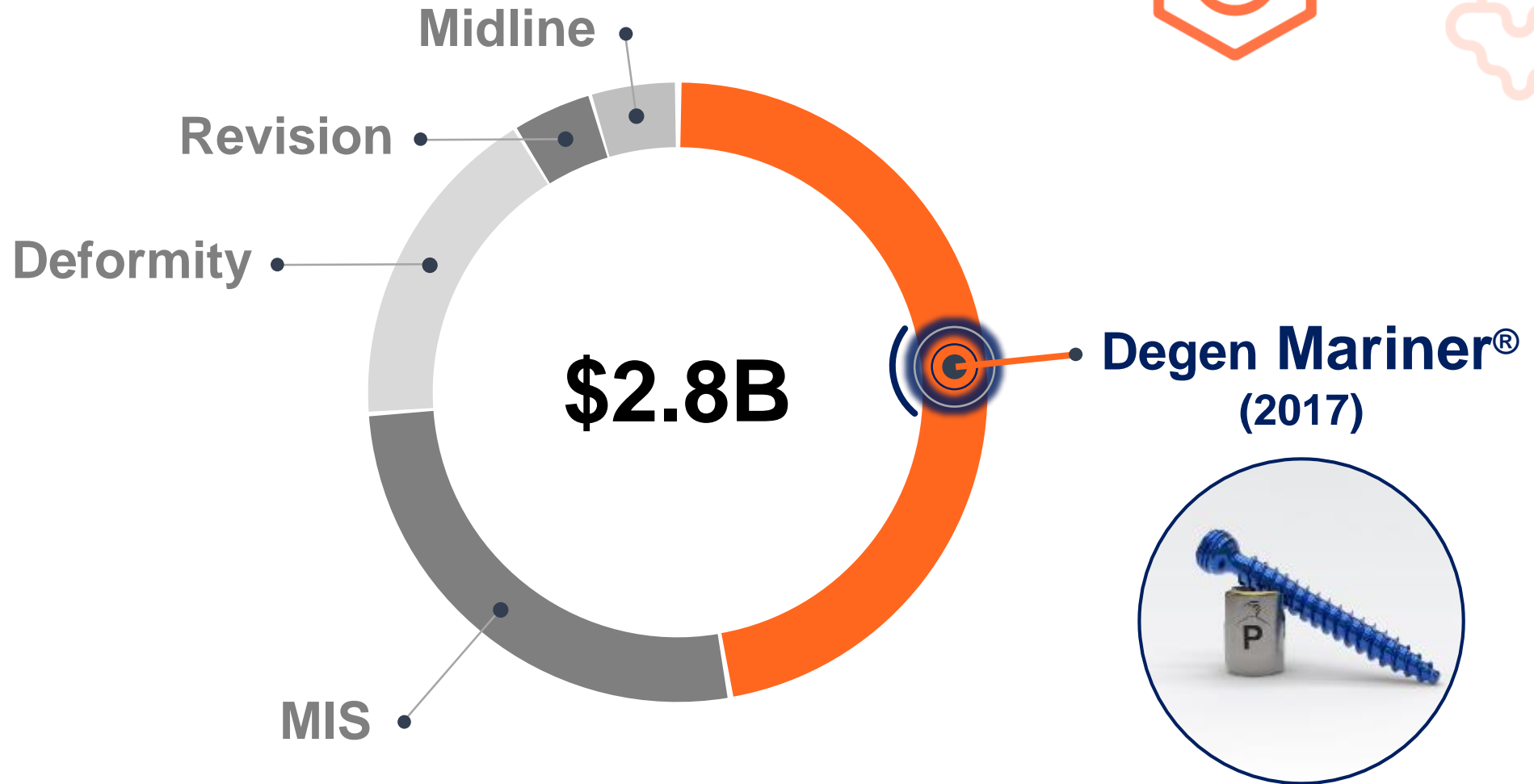
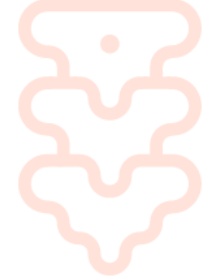
Fixation Market Segment

