UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): August 4, 2021

AtriCure, Inc.
(Exact name of registrant as specified in charter)

Delaware	**000-51470**	**34-1940305**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

7555 Innovation Way, Mason OH 45040
(Address of Principal Executive Offices, and Zip Code)

(513) 755-4100
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(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 (see General Instruction A.2. below):

☐ 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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $.001 par value	ATRC	NASDAQ

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 August 4, 2021, AtriCure, Inc. issued a press release regarding its financial results for the second quarter ended June 30, 2021. The Company will hold a conference call on August 4, 2021 at 4:30 p.m. Eastern Time to discuss the financial results. A copy of the press release is furnished as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

In July 2021, the Company was informed that data from the aMAZE clinical trial did not achieve statistical superiority. Specifically, while the trial met the safety endpoint, the trial did not meet the primary efficacy endpoint. The Company is in the process of analyzing the aMAZE trial data and determining next steps for the trial and any related future development activities. While we are unable to estimate the anticipated financial statement impact at this time, we expect potential adjustments, which may be material, will be recognized and reported within the second half of 2021. These adjustments could impact the Company's future results of operations and financial condition.

In connection with the issuance of the press release described above, the Company is providing an updated version of its investor presentation. This presentation is available at www.ir.atricure.com, is furnished as Exhibit 99.2 to this Form 8-K and is incorporated herein by reference.

Information in the presentation contains forward-looking statements regarding future events and performance of the Company. All such forward-looking statements are based largely on the Company's experience and perception of current conditions, trends, expected future developments and other factors, and on management's expectations, and are subject to risks and uncertainties that could cause actual results to differ materially, including, but not limited to, those factors described in the presentation and in the Company's filings with the Securities and Exchange Commission. The Company disclaims any intention or obligation to update or revise any financial or other projections or other forward-looking statements, whether because of new information, future events or otherwise.

The information in Item 2.02 and Item 7.01 of Form 8-K and in the press release attached as Exhibit 99.1, and the presentation attached as Exhibit 99.2 is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section. The information in Item 2.02 and Item 7.01 of this Form 8-K and each of Exhibit 99.1 and Exhibit 99.2 shall not be incorporated by reference in any filing or other document under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing or document.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

No.	**Description**
99.1	Press Release dated August 4, 2021 relating to financial results for the second quarter ended June 30, 2021
99.2	Investor Presentation updated as of August 4, 2021
104	Cover Page Interactive Data File--the cover page XBRL tags are embedded within the Inline XBRL document.

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.

ATRICURE, INC.

Dated: August 4, 2021

By: /s/ Angela L. Wirick
Angela L. Wirick
Chief Financial Officer

For immediate release
August 4, 2021

AtriCure Reports Second Quarter 2021 Financial Results

MASON, Ohio, August 4, 2021 – AtriCure, Inc. (Nasdaq: ATRC), a leading innovator in treatments for atrial fibrillation (Afib) and left atrial appendage (LAA) management, today announced second quarter 2021 financial results.

"Our second quarter results were driven by outperformance across our business, as strong underlying demand returned and we saw continued progress toward making our platforms the standard of care," said Michael Carrel, President and Chief Executive Officer of AtriCure. "We are poised for accelerating growth with the recent FDA approval of our EPi-Sense® System to improve the lives of millions of patients with long-standing persistent Afib. This approval enriches the foundation of our Company, built on core technologies which continue to deliver solid growth as we address vastly underpenetrated markets."

Second Quarter 2021 Financial Results
Revenue for the second quarter of 2021 was $71.4 million, an increase of 74.8% (an increase of 73.5% on a constant currency basis) over second quarter 2020 revenue. U.S. revenue was $60.1 million, an increase of $26.4 million or 78.4%, compared to second quarter 2020 revenue. U.S. revenue growth was seen across all product lines, driven by the receding impact of the COVID-19 pandemic in 2021 which resulted in stabilizing cardiac surgery procedure volumes and increasing demand. International revenue increased $4.1 million or 57.9% (an increase of 50.2% on a constant currency basis) to $11.3 million, reflecting growth in most major markets and across product lines. On a sequential basis, worldwide revenue for the second quarter 2021 increased approximately 20% over first quarter 2021.

Gross profit for the second quarter of 2021 was $54.1 million compared to $27.7 million for the second quarter of 2020. Gross margin was 75.8% and 67.7% for the second quarters of 2021 and 2020 respectively, reflecting the increase in revenue and reduced fixed cost burden on cost of revenue with the return to normal production in 2021, along with the favorable impact of both geographic and product mix.

Loss from operations for the second quarter of 2021 was $15.1 million, compared to $7.3 million for the second quarter of 2020. Net loss per share was $0.36 for the second quarter of 2021, compared to $0.20 for the second quarter of 2020.

Adjusted EBITDA was a loss of $2.7 million for the second quarter of 2021 compared to a $6.1 million loss for the second quarter of 2020. Adjusted loss per share for the second quarter of 2021 was $0.30 compared to $0.38 for the second quarter of 2020.

Constant currency revenue, adjusted EBITDA and adjusted loss per share are non-GAAP measures. We discuss these non-GAAP measures and provide reconciliations to GAAP measures later in this release.

2021 Financial Guidance
Management is updating revenue guidance for full year 2021 to a range of $270 to $275 million, corresponding to growth of approximately 31% to 33% for the year. As with previous guidance, continued uncertainty relating to the dynamic environment with the COVID-19 pandemic could materially impact this projection. The Company is maintaining guidance for full year 2021 adjusted EBITDA loss of approximately $10 million, and updating guidance for an adjusted loss per share of approximately $1.20.

Conference Call
AtriCure will host a conference call at 4:30 p.m. Eastern Time on Wednesday, August 4, 2021 to discuss its second quarter 2021 financial results. The call may be accessed through an operator by calling (844) 884-9951 for domestic callers and (661) 378-9661 for international callers using conference ID number 8299332. A live audio webcast of the presentation may be accessed by visiting the Investors page of AtriCure's corporate website at ir.atricure.com. A replay of the presentation will be available for 90 days following the presentation.

