



# Corporate Investor Deck

August 2023



# 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. Such forward looking statements include, but are not limited to, statements relating to: expectations regarding future financial performance in the short- and long-term, including, without limitation, revenue (and the source thereof), expenses (including anticipated spend and savings/synergies), adjusted gross margin, adjusted EBITDA loss, free cash flow burn, compound annual growth rate, liquidity runway, and the Company’s ability to generate favorable sales mix of higher gross margin products; expectations regarding investment in inventory and spinal implant sets and regarding product launches and line extensions; availability under the Company’s credit facility; the benefits of initiatives, including investments in a direct sales strategy and in product development and enhancements to existing products; planned discontinuation of products; the Company’s growth and taking of market share; the Company’s ability to lower its manufacturing costs; and the Company’s ability to reduce organization complexity and the benefits thereof. These forward looking statements are not guarantees of our future performance and involve risks, uncertainties, estimates and assumptions that are difficult to predict, including the risks described under the heading “Risk Factors” in our Form 10-Q for the period ended June 30, 2023, which was filed with the Securities and Exchange Commission (the “SEC”) on August 8, 2023. Factors that could cause or contribute to such differences may include, but are not limited to: risks related to the integration of the legacy Orthofix and SeaSpine businesses and the ability of the combined company to realize the expected long term financial and other benefits of their merger; surgeons’ and hospitals’ willingness to adopt our newly launched products; the ability of newly launched products to meet the needs of surgeons and patients, including as a result of the lack of clinical validation of products in limited commercial (or “alpha”) launch; continued pricing pressure, whether as a result of consolidation in hospital systems, competitors or others, as well as exclusion from major healthcare systems; the risk of supply shortages and associated disruption to product sales, including as a result of our dependence on a limited number of third-party suppliers for components and raw materials, as a result of the pandemic, or otherwise, and our ability to adequately manage inventory; global economic instability and potential supply chain disruption, including as a result of Russia’s invasion of Ukraine and resulting sanctions; our ability to recruit and retain management and key personnel (including in connection with disruptions and uncertainties that may occur as the legacy Orthofix and SeaSpine businesses are integrated and the respective management and leadership teams are combined); our ability to continue to invest in medical education and training, product development, and/or sales and marketing initiatives at levels sufficient to drive future revenue growth; risks relating to the effects of the COVID 19 pandemic; general economic and business conditions in the markets in which we do business, both in the U.S. and abroad; and the other risks and uncertainties more fully described in our periodic filings with the SEC. 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](http://www.sec.gov). Any or all forward looking statements that we make may turn out to be inaccurate (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.



Extensive Portfolio  
Solutions with  
Complementary  
Technologies



Improved Clinical  
Outcomes &  
Economic Value



Large Addressable  
Markets with High  
Growth Opportunities



Expanded Distribution  
Channels & Global  
Commercial Reach



\$175M Credit Facility  
Provides Liquidity to  
Fund Growth and Scale



Visionary Leadership  
Team with Deep  
Sector Experience

# Investment Highlights

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Building a Leading  
Global Spine & Orthopedics  
Company