Where We Competed: 2017 - 2018

FIXATION



INTERBODY



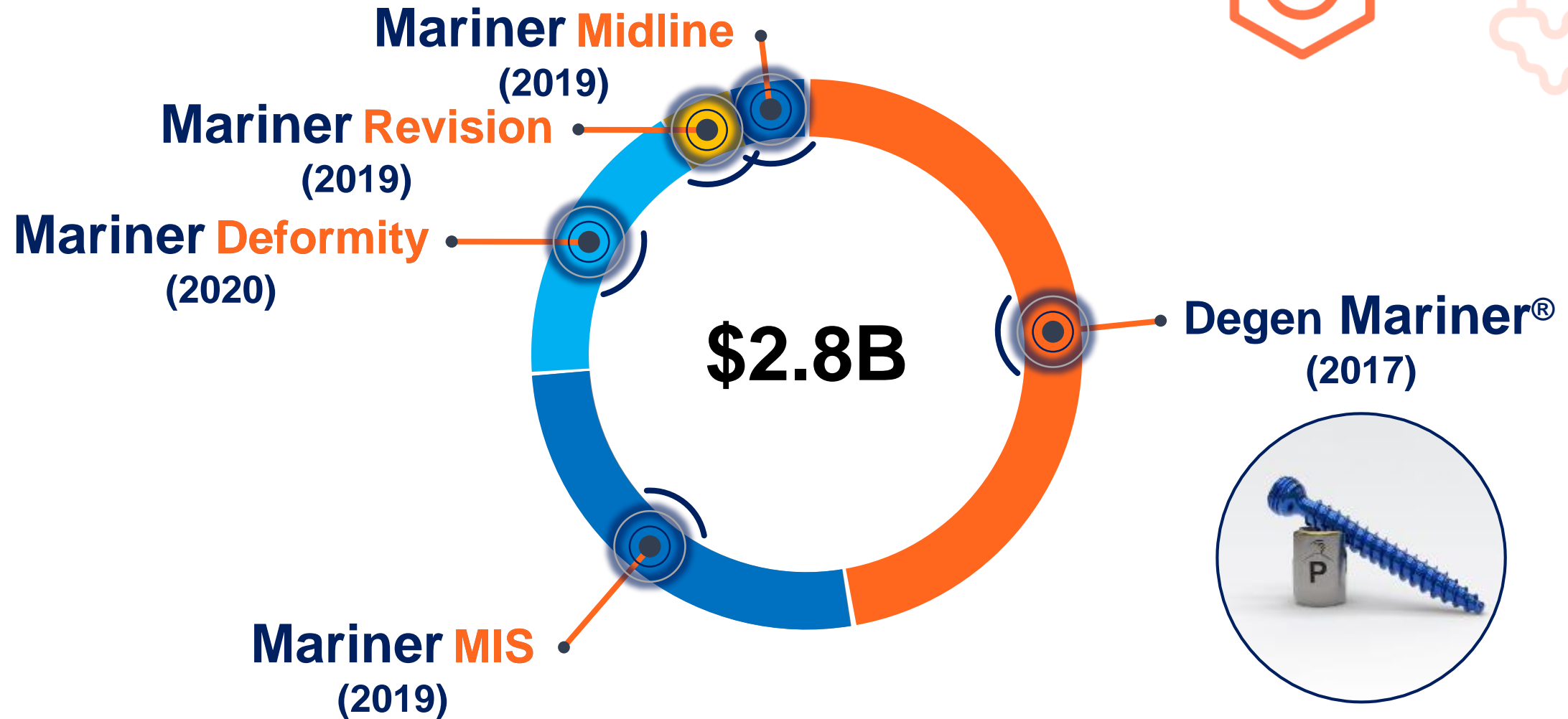
Fixation Market Segment

Where We Compete: 2019 - 2020

FIXATION



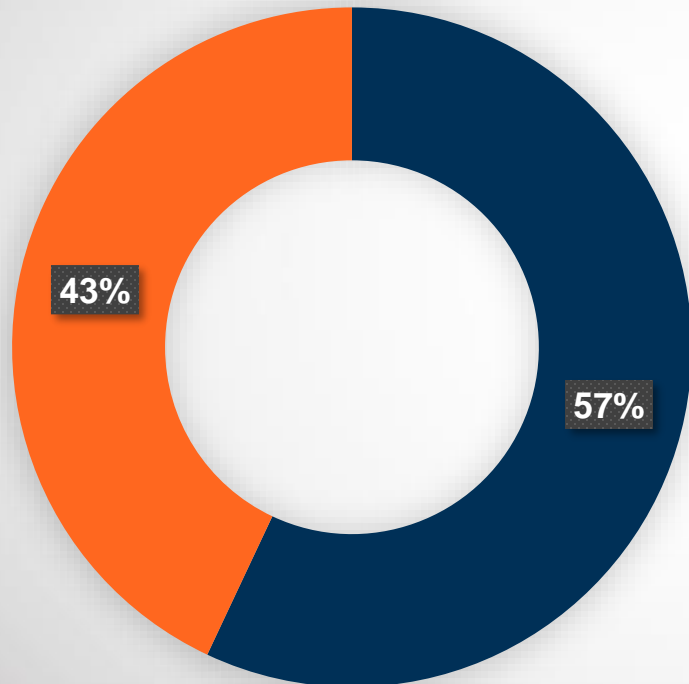
