



Supplemental Financials

2023 Proforma Non-GAAP

March 2024



Forward Looking Statements

This presentation contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended, relating to our business and financial outlook, which are based on our current beliefs, assumptions, expectations, estimates, forecasts and projections. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “projects,” “intends,” “predicts,” “potential,” or “continue” or other comparable terminology. Forward-looking statements in this communication include the Company's expectations regarding net sales and adjusted EBITDA for the year ended December 31, 2024. Forward-looking statements are not guarantees of our future performance, are based on our current expectations and assumptions regarding our business, the economy and other future conditions, and are subject to risks, uncertainties and changes in circumstances that are difficult to predict, including the risks described in Part I, Item 1A under the heading *Risk Factors* in our Annual Report on Form 10-K for the year ended December 31, 2023 (the “2023 Form 10-K”). Factors that could cause future results to differ from those expressed by forward-looking statements include, but are not limited to, (i) our ability to maintain operations to support our customers and patients in the near-term and to capitalize on future growth opportunities, (ii) risks associated with acceptance of surgical products and procedures by surgeons and hospitals, (iii) development and acceptance of new products or product enhancements, (iv) clinical and statistical verification of the benefits achieved via the use of our products, (v) our ability to adequately manage inventory, (vi) our ability to recruit and retain management and key personnel, (vii) global economic instability and potential supply chain disruption caused by Russia's invasion of Ukraine and resulting sanctions, and (viii) the other risks and uncertainties more fully described in our periodic filings with the Securities and Exchange Commission (the “SEC”). As a result of these various risks, our actual outcomes and results may differ materially from those expressed in these forward-looking statements.

This list of risks, uncertainties, and other factors is not complete. We discuss some of these matters more fully, as well as certain risk factors that could affect our business, financial condition, results of operations, and prospects, in reports we file from time-to-time with the SEC, which are available to read at www.sec.gov. Any or all forward-looking statements that we make may turn out to be wrong (due to inaccurate assumptions that we make or otherwise), and our actual outcomes and results may differ materially from those expressed in these forward-looking statements. You should not place undue reliance on any of these forward-looking statements. Further, any forward-looking statement speaks only as of the date hereof, unless it is specifically otherwise stated to be made as of a different date. We undertake no obligation to update, and expressly disclaim any duty to update, our forward-looking statements, whether as a result of circumstances or events that arise after the date hereof, new information, or otherwise, except as required by law.

The Company is unable to provide expectations of GAAP income (loss) before income taxes, the closest comparable GAAP measures to Adjusted EBITDA (which is a non-GAAP measure), on a forward-looking basis because the Company is unable to predict without unreasonable efforts the ultimate outcome of matters (including acquisition-related expenses, accounting fair value adjustments, and other such items) that will determine the quantitative amount of the items excluded in calculating Adjusted EBITDA, which items are further described in the reconciliation tables and related descriptions below. These items are uncertain, depend on various factors, and could be material to the Company's results computed in accordance with GAAP.

Proforma Non-GAAP Financial Measures: 1Q23

Adjusted EBITDA

(\$ in millions)	Q1 22 (Proforma)			NewCo		
	OFIX	SPNE	NewCo	Q1 23	Q1 22	Change
Loss before income taxes	\$ (4,389)	\$ (16,832)	\$ (3,902)	\$ (60,327)	\$ (21,221)	\$ (39,106)
<i>Non-GAAP adjustments</i>						
Interest expense, net	\$ 0.375	\$ -	\$ 1.150	\$ 1.289	\$ 0.375	\$ 0.914
Depreciation and intangible asset amortization expense	7.516	4.202	1.186	12.670	11.718	0.952
Share-based compensation expense	4.332	2.819	(2.106)	13.005	7.151	5.854
Foreign exchange impact and other non-operating expense/(gain)	1.242	(0.002)	(1.614)	(0.583)	1.240	(1.823)
SeaSpine merger-related expenses	-	-	1.086	20.753	-	20.753
Strategic investments	0.970	0.372	0.442	0.661	1.342	(0.681)
Acquisition-related fair value adjustments	(5.500)	0.125	6.703	11.636	(5.375)	17.011
Loss on investment securities	0.065	-	0.001	-	0.065	(0.065)
Legal judgments/settlements	0.193	-	3.182	0.469	0.193	0.276
Medical device regulation	1.952	-	(0.723)	3.631	1.952	1.679
Business interruption - COVID-19	0.343	-	(1.216)	-	0.343	(0.343)
Succession and transition charges	0.010	-	(0.198)	-	0.010	(0.010)
Spinal set instrument replacement expense	-	1.018	(1.866)	-	1.018	(1.018)
European sales and marketing organization restructuring	-	0.279	(0.152)	-	0.279	(0.279)
Total Non-GAAP adjustments	\$ 11.498	\$ 8.813	\$ 5.875	\$ 63.531	\$ 20.311	\$ 43.220
Adjusted EBITDA loss	\$ 7.109	\$ (8,019)	\$ 1.973	\$ 3.204	\$ (0,910)	\$ 4,114