# Executive Leadership Team

Experienced leadership with 250+ years in spine/orthopedics



**Keith C. Valentine**  
President &  
Chief Executive Officer



**Suzanne Armstrong**  
Chief Human Resources Officer



**John Bostjancic**  
Chief Financial Officer



**Roberto Donadello**  
Senior Vice President  
Global Operations



**Kim Elting**  
President  
Global Orthopedics



**Ehab Esmail**  
Senior Vice President, Global Quality,  
Regulatory & Clinical Affairs



**Kevin Kenny**  
President  
Global Spine



**Pat Keran**  
Chief Legal Officer



**Puja Leekha**  
Senior Vice President  
Chief Ethics & Compliance Officer



**Tyler Lipschultz**  
President  
Global Biologics



**Beau Standish, PhD, PEng**  
President  
Global Enabling Technologies



**Frank Vizesi, PhD**  
Chief Scientific Officer

# Complementary High Growth Portfolio

**\$7B** of Focused High-Growth Market Segments\* | 6.1% CAGR



## Spinal Implants

Motion Preservation  
Spinal Fixation



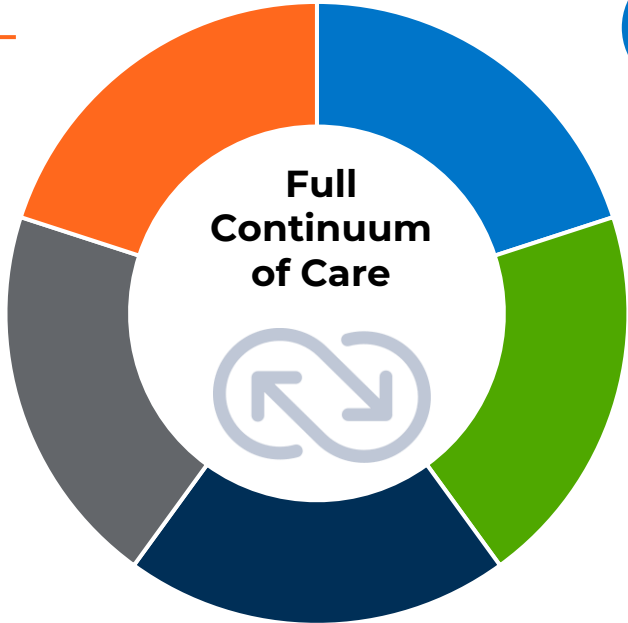
## Orthopedics

Limb Reconstruction  
Deformity Correction



## Biologics

Cellular Allograft  
Demineralized Bone Matrices  
Synthetic Bone Grafts



## Bone Growth Therapies

Bone Growth Stimulation  
Non-Surgical Alternative  
Regenerative Technology



## Enabling Technologies

Machine-vision 7D FLASH™ Navigation

SmartTRAK® 2022 – 2026 U.S. Estimates  
\*Focused growth segments include Enabling Technologies, Motion Preservation, Interbody, DBM, LLIF/OLIF, MIS and Long Bone Stimulation  
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# Orthopedics

Specialized portfolio of **limb reconstruction and deformity correction** products that address the most challenging orthopedic conditions

## Complex Foot & Ankle Reconstruction



**TrueLok™**

Ring Fixation System



**AHN**

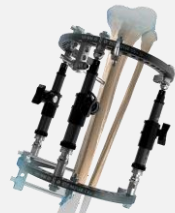
Ankle Hindfoot Nailing™ System



**G-Beam**

Fusion Beaming System™

## Complex Fracture Management



**TrueLok™ EVO**

Ring Fixation System



**XCaliber™**

Hybrid Fixator



**Galaxy™**

Fixation System

## Adult & Pediatric Limb Reconstruction



**Fitbone®**

Limb-Lengthening System



**TL-HEX™**

TrueLok Hexapod System



**JuniOrtho**

Pediatric Plating System™

## Digital Healthcare



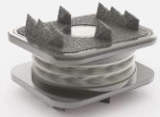
**OrthoNext™**

Platform System for Preoperative Planning

# Spinal Implants

Comprehensive **best-in-class** spinal implants offering driving **rapid market adoption**

