

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): January 9, 2020

SI-BONE, INC.

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

001-38701  
(Commission  
File Number)

26-2216351  
(I.R.S. Employer  
Identification No.)

471 El Camino Real  
Suite 101  
Santa Clara, CA 95050  
(Address of principal executive offices) (Zip Code)

(408) 207-0700  
(Registrant's telephone number, include area code)

N/A  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.0001 per share	SIBN	The Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02 – Results of Operations and Financial Condition.**

On January 9, 2020, SI-BONE, Inc. (the "Company") issued a press release (the "Press Release") announcing preliminary unaudited revenue for the fourth quarter and full year 2019 and providing full year 2020 revenue guidance. A copy of the Press Release is attached as Exhibit 99.1 to this current report on Form 8-K and is incorporated by reference herein.

**Item 7.01 – Regulation FD Disclosure.**

Members of the Company's management team expect to meet with investors and analysts at the J.P. Morgan Annual Healthcare Conference on January 13, 2020 and January 14, 2020 to discuss the Company, using presentation materials which are furnished and attached as Exhibit 99.2.

The information in this Items 2.02 and 7.01 and Exhibits 99.1 and 99.2 of this Current Report on Form 8-K are being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 as amended (Exchange Act), or otherwise subject to the liabilities of that Section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended (Securities Act). The information in Items 2.02 and 7.01 and Exhibits 99.1 and 99.2 shall not be deemed incorporated by reference in any filing under the Securities Act, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

**Item 9.01 - Financial Statements and Exhibits.**

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">Press release dated January 9, 2020</a>
99.2	<a href="#">Presentation dated January 2020</a>

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**SI-BONE, INC.**

Date: January 9, 2020

By: /s/ Laura A. Francis  
Laura A. Francis  
Chief Operating Officer and Chief Financial Officer  
(Principal Financial and Accounting Officer)



**SI-BONE Reports Preliminary Unaudited Revenue for Fourth Quarter and Full Year 2019  
and Provides Full Year 2020 Revenue Guidance**

**SANTA CLARA, Calif.** - January 9, 2019 - SI-BONE, Inc. (Nasdaq: SIBN), a medical device company dedicated to solving musculoskeletal disorders of the sacropelvic anatomy, today announced preliminary unaudited revenue for the fourth quarter and full year 2019.

Preliminary and unaudited revenue for fourth quarter 2019 is expected to be in the range of \$19.5-\$19.8 million, reflecting growth of 25-27% compared to the prior year period. U.S. revenue is expected to be in the range of \$18.3-\$18.5 million, reflecting growth of 27-28% compared to the prior year period. International revenue is expected to be in the range of \$1.2-\$1.3 million.

Preliminary and unaudited revenue for full year 2019 is expected to be in the range of \$67.0-\$67.3 million, reflecting growth of approximately 21% over full year 2018. U.S. revenue is expected to be in the range of \$61.6-\$61.8 million, reflecting growth of approximately 23% compared to the prior year period. International revenue is expected to be in the range of \$5.4-\$5.5 million.

“We are pleased with our strong revenue performance in the fourth quarter, resulting from U.S. investments in sales force hiring and surgeon training throughout the year,” said Jeff Dunn, President, Chief Executive Officer, and Chairman of SI-BONE. “In addition, major U.S. commercial payors like Cigna continue to establish positive coverage policies for minimally invasive SI joint fusion based upon the strength of our clinical data, totaling over 282 million covered lives in the U.S. as of year-end. We are well positioned to deliver continued U.S. growth based upon execution of our commercial strategy while making improvements to our international business.”

The fourth quarter and full year 2019 revenue included in this release are preliminary and prior to the completion of SI-BONE's financial closing procedures and audit procedures by its external auditors and therefore may be subject to adjustment. SI-BONE expects to provide fourth quarter and full year 2019 financial results during its fourth quarter 2019 earnings call in March 2020.

**2020 Financial Guidance**

SI-BONE expects full year 2020 revenue to be in the range of \$80-\$82 million, representing growth of approximately 19-22% over preliminary and unaudited full year 2019 revenue.

## About SI-BONE

SI-BONE is a medical device company that pioneered minimally invasive surgery of the SI joint with the iFuse Implant System. Studies have shown that the SI joint can be a source of pain in 15% to 30% of chronic low back pain. The iFuse Implant™, commercially available since 2009, is the only SI joint fusion device supported by multiple prospective clinical studies, including two RCTs, showing improved pain, patient function and quality of life resulting from treatment. There are over 80 peer-reviewed publications demonstrating the safety, durable effectiveness, and biomechanical and economic benefits unique to the iFuse Implant (www.si-bone.com/results). This body of evidence has enabled multiple government and private insurance payors to establish coverage of the SI joint fusion procedure exclusively when performed with the iFuse Implant System.

