



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, nonrecurring 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

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Today's Agenda

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



**Consistent
YoY
Growth**
Since Inception

01



Laser focus on high-volume Children's Hospitals that treat majority of pediatric patients

02



Provide a **broad product portfolio** uniquely designed to treat children, surround pediatric orthopedic surgeons covering their needs

03



Deploy instrument sets and provide unparalleled sales support

04



Expand addressable market through aggressive investment in **R&D and select M&A opportunities**

05



Train next generation of pediatric orthopedic surgeons

Drives continued revenue growth and free cash flow positivity in 2026

Accomplishments Since IPO

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**

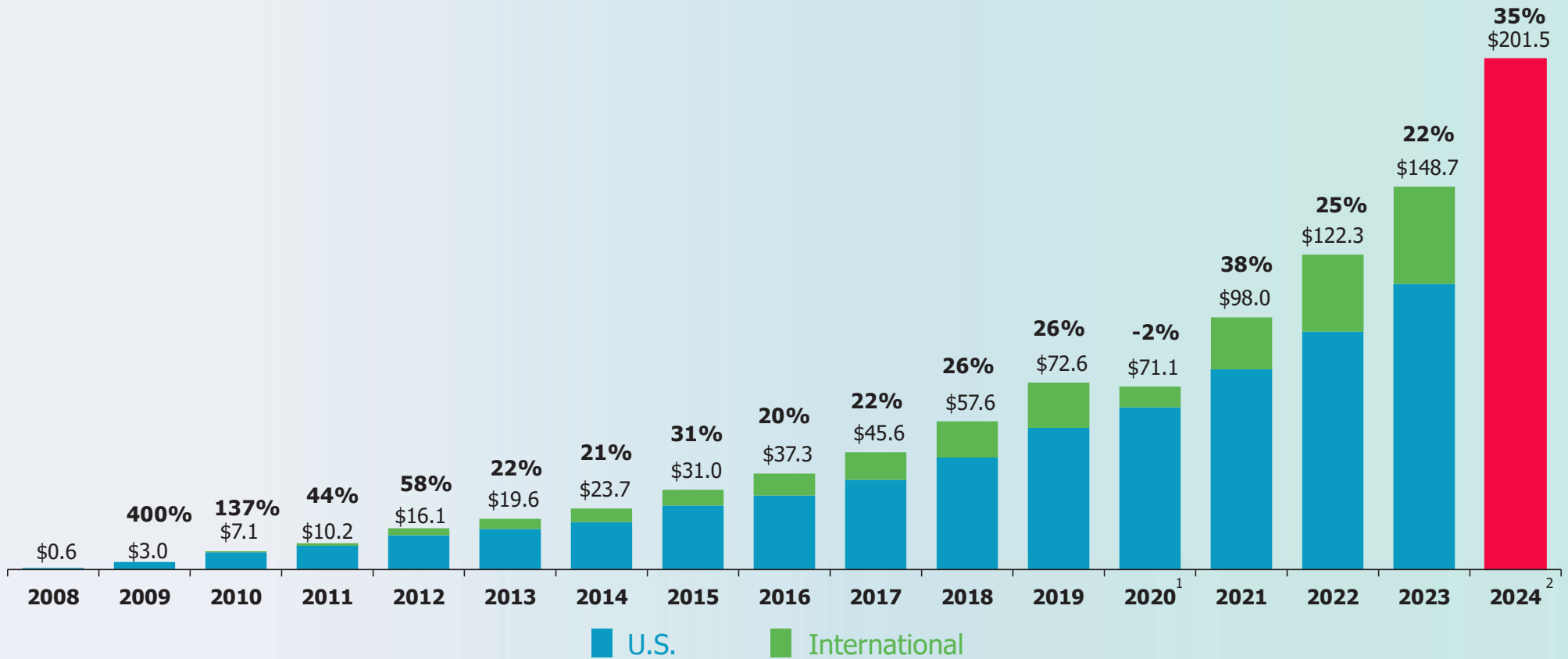
Deepened commitment to clinical education with **>300 events per year**, leading sponsorship of pediatric medical societies and establishing Foundation

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**

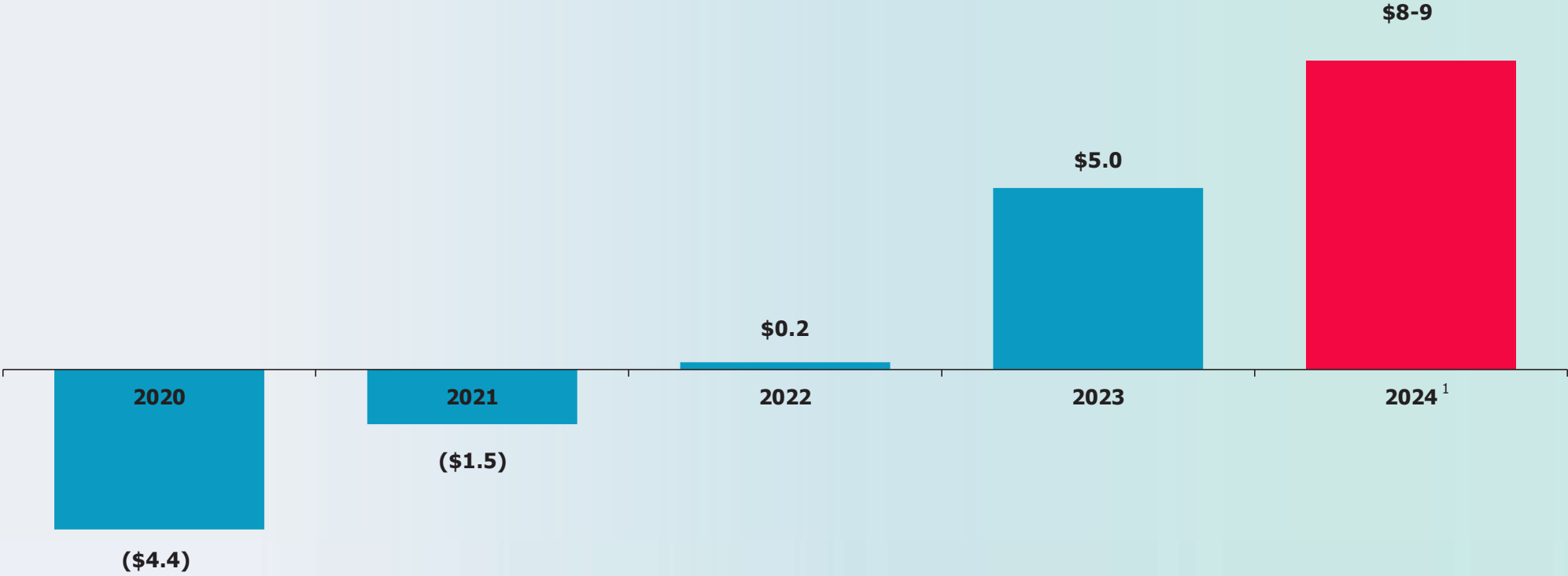
Generated **positive adjusted EBITDA** and established path to profitability through enhanced operations, including manufacturing and supply chain efficiencies

Strong History of Y/Y Revenue Growth (\$M)



¹ Impacted by COVID ² Represents the midpoint of the Company's 2024 revenue guidance range of \$200 to \$203 million