INTERBODY



Partnerships Vital to Executing Our Vision

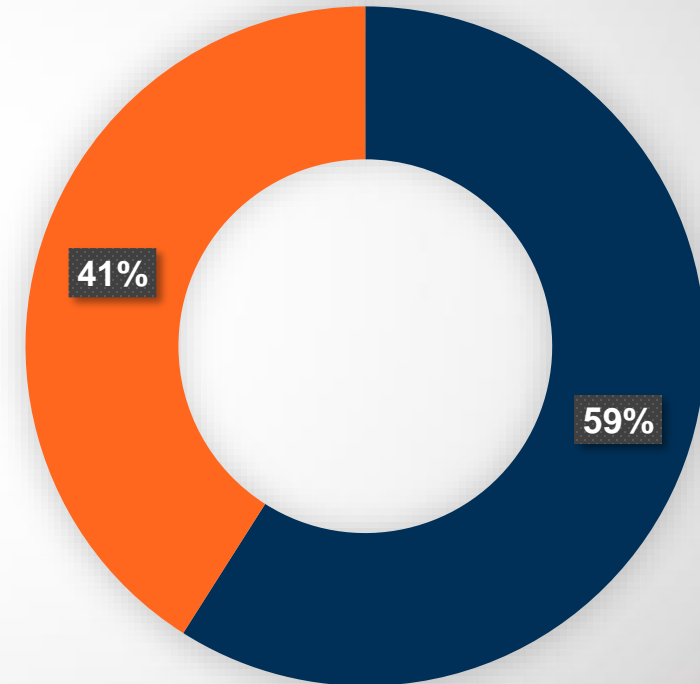
Q3 2019 Revenue: Core Distributors

Core Distributors % of Total U.S. Revenue



