

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark one)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____.

Commission File Number: 0-19961



ORTHOFIX MEDICAL INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

**3451 Plano Parkway,
Lewisville, Texas**

(Address of principal executive offices)

98-1340767

(I.R.S. Employer
Identification No.)

75056

(Zip Code)

(214) 937-2000

(Registrant's telephone number, including area code)

Not applicable

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated filer ☐

Non-Accelerated filer ☐

Accelerated filer ☒

Smaller Reporting Company ☐

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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

As of November 1, 2024, 38,214,187 shares of common stock were issued and outstanding.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.10 par value per share	OFIX	Nasdaq Global Select Market

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Forward-Looking Statements

This Quarterly Report contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended ("the Exchange Act"), 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. All statements, other than statements of historical fact, contained in this report, are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "projects," "intends," "predicts," "potential," or "continue" or the negative version of those terms and other similar expressions. Forward-looking statements include, but are not limited to, statements about:

- our future operations, sales, expenses, and financial performance;
- our operating results;
- our intentions, beliefs, and expectations regarding the anticipated benefits of the merger with SeaSpine Holdings Corporation ("SeaSpine"), including the anticipated synergies and cost-savings from the merger;
- our plans for future products and enhancements of existing products;
- anticipated growth and trends in our business;
- the timing of and our ability to maintain and obtain regulatory clearances or approvals;
- our belief that our cash and cash equivalents, investments, and access to our credit facilities will be sufficient to satisfy our anticipated cash requirements;
- our relationships with customers and distributors;
- our manufacturing abilities and the performance of our suppliers;
- our ability to achieve market penetration and the success of our expansion efforts;
- anticipated trends and challenges in the markets in which we operate; and
- the impact of investigations, claims, litigation, and arbitration matters.

Forward-looking statements are not guarantees of future performance and involve risks, uncertainties, estimates, and assumptions. 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 forward-looking statements. Potential risks and uncertainties that could cause actual results to differ materially include, but are not limited to, those set forth in Part I, Item 1A under the heading *Risk Factors* of our Annual Report on Form 10-K for the year ended December 31, 2023 ("2023 10-K"); Part II, Item 7 *Management's Discussion and Analysis of Financial Condition and Results of Operations* of the 2023 10-K; and elsewhere throughout the 2023 10-K, and in our reports filed with the U.S. Securities and Exchange Commission (the "SEC") subsequent to the date we filed the 2023 10-K with the SEC. You should not place undue reliance on any forward-looking statements. Further, any forward-looking statement in this report speaks only as of the date hereof, unless it is specifically otherwise stated to be made as of a different date. Except as required by law, 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.

Trademarks

Solely for convenience, our trademarks and trade names in this report are referred to without the ® and ™ symbols, but such references should not be construed as any indicator that we will not assert, to the fullest extent under applicable law, our rights thereto.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

ORTHOFIX MEDICAL INC.

Condensed Consolidated Balance Sheets

(U.S. Dollars, in thousands, except par value data)	September 30, 2024	December 31, 2023
	(Unaudited)	
Assets		
Current assets		
Cash and cash equivalents	\$ 30,054	\$ 33,107
Restricted cash	2,500	4,650
Accounts receivable, net of allowances of \$7,878 and \$7,130, respectively	124,845	128,098
Inventories	205,812	222,166
Prepaid expenses and other current assets	23,003	32,422
Total current assets	386,214	420,443
Property, plant, and equipment, net	146,685	159,060
Intangible assets, net	104,546	117,490
Goodwill	194,934	194,934
Other long-term assets	35,493	33,388
Total assets	\$ 867,872	\$ 925,315
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable	\$ 47,060	\$ 58,357
Current portion of long-term debt	6,250	1,250
Current portion of finance lease liability	743	708
Other current liabilities	107,845	104,908
Total current liabilities	161,898	165,223
Long-term debt	112,215	93,107
Long-term portion of finance lease liability	18,027	18,532
Other long-term liabilities	49,808	49,723
Total liabilities	341,948	326,585
Contingencies (Note 8)		
Shareholders' equity		
Common shares \$0.10 par value; 100,000 shares authorized; 38,209 and 37,165 issued and outstanding as of September 30, 2024, and December 31, 2023, respectively	3,821	3,717
Additional paid-in capital	770,000	746,450
Accumulated deficit	(246,995)	(150,144)
Accumulated other comprehensive loss	(902)	(1,293)
Total shareholders' equity	525,924	598,730
Total liabilities and shareholders' equity	\$ 867,872	\$ 925,315

The accompanying notes form an integral part of these condensed consolidated financial statements

ORTHOFIX MEDICAL INC.
Condensed Consolidated Statements of Operations and Comprehensive Loss

(Unaudited, U.S. Dollars, in thousands, except per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net sales	\$ 196,606	\$ 184,006	\$ 583,834	\$ 546,226
Cost of sales	61,553	64,243	186,790	196,583
Gross profit	135,053	119,763	397,044	349,643
Sales and marketing	96,576	94,947	296,843	287,987
General and administrative	33,561	27,136	99,203	110,124
Research and development	17,294	18,559	54,835	61,290
Acquisition-related amortization and remeasurement (Note 12)	6,521	3,570	19,305	11,037
Operating loss	(18,899)	(24,449)	(73,142)	(120,795)
Interest expense, net	(5,210)	(1,576)	(14,711)	(4,131)
Other expense, net	(2,528)	(2,360)	(6,312)	(1,704)
Loss before income taxes	(26,637)	(28,385)	(94,165)	(126,630)
Income tax expense	(751)	(472)	(2,686)	(2,591)
Net loss	\$ (27,388)	\$ (28,857)	\$ (96,851)	\$ (129,221)
Net loss per common share:				
Basic	\$ (0.71)	\$ (0.77)	\$ (2.55)	\$ (3.53)
Diluted	(0.71)	(0.77)	(2.55)	(3.53)
Weighted average number of common shares:				
Basic	38,488	37,249	37,941	36,588
Diluted	38,488	37,249	37,941	36,588
Other comprehensive income (loss), before tax				
Unrealized gain (loss) on debt securities	—	(310)	1,671	8
Reclassification adjustment for historical unrealized gain on debt security	—	—	(1,671)	—
Currency translation adjustment	1,829	(1,442)	391	(492)
Other comprehensive income (loss), before tax	1,829	(1,752)	391	(484)
Income tax benefit (expense) related to other comprehensive income (loss)	—	—	—	—
Other comprehensive income (loss), net of tax	1,829	(1,752)	391	(484)
Comprehensive loss	\$ (25,559)	\$ (30,609)	\$ (96,460)	\$ (129,705)

The accompanying notes form an integral part of these condensed consolidated financial statements

ORTHOFIX MEDICAL INC.
Condensed Consolidated Statements of Changes in Shareholders' Equity

(Unaudited, U.S. Dollars, in thousands)	Number of Common Shares Outstanding	Common Shares	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
At December 31, 2023	37,165	\$ 3,717	\$ 746,450	\$ (150,144)	\$ (1,293)	\$ 598,730
Net loss	—	—	—	(36,020)	—	(36,020)
Other comprehensive income, net of tax	—	—	—	—	633	633
Share-based compensation expense	—	—	8,800	—	—	8,800
Common shares issued, net	245	24	(1,852)	—	—	(1,828)
At March 31, 2024	37,410	\$ 3,741	\$ 753,398	\$ (186,164)	\$ (660)	\$ 570,315
Net loss	—	—	—	(33,443)	—	(33,443)
Other comprehensive loss, net of tax	—	—	—	—	(2,071)	(2,071)
Share-based compensation expense	—	—	9,959	—	—	9,959
Common shares issued, net	629	63	1,181	—	—	1,244
At June 30, 2024	38,039	\$ 3,804	\$ 764,538	\$ (219,607)	\$ (2,731)	\$ 546,004
Net loss	—	—	—	(27,388)	—	(27,388)
Other comprehensive income, net of tax	—	—	—	—	1,829	1,829
Share-based compensation expense	—	—	6,531	—	—	6,531
Common shares issued, net	170	17	(1,069)	—	—	(1,052)
At September 30, 2024	38,209	\$ 3,821	\$ 770,000	\$ (246,995)	\$ (902)	\$ 525,924

(Unaudited, U.S. Dollars, in thousands)	Number of Common Shares Outstanding	Common Shares	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
At December 31, 2022	20,162	\$ 2,016	\$ 334,969	\$ 1,251	(1,376)	\$ 336,860
Net loss	—	—	—	(60,938)	—	(60,938)
Other comprehensive income, net of tax	—	—	—	—	430	430
Share-based compensation expense	—	—	13,020	—	—	13,020
Common shares issued in connection with SeaSpine merger	16,047	1,605	375,140	—	—	376,745
Common shares issued, net	254	26	(1,984)	—	—	(1,958)
At March 31, 2023	36,463	\$ 3,647	\$ 721,145	\$ (59,687)	\$ (946)	\$ 664,159
Net loss	—	—	—	(39,426)	—	(39,426)
Other comprehensive income, net of tax	—	—	—	—	838	838
Share-based compensation expense	—	—	13,246	—	—	13,246
Common shares issued, net	270	26	1,142	—	—	1,168
At June 30, 2023	36,733	\$ 3,673	\$ 735,533	\$ (99,113)	\$ (108)	\$ 639,985
Net loss	—	—	—	(28,857)	—	(28,857)
Other comprehensive loss, net of tax	—	—	—	—	(1,752)	(1,752)
Share-based compensation expense	—	—	6,274	—	—	6,274
Common shares issued, net	17	2	(169)	—	—	(167)
At September 30, 2023	36,750	\$ 3,675	\$ 741,638	\$ (127,970)	\$ (1,860)	\$ 615,483

The accompanying notes form an integral part of these condensed consolidated financial statements

ORTHOFIX MEDICAL INC.
Condensed Consolidated Statements of Cash Flows

	Nine Months Ended September 30,	
(Unaudited, U.S. Dollars, in thousands)	2024	2023
Cash flows from operating activities		
Net loss	\$ (96,851)	\$ (129,221)
Adjustments to reconcile net loss to net cash from operating activities		
Depreciation and amortization	44,067	39,094
Inventory reserve expenses	19,347	24,013
Amortization of inventory fair value step-up	9,141	29,006
Amortization of operating lease assets, debt costs, and other assets	4,601	4,506
Provision for expected credit losses	2,059	905
Deferred income taxes	1,505	1,148
Share-based compensation expense	25,290	32,540
Gain/loss on disposal of fixed assets and instrumentation	2,853	2,092
Change in valuation of investment securities	7,121	(82)
Change in fair value of contingent consideration	6,210	(2,100)
Other	3,288	(1,419)
Changes in operating assets and liabilities, net of effects of acquisitions		
Accounts receivable	1,301	2,912
Inventories	(9,820)	(48,164)
Prepaid expenses and other current assets	1,410	925
Accounts payable	(11,374)	4,244
Other current liabilities	(2,870)	(20)
Other long-term assets and liabilities	(5,218)	562
Net cash provided by (used in) operating activities	2,060	(39,059)
Cash flows from investing activities		
Capital expenditures for property, plant, and equipment	(25,209)	(45,695)
Capital expenditures for intangible assets	(1,136)	(1,302)
Cash acquired in the SeaSpine merger	—	29,419
Other investing activities	(100)	(500)
Net cash (used in) investing activities	(26,445)	(18,078)
Cash flows from financing activities		
Proceeds from issuance of common shares	3,311	2,377
Payments related to tax withholdings for share-based compensation	(4,947)	(3,334)
Payments related to finance lease obligation	(525)	(483)
Borrowings under credit facility	40,000	70,000
Repayment of borrowings from credit facility	(15,000)	—
Payment of debt acquired from SeaSpine merger	—	(26,899)
Contingent consideration milestone payment	(1,000)	(920)
Payment of debt issuance costs and other financing activities	(2,617)	(699)
Net cash provided by financing activities	19,222	40,042
Effect of exchange rate changes on cash	(40)	58
Net change in cash and cash equivalents	(5,203)	(17,037)
Cash, cash equivalents, and restricted cash at the beginning of period	37,757	50,700
Cash, cash equivalents, and restricted cash at the end of period	\$ 32,554	\$ 33,663
Components of cash, cash equivalents, and restricted cash at the end of period		
Cash and cash equivalents	\$ 30,054	\$ 33,663
Restricted cash	2,500	—
Cash, cash equivalents, and restricted cash at the end of period	\$ 32,554	\$ 33,663

The accompanying notes form an integral part of these condensed consolidated financial statements

ORTHOFIX MEDICAL INC.
Notes to the Unaudited Condensed Consolidated Financial Statements

1. Business and basis of presentation

Description of the Business

Orthofix Medical Inc. (the "Company" or "Orthofix") is a global medical technology company headquartered in Lewisville, Texas. By providing medical technologies that heal musculoskeletal pathologies, the Company delivers exceptional experiences and life-changing solutions to patients around the world. Orthofix offers a comprehensive portfolio of spinal hardware, bone growth therapies, specialized orthopedic solutions, biologics, and enabling technologies, including the 7D FLASH navigation system.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Pursuant to these rules and regulations, certain information and note disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. In the opinion of management, all adjustments (consisting of normal recurring items) considered necessary for a fair statement have been included. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes contained in the Company's Form 10-K for the year ended December 31, 2023. Operating results for the three and nine months ended September 30, 2024, are not necessarily indicative of the results that may be expected for other interim periods or the year ending December 31, 2024.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. On an ongoing basis, the Company evaluates its estimates, including those related to revenue recognition; contractual allowances; allowances for expected credit losses; inventories; valuation of intangible assets; goodwill; fair value measurements, including contingent consideration; litigation and contingent liabilities; tax matters; and share-based compensation. Actual results could differ from these estimates.

Changes in Presentation of Consolidated Financial Statements

Certain prior year balances have been reclassified in the condensed consolidated financial statements to conform to current period presentation.

2. Recently adopted accounting standards, recently issued accounting pronouncements

Adoption of Accounting Standards Update ("ASU") 2022-03 - Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions

In June 2022, the Financial Accounting Standards Board ("FASB") issued ASU 2022-03, which clarifies the guidance in Topic 820, *Fair Value Measurement*, when measuring the fair value of an equity security subject to contractual restrictions that prohibit the sale and to introduce new disclosure requirements. The Company adopted this standard effective January 1, 2024, on a prospective basis. Adoption of this standard did not have a material impact to the Company's consolidated balance sheet, statements of operations, or cash flows, but did modify the Company's disclosures related to certain investments. Refer to Note 7 for the Company's updated disclosures on investments in equity securities subject to capital sale restrictions.

Adoption of ASU 2023-07 - Improvements to Reportable Segment Disclosures

In November 2023, the FASB issued ASU 2023-07, which enhances and improves disclosures about operating segment revenues, measures of profit/loss, and expenses to enable investors to better understand an entity's overall performance and assess potential future cash flows. The amendment requires that an entity disclose (i) significant expenses that are regularly provided to the Chief Operating Decision Maker ("CODM"), (ii) other segment items by reportable segment including a description of its composition, (iii) all annual disclosures required by Topic 280 in interim periods, (iv) additional measures of a segment's profit or loss used by the CODM in assessing segment performance and allocation of resources, and (v) the title and position of the CODM and an explanation of how the CODM uses the reported measure(s) of segment profit or loss. The Company adopted this standard effective January 1, 2024, on a prospective basis. Refer to Note 11 for the Company's updated business segment disclosures.

Recently Issued Accounting Pronouncements

Topic	Description of Guidance	Effective Date	Status of Company's Evaluation
<i>Disclosure Improvements - Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative (ASU 2023-06)</i>	Adds interim and annual disclosure requirements to a variety of subtopics in the Accounting Standards Codification, including those focusing on accounting changes, earnings per share, debt, and repurchase agreements. The guidance will be applied prospectively. The effective date will be the date when the SEC's removal of the related disclosure requirement becomes effective, with early adoption prohibited.	Various	The Company is currently evaluating the impact this ASU may have on its consolidated financial statements.
<i>Improvements to Income Tax Disclosures (ASU 2023-09)</i>	Enhances the transparency and decision-making usefulness of income tax disclosures to better assess how an entity's operations and related tax risks and tax planning and operational opportunities affect its tax rate and prospects for future cash flows. The amendments are to be applied prospectively, but retrospective application is permitted.	January 1, 2025	The Company is currently evaluating the impact this ASU may have on its consolidated financial statements.

Other recently issued ASUs, excluding those ASUs which have already been disclosed as adopted or described above, were assessed and determined not applicable, or are expected to have minimal impact on the Company's condensed consolidated financial statements.

3. Mergers and acquisitions

Merger with SeaSpine

On January 5, 2023, the Company and SeaSpine completed an all-stock merger of equals (the "Merger") to create a global medical technology company that provides medical technologies that heal musculoskeletal pathologies, and delivers exceptional experiences and life-changing solutions to patients around the world. The Company offers a comprehensive portfolio of spinal hardware, bone growth therapies, specialized orthopedic solutions, biologics, and enabling technologies, including the 7D FLASH navigation system. As a result of the Merger, each share of SeaSpine common stock issued and outstanding immediately prior to the closing of the Merger was converted into the right to receive 0.4163 shares of Orthofix common stock.

During the fourth quarter of 2023, the Company finalized its valuation of assets acquired and liabilities assumed. The following table summarizes the fair value of assets acquired and liabilities assumed at the acquisition date:

(U.S. Dollars, in thousands)	Final Acquisition Date Fair Value	Assigned Useful Life
Assets acquired:		
Current assets		
Cash and cash equivalents	\$ 29,419	
Accounts receivable, net	35,313	
Inventories	132,636	
Prepaid expenses and other current assets	4,590	
Total current assets	201,958	
Property, plant, and equipment, net	68,863	
Customer relationships	33,100	13 years
Developed technology	47,200	6 - 8 years
In-process research and development ("IPR&D")	5,750	Indefinite
Other long-term assets	20,501	
Total identifiable assets acquired	\$ 377,372	
Liabilities assumed:		
Current liabilities		
Accounts payable	\$ 21,602	
Other current liabilities	43,521	
Total current liabilities	65,123	
Long-term borrowings under SeaSpine credit facility	26,298	
Other long-term liabilities	32,823	
Total liabilities assumed	124,244	
Net identifiable assets acquired	\$ 253,128	
Total fair value of consideration transferred	376,745	
Residual goodwill	\$ 123,617	

The Company recognized \$0.1 million in direct acquisition-related costs, which excluded integration-related activities that were expensed during both the three and nine months ended September 30, 2024, compared to \$0.1 million and \$9.9 million expensed during the three and nine months ended September 30, 2023, respectively. These costs are included in the condensed consolidated statements of operations and comprehensive loss, primarily within general and administrative expenses. The Company's results of operations included net sales from SeaSpine of \$72.1 million and \$214.1 million for the three and nine months ended September 30, 2024, respectively, and net losses of \$18.4 million and \$53.1 million from SeaSpine for the three and nine months ended September 30, 2024, respectively. This compares to \$62.9 million and \$188.2 million of net sales from SeaSpine for the three and nine months ended September 30, 2023, respectively, and net losses of \$19.2 million and \$72.1 million for the three and nine months ended September 30, 2023, respectively.

Due to the consummation of the Merger occurring on January 5, 2023, all SeaSpine financial results for fiscal year 2023, except for the first four days of January, were included in the Company's condensed consolidated statement of operations and comprehensive loss. Therefore, the Company did not prepare unaudited pro forma financial information for the three and nine months ended September 30, 2023 or 2024, on the basis that the Merger was completed on January 1, 2023.

4. Inventories

Inventories were as follows:

(U.S. Dollars, in thousands)	September 30, 2024	December 31, 2023
	(Unaudited)	
Raw materials	\$ 27,524	\$ 28,390
Work-in-process	60,736	53,510
Finished products	117,552	140,266
Inventories	\$ 205,812	\$ 222,166

5. Leases

A summary of the Company's lease portfolio as of September 30, 2024, and December 31, 2023, is presented in the table below:

(U.S. Dollars, in thousands)	Classification	September 30, 2024	December 31, 2023
		(Unaudited)	
Right-of-use assets ("ROU assets")			
Operating leases	Other long-term assets	\$ 18,056	\$ 19,869
Finance leases	Property, plant, and equipment, net	15,640	16,345
Total ROU assets		\$ 33,696	\$ 36,214
Lease Liabilities			
Current			
Operating leases	Other current liabilities	\$ 3,931	\$ 3,477
Finance leases	Current portion of finance lease liability	743	708
Long-term			
Operating leases	Other long-term liabilities	15,006	17,125
Finance leases	Long-term portion of finance lease liability	18,027	18,532
Total lease liabilities		\$ 37,707	\$ 39,842

Supplemental cash flow information related to leases was as follows:

(Unaudited, U.S. Dollars, in thousands)	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$ 6,596	\$ 5,538
Operating cash flows from finance leases	624	643
Financing cash flows from finance leases	525	483
ROU assets obtained in exchange for lease obligations		
Operating leases	1,067	15,771
Finance leases	55	—

6. Long-term debt

The carrying values of the Company's outstanding debt obligations as of September 30, 2024, and December 31, 2023, were as follows:

(U.S. Dollars, in thousands)	September 30, 2024	December 31, 2023
	(Unaudited)	
Initial Term Loan and Delayed Draw Term Loan		
Principal amount	\$ 125,000	\$ 100,000
Unamortized original debt discount	(3,487)	(4,331)
Unamortized debt issuance costs and lenders fees	(3,048)	(1,312)
Total indebtedness from initial term loan and delayed draw term loan	118,465	94,357
Revolving Credit Facilities		
Principal amount outstanding	—	—
Total indebtedness outstanding	\$ 118,465	\$ 94,357
Current portion of long-term debt	\$ 6,250	\$ 1,250
Long-term debt	112,215	93,107
Total indebtedness outstanding	\$ 118,465	\$ 94,357

On January 10, 2024, the Company borrowed \$15.0 million under its senior secured revolving credit facility (the "Revolving Credit Facility") as part of its Financing Agreement with Blue Torch Finance LLC. On March 22, 2024, the secured delayed draw term loan facility (the "Delayed Draw Term Loan") of \$25.0 million was fully funded and the proceeds were used to repay the \$15.0 million outstanding under the Revolving Credit Facility.

The Financing Agreement contains financial covenants requiring the Company to maintain a minimum level of liquidity at all times, a maximum consolidated leverage ratio (measured on a quarterly basis), and a minimum asset coverage ratio (measured on a monthly basis). As of September 30, 2024, the Company was in compliance with all required financial covenants.

On March 15, 2024, the Company entered into Amendment No.1 to the Financing Agreement with Blue Torch Finance LLC (the "First Amendment"). Under the terms of the First Amendment, the parties agreed to reduce the number of business days to submit a notice of borrowing for the Delayed Draw Term Loan and redefine certain terms within the asset coverage financial covenant. The maturity date remains November 6, 2027, for each of the Initial Term Loan, Delayed Draw Term Loan, and Revolving Credit Facility.

