



Revolutionizing the Approach to Spine Surgery

Pat Miles, Chairman and CEO
July 2019

FORWARD-LOOKING STATEMENTS

This presentation 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. Alphatec Holdings, Inc. ("the Company" or "ATEC") 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.

ATEC has filed a shelf registration statement (including a base prospectus, Registration No. 333-221085) with the Securities and Exchange Commission for the offering to which this communication relates. This presentation has been prepared solely for use by prospective investors in connection with a proposed public offering of ATEC's common stock and contains a summary of selected information to be contained in a prospectus supplement to be filed with the SEC, and the accompanying prospectus. Before you invest, you should carefully read the preliminary prospectus supplement, the accompanying prospectus and the information incorporated by reference therein, including the risk factors set forth in those materials. When available, you may obtain these documents for free by visiting EDGAR on the SEC's website at www.sec.gov or by contacting Piper Jaffray & Co., Attention: Prospectus Department, 800 Nicolet Mall, J12S03, Minneapolis, MN 55402, via telephone at (800) 747-3924 or via email at prospectus@pjc.com; or Canaccord Genuity LLC, Attention: Syndicate Department, 99 High Street, Suite 1200, Boston, MA 02110, by telephone at (617) 371-3900 or by email at prospectus@cgf.com. This presentation shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

OFFERING SUMMARY

Issuer	Alphatec Holdings, Inc.
Exchange/ Ticker	NASDAQ / ATEC
Offering Size	\$35 Million
Over-allotment Option	15% (100% Primary)
Use of Proceeds	General corporate purposes, including working capital, capital expenditures, and continued research and development with respect to products and technologies. A portion of the net proceeds of this offering may be used to fund possible investments in or acquisitions of complementary businesses, products, or technologies. ATEC currently does not have any agreements or commitments to complete any such transaction.
Lock-up	90 days for Directors and Officers
Active Bookrunners	Piper Jaffray, Canaccord Genuity
Co-manager	Lake Street Capital Markets
Anticipated Pricing	Wednesday, July 31, 2019



THE NEW **atec**[™]

Revolutionizing the approach to spine surgery through **clinical distinction**

An **organic innovation machine**

Strategically positioned to **accelerate growth**

New to ATEC*:

100%

Executive
Management

90%

Board of
Directors

75%

Employees

OUR FOCUS IS IN THE OPERATING ROOM

*Since 2017

BELIEVING IS SEEING

TOO MANY BELIEVE THAT SPINE SURGERY IS COMMODITIZED



**SEEING IS BELIEVING
OR DO WE SEE WHAT WE BELIEVE?**

A DECADE OF RESULTS HAS SHOWN...

...SPINE FOCUS
AND ORGANIC
INNOVATION
DRIVE GROWTH



OUR STRATEGIC PIVOT

Alphatec Spine[®]

legacy portfolio lacked
distinction and sophistication

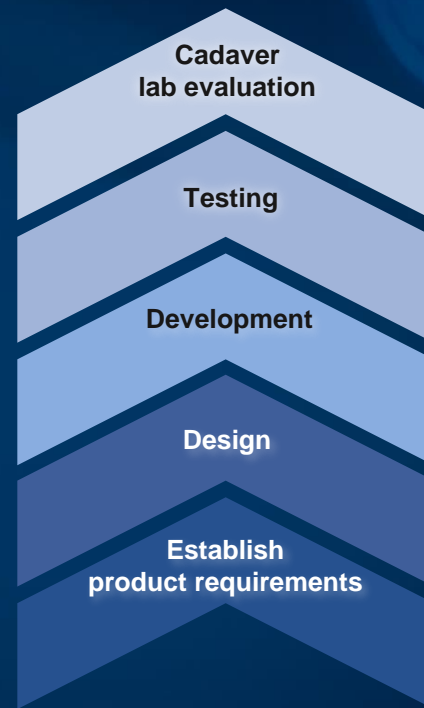
% OF PORTFOLIO REVENUE IN 2018:

Old products (6+ years old) **46%**

Mature products (3-5 years old) **45%**

New products (<2 years old) **9%**

In 2018, *atec*[™] built a spine-focused
ORGANIC INNOVATION MACHINE
to accelerate growth



