

# ATEC<sup>TM</sup> HISTORICAL GAAP P&L TREND - CONSOLIDATED (\$)

	2018	Q119	Q219	Q319	Q419	2019	Q120	Q220	Q320	Q420	2020	Q121	Q221
<b>Revenues:</b>													
Revenue from products and services	83,656	22,955	26,093	28,051	31,143	108,242	29,070	28,834	40,052	43,123	141,079	43,716	61,885
Revenue from Int'l supply agreement	8,038	1,600	1,226	1,150	1,209	5,185	1,045	795	1,111	831	3,782	405	364
<b>TOTAL REVENUE</b>	<b>91,694</b>	<b>24,555</b>	<b>27,319</b>	<b>29,201</b>	<b>32,352</b>	<b>113,427</b>	<b>30,115</b>	<b>29,629</b>	<b>41,163</b>	<b>43,954</b>	<b>144,861</b>	<b>44,121</b>	<b>62,249</b>
<b>Cost of revenue</b>	<b>28,457</b>	<b>7,987</b>	<b>8,433</b>	<b>9,268</b>	<b>10,145</b>	<b>35,833</b>	<b>9,084</b>	<b>8,787</b>	<b>11,926</b>	<b>12,563</b>	<b>42,360</b>	<b>12,263</b>	<b>21,184</b>
<b>Total gross profit</b>	<b>63,237</b>	<b>16,568</b>	<b>18,886</b>	<b>19,933</b>	<b>22,207</b>	<b>77,594</b>	<b>21,031</b>	<b>20,842</b>	<b>29,237</b>	<b>31,391</b>	<b>102,501</b>	<b>31,858</b>	<b>41,065</b>
<b>Operating expenses (GAAP):</b>													
Research & development	10,988	3,702	3,598	4,282	3,904	15,486	4,169	4,237	4,984	5,355	18,745	5,801	7,839
Sales, general & administrative	71,505	20,767	24,330	26,472	28,508	100,077	27,583	26,468	35,380	39,725	129,156	40,426	60,659
Litigation-related	5,683	2,623	1,200	604	4,122	8,549	2,643	1,304	1,560	3,045	8,552	3,335	1,167
Amortization of acquired intangible assets	738	182	172	172	172	698	172	172	172	172	688	172	1,208
Transaction-related expenses	1,550	-	-	-	-	-	4,272	(181)	2	130	4,223	1,012	4,771
Restructuring expenses	1,391	60	-	-	-	60	-	-	-	-	-	158	1,173
Gain on Settlement	(6,168)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating expenses (GAAP)</b>	<b>85,677</b>	<b>27,334</b>	<b>29,300</b>	<b>31,530</b>	<b>36,706</b>	<b>124,870</b>	<b>38,839</b>	<b>32,000</b>	<b>42,098</b>	<b>48,427</b>	<b>161,364</b>	<b>50,904</b>	<b>76,817</b>
<b>TOTAL OPERATING LOSS</b>	<b>(22,440)</b>	<b>(10,766)</b>	<b>(10,414)</b>	<b>(11,597)</b>	<b>(14,499)</b>	<b>(47,276)</b>	<b>(17,808)</b>	<b>(11,158)</b>	<b>(12,861)</b>	<b>(17,036)</b>	<b>(58,863)</b>	<b>(19,046)</b>	<b>(35,752)</b>
<b>Other income (expense):</b>													
Interest and other income (expense), net	(7,139)	(2,119)	(1,921)	(2,926)	(2,899)	(9,865)	(2,874)	(3,032)	(2,768)	(3,700)	(12,374)	(3,827)	(2,410)
Loss on debt extinguishment	(590)	-	-	-	-	-	-	(1,555)	-	(6,057)	(7,612)	-	-
Gain on change in fair value of warrants	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total other income (expense), net</b>	<b>(7,729)</b>	<b>(2,119)</b>	<b>(1,921)</b>	<b>(2,926)</b>	<b>(2,899)</b>	<b>(9,865)</b>	<b>(2,874)</b>	<b>(4,587)</b>	<b>(2,768)</b>	<b>(9,757)</b>	<b>(19,986)</b>	<b>(3,827)</b>	<b>(2,410)</b>
<b>Income (loss) from continuing ops (GAAP)</b>	<b>(30,169)</b>	<b>(12,885)</b>	<b>(12,335)</b>	<b>(14,523)</b>	<b>(17,398)</b>	<b>(57,141)</b>	<b>(20,682)</b>	<b>(15,745)</b>	<b>(15,629)</b>	<b>(26,793)</b>	<b>(78,849)</b>	<b>(22,873)</b>	<b>(38,162)</b>
Income tax provision	(1,361)	31	71	20	(361)	(239)	40	60	40	5	145	30	43
<b>Net loss from continuing operations</b>	<b>(28,808)</b>	<b>(12,916)</b>	<b>(12,406)</b>	<b>(14,543)</b>	<b>(17,037)</b>	<b>(56,902)</b>	<b>(20,722)</b>	<b>(15,805)</b>	<b>(15,669)</b>	<b>(26,798)</b>	<b>(78,994)</b>	<b>(22,903)</b>	<b>(38,205)</b>
Income (Loss) from discontinued operations	(167)	(52)	(30)	(24)	6	(100)	-	-	-	-	-	-	-
<b>Net loss</b>	<b>(28,975)</b>	<b>(12,968)</b>	<b>(12,436)</b>	<b>(14,567)</b>	<b>(17,031)</b>	<b>(57,002)</b>	<b>(20,722)</b>	<b>(15,805)</b>	<b>(15,669)</b>	<b>(26,798)</b>	<b>(78,994)</b>	<b>(22,903)</b>	<b>(38,205)</b>
Recognition of beneficial conversion feature - Series B preferred stock	(13,488)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net loss attributable to common shareholders</b>	<b>(42,463)</b>	<b>(12,968)</b>	<b>(12,436)</b>	<b>(14,567)</b>	<b>(17,031)</b>	<b>(57,002)</b>	<b>(20,722)</b>	<b>(15,805)</b>	<b>(15,669)</b>	<b>(26,798)</b>	<b>(78,994)</b>	<b>(22,903)</b>	<b>(38,205)</b>
Net loss per share	(0.82)	(0.29)	(0.26)	(0.26)	(0.28)	(1.09)	(0.33)	(0.25)	(0.24)	(0.35)	(1.18)	(0.26)	(0.39)
Basic shares outstanding	35,315	45,020	46,880	55,736	61,139	52,234	62,568	63,713	64,761	77,098	67,020	87,223	98,541