As of September 30, 2024, the Company had no borrowings on its available lines of credit in Italy, which provide up to an aggregate amount of €5.5 million (\$6.1 million).

7. Fair value measurements and investments

The fair value measurements of the Company's financial assets and liabilities measured on a recurring basis were as follows:

	September 30, 2024				December 31, 2023
(U.S. Dollars, in thousands)	Level 1	Level 2	Level 3	Total	Total
	(Unaudited)				
Assets					
Neo Medical convertible loan agreement	\$ —	\$ —	\$ —	\$ —	\$ 6,760
Neo Medical preferred equity securities	—	7,803	—	7,803	4,951
Other investments	—	—	—	—	1,309
Total	\$ —	\$ 7,803	\$ —	\$ 7,803	\$ 13,020
Liabilities					
Lattus contingent consideration	\$ —	\$ —	\$ (14,710)	\$ (14,710)	\$ (8,500)
Deferred compensation plan	—	(1,709)	—	(1,709)	(1,674)
Total	\$ —	\$ (1,709)	\$ (14,710)	\$ (16,419)	\$ (10,174)

Neo Medical Convertible Loan Agreement and Equity Investment

Since October 2020, the Company has held preferred equity securities of Neo Medical SA, a privately held Swiss-based company developing a new generation of products for spinal surgery ("Neo Medical") and a Convertible Loan Agreement, pursuant to which the Company loaned Neo Medical CHF 4.6 million, or \$5.0 million, at the date of issuance (the "Convertible Loan").

In April 2024, the Company converted the Convertible Loan into shares of Neo Medical preferred equity securities. The preferred equity securities are recorded in other long-term assets and are considered an investment that does not have a readily determinable fair value. As such, the Company measures this investment at cost, less any impairment, plus or minus changes resulting from observable price changes in orderly transactions for identical or similar investments of the same issuer.

The Company's equity investment with Neo Medical is subject to certain sales restrictions, such as right of first refusal, tag-along provisions, and drag-along provisions. Permitted transfers include (i) sales of shares to an affiliate of such shareholder, (ii) transfer of shares as part of a compensation package offered to employees, or (iii) Neo Medical may repurchase shares at a price no greater than that originally paid by the shareholder.

The table below presents a reconciliation of the beginning and ending balances of the Company's investment in Neo Medical preferred equity securities:

(Unaudited, U.S. Dollars, in thousands)	2024	2023
Fair value of Neo Medical preferred equity securities at January 1	\$ 4,951	\$ 6,084
Conversion of loan into preferred equity securities	8,224	—
Foreign currency remeasurement recognized in other income (expense), net	—	—
Unrealized loss recognized in other expense, net	(5,372)	—
Fair value of Neo Medical preferred equity securities at September 30	\$ 7,803	\$ 6,084
Cumulative unrealized gain (loss) on Neo Medical preferred equity securities	\$ (6,092)	\$ 413

The following table provides a reconciliation of the beginning and ending balances of the Convertible Loan, which was measured at fair value using significant unobservable inputs:

(Unaudited, U.S. Dollars, in thousands)	2024	2023
Fair value of Neo Medical Convertible Loan at January 1	\$ 6,760	\$ 7,140
Gains (losses) recorded for the period		
Recognized in other comprehensive income	1,671	109
Interest recognized in interest income, net	162	367
Foreign currency remeasurement recognized in other income (expense), net	(602)	54
Reversal of expected credit loss recognized in other income (expense), net	260	—
Conversion into preferred equity securities	(8,224)	—
Realized foreign currency loss recognized in other income (expense), net	(27)	—
Fair value of Neo Medical Convertible Loan at September 30	\$ —	\$ 7,670
Contractual value of Neo Medical Convertible Loan at September 30	\$ —	\$ 6,328
Allowance for credit loss recognized in other income (expense), net	—	—
Amortized cost basis of Neo Medical Convertible Loan at September 30	\$ —	\$ 6,328

Other Investments

Other investments represent assets and investments recorded at fair value that are not deemed to be material for disclosure on an individual basis. The fair value of these assets is based upon significant unobservable inputs, such as probability-weighted discounted cash flow models, requiring the Company to develop its own assumptions. Therefore, the Company has categorized these assets as Level 3 financial assets.

Lattus Contingent Consideration

In December 2022, prior to the consummation of the Merger, SeaSpine entered into a purchase agreement with Lattus Spine LLC ("Lattus") pursuant to which a contingent consideration obligation exists. Under the terms of the agreement, SeaSpine may be required to make installment payments at certain dates based on future net sales of certain products (the "Lateral Products").

The Company estimates the fair value of the Lattus contingent consideration using a Monte Carlo simulation and a discounted cash flow model requiring significant inputs which are not observable in the market. The significant inputs include assumptions related to the estimated future sales of the products, revenue risk-adjusted discount rates, revenue volatility, and discount rates matched to the timing of payments. The following table provides a reconciliation of the beginning and ending balances for the Lattus contingent consideration measured at estimated fair value using significant unobservable inputs (Level 3):

(Unaudited, U.S. Dollars, in thousands)	2024	2023
Lattus contingent consideration estimated fair value at January 1	\$ 8,500	\$ —
Contingent consideration assumed in the Merger	—	11,200
Increase (decrease) in fair value recognized in acquisition-related amortization and remeasurement	6,210	(2,100)
Lattus contingent consideration estimated fair value at September 30	\$ 14,710	\$ 9,100

The following table provides quantitative information related to certain key assumptions utilized within the valuation as of September 30, 2024:

(Unaudited, U.S. Dollars, in thousands)	Fair Value as of September 30, 2024	Unobservable inputs	Estimate
Lattus Contingent Consideration	\$ 14,710	Counterparty discount rates	8.6% - 9.1%
		Revenue risk-adjusted discount rates	6.7% - 7.7%

8. Commitments and Contingencies

In addition to the matters described in the paragraphs below, in the normal course of its business, the Company is involved in various lawsuits from time to time and may be subject to certain other contingencies. The Company believes any losses related to these matters are individually and collectively immaterial as to a possible loss and range of loss.

Arbitration claims with former executives

In September 2023, the Company's Board of Directors (the "Board") terminated the employment of Keith Valentine, John Bostjancic, and Patrick Keran, who had served respectively as the Company's President and Chief Executive Officer, Chief Financial Officer, and Chief Legal Officer. The Board's decision followed an investigation conducted by independent outside legal counsel and directed and overseen by the Company's independent directors. As a result of the investigation, the Board determined that each of these executives engaged in repeated inappropriate and offensive conduct that violated multiple code of conduct requirements and was inconsistent with the Company's values and culture. The Company notified each of Messrs. Valentine, Bostjancic, and Keran that their respective terminations were being made for "Cause," as defined in applicable employment-related agreements (including each executive's respective Change in Control and Severance Agreement, dated June 19, 2023). The Company also notified each of Messrs. Valentine, Bostjancic, and Keran that it did not believe it was required to make any further payments to them, other than payment of salary through September 12, 2023. The Board also requested that Mr. Valentine resign as a director, which he did in October 2023.

In January 2024, the Company received written notices of arbitration claims from counsel to Messrs. Valentine, Bostjancic, and Keran. Each of the arbitration claims asserts that the respective former executive was wrongfully terminated for "Cause" because the former executive's conduct did not meet the contractually applicable definition of "Cause." The claims seek relief for, among other things, alleged breach of contract, defamation, false light invasion of privacy, deceit, as well as indemnification and advancement for attorneys' fees. The three former executives seek severance payments, as well as the value of forfeited equity grants under applicable change in control and severance agreements and further damages as a result of purported defamatory statements. The Company disagrees with many of the assertions contained in the written notices of arbitration claims and intends to vigorously defend the asserted claims. Due in part to the preliminary nature of this matter, the Company currently cannot reasonably estimate a possible loss, or range of loss, that may arise from the arbitration claims.

Securities class action complaints

On August 21, 2024, a securities class action complaint captioned Bernal v. Orthofix Medical Inc., et al., Case No. 24-cv-00690, was filed in the United States District Court for the District of Texas (the "Bernal Complaint"). The plaintiff, a purported Company shareholder, alleges through the complaint violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, and SEC Rule 10b-5 promulgated thereunder, and names as defendants the Company and the following former Company directors and officers: Jon Serbousek (former director and former President and Chief Executive Officer), Keith Valentine (former director and former President and Chief Executive Officer), John Bostjancic (former Chief Financial Officer), and Patrick Keran (former Chief Legal

Officer). The complaint alleges that the Company made, and the named former directors and officers caused the Company to make, materially false and misleading statements between October 11, 2022 and September 12, 2023 that, according to the complaint, falsely assured the market regarding Messrs. Valentine, Bostjancic and Keran's respective commitments to, among other things, ethical and legal standards and corporate responsibility.

On September 6, 2024, a securities class action complaint captioned O'Hara v. Orthofix Medical Inc., et al., Case No. 24-cv-01593, was filed in the United States District Court for the Southern District of California. The plaintiff, a purported former shareholder of SeaSpine at the time of the Merger, alleges through the complaint violations of Sections 11, 12 and 15 of the Securities Act of 1933, and names most of the same defendants as the Bernal Complaint, as well as certain additional current and/or former Company directors and officers. The complaint makes similar assertions to the Bernal complaint, and alleges that the Company's registration statement on Form S-4 filed in 2022 in connection with the Merger, as well as related written and oral offering materials, contained untrue statements of material fact and material omissions, including, among other things, with respect to the effectiveness of the Company's internal controls.

On October 28, 2024, a derivative shareholder complaint was filed against certain of the Company's current and former officers and directors alleging derivative liability for the allegations made in the two complaints noted above.

The Company disagrees with the legal claims asserted in each complaint and intends to defend all complaints vigorously. Due in part to the preliminary nature of these three matters, the Company currently cannot reasonably estimate a possible loss, or range of loss, that may arise from the respective complaints.

Commitments

As a result of the Merger, the Company became party to agreements with certain distributor partners that provide the Company with an option to purchase, and an option for those partners to require the Company to purchase, the distribution business of those partners at specified future dates. At such time, the Company or distributor may (in certain cases, subject to satisfying certain conditions) submit written notice to the other of its intention to exercise its rights and initiate or require the purchase. Upon receipt of the written notice, the Company and the distributor will work in good faith to consummate the purchase. Under certain of these agreements, the purchase price would be paid in shares of the Company's common stock, whereas for others, the purchase price can be paid in cash or shares, at the Company's option. Based on the closing price of the Company's common stock as of September 30, 2024, assuming the options under all the relevant agreements were exercised, the estimated total number of shares the Company would issue under these agreements was approximately 0.3 million shares for agreements that must be settled in shares of the Company's stock. The Company has received notification from one such distributor, who has notified the Company of its decision to exercise its buyout option. The Company is currently in negotiations with this distributor in regards to the consummation of the potential acquisition.

Italian Medical Device Payback ("IMDP")

In 2015, the Italian Parliament introduced rules for entities that supply goods and services to the Italian National Healthcare System. A key provision of the law is a 'payback' measure, requiring medical device companies in Italy to make payments to the Italian government if medical device expenditures exceed regional maximum ceilings. Companies are required to make payments equal to a percentage of expenditures exceeding maximum regional caps.

In the third quarter of 2022, the Italian Ministry of Health provided guidelines to the Italian regions and provinces on seeking payback of expenditure overruns relating to the 2015 through 2018 calendar years. Since receiving the guidelines, several regions and provinces have requested payment from affected medical device companies, including the Company. The Company has taken legal action to dispute the legality of such measures. In July 2024, the Italian Constitutional Court issued two judgments following public hearings on the matter held in May 2024. These judgments (i) declared the payback system itself as constitutionally legitimate and (ii) extended previously communicated reductions in the payback liability for certain fiscal years to all medical device companies, regardless of whether or not they had waived their legal claims on the matter.

The Company accounts for the estimated cost of the IMDP as sales and marketing expense and periodically reassesses the liability based upon current facts and circumstances. As a result, the Company recorded an expense of \$0.3 million and \$0.9 million for the three and nine months ended September 30, 2024, respectively, and an expense of \$0.2 million and \$0.8 million for the three and nine months ended September 30, 2023, respectively. As of September 30, 2024, the Company has accrued \$8.6 million related to the IMDP, which it has classified within other long-term liabilities; however, the actual liability could be higher or lower than the amount accrued once all legal proceedings are resolved and upon further clarification of the IMDP by the Italian authorities for more recent fiscal years.

9. Accumulated other comprehensive loss

The components of and changes in accumulated other comprehensive loss were as follows:

(Unaudited, U.S. Dollars, in thousands)	Currency Translation Adjustments	Neo Medical Convertible Loan	Other Investments	Accumulated Other Comprehensive Income (Loss)
Balance at December 31, 2023	\$ (1,065)	\$ (228)	\$ —	\$ (1,293)
Other comprehensive income	391	1,671	—	2,062
Income taxes	—	—	—	—
Reclassification adjustment to:				
Other expense, net	—	(1,671)	—	(1,671)
Balance at September 30, 2024	\$ (674)	\$ (228)	\$ —	\$ (902)

10. Revenue recognition and accounts receivable

Revenue Recognition

The Company has two reporting segments: Global Spine and Global Orthopedics. Within the Global Spine reporting segment, there are two product categories: (i) Bone Growth Therapies, and (ii) Spinal Implants, Biologics, and Enabling Technologies.

The table below presents net sales by product category by reporting segment:

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,		
	2024	2023	Change
Bone Growth Therapies	\$ 57,925	\$ 53,359	8.6%
Spinal Implants, Biologics, and Enabling Technologies	108,179	100,993	7.1%
Global Spine	166,104	154,352	7.6%
Global Orthopedics	30,502	29,654	2.9%
Net sales	\$ 196,606	\$ 184,006	6.8%

(Unaudited, U.S. Dollars, in thousands)	Nine Months Ended September 30,		
	2024	2023	Change
Bone Growth Therapies	\$ 169,537	\$ 153,735	10.3%
Spinal Implants, Biologics, and Enabling Technologies	325,894	307,799	5.9%
Global Spine	495,431	461,534	7.3%
Global Orthopedics	88,403	84,692	4.4%
Net sales	\$ 583,834	\$ 546,226	6.9%

Product Sales and Marketing Service Fees

The table below presents product sales and marketing service fees, which are both components of net sales:

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Product sales	\$ 184,040	\$ 170,666	\$ 545,288	\$ 506,992
Marketing service fees	12,566	13,340	38,546	39,234
Net sales	\$ 196,606	\$ 184,006	\$ 583,834	\$ 546,226

Product sales primarily consist of the sale of bone growth therapies devices, spinal implants, certain biologics, enabling technologies, and orthopedics products. Marketing service fees are received from MTF Biologics ("MTF") based on total sales of biologics tissues sourced from MTF and relate solely to the Global Spine reporting segment. The Company partners with MTF to provide certain allograft solutions ("HCT/Ps") for various spine, orthopedic and other bone repair needs, with this partnership allowing the Company to exclusively market certain biologic offerings.

Accounts receivable and related allowances

The following table provides a detail of changes in the Company's allowance for expected credit losses for the three and nine months ended September 30, 2024 and 2023:

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Allowance for expected credit losses beginning balance	\$ 8,368	\$ 7,015	\$ 7,130	\$ 6,419
Addition resulting from the Merger with SeaSpine	—	—	—	137
Current period provision for expected credit losses	486	415	2,059	905
Write-offs charged against the allowance and other	(1,118)	(214)	(1,321)	(334)
Effect of changes in foreign exchange rates	142	(126)	10	(37)
Allowance for expected credit losses ending balance	\$ 7,878	\$ 7,090	\$ 7,878	\$ 7,090

11. Business segment information

The Company's operations are managed through two reporting segments: Global Spine and Global Orthopedics. These reporting segments represent the operating segments for which the President and Chief Executive Officer, who is also the CODM, reviews financial information and makes resource allocation decisions among businesses. The primary metric used by the CODM in managing the Company is adjusted earnings before interest, tax, depreciation, and amortization ("adjusted EBITDA", a non-GAAP financial measure). Adjusted EBITDA represents earnings before interest income (expense), income taxes, depreciation, and amortization, and excludes the impact of share-based compensation, gains and losses related to changes in foreign exchange rates, charges related to the SeaSpine merger and other strategic investments, acquisition-related fair value adjustments, gains and/or losses on investments, litigation and investigation charges, charges related to initial compliance with regulations set forth by the European Union Medical Device Regulation, and succession charges.

Corporate activities are comprised of operating expenses not directly identifiable within the two reporting segments, such as human resources, finance, legal, and information technology functions. The Company neither discretely allocates assets, other than goodwill, to its operating segments nor evaluates the operating segments using discrete asset information.

Global Spine

The Global Spine reporting segment offers two primary product categories: (i) Bone Growth Therapies and (ii) Spinal Implants, Biologics, and Enabling Technologies.

The Bone Growth Therapies product category manufactures, distributes, sells, and provides support services for market-leading devices used adjunctively in high-risk spinal fusion procedures and to treat both nonunion and acute fractures in the orthopedic space. These Class III medical devices are indicated as an adjunctive, noninvasive treatment to improve fusion success rates in the cervical and lumbar spine as well as a therapeutic treatment for non-spine acute and nonunion fractures. This product category uses distributors and a direct sales channel to sell its devices to hospitals, healthcare providers, and patients, in the U.S.

Spinal Implants, Biologics, and Enabling Technologies is comprised of (i) a broad portfolio of spine fixation and motion preservation implant products used in surgical procedures of the spine, (ii) one of the most comprehensive biologics portfolios in both the demineralized bone matrix and cellular allograft market segments, and (iii) image-guided surgical solutions to facilitate degenerative, minimally invasive, and complex surgical procedures. Spinal Implants, Biologics, and Enabling Technologies products are sold through a network of distributors and sales representatives to hospitals and healthcare providers on a global basis for Spinal Implants and Enabling Technologies, and primarily within the U.S. for Biologics.

Global Orthopedics

The Global Orthopedics reporting segment offers products and solutions for limb deformity correction and complex limb reconstruction with a focus on use in trauma, adult and pediatric limb reconstruction, and foot and ankle procedures. This reporting segment specializes in the design, development, and marketing of external and internal fixation orthopedic products that are coupled with enabling digital technologies to serve the complete patient treatment pathway. We sell these products through a global network of distributors and sales representatives to hospitals, healthcare organizations, and healthcare providers.

The following table presents adjusted EBITDA, the primary metric used in managing the Company, by reporting segment:

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Adjusted EBITDA by reporting segment				
Global Spine	\$ 26,795	\$ 22,593	\$ 74,373	\$ 58,832
Global Orthopedics	3,271	477	1,958	386
Adjusted EBITDA	\$ 30,066	\$ 23,070	\$ 76,331	\$ 59,218
<i>Reconciling items:</i>				
Corporate operating expenses	\$ 10,886	\$ 9,549	\$ 32,853	\$ 32,574
Interest expense, net	5,210	1,576	14,711	4,131
Depreciation and amortization	15,173	13,097	44,067	39,094
Share-based compensation expense	6,531	6,274	25,290	32,540
Foreign exchange impact	(1,176)	1,909	1,263	1,057
SeaSpine merger-related costs	2,616	5,416	12,992	34,362
Strategic investments	39	484	470	1,454
Acquisition-related fair value adjustments	5,017	7,122	15,351	26,907
Interest and loss on investments	3,567	429	5,120	429
Litigation and investigation costs	8,335	3,851	10,318	5,611
Succession charges	505	(92)	8,061	170
Medical device regulation	—	1,840	—	7,519
Loss before income taxes	\$ (26,637)	\$ (28,385)	\$ (94,165)	\$ (126,630)

The following table presents depreciation and amortization by reporting segment:

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Global Spine	\$ 11,512	\$ 10,255	\$ 34,484	\$ 30,222
Global Orthopedics	2,964	1,823	7,363	5,171
Corporate	697	1,019	2,220	3,701
Total	\$ 15,173	\$ 13,097	\$ 44,067	\$ 39,094

Geographical information

The table below presents net sales by geographic destination for each reporting segment and for the consolidated Company:

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
<i>Global Spine</i>				
U.S.	\$ 158,036	\$ 145,764	\$ 469,092	\$ 432,581
International	8,068	8,588	26,339	28,953
Total Global Spine	166,104	154,352	495,431	461,534
<i>Global Orthopedics</i>				
U.S.	8,604	7,482	24,500	21,341
International	21,898	22,172	63,903	63,351
Total Global Orthopedics	30,502	29,654	88,403	84,692
<i>Consolidated</i>				
U.S.	166,640	153,246	493,592	453,922
International	29,966	30,760	90,242	92,304
Net sales	\$ 196,606	\$ 184,006	\$ 583,834	\$ 546,226

The following data includes net sales by geographic area:

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
U.S.	\$ 166,640	\$ 153,246	\$ 493,592	\$ 453,922
Italy	5,142	4,552	15,401	14,669
France	2,996	2,934	9,022	8,205
United Kingdom	2,937	2,932	8,191	8,252
Germany	2,165	3,268	6,663	8,627
Brazil	1,096	1,842	4,332	4,607
Others	15,630	15,232	46,633	47,944
Net Sales	\$ 196,606	\$ 184,006	\$ 583,834	\$ 546,226

The following data includes property, plant, and equipment by geographic area:

(U.S. Dollars, in thousands)	September 30, 2024	December 31, 2023
	(Unaudited)	
U.S.	\$ 131,653	\$ 142,727
Italy	9,636	10,187
Germany	2,197	3,030
Others	3,199	3,116
Total	\$ 146,685	\$ 159,060

12. Acquisition-related amortization and remeasurement

Acquisition-related amortization and remeasurement consists of (i) amortization related to intangible assets acquired through business combinations or asset acquisitions and (ii) remeasurement of any related contingent consideration arrangements. Components of acquisition-related amortization and remeasurement are as follows:

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Amortization of acquired intangibles	\$ 4,551	\$ 4,370	\$ 13,095	\$ 13,137
Changes in fair value of contingent consideration	1,970	(800)	6,210	(2,100)
Total	\$ 6,521	\$ 3,570	\$ 19,305	\$ 11,037

13. Share-based compensation

Components of share-based compensation expense are as follows:

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Cost of sales	\$ 486	\$ 463	\$ 1,576	\$ 1,416
Sales and marketing	1,319	2,092	4,422	6,892
General and administrative	4,022	2,832	17,017	21,103
Research and development	704	887	2,275	3,129
Total	\$ 6,531	\$ 6,274	\$ 25,290	\$ 32,540

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Stock options	\$ 836	\$ 1,429	\$ 3,336	\$ 6,582
Market-based stock options	631	—	1,457	—
Time-based restricted stock awards and units	3,163	4,263	15,290	24,344
Market-based / performance-based restricted stock units	1,398	54	3,539	167
Stock purchase plan	503	528	1,668	1,447
Total	\$ 6,531	\$ 6,274	\$ 25,290	\$ 32,540

Pursuant to the Merger Agreement, the equity awards of SeaSpine (including stock options and restricted stock units) outstanding as of immediately prior to the closing of the Merger were converted into equity awards denominated in shares of Orthofix common stock. The Company issued options to purchase 1.9 million shares of Orthofix common stock and 0.5 million shares of time-based vesting restricted stock units in connection with the conversion of such awards. The estimated fair value of the portion of the SeaSpine equity awards for which the required service period had been completed at the time of the closing of the Merger was treated as purchase consideration. The remaining estimated fair value is recorded as compensation expense over the remainder of the service period associated with the awards.