Significant Adj EBITDA (\$M) Progression

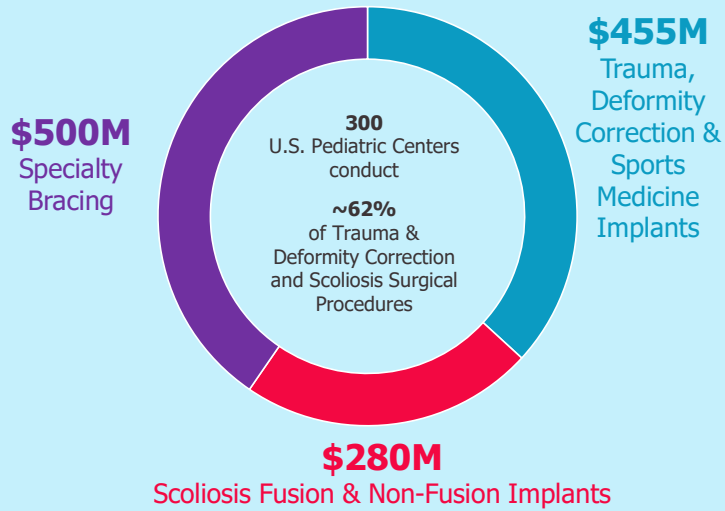


¹Represents the Company's 2024 adj. EBITDA guidance range of \$8 to \$9 million



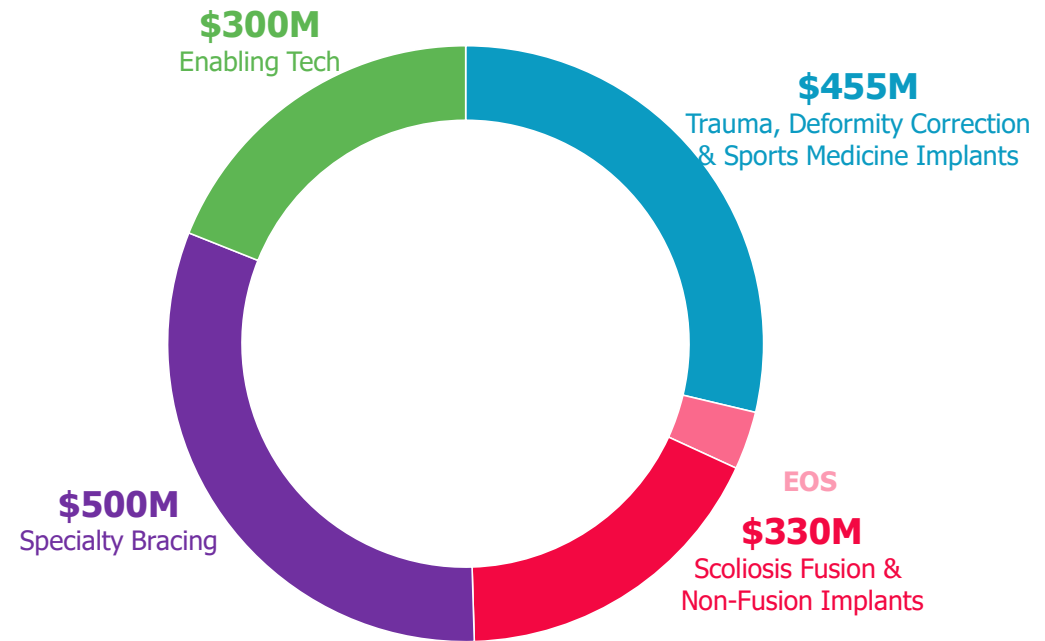
Focus on High-Vol Children's Hospitals

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



Current US Target Market – \$1.6B

Current U.S. Target Market¹ — \$1.6B



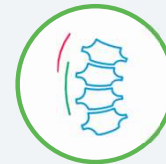
Transformational Near-Term Catalysts

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

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Leverage our Scale

Well established and poised to take more share and double revenue over the next years



Product Development

Key New Product Development drivers that will lead to consistent growth through full hospital conversions



Account Penetration

Deeper penetration within current and new International markets will lead to disproportional revenue growth

Large Runway for Growth

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

Large Runway for Growth

Significant amount of runway and TAM remaining

Ability to leverage growth as an established and incumbent presence

How did we get here

Future:

- Estimating \$125M of opportunity, 31% Global Market Share
- Present at ALL US and INTL Children's sites or centers
- 55 Surgical Systems
- 100% product coverage

Today:

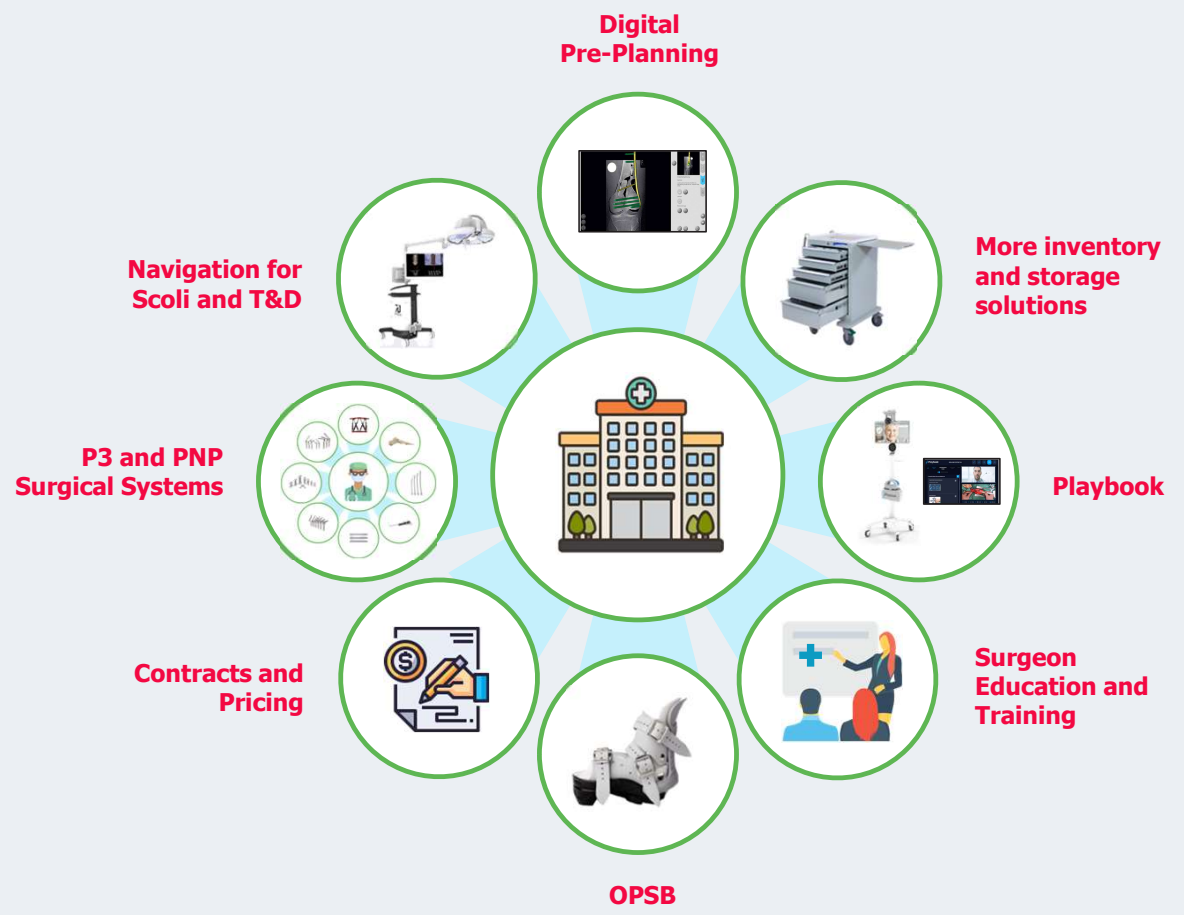
- 16% Global Market Share
- Present at ALL 300 US Children's Hospitals and many INTL sites
- 41 Surgical Systems
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2016:

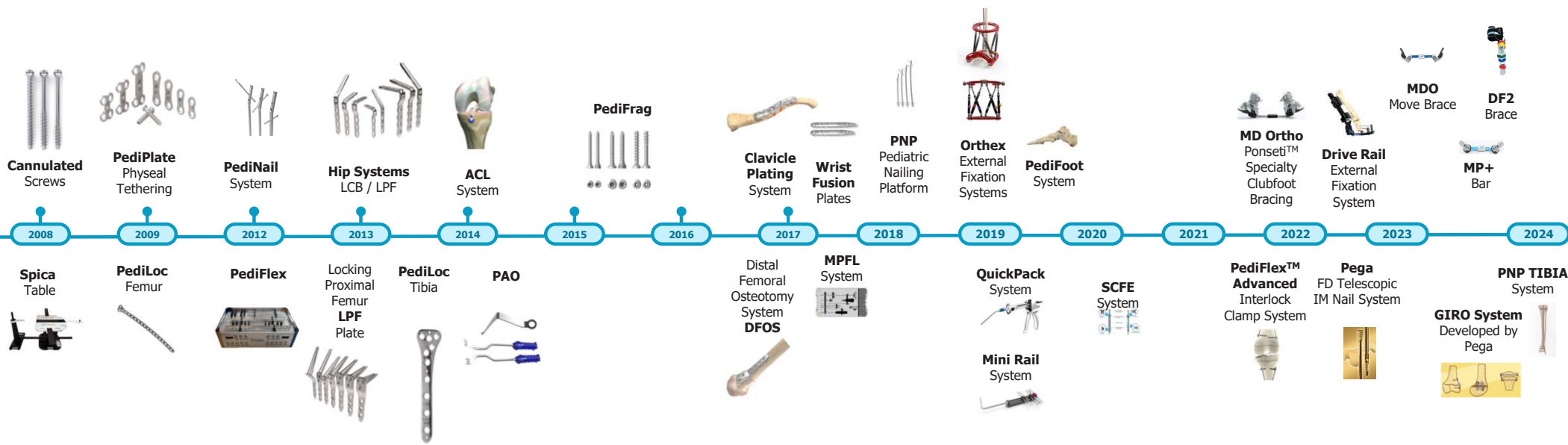
- \$27M, 3% Global Market Share
- Present at 100 Children's Hospitals
- 13 Surgical Systems
- 40% product coverage

