



NEWS RELEASE

ATEC Equipped to Support Ramping Surgical Volume With Proceeds From Secondary Offering

2023-10-31

Positioned to invest in revenue-generating assets as Company continues to capitalize on industry disruptions

CARLSBAD, Calif.--(BUSINESS WIRE)-- Alphatec Holdings, Inc. (NASDAQ:A TEC), a provider of innovative solutions dedicated to revolutionizing the approach to spine surgery, announced today that the successful close of a \$150 million secondary offering on October 27, 2023, positions the Company to accelerate investment in the revenue-generating assets required to capitalize on industry disruption.

"We would like to thank our existing and new shareholders for their confidence as we better position ATEC for long-term growth by exploiting unprecedented industry turmoil," said Pat Miles, Chairman and Chief Executive Officer. "The pandemic taught us an important lesson: when peers are disrupted, it is the ideal time for thoughtful, bold actions that drive sustained market share expansion."

Miles added, "ATEC clinical distinction continues to attract surgeons and sales talent, and the momentum of that interest has escalated significantly. We have begun to address the roughly one-third of U.S. territories that are under-covered or unpenetrated with tenured talent from disrupted peers, and we expect further, notable progress over the course of the next year. The proceeds of last week's capital infusion will position ATEC well for continued sector-leading growth as we execute to our profitability and free cash flow commitments."

Third Quarter 2023 Select Preliminary Financial Results

The Company continues to expect the following:

- Third quarter 2023 total revenue of \$117.7 million to \$118.5 million, implying total revenue growth of 31 to 32%;
- Third quarter 2023 adjusted EBITDA of \$1.5 million to \$2.3 million;
- Full-year 2023 total revenue of approximately \$472 million.

A TEC expects to announce third quarter 2023 financial and operating results on November 6, 2023, after the market close. The Company will host a live webcast that day at 1:30 p.m. PT / 4:30 p.m. ET.

Webcast

To access the live webcast, please visit the **Investor Relations Section** of A TEC's Corporate Website.

Dial-in

To dial into the live webcast, please register at **this link**. Access details will be shared via email.

Replay

A replay of the webcast will remain available through the **Investor Relations Section** of A TEC's Corporate Website for twelve months. In addition, a dial-in replay will be available through November 13, 2023. Access the replay by dialing (800) 770-2030 and referencing conference ID number 97241.

Non-GAAP Financial Information

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 for the third quarter ended September 30, 2023.

Third Quarter Ended September 30, 2023 (Unaudited, in millions)

Net loss	\$	(43.2) to \$	(42.4)
Interest and other expense		4.4 to	4.4
Income tax provision (benefit)		(0.1) to	(0.1)
Depreciation		10.6 to	10.6
Amortization of intangibles		4.1 to	4.1
EBITDA		(24.2) to	(23.4)
Add back significant items:			
Stock-based compensation		20.1 to	20.1
Excess and obsolete charges		2.5 to	2.5
Litigation-related expenses		2.7 to	2.7
Transaction-related expenses		0.3 to	0.3
Restructuring expenses		0.1 to	0.1
Adjusted EBITDA	\$	1.5 to \$	2.3

About ATEC

ATEC, through its wholly owned subsidiaries, Alphatec Spine, Inc., EOS imaging S.A.S. and SafeOp Surgical, Inc., is a medical device company dedicated to revolutionizing the approach to spine surgery through clinical distinction. ATEC's Organic Innovation Machine™ is focused on developing new approaches that integrate seamlessly with the Company's expanding AlphaInformatiX Platform to better inform surgery and more safely and reproducibly achieve the goals of spine surgery. ATEC's vision is to be the Standard Bearer in Spine. For more information, visit us at www.atecspine.com.

Forward-Looking Statements

This press release 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 therein. Forward-looking statements include references to the Company's expectations with respect to future revenue and growth. The 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: failure to achieve acceptance of the Company's products by the surgeon community and changes to our financial results for the quarter ended September 30, 2023 due to the completion of financial closing procedures. The words "believe," "will," "should," "expect," "intend," "estimate," "look forward" and "anticipate," and variations of such words and similar expressions identify forward-looking statements, but their absence does not mean that a statement is not a forward-looking statement. 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.

Investor/Media Contact:

Tina Jacobsen, CFA

Investor Relations

(760) 494-6790

investorrelations@atecspine.com

Company Contact:

J. Todd Koning

Chief Financial Officer

Alphatec Holdings, Inc.

investorrelations@atecspine.com

Source: Alphatec Holdings, Inc.