

atec™

INFORMED BY EOS

2022 ANALYST DAY

PAT MILES, CHAIRMAN & CEO

MAY 25, 2022

SAFE HARBOR STATEMENT

This deck contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainty. Such statements are based on management's current expectations and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The Company cautions investors that there can be no assurance that actual results will not differ materially from those projected or suggested in such forward-looking statements as a result of various factors. Forward-looking statements include, but are not limited to: references to the Company's revenue and growth outlook; planned product launches, introductions, regulatory submissions or clearances; efforts to transform sales and distribution channels; the Company's ability to compel surgeon adoption; the Company's future ability to finance its operations and sufficiency of its cash runway; and statements about the benefits and synergies of the integration of EOS imaging, S.A. Important factors that could cause actual operating results to differ significantly from those expressed or implied by such forward-looking statements include, but are not limited to: the uncertainty of success in developing new products or products currently in the pipeline; the uncertainties in the Company's ability to execute upon its strategic operating plan; the uncertainties regarding the ability to successfully license or acquire new products, and the commercial success of such products; failure to achieve acceptance of the Company's products by the surgeon community; failure to obtain FDA or other regulatory clearance or approval or unexpected or prolonged delays in the process; continuation of favorable third party reimbursement; unanticipated expenses or liabilities or other adverse events affecting cash flow or the Company's ability to achieve profitability; uncertainty of additional funding; the Company's ability to compete with other products or with emerging technologies; product liability exposure; an unsuccessful outcome in any litigation; patent infringement claims; claims related to the Company's intellectual property; the Company's ability to meet its financial obligations; the impact of the COVID-19 pandemic on the Company and economy; and uncertainties and risks related to the integration of EOS imaging, S.A. A further list and description of these and other factors, risks and uncertainties can be found in the Company's most recent annual report, and any subsequent quarterly and current reports, filed with the Securities and Exchange Commission. ATEC disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, unless required by law.

To supplement the Company's financial statements presented in accordance with generally accepted accounting principles in the United States of America (GAAP), the Company reports certain non-GAAP financial measures, including non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating loss, and non-GAAP adjusted EBITDA. The Company believes that these non-GAAP financial measures provide investors with an additional tool for evaluating the Company's core performance, which management uses in its own evaluation of continuing operating performance, and a baseline for assessing the future earnings potential of the Company. The Company's non-GAAP financial measures may not provide information that is directly comparable to that provided by other companies in the Company's industry, as other companies in the industry may calculate non-GAAP financial results differently, particularly related to non-recurring, unusual items. Non-GAAP financial results should be considered in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. Included below are reconciliations of the non-GAAP financial measures to the comparable GAAP financial measures.

WELCOME!

TIME (PT)	AGENDA	VIRTUAL AUDIENCE
8:15	Management Presentations Pat Miles – Chairman & CEO Joe Walland – SVP, Global Imaging Solutions Brian Snider – EVP, Marketing Dave Sponsel – EVP, Sales Todd Koning – CFO Audience Q&A	Live webcast
	Refreshment break - split into groups	
~10:00	Rotations PTP lab demonstration Tour of the Organic Innovation Machine	Pre-recorded videos accessible
~11:15	Surgeon panel Moderated by Kelli Howell – EVP, Clinical & Scientific Affairs Drs. Vedat Deviren, Gene Massey, Alpesh Patel, Luiz Pimenta, and Tyler Smith	Live webcast
12:00	Adjourn	

PAT MILES

Chairman and CEO



2017 
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2001  **NUVASIVE**
Vice Chairman latest role

1995 **Medtronic**
Director of Marketing – MIS & Cervical

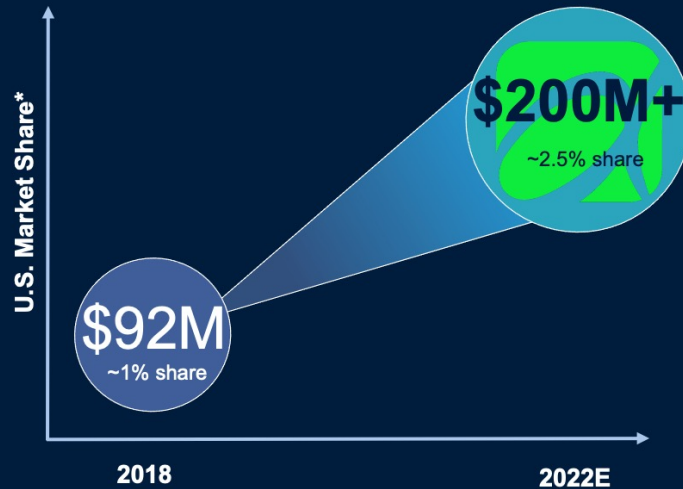
1991  smith&nephew



OUR COMMITMENTS IN 2018

As spine's most experienced students,

**WE KNOW WHAT IT TAKES
TO SUCCEED IN SPINE...**

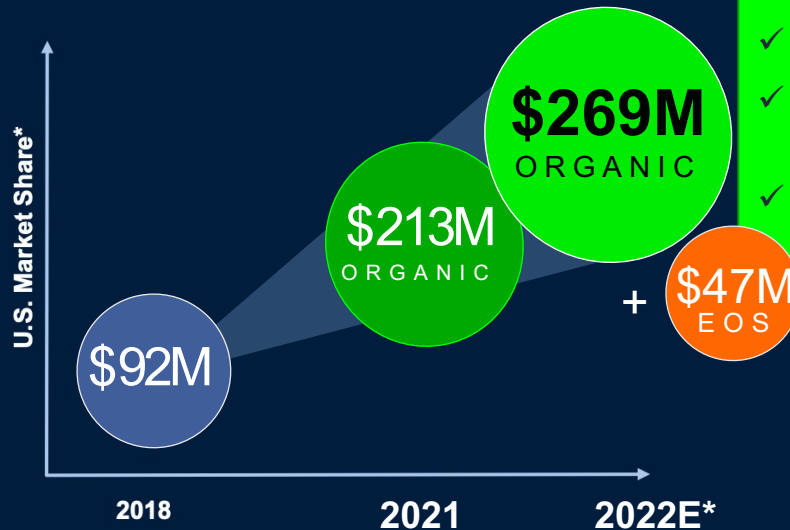


CREATE CLINICAL DISTINCTION

- Expand new product % of revenue >80%
- Launch 8-10 new products / year
- Professionalize sales team to ~50 strategic distributors generating \$4M+ / year
- Increase revenue / surgery and product categories / case

WE DELIVERED. 36% 2018 TO 2021 ORGANIC REVENUE GROWTH CAGR

We've built one of med-tech's best growth stories



CREATE CLINICAL DISTINCTION

- ✓ Expand new product % of revenue >80%
- ✓ Launch 8-10 new products / year
- ✓ Professionalize sales team to ~50 strategic distributors generating \$4M+ / year
- ✓ Increase revenue / surgery and product categories / case

NOT GUESSING

We've amassed the know-how of surgeons and spine leaders who revolutionized surgery before

atec


INFORMED BY EOS

MISSION

Revolutionizing
the Approach to
Spine Surgery

VISION

The Standard
Bearer in Spine

CORE VALUES

Deliver high performance
Demonstrate GRIT
Be gracious, familial & inspire others
Be constantly curious
Commit to clinical distinction
Love what you do –
#ATECProud

CREATING CLINICAL DISTINCTION

Assembled spine-experienced know-how

2017

Acquired SafeOp- foundation for spine innovation

2018

Released key products of approach-based surgery

2019

Began to launch comprehensive approach- based procedures - PTP

2020

Scaled organization for long-term growth and acquired EOS

2021

Evolving lateral, perfecting procedures & founding predictive analytics to further penetrate market

2022

CREATING CLINICAL DISTINCTION: PEOPLE: SPINE EXPERIENCE COUNTS

2017

Began to assemble spine-experienced know-how



PAT MILES
President,
Chairman &
CEO

NUVASIVE Medtronic smith&nephew



CRAIG HUNSAKER
EVP, People &
Culture,
General Counsel

NUVASIVE GENERAL ATOMICS MINTZ Columbia Law School



TODD KONING
EVP, CFO

Masimo NUVASIVE ELLIPSE



ERIC DASSO
EVP,
Adjunctive
Technologies

NUVASIVE



BRIAN SNIDER
EVP, Marketing

NUVASIVE KPMG



LUIZ PIMENTA
Chief Medical
Officer

NUVASIVE ipc



KELLI HOWELL
EVP, Clinical &
Scientific Affairs

NUVASIVE Beth Israel Deaconess Medical Center



DAVID SPINSEL
EVP, Sales

stryker edacta



JOSEPH WALLAND
SVP, Global
Imaging

MEDICREA stryker



SCOTT LISH
SVP,
Development

NUVASIVE ZIMMER BIOMET
Your progress. Our promise.

New to ATEC since
turnaround began:

100% Executive
management

94% of employees

92% of BOD

CREATING CLINICAL DISTINCTION: PROCESS & PRODUCT

2018

Established the foundation for differentiated spine innovation

Assembled the **Organic Innovation Machine**,
in-house know-how to create clinical
distinction and accelerate speed to market

CADAVER LAB

MARKETING

BIO-
MECHANICAL
TESTING

PRODUCT
DEVELOPMENT

TECHNOLOGY
ADVANCEMENT



SafeOp™
NEURAL INFORMATIX SYSTEM

Purchased & achieved FDA clearance of
technology that would become the
backbone of ATEC Informatics:
designed to provide unprecedented
intraoperative information

CREATING CLINICAL DISTINCTION: PRODUCT

2019

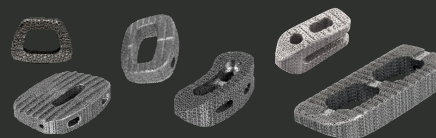
Released key elements of approach-based technology

AlphaInformatiX™

Released SafeOp technology, initial reflection of the AlphaInformatiX platform and spine's first system capable of automating both monitoring objectives in surgery (EMG & SSEP)

INVICTUS™ SPINAL FIXATION SYSTEM

Launched comprehensive thoracolumbar fixation systems designed to treat a range of pathologies through open, MIS, or hybrid approaches



IdentiTi™

Introduced a full suite of approach-based titanium implants, which incorporate proprietary material and manufacturing processes designed to better meet the requirements of fusion constructs

SingleStep™

Developed MIS fixation with stylet and integrated SafeOp neurophysiology to streamline safe screw placement



CREATING CLINICAL DISTINCTION: PROCEDURE

2020

Launched comprehensive, approach-based procedures



PTP™ Approach

Equipped surgeons with specifically designed new technologies to perform lateral surgery in the prone position



SIGMA™ TLIF Approach

Elegant TLIF access system integrates with InVictus MIS Mod



INVICTUS™ SPINAL FIXATION SYSTEM

Modular screw system seamlessly integrates fixation into procedures with improved surgical visualization



AlphaInformatiX™

Enhanced platform capabilities and integrated procedural applications



CREATING CLINICAL DISTINCTION: INFRASTRUCTURE/ INFORMATION

2021

Financed & scaled organization for long-term growth



New headquarters customized to house the Organic Innovation Machine™ substantially increased sales and surgeon training capacity

Distribution facility opened in Memphis to ensure predictable, expedient & flexible surgical support

\$316M

Closed convertible offering to fuel investment in future growth

Acquired EOS imaging to advance our information-based competitive advantage



OUR COMMITMENTS

2021

2025

Revenue	\$243M	\$555M
Adjusted EBITDA	(\$28M)	\$80M

- **20% long-term revenue growth** with upside potential, including EOS momentum
- **Adj. EBITDA break even in 2023**
- **Disciplined** investment will deliver cash flow break even **without additional dilutive capital**

INDUSTRY'S BELIEF:

**SPINE IS
COMMODITIZED**



ATEC'S BELIEF:

**OUR OPPORTUNITY TO
CREATE PREDICTABILITY &
REPRODUCIBILITY IN SPINE
IS MASSIVE**

PREDICTABILITY

Confidence: the chosen intervention will best suit the patient/ pathology and clinical outcomes will meet or exceed expectations

HOW DO WE BRING PREDICTABILITY TO SPINE?

CLINICALLY

OPERATIONALLY

ECONOMICALLY

REPRODUCIBILITY

Consistent, successful outcomes
in the hands of the masses



**HOW DO WE BRING
REPRODUCIBILITY TO SPINE?**

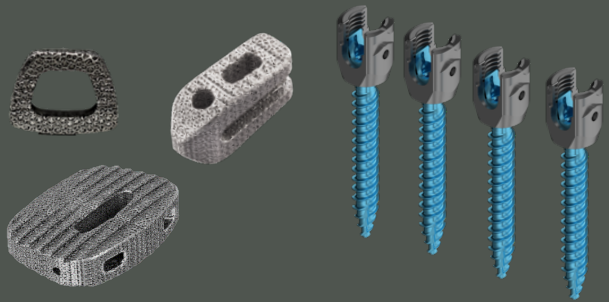
**DEVELOP PROCEDURALIZED
INNOVATION THAT MINIMIZES
CLINICAL VARIABLES**

**DESIGNED
FOR SPECIFIC
APPROACH**

WE INNOVATE TO IMPROVE THE SURGICAL EXPERIENCE

The “Currency” in Spine Today

Highest \$ value elements of procedures, but ~ indistinguishable



VS

What Surgeons & Hospitals NEED = The Future “Currency” of Spine

Drivers of procedural predictability & reproducibility
Highly-differentiated value creators



OUR COMMITMENTS

Earning market share by prioritizing key initiatives

1

**CREATE
CLINICAL
DISTINCTION**

Leverage our organic product development machine & advance our information-based competitive advantage

2

**COMPEL
SURGEON
ADOPTION**

Increase revenue and products sold per case through innovation

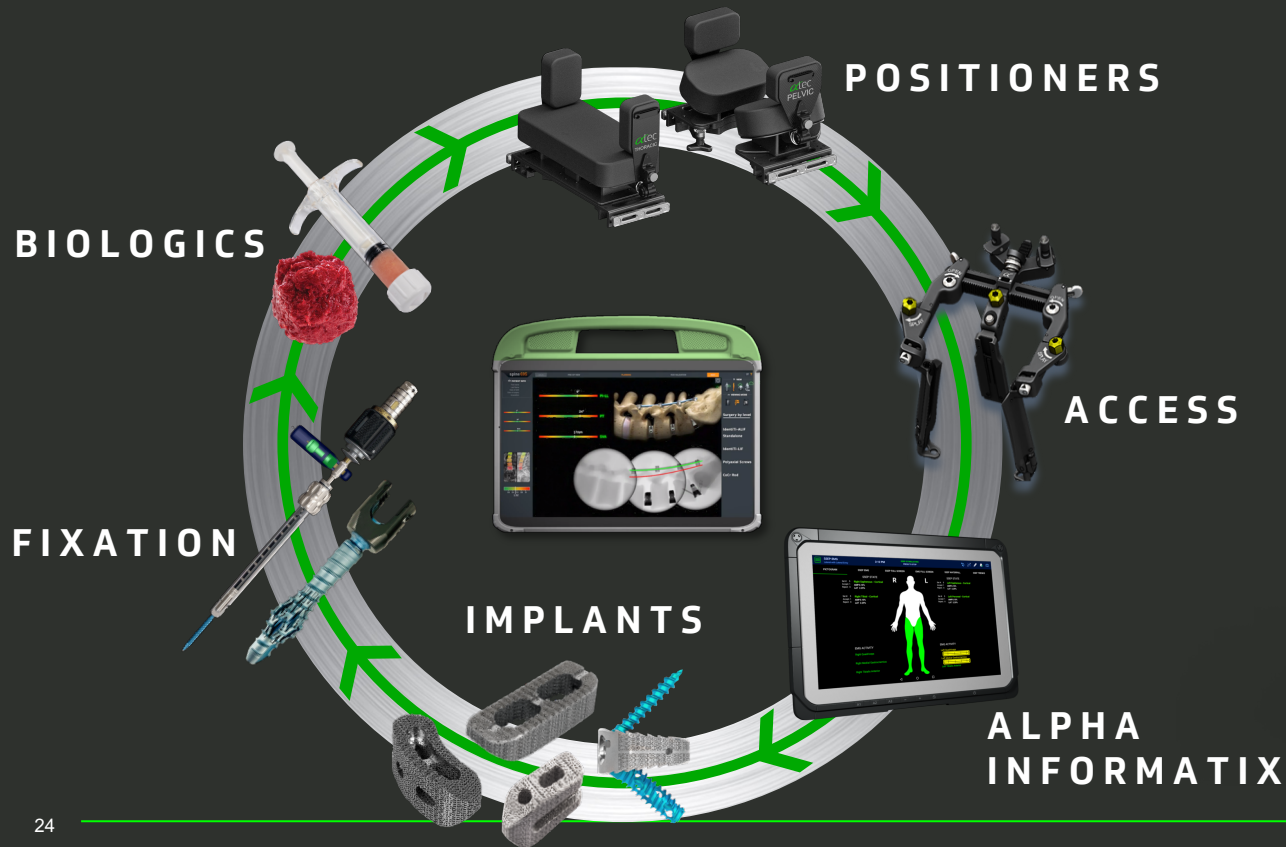
3

**ELEVATE
DISTRIBUTION**

Progress toward comprehensive & clinically adept, scalable network

PROCEDURALIZATION

Obviation of clinical variability starts & ends with EOS



Technology designed & developed to **specifically** meet the unique requirements of each approach



ATEC LATERAL



CLEAREST WAY FOR US TO CREATE DISTINCTION

Significant unmet need coincided with our unique expertise

> [Spine J. Jul-Aug 2006;6\(4\):435-43. doi: 10.1016/j.spinee.2005.08.012.](#)

Extreme Lateral Interbody Fusion (XLIF): a novel surgical technique for anterior lumbar interbody fusion

[Burak M Ozgur](#)¹, [Henry E Aryan](#), [Luiz Pimenta](#), [William R Taylor](#)

Affiliations + expand

PMID: 16825052 DOI: [10.1016/j.spinee.2005.08.012](#)

Abstract

Background: Minimally disruptive approaches to the anterior lumbar spine continue to evolve in a quest to reduce approach-related morbidity. A lateral retroperitoneal, trans-psoas approach to the anterior disc space allows for complete discectomy, distraction, and interbody fusion without the need for an approach surgeon.