T&D sustainable growth driver over long period of time

Surrounding the Hospital



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**

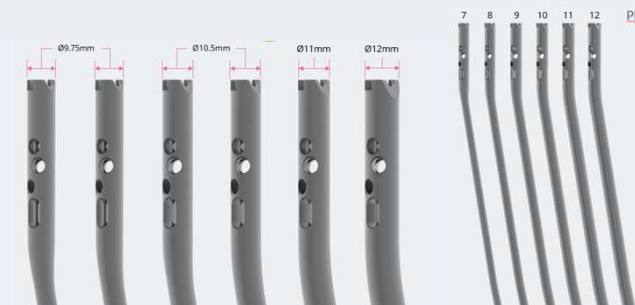
Future

PNP
Grow

PNP
Retrograde

PNP
FD

**Pipeline of more projects
that will add even more
revenue to this franchise**



Transformational NPD Growth Drivers

P³ | PEDIATRIC
PLATING
PLATFORM

P³ | HIP

P³ | TIBIA

P³ | MINI
SMALL

~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

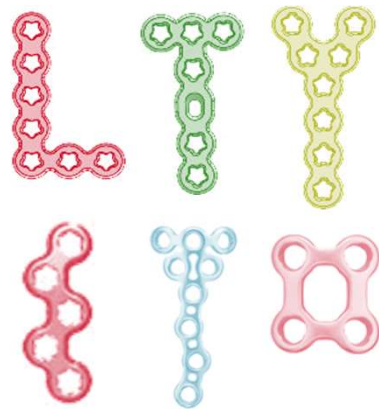
**Digital and Sterile solutions
(to increase ROI and
inventory efficiency)**

New Growth from Current Gaps in Product Offering

P3 | Hip



P3 | Mini



2.0 / 2.4 / 2.7 / 3.5
Screw System

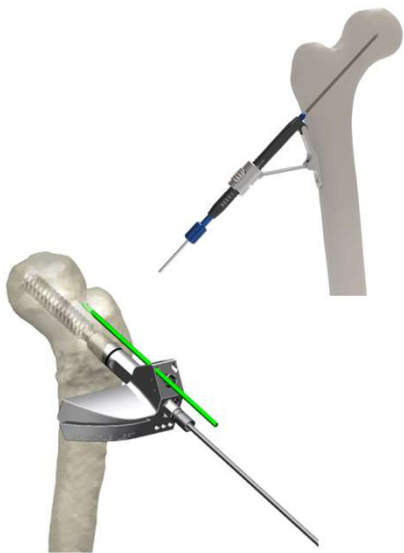
P3 | Tibia

P3 | Femur

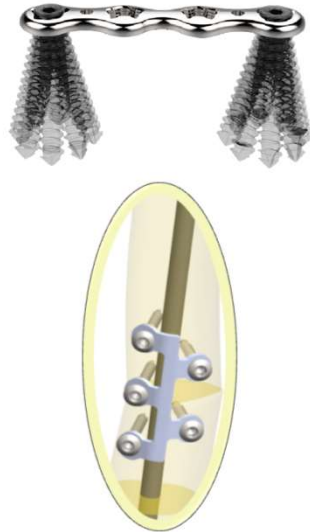


Innovative Quality and Performance Improvements

P3 | Hip



P3 | Mini



P3 | Tibia

P3 | Femur

Platform: Consistent Look and Feel



P3 Expected Launch Dates



P3 | Hip Launch

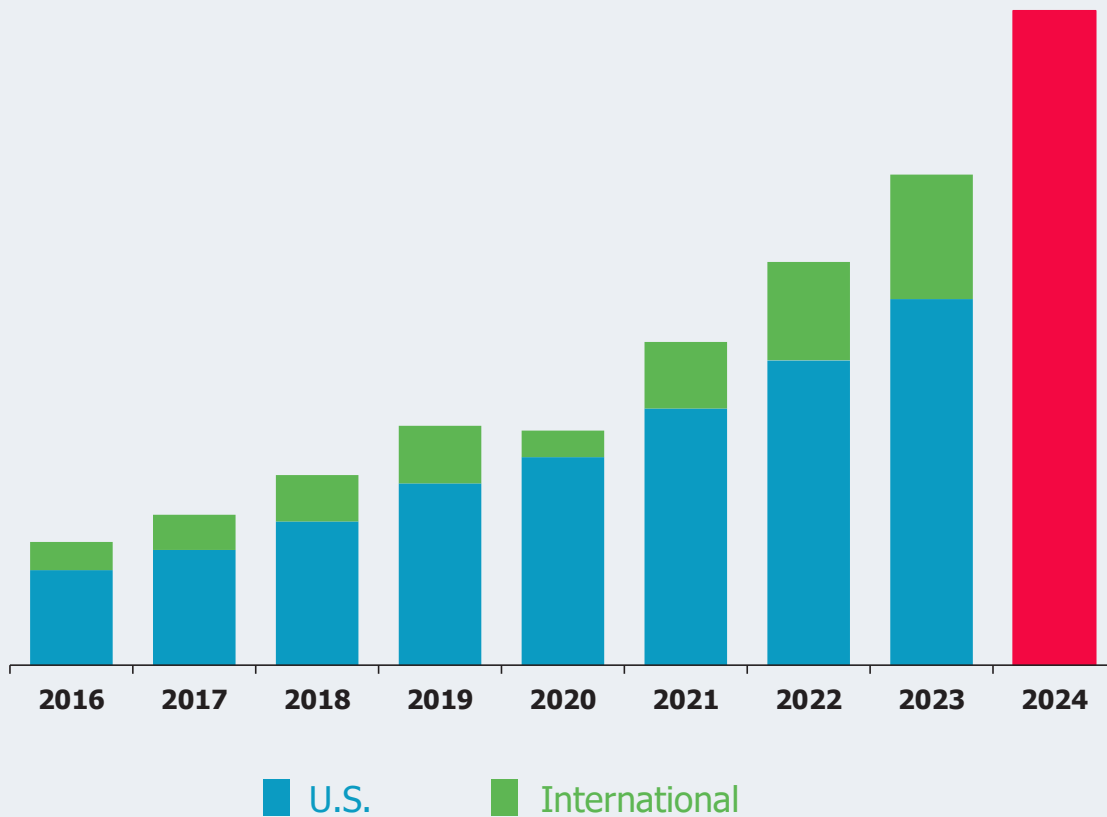
P3 | Mini/Small Launch

P3 | Tibia Launch

P3 | Femur/Large Frag Launch

P3 | Anatomical Specialty Sets Launch

International



Deeper Account Penetration (EU MDR)

New Markets

Enhanced focus on agency and direct organizational growth



Leverage our Scale

Well established and poised to take more share and double revenue over the next years



Product Development

Key New Product Development drivers that will lead to consistent growth through full hospital conversions



Account Penetration

Deeper penetration within current and new International markets will lead to disproportional revenue growth



Greg Odle President Scoliosis

 www.OrthoPediatrics.com

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



Aggressive investment in Early Onset Scoliosis addressing critical unmet needs



Deliver Next Generation fusion system leveraging enabling tech platform

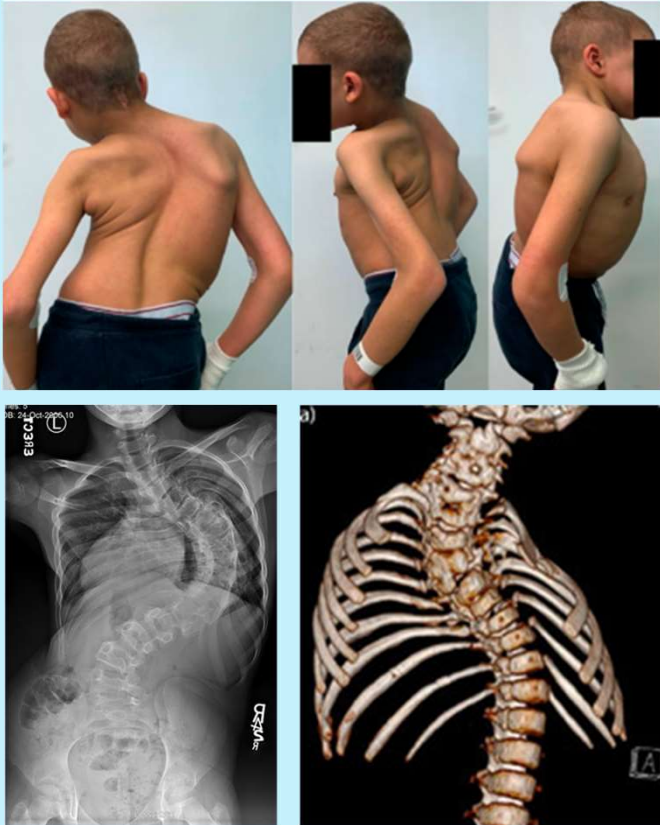


Leverage ApiFix outcomes to optimize patient selection, and possible expanded indications



