

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

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

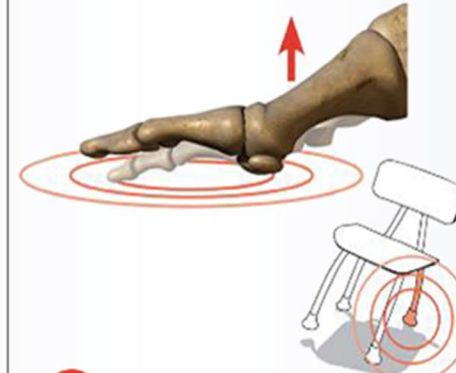


In nearly 90% of bunions, the metatarsal bone is rotated in the frontal plane¹



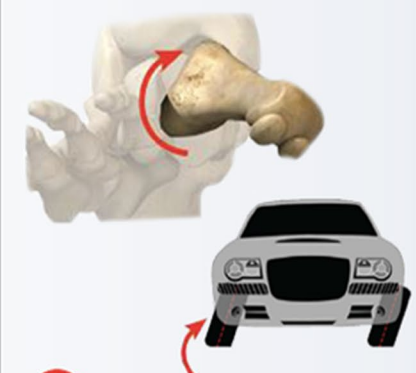
1 Transverse Plane

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

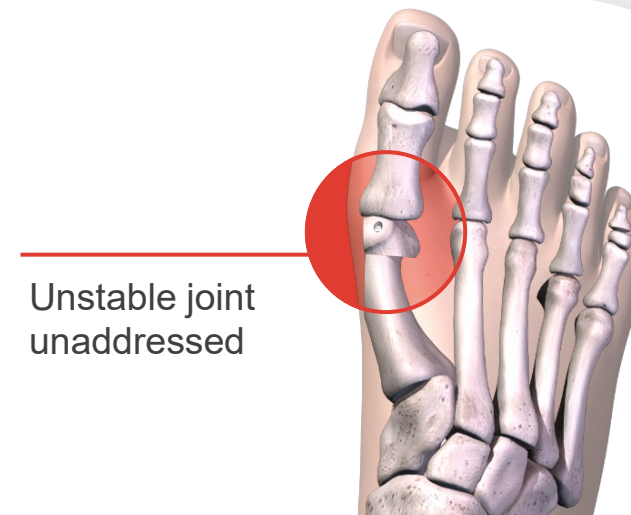
(1) Kim Y, et al. Foot Ankle Int 2015
(2) Okuda R, et al. JBJS 2009; Okuda R, et al. JBJS 2007

Traditional 2D Surgical Approaches Have Significant Shortcomings

2D OSTEOTOMY (~70% of cases)

Cuts the metatarsal bone and shifts the bump inward

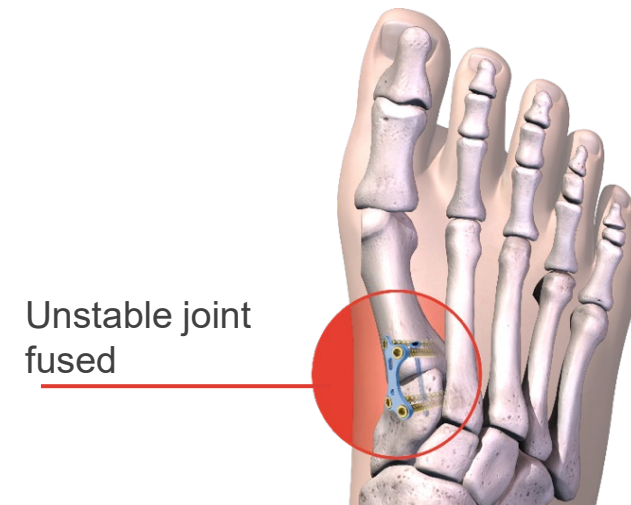
- Relatively straightforward procedure
- Doesn't address the unstable joint
- Increased recurrence risk¹



