

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): January 13, 2025

TREACE MEDICAL CONCEPTS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-40355
(Commission
File Number)

47-1052611
(IRS Employer
Identification Number)

100 Palmetto Park Place
Ponte Vedra, Florida 32081
(Address of principal executive offices, including Zip Code)

Registrant's telephone number, including area code: (904) 373-5940

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

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, \$0.001 par value per share	TMCI	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 2.02. Results of Operations and Financial Condition.

On January 13, 2025, Treace Medical Concepts, Inc. ("the Company") issued a press release regarding certain preliminary unaudited financial results for the quarter and the year-ended December 31, 2024. A copy of the press release is furnished as [Exhibit 99.1](#) to this Form 8-K.

This information furnished under Item 2.02 of Form 8-K, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 7.01. Regulation FD Disclosure.

On January 13, 2025, Treace Medical Concepts, Inc. posted an investor presentation, which may be accessed through the Company's investor relations website. A copy of the presentation is furnished herewith as [Exhibit 99.2](#) to this Current Report on Form 8-K and is incorporated by reference herein. The Company intends to use this presentation in meetings with analysts, investors and others from time to time, including its presentation by management at the J.P. Morgan Healthcare Conference on Tuesday, January 14, 2025 at 9:00 am Pacific Time / 12:00 pm Eastern Time. A live webcast of this event, as well as an archived recording and presentation, will be available in the Investors section of the Company's website.

The information furnished under this Item 7.01, including Exhibit 99.2, shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, and shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release of Treace Medical Concepts, Inc. issued on January 13, 2025
99.2	Investor Presentation, dated January 13, 2025 (furnished pursuant to Item 7.01)
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TREACE MEDICAL CONCEPTS, INC.

Date: January 13, 2025

By: /s/ Mark L. Hair
Mark L. Hair
Chief Financial Officer



Treace Announces Preliminary, Unaudited Fourth Quarter and Full-Year 2024 Revenue

PONTE VEDRA, Florida, January 13, 2025-- Treace Medical Concepts, Inc. ("Treace" or the "Company") (NasdaqGS: TMCI), a medical technology company driving a fundamental shift in the surgical treatment of bunions and related midfoot deformities through its flagship Lapiplasty® and Adductoplasty® Procedures, today announced its preliminary, unaudited fourth quarter and full-year 2024 results.

Highlights:

- Preliminary revenue of \$68.4 million to \$68.8 million in the fourth quarter of 2024, an approximate 10% increase at the midpoint over the same period in 2023.
- Preliminary revenue of \$209.0 million to \$209.4 million for the full-year 2024, an approximate 12% increase at the midpoint compared to the prior year and in-line with the previously provided revenue guidance range of \$204 million to \$211 million.
- New active surgeon additions of approximately 280 for full-year 2024; ended the year with approximately 3,135 active surgeons, a 10% increase compared to the prior year and approximately 31% of the estimated 10,000 U.S. surgeons performing bunion surgery.

"We close 2024 with new product announcements and 12% annual revenue growth – positioning us for continued growth in 2025 and beyond," said John T. Treace, CEO, Founder and Board Member of Treace. "Driven by our active pipeline of differentiated technologies, we are excited to enter 2025 with multiple innovative product launches, steadily building upon our comprehensive bunion solutions, delivered by our bunion-focused sales force, that we believe will further drive penetration into the overall bunion market and continue to expand our surgeon customer base through 2025 and beyond."

2025 Outlook

Treace plans to provide 2025 financial guidance during its fourth quarter 2024 earnings conference call, which is currently scheduled for Thursday, February 27, 2025, at 4:30 p.m. Eastern Time.

The preliminary unaudited financial information in this press release has not been subject to the more rigorous standards of review for Treace's filed financial statements, may be adjusted, including as a result of its internal closing processes and the external auditing procedures of its independent registered public accounting firm, and remains subject to change until the Company files its full financial statements for 2024.