Focused investment in attractive International markets

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™

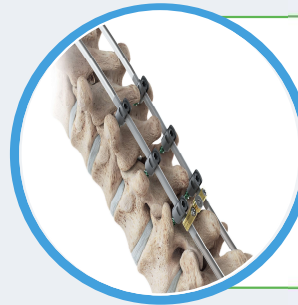
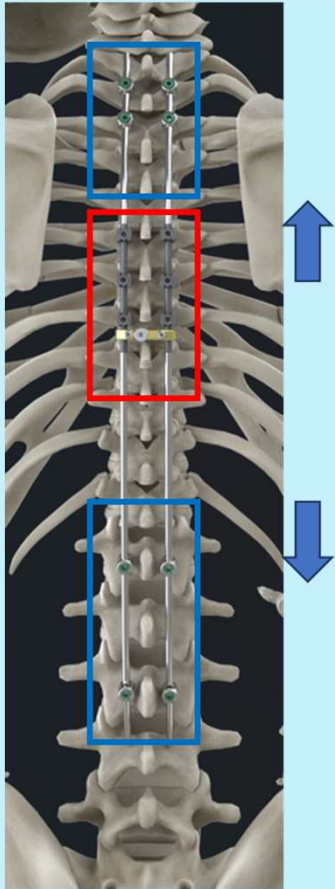


- Currently under FDA review
- Guided Growth
- Allows for screws to “glide” along smooth rods
- Harnessing the child’s growth to gradually correct the spine
- Minimizes wear debris concerns

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



VerteGlide™



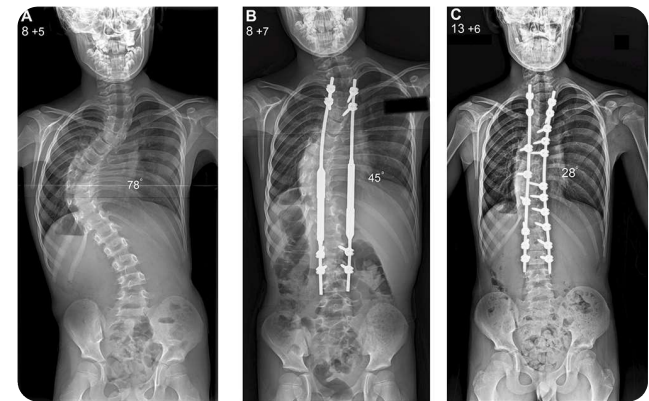
- Guided Growth concept
- Allows for screws to "glide" along smooth rods
- Harnessing the child's growth to gradually correct the spine
- Minimizes wear debris concerns

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™



Introducing eLLi™



Advancing the treatment of EOS

eLLi Design Benefits



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



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



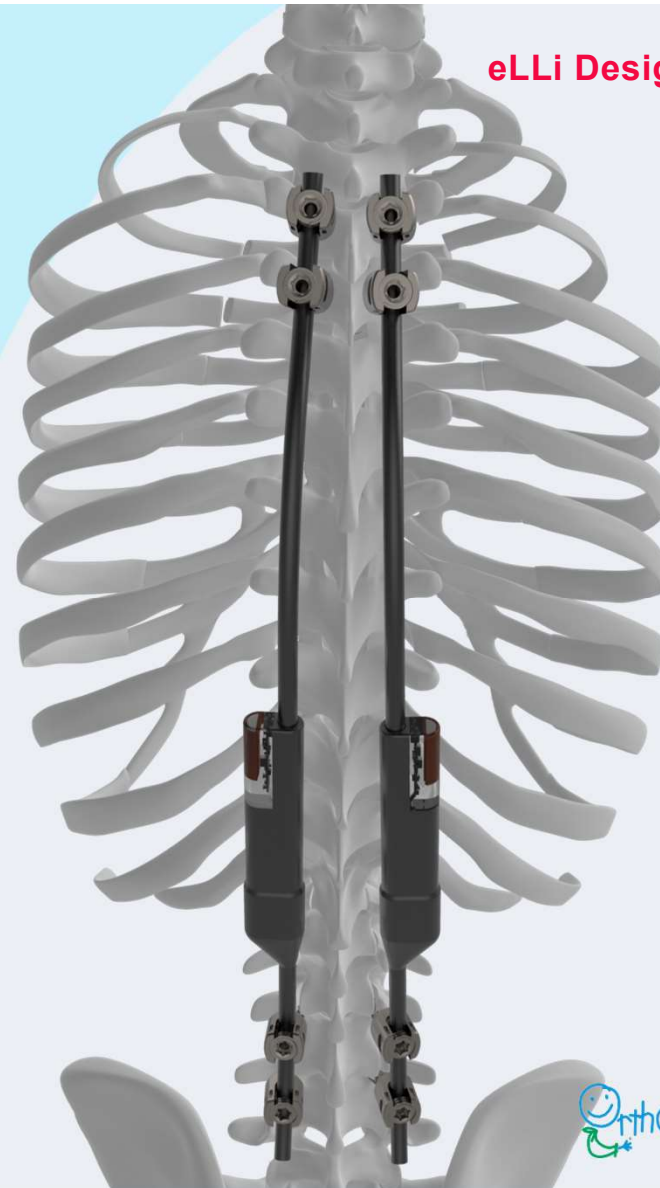
SMART implant provides
feedback to user



Eliminates "Cross-Talk"
between rods



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

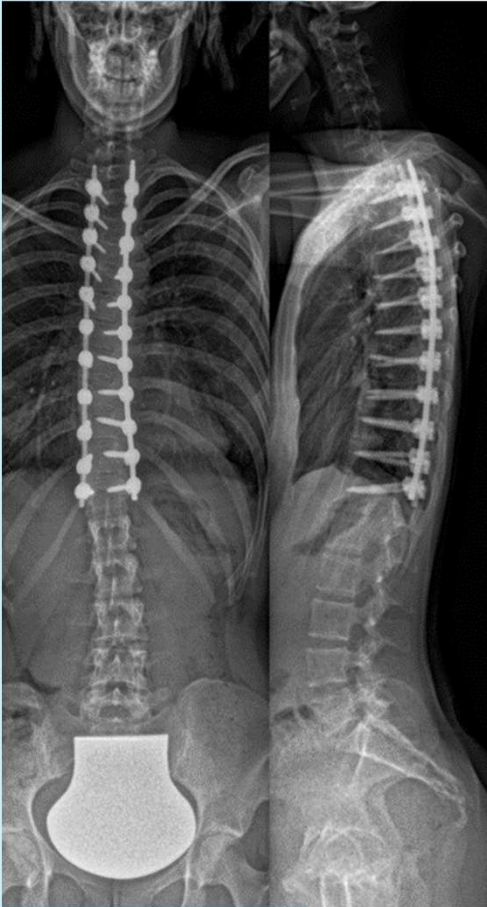


Breakthrough Device Designation (May 2024)



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

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



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

Next Generation Fusion System



Ultimate surgical experience for pediatric spinal fusion



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



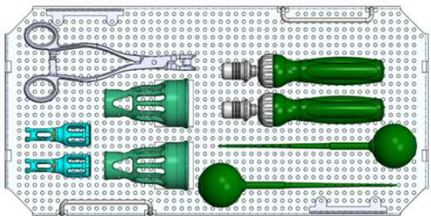
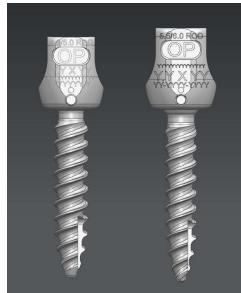
Innovative, new device designs with an **advanced digital platform**



