

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

FORM 8-K

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

Date of Report (Date of earliest event reported): **March 16, 2018**

OrthoPediatrics Corp.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-38242

(Commission File Number)

26-1761833

(I.R.S. Employer Identification Number)

**2850 Frontier Drive
Warsaw, Indiana**

(Address of principal executive offices)

46582

(Zip Code)

Registrant's telephone number, including area code: **(574) 268-6379**

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:

- ☐ 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 under the Securities Act (17 CFR 230.405) or Rule 12b-2 under the Exchange Act (17 CFR 240.12b-2).

Emerging growth company ☒ [X]

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 ☐ [X]

Item 7.01. Regulation FD Disclosure.

The executive officers of OrthoPediatics Corp. have several upcoming presentations to representatives of investors and analysts. The officers intend to use the material filed as Exhibit 99.1 herewith, in whole or in part, as part of those presentations.

The information in this Item 7.01, including the information incorporated by reference herein from Exhibit 99.1, is furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	OrthoPediatics Corp. Investor Presentation dated March 2018.

* * * * *

SIGNATURE

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.

OrthoPediatrics Corp.

Date: March 16, 2018

By: /s/ Daniel J. Gerritzen
Daniel J. Gerritzen,
General Counsel and Secretary



OrthoPediatrics Corp.

March 2018

Mark Throdahl, CEO
Fred Hite, CFO



Forward-Looking Statements

This presentation includes "forward-looking statements" within the meaning of U.S. federal securities laws. You can identify forward-looking statements by the use of words such as "may," "might," "will," "should," "expect," "plan," "anticipate," "could," "believe," "estimate," "project," "target," "predict," "intend," "future," "goals," "potential," "objective," "would" and other similar expressions. Forward-looking statements involve risks and uncertainties, many of which are beyond OrthoPedi's control. Important factors could cause actual results to differ materially from those in the forward-looking statements, including, among others, the risks, uncertainties and factors set forth under "Risk Factors" in OrthoPedi's most recent Annual Report on Form 10-K. Forward-looking statements speak only as of the date they are made. OrthoPedi assumes no obligation to update forward-looking statements to reflect actual results, subsequent events, or circumstances or other changes affecting such statements except to the extent required by applicable securities laws. Certain information in this presentation is based upon management forecasts and reflects prevailing conditions and management's views as of this date, all of which are subject to change.

Before you invest, you should read the most recently filed Annual Report on Form 10-K and other documents the Company has filed and will file with the SEC for more complete information about the Company. You may obtain these documents for free by visiting EDGAR on the SEC website at <http://www.sec.gov>.

The Company owns or has rights to use a number of registered and common law trademarks, service marks and trade names in connection with its business in the United States and in certain foreign jurisdictions, including the OrthoPedi name and logo. Solely for convenience, the trademarks, service marks and trade names referred to in this presentation may be without the ® and ™ symbols, but such references are not intended to indicate, in any way, that the Company will not assert, to the fullest extent under applicable law, its rights or the rights of the applicable licensors to these trademarks, service marks and trade names. This presentation contains additional trademarks, service marks and trade names of others, which are the property of their respective owners. All trademarks, service marks and trade names appearing in this presentation are, to the Company's knowledge, the property of their respective owners.

Use of Non-GAAP Financial Measures

This presentation includes the non-GAAP financial measure of Adjusted EBITDA, which differs from financial measures calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). Adjusted EBITDA in this presentation represents net loss, plus interest expense (income), net plus other expense (income), depreciation and amortization, stock-based compensation expense, accelerated vesting of restricted stock upon our IPO, public company costs and initial public offering costs. Adjusted EBITDA is presented because the Company believes it is a useful indicator of its operating performance. Management uses the measure as a measure of the Company's operating performance and for planning purposes, including financial projections. The Company believes this measure is useful to investors as supplemental information because it is frequently used by analysts, investors and other interested parties to evaluate companies in its industry. The Company believes Adjusted EBITDA is useful to its management and investors as a measure of comparative operating performance from period to period. Adjusted EBITDA is a non-GAAP financial measure and should not be considered as an alternative to, or superior to, net income or loss as a measure of financial performance or cash flows from operations as a measure of liquidity, or any other performance measure derived in accordance with GAAP, and it should not be construed to imply that the Company's future results will be unaffected by unusual or non-recurring items. In addition, the measure is not intended to be a measure of free cash flow for management's discretionary use, as it does not reflect certain cash requirements such as debt service requirements, capital expenditures and other cash costs that may recur in the future. Adjusted EBITDA contains certain other limitations, including the failure to reflect our cash expenditures, cash requirements for working capital needs and other potential cash requirements. In evaluating Adjusted EBITDA, you should be aware that in the future the Company may incur expenses that are the same or similar to some of the adjustments in this presentation. The Company's presentation of Adjusted EBITDA should not be construed to imply that its future results will be unaffected by any such adjustments. Management compensates for these limitations by primarily relying on the Company's GAAP results in addition to using Adjusted EBITDA on a supplemental basis. The Company's definition of this measure is not necessarily comparable to other similarly titled captions of other companies due to different methods of calculation.