In-house
capabilities
created in 2018

SIGNIFICANT EXPERIENCE & PROVEN TRACK RECORD IN SPINE

Personally Invested



PAT MILES
President,
Chairman & CEO

NUVASIVE Medtronic smith&nephew



CRAIG HUNSAKER
EVP, People & Culture,
General Counsel

NUVASIVE GENERAL ATOMICS MINTZ Columbia Law School



JEFF BLACK
EVP, CFO

VERENIUM DIVERSA APPLIED ALTHEAPTM PROTEOMICS



JEFF RYDIN
Director,
Interim Head of Sales

NUVASIVE ELLIPSE



BRIAN SNIDER
EVP, Marketing &
Development

NUVASIVE KPMG



KELLI HOWELL
EVP, Clinical Strategies

NUVASIVE Beth Israel Deaconess Medical Center



MARK OJEDA
EVP, Cervical &
Biologics

NUVASIVE Medtronic smith&nephew



DAVID SPONSEL
EVP, Sales

stryker edacta

TRANSFORMED INNOVATION TEAM IN 2018

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



Scott Lish
VP, Development



NUVASIVE



Mike Dendinger
VP, Operations



NUVASIVE

CYMER.

Jon Allen
VP, Government Affairs
& National Contracts

Wright



Robert Judd
VP, Finance and
Accounting



NUVASIVE

**ThermoFisher
SCIENTIFIC**



Tyson Marshall
Associate General
Counsel

MAD CATZ

**MORRISON
FOERSTER**

Matt Curran
Sr. Director,
Technology
Advancement



NUVASIVE

stryker

Alex Turner
Sr. Director,
Biomechanics
& Clinical Application



NUVASIVE



Ali Shorooghi
Sr. Director,
Marketing Thoracolumbar



casetabs®



Brian Beireis
Sr. Director,
Quality & Compliance



NUVASIVE

CYMER.

Jim Gharib
Technical Lead,
SafeOp



NUVASIVE

ALARIS™

**Richard
O'Brien, MD**
Chief Medical Officer
SafeOp



**IMPULSE®
MONITORING, INC.**



Rob Snow
Chief Marketing Officer
SafeOp



**IMPULSE®
MONITORING, INC.**



Karl Riesen
Director,
Alpha Informatix



awarepoint
Real-Time Awareness Solutions

Western Digital.