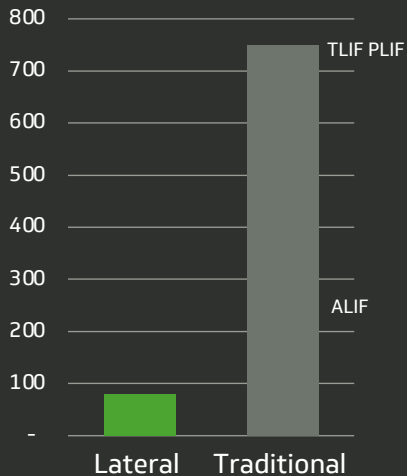
OUR BELIEF IS CLINICALLY VALIDATED:

LATERAL IS BETTER

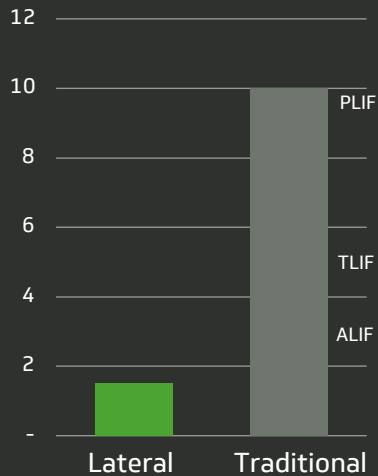
SIGNIFICANT CLINICAL & PATIENT ADVANTAGES

>500
PEER-REVIEWED
CLINICAL
PUBLICATIONS

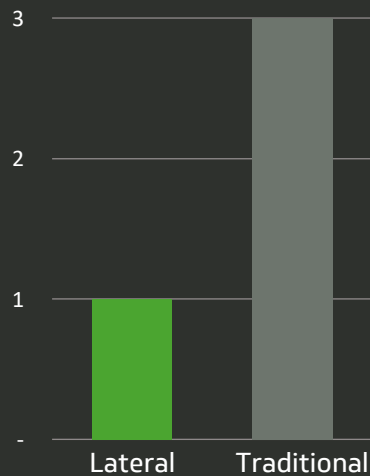
BLOOD LOSS*
cc/ level



HOSPITAL STAY*
days



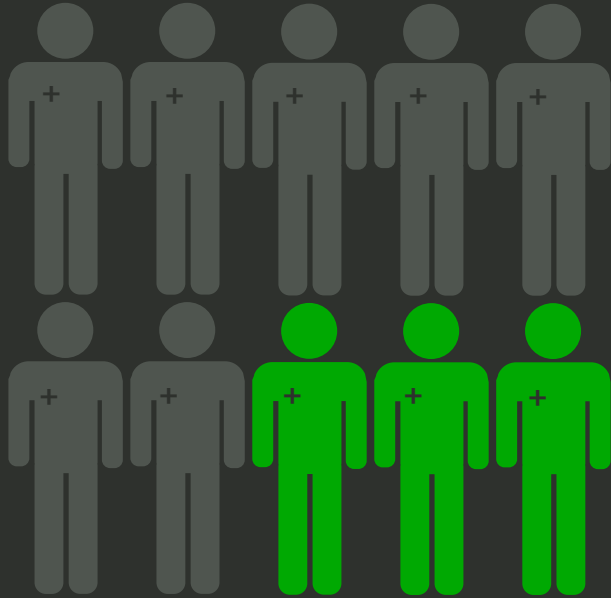
DAYS UNTIL
WALKING*



* Source data on file



WHY DID ADOPTION STALL AT **JUST ~30%*** OF SURGEONS?



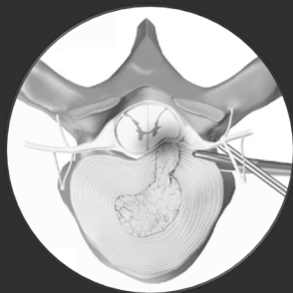
- Lack of familiarity with approach/ position
- Lack of ability for direct decompression
- Patient repositioning requirements
- Inefficient posterior fixation placement
- Lack of sagittal correction
- Lateral position pedicle screw breach rate
- Neural complications
- Limited to short constructs

PTP was designed by the pioneers of lateral (XLIF) to address these challenges.

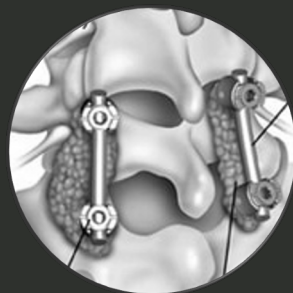
FIRST-GEN LATERAL FAILED TO FULLY ADDRESS THE GOALS OF SPINE SURGERY

Minimally invasive = minimally effective (compromise always required)

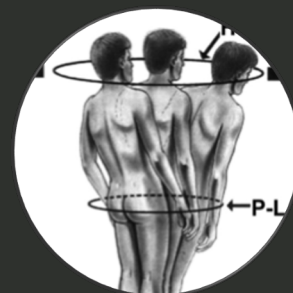
DECOMPRESSION



STABILIZATION



ALIGNMENT
CONE OF ECONOMY



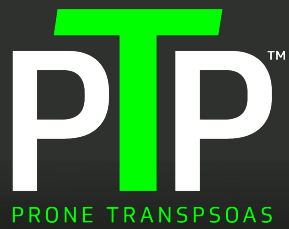
First-gen lateral:

Indirect

Difficult

Non-anatomic

Strongly correlated to
successful clinical outcomes*



ADDRESSES THE GOALS OF SPINE SURGERY

No compromise required



DECOMPRESSION + STABILIZATION

Simultaneous access to anterior & posterior columns for direct decompression



REPRODUCIBILITY:
Intuitive orthogonality

PREDICTABILITY:
Neuromonitoring provides automated information regarding nerve location & health

ALIGNMENT:
Position enhances lordosis predictability



REPRODUCIBILITY:
Straightforward position simplifies OR set up & eliminates need for tape



HOW DOES PTP ADVANCE LATERAL?

IMPROVED ALIGNMENT



6.1° Segmental lordosis gain
found to be promoted by PTP

SEGMENTAL
LORDOSIS

PTP¹ **6.1°**

LIF² 4.4°

TLIF² 1.7°

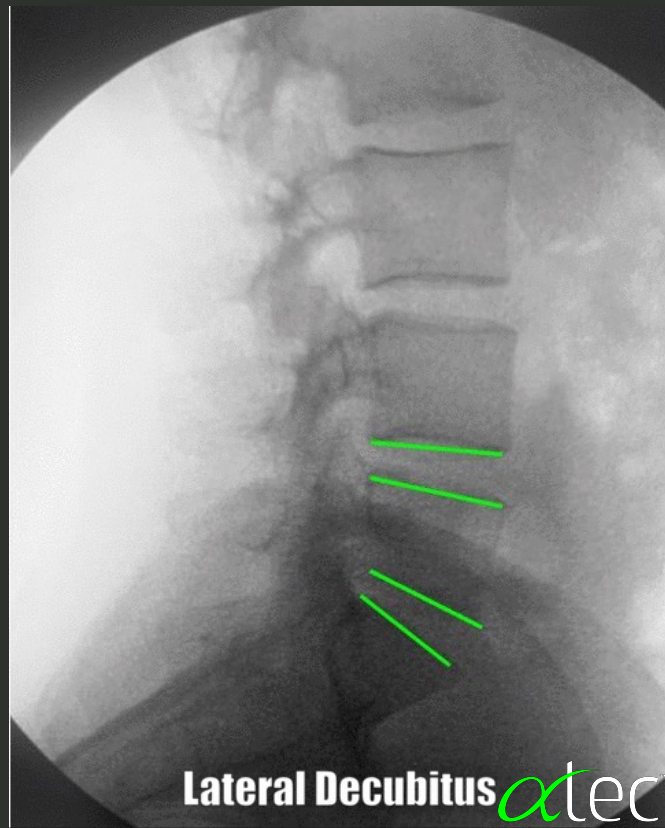
The prone transposas technique: preliminary radiographic results
of a multicenter experience

Luiz Pimenta^{1,2} · Rodrigo Amaral¹ · William Taylor² · Antoine Tohmeh³ · Gabriel Pokorny¹ · Raquel Rodrigues¹ · Daniel Arnoni¹ · Thyago Guirelli¹ · Matheus Batista¹

32 PATIENTS | 43 LEVELS

Title: Does approach matter? a comparative radiographic analysis of
spinopelvic parameters in single level lumbar fusion.

Author: Seth Ahlquist, Howard Y. Park, Jonathan Gatto, Ayra N. Shamie, Don
Y. Park



HOW DOES PTP ADVANCE LATERAL?

OUTCOME-IMPROVING POSITION



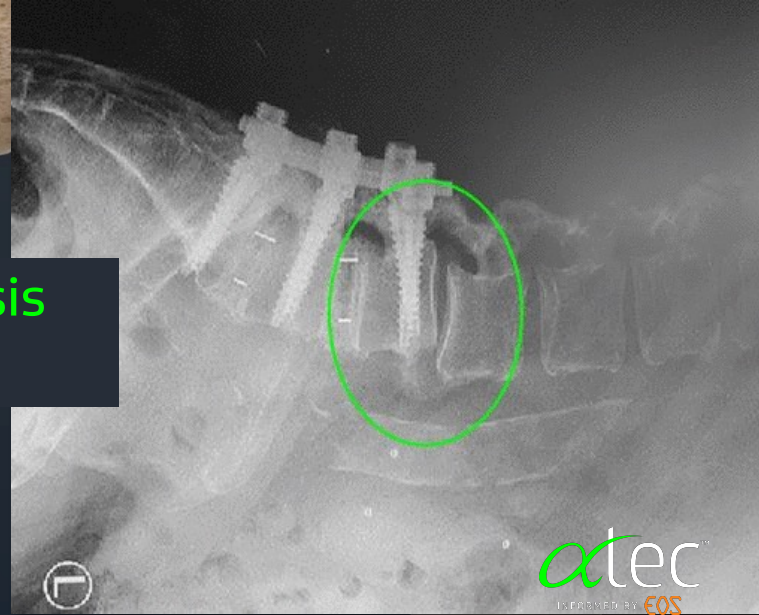
Sagittal Correction

HOW DOES PTP ADVANCE LATERAL?

OUTCOME-IMPROVING POSITION



Spondylolisthesis
Reduction



HOW DOES PTP ADVANCE LATERAL?

COMMITTED TO DESIGN THAT MEETS LATERAL'S **SPECIFIC** REQUIREMENTS

SAFEOP NEURO- MONITORING

Uniquely monitors
both location and
health of the nerve

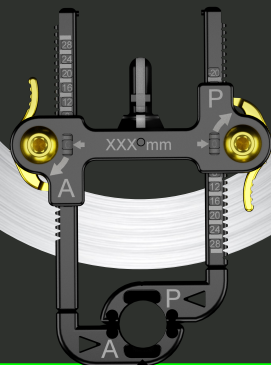


PTP™



PTP PATIENT POSITIONER

Maximizes benefits of
prone position and
streamlines OR setup



SIGMA PTP ACCESS

Customized exposure / orthogonality

HOW DOES SAFEOP ADVANCE LTP & PTP?

SAFEOP IS CENTRAL TO BETTER LATERAL OUTCOMES

ATEC's competitive moat



Medtronic

DePuySynthes



Auto EMG

Nerve location



Auto SSEP

Nerve Health



Surgeon-directed
(no need for tech)



Small O.R.
footprint



EMG is critical, but alone insufficient*

HOW DOES SAFEOP ADVANCE LATERAL?

SAFEOP IDENTIFIES REAL-TIME CHANGES IN NERVE HEALTH¹



Evolved neuromonitoring stewarded by unmatched know-how

DOCUMENTED RISK OF FEMORAL NERVE COMPLICATIONS IN LIF¹

- **16% to 36%** thigh paresthesia/ dysesthesia²
- **2% to 5%** quadriceps palsy²

SAFEOP SSEP ENABLES ACTIONABLE NERVE HEALTH MONITORING

100% sensitivity
89% specificity

“Actionable feedback was **highly predictive** of neurological events during LIF”¹

SAFE OP UNIQUELY CIRCUMVENTS SSEP MONITORING CHALLENGES

Proprietary to SafeOp for real-time reproducible monitoring:

- Signal amplifiers & filters
- Waveform classifiers
- Predefined parameters

European Spine Journal
<https://doi.org/10.1007/s00586-022-07224-9>

ORIGINAL ARTICLE

Saphenous somatosensory-evoked potentials monitoring of femoral nerve health during prone transposas lateral lumbar interbody fusion

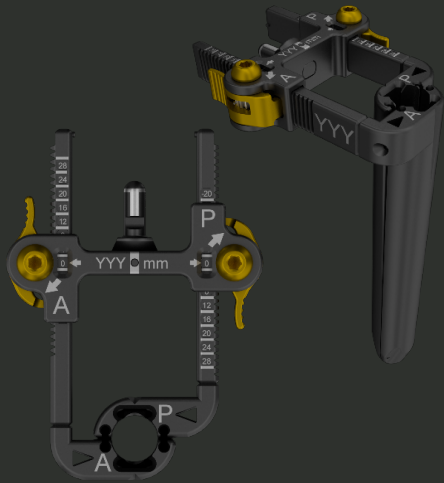
Antoine Tohmeh¹ · Cheri Somers¹ · Kelli Howell²

Received: 6 March 2021 / Revised: 30 December 2021 / Accepted: 12 April 2022
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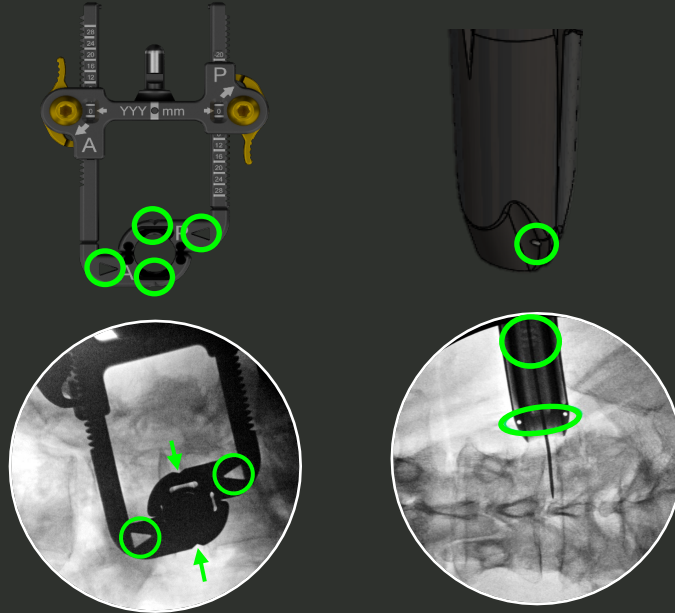
HOW DOES PTP ADVANCE LATERAL?

RETRACTOR SPECIFICALLY DESIGNED TO INCREASE PREDICTABILITY

VISIBILITY & RIGIDITY



INTUITIVE ORTHOGONALITY

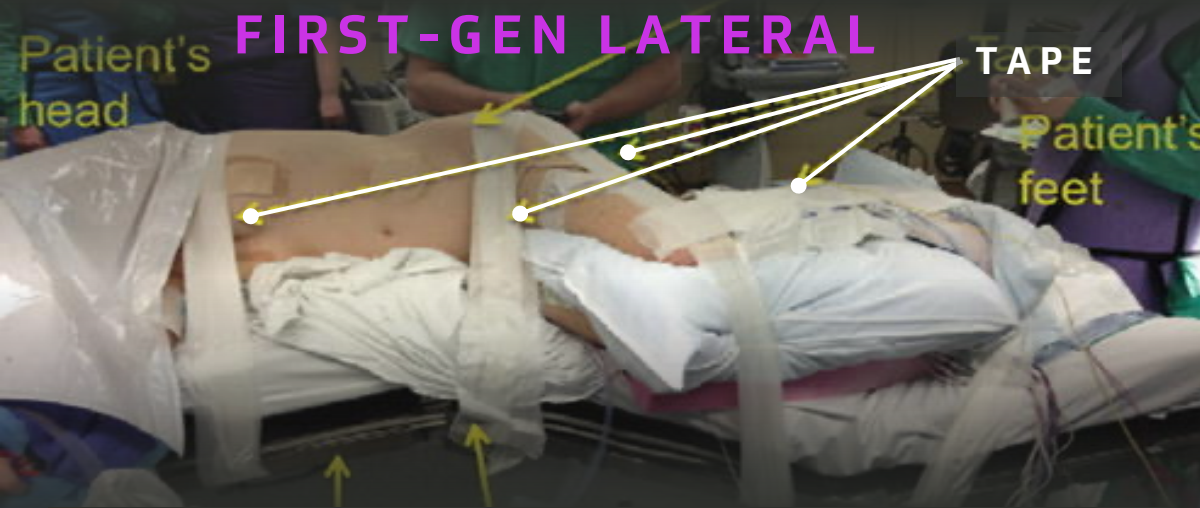


APPROACH-SPECIFIC EXPOSURE

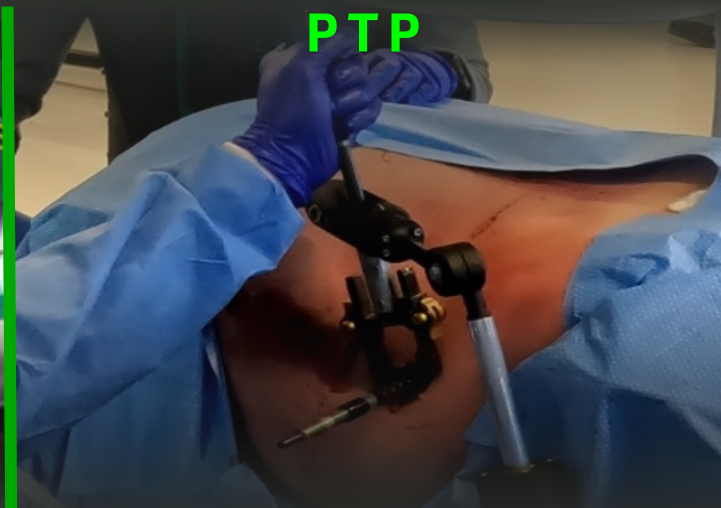


HOW DOES PTP ADVANCE LATERAL?

POSITIONER + RETRACTOR BEGET REPRODUCIBLE, RIGID CONSTRUCT



Patient positioned with tape – repositioned with complete O.R. turnover for posterior fixation



Positioner obviates tape & need for repositioning

VALUE CREATION FOR HOSPITALS

CLINICAL CERTAINTY

- Faster pre-operative patient positioning
- No need to reposition = less intra-operative time

SURGICAL EFFICIENCY

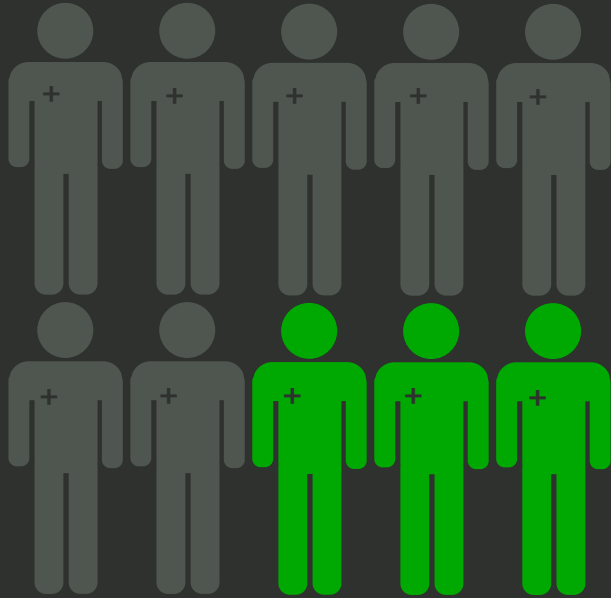
- Simultaneous anterior & posterior access
- Natural lordosis gain = less need for complex surgical interventions
- Less time under anesthesia

COST EFFECTIVENESS

- Time savings
- Less use of O.R. supplies
- Less O.R. staff involvement
- Potential lower risk of surgical infection

Supports move toward outpatient settings

WHY DID ADOPTION STALL AT **JUST ~30%*** OF SURGEONS?



