

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): **January 9, 2023**

**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:

<b>Title of Each Class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
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 2.02. Results of Operations and Financial Condition.**

On January 9, 2023, OrthoPediatrics Corp. (the "Company") issued a press release announcing its preliminary unaudited net revenue for the fourth quarter and full year ended December 31, 2022, providing management's projection of 2023 net revenue and providing a related business update. The press release is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

The information in this Item 2.02, including the information incorporated by reference herein from Exhibit 99.1, is furnished pursuant to Item 2.02 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.

The financial information set forth in this Form 8-K reflects the Company's current preliminary net revenue estimates, is subject to the completion of its audit process, and is subject to change. The Company's fourth quarter and full year ended December 31, 2022 results could differ materially from the preliminary estimates provided in this form 8-K. The Company's net revenue for the full year ended December 31, 2023 could also differ materially from the forecasted amounts. You are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis only as of the date of this Form 8-K. You should refer to the "Risk Factors" section of the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on March 3, 2022, as updated and supplemented by our other SEC reports filed from time to time, for a discussion of important factors that may cause our actual results and net revenue to differ materially from those expressed or implied by these forward-looking statements. Given these risks, uncertainties and other factors, many of which are beyond our control, you are cautioned not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly release the results of any revision or update of the forward-looking statements, except as required by law.

**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 99.2 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 99.2, 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>
<a href="#">99.1</a>	<a href="#">Press release dated January 9, 2023 issued by OrthoPediatrics Corp.</a>
<a href="#">99.2</a>	<a href="#">Orthopediatrics Corp. Investor Presentation dated January 2023</a>
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: January 9, 2023

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

## **OrthoPediatrics Corp. Announces Preliminary Unaudited Net Revenue for the Fourth Quarter & Full Year 2022, Provides Financial Outlook for 2023**

WARSAW, Ind., January 9, 2023 -- OrthoPediatrics Corp. ("OrthoPediatrics" or the "Company") (Nasdaq: KIDS), a company focused exclusively on advancing the field of pediatric orthopedics, today announced preliminary unaudited net revenue for the fourth quarter and full year ended December 31, 2022, and provided 2023 financial guidance.

Preliminary unaudited fourth quarter 2022 net revenue is expected to be \$31.0 million, representing growth of 25% compared to \$24.8 million in the fourth quarter of 2021. Preliminary domestic fourth quarter net revenue growth is expected to be 15% compared to the prior year period and international net revenue growth is expected to be 67% compared to the prior year period.

Preliminary unaudited full year 2022 net revenue is expected to be \$122.3 million, representing growth of 25% compared to \$98.0 million in 2021. Preliminary full year domestic net revenue growth is expected to be 19% and international net revenue growth is expected to be 47%.

"Our fourth quarter net revenue growth reflects continued commercial and operational execution offset by the impact of surgery schedule disruptions experienced in children's hospitals due to viral respiratory infections," commented David Bailey, President & CEO of OrthoPediatrics. "While the pressure from the pronounced respiratory illness season impacted our short-term results, we believe OrthoPediatrics remains in its strongest strategic position of all time, supported by an expanding user base, robust product portfolio, recent acquisitions, and a growing international presence."

### **2023 Financial Guidance**

Management projects 2023 net revenue to be in the range of \$146.0 million to \$149.0 million, representing growth of 20% to 22% over 2022 preliminary unaudited net revenue.

The Company plans to release its fourth quarter and full year 2022 financial results and provide additional commentary on its financial outlook in March. The quarterly and annual preliminary net revenue estimates for 2022 included in this press release are prior to the completion of review and audit procedures by the Company's independent registered public accounting firm and are therefore subject to adjustment.

### **Forward-Looking Statements**

This press release includes "forward-looking statements" within the meaning of U.S. federal securities laws, including the statements regarding OrthoPediatrics' preliminary net revenue for the fourth quarter ended December 31, 2022, the 2023 Financial Guidance, and other statements identified 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 risks related to COVID-19, the continued 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 Securities and Exchange

Commission (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.

**About OrthoPediatrics Corp.**

Founded in 2006, OrthoPediatrics is an orthopedic company focused exclusively on advancing the field of pediatric orthopedics. As such it has developed the most comprehensive product offering to the pediatric orthopedic market to improve the lives of children with orthopedic conditions. OrthoPediatrics currently markets 46 surgical systems that serve three of the largest categories within the pediatric orthopedic market. This product offering spans trauma and deformity, scoliosis, and sports medicine/other procedures. OrthoPediatrics' global sales organization is focused exclusively on pediatric orthopedics and distributes its products in the United States and over 70 countries outside the United States. For more information, please visit [www.orthopediatrics.com](http://www.orthopediatrics.com).

