



**Tenon Medical, Inc.**

**Fourth Quarter and Full Year 2025 Financial Results and Corporate  
Update Conference Call**

**March 14, 2026**

## **C O R P O R A T E   P A R T I C I P A N T S**

**Steven Foster**, *President & Chief Executive Officer*

**Kevin Williamson**, *Chief Financial Officer*

## **C O N F E R E N C E   C A L L   P A R T I C I P A N T S**

**Scott Henry**, *Alliance Global Partners*

**Anthony Vendetti**, *Maxim Group*

## P R E S E N T A T I O N

### Operator

Greetings, and welcome to the Tenon Medical Fourth Quarter and Full Year 2025 Financial Results and Corporate Update Conference Call.

As a reminder, this call is being recorded.

Your hosts today are Steve Foster, President and Chief Executive Officer, and Kevin Williamson, Chief Financial Officer. Mr. Foster and Mr. Williamson will present results of operations for the fourth quarter and full year ended December 31, 2025, and provide a corporate update. A press release detailing these results was released today and is available on the Investor Relations section of our company's website, [www.tenonmed.com](http://www.tenonmed.com).

Before we begin the formal presentation, I would like to remind everyone that statements made on the call and webcast may include predictions, estimates and other information that might be considered forward-looking. While these forward-looking statements represent our current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially. You are cautioned, not to place undue reliance on these forward-looking statements, which reflect our opinions only as of the date of this presentation. Please keep in mind that we are not obligating ourselves to revise or publicly release the results of any revision to these forward-looking statements in light of new information or future events. For a more complete discussion of these factors and other risks, you should review our quarterly and annual reports on file with the Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov).

At this time, I'll turn the call over to Tenon Medical's Chief Executive Officer, Steve Foster. Please go ahead, sir.

### Steven Foster

Thank you, Shamali, and good afternoon to everyone. I'm pleased to welcome you to today's Fourth Quarter and Full Year 2025 Financial Results and Corporate Update conference call for Tenon Medical.

Our fourth quarter and full year 2025 results demonstrate continued momentum in executing our strategic growth initiatives within our unique structure. We achieved record full year revenue of \$3.9 million, a 20% increase compared to 2024, driven by strong second half momentum with fourth quarter revenue of \$1.5 million, representing a 92% increase over the prior-year period. The increase in revenue for the year was primarily driven by growth in surgical procedures across both the Catamaran and SImmetry+ platforms in the back half of 2025, led by new physician users. To support that clinical engagement, we hosted 24 physicians and targeted training sessions for both platforms during the fourth quarter alone.

Importantly, alongside top line expansion, we leveraged operational effectiveness initiatives to achieve a reduction in cost of sales, reflecting improved operational efficiencies, better field productivity and greater leverage within our commercial infrastructure. We believe these gains underscore the effectiveness of our execution strategy alongside growing market awareness of our differentiated technologies.

During the quarter, Tenon achieved several significant milestones that meaningfully strengthened our competitive position and lay the groundwork for continued growth in the coming year. Most notably, we received FDA 510(k) clearance for the next-generation SImmetry+ SI-Joint Fusion System, expanding our portfolio to include a complementary lateral approach alongside Catamaran. This milestone enhances our ability to serve a broader range of surgeon preferences and patient anatomies. We also successfully initiated and completed early clinical cases with SImmetry+, marking an important step in the system's commercial rollout. These procedures performed at leading Centers of Excellence, validate the system's readiness for broader market adoption and provide valuable real-world feedback as we scale development.

To support these strategic enhancements, we strengthened our balance sheet through a \$2.85 million At-The-Market PIPE financing that provides flexibility to expand our commercial organization, support our product rollout

initiatives, advance clinical programs and continue building operational infrastructure. Subsequent to quarter end, we further strengthened our financial position by closing a private placement of senior convertible notes for gross proceeds of \$4.3 million. Net proceeds will fund continued commercial expansion, upcoming product launches, clinical studies, working capital and general corporate purposes.

Collectively, these accomplishments demonstrate disciplined execution across regulatory, clinical and financial fronts. With an expanded product offering, growing clinical validation and enhanced financial flexibility, we believe that Tenon exited the quarter and year well positioned to accelerate adoption, deepen our market penetration and drive sustained growth in the quarters and years ahead.