- Lack of familiarity with approach/ position
- Lack of ability for direct decompression
- Patient repositioning requirements
- Inefficient posterior fixation placement
- Lack of sagittal correction
- Lateral position pedicle screw breach rate
- Neural complications
- Limited to short constructs

PTP was designed by the pioneers of lateral (XLIF) to address these challenges.

THE NEW ERA FOR LATERAL

FIRST-GEN LATERAL

VS

PTP™

no



DIRECT
DECOMPRESSION

yes

well-documented

NEURAL
COMPLICATIONS

monitored Safe-Op intended to obviate

limited*

L4-L5 ACCESS

improved by patient positioner*

yes

REPOSITIONING
REQUIREMENT

no

5.1% pedicle screw breach rate*



STABILIZATION
(POSTERIOR FX)

✓ familiar position mitigates inefficiencies

32 minutes (avg)* + surgeon involvement



POSITIONING

little time & effort from surgeon, staff

4.4° mean segmental lordosis increase*

SAGITTAL
CORRECTION

6.1° mean segmental lordosis increase*

Our opportunity
to address the need for
predictability & reproducibility
in spine is massive.

**SPINE SURGERY
NEEDS ATEC!**

JOE WALLAND

SVP, Global Imaging Solutions



2021

atec[™]
INFORMED BY **EOS**

2017

MEDICREA[®]
CEO

2004

stryker
Area VP

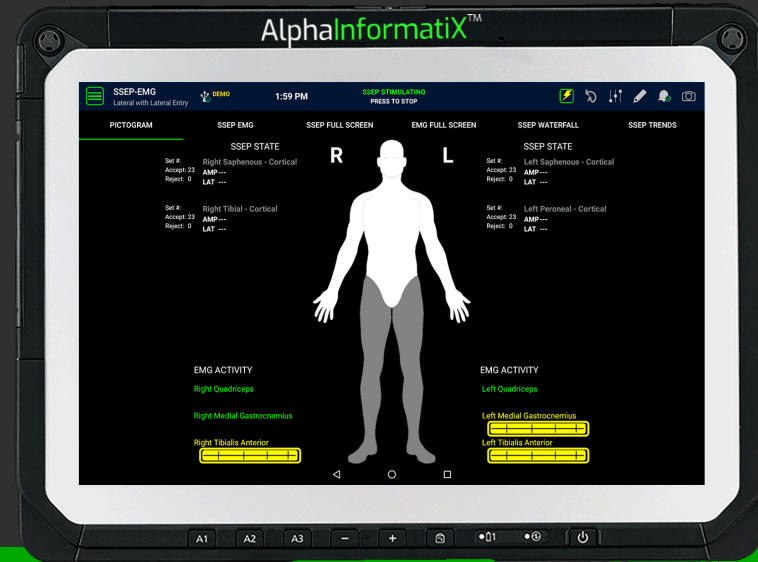
Yale

1

CREATE
CLINICAL
DISTINCTION

ADVANCING OUR
INFORMATION-BASED
COMPETITIVE ADVANTAGE

SURGEONS YEARN FOR INFORMATION THAT DRIVES BETTER OUTCOMES



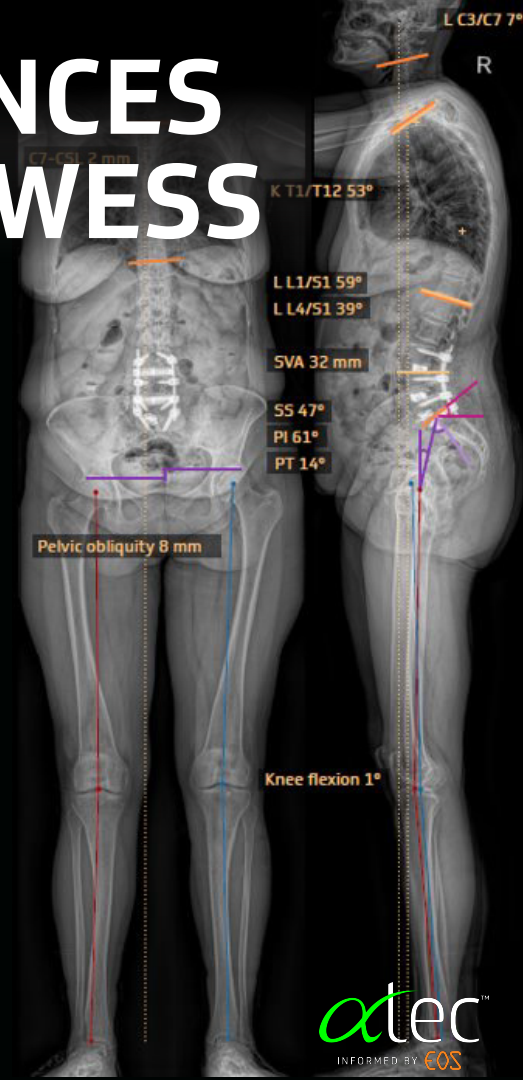
SafeOp created our conduit for delivering intra-operative information & established the foundation for EOS

EOS SIGNIFICANTLY ADVANCES OUR INFORMATIONAL PROWESS

Consistent unstitched, full-body imaging



	EOS	X-RAY: CR/DR
Low dose ¹	✓	
3D imaging	✓	
Full-body	✓	
Weight-bearing	✓	✓
No image stitching	✓	
No magnification error	✓	

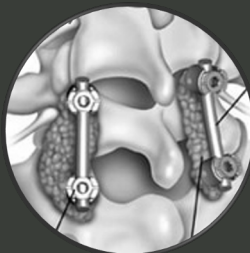


45 1. Patients treated for Adolescent Idiopathic Scoliosis had an overall cancer rate 5 times higher than of an age matched population. *Incidence of cancer in adolescent idiopathic scoliosis patients treated 25 years previously, Simony A et al. Eur Spine J. 2016*

DELIVERING **PREDICTABILITY** TO THE CORE GOALS OF SURGERY



STABILIZATION



Pre-operative understanding of bone quality to inform approach & implant selection

ALIGNMENT



Spine's first objective approach to **restoration of alignment**

EOS WILL SET NEW STANDARDS IN SPINE

CLINICAL

OPERATIONAL

ECONOMIC

CLINICAL OPPORTUNITY

Influence & growing footprint are building a data-based competitive moat

HOSPITAL ACCESS

Value of EOS information +
cross-selling expanding
our reach



OPERATIVE INFLUENCE

Becoming a valued partner
throughout patient care pathway
pre-op, intra-op and post-op

PREDICTIVE ANALYTICS

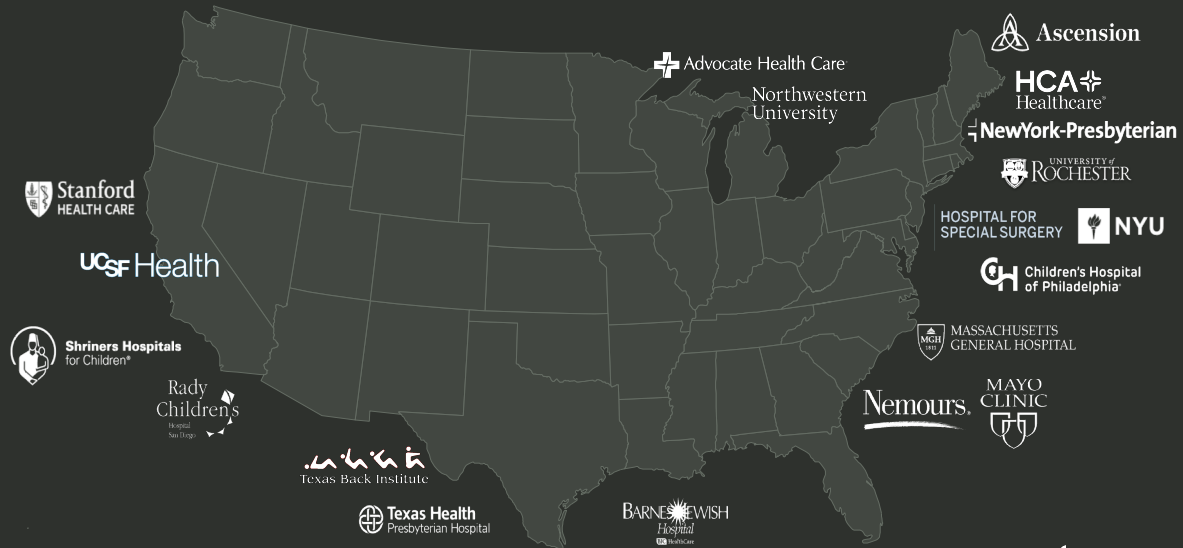
Data collection over time can inform which
intervention best suits which pathologies

EOS EXPANDS ACCESS TO THOUGHTLEADING INSTITUTIONS

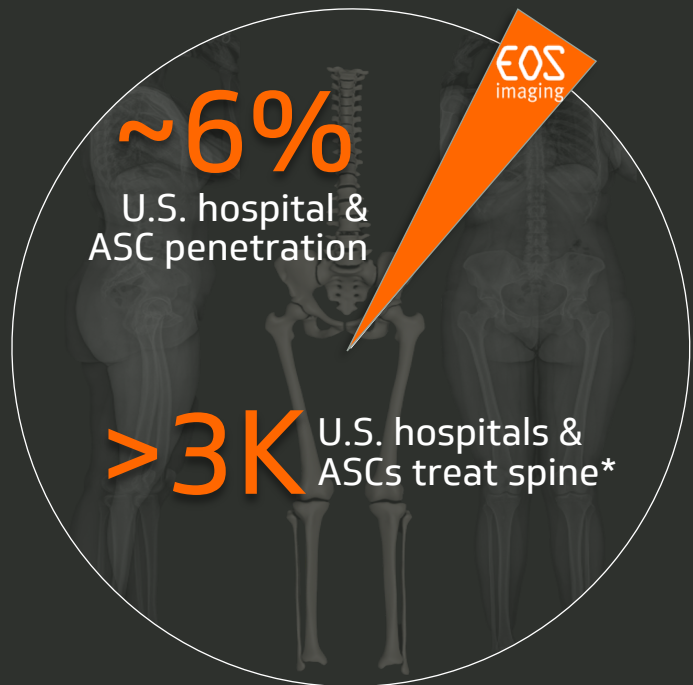
Doors are opening to the most influential U.S. accounts

90% of top 10 best orthopedic hospitals*

80% of top 25*



MASSIVE OPPORTUNITY TO LEVERAGE ATEC + EOS INFLUENCE



- Expanding EOS pipeline of interest via significantly larger, attentive sales team – from ~3 to 300+
- Increasing selling into end-users of imaging: spine surgeons
- Multiple acquisition strategies
- Strong, established reimbursement

CLINICAL OPPORTUNITY

Influence & growing footprint are building a data-based competitive moat

HOSPITAL ACCESS

Value of EOS information +
cross-selling expanding
our reach



OPERATIVE INFLUENCE

Becoming a valued partner
throughout patient care pathway
pre-op, intra-op and post-op

PREDICTIVE ANALYTICS

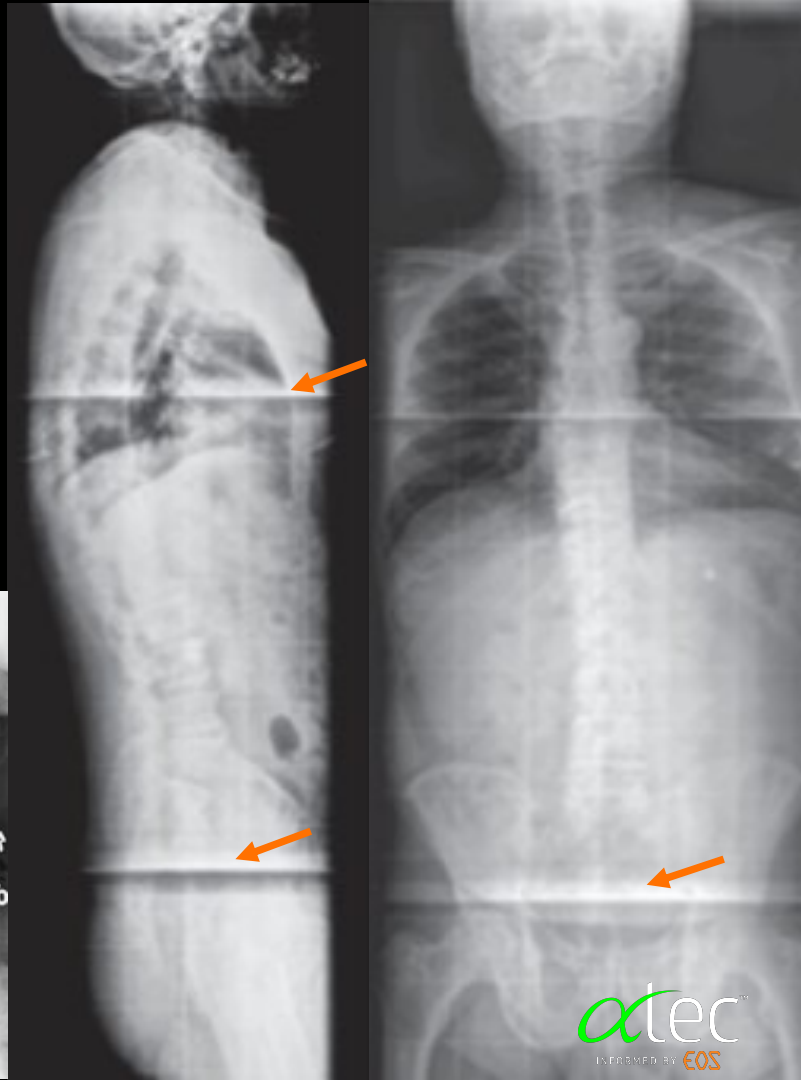
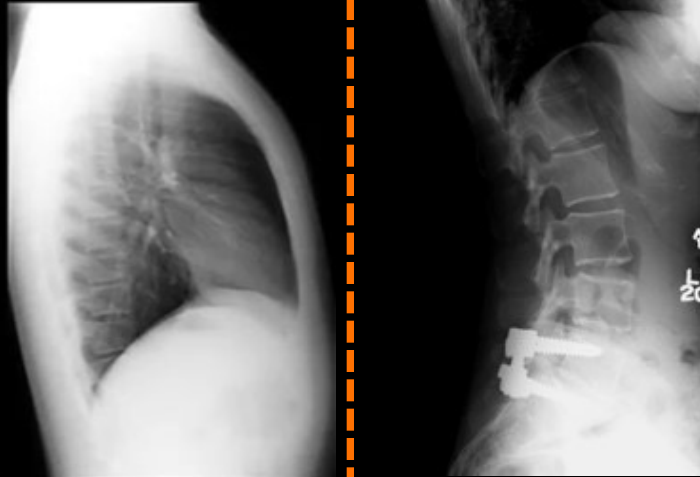
Data collection over time can inform which
intervention suits which pathologies

WHAT IS EOS CAPABLE OF TODAY?

IMAGING WITHOUT EOS

Relies on **stitched radiographic images**

- Stitching prone to errors
- Angles may be affected
- Unusual, misleading findings



WHAT IS EOS CAPABLE OF TODAY?

IMAGING WITH EOS

Full-body imaging

Standing, functional
alignment assessment

No stitching errors

Zero magnification error

Less radiation

Reduced exam time

3-D anatomical
reconstructions

spine EOS

Patient

First name : Démonstration
Last Name : PATIENT
Date of birth : 2000-01-01
Surgery date : 2021-12-07
Acquisition : AP
Surgeon : CHIRURGIEN Démo

Normative values ⓘ

PI (°)	61	HIGH
PT (°)	14	Δref: -8
PI-LL (°)	-3	Δref: -8,5
L4/S1 (°)	49	Δref: -6
SVA (mm)	58	Δref: +25

PREOP

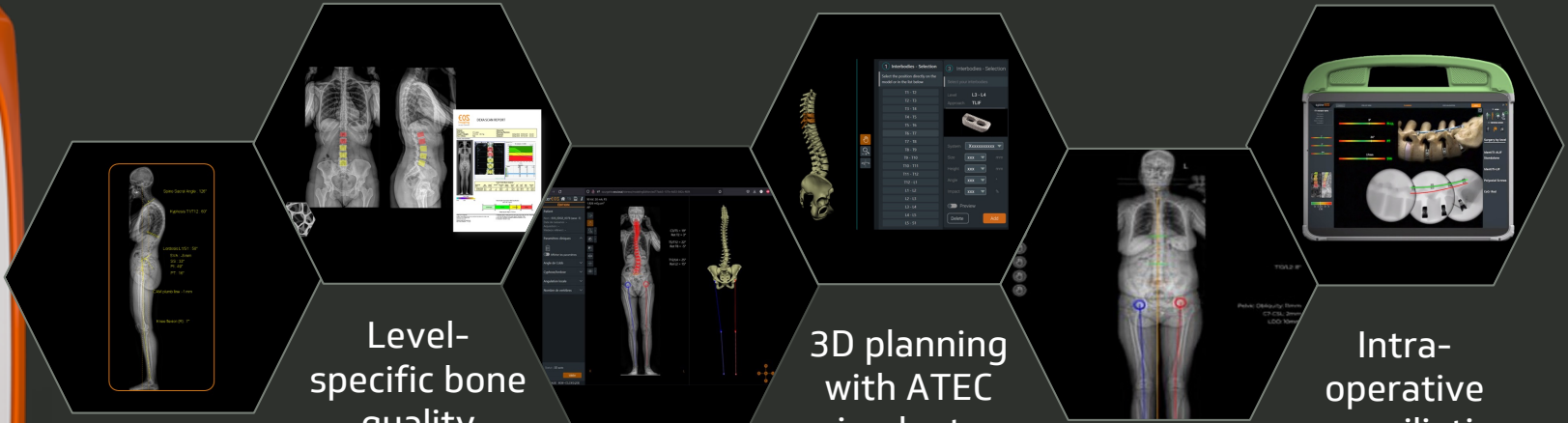
PLANNING

ROD

C2/C7: 1°
cSVA: 10 mm
T1 slope: 38°
T4/T12: 55°
T10/L2: 56°
L1/S1: 55°
L4/S1: 49°
L1/L4/S1: 27% 78%
SVA: 58mm
TPA: 14.4°
PI-LL: -3°
PI: 61°
PT: 14°
SS: 47°
Knee flexion R: 11°
Knee flexion L: 11°

