



Pro Forma Financial Results

*Results excluding the impact
of discontinuation of M6™
product lines*

February 24, 2026

Net Sales by Major Product Category by Reporting Segment

Three Months Ended December 31,

(Unaudited, U.S. Dollars, in millions)	2025	2024	Change	Constant Currency Change
Bone Growth Therapies	\$ 68.3	\$ 63.9	7.0%	7.0%
Spinal Implants, Biologics and Enabling Technologies*	112.3	110.2	1.9%	1.8%
Global Spine*	180.6	174.1	3.7%	3.7%
Global Limb Reconstruction	38.0	35.8	6.2%	(0.1%)
Pro forma net sales*	218.6	209.9	4.1%	3.1%
Impact from discontinuation of M6 product lines	1.3	5.8	(77.2%)	(77.5%)
Reported net sales	\$ 219.9	\$ 215.7	2.0%	0.9%

* Results above for each of Spinal Implants, Biologics, and Enabling Technologies; Global Spine; and pro forma net sales exclude the impact from discontinuation of the M6 product lines. Since pro forma net sales represent a non-GAAP measure, see the reconciliation above of the Company's pro forma net sales to its reported figures under U.S. GAAP. The Company's reported figures under U.S. GAAP represent each of the pro forma line items discussed above plus the impact from discontinuation of the M6 product lines.

Year Ended December 31,

(Unaudited, U.S. Dollars, in millions)	2025	2024	Change	Constant Currency Change
Bone Growth Therapies	\$ 247.2	\$ 233.4	5.9%	5.9%
Spinal Implants, Biologics and Enabling Technologies*	430.0	418.4	2.8%	2.8%
Global Spine*	677.2	651.8	3.9%	3.9%
Global Limb Reconstruction	134.7	124.2	8.4%	5.3%
Pro forma net sales*	811.9	776.0	4.6%	4.1%
Impact from discontinuation of M6 product lines	10.5	23.5	(55.6%)	(55.5%)
Reported net sales	\$ 822.3	\$ 799.5	2.9%	2.4%

* Results above for each of Spinal Implants, Biologics, and Enabling Technologies; Global Spine; and pro forma net sales exclude the impact from discontinuation of the M6 product lines. Since pro forma net sales represent a non-GAAP measure, see the reconciliation above of the Company's pro forma net sales to its reported figures under U.S. GAAP. The Company's reported figures under U.S. GAAP represent each of the pro forma line items discussed above plus the impact from discontinuation of the M6 product lines.

Condensed Consolidated Balance Sheets

(U.S. Dollars, in thousands, except par value data)	December 31, 2025	December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	\$ 82,025	\$ 83,238
Restricted cash	3,090	2,500
Accounts receivable, net of allowances of \$8,308 and \$7,418, respectively	135,746	134,713
Inventories	172,319	189,452
Prepaid expenses and other current assets	23,667	23,382
Total current assets	416,847	433,285
Property, plant, and equipment, net	129,399	139,804
Intangible assets, net	72,765	98,803
Goodwill	194,934	194,934
Other long-term assets	36,702	26,468
Total assets	\$ 850,647	\$ 893,294
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable	\$ 58,392	\$ 48,803
Current portion of finance lease liability	837	755
Other current liabilities	111,253	119,070
Total current liabilities	170,482	168,628
Long-term debt	157,391	157,015
Long-term portion of finance lease liability	17,060	17,835
Other long-term liabilities	55,677	46,692
Total liabilities	400,610	390,170
Contingencies		
Shareholders' equity		
Common shares \$0.10 par value; 100,000 shares authorized; 39,834 and 38,486 issued and outstanding as of December 31, 2025 and 2024, respectively	3,983	3,849
Additional paid-in capital	813,769	779,718
Accumulated deficit	(368,333)	(276,141)
Accumulated other comprehensive income (loss)	618	(4,302)
Total shareholders' equity	450,037	503,124
Total liabilities and shareholders' equity	\$ 850,647	\$ 893,294

