

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): **September 12, 2024**

OrthoPediatrics Corp.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-38242

(Commission File Number)

2850 Frontier Drive

Warsaw, Indiana

(Address of principal executive offices)

26-1761833

(I.R.S. Employer Identification Number)

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)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.00025 par value per share	KIDS	Nasdaq Global Market

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

Item 7.01. Regulation FD Disclosure.

The executive officers of OrthoPediatrics 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	Orthopediatrics Corp. Investor Presentation dated September 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

* * * * *

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: September 12, 2024

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



Investor Day

September 12, 2024



www.OrthoPediatrics.com

> 1,000,000 Kids Helped

Disclaimer

Forward-Looking Statements

All statements, other than statements of historical facts, contained in this quarterly report, including statements regarding our business, operations and financial performance and condition, as well as our plans, objectives and expectations for our business, operations and financial performance and condition, are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these terms or other similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this report. Forward-looking statements involve known and unknown risks, uncertainties and other factors, such as the impact of widespread health emergencies, such as COVID-19 and respiratory syncytial virus, that may cause our results, activity levels, performance or achievements to be materially different from the information expressed or implied by the forward-looking statements. Forward-looking statements may include, among other things, statements relating to: our ability to achieve or sustain profitability in the future; our ability to raise additional capital to fund our existing commercial operations, develop and commercialize new products and expand our operations; our ability to commercialize our products in development and to develop and commercialize additional products through our research and development efforts, and if we fail to do so we may be unable to compete effectively; our ability to generate sufficient revenue from the commercialization of our products to achieve and sustain profitability; our ability to comply with extensive government regulation and oversight both in the United States and abroad; our ability to maintain and expand our network of third-party independent sales agencies and distributors to market and distribute our products; and our ability to protect our intellectual property rights or if we are accused of infringing on the intellectual property rights of others; We cannot assure you that forward-looking statements will prove to be accurate, and you are encouraged not to place undue reliance on forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations expressed or implied by the forward-looking statements. You are urged to carefully review and consider the various disclosures made by us in our quarterly report, in our Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on March 8, 2024, and in other reports filed with the SEC that discuss the risks and factors that may affect our business. Other than as required by law, we undertake no obligation to update or revise any forward-looking statements to reflect new information, events or circumstances occurring after the date of this quarterly report.

Use of Non-GAAP Financial Measures

This press release includes certain non-GAAP financial measures such as adjusted diluted loss per share and Adjusted EBITDA, which differ from financial measures calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). Adjusted loss per share in this press release represents diluted loss per share on a GAAP basis, plus the accreted interest attributable to acquisition installment payables, the fair value adjustment of contingent consideration, acquisition related costs, non-recurring Pega conversion fees, and minimum purchase commitment costs. The fair value adjustment of contingent consideration is associated with our estimates of the value of earn-outs in connection with certain acquisitions. We believe that providing the non-GAAP diluted loss per share excluding these expenses, as well as the GAAP measures, assists our investors because such expenses are not reflective of our ongoing operating results. Adjusted EBITDA in this release represents net loss, plus interest income (expense), net plus other income, provision for income taxes (benefit), depreciation and amortization, stock-based compensation expense, fair value adjustment of contingent consideration, acquisition related costs, non-recurring Pega conversion fees, and the cost of minimum purchase commitments. The Company believes the non-GAAP measures provided in this earnings release enable it to further and more consistently analyze the period-to-period financial performance of its core business operating performance. Management uses these metrics as a measure of the Company's operating performance and for planning purposes, including financial projections. The Company believes these measures are useful to investors as supplemental information because they are frequently used by analysts, investors and other interested parties to evaluate companies in its industry. 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 these non-GAAP measures, 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 non-GAAP diluted loss per share or 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 these adjusted measures on a supplemental basis. The Company's definition of these measures is not necessarily comparable to other similarly titled captions of other companies due to different methods of calculation. The schedules below contain reconciliations of reported GAAP diluted loss per share to non-GAAP diluted loss and net loss to non-GAAP Adjusted EBITDA.



David Bailey
President & CEO



www.OrthoPediatrics.com

> 1,000,000 Kids Helped

Introduction

David Bailey
President and CEO

Trauma & Deformity

Joe Hauser
President T&D and OPSB

Scoliosis

Greg Odle
President Scoliosis

Specialty Bracing ("OPSB")

Joe Hauser
President T&D and OPSB

Surgeon KOL Panel

Dr. Tuason, Dr. Hyman

Enabling Technology

Kevin Unger,
President, Enabling Technology

Financial Outlook

Fred Hite,
COO and CFO

Q&A

Management



OrthoPediatrics was founded on the **cause** of impacting the lives of children with orthopedic conditions

1,076,000+

pediatric patients treated since inception

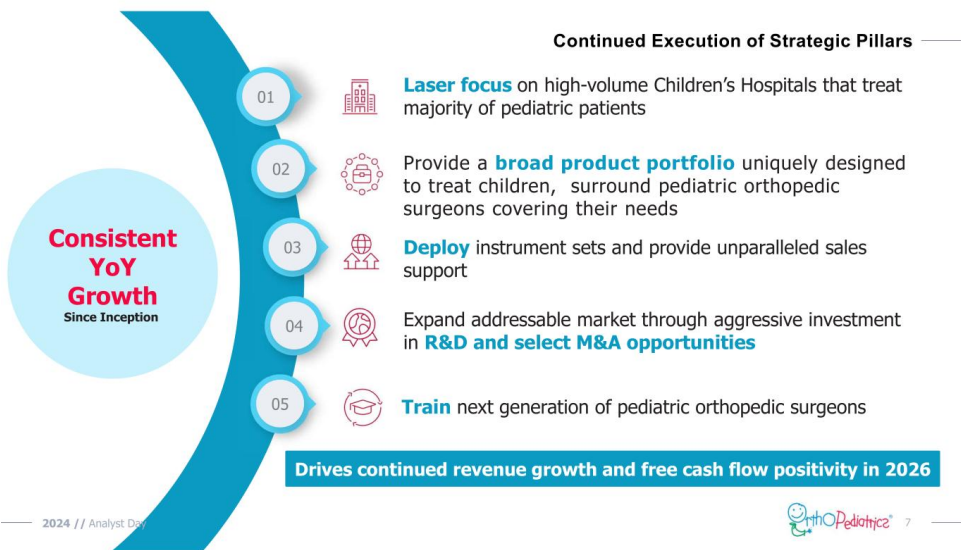
Historical Challenges of Pediatric Orthopedics