About AtriCure
AtriCure, Inc. provides innovative technologies for the treatment of Afib and related conditions. Afib affects more than 33 million people worldwide. Electrophysiologists and cardiothoracic surgeons around the globe use AtriCure technologies for the treatment of Afib and reduction of Afib related complications. AtriCure's Isolator® Synergy™ Ablation System is the first medical device to receive FDA approval for the treatment of persistent Afib. AtriCure's AtriClip Left Atrial Appendage Exclusion System products are the most widely sold LAA management devices worldwide. AtriCure's Hybrid AF™ Therapy is a minimally invasive procedure that provides a lasting solution for long-standing persistent Afib patients. AtriCure's cryoICE cryoSPHERE® probe is cleared for temporary ablation of peripheral nerves to block pain, providing pain relief in cardiac and thoracic procedures. For more information, visit AtriCure.com or follow us on Twitter @AtriCure.

Forward-Looking Statements
This press release contains "forward-looking statements"– that is, statements related to future events that by their nature address matters that are uncertain. This press release also includes forward-looking projected financial information that is based on current estimates and forecasts. Actual results could differ materially. For details on the uncertainties that may cause our actual results to be materially different than those expressed in our forward-looking statements, visit http://www.atricure.com/fls as well as our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q which contain risk factors. We do not undertake to update our forward-looking statements.

Use of Non-GAAP Financial Measures
To supplement AtriCure's condensed consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP, AtriCure provides certain non-GAAP financial measures in this release as supplemental financial metrics.

Revenue reported on a constant currency basis is a non-GAAP measure, calculated by applying previous period foreign currency exchange rates, which are determined by the average daily Euro to Dollar exchange rate, to each of the comparable periods. Management analyzes revenue on a constant currency basis to better measure the comparability of results between periods. Because changes in foreign currency exchange rates have a non-operating impact on revenue, the Company believes that evaluating growth in revenue on a constant currency basis provides an additional and meaningful assessment of revenue to both management and investors.

Adjusted EBITDA is calculated as Net loss before other income/expense (including interest), income tax expense, depreciation and amortization expense, share-based compensation expense, acquisition costs, legal settlement costs, and change in fair value of contingent consideration liabilities. Management believes in order to properly understand short-term and long-term financial trends, investors may wish to consider the impact of these excluded items in addition to GAAP measures. The excluded items vary in frequency and/or impact on our continuing results of operations and management believes that the excluded items are typically not reflective of our ongoing core business operations and financial condition. Further, management uses adjusted EBITDA for both strategic and annual operating planning. A reconciliation of adjusted EBITDA reported in this release to the most comparable GAAP measure for the respective periods appears in the table captioned "Reconciliation of Non-GAAP Adjusted Income (Loss) (Adjusted EBITDA)" later in this release.

Adjusted loss per share is a non-GAAP measure which calculates the net loss per share before non-cash adjustments in fair value of contingent consideration liabilities and legal settlement costs. A reconciliation of adjusted loss per share reported in this release to the most comparable GAAP measure for the respective periods appears in the table captioned "Reconciliation of Non-GAAP Adjusted Loss Per Share" later in this release.

The non-GAAP financial measures used by AtriCure may not be the same or calculated in the same manner as those used and calculated by other companies. Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as a substitute for AtriCure's financial results prepared and reported in accordance with GAAP. We urge investors to review the reconciliation of these non-GAAP financial measures to the comparable GAAP financials measures included in this press release, and not to rely on any single financial measure to evaluate our business.

CONTACTS:

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ATRICURE, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In Thousands, Except Per Share Amounts)

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
United States Revenue:				
Open ablation	$ 24,839	$ 15,550	$ 45,914	$ 34,768
Minimally invasive ablation	9,702	4,755	18,087	11,316
Appendage management	25,156	13,021	45,743	30,440
Total ablation and appendage management	59,697	33,326	109,744	76,524
Valve tools	373	338	635	613
Total United States	60,070	33,664	110,379	77,137
International Revenue:				
Open ablation	5,513	3,744	9,930	8,859
Minimally invasive ablation	1,575	1,109	2,849	2,654
Appendage management	4,194	2,271	7,452	5,333
Total ablation and appendage management	11,282	7,124	20,231	16,846
Valve tools	24	36	41	66
Total international	11,306	7,160	20,272	16,912
Total revenue	71,376	40,824	130,651	94,049
Cost of revenue	17,298	13,170	32,033	27,511
Gross profit	54,078	27,654	98,618	66,538
Operating expenses:				
Research and development expenses	12,197	10,036	23,414	21,623
Selling, general and administrative expenses	56,958	24,903	106,166	67,654
Total operating expenses	69,155	34,939	129,580	89,277
Loss from operations	(15,077)	(7,285)	(30,962)	(22,739)
Other expense, net	(1,108)	(939)	(2,109)	(1,885)
Loss before income tax expense	(16,185)	(8,224)	(33,071)	(24,624)
Income tax expense (benefit)	66	12	97	20
Net loss	$ (16,251)	$ (8,236)	$ (33,168)	$ (24,644)
Basic and diluted net loss per share	$ (0.36)	$ (0.20)	$ (0.74)	$ (0.61)
Weighted average shares used in computing net loss per share:				
Basic and diluted	45,035	41,649	44,834	40,160

ATRICURE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands)
(Unaudited)

	June 30, 2021	December 31, 2020
Assets		
Current assets:		
Cash, cash equivalents, and short-term investments	$ 159,865	$ 244,218
Accounts receivable, net	33,835	23,146
Inventories	37,608	35,026
Prepaid and other current assets	4,636	4,347
Total current assets	235,944	306,737
Property and equipment, net	30,175	28,290
Operating lease right-of-use assets	2,683	1,914
Long-term investments	69,770	14,178
Goodwill and intangible assets, net	362,015	362,980
Other noncurrent assets	488	440
Total assets	$ 701,075	$ 714,539
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 48,940	$ 40,720
Other current liabilities and current maturities of debt and leases	18,493	8,417
Total current liabilities	67,433	49,137
Long-term debt	43,669	53,435
Finance lease liabilities	10,540	10,969
Operating lease liabilities	1,833	1,180
Contingent consideration and other noncurrent liabilities	192,517	187,424
Total liabilities	315,992	302,145
Stockholders' equity:		
Common stock	46	45
Additional paid-in capital	748,644	742,389
Accumulated other comprehensive (loss) income	(87)	312
Accumulated deficit	(363,520)	(330,352)
Total stockholders' equity	385,083	412,394
Total liabilities and stockholders' equity	$ 701,075	$ 714,539