Large Market

Proprietary Technology

Scalable Business

-  **Orthopedic company focused exclusively on pediatric orthopedics**
-  **Protected market opportunity: \$1.1 billion U.S., \$2.5 billion globally in 2016**
-  **High U.S. procedure concentration: <300 hospitals and ~1,200 surgeons**
-  **Focused call point: generalists who use our entire product portfolio**
-  **Broadest product offering: 24 systems specifically designed for children**
-  **Sustainable competitive advantage:**
 - Comprehensive product offering
 - Clinical education programs
 - Surgeon relationships
 - Experienced sales organization
-  **FY17 revenue of \$45.6 million, up 22%. Consecutive year of 20+% growth since 2011.**
-  **Recent IPO will, among other things, fund consigned sets and accelerate proven strategy**



A Company Built on a CAUSE

Cause

*Improving the lives of children
with orthopedic conditions*



Gideon with CMO Peter Armstrong, M.D., c. 1995.
Gideon's drawing of his girlfriend, 2016.

Company Snapshot

- Treated 20,000 patients in 2017
- 24 surgical systems; 3,000 SKUs; strong pipeline
- 69 direct employees; 75 focused FTE sales reps
- Global sales organization focused on pediatric orthopedic surgeons in 37 countries
- 25 issued patents; 25 pending patents
- Only non-founding Chief Medical Officer in the industry who is a fellow surgeon
- Average FDA approval time: < ½ industry average
- History of stable reimbursement
- One of the 100 Best Places to Work in Indiana



Children Are Not Small Adults

Superior Clinical Outcomes

Re-Purposed Adult Plate



*Screws Through
Growth Plate*

OP's Solution



*Screws Parallel To
Growth Plate*



OP's Market Impact

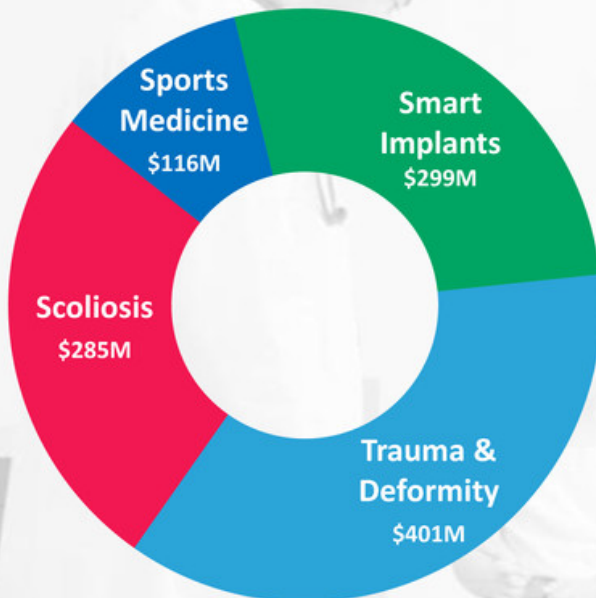
- 🧠 **Address orthopedic industry's lack of focus** on product development, clinical education, and sales presence
- 🧠 **Implants and instruments** avoid complications of re-purposed adult products
- 🧠 **Product development** in collaboration with leading pediatric orthopedic surgeons
- 🧠 **Dedicated sales support** attending surgeries
- 🧠 **Clinical education** programs that build brand loyalty