Condensed Consolidated Statements of Operations

(U.S. Dollars, in thousands, except share and per share data)	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2025	2024	2025	2024
	(Unaudited)			
Net sales	\$ 219,911	\$ 215,657	\$ 822,312	\$ 799,491
Cost of sales	63,569	66,816	256,295	253,606
Gross profit	156,342	148,841	566,017	545,885
Sales, general, and administrative	136,752	136,479	554,329	532,525
Research and development	15,373	18,807	65,847	73,643
Acquisition-related amortization, impairment, and remeasurement	3,723	5,031	27,269	24,336
Operating income (loss)	494	(11,476)	(81,428)	(84,619)
Interest expense, net	(4,351)	(14,920)	(17,488)	(29,631)
Other income (expense), net	1,665	(3,315)	8,106	(9,625)
Loss before income taxes	(2,192)	(29,711)	(90,810)	(123,875)
Income tax benefit (expense)	(30)	564	(1,382)	(2,122)
Net loss	\$ (2,222)	\$ (29,147)	\$ (92,192)	\$ (125,997)
Net loss per common share:				
Basic	\$ (0.06)	\$ (0.75)	\$ (2.33)	\$ (3.30)
Diluted	(0.06)	(0.75)	(2.33)	(3.30)
Weighted average number of common shares (in millions):				
Basic	40.0	38.7	39.6	38.1
Diluted	40.0	38.7	39.6	38.1

Adjusted Gross Profit and Adjusted Gross Margin

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Gross profit	\$ 156,342	\$ 148,841	\$ 566,017	\$ 545,885
Share-based compensation expense	398	462	1,695	2,053
SeaSpine merger-related costs	(392)	675	4,111	6,254
Restructuring costs and impairments related to M6 product lines	(401)	—	13,309	—
Strategic investments	2	32	59	192
Acquisition-related fair value adjustments	—	3,047	—	12,188
Amortization/depreciation of acquired long-lived assets	313	313	1,253	1,153
Adjusted gross profit	\$ 156,262	\$ 153,370	\$ 586,444	\$ 567,725
<i>Adjusted gross margin as a percentage of reported net sales</i>	71.1%	71.1%	71.3%	71.0%
Adjusted gross profit attributable to M6 product lines	(256)	(3,316)	(4,791)	(11,556)
Pro forma adjusted gross profit	\$ 156,006	\$ 150,054	\$ 581,653	\$ 556,169
<i>Pro forma adjusted gross margin as a percentage of pro forma net sales</i>	71.4%	71.5%	71.6%	71.7%

Adjusted EBITDA and Pro Forma Adjusted EBITDA

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Net loss	\$ (2,222)	\$ (29,147)	\$ (92,192)	\$ (125,997)
Income tax expense (benefit)	30	(564)	1,382	2,122
Interest expense, net	4,351	14,920	17,488	29,631
Depreciation and amortization	13,078	15,994	77,321	60,061
Share-based compensation expense	7,214	7,165	28,688	32,455
Foreign exchange impact	314	3,132	(2,910)	4,395
SeaSpine merger-related costs	(49)	1,493	6,093	14,485
Restructuring costs and impairments related to M6 product lines	495	—	14,564	—
Strategic investments	821	440	4,915	910
Acquisition-related fair value adjustments	660	3,737	(1,140)	19,088
Interest and (gain) loss on investments	(7)	—	(48)	5,120
Litigation and investigation costs	5,169	5,452	33,788	15,770
Succession charges	—	1,315	—	9,376
Employee retention credit	(1,972)	—	(4,826)	—
Adjusted EBITDA	\$ 27,882	\$ 23,937	\$ 83,123	\$ 67,416
<i>Adjusted EBITDA as a percentage of reported net sales</i>	<i>12.7%</i>	<i>11.1%</i>	<i>10.1%</i>	<i>8.4%</i>
Operating losses attributable to M6 product lines	1,323	1,058	2,741	6,371
Pro forma adjusted EBITDA	\$ 29,205	\$ 24,995	\$ 85,864	\$ 73,787
<i>Pro forma adjusted EBITDA as a percentage of pro forma net sales</i>	<i>13.4%</i>	<i>11.9%</i>	<i>10.6%</i>	<i>9.5%</i>

