ATEC HISTORICAL FINANCIAL INFORMATION AND NON-GAAP RECONCILIATIONS

Q2 2025

HISTORICAL GAAP P&L TREND - CONSOLIDATED ($000's)

	Q123	Q223	Q323	Q423	2023	Q124	Q224	Q324	Q424	2024	Q125	Q225
Revenue from products and services	$ 109,110	$ 116,920	$ 118,262	$ 137,970	$ 482,262	$ 138,477	$ 145,573	$ 150,719	$ 176,793	$ 611,562	$ 169,180	$ 185,544
Cost of sales	38,685	52,379	38,215	42,780	172,059	41,126	42,979	47,990	55,205	187,300	53,184	56,443
Gross profit	**70,425**	**64,541**	**80,047**	**95,190**	**310,203**	**97,351**	**102,594**	**102,729**	**121,588**	**424,262**	**115,996**	**129,101**
Operating expenses:												
Research and development	13,260	14,571	20,000	22,284	70,115	18,012	19,105	20,357	23,244	80,718	17,032	18,276
Sales, general and administrative	91,262	87,287	91,411	104,120	374,080	113,727	112,731	109,200	114,541	450,199	127,017	118,507
Litigation-related expenses	3,192	6,908	2,715	9,472	22,287	4,428	2,090	2,093	1,188	9,799	12,214	1,593
Amortization of acquired intangibles	2,883	3,705	3,873	3,823	14,284	3,854	3,836	3,848	4,720	16,258	3,653	3,803
Transaction-related expenses	-	1,900	278	(65)	2,113	(117)	-	-	327	210	-	-
Restructuring expenses	175	29	129	386	719	788	139	934	1,386	3,247	371	7
Gain on Settlement	-	-	-	-	-							
Total operating expenses	**110,772**	**114,400**	**118,406**	**140,020**	**483,598**	**140,692**	**137,901**	**136,432**	**145,406**	**560,431**	**160,287**	**142,186**
Operating Loss	**(40,347)**	**(49,859)**	**(38,359)**	**(44,830)**	**(173,395)**	**(43,341)**	**(35,307)**	**(33,703)**	**(23,818)**	**(136,169)**	**(44,291)**	**(13,085)**
Other expense, net:												
Cash interest expense, net	(3,014)	(3,038)	(3,581)	(3,367)	(13,000)	(4,283)	(4,754)	(5,417)	(5,967)	(20,421)	(5,356)	(5,289)
Noncash interest expense, net	(860)	(854)	(878)	(1,049)	(3,641)	(1,058)	(1,061)	(1,155)	(1,184)	(4,458)	(2,485)	(7,020)
Loss on debt extinguishment	-	-	-	-	-	-	-	-	-	-	(17,576)	-
Gain on derivative liability	-	-	-	-	-	-	-	-	-	-	17,400	(16,780)
Other (expense) income, net	706	2,324	47	44	3,121	118	156	623	(1,922)	(1,025)	337	993
Total other expense, net	**(3,168)**	**(1,568)**	**(4,412)**	**(4,372)**	**(13,520)**	**(5,223)**	**(5,659)**	**(5,949)**	**(9,073)**	**(25,904)**	**(7,680)**	**(28,096)**
Net loss before taxes	**(43,515)**	**(51,427)**	**(42,771)**	**(49,202)**	**(186,915)**	**(48,564)**	**(40,966)**	**(39,652)**	**(32,891)**	**(162,073)**	**(51,971)**	**(41,181)**
Income tax provision (benefit)	14	(50)	(117)	(124)	(277)	(69)	(286)	(36)	441	50	(64)	(37)
Net loss, GAAP	**$ (43,529)**	**$ (51,377)**	**$ (42,654)**	**$ (49,078)**	**$ (186,638)**	**$ (48,495)**	**$ (40,680)**	**$ (39,616)**	**$ (33,332)**	**$ (162,123)**	**$ (51,907)**	**$ (41,144)**
Net loss per share, GAAP	**$ (0.40)**	**$ (0.43)**	**$ (0.35)**	**$ (0.37)**	**$ (1.54)**	**$ (0.34)**	**$ (0.29)**	**$ (0.28)**	**$ (0.23)**	**$ (1.13)**	**$ (0.35)**	**$ (0.27)**
Weighted average shares outstanding, basic and diluted	**109,751**	**118,719**	**122,468**	**133,750**	**121,242**	**140,980**	**142,687**	**143,492**	**144,583**	**142,946**	**146,732**	**149,907**

NON-GAAP RECONCILIATION - CONSOLIDATED ($000's)