ATRICURE, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP RESULTS TO NON-GAAP RESULTS
(In Thousands)
(Unaudited)

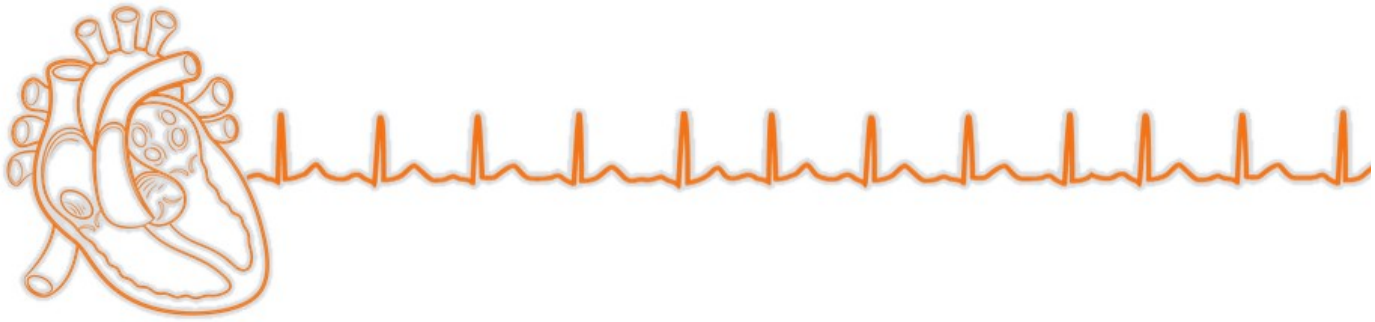
Reconciliation of Non-GAAP Adjusted Income (Loss) (Adjusted EBITDA)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net loss, as reported	$ (16,251)	$ (8,236)	$ (33,168)	$ (24,644)
Income tax expense	66	12	97	20
Other expense, net	1,108	939	2,109	1,885
Depreciation and amortization expense	2,658	2,458	4,780	4,902
Share-based compensation expense	7,141	6,193	13,745	10,577
Contingent consideration adjustment	2,600	(7,504)	5,100	(5,046)
Acquisition costs	—	39	—	138
Non-GAAP adjusted loss (adjusted EBITDA)	$ (2,678)	$ (6,099)	$ (7,337)	$ (12,168)

Reconciliation of Non-GAAP Adjusted Loss Per Share

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net loss, as reported	$ (16,251)	$ (8,236)	$ (33,168)	$ (24,644)
Contingent consideration adjustment	2,600	(7,504)	5,100	(5,046)
Net loss excluding contingent consideration adjustment	$ (13,651)	$ (15,740)	$ (28,068)	$ (29,690)
Basic and diluted adjusted net loss per share	$ (0.30)	$ (0.38)	$ (0.63)	$ (0.74)
Weighted average shares used in computing adjusted net loss per share				
Basic and diluted	45,035	41,649	44,834	40,160

AtriCure
Investor Presentation
Creating a World Class Afib Platform



AtriCure

Forward Looking Statements

This presentation contains "forward-looking statements," which are statements related to future events that by their nature address matters that are uncertain. All forward-looking information is 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 the uncertainties that may cause AtriCure's actual results to be materially different than those expressed in its forward-looking statements, see its Annual Report on Form 10-K and Quarterly Report on Form 10-Q filed with the SEC and available at http://www.sec.gov, which contain risk factors. Forward-looking statements address AtriCure's expected future business, financial performance, financial condition as well as results of operations, and often contain words such as "intends," "estimates," "anticipates," "hopes," "projects," "plans," "expects," "seek," "believes," "see," "should," "will," "would," "target," and similar expressions and the negative versions thereof. Such statements are based only upon current expectations of AtriCure. Any forward-looking statement speaks only as of the date made. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed or implied. Forward-looking statements include statements that address activities, events or developments that AtriCure expects, believes or anticipates will or may occur in the future. Forward-looking statements are based on AtriCure's experience and perception of current conditions, trends, expected future developments and other factors it believes are appropriate under the circumstances and are subject to numerous risks and uncertainties, many of which are beyond AtriCure's control. These risks and uncertainties include, but are not limited to: whether AtriCure will be able to successfully implement commercialization plans for CONVERGE; whether the market opportunity for CONVERGE is consistent with the Company's expectations and market research; AtriCure's ability to execute on the commercial launch of CONVERGE on the timeline expected, or at all; whether AtriCure will be able to generate its projected net product revenue on the timeline expected, or at all; the effects of the COVID-19 outbreak on AtriCure's business and results of operations, including the effects of suspension or halting of elective surgeries; other matters that could affect the availability or commercial potential of CONVERGE and AtriCure's other products and product candidates; whether AtriCure's ongoing clinical trials will meet the specified endpoints and will be approved by FDA and any other required regulatory authorities; competition from new and existing products and procedures in the highly competitive medical device industry; and other important factors, including, AtriCure's expectations regarding its financial performance and capital requirements, any of which could cause AtriCure's actual results to differ from those contained in the forward-looking statements or otherwise discussed in AtriCure's reports filed with the SEC. With respect to the forward-looking statements, AtriCure claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. AtriCure undertakes no obligation to publicly update or revise any forward-looking statements to reflect new information or future events or otherwise unless required by law.

Non-GAAP Financial Measures

To supplement AtriCure's consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP, AtriCure provides certain non-GAAP financial measures as supplemental financial metrics in this presentation.