TRANSFORMED SALES TEAM

An Experienced Culture Integrated With Clinical Know-How and Sales Prowess



David Sponsel
EVP, Sales
stryker

Emory Rooney
VP, Sales Channel
Development

stryker

Wyatt Stanfield
Area VP, West

stryker

 DocsDial

Greg Rhinehart
Area VP of Sales

MEDICREA

**GLOBUS
MEDICAL**

Medtronic

Mike Panozzo
Regional Business
Manager

 **NUVASIVE**

Ashley Warwick
Regional Business
Manager

 **NUVASIVE**

Medtronic

Chad Spear
Regional Business
Manager, East

MEDICREA

CENTINELSPINE

**GLOBUS
MEDICAL**

Mason Zabel
Territory Development
Manager

stryker

 **DePuy Synthes**

Darrell Wilson
Territory Development
Manager

stryker



TRANSFORMING ATEC ACCELERATING GROWTH

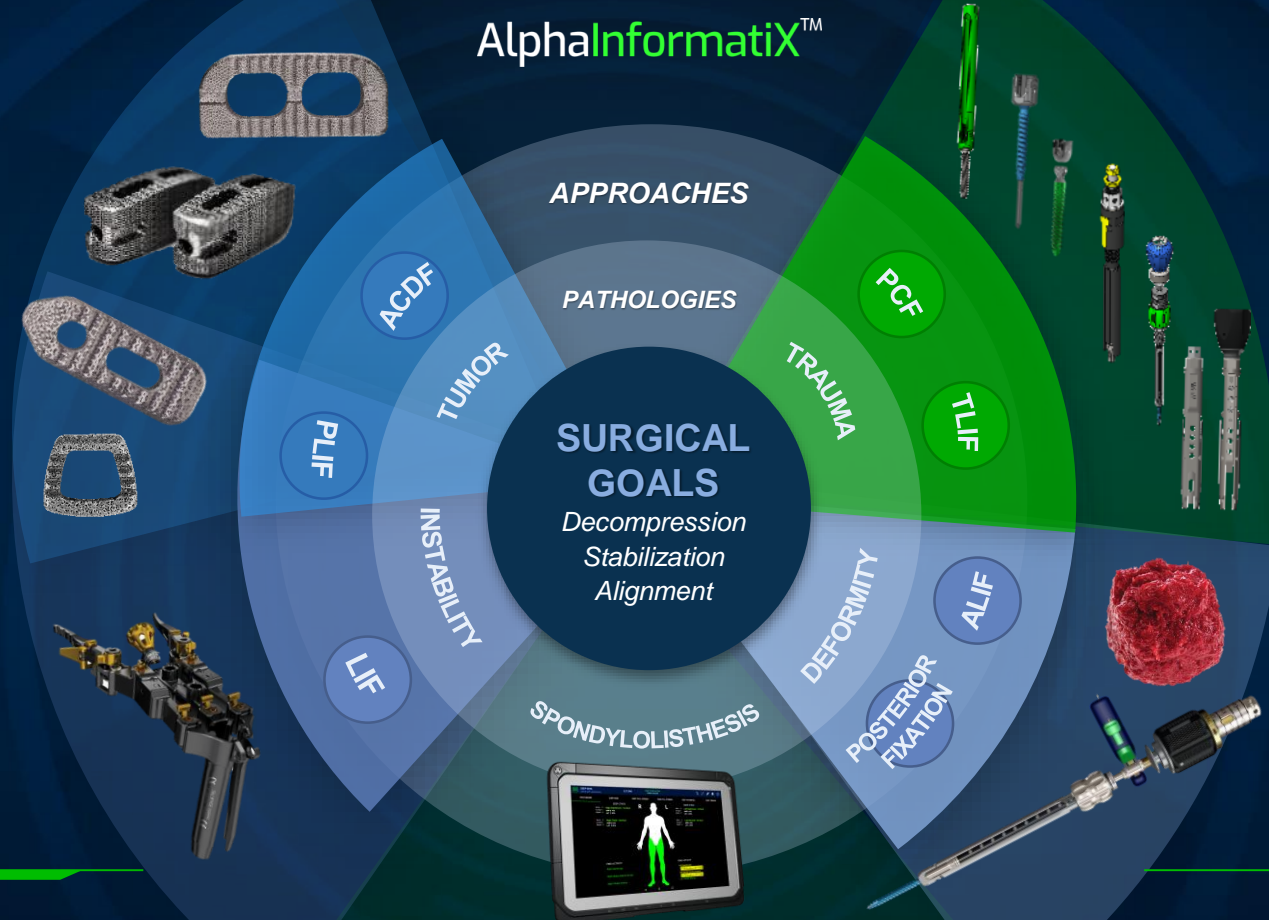
By Leveraging an Organic Innovation Machine