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



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

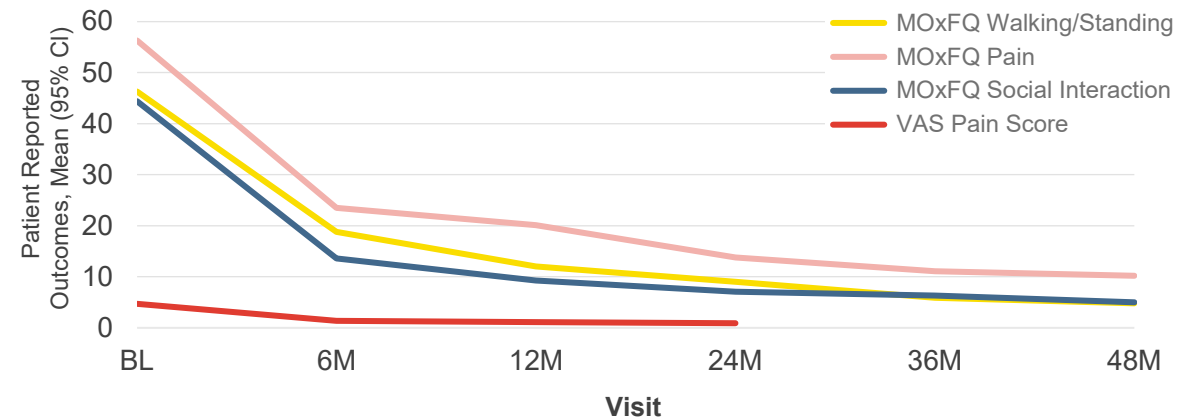
MEDICARE
REIMBURSEMENT



	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
MOxFQ 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) MOxFQ 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™



MiS^{3D}
Minimally Invasive Systems



Percuplasty™



MiS^{3D}
Minimally Invasive Systems



Mild to Severe Bunions

Micro-Lapiplasty®



MiS^{3D}
Minimally Invasive Systems



W/Midfoot Deformity

Mini-Adductoplasty™



MiS^{3D}
Minimally Invasive Systems



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

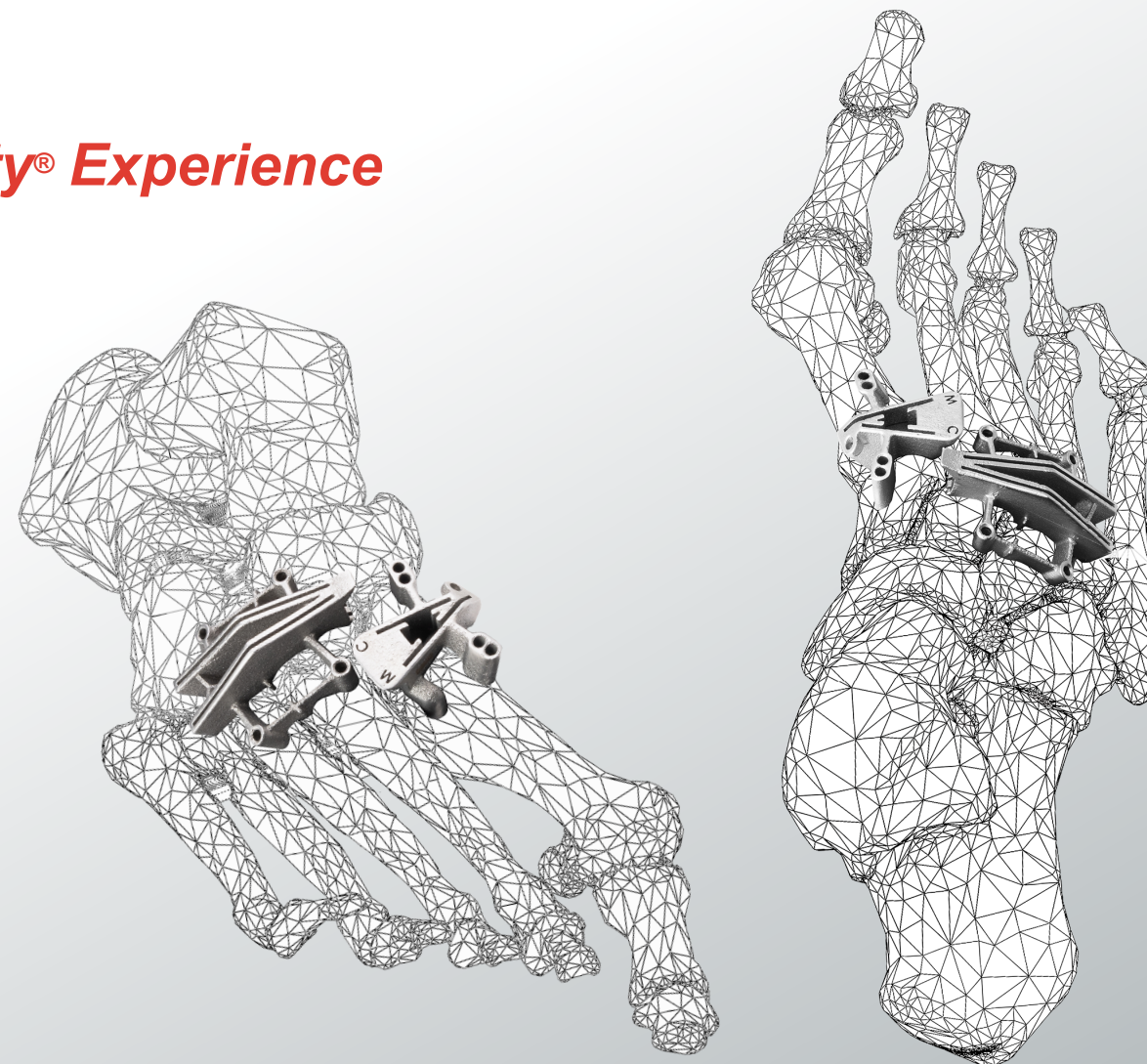
Comprehensive visualization of patient's unique deformity before surgery

