



OrthoPediatrics Corp. Announces Closing of its Public Offering of Common Stock and Pre-Funded Warrants and Full Exercise of Underwriters' Option to Purchase Additional Shares

August 15, 2022

WARSAW, Ind., Aug. 15, 2022 (GLOBE NEWSWIRE) -- OrthoPediatrics Corp. ("OrthoPediatrics" or the "Company") (Nasdaq: KIDS), a company focused exclusively on advancing the field of pediatric orthopedics, today announced the closing of its underwritten public offering of 1,091,250 shares of its common stock at a public offering price of \$55.00 per share and in lieu of common stock, pre-funded warrants to purchase up to 1,525,000 shares of common stock at an offering price of \$54.99975 per pre-funded warrant and with an exercise price of \$0.00025 per share. The offering represented the exercise in full by the underwriters of their option to purchase additional shares of common stock on the same terms and conditions.

The pre-funded warrants were purchased by Squadron Capital LLC ("Squadron"), the Company's largest investor, which beneficially owns shares of the Company's common stock with a value in excess of the notification threshold of the Hart-Scott-Rodino Antitrust Improvements Act ("HSR Act"). Once certain HSR Act limitations are satisfied, the holder is required to exercise the pre-funded warrants immediately pursuant to their terms.

The gross proceeds of the offering, before deducting underwriting discounts and commissions and other offering expenses payable by OrthoPediatrics, were approximately \$144 million. All of the securities were offered by OrthoPediatrics.

OrthoPediatrics intends to use the net proceeds from this offering to invest in implant and instrument sets for consignment to their customers, to repay long-term debt payable to Squadron, to fund research and development activities, to expand their sales and marketing programs and for working capital and general corporate purposes.

Piper Sandler and Stifel acted as lead bookrunning managers for the offering.

The offering was made pursuant to a shelf registration statement filed with the U.S. Securities and Exchange Commission (the "SEC") that became effective on March 27, 2020. The offering was made only by means of a prospectus, including a prospectus supplement, forming a part of an effective registration statement. A final prospectus supplement and accompanying prospectus related to the public offering has been filed with the SEC and are available on the SEC's website located at www.sec.gov. Copies of the final prospectus supplement and the accompanying prospectus may also be obtained from Piper Sandler & Co., 800 Nicollet Mall, J12S03, Minneapolis, MN 55402, Attn: Prospectus Department or by email at prospectus@psc.com; or Stifel, Nicolaus & Company, Incorporated, Attention: Syndicate, One Montgomery Street, Suite 3700, San Francisco, CA 94104, by telephone at 415-364-2720 or by email at syndprospectus@stifel.com

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Forward-Looking Statements

This press release 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 OrthoPediatrics' control. Important factors could cause actual results to differ materially from those in the forward-looking statements, including, among others: the exercise of the warrants issued in the offering; the impact of general economic, health, industrial or political conditions in the United States or internationally; the risks related to COVID-19, the impact such pandemic may have on the demand for our products, and our ability to respond to the related challenges; and the risks, uncertainties and factors set forth under "Risk Factors" in OrthoPediatrics' Annual Report on Form 10-K filed with the SEC on March 3, 2022, as updated and supplemented by our other SEC reports filed from time to time. Forward-looking statements speak only as of the date they are made. OrthoPediatrics 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.

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Source: OrthoPediatrics Corp.