Adjusted Net Income and Pro Forma Adjusted Net Income

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Net loss	\$ (2,222)	\$ (29,147)	\$ (92,192)	\$ (125,997)
Share-based compensation expense	7,214	7,165	28,688	32,455
Foreign exchange impact	314	3,132	(2,910)	4,395
SeaSpine merger-related costs	(449)	4,430	8,962	17,864
Restructuring costs and impairments related to M6 product lines	496	—	35,495	—
Strategic investments	824	470	4,966	1,036
Acquisition-related fair value adjustments	660	3,737	(1,140)	19,088
Amortization/depreciation of acquired long-lived assets	3,376	4,837	15,627	19,323
Litigation and investigation costs	5,169	5,452	33,788	15,770
Succession charges	—	1,315	—	9,376
Interest and (gain) loss on investments	(7)	—	(48)	5,070
Employee retention credit	(2,197)	—	(5,813)	—
Long-term income tax rate adjustment	(3,668)	(796)	(6,123)	1,981
Adjusted net income	\$ 9,510	\$ 595	\$ 19,300	\$ 361
Operating losses attributable to M6 product lines	1,336	1,533	2,282	8,261
Long-term income tax rate adjustment for M6 product lines	(374)	(429)	(639)	(2,313)
Pro forma adjusted net income	\$ 10,472	\$ 1,699	\$ 20,943	\$ 6,309

Cash Flow and Free Cash Flow

(U.S. Dollars, in thousands)	Year Ended December 31,	
	2025	2024
Net cash provided by operating activities	\$ 33,347	\$ 25,790
Net cash used in investing activities	(34,598)	(27,580)
Net cash provided by (used in) financing activities	(786)	50,709
Effect of exchange rate changes on cash	1,414	(938)
Net change in cash, cash equivalents, and restricted cash	\$ (623)	\$ 47,981

(Unaudited, U.S. Dollars, in thousands)	Year Ended December 31,	
	2025	2024
Net cash provided by operating activities	\$ 33,347	\$ 25,790
Capital expenditures	(34,626)	(34,876)
Free cash flow	\$ (1,279)	\$ (9,086)

Adjusted Sales, General and Administrative Expense

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Sales, general, and administrative	\$ 136,752	\$ 136,479	\$ 554,329	\$ 532,525
<i>Reconciling items impacting sales, general, and administrative:</i>				
SeaSpine merger-related costs	66	(3,617)	(4,614)	(11,072)
Restructuring costs and impairments related to M6 product lines	(898)	—	(6,164)	—
Strategic investments	(879)	(456)	(2,819)	(602)
Amortization/depreciation of acquired long-lived assets	(1)	(182)	(61)	(733)
Litigation and investigation costs	(5,169)	(5,452)	(33,338)	(15,770)
Succession charges	—	(160)	—	(8,221)
Sales, general, and administrative expense, as adjusted	\$ 129,871	\$ 126,612	\$ 507,333	\$ 496,127
<i>As a percentage of reported net sales</i>	59.1%	58.7%	61.7%	62.1%
Sales, general, and administrative expense attributable to M6 product lines	(866)	(3,667)	(3,914)	(14,108)
Pro forma sales, general, and administrative expense, as adjusted	\$ 129,005	\$ 122,945	\$ 503,419	\$ 482,019
<i>As a percentage of pro forma net sales</i>	59.0%	58.6%	62.0%	62.1%

Adjusted Research and Development Expense

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Research and development expense, as reported	\$ 15,373	\$ 18,807	\$ 65,847	\$ 73,643
<i>Reconciling items impacting research and development:</i>				
SeaSpine merger-related costs	(9)	(154)	(237)	(538)
Restructuring costs and impairments related to M6 product lines	2	—	(1,927)	—
Strategic investments	54	19	(2,090)	(242)
Litigation and investigation costs	—	—	(450)	—
Succession charges	—	(1,155)	—	(1,155)
Research and development expense, as adjusted	\$ 15,420	\$ 17,517	\$ 61,143	\$ 71,708
<i>As a percentage of reported net sales</i>	7.0%	8.1%	7.4%	9.0%
Research and development expense attributable to M6 product lines	(710)	(2,501)	(3,086)	(9,364)
Pro forma research and development expense, as adjusted	\$ 14,710	\$ 15,016	\$ 58,057	\$ 62,344
<i>As a percentage of pro forma net sales</i>	6.7%	7.2%	7.2%	8.0%