- 01 Children's **unique clinical conditions**
- 02 Existing solutions are **re-purposed from adult implants**
- 03 Limited development of **new technologies**
- 04 No **specialized sales force** in Pediatric Orthopedics
- 05 Limited industry support of clinical **education**

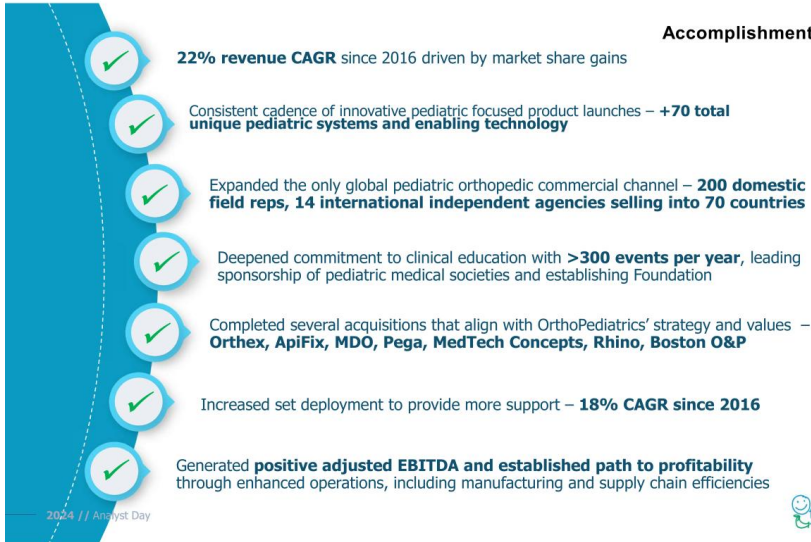
Re-Purposed Adult Plate

Screws through growth plate





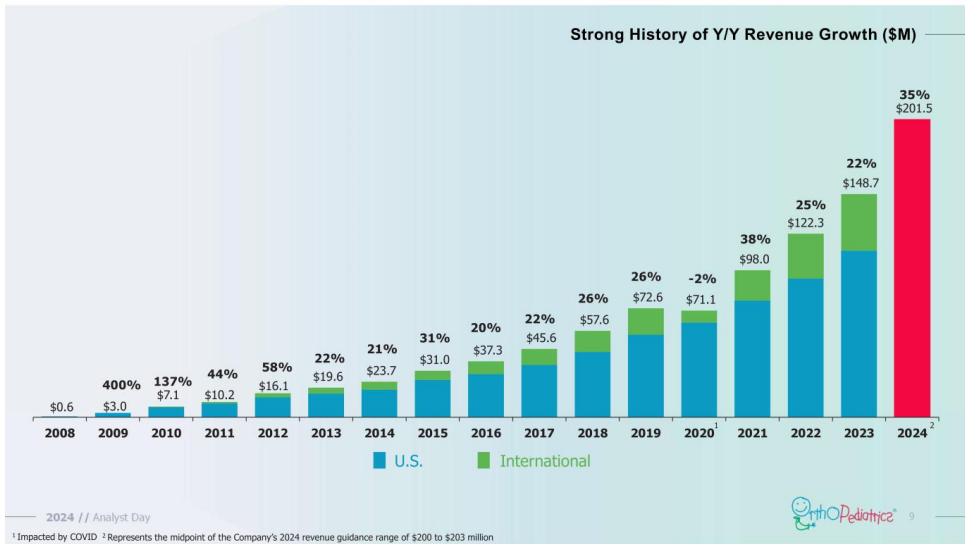
Accomplishments Since IPO



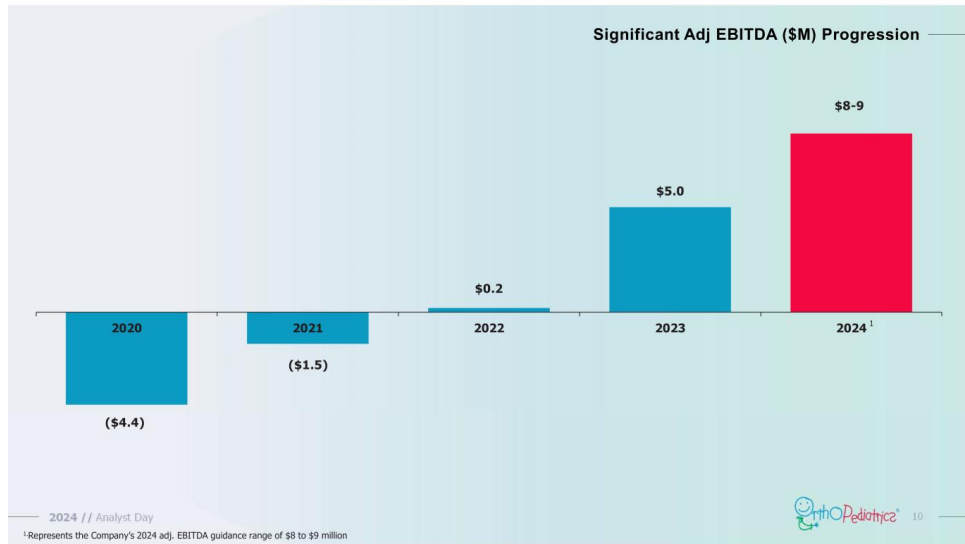
2024 // Analyst Day

- 22% revenue CAGR since 2016 driven by market share gains
- Consistent cadence of innovative pediatric focused product launches – +70 total unique pediatric systems and enabling technology
- Expanded the only global pediatric orthopedic commercial channel – 200 domestic field reps, 14 international independent agencies selling into 70 countries
- Deepened commitment to clinical education with >300 events per year, leading sponsorship of pediatric medical societies and establishing Foundation
- Completed several acquisitions that align with OrthoPediatrics’ strategy and values – Orthex, ApiFix, MDO, Pega, MedTech Concepts, Rhino, Boston O&P
- Increased set deployment to provide more support – 18% CAGR since 2016
- Generated positive adjusted EBITDA and established path to profitability through enhanced operations, including manufacturing and supply chain efficiencies