■ Core Distributors ■ Non-Core Distributors

Core Distributor Revenue Breakdown by Portfolio



■ Spinal Implants ■ Orthobiologics

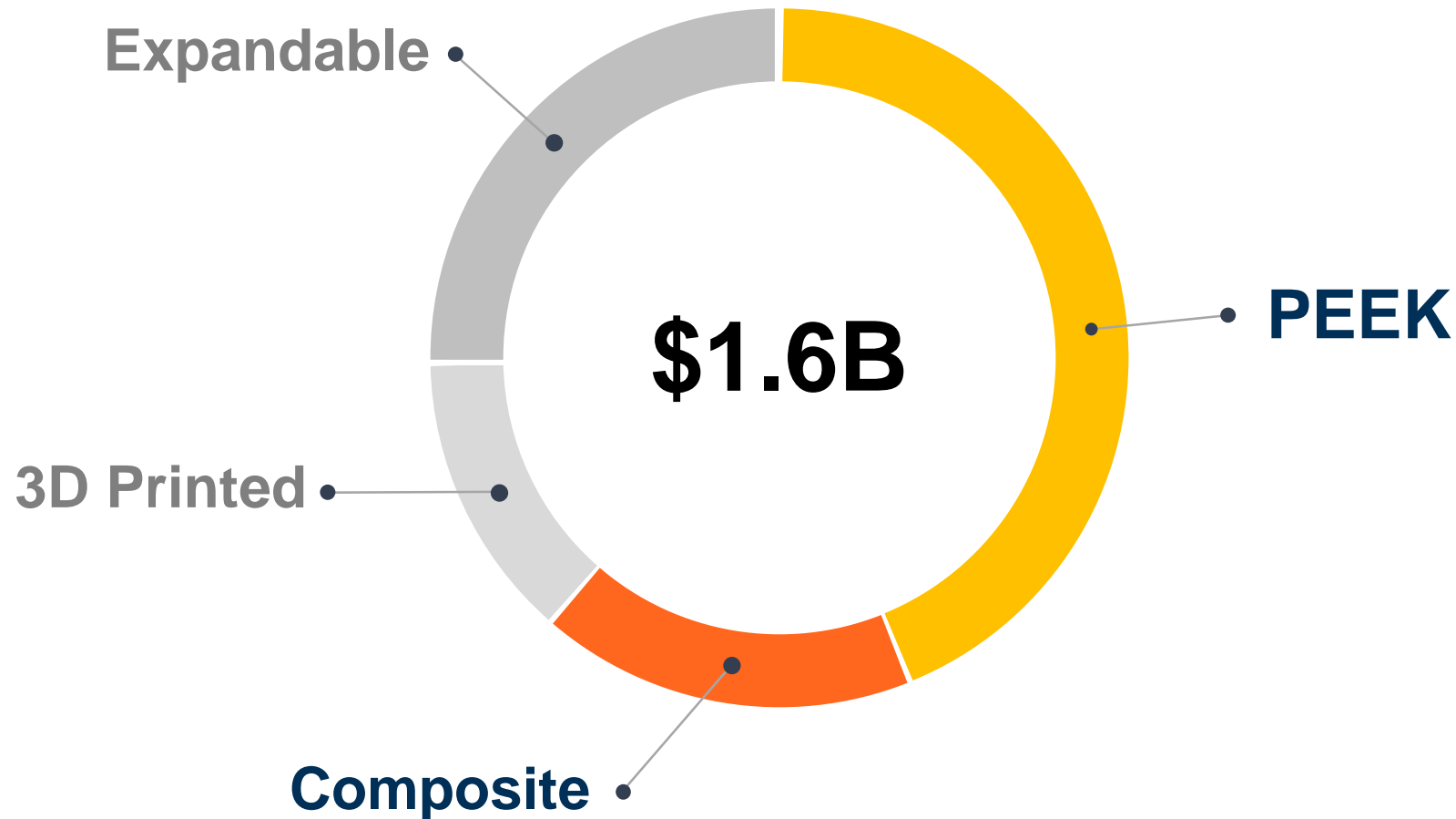
Interbody Market Segment: "Today"