On the Company's Q1 2023 earnings call held on May 9, 2023, Orthofix management presented Proforma Adjusted EBITDA and Adjusted Proforma Gross Margin, both of which are non-GAAP financial measures, for the 1st quarter of 2022. Those proforma non-GAAP financial measures are intended to report the financial impact of the merger with SeaSpine on Adjusted EBITDA and Adjusted Gross Margin as if the merger had occurred on January 1, 2022, in order to assist investors with comparing those proforma results to those same non-GAAP financial measures as reported for the 1st quarter of 2023.

A reconciliation of proforma Adjusted EBITDA for the first quarter of 2022 to the nearest GAAP financial measure for each of SeaSpine and Orthofix is presented on this slide.

For further information on the reasons for and nature of non-GAAP disclosures by Orthofix and descriptions of the adjustments used to calculate non-GAAP financial measures, please see the Company's Current Report on Form 8 K filed on May 9, 2023.

Adjusted Gross Margin

(\$ in millions)	Q1 22 (Proforma)			NewCo		
	OFIX	SPNE	NewCo	Q1 23	Q1 22	Change
Total revenue, net	\$ 106,418	\$ 51,263	\$ 157,681	\$ 175,204	\$ 157,681	\$ 17,523
Gross profit	\$ 78,100	\$ 28,966	\$ 107,066 (1)	\$ 110,329	\$ 107,066	\$ 3,263
<i>Add back:</i>						
Share-based compensation expense	0.211	0.078	0.289	\$ 0.471	\$ 0.289	\$ 0.182
SeaSpine merger-related costs	-	-	-	0.703	-	0.703
Strategic investments	0.025	-	0.025	0.181	0.025	0.156
Acquisition-related fair value adjustments	-	0.125	0.125	11.636	0.125	11.511
Amortization/depreciation of acquired long-lived assets	-	-	-	-	-	-
Medical device regulation	0.006	-	0.006	0.629	0.006	0.623
Adjusted gross profit	\$ 78,342	\$ 29,169	\$ 107,511	\$ 123,949	\$ 107,511	\$ 16,438
Adjusted gross margin (Adjusted gross profit / Total revenue, net)	73.6%	56.9%	68.2%	70.7%	68.2%	2.6%

(1) SeaSpine gross profit reflects reclassifications of certain expenses to conform to Orthofix presentation.