Creating
Clinical
Distinction

Compelling
Surgeon
Adoption

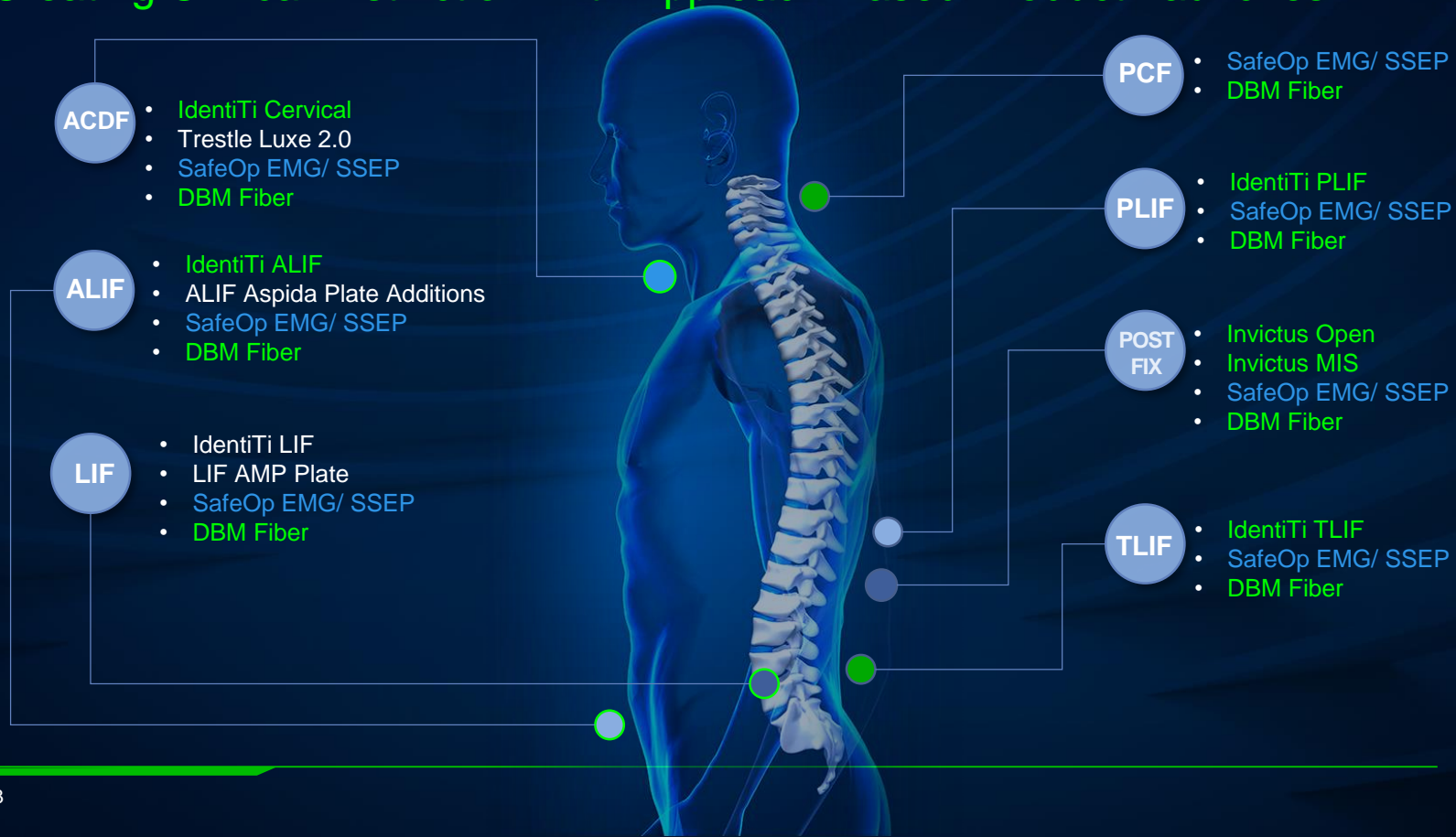
Revitalizing
the Sales
Channel

CLINICALLY DISTINCT SPINE APPROACH INNOVATION



2019 PORTFOLIO PROGRESS – LAUNCHED 7 OF 12 EXPECTED YTD

Creating Clinical Distinction With Approach-Based Product Launches



DISTINCTION FOUNDED ON INFORMATION

Meeting Surgeons' Intraoperative O.R. Needs

AlphaInformatix™



SafeOp™

NEURAL INFORMATIX SYSTEM

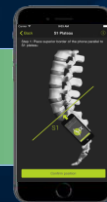
OBJECTIVE | REAL-TIME | ACTIONABLE

**SAFEOP ADVANCED
NEUROMONITORING**
Q4 2019



Intra-operative neuromonitoring
and navigation

**PRE-OPERATIVE
PLANNING**
Q4 2019



Intra-operative global
sagittal balance
information

**INTRA-OPERATIVE
ALIGNMENT**
Q4 2019



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

NAVIGATION
Future

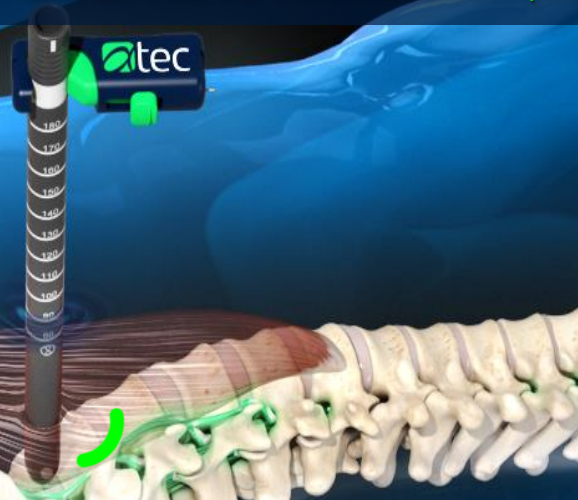


Nerve avoidance and nerve health
information designed for early procedure
guidance and injury-avoiding intervention

SAFEOP AUTOMATES BOTH MONITORING OBJECTIVES IN SURGERY

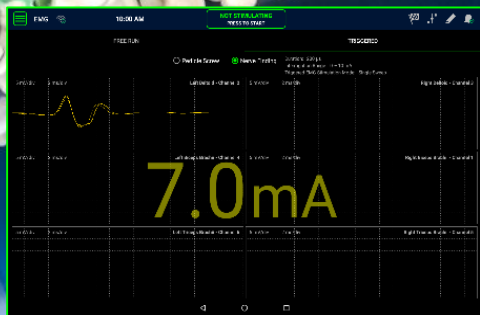
1 EMG: Nerve Identification (dilation)

2 SSEP: Nerve Integrity (retraction)



“SafeOp’s automated SSEP is the first technology to deliver real-time feedback about the integrity of the Femoral Nerve throughout the surgery, providing information I can take action on to prevent injury to that critical neural structure.”