Where We Compete: 2015 - 2019

FIXATION



INTERBODY



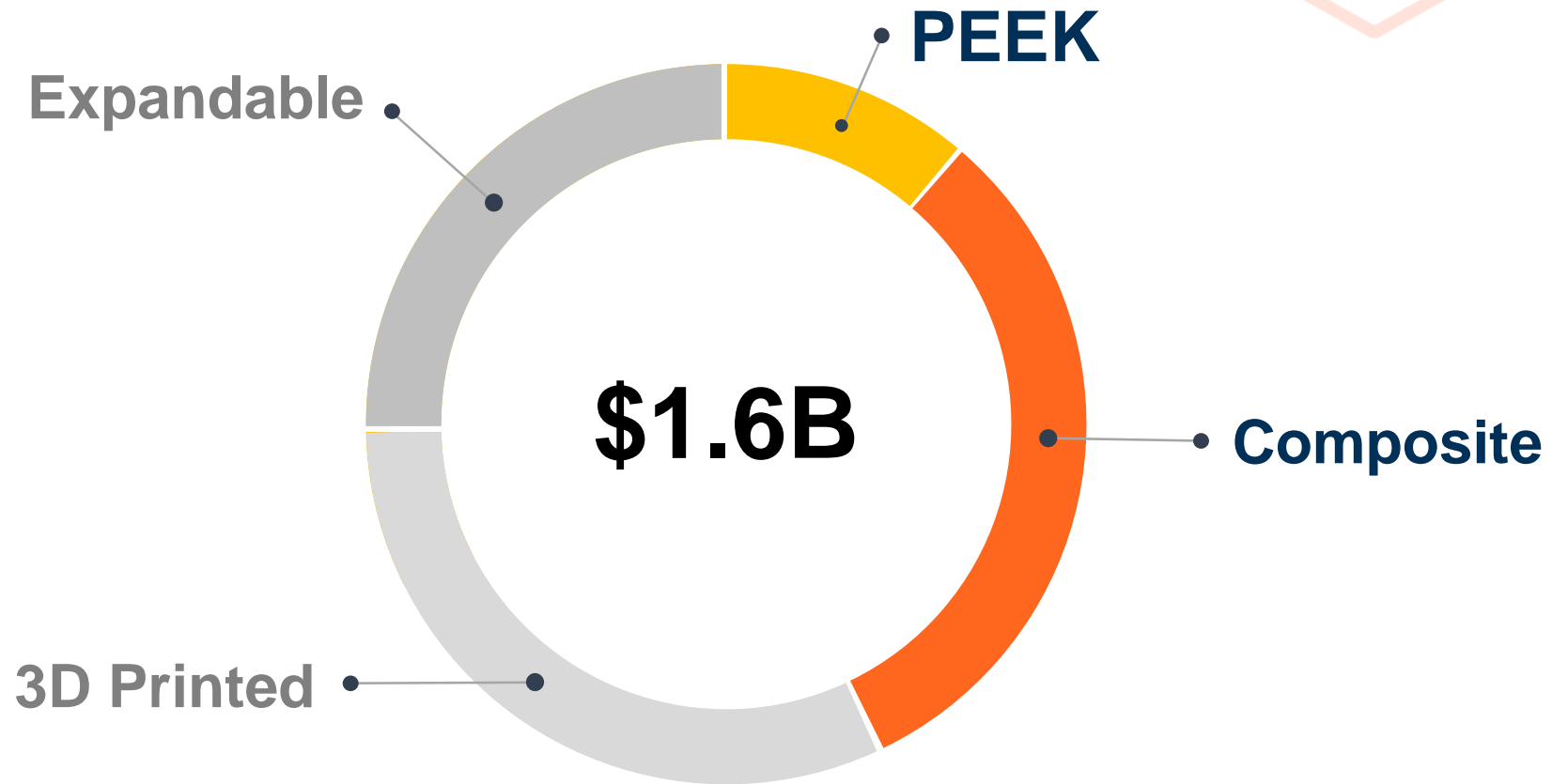
Interbody Market Segment: "Tomorrow"