R L A P

EOS WILL **INFLUENCE** THE CLINICAL EXPERIENCE



Automated
2D alignment
reports

Level-
specific bone
quality

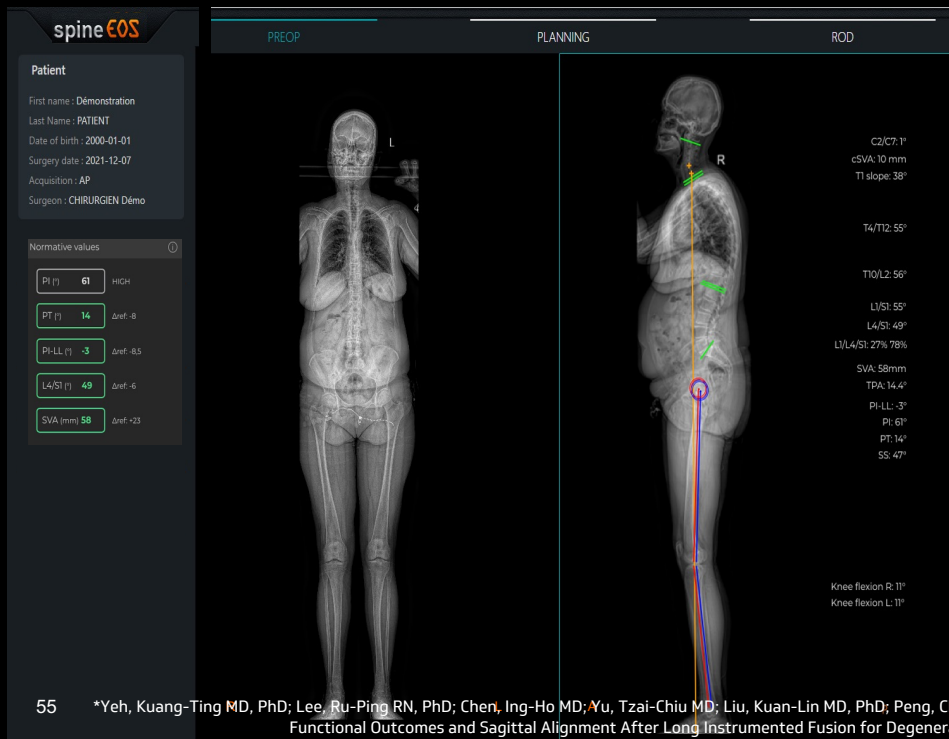
Automated
3D
reconstructions

3D planning
with ATEC
implants

Patient-
specific
configurations

Intra-
operative
reconciliation

COMPREHENSIVE UNDERSTANDING OF GLOBAL ALIGNMENT



- Data-driven insight on relationship between spine & pelvis
- Full-body, standing imaging demonstrates patient compensation
- Spine's *first* objective approach to restoration of alignment, **strongly correlated to successful clinical outcomes***

EOS PIPELINE: 3-D PLANNING & OBJECTIVE ALIGNMENT RECONSTRUCTION



EOS PIPELINE: INTRA-OPERATIVE RECONCILIATION TO SURGICAL PLAN



- Pre-operative surgical plans open door to leverage unique in-house rod-bending expertise
- Connects surgical plan to intra-operative experience
- Drives understanding of how alignment changes when patient lays down
- Lays groundwork for predictive analytics

CLINICAL OPPORTUNITY

Influence & growing footprint are building a data-based competitive moat

HOSPITAL ACCESS

Value of EOS information +
cross-selling expanding
our reach



OPERATIVE INFLUENCE

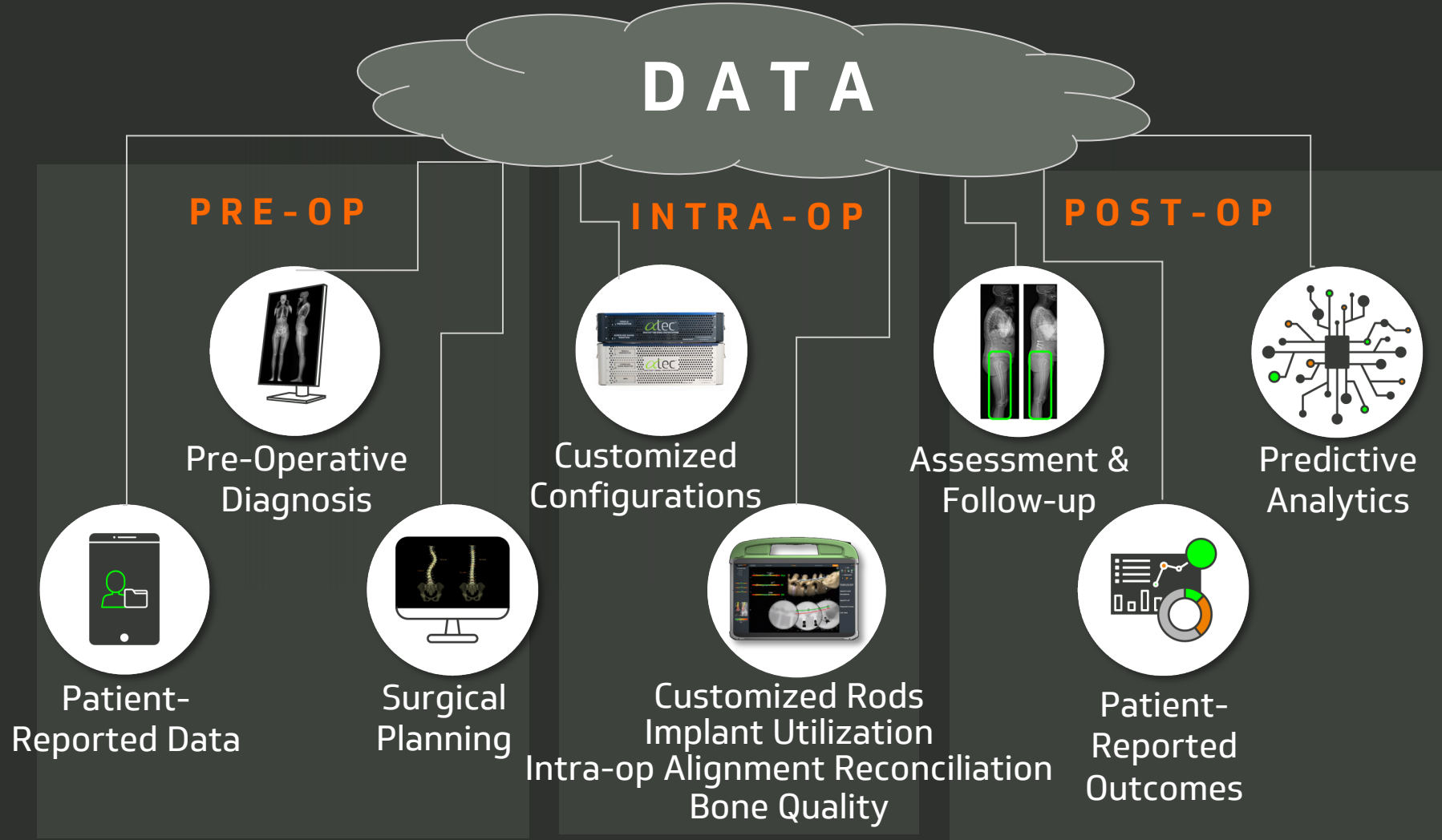
Becoming a valued partner
throughout patient care pathway
pre-op, intra-op and post-op

PREDICTIVE ANALYTICS

Data collection over time can inform which
intervention suits which pathologies

SPINE'S 1ST DATA-DRIVEN ANALYTICS

EOS contract language secures rights to data that will improve care



EOS WILL SET NEW STANDARDS IN SPINE

CLINICAL

OPERATIONAL

ECONOMIC

HOW SPINE PREPARES FOR A SURGERY

INDUSTRY INEFFICIENCIES:

\$ Capex | \$ Inventory | \$ Freight | \$ Time
Order Entry | Burden on Sales Team

+ HOSPITAL INEFFICIENCIES:

\$ Tray Processing / Sterilization | \$ Labor | \$ Time



EOS-INFORMED SURGICAL PLANNING

Opportunity to dramatically increase shared efficiencies through planning



\$\$\$\$\$ → \$\$



EOS WILL SET NEW STANDARDS IN SPINE

CLINICAL

OPERATIONAL

ECONOMIC

PAVING THE PATH TOWARD **PREDICTABLE** PROCEDURE PRICING



TODAY

Hospital negotiations based on each implant price



WITH PREDICTIVE ANALYTICS

Hospital negotiations objectively informed by surgical plan + procedural spend data

Increases predictability of cost of care

DATA & SURGICAL PLANNING CAN CHANGE THE CURRENCY IN SPINE

BUILDING PREDICTABILITY

Unprecedented capabilities today; new standards longer-term



2022-2023

2024-2025+

Informed surgical planning

Pre-op rod bending

Intra-operative reconciliation

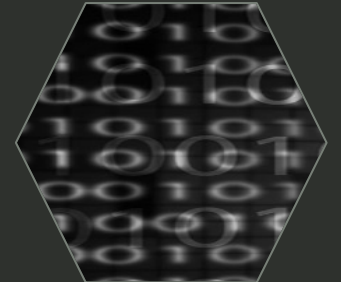
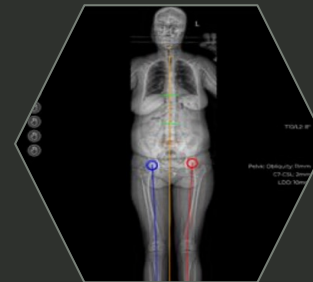
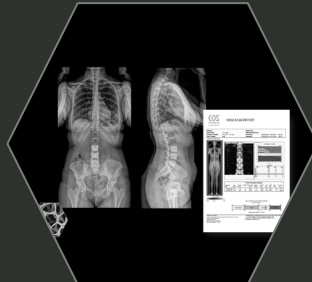
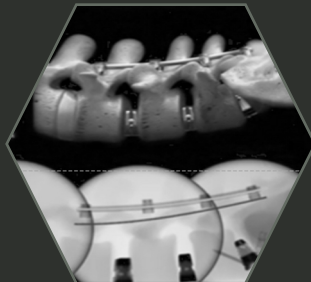
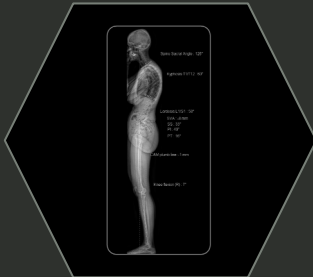
Customized configurations

Automated 2D alignment reports

Bone density measures inform stabilization

Intra-operative rod bending

Collected data begets spine's first predictive analytics



BRIAN SNIDER

EVP, Marketing



2017



2008



Business Lead, TL Anterior

2001



Senior Consultant

DUKE
FUQUA
SCHOOL OF BUSINESS

THE GEORGE
WASHINGTON
UNIVERSITY
WASHINGTON, DC

1

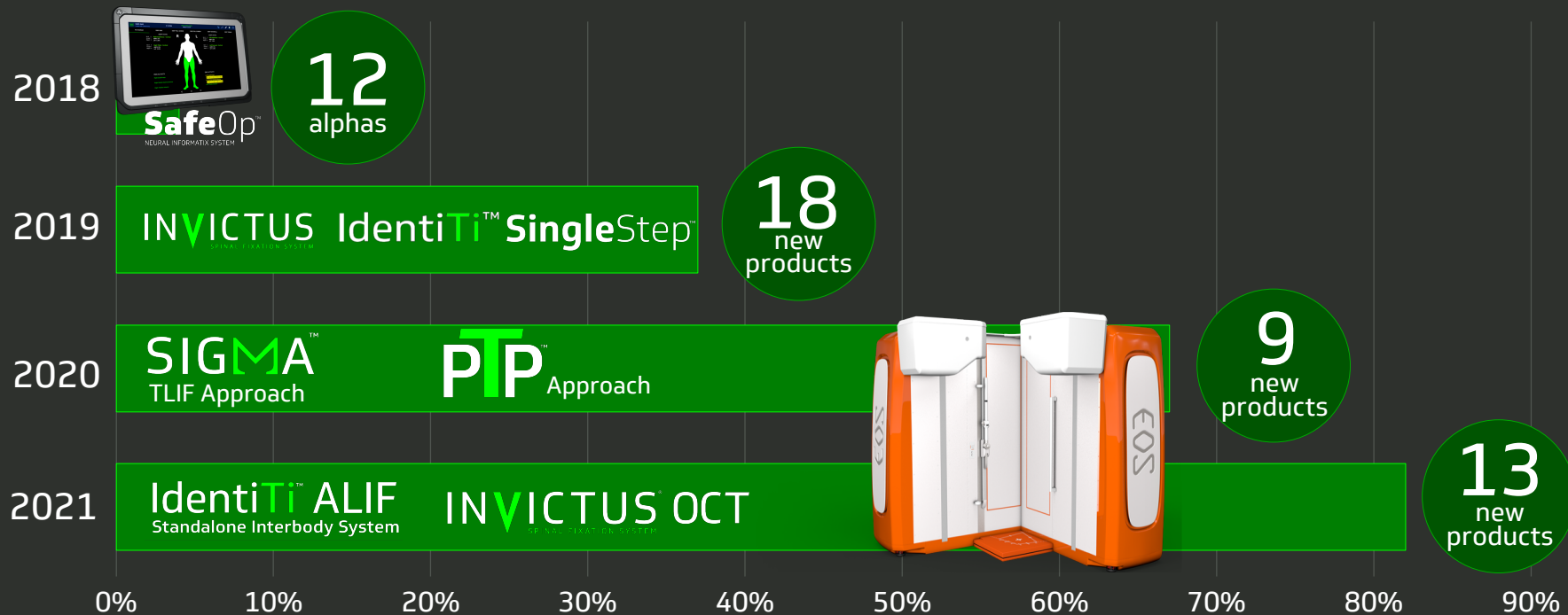
CREATE
CLINICAL
DISTINCTION

OUR BUSINESS
IS IN THE
OPERATING ROOM

**INNOVATION
INSPIRED BY
THE OPERATING
ROOM**

**NOT THE
BOARD ROOM**

82% OF ORGANIC REVENUE DRIVEN BY NEW PRODUCTS



ATEC DEVELOPMENT IS DIFFERENT

Entire know-how of the Organic Innovation Machine™ is housed here

1. MARKETING
ESTABLISH STANDARD

**2. PRODUCT
DEVELOPMENT**
DESIGN AGAINST
STANDARD

5. CADAVER LAB
EVALUATE IN
SURGICAL SETTING

4. BIOMECHANICAL TESTING
EVALUATE BIOMECHANICALLY

**3. TECHNOLOGY
ADVANCEMENT GROUP**
MANUFACTURE TO STANDARD

**DESIGNED
FOR SPECIFIC
APPROACH**

atec[™]
INFORMED BY **EOS**

atec[™]
INFORMED BY **EOS**

FOCUSED ON THE CLINICAL REQUIREMENTS



NASS 2019

The Future

PTP

Prone Transposas

ipca

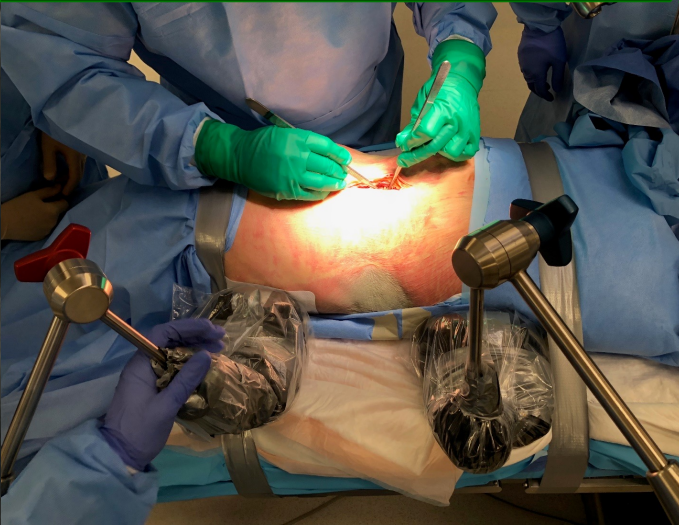
“Good ideas are always crazy until they’re not.”

- ELON MUSK

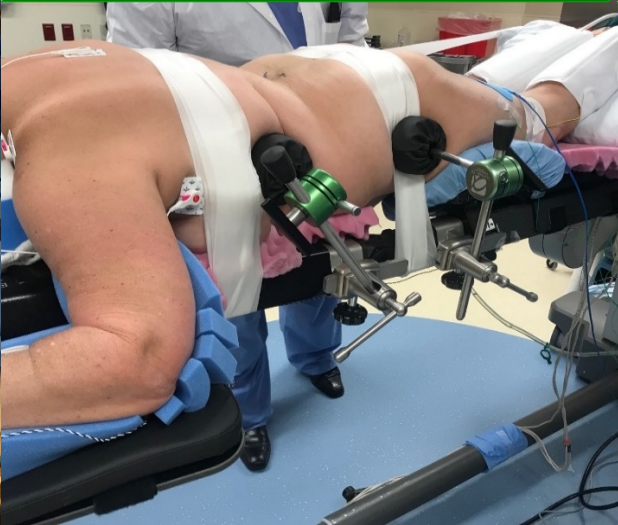
atec
INFORMED BY EOS

APPLIED LEARNINGS

BOXING GLOVES



BOLSTERS



PATIENT POSITIONER



“ THE ONLY REAL MISTAKE IS THE ONE FROM WHICH WE LEARN NOTHING.