Engineered to **optimize the procedure**



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



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

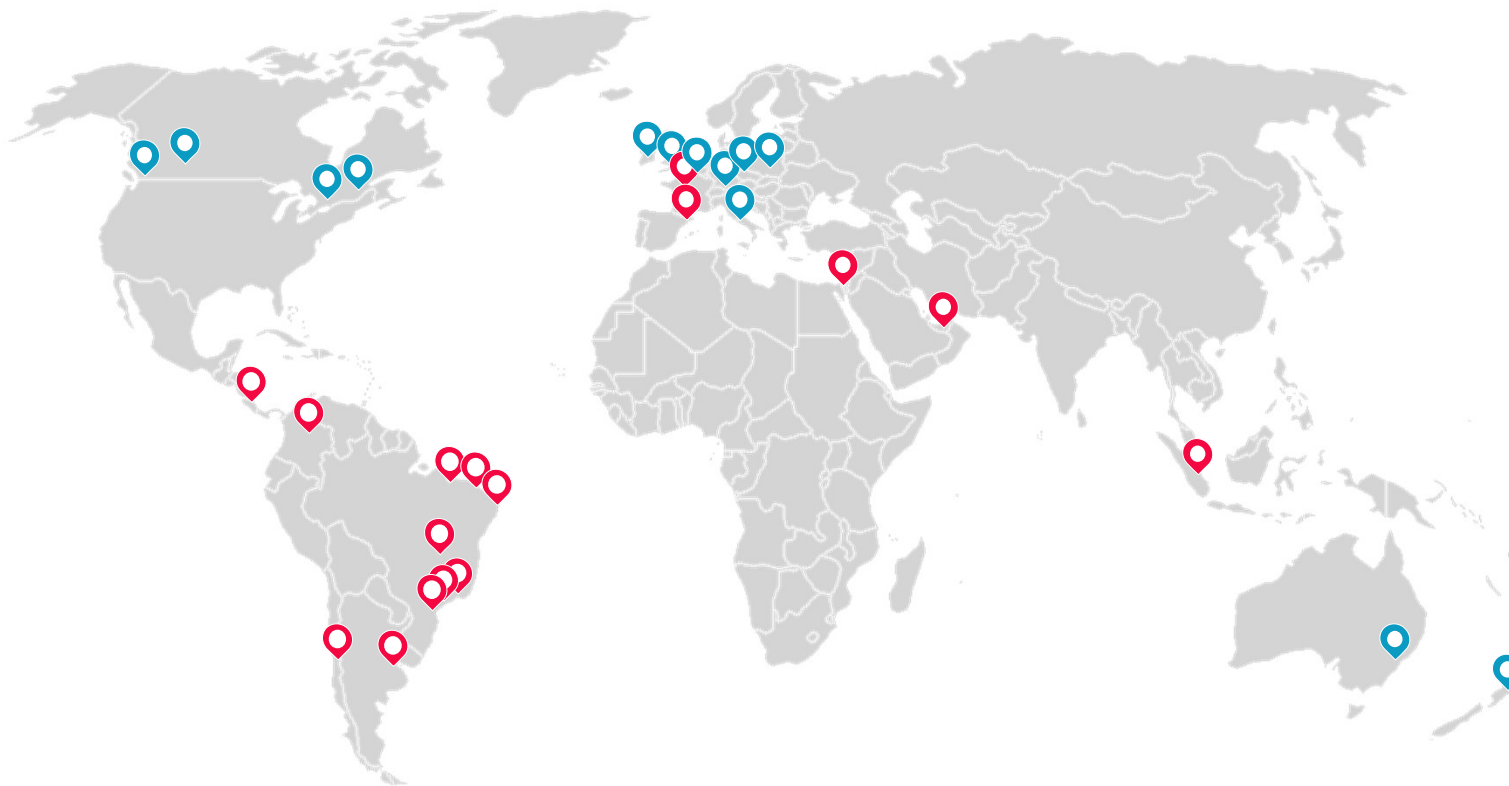
Non-fusion Direction





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

 Stocking Distributors



- Stocking Distributors
- Agency

By the end of 2027 expect **70%** of international scoliosis revenue to come from **agencies**

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

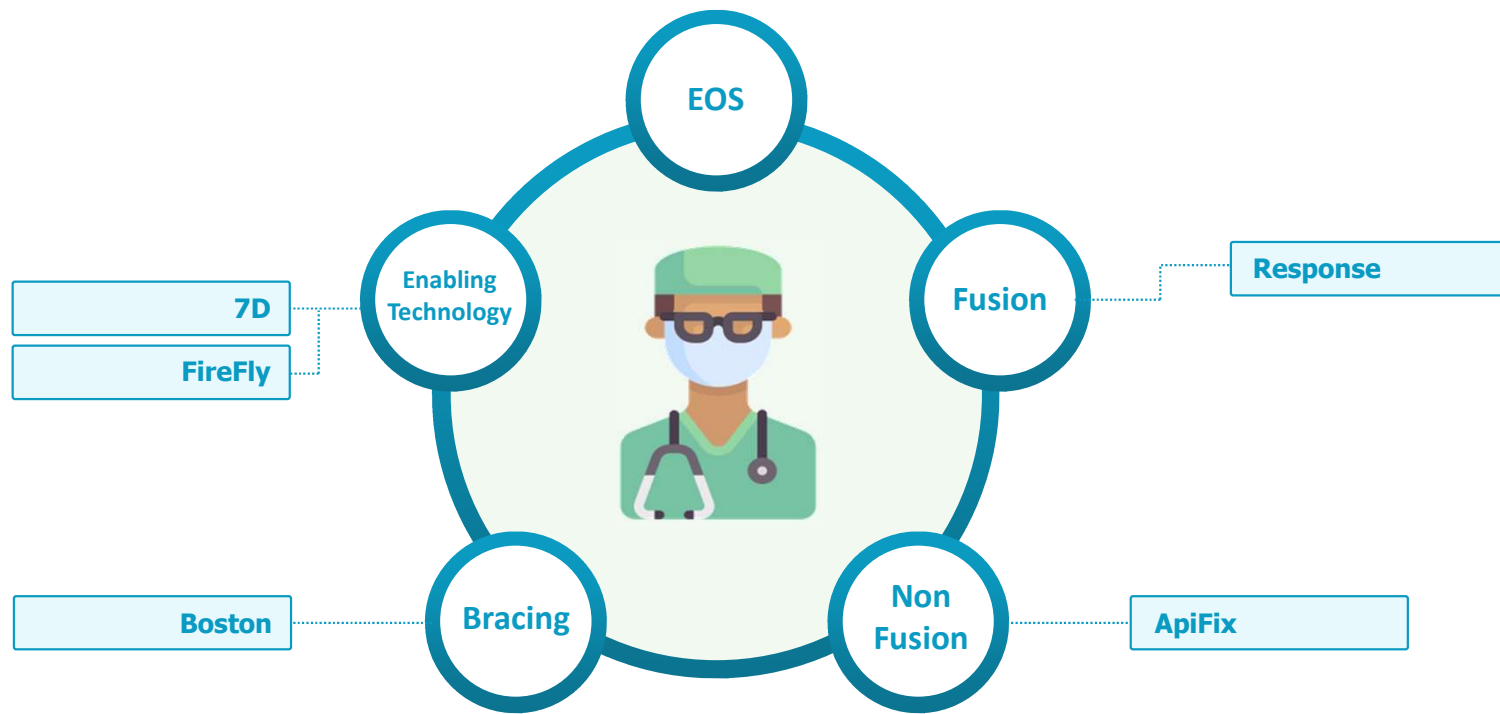


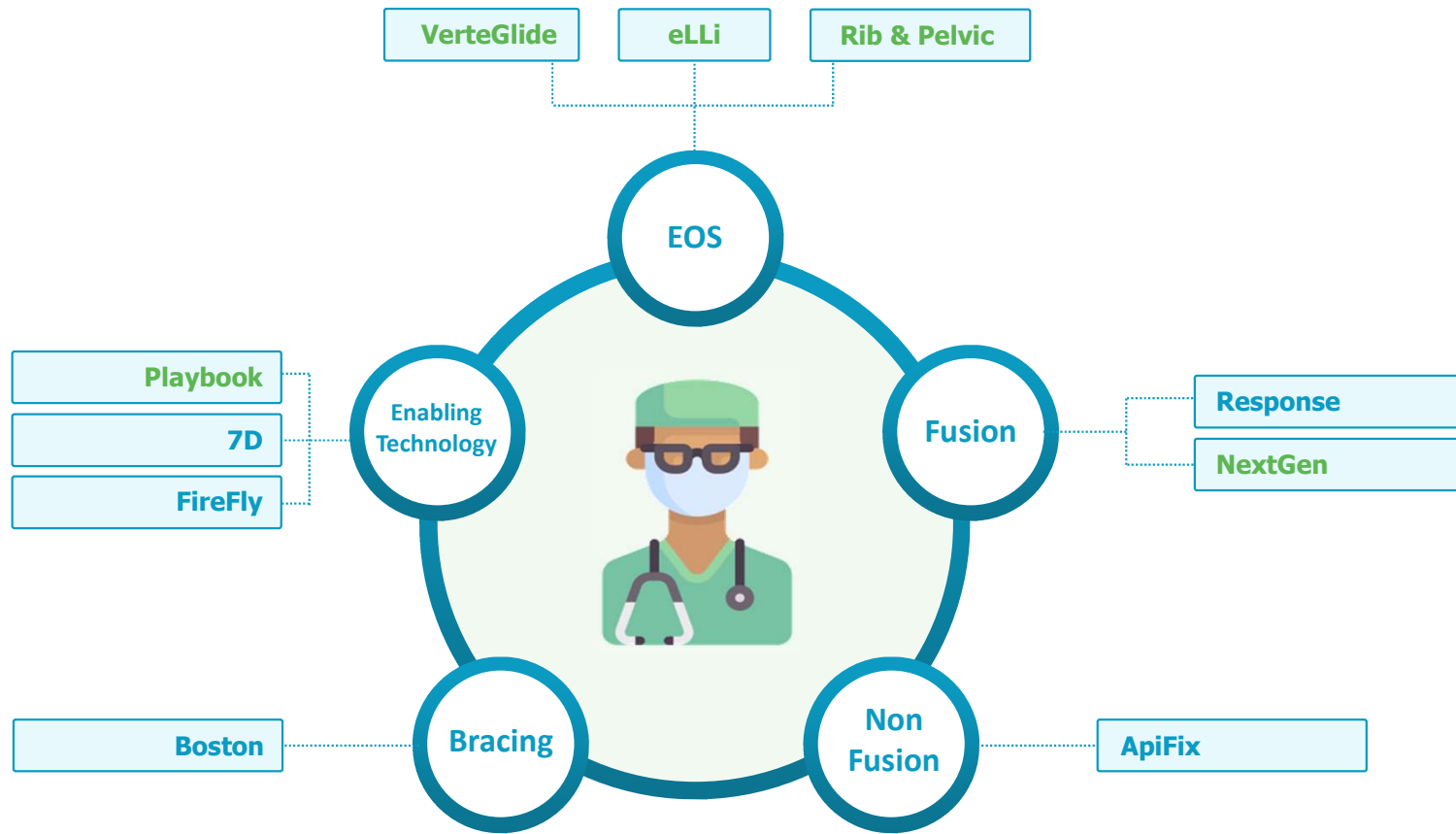
Opportunity to re-deploy domestic Response sets as new fusion system takes hold in U.S.