**Investor Contact**

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415-937-5406



2023  
**Investor  
Presentation**



 [www.OrthoPediatrics.com](http://www.OrthoPediatrics.com)



## Disclaimer

### 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 OrthoPediatics' control. Important factors could cause actual results to differ materially from those in the forward-looking statements, including, among others: 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 OrthoPediatics' 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. OrthoPediatics 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.

### Use of Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures such as organic revenue, adjusted diluted earnings (loss) per share and Adjusted EBITDA, which differ from financial measures calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). Sales on an organic basis excludes from our reported net revenue growth the impacts of revenue from any acquired business that have been owned for less than one year. We believe that providing the non-GAAP organic revenue is useful as a way to measure and evaluate our underlying performance consistently across the periods presented. Adjusted earnings (loss) per share in this presentation represents diluted earnings (loss) per share on a GAAP basis, plus the accreted interest attributable to acquisition installment payables, the fair value adjustment of contingent consideration, trademark impairment, acquisition related costs, non-recurring professional fees, accrued legal settlement costs 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 and the non-recurring professional fees are related to our response to a previously disclosed SEC review. We believe that providing the non-GAAP diluted earnings (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 expense, net plus other expense, provision for income taxes (benefit), depreciation and amortization, trademark impairment, stock-based compensation expense, fair value adjustment of contingent consideration, acquisition related costs, nonrecurring professional fees, accrued legal settlements costs, 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 earnings (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 net revenue to non-GAAP organic revenue, GAAP diluted earnings (loss) per share to non-GAAP diluted earnings (loss) and net loss to non-GAAP Adjusted EBITDA.





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

**610,000+**

pediatric patients treated since inception<sup>1</sup>

2022 // Investor Presentation

(1) Includes patients treated by MD Orthopaedics (MDO)



- 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



**PediLoc Femur**

Screws parallel to growth plate

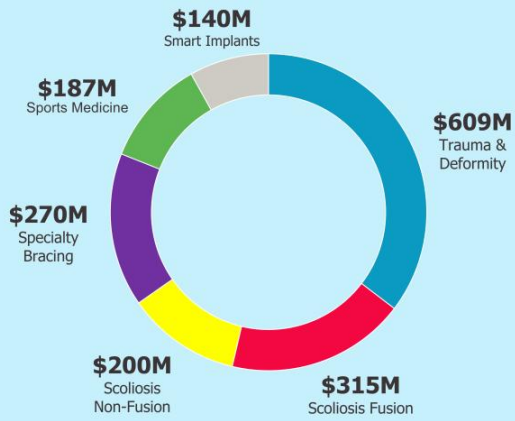


- 01 **Product development focused** exclusively on pediatric patients
- 02 **Broadest pediatric specific portfolio** in the industry
- 03 Delivering first in market **novel surgical solutions**
- 04 Only global **commercial channel to market**
- 05 Leading provider of surgeon **clinical education**

- ✓ Enhance surgeon confidence
- ✓ Increase surgical efficiency
- ✓ Improve surgical accuracy



**U.S. Addressable Market<sup>1</sup> – \$1.7B**



<sup>1</sup> Management's Mar 2022 updates to IMS data from 2016  
2022 // Investor Presentation

**Competitive Dynamics**

- 01 Large incumbents repurpose adult implants
- 02 Require specialized sales force
- 03 Lack of focus on pediatric conditions





### Innovative Technology

**46** unique surgical systems  
Consistent **cadence** of innovative product launches  
Expanding suite of **enabling** technologies  
Internal **R&D**, acquisitions, and partnerships



### Commercial Execution

**Only** global sales & distribution channel  
Serve **100% of top children's hospitals** in the U.S.  
**201** domestic field representatives  
Sell in **over 70<sup>1</sup>** countries around the world



### Clinical Education

**Commitment** to clinical education  
Leading **sponsor** of critical pediatric medical societies  
**>300** clinical product/education events per year  
**Founder** of Foundation of Advancing Pediatric Orthopedics