-WILLIAM TAYLOR, MD
UCSD
LATERAL
SURGERY PIONEER



ALPHA INFORMATIX

Automated, Real-time, Objective

Competing System



SafeOp™
NEURAL INFORMATIX SYSTEM



		FIRST GEN	NEXT GEN
NERVE LOCATION (EMG)	Automated	✓	✓
	Real-time	✓	✓
	Validated response threshold		✓
NERVE HEALTH (SSEP)	Automated		✓
	Real-time		✓
	Outstanding signal to noise ratio*		✓
	Captures quiet signals^		✓

* Retraction injuries are often small signals

^ Addresses areas of subcortical independent of anesthesia

IdentiTi™

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
- ▶ Subtractive manufacturing enhances performance and predictability



INVICTUS™

SPINAL FIXATION SYSTEM

Comprehensive Thoracolumbar Fixation System

- ▶ Designed to treat a range of pathologies with intraoperative adaptability and surgical efficiency through an OPEN, MIS or Hybrid approach
- ▶ Fully integrated with **SafeOp** EMG technology

SingleStep™

- ▶ MIS approach with integrated stylet and SafeOp neurophysiology to streamline procedure



“Combining the surgeon teams’ historical knowledge with the development teams’ unmatched design experience we created a customizable [Invictus] system to address simple, and in my case, complex pathology from any approach. The dual diameter implant design helps reduce inventory and back table clutter, without compromising patient care and hospital efficiencies.”