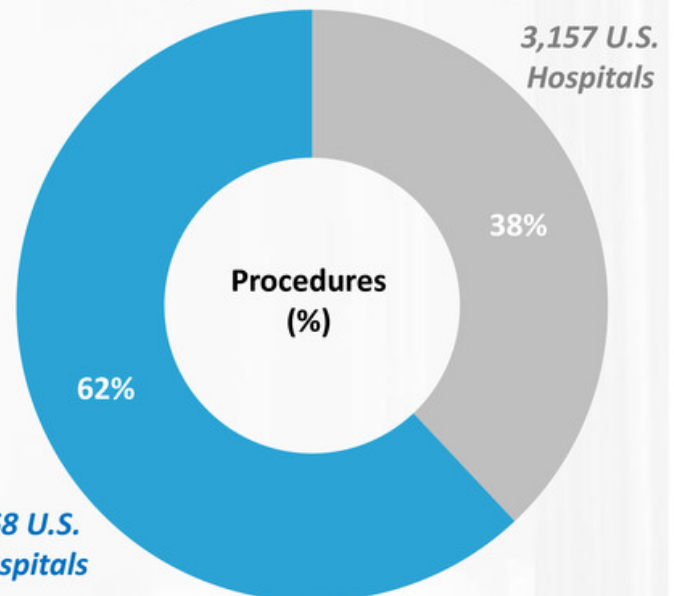
Large and Focused Market

OP'S \$2.5 Billion Current Addressable Global Market

\$1.1 Billion U.S. Addressable Market



High Concentration of Pediatric Trauma & Deformity and Scoliosis Procedures

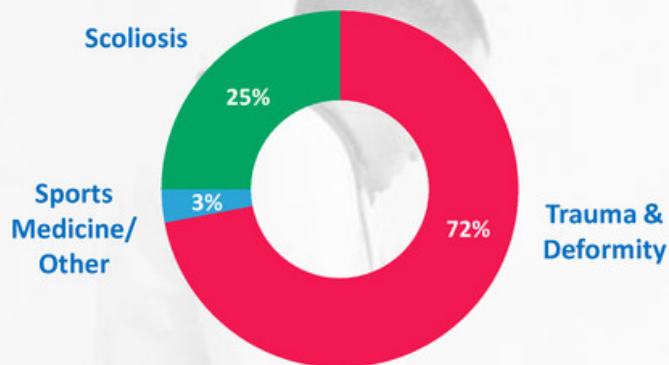


Current products target three of the largest categories in Pediatric Orthopedics
Pipeline products underway to expand addressable market



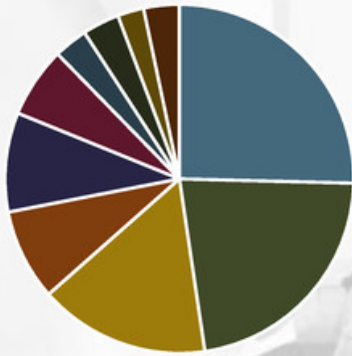
Product Line Diversification

2017 Revenue by Segment

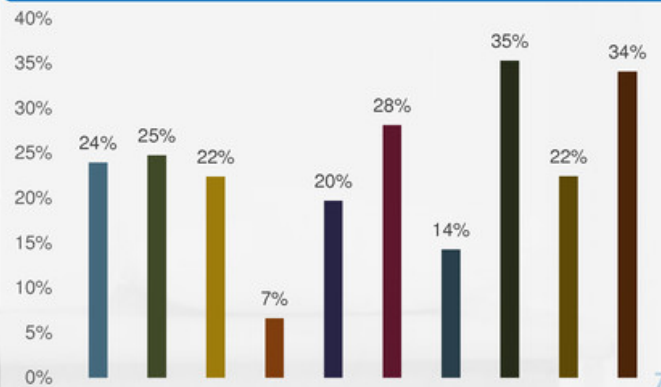


-  \$46 million sales in 2017
-  22% revenue growth in 2017
-  No dependency on one product family
-  Growth across all products
-  Comparable gross margins on all products

2017 Revenue by Product Family



2017 Revenue Growth % by Product Family





A Proven Strategy Since 2011

**Sales Focus
On Teaching
Institutions and
High Volume
Hospitals**

**Deploy
Instrument
Sets**

**Expand
Addressable
Procedures**

**Expand Clinical
Training
Programs**

Goals

 **Accelerate sales growth**

 **Develop novel technologies**



5 New Systems in 2017

Trauma & Deformity



PediPlate Physéal Tethering System



Titanium
PediPlates® System
(expands physéal tethering offering)



Clavicle Plate System
(first pediatric specific system)

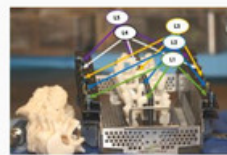


Wrist Fusion Plate System
(first pediatric specific system)

Scoliosis



RESPONSE 5.5mm and 5.5/6.0 Systems



FIREFLY® Pedicle Screw Navigation Guides
(complementary to RESPONSE Spine System)