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

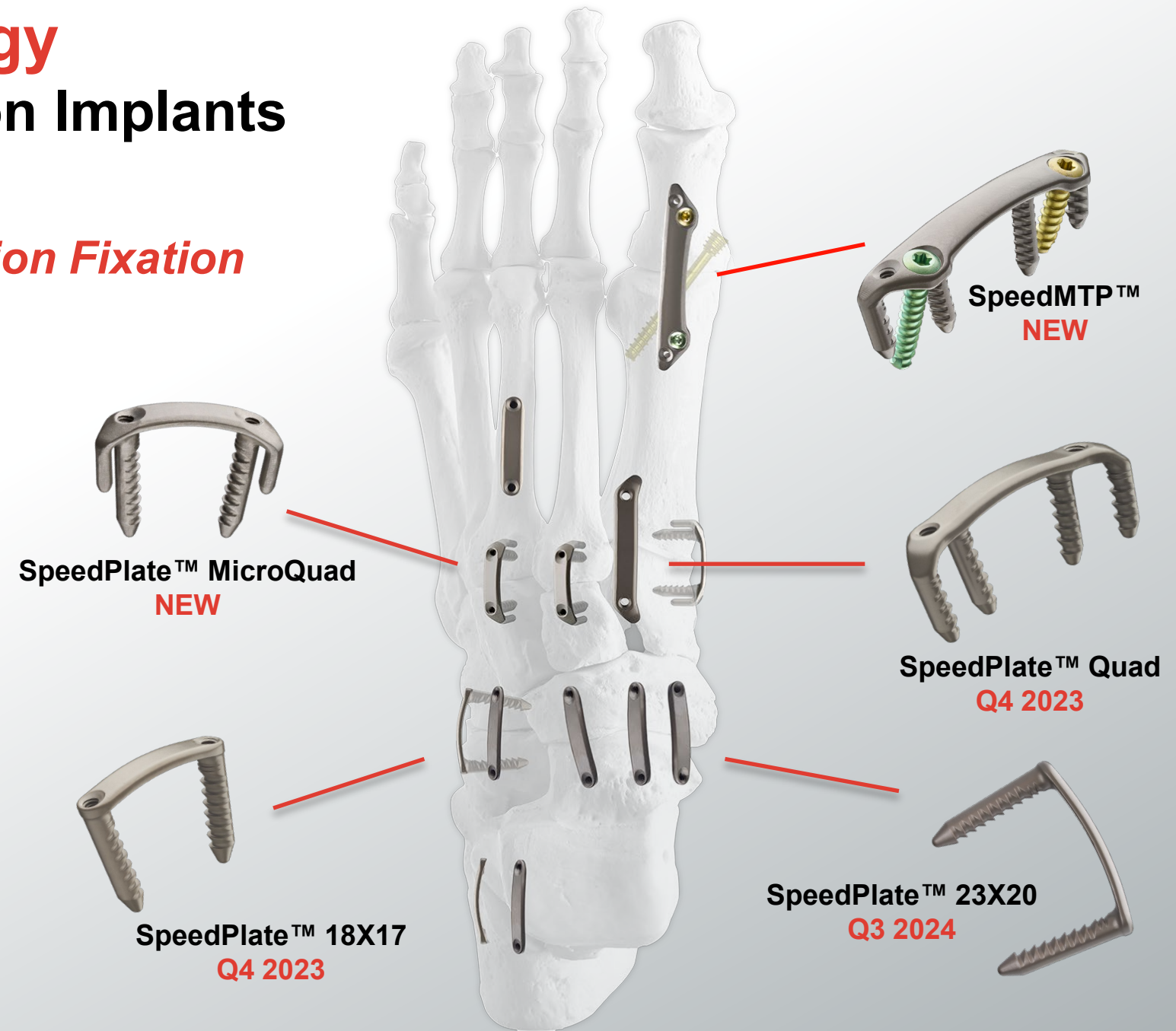
The strength and stability of a titanium locking plate¹ with the speed and compression benefits of a nitinol staple²

