

Mike: All right. Well, again, Mike Carrel from AtriCure. And again, thank you to B of A for having us here today. See how quick I can get through the forward-looking statements.

So for those of you that don't know, and I look around and I see many people that know at AtriCure incredibly well out there today. But for those of you that don't know, we're really focused on helping those patients that have really complex forms of atrial fibrillation. And we've gotten into the space of also improving pain after surgery with a nonopioid cryo device that has actually helped out thousands and thousands of patients around the world.

Every one of the markets that I'm going to talk about today are multibillion dollar markets. These are large market opportunities that we're going after, and AtriCure is actually number one in the markets that we go after. One of the unique things about AtriCure is that we are creating and building these markets. These are large markets with lots of patients that can benefit from it, and we are focused on building both the technology and the clinical data behind it to really support going after those markets.

In addition to that, we've got a strong portfolio that I'm going to walk you through of both that innovation and the clinical science that kind of supports it, which obviously sets us up for a bright future. [technical difficulty]

Well, I can talk about AtriCure all day, so I'll kind of go down and try to walk you through kind of the AtriCure story a bit.

So let me hit first on the first item on there. There we are. Okay. Large market. All right. So hitting on a large market. Atrial fibrillation affects, it says 37 million people on this slide, it's really affecting more than 55 million people around the world nowadays. These numbers keep getting updated every year because there's more and more people around the world are getting atrial fibrillation, and it unfortunately is not getting treated. And there are 7 billion people in the world, people are living longer, and our hearts were not made to necessarily live that long. And as a result, people are getting and going into atrial fibrillation.

One of our KOLs on the EP side says, every one of us are going to get Afib at some point in time in our life, if we live long enough. So it's a disease that every one of us is going to get to some degree. Why is that? Because the heart begins to break down. Now some of us may not live to that point, but quite frankly it is a debilitating disease. Why is it debilitating? It's debilitating because it causes strokes, first and foremost.

You've got a five to six more likely chance of getting a stroke if you have Afib because, and you've heard this probably if you sit in all the other conversations,

when you go into Afib, your heart is not beating smoothly. As a result, blood is pooling. It pools in your left atrial appendage. That causes emboli. Those emboli cause stroke, thus leading to an increased view of stroke on that front.

So let's get on to our dedication and foundation of success here. I mentioned this earlier. These are the pillars by which AtriCure has founded and built our business on. And they're incredibly important. First, I believe you've got to build innovative technologies that differentiate and push the market. You've got to continue to make it smaller, less invasive, and help these patients out with innovative technologies. We've done that. As I mentioned before, we're really number one in the markets, every one of the markets that we have.

In addition to that, it's great to build great technology, which AtriCure has done. But on top of that, you have to actually build clinical science to support that innovation. You have to make major investments to demonstrate that that actually is going to help patients out in the long-term. And then you have to continue to look at how large is that market. Are we going to serve a market that's going to make sense? In our case that is.

And what you've seen from AtriCure is also incredibly durable growth. Over the last 10 years, we've achieved strong double-digit growth, and this year we just raised our guidance recently into the high teens where we're in that kind of 17 or so percent range, so increased it quite dramatically over the course of the last several years. But what you're really going to get from us more than anything else is super consistent type of growth in large markets.

So what about the innovations? If you look at continuous innovation over time, we've got innovation in really two different fronts. One is on the ablation side, so you use our technology for these complicated to treat patients. These are usually longstanding persistent; patients that have been in atrial fibrillation for more than a year. And we've developed number one technology in there.

All the way to the right you can see we have not stopped innovating from the innovator clamp or the Isolator Clamp, excuse me, over on the left -- that was kind of introduced back in the late 2000s -- all the way up to our EnCompass Clamp that just came out. That EnCompass Clamp is opening up a brand new market for us and is driving growth that we've never seen before in open cardiac surgery; an area that people said was dying a long time ago. But that has enabled us to help patients out that are not getting treated today. I'll go into that in a moment.

In addition to that, you can see we've continued to invest in the AtriClip franchise. The AtriClip is what manages the left atrial appendage. It basically takes it out of commission. It amputates it in a very easy way so the surgeon

doesn't have to cut and try to sew it back together, which is very complicated to do in that part of the heart. And you can see the continuous innovation that we've actually achieved there over the course of the last 10 years that's been in existence. And we've implanted over 450,000 AtriClips in that period of time. The number one player in the appendage management business.

As I mentioned, in addition to making sure that you've got great technology, which I just showed you, you've also got to be able to demonstrate clinical evidence with it. And we've invested heavily in clinical trials and clinical evidence. Some of the items that we've invested, and you can see. In 2011, we were able to get the ABLATE Trial. Now that seems like a long time ago, but that literally opened up the market.

At that time only 10% of patients were getting treated when they went cardiac surgery when it should have been 100% of those Afib patients. Today that number is up to almost 30%. Because why? We got the label. We were able to get guidelines changed. That led to training and education, which led to an improvement. Now you're probably asking over 10 years, why can't that go and why didn't that go to 100%? A very logical question. That's where that EnCompass Clamp comes in.

There's two big pushbacks that we get. At 30% it's a technically difficult procedure to add on to another cardiac surgery case. So the EnCompass Clamp makes it really simple. We took a 30 to 40 minute procedure and we brought that down. We brought that procedure down to about 10 minutes, sometimes 5 minutes. And we also made it much simpler for pretty much any surgeon to be able to do. That's an example of where the data started and you continued to innovate as you kind of went forward.