Sports Medicine



ACL Reconstruction System



Medial Patella Femoral Ligament Reconstruction System
(complementary to ACL Reconstruction System)



From 24 to 29 Surgical Systems in 2018

Trauma & Deformity

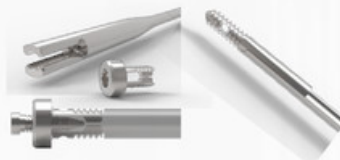
2018 Product Launches



PediPlate PediNail Intramedullary Nail System



PediNail Intramedullary Nail System
(expands into adolescent cases)



Osteogenesis Imperfecta Nail System



PediFoot
(first pediatric system)

Scoliosis

2018 Product Launches



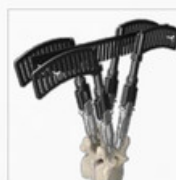
RESPONSE 5.5mm and 5.5/6.0 Systems



BandLoc 5.5/6.0mm Sublaminar Banding System



RESPONSE
4.5/4.75/5.0mm System
(Maximizes intraoperative flexibility)



BandLoc 4.5/4.75/5.0mm System

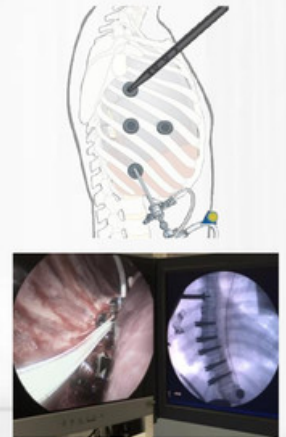


Smart Implants

- 🧠 Signed LOI on **working prototype** active intramedullary nail
- 🧠 System does not use magnets
- 🧠 OP will offer **significant improvements** on current technology
- 🧠 Embodiments in IM nailing and scoliosis

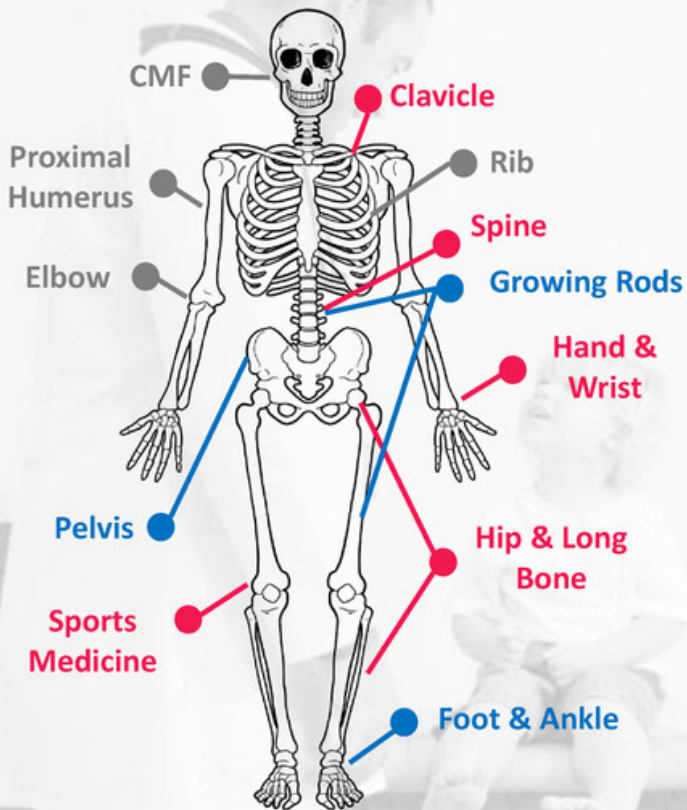
Spinal Tethering

- 🧠 Signed LOI on **pediatric implant**
- 🧠 Formed task force of leading tethering surgeons
- 🧠 Emerging procedure with adult lumbar fixation product
- 🧠 Allows **intervention** in patients as young as 10
- 🧠 **Reversible, non-fusion** procedure