Treace to Present at J.P. Morgan Healthcare Conference on Tuesday, January 14, 2025

John T. Treace, Chief Executive Officer and Founder of Treace, will present at the J.P. Morgan Healthcare Conference on Tuesday, January 14, 2025, beginning at 9:00 am Pacific Time / 12:00 pm Eastern Time. Following this presentation, Mr. Treace will be joined by Mark L. Hair, Chief Financial Officer of Treace, for a question-and-answer session. A live webcast and replay of the presentation will be available on the Company's investor relations website at <https://investors.treace.com/>.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are forward-looking statements, including, but not limited to the Company's anticipated fourth quarter and full-year 2024 revenue and 2024 active surgeons, as well as its belief that the Company is positioned for continued growth in 2025 and beyond and will further drive penetration into the overall bunion market and continue to expand its surgeon customer base through 2025 and beyond. Forward-looking statements are based on management's current assumptions and expectations of future events and trends, which affect or may affect the Company's business, strategy, operations or financial performance, and actual results and other events may differ materially from those expressed or implied in such statements due to numerous risks and uncertainties. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Factors that could cause actual results or other events to differ materially from those contemplated in this press release can be found in the Risk Factors section of Treace's public filings with the Securities and Exchange Commission ("SEC"), including its Annual Report on Form 10-K for the year ended December 31, 2023, and any subsequent Quarterly Reports on Form 10-Q or Current Reports on Form 8-K. Because forward-looking statements are inherently subject to risks and uncertainties, you should not rely on these forward-looking statements as predictions of future events. These forward-looking statements speak only as of their date and, except to the extent required by law, the Company undertakes no obligation to update these statements, whether as a result of any new information, future developments or otherwise. The Company's preliminary, unaudited results for the fourth quarter and full year ended December 31, 2024, reflect the Company's current estimates based on information available as of the date of this press release and are subject to change, including as a result of the completion of the Company's financial and operating closing procedures, customary audit procedures, and other developments that may occur before the completion of these procedures. Accordingly, you should not place undue reliance on these preliminary, unaudited results, which may differ materially from actual results and are not necessarily indicative of its operating results for any future periods.

Internet Posting of Information

Treace routinely posts information that may be important to investors in the "Investor Relations" section of its website at www.treace.com. The Company encourages investors and potential investors to consult the Treace website regularly for important information about Treace.

About Treace Medical Concepts

Treace Medical Concepts, Inc. is a medical technology company with the goal of advancing the standard of care for the surgical management of bunion and related midfoot deformities. Bunions are complex 3-dimensional deformities that originate from an unstable joint in the middle of the foot and affect approximately 67 million Americans, of which Treace estimates 1.1 million are annual surgical candidates. Treace has pioneered and patented the Lapiplasty® 3D Bunion Correction® System – a combination of instruments, implants, and surgical methods designed to surgically correct all three planes of the bunion deformity and secure the unstable joint, addressing the root cause of the bunion and helping patients get back to their active lifestyles. To further support the needs of bunion patients, Treace has introduced its Adductoplasty® Midfoot Correction System, designed for reproducible surgical correction of midfoot deformities. The Company continues to expand its footprint in the foot and ankle market with the introduction of its SpeedPlate™ Rapid Compression Implants, an innovative fixation platform with broad versatility across Lapiplasty® and Adductoplasty® procedures, as well as other common bone fusion procedures of the foot. For more information, please visit www.treace.com.

To learn more about Treace, connect with us on LinkedIn, X, Facebook and Instagram.

Contacts:

Treace Medical Concepts

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Chief Financial Officer
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(904) 373-5940

Investors:

Gilmartin Group

Vivian Cervantes
IR@treace.net

On **solid footing** for sustained growth



Investor Presentation

January 2025



Forward-Looking Statements

This presentation may include forward-looking statements. All statements other than statements of historical facts contained in this presentation, including statements regarding our future results of operations and financial position, strategy and plans, industry environment, potential growth opportunities, and our expectations for future operations, are forward-looking statements. The words "believe," "may," "will," "estimate," "continue," "anticipate," "design," "intend," "expect," "could," "plan," "potential," "predict," "seek," "should," "would," or the negative version of these words and similar expressions are intended to identify forward-looking statements.

We have based these forward-looking statements on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, strategy, short- and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions. These risks and uncertainties, many of which are beyond our control, include risks described in the section entitled Risk Factors in our filings made with the Securities and Exchange Commission (the "SEC"), including our Form 10-K for the year ended December 31, 2023, and any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise. No representations or warranties (expressed or implied) are made about the accuracy of any such forward-looking statements. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, except as required by law, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. We undertake no obligation to update publicly any forward-looking statements for any reason after the date of this presentation to conform these statements to actual results or to changes in our expectations.