NON-GAAP GROSS PROFIT & GROSS MARGIN	Q123	Q223	Q323	Q423	2023	Q124	Q224	Q324	Q424	2024	Q125	Q225
Gross Profit, GAAP	$ 70,425	$ 64,541	$ 80,047	$ 95,190	$ 310,203	$ 97,351	$ 102,594	$ 102,729	$ 121,588	$ 424,262	$ 115,996	$ 129,101
+ Amortization of acquired intangible assets	220	220	221	278	939	307	307	308	(814)	108	50	64
+ Stock-based compensation	6,006	16,226	2,369	481	25,082	483	554	1,439	2,485	4,961	3,043	553
+ Purchase accounting adjustments on acquisitions	195	-	-	198	393	-	197	-	-	197	-	-
Non-GAAP Gross Profit	**$ 76,846**	**$ 80,987**	**$ 82,637**	**$ 96,147**	**$ 336,617**	**$ 98,141**	**$ 103,652**	**$ 104,476**	**$ 123,259**	**$ 429,528**	**$ 119,089**	**$ 129,718**
Gross Margin, GAAP	**64.5%**	**55.2%**	**67.7%**	**69.0%**	**64.3%**	**70.3%**	**70.5%**	**68.2%**	**68.8%**	**69.4%**	**68.6%**	**69.6%**
+ Amortization of acquired intangible assets	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	-0.5%	0.0%	0.0%	**0.0%**
+ Stock-based compensation	5.5%	13.9%	2.0%	0.3%	5.2%	0.3%	0.4%	1.0%	1.4%	0.8%	1.8%	**0.3%**
+ Purchase accounting adjustments on acquisitions	0.2%	0.0%	0.0%	0.1%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	**0.0%**
Non-GAAP Gross Margin	**70.4%**	**69.3%**	**69.9%**	**69.7%**	**69.8%**	**70.9%**	**71.2%**	**69.3%**	**69.7%**	**70.2%**	**70.4%**	**69.9%**

NON-GAAP OPERATING EXPENSES	Q123	Q223	Q323	Q423	2023	Q124	Q224	Q324	Q424	2024	Q125	Q225
Research & Development, GAAP	**$ 13,260**	**$ 14,571**	**$ 20,000**	**$ 22,284**	**$ 70,115**	**$ 18,012**	**$ 19,105**	**$ 20,357**	**$ 23,244**	**$ 80,718**	**$ 17,032**	**$ 18,276**
- Stock-based compensation in R&D	1,317	1,480	6,790	9,154	18,741	4,315	5,614	7,207	9,894	27,030	3,644	4,159
Non-GAAP R&D	**11,943**	**13,091**	**13,210**	**13,130**	**51,374**	**13,697**	**13,491**	**13,150**	**13,350**	**53,688**	**13,388**	**14,117**
Sales General & Administrative, GAAP	**91,262**	**87,287**	**91,411**	**104,120**	**374,080**	**113,727**	**112,731**	**109,200**	**114,541**	**450,199**	**127,017**	**118,507**
- Stock-based compensation in SG&A	9,139	6,488	10,914	10,880	37,421	12,524	10,792	8,816	9,154	41,286	15,631	10,912
- Other non-recurring expenses	1,349	-	-	-	1,349	-	1,608	-	-	1,608	-	-
Non-GAAP SG&A	**80,774**	**80,799**	**80,497**	**93,240**	**335,310**	**101,203**	**100,331**	**100,384**	**105,387**	**407,305**	**111,386**	**107,595**
Other Operating Expense, GAAP	**6,250**	**12,542**	**6,995**	**13,616**	**39,403**	**8,953**	**6,065**	**6,875**	**7,621**	**29,514**	**16,688**	**5,403**
- Litigation-related expenses	3,192	6,908	2,715	9,472	22,287	4,428	2,090	2,093	1,188	9,799	12,214	1,593
- Amortization of acquired intangibles assets	2,883	3,705	3,873	3,823	14,284	3,854	3,836	3,848	4,720	16,258	3,653	3,803
- Transaction-related expenses	-	1,900	278	(65)	2,113	(117)	-	-	327	210	-	-
- Restructuring expenses	175	29	129	386	719	788	139	934	1,386	3,247	371	7
Non-GAAP Other Operating Expense	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-GAAP Operating Expenses	**$ 92,717**	**$ 93,890**	**$ 93,707**	**$ 106,370**	**$ 386,684**	**$ 114,900**	**$ 113,822**	**$ 113,534**	**$ 118,737**	**$ 460,993**	**$ 124,324**	**$ 121,712**
Non-GAAP Operating Expenses as a % of Revenue												
Research & development	10.9%	11.2%	11.2%	9.5%	10.7%	9.9%	9.3%	8.7%	7.6%	8.8%	7.9%	7.6%
Sales, general & administrative	74.0%	69.1%	68.1%	67.6%	69.5%	73.1%	68.9%	66.6%	59.6%	66.6%	65.8%	58.0%
Total Non-GAAP Operating Expenses as a % of Revenue	**84.9%**	**80.3%**	**79.2%**	**77.1%**	**80.2%**	**83.0%**	**78.2%**	**75.3%**	**67.2%**	**75.4%**	**73.8%**	65.6%