**Consistent  
20%+  
Growth  
Since Inception<sup>2</sup>**

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



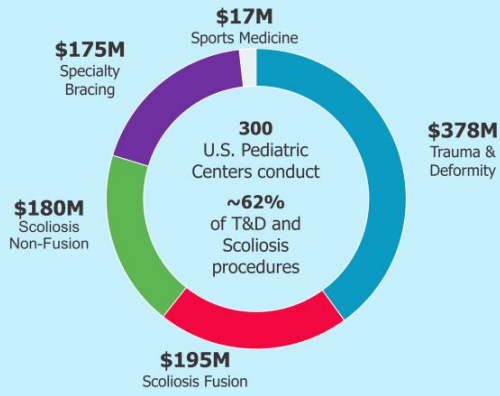
Expand addressable market through aggressive investment in **R&D and select M&A opportunities**

05



**Train** next generation of pediatric orthopedic surgeons

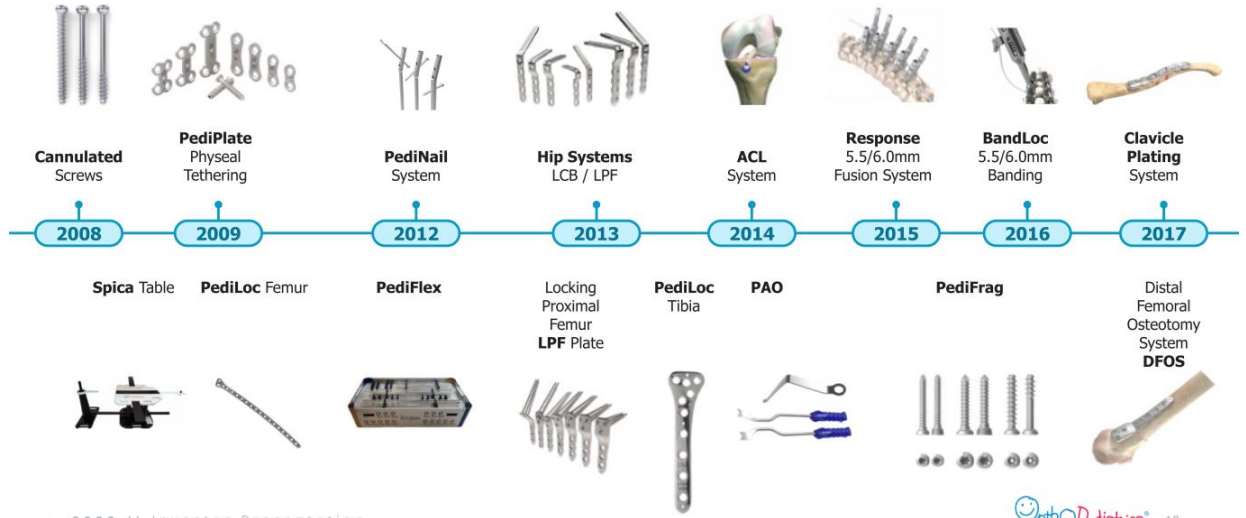
U.S. Current Target Market<sup>1</sup> – \$0.9B



Comments

- 01 ~1,400 Fellowship Trained Pediatric Surgeons
- 02 Majority of Pediatric Centers are Teaching Hospitals
- 03 Centers Treat Most Complex Pediatric Conditions

<sup>1</sup> Management's Mar 2022 updates to IMS data from 2016  
2022 // Investor Presentation





Total Revenue (\$M)

+21.3%  
CAGR



\*Impacted by COVID

	2016	2021	CAGR
U.S. Independent Sales Consultants	90	190	16%
Instrument Set Deployments	\$7M	\$14M	15%
Unique Surgical Systems	17	37	17%
Intl. Independent Sales Agencies	0	14	Fav