--HENRY FORD

atec™
INFORMED BY EOS

PROCEDURAL ADVANCEMENT

2022-2023

2024-2025+

LATERAL APPROACHES

Patient positioner
Access systems
Expandable & Nanotec implants
Thoracic solutions

Revision solutions
Complex alignment solutions

ANTERIOR APPROACHES

Patient positioner
Access system
Standalone next gen

Standalone PEEK Nanotec
Expandable & Nanotech implants

POSTERIOR APPROACHES

Patient positioners
Access systems
Expandable & Nanotec implants
Osteoporotic solutions

Alignment solutions

CERVICAL APPROACHES

Access system
Anterior plate
Nanotech implants

Patient positioner
Single-level
Corpectomy

PROCEDURAL ADVANCEMENT

2022-2023

2024-2025+

LATERAL APPROACHES

Bioactive synthetic graft, next-gen DBF

SafeOp 2.0

Surgical planning, auto 2D, pre-op rod bending

Patient positioner
Access systems
Expandable & Nanotec implants
Thoracic solutions

Graft delivery - expandable implants

SafeOp MEP/ DSEP, psoas mapping, C5 monitoring

EOS bone density, intraop recon & rod bending

Revision solutions
Complex alignment solutions

ANTERIOR APPROACHES

Patient positioner
Access system
Standalone next gen

Standalone PEEK Nanotec
Expandable & Nanotech implants

POSTERIOR APPROACHES

Patient positioners
Access systems
Expandable & Nanotec implants
Osteoporotic solutions

Alignment solutions

CERVICAL APPROACHES

Access system
Anterior plate
Nanotech implants

Patient positioner
Single-level
Corpectomy

MIS graft delivery solutions

EOS customized configurations, predictive analytics

OUR COMMITMENTS

Earning market share by prioritizing key initiatives

1

**CREATE
CLINICAL
DISTINCTION**

Leverage our organic product development machine & advance our information-based competitive advantage

2

**COMPEL
SURGEON
ADOPTION**

Increase revenue and products sold per case through innovation

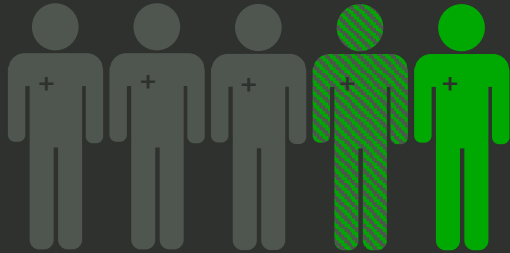
3

**ELEVATE
DISTRIBUTION**

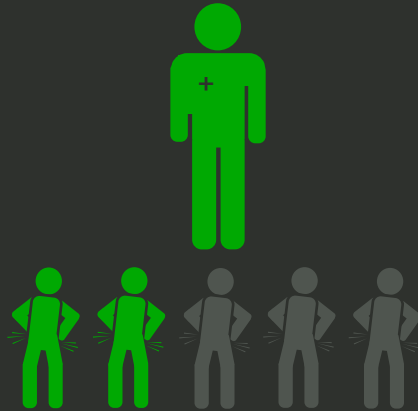
Progress toward comprehensive & clinically adept, scalable network

ADOPTION IS MULTIFACETED

MORE SURGEON
CUSTOMERS



MORE OF EACH
SURGEON'S CASES



MORE PRODUCT CATEGORIES
SOLD INTO EACH CASE



MORE SURGEON CUSTOMERS

WE CARE ABOUT WHAT
SURGEONS CARE ABOUT:

IMPROVING PATIENT
OUTCOMES

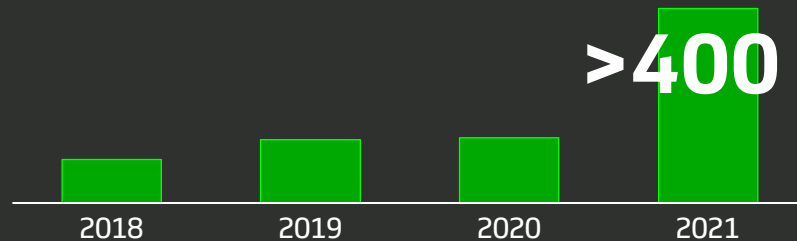
MORE SURGEON CUSTOMERS

WORLD-CLASS TRAINING

Cadaveric lab + growing roster of renowned faculty to meet demand

- Advancing surgeon education with emphasis on PTP & procedural approaches
- Demonstrating how to improve predictability & reproducibility with EOS-integrated training
- Investing in future growth via resident & fellow inclusion

ATEC SURGEON EDUCATION VISITS



SOME OF ATEC'S ESTEEMED FACULTY



Shay Bess, MD
Health
DISC
Duke International Spine Center
Physician Care™



Vedat Deviren, MD
UCSF
University of California
San Francisco



Gene Massey, MD
OrthoSC



Alpesh Patel, MD
Northwestern
Medicine



Tyler Smith, MD
SIERRA SPINE
INSTITUTE



Chris Brown, MD
Duke



Timothy Kuklo, MD
Health
DISC
Duke International Spine Center
Physician Care™



Luiz Pimenta, MD,
PhD
ipc



Antoine Tohmeh, MD
MultiCare
Rockwood Clinic



William Taylor, MD
UC San Diego

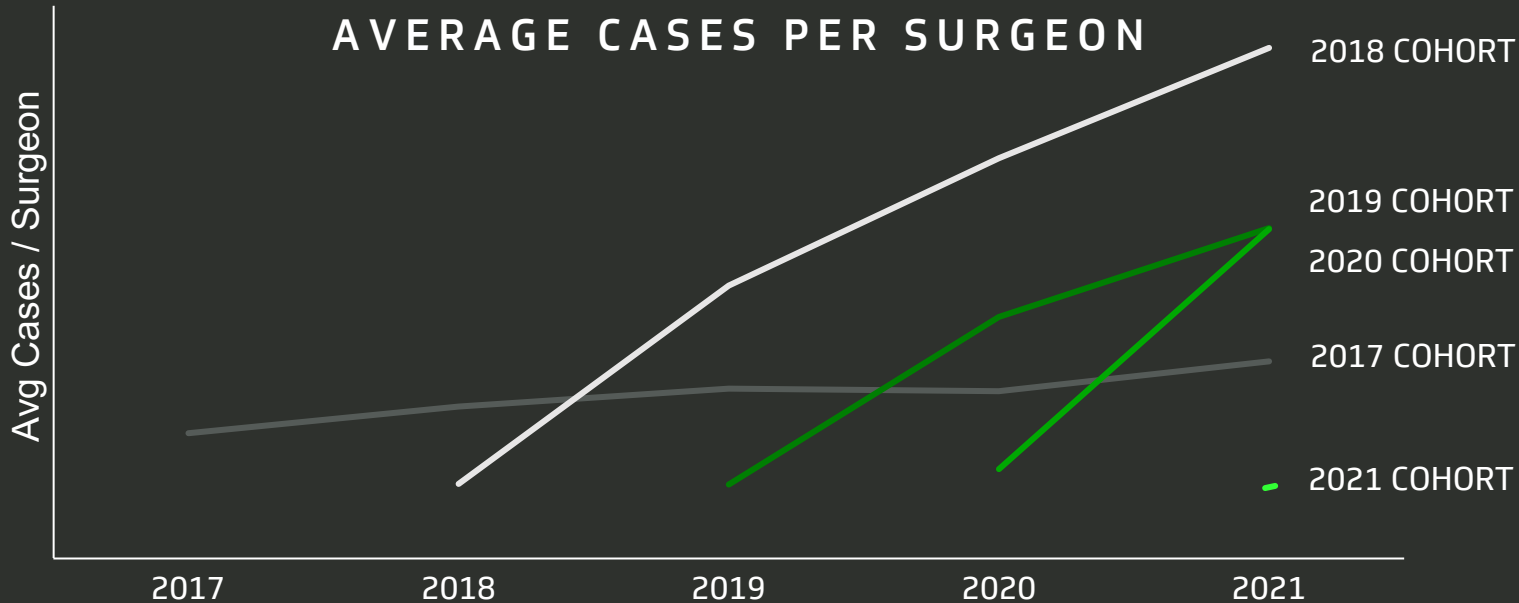
MORE SURGEON CUSTOMERS

PTP SUMMIT

- Early user engagement
- Opportunity to share cases and challenges
- Modeled after SOLAS, which evolved early lateral experience to significant research output and education engine
- Will be significant driver of clinical publications

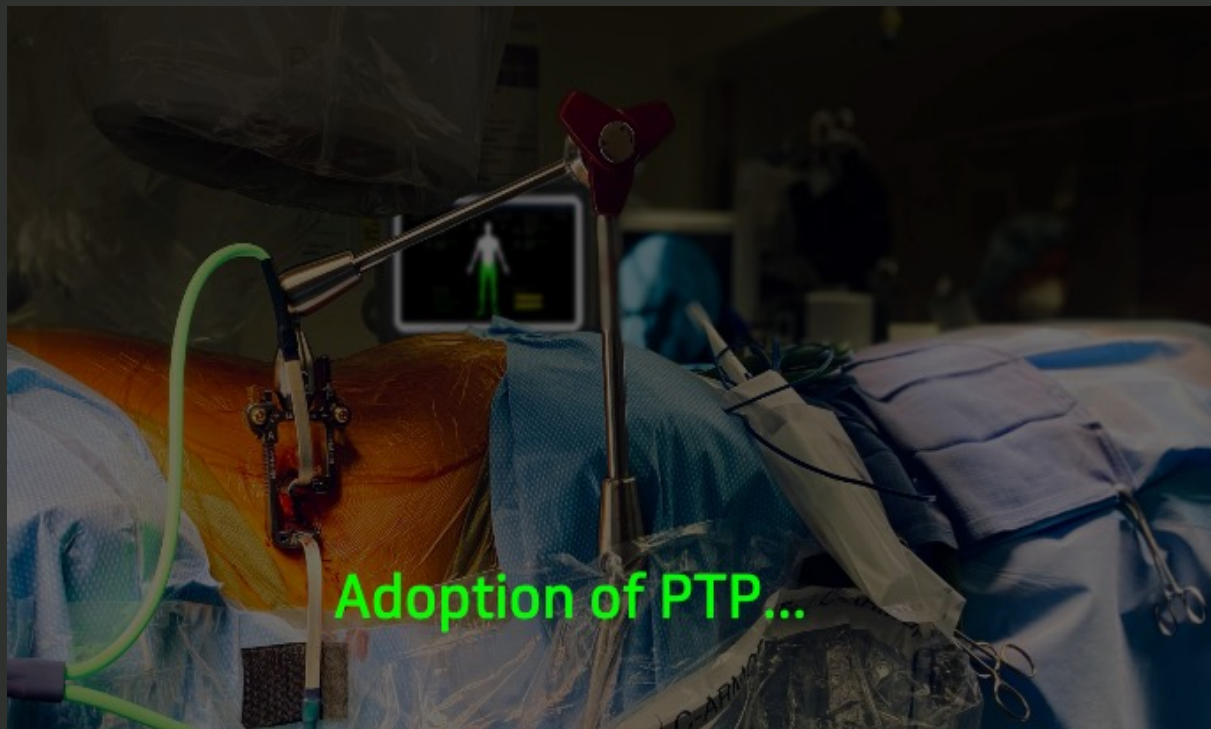
MORE OF EACH SURGEON'S CASES

EARNING SURGEON CONFIDENCE CREATES **LOYAL RELATIONSHIPS**



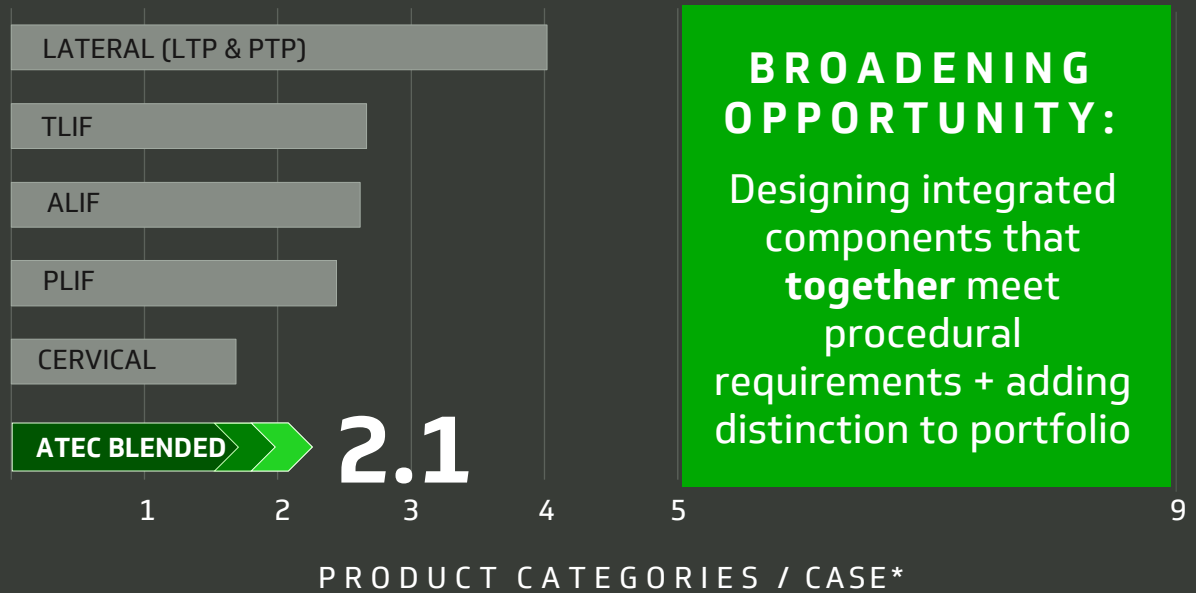
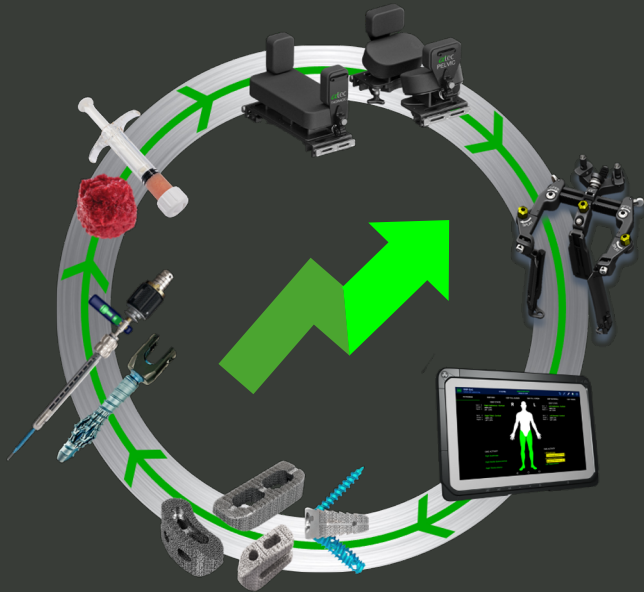
MORE OF EACH SURGEON'S CASES

THE "HALO EFFECT"

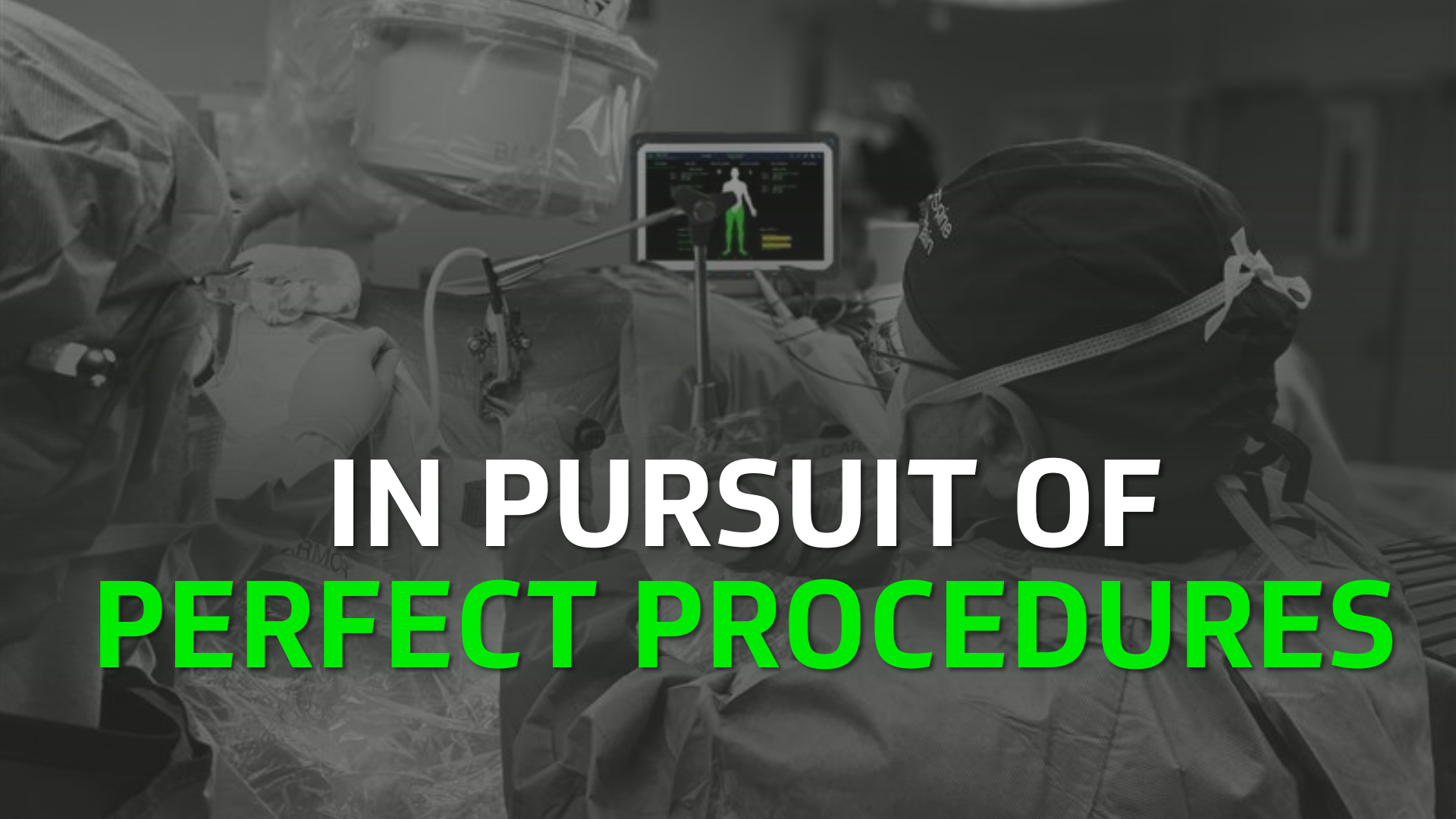


MORE PRODUCT CATEGORIES SOLD / CASE

CAPTURING MORE OF EACH CASE



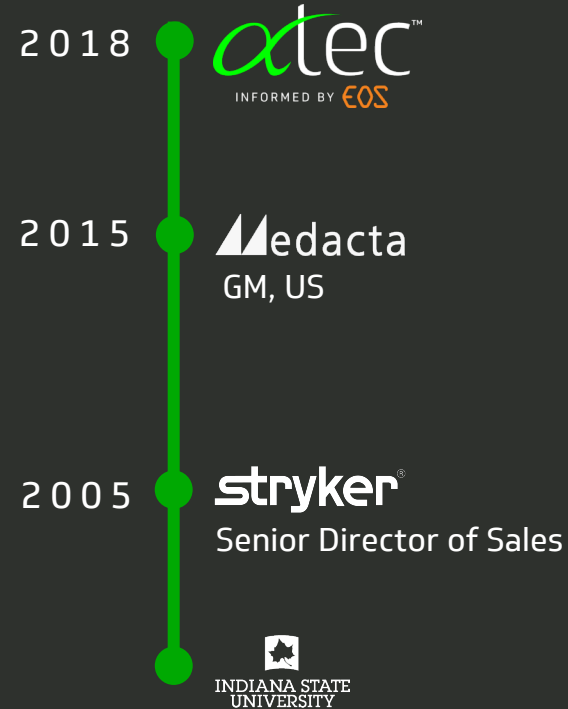
BROADENING OPPORTUNITY:
Designing integrated components that **together** meet procedural requirements + adding distinction to portfolio