The iFuse Implant System is intended for sacroiliac fusion for conditions including sacroiliac joint dysfunction that is a direct result of sacroiliac joint disruption and degenerative sacroiliitis. This includes conditions whose symptoms began during pregnancy or in the peripartum period and have persisted postpartum for more than 6 months. The iFuse Implant System is also intended for sacroiliac fusion to augment stabilization and immobilization of the sacroiliac joint in skeletally mature patients undergoing sacropelvic fixation as part of a lumbar or thoracolumbar fusion. There are potential risks associated with the iFuse Implant System. It may not be appropriate for all patients and all patients may not benefit.

For additional information on the company or the products including risks and benefits, please visit [www.si-bone.com](http://www.si-bone.com).

## Forward-Looking Statements

The preliminary unaudited financial results, and statements regarding SI-BONE's continued growth and financial outlook, contained in this press release are "forward-looking" statements. These forward-looking statements are based on SI-BONE's current expectations and inherently involve significant risks and uncertainties and are subject to quarter-end closing adjustments. These risks include SI-BONE's preliminary fourth quarter and full year 2019 revenue, which are subject to continued review by SI-BONE and its auditors and significant adjustments may be made before final results are determined, and future performance is subject to SI-BONE's ability to expand its sales and marketing capabilities and increase demand for iFuse, expand geographically, and obtain favorable coverage and reimbursement determinations from third-party payors. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of the risks and uncertainties, many of which are described in the company's filings on Form 10-K and Form 10-Q, and the company's other filings with the Securities and Exchange Commission (SEC) available at the SEC's Internet site ([www.sec.gov](http://www.sec.gov)), especially under the caption "Risk Factors". SI-BONE does not undertake any obligation to update forward-looking statements and expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein, except as required by law.

### Investor Contact:

Lynn Lewis or Carrie Mendivil  
[investors@SI-BONE.com](mailto:investors@SI-BONE.com)

### Media Contact:

Joe Powers  
[jpowers@si-bone.com](mailto:jpowers@si-bone.com)



## Corporate Overview

January 2020



# Safe Harbor Statement

This presentation contains "forward-looking statements," which are statements related to future events, expectations, results, activities, events or developments that SI-BONE expects, believes or anticipates will or may occur in the future. Forward-looking often contain words such as "intends," "estimates," "anticipate," "hopes," "projects," "plans," "expects," "seek," "believes," "see," "should," "will," "would," "target," and similar expressions and the negative versions thereof. Such statements are based on SI-BONE's experience and perception of current conditions, trends, expected future developments and other factors it believes are appropriate under the circumstances, and speak only as of the date made. Forward-looking statements are inherently uncertain and actual results may differ materially from assumptions, estimates or expectations reflected or contained in the forward-looking statements as a result of various factors. For details on uncertainties that may cause our actual results to be materially different than those expressed in our forward-looking statements, please review our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q, especially the information contained in the section captioned "Risk Factors". With respect to the forward-looking statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. We undertake no obligation to publicly update or revise any forward-looking statements to reflect new information or future events or otherwise unless required by law.

# Transforming & Leading the Sacropelvic Space

Large Market <sup>1</sup>	Robust Clinical Data	Reimbursement Advantage	Market Leadership
<p><b>\$2.7 billion</b> annual U.S. opportunity</p> <p><b>279K</b> potential U.S. procedures per year</p> <p><b>~4%</b> market penetration</p>	<p><b>80+</b> published clinical studies/papers</p> <p><b>2</b> randomized controlled trials</p> <p><b>5-year</b> data</p>	<p><b>282 million+</b> U.S. covered lives</p> <p><b>35</b> Exclusive iFuse payor policies</p> <p><b>\$915</b> increased surgeon Medicare payment<sup>2</sup></p>	<p><b>Pioneering</b> sacro surgical solutions</p> <p><b>6,000+</b> iFuse U.S. procedures in 2019</p> <p><b>60%</b> iFuse estimated U.S. market share</p>

3  
<sup>1</sup> Jensen M, Brant-Zawadzki M, Obuchowski N, et al. Magnetic Resonance Imaging of the Lumbar Spine in People Without Back Pain. *N Engl J Med.* 1994;331:69-116.; Bernard 1987, Schwarzer 1995, Maigne 1996, Irwin 2007, Sembrano 2009.; INSITE RCT data: 5 years in pain and 31% of patients screened were eligible for surgery.  
<sup>2</sup> As of January 1, 2020  
<sup>3</sup> Cantor Fitzgerald December 17, 2019 Initiation of Coverage document