NON-GAAP RECONCILIATION - CONSOLIDATED ($000's)

ADJUSTED EBITDA	Q123	Q223	Q323	Q423	2023	Q124	Q224	Q324	Q424	2024	Q125	Q225
Net loss, GAAP	$ (43,529)	$ (51,377)	$ (42,654)	$ (49,078)	$ (186,638)	$ (48,495)	$ (40,680)	$ (39,616)	$ (33,332)	$ (162,123)	$ (51,907)	$ (41,144)
Cash interest expense, net	3,014	3,038	3,581	3,367	13,000	4,283	4,754	5,417	5,967	20,421	5,356	5,289
Noncash interest expense, net	860	854	878	1,049	3,641	1,058	1,061	1,155	1,184	4,458	2,485	7,020
Loss on debt extinguishment	-	-	-	-	-	-	-	-	-	-	17,576	-
Gain on derivative liability	-	-	-	-	-	-	-	-	-	-	(17,400)	16,780
Other (expense) income, net	(706)	(2,324)	(47)	(44)	(3,121)	(118)	(156)	(623)	1,922	1,025	(337)	(993)
Income tax provision (benefit)	14	(50)	(117)	(124)	(277)	(69)	(286)	(36)	441	50	(64)	(37)
Depreciation expense	8,589	9,758	10,651	11,918	40,916	13,724	15,735	16,491	16,102	62,052	15,754	15,012
Amortization expense	3,103	3,925	4,094	4,101	15,223	4,161	4,143	4,156	3,906	16,366	4,153	4,316
Total EBITDA	**(28,655)**	**(36,176)**	**(23,614)**	**(28,811)**	**(117,256)**	**(25,456)**	**(15,429)**	**(13,056)**	**(3,810)**	**(57,751)**	**(24,384)**	**6,243**
+ Stock-based compensation	16,462	24,194	20,073	20,515	81,244	17,322	16,960	17,462	21,533	73,277	22,318	15,624
+ Purchase accounting adjustments on acquisitions	195	-	-	198	393	-	197	-	-	197	-	-
+ Litigation-related expenses	3,192	6,908	2,715	9,472	22,287	4,428	2,090	2,093	1,188	9,799	12,214	1,593
+ Transaction-related expenses	-	1,900	278	(65)	2,113	(117)	-	-	327	210	-	-
+ Restructuring expenses	175	29	129	386	719	788	139	934	1,386	3,247	371	7
+ Other non-recurring expenses	1,349	-	-	-	1,349	-	1,608	-	-	1,608	-	-
Total Adjusted EBITDA	**$ (7,282)**	**$ (3,145)**	**$ (419)**	**$ 1,695**	**$ (9,151)**	**$ (3,035)**	**$ 5,565**	**$ 7,433**	**$ 20,624**	**$ 30,587**	**$ 10,519**	**$ 23,467**
Adjusted EBITDA as a % of Revenue	***-6.7%***	***-2.7%***	***-0.4%***	***1.2%***	***-1.9%***	***-2.2%***	***3.8%***	***4.9%***	***11.7%***	***5.0%***	***6.2%***	***12.6%***