Proforma Non-GAAP Financial Measures: 2Q23

Adjusted EBITDA

(\$ in millions)	Q2 22 (Proforma)			NewCo		
	OFIX	SPNE	NewCo	Q2 23	Q2 22	Change
Loss before income taxes	\$ 3.042	\$ (15.094)	\$ (3.902)	\$ (37.918)	\$ (12.052)	\$ (25.866)
<i>Non-GAAP adjustments</i>						
Interest expense, net	\$ 0.407	\$ 0.293	\$ 1.150	\$ 1.266	\$ 0.700	\$ 0.566
Depreciation and intangible asset amortization expense	6.512	4.295	1.186	13.327	10.807	2.520
Share-based compensation expense	4.460	3.701	(2.106)	13.246	8.161	5.085
Foreign exchange impact and other non-operating expense/(gain)	2.991	0.266	(1.614)	(0.269)	3.257	(3.526)
SeaSpine merger-related expenses	-	-	1.086	8.206	-	8.206
Strategic investments	1.824	(0.010)	0.442	0.309	1.814	(1.505)
Acquisition-related fair value adjustments	(10.714)	0.083	6.703	8.149	(10.631)	18.780
Loss on investment securities	0.123	-	0.001	-	0.123	(0.123)
Legal judgments/settlements	0.148	-	3.182	1.291	0.148	1.143
Medical device regulation	2.246	-	(0.723)	2.050	2.246	(0.196)
Business interruption - COVID-19	0.316	-	(1.216)	-	0.316	(0.316)
Succession and transition charges	0.068	-	(0.198)	0.262	0.068	0.194
Spinal set instrument replacement expense	-	1.665	(1.866)	-	1.665	(1.665)
European sales and marketing organization restructuring	-	0.127	(0.152)	-	0.127	(0.127)
Total Non-GAAP adjustments	\$ 8.381	\$ 10.420	\$ 5.875	\$ 47.837	\$ 18.801	\$ 29.036
Adjusted EBITDA loss	\$ 11.423	\$ (4.674)	\$ 1.973	\$ 9.919	\$ 6.749	\$ 3.170

On the Company's Q2 2023 earnings call held on August 8, 2023, Orthofix management presented Proforma Adjusted EBITDA and Adjusted Proforma Gross Margin, both of which are non-GAAP financial measures, for the 2nd quarter of 2022. Those proforma non-GAAP financial measures are intended to report the financial impact of the merger with SeaSpine on Adjusted EBITDA and Adjusted Gross Margin as if the merger had occurred on January 1, 2022, in order to assist investors with comparing those proforma results to those same non-GAAP financial measures as reported for the 2nd quarter of 2023.

A reconciliation of proforma Adjusted EBITDA for the second quarter of 2022 to the nearest GAAP financial measure for each of SeaSpine and Orthofix is presented on this slide.

For further information on the reasons for and nature of non-GAAP disclosures by Orthofix and descriptions of the adjustments used to calculate non-GAAP financial measures, please see the Company's Current Report on Form 8 K filed on August 8, 2023.

Adjusted Gross Margin

(\$ in millions)	Q2 22 (Proforma)			NewCo		
	OFIX	SPNE	NewCo	Q2 23	Q2 22	Change
Total revenue, net	\$ 118.070	\$ 56.942	\$ 175.012	\$ 187.016	\$ 175.012	\$ 12.004
Gross profit	\$ 86.470	\$ 35.768	\$ 122.238 (1)	\$ 119.551	\$ 122.238	\$ (2.687)
Add back:						
Share-based compensation expense	0.204	0.082	0.286	\$ 0.482	\$ 0.286	\$ 0.196
SeaSpine merger-related costs	-	-	-	3.783	-	3.783
Strategic investments	0.566	-	0.566	0.028	0.566	(0.538)
Acquisition-related fair value adjustments	-	0.083	0.083	9.449	0.083	9.366
Amortization/depreciation of acquired long-lived assets	-	-	-	0.544	-	0.544
Medical device regulation	0.008	-	0.008	0.041	0.008	0.033
Adjusted gross profit	\$ 87.248	\$ 35.933	\$ 123.181	\$ 133.878	\$ 123.181	\$ 10.697
Adjusted gross margin (Adjusted gross profit / Total revenue, net)	73.9%	63.1%	70.4%	71.6%	70.4%	1.2%

(1) SeaSpine gross profit reflects reclassifications of certain expenses to conform to Orthofix presentation.