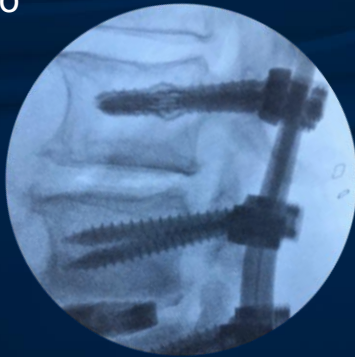
-VEDAT DEVIREN, MD
UNIVERSITY OF CALIFORNIA, SAN FRANCISCO

OsseoScrew®

A Solution to a Clinical Challenge – Expandable Technology



- ▶ Proprietary 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

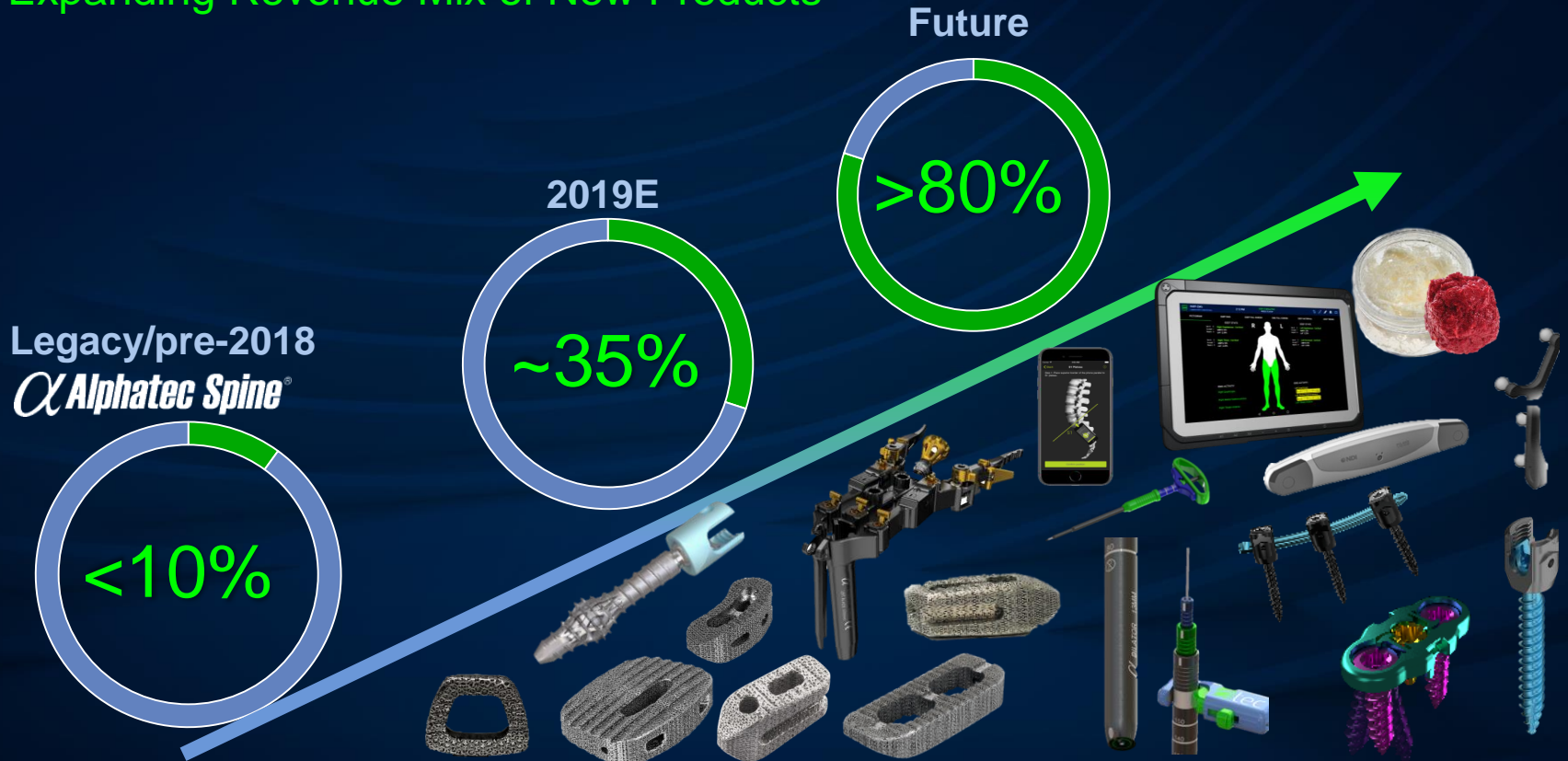


“The expandable OsseoScrew has increased pull out strength, which makes it a good and safer alternative to cemented screws. This could also be a strategy for PJK reduction providing strength to the upper instrumented vertebra and adjacent segments.”