EOS Strategy has drawn Key Opinion Leaders to our Spine portfolio



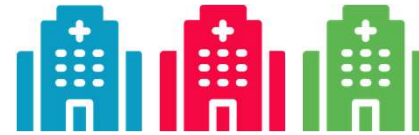






Hospital A

- 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

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**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**

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

Why... From our Customers...



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."



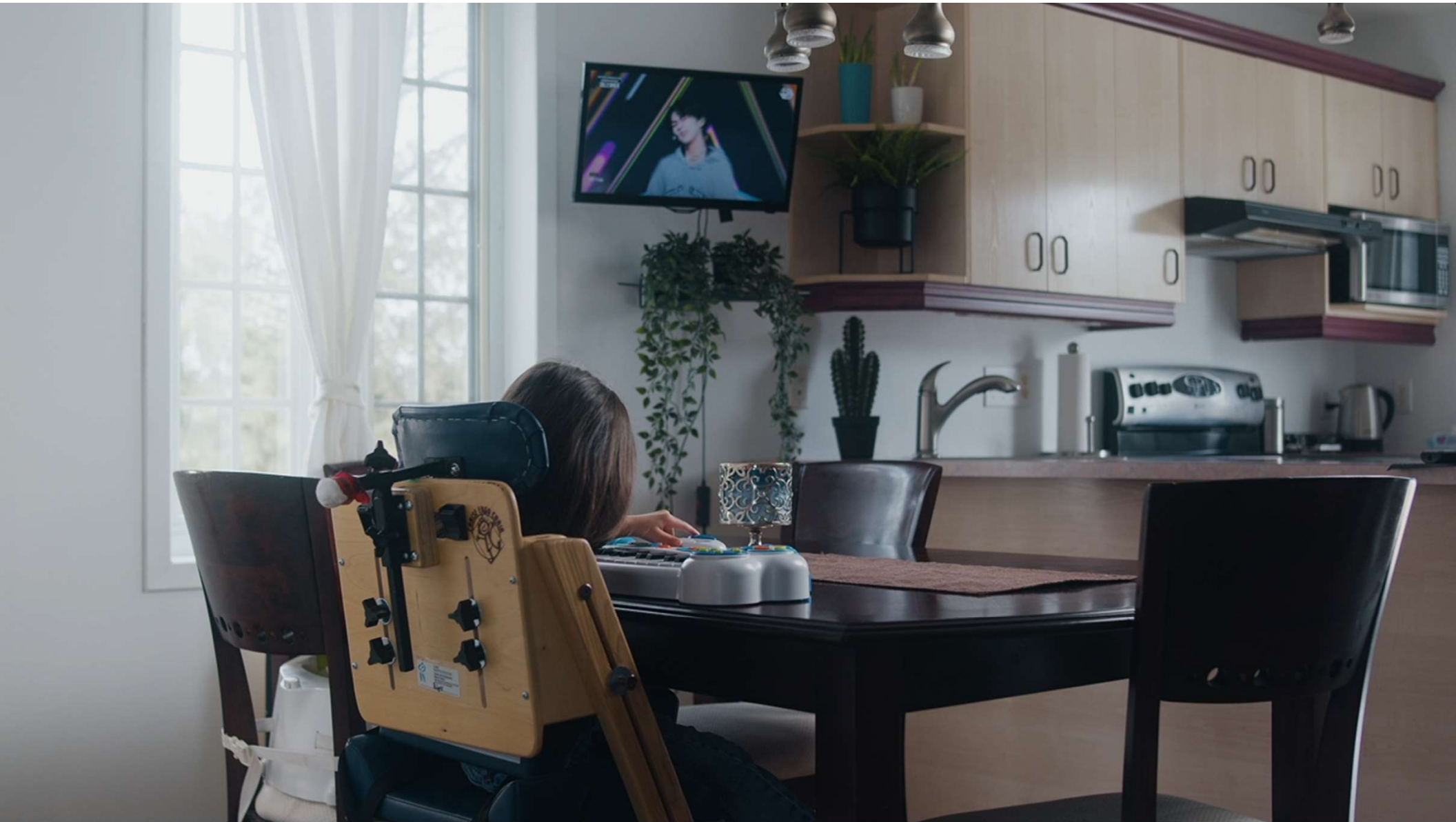
Brian Smith MD, Pediatric Orthopedic Surgeon

"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)."





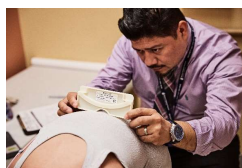
SPECIALTY
BRACING
Mobility Solutions for KIDS



Diagnosis & Referral

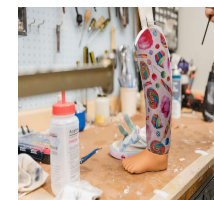


Evaluation & Treatment Plan Development



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

Fitting and Outcome Tracking



Key Growth-Strategic Objectives



**Aggressive market-based
clinic expansion strategy**

18 new markets by 2027
(27 total)



**Accelerate R&D with
increasing number of YoY
launches**

Launch 4 products in 2024
and 5 in 2025



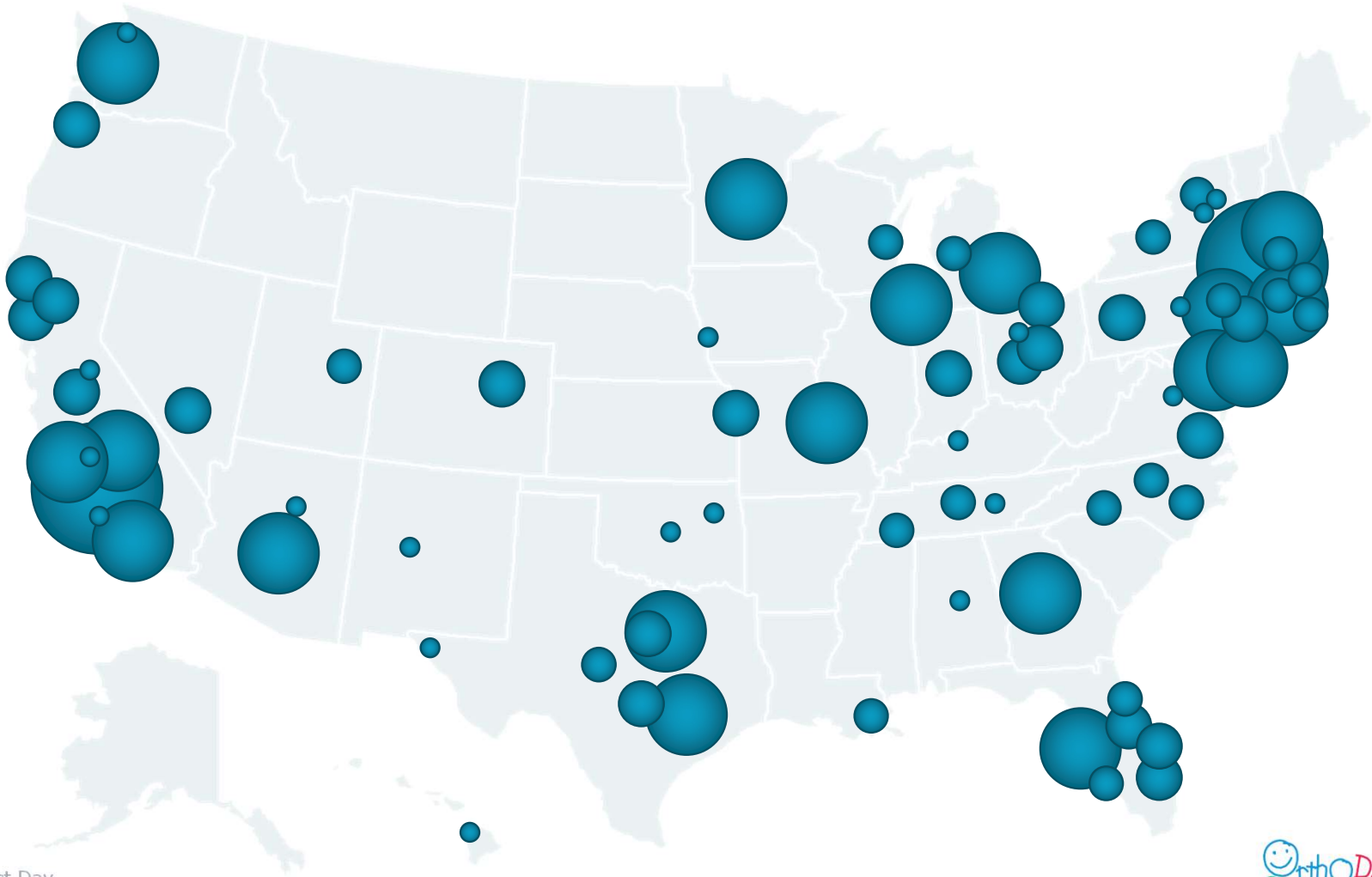
**Scale OPSB selling channel
and sales force – grow with
current portfolio of
products**