Proforma Non-GAAP Financial Measures: 3Q23

Adjusted EBITDA

(\$ in millions)	Q3 22 (Proforma)			NewCo		
	OFIX	SPNE	NewCo	Q3 23	Q3 22	Change
Loss before income taxes	\$ (9.372)	\$ (15.111)	\$ (3.902)	\$ (28.385)	\$ (24.483)	\$ (3.902)
<i>Non-GAAP adjustments</i>						
Interest expense, net	\$ 0.277	\$ 0.149	\$ 1.150	\$ 1.576	\$ 0.426	\$ 1.150
Depreciation and intangible asset amortization expense	7.570	4.341	1.186	13.097	11.911	1.186
Share-based compensation expense	4.728	3.652	(2.106)	6.274	8.380	(2.106)
Foreign exchange impact and other non-operating expense/(gain)	3.253	0.270	(1.614)	1.909	3.523	(1.614)
SeaSpine merger-related expenses	2.937	1.412	1.086	5.435	4.349	1.086
Strategic investments	0.455	0.016	0.442	0.913	0.471	0.442
Acquisition-related fair value adjustments	0.419	-	6.703	7.122	0.419	6.703
Loss on investment securities	(0.001)	-	0.001	-	(0.001)	0.001
Legal judgments/settlements	0.125	0.544	3.182	3.851	0.669	3.182
Medical device regulation	2.582	-	(0.723)	1.859	2.582	(0.723)
Business interruption - COVID-19	1.216	-	(1.216)	-	1.216	(1.216)
Succession and transition charges	0.068	-	(0.198)	(0.130)	0.068	(0.198)
Spinal set instrument replacement expense	-	1.866	(1.866)	-	1.866	(1.866)
European sales and marketing organization restructuring	-	0.152	(0.152)	-	0.152	(0.152)
Total Non-GAAP adjustments	\$ 23.629	\$ 12.402	\$ 5.875	\$ 41.906	\$ 36.031	\$ 5.875
Adjusted EBITDA loss	\$ 14.257	\$ (2.709)	\$ 1.973	\$ 13.521	\$ 11.548	\$ 1.973

On the Company's Q3 2023 earnings call held on November 8, 2023, Orthofix management presented Proforma Adjusted EBITDA and Adjusted Proforma Gross Margin, both of which are non-GAAP financial measures, for the 3rd quarter of 2022. Those proforma non-GAAP financial measures are intended to report the financial impact of the merger with SeaSpine on Adjusted EBITDA and Adjusted Gross Margin as if the merger had occurred on January 1, 2022, in order to assist investors with comparing those proforma results to those same non-GAAP financial measures as reported for the 3rd quarter of 2023.

A reconciliation of proforma Adjusted EBITDA for the third quarter of 2022 to the nearest GAAP financial measure for each of SeaSpine and Orthofix is presented on this slide.

For further information on the reasons for and nature of non-GAAP disclosures by Orthofix and descriptions of the adjustments used to calculate non-GAAP financial measures, please see the Company's Current Report on Form 8 K filed on November 8, 2023.

Adjusted Gross Margin

(\$ in millions)	Q3 22 (Proforma)			NewCo		
	OFIX	SPNE	NewCo	Q3 23	Q3 22	Change
Total revenue, net	\$ 113.996	\$ 67.772	\$ 181.768	\$ 184.006	\$ 181.768	\$ 2.238
Gross profit	\$ 83.423	\$ 38.585	\$ 122.008 (1)	\$ 119.763	\$ 122.008	\$ (2.245)
<i>Add back:</i>						
Share-based compensation expense	0.195	0.103	0.299	\$ 0.463	\$ 0.299	\$ 0.164
SeaSpine merger-related costs	-	-	-	2.161	-	2.161
Strategic investments	0.304	-	0.304	0.055	0.304	(0.249)
Acquisition-related fair value adjustments	-	-	-	7.922	-	7.922
Amortization/depreciation of acquired long-lived assets	-	-	-	0.280	-	0.280
Medical device regulation	-	-	-	0.005	-	0.005
Adjusted gross profit	\$ 83.922	\$ 38.688	\$ 122.611	\$ 130.649	\$ 122.611	\$ 8.038
Adjusted gross margin (Adjusted gross profit / Total revenue, net)	73.6%	57.1%	67.5%	71.0%	67.5%	3.5%

(1) SeaSpine gross profit reflects reclassifications of certain expenses to conform to Orthofix presentation.