During the three months ended September 30, 2024, and 2023, the Company issued 0.2 million and less than 0.1 million shares, respectively, of common stock related to stock purchase plan issuances, stock option exercises, and the vesting of restricted stock awards and units. During the nine months ended September 30, 2024, and 2023, the Company issued 1.0 million and 0.5 million shares, respectively, of common stock related to stock purchase plan issuances, stock option exercises, and the vesting of restricted stock awards and units.

Inducement plans

During 2024, the Company has appointed several new executives, including a new President and Chief Executive Officer, Chief Financial Officer, Chief People & Business Operations Officer, Chief Legal Officer, President of Global Spine, Chief Investor Relations and Communications Officer, President of Global Operations and Quality, Chief Human Resources Officer, and President of Global Orthopedics. As inducements to accept employment with the Company, the individuals were awarded grants including, dependent on the individual, (i) market-based and/or time-based stock options, (ii) time-based restricted stock units, (iii) time-based cliff vesting restricted stock units, and (iv) market-based restricted stock units, with an aggregate value across all award types of approximately \$22.6 million.

14. Income taxes

Generally, income tax provisions for interim periods are based on an estimated annual income tax rate, adjusted for discrete tax items, with any changes affecting the estimated annual effective tax rate recorded in the interim period in which the change occurs. Due to the impact of losses not benefited by the Company's U.S. and Italian operations, the Company determined the estimated annual effective tax rate method would not provide a reliable estimate of the Company's overall annual effective tax rate. As such, the Company has calculated the tax provision using the actual effective rate for the three and nine months ended September 30, 2024. Due to the impact of temporary differences on the U.S. current tax liability without any deferred tax benefit, the actual effective rate may vary in future quarters.

For the three months ended September 30, 2024, and 2023, the effective tax rate was (2.8%) and (1.7%), respectively. For the nine months ended September 30, 2024, and 2023, the effective tax rate was (2.9%) and (2.0%), respectively. The primary factors affecting the Company's effective tax rate for the three and nine months ended September 30, 2024, were certain losses not benefited and tax amortization on certain acquired intangibles.

We were notified in October 2024 that the Italian Tax Agency would begin an audit of the Company's subsidiary in Italy for the 2020 tax year. The Company cannot reasonably determine if this examination will have a material impact on its financial statements and cannot predict the timing regarding resolution of the tax examination.

15. Earnings per share ("EPS")

For the three and nine months ended September 30, 2024, no adjustments were made to net income for purposes of calculating basic and diluted EPS. The following is a reconciliation of the weighted average shares used in diluted EPS computations.

(Unaudited, In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Weighted average common shares-basic	38,488	37,249	37,941	36,588
Effect of dilutive securities				
Unexercised stock options and stock purchase plan	—	—	—	—
Unvested restricted stock units	—	—	—	—
Weighted average common shares-diluted	38,488	37,249	37,941	36,588

There were 7.2 million and 6.3 million weighted average outstanding stock options and restricted stock units not included in the diluted EPS computation for the three months ended September 30, 2024, and 2023, respectively, and 7.0 million and 6.8 million weighted average outstanding stock options and restricted stock units not included in the diluted EPS computation for the nine months ended September 30, 2024, and 2023, respectively, because inclusion of these awards was anti-dilutive.

16. Subsequent Events

On November 7, 2024, the Company, as borrower, and its U.S. subsidiaries entered into a \$275 million secured credit agreement (the "New Credit Agreement") with Oxford Finance LLC, as administrative agent and as collateral agent ("Oxford") and certain lenders party thereto, including Oxford and K2 Healthventures LLC. Certain of the Company's foreign subsidiaries are expected to join the New Credit Agreement as guarantors shortly after the signing date. The New Credit Agreement provides for a \$160 million senior secured term loan (the "Initial Term Loan"), and a \$65 million senior secured delayed draw term loan facility (the "Term B Loan"). Draws under the Term B Loan are at the Company's option from January 1, 2025 through June 30, 2026, subject to, among other conditions, the Company's continuing compliance with a pro-forma total debt-to-EBITDA leverage ratio of less than 4.0x. EBITDA is a non-GAAP financial measure which represents earnings before interest income (expense), income taxes, depreciation, amortization, and other negotiated addbacks and adjustments. In addition, at Oxford's discretion, an additional \$50 million of draw capacity is available to the Company, through January 1, 2029 (the "Term C Loan" and, together with the Term B Loan, the "Delayed Draw Term Loans" and collectively with the Initial Term Loan, the "Credit Facilities"). The Initial Term Loan and Delayed Draw Term Loans, to the extent ultimately drawn, will each mature in November 2029, following an interest-only payment period ending December 2028, and monthly amortization of principal and accrued interest between January 2029 and November 2029.

The Credit Facilities will be secured by a perfected first priority lien, or the equivalent security interest in each applicable jurisdiction, on substantially all of the assets of the Company and the applicable guarantors (subject to customary carveouts), including their respective U.S. intellectual property assets.

The Company expects to promptly fund the Initial Term Loan under the New Credit Agreement to repay all amounts outstanding under the Revolving Credit Facility with Blue Torch Finance LLC and terminate the Financing Agreement with Blue Torch. In addition to the repayment of existing debt, borrowings under the New Credit Agreement may be used for general corporate purposes.

Borrowings under the Credit Facilities bear interest at a percentage rate equal to the greater of 8.75% or 5.75% plus the one-month term SOFR rate. A facility fee equal to 1.5% of each applicable funded loan tranche is due at the time of funding of such respective tranche, and a 0.5% unused line fee is payable annually on the Term B Loan.

The New Credit Agreement contains customary affirmative and negative covenants, including limitations on the Company's and its subsidiaries' ability to incur additional debt, grant or permit additional liens, make certain investments and acquisitions, merge or consolidate with others, dispose of certain assets, pay dividends and distributions, pay subordinated indebtedness, and enter into affiliate transactions, as well as financial covenants that the Company (i) possess at least \$45 million of unrestricted cash at the time the Initial Term Loan is funded and thereafter maintain \$15 million of unrestricted cash in U.S.-based accounts, and (ii) maintain a maximum total debt-to-EBITDA leverage ratio no greater than 4.0x during the term of the facility.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of Orthofix Medical Inc.’s (sometimes referred to as “we,” “us” or “our”) financial condition and results of operations should be read in conjunction with the discussion under the heading “Forward-Looking Statements” and our condensed consolidated financial statements and related notes thereto appearing elsewhere in this Form 10-Q.

Executive Summary

We are a global medical technology company headquartered in Lewisville, Texas. By providing medical technologies that heal musculoskeletal pathologies, we deliver exceptional experiences and life-changing solutions to patients around the world. We offer a comprehensive portfolio of spinal hardware, bone growth therapies, specialized orthopedic solutions, biologics, and enabling technologies, including the 7D FLASH navigation system. To learn more, visit Orthofix.com and follow on LinkedIn. Information included on our website is not incorporated into, or otherwise creates a part of, this report.

Notable financial metrics in the third quarter of 2024 and recent achievements include the following:

- Third quarter 2024 net sales of \$196.6 million, an increase of 7% on a reported and constant currency basis compared to third quarter 2023
- U.S. Spine Fixation net sales growth of 18% compared to third quarter 2023, driven by distribution expansion and further penetration in existing accounts
- Bone Growth Therapies net sales growth of 9% and Bone Growth Therapies Fracture growth of 13% compared to third quarter 2023
- U.S. Orthopedics net sales growth of 15% compared to third quarter of 2023
- Entered into record number of 7D FLASH Navigation System earnout agreements and matched record for highest number of 7D placements in any quarter to date
- Achieves free cash flow of \$5.9 million in third quarter 2024, a significant improvement in cash usage compared to previous quarters
- Announces new \$275 million credit facility that replaces existing financing and further optimizes our capital structure to support long-term profitable growth

Results of Operations

The following table provides certain items in our condensed consolidated statements of operations as a percent of net sales:

(Unaudited)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024 (%)	2023 (%)	2024 (%)	2023 (%)
Net sales	100.0	100.0	100.0	100.0
Cost of sales	31.3	34.9	32.0	36.0
Gross profit	68.7	65.1	68.0	64.0
Sales and marketing	49.1	51.7	50.8	52.7
General and administrative	17.1	14.7	17.0	20.2
Research and development	8.8	10.1	9.4	11.2
Acquisition-related amortization and remeasurement	3.3	1.9	3.3	2.0
Operating loss	(9.6)	(13.3)	(12.5)	(22.1)
Net loss	(13.9)	(15.7)	(16.6)	(23.7)

Net Sales by Product Category and Reporting Segment

Our operations are managed through two reporting segments: Global Spine and Global Orthopedics. The following tables provide net sales by product category by reporting segment:

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,		Percentage Change	
	2024	2023	Reported	Constant Currency
Bone Growth Therapies	\$ 57,925	\$ 53,359	8.6 %	8.6 %
Spinal Implants, Biologics, and Enabling Technologies	108,179	100,993	7.1 %	7.1 %
Global Spine	166,104	154,352	7.6 %	7.6 %
Global Orthopedics	30,502	29,654	2.9 %	2.5 %
Net sales	\$ 196,606	\$ 184,006	6.8 %	6.8 %

(Unaudited, U.S. Dollars, in thousands)	Nine Months Ended September 30,		Percentage Change	
	2024	2023	Reported	Constant Currency
Bone Growth Therapies	\$ 169,537	\$ 153,735	10.3 %	10.3 %
Spinal Implants, Biologics, and Enabling Technologies	325,894	307,799	5.9 %	5.9 %
Global Spine	495,431	461,534	7.3 %	7.3 %
Global Orthopedics	88,403	84,692	4.4 %	4.2 %
Net sales	\$ 583,834	\$ 546,226	6.9 %	6.9 %

Global Spine

Global Spine offers the following product categories:

- Bone Growth Therapies, which manufactures, distributes, sells, and provides support services for market-leading devices used adjunctively in high-risk spinal fusion procedures and treats both nonunion and acute fractures in the orthopedic space. Bone Growth Therapies uses distributors and a direct sales channel to sell its devices and provide associated support services to hospitals, healthcare providers, and patients in the U.S.
- Spinal Implants, Biologics, and Enabling Technologies is comprised of a broad portfolio of spine fixation and motion preservation implant products used in surgical procedures of the spine, which includes one of the most comprehensive biologics portfolios in both the demineralized bone matrix and cellular allograft market segments and image-guided surgical solutions to facilitate degenerative, minimally invasive, and complex surgical procedures. Spinal Implants, Biologics, and Enabling Technologies products are sold through a network of distributors and sales representatives to hospitals and healthcare providers on a global basis for Spinal Implants and Enabling Technologies, and primarily within the U.S. for Biologics.

Three months ended September 30, 2024 compared to 2023

Net sales of \$166.1 million, an increase of \$11.8 million or 7.6%

- Bone Growth Therapies net sales increased \$4.6 million, or 8.6%, largely driven by (i) an increase in gross order volumes resulting from our continued investment in our direct sales channel for both the spine and fracture markets, (ii) capitalization of cross-selling opportunities, and (iii) continued growth and adoption of AccelStim, which is used in the healing of fresh and nonunion fractures
- Spinal Implants, Biologics, and Enabling Technologies net sales increased \$7.2 million, or 7.1%, primarily due to increased sales growth from new and existing high-volume distribution partners, particularly within Spinal Implants, which saw growth in each of our cervical, interbody, and thoracolumbar franchises

Nine months ended September 30, 2024 compared to 2023

Net sales of \$495.4 million, an increase of \$33.9 million or 7.3%

- Bone Growth Therapies net sales increased \$15.8 million or 10.3%, driven by (i) an increase in gross order volumes resulting from our continued investment in our direct sales channel for both the spine and fracture markets, (ii) capitalization of cross-selling opportunities, and (iii) continued growth and adoption of AccelStim
- Spinal Implants, Biologics, and Enabling Technologies net sales increased \$18.1 million, or 5.9%, primarily due to increased sales growth from new and existing high-volume distribution partners, particularly within Spinal Implants and Biologics, which saw growth in each of our cervical, interbody, thoracolumbar, and demineralized bone matrices franchises

Global Orthopedics

Global Orthopedics offers products and solutions that allow physicians to successfully treat a variety of orthopedic conditions specifically related to limb reconstruction and deformity correction unrelated to the spine. Global Orthopedics distributes its products worldwide through a network of distributors and sales representatives to sell orthopedic products to hospitals and healthcare providers.

Three months ended September 30, 2024 compared to 2023

Net sales of \$30.5 million, an increase of \$0.8 million or 2.9%

- U.S. growth of \$1.1 million, or 15.0%, largely due to investments made in recent product launches, commercial execution within our sales channel, and from growth within our OSCAR PRO product line
- International decline of \$0.4 million, or (1.8)% on a constant currency basis, primarily driven by the timing of certain tender offers and stocking distributor orders
- Increase of \$0.1 million due to movement in foreign currency exchange rates, which had a favorable impact on net sales in the third quarter of 2024

Nine months ended September 30, 2024 compared to 2023

Net sales of \$88.4 million, an increase of \$3.7 million or 4.4%

- U.S. growth of \$3.2 million, or 14.8%, largely due to investments made in recent product launches, commercial execution within our sales channel, and from growth within our OSCAR PRO product line
- International growth of 0.6% on a constant currency basis, driven by recent product launches in Europe and offset by the timing of certain tender offers and stocking distributor orders
- Increase of \$0.2 million due to movement in foreign currency exchange rates, which had a favorable impact on net sales in 2024

Gross Profit

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	% Change	2024	2023	% Change
Net sales	\$ 196,606	\$ 184,006	6.8%	\$ 583,834	\$ 546,226	6.9%
Cost of sales	61,553	64,243	(4.2%)	186,790	196,583	(5.0%)
Gross profit	\$ 135,053	\$ 119,763	12.8%	\$ 397,044	\$ 349,643	13.6%
Gross margin	68.7%	65.1%	3.6%	68.0%	64.0%	4.0%

Three months ended September 30, 2024 compared to 2023

Gross profit increased \$15.3 million

- Increase in gross profit driven primarily by net sales growth across all principal product categories
- Increase of \$4.9 million driven by a reduction of amortization of the inventory fair value step-up recognized in the merger with SeaSpine Holdings Corporation ("SeaSpine"), consummated on January 5, 2023 (the "Merger"), which is being amortized over the expected sales cycles of the acquired inventory

- Increase of \$0.5 million driven by a reduction in certain inventory-related charges, primarily due to portfolio rationalization decisions made in the prior year related to the Merger

Nine months ended September 30, 2024 compared to 2023

Gross profit increased \$47.4 million

- Increase in gross profit driven primarily by net sales growth across all principal product categories
- Increase of \$19.9 million driven by a reduction of amortization of the inventory fair value step-up recognized in the Merger, which is being amortized over the expected sales cycles of the acquired inventory
- Increase of \$3.0 million driven by a reduction in certain inventory-related charges, primarily due to portfolio rationalization decisions made in the prior year related to the Merger

Sales and Marketing Expense

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	% Change	2024	2023	% Change
Sales and marketing	\$ 96,576	\$ 94,947	1.7 %	\$ 296,843	\$ 287,987	3.1 %
As a percentage of net sales	49.0 %	51.6 %	(2.6 %)	50.8 %	52.7 %	(1.9 %)

Three months ended September 30, 2024 compared to 2023

Sales and marketing expense increased \$1.6 million

- Increase of \$2.7 million in variable compensation expenses, including commissions, largely resulting from changes in sales volume and sales mix
- Increase of \$2.3 million in depreciation expense related to an increase in deployed instrumentation to support increased sales demand
- Partially offset by a decrease of \$2.2 million in other compensation expenses, including share-based compensation, primarily due to the realization of synergies following the Merger

Nine months ended September 30, 2024 compared to 2023

Sales and marketing expense increased \$8.9 million

- Increase of \$8.0 million in variable compensation expenses, including commissions, largely resulting from changes in sales volume and sales mix
- Increase of \$6.6 million in depreciation expense related to an increase in deployed instrumentation to support increased sales demand
- Partially offset by a decrease of \$5.7 million in other compensation expenses, including share-based compensation, primarily due to the realization of synergies following the Merger

General and Administrative Expense

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	% Change	2024	2023	% Change
General and administrative	\$ 33,561	\$ 27,136	23.7 %	\$ 99,203	\$ 110,124	(9.9 %)
As a percentage of net sales	17.1 %	14.7 %	2.4 %	17.0 %	20.2 %	(3.2 %)

Three months ended September 30, 2024 compared to 2023

General and administrative expense increased \$6.4 million

- Increase of \$4.9 million driven by an unfavorable change in litigation and investigation-related costs
- Increase of \$1.2 million in share-based compensation expense primarily due to accelerated vesting of certain equity-based awards as a result of the departure of certain executives in 2024
- Increase of \$0.6 million in succession charges as a result of recent changes in executive leadership positions

- Partially offset by a reduction in general and administrative expenses by the realization of Merger-related synergies, primarily within professional fees

Nine months ended September 30, 2024 compared to 2023

General and administrative expense decreased \$10.9 million

- Decrease in integration-related expenses of \$17.4 million compared to prior year, primarily comprised of professional fees, advisor fees, and severance and retention costs
- Reduction in general and administrative expenses by the realization of Merger-related synergies, primarily from headcount and within professional fees
- Decrease of \$4.1 million in share-based compensation expense primarily due to accelerated vesting of certain equity-based awards as a result of the Merger recorded in 2023
- Partially offset by an increase of \$7.9 million in succession charges as a result of recent changes in executive leadership positions
- Further offset by an increase of \$5.9 million driven by an unfavorable change in litigation and investigation-related costs

Research and Development Expense

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	% Change	2024	2023	% Change
Research and development	\$ 17,294	\$ 18,559	(6.8 %)	\$ 54,835	\$ 61,290	(10.5 %)
As a percentage of net sales	8.8 %	10.1 %	(1.3 %)	9.4 %	11.2 %	(1.8 %)

Three months ended September 30, 2024 compared to 2023

Research and development expense decreased \$1.3 million

- Decrease of \$1.6 million in costs to comply with the European Union Medical Device Regulations
- Decrease of \$0.3 million related to merger and integration-related expenses, primarily related to severance and retention costs. In addition, research and development expenses were further reduced by the realization of Merger-related synergies

Nine months ended September 30, 2024 compared to 2023

Research and development expense decreased \$6.5 million

- Decrease of \$5.6 million in costs to comply with the European Union Medical Device Regulations
- Decrease of \$2.0 million related to merger and integration-related expenses, primarily related to severance and retention costs. In addition, research and development expenses were further reduced by the realization of Merger-related synergies
- Partially offset by an increase in product development and clinical expenses

Acquisition-related Amortization and Remeasurement

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	% Change	2024	2023	% Change
Acquisition-related amortization and remeasurement	\$ 6,521	\$ 3,570	82.7 %	\$ 19,305	\$ 11,037	74.9 %
As a percentage of net sales	3.3 %	1.9 %	1.4 %	3.3 %	1.9 %	1.4 %

Acquisition-related amortization and remeasurement consists of (i) amortization related to intangible assets acquired through business combinations or asset acquisitions and (ii) remeasurement of related contingent consideration arrangements, which are recognized immediately upon acquisition.