## Cervical



**M6-C™**

Artificial Cervical Disc



**NorthStar®**

Posterior Cervical Fixation System



**Construx™ Mini**

PTC Spacer System



**Shoreline®**

Anterior Cervical Standalone System



**WaveForm™ C**

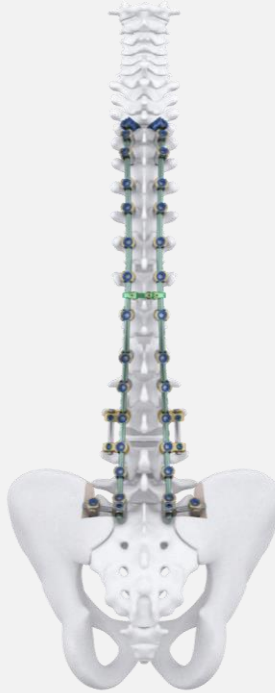
3D Interbody



**Admiral™**

Anterior Cervical Plating System

## Thoracolumbar Fixation



**Mariner® Deformity**

Adult Deformity Posterior Fixation System



**Mariner®**

Modular Pedicle Screw System



**Firebird™ NXG**

Spinal Fixation System



**Janus™**

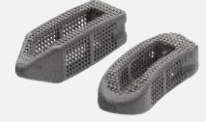
Fenestrated Screw System

## Interbodies



**WaveForm™**

3D Interbody



**Forza™ TI**

Ti Spacer System with Nanovate™ Technology



**Reef® TO**

NanoMetalene® with Reef Topography®



**Meridian™**

Spacer System



**Explorer® TO**

Expandable Interbody



**ForzaXP™**

Expandable Spacer System

# Biologics

## Full spectrum of biologic solutions

to enhance the fusion process and promote bone repair and growth

### Cellular Allograft



**Trinity Elite™**

### Procedural Solutions



**OsteoBallast®**

**OsteoBallast  
MT**

**NorthStar™  
Facet Fusion**

### Demineralized Bone Fiber



**OsteoStrand®  
Plus**



**FiberFuse™**

### Demineralized Bone Putty



**Torrent® & Torrent C  
Accell Evo3® & Evo3® c  
DynaGraft® II & OrthoBlast® II  
Legacy™**

### Synthetic



**Opus™ BA**

**Opus™ Mg  
Set**

**Mozaik™**

### Graft Delivery



**RAPID®**

**O-Genesis™**

### Traditional Allograft





# Bone Growth Therapies

**Safe and effective treatment and non-surgical alternative**  
to overcome bone healing challenges



#1 Prescribed bone growth stimulator



We are proud to be the first to offer a free recycling program so patients can properly dispose of their devices after use.