Where We Compete: 2015 - 2019

FIXATION



INTERBODY



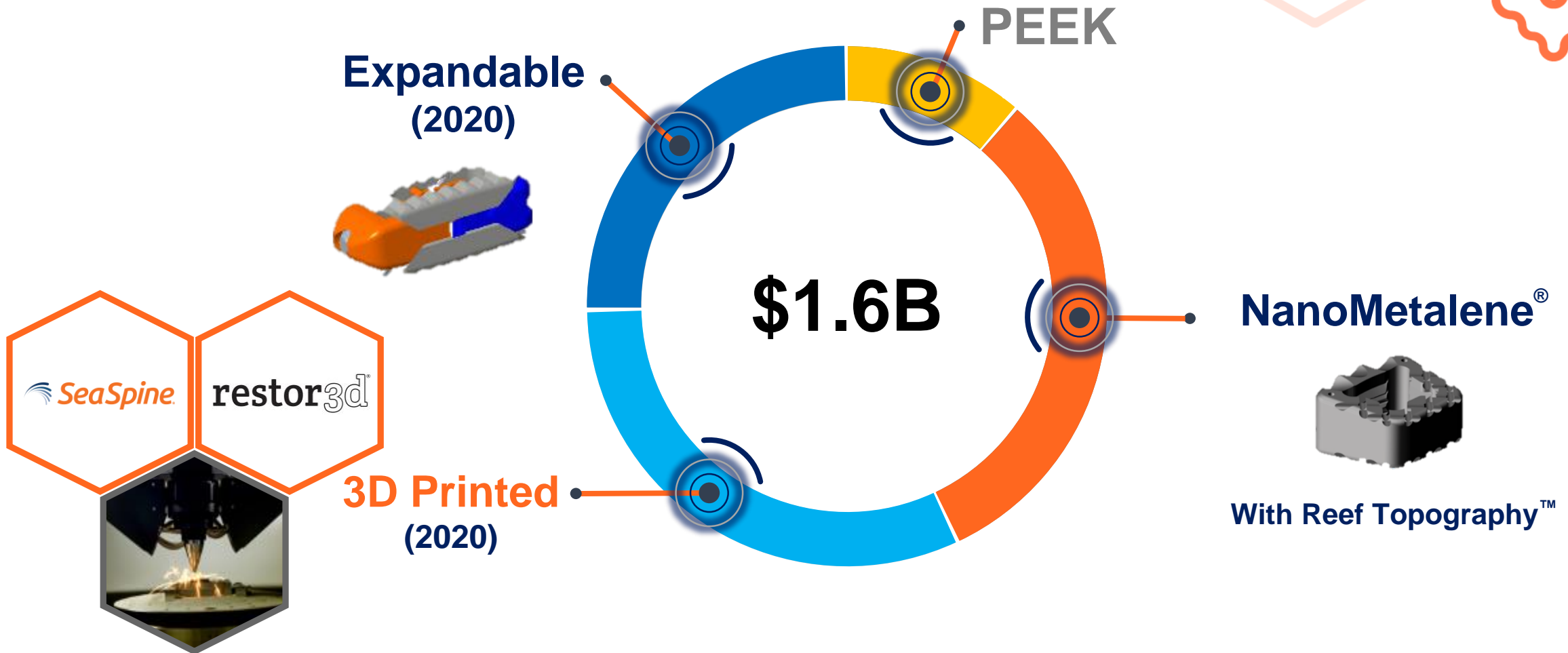
Interbody Market Segment: "Tomorrow"

Where We Compete: 2020 and Beyond

FIXATION



INTERBODY



Do Cells Improve Bone Healing in Spine?

Preclinical Study Design

Study Goal:

- Isolate the effect of cells by testing Cellular Bone Matrix (CBMs) both with and without the cells
- If the cellular component is effective, then the CBM should perform better with cells than without