Three months ended September 30, 2024 compared to 2023

Acquisition-related amortization and remeasurement increased \$3.0 million

- Increase of \$2.8 million recognized in 2024 associated with the remeasurement of a contingent consideration obligation with Lattus Spine LLC assumed in the Merger
- Increase of \$0.2 million in amortization expense of intangible assets acquired in the Merger

Nine months ended September 30, 2024 compared to 2023

Acquisition-related amortization and remeasurement increased \$8.3 million

- Increase of \$8.3 million recognized in 2024 associated with the remeasurement of a contingent consideration obligation with Lattus Spine LLC assumed in the Merger

Non-operating Income and Expense

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	% Change	2024	2023	% Change
Interest expense, net	\$ (5,210)	\$ (1,576)	230.6 %	\$ (14,711)	\$ (4,131)	256.1 %
Other expense, net	(2,528)	(2,360)	7.1 %	(6,312)	(1,704)	270.4 %

Three months ended September 30, 2024 compared to 2023

Interest expense, net increased \$3.6 million

- Increase of \$3.3 million attributable to an increase in outstanding indebtedness as part of our Financing Agreement in 2024 compared to prior year
- Decrease of \$0.3 million of interest income resulting from the conversion of the convertible loan with Neo Medical into preferred equity securities in the second quarter of 2024

Other expense, net increased \$0.2 million

- Increase of \$3.0 million associated with the impairment of certain investments measured at fair value
- Offset by a decrease of \$3.1 million associated with changes in foreign currency exchange rates, as we recorded a non-cash remeasurement gain of \$1.2 million in the third quarter of 2024 compared to a loss of (\$1.9 million) in the third quarter of 2023

Nine months ended September 30, 2024 compared to 2023

Interest expense, net increased \$10.6 million

- Increase of \$10.1 million attributable to an increase in outstanding indebtedness as part of our Financing Agreement in 2024 compared to prior year
- Increase of \$0.6 million resulting from the conversion of the convertible loan with Neo Medical into preferred equity securities in the second quarter of 2024

Other expense, net increased \$4.6 million

- Increase of \$5.7 million associated with the impairment of certain investments measured at fair value
- Increase of \$0.2 million associated with changes in foreign currency exchange rates, as we recorded a non-cash remeasurement loss of (\$1.3 million) in 2024 compared to a loss of (\$1.1 million) in 2023
- Decrease of \$1.7 million associated with the gain recognized on conversion of the Neo Medical convertible loan into shares of equity

Income Taxes

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	% Change	2024	2023	% Change
Income tax expense	\$ 751	\$ 472	59.1 %	\$ 2,686	\$ 2,591	3.7 %
Effective tax rate	(2.8 %)	(1.7 %)	(1.1 %)	(2.9 %)	(2.0 %)	(0.9 %)

Three months ended September 30, 2024 compared to 2023

- The increase in tax expense compared to the prior year period is primarily due to increased tax on foreign operations
- The primary factor affecting our tax expense for the third quarter of 2024 compared to the prior year period was tax amortization on certain acquired intangibles and financial statement losses not benefited

Nine months ended September 30, 2024 compared to 2023

- The increase in tax expense compared to the prior year period is primarily due to increased tax on foreign operations
- The primary factor affecting our tax expense through the third quarter of 2024 compared to the prior year was tax amortization on certain acquired intangibles and financial statement losses not benefited

Liquidity and Capital Resources

Cash, cash equivalents, and restricted cash at September 30, 2024, totaled \$32.6 million compared to \$37.8 million at December 31, 2023. The following table presents the net change in cash, cash equivalents, and restricted cash for the nine months ended September 30, 2024, and 2023, respectively:

(Unaudited, U.S. Dollars, in thousands)	Nine Months Ended September 30,		
	2024	2023	Change
Net cash provided by (used in) operating activities	\$ 2,060	\$ (39,059)	\$ 41,119
Net cash (used in) investing activities	(26,445)	(18,078)	(8,367)
Net cash provided by financing activities	19,222	40,042	(20,820)
Effect of exchange rate changes on cash	(40)	58	(98)
Net change in cash and cash equivalents	\$ (5,203)	\$ (17,037)	\$ 11,834

The following table presents free cash flow, a non-GAAP financial measure, which is calculated by subtracting capital expenditures from net cash from operating activities:

(Unaudited, U.S. Dollars, in thousands)	Nine Months Ended September 30,		
	2024	2023	Change
Net cash provided by (used in) operating activities	\$ 2,060	\$ (39,059)	\$ 41,119
Capital expenditures	(26,345)	(46,997)	20,652
Free cash flow	\$ (24,285)	\$ (86,056)	\$ 61,771

Operating Activities

Cash flows from operating activities increased \$41.1 million

- Favorable change in net loss of \$32.4 million
- Unfavorable change of \$4.2 million associated with non-cash gains and losses, such as amortization of the inventory fair value step-up recognized in the Merger, share-based compensation, inventory reserve expenses, depreciation and amortization, and gains and losses resulting from changes in fair value of certain assets and liabilities
- Favorable change of \$13.0 million relating to changes in working capital accounts, primarily attributable to changes in inventories, accounts payable, and other current liabilities

Two of our primary working capital accounts are accounts receivable and inventory. Days sales in receivables were 58 days at September 30, 2024, compared to 57 days at September 30, 2023 (calculated using third quarter net sales and ending accounts receivable). Inventory turns improved to 1.2 times as of September 30, 2024 compared to 1.0 times as of September 30, 2023 (calculated using trailing twelve month cost of goods sold and ending net inventories).

Investing Activities

Cash flows from investing activities decreased \$8.4 million

- Decrease of \$29.4 million attributable to cash acquired as a result of the Merger in 2023
- Partially offset by a decrease in spend of \$20.7 million in capital expenditures and \$0.4 million in other investing activities

Financing Activities

Cash flows from financing activities decreased \$20.8 million

- Decrease of \$18.1 million associated with net borrowing activities related to our credit facilities and from our assumption of SeaSpine's outstanding indebtedness at the time of the Merger
- Decrease of \$1.9 million in debt issuance costs associated with the Financing Agreement with Blue Torch Financing LLC
- Decrease in net proceeds of \$0.7 million from the issuance of common shares

Credit Facilities

On November 6, 2023, we entered into a Financing Agreement (the "Financing Agreement") with Blue Torch Finance LLC and certain lenders party thereto. The Financing Agreement provides for a \$100.0 million senior secured term loan (the "Initial Term Loan"), a \$25.0 million senior secured delayed draw term loan facility (the "Delayed Draw Term Loan"), and a \$25.0 million senior secured revolving credit facility (the "Revolving Credit Facility," and together with the Initial Term Loan and the Delayed Draw Term Loan, the "Credit Facilities"), each of which mature on November 6, 2027. As of September 30, 2024, we had \$100.0 million outstanding under the Initial Term Loan and \$25.0 million outstanding under the Delayed Draw Term Loan.

The Financing Agreement contains financial covenants requiring us to maintain a minimum level of liquidity at all times, a maximum consolidated leverage ratio (measured on a quarterly basis), and a minimum asset coverage ratio (measured on a monthly basis). As of September 30, 2024, we were in compliance with all required financial covenants.

On March 15, 2024, we entered into Amendment No.1 to the Financing Agreement with Blue Torch Finance LLC (the "First Amendment"). Under the terms of the First Amendment, the parties agreed to reduce the number of business days to submit a notice of borrowing for the Delayed Draw Term Loan and redefine certain terms within the asset coverage financial covenant. The maturity date remains November 6, 2027, for each of the Initial Term Loan, Delayed Draw Term Loan, and Revolving Credit Facility.

As of September 30, 2024, we had no borrowings on our available lines of credit in Italy, which provide up to an aggregate amount of €5.5 million (\$6.1 million).

On November 7, 2024, the Company, as borrower, and its U.S. subsidiaries entered into a \$275 million secured credit agreement (the "New Credit Agreement") with Oxford Finance LLC, as administrative agent and as collateral agent ("Oxford") and certain lenders party thereto, including Oxford and K2 Healthventures LLC. Certain of the Company's foreign subsidiaries are expected to join the New Credit Agreement as guarantors shortly after the signing date. The New Credit Agreement provides for a \$160 million senior secured term loan (the "Initial Term Loan"), and a \$65 million senior secured delayed draw term loan facility (the "Term B Loan"). Draws under the Term B Loan are at the Company's option from January 1, 2025 through June 30, 2026, subject to, among other conditions, the Company's continuing compliance with a pro-forma total debt-to-EBITDA leverage ratio of less than 4.0x. EBITDA is a non-GAAP financial measure which represents earnings before interest income (expense), income taxes, depreciation, amortization, and other negotiated addbacks and adjustments. In addition, at Oxford's discretion, an additional \$50 million of draw capacity is available to the Company, through January 1, 2029 (the "Term C Loan" and, together with the Term B Loan, the "Delayed Draw Term Loans" and collectively with the Initial Term Loan, the "Credit Facilities"). The Initial Term Loan and Delayed Draw Term Loans, to the extent ultimately drawn, will each mature in November 2029, following an interest-only payment period ending December 2028, and monthly amortization of principal and accrued interest between January 2029 and November 2029.

The Credit Facilities will be secured by a perfected first priority lien, or the equivalent security interest in each applicable jurisdiction, on substantially all of the assets of the Company and the applicable guarantors (subject to customary carveouts), including their respective U.S. intellectual property assets.

The Company expects to promptly fund the Initial Term Loan under the New Credit Agreement to repay all amounts outstanding under the Revolving Credit Facility with Blue Torch Finance LLC and terminate the Financing Agreement with Blue Torch. In addition to the repayment of existing debt, borrowings under the New Credit Agreement may be used for general corporate purposes.

Borrowings under the Credit Facilities bear interest at a percentage rate equal to the greater of 8.75% or 5.75% plus the one-month term SOFR rate. A facility fee equal to 1.5% of each applicable funded loan tranche is due at the time of funding of such respective tranche, and a 0.5% unused line fee is payable annually on the Term B Loan.

The New Credit Agreement contains customary affirmative and negative covenants, including limitations on the Company's and its subsidiaries' ability to incur additional debt, grant or permit additional liens, make certain investments and acquisitions, merge or consolidate with others, dispose of certain assets, pay dividends and distributions, pay subordinated indebtedness, and enter into affiliate transactions, as well as financial covenants that the Company (i) possess at least \$45 million of unrestricted cash at the time the Initial Term Loan is funded and thereafter maintain \$15 million of unrestricted cash in U.S.-based accounts, and (ii) maintain a maximum total debt-to-EBITDA leverage ratio no greater than 4.0x during the term of the facility.

The Company believes it will be in compliance with the covenants in future fiscal quarters. However, there can be no assurance that the Company will be in such compliance, and if it is not, the failure to do so could result in an event of default, which could have a material adverse effect on the Company's financial position in the event that it continues to have significant amounts drawn under the Credit Facilities at such time.

Other

For information regarding contingencies, see Note 8 to the Notes to the Unaudited Condensed Consolidated Financial Statements contained herein.

Lattus Spine LLC ("Lattus") Contingent Consideration

Under the terms of a contingent consideration obligation in a purchase agreement assumed in the Merger, we may be required to make installment payments at certain dates based on future net sales of certain products (the "Lateral Products"). The estimated fair value of the contingent consideration arrangement as of September 30, 2024, was \$14.7 million; however, the actual amount ultimately paid could be higher or lower than the estimated fair value of the contingent consideration. As of September 30, 2024, we classified the remaining contingent consideration liability of \$6.6 million and \$8.1 million within other current liabilities and other long-term liabilities, respectively. For additional discussion of this matter, see Note 7 of the Notes to the Unaudited Condensed Consolidated Financial Statements.

Legion Innovations, LLC Asset Acquisition

On December 29, 2022, we entered into a technology assignment and royalty agreement with Legion Innovations, LLC, a U.S.-based medical device technology company, whereby we acquired intellectual property rights to certain assets. As consideration, we paid \$0.2 million in January 2023, with additional payments contingent upon reaching future commercialization and revenue-based milestones.

IGEA S.p.A Exclusive License and Distribution Agreement

In April 2021, we entered into an Exclusive License and Distribution Agreement (the "License Agreement") with IGEA S.p.A ("IGEA"), an Italian manufacturer and distributor of bone and cartilage stimulation systems. As consideration for the License Agreement, we agreed to pay up to \$4.0 million, of which \$0.5 million was paid in 2021, with certain payments contingent upon achieving an FDA milestone.

In May 2022, we received FDA approval for the acquired technology, which triggered a contingent consideration milestone obligation of \$3.5 million. Of this amount, \$1.5 million was paid in 2022, \$1.0 million was paid in May 2023, and the remaining \$1.0 million was paid in July 2024.

Off-balance Sheet Arrangements

As of September 30, 2024, we did not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, cash flows, liquidity, capital expenditures or capital resources that are material to investors.

Contractual Obligations

There have been no material changes in any of our material contractual obligations as disclosed in our Form 10-K for the year ended December 31, 2023.

Critical Accounting Estimates

Our discussion of operating results is based upon the condensed consolidated financial statements and accompanying notes. The preparation of these statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Our critical accounting estimates are described in Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2023. There have been no significant changes to our critical accounting estimates during the quarter covered by this report.

Recently Issued Accounting Pronouncements

See Note 2 of the Notes to the Unaudited Condensed Consolidated Financial Statements for detailed information regarding the status of recently issued or adopted accounting pronouncements.

Non-GAAP Financial Measures

We believe that providing non-GAAP financial measures that exclude certain items provides investors with greater transparency to the information used by senior management in its financial and operational decision-making. We believe it is important to provide investors with the same non-GAAP financial measures used to supplement information regarding the performance and underlying trends of our business operations to facilitate comparisons to historical operating results and internally evaluate the effectiveness of our operating strategies. Disclosure of these non-GAAP financial measures also facilitates comparisons of our underlying operating performance with other companies in the industry that also supplement their U.S. GAAP results with non-GAAP financial measures.

The non-GAAP financial measures used in this filing may have limitations as analytical tools and should not be considered in isolation or as a replacement for U.S. GAAP financial measures. Some limitations associated with the use of these non-GAAP financial measures are that they exclude items that reflect an economic cost that can have a material effect on cash flows.

Constant Currency

Constant currency is calculated by using foreign currency rates from the comparable, prior year period to present net sales at comparable rates. Constant currency can be presented for numerous U.S. GAAP measures but is most commonly used by management to analyze net sales without the impact of changes in foreign currency rates.

Free Cash Flow

Free cash flow is calculated by subtracting capital expenditures from net cash from operating activities. Management uses free cash flow as an important indicator of how much cash is generated or used by our normal business operations, including capital expenditures. Management uses free cash flow as a measure of progress on its capital efficiency and cash flow initiatives.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes to our market risks as disclosed in our Form 10-K for the year ended December 31, 2023.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

At the end of the period covered by this report, under the supervision and with the participation of our management, including our President and Chief Executive Officer and our Chief Financial Officer, we performed an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. As described below, as of December 31, 2023, management identified a material weakness in our internal control over financial reporting, which is an integral component of our disclosure controls and procedures. Our remediation efforts with respect to this material weakness are continuing, and we have determined that this material weakness is continuing as of September 30, 2024, as there have been no further control instances as of this date to conclude that the applicable controls have been remediated. As a result, our President and Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were not effective as of September 30, 2024.

Material Weakness in Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting (as such term is defined in the Exchange Act Rule 13a-15(f)). The Company's internal control over financial reporting includes those

policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Internal control over financial reporting is designed to provide reasonable assurance to the Company's management and Board of Directors regarding the preparation of reliable financial statements for external purposes in accordance with U.S. GAAP. Because of the inherent limitations in any internal control, no matter how well designed, misstatements may occur and not be prevented or detected. Accordingly, even effective internal control over financial reporting can provide only reasonable assurance with respect to financial statement preparation. Further, the evaluation of the effectiveness of internal control over financial reporting was made as of a specific date, and continued effectiveness in future periods is subject to the risks that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies and procedures may decline.

In connection with the preparation and filing of the Annual Report for the year ended December 31, 2023 (the "2023 Annual Report"), the Company's management, including our President and Chief Executive Officer and our Chief Financial Officer, conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2023, based on the framework set forth in "Internal Control—Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Based on its evaluation, the Company's management concluded that our internal control over financial reporting was not effective as of December 31, 2023, due to a material weakness in the design and operation of certain management review controls pertaining to business combinations and assessing recoverability of goodwill, resulting from insufficient evidence supporting the precision over the determination of certain estimates and insufficient evidence supporting the operating effectiveness of the associated review controls. This material weakness did not result in any misstatements to the consolidated financial statements or disclosures.

Notwithstanding the material weakness, management has concluded that the financial statements included elsewhere in the 2023 Annual Report presented fairly, in all material respects, our financial position, results of operations, and cash flows in conformity with U.S. GAAP.

Remediation of the Material Weakness

Our management has worked, and continues to work, to strengthen our disclosure controls and procedures and internal control over financial reporting in connection with the material weakness described above. Subsequent to the identification of the material weakness, the Company has better aligned its current finance department staff to enhance the review and oversight of the accounting and finance functions. The Company has also added several key positions in its finance department, including a new Chief Financial Officer, a Senior Vice President of Finance and Strategy, and other supporting roles with backgrounds in financial reporting, technical accounting, and financial planning and analysis. The Company continues to implement the remediation efforts described herein. These remediation efforts are being undertaken under the supervision of the Audit and Finance Committee of our Board of Directors.

We are in the process of implementing and continuing to refine the plan for remediation of the ineffective internal control over financial reporting described above. In addition, we have designed and are implementing the specific remediation initiatives described below:

- Evaluating skill set gaps and hiring additional accounting, finance, and/or financial reporting personnel, as needed, with relevant public company accounting and financial reporting experience to develop and implement additional policies, procedures, and controls as it pertains to business combinations, asset acquisitions, and/or other processes heavily dependent on the usage of prospective financial information;
- Providing ongoing training for key personnel responsible for internal control over financial reporting; and
- Enhancing and/or implementing new controls over the completeness and accuracy of information used in financial reporting and forecasted financial results, particularly as it relates to the accounting for business combinations and goodwill impairment assessments.

We believe the remediation steps outlined above have improved and will continue to improve the effectiveness of our internal control over financial reporting. We are committed to remediating the material weakness and we are making progress in that effort. The actions we are taking are subject to ongoing senior management review, as well as oversight from the Audit and Finance Committee. When fully implemented and operational, we believe the measures described above will remediate the underlying

causes of the control deficiencies that gave rise to the material weakness and will strengthen our internal control over financial reporting. However, remediation efforts are expected to continue beyond the quarter ended September 30, 2024. Further, we will not be able to fully remediate this material weakness until these steps have been completed and have been operating effectively for a sufficient period of time. We may also identify additional measures that may be required to remediate the material weakness in our internal control over financial reporting, necessitating further action.

Changes in Internal Control over Financial Reporting

Other than the remediation activities described above, there have not been any changes in our internal control over financial reporting during the quarterly period covered by this report that have materially affected or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

For information regarding legal proceedings, see Note 8 to the Notes to the Unaudited Condensed Consolidated Financial Statements contained herein, which is incorporated by reference into this Part II, Item 1.

Item 1A. Risk Factors

There have been no material changes from the risk factors disclosed in "Part I, Item 1A. Risk Factors" in our Form 10-K for the year ended December 31, 2023, except as follows:

Ongoing litigation and arbitration matters could negatively affect our business operations.

In September 2023, following an investigation conducted by independent outside legal counsel, our Board of Directors terminated the employment of Keith Valentine, John Bostjancic, and Patrick Keran, who had served respectively as the Company's President and Chief Executive Officer, Chief Financial Officer, and Chief Legal Officer. The Company notified each of Messrs. Valentine, Bostjancic, and Keran that their respective terminations were being made for "Cause," as defined in applicable employment-related agreements (including each executive's respective Change in Control and Severance Agreement, dated June 19, 2023).

Several litigation and arbitration matters against the Company (and in certain cases, current and former directors and officers) are pending in connection with these terminations. These matters include (i) arbitration claims by the three former executives against the Company for alleged breach of contract, defamation, false light invasion of privacy and deceit in connection with such terminations of employment, including payment of severance amounts and the value of forfeited equity grants, (ii) securities class action complaints alleging violations of the Securities Act of 1933 and the Securities Exchange Act of 1934 in connection with the Company's public disclosures during the periods preceding such terminations, and (iii) a derivative complaint alleging claims against certain of the Company's current and former officers and directors based on the same allegations made in the securities class action complaints. Additional lawsuits or proceedings against the Company and/or its current or former directors and officers in connection with these matters may be filed in the future.

In the event that any of these claims, or other future related or unrelated claims, are successful, they could result in costs to us that could negatively affect our near-term liquidity and financial condition. In addition, these matters may also divert management's attention and resources, which could adversely affect the operation of our business while such claims proceed.

We maintain a \$275 million secured credit facility secured by a pledge of substantially all of our property.

On November 7, 2024, the Company, as borrower, and its U.S. subsidiaries entered into a \$275 million secured credit agreement (the "New Credit Agreement") with Oxford Finance LLC, as administrative agent and as collateral agent ("Oxford") and certain lenders party thereto, including Oxford and K2 Healthventures LLC. Certain of the Company's foreign subsidiaries are expected to join the New Credit Agreement as guarantors shortly after the signing date. The New Credit Agreement provides for a \$160 million senior secured term loan (the "Initial Term Loan"), and a \$65 million senior secured delayed draw term loan facility (the "Term B Loan"). Draws under the Term B Loan are at the Company's option from January 1, 2025 through June 30, 2026, subject to, among other conditions, the Company's continuing compliance with a pro-forma total debt-to-EBITDA leverage ratio of less than 4.0x. EBITDA is a non-GAAP financial measure which represents earnings before interest income (expense), income taxes, depreciation, amortization, and other negotiated addbacks and adjustments. In addition, at Oxford's discretion, an additional \$50 million of draw capacity is available to the Company, through January 1, 2029 (the "Term C Loan" and, together with the Term B Loan, the "Delayed Draw Term Loans" and collectively with the Initial Term Loan, the "Credit Facilities"). The Initial Term Loan and Delayed Draw Term Loans, to the extent ultimately drawn, will each mature in November 2029, following an interest-only payment period ending December 2028, and monthly amortization of principal and accrued interest between January 2029 and November 2029.

The Credit Facilities will be secured by a perfected first priority lien, or the equivalent security interest in each applicable jurisdiction, on substantially all of the assets of the Company and the applicable guarantors (subject to customary carveouts), including their respective U.S. intellectual property assets.

The Company expects to promptly fund the Initial Term Loan under the New Credit Agreement to repay all amounts outstanding under the Revolving Credit Facility with Blue Torch Finance LLC and terminate the Financing Agreement with Blue Torch. In addition to the repayment of existing debt, borrowings under the New Credit Agreement may be used for general corporate purposes.

Borrowings under the Credit Facilities bear interest at a percentage rate equal to the greater of 8.75% or 5.75% plus the one-month term SOFR rate. A facility fee equal to 1.5% of each applicable funded loan tranche is due at the time of funding of such respective tranche, and a 0.5% unused line fee is payable annually on the Term B Loan.

The New Credit Agreement contains customary affirmative and negative covenants, including limitations on the Company's and its subsidiaries' ability to incur additional debt, grant or permit additional liens, make certain investments and acquisitions, merge or consolidate with others, dispose of certain assets, pay dividends and distributions, pay subordinated indebtedness, and enter into affiliate transactions, as well as financial covenants that the Company (i) possess at least \$45 million of unrestricted cash at the time the Initial Term Loan is funded and thereafter maintain \$15 million of unrestricted cash in U.S.-based accounts, and (ii) maintain a maximum total debt-to-EBITDA leverage ratio no greater than 4.0x during the term of the facility.

We believe that we will be in compliance with the covenants in future fiscal quarters. However, there can be no assurance that we will be in such compliance, and if we are not, the failure to do so could result in an event of default, which could have a material adverse effect on our financial position in the event that we continue to have significant amounts drawn under the facility at such time.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

We have not made any repurchases of our common stock during the third quarter of 2024.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the last fiscal quarter, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, modified or terminated any contract, instruction, or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act or any "non-Rule 10b5-1 trading arrangement."