Accelerate Revenue Growth



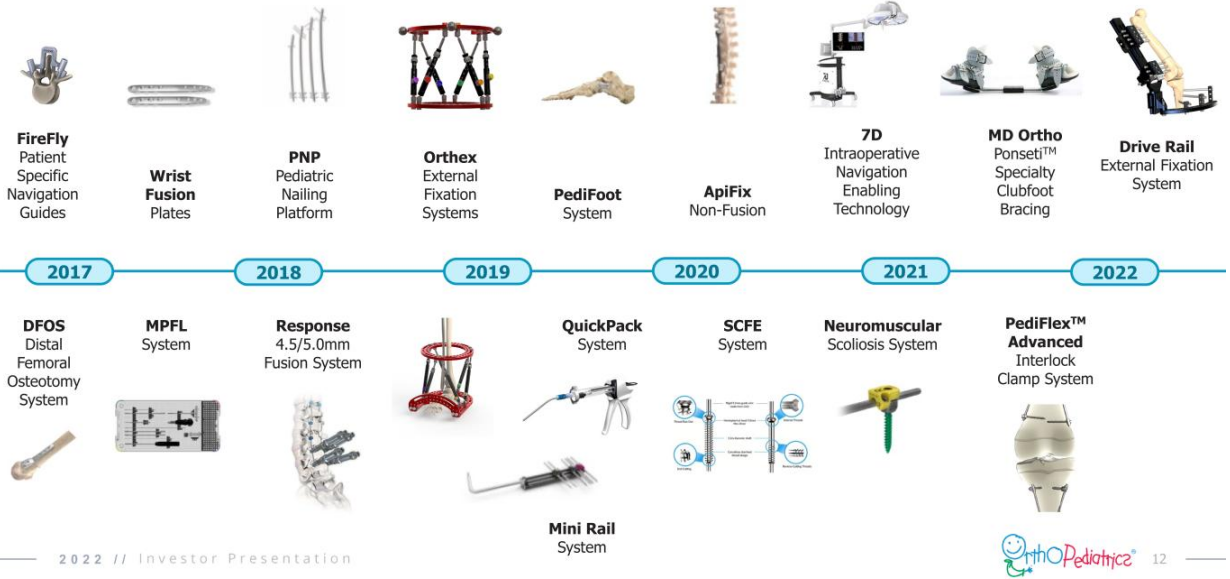
Increase hospital penetration

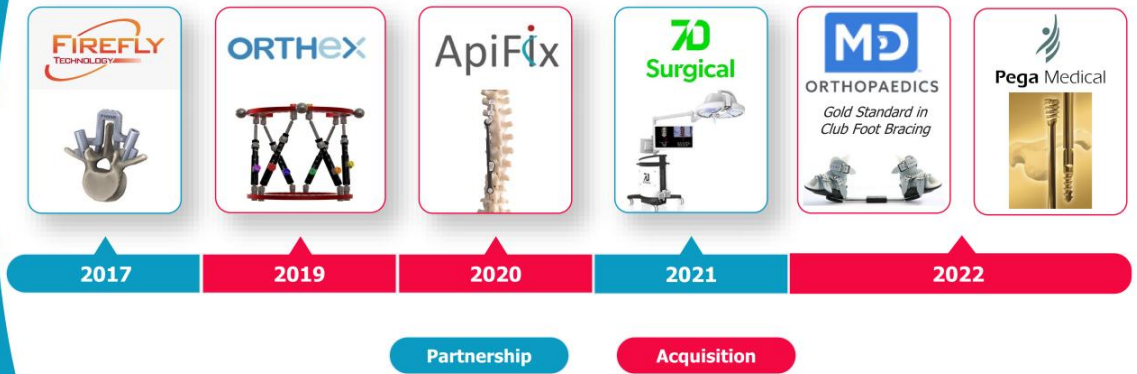


Improve Profitability



Leverage Balance Sheet





**MD Orthopaedics**

- Develops, manufactures and sells the patented Mitchell Ponseti Ankle-Foot Orthosis (AFO) to treat clubfoot
- Dr. Ignacio Ponseti developed the gold standard for treating clubfoot which has >90% success rate
- Casting is used from 0-3mos then bracing from 3mos-4 years. Requires multiple sizes as child grows creating repeat revenue.
- Products sold in 90 countries including e-commerce platform direct to consumers
- Approximately 80% of a pediatric surgeon's treatment time is non-surgical
- Creates a profitable platform business for OP to develop and manufacture best-in-class specialty bracing with speed to market (class 1 device) as well as no consignment inventory required to grow the business

**Terms:**

- Closed April 1, 2022
- \$8.2M cash, \$8.9M shares, \$2.5M RSA

The diagram illustrates the '4 Ponseti Solutions' offered by MD Orthopaedics. At the center is a box labeled '4 PONSETI SOLUTIONS'. Four dashed lines radiate from this central box to four different types of orthotic devices: 'Standard AFO' (top), 'PLANTAR FLEXION STOP' (left), 'TOE STILT' (right), and 'PLANTAR FLEXION STOP / TOE STILT' (bottom). Each device is accompanied by a small image. To the left of the diagram is the MD Orthopaedics logo. Below the diagram is a photograph of a young child sitting on the floor, wearing a blue Ponseti brace on their right foot. The child is smiling and has colorful squiggly lines around their head, suggesting happiness or playfulness.