Expanding Our Addressable Market



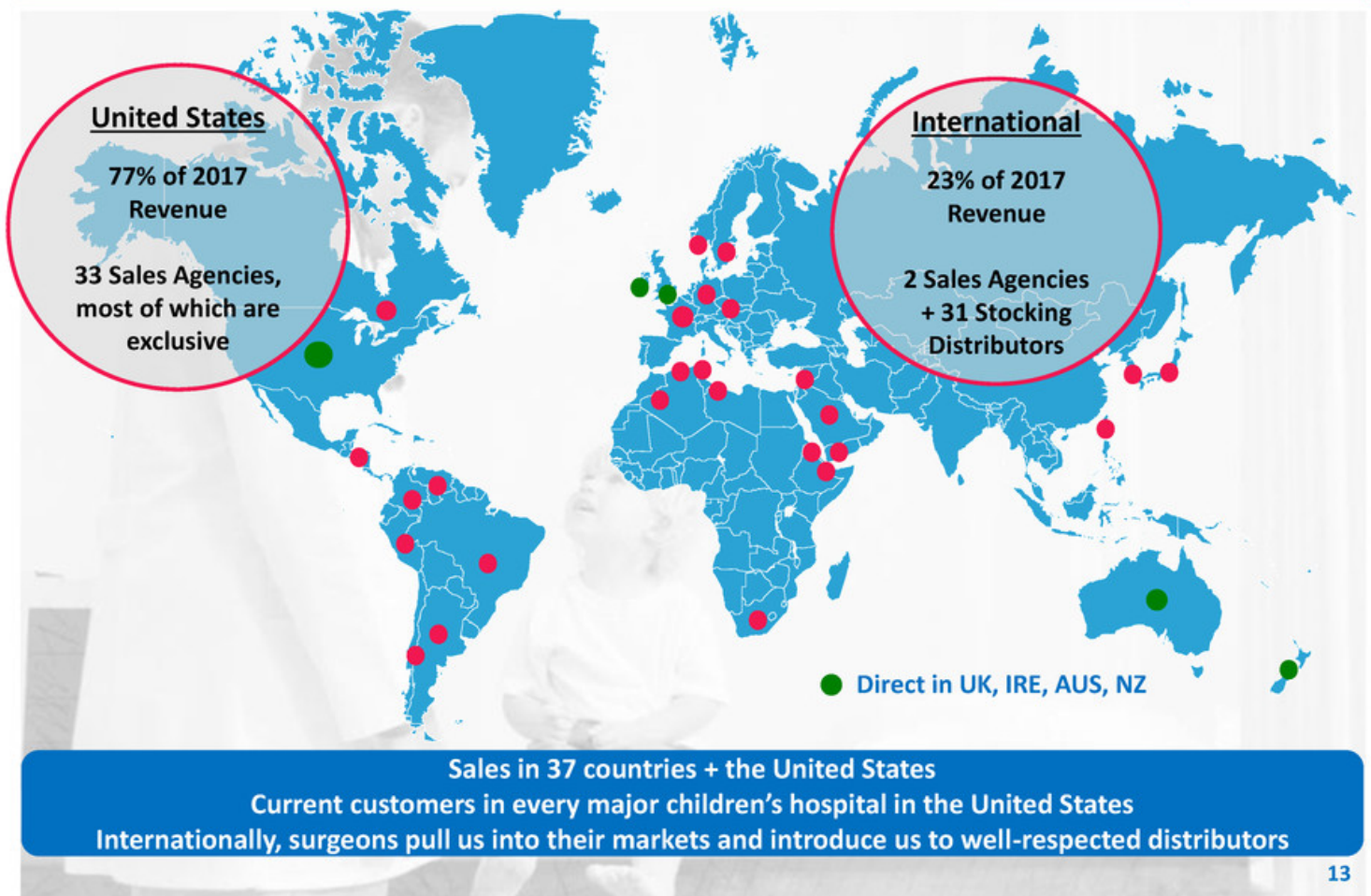
Demonstrated ability to expand portfolio to full array of pediatric surgeries

● OP Today ● OP Tomorrow

● Now Under Development



Global Sales Coverage





New Competitors Would Face Formidable Obstacles



"The ship has sailed."

- 🏠 **Product breadth**
- 🏠 **Surgeon relationships**
- 🏠 **Sales and distribution network**
- 🏠 **Clinical education programs**
- 🏠 **Pediatric brand equity**
- 🏠 **Reputation with pediatric orthopedic societies**
- 🏠 **Dynamic culture**



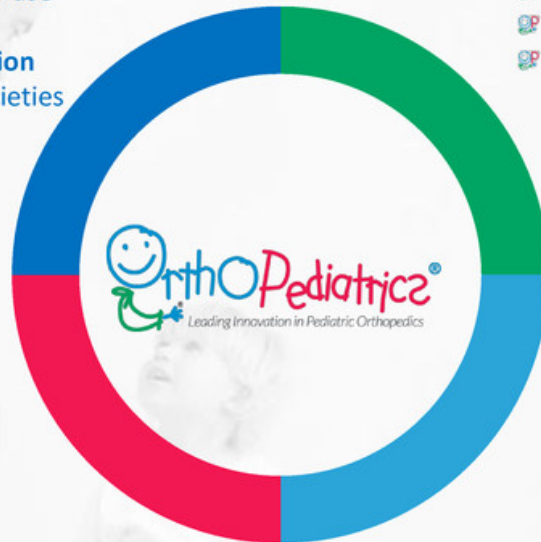
What Does Category Leadership Mean?