This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. In addition, projections, assumptions, and estimates of our future performance and the future performance of the markets in which we operate are necessarily subject to a high degree of uncertainty and risk.

By attending or receiving this presentation you acknowledge that you will be solely responsible for your own assessment of the market and our market position and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of our business.

Non-GAAP Financial Measures

To supplement the financial results presented in accordance with GAAP, this presentation presents Adjusted EBITDA, which the Company defines as net loss before depreciation and amortization expense, interest income, interest expense, taxes, share-based compensation expense, acquisition-related costs, restructuring costs, customer credit loss and debt extinguishment loss. Non-GAAP financial measures such as Adjusted EBITDA are presented in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. Management uses these non-GAAP financial measures to evaluate the Company's operating performance and trends, as well as for making planning decisions. The Company believes that Adjusted EBITDA helps to identify underlying trends in the Company's business that may otherwise be masked by the effect of the income and expenses and other items that it excludes in its calculation of Adjusted EBITDA. Accordingly, the Company believes these non-GAAP financial measures provide useful information to investors and others in understanding and evaluating the Company's operating results, enhancing the overall understanding of its past performance and future prospects, and allowing for greater transparency with respect to key financial metrics used by the Company's management in their financial and operational decision-making. The Company also presents these non-GAAP financial measures because it believes investors, analysts and rating agencies consider them to be a useful metrics in measuring the Company's performance against other companies and its ability to meet its debt service obligations.

There are limitations related to the use of non-GAAP financial measures such as Adjusted EBITDA because they are not prepared in accordance with GAAP, may exclude significant income and expenses required by GAAP to be recognized in the Company's financial statements, and may not be comparable to non-GAAP financial measures used by other companies. The Company encourages investors to carefully consider its results under GAAP, as well as its supplemental non - GAAP information and the reconciliation between these presentations, to more fully understand its business. Reconciliations between GAAP and non - GAAP results are included at the end of this presentation.

Treace Medical Concepts, Inc.

Focused Experts

Medical Device company focused on the surgical treatment of bunions and related deformities

Industry's Only Bunion Focused Direct Sales Team

Market Leading Technology protected by 71 US Patents and 81 US Pending Patents

Strong Growth

FY 2024 preliminary revenue of \$209.0M to \$209.4M (+12% YOY growth at midpoint)*

5-year revenue growth CAGR of 40%

~ 1/3 of US Foot Surgeons using Lapiplasty® Procedure in 2024

Poised for Acceleration

Expanding comprehensive bunion portfolio

10 new product launches in 2H 2024 & 2025

Driving profitability Expecting breakeven Adj. EBITDA for FY 2025 and cash flow breakeven in 2026

The Leader in 3D Bunion Correction

* Preliminary Q4 and full-year revenue remains subject to completion of year-end accounting procedures and adjustments and is subject to change.

A LARGE, underserved

\$5B+ U.S. market opportunity

Bunions affect **~1 in 4** U.S. adults¹,
a population of **65 million**

10,000+ U.S. bunion surgeons

450k annual surgical procedures²:
\$2.3B current market

650k more in need of surgery:
\$3.3B market

Emily
Lapiplasty® patient

(1) Nix S, et al. J Foot Ankle Res 2010
(2) iData Research, Inc., 2022

Bunions: 3-Plane Deformities

An unstable joint in the middle of the foot allows the metatarsal bone to shift outward...

Creating the painful "bump" on the side of the big toe

Bunion (bump) presents here



Unstable joint is here



In nearly 90% of bunions, the metatarsal bone is rotated in the frontal plane¹



1 Transverse Plane

The unstable joint (foundation) allows the metatarsal to **Lean Sideways**



2 Sagittal Plane

The metatarsal can **Elevate**, transferring excessive pressure to other toes & ball of the foot



3 Frontal Plane

The metatarsal can **Rotate**, causing abnormal wear, just like a car tire out of alignment

Failure to correct the frontal plane component can lead to a 10-12x greater risk of recurrence²