NON-GAAP EARNINGS (LOSS) PER SHARE	Q123	Q223	Q323	Q423	2023	Q124	Q224	Q324	Q424	2024	Q125	Q225
Net Loss, GAAP	$ (43,529)	$ (51,377)	$ (42,654)	$ (49,078)	$ (186,638)	$ (48,495)	$ (40,680)	$ (39,616)	$ (33,332)	$ (162,123)	$ (51,907)	$ (41,144)
+ Stock-based compensation	16,462	24,194	20,073	20,515	81,244	17,322	16,960	17,462	21,533	73,277	22,318	15,624
+ Amortization of acquired intangible assets	3,103	3,925	4,094	4,101	15,223	4,161	4,143	4,156	3,906	16,366	3,703	3,867
+ Restructuring expenses	175	29	129	386	719	788	139	934	1,386	3,247	371	7
+ Transaction-related expenses	-	1,900	278	(65)	2,113	(117)	-	-	327	210	-	-
+ Litigation-related expenses	3,192	6,908	2,715	9,472	22,287	4,428	2,090	2,093	1,188	9,799	12,214	1,593
+ Loss on Debt extinguishment	-	-	-	-	-	-	-	-	-	-	17,576	-
+ Gain on derivative liability	-	-	-	-	-	-	-	-	-	-	(17,400)	16,780
+ Noncash interest expense, net	860	854	878	1,049	3,641	1,058	1,061	1,155	1,184	4,458	2,485	7,020
+ Foreign exchange impact	(209)	265	7	16	79	(119)	(44)	(624)	1,592	805	(311)	(308)
+ Long-term income tax rate adjustment	5,168	3,522	3,912	3,693	16,295	5,448	4,606	3,800	21	13,875	2,928	(848)
Non-GAAP net income (loss)	**$ (14,778)**	**$ (9,780)**	**$ (10,568)**	**$ (9,911)**	**$ (45,037)**	**$ (15,526)**	**$ (11,725)**	**$ (10,640)**	**$ (2,195)**	**$ (40,086)**	**$ (8,023)**	**$ 2,591**
Non-GAAP net income (loss) per share	$ (0.13)	$ (0.08)	$ (0.09)	$ (0.07)	$ (0.37)	$ (0.11)	$ (0.08)	$ (0.07)	$ (0.02)	$ (0.28)	$ (0.05)	$ 0.02
Weighted avg shares outstanding, basic and diluted	109,751	118,719	122,468	133,750	121,242	140,980	142,687	143,492	144,583	142,946	146,732	149,907

NON-GAAP P&L TREND - CONSOLIDATED ($000's)

	Q123	Q223	Q323	Q423	2023	Q124	Q224	Q324	Q424	2024	Q125	Q225
Revenue from products and services	**$ 109,110**	**$ 116,920**	**$ 118,262**	**$ 137,970**	**$ 482,262**	**$ 138,477**	**$ 145,573**	**$ 150,719**	**$ 176,793**	**$ 611,562**	**$ 169,180**	**$ 185,544**
Non-GAAP cost of sales	32,264	35,933	35,625	41,823	145,645	40,336	41,921	46,243	53,534	182,034	50,091	55,826
Non-GAAP gross profit	**$ 76,846**	**$ 80,987**	**$ 82,637**	**$ 96,147**	**$ 336,617**	**$ 98,141**	**$ 103,652**	**$ 104,476**	**$ 123,259**	**$ 429,528**	**$ 119,089**	**$ 129,718**
Non-GAAP Gross Margin	*70.4%*	*69.3%*	*69.9%*	*69.7%*	*69.8%*	*70.9%*	*71.2%*	*69.3%*	*69.7%*	*70.2%*	*70.4%*	*69.9%*
Non-GAAP Operating expenses:												
Non-GAAP research & development	11,943	13,091	13,210	13,130	51,374	13,697	13,491	13,150	13,350	53,688	13,388	14,117
Non-GAAP sales, general & administrative	80,774	80,799	80,497	93,240	335,310	101,203	100,331	100,384	105,387	407,305	111,386	107,595
Total non-GAAP operating expenses	**$ 92,717**	**$ 93,890**	**$ 93,707**	**$ 106,370**	**$ 386,684**	**$ 114,900**	**$ 113,822**	**$ 113,534**	**$ 118,737**	**$ 460,993**	**$ 124,774**	**$ 121,712**
Non-GAAP R&D as % of revenue	*10.9%*	*11.2%*	*11.2%*	*9.5%*	*10.7%*	*9.9%*	*9.3%*	*8.7%*	*7.6%*	*8.8%*	*7.9%*	*7.6%*
Non-GAAP SG&A as % of revenue	*74.0%*	*69.1%*	*68.1%*	*67.6%*	*69.5%*	*73.1%*	*68.9%*	*66.6%*	*59.6%*	*66.6%*	*65.8%*	*58.0%*
Total Non-GAAP OPEX as % of revenue	*84.9%*	*80.3%*	*79.2%*	*77.1%*	*80.2%*	*83.0%*	*78.2%*	*75.3%*	*67.2%*	*75.4%*	*73.8%*	*65.6%*
Non-GAAP operating loss	**(15,871)**	**(12,903)**	**(11,070)**	**(10,223)**	**(50,067)**	**(16,759)**	**(10,170)**	**(9,058)**	**4,522**	**(31,465)**	**(5,685)**	**8,006**
Op loss as % of revenue	*-14.5%*	*-11.0%*	*-9.4%*	*-7.4%*	*-10.4%*	*-12.1%*	*-7.0%*	*-6.0%*	*2.6%*	*-5.1%*	*-3.4%*	*4.3%*
Less: Other amortization expense	-	-	-	-	-	-	-	-	-	-	450	449
Less: Depreciation expense	8,589	9,758	10,651	11,918	40,916	13,724	15,735	16,491	16,102	62,052	15,754	15,012
Adjusted EBITDA	**$ (7,282)**	**$ (3,145)**	**$ (419)**	**$ 1,695**	**$ (9,151)**	**$ (3,035)**	**$ 5,565**	**$ 7,433**	**$ 20,624**	**$ 30,587**	**$ 10,519**	**$ 23,467**
Adj EBITDA as % of revenue	***-6.7%***	***-2.7%***	***-0.4%***	***1.2%***	***-1.9%***	***-2.2%***	***3.8%***	***4.9%***	***11.7%***	***5.0%***	***6.2%***	***12.6%***
Adj EBITDA drop through %	***14.2%***	***22.9%***	***30.5%***	***22.8%***	***22.0%***	***14.5%***	***30.4%***	***24.2%***	***48.8%***	***30.7%***	***44.1%***	***44.8%***

