FORWARD-LOOKING STATEMENTS

This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainty. Such statements are based on management's current expectations and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The Company cautions investors that there can be no assurance that actual results or business conditions will not differ materially from those projected or suggested in such forward-looking statements. Forward-looking statements include the references to the Company’s 2019 revenue and growth outlook, planned commercial launches and product introductions, the Company’s strategy in significantly repositioning the ATEC brand and turning the Company into a growth organization and creating future market disruption. The important factors that could cause actual operating results to differ significantly from those expressed or implied by such forward-looking statements include, but are not limited to: the uncertainty of success in developing new products or products currently in the Company’s pipeline; the uncertainties in the Company’s ability to execute upon its strategic operating plan; the uncertainties regarding the ability to successfully license or acquire new products, and the commercial success of such products; failure to achieve acceptance of the Company’s products by the surgeon community; failure to obtain FDA or other regulatory clearance or approval for new products, or unexpected or prolonged delays in the process; continuation of favorable third party reimbursement for procedures performed using the Company’s products; unanticipated expenses or liabilities or other adverse events affecting cash flow or the Company’s ability to successfully control its costs or achieve profitability; uncertainty of additional funding; the Company’s ability to compete with other products and with emerging new technologies; product liability exposure; an unsuccessful outcome in any litigation in which the Company is a defendant; patent infringement claims; claims related to the Company’s intellectual property and the Company’s ability to meet its financial obligations under its credit agreements and the OrthoTec LLC settlement agreement. The words “believe,” “will,” “should,” “expect,” “intend,” “estimate,” “look forward” and “anticipate,” variations of such words and similar expressions identify forward-looking statements, but their absence does not mean that a statement is not a forward-looking statement. A further list and description of these and other factors, risks and uncertainties can be found in the Company’s most recent annual report, and any subsequent quarterly and current reports, filed with the Securities and Exchange Commission. ATEC disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, unless required by law.
Revolutionizing the approach to spine surgery through **clinical distinction**

Building an **organic product development machine**

Strategically positioned to **accelerate growth**
THE NEW ATEC STORY – 30 YEAR OLD “START UP”
TRANSFORMING INTO AN INNOVATION MACHINE

NEW TO ATEC
• 100% EXECUTIVE MANAGEMENT
• 90% BOD
• 65% COMPANY
OUR STRATEGIC PIVOT

Alphatec Spine® legacy portfolio lacked distinction and sophistication

In 2018, Alphatec Spine built an ORGANIC INNOVATION MACHINE to accelerate growth

% OF PORTFOLIO REVENUE IN 2018:

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Revenue %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old products (6+ years old)</td>
<td>46%</td>
</tr>
<tr>
<td>Mature products (3-5 years old)</td>
<td>45%</td>
</tr>
<tr>
<td>New products (&lt;2 years old)</td>
<td>9%</td>
</tr>
</tbody>
</table>

In-house capabilities created in 2018
A DECADE OF RESULTS HAS SHOWN...

...SPINE FOCUS AND ORGANIC INNOVATION DRIVE DOUBLE-DIGIT GROWTH

Degree of Spine-Focused Organic Innovation*

2008-2018 CAGR^
THE $7.8B* SPINE MARKET

ATEC Growth Route = Spine Focus and Innovation

75% - 6 Large Companies

- Low single-digit growth; strong op margins; price competition
- GPO’s/hospital system strength; drivers of vendor reduction
- Reliant on status quo; focus on “currency”-related products
- Innovation limited by financial return constraints, not addressing market requirements

25% - Legacy ATEC, All others

- Non-dedicated (multi-“line”) salesforces
  - ATEC an outlier with strong hospital access, expanding dedicated salesforce
- Distributor consolidation due to small customer bases & lack of hospital access
- Innovation an existential requirement for ATEC

* Spinemarket.com
SIGNIFICANT EXPERIENCE & PROVEN TRACK RECORD IN SPINE
PERSONALLY INVESTED
TRANSFORMED TEAM IN 2018

A Culture Based On Execution and Know-How, Backed by Proven Significant Success

Luiz Pimenta, MD
Chief Medical Officer

Scott Lish
VP, Development

Mike Dendinger
VP, Operations

Jon Allen
VP, Government Affairs & National Contracts

Robert Judd
VP, Finance and Accounting

Tyson Marshall
Associate General Counsel

Scott Lish
VP, Development

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Jim Gharib
Technical Lead, SafeOp

Alex Turner
Sr. Director, Biomechanics & Clinical Application

Ali Shorooghi
Sr. Director, Marketing Thoracolumbar

Brian Beireis
Sr. Director, Quality & Compliance

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XLIF PIONEER
RENOVED INNOVATOR
TRANSFORMING ATEC
ACCELERATING GROWTH
By Leveraging an Organic Innovation Machine

Creating Clinical Distinction
Compelling Surgeon Adoption
Revitalizing the Sales Channel
DISTINCTION FOUNDED ON INFORMATION, IN THE OR SURGEONS YEARN FOR.....