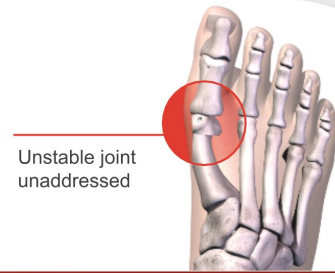
(1) Kim Y, et al. Foot Ankle Int 2015
(2) Okuda R, et al. JBJS 2009; Okuda R, et al. JBJS 2007

Traditional 2D Surgical Approaches Have Significant Shortcomings

2D OSTEOTOMY (~70% of cases)

Cuts the metatarsal bone and shifts the bump inward

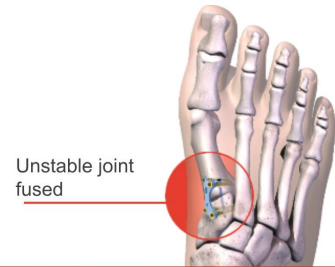
- Relatively straightforward procedure
- Doesn't address the unstable joint
- Increased recurrence risk¹



2D LAPIDUS FUSION (~30% of cases)

Realigns the entire metatarsal bone and fuses the unstable joint

- Challenging freehand procedure
- Decreased recurrence risk²
- 6 – 8 weeks non-weightbearing (cast)²



(1) 1.8%-78% recurrence; Lagaay PM, et al. J Foot Ankle Surg 2008; Jeuken RM, et al. Foot Ankle Int 2016
 (2) 0-38% recurrence; Catanzariti AR, et al. J Foot Ankle Surg 1999; Galli SH, et al. Foot & Ankle Ortho 2020

Lapiplasty® 3D Bunion Correction®

Our patented 3D solution:



Treace has democratized a 3D Lapidus bunion procedure, making it accessible to more physicians and their patients

Correct.

Make correction *before* you cut



Cut.

Perform precision cuts with confidence



Compress.

Achieve controlled compression of joint surfaces



Fixate.

Apply multiplanar fixation for robust stability



Lapiplasty®

Compelling outcomes supported by differentiated clinical data

3 to 4-year results demonstrate



EARLY WEIGHT BEARING
in 8.4 days (avg)^{1,2}



LOW RECURRENCE RATES
0.7% at 24 months, 1.4% at
36 months¹



81% PAIN REDUCTION³

93% and 94% IMPROVEMENT in
walking/standing and social
interaction scores, respectively⁴

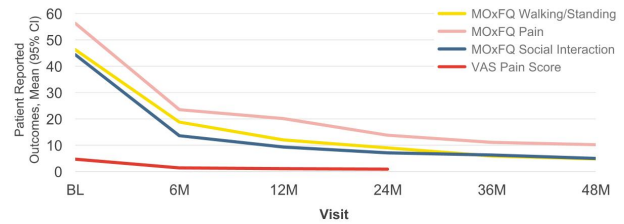
MEDICARE
REIMBURSEMENT



	2025	vs. 2024
OPPS	\$12,879	+89%
ASC	\$9,820	+100%

ALIGN3D™ Multicenter Prospective Study¹

7 centers, 13 surgeons, 173 patient report, average follow-up of 42.1 months
MOxFAQ and VAS Pain Scores Over Time



- (1) Interim ALIGN3D™ study report, AOFAS 2024; HVA >20 degrees; 0.7% of patients (1 of 151 patients) at 24 months and 1.4% (2 of 145 patients) at 36 months and 0.0% of patients (0 of 99 patients) at 48 months; HVA >15 degrees; 6.2% of patients (9 of 145 patients) at 36 months and 8.1% of patients (8 of 99 patients) at 48 months
- (2) In a post-operative boot
- (3) VAS at 24 months post-procedure (n=156). VAS scores only collected to 24 months.
- (4) MOxFAQ at 48 months (n=101 walking/standing; n=102 social interaction)