Item 6. Exhibits

- | | |
|-------|---|
| 10.1 | <u>Orthofix Medical Inc. 2024 CHRO Inducement Plan (filed as Exhibit 4.2 to the Company's Registration Statement on Form S-8 (Registration no. 333-280820) filed on July 15, 2024, and incorporated herein by reference)</u> |
| 10.2 | <u>Orthofix Medical Inc. 2024 CHRO Inducement Plan – Time-Based Stock Unit Grant Agreement (filed as Exhibit 4.3 to the Company's Registration Statement on Form S-8 (Registration no. 333-280820) filed on July 15, 2024, and incorporated herein by reference)</u> |
| 10.3 | <u>Orthofix Medical Inc. 2024 CHRO Inducement Plan – Nonqualified Stock Option Grant Agreement (filed as Exhibit 4.4 to the Company's Registration Statement on Form S-8 (Registration no. 333-280820) filed on July 15, 2024, and incorporated herein by reference)</u> |
| 10.4 | <u>Orthofix Medical Inc. 2024 PGO Inducement Plan (filed as Exhibit 4.2 to the Company's Registration Statement on Form S-8 (Registration no. 333-281580) filed on August 15, 2024, and incorporated herein by reference)</u> |
| 10.5 | <u>Orthofix Medical Inc. 2024 PGO Inducement Plan – Performance Stock Unit Grant Agreement (filed as Exhibit 4.3 to the Company's Registration Statement on Form S-8 (Registration no. 333-281580) filed on August 15, 2024, and incorporated herein by reference)</u> |
| 10.6 | <u>Orthofix Medical Inc. 2024 PGO Inducement Plan – Time-Based Stock Unit Grant Agreement (filed as Exhibit 4.4 to the Company's Registration Statement on Form S-8 (Registration no. 333-281580) filed on August 15, 2024, and incorporated herein by reference)</u> |
| 10.7 | <u>Orthofix Medical Inc. 2024 PGO Inducement Plan – Nonqualified Stock Option Grant Agreement (filed as Exhibit 4.5 to the Company's Registration Statement on Form S-8 (Registration no. 333-281580) filed on August 15, 2024, and incorporated herein by reference)</u> |
| 10.8* | <u>Change in Control and Severance Agreement, dated as of June 10, 2024, between Orthofix Medical Inc. and Max Reinhardt</u> |

10.9*	<u>Change in Control and Severance Agreement, dated as of August 15, 2024, between Orthofix Medical Inc. and Patrick Fisher</u>
31.1*	<u>Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer.</u>
31.2*	<u>Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer.</u>
32.1#	<u>Section 1350 Certifications of each of the Chief Executive Officer and Chief Financial Officer.</u>
101.INS*	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

* Filed herewith.

Furnished herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ORTHOFIX MEDICAL INC.

Date: November 7, 2024

By: /s/ MASSIMO CALAFIORE
Name: Massimo Calafiore
Title: President and Chief Executive Officer

Date: November 7, 2024

By: /s/ JULIE ANDREWS
Name: Julie Andrews
Title: Chief Financial Officer

ORTHOFIX MEDICAL INC.

CHANGE IN CONTROL AND SEVERANCE AGREEMENT

This AGREEMENT (the “Agreement”) is made and entered into as of June 10, 2024 (the “Effective Date”), by and between Orthofix Medical Inc., a Delaware corporation (together with its direct and indirect subsidiaries, the “Company”), and Max Reinhardt (the “Executive”).

RECITALS

WHEREAS, the Executive is expected to make significant contributions to the profitability, growth and financial strength of the Company;

WHEREAS, the Company believes that it is important to provide the Executive with severance benefits upon certain terminations of employment to provide the Executive with enhanced financial security and incentive and encouragement to remain with the Company;

WHEREAS, the Company recognizes that the possibility of a Change in Control (as hereinafter defined) and the uncertainty that it would cause could result in the departure or distraction of the Executive, to the detriment of the Company and its stockholders; and

WHEREAS, the Company desires to encourage the continued employment of the Executive by the Company and wants assurance that it shall have the continued dedication, loyalty and service of, and the availability of objective advice and counsel from, the Executive notwithstanding the possibility, threat or occurrence of a Change in Control;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following terms have the following meanings, which are equally applicable to both the singular and plural forms of the terms defined:

(a) “2012 LTIP” shall mean the Company’s 2012 Long-Term Incentive Plan, as amended and/or restated from time-to-time (including after the Effective Date).

(b) “Board” shall mean the Board of Directors of Parent.

(c) “Cause” shall mean (i) willful and intentional commission by the Executive of one or more material acts of (A) fraud, misappropriation or embezzlement related to the business or property of the Company or (B) moral turpitude; (ii) conviction for, or guilty plea to, or plea of nolo contendere to, a felony; or (iii) fraud or willful misconduct committed by the Executive that caused or otherwise materially contributed to the requirement for an accounting restatement of the Company’s financial statements due to noncompliance with any financial reporting requirement (other than a restatement due to a change in accounting rules). No act or omission shall be deemed willful, intentional or material for purposes of this definition if taken or omitted to be taken by the Executive in a good faith belief that such act or omission to act was in the best interests of the Company or if done at the direction of the Board or the board of directors or principal executive officer of any acquirer of the Company.

(d) “Change in Control” shall mean the occurrence of any of the following events:

(i) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act), in any individual transaction or series of related transactions, of 50% or more of either (A) the then outstanding shares of common stock of Parent (the “Outstanding Common Stock”) or (B) the combined voting power of the then outstanding voting securities of Parent entitled to vote generally in the election of directors (the “Outstanding Voting Securities”); excluding, however, the following: (1) any acquisition directly from Parent, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from Parent; (2) any acquisition by Parent; (3) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by Parent or any entity controlled by Parent; or (4) any acquisition pursuant to a transaction which complies with clauses (A), (B) and (C) of subsection (iii) of this definition of Change in Control;

(ii) a change in the composition of the Board such that the individuals who as of the Effective Date constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided, however, for purposes of this paragraph, that any individual who becomes a member of the Board subsequent to the Effective Date, whose appointment, election, or nomination for election by Parent’s stockholders was approved by a vote of at least a majority of those individuals who are members of the Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) shall be considered as though such individual were a member of the Incumbent Board; but provided further that any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board shall not be so considered as a member of the Incumbent Board;

(iii) consummation of a reorganization, merger, consolidation or other business combination or the sale or other disposition of all or substantially all of the assets of Parent (including assets that are shares held by Parent in its subsidiaries) (any such transaction, a “Business Combination”); expressly excluding, however, any such Business Combination pursuant to which all of the following conditions are met: (A) all or substantially all of the Person(s) who are the beneficial owners of the Outstanding Common Stock and Outstanding Voting Securities, respectively, immediately prior to such Business Combination will beneficially own, directly or indirectly, more than 50% of, respectively, the outstanding shares of common stock, and the combined voting power of the outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns Parent or all or substantially all of Parent’s assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Common Stock and Outstanding Voting Securities, as the case may be, (B) no Person (other than Parent, any employee benefit plan (or related trust) of Parent or such entity resulting from such Business Combination) will beneficially own, directly or indirectly, 50% or more of, respectively, the outstanding shares of common stock of the entity resulting from such Business Combination or the combined voting power of the outstanding voting securities of such entity entitled to vote generally in the election of directors except to the extent that such ownership existed prior to the Business Combination, and (C) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the entity resulting from such Business Combination;

(iv) the approval by the stockholders of Parent of a complete liquidation or dissolution of Parent;

(v) the Company shall sell or dispose of, in a single transaction or series of related transactions, business operations that generated two-thirds of the consolidated revenues of the Company (determined on the basis of Company's four most recently completed fiscal quarters for which reports have been filed under the Exchange Act) and such disposal shall not be exempted pursuant to clause (iii) of this definition of Change in Control;

(vi) Parent files a report or proxy statement with the Securities and Exchange Commission pursuant to the Exchange Act disclosing in response to Form 8-K or Schedule 14A (or any successor schedule, form or report or item therein) that a change in control of Parent has or may have occurred or will or may occur in the future pursuant to any then-existing agreement or transaction; notwithstanding the foregoing, unless determined in a specific case by the Board, a "Change in Control" shall not be deemed to have occurred solely because: (A) an entity in which Parent directly or indirectly beneficially owns 50% or more of the voting securities, or any Parent-sponsored employee stock ownership plan, or any other employee plan of the Company, either files or becomes obligated to file a report or a proxy statement under or in response to Schedule 13D, Schedule 14D-1, Form 8-K or Schedule 14A (or any successor schedule, form or report or item therein) under the Exchange Act, disclosing beneficial ownership by form or report or item therein, disclosing beneficial ownership by it of shares of stock of Parent, or because Parent reports that a change in control of Parent has or may have occurred or will or may occur in the future by reason of such beneficial ownership or (B) any Company-sponsored employee stock ownership plan, or any other employee plan of the Company, either files or becomes obligated to file a report or a proxy statement under or in response to Schedule 13D, Schedule 14D-1, Form 8-K or Schedule 14A (or any successor schedule, form or report or item therein) under the Exchange Act, disclosing beneficial ownership by form or report or item therein, disclosing beneficial ownership by it of shares of stock of Parent, or because Parent reports that a change in control of Parent has or may have occurred or will or may occur in the future by reason of such beneficial ownership; or

(vii) any other transaction or series of related transactions occur that have substantially the effect of the transactions specified in any of the preceding clauses in this definition.

Notwithstanding this definition of "Change in Control," the Board, in its sole discretion, may determine that a Change in Control has occurred for purposes of this Agreement, even if the events giving rise to such Change in Control are not expressly described in the above definition.

(e) "CIAA" shall mean that certain Confidentiality and Invention Assignment Agreement entered into by Parent (or one of its current direct or indirect subsidiaries) and the Executive on June 10, 2024, as such agreement may be amended from time-to-time.

(f) "CIAA Covenants" shall mean the covenants set forth in the CIAA, including but not limited to the covenants contained therein related to fiduciary duties, confidential information, inventions, non-competition and non-solicitation, if and as applicable.

(g) "CiC Date" shall mean the date on which a Change in Control occurs.

(h) "CiC Period" shall mean the twenty four (24)-month period commencing on any CiC Date; provided, however, if the Company terminates the Executive's employment with the Company

prior to such CiC Date but on or after a Potential CiC Date, and it is reasonably demonstrated that the Executive's (i) employment was terminated at the request of an unaffiliated third party who has taken steps reasonably calculated to effect a Change in Control or (ii) termination of employment otherwise arose in connection with or in anticipation of the Change in Control, then the "CiC Period" shall mean the twenty four (24)-month period beginning on the date immediately prior to the date of the Executive's termination of employment with the Company.

(i) "CiC Period Good Reason" shall mean the occurrence of any of the following without the written consent of the Executive: (i) a requirement that the Executive work principally from a location that is more than thirty (30) miles from his or her then-current principal place of employment (which, for the avoidance of doubt, shall not preclude the Executive from being required by the Company to travel to Company office locations more than thirty (30) miles from his or her then-current principal place of employment during CiC Periods), (ii) any reduction in the Executive's Total Compensation (other than any reduction of the Executive's equity-based compensation occurring on or prior to January 4, 2025 solely as a result of across-the-board reductions to equity-based compensation levels that apply the applicable reduction percentage substantially similarly to similarly situated Parent executives), (iii) any material breach of this Agreement, any written communication offering employment to the Executive (the "Offer Letter") or any other material agreement with the Executive by the Company or any successor entity, or (iv) any diminution after the Effective Date in the Executive's employment position, authority, duties, responsibilities or line of reporting structure, or the assignment to the Executive of any duties materially inconsistent with the Executive's position and title immediately prior to consummation of the Change in Control (including, for example, if the Executive was the Chief Financial Officer of the Company immediately prior to consummation of a Change in Control and is not the Chief Financial Officer of the Company immediately following consummation of the Change in Control, then a diminution in the Executive's responsibilities will have occurred), in each case excluding for this purpose an isolated, insubstantial and inadvertent action taken in good faith and which is promptly remedied by employer. The Executive shall only have CiC Period Good Reason if (A) the Executive has provided notice of termination to the Company of any of the foregoing conditions within ninety (90) days of the Executive's initial awareness of the existence of the condition, (B) the Company does not cure such condition within thirty (30) days following receipt of such notice of termination, and (C) if such condition is not cured within such thirty (30) day period, the Executive actually terminates employment within sixty (60) days after the notice of termination. The Executive's mental or physical incapacity following the occurrence of an event described above in clauses (i), (ii), (iii) or (iv) shall not affect the Executive's ability to terminate employment for CiC Period Good Reason, and the Executive's death following delivery of a notice of termination for CiC Period Good Reason shall not affect the Executive's estate's entitlement to the severance benefits provided hereunder upon a termination of employment for CiC Period Good Reason.

(j) "Compensation Committee" shall mean the Compensation & Talent Development Committee of the Board or any successor committee.

(k) "Disability" as used in this Agreement shall have the meaning given to that term by any disability insurance the Company carries at the time of termination that would apply to the Executive. Otherwise, the term "Disability" shall mean the inability of the Executive to perform each of the essential duties of the Executive's position by reason of a medically determinable physical or mental impairment which is potentially permanent in character or which can be expected to last for a continuous period of not less than twelve (12) months. Any dispute as to whether or not the Executive has a "Disability" for purposes of this Agreement shall be resolved by a physician reasonably satisfactory to the Board and the Executive (or his legal representative, if applicable). If the Board and the Executive (or his legal

representative, if applicable) are unable to agree on a physician, then each shall select one physician and those two physicians shall pick a third physician and the determination of such third physician shall be binding on the parties.

(l) “Dispute Resolution Agreement” shall mean that certain Dispute Resolution Agreement entered into by Parent (or one of its current direct or indirect subsidiaries) and the Executive on June 10, 2024, as such agreement may be amended from time-to-time.

(m) “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

(n) “Good Reason” shall mean: (i) during a CiC Period, (A) CiC Period Good Reason; or (B) if in the notice of termination Executive indicates Executive is relying on Non-CiC Period Good Reason, Non-CiC Period Good Reason; and (ii) during a Non-CiC Period, Non-CiC Period Good Reason. For clarity, Executive shall be entitled to the benefits set forth in Section 4 if Good Reason is based on the definition set forth in Section 1(n)(i)(B).

(o) “Non-CiC Period” shall mean any period of time that is not a CiC Period.

(p) “Non-CiC Period Good Reason” shall mean the occurrence of any of the following without the written consent of the Executive: (i) a requirement that the Executive work principally from a location that is more than fifty (50) miles from his or her then-current principal place of employment (which, for the avoidance of doubt, shall not preclude the Executive from being required by the Company to travel to Company office locations more than fifty (50) miles from his or her then-current principal place of employment during Non-CiC Periods), (ii) any 10% or greater reduction in the sum of the Executive’s base salary and target annual bonus opportunity, (iii) any 20% or greater reduction in the grant date fair value of annual equity-based compensation awarded to the Executive relative to the prior year or the calendar year during which the Effective Date occurs, whichever is greater (other than any reduction of the Executive’s equity-based compensation occurring solely as a result of across-the-board reductions to equity-based compensation levels that apply the applicable reduction percentage substantially similarly to similarly situated Parent executives), or (iv) any material breach of this Agreement, the Offer Letter or any other material agreement with the Executive by the Company or any successor entity. The Executive shall only have Non-CiC Period Good Reason if (A) the Executive has provided notice of termination to the Company of any of the foregoing conditions within ninety (90) days of the Executive’s initial awareness of the existence of the condition, (B) the Company does not cure such condition within thirty (30) days following receipt of such notice of termination, and (C) if such condition is not cured within such thirty (30) day period, the Executive actually terminates employment within sixty (60) days after the notice of termination. The Executive’s mental or physical incapacity following the occurrence of an event described above in clauses (i), (ii), (iii), or (iv) shall not affect the Executive’s ability to terminate employment for Non-CiC Period Good Reason, and the Executive’s death following delivery of a notice of termination for Non-CiC Period Good Reason shall not affect the Executive’s estate’s entitlement to the severance benefits provided hereunder upon a termination of employment for Non-CiC Period Good Reason.

(q) “Parent” shall mean Orthofix Medical Inc. and its successors.

(r) “Partially Accelerating Portion” shall mean, with respect to the applicable Options, TBRS or TBRSUs, as applicable, the portion of such award that would have vested during the 12 months following the date of termination of Service (e.g., (i) for any awards with an annual vesting schedule, the lesser of the remaining unvested portion of such award or 1 times the amount (i.e. 100% of such amount)

that would have vested at the next annual vesting date following the date of termination of Service, (ii) for any awards with a quarterly vesting schedule, the lesser of the remaining unvested portion of such award or 4 times the amount (i.e. 400% of such amount) that would have vested at the next quarterly vesting date following the date of termination of Service, and (iii) for any awards with a monthly vesting schedule, the lesser of the remaining unvested portion of such award or 12 times the amount (i.e. 1,200% of such amount) that would have vested at the next monthly vesting date following the date of termination of Service).

(s). “Person” shall include individuals or entities such as corporations, partnerships, companies, firms, business organizations or enterprises, and governmental or quasi-governmental bodies.

(t). “Potential CiC Date” shall mean the earliest to occur of: (i) the date on which Parent executes an agreement or letter of intent, the consummation of the transactions described in which would result in the occurrence of a Change in Control or (ii) the date on which the Board approves a transaction or series of transactions, the consummation of which would result in a Change in Control; provided, however, that such date shall become null and void when, in the opinion of the Board, Parent or the respective third party has abandoned or terminated such transaction or series of transactions without consummation.

(u). “SeaSpine 2015 Plan” shall mean the SeaSpine Holdings Corporation Amended and Restated 2015 Incentive Award Plan Award Plan, as amended, that has been assumed by the Company.

(v). “Service” shall have the meaning ascribed to such term in the 2012 LTIP.

(w). “Total Compensation” shall mean the aggregate of base salary, annual cash-based target bonus opportunity, employee benefits (retirement plan, welfare plans, and fringe benefits), and annual grant date fair value of equity-based compensation, but excluding for the avoidance of doubt any reductions caused by the failure to achieve performance targets.

2. Term of Agreement. The term of this Agreement (the “Term”) shall commence on the Effective Date and shall continue in effect until the earlier of (i) the parties’ satisfaction of their respective obligations under this Agreement or (ii) the execution of a written agreement between the Company and the Executive terminating this Agreement.

3. Certain Terminations of Employment During a Non-CiC Period. If, during a Non-CiC Period, the Executive’s employment with the Company terminates as a result of death, the Executive terminates his or her employment as a result of Disability or for Good Reason, or the Company terminates the Executive’s employment without Cause, the Company shall pay or provide to the Executive (i) the Executive’s outstanding base salary due through the Executive’s date of termination, (ii) any amounts or benefits owing to the Executive as of the Executive’s date of termination under the then applicable benefit plans of the Company, at the time such amounts or benefits are due (including any accrued vacation payable), (iii) any amounts owing to the Executive for reimbursement of expenses properly incurred by the Executive prior to the Executive’s date of termination, which shall be subject to and paid in accordance with the Company’s expense reimbursement policy, (iv) if, for the calendar year prior to the Executive’s termination, the Company and/or the Executive has achieved performance goals (whether or not such achievement has been determined formally) such that the Executive has earned (or would have earned, had the Executive been employed in good standing by the Company on the date on which a bonus otherwise would have been paid) a bonus under any annual cash incentive program of the Company (an “Annual Cash Incentive Program”) and such Annual Cash Incentive Program bonus with respect to such prior calendar

year has not yet been paid, the amount of such bonus, payable at the same time as payments are made to other participants under such Annual Cash Incentive Program, and (v) a *pro rata* amount of any Annual Cash Incentive Program bonus with respect to the year of termination (based on the number of days the Executive was employed by the Company during such year of termination) assuming achievement at 100% of Executive's current annual target cash bonus amount under the Annual Cash Incentive Program, payable at the same time as payments are made to Executive as set forth in this Section 3, other than with respect to the bonus paid under the Annual Cash Incentive Program as contemplated by Section 3(iv) (collectively, the "Accrued Amounts"). Subject to the Executive's compliance with the covenants in Section 9 (including but not limited to the CIAA Covenants, as defined in Section 9) and the Executive's execution and non-revocation of the release described in Section 5 hereof, the Company shall also pay to the Executive, in a cash lump sum within ten (10) days following the Release Effective Date (as defined below) (subject to the additional payment delays that may be required pursuant to Sections 8(b) and 8(c) below), an amount equal to 1.0 times the sum of (A) the Executive's annual base salary in effect as of the Executive's date of termination (without giving effect to any reduction of base salary that has occurred within the 12-month period preceding such date of termination), (B) the Executive's current annual target cash bonus amount under the Annual Cash Incentive Program (without giving effect to any reduction of such annual target amount that has occurred within the 12-month period preceding such date of termination) and (C) \$12,500 to be used by the Executive for outplacement services (the amount provided for by such sum, the "Severance Base Amount," and the amount provided for by such product, "Non-CiC Severance Amount"). Notwithstanding the foregoing, if the Non-CiC Severance Amount could be paid to the Executive during the subsequent taxable year of the Executive rather than the Executive's taxable year in which the Executive's date of termination occurs based on when the Executive executes and delivers the release described in Section 5 hereof to the Company, then, to the extent that the Non-CiC Severance Amount constitutes nonqualified deferred compensation subject to Section 409A of Internal Revenue Code of 1986, as amended (the "Code"), the Non-CiC Severance Amount shall not be paid earlier than the first business day of the later of such taxable years. In addition, subject to the Executive's compliance with the covenants in Section 9 (including but not limited to the CIAA Covenants) and the Executive's execution and non-revocation of the release described in Section 5 hereof, the Company shall reimburse the Executive on a monthly basis for the Executive's monthly premium payments for health care coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") for the Executive and the Executive's eligible dependents for a period of 12 months, provided that the Executive and, if applicable, the Executive's eligible dependents are currently enrolled in the applicable plan(s) of the Company at the time of the Executive's termination and that the Executive timely elects to continue the Executive's coverage under COBRA; provided, however, that the Company's obligation to reimburse the Executive for such premiums shall cease on the date the Executive is no longer eligible to receive COBRA coverage and (ii) if the Company determines, in its sole discretion, that the payment of the COBRA reimbursements (in whole or in part) would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Code or any statute or regulation of similar effect, then in lieu of providing the COBRA reimbursements (in whole or in part), the Company may elect instead to pay the Executive on the first day of each month of such coverage period, a fully taxable cash payment equal, on an after-tax basis, to the applicable COBRA premiums (in whole or in part) for the prior month. The Executive must advise the Company as soon as the Executive becomes eligible for health care coverage from a third party (e.g., spouse's employer, the Executive's subsequent employer, or any other party with a relationship with the Executive).

4. Termination of Employment During a CiC Period. If, during a CiC Period, the Executive's employment with the Company terminates as a result of death, the Executive terminates his or her employment as a result of Disability or for Good Reason, or the Company terminates the Executive's

employment without Cause, the Company shall: (A) pay or provide to the Executive the Accrued Amounts, and (B) subject to the Executive's compliance with the covenants in Section 9 (including but not limited to the CIAA Covenants) and the Executive's execution and non-revocation of the release described in Section 5 hereof, (i) pay to the Executive, in a cash lump sum within ten (10) days following the Release Effective Date (subject to the additional payment delays that may be required pursuant to Sections 8(b) and 8(c) below), an amount equal to 1.5 times the Severance Base Amount (the amount provided for by such product, the "CiC Severance Amount"); provided, however, that if the CiC Severance Amount could be paid to the Executive during the subsequent taxable year of the Executive rather than the Executive's taxable year in which the Executive's date of termination occurs based on when the Executive executes and delivers the release described in Section 5 hereof to the Company, then, to the extent that the CiC Severance Amount constitutes nonqualified deferred compensation subject to Section 409A of the Code, the CiC Severance Amount shall not be paid earlier than the first business day of the later of such taxable years; and (ii) reimburse the Executive on a monthly basis for the Executive's monthly premium payments for health care coverage under COBRA for the Executive and the Executive's eligible dependents for a period of 12 months, provided that the Executive and, if applicable, the Executive's eligible dependents are currently enrolled in the applicable plan(s) of the Company at the time of the Executive's termination and that the Executive timely elects to continue the Executive's coverage under COBRA; provided, however, that the Company's obligation to reimburse the Executive for such premiums shall cease on the date the Executive is no longer eligible to receive COBRA coverage and (ii) if the Company determines, in its sole discretion, that the payment of the COBRA reimbursements (in whole or in part) would result in a violation of the nondiscrimination rules of Section 105(h) of the Code or any statute or regulation of similar effect, then in lieu of providing the COBRA reimbursements (in whole or in part), the Company may elect instead to pay the Executive on the first day of each month of such coverage period, a fully taxable cash payment equal, on an after-tax basis, to the applicable COBRA premiums (in whole or in part) for the prior month. The Executive must advise the Company as soon as the Executive becomes eligible for health care coverage from a third party (e.g., spouse's employer, the Executive's subsequent employer, or any other party with a relationship with the Executive).