Significant Adj EBITDA (\$M) Progression

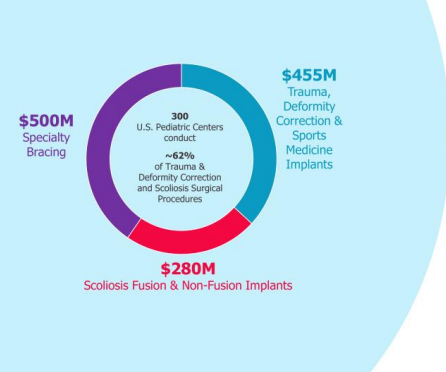


2024 // Analyst Day

¹ Represents the Company's 2024 adj. EBITDA guidance range of \$8 to \$9 million

Focus on High-Vol Children's Hospitals

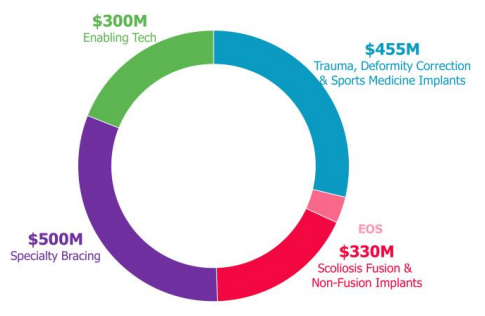
Historical U.S. Target Market¹ — \$1.2B



2024 // Analyst Day
¹ Management's Estimate as of January 2024 updates to IMS data from 2016

Current US Target Market — \$1.6B

Current U.S. Target Market¹ — \$1.6B



Transformational Near-Term Catalysts

T&D



- P3
- IM Nail
- International growth

Scoliosis



- EOS
 - Rib & Pelvic System
 - VerteGlide
 - eLLi
- Next-Gen fusion
- International growth

OPSB



- Regional clinic expansion
- R&D acceleration
- OPSB sales channel

Enabling Technology



- Playbook
- IotaMotion





Joe Hauser
President T&D, OPSB



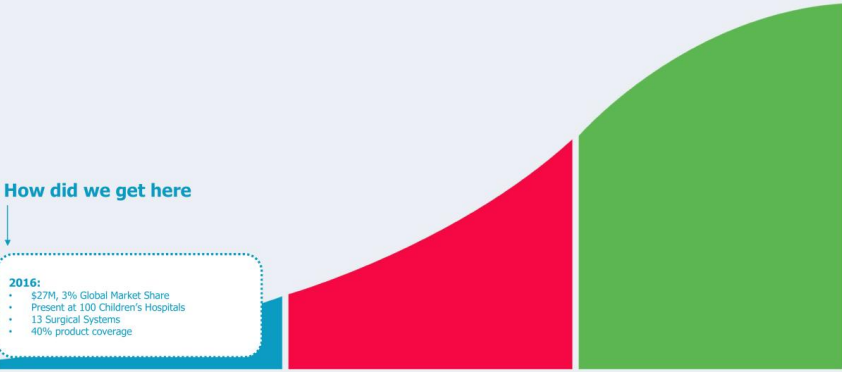
www.OrthoPediatrics.com

> 1,000,000 Kids Helped

 <p>Leverage our Scale</p> <p>Well established and poised to take more share and double revenue over the next years</p>	 <p>Product Development</p> <p>Key New Product Development drivers that will lead to consistent growth through full hospital conversions</p>	 <p>Account Penetration</p> <p>Deeper penetration within current and new International markets will lead to disproportional revenue growth</p>
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How did we get here

- 2016:
- \$27M, 3% Global Market Share
 - Present at 100 Children's Hospitals
 - 13 Surgical Systems
 - 40% product coverage



T&D sustainable growth driver over long period of time

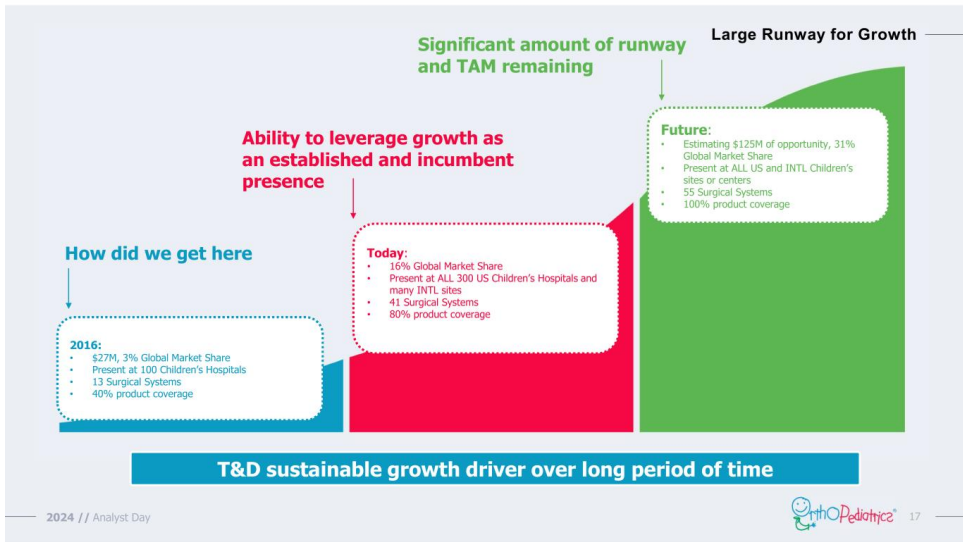
Ability to leverage growth as an established and incumbent presence