REVENUE SUPPLEMENT

	Q123	Q223	Q323	Q423	2023	Q124	Q224	Q324	Q424	2024	Q125	Q225
Revenues:												
Products and services - Surgical	94,040	102,306	103,823	122,594	422,763	122,617	130,028	135,343	156,468	544,456	152,084	168,217
Products and services - EOS	15,070	14,614	14,439	15,376	59,499	15,860	15,545	15,376	20,325	67,106	17,096	17,327
Total revenue from products and services	**$ 109,110**	**$ 116,920**	**$ 118,262**	**$ 137,970**	**$ 482,262**	**$ 138,477**	**$ 145,573**	**$ 150,719**	**$ 176,793**	**$ 611,562**	**$ 169,180**	**$ 185,544**
Constant currency adjustments:												
Products and services - Surgical	17	(6)	4	42	57	15	22	(44)	(72)	(79)	180	80
Products and services - EOS	363	15	(319)	(266)	(207)	(88)	42	(39)	(146)	(231)	260	(167)
Revenue from products and services	380	9	(315)	(224)	(150)	(73)	64	(83)	(218)	(310)	440	(87)
TOTAL ADJUSTMENTS	**380**	**9**	**(315)**	**(224)**	**(150)**	**(73)**	**64**	**(83)**	**(218)**	**(310)**	**440**	**(87)**
Revenues at constant currency:												
Products and services - Surgical	94,087	102,300	103,827	122,636	422,820	122,632	130,050	135,299	156,396	544,377	152,264	168,297
Products and services - EOS	15,403	14,629	14,120	15,110	59,292	15,772	15,586	15,337	20,179	66,874	17,356	17,160
Total Revenue at Constant Currency	**$ 109,490**	**$ 116,929**	**$ 117,947**	**$ 137,746**	**$ 482,112**	**$ 138,404**	**$ 145,637**	**$ 150,636**	**$ 176,575**	**$ 611,252**	**$ 169,620**	**$ 185,457**

YOY GROWTH %	Q123	Q223	Q323	Q423	2023	Q124	Q224	Q324	Q424	2024	Q125	Q225
Products and services - Surgical	55.1%	41.4%	31.9%	34.2%	39.5%	30.4%	27.1%	30.4%	27.6%	28.8%	24.0%	29.4%
Products and services - EOS	46.5%	23.8%	29.9%	5.2%	24.4%	5.2%	6.4%	6.5%	32.2%	12.8%	7.8%	11.5%
Total revenue from products and services	**53.8%**	**38.9%**	**31.6%**	**30.2%**	**37.4%**	**26.9%**	**24.5%**	**27.4%**	**28.1%**	**26.8%**	**22.2%**	**27.5%**
YOY growth % at constant currency:												
Products and services - Surgical	55.1%	41.4%	31.9%	34.3%	39.5%	30.3%	27.1%	30.3%	27.5%	28.7%	24.1%	29.4%
Products and services - EOS	45.9%	17.7%	19.1%	-3.4%	17.5%	2.4%	6.5%	8.6%	33.5%	12.8%	10.0%	10.1%
Total Revenue Growth % at Constant Currency	**53.7%**	**37.9%**	**30.2%**	**28.8%**	**36.4%**	**26.4%**	**24.6%**	**27.7%**	**28.2%**	**26.8%**	**22.5%**	**27.3%**