Poised for acceleration



Expanding comprehensive bunion portfolio



10 new product launches in 2H 2024 & 2025



Addressing all bunion types with new platforms and technologies



Comprehensively Addressing All Bunion Classes

Expanding our reach with best-in-class bunion technologies

Mild to Moderate



Moderate to Severe



W/Midfoot Deformity



W / Arthritic Great Toe Joint



Expanding Our Leadership Position

New 3D Procedures to Accelerate Bunion Market Penetration

Mild to Moderate Bunions

Nanoplasty™

Percuplasty™



Mild to Severe Bunions

Micro-Lapiplasty®



W/Midfoot Deformity

Mini-Adductoplasty™



W/Arthritic Great Toe Joint

SpeedMTP™



Patient Pre-Operative and Post-Operative X-Rays

Enabling Platform Technology IntelliGuide™ PSI

A Personalized Lapiplasty® and Adductoplasty® Experience

Intelligent Pre-Op Planning

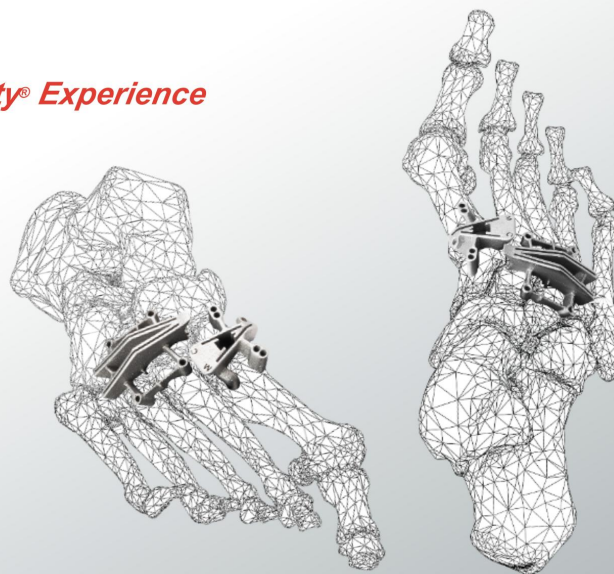
Comprehensive visualization of patient's unique deformity before surgery

Patient-Specific 3D Correction

First and only patient-specific cut guides with built-in personalized mid-foot correction in the US

Streamlined Workflow

Fewer steps and less instrumentation to drive OR surgical efficiency



Intelligent. Personalized. Efficient.

Enabling Platform Technology

SpeedPlate™ Rapid Compression Implants

Advancing a New Standard in Bone Fusion Fixation

Attractive to Surgeons

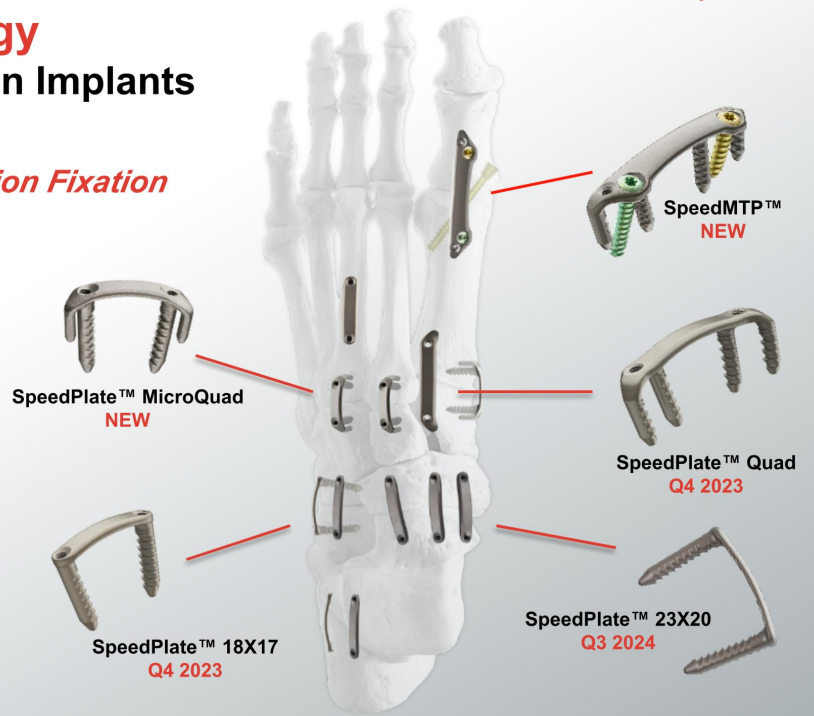
The strength and stability of a titanium locking plate¹ with the speed and compression benefits of a nitinol staple²

Broad Versatility

Lapiplasty®, Adductoplasty®, MTP Fusion, and other indications throughout the foot