5. Payments Contingent Upon Release Agreement, Compliance with Covenants. As a condition to receiving the Non-CiC Severance Amount or the CiC Severance Amount, as applicable, and the reimbursement or payment of COBRA premiums pursuant to Sections 3 or 4 hereof, the Executive will execute a general release of claims, which will also confirm any post-termination obligations and/or restrictions applicable to the Executive, in form and substance consistent with then-current practices for companies similarly situated to Parent (the "Release"). Within ten (10) days of the Executive's date of termination, the Company shall deliver to the Executive the Release for the Executive to execute. The Executive will forfeit all rights to receive the Non-CiC Severance Amount or the CiC Severance Amount, as applicable, and the reimbursement or payment of COBRA premiums pursuant to Sections 3 or 4 hereof unless, within fifty-two (52) days of delivery of the Release by the Company to the Executive, the Executive executes and delivers the Release to the Company and such Release has become irrevocable by virtue of the expiration of the revocation period specified therein without the Release having been revoked (the first such date, the "Release Effective Date"). The Company's obligation to pay the Non-CiC Severance Amount or the CiC Severance Amount, as applicable, or to reimburse or pay COBRA premiums pursuant to Sections 3 or 4 hereof, is subject to the occurrence of the Release Effective Date, and if the Release Effective Date does not occur, then the Company shall have no obligation to make such payments or reimbursements. Any reimbursements or payments of COBRA premiums pursuant to Sections 3 or 4 hereof that would otherwise have become due prior to the Release Effective Date shall be paid in a cash lump sum within ten (10) days following the Release Effective Date; provided, that if any reimbursements or

payments of COBRA premiums pursuant to Sections 3 or 4 hereof could be paid to the Executive during a different taxable year of the Executive than the Executive's taxable year in which the Executive's date of termination occurs based on when the Executive executes and delivers the Release to the Company, then, to the extent that the reimbursements constitute nonqualified deferred compensation subject to Section 409A of the Code, the reimbursement amounts shall not be paid earlier than the first business day of the later of such taxable years. In the event the Company reasonably believes that the Executive has breached one or more of the covenants in Section 9 (including but not limited to the CIAA Covenants), the Company shall notify the Executive and provide reasonably detailed information supporting its belief and the Company and the Executive shall discuss in good faith the resolution thereof. Subject to Section 10(d), if it is determined that the Executive has breached one or more covenants in Section 9 (including but not limited to the CIAA Covenants), the Executive shall forfeit the Executive's right to receive the Non-CiC Severance Amount or the CiC Severance Amount, as applicable, and the reimbursement or payment of COBRA premiums pursuant to Sections 3 or 4 hereof, and, to the extent such amounts have been paid to the Executive, shall repay to the Company the after-tax amount of any such previously paid amounts.

6. Time-Based Stock Options, Time-Based Restricted Stock and Time-Based Restricted Stock Unit Vesting and Exercisability. The provisions set forth in Sections 6(a), (b), (c) and (d) below shall apply with respect to (a) the time-based vesting portion of all stock options of the Company ("Time-Based Stock Options" or "Options") granted to the Executive, (b) all time-based vesting shares of restricted stock of the Company ("Time-Based Restricted Stock" or "TBR") granted to the Executive, and (c) all time-based vesting restricted stock units of the Company ("Time-Based RSU" or "TBR") granted to the Executive, in each case, whether the applicable Options, TBR and/or TRBSU are issued under (i) the 2012 LTIP, (ii) the SeaSpine 2015 Plan, or (iii) any other future or successor Company plan or standalone award agreements. Such provisions shall supersede and override any conflicting provisions set forth in applicable award agreements of the Company governing applicable grants, and shall be incorporated by reference into the terms of such award agreements. Notwithstanding the foregoing, the provisions in Section 6(a), (b), (c) and (d) below shall not apply with respect to the equity-based compensation grants made to the Executive pursuant to Nasdaq Rule 5635(c)(4) in connection with his inducement to become employed by the Company.

(a) Termination of Service in Non-Acceleration Circumstances. If, prior to vesting, the Executive's Service is terminated for any reason other than a circumstance providing for accelerated vesting pursuant to any of Sections 6(b)-(f) below, the unvested portion of the applicable Option, TBR, or TRBSU shall be cancelled and revert back to the Company as of the date of such termination of Service, and the Executive shall have no further right or interest therein unless the Compensation Committee in its sole discretion shall determine otherwise. In such event, the Executive shall have the right, subject to the other terms and conditions set forth in this Agreement and the applicable plan, to exercise such Option, to the extent it has vested as of the date of such termination of Service, at any time within three (3) months after the date of such termination of Service, subject to the earlier expiration of the Option on the ten (10)-year anniversary of grant or such other term as is provided in the applicable equity award agreement otherwise governing such grant (the "Expiration Date"). To the extent the vested portion of the Option is not exercised within such three (3)-month period, such Option shall be cancelled and revert back to the Company, and the Executive or any permitted transferee pursuant to the terms of the applicable award agreement, as applicable, shall have no further right or interest therein.

(b) Termination of Service for Death or Disability. If the Executive's Service terminates by reason of death or the Executive terminates his or her employment as a result of Disability, as of the date of such termination of Service (i) the unvested portion of any Option shall automatically vest

and become immediately exercisable in full and (ii) any TBRS and any TBRSU shall automatically vest in full. The full portion of any unexercised Option shall remain exercisable by the Executive (or any person entitled to do so) at any time within eighteen (18) months after the date of such termination of Service, subject to the earlier expiration of such Option on the Expiration Date. To the extent such Option is not exercised within such period, such Option shall be cancelled and revert back to the Company, and the Executive or any permitted transferee pursuant to the terms of the applicable award agreement, as applicable, shall have no further right or interest therein. The shares subject to any such TBRSU shall be delivered no later than sixty (60) days following such termination of Service.

(c) Intentionally Omitted.

(d) Termination of Service by Company without Cause or by Executive with Good Reason. If the Executive's Service terminates by reason of the Executive terminating his or her employment for Good Reason or the Company terminating the Executive's employment without Cause, the Partially Accelerating Portion of any Option shall automatically vest and become immediately exercisable, and the Partially Accelerating Portion of any TBRS and any TBRSU shall automatically vest, in each case, as of the date of such termination of Service. The non-vested portion of the Option shall be cancelled and revert back to the Company. The vested portion of the applicable Option (which, for the avoidance of doubt, shall include the Partially Accelerating Portion) shall remain exercisable by the Executive (or any person entitled to do so) at any time within eighteen (18) months after the date of such termination of Service, subject to the earlier expiration of the Option on the Expiration Date, and to the extent such vested portion of the Option is not exercised within such eighteen (18)-month period, such portion of the Option shall be cancelled and revert back to the Company, and the Executive or any permitted transferee pursuant to the terms of the applicable award agreement, as applicable, shall have no further right or interest therein. The shares subject to any such TBRSU shall be delivered no later than sixty (60) days following such termination of Service.

(e) Intentionally Omitted.

(f) Certain Additional Change in Control Circumstances. In the event that the employment of the Executive with the Company is terminated by the Company without Cause or by the Executive for CiC Period Good Reason, in each case during a CiC Period (including, for the avoidance of doubt, following a Potential CiC Date but before the applicable Change in Control has been consummated), (i) the Executive's then-outstanding Options shall be fully vested and may be exercised in full, to the extent applicable, beginning on the date of such termination and for the thirty six (36)-month period immediately following such termination (subject to the earlier expiration of the Option on the Expiration Date) or for such longer period as the Compensation Committee shall determine, and (ii) the unvested portion of the Executive's then outstanding TBRS and TBRSU shall be fully vested (and the shares subject to any such TBRSU shall be delivered no later than sixty (60) days following such termination of Service). Such outstanding Options, TBRS, and TBRSU shall otherwise be treated in accordance with the default rules applicable under Section 17 of the 2012 LTIP as in effect on the Effective Date (or if made pursuant to a successor long-term incentive plan or inducement plan, the default rules contained in such plan).

(g) Survival. All of the provisions in this Section 6 shall survive any expiration or termination of this Agreement for any reason (unless such termination is as a result of a future novation of such provisions entered into by each of the parties).

7. Section 280G. In the event that any of the severance payments and other benefits provided by this Agreement or otherwise payable to the Executive (a) constitute “parachute payments” within the meaning of Section 280G of the Code, and (b) but for this Section 7, would be subject to the excise tax imposed by Section 4999 of the Code (“Excise Tax”), then the Executive’s severance payments and benefits under this Agreement or otherwise shall be payable either in full or in such lesser amount which would result in no portion of such severance payments or benefits being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income and employment taxes and the Excise Tax, results in the receipt by the Executive, on an after-tax basis, of the greatest amount of severance payments and benefits under this Agreement or otherwise, notwithstanding that all or some portion of such severance payments or benefits may be taxable under Section 4999 of the Code. Any reduction in the severance payments and benefits required by this Section 7 shall be made in the following order: (i) reduction of cash payments; (ii) reduction of accelerated vesting of equity awards other than stock options; (iii) reduction of accelerated vesting of stock options; and (iv) reduction of other benefits paid or provided to the Executive. The calculations and establishment of assumptions in this Section 7 will be performed by a professional tax firm engaged by the Company as of the day prior to the applicable CiC Date. If the tax firm so engaged by the Company is serving as accountant or auditor for the acquiring company, the Company shall appoint a nationally recognized tax firm to make the determinations required by this Section 7. The Company shall bear all expenses with respect to the determinations by such firm required to be made by this Section 7. The Company and the Executive shall furnish such tax firm such information and documents as the tax firm may reasonably request in order to make its required determination. The tax firm will provide its calculations, together with detailed supporting documentation, to the Company and the Executive as soon as practicable following its engagement. Any good faith determinations of the tax firm made hereunder shall be final, binding and conclusive upon the Company and the Executive. However, the Executive shall have the final authority to make any good faith determination(s) associated with the assumptions used by the tax firm in providing its calculations, and such good faith determination by the Executive shall be binding on the Company. As a result of the uncertainty in the application of Sections 409A, 280G or 4999 of the Code at the time of the initial determination by the professional tax firm described in this Section 7, it is possible that the Internal Revenue Service (the “IRS”) or other agency will claim that an Excise Tax greater than that amount, if any, determined by such professional firm for the purposes of this Section 7 is due (the “Additional Excise Tax”). The Executive shall notify the Company in writing of any claim by the IRS or other agency that, if successful, would require payment of Additional Excise Tax. The Executive and the Company shall each reasonably cooperate with the other in connection with any administrative or judicial proceedings concerning the existence or amount of liability for Excise Tax with respect to payments made or due to the Executive. The Company shall pay all reasonable fees, expenses and penalties of the Executive relating to a claim by the IRS or other agency. In the event it is finally determined that a further reduction would have been required under this Section 7 to place the Executive in a better after-tax position, the Executive shall repay the Company such amount within 30 days thereof in order to effect such result.

8. Section 409A.

(a) For purposes of Section 409A of the Code (“Section 409A”) (i) each “payment” (as defined by Section 409A) made under this Agreement shall be considered a “separate payment,” and (ii) payments shall be deemed exempt from the definition of deferred compensation under Section 409A to the fullest extent possible under (x) the “short-term deferral” exemption of Treasury Regulation § 1.409A-1(b)(4), and (y) with respect to amounts paid as separation pay (as defined under Treasury Regulation § 1.409A-1(m)) no later than the second calendar year following the calendar year containing the Executive’s

“separation from service” (as defined for purposes of Section 409A), the “two years/two-times” separation pay exemption of Treasury Regulation § 1.409A-1(b)(9)(iii), which exemptions are hereby incorporated by reference.

(b) Any payments otherwise payable under this Agreement shall not commence until the Executive has a “separation from service” (as defined in Section 409A). Furthermore, notwithstanding anything herein to the contrary, in the case of a payment or benefit that is characterized as deferred compensation under Section 409A, and pursuant to which payment or settlement is triggered based on a Change in Control, in no event will a Change in Control be deemed to have occurred for purposes of such payment or settlement if the transaction is not also a “change in the ownership or effective control of” the Company or “a change in the ownership of a substantial portion of the assets of” the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder).

(c) If the Executive is a “specified employee” as defined in Section 409A (and as applied according to procedures of the Company and its affiliates) as of the Executive’s separation from service, to the extent any payment under this Agreement constitutes deferred compensation (after taking into account any applicable exemptions from Section 409A) that is payable upon a separation from service, and to the extent required in order to avoid the imposition of an excise tax or penalties under Section 409A, no payments due under this Agreement may be made until the earlier of: (1) the date of the Executive’s death and (2) the first day of the seventh month following the Executive’s separation from service, provided, however, that any payments delayed during this six-month period shall be paid in the aggregate in a lump sum on the first day of the seventh month following the Executive’s separation from service (or upon the date of the Executive’s death, if earlier).

(d) Any expense reimbursements or in kind benefits under this Agreement that constitute deferred compensation within the meaning of Section 409A shall be made or provided in accordance with the requirements of Section 409A, including, without limitation, that: (i) the expenses eligible for reimbursement or the amount of in-kind benefits provided in one taxable year shall not affect the expenses eligible for reimbursement or the amount of in-kind benefits provided in any other taxable year; (ii) the reimbursement of an eligible expense shall be made no later than the end of the year after the year in which such expense was incurred; and (iii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

9. Additional Covenants.

(a) Confidentiality, Inventions Assignment and Other Matters. The parties hereby incorporate by reference the CIAA into this Agreement. The Executive acknowledges and agrees that the CIAA Covenants are material provisions of this Agreement and that a material breach of the CIAA Covenants shall be a material breach of this Agreement, and that the payment rights set forth in Sections 3 and 4 of this Agreement are subject to compliance with the CIAA Covenants, as further described in such respective sections.

(b) Non-Disparagement. The Executive agrees that the Company’s reputation and goodwill in the marketplace is of utmost importance and value to the Company. The Executive further agrees that during, and for 18 months after, the term of the Executive’s employment with the Company, the Executive will not purposefully make or publish, directly or indirectly, any public statement disparaging the Company or any of its directors or officers who held such offices at the time of Executive’s termination. A disparaging statement is any written communication (including via an online, digital, or social media

platform) that attacks the Company's products, services, or business policies and/or is intended to undermine the Company's reputation. The Executive further understands and agrees that this Section 9(b) is a material provision of this Agreement and that any material breach of this Section 9(b) shall be a material breach of this Agreement. Notwithstanding the foregoing and anything in this Agreement to the contrary, nothing in this Agreement shall prevent the Executive from (i) discussing or disclosing information about unlawful, unethical or improper acts in the workplace, such as harassment or discrimination or any other conduct that the Executive has reason to believe is unlawful, unethical or improper, (ii) cooperating in any investigation or providing testimony in legal proceedings (whether administrative or judicial), or (iii) making truthful statements in connection with the Executive's enforcement of his rights against the Company, whether under contract, statutory, or common law. Further, and consistent with Section 10(b), this Section 9(b) is not intended to prevent Executive from exercising any other rights protected by law, including the right to communicate with former coworkers and/or third parties about terms and conditions of employment or labor disputes, unrelated to the amount of severance pay under this Agreement, when the communication is not so disloyal, reckless, or maliciously untrue as to lose the protection of the law.

(c) Cooperation. The Executive agrees that, for 18 months after the Executive's date of termination, the Executive shall make himself of herself available at reasonable times, intervals and places for interviews, consultations, internal investigations and/or testimony during which the Executive shall provide to the Company, or its designated attorneys or agents, any and all information known to the Executive regarding or relating to the Company or the Executive's activities on behalf of the Company pertaining to the subject matter on which the Executive's cooperation is sought.

10. Miscellaneous.

(a) Employment At-Will. The Executive agrees and understands that nothing in this Agreement shall change the Executive's "at-will" employment status or confer any right with respect to continuation of employment with the Company, nor shall it interfere in any way with the Executive's right or the Company's right to terminate the Executive's employment at any time, with or without cause, either at the Executive's or the Company's option, with or without notice.

(b) Permitted Disclosures. The Executive understands that nothing contained in this Agreement restricts or limits the Executive's right to discuss the Executive's employment or report possible violations of law or regulation with the Equal Employment Opportunity Commission, United States Department of Labor, the National Labor Relations Board, the Securities and Exchange Commission, or other federal government agency or similar state or local agency or to discuss the terms and conditions of the Executive's employment with others to the extent permitted by Section 7 of the National Labor Relations Act or to the extent that such disclosure is protected under the applicable provisions of law or regulation, including but not limited to "whistleblower" statutes or other similar provisions that protect such disclosure. Additionally, the Executive understands that, pursuant to 18 U.S.C. Section 1833(b), the Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (1) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (2) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If the Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Executive may disclose such trade secret to the Executive's attorney and use the trade secret information in related court proceedings, provided that Employee files any document containing the trade secret information under seal and does not further disclose the trade secret, except pursuant to court order.

(c). Governing Law. This Agreement will be governed by, construed, interpreted, and its validity determined under the laws of the state in which the Executive resides (the "Governing Law State"), as applied to agreements entered into and to be fully performed by residents of such Governing Law State. Such law of the Governing Law State shall govern regardless of the forum in which a dispute may be adjudicated. Subject to Section 10(d) hereof, all actions or proceedings for injunctive relief arising out of this Agreement shall exclusively be heard and determined in state or federal courts in the Governing Law State having appropriate jurisdiction. The parties expressly consent to the exclusive jurisdiction of such courts in any such action or proceeding and waive any objection to venue therein and any defense of forum non conveniens.

(d). Dispute Resolution. The parties hereby incorporate by reference the Dispute Resolution Agreement into this Agreement and agree that any and all disputes arising under this Agreement are subject to and governed by the Dispute Resolution Agreement; provided, however, that the parties reserve the right to seek temporary or preliminary injunctive relief in court, in which case the parties agree that such injunctive relief shall be granted in court to preserve the status quo pending a resolution on the merits in arbitration. The Executive agrees that in connection with any application for injunctive relief, discovery shall be conducted on an expedited basis. The Executive further agrees that, in any proceeding alleging breach of this Agreement, the Company shall have the right to conduct forensic examinations of any computers and/or electronic devices in the Executive's possession or control, if the Company reasonably believes such devices contain Confidential Information (as defined in the Dispute Resolution Agreement).

(e). Remedies. The Executive acknowledges that any breach or threatened breach of this Agreement will cause immediate and irreparable injury and unquantifiable damage to the Company. If the Executive breaches, or the Company reasonably believes the Executive is about to breach, this Agreement, the Executive agrees that the Company is entitled to immediate injunctive relief enforcing the terms of this Agreement without the necessity of posting a bond, in addition to any other remedies at law or in equity. The Executive and the Company agree that in any legal proceeding to enforce this Agreement, the prevailing party shall be entitled to reimbursement of its actual costs and expenses, including without limitation reasonable attorneys' fees and costs.

(f). Assignment. The Executive agrees that, should the Company be acquired by, merge with, or otherwise combine with another corporation or business entity, the surviving entity will have all rights to enforce the terms of this Agreement as if it were the Company itself enforcing the Agreement. Notwithstanding the foregoing, the Executive may not assign this Agreement or any part hereof. Any purported assignment by the Executive shall be null and void from the initial date of purported assignment.

(g). Severability. If any provision of this Agreement is held to be invalid, illegal, or unenforceable in any respect, then the Agreement will be deemed amended to the extent necessary to render the invalid, illegal, or unenforceable provision, and the rest of the Agreement, valid and enforceable. If a court or other adjudicator declines to amend the Agreement, the invalidity, illegality, or unenforceability of any provision will not affect the validity or enforceability of the remaining provisions, which shall be enforced as if the invalid, illegal, or unenforceable provision had not been included in this Agreement.

(h). Waiver. A waiver by the Company of a breach of any provisions of this Agreement shall not be deemed a waiver of any subsequent breach, nor shall recourse to any remedy hereunder be a

waiver of any other or further relief or remedy. No waiver will be effective unless made in writing and signed by an officer of the Company.

(i). Entire Agreement. Except as otherwise stated herein, this Agreement, together with the CIAA, the Dispute Resolution Agreement and, if applicable, the Offer Letter, set forth the entire agreement and understanding between the Company and the Executive with respect to the subject matter of this Agreement (including but not limited to severance payments and benefits), and supersedes and replaces all prior understandings and agreements regarding the same, whether written or oral. This Agreement can only be amended or modified in a writing signed by both parties. Any subsequent change(s) in the Executive's duties, salary, compensation, or benefits will not affect the validity or scope of this Agreement, including the at-will nature of employment as described in Section 10(a). The Company's and the Executive's obligations under this Agreement shall survive the termination of Employee's employment regardless of the manner of such termination. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors, assigns, affiliated entities, and any party-in-interest.

(j). Counterparts. This Agreement may be executed in any number of counterparts, each of which, when executed by a party to this Agreement shall be deemed to be an original, and all of which counterparts together shall constitute one and the same instrument.

(k). Notices. Notices and all other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given (i) when personally delivered or (ii) when mailed by U.S. registered or certified mail, return receipt requested and postage prepaid, on the third business day after such mailing, or (iii) when sent by express U.S. mail or overnight delivery through a national delivery service (or an international delivery service in the case of an address outside the U.S.) with signature required, on the next business day after such sending. Notice to the Company shall be directed to the attention of the Chief Legal Officer of the Company at the address of the Company's headquarters, and notice to the Executive shall be directed to the Executive at the Executive's most recent personal residence on file with the Company.

(l). Taxes and Withholdings. The Company shall deduct from the amounts payable to the Executive pursuant to this Agreement all required withholding amounts and deductions, including but not limited to federal, state and local withholding amounts in accordance all applicable laws and regulations and deductions authorized by the Executive. Except to the extent otherwise set forth herein, the Executive shall be solely responsible for and shall pay all taxes (other than the employer-paid portion of any employment taxes) associated with the amounts payable under this Agreement.