How did we get here

- 2016:**
- \$27M, 3% Global Market Share
 - Present at 100 Children's Hospitals
 - 13 Surgical Systems
 - 40% product coverage

- Today:**
- 16% Global Market Share
 - Present at ALL 300 US Children's Hospitals and many INTL sites
 - 41 Surgical Systems
 - 80% product coverage

T&D sustainable growth driver over long period of time



Surrounding the Hospital

Digital Pre-Planning

More inventory and storage solutions

Playbook

Surgeon Education and Training

OPSB

Contracts and Pricing

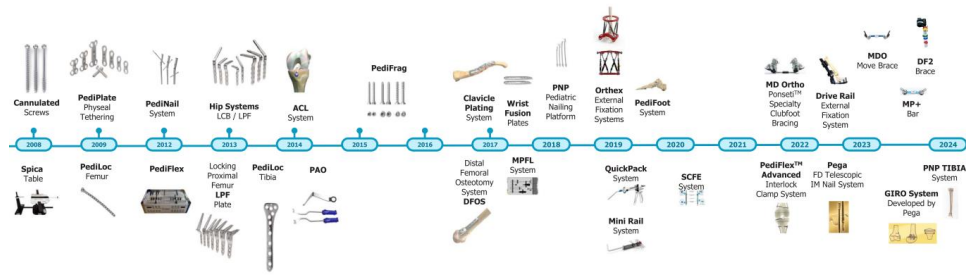
P3 and PNP Surgical Systems

Navigation for Scolio and T&D

2024 // Analyst Day

18

New Product Development



32 product development team members

Launched 42 products over the last 6 years – with capital efficiency for decreased set cost

Currently have 26 more products in the pipeline – surgeon requests

Intramedullary Nail Franchise

2016
PediNail System <\$5M of annual revenue

2017
PNP Pediatric Nailing Platform Complete overhaul to new IM nail platform

Present
PNP Femur >\$10M of annual revenue

PNP Tibia Expected to have material impact in 2025 & beyond

Future
PNP Grow **PNP Retrograde** **PNP FD**
Pipeline of more projects that will add even more revenue to this franchise



P³ | PEDIATRIC
PLATING
PLATFORM

P³ | HIP

P³ | TIBIA

P³ | MINI
SMALL

2024 // Analyst Day

~50% of all T&D revenue

Only company that will have 3rd generation system focused on pediatric/adolescents

6 new systems over the next 5 years

Created new techniques and procedures

OrthoPediatrics will expand leadership position in the Pediatric Screw-Plate market

01

**Fill in gaps in product offering
(increase our product coverage and
TAM)**

02

**Innovative Quality and Performance
improvements**

03

**Digital and Sterile solutions
(to increase ROI and
inventory efficiency)**

<p>P3 Hip</p>  <p>Two hip screws are shown, one in a bent position and one straight, highlighting their design for hip fixation.</p>	<p>P3 Mini</p>  <p>2.0 / 2.4 / 2.7 / 3.5 Screw System</p> <p>Five different colored mini screw components (red, green, yellow, blue, pink) are arranged in a grid, representing the variety in the Mini Screw System.</p>	<p>P3 Tibia P3 Femur</p>  <p>An anatomical illustration of a human knee joint, showing the femur, tibia, and patella, with blue and green markers indicating the locations for P3 Tibia and P3 Femur screws.</p>
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P3 | Hip