We also did a FROST Study, which was the study that we did for Cryo Nerve Block, which is our pain management solution. I'll go into that in a moment. Our CONVERGE IDE was our hybrid trial, which proved and demonstrated definitively that if you add the Epi-Sense technology and ablate the back wall to a catheter ablation, the combination of the two coming from the outside and inside of the heart, produces over 100% improvement in results. And that's been continually demonstrated.

When you looked at that, people pushed back at us and said, well, wait a second. When you compared it, it was a randomized controlled trial against the catheter. That wasn't kind of the modern way of doing catheter ablation. So I put on this slide a study that we didn't run. Completely independent. The CAPLA Study there. That CAPLA Study; that was just catheter ablation; when they did the modern way of using catheters to treat these long-standing persistent patients. And what did they show? They showed the exact same results that our catheter

arm showed in our trial during that time. Why do I put that up there? Because it demonstrates that that arm was actually a very strong arm, that it was appropriate, and that there really is a dramatic improvement in these patients.

And then CCF(?) was a trial that just happened in Europe and just closed out and was actually utilizing our technology in our TT approach, which is actually coming from the sides. And it demonstrated that if you do a back wall ablation in a randomized fashion -- this was also randomized -- you get another 100% almost improvement. It was about 82% improvement. Catheter by itself versus catheter plus doing a back wall with our other technology. Again, demonstrating that the combination of epicardial and endocardial ablation really does improve the results for these patients.

And then what's really exciting, now as we move forward, is some trials that we're doing to continue to expand our markets. The one I'm going to hit on real quickly, and I'm not going to talk too much detail about it, is the one all the way to the right, which is our LeAAPS Trial. Our LeAAPS Trial is the largest cardiac surgery trial that has ever been run. It's 6,500 patients. Right now almost 50% of the patients that undergo cardiac surgery that have Afib have their appendage managed. Now that should be 100%. We've made a lot of progress. We're at 50%.

But what about those other two-thirds of patient who undergo cardiac surgery that don't have Afib? We believe that you can reduce the stroke rate by putting in an AtriClip on. So we're running this trial; 6,500 patients, 250 sites, global trial to demonstrate that almost every patient around the globe should get an AtriClip. Now how many patients is that? It's like 1.5 million patients every year that undergo cardiac surgery. I've seen numbers at a million, I've seen numbers at 2 million, let's just call it 1.5 million patients around the globe. And if we can demonstrate that by putting a clip on you can reduce the stroke rates, that is a huge help to those patients in society overall.

I'm not going to go into detail on all these slides because I know I'm short for time. But this is kind of an overview of our cardiac surgery market. It's about a \$1 billion overall market. It's a combination of the Afib. This is just \$1 billion in the US and you can obviously multiply that on a global basis. I talked about the EnCompass Clamp and I talked about the AtriClip and the LeAAPS trial that are really going to demonstrate our ability to grow that market. These are real numbers. These are absolute markets that we can win in. And right now we're number one and we're going to continue to invest both in the technology and the clinical science to get there.

I talked already about the details around the clinical data supporting going after the hybrid market. It's a huge market. And there are 45% of the patients that

undergo cardiac – or not undergo. Forty-five percent of the patients that have atrial fibrillation have long-standing persistent atrial fibrillation. There's only one company in the world that has a label and has proven randomized controlled data to show that if you use our technology it will actually work and improve these patients' lives. And that's the technology from AtriCure. And so we're investing heavily to continue to expand and build out this market and to really get those surgeons and EPs and electrophysiologists to work together to really help a patient population that today is not getting served.

And then finally on pain management. Pain management. For those that don't know our story very well, there's about 150,000 thoracotomies that happen around the globe, or I'm sorry, in the United States every year, 150,000. It's an incredibly painful procedure because what you're doing is you're going in through the ribs and you've got nerves that go right there. When you spread that, your nerves get really angry.

And we have our cryo probe that freezes it and temporarily kills the nerve. And it works because it freezes the inside, but not the sheath on the outside so that the nerves can regenerate and grow back. But the beauty of it is it lasts about four to six weeks so that they can recover more quickly, get back to work more quickly, take less opioids. Those are the goals of reducing that pain management.

Now we did a trial, as I mentioned before, that showed that you can see substantial improvement in recovery time. We still have to do the work to go after an opioid label to show that you can actually reduce opioids post when you leave the hospital. But we're seeing that in many single centers, in single center studies; that they're showing a significant reduction in the opioid use in this patient population that's utilizing it. So big opportunity for us and been growing incredibly, incredibly fast. So you multiply that out and it's an over \$5 billion market opportunity globally.

We just reported our first quarter results. We beat by about \$5.9 million. We raised by a similar amount, about \$5 million, on both the top and the bottom-line. We showed EBITDA profitability in the quarter. So you're starting to see the scale of our business really come together, come to fruition after a lot of these major investments. And what's great is that we're not going to stop making major investments and we're committed to getting that \$2 million in, in EBITDA profitability and growing it going forward as we look to 2024 and beyond. So you've seen that we've had great growth over the many years. It was 25 plus percent growth in the first quarter. We feel really good about the year coming ahead as well.

I talked briefly about the guidance. And then in addition to that, I've got six seconds to tell you that we're committed to many other things in our business. But

I'm really proud of the fact that if you look at our board, you look at the investments that we've made in ESG, it's not something that we just say on a podium. But we've actually won the NACD award for small cap companies that have been committed to DE&I throughout the company, both at the board level and throughout. And that's something that we're really committed to at AtriCure as well. And so we're proud of that fact.

So with that, I see its hit zero. Thank you for your time. Appreciate it. Have a great one.

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