-CHRISTOPHER J. DEWALD, MD
ASSISTANT PROFESSOR,
DIRECTOR, SECTION OF
SPINAL DEFORMITY, RUSH
UNIVERSITY MEDICAL CENTER

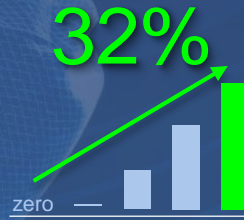
CLINICALLY DISTINCT DEVELOPMENT

Expanding Revenue Mix of New Products



Q2 2019 SCORECARD

Creating Clinical Distinction



New product revenue contribution

(vs zero in Q2 2018)



SafeOp being validated in alpha evaluations

7

Products commercially released YTD



IdentiTi™
ACDF
(March)



AlphaGRAFT
DBM Fiber
(April)



IdentiTi™
PLIF
(April)



IdentiTi™
TLIF
(May)



IdentiTi™
ALIF
(July)



INVICTUS™
MIS
(July)



INVICTUS™
Open
(July)

2019 OUTLOOK

12 New products expected to be commercially launched

35% Of revenue expected from new products vs. 30% prior guidance



TRANSFORMING ATEC ACCELERATING GROWTH

By Leveraging an Organic Innovation Machine

Creating
Clinical
Distinction

Compelling
Surgeon
Adoption

Revitalizing
the Sales
Channel

INNOVATION EXPECTED TO COMPEL ADOPTION

AlphaInformatiX™

Access systems

Interbody implants

Fixation implants

Biologics, post-op management



= APPROACH-SPECIFIC PROCEDURAL SOLUTIONS

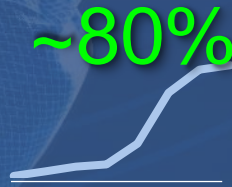
Legacy Alphatec distributors typically participated in only **1 of the 5 components** of spine surgery

Approach-based clinical distinction expected to capture **more revenue per approach**



Q2 2019 SCORECARD

Compelling
Surgeon Adoption



Revenue growth from top 20 surgeons

43%



Growth in surgeons hosted through educational programs YoY

15%



Increased revenue per case (YoY) – accelerated vs Q1 with more complex cases, more products in each

~1.5



Average products sold per case



2019 OUTLOOK

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



TRANSFORMING ATEC ACCELERATING GROWTH

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Revitalizing
the Sales
Channel

SHIFTING TO SCALABLE, PROFESSIONAL DISTRIBUTION

Legacy Alphatec Distributor

Undifferentiated
in a market
inundated with
other small
competitors



Works with
2 surgeons



Strategic ATEC Distributor



X	Incentivized for growth	✓
X	Network of sales reps to call on surgeons	✓
X	Reasonable commission rates	✓
X	Scalability	✓
X	Value created by reputation of organization	✓
X	Expansive contractual hospital access	✓

LEVERAGING OUR SALES NETWORK

By Embracing The Requirements for Increased Market Share

✓ HOSPITAL ACCESS

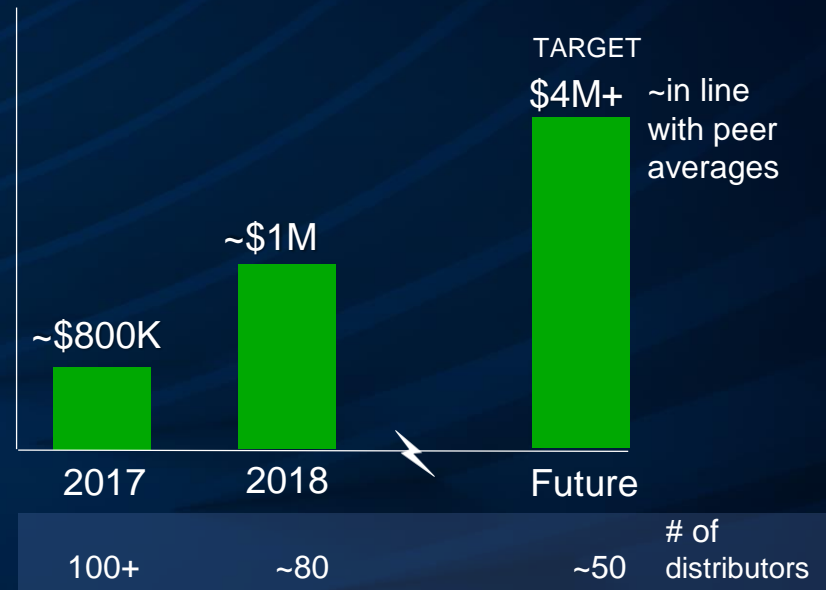
Already well-established:
20 of Top 25 Integrated Delivery Networks (IDNs)