**IN PURSUIT OF
PERFECT PROCEDURES**

DAVE SPONSEL

EVP, SALES



OUR COMMITMENTS

Earning market share by prioritizing key initiatives

1

**CREATE
CLINICAL
DISTINCTION**

Leverage our organic product development machine & advance our information-based competitive advantage

2

**COMPEL
SURGEON
ADOPTION**

Increase revenue and products sold per case through innovation

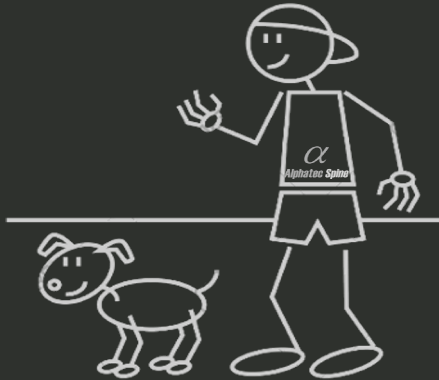
3

**ELEVATE
DISTRIBUTION**

Progress toward comprehensive & clinically adept, scalable network

EVOLUTION OF OUR SALES TEAM

2017



GUY AND A DOG

Works with 2 surgeon friends

Has 95% of each surgeon's business

Carries multiple spine lines

Sells products that pay highest commission &
owns the corporate relationship leverage

EVOLUTION OF OUR SALES TEAM

2017

2018-2020



REVITALIZATION

- Terminated non-strategic relationships (walked away from ~\$30M in revenue / year)
- Created clinically distinct portfolio to take ownership of value creation (surgeons compelled by technology & service)
- Built professional, geo-based network; each distributor leads multiple reps

EVOLUTION OF OUR SALES TEAM

2017

2018-2020

2021+

~3%

SHARE OF
US SPINE*

VS

5%+

SHARE IN
THE MARKETS
WE ARE IN

INCREASING FOOTPRINT & CLINICAL RELEVANCE

- Ramping training to achieve commercial excellence
- Filling in U.S. geographies
- Continuing to build and leverage distinction to work toward exclusivity
- Enhancing speed and predictability of service with Memphis distribution
- Building foundation for int'l presence

RESULTS SPEAK FOR THEMSELVES

	2017	2021
# of distributors	100+	56
Revenue / distributor	~\$0.8M	~\$3.8M
Reps trained in year	zero	172
% revenue from strategic distribution	59%	97%
Average product categories per case	1.5	2.1
Average revenue per case (ASP)	\$5,200	\$8,200
U.S. revenue growth	(19%)	50%

EARNING MARKET SHARE

Industry-leading growth

	A TEC	NUVA	DEPUY	MDT	SYK	GMED	ZBH	SPNE	US SPINE
2019	29%	5%	-4%	4%	35%	9%	-6%	11%	4%
2020	30%	-11%	-13%	-9%	-13%	4%	-12%	-2%	-8%
2021	50%	7%	6%	14%	9%	18%	-5%	19%	11%

THE PATH AHEAD: **SCALE**

Leveraging analytics to establish the clinical face of ATEC

**ANALYTICS
INFORM THESE
INVESTMENTS**

ATEC REPS = CLINICALLY ADEPT PARTNERS

Advancing clinical distinction + effective training begets loyal surgeon relationships

COMPREHENSIVE U.S. SALES COVERAGE

Expanding U.S. rep base & integrated EOS capital team cross-selling

SALES COST LEVERAGE

Distributor contracts embedded with commission \$ leverage as business grows

ESTABLISHING INT'L MARKET PRESENCE

Direct, narrow & deep entry into markets with strong clinician influence

LEVERAGING ANALYTICS

Informed and aligned understanding of opportunities

Select State

Top 5 Cities

City	Revenue \$
Columbus	5
Houston	3
New York	1
Louisville	1
Phoenix	3
Total	3

Top Hospitals

Hospital	City	State	Revenue \$
Cedars-Sinai Medical Center	Los Angeles	CA	\$22,256,291
Abbott Northwestern Hospital	Minneapolis	MN	\$22,014,658
Arizona Spine & Joint Hospital	Mesa	AZ	\$21,989,902
Scripps Green Hospital	La Jolla	CA	\$21,664,013
Lafayette Surgical Specialty Hospital	Lafayette	LA	\$21,545,035
Ascension Saint Thomas Midtown (FKA Baptist Hospital)	Nashville	TN	\$21,528,704
William P Clements Jr University Hospital (FKA UT Southwestern University Hospital - St Paul)	Dallas	TX	\$21,429,565
Baptist Health Paducah (FKA Western Baptist Hospital)	Paducah	KY	\$21,414,324
Good Samaritan Medical Center (FKA Exempla Good Samaritan Medical Center LLC)	Lafayette	CO	\$21,232,292
CHI St Joseph Regional Health Care Center (AKA CHI St Joseph Health Regional Hospital)	Bryan	TX	\$20,791,754
UCLA Health - Santa Monica Medical Center	Santa Monica	CA	\$20,712,833

Heat Map

Select State

Instructions

- Select Market Surgeon from dropdown
- Assign Tier based on the criteria starting in cell A42 to the right
- Type an "X" in the "Target Product" cells for the products the Surgeon will be most likely to use
- Type an "X" in the "Contact", "Hospital Access", and "Surgeon Training" cells to show what actions have been completed

If a Surgeon is not in dropdown list, please use bottom 10 as open rows. Market Surgeons by Hospital are shown below Pipeline table.

Top Surgeon Targets

Target Surgeon	Tier 1	Tier 2	Tier 3	Tier 4	11-22	12-23	13-24	14-25	15-26	16-27	17-28	18-29	19-30
San Antonio					\$46,155,269								
Total					\$334,283,792								

11 Month Forecast

Target Surgeon	Tier 1	Tier 2	Tier 3	Tier 4	11-22	12-23	13-24	14-25	15-26	16-27	17-28	18-29	19-30
San Antonio					\$50,000	\$0	\$0	\$10,000	\$20,000	\$30,000	\$40,000	\$50,000	\$60,000
Fort Worth					\$10,000	\$20,000	\$30,000	\$40,000	\$50,000	\$60,000	\$70,000	\$80,000	\$90,000

Market Surgeons by Hospital

Hospital	City	State
Medical City Fort Worth (FKA Plaza Medical Center of Fort Worth)	Fort Worth	TX
St Davids Medical Center	Austin	TX
United Memorial Medical Center (FKA Doctors Hospital)	Houston	TX
Medical City Plano (FKA Medical Center of Plano)	Plano	TX
Methodist Hospital for Surgery	Addison	TX
Medical City Dallas	Dallas	TX
Ascension Seton Medical Center Austin	Austin	TX
Eminent Medical Center	Richardson	TX
USMD Hospital at Arlington	Arlington	TX
UT Health Tyler (FKA East Texas Medical Center - Tyler)	Tyler	TX
Texas Orthopedic Hospital	Houston	TX
USMD Hospital at Fort Worth (Closed)	Fort Worth	TX
Baylor Scott & White Medical Center - Temple	Temple	TX
Texas Health Fort Worth (FKA Texas Health Harris Methodist Hospital Fort Worth)	Fort Worth	TX
Houston Methodist Hospital (FKA the Methodist Hospital)	Houston	TX
South Texas Spine & Surgical Hospital	San Antonio	TX
HCA Houston Healthcare Kingwood (FKA Kingwood Medical Center)	Kingwood	TX
Methodist Hospital	San Antonio	TX
Houston Methodist Sugar Land Hospital (FKA ...)	Sugar Land	TX

Sales Training 2022 Targets

Name	Course 1	Course 2	Course 3
PTP June 6-7		SafeOp October 17-18	
PTP September 12-14	SafeOp July 11-12		

Surgeon Training 2022 Targets

Name	Course 1	Course 2	Course 3
Surgeon Course March 4			
Surgeon Course June 24			
Surgeon Course May 17			
Surgeon Course August 5			
Surgeon Course July 23			
Surgeon Course June 24			
Surgeon Course Aug 26			

Sales Training Completion

In-Person Courses			
Name	Fundamentals Training	LIF/SafeOp Training	PTP/SafeOp Training
			COMPLETED
			COMPLETED
	COMPLETED		

Instructions

Sales Training 2022 Targets

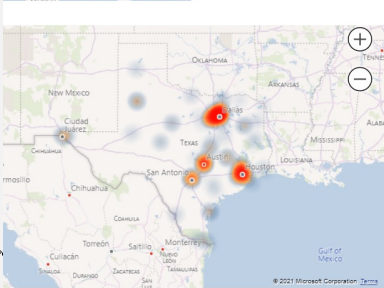
- Select the reps you intend on sending to training with the drop down starting in B5
- Select the courses they will be attending with the drop downs in columns C-E

Surgeon Training 2022 Targets

- Select the surgeons you intend on attending training with the drop downs starting in J5 ("Surgeon")
- Select the courses they will be attending with the drop downs in columns K-M

Sales Training Completion

- This will give you a view of reps with completed training



CREATING CLINICAL RELEVANCE & SALES EXCELLENCE

“ If you do what is easy your life will be hard.
But if you do what is hard your life will be easy.

LES BROWN

- Clinical distinction is central to every ATEC / surgeon relationship
- Hands-on sales training directed at mastery – reps actively involved in surgeon training
- Elevating sales training by leveraging expertise of industry-leading surgeon faculty
- Exploiting analytical tools to understand opportunities

SALES EXECUTION EXCELLENCE

Replicating playbook: compel clinically, follow with sales execution



5%+

SHARE IN
BAY AREA, CA

- >4X growth between 2019 and 2021
- Top PTP distributors drive leading growth rates (top 20 nationwide drove 77% growth in 2021)
- Clinical distinction like PTP compels surgeons and attracts top area talent
- Accelerate regional growth with focused sales execution and targeted penetration

BUILDING COMPREHENSIVE COVERAGE

1/3 U.S. geographies are under- or completely unrepresented

- Investing in greenfield & lateral opportunities
 - Major geographies still untapped
 - Also developing smaller adjacent markets
- EOS capital team fully integrated into ATEC geographic sales structure

BUILDING COMPREHENSIVE COVERAGE

MANY SIGNIFICANT U.S. MARKETS STILL UNDER DEVELOPMENT

2%

SHARE OF TOP 10
US MARKETS*

vs

3%

SHARE OF US
MARKET OVERALL^

TOP 10 U.S. SPINE GEOGRAPHIES

ATEC share*

1	New York, NY	--
2	Los Angeles, CA	1%
3	Dallas, TX	2%
4	Houston, TX	3%
5	Phoenix, AZ	3%
6	Chicago, IL	5%
7	Washington, DC	--
8	Philadelphia, PA	--
9	Miami, FL	1%
10	Detroit, MI	1%

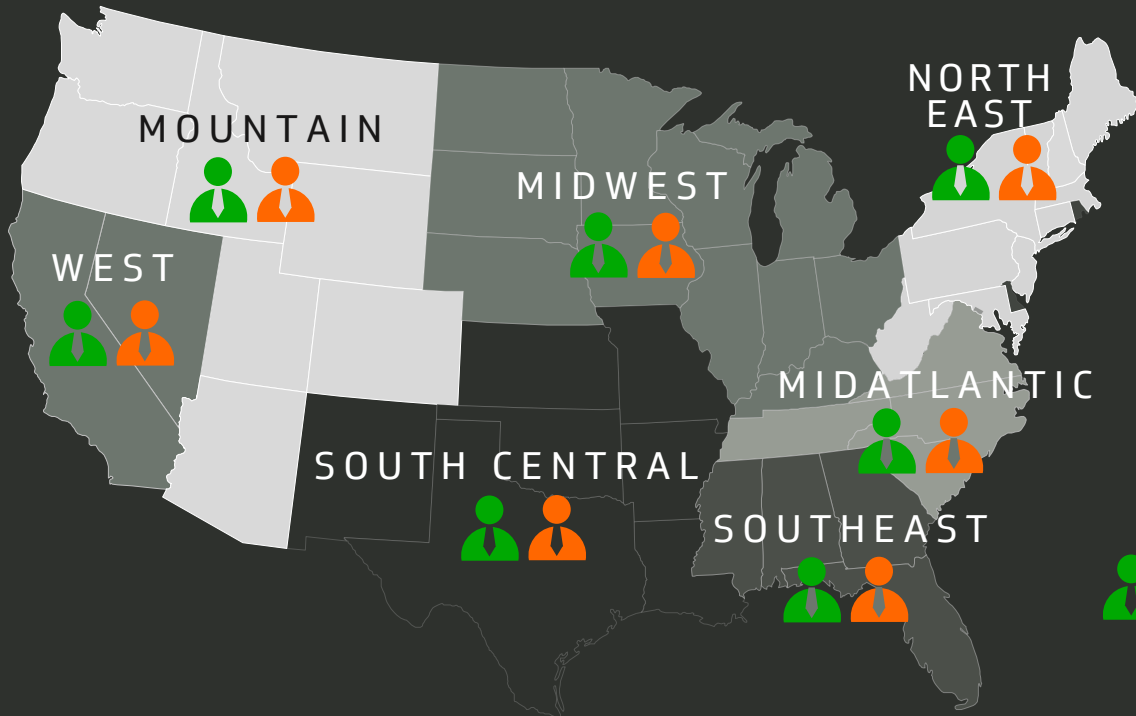
2%

* ATEC management estimate | ^ Spine-market.com estimate

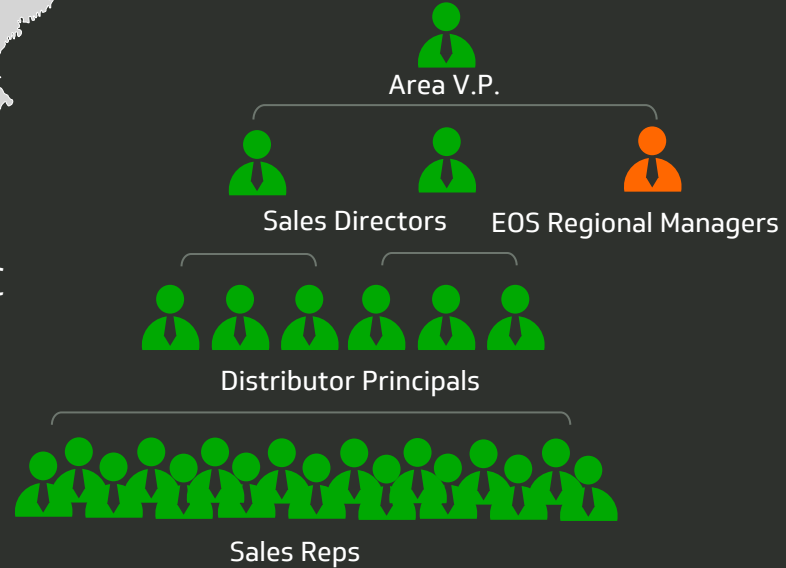
BUILDING COMPREHENSIVE COVERAGE

U.S. SALES STRUCTURE

Building trust and aligning to shared objectives

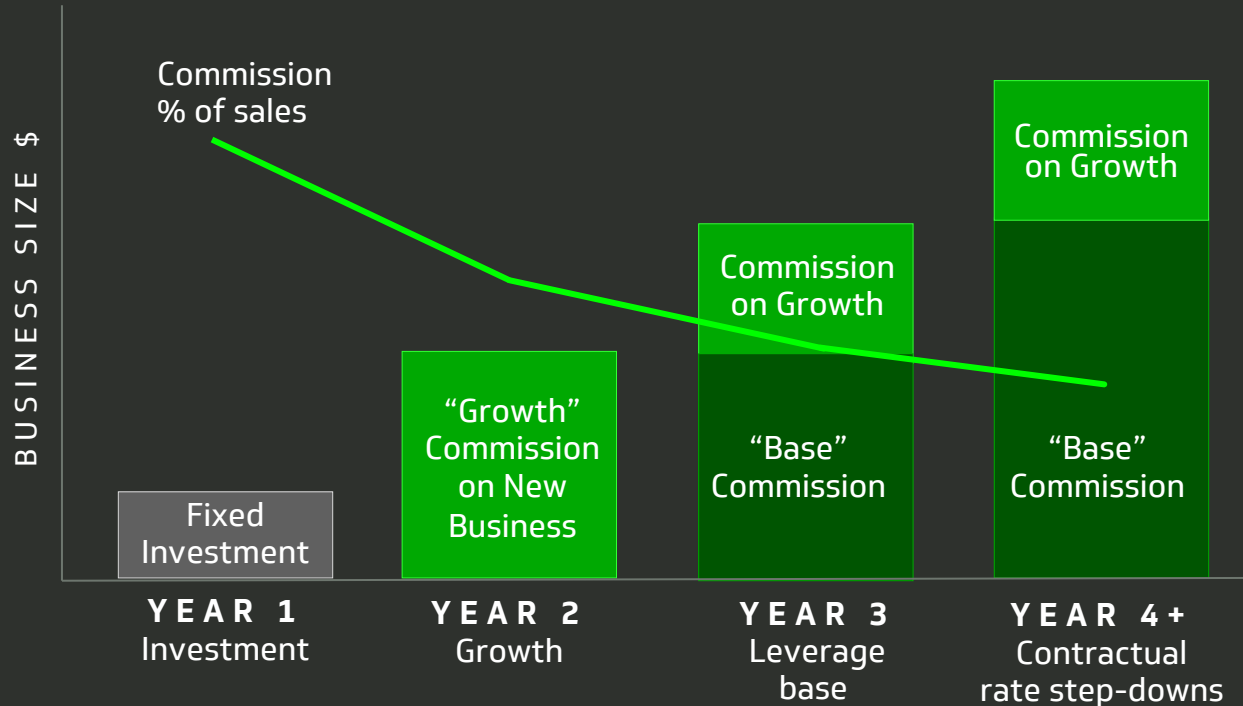


TEAM STRUCTURE



COMMISSION LEVERAGE AHEAD

Clinical distinction attracts & retains reps – contracts lever over time



- 2020 & 2021 investment years
- ~85% of 2022 revenue expected from territories with contractual step downs in 2023+

DISTRIBUTION PREDICTABILITY

Memphis facility ensures centralized surgical support as coverage expands

αtec

- Expedient, flexible access to nearby distribution centers
- Enables earlier deliveries & later shipping cutoffs
- Added experienced leadership and building engaged team of experts