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement as of the date first above written.

ORTHOFIX MEDICAL INC.

By:
Massimo Calafiore
President and Chief Executive Officer

EXECUTIVE

Max Reinhardt

ORTHOFIX MEDICAL INC.

CHANGE IN CONTROL AND SEVERANCE AGREEMENT

This AGREEMENT (the “Agreement”) is made and entered into as of August 15, 2024 (the “Effective Date”), by and between Orthofix Medical Inc., a Delaware corporation (together with its direct and indirect subsidiaries, the “Company”), and Patrick Fisher (the “Executive”).

RECITALS

WHEREAS, the Executive is expected to make significant contributions to the profitability, growth and financial strength of the Company;

WHEREAS, the Company believes that it is important to provide the Executive with severance benefits upon certain terminations of employment to provide the Executive with enhanced financial security and incentive and encouragement to remain with the Company;

WHEREAS, the Company recognizes that the possibility of a Change in Control (as hereinafter defined) and the uncertainty that it would cause could result in the departure or distraction of the Executive, to the detriment of the Company and its stockholders; and

WHEREAS, the Company desires to encourage the continued employment of the Executive by the Company and wants assurance that it shall have the continued dedication, loyalty and service of, and the availability of objective advice and counsel from, the Executive notwithstanding the possibility, threat or occurrence of a Change in Control;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following terms have the following meanings, which are equally applicable to both the singular and plural forms of the terms defined:

(a) “2012 LTIP” shall mean the Company’s 2012 Long-Term Incentive Plan, as amended and/or restated from time-to-time (including after the Effective Date).

(b) “Board” shall mean the Board of Directors of Parent.

(c) “Cause” shall mean (i) willful and intentional commission by the Executive of one or more material acts of (A) fraud, misappropriation or embezzlement related to the business or property of the Company or (B) moral turpitude; (ii) conviction for, or guilty plea to, or plea of nolo contendere to, a felony; or (iii) fraud or willful misconduct committed by the Executive that caused or otherwise materially contributed to the requirement for an accounting restatement of the Company’s financial statements due to noncompliance with any financial reporting requirement (other than a restatement due to a change in accounting rules). No act or omission shall be deemed willful, intentional or material for purposes of this definition if taken or omitted to be taken by the Executive in a good faith belief that such act or omission to act was in the best interests of the Company or if done at the direction of the Board or the board of directors or principal executive officer of any acquirer of the Company.

(d) “Change in Control” shall mean the occurrence of any of the following events:

(i) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act), in any individual transaction or series of related transactions, of 50% or more of either (A) the then outstanding shares of common stock of Parent (the “Outstanding Common Stock”) or (B) the combined voting power of the then outstanding voting securities of Parent entitled to vote generally in the election of directors (the “Outstanding Voting Securities”); excluding, however, the following: (1) any acquisition directly from Parent, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from Parent; (2) any acquisition by Parent; (3) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by Parent or any entity controlled by Parent; or (4) any acquisition pursuant to a transaction which complies with clauses (A), (B) and (C) of subsection (iii) of this definition of Change in Control;

(ii) a change in the composition of the Board such that the individuals who as of the Effective Date constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided, however, for purposes of this paragraph, that any individual who becomes a member of the Board subsequent to the Effective Date, whose appointment, election, or nomination for election by Parent’s stockholders was approved by a vote of at least a majority of those individuals who are members of the Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) shall be considered as though such individual were a member of the Incumbent Board; but provided further that any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board shall not be so considered as a member of the Incumbent Board;

(iii) consummation of a reorganization, merger, consolidation or other business combination or the sale or other disposition of all or substantially all of the assets of Parent (including assets that are shares held by Parent in its subsidiaries) (any such transaction, a “Business Combination”); expressly excluding, however, any such Business Combination pursuant to which all of the following conditions are met: (A) all or substantially all of the Person(s) who are the beneficial owners of the Outstanding Common Stock and Outstanding Voting Securities, respectively, immediately prior to such Business Combination will beneficially own, directly or indirectly, more than 50% of, respectively, the outstanding shares of common stock, and the combined voting power of the outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns Parent or all or substantially all of Parent’s assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Common Stock and Outstanding Voting Securities, as the case may be, (B) no Person (other than Parent, any employee benefit plan (or related trust) of Parent or such entity resulting from such Business Combination) will beneficially own, directly or indirectly, 50% or more of, respectively, the outstanding shares of common stock of the entity resulting from such Business Combination or the combined voting power of the outstanding voting securities of such entity entitled to vote generally in the election of directors except to the extent that such ownership existed prior to the Business Combination, and (C) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the entity resulting from such Business Combination;

(iv) the approval by the stockholders of Parent of a complete liquidation or dissolution of Parent;

(v) the Company shall sell or dispose of, in a single transaction or series of related transactions, business operations that generated two-thirds of the consolidated revenues of the Company (determined on the basis of Company's four most recently completed fiscal quarters for which reports have been filed under the Exchange Act) and such disposal shall not be exempted pursuant to clause (iii) of this definition of Change in Control;

(vi) Parent files a report or proxy statement with the Securities and Exchange Commission pursuant to the Exchange Act disclosing in response to Form 8-K or Schedule 14A (or any successor schedule, form or report or item therein) that a change in control of Parent has or may have occurred or will or may occur in the future pursuant to any then-existing agreement or transaction; notwithstanding the foregoing, unless determined in a specific case by the Board, a "Change in Control" shall not be deemed to have occurred solely because: (A) an entity in which Parent directly or indirectly beneficially owns 50% or more of the voting securities, or any Parent-sponsored employee stock ownership plan, or any other employee plan of the Company, either files or becomes obligated to file a report or a proxy statement under or in response to Schedule 13D, Schedule 14D-1, Form 8-K or Schedule 14A (or any successor schedule, form or report or item therein) under the Exchange Act, disclosing beneficial ownership by form or report or item therein, disclosing beneficial ownership by it of shares of stock of Parent, or because Parent reports that a change in control of Parent has or may have occurred or will or may occur in the future by reason of such beneficial ownership or (B) any Company-sponsored employee stock ownership plan, or any other employee plan of the Company, either files or becomes obligated to file a report or a proxy statement under or in response to Schedule 13D, Schedule 14D-1, Form 8-K or Schedule 14A (or any successor schedule, form or report or item therein) under the Exchange Act, disclosing beneficial ownership by form or report or item therein, disclosing beneficial ownership by it of shares of stock of Parent, or because Parent reports that a change in control of Parent has or may have occurred or will or may occur in the future by reason of such beneficial ownership; or

(vii) any other transaction or series of related transactions occur that have substantially the effect of the transactions specified in any of the preceding clauses in this definition.

Notwithstanding this definition of "Change in Control," the Board, in its sole discretion, may determine that a Change in Control has occurred for purposes of this Agreement, even if the events giving rise to such Change in Control are not expressly described in the above definition.

(e) "CIAA" shall mean that certain Confidentiality, Invention Assignment and Restrictive Covenants Agreement entered into by Parent (or one of its current direct or indirect subsidiaries) and the Executive on August 15, 2024, as such agreement may be amended from time-to-time.

(f) "CIAA Covenants" shall mean the covenants set forth in the CIAA, including but not limited to the covenants contained therein related to fiduciary duties, confidential information, inventions, non-competition and non-solicitation, if and as applicable.

(g) "CiC Date" shall mean the date on which a Change in Control occurs.

(h) "CiC Period" shall mean the twenty four (24)-month period commencing on any CiC Date; provided, however, if the Company terminates the Executive's employment with the Company

prior to such CiC Date but on or after a Potential CiC Date, and it is reasonably demonstrated that the Executive's (i) employment was terminated at the request of an unaffiliated third party who has taken steps reasonably calculated to effect a Change in Control or (ii) termination of employment otherwise arose in connection with or in anticipation of the Change in Control, then the "CiC Period" shall mean the twenty four (24)-month period beginning on the date immediately prior to the date of the Executive's termination of employment with the Company.

(i) "CiC Period Good Reason" shall mean the occurrence of any of the following without the written consent of the Executive: (i) a requirement that the Executive work principally from a location that is more than thirty (30) miles from his or her then-current principal place of employment (which, for the avoidance of doubt, shall not preclude the Executive from being required by the Company to travel to Company office locations more than thirty (30) miles from his or her then-current principal place of employment during CiC Periods), (ii) any reduction in the Executive's Total Compensation (other than any reduction of the Executive's equity-based compensation occurring on or prior to January 4, 2025 solely as a result of across-the-board reductions to equity-based compensation levels that apply the applicable reduction percentage substantially similarly to similarly situated Parent executives), (iii) any material breach of this Agreement, any written communication offering employment to the Executive (the "Offer Letter") or any other material agreement with the Executive by the Company or any successor entity, or (iv) any diminution after the Effective Date in the Executive's employment position, authority, duties, responsibilities or line of reporting structure, or the assignment to the Executive of any duties materially inconsistent with the Executive's position and title immediately prior to consummation of the Change in Control (including, for example, if the Executive was the Chief Financial Officer of the Company immediately prior to consummation of a Change in Control and is not the Chief Financial Officer of the Company immediately following consummation of the Change in Control, then a diminution in the Executive's responsibilities will have occurred), in each case excluding for this purpose an isolated, insubstantial and inadvertent action taken in good faith and which is promptly remedied by employer. The Executive shall only have CiC Period Good Reason if (A) the Executive has provided notice of termination to the Company of any of the foregoing conditions within ninety (90) days of the Executive's initial awareness of the existence of the condition, (B) the Company does not cure such condition within thirty (30) days following receipt of such notice of termination, and (C) if such condition is not cured within such thirty (30) day period, the Executive actually terminates employment within sixty (60) days after the notice of termination. The Executive's mental or physical incapacity following the occurrence of an event described above in clauses (i), (ii), (iii) or (iv) shall not affect the Executive's ability to terminate employment for CiC Period Good Reason, and the Executive's death following delivery of a notice of termination for CiC Period Good Reason shall not affect the Executive's estate's entitlement to the severance benefits provided hereunder upon a termination of employment for CiC Period Good Reason.

(j) "Compensation Committee" shall mean the Compensation & Talent Development Committee of the Board or any successor committee.

(k) "Disability" as used in this Agreement shall have the meaning given to that term by any disability insurance the Company carries at the time of termination that would apply to the Executive. Otherwise, the term "Disability" shall mean the inability of the Executive to perform each of the essential duties of the Executive's position by reason of a medically determinable physical or mental impairment which is potentially permanent in character or which can be expected to last for a continuous period of not less than twelve (12) months. Any dispute as to whether or not the Executive has a "Disability" for purposes of this Agreement shall be resolved by a physician reasonably satisfactory to the Board and the Executive (or his legal representative, if applicable). If the Board and the Executive (or his legal

representative, if applicable) are unable to agree on a physician, then each shall select one physician and those two physicians shall pick a third physician and the determination of such third physician shall be binding on the parties.

(l) “Dispute Resolution Agreement” shall mean that certain Dispute Resolution Agreement entered into by Parent (or one of its current direct or indirect subsidiaries) and the Executive on August 15, 2024, as such agreement may be amended from time-to-time.

(m) “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

(n) “Good Reason” shall mean: (i) during a CiC Period, (A) CiC Period Good Reason; or (B) if in the notice of termination Executive indicates Executive is relying on Non-CiC Period Good Reason, Non-CiC Period Good Reason; and (ii) during a Non-CiC Period, Non-CiC Period Good Reason. For clarity, Executive shall be entitled to the benefits set forth in Section 4 if Good Reason is based on the definition set forth in Section 1(n)(i)(B).

(o) “Non-CiC Period” shall mean any period of time that is not a CiC Period.

(p) “Non-CiC Period Good Reason” shall mean the occurrence of any of the following without the written consent of the Executive: (i) a requirement that the Executive work principally from a location that is more than fifty (50) miles from his or her then-current principal place of employment (which, for the avoidance of doubt, shall not preclude the Executive from being required by the Company to travel to Company office locations more than fifty (50) miles from his or her then-current principal place of employment during Non-CiC Periods), (ii) any 10% or greater reduction in the sum of the Executive’s base salary and target annual bonus opportunity, (iii) any 20% or greater reduction in the grant date fair value of annual equity-based compensation awarded to the Executive relative to the prior year or the calendar year during which the Effective Date occurs, whichever is greater (other than any reduction of the Executive’s equity-based compensation occurring solely as a result of across-the-board reductions to equity-based compensation levels that apply the applicable reduction percentage substantially similarly to similarly situated Parent executives), or (iv) any material breach of this Agreement, the Offer Letter or any other material agreement with the Executive by the Company or any successor entity. The Executive shall only have Non-CiC Period Good Reason if (A) the Executive has provided notice of termination to the Company of any of the foregoing conditions within ninety (90) days of the Executive’s initial awareness of the existence of the condition, (B) the Company does not cure such condition within thirty (30) days following receipt of such notice of termination, and (C) if such condition is not cured within such thirty (30) day period, the Executive actually terminates employment within sixty (60) days after the notice of termination. The Executive’s mental or physical incapacity following the occurrence of an event described above in clauses (i), (ii), (iii), or (iv) shall not affect the Executive’s ability to terminate employment for Non-CiC Period Good Reason, and the Executive’s death following delivery of a notice of termination for Non-CiC Period Good Reason shall not affect the Executive’s estate’s entitlement to the severance benefits provided hereunder upon a termination of employment for Non-CiC Period Good Reason.

(q) “Parent” shall mean Orthofix Medical Inc. and its successors.

(r) “Partially Accelerating Portion” shall mean, with respect to the applicable Options, TBRS or TBRSUs, as applicable, the portion of such award that would have vested during the 12 months following the date of termination of Service (e.g., (i) for any awards with an annual vesting schedule, the lesser of the remaining unvested portion of such award or 1 times the amount (i.e. 100% of such amount)

that would have vested at the next annual vesting date following the date of termination of Service, (ii) for any awards with a quarterly vesting schedule, the lesser of the remaining unvested portion of such award or 4 times the amount (i.e. 400% of such amount) that would have vested at the next quarterly vesting date following the date of termination of Service, and (iii) for any awards with a monthly vesting schedule, the lesser of the remaining unvested portion of such award or 12 times the amount (i.e. 1,200% of such amount) that would have vested at the next monthly vesting date following the date of termination of Service).

(s). “Person” shall include individuals or entities such as corporations, partnerships, companies, firms, business organizations or enterprises, and governmental or quasi-governmental bodies.

(t). “Potential CiC Date” shall mean the earliest to occur of: (i) the date on which Parent executes an agreement or letter of intent, the consummation of the transactions described in which would result in the occurrence of a Change in Control or (ii) the date on which the Board approves a transaction or series of transactions, the consummation of which would result in a Change in Control; provided, however, that such date shall become null and void when, in the opinion of the Board, Parent or the respective third party has abandoned or terminated such transaction or series of transactions without consummation.

(u). “SeaSpine 2015 Plan” shall mean the SeaSpine Holdings Corporation Amended and Restated 2015 Incentive Award Plan Award Plan, as amended, that has been assumed by the Company.

(v). “Service” shall have the meaning ascribed to such term in the 2012 LTIP.

(w). “Total Compensation” shall mean the aggregate of base salary, annual cash-based target bonus opportunity, employee benefits (retirement plan, welfare plans, and fringe benefits), and annual grant date fair value of equity-based compensation, but excluding for the avoidance of doubt any reductions caused by the failure to achieve performance targets.

2. Term of Agreement. The term of this Agreement (the “Term”) shall commence on the Effective Date and shall continue in effect until the earlier of (i) the parties’ satisfaction of their respective obligations under this Agreement or (ii) the execution of a written agreement between the Company and the Executive terminating this Agreement.

3. Certain Terminations of Employment During a Non-CiC Period. If, during a Non-CiC Period, the Executive’s employment with the Company terminates as a result of death, the Executive terminates his or her employment as a result of Disability or for Good Reason, or the Company terminates the Executive’s employment without Cause, the Company shall pay or provide to the Executive (i) the Executive’s outstanding base salary due through the Executive’s date of termination, (ii) any amounts or benefits owing to the Executive as of the Executive’s date of termination under the then applicable benefit plans of the Company, at the time such amounts or benefits are due (including any accrued vacation payable), (iii) any amounts owing to the Executive for reimbursement of expenses properly incurred by the Executive prior to the Executive’s date of termination, which shall be subject to and paid in accordance with the Company’s expense reimbursement policy, (iv) if, for the calendar year prior to the Executive’s termination, the Company and/or the Executive has achieved performance goals (whether or not such achievement has been determined formally) such that the Executive has earned (or would have earned, had the Executive been employed in good standing by the Company on the date on which a bonus otherwise would have been paid) a bonus under any annual cash incentive program of the Company (an “Annual Cash Incentive Program”) and such Annual Cash Incentive Program bonus with respect to such prior calendar

year has not yet been paid, the amount of such bonus, payable at the same time as payments are made to other participants under such Annual Cash Incentive Program, and (v) a *pro rata* amount of any Annual Cash Incentive Program bonus with respect to the year of termination (based on the number of days the Executive was employed by the Company during such year of termination) assuming achievement at 100% of Executive's current annual target cash bonus amount under the Annual Cash Incentive Program, payable at the same time as payments are made to Executive as set forth in this Section 3, other than with respect to the bonus paid under the Annual Cash Incentive Program as contemplated by Section 3(iv) (collectively, the "Accrued Amounts"). Subject to the Executive's compliance with the covenants in Section 9 (including but not limited to the CIAA Covenants, as defined in Section 9) and the Executive's execution and non-revocation of the release described in Section 5 hereof, the Company shall also pay to the Executive, in a cash lump sum within ten (10) days following the Release Effective Date (as defined below) (subject to the additional payment delays that may be required pursuant to Sections 8(b) and 8(c) below), an amount equal to 1.0 times the sum of (A) the Executive's annual base salary in effect as of the Executive's date of termination (without giving effect to any reduction of base salary that has occurred within the 12-month period preceding such date of termination), (B) the Executive's current annual target cash bonus amount under the Annual Cash Incentive Program (without giving effect to any reduction of such annual target amount that has occurred within the 12-month period preceding such date of termination) and (C) \$12,500 to be used by the Executive for outplacement services (the amount provided for by such sum, the "Severance Base Amount," and the amount provided for by such product, "Non-CiC Severance Amount"). Notwithstanding the foregoing, if the Non-CiC Severance Amount could be paid to the Executive during the subsequent taxable year of the Executive rather than the Executive's taxable year in which the Executive's date of termination occurs based on when the Executive executes and delivers the release described in Section 5 hereof to the Company, then, to the extent that the Non-CiC Severance Amount constitutes nonqualified deferred compensation subject to Section 409A of Internal Revenue Code of 1986, as amended (the "Code"), the Non-CiC Severance Amount shall not be paid earlier than the first business day of the later of such taxable years. In addition, subject to the Executive's compliance with the covenants in Section 9 (including but not limited to the CIAA Covenants) and the Executive's execution and non-revocation of the release described in Section 5 hereof, the Company shall reimburse the Executive on a monthly basis for the Executive's monthly premium payments for health care coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") for the Executive and the Executive's eligible dependents for a period of 12 months, provided that the Executive and, if applicable, the Executive's eligible dependents are currently enrolled in the applicable plan(s) of the Company at the time of the Executive's termination and that the Executive timely elects to continue the Executive's coverage under COBRA; provided, however, that the Company's obligation to reimburse the Executive for such premiums shall cease on the date the Executive is no longer eligible to receive COBRA coverage and (ii) if the Company determines, in its sole discretion, that the payment of the COBRA reimbursements (in whole or in part) would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Code or any statute or regulation of similar effect, then in lieu of providing the COBRA reimbursements (in whole or in part), the Company may elect instead to pay the Executive on the first day of each month of such coverage period, a fully taxable cash payment equal, on an after-tax basis, to the applicable COBRA premiums (in whole or in part) for the prior month. The Executive must advise the Company as soon as the Executive becomes eligible for health care coverage from a third party (e.g., spouse's employer, the Executive's subsequent employer, or any other party with a relationship with the Executive).

4. Termination of Employment During a CiC Period. If, during a CiC Period, the Executive's employment with the Company terminates as a result of death, the Executive terminates his or her employment as a result of Disability or for Good Reason, or the Company terminates the Executive's

employment without Cause, the Company shall: (A) pay or provide to the Executive the Accrued Amounts, and (B) subject to the Executive's compliance with the covenants in Section 9 (including but not limited to the CIAA Covenants) and the Executive's execution and non-revocation of the release described in Section 5 hereof, (i) pay to the Executive, in a cash lump sum within ten (10) days following the Release Effective Date (subject to the additional payment delays that may be required pursuant to Sections 8(b) and 8(c) below), an amount equal to 1.5 times the Severance Base Amount (the amount provided for by such product, the "CiC Severance Amount"); provided, however, that if the CiC Severance Amount could be paid to the Executive during the subsequent taxable year of the Executive rather than the Executive's taxable year in which the Executive's date of termination occurs based on when the Executive executes and delivers the release described in Section 5 hereof to the Company, then, to the extent that the CiC Severance Amount constitutes nonqualified deferred compensation subject to Section 409A of the Code, the CiC Severance Amount shall not be paid earlier than the first business day of the later of such taxable years; and (ii) reimburse the Executive on a monthly basis for the Executive's monthly premium payments for health care coverage under COBRA for the Executive and the Executive's eligible dependents for a period of 12 months, provided that the Executive and, if applicable, the Executive's eligible dependents are currently enrolled in the applicable plan(s) of the Company at the time of the Executive's termination and that the Executive timely elects to continue the Executive's coverage under COBRA; provided, however, that the Company's obligation to reimburse the Executive for such premiums shall cease on the date the Executive is no longer eligible to receive COBRA coverage and (ii) if the Company determines, in its sole discretion, that the payment of the COBRA reimbursements (in whole or in part) would result in a violation of the nondiscrimination rules of Section 105(h) of the Code or any statute or regulation of similar effect, then in lieu of providing the COBRA reimbursements (in whole or in part), the Company may elect instead to pay the Executive on the first day of each month of such coverage period, a fully taxable cash payment equal, on an after-tax basis, to the applicable COBRA premiums (in whole or in part) for the prior month. The Executive must advise the Company as soon as the Executive becomes eligible for health care coverage from a third party (e.g., spouse's employer, the Executive's subsequent employer, or any other party with a relationship with the Executive).