Surgeon relationships and clinical education

- Relationships with surgeons who use entire portfolio
- Major provider of clinical education
- Leading supporter of surgical societies
- Custom instruments business

Broadest, most innovative product offering

- 11-year clinical understanding
- New product pipeline
- Gateway to pediatric market for distributed products and joint product developments



Robust organic growth opportunities

- \$2.5 billion addressable global market
- Limited focused competition
- Focused, experienced distribution
- Instrument set placements drive growth

Attractive growth and margin profile

- Consistent growth since 2011
- 76% gross margins
- History of efficient capital utilization

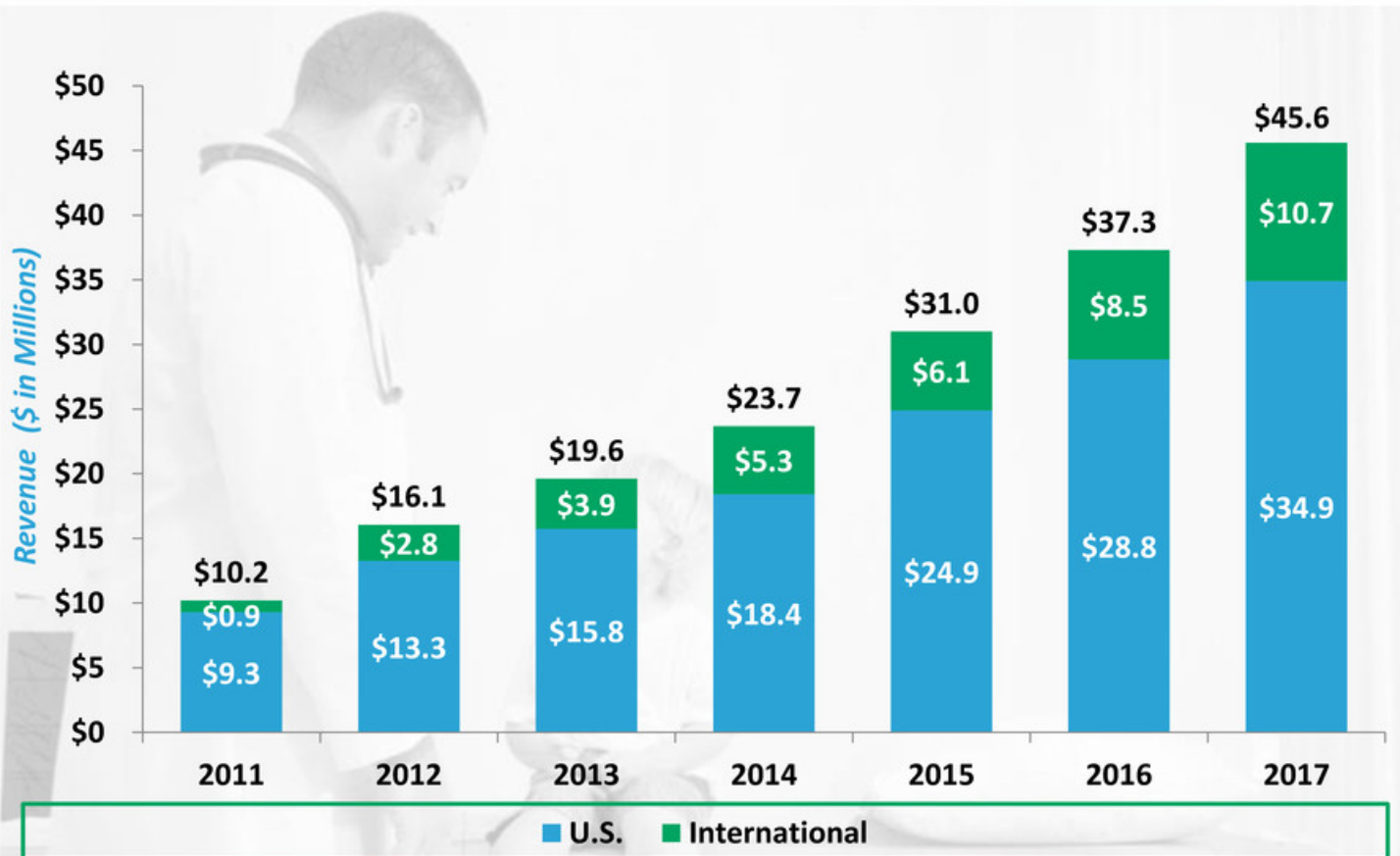


Financial Review



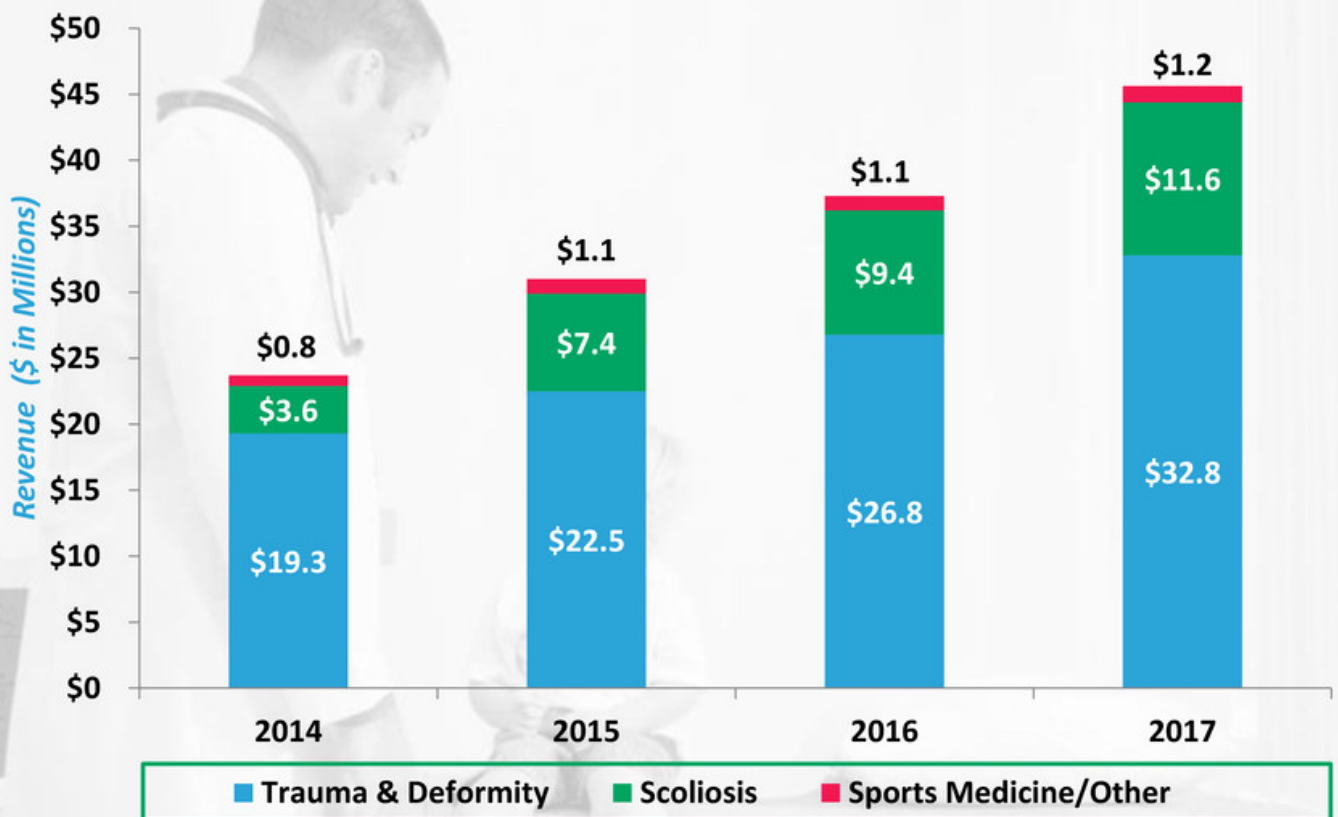