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. TMCI 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
Lapliasty® patient

Go-to-Market Strategy

Surgeon Education

BunionMasters™
Hands-on training events



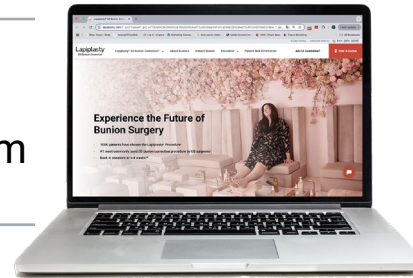
Comprehensive introductory and advanced events with experienced surgeon faculty

Raise Patient Awareness

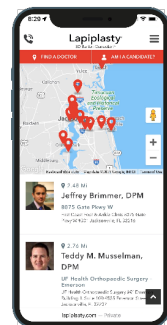
Outreach
multi-platforms



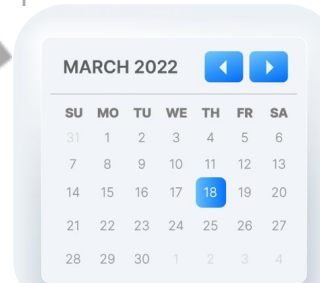
Educate
Lapiplasty.com



Search
for a doctor

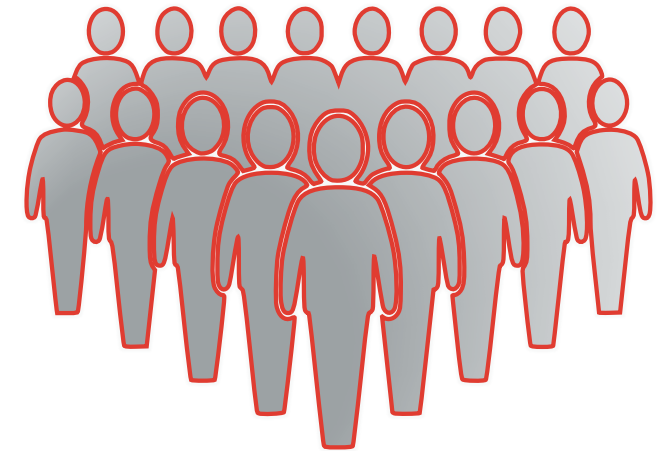


Schedule
an appointment



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

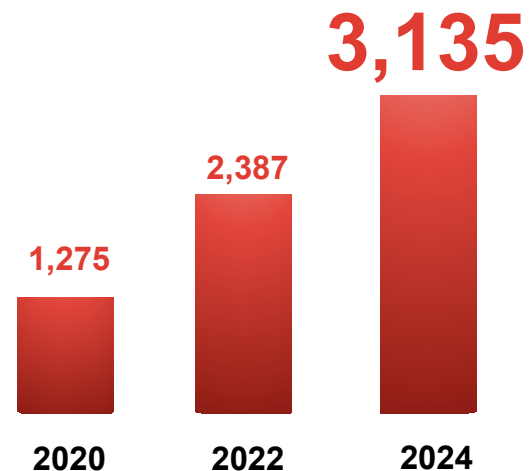
Introducing Multiple New Bunion-Focused Technologies to Our Growing Base of Customers