Doubling size of the sales
channel



**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**

ROI and Timing for Clinic Expansion

	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**

Accelerated R&D with increasing cadence of YoY launches

4 products expected to launch in 2024

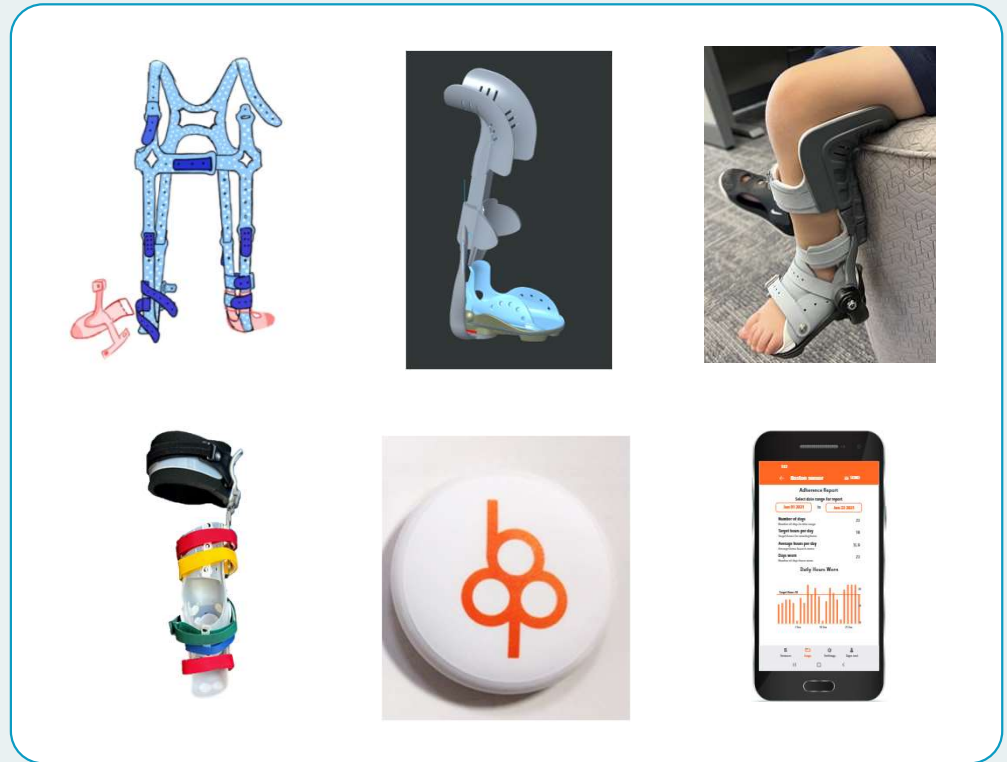
MMP Unilateral

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



Would You Want These Products on Your Own Child? —

DF2 – Success Stories



Would You Want These Products on Your Own Child? —

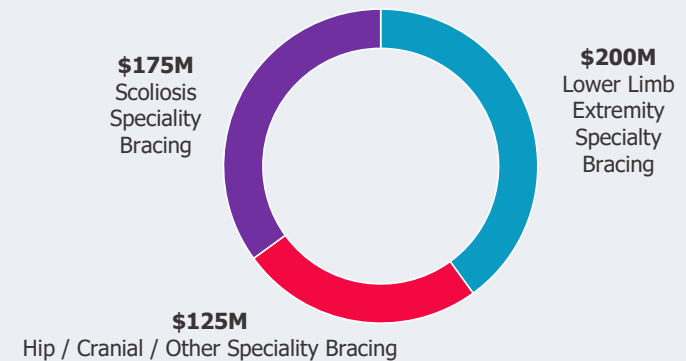
DF2 – Success Stories



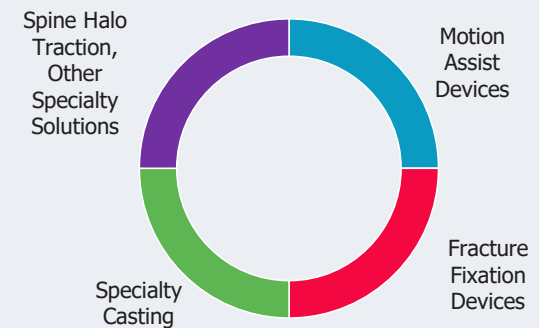
Scale and Grow OPSB

- 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. Specialty Bracing Market ¹ — \$0.5B



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



Children's Hospitals





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*

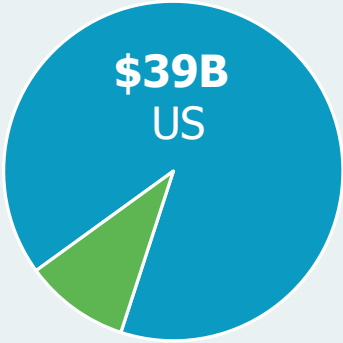


Kevin Unger President Enabling Technologies

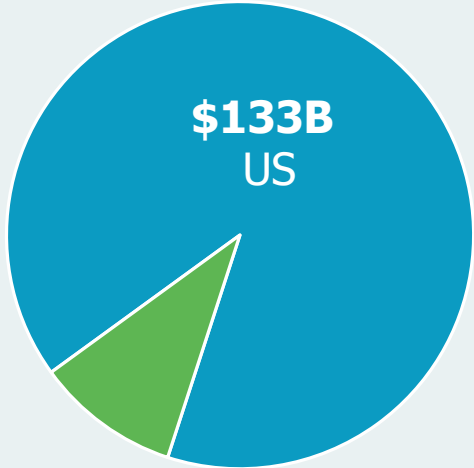


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■ Adult Ortho ■ Peds Ortho



■ Adult ET/DH ■ Peds ET/DH

Significant **opportunity exists** for digital solutions to be applied in Pediatrics
and
Competitors are **not well positioned** to access this rapidly growing market



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.

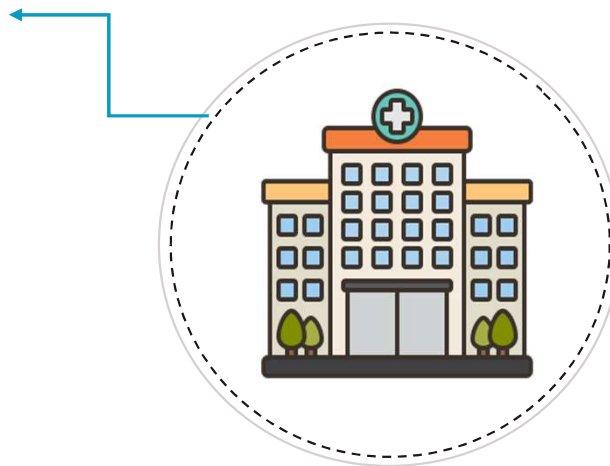


Expand our Data Competency to insightfully drive toward best practices in surgical care, training & education and product development



3D Cutting Guides

3D printed cutting guides and Jigs for challenging surgical procedures





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



7D Surgical
Surgical Navigation
Image Guided surgical navigation to
increase precision and accuracy



FIREFLY TECHNOLOGY
3D-CUTTING GUIDES
3D printed cutting guides and Jigs for challenging surgical procedures




3D-SIDE



Playbook
Surgical Software
Surgical workflow and outcome optimization platform



7D Surgical
Surgical Navigation
Image Guided surgical navigation to increase precision and accuracy



FIREFLY TECHNOLOGY

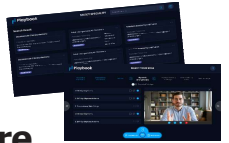
3D Cutting Guides
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3D-SIDE




Playbook

Surgical Software
Surgical workflow and outcome optimization platform



7D Surgical

Surgical Navigation
Image Guided surgical navigation to increase precision and accuracy



iota motion

Robotic Platform
Robotic platform for pediatric cochlear implant indication expected in 2025




Playbook

Plan. Collaborate. Orchestrate.
Analyze.