5. Payments Contingent Upon Release Agreement, Compliance with Covenants. As a condition to receiving the Non-CiC Severance Amount or the CiC Severance Amount, as applicable, and the reimbursement or payment of COBRA premiums pursuant to Sections 3 or 4 hereof, the Executive will execute a general release of claims, which will also confirm any post-termination obligations and/or restrictions applicable to the Executive, in form and substance consistent with then-current practices for companies similarly situated to Parent (the "Release"). Within ten (10) days of the Executive's date of termination, the Company shall deliver to the Executive the Release for the Executive to execute. The Executive will forfeit all rights to receive the Non-CiC Severance Amount or the CiC Severance Amount, as applicable, and the reimbursement or payment of COBRA premiums pursuant to Sections 3 or 4 hereof unless, within fifty-two (52) days of delivery of the Release by the Company to the Executive, the Executive executes and delivers the Release to the Company and such Release has become irrevocable by virtue of the expiration of the revocation period specified therein without the Release having been revoked (the first such date, the "Release Effective Date"). The Company's obligation to pay the Non-CiC Severance Amount or the CiC Severance Amount, as applicable, or to reimburse or pay COBRA premiums pursuant to Sections 3 or 4 hereof, is subject to the occurrence of the Release Effective Date, and if the Release Effective Date does not occur, then the Company shall have no obligation to make such payments or reimbursements. Any reimbursements or payments of COBRA premiums pursuant to Sections 3 or 4 hereof that would otherwise have become due prior to the Release Effective Date shall be paid in a cash lump sum within ten (10) days following the Release Effective Date; provided, that if any reimbursements or

payments of COBRA premiums pursuant to Sections 3 or 4 hereof could be paid to the Executive during a different taxable year of the Executive than the Executive's taxable year in which the Executive's date of termination occurs based on when the Executive executes and delivers the Release to the Company, then, to the extent that the reimbursements constitute nonqualified deferred compensation subject to Section 409A of the Code, the reimbursement amounts shall not be paid earlier than the first business day of the later of such taxable years. In the event the Company reasonably believes that the Executive has breached one or more of the covenants in Section 9 (including but not limited to the CIAA Covenants), the Company shall notify the Executive and provide reasonably detailed information supporting its belief and the Company and the Executive shall discuss in good faith the resolution thereof. Subject to Section 10(d), if it is determined that the Executive has breached one or more covenants in Section 9 (including but not limited to the CIAA Covenants), the Executive shall forfeit the Executive's right to receive the Non-CiC Severance Amount or the CiC Severance Amount, as applicable, and the reimbursement or payment of COBRA premiums pursuant to Sections 3 or 4 hereof, and, to the extent such amounts have been paid to the Executive, shall repay to the Company the after-tax amount of any such previously paid amounts.

6. Time-Based Stock Options, Time-Based Restricted Stock and Time-Based Restricted Stock Unit Vesting and Exercisability. The provisions set forth in Sections 6(a), (b), (c) and (d) below shall apply with respect to (a) the time-based vesting portion of all stock options of the Company ("Time-Based Stock Options" or "Options") granted to the Executive, (b) all time-based vesting shares of restricted stock of the Company ("Time-Based Restricted Stock" or "TBRs") granted to the Executive, and (c) all time-based vesting restricted stock units of the Company ("Time-Based RSU" or "TBRsU") granted to the Executive, in each case, whether the applicable Options, TBRs and/or TBRsU are issued under (i) the 2012 LTIP, (ii) the SeaSpine 2015 Plan, or (iii) any other future or successor Company plan or standalone award agreements. Such provisions shall supersede and override any conflicting provisions set forth in applicable award agreements of the Company governing applicable grants, and shall be incorporated by reference into the terms of such award agreements. Notwithstanding the foregoing, the provisions in Section 6(a), (b), (c) and (d) below shall not apply with respect to the equity-based compensation grants made to the Executive pursuant to Nasdaq Rule 5635(c)(4) in connection with his inducement to become employed by the Company.

(a) Termination of Service in Non-Acceleration Circumstances. If, prior to vesting, the Executive's Service is terminated for any reason other than a circumstance providing for accelerated vesting pursuant to any of Sections 6(b)-(f) below, the unvested portion of the applicable Option, TBRs, or TBRsU shall be cancelled and revert back to the Company as of the date of such termination of Service, and the Executive shall have no further right or interest therein unless the Compensation Committee in its sole discretion shall determine otherwise. In such event, the Executive shall have the right, subject to the other terms and conditions set forth in this Agreement and the applicable plan, to exercise such Option, to the extent it has vested as of the date of such termination of Service, at any time within three (3) months after the date of such termination of Service, subject to the earlier expiration of the Option on the ten (10)-year anniversary of grant or such other term as is provided in the applicable equity award agreement otherwise governing such grant (the "Expiration Date"). To the extent the vested portion of the Option is not exercised within such three (3)-month period, such Option shall be cancelled and revert back to the Company, and the Executive or any permitted transferee pursuant to the terms of the applicable award agreement, as applicable, shall have no further right or interest therein.

(b) Termination of Service for Death or Disability. If the Executive's Service terminates by reason of death or the Executive terminates his or her employment as a result of Disability, as of the date of such termination of Service (i) the unvested portion of any Option shall automatically vest

and become immediately exercisable in full and (ii) any TBRS and any TBRSU shall automatically vest in full. The full portion of any unexercised Option shall remain exercisable by the Executive (or any person entitled to do so) at any time within eighteen (18) months after the date of such termination of Service, subject to the earlier expiration of such Option on the Expiration Date. To the extent such Option is not exercised within such period, such Option shall be cancelled and revert back to the Company, and the Executive or any permitted transferee pursuant to the terms of the applicable award agreement, as applicable, shall have no further right or interest therein. The shares subject to any such TBRSU shall be delivered no later than sixty (60) days following such termination of Service.

(c) Intentionally Omitted.

(d) Termination of Service by Company without Cause or by Executive with Good Reason. If the Executive's Service terminates by reason of the Executive terminating his or her employment for Good Reason or the Company terminating the Executive's employment without Cause, the Partially Accelerating Portion of any Option shall automatically vest and become immediately exercisable, and the Partially Accelerating Portion of any TBRS and any TBRSU shall automatically vest, in each case, as of the date of such termination of Service. The non-vested portion of the Option shall be cancelled and revert back to the Company. The vested portion of the applicable Option (which, for the avoidance of doubt, shall include the Partially Accelerating Portion) shall remain exercisable by the Executive (or any person entitled to do so) at any time within eighteen (18) months after the date of such termination of Service, subject to the earlier expiration of the Option on the Expiration Date, and to the extent such vested portion of the Option is not exercised within such eighteen (18)-month period, such portion of the Option shall be cancelled and revert back to the Company, and the Executive or any permitted transferee pursuant to the terms of the applicable award agreement, as applicable, shall have no further right or interest therein. The shares subject to any such TBRSU shall be delivered no later than sixty (60) days following such termination of Service.

(e) Intentionally Omitted.

(f) Certain Additional Change in Control Circumstances. In the event that the employment of the Executive with the Company is terminated by the Company without Cause or by the Executive for CiC Period Good Reason, in each case during a CiC Period (including, for the avoidance of doubt, following a Potential CiC Date but before the applicable Change in Control has been consummated), (i) the Executive's then-outstanding Options shall be fully vested and may be exercised in full, to the extent applicable, beginning on the date of such termination and for the thirty six (36)-month period immediately following such termination (subject to the earlier expiration of the Option on the Expiration Date) or for such longer period as the Compensation Committee shall determine, and (ii) the unvested portion of the Executive's then outstanding TBRS and TBRSU shall be fully vested (and the shares subject to any such TBRSU shall be delivered no later than sixty (60) days following such termination of Service). Such outstanding Options, TBRS, and TBRSU shall otherwise be treated in accordance with the default rules applicable under Section 17 of the 2012 LTIP as in effect on the Effective Date (or if made pursuant to a successor long-term incentive plan or inducement plan, the default rules contained in such plan).

(g) Survival. All of the provisions in this Section 6 shall survive any expiration or termination of this Agreement for any reason (unless such termination is as a result of a future novation of such provisions entered into by each of the parties).

7. Section 280G. In the event that any of the severance payments and other benefits provided by this Agreement or otherwise payable to the Executive (a) constitute “parachute payments” within the meaning of Section 280G of the Code, and (b) but for this Section 7, would be subject to the excise tax imposed by Section 4999 of the Code (“Excise Tax”), then the Executive’s severance payments and benefits under this Agreement or otherwise shall be payable either in full or in such lesser amount which would result in no portion of such severance payments or benefits being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income and employment taxes and the Excise Tax, results in the receipt by the Executive, on an after-tax basis, of the greatest amount of severance payments and benefits under this Agreement or otherwise, notwithstanding that all or some portion of such severance payments or benefits may be taxable under Section 4999 of the Code. Any reduction in the severance payments and benefits required by this Section 7 shall be made in the following order: (i) reduction of cash payments; (ii) reduction of accelerated vesting of equity awards other than stock options; (iii) reduction of accelerated vesting of stock options; and (iv) reduction of other benefits paid or provided to the Executive. The calculations and establishment of assumptions in this Section 7 will be performed by a professional tax firm engaged by the Company as of the day prior to the applicable CiC Date. If the tax firm so engaged by the Company is serving as accountant or auditor for the acquiring company, the Company shall appoint a nationally recognized tax firm to make the determinations required by this Section 7. The Company shall bear all expenses with respect to the determinations by such firm required to be made by this Section 7. The Company and the Executive shall furnish such tax firm such information and documents as the tax firm may reasonably request in order to make its required determination. The tax firm will provide its calculations, together with detailed supporting documentation, to the Company and the Executive as soon as practicable following its engagement. Any good faith determinations of the tax firm made hereunder shall be final, binding and conclusive upon the Company and the Executive. However, the Executive shall have the final authority to make any good faith determination(s) associated with the assumptions used by the tax firm in providing its calculations, and such good faith determination by the Executive shall be binding on the Company. As a result of the uncertainty in the application of Sections 409A, 280G or 4999 of the Code at the time of the initial determination by the professional tax firm described in this Section 7, it is possible that the Internal Revenue Service (the “IRS”) or other agency will claim that an Excise Tax greater than that amount, if any, determined by such professional firm for the purposes of this Section 7 is due (the “Additional Excise Tax”). The Executive shall notify the Company in writing of any claim by the IRS or other agency that, if successful, would require payment of Additional Excise Tax. The Executive and the Company shall each reasonably cooperate with the other in connection with any administrative or judicial proceedings concerning the existence or amount of liability for Excise Tax with respect to payments made or due to the Executive. The Company shall pay all reasonable fees, expenses and penalties of the Executive relating to a claim by the IRS or other agency. In the event it is finally determined that a further reduction would have been required under this Section 7 to place the Executive in a better after-tax position, the Executive shall repay the Company such amount within 30 days thereof in order to effect such result.

8. Section 409A.

(a) For purposes of Section 409A of the Code (“Section 409A”) (i) each “payment” (as defined by Section 409A) made under this Agreement shall be considered a “separate payment,” and (ii) payments shall be deemed exempt from the definition of deferred compensation under Section 409A to the fullest extent possible under (x) the “short-term deferral” exemption of Treasury Regulation § 1.409A-1(b)(4), and (y) with respect to amounts paid as separation pay (as defined under Treasury Regulation § 1.409A-1(m)) no later than the second calendar year following the calendar year containing the Executive’s

“separation from service” (as defined for purposes of Section 409A), the “two years/two-times” separation pay exemption of Treasury Regulation § 1.409A-1(b)(9)(iii), which exemptions are hereby incorporated by reference.

(b) Any payments otherwise payable under this Agreement shall not commence until the Executive has a “separation from service” (as defined in Section 409A). Furthermore, notwithstanding anything herein to the contrary, in the case of a payment or benefit that is characterized as deferred compensation under Section 409A, and pursuant to which payment or settlement is triggered based on a Change in Control, in no event will a Change in Control be deemed to have occurred for purposes of such payment or settlement if the transaction is not also a “change in the ownership or effective control of” the Company or “a change in the ownership of a substantial portion of the assets of” the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder).

(c) If the Executive is a “specified employee” as defined in Section 409A (and as applied according to procedures of the Company and its affiliates) as of the Executive’s separation from service, to the extent any payment under this Agreement constitutes deferred compensation (after taking into account any applicable exemptions from Section 409A) that is payable upon a separation from service, and to the extent required in order to avoid the imposition of an excise tax or penalties under Section 409A, no payments due under this Agreement may be made until the earlier of: (1) the date of the Executive’s death and (2) the first day of the seventh month following the Executive’s separation from service, provided, however, that any payments delayed during this six-month period shall be paid in the aggregate in a lump sum on the first day of the seventh month following the Executive’s separation from service (or upon the date of the Executive’s death, if earlier).

(d) Any expense reimbursements or in kind benefits under this Agreement that constitute deferred compensation within the meaning of Section 409A shall be made or provided in accordance with the requirements of Section 409A, including, without limitation, that: (i) the expenses eligible for reimbursement or the amount of in-kind benefits provided in one taxable year shall not affect the expenses eligible for reimbursement or the amount of in-kind benefits provided in any other taxable year; (ii) the reimbursement of an eligible expense shall be made no later than the end of the year after the year in which such expense was incurred; and (iii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

9. Additional Covenants.

(a) Confidentiality, Inventions Assignment and Other Matters. The parties hereby incorporate by reference the CIAA into this Agreement. The Executive acknowledges and agrees that the CIAA Covenants are material provisions of this Agreement and that a material breach of the CIAA Covenants shall be a material breach of this Agreement, and that the payment rights set forth in Sections 3 and 4 of this Agreement are subject to compliance with the CIAA Covenants, as further described in such respective sections.

(b) Non-Disparagement. The Executive agrees that the Company’s reputation and goodwill in the marketplace is of utmost importance and value to the Company. The Executive further agrees that during, and for 18 months after, the term of the Executive’s employment with the Company, the Executive will not purposefully make or publish, directly or indirectly, any public statement disparaging the Company or any of its directors or officers who held such offices at the time of Executive’s termination. A disparaging statement is any written communication (including via an online, digital, or social media

platform) that attacks the Company's products, services, or business policies and/or is intended to undermine the Company's reputation. The Executive further understands and agrees that this Section 9(b) is a material provision of this Agreement and that any material breach of this Section 9(b) shall be a material breach of this Agreement. Notwithstanding the foregoing and anything in this Agreement to the contrary, nothing in this Agreement shall prevent the Executive from (i) discussing or disclosing information about unlawful, unethical or improper acts in the workplace, such as harassment or discrimination or any other conduct that the Executive has reason to believe is unlawful, unethical or improper, (ii) cooperating in any investigation or providing testimony in legal proceedings (whether administrative or judicial), or (iii) making truthful statements in connection with the Executive's enforcement of his rights against the Company, whether under contract, statutory, or common law. Further, and consistent with Section 10(b), this Section 9(b) is not intended to prevent Executive from exercising any other rights protected by law, including the right to communicate with former coworkers and/or third parties about terms and conditions of employment or labor disputes, unrelated to the amount of severance pay under this Agreement, when the communication is not so disloyal, reckless, or maliciously untrue as to lose the protection of the law.

(c) Cooperation. The Executive agrees that, for 18 months after the Executive's date of termination, the Executive shall make himself of herself available at reasonable times, intervals and places for interviews, consultations, internal investigations and/or testimony during which the Executive shall provide to the Company, or its designated attorneys or agents, any and all information known to the Executive regarding or relating to the Company or the Executive's activities on behalf of the Company pertaining to the subject matter on which the Executive's cooperation is sought.

10. Miscellaneous.

(a) Employment At-Will. The Executive agrees and understands that nothing in this Agreement shall change the Executive's "at-will" employment status or confer any right with respect to continuation of employment with the Company, nor shall it interfere in any way with the Executive's right or the Company's right to terminate the Executive's employment at any time, with or without cause, either at the Executive's or the Company's option, with or without notice.

(b) Permitted Disclosures. The Executive understands that nothing contained in this Agreement restricts or limits the Executive's right to discuss the Executive's employment or report possible violations of law or regulation with the Equal Employment Opportunity Commission, United States Department of Labor, the National Labor Relations Board, the Securities and Exchange Commission, or other federal government agency or similar state or local agency or to discuss the terms and conditions of the Executive's employment with others to the extent permitted by Section 7 of the National Labor Relations Act or to the extent that such disclosure is protected under the applicable provisions of law or regulation, including but not limited to "whistleblower" statutes or other similar provisions that protect such disclosure. Additionally, the Executive understands that, pursuant to 18 U.S.C. Section 1833(b), the Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (1) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (2) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If the Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Executive may disclose such trade secret to the Executive's attorney and use the trade secret information in related court proceedings, provided that Employee files any document containing the trade secret information under seal and does not further disclose the trade secret, except pursuant to court order.

(c). Governing Law. This Agreement will be governed by, construed, interpreted, and its validity determined under the laws of the state in which the Executive resides (the "Governing Law State"), as applied to agreements entered into and to be fully performed by residents of such Governing Law State. Such law of the Governing Law State shall govern regardless of the forum in which a dispute may be adjudicated. Subject to Section 10(d) hereof, all actions or proceedings for injunctive relief arising out of this Agreement shall exclusively be heard and determined in state or federal courts in the Governing Law State having appropriate jurisdiction. The parties expressly consent to the exclusive jurisdiction of such courts in any such action or proceeding and waive any objection to venue therein and any defense of forum non conveniens.

(d). Dispute Resolution. The parties hereby incorporate by reference the Dispute Resolution Agreement into this Agreement and agree that any and all disputes arising under this Agreement are subject to and governed by the Dispute Resolution Agreement; provided, however, that the parties reserve the right to seek temporary or preliminary injunctive relief in court, in which case the parties agree that such injunctive relief shall be granted in court to preserve the status quo pending a resolution on the merits in arbitration. The Executive agrees that in connection with any application for injunctive relief, discovery shall be conducted on an expedited basis. The Executive further agrees that, in any proceeding alleging breach of this Agreement, the Company shall have the right to conduct forensic examinations of any computers and/or electronic devices in the Executive's possession or control, if the Company reasonably believes such devices contain Confidential Information (as defined in the Dispute Resolution Agreement).

(e). Remedies. The Executive acknowledges that any breach or threatened breach of this Agreement will cause immediate and irreparable injury and unquantifiable damage to the Company. If the Executive breaches, or the Company reasonably believes the Executive is about to breach, this Agreement, the Executive agrees that the Company is entitled to immediate injunctive relief enforcing the terms of this Agreement without the necessity of posting a bond, in addition to any other remedies at law or in equity. The Executive and the Company agree that in any legal proceeding to enforce this Agreement, the prevailing party shall be entitled to reimbursement of its actual costs and expenses, including without limitation reasonable attorneys' fees and costs.

(f). Assignment. The Executive agrees that, should the Company be acquired by, merge with, or otherwise combine with another corporation or business entity, the surviving entity will have all rights to enforce the terms of this Agreement as if it were the Company itself enforcing the Agreement. Notwithstanding the foregoing, the Executive may not assign this Agreement or any part hereof. Any purported assignment by the Executive shall be null and void from the initial date of purported assignment.

(g). Severability. If any provision of this Agreement is held to be invalid, illegal, or unenforceable in any respect, then the Agreement will be deemed amended to the extent necessary to render the invalid, illegal, or unenforceable provision, and the rest of the Agreement, valid and enforceable. If a court or other adjudicator declines to amend the Agreement, the invalidity, illegality, or unenforceability of any provision will not affect the validity or enforceability of the remaining provisions, which shall be enforced as if the invalid, illegal, or unenforceable provision had not been included in this Agreement.

(h). Waiver. A waiver by the Company of a breach of any provisions of this Agreement shall not be deemed a waiver of any subsequent breach, nor shall recourse to any remedy hereunder be a

waiver of any other or further relief or remedy. No waiver will be effective unless made in writing and signed by an officer of the Company.

(i). Entire Agreement. Except as otherwise stated herein, this Agreement, together with the CIAA, the Dispute Resolution Agreement and, if applicable, the Offer Letter, set forth the entire agreement and understanding between the Company and the Executive with respect to the subject matter of this Agreement (including but not limited to severance payments and benefits), and supersedes and replaces all prior understandings and agreements regarding the same, whether written or oral. This Agreement can only be amended or modified in a writing signed by both parties. Any subsequent change(s) in the Executive's duties, salary, compensation, or benefits will not affect the validity or scope of this Agreement, including the at-will nature of employment as described in Section 10(a). The Company's and the Executive's obligations under this Agreement shall survive the termination of Employee's employment regardless of the manner of such termination. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors, assigns, affiliated entities, and any party-in-interest.

(j). Counterparts. This Agreement may be executed in any number of counterparts, each of which, when executed by a party to this Agreement shall be deemed to be an original, and all of which counterparts together shall constitute one and the same instrument.

(k). Notices. Notices and all other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given (i) when personally delivered or (ii) when mailed by U.S. registered or certified mail, return receipt requested and postage prepaid, on the third business day after such mailing, or (iii) when sent by express U.S. mail or overnight delivery through a national delivery service (or an international delivery service in the case of an address outside the U.S.) with signature required, on the next business day after such sending. Notice to the Company shall be directed to the attention of the Chief Legal Officer of the Company at the address of the Company's headquarters, and notice to the Executive shall be directed to the Executive at the Executive's most recent personal residence on file with the Company.

(l). Taxes and Withholdings. The Company shall deduct from the amounts payable to the Executive pursuant to this Agreement all required withholding amounts and deductions, including but not limited to federal, state and local withholding amounts in accordance all applicable laws and regulations and deductions authorized by the Executive. Except to the extent otherwise set forth herein, the Executive shall be solely responsible for and shall pay all taxes (other than the employer-paid portion of any employment taxes) associated with the amounts payable under this Agreement.

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement as of the date first above written.

ORTHOFIX MEDICAL INC.

By:
Massimo Calafiore
President and Chief Executive Officer

EXECUTIVE

Patrick Fisher

CERTIFICATION

I, Massimo Calafiore, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarterly period ended September 30, 2024, of Orthofix Medical Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has material affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 7, 2024

By: /s/ MASSIMO CALAFIORE

Name: Massimo Calafiore

Title: President and Chief Executive Officer, Director

CERTIFICATION

I, Julie Andrews, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarterly period ended September 30, 2024, of Orthofix Medical Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has material affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 7, 2024

By: /s/ JULIE ANDREWS
Name: Julie Andrews
Title: Chief Financial Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Orthofix Medical Inc. ("Orthofix") on Form 10-Q for the quarterly period ended September 30, 2024, (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, Massimo Calafiore, President and Chief Executive Officer, Director, and Julie Andrews, Chief Financial Officer, each certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Orthofix.

Dated: November 7, 2024

/s/ MASSIMO CALAFIORE

Name: Massimo Calafiore

Title: President and Chief Executive Officer, Director

Dated: November 7, 2024

/s/ JULIE ANDREWS

Name: Julie Andrews

Title: Chief Financial Officer