PEMF technology approved  
Since 1986

**1,000,000**

Prescribed devices

## Bone Healing Therapy



**PhysioStim™**

Bone Growth Therapy



**AccelStim™**

Bone Healing Therapy

## Spine Fusion Therapy



**CervicalStim™**

Spinal Fusion Therapy



**SpinalStim™**

Spinal Fusion Therapy

## FLASH™ Navigation with 7D Technology

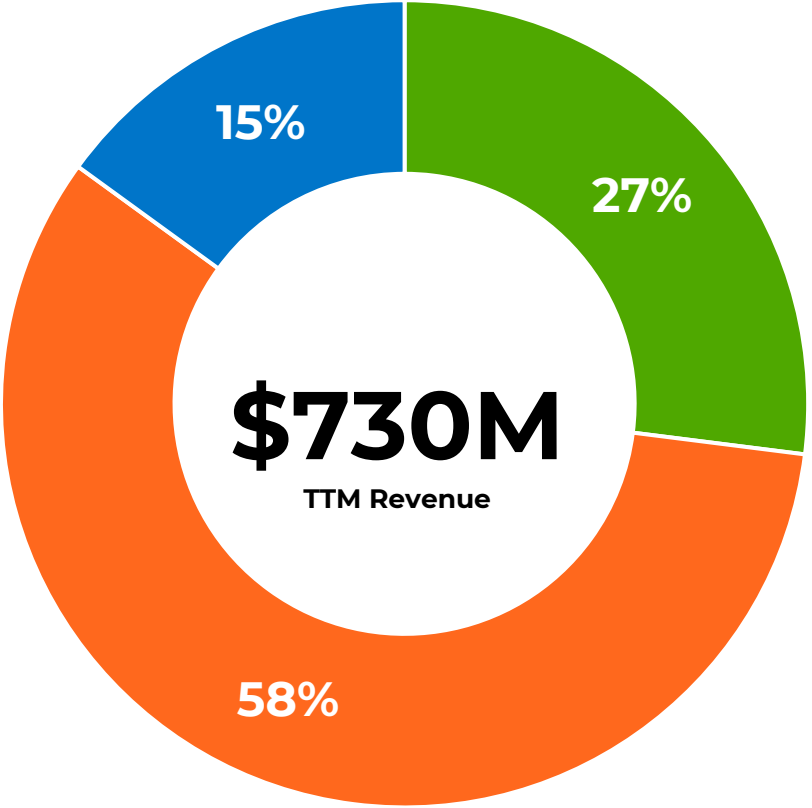


# Enabling Technologies

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**Servicing the  
full continuum  
of surgical care**

# Diversified & Complementary Business with Broad Commercial Reach



- Bone Growth Therapies
- Spinal Implants, Biologics, and Enabling Technologies
- Orthopedics

~**81%** U.S. | ~**19%** OUS

Products distributed in **68** countries

# Commercial Strategy Framework

## Geographic Footprint

Double digit growth in global commercial reach



## Focused Distributors

Expanded market penetration with increased dedicated distribution



## Diverse Sales Strategy

Cross selling opportunities across direct and distribution-based sales channels



## Clinical Relevance

Proven track record of procedural excellence, backed by compelling clinical evidence, spanning multiple markets



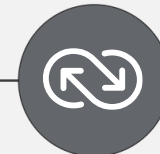
## Training and Education Programs

Complementary training and education programs to deliver value to surgeons and distributors



## Continuum of Care

Comprehensive product portfolio from pre-operative planning through post surgical



# Key Growth Drivers



## Spinal Fixation

Industry leading product and procedure launches per year & continued penetration into emerging markets



## Spinal Implants & Biologics

Continue share taking at >5x market growth, from 45+ product launches since 2018



## BGT Fracture

DD growth driven by the recent AccelStim™ launch, future product launches & increasing channel investments



## Distributor Partners

Onboard additional transformative & more focused distributor partners



## Orthopedics

HSD growth driven by channel expansion and further products launches expanding our leading TrueLok™ and Fitbone™ franchises



## Product Utilization

Higher product utilization per procedure from more complete portfolio



## Higher Revenue Per Case

Increased participation in higher revenue complex and deformity procedures from recent full commercialization of Mariner® Adult Deformity Platform



## Enabling Technologies

Growth from recent full commercial launch of MIS module and higher conversion of revenue earnout arrangements

# Orthofix

## Q2 2023 Highlights

- (1) Constant Currency is calculated by applying foreign currency rates applicable to the comparable, prior-year period to present the current period net sales at comparable rates. Constant currency can be presented for numerous GAAP measures, but is commonly used by management to analyze net sales excluding the impact of changes in foreign currency rates.
- (2) The reasons for and nature of non-GAAP disclosures by the Company, descriptions of the adjustments used to calculate those non-GAAP financial measures, and reconciliations of those non-GAAP financial measures to the most comparable GAAP financial measure, are provided in the Company's press release issued and Current Report on Form 8-K filed on August 8, 2023.
- (3) See Appendix A for calculation of proforma Adjusted EBITDA and proforma Adjusted Gross Margin for each quarterly period of 2022.

# \$187M

Q2 2023 Revenue  
58% Growth YoY at Constant Currency<sup>(1)</sup>  
7% Proforma Growth YoY at Constant Currency<sup>(2)</sup>

# \$53M

Q2 2023 BGT Revenue  
10% Growth YoY

# \$105M

Q2 2023 Global Spinal Implants, Biologics and  
Enabling Technologies Revenue  
5% Proforma Growth YoY at Constant Currency<sup>(2)</sup>

# \$29M

Q2 2023 Global Orthopedics Revenue  
5% Growth YoY at Constant Currency<sup>(2)</sup>

# \$38M

Cash & Cash Equivalents, 6/30/2023  
\$59M of outstanding credit facility borrowings