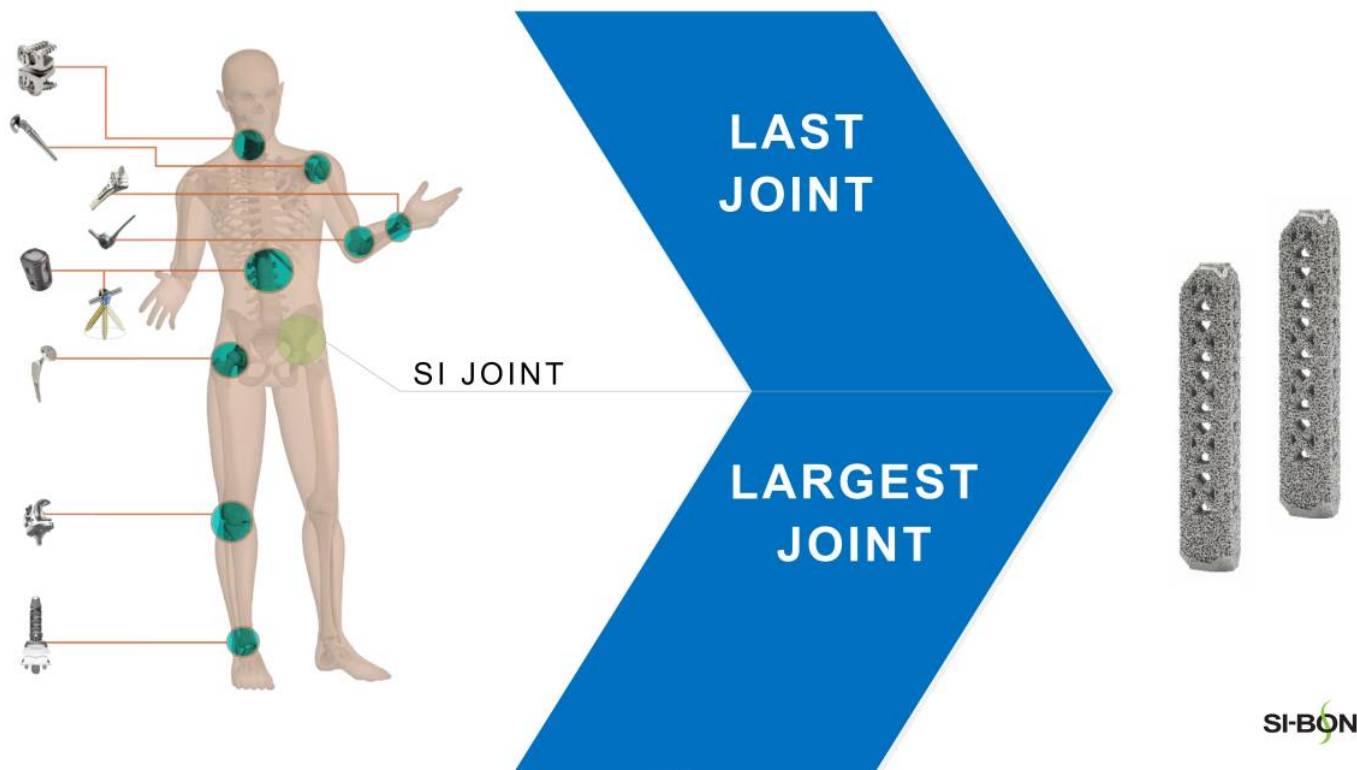


# Financial Profile



4  
 1 2019 preliminary revenue range reported January 9, 2020  
 2 2020 revenue guidance as of January 9, 2020  
 3 Gross margin as reported for September 30, 2019

# Major Joints Market



# 30M+ in the U.S. Suffer From Lower Back Pain...

**4.7M**

SI joint pain sufferers



**1.4M**

Eligible for surgery

5 years in pain



**279K**

Cases

**\$2**

BILL

Annual  
Market Op



1.2M therapeutic  
injections per year

6

Sources: Jensen M, Brant-Zawadzki M, Obuchowski N, et al. Magnetic Resonance Imaging of the Lumbar Spine in People Without Back Pain. *N Engl J Med.* 1994;331:69-116.; Bernard 1987, Schwarzer 1995, Maigne 1996, Irwin 2007, Sembrano 2009.; INSITE RCT data: 5 years in pain and 31% of patients screened were eligible for surgery.