## GUIDANCE & COMMENTARY

Full year revenue from products & services, including EOS-related revenue of ~\$25M, expected to be ~\$237M. International supply agreement expected to contribute ~\$1M for the full year. Total revenue expected to approximate

Common shares outstanding as of 6/30/21 were 100 million. The fully diluted share count as of 6/30/2021 was approximately 131 million. Based on the treasury stock method the fully diluted share count was 124 million as of 6/30/21. The net effect of the convertible debt-related transactions, excluding the shoe, adds 13.2 million.

# EOS imaging PROFORMA GAAP P&L - EOS (\$)

	Q120	Q220	2H20	2020	Q121	Q221
<b>Revenues:</b>						
Revenue from products and services	4,096	6,685	16,410	27,191	6,865	7,945
<b>TOTAL REVENUE</b>	<b>4,096</b>	<b>6,685</b>	<b>16,410</b>	<b>27,191</b>	<b>6,865</b>	<b>7,945</b>
Cost of revenue	-	-	-	26,488	3,716	5,482
<b>Total gross profit</b>				<b>703</b>	<b>3,149</b>	<b>2,463</b>
<b>Operating expenses (GAAP):</b>						
Research & development	-	-	-	4,690	985	2,213
Sales, general & administrative	-	-	-	14,285	4,503	3,893
Litigation-related	-	-	-	-	-	-
Amortization of acquired intangible assets	-	-	-	7,124	1,796	1,979
Transaction-related expenses	-	-	-	10,298	-	-
Restructuring expenses	-	-	-	-	-	-
Gain on Settlement	-	-	-	-	-	-
<b>Total operating expenses (GAAP)</b>				<b>36,397</b>	<b>7,284</b>	<b>8,085</b>
<b>TOTAL OPERATING LOSS</b>				<b>(35,694)</b>	<b>(4,135)</b>	<b>(5,622)</b>
<b>Other income (expense):</b>						
Interest and other income (expense), net	-	-	-	300	(116)	(236)
Loss on debt extinguishment	-	-	-	-	-	-
<b>Total other income (expense), net</b>				<b>300</b>	<b>(116)</b>	<b>(236)</b>
<b>Loss from continuing operations before taxes</b>				<b>(35,394)</b>	<b>(4,251)</b>	<b>(5,858)</b>
Income tax provision (benefit)	-	-	-	89	18	(18)
<b>Net loss</b>				<b>(35,483)</b>	<b>(4,269)</b>	<b>(5,840)</b>