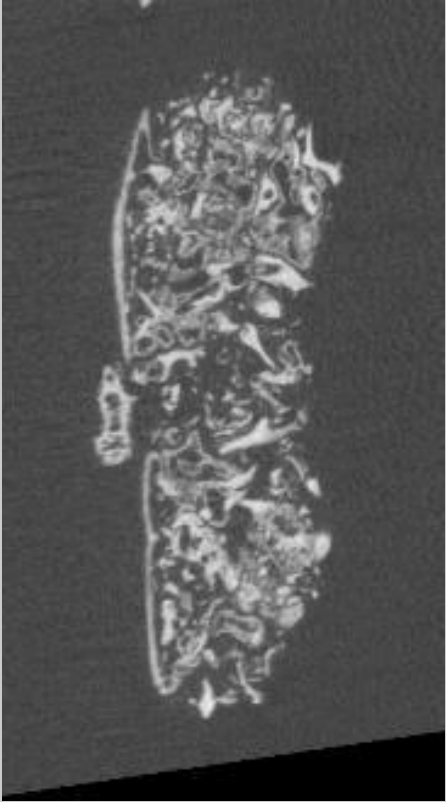
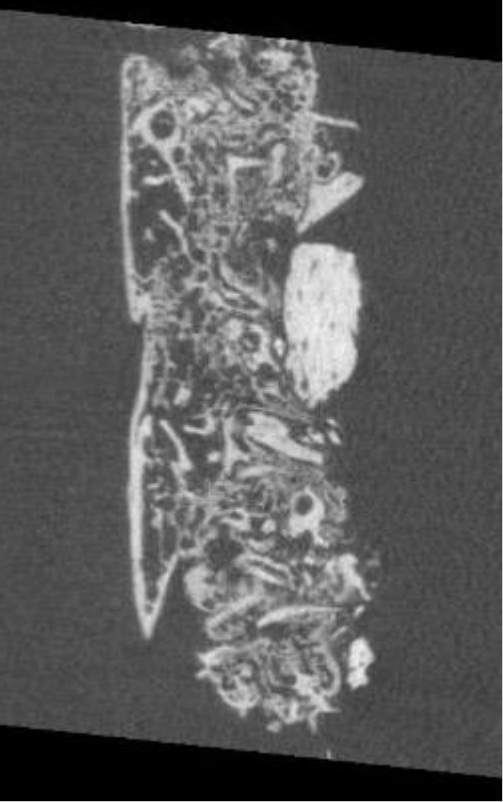
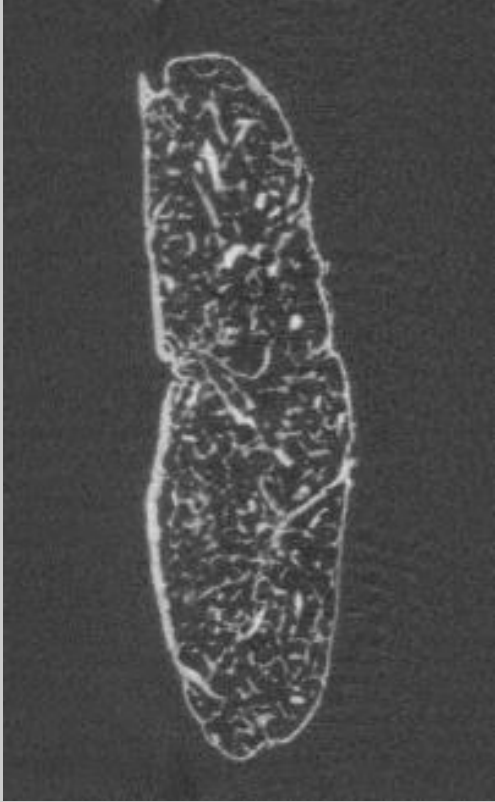
Name	Description	Fusion Rate (uCT) ⁽¹⁾
Osteocel Pro	DBM Particles with cells (DEAD)	0/18 (0%)
	DBM Particles with cells (LIVE)	0/18 (0%)
Vivigen Formable	DBM Fibers with cells (DEAD)	11/18 (61%)
	DBM Fibers with cells (LIVE)	11/18 (61%)
OsteoStrand [®] Plus	DBM Fibers	17/18 (94%)

⁽¹⁾ At 6-week timepoint fusion assessed by μ CT (each side graded separately); μ CT fusion defined as bridging bone with evidence of cortex formation (continuous, or discontinuous)

