

Press Release

*Not for distribution in the United States, Canada, Japan, Australia, South Africa, or Italy.
This press release does not constitute an offer to purchase any securities*

ALPHATEC HOLDINGS AND EOS IMAGING REACH A NEW AGREEMENT FOR THE ACQUISITION OF EOS IMAGING

- *New agreement between the two companies whereby Alphatec Holdings is to acquire EOS imaging via a cash tender offer at EUR 2.45 per EOS imaging share unanimously approved by the Board of Directors of both companies*
- *23% of EOS imaging share capital already committed into the offer, with the support of both reference shareholders Fosun and Bpifrance as well as of the company founder and the CEO*

Paris, December 17, 2020 07:00 am CET- EOS imaging (Euronext, FR0011191766 - EOSI - Eligible PEA - PME) ("EOS"), a leader in 2D/3D orthopedic medical imaging and software solutions for 3D anatomical modeling and surgical planning, is pleased to announce that its Board of Directors has approved the execution of a new tender offer agreement (the "Tender Offer Agreement") with Alphatec Holdings, Inc. (Nasdaq: ATEC) ("ATEC"), a medical device company dedicated to revolutionizing the approach to spine surgery, whereby ATEC would launch a tender offer for all the shares and the OCEANEs issued by EOS for a price of EUR 2.45 per EOS share (the "Offer").

■ **Two medical technology leaders with complementary offerings join forces**

Both companies highlight the benefits of this transaction, which will strengthen their position in the global orthopedic market. ATEC and EOS are two pioneers in their respective fields, and have contributed to revolutionizing the approach to orthopedic surgery.

"We are pleased to revisit this transaction and eager to join the complementary strengths and know-how of our organizations. I am confident that we will quickly create a highly differentiated, end-to-end informational offering that will accelerate growth in the United States and pave the way for the future global expansion of our combined entity." said Mike Lobinsky, Chief Executive Officer. "ATEC and EOS share a foundational belief in the power of information to improve surgical outcomes".

ATEC has developed a high-differentiating solution, which allows the surgeon to access information in the operating room that combines the surgical approach, specific implants, nerve monitoring system and informatix platform. EOS offers a unique, clinically recognized solution to provide the surgeon a low-dose biplanar weight-bearing images, 3D biomechanical measures used to, among others, analyze the patient's sagittal balance, to plan the surgery and evaluate the post-operative result.

The combination of the two companies' portfolios is built to improve the patient care pathway from diagnosis to surgical planning, post-operative control and long-term follow-up. The complementary expertise

promises to enhance surgical planning by integrating the specific characteristics of implants into the surgical approach. This provides the clinician critical information before and during the surgery.

“While the uncertainties created by Covid-19 made the transaction not possible in April, ATEC’s original investment thesis for EOS as a solution to better inform surgery has not changed. Both companies having well managed the challenges of the pandemic and strengthened their financial positions, we are excited to renew our offer for companies to join forces to further create the next chapter in improving spine surgery. With this transaction, we take another major step toward distinguishing ATEC clinical performance with improved information from diagnosis through follow-up,” said Pat Miles, Chairman and Chief Executive Officer of ATEC.

Product integration will start in the US, the largest orthopedic market where ATEC has a strong track record and the combined group can significantly grow its footprint from both companies’ current networks and locations, to be progressively extended globally. In the meantime, outside the United States, EOS should continue to strengthen its deployment with its current offering.

▪ **Key transaction terms**

EOS' shareholders would receive EUR 2.45 per EOS share under the Offer.

The Offer price reflects a premium of 41% on EOS' share price as of market close on December 16, 2020 and of 43%, 56%, and 63% over the volume-weighted average share price of EOS over the last one, three and six month(s), respectively, preceding this date.

The Offer would target all outstanding OCEANEs issued by EOS. The holders of OCEANEs would receive (i) EUR 7.01 per OCEANE (with coupon due May 31, 2021 attached) or (ii) EUR 6.81 per OCEANE (with coupon due May 31, 2021 detached).

▪ **EOS' Board of Directors welcomes the principle of the Offer**

During its meeting of December 15, 2020, the Board of Directors of EOS welcomed the principle of the Offer and unanimously approved the execution of the Tender Offer Agreement.

The transaction is also supported by key shareholders of EOS. ATEC received commitments from Fosun Pharma and Bpifrance Investissement¹ as well as from the founder and the Chief Executive Officer of EOS, to tender all their EOS' shares into the Offer, which represent approximately 23% of EOS' share capital.

The Offer tender commitments will lapse in the event of a competing offer made at a price higher than the Offer and cleared (*déclarée conforme*) by the AMF, unless ATEC decides to improve upon the terms of the competing offer under the conditions set forth in the AMF General Regulation.