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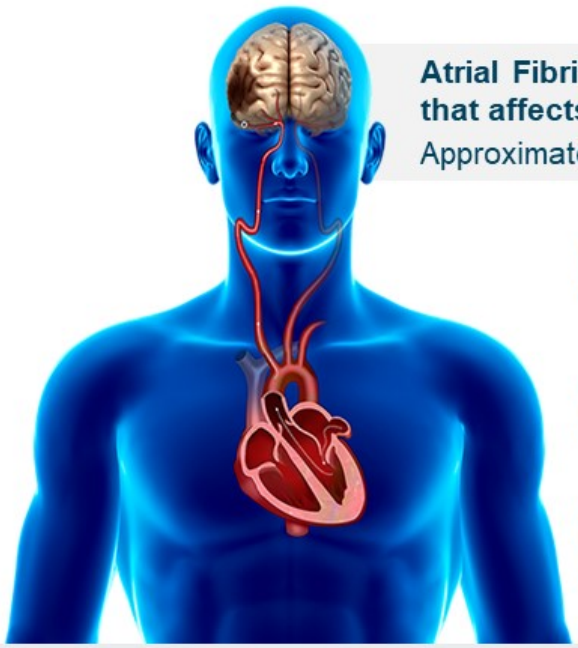
We are passionately focused on reducing the global Afib epidemic and healing the lives of those affected

Large Markets
Addressing an underserved and growing patient population

Strong Portfolio
Existing products and solutions driving consistent growth

Bright Future
Novel therapies supported by growing body of clinical evidence

Afib: a Serious Problem



Atrial Fibrillation (Afib) is an irregular heartbeat (or arrhythmia) that affects more than 33 million people worldwide.[1]

Approximately 1.2 million Afib diagnoses annually in the US.[2]

5x Risk of ***Stroke***[3]

>5x Higher risk of ***Heart Failure***[4]

46% Greater risk of all cause ***Mortality***[5]

AtriCure

US Market Opportunity

$350M
Pain Management Procedures
(Ablation)

$700-800M
Concomitant Open Procedures
(Ablation/LAAM)

$2B+ and growing
Standalone Hybrid Procedures
(Ablation/LAAM)

Boosting Growth via adjacent new market

Estimated **140,000 thoracic patients** annually

Steady Growth in penetration of Cardiac Surgery Market

- Estimated **300,000 total patients** (Afib, non-Afib) annually with structural heart issue
- Only PMA product for the concomitant surgical treatment of Afib

Expansive Growth from development of Standalone Afib Market

Vastly underpenetrated market with 10-15% estimated annual market expansion

- **Addressable market is more than 3 million patients;** less than 1% treated today
  - 25,000 long-standing persistent patients treated by catheter ablation only today
- Multiple approaches to treatment
  - Hybrid Convergent + AtriClip®, DEEP

Market opportunity based on internal estimates and research, as well as from publicly available information. See Supplemental Information for additional detail.

AtriCure

Significant Global Market Opportunity

US Market Focus

- Continued build of dedicated sales and training expertise
- Clinical data supporting multiple label expansions
- New product development
- Enhanced reimbursement

International Market Focus

- Penetration of large markets first
- Expand product availability
- Improve market access via reimbursement
- Continued build of dedicated sales and training expertise

Market opportunity based on internal estimates and research, as well as from publicly available information. See Supplemental Information for additional detail.

AtriCure

2021 Priorities: Building for the Future

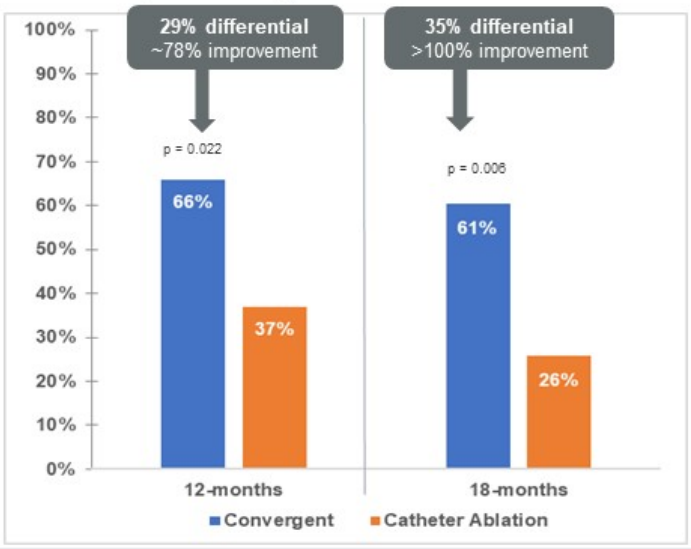
- **CONVERGE PMA approval and launch**
  - Deepen volumes at existing sites and train new accounts
  - Addition of AtriClip to the Convergent procedure
  - Continued global expansion of commercial and training teams

- **EnCompass® Clamp clearance and launch**
- **Expansion of commercial team, training programs**

- **Supporting our people, patients and partners**

CONVERGE: Long-standing Persistent Afib Patient Analysis

Freedom from AF/AFL/AT from 3-month blanking period through 12-months and 18-months



- **Superior outcomes with hybrid Convergent procedure** when compared to endocardial catheter ablation alone in patients with drug refractory long-standing persistent Afib
- Data for long-standing persistent patients in the trial demonstrated **compelling efficacy and durability**
- **Improved EP lab efficiency demonstrated** by reduction in endocardial ablation time as a result of adding epicardial ablation

AtriCure

Benefits of the EPi-Sense System and Hybrid AF Therapy

Benefits based on 7-day continuous rhythm monitoring at 18-months post procedure

Epicardial:
Outside the heart

Endocardial:
Inside the heart

2

TRIGGER AREAS TARGETED
where atrial fibrillation begins

Emphasizes value of team-based approach for advanced AF treatment

≥90%

LESS TIME IN AF
For most patients at 1 year

Patients in the Hybrid AF Arm report feeling better, both physically + emotionally[6]

More than

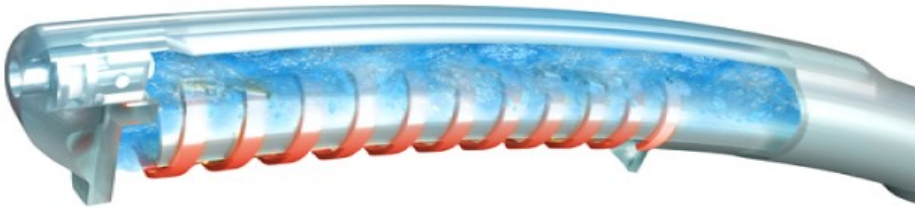
2x **AS EFFECTIVE AT STOPPING AA**
(vs endocardial RF ablation alone)