Proforma Non-GAAP Financial Measures: 4Q23

Adjusted EBITDA

(\$ in millions)	Q4 22 (Proforma)			NewCo		
	OFIX	SPNE	NewCo	Q4 23	Q4 22	Change
Loss before income taxes	\$ (6.987)	\$ (20.287)	\$ (27.274)	\$ (22.049)	\$ (27.274)	\$ 5.225
<i>Non-GAAP adjustments</i>						
Interest expense, net	\$ 0.229	\$ 0.202	\$ 0.431	\$ 4.501	\$ 0.431	\$ 4.070
Depreciation and intangible asset amortization expense	7.421	4.349	11.770	13.969	11.770	2.199
Share-based compensation expense	4.923	3.412	8.335	3.168	8.335	(5.167)
Foreign exchange impact and other non-operating expense/(gain)	(4.195)	(0.147)	(4.342)	(2.637)	(4.342)	1.705
SeaSpine merger-related expenses	9.073	2.616	11.689	2.261	11.689	(9.428)
Strategic investments	0.771	(0.016)	0.755	0.390	0.755	(0.365)
Acquisition-related fair value adjustments	0.200	-	0.200	6.486	0.200	6.286
Loss on investment securities	0.001	-	0.001	1.781	0.001	1.780
Legal judgments/settlements	0.337	1.066	1.403	8.842	1.403	7.439
Medical device regulation	3.481	-	3.481	1.926	3.481	(1.555)
Business interruption - COVID-19	0.512	-	0.512	-	0.512	(0.512)
Succession and transition charges	-	-	-	1.007	-	1.007
Spinal set instrument replacement expense	-	2.630	2.630	-	2.630	(2.630)
European sales and marketing organization restructuring	-	0.426	0.426	-	0.426	(0.426)
Total Non-GAAP adjustments	\$ 22.753	\$ 14.538	\$ 37.291	\$ 41.694	\$ 37.291	\$ 4.403
Adjusted EBITDA loss	\$ 15.766	\$ (5.749)	\$ 10.017	\$ 19.645	\$ 10.017	\$ 9.628

On the Company's Q4 2023 earnings call held on March 5, 2024, Orthofix management presented Proforma Adjusted EBITDA and Adjusted Proforma Gross Margin, both of which are non-GAAP financial measures, for the 4th quarter of 2022. Those proforma non-GAAP financial measures are intended to report the financial impact of the merger with SeaSpine on Adjusted EBITDA and Adjusted Gross Margin as if the merger had occurred on January 1, 2022, in order to assist investors with comparing those proforma results to those same non-GAAP financial measures as reported for the 4th quarter of 2023.

A reconciliation of proforma Adjusted EBITDA for the fourth quarter of 2022 to the nearest GAAP financial measure for each of SeaSpine and Orthofix is presented on this slide.

For further information on the reasons for and nature of non-GAAP disclosures by Orthofix and descriptions of the adjustments used to calculate non-GAAP financial measures, please see the Company's Current Report on Form 8 K filed on March 5, 2024.

Adjusted Gross Margin

(\$ in millions)	Q4 22 (Proforma)			NewCo		
	OFIX	SPNE	NewCo	Q4 23	Q4 22	Change
Total revenue, net	\$ 122.229	\$ 64.144	\$ 186.373	\$ 200.415	\$ 186.373	\$ 14.042
Gross profit	\$ 89.176	\$ 38.515	\$ 127.691 (1)	\$ 136.630	\$ 127.691	\$ 8.939
Add back:	-	-	-	-	-	-
Share-based compensation expense	0.217	0.102	0.318	\$ 0.462	\$ 0.318	\$ 0.144
SeaSpine merger-related costs	-	-	-	0.214	-	0.214
Strategic investments	0.439	-	0.439	0.125	0.439	(0.314)
Acquisition-related fair value adjustments	-	-	-	7.037	-	7.037
Amortization/depreciation of acquired long-lived assets	-	-	-	0.373	-	0.373
Medical device regulation	0.001	-	0.001	(0.072)	0.001	(0.073)
Adjusted gross profit	\$ 89.833	\$ 38.617	\$ 128.450	\$ 144.769	\$ 128.450	\$ 16.320
Adjusted gross margin (Adjusted gross profit / Total revenue, net)	73.5%	60.2%	68.9%	72.2%	68.9%	3.3%

(1) SeaSpine gross profit reflects reclassifications of certain expenses to conform to Orthofix presentation.