P3 | Mini



P3 | Tibia **P3 | Femur**

Platform: Consistent Look and Feel



P3 | Hip



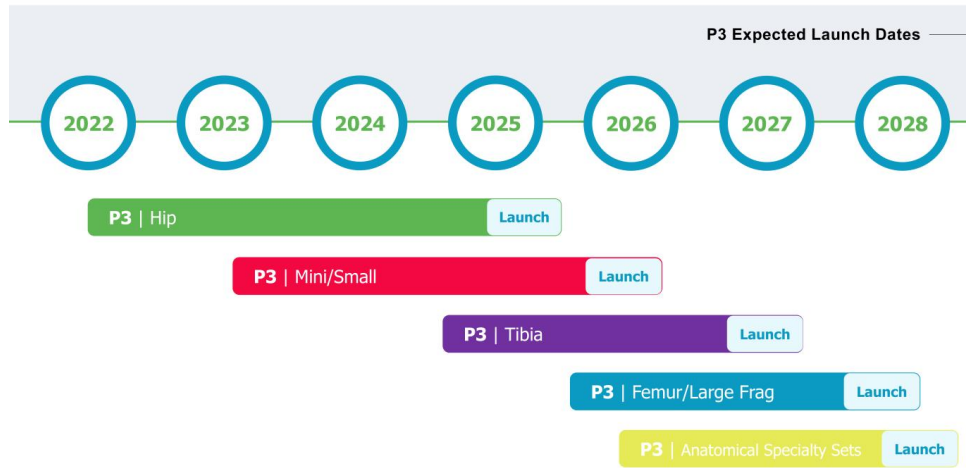
P3 | Mini

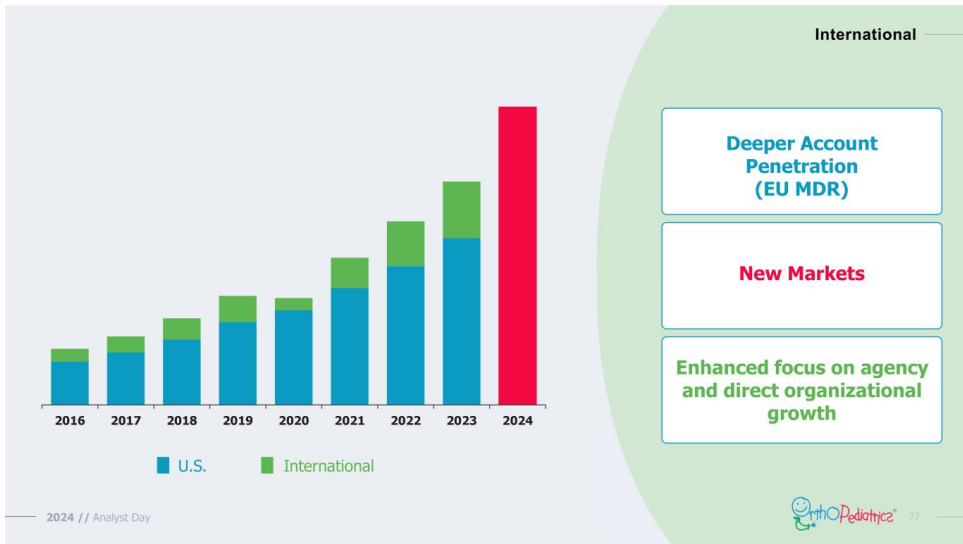




P3 | Tibia **P3 | Femur**

Platform: Consistent Look and Feel







 <p>Leverage our Scale</p> <p>Well established and poised to take more share and double revenue over the next years</p>	 <p>Product Development</p> <p>Key New Product Development drivers that will lead to consistent growth through full hospital conversions</p>	 <p>Account Penetration</p> <p>Deeper penetration within current and new International markets will lead to disproportional revenue growth</p>
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Greg Odle
President Scoliosis



www.OrthoPediatrics.com

> 1,000,000 Kids Helped

Redefining Leadership in Pediatric Spine Deformity
by surrounding the pediatric spine specialist surgeon with advanced technology



Early Onset Scoliosis ("EOS")



Affects kids <10 years old



Severe deformities "squeeze" the lungs and other organs – difficulty with breathing and digestion



Treated at top-tier Children's Hospitals, *where the majority of fusion procedures are done*



Surgeons view this area as underserved and are desperate for new solutions

Favorable Financials

- High ASP
- Lower capital investment
- Mobilized sets create inventory efficiency

Rib & Pelvic System



- Launched in January 2024
- Focus on chest wall expansion to improve breathing capacity
- Sets the stage for future growth-friendly implants

VerteGlide™

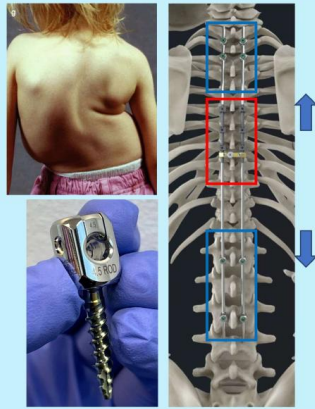


- Currently under FDA review
- Guided Growth
- Allows for screws to "glide" along smooth rods
- Harnessing the child's growth to gradually correct the spine
- Minimizes wear debris concerns

eLLi™



- FDA submission expected in 1H25
- Electromechanical Lengthening Implant
- External control module "talks" to implant
- Delivers precise commands for power and distance
- Addresses concerns of previous growing rods



- Guided Growth concept
- Allows for screws to "glide" along smooth rods
- Harnessing the child's growth to gradually correct the spine
- Minimizes wear debris concerns

Powered Growing Rod technology was introduced in 2009 in Europe and approved by FDA in 2014

- Allowed for non-invasive adjustment through an external controller
- Quickly became the standard of care for EOS, nearing \$50M in global sales
- Usage dropped significantly in recent years due to product quality issues

Surgeons are desperate for a reliable alternative – expect rapid adoption

Currently a significant void in the market





Introducing eLLi™



Advancing the treatment of EOS

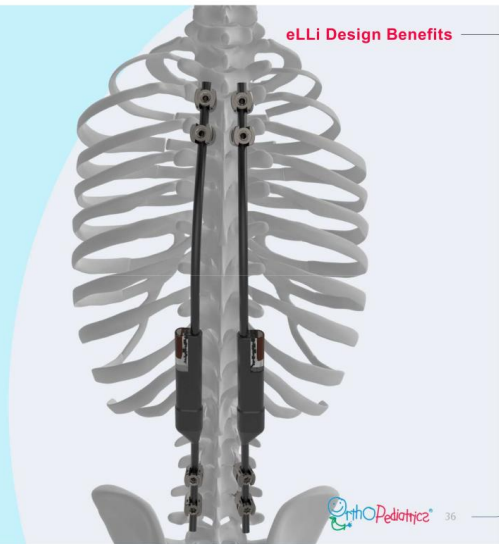
✓ Adjustable force up to 500N
(2-3x other systems)

✓ RF Power Transmission (not
magnetic) from external
control module to implant

✓ SMART implant provides
feedback to user

✓ Eliminates "Cross-Talk"
between rods

✓ Designed for Safety – reduced
wear debris, biocompatible
materials, improved seal



**Breakthrough Device
Designation
(May 2024)**



2024 // Analyst Day



OrthoPediatrics Corp. Receives “Breakthrough Device” Designation from FDA for eLLi™ Growing Rod System for Pediatric Patients with Scoliosis

May 02, 2024 16:05 ET | Source: OrthoPediatrics Corp. [Follow](#)



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Fusion Market Dynamics

Most widely used surgical treatment to correct scoliosis (90+%)

Involved in treatment of AIS, EOS, and Neuromuscular conditions

Accounts for ~85% of OP Scoliosis revenue

Large players – MDT, DPS, GMED, ATEC – limited investment

\$200M TAM in Children's Hospitals in U.S.