**SI-BONE**

# Pioneering sacropelvic surgical solutions

**40,000+**  
Procedures

**2,000+**  
Surgeons

**282M+**  
Covered Lives

# Diagnostic Algorithm Acceptance and Adoption

Results are **as good or better** than rules for other lumbar spine conditions

## PATIENT HISTORY



## PROVOCATIVE TESTS



## LOCAL ANESTHETIC INJECTION



MEDICARE  
(MACs)



INTERNATIONAL  
SOCIETY FOR THE ADVANCEMENT OF  
SPINE SURGERY

PRIVATE  
PAYORS



JAPANESE SACROILIAC JOINT  
RESEARCH SOCIETY

# A Major Gap in Sacroiliac Joint Therapy

## NON-SURGICAL MANAGEMENT

## SURGERY

MEDICATIONS,  
PHYSICAL THERAPY

THERAPEUTIC  
INJECTIONS

RADIO-FREQUENCY  
ABLATION

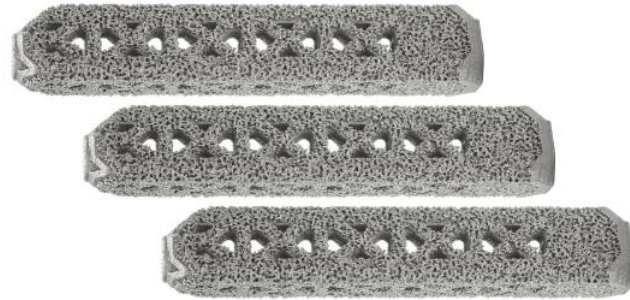
OPEN SI JOINT  
FUSION

MIS SI JOINT  
FUSION

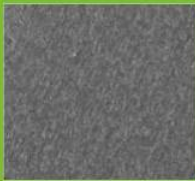


# Clinically Proven Minimally Invasive Solution

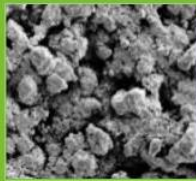
- Proven triangular design and procedure
- Porous, 3D-printed titanium implant
- Bony on-growth, in-growth, through-growth