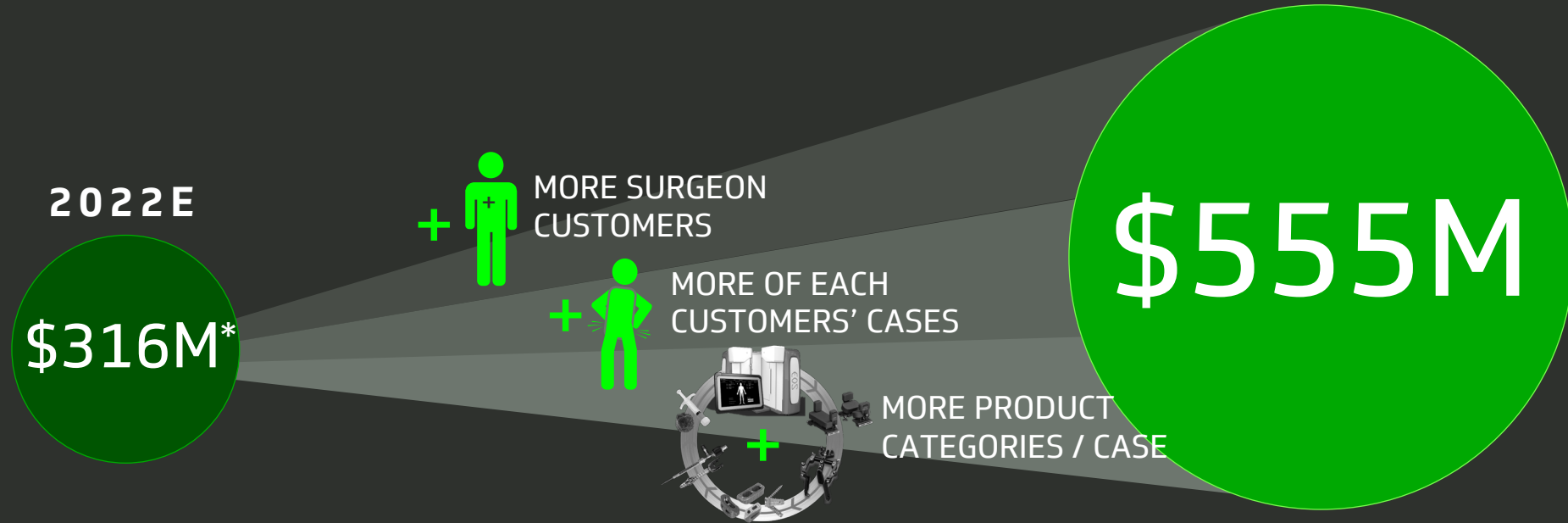
INTERNATIONAL MARKET ENTRY OUTLOOK

- Strategy: direct, narrow, and deep
- Focused on sizable markets with strong surgeon influence, economics & straightforward regulatory pathway
- Securing regulatory approvals for Australia and Japan

	New Zealand	Australia	Japan	Brazil	U.K.	Europe (non UK)
Market Size (est)*	\$30M	\$220M	\$450M	\$250M	\$100M	\$1.5B
Surgeon Influence	Green	Green	Green	Green	Grey	Red
Regional Economics	Green	Green	Grey	Grey	Grey	Red
Regulatory Pathway	Green	Green	Red	Grey	Grey	Red
EOS Presence	Orange	Orange	Orange	Orange	Orange	Orange

SALES LEVERS TO \$555M

Expanding sales channel with significant support from these dynamics



TODD KONING

Chief Financial Officer



2021



2018



SVP Finance, Chief Accounting Officer

2016



VP Finance

2014



VP Finance

2001



Finance Director



MICHIGAN STATE UNIVERSITY



FINANCIAL OUTLOOK

Disciplined capital deployment driving sector-leading, profitable growth

2021

2025

Revenue

\$243M

\$555M

23%
CAGR

NG Operating Margin

-20%

5%

+2500
BPS

Adjusted EBITDA

(\$28M)

\$80M

Free Cash Flow

(\$142M)

\$10M

IN 2018, OUR COMMITMENT WAS \$200M BY 2022 - 25% GROWTH



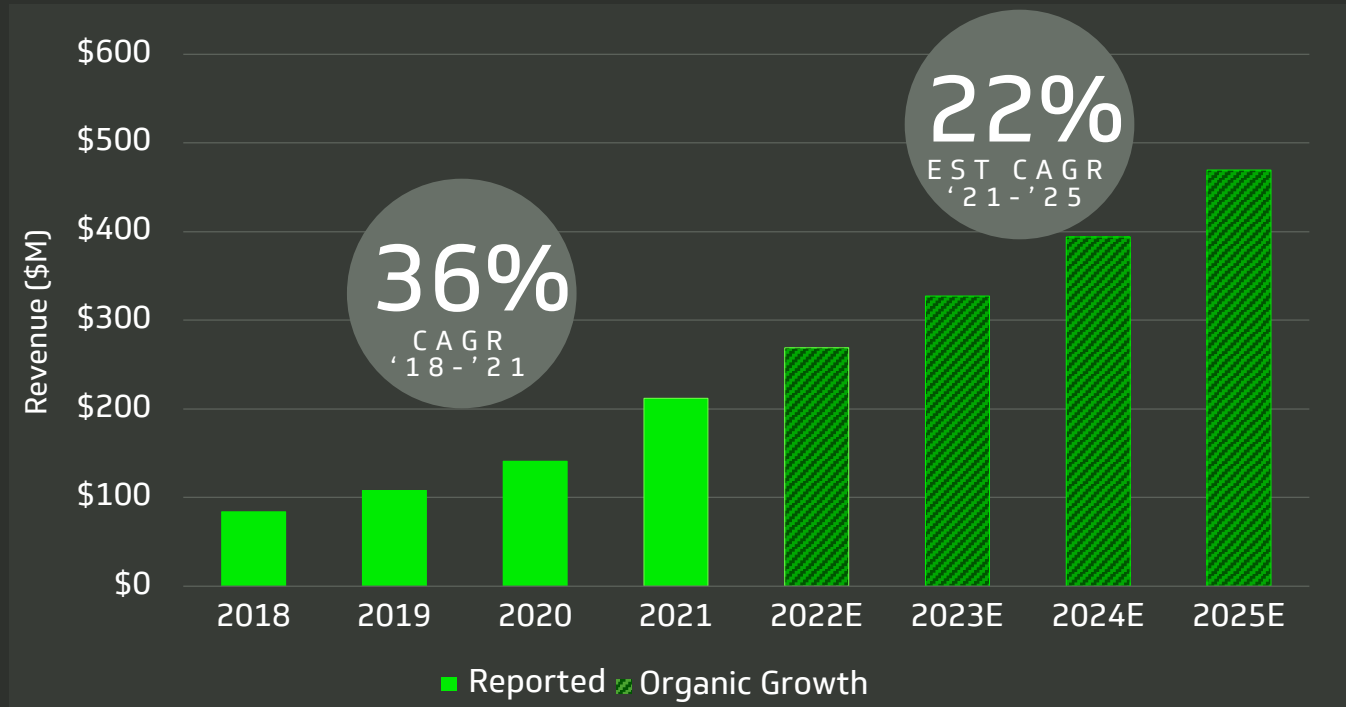
WE DELIVERED

Actual CAGR of 36% - through a pandemic

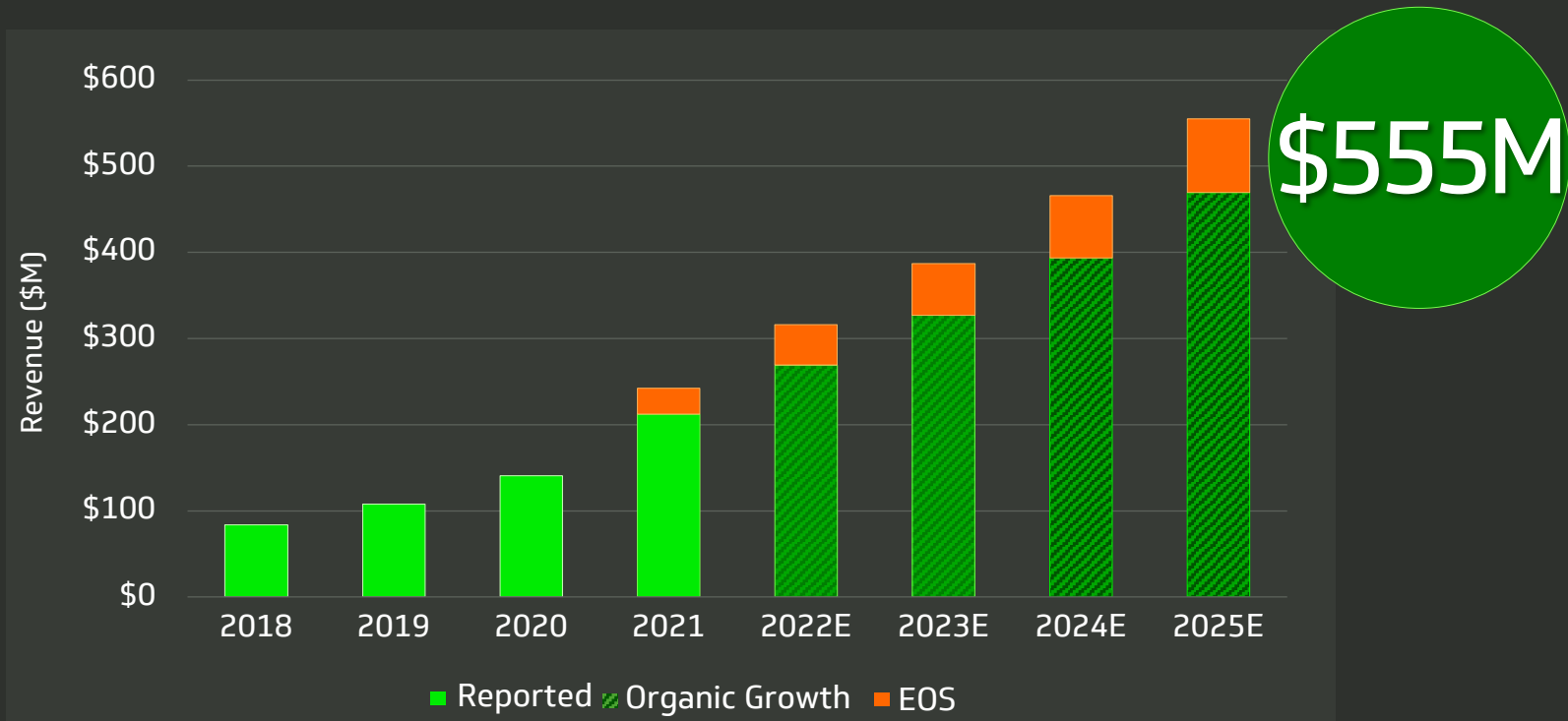


LOOKING FORWARD

20% organic growth expected to continue ... off higher base



EOS INCREASES REVENUE PROFILE AND FUELS ORGANIC SALES



WHAT DRIVES OUR **CONFIDENCE** IN 20%+ ORGANIC REVENUE GROWTH?

Momentum of numerous dynamics support continued **volume & procedure ASP growth**

Ample room for **lateral market share expansion** + extension into new markets

Distribution footprint growth and increasing productivity

LATERAL DISTINCTION EXTENDS TO \$12B* US SHARE-TAKING OPPORTUNITY

\$10B U.S. SPINE
Spinal Hardware Thoracolumbar
+ Cervical & Biologics

+\$2B PLIF & TLIF

\$1B LATERAL

+

\$2B* EOS
imaging

VOLUME
GROWTH

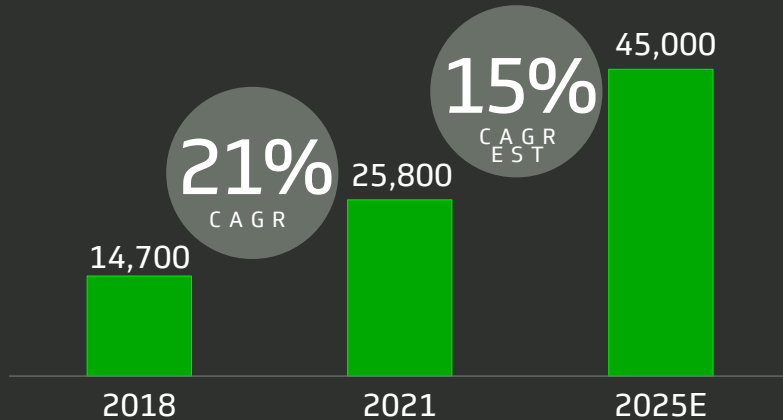
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PROCEDURE
ASP GROWTH

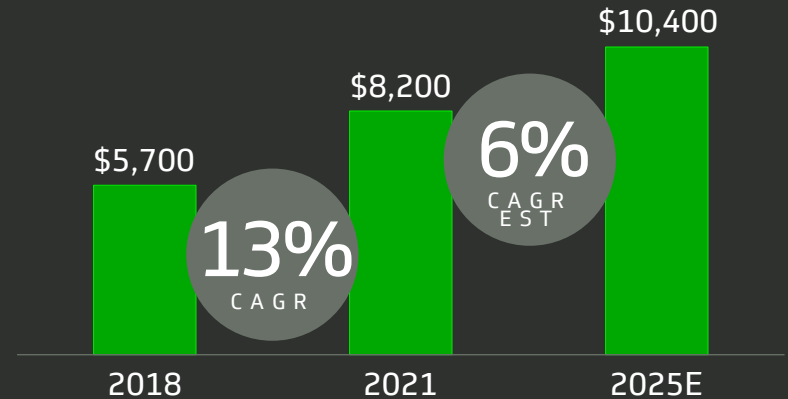
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REVENUE
GROWTH

PROCEDURE VOLUME

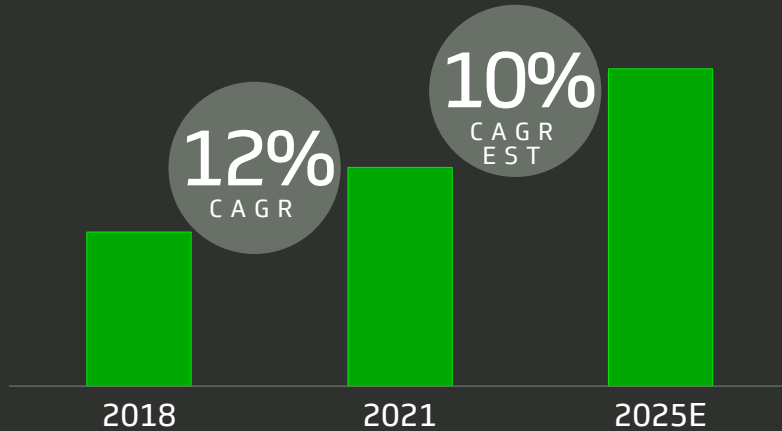


PROCEDURE ASP

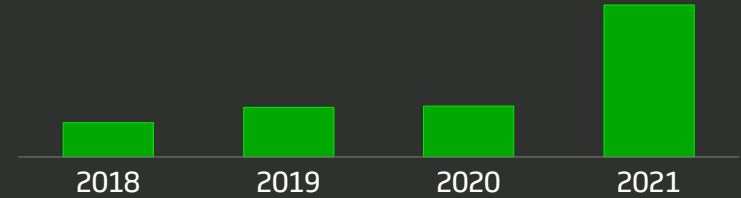


CLINICAL DISTINCTION FUELS LOYAL SURGEON ADOPTERS

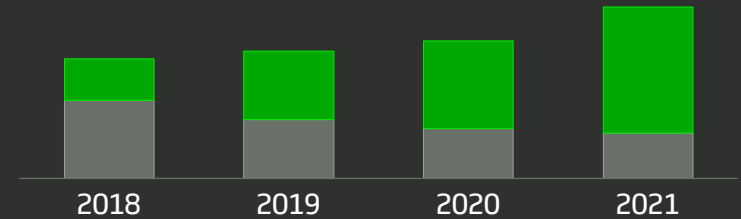
NUMBER OF SURGEONS



SURGEON EDUCATION VISITS



SURGEONS

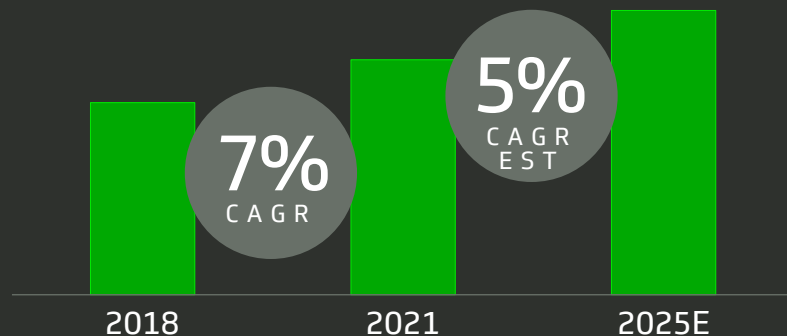


■ 2018+ Surgeons

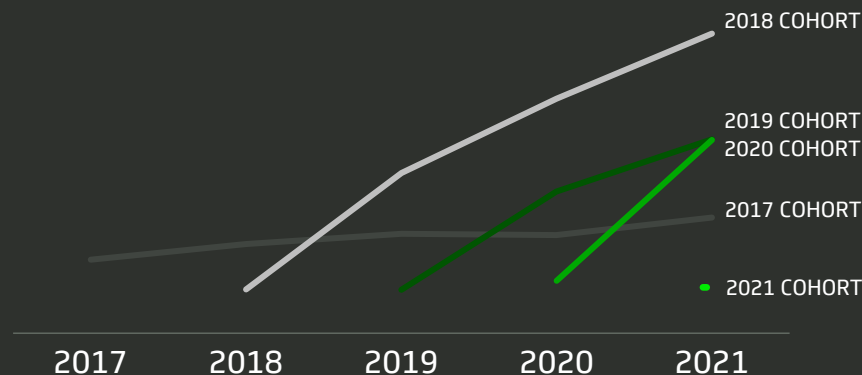
■ 2017 Surgeons

EARNED CONFIDENCE BEGETS MORE OF EACH SURGEON'S CASES

SURGEON UTILIZATION



AVG CASES / SURGEON



DRIVERS

Halo effect – cervical, posterior fixation, biologics

Utilization of PTP in more complex pathologies

EOS expands access

MIX SHIFT TOWARD LATERAL BIGGEST DRIVER OF ASP GROWTH



DRIVERS OF EXPANSION

- Procedural mix shift toward lateral
- PTP application to more complex pathologies/ more levels
- Increasing biologics and SafeOp attach rate (+PPC)
- Launch of expandables
- EOS installed base provides deformity access

Lateral share*:

Low-single digit %

Mid-single digit %

Low-double digit %

DISTRIBUTION SUPPORTS GROWTH

CAPITAL EFFICIENT GROWTH

Expanding through existing distributors

DISCIPLINED INVESTMENT IN GROWTH

Increasing geographic coverage

TOP 10 U.S. SPINE GEOGRAPHIES		
		ATEC share*
1	New York, NY	--
2	Los Angeles, CA	1%
3	Dallas, TX	2%
4	Houston, TX	3%
5	Phoenix, AZ	3%
6	Chicago, IL	5%
7	Washington, DC	--
8	Philadelphia, PA	--
9	Miami, FL	1%
10	Detroit, MI	1%