\*Based on combined information disclosed in the 8-K/A filed on July 23, 2021 and 10-Q filed on Aug 3, 2021.

<b>YOY GROWTH</b>	2018	Q119	Q219	Q319	Q419	2019	Q120	Q220	Q320	Q420	2020	Q121	Q221
Revenue from products and services	-3.8%	19.6%	27.9%	33.6%	35.1%	29.4%	26.6%	10.5%	42.8%	38.5%	30.3%	50.4%	114.6%
Revenue from Int'l supply agreement	-45.7%	-24.0%	-24.9%	-42.7%	-47.3%	-35.5%	-34.7%	-35.2%	-3.4%	-31.3%	-27.1%	-61.2%	-54.2%
<b>Total Revenue</b>	<b>-9.9%</b>	<b>15.2%</b>	<b>23.9%</b>	<b>26.9%</b>	<b>27.7%</b>	<b>23.7%</b>	<b>22.6%</b>	<b>8.5%</b>	<b>41.0%</b>	<b>35.9%</b>	<b>27.7%</b>	<b>46.5%</b>	<b>110.1%</b>
Research & development	82.7%	80.4%	59.0%	25.5%	19.7%	40.9%	12.6%	17.8%	16.4%	37.2%	21.0%	39.1%	85.0%
Sales, general & administrative	3.8%	22.2%	40.8%	42.5%	52.8%	40.0%	32.8%	8.8%	33.7%	39.3%	29.1%	46.6%	129.2%

Total revenue expected to grow ~64% for the full year.

ATEC cautions you that statements included in this document that are not a description of historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainty. Such statements are based on management's expectations and are subject to a number of assumptions, risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The Company cautions investors that there can be no assurance that actual results will not differ materially from those projected or suggested in such forward-looking statements as a result of various factors. Forward-looking statements include, but are not limited to: references to the Company's revenue and growth outlook; planned product launches, introductions, regulatory submissions or clearances; efforts to transform sales and distribution channels; the Company's ability to compel surgeon adoption; the Company's future ability to finance its operations and sufficiency of its cash runway; and statements about the potential benefits and synergies of the acquisition of EOS imaging, S.A. (including expected impact on future financial and operating results and post-acquisition plans and intentions). Important factors that could cause actual operating results to differ significantly from those expressed or implied by such forward-looking statements include, but are not limited to: the uncertainty of success in developing new products or products currently in the pipeline; the uncertainties in the Company's ability to execute upon its strategic operating plan; the uncertainties regarding the ability to successfully license or acquire new products, and the commercial success of such products; failure to achieve acceptance of the Company's products by the surgeon community; failure to obtain FDA or other regulatory clearance or approval or unexpected or prolonged delays in the process; continuation of favorable third party reimbursement; unanticipated expenses or liabilities or other adverse events affecting cash flow or the Company's ability to achieve profitability; the uncertainty of additional funding; the Company's ability to compete with other products or with emerging technologies; product liability exposure; an unsuccessful outcome in any litigation; patent infringement claims; claims related to the Company's intellectual property; the Company's ability to meet its financial obligations; the impact of the COVID-19 pandemic on the Company and economy; and uncertainties and risks related to the integration of EOS imaging, S.A. A further list and description of these and other factors, risks and uncertainties can be found in the Company's most recent annual report, and any subsequent quarterly and current reports, filed with the Securities and Exchange Commission. ATEC disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, unless required by law.