40% 5-year Revenue CAGR¹

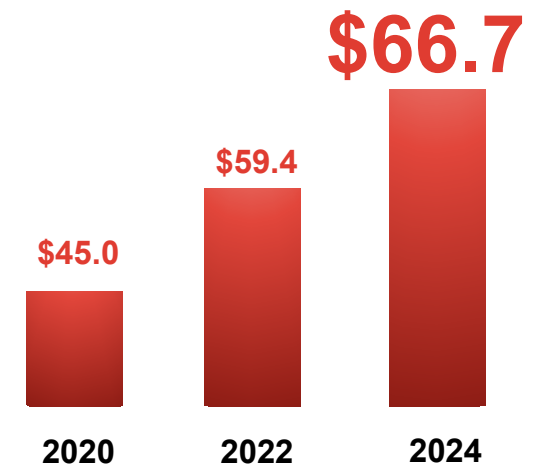
26% 5-year CAGR¹ in Active Surgeons²

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

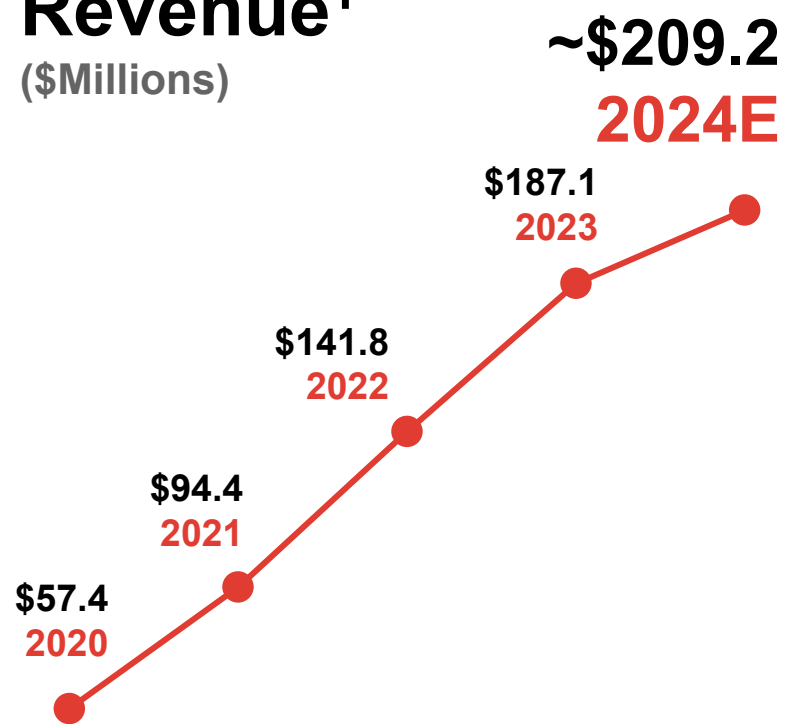
A Step Ahead



Tom
Lapiplasty® patient

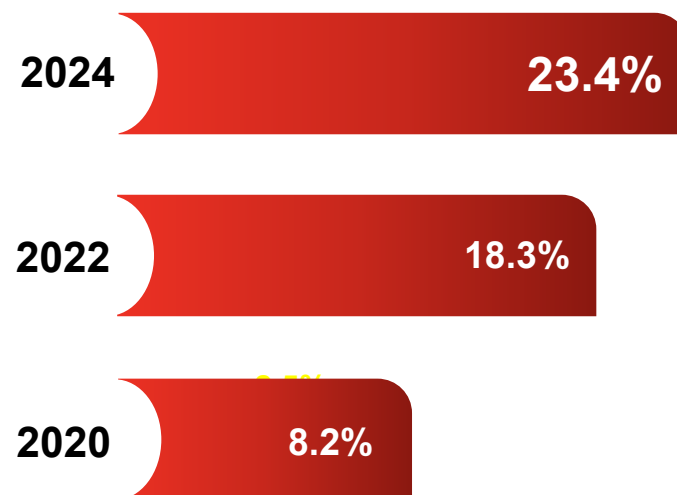
Revenue¹

(\$Millions)