**Pega Medical**

- Developed the Fassier-Duval Telescopic Intramedullary Nail System (FD Nail)
- FD Nail is cutting-edge implant designed to treat bone deformities in children with Osteogenesis Imperfecta without disrupting their normal growth
- Pega offers 7 products in total, 6 of which focus on limb deformity correction, and 1 trauma
- Products sold in 70 countries including e-commerce platform direct to consumers
- Approximately 35,000 children suffer from Osteogenesis Imperfecta in the U.S.

**Terms:**

- Closed July 5, 2022
- \$31M cash, \$2M stock



#### 04 Expand Market with M&A

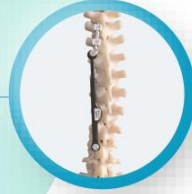
##### Orthex

- Disruptive software complements ex-fix frame
- Expands addressable market
- Serve 85% of procedures, up from 65%
- Significantly simplifies surgical planning and alignment
- Enables participation in most complex surgeries



##### ApiFix

- Disruptive non-fusion technology
- Viable alternative to failed bracing & spinal fusion
- Posterior, minimally invasive approach
- Motion preserving capabilities
- Granted FDA HDE approval



#### Acquired Innovative Technologies

- ✓ Acquired software-based and non-fusion technologies
- ✓ Significant sales synergies with legacy portfolio
- ✓ Expands critical KOL network
- ✓ Provides surgeons broadest product portfolio



### FIREFLY® Pedicle Screw Navigation Guides



### FireFly S2/Alar



Unique patient specific 3D printed bone models and drill guides, can be used with any Spinal Deformity Correction system.

- 99.7% screw placement accuracy
- Preoperative concierge surgical planning drives intraoperative efficiency
- Minimal intraoperative radiation
- Simplifies S2AI approach

### 7D Surgical Intraoperative Navigation



- **Eliminates Radiation** exposure to staff & patients
- **Cuts Registration** from 30 min to < 30 sec
- **Improves Accuracy** to improve surgical outcomes
- **Reduces Costs** & improve hospital economic value

**Chris Comstock, MD & Eric Wait, MD**  
Driscoll Children's Hospital  
First Pediatric Deformity Installation in US



“ I have noticed we are seeing **shorter stays** for our patients with complex spinal surgeries since we have started using the 7D technology. **It used to be children would stay 3-5 days at Driscoll following surgery. Now what we are seeing is most of them are going home after 3 days.** And that is better for kids and their families

What we are seeing with this technology is surgeries which might have **taken up to 5-6 hours are often being reduced to 3.5 hours** ”

Dr. Eric Wait  
**Driscoll Children's Hospital**



“As a surgeon educator, I have always appreciated and valued OrthoPediatics’ commitment to education.”

Ryan Goodwin, MD, MBA, FAOA  
The Cleveland Clinic



2022 // IMPACT REPORT

- 01 **OP Hands-on sales training and support**
  - Annually invests 3% of sales on clinical education
  - Conducts >300 product/training sessions per year
- 02 **Market development**
  - Fosters early relationships with young surgeons and fellows to drive sustainable growth
- 03 **Continuous education**
  - Major Sponsor of the prominent pediatric orthopedic societies



T&D

- Expanding intramedullary nailing portfolio
- Solutions for rare bone disease
- Expansion of external fixation portfolio

Scoliosis

- Advancing non-fusion treatment
- Early-onset scoliosis innovations
- Innovation in highly-complex fusion
  - Manual growing, rib based, etc.

Enabling Technologies

- Orthex surgical software
- Firefly patient-specific planning/guides
- 7D spinal interoperative navigation
- PediPortal app