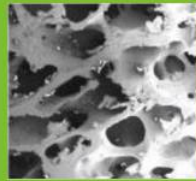
REPRESENTATIVE  
COMPETITOR



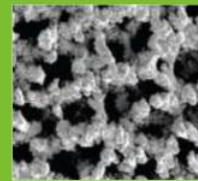
TPS-COATED  
IFUSE



CANCELLOUS  
BONE





3D-PRINTED  
IFUSE-3D



3 MONTH  
SHEEP STUDY

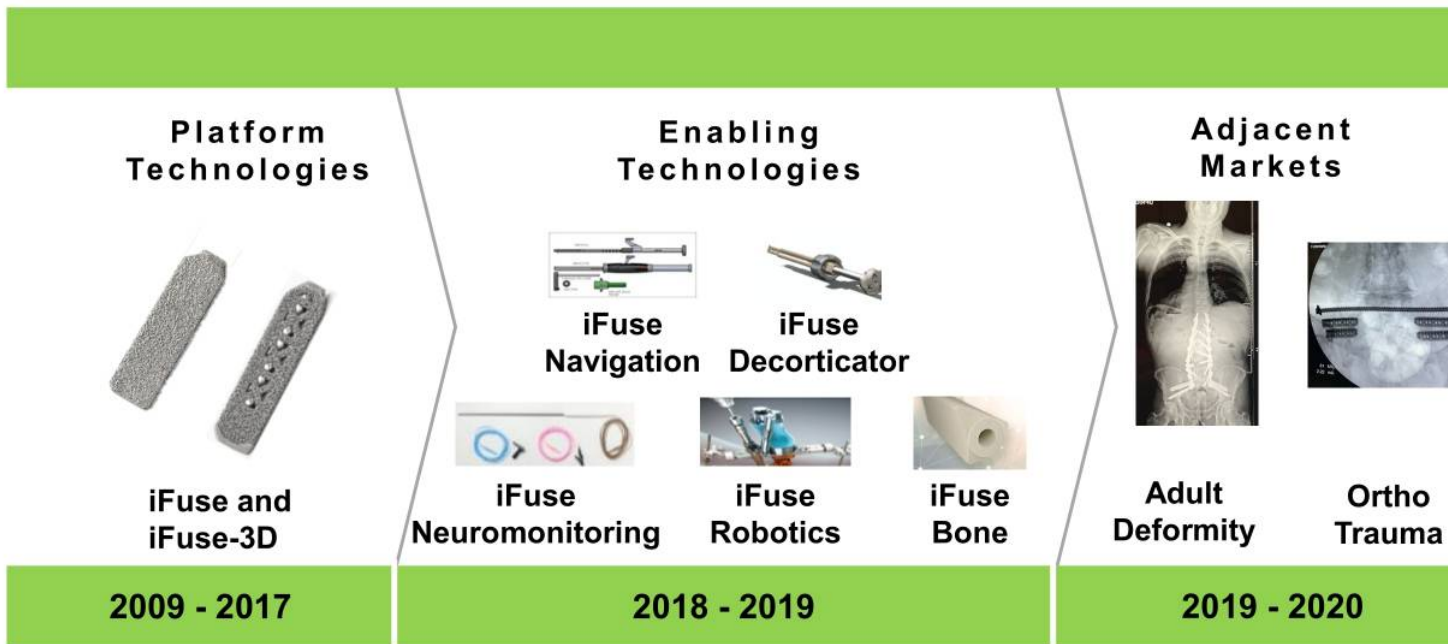


# Proprietary, Differentiated Technology

	SI Screws	iFuse
		
Rotation	<ul style="list-style-type: none"> <li>▪ 1X resistance</li> </ul>	<ul style="list-style-type: none"> <li>▪ &gt;6x resistance</li> </ul>
Strength	<ul style="list-style-type: none"> <li>▪ 1X strength</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3X strength<sup>1</sup></li> </ul>
Safety	<ul style="list-style-type: none"> <li>▪ Unknown</li> </ul>	<ul style="list-style-type: none"> <li>▪ Very low complication rate</li> </ul>
Revision	<ul style="list-style-type: none"> <li>▪ Unknown</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3.5% (4-year)</li> </ul>
Clinical Evidence	<ul style="list-style-type: none"> <li>▪ 16 publications (no RCTs)</li> </ul>	<ul style="list-style-type: none"> <li>▪ &gt;80 publications</li> </ul>
Surface	<ul style="list-style-type: none"> <li>▪ Smooth </li> </ul>	<ul style="list-style-type: none"> <li>▪ Porous </li> </ul>



# Comprehensive Sacropelvic Surgical Solutions



# Intellectual Property Overview

- 50 issued patents: U.S. (40), OUS (10)
- 22 pending patents: U.S. (17), OUS (5)
- iFuse patents cover until August 2024
- iFuse-3D patents cover until September 2020

## SHAPE



Joint ... fused ... a **rectilinear bone fusion implant** ... across the joint

## APPROACH

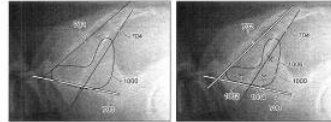
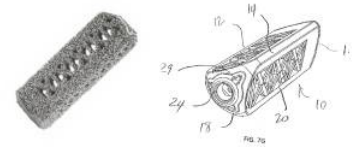


FIG. 10A FIG. 10B

Lateral insertion path through the ilium and into the sacrum. A posterolateral insertion path angling through the SI joint.

## 3-D TECHNOLOGY



Fenestration is offset from both the distal end and the proximal end. One repeating internal portion comprising a plurality of apex struts.

# Patient Experience

VAS  
Pain  
Reduction<sup>1</sup>

Clinically meaningful at 20 pts

**54**  
POINTS

ODI  
Disability  
Improvement<sup>1</sup>

Clinically meaningful at 15 pts

**26**  
POINTS

Patient satisfaction

**95%**



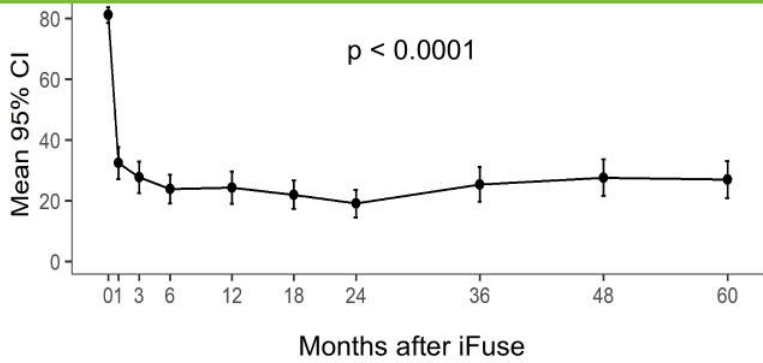
# Robust Clinical Evidence

- **>80 peer-reviewed** published papers
- Long-term **5-year** data
- **Two level 1** randomized studies