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# NON-GAAP RECONCILIATION - CONSOLIDATED (\$)

GUIDANCE &  
COMMENTARY

	2018	Q119	Q219	Q319	Q419	2019	Q120	Q220	Q320	Q420	2020	Q121	Q221
<b>ADJUSTED EBITDA</b>													
Operating loss, GAAP	(22,440)	(10,766)	(10,414)	(11,597)	(14,499)	(47,276)	(17,808)	(11,158)	(12,867)	(17,036)	(58,863)	(19,046)	(35,752)
Depreciation	6,051	1,603	1,473	1,752	1,947	6,775	2,014	2,161	2,307	2,704	9,186	3,409	5,068
Amortization of intangible assets	799	182	172	172	277	803	440	441	441	1,763	441	441	1,476
<b>Total EBITDA</b>	<b>(15,590)</b>	<b>(8,981)</b>	<b>(8,769)</b>	<b>(9,673)</b>	<b>(12,275)</b>	<b>(39,698)</b>	<b>(15,354)</b>	<b>(8,556)</b>	<b>(10,113)</b>	<b>(13,891)</b>	<b>(47,914)</b>	<b>(15,196)</b>	<b>(29,208)</b>
+ Stock-based compensation	5,304	1,612	2,351	3,603	3,390	10,956	3,568	4,575	4,544	5,041	17,728	4,474	11,496
+ Purchase accounting adjustments on acquisitions	-	-	-	-	-	-	-	-	-	-	-	-	1,763
+ Excess & obsolete charges	3,733	1,975	2,200	2,276	2,173	8,624	1,722	1,712	1,995	1,615	7,044	2,096	2,221
+ Contingent consideration fair value adjustment	846	289	-	-	-	289	-	-	-	-	-	-	-
+ Litigation-related expenses	5,683	2,623	1,200	604	4,122	8,549	2,643	1,304	1,560	3,045	8,552	3,335	1,167
+ Transaction-related expenses	1,550	-	-	-	-	-	4,272	(181)	2	130	4,223	1,012	4,771
+ Restructuring expenses	1,381	60	-	-	60	-	-	-	-	-	-	158	1,173
+ Gain on settlement	(6,168)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Adjusted EBITDA</b>	<b>(3,261)</b>	<b>(2,422)</b>	<b>(3,018)</b>	<b>(3,190)</b>	<b>(2,590)</b>	<b>(11,220)</b>	<b>(3,149)</b>	<b>(1,146)</b>	<b>(2,012)</b>	<b>(4,004)</b>	<b>(10,367)</b>	<b>(4,121)</b>	<b>(6,617)</b>
<b>Adjusted EBITDA as a % of Revenue</b>	<b>-3.6%</b>	<b>-2.9%</b>	<b>-11.0%</b>	<b>-10.9%</b>	<b>-8.0%</b>	<b>-9.9%</b>	<b>-10.5%</b>	<b>-3.9%</b>	<b>-4.9%</b>	<b>-9.1%</b>	<b>-7.2%</b>	<b>-9.3%</b>	<b>-10.6%</b>