Strong R&D Pipeline

Future designs targeting additional procedures



1. Encompasses locking plate and screw construct. For complete information see ASTM F136-13, Standard Specification for Wrought Titanium-6Aluminum-4Vanadium ELI (Extra Low Interstitial) Alloy for Surgical Implant Applications (UNS R56401)
2. TMGI Data on File

A unique, highly scalable model
**Margin from one procedure pays
for our instrument tray**

**Low cost, reusable
instruments**



**High margin, sterile
implant kits**



**> ~130 sellable SKUs facilitate supply chain and inventory
management with ~80% gross margin**



Jim
Lapiplasty® patient

Surgeon Education

BunionMasters™
Hands-on training events



Comprehensive introductory and advanced events with experienced surgeon faculty

Raise Patient Awareness

Outreach
multi-platforms



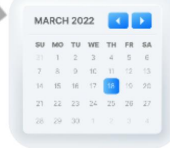
Educate
Lapiplasty.com



Search
for a doctor

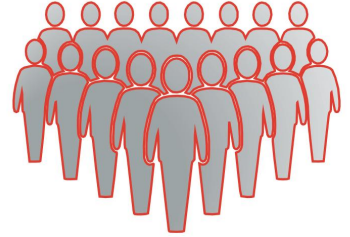


Schedule
an appointment



Direct Sales Channel

Industry's only **direct bunion-focused sales force** is a key growth driver



~82% Direct revenue mix
~227 Sales reps¹
~329 Field fleet¹

(1) Sales reps and field fleet includes W2 employees and FTE 1099 sales agents, as of December 31, 2024

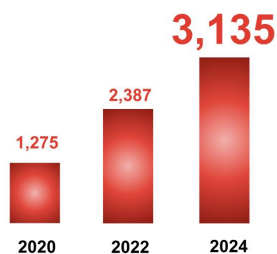
Introducing Multiple New Bunion-Focused Technologies to Our Growing Base of Customers

40% 5-year Revenue CAGR¹

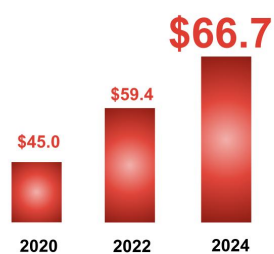
26% 5-year CAGR¹ in Active Surgeons²

31% of U.S. bunion surgeons using Lapiplasty[®] procedure

Active Surgeons²



Avg. Revenue per Surgeon³
(\$ in thousands)



Attacking multiple bunion segments to speed market penetration while driving utilization and revenue per customer

(1) 5-year CAGR reflects fiscal years 2019 through 2024

(2) Active Surgeons perform at least one Lapiplasty[®] procedure in the trailing twelve months

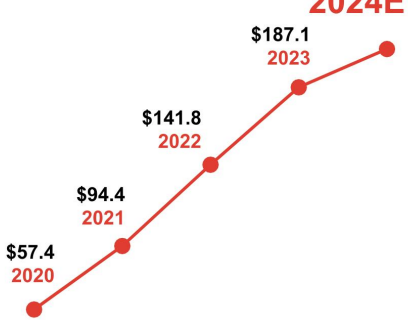
(3) Average revenue per surgeon is actual/estimated full year revenue divided by end-of-year active surgeons

Market-capturing momentum

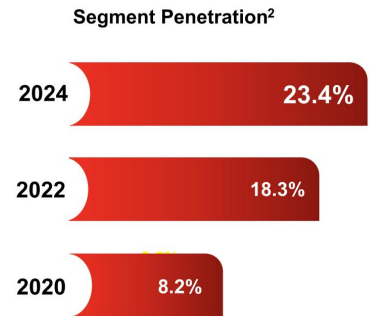
A Step Ahead



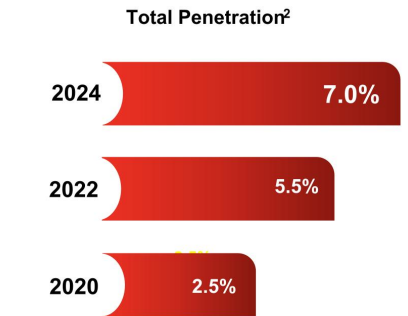
Revenue¹ (\$Millions)



Moderate to Severe (Lapidus Fusion)



All Bunion Classes (~450k annual cases)