Additive to endocardial catheter ablation

Patients are

2x **MORE LIKELY TO NO LONGER NEED AF MEDICATION**
(vs endocardial RF ablation alone)

Commercial Strategy for the EPi-Sense System



TARGET
Drive utilization with existing and new sites

BUILD
Train and develop programs, build referral channel

LEVERAGE
Add AtriClip to Hybrid AF Therapy

EXPAND
Grow commercial + training teams, broaden internationally

AMPLIFY
Spread awareness of Hybrid AF Therapy to patients

Innovative and Expanding Product Portfolio

Ablation

ISOLATOR® SYNERGY™ CLAMP

cryoICE® CRYOABLATION PROBE

EPI-SENSE® DEVICE

cryoSPHERE® CRYOABLATION PROBE

2H 2021 Product Launch: ISOLATOR SYNERGY ENCOMPASS® CLAMP

Continued innovation toward less invasive, simpler, and more efficient products

LAA Management

ATRICLIP® FLEX DEVICE

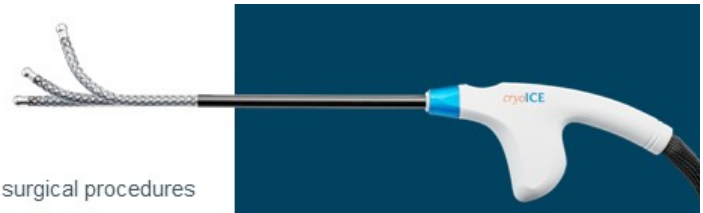
ATRICLIP PRO® DEVICE

ATRICLIP PRO•V® DEVICE

ATRICLIP FLEX•V® DEVICE

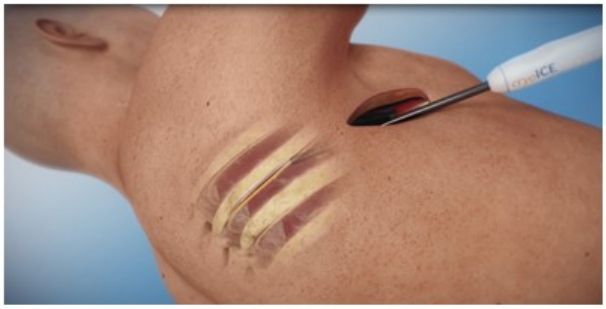
AtriCure

SPOTLIGHT: Cryo Nerve Block for Pain Management



Therapy Overview

- Long-lasting pain management therapy, designed for use in thoracic surgical procedures
- Temporarily stops transmission of pain signals coming from the chest wall during surgery
- Nerve "scaffolds" remain intact allowing axons to regenerate and restore nerve function over time
- Applicability in a wide variety of thoracic surgical approaches (thoracotomy, video-assisted, robotic) and procedures (resection, transplant, thoracoabdominal, surgical rib fixation, pectus repair)



HIGHLIGHTS

- $350M U.S. market opportunity*
- Dedicated commercial team established in 2019 and expanding
- Q1 2019 launch of cryoSPHERE probe
- **Q4 2020 label expansion includes adolescent patients as young as 12 years of age**
- **~7% of 2021 YTD worldwide revenue**
- Continuing to gather data to support evidence development for therapy
- Potential to contribute to combatting the opioid epidemic – 1 in 7 thoracic surgery patients become reliant upon opioids after their procedure[7]

** Market opportunity based on internal estimates and research, as well as from publicly available information.*

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SPOTLIGHT: Isolator Synergy EnCompass® Clamp

Product Overview

- **FDA 510(k) clearance to ablate cardiac tissue during surgery**
- Designed with same benefits of the AtriCure Isolator Synergy Clamps:
  - + Parallel closure
  - + Uniform pressure
  - + Synergy algorithm provides custom power
- Compatible with existing AtriCure RF generator

A simpler and faster approach to ablating the heart in open procedures

HIGHLIGHTS

- FDA 510(k) clearance July 2021
- Limited initial release beginning 3Q 2021
- Full commercial launch expected late 2021
- Continue to drive penetration of cardiac surgery market

Key Investments Driving Growth

AtriCure Pillars
Foundation of our past and strengthening our future

Innovation
Expanding pipeline to drive Open ablation penetration and build MIS market

Clinical Science
Hybrid AF Therapy proven by CONVERGE trial: a complimentary and differentiated approach for advanced Afib

Education
Significant investment in physician education, providing multiple training options

Aligning Expertise with Opportunity
Dedicated commercial and education teams

U.S. Cardiac
54 Sales Managers and 64 Clinical Specialists

U.S. Hybrid Therapies
35 Sales and Clinical Specialists

U.S. Cryo Nerve Block
21 Sales and Clinical Specialists

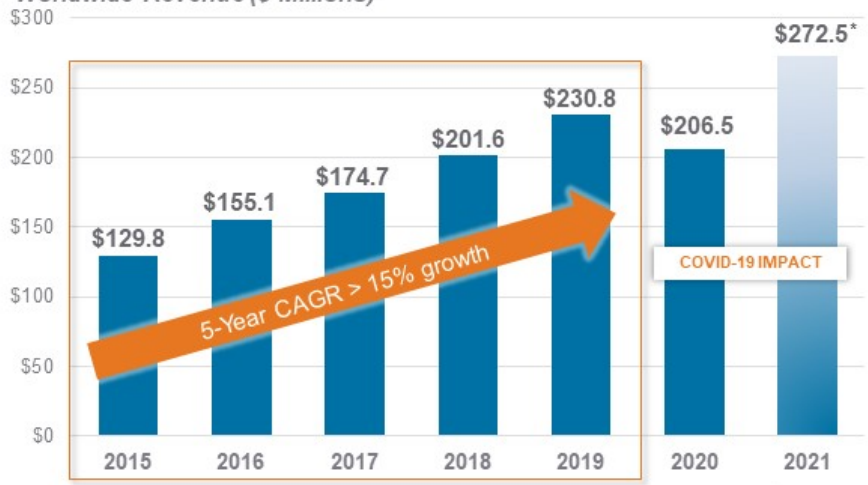
U.S. Sales Leadership
23 Area Directors across our specialized teams

U.S. Education
35 Physician + Field Supporting Roles

International
40 Sales and Education Professionals

History of Strong Financial Performance

Worldwide Revenue ($ Millions)