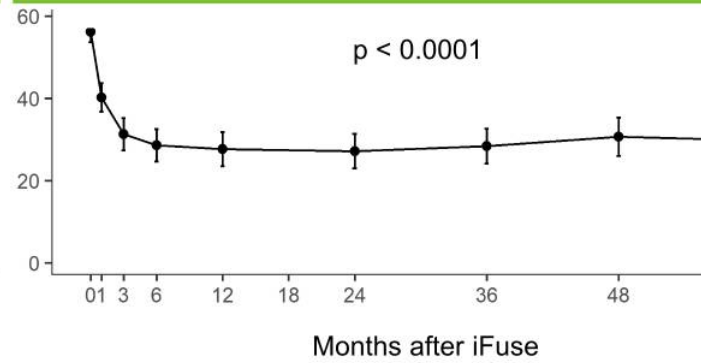


# 5-Year Prospective Study, Including RCT

## VAS SIJ Pain



## Oswestry Disability Index



Published September 2019

# Commercial Progress in 2019

Expand Sales Organization	Influence Reimbursement	Increase Surgeon Activity	Engage KOL's
<p><b>100+</b> U.S. field personnel</p> <p><b>10</b> U.S. sales regions</p>	<p><b>282M+</b> U.S. covered lives</p> <p><b>27%</b> increase in surgeon payment<sup>1</sup></p>	<p><b>539</b> active surgeons</p> <p>Focus on U.S. surgeon training</p>	<p>Bedrock procedure penetrating academic KOL centers</p> <p><b>30+</b> academic centers trained</p>

17 Note: Information as of December 31, 2019  
 1. Payment goes into effect January 1, 2020

# Investment in U.S. Salesforce

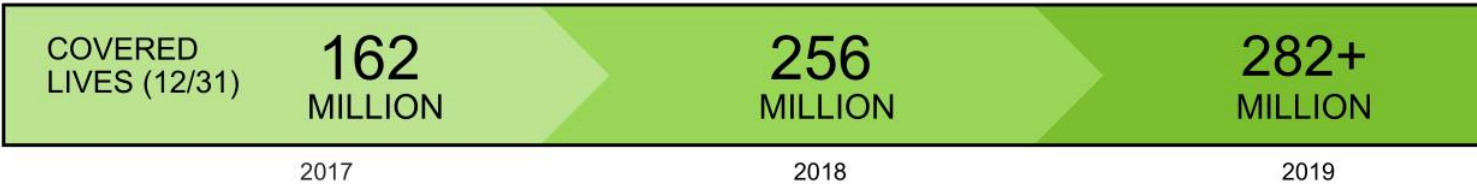
## 100+ FIELD PEOPLE

- **107 FTEs** in U.S. sales organization
  - **56** sales reps
  - **51** clinical support specialists
- **\$1.2M** average rep productivity

## 10 SALES REGIONS



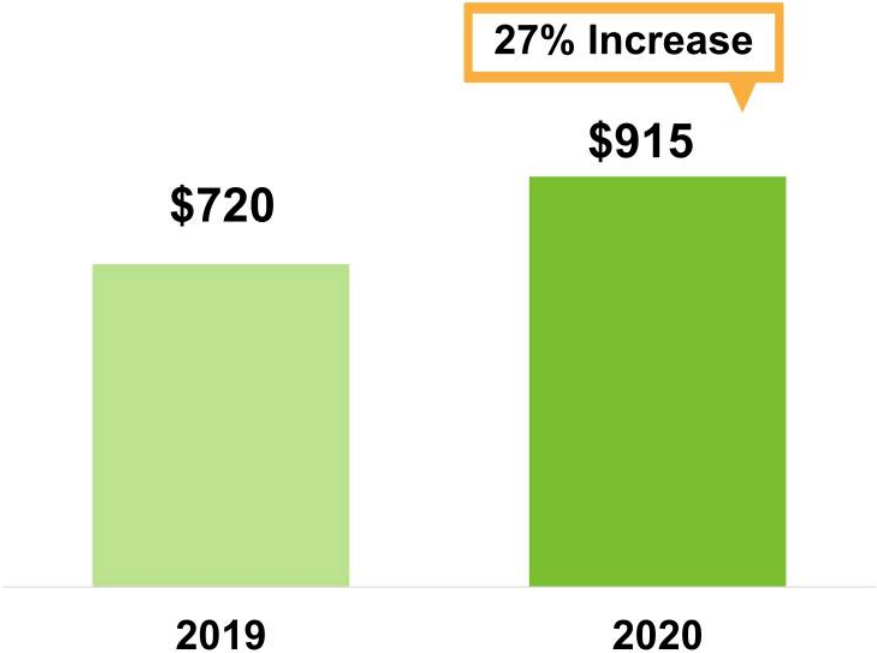
# Growing U.S. Reimbursement



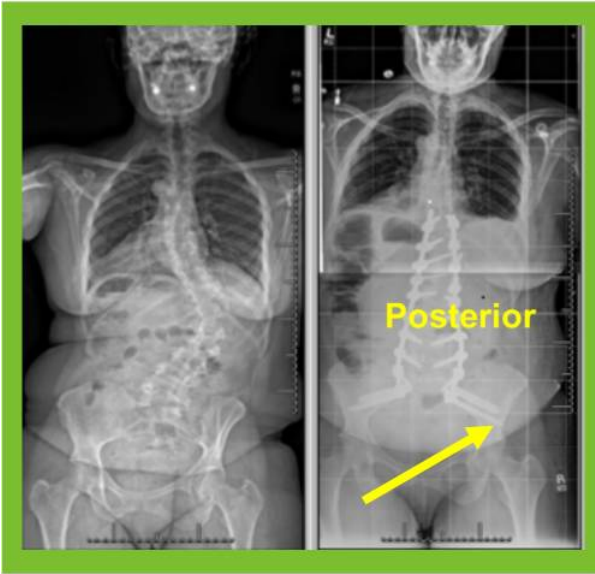
- 131 million covered by private payors
- 35 U.S. exclusive policies
- All 7 Medicare MACS cover
- 60+ million exclusive covered lives