High ASP and strong margin profile



Ultimate surgical experience for pediatric spinal fusion



Designed **exclusively for pediatric scoliosis patients** and their surgeons

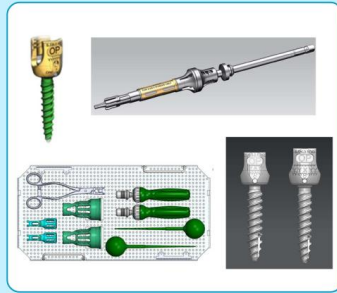


Innovative, new device designs with an **advanced digital platform**



Engineered to **optimize the procedure**

System designed from the ground up *specifically for pediatric spinal deformity*



2024 // Analyst Day

Differentiated

- **Dramatic reduction in tulip head profile**
- **Transforming the customer experience**
 - Personalized case and tray configurations
 - Faster, more efficient workflows with advanced instrumentation
- **Full suite of enabling technologies**
 - Navigation, Pre-op planning, Intra-op workflows, data collection
- **Premier look and feel with strong OP branding**

Expected Launch 2H25



ApiFix clinical outcomes continue to inform on ideal candidates based on age, severity, and type of curve



Recently launched a new high-strength version to address lumbar curves where greater motion and higher stresses are encountered



Expect modest growth rates for ApiFix over the next couple of years while patient selection and implant improvements are optimized



Exploring possible EOS indications to expand opportunity





Stocking Distributors

>50% of international scoliosis revenue comes from **stocking distribution**



Build off momentum in key markets with attractive pricing, viable regulatory pathways, and lower volatility:



New investments in people and infrastructure have strengthened our position



Anticipated MDR certification in Europe will expand portfolio in key markets

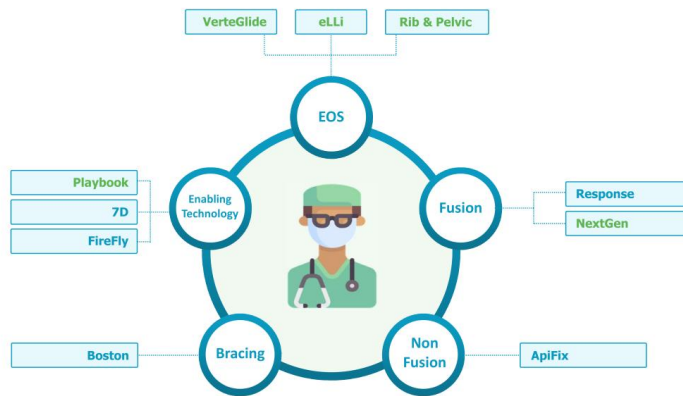


Opportunity to re-deploy domestic Response sets as new fusion system takes hold in U.S.



EOS Strategy has drawn Key Opinion Leaders to our Spine portfolio







Hospital A

- Top ranked children's hospital in the U.S.
- Scoliosis market share <5%
- Trauma & Deformity market share >25%
- Treating the most complex deformities



New Growth Opportunities at High-Volume Children's Hospitals

- 20+ hospitals with similar profile to hospital A
 - ~\$500k-\$1M EOS opportunity
 - ~\$2M-\$6M fusion opportunity



Joe Hauser
President T&D, OPSB



www.OrthoPediatrics.com

> 1,000,000 Kids Helped

Aggressive market based clinic expansion strategy

Accelerate R&D with increasing number of YoY launches

Scale OPSB selling channel and sales force – grow with current portfolio of products

2024 // Analyst Day

Why OPSB: Entering a huge specialty bracing market where focus predominantly remains on adults

- **Helping more KIDS:** ~80% of what surgeon does is non-operative care
- **No focused competition,** underserved
- **Speed to market, innovate** with Class 1 device
- **Does not require consigned inv. / improved ROI**
- Adding **additional growth lever** to business
- Leverage **same surgeon customer** base
- Large **\$500M** focused TAM



**Michale Vitale MD,
Orthopedic Spine Surgeon**

"The opportunity for a well established well networked provider like OP is immense... the reality is that most (peds) patients in this country are simply not getting the best care."



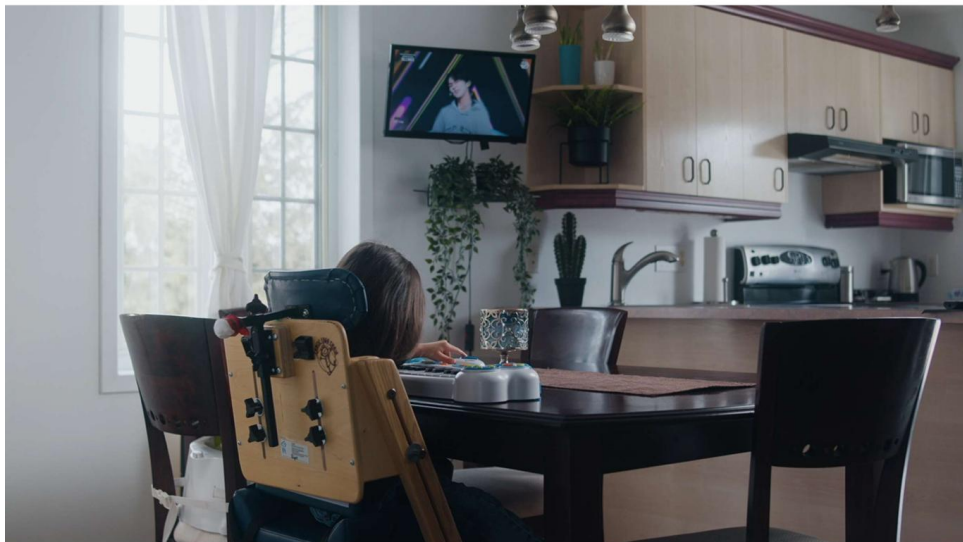
**Brian Smith MD,
Pediatric Orthopedic Surgeon**

"We are thrilled that OP will improve the experience of bracing in kids by fostering direct collaboration between the Physician and Orthotist. This coordination of care greatly benefits the patients and families."



**John Flynn MD,
Pediatric Orthopedic Surgeon**

"This partnership should greatly increase your resources and could lead to great advances in scoliosis bracing. OrthoPediatrics is famously mission driven and all the docs in my field appreciate that (because we are too)."