Consistent 20+% Revenue Growth





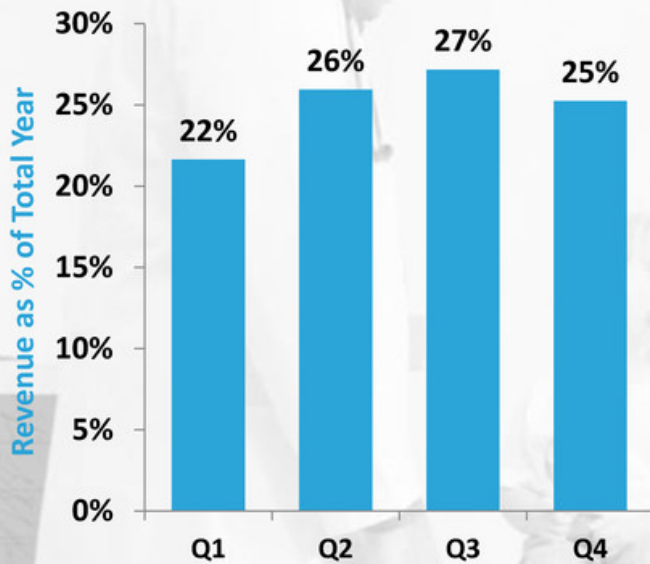
Category Revenue Summary



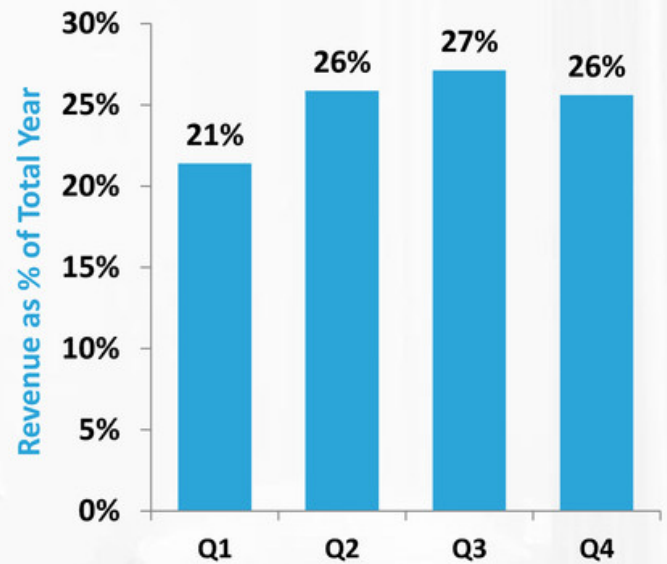


Seasonality Drives Stronger Performance in Summer Months and Holiday Periods

2016



2017





Income Statement Summary

(\$ in Millions)
Year Ended December 31

	2014	2015	2016	2017
Revenue	\$23.7	\$31.0	\$37.3	\$45.6
<i>Growth %</i>	<i>21%</i>	<i>31%</i>	<i>20%</i>	<i>22%</i>
Gross Profit	\$16.6	\$21.6	\$26.4	\$34.5
<i>Margin %</i>	<i>70%</i>	<i>70%</i>	<i>71%</i>	<i>76%</i>
Operating Expenses	\$23.7	\$28.2	\$32.5	\$40.9
Operating Loss	(\$7.1)	(\$6.6)	(\$6.1)	(\$6.5)
Net Loss	(\$9.5)	(\$7.9)	(\$6.6)	(\$8.9)



Adjusted EBITDA Reconciliation

	Year Ended December 31	
(\$ in Millions)	2016	2017
Net Loss	(\$6.6)	(\$8.9)
Interest expense	1.5	2.5
Other expense (income)	(1.0)	(0.0)
Depreciation and amortization	1.9	2.4
Stock-based compensation	1.2	1.4
Accelerated vesting of restricted stock	-	2.0
Public company costs	-	0.5
Initial public offering costs	2.0	-
Adjusted EBITDA	(\$1.0)	(\$0.1)



Balance Sheet

(\$ in Millions)

Year Ended December 31, 2017

Assets	
Cash	\$42.6
Accounts Receivable	5.6
Inventory	20.5
PP&E (net)	10.4
Intangibles	2.3
All Other	0.9
Total Assets	\$82.3

Liabilities	
Accounts Payable	\$5.5
Debt	25.5
Accrued Expenses	2.9
All Other Liabilities	1.0
Paid In Capital	150.4
Accumulated Deficit	(103.1)
Total Liabilities / Equity	\$82.3



**Surgeon relationships and
clinical education**

**Broadest, most innovative
product offering**

**Robust organic growth
opportunities**

**Attractive growth and
margin profile**