**CONCLUSION: Fusion is driven by the DBM
(and CBMs have varying amount and quantity of DBM)**

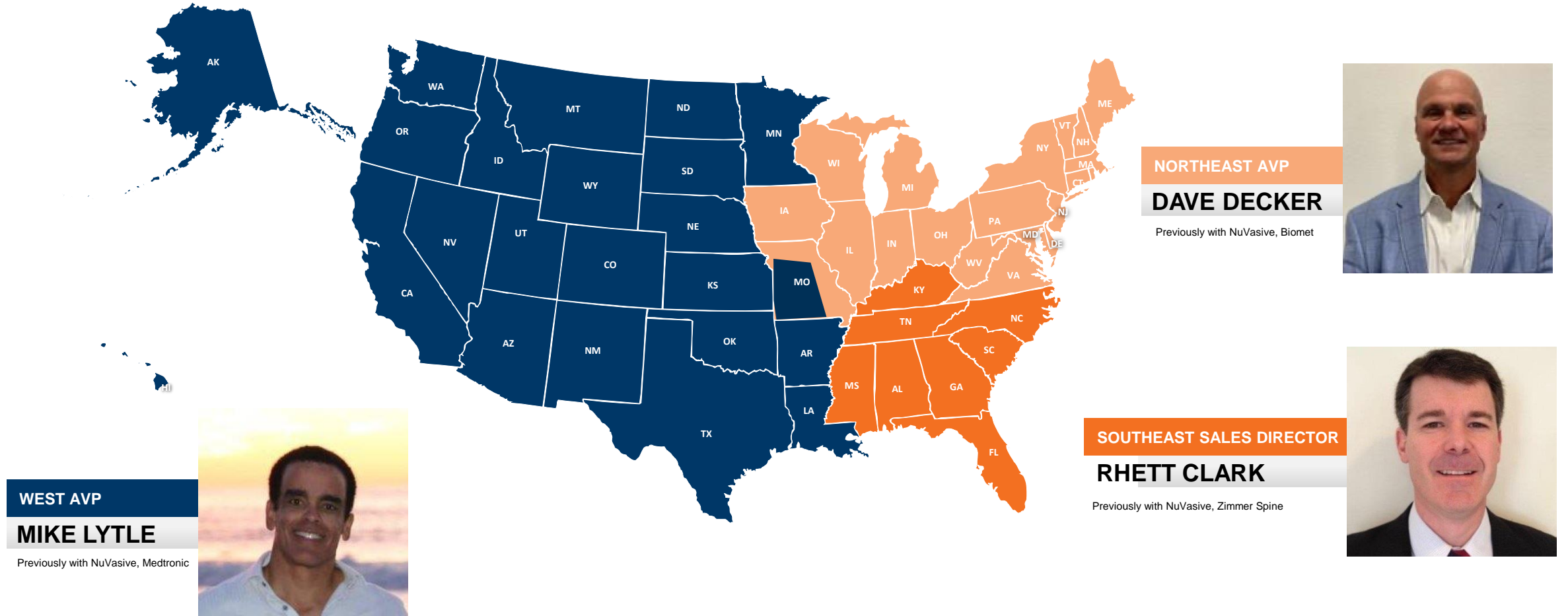
Radiographic Results

Representative μ CT Images

Osteocel Pro	Vivigen Formable	OsteoStrand Plus
 <p data-bbox="512 1268 825 1315">0/36 fused (0%)</p>	 <p data-bbox="1054 1268 1416 1315">22/36 fused (61%)</p>	 <p data-bbox="1658 1268 2020 1315">17/18 fused (94%)</p>

Sales Leadership

Fully integrated sales leadership for Spinal Implants and Orthobiologics



Senior Leadership Team

An assembly of experienced leadership to drive vision forward with 230+ years in spine/orthopedics



Keith C. Valentine
President & Chief Executive Officer



John Bostjancic
Senior Vice President,
Chief Financial Officer



Dennis Cirino
Senior Vice President,
Global Spinal Systems



Tyler Lipschultz
Senior Vice President,
Orthobiologics & Business Development



Laetitia Cousin
Vice President,
Regulatory & Quality Assurance



Patrick Keran
General Counsel &
Corporate Secretary



Bill Rhoda
General Manager of Process
Innovation & Development



Chris Shen
Vice President,
Customer Experience &
Information Technology



Frank Vizesi
Vice President, Orthobiologics
Research & Development,
& Clinical Affairs



John Winge
Vice President, Sales



Troy Woolley
Vice President, Marketing

THANK YOU