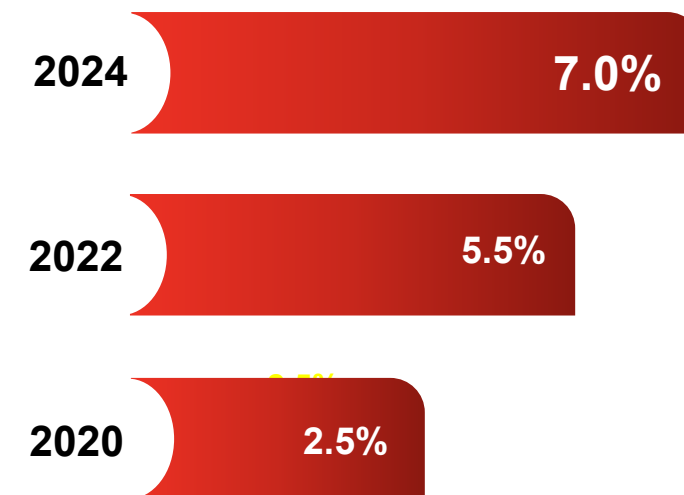
Moderate to Severe (Lapidus Fusion)

Segment Penetration²



All Bunion Classes (~450k annual cases)

Total Penetration²

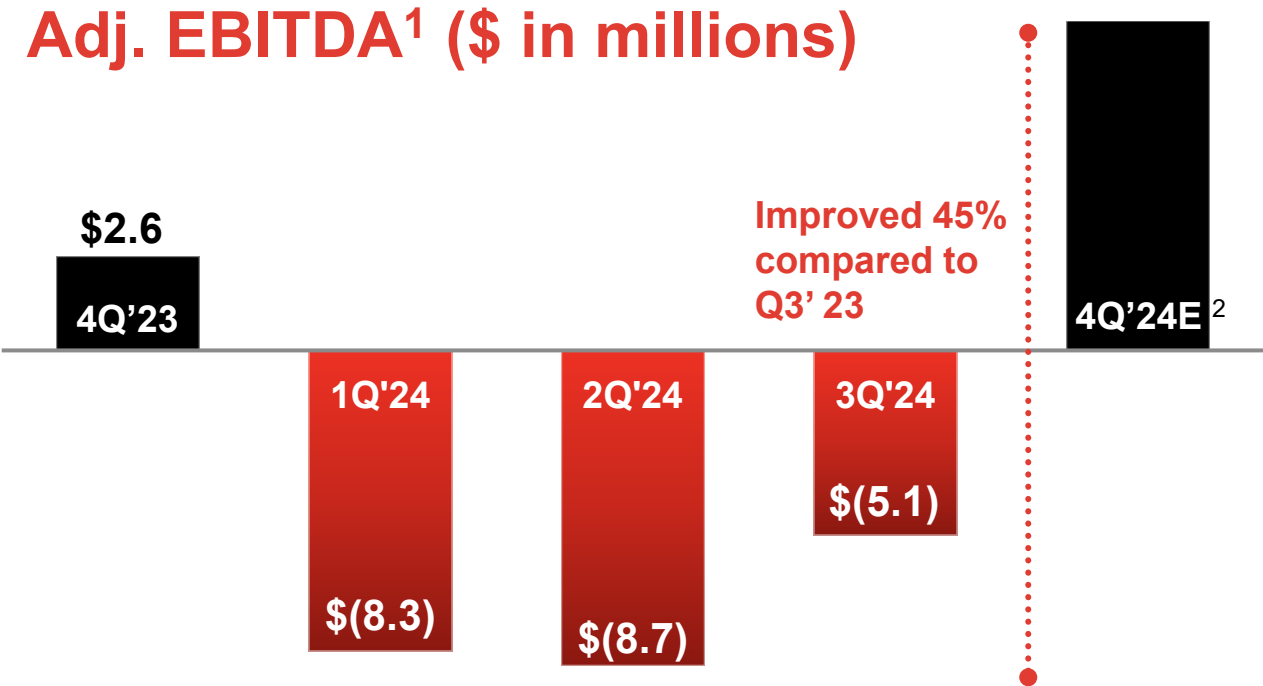


(1) Revenue for 2024 is preliminary, subject to change, and represents the midpoint of the expected revenue range of \$209.0 million to \$209.4 million for full-year 2024

(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



Expecting breakeven Adj. EBITDA for full-year 2025



Jen
Lapiplasty[®] patient

Meaningful leverage opportunities to drive profitability

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

(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

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 unicon 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

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.