Revenue Growth	20.8%	19.5%	12.6%	15.4%	14.5%	(10.5%)
Gross Margin	71.6%	71.6%	72.2%	73.0%	73.8%	72.3%

Historical Results

Consistent Revenue Growth
Strong history of double-digit YoY growth pre-COVID-19

Steady Improvement to Gross Margin
pre-COVID-19

*Based on midpoint of 2021 guidance

AtriCure

Second Quarter 2021 Financial Highlights

WORLDWIDE REVENUE* ($M)

- COVID-19 receding in major markets
- Cardiac surgery procedure volumes stabilizing and demand growing
- Strong activity across product lines
- U.S. revenue of $60.1M (84% of revenue)
- International revenue of $11.3M (16% of revenue)

KEY METRICS*

	Q2 2020	Q2 2021
GROSS MARGIN	67.7%	75.8%
ADJ. EBITDA	($6.1M)	($2.7M)
ADJ. LOSS PER SHARE	($0.38)	($0.30)
CASH & INVESTMENTS	$248M	$230M

FULL YEAR 2021 GUIDANCE

- Worldwide Revenue of $270M to $275M
- Adjusted EBITDA loss of ~$10M
- Adjusted loss per share of ~$1.20

*2021 financial results are preliminary and unaudited.

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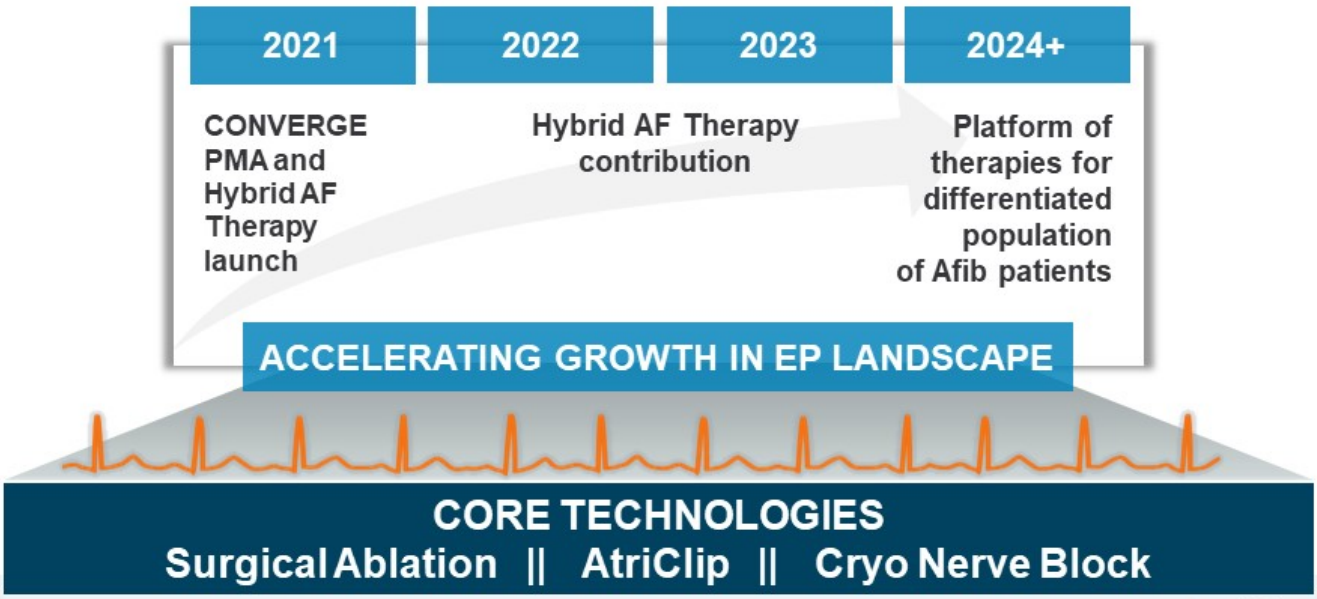
An Exciting Future Ahead



Supplemental Information

References for any comments, statistics, or figures in this presentation are available upon request.

Key Investment Rationale

Large Markets
Addressing an underserved and growing patient population

- Approximately 33 million Atrial Fibrillation patients globally, with majority having advanced forms of the disease[1]
- Multibillion dollar annual market opportunity
- Current standard of care for intervention (catheter ablation) does not adequately address the most advanced forms of the disease

Strong Portfolio
Existing products and solutions driving consistent growth

- Strong history of double-digit revenue growth, driven by great products, clinical evidence, commitment to education, and societal guideline support
- Only PMA product for the concomitant surgical treatment of Afib
- The AtriClip device is the most widely used Left Atrial Appendage device with approximately 300,000 sold to date
- Diverse and expanding product portfolio from internal development and acquisitions

Bright Future
Novel therapies supported by growing body of clinical evidence

- Only PMA product for treatment of LS persistent Afib with Hybrid AF Therapy
- Growing pain management business to address pain associated with surgery
- Early in market development process – evolution to minimally invasive therapies will drive growth, diversifying and accelerating in 2022 and beyond

COVID-19 Response

Positioning AtriCure for long-term growth

Health & Safety

Provide a safe work environment for our employees

- Enabling employees to work remotely and evaluating hybrid workplans
- Providing personal protection and other measures to ensure the safety of those working in our offices
- Limiting non-essential travel

Maintaining Operations

Deliver products and support to our customers

- Maintaining manufacturing, assembly, fulfillment – modified to adhere to safety recommendations
- Continuing case coverage support
- Utilizing online and mobile training venues to educate our customers

While our plans will continue to evolve in response to changes caused by the COVID-19 pandemic, we remain committed to the AtriCure Team and to the execution of our strategic initiatives.