We also expanded our intellectual property portfolio subsequent to quarter end, receiving notices of allowance from the U.S. Patent and Trademark Office for multiple applications expected to issue in 2026. This brings our global estate to 29 issued U.S. patents, nine international patents and 31 pending applications, further reinforcing the defensibility of our platform around both the Catamaran and Slimmetry technologies. Looking ahead, we remain firmly committed to advancing our strong market position with increased adoption across our expanding portfolio, now bolstered by the recent FDA 510(k) clearance of the Slimmetry+ SI-Joint Fusion System.

With this expanded product portfolio and growing clinical validation, we are leveraging both regulatory and market momentum to drive broader commercial uptake and deepen physician engagement. Building on strong execution in Q4, we are optimizing our cost structure and scaling operations to extend our market reach more efficiently. As we continue to refine our go-to-market strategy and capitalize on multiple surgical approaches across the SI-Joint Fusion landscape, we intend to accelerate revenue growth and deliver sustained value in the quarters ahead.

With that, I'll turn the call over to Kevin to discuss our financials.

### **Kevin Williamson**

Thank you, Steve. I will now provide a summarized review of our financial results. A full breakdown is available in our press release that crossed the wire this afternoon.

Revenue for the fourth quarter of 2025 was \$1.5 million, an increase of 92% compared to \$0.8 million in the fourth quarter of 2024. Revenue for the 12 months ended December 31, 2025, was \$3.9 million, an increase of 20% from \$3.3 million during the prior-year period. The increase in the fourth quarter was primarily due to growth in surgical procedure volume across both the Catamaran and Slimmetry+ platforms, driven primarily by new physician adoption. The increase in revenue for the year was driven by sales growth and momentum we saw in the back half of the year, which we expect to continue throughout 2026.

Gross profit was \$1.0 million or 69% of revenue in the fourth quarter of 2025, compared to \$0.4 million or 46% of revenue in the prior-year quarter, an increase of 188% and a 23% improvement in gross margin. For the 12 months ended December 31, 2025, gross profit was \$2.4 million, or 60% of revenue, compared to \$1.7 million, or 52% of revenue for the previous year's period, a 38% increase and an 8% improvement in gross margin. The gross margin improvement for the quarter and full year was primarily driven by higher revenue and the further absorption of fixed costs within our cost of goods sold. We expect gross margin to continue to improve with further revenue growth.

Operating expenses totaled \$3.9 million for the fourth quarter of 2025, up from \$3.5 million in the prior-year quarter. For the 12-months ended December 31, 2025, operating expenses totaled \$15.2 million compared to \$15.5 million in the prior-year period. The increase in the fourth quarter was primarily due to higher variable expenses within sales and marketing, driven by increased revenue in the period, while the decrease in the year ended December 31, 2025, was due to reduced general and administrative expenses, partially offset by increased sales and marketing investments to support increased sales and continued commercial expansion.

Net loss for the fourth quarter was \$2.8 million or \$0.29 per share compared to a net loss of \$3.1 million or \$0.98 per share in the fourth quarter of 2024. For the 12 months ended December 31, 2025, net loss was \$12.6 million or \$1.70 per share compared to \$13.7 million or \$11.26 per share in the same year ago period. The year-over-year improvement in both periods, was largely driven by increased revenue as well as reduced general and administrative expenses, which together improved operating leverage across the business.

We ended the quarter with \$3.8 million in cash and cash equivalents compared to \$6.5 million as of December 31, 2024. The Company had no outstanding debt as of quarter end. Subsequent to quarter end, we closed a \$4.3 million private placement of senior convertible notes, which provides additional runway to fund our commercial and clinical priorities deep into 2026.

Overall, we believe the financial and strategic actions implemented both this quarter and throughout the year have positioned Tenon to drive continued growth in 2026 while sustaining a streamlined and disciplined cost base.

I'll now hand the call back to Steve for closing comments.

**Steven Foster**

Thank you, Kevin. In summary, we believe that the fourth quarter and full year of 2025 served as a pivotal inflection point for our company, delivering meaningful progress across our key priorities, including record top line performance, the commercial debut of SImmetry+ and the advancement of important regulatory and clinical programs. These achievements created a strong platform for continued execution.

Building on that foundation, we have entered the current quarter with increased traction across our commercial channels and tighter operational discipline through optimizing our expense base and driving efficiencies throughout the Organization. With expanding engagement from physicians and continued progress across our pipeline, we believe this strengthening momentum supports sustainable growth and long-term value creation for patients, providers and shareholders alike.

I thank you all for attending. Now I'd like to hand the call over to our Operator to begin our question-and-answer session with covering analysts. Shamali?