Adjusted Non-Operating (Income) Expense

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Non-operating expense	\$ 2,686	\$ 18,235	\$ 9,382	\$ 39,256
<i>Reconciling items impacting non-operating expense:</i>				
Restructuring costs and impairments related to M6 product lines	—	—	3	—
Foreign exchange impact	(314)	(3,132)	2,910	(4,395)
Interest and gain (loss) on investments	7	—	48	(5,070)
Employee retention credit	2,198	—	5,814	—
Non-operating expense, as adjusted	\$ 4,577	\$ 15,103	\$ 18,157	\$ 29,791
<i>As a percentage of reported net sales</i>	2.1%	7.0%	2.2%	3.7%
Losses attributable to M6 product lines	(15)	(56)	(72)	(144)
Pro forma non-operating expense, as adjusted	\$ 4,562	\$ 15,047	\$ 18,085	\$ 29,647
<i>As a percentage of pro forma net sales</i>	2.1%	7.2%	2.2%	3.8%

Pro Forma Non-GAAP Financial Statements – Excluding Impact of M6 Product Lines

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended				Year Ended
	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025	December 30, 2025
Net sales	\$ 189,203	\$ 200,658	\$ 203,411	\$ 218,590	\$ 811,862
Cost of sales (inclusive of share-based compensation expense)	56,183	54,770	56,672	62,584	230,209
Gross profit	133,020	145,888	146,739	156,006	581,653
Sales, general, and administrative	121,851	127,698	124,862	129,007	503,418
Research and development	14,623	14,615	14,109	14,710	58,057
Less - Share-based compensation expense in operating expenses	(6,008)	(7,356)	(6,814)	(6,815)	(26,993)
Operating income	2,554	10,931	14,582	19,104	47,171
Interest expense, net	(4,501)	(4,707)	(4,676)	(4,571)	(18,455)
Other expense, net	212	111	37	10	370
Loss before income taxes	(1,735)	6,335	9,943	14,543	29,086
Income tax (expense) benefit	486	(1,775)	(2,783)	(4,072)	(8,144)
Net income (loss)	\$ (1,249)	\$ 4,560	\$ 7,160	\$ 10,472	\$ 20,943

Pro Forma Non-GAAP Adjusted EBITDA – Excluding Impact of M6 Product Lines

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended				Year Ended	Three Months Ended				Year Ended
	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025	December 31, 2025	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	December 31, 2024
Net loss	\$ (20,201)	\$ (10,589)	\$ (23,232)	\$ (390)	\$ (54,412)	\$ (32,501)	\$ (30,172)	\$ (23,930)	\$ (26,477)	\$ (113,079)
Income tax expense	961	(144)	533	30	1,379	851	1,084	751	(564)	2,122
Interest expense, net	4,501	3,945	4,676	4,346	17,468	4,553	4,938	5,205	14,915	29,611
Depreciation and amortization	13,669	16,739	13,390	13,072	56,870	13,341	12,606	13,780	14,562	54,289
Share-based compensation expense	6,469	7,824	7,181	7,214	28,688	8,689	9,864	6,443	7,086	32,082
Foreign exchange impact	(1,044)	(2,751)	571	314	(2,910)	1,577	851	(1,180)	3,091	4,338
SeaSpine merger-related costs	1,130	4,886	126	(49)	6,093	4,462	5,946	2,312	1,440	14,160
Restructuring costs and impairments related to M6 product lines	—	—	—	(1)	—	—	—	—	—	—
Strategic investments	3,514	353	227	821	4,915	120	311	39	440	910
Acquisition-related fair value adjustments	(610)	(763)	(427)	660	(1,140)	4,217	6,117	5,017	3,737	19,088
Interest and (gain) loss on investments	—	(31)	(10)	(7)	(48)	(260)	1,813	3,567	—	5,120
Litigation and investigation costs	3,042	4,029	21,548	5,169	33,788	2,260	(277)	8,335	5,452	15,770
Succession charges	—	—	—	—	—	2,210	5,346	505	1,315	9,376
Employee retention credit	—	(2,854)	—	(1,972)	(4,826)	—	—	—	—	—
Adjusted EBITDA	\$ 11,431	\$ 20,646	\$ 24,582	\$ 29,205	\$ 85,864	\$ 9,519	\$ 18,427	\$ 20,844	\$ 24,997	\$ 73,787