Two Distinct Patient Profiles

Referring Physician:
GP, Cardiologist

STRUCTURAL HEART ISSUE
Surgery required – Afib corrected at same time (Valve, CABG)

GUIDELINES[8]
Surgical Ablation is **RECOMMENDED**
LAA management is **REASONABLE**

Concomitant Open Procedures
(Ablation/LAAM)

NO STRUCTURAL ISSUE
Afib is primary concern

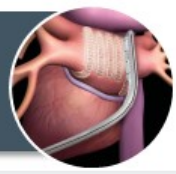
Intervention is better choice

Medicine is effective

Paroxysmal (occasional) → Persistent → Long-Standing Persistent

Type of Afib matters!
Afib is a progressive disease

Standalone Hybrid Procedures
(Ablation/LAAM)
Catheter often first line of treatment



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US Concomitant Market Opportunity

Estimated **Afib** Opportunity in Cardiac Surgery	
Annual Cardiac Surgeries[12]	300,000
Pre-Operative Afib Rate[10]	~28%
Cardiac Opportunity – Pre-Op Afib	85,000
ASP Mix (Ablation and Appendage Management)[13]	$4,500
Open Cardiac Surgery Opportunity – Afib	**$382M**

Estimated **Non-Afib** Opportunity in Cardiac Surgery	
Annual Cardiac Surgeries	300,000
Pre-Operative Non-Afib Rate	~72%
Cardiac Opportunity – Pre-Op Afib	215,000
ASP Mix (Appendage Management ONLY)[13]	$1,750
Open Cardiac Surgery Opportunity – Non-Afib	**$376M**

- US annual cardiac surgery volume steady over the past 5 years with shifts in procedure types[9]
- Pre-Op Afib occurs frequently in cardiac surgery patients[10]
- New onset Post-Op Afib is a well-documented complication of cardiac surgery, even if patients do not present with pre-op Afib[11]

US Standalone Market Opportunity

Estimated **Standalone** Afib Opportunity	2020	Projected 2025
Long-standing Persistent Afib Catheter Ablation[16]	25,000	45,000
ASP Mix (Ablation + Appendage Management)[13]	$15,000	$15,000
Immediate Standalone Afib Opportunity	**$375M**	**$675M**
Additional penetration Long-standing Persistent Afib patients (estimated at 5% penetration)	150,000	175,000
ASP Mix (Ablation + Appendage Management)[13]	$15,000	$15,000
Incremental Standalone Afib Opportunity (estimated at 5% penetration)	**$2B+**	**$3B+**

Market opportunity in analysis at left considers:

- Addition of ablation and LAAM to existing catheter ablation procedures
  - Catheter ablation procedures have grown 10-15% annually[14]
- Incremental penetration of advanced Afib patient population
  - Today, long-standing persistent Afib population represents more than 3 million patients in the United States, expected to grow to more than 4.4 million by 2025[15]
- ASP Mix reflects both ablation and AtriClip

CONVERGE Overview

SUPERIORITY TRIAL designed to support FDA approval of the EPi-Sense device

Achieved statistical superiority for primary endpoints

STUDY DESIGN

Summary
Multi-center, prospective, open label randomized 2:1 (Hybrid Convergent procedure vs endocardial catheter ablation) pivotal study

Number of Subjects and Sites
153 subjects
27 sites (25 US and 2 OUS)

Study Duration
12 month and 18 month monitoring, then 3 and 5 year follow-up of all subjects

PRIMARY ENDPOINTS

Effectiveness
Primary efficacy endpoint is success or failure to be AF/AT/AFL free absent class I and III AADs except for a previously failed or intolerant class I or III AAD with no increase in dosage following the 3 month blanking period through the 12 months post procedure follow-up visit

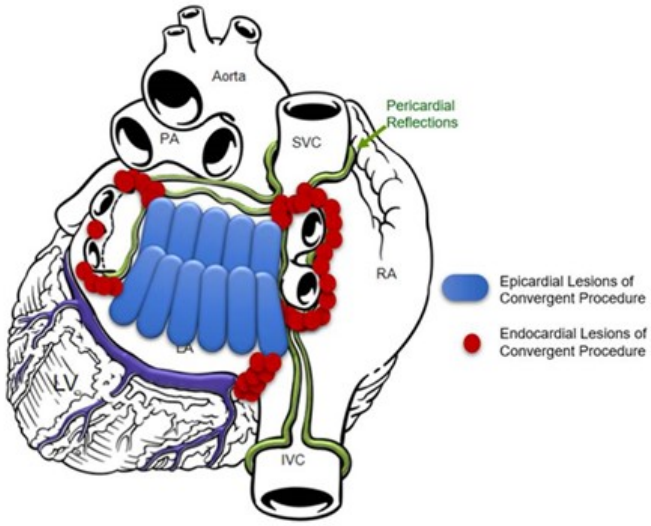
Safety
Predetermined performance goal for the study is 12% freedom from MAE's as adjudicated by the CEC for the procedural to 30-day post procedure time period

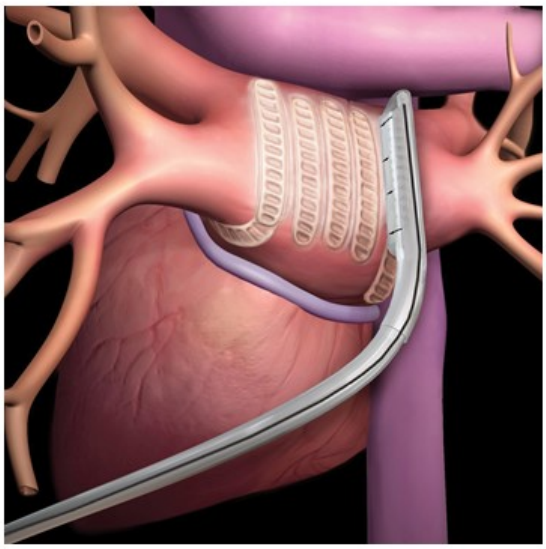
CONVERGE
Clinical Trial

HIGHLIGHTS

- Completed enrollment August 2018
- Data released at virtual Heart Rhythm Society (HRS) conference May 2020
- PMA submission seeking approval for treatment of long-standing persistent Afib November 2020
- Trial results published in *Circulation: Arrhythmia and Electrophysiology* November 2020
- Long-standing persistent Afib patient sub-group analysis presented at 26th Annual Atrial Fibrillation (AF) Symposium January 2021 and 14th Annual Western AF Symposium February 2021
- **FDA approval of EPi-Sense System for treatment of long-standing persistent Afib April 2021**