# Medicare Increased Surgeon Payment



# Bedrock Technique Increasing Awareness of SI-J



- Bedrock technique as an adjunct to long fusion
- US Bedrock launched: June 2019
- “Open” or MIS technique
- Posterior: iFuse-3D implants parallel to S2AI screws
- Lateral: iFuse-3D implants plus S2AI screws
- iFuse biomechanical: **>30% reduction** in SIJ motion

# Bedrock Case Studies



**Joshua Heller, MD, MBA**  
Assistant Professor Neurosurgery



**Jefferson University Hospital**

- Completed **86+** primary iFuse cases
- **1-2** adult spinal deformity cases per week
- **20%** of adult spinal deformity patients have pre SIJ pain

1st Bedrock Case December 19, 2019



**Jeremy Fogelson, MD**  
Associate Professor Neurosurgery

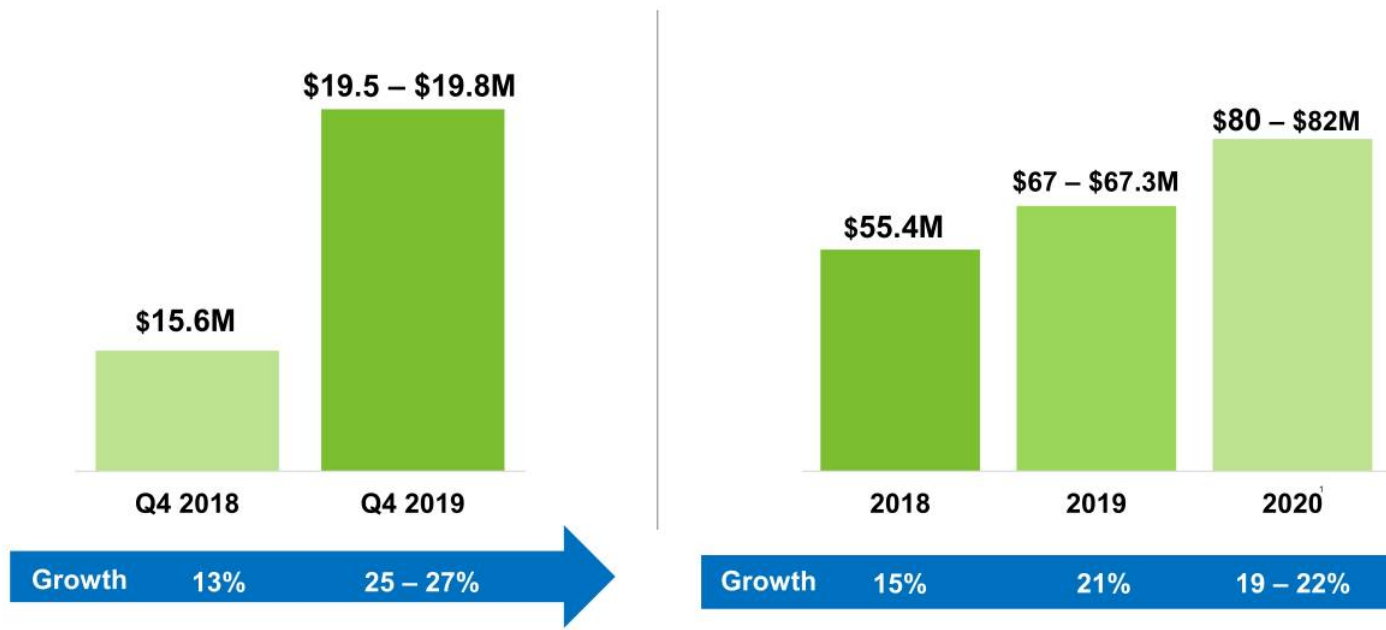


**Mayo Clinic**

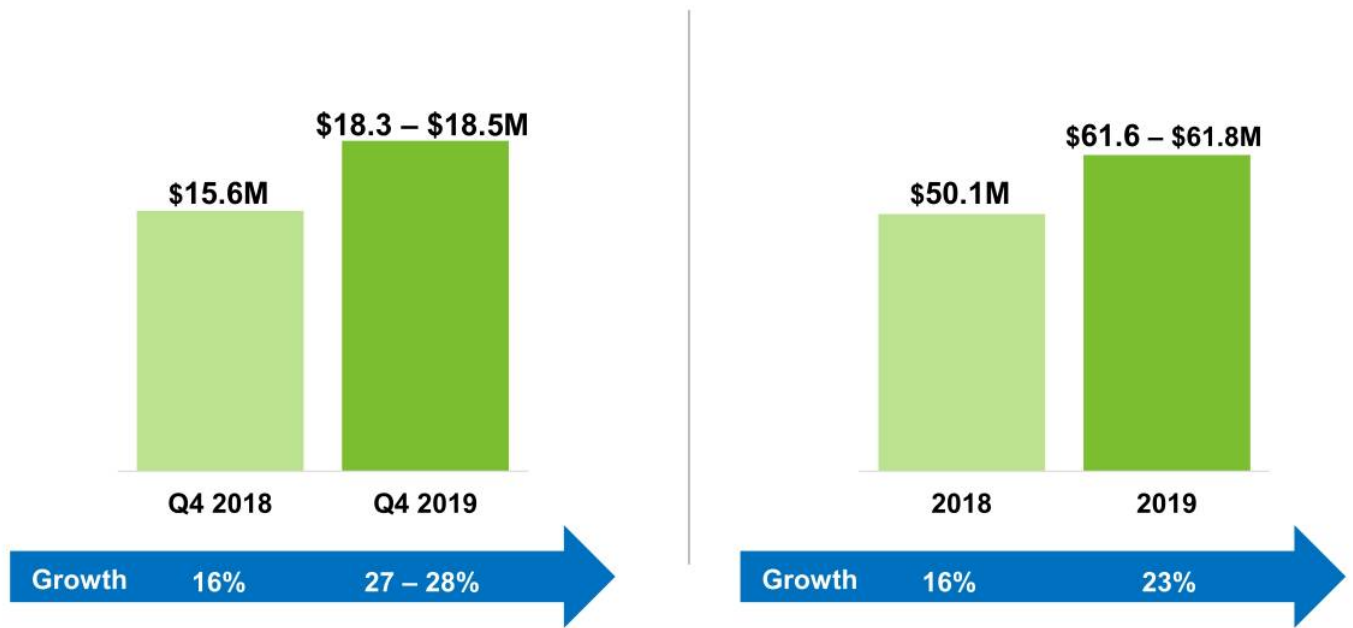
- Trained **14** surgeons on iFuse and Bedrock procedures on October 19, 2019
- **3-4** adult spinal deformity cases per week
- Opportunity to take over primary SIJ fusion

1st Bedrock Case November 13, 2019

# Worldwide Revenue Growth



# U.S. Revenue Growth



# 2020 Outlook

- Expecting revenues of **\$80 – \$82 million, 19-22% growth**
- Increasing U.S. field **personnel** and productivity
- Training activities to increase **active surgeons**
- Penetrating **additional academic KOL** centers with Bec
- Capitalizing on **27% increase** in Medicare surgeon payor and additional payor coverage

# Investment Highlights

**>6,000** U.S. PROCEDURES IN 2019

ROBUST  