## NON-GAAP GROSS PROFIT & GROSS MA

	2018	Q119	Q219	Q319	Q419	2019	Q120	Q220	Q320	Q420	2020	Q121	Q221
<b>Gross Profit, GAAP</b>	<b>63,237</b>	<b>16,568</b>	<b>18,886</b>	<b>19,933</b>	<b>22,207</b>	<b>77,594</b>	<b>21,031</b>	<b>20,842</b>	<b>29,237</b>	<b>31,391</b>	<b>31,858</b>	<b>41,065</b>	<b>41,065</b>
+ Amortization of intangible assets	62	-	-	-	105	105	268	268	268	1,072	268	268	268
+ Stock-based compensation	73	28	28	57	33	146	107	128	139	138	512	95	235
+ Purchase accounting adjustments on acqu	-	-	-	-	-	-	-	-	-	-	-	-	1,763
+ Excess & obsolescence charges	3,733	1,976	2,200	2,276	2,173	8,625	1,722	1,712	1,995	1,615	7,044	2,096	2,221
<b>Non-GAAP Gross Profit</b>	<b>67,105</b>	<b>18,572</b>	<b>21,114</b>	<b>22,266</b>	<b>24,518</b>	<b>86,470</b>	<b>23,128</b>	<b>22,950</b>	<b>31,639</b>	<b>33,412</b>	<b>111,129</b>	<b>34,317</b>	<b>45,552</b>
<b>Gross Margin, GAAP</b>	<b>69.0%</b>	<b>67.5%</b>	<b>69.1%</b>	<b>68.3%</b>	<b>68.6%</b>	<b>68.4%</b>	<b>69.8%</b>	<b>70.3%</b>	<b>71.0%</b>	<b>71.4%</b>	<b>70.8%</b>	<b>72.2%</b>	<b>66.0%</b>
+ Amortization of intangible assets	0.1%	0.0%	0.0%	0.0%	0.3%	0.1%	0.3%	0.3%	0.7%	0.6%	0.7%	0.6%	0.4%
+ Stock-based compensation	0.1%	0.1%	0.1%	0.2%	0.1%	0.1%	0.4%	0.4%	0.3%	0.3%	0.4%	0.2%	0.4%
+ Purchase accounting adjustments on acqu	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.8%
+ Excess & obsolescence charges	4.1%	8.0%	8.1%	7.8%	6.7%	7.6%	5.7%	5.8%	4.8%	3.7%	4.9%	4.8%	3.6%
<b>Non-GAAP Gross Margin</b>	<b>73.2%</b>	<b>75.6%</b>	<b>77.3%</b>	<b>76.3%</b>	<b>75.8%</b>	<b>76.2%</b>	<b>76.8%</b>	<b>77.5%</b>	<b>76.9%</b>	<b>76.0%</b>	<b>76.7%</b>	<b>77.8%</b>	<b>73.2%</b>

GPMs impacted by consolidation of EOS, which bears lower GMs.

**EOS imaging**

# NON-GAAP RECONCILIATION - EOS (\$)

	Q120	Q220	2H20	2020*	Q121*	Q221*
<b>ADJUSTED EBITDA</b>						
Operating loss, GAAP	-	-	-	(35,694)	(4,135)	(5,622)
Depreciation	-	-	-	806	194	200
Amortization of intangible assets	-	-	-	7,124	1,796	1,979
<b>Total EBITDA</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(27,764)</b>	<b>(2,145)</b>	<b>(3,443)</b>
+ Stock-based compensation	-	-	-	-	-	-
+ Purchase accounting adjustments on	-	-	-	8,600	-	-
+ Excess & obsolete charges	-	-	-	-	-	-
+ Contingent consideration fair value adjustment	-	-	-	-	-	-
+ Litigation-related expenses	-	-	-	-	-	-
+ Transaction-related expenses	-	-	-	10,298	-	-
+ Restructuring expenses	-	-	-	-	-	-
+ Gain on settlement	-	-	-	-	-	-
<b>Total Adjusted EBITDA</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,866)</b>	<b>(2,145)</b>	<b>(3,443)</b>
<b>Adjusted EBITDA as a % of Revenue</b>				<b>-32.6%</b>	<b>-31.2%</b>	<b>-43.3%</b>

## NON-GAAP GROSS PROFIT & GROSS

	Q120	Q220	2H20	2020	Q121	Q221
<b>Gross Profit, GAAP</b>				<b>703</b>	<b>3,149</b>	<b>2,463</b>
+ Amortization of intangible assets	-	-	-	-	-	-
+ Stock-based compensation	-	-	-	-	-	-
+ Purchase accounting adjustments on acquisitions	-	-	-	8,600	-	-
+ Excess & obsolescence charges	-	-	-	-	-	-
<b>Non-GAAP Gross Profit</b>				<b>9,303</b>	<b>3,149</b>	<b>2,463</b>
<b>Gross Margin, GAAP</b>				<b>2.6%</b>	<b>45.9%</b>	<b>31.0%</b>
+ Amortization of intangible assets				<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
+ Stock-based compensation				<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
+ Purchase accounting adjustments on acquisitions				<b>31.6%</b>	<b>0.0%</b>	<b>0.0%</b>
+ Excess & obsolescence charges				<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Non-GAAP Gross Margin</b>				<b>34.2%</b>	<b>45.9%</b>	<b>31.0%</b>