# \$10M

Adjusted EBITDA  
47% Proforma Growth YoY<sup>(2)(3)</sup>

# 72%

Adjusted Gross Margin<sup>(2)</sup>

# 2023

Full Year Guidance



**\$752 – 758M** Revenue

**\$42 – 46M** Adjusted EBITDA

Revenue ranges above represent 7% to 8% proforma growth rates over prior year

Guidance information is as of August 8, 2023, based on guidance provided by Orthofix leadership on that date. Inclusion of this information in this presentation is not a confirmation or an update of, and should not be construed or otherwise assumed to reflect any confirmation or update of, that guidance by Orthofix leadership as of any date other than August 8, 2023.

# Merger Highlights



## Meaningful Revenue & Cost Synergies

- ✓ Est. Revenue Synergies: >\$25M
- ✓ Est. Cost Synergies: ~\$50M\*
- ✓ Revenue Risk to Manage: ~\$20M\*\*
- ✓ Working Capital & Capex Synergies



## Complementary Portfolios

- ✓ #1 Prescribed bone growth stimulator portfolio in the U.S.
- ✓ Broadest advanced DBM portfolio and market leading cellular allograft
- ✓ Next generation differentiated artificial cervical disc



## Broader Commercial Reach

- ✓ Accelerated adoption of differentiated technologies
- ✓ Sustainable growth & value creation
- ✓ Strengthened U.S. and international sales channels
- ✓ Rapid product innovation driving market-share taking

\*Cost synergies of ~\$50M expected by 2025 with incremental opportunity to reduce stock-based compensation expense

\*\*Based on due diligence, including revenue zip code analysis performed by 3<sup>rd</sup> party





Extensive Portfolio  
Solutions with  
Complementary  
Technologies



Improved Clinical  
Outcomes &  
Economic Value



Large Addressable  
Markets with High  
Growth Opportunities



Expanded Distribution  
Channels & Global  
Commercial Reach



\$175M Credit Facility  
Provides Liquidity to  
Fund Growth and Scale



Visionary Leadership  
Team with Deep  
Sector Experience

# Investment Highlights

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Building a Leading  
Global Spine & Orthopedics  
Company

**STRONGER  
TOGETHER**

THANK YOU

# APPENDIX A

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# Proforma Non-GAAP Financial Measures

## Adjusted EBITDA

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

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 those pro forma non-GAAP financial measures for the 2nd quarter of 2022 to the nearest GAAP financial measure for each of SeaSpine and Orthofix, as well as a comparison to Adjusted EBITDA and Adjusted Gross Margin for Orthofix for the 2nd quarter of 2023, are 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 those 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)	\$ 120.854	\$ 122.238	\$ (1.384)
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	8.146	0.083	8.063
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
<b>Adjusted gross margin (Adjusted gross profit / Total revenue, net)</b>	<b>73.9%</b>	<b>63.1%</b>	<b>70.4%</b>	<b>71.6%</b>	<b>70.4%</b>	<b>1.2%</b>

(1) SeaSpine gross profit reflects reclassifications of certain expenses to conform to Orthofix presentation. ©2023 Orthofix Medical Inc. All rights reserved | 20



# 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
<b>Loss before income taxes</b>	\$ (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
<b>Total Non-GAAP adjustments</b>	\$ 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
<b>Adjusted Proforma EBITDA (proforma for SeaSpine merger)</b>	\$ 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

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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 <sup>(1)</sup>	\$ 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
<b>Adjusted gross margin (Adjusted gross profit / Total revenue, net)</b>	<b>73.6%</b>	<b>56.9%</b>	<b>68.2%</b>	<b>73.9%</b>	<b>63.1%</b>	<b>70.4%</b>	<b>73.6%</b>	<b>57.1%</b>	<b>67.5%</b>	<b>73.5%</b>	<b>60.2%</b>	<b>68.9%</b>	<b>73.7%</b>	<b>59.3%</b>	<b>68.7%</b>

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

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 Gross Margin 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 August 8, 2023.