### Trauma & Deformity



67% of Revenue



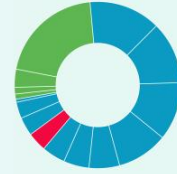
### Scoliosis



29% of Revenue

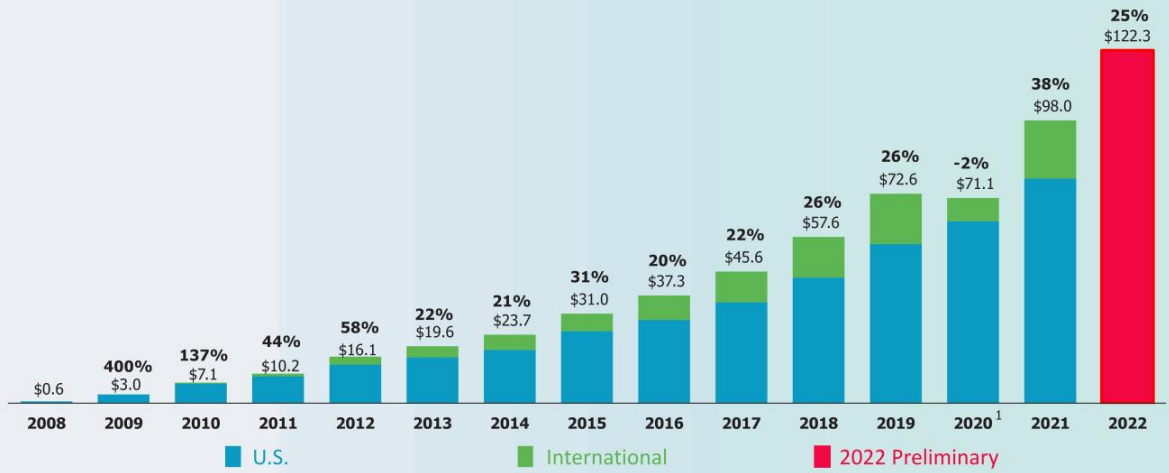


### 2021 Revenue by Product Family



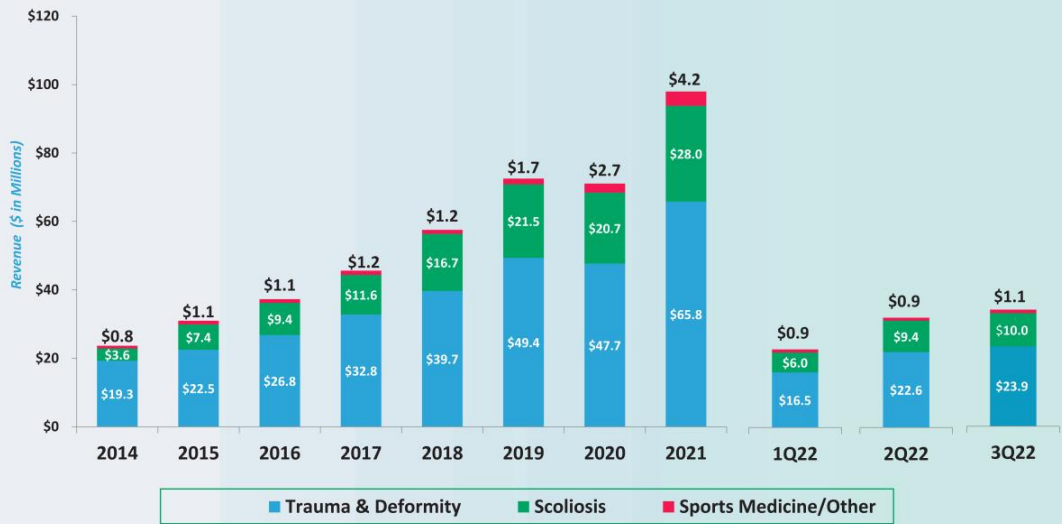
- Trauma & Deformity
- Scoliosis
- Sports Medicine

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



(1) Impacted by COVID

Category Revenue Summary



Seasonality Drives Stronger Performance in Summer Months and Holiday Periods



(\$ in Millions)

	FY 2018	FY 2019	FY 2020	FY 2021
Revenue	\$57.6	\$72.6	\$71.1	\$98.0
Growth %	26%	26%	(2%)	38%
Gross profit	\$42.7	\$54.6	\$55.0	\$73.4
Margin %	74%	75%	77%	75%
Operating expenses	\$52.2	\$63.7	\$81.8	\$91.4
Operating loss	(\$9.5)	(\$9.1)	(\$26.8)	(\$18.0)
<b>Net (loss) income</b>	<b>(\$12.0)</b>	<b>(\$13.7)</b>	<b>(\$32.9)</b>	<b>(\$16.2)</b>
<b>Net loss per share<sup>1</sup></b>	<b>(\$0.96)</b>	<b>(\$0.94)</b>	<b>(\$1.82)</b>	<b>(\$0.84)</b>