Pro Forma Non-GAAP Adjusted Net Income (Loss) and Adjusted Gross Margin – Excluding Impact of M6 Product Lines

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended				Year Ended	Three Months Ended				Year Ended
	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025	December 31, 2025	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	December 31, 2024
Net loss	\$ (20,201)	\$ (10,589)	\$ (23,232)	\$ (390)	\$ (54,412)	\$ (32,501)	\$ (30,172)	\$ (23,930)	\$ (26,477)	\$ (113,079)
Share-based compensation expense	6,469	7,824	7,181	7,214	28,688	8,689	9,864	6,443	7,086	32,082
Foreign exchange impact	(1,044)	(2,751)	571	314	(2,910)	1,577	851	(1,180)	3,090	4,338
SeaSpine merger-related costs	1,474	7,786	151	(449)	8,962	4,831	6,016	2,315	4,396	17,558
Restructuring costs and impairments related to M6 product lines	20,324	604	—	—	20,928	—	—	—	—	—
Strategic investments	3,543	364	235	824	4,966	126	371	69	470	1,036
Acquisition-related fair value adjustments	(610)	(761)	(427)	660	(1,140)	4,217	6,117	5,017	3,737	19,088
Amortization/depreciation of acquired long-lived assets	(15,693)	3,615	3,396	3,376	(5,304)	3,812	3,668	4,066	3,857	15,403
Litigation and investigation costs	3,042	4,029	21,548	5,169	33,788	2,260	(277)	8,335	5,452	15,770
Succession charges	—	—	—	—	—	2,210	5,346	505	1,315	9,376
Interest and (gain) loss on investments	—	(31)	(10)	(7)	(48)	(260)	1,764	3,567	—	5,070
Employee retention credit	—	(3,616)	—	(2,197)	(5,813)	—	—	—	—	—
Long-term income tax rate adjustment	1,447	(1,915)	(2,253)	(4,042)	(6,762)	2,024	(213)	(918)	(1,225)	(332)
Adjusted net income (loss)	\$ (1,249)	\$ 4,560	\$ 7,160	\$ 10,472	\$ 20,943	\$ (3,015)	\$ 3,335	\$ 4,289	\$ 1,701	\$ 6,310

(Unaudited, U.S. Dollars, in thousands)	Three Months Ended				Year Ended	Three Months Ended				Year Ended
	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025	December 31, 2025	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	December 31, 2024
Gross profit	\$ 131,633	\$ 140,683	\$ 146,534	\$ 155,686	\$ 574,536	\$ 124,360	\$ 131,819	\$ 132,862	\$ 145,563	\$ 534,604
Share-Based Compensation Expense	462	467	368	398	1,695	524	484	545	468	2,021
SeaSpine Merger-Related Costs	600	4,341	(438)	(392)	4,111	1,303	3,115	963	631	6,012
Restructuring costs and impairments related to M6 product lines	(1)	1	—	(1)	(1)	—	—	—	—	—
Strategic investments	13	43	1	2	59	65	63	32	32	192
Acquisition-related fair value adjustments	—	—	—	—	—	3,047	3,047	3,047	3,047	12,188
Amortization/depreciation of acquired long-lived assets	313	351	276	313	1,253	318	209	313	313	1,153
Adjusted gross profit	\$ 133,020	\$ 145,887	\$ 146,741	\$ 156,006	\$ 581,653	\$ 129,617	\$ 138,737	\$ 137,762	\$ 150,054	\$ 556,170
<i>Adjusted gross margin as a percentage of net sales</i>	70.3%	72.7%	72.1%	71.4%	71.6%	71.2%	72.0%	72.0%	71.5%	71.7%

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