Historical 2022 Quarterly Proforma Adjusted EBITDA

Proforma Historical Adjusted EBITDA (\$ in millions)	Q1 22			Q2 22			Q3 22			Q4 22			FY 2022		
	OFIX	SPNE	NewCo	OFIX	SPNE	NewCo	OFIX	SPNE	NewCo	OFIX	SPNE	NewCo	OFIX	SPNE	NewCo
Loss before income taxes	\$ (4.389)	\$ (16.832)	\$ (21.221)	\$ 3.042	\$ (15.094)	\$ (12.052)	\$ (9.372)	\$ (15.111)	\$ (24.483)	\$ (6.987)	\$ (20.287)	\$ (27.274)	\$ (17.706)	\$ (67.324)	\$ (85.030)
<i>Non-GAAP adjustments</i>															
Interest expense, net	\$ 0.375	\$ -	\$ 0.375	\$ 0.407	\$ 0.293	\$ 0.700	\$ 0.277	\$ 0.149	\$ 0.426	\$ 0.229	\$ 0.202	\$ 0.431	\$ 1.288	\$ 0.644	\$ 1.932
Depreciation and intangible asset amortization expense	7.516	4.202	11.718	6.512	4.295	10.807	7.570	4.341	11.911	7.421	4.349	11.770	29.019	17.187	46.206
Share-based compensation expense	4.332	2.819	7.151	4.460	3.701	8.161	4.728	3.652	8.380	4.923	3.412	8.335	18.443	13.584	32.027
Foreign exchange impact and other non-operating expense/(gain)	1.242	(0.002)	1.240	2.991	0.266	3.257	3.253	0.270	3.523	(4.195)	(0.147)	(4.342)	3.291	0.387	3.678
SeaSpine merger-related expenses	-	-	-	-	-	-	2.937	1.412	4.349	9.073	2.616	11.689	12.010	4.028	16.038
Strategic investments	0.970	0.372	1.342	1.824	(0.010)	1.814	0.455	0.016	0.471	0.771	(0.016)	0.755	4.020	0.362	4.382
Acquisition-related fair value adjustments	(5.500)	0.125	(5.375)	(10.714)	0.083	(10.631)	0.419	-	0.419	0.200	-	0.200	(15.595)	0.208	(15.387)
Loss on investment securities	0.065	-	0.065	0.123	-	0.123	(0.001)	-	(0.001)	0.001	-	0.001	0.188	-	0.188
Legal judgments/settlements	0.193	-	0.193	0.148	-	0.148	0.125	0.544	0.669	0.337	1.066	1.403	0.803	1.610	2.413
Medical device regulation	1.952	-	1.952	2.246	-	2.246	2.582	-	2.582	3.481	-	3.481	10.261	-	10.261
Business interruption - COVID-19	0.343	-	0.343	0.316	-	0.316	1.216	-	1.216	0.512	-	0.512	2.387	-	2.387
Succession and transition charges	0.010	-	0.010	0.068	-	0.068	0.068	-	0.068	-	-	-	0.146	-	0.146
Spinal set instrument replacement expense	-	1.018	1.018	-	1.665	1.665	-	1.866	1.866	-	2.630	2.630	-	7.179	7.179
European sales and marketing organization restructuring	-	0.279	0.279	-	0.127	0.127	-	0.152	0.152	-	0.426	0.426	-	0.984	0.984
Total Non-GAAP adjustments	\$ 11.498	\$ 8.813	\$ 20.311	\$ 8.381	\$ 10.420	\$ 18.801	\$ 23.629	\$ 12.402	\$ 36.031	\$ 22.753	\$ 14.538	\$ 37.291	\$ 66.261	\$ 46.173	\$ 112.434
Adjusted Proforma EBITDA (proforma for SeaSpine merger)	\$ 7.109	\$ (8.019)	\$ (0.910)	\$ 11.423	\$ (4.674)	\$ 6.749	\$ 14.257	\$ (2.709)	\$ 11.548	\$ 15.766	\$ (5.749)	\$ 10.017	\$ 48.555	\$ (21.151)	\$ 27.404

On the Company's Q4 2023 earnings call held on March 5, 2024, Orthofix management presented Proforma Adjusted EBITDA and Adjusted Proforma Gross Margin, both of which are non-GAAP financial measures, for the 4th quarter of 2022. Those proforma non-GAAP financial measures are intended to report the financial impact of the merger with SeaSpine on Adjusted EBITDA and Adjusted Gross Margin as if the merger had occurred on January 1, 2022, in order to assist investors with comparing those proforma results to those same non-GAAP financial measures as reported for the 4th quarter of 2023.