SAFEOP ADVANCED NEUROMONITORING
Q3 2019

PRE-OPERATIVE PLANNING
Late 2019

INTRA-OPERATIVE ALIGNMENT
Late 2019

NAVIGATION
Future

Nerve avoidance and nerve health information designed for early procedure guidance and injury-avoiding intervention

Sagittal balance and pelvic parameter information on an easy-to-use mobile platform

Intra-operative global sagittal balance

Intra-operative neuromonitoring and navigation
SAFEOP AUTOMATES BOTH MONITORING OBJECTIVES IN SPINE SURGERY

1. EMG: Nerve Identification (dilation)

2. SSEP: Nerve Integrity (retraction)
**ALPHA INFORMATIX: UNMATCHED FUNCTIONALITY**

From the Team That Built A $1B Business on Automated Neuromonitoring

<table>
<thead>
<tr>
<th>NERVE LOCATION (EMG)</th>
<th>FIRST GEN</th>
<th>NEXT GEN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automated</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Real-time</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Validated response threshold</td>
<td>✔</td>
<td>✔</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NERVE HEALTH (SSEP)</th>
<th>FIRST GEN</th>
<th>NEXT GEN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automated</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Real-time</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Outstanding signal to noise ratio*</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Captures quiet signals^</td>
<td>✔</td>
<td>✔</td>
</tr>
</tbody>
</table>

* Retraction injuries are often small signals
^ Addresses areas of subcortical independent of anesthesia
Fully Interconnected Porous Architecture Titanium Interbody Implant Portfolio

Consistent fully interconnected porosity designed to promote bone ingrowth and through-growth

Stiffness is similar to bone, reducing the risk of subsidence and stress shielding

60% porous, reducing the density of material, and enhancing intra-op and post-op imaging

CREATING CLINICAL DISTINCTION WITH 12 PRODUCT LAUNCHES IN 2019
Spine Approach Technologies

Comprehensive Thoracolumbar Fixation System

Designed to treat a range of pathologies with intraoperative adaptability and surgical efficiency through an OPEN, MIS or Hybrid approach

**Single-Step**: MIS approach with integrated stylet and SafeOp neurophysiology to streamline procedure

Fully integrated with SafeOp EMG technology

CREATING CLINICAL DISTINCTION WITH **12 PRODUCT LAUNCHES IN 2019**

![Image of medical device]
OsseoScrew: A Solution to a Clinical Challenge – Expandable Technology

The first and only expandable screw technology designed to solve clinical challenge of pedicle screw failure/pullout and optimize fixation

Significant increase in pull-out strength over standard pedicle screws
On Track to Create Clinical Distinction With 12 Approach-Based Product Launches

- IdentiTi Cervical
- SafeOp EMG/ SSEP
- DBM Fiber

- IdentiTi ALIF
- ALIF Aspida Plate Additions
- SafeOp EMG/ SSEP
- DBM Fiber

- IdentiTi LIF
- LIF AMP Plate
- SafeOp EMG/ SSEP
- DBM Fiber

- IdentiTi TLIF
- SafeOp EMG/ SSEP
- DBM Fiber

- IdentiTi PLIF
- SafeOp EMG/ SSEP
- DBM Fiber

- Invictus Open
- Invictus MIS
- Osseoscrew
- SafeOp EMG/ SSEP
- DBM Fiber

- 4 Launched YTD
CREATING CLINICAL DISTINCTION WITH NEW PRODUCT DEVELOPMENT

Revenue Mix of Products Developed by New ATEC Team

- 2018: <10%
- 2019E: >30%
- 2022E: >80%
Q1 2019 SCORECARD

Creating Clinical Distinction

3 Products commercially released YTD

- IdentiTi™ ACDF (March)
- AlphaGRAFT DBM Fiber (April)
- IdentiTi™ PLIF (April)

22% New product revenue contribution – only reflecting alpha launches (vs zero in Q1 2018)

FDA Clearance of SafeOp and initiation of alpha evaluations

12 New products commercially launched

30% Of revenue driven by new products

2019 OUTLOOK
ACCELERATING GROWTH
By Leveraging an Organic Innovation Machine
APPRAOCH-BASED INNOVATION WILL COMPEL ADOPTION

Legacy Alphatec distributors typically participated in only 1 of the 5 components of spine surgery.