## NON-GAAP OPERATING EXPENSES

	Q120	Q220	2H20	2020	Q121	Q221
<b>Research &amp; Development, GAAP</b>				<b>4,690</b>	<b>985</b>	<b>2,213</b>
- Stock-based compensation in R&D	-	-	-	-	-	-
- Contingent consideration fair value adjusti	-	-	-	289	-	-
<b>Non-GAAP R&amp;D</b>	<b>4,690</b>	<b>985</b>	<b>2,213</b>	<b>4,690</b>	<b>985</b>	<b>2,213</b>
<b>Sales General &amp; Administrative, GAAP</b>				<b>14,285</b>	<b>4,503</b>	<b>3,893</b>
- Stock-based compensation in SG&A	-	-	-	-	-	-
- Purchase accounting adjustments on acquisitions	-	-	-	-	-	-
<b>Non-GAAP SG&amp;A</b>	<b>14,285</b>	<b>4,503</b>	<b>3,893</b>	<b>14,285</b>	<b>4,503</b>	<b>3,893</b>
<b>Other Operating Expense, GAAP</b>				<b>17,422</b>	<b>1,796</b>	<b>1,979</b>
- Litigation-related expenses	-	-	-	-	-	-
- Amortization of intangible assets	-	-	-	7,124	1,796	1,979
- Transaction-related expenses	-	-	-	10,298	-	-
- Restructuring expenses	-	-	-	-	-	-
- Gain on settlement	-	-	-	-	-	-
<b>Non-GAAP Other Operating Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0)</b>
<b>Total Non-GAAP Operating Expenses</b>	<b>18,975</b>	<b>5,488</b>	<b>6,106</b>	<b>18,975</b>	<b>5,488</b>	<b>6,106</b>
<b>Non-GAAP Operating Expenses as a % of Revenue</b>				<b>17.2%</b>	<b>14.3%</b>	<b>27.9%</b>
Research & development				<b>52.5%</b>	<b>65.6%</b>	<b>49.0%</b>
Sales, general & administrative				<b>69.8%</b>	<b>79.9%</b>	<b>76.9%</b>
<b>Total Non-GAAP Operating Expenses as a % of Revenue</b>				<b>69.8%</b>	<b>79.9%</b>	<b>76.9%</b>

## HISTORICAL NON-GAAP U.S. GROSS PRI

	2018	Q119	Q219	Q319	Q419	2019	Q120	Q220	Q320	Q420	2020	Q121
<b>U.S. Gross Margin, GAAP</b>	<b>62,740</b>	<b>16,393</b>	<b>18,841</b>	<b>19,853</b>	<b>22,148</b>	<b>77,235</b>	<b>20,954</b>	<b>20,834</b>	<b>29,178</b>	<b>31,483</b>	<b>102,449</b>	<b>31,975</b>
+ Excess & obsolescence charges	3,733	1,976	2,200	2,276	2,173	8,624	1,722	1,712	1,995	1,615	7,044	2,096
<b>Non-GAAP U.S. Gross Margin</b>	<b>66,473</b>	<b>18,369</b>	<b>21,041</b>	<b>22,129</b>	<b>24,321</b>	<b>85,859</b>	<b>22,676</b>	<b>22,546</b>	<b>31,173</b>	<b>33,098</b>	<b>109,493</b>	<b>34,071</b>
<b>U.S. Gross Margin, GAAP</b>	<b>75.0%</b>	<b>71.4%</b>	<b>72.2%</b>	<b>70.8%</b>	<b>71.1%</b>	<b>71.4%</b>	<b>72.1%</b>	<b>72.3%</b>	<b>72.9%</b>	<b>73.0%</b>	<b>72.6%</b>	<b>73.1%</b>
+ Excess & obsolescence charges	4.5%	8.0%	8.4%	8.1%	7.0%	8.0%	5.9%	5.9%	5.0%	3.7%	5.0%	4.8%
<b>Non-GAAP U.S. Gross Margin</b>	<b>79.5%</b>	<b>80.0%</b>	<b>80.6%</b>	<b>78.9%</b>	<b>78.1%</b>	<b>79.3%</b>	<b>78.0%</b>	<b>78.2%</b>	<b>77.8%</b>	<b>76.8%</b>	<b>77.6%</b>	<b>77.9%</b>

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