(1) Revenue for 2024 is preliminary, subject to change, and represents the midpoint of the expected revenue range of \$209.0 million to \$209.4 million for full-year 2024
 (2) Lapidus and total penetration figures based on an estimated 450,000 annual US surgical procedures (iData Research, Inc., 2022) and ~30% Lapidus Fusion

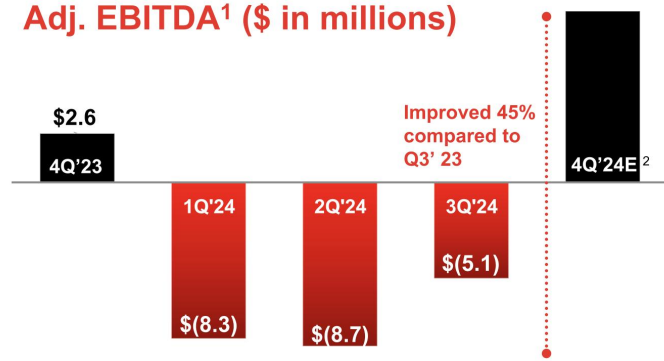
Sustainable Profitability Ahead

2024 Adj. EBITDA Loss to improve ~50% compared to full-year 2023²



(1) The Company defines Non-GAAP adjusted EBITDA as net loss before depreciation and amortization expense, interest income, interest expense, taxes, share-based compensation expense, acquisition-related costs, restructuring costs and customer credit loss. See our GAAP to Non-GAAP reconciliation for more details.
 (2) Preliminary 2024 Adj EBITDA remains subject to completion of year-end accounting procedures and adjustments and is subject to change

Adj. EBITDA¹ (\$ in millions)



Expecting breakeven Adj. EBITDA for full-year 2025

Meaningful leverage opportunities to drive profitability

- Continued focus on operating expense leverage & management
- Scalability of business
- Technology-enabled efficiencies

Solid footing, setting the pace

The Leader in the most exciting subsegment of the foot and ankle market, one of the fastest-growing sectors in Orthopaedics¹

Now a comprehensive bunion solutions company with multiple new technologies

Multiple growth drivers:

- + 10 new product launches in 2H 2024 & 2025
- + revenue per surgeon
- + new surgeons
- + sales rep productivity
- + elevated reimbursement

Positioned to deliver continued, strong revenue growth in 2025 and beyond

Expecting Modest Positive Adj. EBITDA for full-year 2025 and free cash flow breakeven in 2026

(1) TMCI estimate based on other publicly-traded peers participating in the foot and ankle market

The logo for TREACE features the word 'TREACE' in a bold, grey, sans-serif font. A red swoosh underline is positioned under the 'E' and extends to the right. Below the main text, the tagline 'A Step Ahead.' is written in a red, italicized, sans-serif font. The background consists of light blue and white wavy lines that create a sense of motion and depth.

TREACE[®]
A Step Ahead.[™]

GAAP to Non-GAAP Reconciliations

Treace Medical Concepts, Inc.
Reconciliation of GAAP Net Loss to EBITDA & Adjusted EBITDA
(in thousands)
(unaudited)

	Three Months Ended				
	9/30/2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024
Net loss	\$ (17,521)	\$ (6,281)	\$ (18,676)	\$ (21,206)	\$ (15,360)
Adjustments:					
Interest income	(1,570)	(1,709)	(1,535)	(1,376)	(1,067)
Interest expense	1,296	1,304	1,317	1,312	1,313
Taxes	—	—	—	—	—
Depreciation & Amortization	1,564	1,769	1,909	2,116	2,157
EBITDA	\$ (16,231)	\$ (4,917)	\$ (16,985)	\$ (19,154)	\$ (12,957)
Share-based compensation expense	5,192	5,872	7,408	6,740	7,900
Acquisition-related costs	1,802	1,674	1,317	556	—
Restructuring costs ¹	—	—	—	964	—
Customer credit loss ²	—	—	—	2,147	—
Adjusted EBITDA	<u>\$ (9,237)</u>	<u>\$ 2,629</u>	<u>\$ (8,260)</u>	<u>\$ (8,747)</u>	<u>\$ (5,057)</u>

¹ Restructuring charges primarily relate to severance payments and other post-employment benefits from a restructuring in June 2024.

² Customer credit loss consists of the write-off of accounts receivable due from a customer that filed for bankruptcy during the second quarter of 2024.