OP SPECIALTY
BRACING
Mobility Solutions for KIDS



Diagnosis & Referral






Evaluation & Treatment Plan Development



Comprehensive Evaluation | Education and Discussion about Goals & Treatment Plan | Cast, Measure, and/or Scan

Fitting and Outcome Tracking



 <p>Aggressive market-based clinic expansion strategy</p> <p>18 new markets by 2027 (27 total)</p>	 <p>Accelerate R&D with increasing number of YoY launches</p> <p>Launch 4 products in 2024 and 5 in 2025</p>	 <p>Scale OPSB selling channel and sales force – grow with current portfolio of products</p> <p>Doubling size of the sales channel</p>
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**Deeper
penetration
in 9
existing
markets**

300 Children's Hospitals with 80 Target Market Locations



Pace of Market Expansion

+4 markets
in 2025

+6 markets
in 2026

+8 markets
in 2027

**OPSB clinics
expected in 27/80
markets by 2027**

	Greenfield	Acqui-Hire
Initial Investment	\$200k-\$500k	\$500K-\$1M
EBITDA Goal	Positive EBITDA by end of first full year	Positive EBITDA by end of first full year
FCF Goal	After first full year	Within first year
ROI Goal	Break even ROI by Year 3	Break even ROI by Year 5
Time to Ramp	6 months for licensure, insurance, lease, clinicians, training, etc.	Immediate licensure, insurance, location, clinicians, training etc.
IRR	40%	25%

**1-4
Clinics
per
market
expected**

4 products expected to launch in 2024

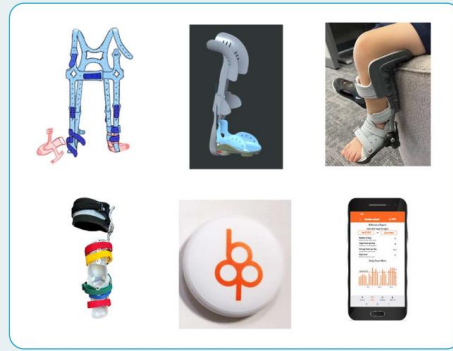
MMP Unilateral

HiPpy (DDH & HD)

Bracing compliance Sensor

DF2 – hinge & new sizing

Expect to launch 5 products in 2025



Scale and Grow OPSB Sales Channel

Leverage surgeon relationships

Educate and sell portfolio

Increase referrals to existing OPSB/BoP clinics



DF2 – Success Stories



DF2 – Success Stories



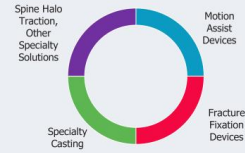
Scale and Grow OPSB

- Help MORE KIDS!
- Major growth driver for OP with Large \$500M TAM
 - Estimated additional \$1B oppt.
 - International Opportunity is exciting – learning more
- Market-Based Clinic Expansion – 18 new markets by 2027
- Accelerated R&D to innovate unmet peds needs
- Scale the OPSB sales channel – increasing referrals to existing clinics and selling full OPSB portfolio

U.S. Speciality Bracing Market ¹ — \$0.5B



U.S. Potential Target Market ¹ — \$1.0B



2024 // Analyst Day

¹ Management's Estimate as of January 2024 updates to IMS data from 2016





KOL Panel



Joshua E Hyman, MD
Orthopedic Surgery, Pediatric Orthopedics
Professor of Orthopedic Surgery at Columbia University Medical Center



Dominick Tuason, MD
Orthopedic Surgery, Pediatric Orthopedics
Assistant Professor of Orthopedics and Rehabilitation at Yale New Haven Children's Hospital

 www.OrthoPediatrics.com

> 1,000,000 Kids Helped

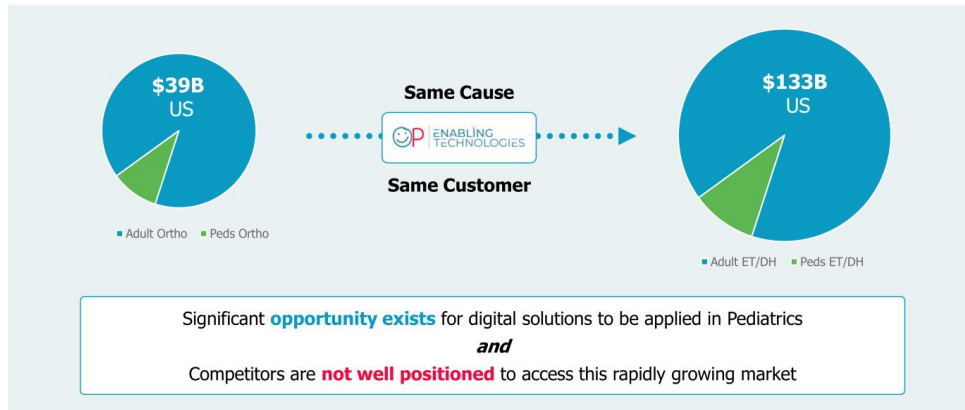


Kevin Unger
President Enabling
Technologies



www.OrthoPediatrics.com

> 1,000,000 Kids Helped





Long-term Strategic Pillars



Improve Surgical Care, Efficiencies & Outcomes for surgeons & their teams by harnessing technology to solve problems.



Create Competitive Advantage in core OP businesses by offering differentiated, pediatric-focused platforms to help accelerate growth in legacy business units.



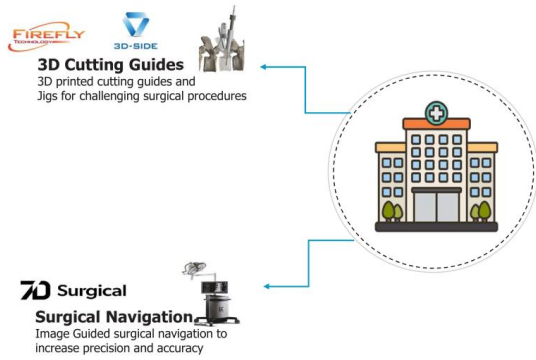
Access new markets through strategic positioning of digital health & emerging technologies platforms in underserved areas outside of OrthoPediatrics.



Expand our Data Competency to insightfully drive toward best practices in surgical care, training & education and product development

FIREFLY
3D-SIDE
3D Cutting Guides
3D printed cutting guides and
Jigs for challenging surgical procedures









iiP Playbook

Plan. Collaborate. Orchestrate.
Analyze.