**Operator**

Thank you. We will now be conducting a question-and-answer session. If you would like to ask a question, please press star, one on your telephone keypad. A confirmation tone will indicate your line is in the question queue. You may press star, two to remove your question from the queue. For participants using speaker equipment, it may be necessary to pick up your handset before pressing the star keys. Our first question comes from the line of Scott Henry with Alliance Global Partners. Please proceed with your question.

**Scott Henry**

Thank you. Good afternoon, and really strong results for the fourth quarter. Just had a couple of questions on that. First, on the expense line, the operating expenses were down sequentially even with the addition of the other business. How representative do you think the Q4 rate is for 2026? Sometimes there's timing or seasonality issues, but just trying to get a sense of that \$3.9 million in Q4 '25. Should we think about that as a baseline going forward? Or are there some unique situations that come into play? Thank you.

**Kevin Williamson**

Yes. Thank you, Scott, for the question. This is Kevin. Happy to answer that. I think we talked about this a little bit last quarter as well. Yes, this becomes a better baseline in Q4 moving forward into '26 for an expense line, total operating expense. I think you're seeing two things there. Some higher integration and deal-related costs that were in Q3 that increased that operating line, those falling out in Q4, but then seeing a little bit higher variable expense around higher revenue to offset some of that, ultimately landing you though at a better run rate here in Q4 and moving forward. It's a good metric to use to look at the business moving into '26.

**Scott Henry**

Okay. Great. Then on the revenue side, \$1.5 million in the quarter, annualizing at \$6 million. Two questions. How do you think about 2026 relative to that \$6 million run rate? Specifically, first quarter, which only has about 11 days left, how do we think about that sequentially from fourth quarter?

**Steven Foster**

Yes. Hi, Scott. This is Steve Foster. I'll comment quickly. While we don't give future projections at this point, given our early stage, we're really excited about two things. One, the adoption momentum out there. We set records in all aspects, every metric of our business with incremental users with total surgeries done, our Slimmetry+ alpha, these early surgeries to make sure the technology was meeting physician expectations, exceeded all expectations. The adoption rate was really high, there is a lot of enthusiasm about that product as well.

Then lastly, I'll point to a very, very engaged and active pipeline. The transaction we did with SiVantage last year not only loaded what we're capable of selling at that moment, but perhaps more importantly, loaded technologies into our development pipeline, and those things are moving through quite efficiently. We really do think once these things start hitting in 2026, they can have a meaningful impact on what we're able to achieve in 2026. Lots of excitement within the Organization and confidence that we can meet and exceed expectations in '26.

### **Kevin Williamson**

Hi, Scott. I'll go ahead and add a couple of points here.

Yes, as you look at revenue throughout the year in '26. As you recall, we launched Slimmetry+ in Q4, and that was right in the middle of Q4, November timeframe. A successful alpha there. We'll be commercializing Slimmetry+ throughout the year here in '26.

As Steve mentioned, some products in the pipeline that we plan to launch here in '26 will also be catalysts as well. When you look at the momentum we built in the back half of the year, and you saw the incremental increase there between Q3 and Q4, we feel good about that momentum continuing. Then you bake-in the initiatives we have throughout the year. I think when you look at the year in general, you're typically going to see a higher Q4 as revenue increases, especially as those initiatives bake throughout the year. Likely on that track, but we feel good about taking that \$6 million run rate that we're now on, as you mentioned, Scott, into Q1 here and then driving revenue through the catalyst throughout the year.

### **Scott Henry**

Okay. Great. Final question, just kind of qualitatively, when you look out to 2026, what do you see as your key driver for this revenue growth? Because you have a lot of things going on, you have Slimmetry+, we've got the Catamaran SE launch, you've got SiVantage. Is there anything that kind of jumps out as leading the way in your opinion? Thank you for taking the questions.

### **Steven Foster**

Yes, I'll take it real quick and then, Kevin, jump in if you'd like. What jumps to me is, look, we now have built a multiproduct portfolio that can address a ton of variables, whether it's approach to the anatomy variables, whether it's patient variables, etc. Physicians are seeing now that that tool bag that they have that Tenon Medical provides is not only diverse, but it's backed by data. It's something they can count on. Now that we've built that foundation, it really is for us about commercial expansion and execution in 2026.