▪ **Appointment of an independent expert by EOS**

During its meeting of December 15, 2020, the Board of Directors of EOS has unanimously appointed Accuracy (represented by Mr Henri Philippe - 41 Rue de Villiers, 92200 Neuilly-sur-Seine, +33 1 58 75 75 10) as independent expert, in order to prepare a fairness opinion regarding the financial terms of the Offer in accordance with Article 261-1, I-2° and 5° of the AMF General Regulation.

¹ Acting as the management company of FPS Bpifrance Innovation I.

The Board of Directors of EOS will meet again to deliver its reasoned opinion (*avis motivé*) regarding the Offer after having notably reviewed the independent expert's report and the opinion of the employees' representative bodies.

- **Conditions and timetable of the contemplated transaction**

Main Conditions

The transaction will be subject to certain conditions precedent². In addition, EOS has agreed to a customary non-solicitation undertaking in the Tender Offer Agreement. Furthermore, EOS will waive its claim initiated against ATEC in relation to the termination of the initial agreement entered into on February 28, 2020³⁴.

In accordance with the terms of the Tender Offer Agreement, EOS shall, in certain circumstances, pay a break-up fee equal to 2% of the maximum Offer consideration, *i.e.*, EUR 2 million to ATEC and ATEC shall, in other circumstances, pay a reverse break-up fee of an identical amount to EOS. This indemnity will in particular be payable by EOS if the Board of Directors of EOS decides not to recommend to the shareholders to tender to the Offer or in the event of a competing offer.

In addition to the 50% threshold provided for in Article 231-9, I of the AMF General Regulation, the Offer will be subject to the acceptance threshold of two thirds of the share capital and voting rights of EOS (on a fully diluted basis) upon the results of the Offer in accordance with Article 231-9, II of the AMF General Regulation.

ATEC intends to implement a squeeze-out following the completion of the Offer at the Offer price (EUR 2.45 per EOS share), should applicable conditions be met.

Timeline

It is expected that the Offer will be filed with the AMF in February 2021.

The transaction is expected to close in the second quarter of 2021.

- **2020 Revenue update⁵.**

EOS estimates that its annual turnover for 2020 should be in the range of the consensus (EUR 22 million to EUR 24.5 million averaging EUR 23.3 million). At November 30, 2020, the consolidated cash position amounted to EUR 9.1 million and net debt to EUR 20.7 million.

Advisors

Piper Sandler is acting as financial advisor to EOS imaging, and Gide Loyrette Nouel is serving as legal counsel. Cowen is acting as financial advisor to Alphatec, and Latham & Watkins LLP is serving as legal counsel.

² Including, *inter alia*, foreign investment approval by the French Ministry of Economy, a favorable fairness opinion from the independent expert and a positive reasoned opinion from the Board of Directors of EOS. The Offer will not be conditional upon the absence of a material adverse change affecting EOS.

³ Such waiver will be effective upon filing by ATEC of the Offer with the AMF, or in certain other circumstances such as a decision of the Board of Directors of EOS not to recommend the Offer.

⁴ Please refer to EOS press releases of February 28, 2020 and April 27, 2020.

⁵ These figures have not been audited by the auditors.

Disclaimer

This press release is not an offer to purchase or sell securities. The offer will be made only pursuant to the offer documentation which will contain the full terms and conditions of the offer. The offer documentation will be subject to review by the AMF and the offer will only be opened once the AMF has granted its clearance (décision de conformité). Any decision in respect of the offer should be made only on the basis of the information contained in such offer documentation.

This press release was prepared for informational purpose only. The dissemination of this press release, the offer and its acceptance may be subject to specific regulations or restrictions in certain countries. The offer is not made for persons subject to such restrictions, neither directly nor indirectly, and may not be accepted in any way from a country where the offer would be subject to such restrictions. Consequently, persons in possession of this press release shall inquire about potential applicable local restrictions and comply with them.

EOS imaging excludes all liability in the event of any breach of the applicable legal restrictions by any person.

ABOUT EOS imaging

EOS imaging is a global medical device company that designs, develops and markets innovative, low dose 2D/3D full body and weight-bearing imaging, rapid 3D modeling of EOS patient X-ray images, web-based patient-specific surgical planning, and integration of surgical plan into the operating room that collectively bridge the entire spectrum of care from imaging to post-operative assessment capabilities for orthopedic surgery. With a primary focus on spine, hips and knees, EOS imaging is targeting a \$2 billion annual market opportunity. EOS imaging has over 380 system installations in more than 40 countries generating more than 1 million patient exams annually. EOS imaging has corporate locations in U.S., France, Canada, Germany, and Singapore, and engages more than 175 employees. For additional information, please visit www.eos-imaging.com.



CONTACTS:

EOS imaging

Valérie Worrall

CFO

investors@eos-imaging.com

(+33) 1 55 25 60 60

NewCap

Investor Relations

Thomas Grojean

eos-imaging@newcap.eu

(+33) 1 44 71 94 94

FP2COM

Relations Médias

Florence Portejoie

fportejoie@fp2com.fr

(+33) 6 07 76 82 83