Approach-based clinical distinction will capture more revenue per approach.
Q1 2019 SCORECARD

Compelling Surgeon Adoption

2019 OUTLOOK

Convoyed sales will increase the number of products sold per surgery and expand revenue

Revenue growth from top 20 surgeons: >100%

Increased revenue per case (YoY) – more complex cases and more products in each case: 13%

Growth in surgeons hosted through educational programs YoY: 38%

Average products sold per case: ~1.4
ACCELERATING GROWTH
By Leveraging an Organic Innovation Machine
SHIFTING TO SCALABLE, PROFESSIONAL DISTRIBUTION

Legacy Alphatec Distributor

- Undifferentiated in a market inundated with other small competitors
- Works with 2 surgeons

Strategic ATEC Distributor

- Incentivized for growth
- Network of sales reps to call on surgeons
- Reasonable commission rates
- Scalability
- Value created by reputation of organization
- Expansive contractual hospital access
REVITALIZING THE SALES CHANNEL
The Requirements for Expanding Market Share

HOSPITAL ACCESS

Allready well-established:
100% of top 10 Integrated Delivery Networks (IDNs) and 21 of top 25

SCALABLE DISTRIBUTION

Focused network by reducing distributor contracts from 187 in 2016 to 80 in 2018, while creating a strategic, exclusive network

REVENUE PER DISTRIBUTOR

2017: ~$800K
2018: ~$1M
2022E: $4M+

TARGET: ~in line with peer averages

100+ ~80 ~50

# of distributors
Revitalizing the Sales Channel

**Q1 2019 SCORECARD**

- **84%** Revenue contribution from strategic network; vs 72% in Q1 2018 – still work to do

- **~30%** Increase in $ revenue per distributor vs Q1 2018

- **~50%** Revenue growth from top 20 distributors vs Q1 2018

**2019 OUTLOOK**

- **~30%** Revenue growth from strategic distribution network, offset by continued discontinuation of legacy and non-strategic relationships

*2019 revenue guidance contemplates 28-33% growth from strategic distribution network, offset by a 43-48% decline in terminated and legacy distribution relationships*
FINANCIALS - 2019 OUTLOOK AND Q1 RESULTS

Revenue

<table>
<thead>
<tr>
<th></th>
<th>FY 2019E</th>
<th>YoY</th>
<th>Q1 2018</th>
<th>Q1 2019</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic distribution</td>
<td>$85M to $88M</td>
<td>+28% to +33%</td>
<td>$13.9M</td>
<td>$19.4M</td>
<td>40%</td>
</tr>
<tr>
<td>Legacy and terminated distribution</td>
<td>$9M to $10M</td>
<td>(43)% to (48)%</td>
<td>$5.3M</td>
<td>$3.6M</td>
<td>(32)%</td>
</tr>
<tr>
<td>Total U.S. Product Revenue</td>
<td>$94M to $98M</td>
<td>+12% to +17%</td>
<td>$19.2M</td>
<td>$23.0M</td>
<td>20%</td>
</tr>
<tr>
<td>International Supply Agreement</td>
<td>$4M to $5M</td>
<td>(38)% to (50)%</td>
<td>$2.1M</td>
<td>$1.6M</td>
<td>(24)%</td>
</tr>
<tr>
<td>TOTAL REVENUE</td>
<td>$98M to $103M</td>
<td>+7% to +12%</td>
<td>$21.3M</td>
<td>$24.6M</td>
<td>15%</td>
</tr>
</tbody>
</table>

Double-digit U.S. revenue growth despite losses related to distribution transition

Operating Expenses

Continued strategic R&D and sales channel investment

Balance Sheet

Leveraging $30M expanded financial commitment from Squadron Capital to invest in growth
CREATING CLINICAL DISTINCTION
Launching 8-10 new products / year to expand % of rev from new products from <10% of revs in 2018 toward 80%+

REVITALIZING THE SALES CHANNEL
Driving increase in revenue/ agent from $1M toward $4M

COMPELLING SURGEON ADOPTION
Increasing products sold into each surgery from 1 in 2018 toward 2-3

Leveraging our organic innovation machine toward $200M revenue in 2022
OUR STRATEGIC PIVOT IN 2018 HAS SET THE STAGE

We built an organic innovation machine because as spine’s most experienced students, WE KNOW...

...Spine focus and organic creation yields the learning, speed, and accelerated innovation that drive share gains.

*$\text{Spinemarket.com U.S. market estimates}$
A galvanized team that is unleashing AN ORGANIC INNOVATION MACHINE!
Thank you!