TOP 10 U.S. SPINE GEOGRAPHIES		
		ATEC share*
1	New York, NY	--
2	Los Angeles, CA	1%
3	Dallas, TX	2%
4	Houston, TX	3%
5	Phoenix, AZ	3%
6	Chicago, IL	5%
7	Washington, DC	--
8	Philadelphia, PA	--
9	Miami, FL	1%
10	Detroit, MI	1%

OUTLOOK FOR KEY COMPONENTS OF ORGANIC REVENUE GROWTH

PROCEDURE VOLUME

+15% CAGR
TOWARD 2025

DRIVERS

- More surgeons adopting ATEC solutions
 - Clinical distinction + surgeon training
- Greater utilization in surgeons' practices
 - Earned trust begets adoption of portfolio
- Expanding through existing distributors and increasing geographic coverage

PROCEDURE ASP

+6% CAGR
TOWARD 2025

DRIVERS

- Procedural mix shift toward lateral
- PTP application to more complex procedures (multi-level, deformity)
- Expanding products / procedure
- EOS expands access, including deformity
- Commanding price premium with innovation

EXPECTED EOS CONTRIBUTION

Growing maintenance business with predictable revenue stream

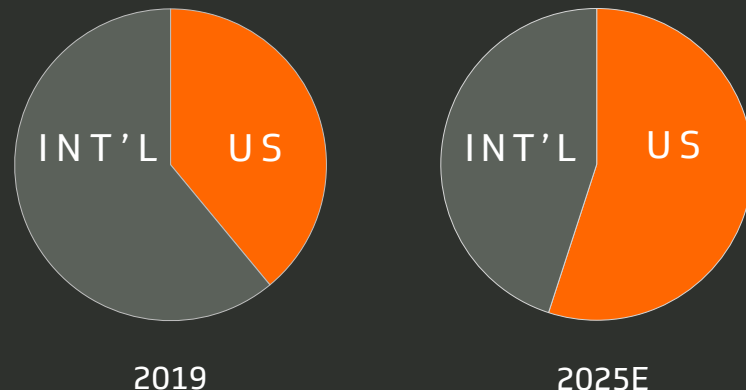
EOS REVENUE

- Growing installed base +
- Recurring maintenance revenue



EOS GEOGRAPHIC MIX

Increasing US mix of deliveries and installed base reflects investments



PATH TO OPERATING LEVERAGE

2,500 bps of expected improvement with continued investment in growth

2025 TARGETS

\$555M Revenue

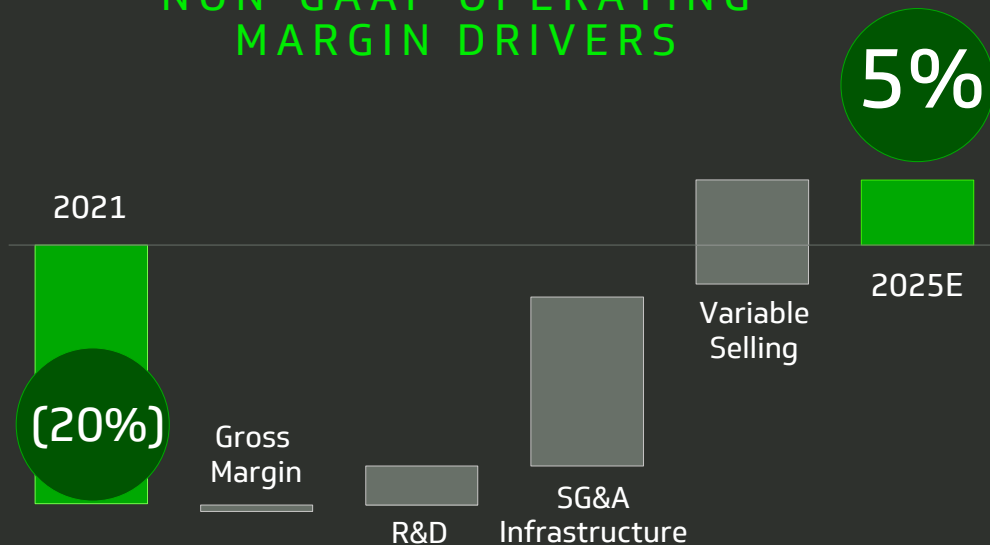
71% GM

8% R&D

58% SG&A

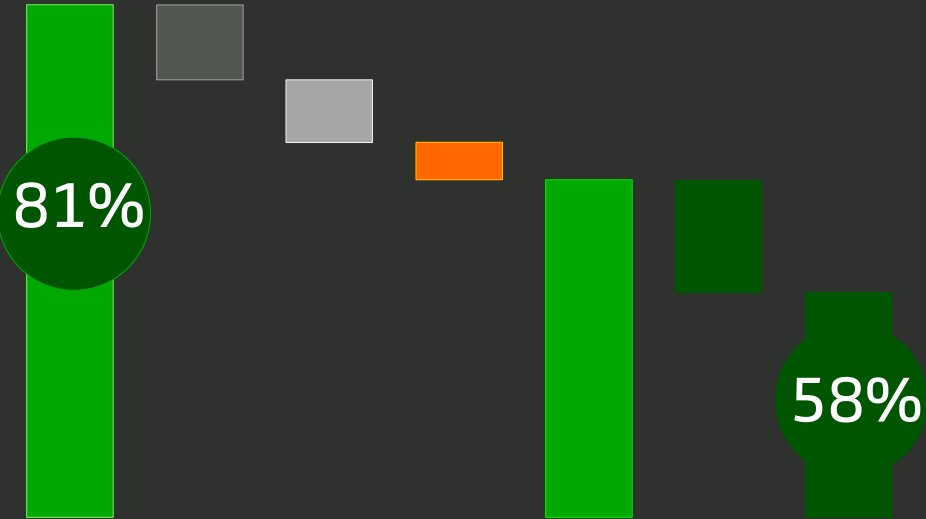
5% NG Operating Margin

NON-GAAP OPERATING MARGIN DRIVERS



SG&A INFRASTRUCTURE LEVERAGE

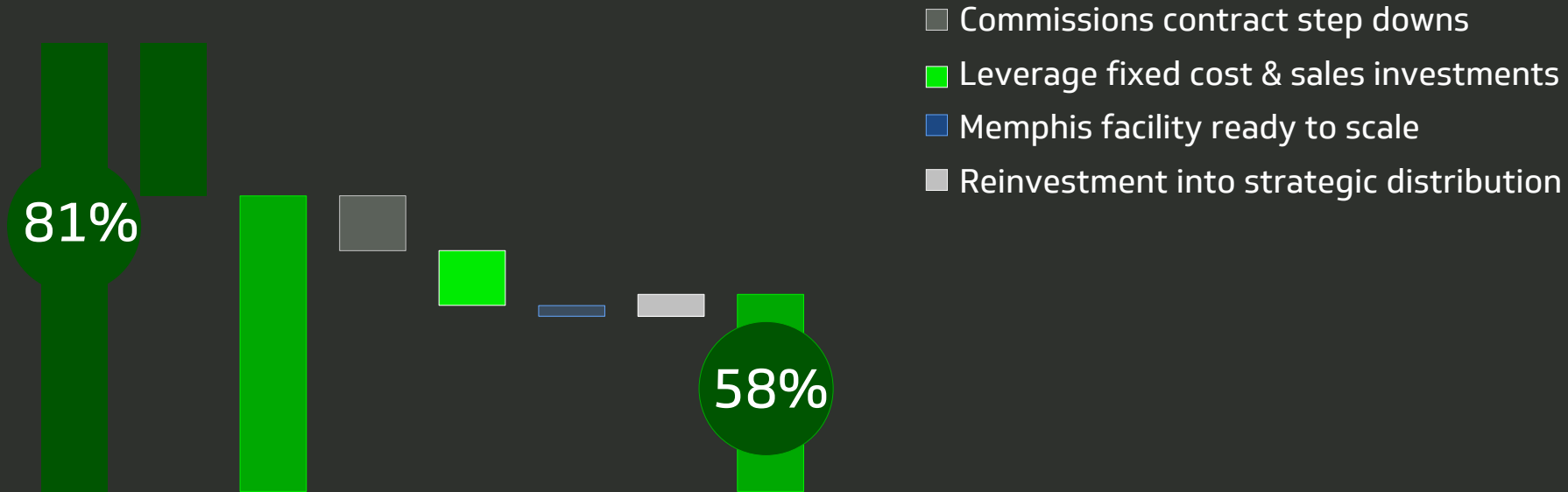
Largest driver of operating leverage: ~60% of total SG&A improvement



- G&A: Leadership team in place, new facilities; scale 2021-22 investments
- S&M: Sales management, marketing and clinical infrastructure
- EOS: Scale business

VARIABLE SELLING IMPROVEMENTS

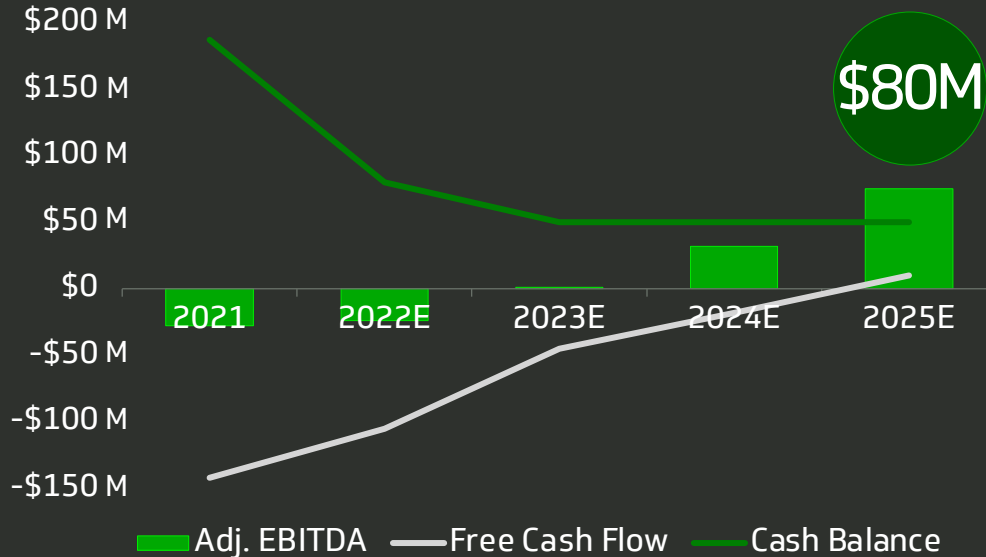
Contractual commission \$ leverage contribute significantly



FREE CASH FLOW POSITIVE IN 2025

Significant EBITDA growth expected to drive cash flow

ADJ. EBITDA, FCF & CASH BALANCE



- Improving Adj. EBITDA with leverage
- Investing in inventory & sets at rate of 75% of sales growth
- Japan market entry in 2025
- Maturing capital structure assumes revolver in place for \$50M-\$75M
- Operating cash balance >\$50M over operating horizon

KEY TAKEAWAYS

Disciplined investment fueling rapid, profitable growth

✓ **20% long-term revenue growth** with upside potential:

- Faster surgeon adoption, higher utilization
- Strong procedure ASP growth
- Lateral market growth and share
- EOS momentum
- Faster international expansion

✓ **Adj. EBITDA break even in 2023**

✓ **Disciplined** investment will deliver cash flow break even **without additional dilutive capital***

	2021	2025
Revenue	\$243M	\$555M
NG Operating Margin	-20%	5%
Adjusted EBITDA	(\$28M)	\$80M
Free Cash Flow	(\$142M)	\$10M

23% CAGR

+2500 BPS

atec™

INFORMED BY EOS

2022 ANALYST DAY

CLOSING

PTP™: The MIS Category Killer

Taking share of \$1B+ lateral market & the \$2B+ market for TLIFs & PLIFs*

Increasingly applied to complex cases

Well-suited for ASCs

Expand internationally

Building platform for direct, narrow & deep int'l market entry in coming years

SHARE EARNING STRATEGY

Advance US distribution

>1/3 of U.S. geographies still under- or completely unrepresented

Halo effect increases portfolio adoption

Increasingly comprehensive portfolio benefits from traction of our most distinct products & procedures

Capture more of the >\$2B* EOS opportunity

Utilize surgeon & hospital access to drive revenue

Provide unprecedented diagnostic & surgical planning capabilities that create intra-operative clinical & economic value

Reflect EOS' informational prowess

Our opportunity
to address the need for
predictability & reproducibility
in spine is massive.

**SPINE SURGERY
NEEDS ATEC!**

atec[™]
INFORMED BY **EOS**

SURGEON PANEL



KELLI HOWELL
EVP, Clinical &
Scientific Affairs



**VEDAT
DEVIREN, MD**

University of California
San Francisco



**GENE
MASSEY, MD**



**LUIZ PIMENTA,
MD, PhD**
Chief Medical
Officer

Instituto de Patologia da Coluna



**ALPESH
PATEL, MD**



**TYLER
SMITH, MD**

SIERRA SPINE
INSTITUTE

atec™

INFORMED BY EOS

APPENDIX

HISTORICAL GAAP P&L TREND - CONSOLIDATED (\$000's)

	2018	2019	2020	2021
Revenues:				
Revenue from products and services	83,656	108,242	141,079	242,258
Revenue from Int'l supply agreement	8,038	5,185	3,782	954
TOTAL REVENUE	91,694	113,427	144,861	243,212
Cost of revenue	28,457	35,833	42,360	85,450
Total gross profit	63,237	77,594	102,501	157,762
Operating expenses (GAAP):				
Research & development	10,988	15,486	18,745	32,015
Sales, general & administrative	71,505	100,077	129,156	229,271
Litigation-related	5,683	8,549	8,552	11,123
Amortization of acquired intangible assets	738	698	688	5,348
Transaction-related expenses	1,550	-	4,223	6,365
Restructuring expenses	1,381	60	-	1,697
Gain on Settlement	(6,168)	-	-	-
Total operating expenses (GAAP)	85,677	124,870	161,364	285,819
TOTAL OPERATING LOSS	(22,440)	(47,276)	(58,863)	(128,057)
Other income (expense):				
Interest and other income (expense),net	(7,139)	(9,865)	(12,374)	(8,671)
Loss on debt extinguishment	(590)	-	(7,612)	(7,434)
Gain on change in fair value of warrants	-	-	-	-
Total other income (expense), net	(7,729)	(9,865)	(19,986)	(16,105)
Income (loss) from continuing operations (GAAP)	(30,169)	(57,141)	(78,849)	(144,162)
Income tax provision	(1,361)	(239)	145	164
Net loss from continuing operations	(28,808)	(56,902)	(78,994)	(144,326)
Income (Loss) from discontinued operations	(167)	(100)	-	-
Net loss	(28,975)	(57,002)	(78,994)	(144,326)
Recognition of beneficial conversion feature - Series B preferred stock	(13,488)	-	-	-
Net loss attributable to common shareholders	(42,463)	(57,002)	(78,994)	(144,326)
Net loss per share	(0.82)	(1.09)	(1.18)	(1.50)
Weighted avg shares outstanding, basic and diluted	35,315	52,234	67,020	96,197

FY 2022 total revenue is expected to approximate \$316M, which includes ~\$269M of organic revenue and ~\$47M of EOS-related revenue. The international supply agreement terminated in August 2021.

NON-GAAP RECONCILIATION - CONSOLIDATED (\$000's)

	2018	2019	2020	2021
ADJUSTED EBITDA				
Operating loss, GAAP	(22,440)	(47,276)	(58,863)	(128,057)
Depreciation	6,051	6,775	9,186	20,332
Amortization of intangible assets	799	803	1,763	6,424
Total EBITDA	(15,590)	(39,698)	(47,914)	(101,301)
+ Stock-based compensation	5,304	10,954	17,659	36,450
+ Purchase accounting adjustments on acquisitions	-	-	-	6,423
+ Excess & obsolete charges	3,733	8,624	7,044	11,147
+ Contingent consideration fair value adjustment	846	289	-	-
+ Litigation-related expenses	5,683	8,549	8,552	11,123
+ Transaction-related expenses	1,550	-	4,223	6,365
+ Restructuring expenses	1,381	60	-	1,697
+ Gain on settlement	(6,168)	-	-	-
Total Adjusted EBITDA	(3,261)	(11,222)	(10,436)	(28,096)
<i>Adjusted EBITDA as a % of Revenue</i>	<i>-3.6%</i>	<i>-9.9%</i>	<i>-7.2%</i>	<i>-11.6%</i>
NON-GAAP GROSS PROFIT & GROSS MARGIN				
Gross Profit, GAAP	63,237	77,594	102,501	157,762
+ Amortization of intangible assets	62	105	1,075	1,075
+ Stock-based compensation	73	146	512	737
+ Purchase accounting adjustments on acquisitions	-	-	-	6,423
+ Excess & obsolescence charges	3,733	8,624	7,044	11,147
Non-GAAP Gross Profit	67,105	86,469	111,132	177,144
Gross Margin, GAAP	69.0%	68.4%	70.8%	64.9%
+ Amortization of intangible assets	0.1%	0.1%	0.7%	0.4%
+ Stock-based compensation	0.1%	0.1%	0.4%	0.3%
+ Purchase accounting adjustments on acquisitions	0.0%	0.0%	0.0%	2.6%
+ Excess & obsolescence charges	4.1%	7.6%	4.9%	4.6%
Non-GAAP Gross Margin	73.2%	76.2%	76.7%	72.8%
NON-GAAP OPERATING EXPENSES				
Research & Development, GAAP	10,988	15,486	18,745	32,015
- Stock-based compensation in R&D	351	1,044	2,074	4,056
- Contingent consideration fair value adjustment	846	289	-	-
Non-GAAP R&D	9,791	14,153	16,671	27,959
Sales General & Administrative, GAAP	71,505	100,077	129,156	229,271
- Stock-based compensation in SG&A	4,880	9,764	15,073	31,657
- Purchase accounting adjustments on acquisitions	-	-	-	-
Non-GAAP SG&A	66,625	90,313	114,083	197,614
Other Operating Expense, GAAP	3,184	9,307	13,463	24,533
- Litigation-related expenses	5,683	8,549	8,552	11,123
- Amortization of intangible assets	738	698	688	5,348
- Transaction-related expenses	1,550	-	4,223	6,365
- Restructuring expenses	1,381	60	-	1,697
- Gain on settlement	(6,168)	-	-	-
Non-GAAP Other Operating Expense	-	-	-	-
Total Non-GAAP Operating Expenses	76,416	104,466	130,754	225,573
Non-GAAP Operating Expenses as a % of Revenue				
Research & development	10.7%	12.5%	11.5%	11.5%
Sales, general & administrative	72.7%	79.6%	78.8%	81.3%
Total Non-GAAP Operating Expenses as a % of Revenue	83.3%	92.1%	90.3%	92.8%

Adjusted EBITDA for the full year 2022 is expected to improve relative to full year 2021.

GM% impacted by consolidation of EOS, which bears lower GMs.

Opex reflects sustained levels of planned investment to support portfolio expansion and investment in the sales channel.