✓ SCALABLE DISTRIBUTION

Focused network by reducing distributor contracts from 200+ in 2016 to 80 in 2018, while creating a strategic, exclusive network

REVENUE PER DISTRIBUTOR



Q2 2019 SCORECARD

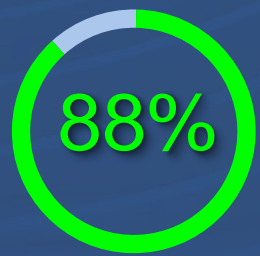
Revitalizing the Sales Channel

~45%

Revenue growth from top 20 distributors YoY

>45%

Increase in \$ revenue per distributor YoY



Revenue contribution from strategic network; vs 80% in Q2 2018

~41%

Revenue growth from strategic distribution

2019 OUTLOOK

35%+*

Rate of revenue growth from strategic distribution network, offset by continued discontinuation of legacy and non-strategic relationships

REVENUE

Q2 RESULTS

	Q2 2018	Q2 2019	YoY
Strategic distribution	\$16.2M	\$22.9M	41%
Legacy and terminated distribution	\$4.2M	\$3.2M	(22%)
Total U.S. Product Revenue	\$20.4M	\$26.1M	28%
International Supply Agreement	\$1.6M	\$1.2M	(24%)
TOTAL REVENUE	\$22.0M	\$27.3M	24%

- Strength of new commercial launches drove higher than expected Q2 2019 results
- Strong YoY growth from strategic distribution offset by planned discontinuation of legacy and terminated distributors
- International supply agreement winding down as anticipated

FY 2019E OUTLOOK

	PREVIOUS	YoY	UPDATED	YoY
Strategic distribution	\$85M to \$88M	+28% to +33%	\$90M to \$93M	35% to 39%
Legacy and terminated distribution	\$9M to \$10M	(43)% to (48)%	\$10M to \$11M	(33)% to (39)%
Total U.S. Product Revenue	\$94M to \$98M	+12% to +17%	\$100M to \$104M	+20% to +24%
International Supply Agreement	\$4M to \$5M	(38)% to (50)%	unchanged	unchanged
TOTAL REVENUE	\$98M to \$103M	+7% to +12%	\$104M to \$109M	+13% to +19%

- >20% U.S. product revenue growth anticipated despite losses related to distribution transition

GAAP P&L TREND HIGHLIGHTS

The Numbers Tell the Story of Execution Against our Commitments

REVENUES (\$M)	FY 2017	FY 2018	Q1 2019	Q2 2019	YTD 2019
Strategic Distribution	\$ 51.7	\$ 67.1	\$ 19.4	\$ 22.9	\$ 42.3
Legacy & Term Distribution	35.2	16.5	3.6	3.2	6.8
Total U.S. Revenue	\$ 86.9	\$ 83.7	\$ 23.0	\$ 26.1	\$ 49.1
International Revenue	14.8	8.0	1.6	1.2	2.8
Total revenues	\$101.7	\$ 91.7	\$ 24.6	\$ 27.3	\$ 51.9

AS % OF REVENUES	FY 2017	FY 2018	Q1 2019	Q2 2019	YTD 2019
Strategic Distribution*	59%	80%	84%	88%	86%
Legacy & Term Distribution*	41%	20%	16%	12%	14%
R&D % Total Sales^	4.8%	10.9%	14.1%	12.3%	13%
SG&A % Total Sales^	69%	79%	86%	90%	88%

Q2 2019 U.S. revenue is now **outpacing** level of U.S. revenue at the start of our transformation

U.S. revenue growing despite an accelerated decline in both legacy / terminated distribution and int'l revenue

Investments in R&D and Sales are **accelerating** revenue growth



**CREATING
CLINICAL
DISTINCTION**

Launching 8-10 new products / year to expand % of rev from new products from <10% of revenues 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 an
Organic Innovation
Machine™
to accelerate
growth



**Spine's
Organic Innovation Machine
Has Been Unleashed!**