DATA

**>80** PUBLISHED  
PAPERS

**2** RANDOMIZED  
TRIALS

REIMBURSEMENT  
ADVANTAGE

**282+**  
MILLION  
COVERED LIVES

**35** PAYOR  
EXCLUSIVES

POSITIVE  
FINANCIAL PROFILE

**↑ 21%**  
GROWTH

\$67 - \$67.3M REVENUE

**~90%**  
GROSS MARGINS

**279,000** U.S. POTENTIAL PATIENTS PER YEAR



**SI-BONE**

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# Disclosure

The iFuse Implant System is intended for sacroiliac fusion for conditions including sacroiliac joint dysfunction that is a direct result of sacroiliac joint disruption and degenerative sacroiliitis. This includes conditions whose symptoms began during pregnancy or in the peripartum period and have persisted postpartum for more than 6 months.

The iFuse Implant System is also indicated for sacroiliac fusion to augment stabilization and immobilization of the sacroiliac joint in skeletally mature patients undergoing sacropelvic fixation as part of a lumbar or thoracolumbar fusion.

There are potential risks associated with the iFuse Implant System. It may not be appropriate for all patients and all patients may not benefit. For more information on risks, please see <http://www.si-bone.com/risks>

One or more of the individuals named herein may be past or present SI-BONE employees, consultants, investors, clinical trial investigators, or grant recipients. Research described herein may have been supported in whole or in part by SI-BONE.

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