Hybrid AF Therapy: the Convergent Procedure





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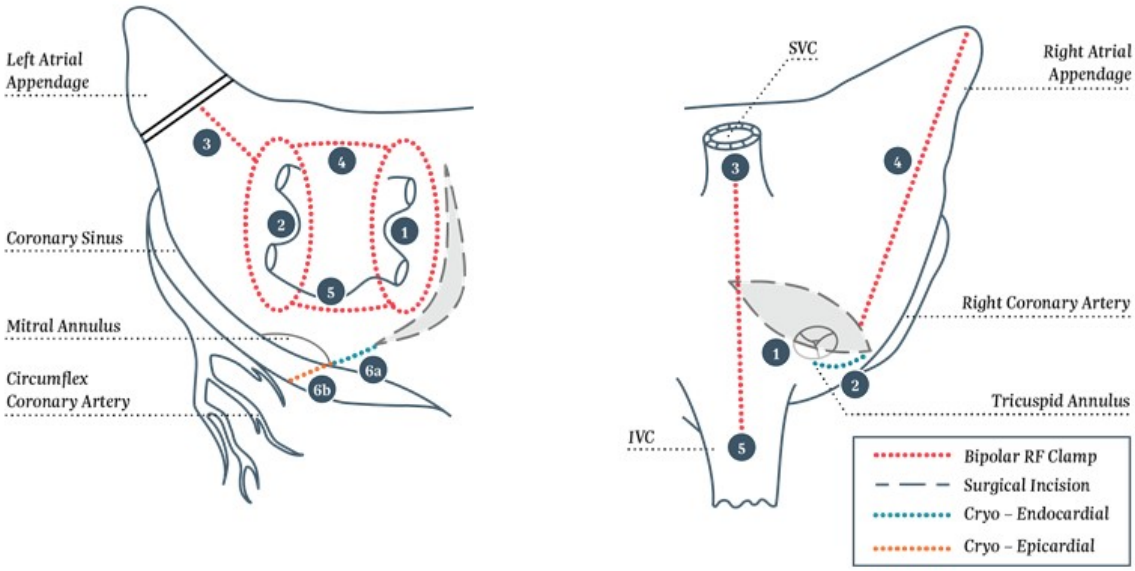
The Cox-Maze IV Procedure



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aMAZE Overview

SUPERIORITY TRIAL designed to evaluate safety and effectiveness of the LARIAT System to percutaneously isolate and ligate the Left Atrial Appendage for the treatment of persistent or longstanding persistent Afib

STUDY DESIGN

- **Summary**
  Multi-center, prospective, open label randomized 2:1
  - Control Arm – PVI
  - Treatment Arm – PVI + Ligation of LAA with Lariat System
- **Number of Subjects and Sites**
  600 subjects; 65 sites, all U.S.
- **Study Duration**
  12 month monitoring and then 5-year follow-up of all subjects

PRIMARY ENDPOINTS

- **Effectiveness** - Freedom from episodes of Afib >30 seconds at 12 months post index pulmonary vein isolation
- **Safety -** Primary safety endpoint for the study is 10% freedom from MAE's as adjudicated by the CEC for the period from the procedure through 30 days
- Time Frame: 12 months following pulmonary vein isolation catheter ablation procedure, measured by 24-hour Holter monitoring

amaze
LARIAT® Clinical Trial

HIGHLIGHTS

- Acquired SentreHEART® August 2019
- Trial enrollment completed December 2019
- Final patient follow-up in 1H 2021
- Unblinded to trial results in July 2021; trial met safety goal but did not meet the primary effectiveness endpoint

References and Abbreviations

Note	Reference
1	Worldwide Epidemiology of Atrial Fibrillation: A Global Burden of Disease 2010 Study
2	The American Journal of Cardiology (2013), 112: 1142-1147
3	J Geriatr Cardiol. 2016 Oct; 13(10): 880–882, doi: 10.11909/j.issn.1671-5411.2016.10.004
4	Santhanakrishnan R et al., "AF Begets Heart Failure and Vice Versa," Circulation, 133 (2016):484-492
5	Odutayo, A. et al. (2016). Atrial fibrillation and risks of cardiovascular disease, renal disease, and deaths systematic review and meta analysis. BMJ 2016; 354:i4482
6	IFU for EPi-Sense® Guided Coagulation System Data: PMA# P200002
7	The Society of Thoracic Surgeons, Current News Release (1/30/2018): 1 in 7 Lung Surgery Patients at Risk for Opioid Dependence
8	The Society of Thoracic Surgeons 2017 Clinical Practice Guidelines for the Surgical Treatment of Atrial Fibrillation
9	STS Adult Cardiac Surgery Database, 2018/2019 Harvest Executive Summary
10	McCarthy, P.M. et al. (2019). Prevalence of atrial fibrillation before cardiac surgery and factors associated with concomitant ablation. J Thorac Cardiovasc Surg, PII: S0022-5223(19)31361-3, DOI: 10.1016/J.JTCVS.2019.06.062.
11	Lin et al, Stroke 2019 Jun; 50(6):1364-1371. doi: 10.1161/STROKEAHA.118.023921. Epub 2019 May 2.
12	Harvested from data previously available through the Society of Thoracic Surgeons
13	Average Selling Prices (ASPs) are management estimates based on a mix of products used for the various procedures
14	Estimated based on various catheter company presentations
15	Medical management estimate: Colilia, et al. Estimates of Current and Future Incidence and Prevalence of Atrial Fibrillation in the U.S. Adult Population. Am Journal of Cardiology 2013, 112: 1142-1147 Persistent patient estimate: Berisso et al Epidemiology of atrial fibrillation: European perspective Clin Epidemiol. 2014; 6: 213–220
16	Estimated based on Advisory Board data, along with various scientific presentations

Key Abbreviations	
Afib or AF	Atrial Fibrillation
AA	Atrial Arrythmia
AAD	Anti-Arrhythmic Drugs
AFL	Atrial Flutter
AT	Atrial Tachycardia
CABG	Coronary Artery Bypass Graft
CEC	Clinical Events Committee
EP	Electrophysiologist
FDA	Food & Drug Administration
LAA	Left Atrial Appendage
LAAM	LAA Management
LS	Long-standing
MAE	Material Adverse Event
PMA	Pre-Market Approval
PVI	Pulmonary Vein Isolation
RF	Radio Frequency

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