What are you going to feed into that? You mentioned them, Scott, with Catamaran SE with Slimmetry+, etc. But we also have other launches of new product, which we'll talk about here very shortly as they sort of come into view and as we prepare for FDA submissions and what have you, that we also think are going to continue to be very compelling for our physician customers. They're looking for solutions for the patients. We want to be there for them for every aspect of the sacrospinal challenges that they deal with.

That's how I would comment. Kevin, do you have anything to add there?

### **Kevin Williamson**

No, well said, Steve.

### **Scott Henry**

Okay, great. Thank you for taking the questions.

**Operator**

Thank you. Our next question comes from the line of Anthony Vendetti with Maxim Group. Please proceed with your question.

**Anthony Vendetti**

Okay, thanks. Yes. Steve, I was wondering if you could just talk a little bit about the launch of Slimmetry+. Then maybe just what the physicians are saying now that you have a broader portfolio? Is that helping you gain access to more prospective physicians or medical centers? Maybe we'll start with that.

**Steven Foster**

Yes, Anthony, thank you. It does. When we were a single product organization, Catamaran got attention, people were excited about it, and there was a lot of good stuff going on. But no matter how you cut it, you're still a single solution provider. The SiVantage transaction now makes us a multi-solution provider.

Okay, what's multiple solutions mean? Well, for the physicians, it's, okay, what does this patient really need? How do I want to approach this anatomy. There are inferior-posterior approaches, lateral approaches, oblique approaches, etc. It's usually driven by what the patient needs and sometimes it's driven by the physician's preference and what they prefer, how they were trained, things of that nature, right?

Now you can sit down with the physician and deliver multiple options for them. It's more of a full bag of options rather than a one-dimensional option for them. That is opening doors for us. You mentioned Slimmetry+. Slimmetry+ is a lateral and oblique technology. The reaction to the implant itself has been extremely positive. It's a 3D-printed technology. I think perhaps more importantly, is the instrument set, the tools that they use to put the implant in have been recognized as highly refined, very efficient and something that the physicians really like.

Last thing I'll say real fast is Slimmetry+ is an interesting one, right? It's a phased launch. When I say that, the first thing that came out was the Slimmetry+ screw. We have additions to the way we can do that construct coming down the pipe throughout 2026 that we're very excited about. Again, we'll talk more in detail about it when we get closer to FDA submissions. But suffice to say that Slimmetry+ will include the ability to decorticate the joint appropriately, prep it, graft it and fixate it with the technology. We're really encouraged by the initial reaction to Slimmetry+ and the screw itself, and there's a lot more to come.

**Anthony Vendetti**

Okay. Great. Then maybe just the last couple of questions here is on—for a lot of these physicians, some of these products are new. How do you balance that, the training with the selling? Then do you feel like this really gives you the portfolio you need? Or is there something else that you're looking at that would really round it out in terms of making it a more compelling offering?

**Steven Foster**

No, it's a great question. Really two buckets of activity that are probably pretty typical to medical device companies, right? One, you're trying to make your existing technology sticky. You want people to stick with it, stay excited about it, etc. That's a lot of refinement and making sure that technology and that system is delivering at a high level. Then, of course, that second bucket is what you're talking about, which is, hey, look, what's next? What else, right?

I alluded a little bit to it earlier. We'll have some technology to talk about here, again, that's getting very close to submission to FDA that we really are extraordinarily excited about; provides, again, even more flexibility and optionality to the physician who's treating these various maladies in the sacropelvic region. It's interesting because—and we talked a little bit about this before, Anthony, there are primary cases here, there are revision cases where something has already been tried and for whatever reason, it didn't work out very well. Then there's this entire bucket of an adjunct to a complex multilevel spine procedure that is just now sort of emerging within what

we're capable of doing. We'll be hitting all three of those spaces really hard with our existing and our newly developed technology. And yes, just a lot of enthusiasm for 2026 going forward.

**Anthony Vendetti**

Okay, great. Thanks so much. I'll hop back in the queue. Appreciate it.

**Operator**

Thank you. We have reached the end of the question-and-answer session. Therefore, I'll now turn the call back over to Steven Foster for closing remarks.

**Steven Foster**

Great. Thank you, Shamali. I'd like to thank each of you for joining our earnings conference call today and look forward to continuing to update you on our ongoing progress and growth. If we were unable to answer any of your questions, please reach out to our IR firm, MZ Group, who will be more than happy to assist.

With that, I wish everyone a good evening.

**Operator**

Thank you. This concludes today's conference, and you may disconnect your lines at this time. Thank you for your participation.