A reconciliation of proforma Adjusted EBITDA for each quarter of 2022 to the nearest GAAP financial measure for each of SeaSpine and Orthofix is presented on this slide.

For further information on the reasons for and nature of non-GAAP disclosures by Orthofix and descriptions of the adjustments used to calculate non-GAAP financial measures, please see the Company's Current Report on Form 8 K filed on March 5, 2024.

Historical 2022 Quarterly Proforma Adjusted Gross Margin

Proforma Historical Adjusted Gross Margin (\$ in millions)	Q1 22			Q2 22			Q3 22			Q4 22			FY 2022		
	OFIX	SPNE	NewCo	OFIX	SPNE	NewCo	OFIX	SPNE	NewCo	OFIX	SPNE	NewCo	OFIX	SPNE	NewCo
Total revenue, net	\$ 106.418	\$ 51.263	\$ 157.681	\$ 118.070	\$ 56.942	\$ 175.012	\$ 113.996	\$ 67.772	\$ 181.768	\$ 122.229	\$ 64.144	\$ 186.373	\$460.713	\$ 240.121	\$ 700.834
Gross profit ⁽¹⁾	\$ 78.100	\$ 28.966	\$ 107.066	\$ 86.470	\$ 35.768	\$ 122.238	\$ 83.423	\$ 38.585	\$ 122.008	\$ 89.176	\$ 38.515	\$ 127.691	\$ 337.169	\$ 141.834	\$ 479.003
Add back:															
Share-based compensation expense	0.211	0.078	0.289	0.204	0.082	0.286	0.195	0.103	0.299	0.217	0.102	0.318	0.827	0.365	1.192
SeaSpine merger-related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Strategic investments	0.025	-	0.025	0.566	-	0.566	0.304	-	0.304	0.439	-	0.439	1.334	-	1.334
Acquisition-related fair value adjustments	-	0.125	0.125	-	0.083	0.083	-	-	-	-	-	-	-	0.208	0.208
Amortization/depreciation of acquired long-lived assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical device regulation	0.006	-	0.006	0.008	-	0.008	-	-	-	0.001	-	0.001	0.015	-	0.015
Adjusted gross profit	\$ 78.342	\$ 29.169	\$ 107.511	\$ 87.248	\$ 35.933	\$ 123.181	\$ 83.922	\$ 38.688	\$ 122.611	\$ 89.833	\$ 38.617	\$ 128.450	\$ 339.345	\$ 142.407	\$ 481.752
Adjusted gross margin (Adjusted gross profit / Total revenue, net)	73.6%	56.9%	68.2%	73.9%	63.1%	70.4%	73.6%	57.1%	67.5%	73.5%	60.2%	68.9%	73.7%	59.3%	68.7%

(1) SeaSpine gross profit reflects reclassifications of certain expenses to conform to Orthofix presentation.

On the Company's Q4 2023 earnings call held on March 5, 2024, Orthofix management presented Proforma Adjusted EBITDA and Adjusted Proforma Gross Margin, both of which are non-GAAP financial measures, for the 4th quarter of 2022. Those proforma non-GAAP financial measures are intended to report the financial impact of the merger with SeaSpine on Adjusted EBITDA and Adjusted Gross Margin as if the merger had occurred on January 1, 2022, in order to assist investors with comparing those proforma results to those same non-GAAP financial measures as reported for the 4th quarter of 2023.

A reconciliation of proforma Adjusted EBITDA for each quarter of 2022 to the nearest GAAP financial measure for each of SeaSpine and Orthofix is presented on this slide.

For further information on the reasons for and nature of non-GAAP disclosures by Orthofix and descriptions of the adjustments used to calculate non-GAAP financial measures, please see the Company's Current Report on Form 8 K filed on March 5, 2024.