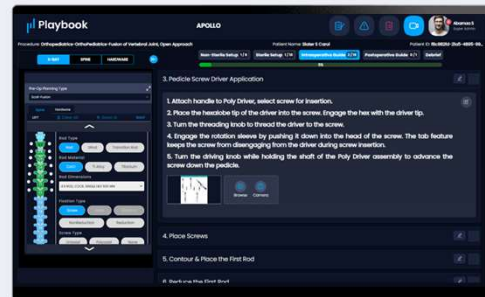


The Problem

- **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



PreOp Planning



IntraOp Workflow



PostOp Analytics

PLAYBOOK: Surgical Workflow Optimization

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



Iota Motion: Robot for Cochlear Implant Surgery

Clinical Problem

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

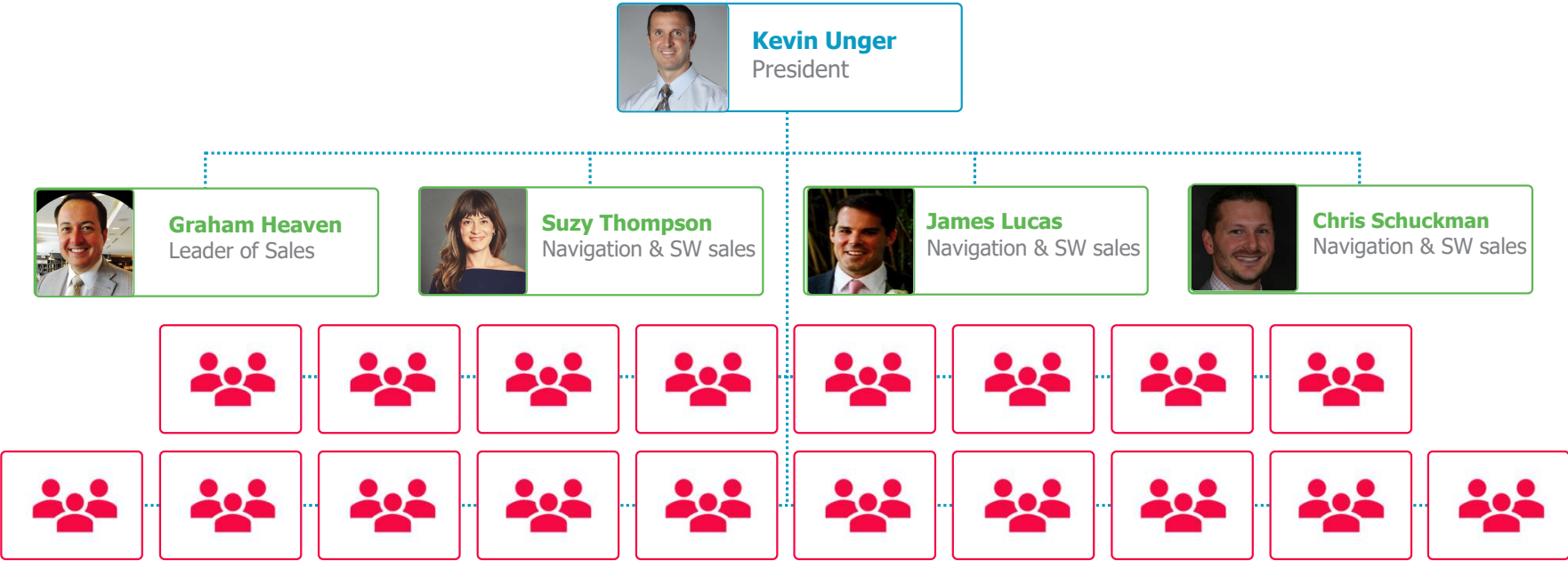
More controlled, consistent insertions

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

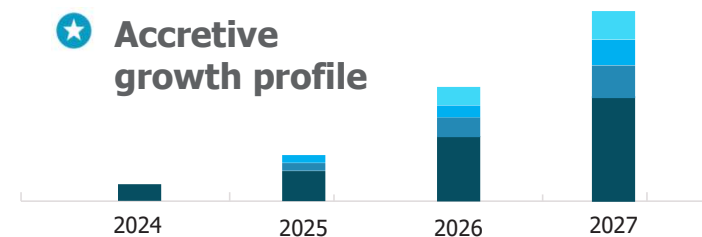
Immediate access to top Peds Hospitals through OP Channel

First ever dedicated Peds Enabling Tech salesforce

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

- ★ **New growth driver**
- ★ **Accretive growth profile**





Fred Hite
CFO & COO



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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

~\$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



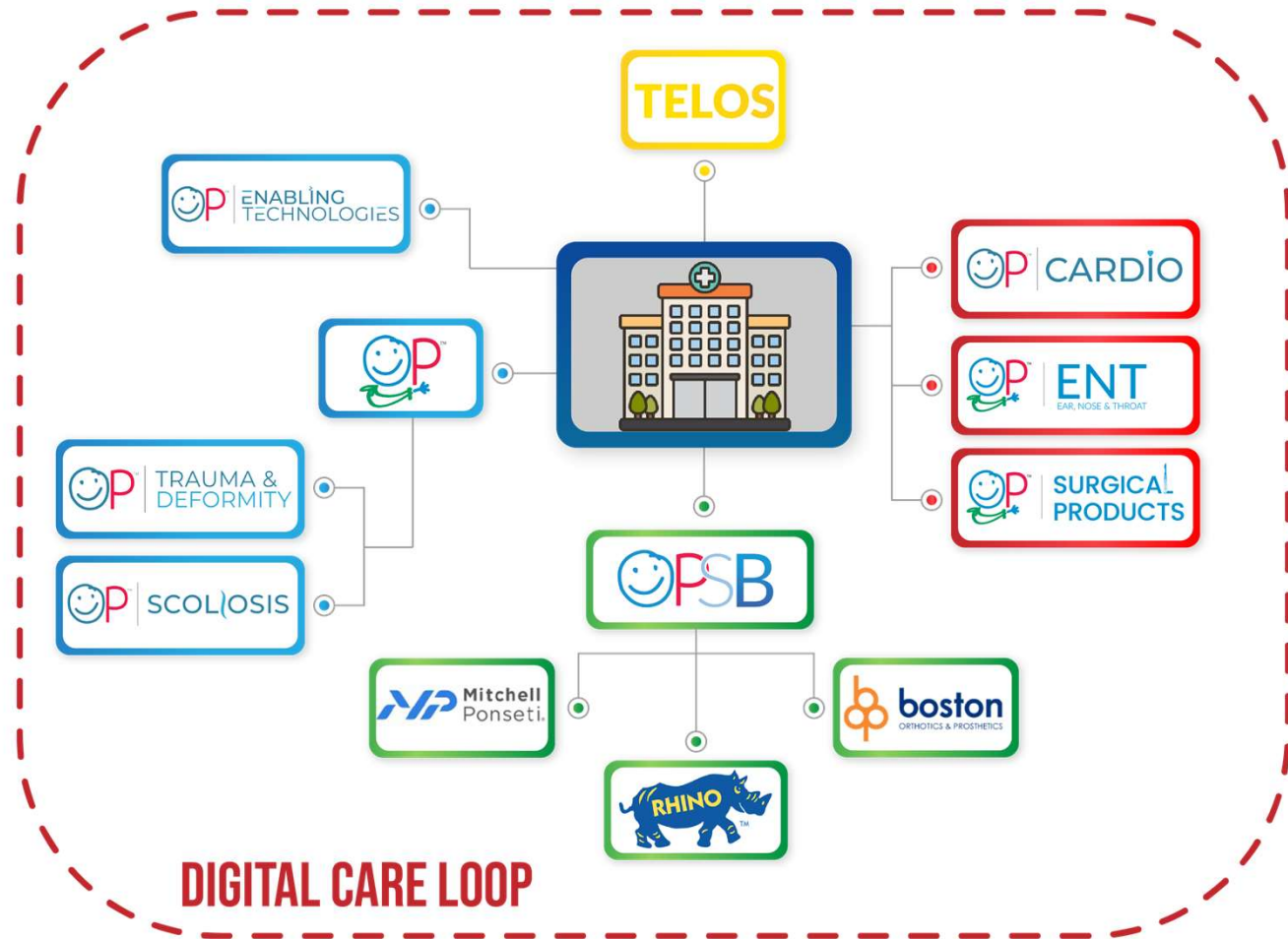
Closing Comments

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5-10 year Aspirational Goals

Surround the hospital with technology that improves clinical care and efficiency





Q&A



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