	3Q 2022	3Q 2021
Revenue	\$35.0	\$25.1
Growth %	39%	13%
Gross profit	\$25.9	\$18.6
Margin %	74%	74%
Operating expenses	\$32.9	\$22.2
Operating loss	(\$7.0)	(\$3.6)
<b>Net (loss) income</b>	<b>\$18.5</b>	<b>(\$2.2)</b>
<b>Net loss per share<sup>1</sup></b>	<b>\$0.88</b>	<b>(\$0.11)</b>

(\$ in Millions)

Product Sales by geography	Three Months Ended September 30,	
	2022	2021
As reported:		
U.S.	\$26.6	\$19.4
International	\$8.4	\$5.7
Less impact from acquisitions:		
U.S.	\$2.3	-
International	\$2.1	-
Organic revenue:		
U.S.	\$24.3	\$19.4
International	\$6.3	\$5.7
<b>Total Organic Revenue</b>	<b>\$30.6</b>	<b>\$25.1</b>

### Organic Revenue Reconciliation

Product Sales by category	Three Months Ended September 30,	
	2022	2021
As reported:		
Trauma and deformity	\$23.9	\$16.8
Scoliosis	\$10.0	\$7.3
Sports medicine/other	\$1.1	\$1.0
Less: impact from acquisitions		
Trauma and deformity	\$4.4	-
Scoliosis	-	-
Sports medicine/other	-	-
Organic revenue:		
Trauma and Deformity	\$19.5	\$16.8
Scoliosis	\$10.0	\$7.3
Sports medicine/other	\$1.1	\$1.0
<b>Total Organic Revenue</b>	<b>\$30.6</b>	<b>\$25.1</b>



(\$ in Millions)

Adjusted EBITDA Reconciliation

	Three Months Ended September 30,	
	2022	2021
Net loss	\$18.5	(\$2.2)
Interest expense, net	\$0.7	\$0.5
Other income	\$0.9	(\$0.3)
Provision for income tax (benefit)	(\$4.1)	(\$0.3)
Depreciation and amortization	\$3.3	\$2.7
Trademark impairment	\$3.6	-
Stock-based compensation	\$1.8	\$1.4
Fair value adjustment of contingent consideration	(\$23.0)	(\$1.4)
Acquisition related costs	\$0.05	-
Non-recurring professional fees	-	-
Accrued legal settlement costs	-	-
Minimum purchase commitment cost	\$0.1	-
<b>Adjusted EBITDA</b>	<b>\$1.9</b>	<b>\$0.5</b>

## Adjusted EPS Reconciliation

	Three Months Ended September 30,	
	2022	2021
Earnings (loss) per share, diluted (GAAP)	\$0.87	(\$0.11)
Accretion of interest attributable to acquisition installment payments	\$0.02	\$0.03
Fair value adjustment of contingent consideration	(\$1.12)	(\$0.07)
Trademark impairment	\$0.18	
Acquisition related costs	-	-
Nonrecurring professional fees	-	-
Accrued legal settlement costs	-	-
Minimum purchase commitment cost	-	-
<b>Earnings (loss) per share, diluted (non-GAAP)</b>	<b>(\$0.05)</b>	<b>(\$0.15)</b>

(\$ in Millions)  
As of September 30, 2022

Assets	
Cash & short-term investments	\$121.6
Account receivable	\$26.2
Inventory (net)	\$74.0
Other current assets	\$2.8
<b>Total Current Assets</b>	<b>\$224.6</b>
PP&E (net)	\$36.3
Intangibles and goodwill	\$169.2
<b>Total Assets</b>	<b>\$430.1</b>

Liabilities	
Accounts payable	\$10.9
Debt	\$0.9
Accrued comp. & other liab.	\$16.0
Acquisition pay. & cont. consideration	\$18.9
Paid-in capital	\$559.3
Accumulated deficit (net)	(\$168.9)
Accumulated other comprehensive income	(\$7.1)
<b>Total Liabilities / Equity</b>	<b>\$430.1</b>



- 01 Only diversified company focused exclusively on pediatric orthopedics
- 02 Large, underpenetrated market opportunity in pediatrics
- 03 Highly concentrated customer base with targeted commercial strategy
- 04 Broad product portfolio with innovative solutions
- 05 Only provider committed to pediatric clinical education
- 06 Dynamic, award-winning corporate culture
- 07 Proven commercial execution and attractive financial profile