 ENABLING
TECHNOLOGIES



The Problem

- **Limited data** to determine best practices and surgical outcome optimization
- **Much variability** in staff, process and surgical planning resulting in a lack of reproducibility
- **No End-to-End solution** connecting surgical planning and post operative surgical outcome to create a learning loop for Predictive Outcome Analytics



Pre-Op Planning



Intra-Op Workflow



Post-Op Analytics

Solution

Translates **unique pre-op planning** needs into a reproducible surgical process

Contextual collaboration with care team during planning & surgical procedures

Data collection and insights displayed in real-time to drive best practices in surgical care

Market Opportunity

\$200M

US Peds Market

Estimated based on scalable product subscription & expansion outside of Orthopedics in the top 300 children's hospitals



Clinical Problem

- o **Relies on extensive training** with more demand for cochlear implants than skilled, experienced ENT surgeons, **limits patient access**
- o **Lack of tools and confidence** to produce consistent outcomes **limits CI procedure adoption**
- o **Variability of surgeon experience** creates procedure uncertainty and **limits utilization.**

1

Reduces insertion force variation by up to 78%*

2

Reduces maximum insertion forces by up to 51%*

3

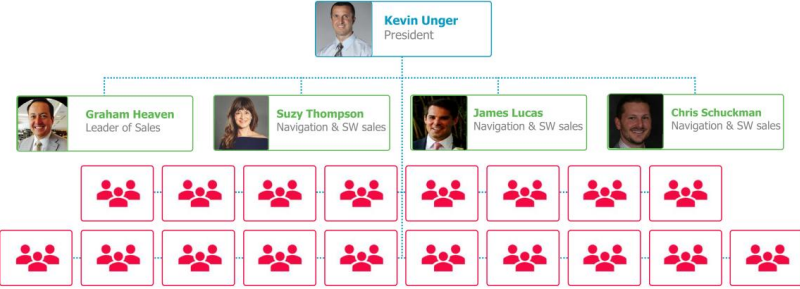
More controlled, consistent insertions

Market Opportunity

\$100M


US Peds Market

- Profitable procedure: \$35K per surgical intervention
- 30% of Cochlear Implants are done in Pediatrics
- Differentiated technology and entry point into ENT specialty
- Enabling technology supports procedure



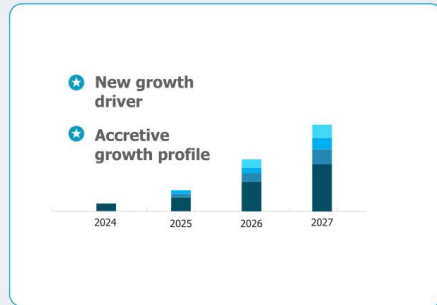
OP Selling Organization (200 Strong)

Experienced leadership and sales expertise	Leveraged specialist sales model	Immediate access to top Peds Hospitals through OP Channel	First ever dedicated Peds Enabling Tech salesforce
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Outlook & Expectations

- **Market Launch** of both Playbook and Iota Motion platforms in the next 6 months
- **Establish** the first Pediatric focused Enabling Technologies and Digital Health salesforce
- **Leverage** existing OP Sales Channel to accelerate market penetration





Fred Hite
CFO & COO



www.OrthoPediatrics.com

> 1,000,000 Kids Helped



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- 01** Continued aggressive revenue growth

- 02** Adjusted EBITDA > set deployments in 2025

- 03** Achieving Free Cash Flow positivity in 2026

- 04** Focus on ROI, balancing growth & cash usage

- 05** Capitalized to deliver long range forecast



2024 ————— 2027

Revenue: High teens annual grow

OPSB Revenue: 20%+ annual

Gross Margin: ~74-75%

Expense changes as a % of revenue:

S&M: decrease ~1% per year

R&D: consistent

Cash G&A: increase at 50% of revenue

EBITDA Margin: ~300bps expansion annually to ~13-14% in '27

3-year Financial Outlook

High Teens Revenue Growth with G&A Leverage

Cash Flow

(\$M)	2024	Assumptions through 2027
Adjusted EBITDA	\$8 - \$9	~300bps margin growth
Sets Deployed	(<\$20)	(~\$15 - \$20)
Working Capital / Other	(~\$20)	(~\$15 - \$20)
Op Cash - CapEx	(~\$30+)	+

Business positioned to continue growing top line while improving profitability toward free cash flow positivity

Balance Sheet



Strong balance sheet with attractive cost of capital



\$25M in additional Debt available for the future



Achieve free cash flow positivity without additional equity

2024 // Analyst Day

~\$90M

proforma cash, cash equivalents & short-term investments* post Private Financing 8/5/24:

Expected Uses of Cash

- Continued set deployment
- Working capital supporting growth
- OPSB clinic expansions

*Post closing and before any share repurchases and assuming the financing closed on June 30, 2024, OrthoPediatrics cash, cash equivalents and restricted cash balance would have been approximately \$90 million on a pro forma basis, excluding the delayed draw \$25 million term loan



Closing Comments



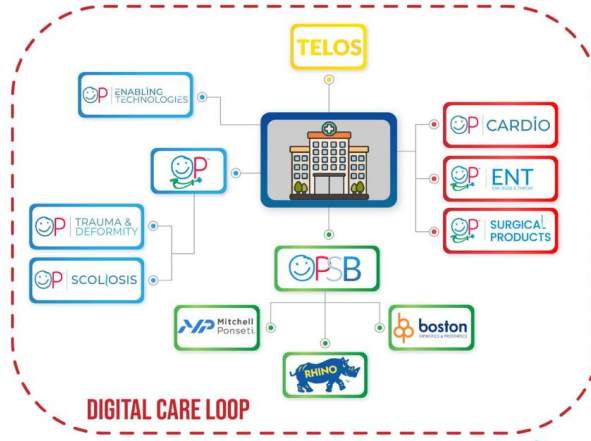
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Surround the hospital with technology that improves clinical care and efficiency

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5-10 year Aspirational Goals





Q&A



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