

Alphatec Holdings, Inc.
Form PRER14A
January 22, 2010
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1 to
SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

ALPHATEC HOLDINGS, INC.

(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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(3) Filing Party:

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SUBJECT TO COMPLETION, DATED JANUARY 22, 2010

PROXY STATEMENT

ALPHATEC HOLDINGS, INC.

5818 El Camino Real

Carlsbad, CA 92008

(760) 431-9286

Alphatec Holdings, Inc. has entered into a share purchase agreement under which we will purchase directly or indirectly approximately 95% of the issued and outstanding shares of Scient x S.A., or Scient x, which is a global medical device company based in Guyancourt, France that designs, develops and manufactures surgical implants to treat disorders of the spine. In addition, the Scient x shareholders have agreed to use their commercially reasonable efforts to cause the shareholders of Scient x who hold the remaining approximately 5% of the shares of Scient x that we are not purchasing pursuant to the share purchase agreement to sell to us those shares on substantially the same terms and conditions as set forth in the share purchase agreement, so that we will acquire 100% of the issued and outstanding shares of Scient x. Our acquisition of substantially all of the shares of Scient x is referred to as the Share Purchase. Following the Share Purchase, Scient x will be an indirectly owned subsidiary of ours.

We will issue 24,000,000 shares of our common stock in consideration for 100% of the outstanding shares of Scient x, which represents 45.7% of our voting shares prior to the issuance and will represent 31.3% of our voting shares following the issuance, based on our outstanding capital stock at December 15, 2009. The shares of our common stock being issued to the shareholders of Scient x pursuant to the share purchase agreement and any additional agreements to purchase the remaining approximately 5% of the shares of Scient x that we are not acquiring pursuant to the share purchase agreement are referred to in this proxy statement as the Shares or the Share Purchase Shares.

Our shares of common stock are listed on The NASDAQ Global Market under the symbol ATEC. As of December 23, 2009, the last trading day before the date of this proxy statement, the last sales price of our common stock, as quoted on The NASDAQ Global Market, was \$5.34.

This proxy statement has been prepared in connection with a special meeting of our stockholders to be held at the offices of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., which are located at 666 Third Avenue, 25th Floor, New York, NY 10076, on , 2010 at a.m., Eastern Standard time. At the special meeting, our stockholders will consider a proposal to approve the issuance of the Shares. Pursuant to applicable NASDAQ Marketplace Rules, the issuance of the Shares requires approval by a majority of the total votes cast at a special meeting of stockholders at which a quorum is present. Two of our principal stockholders, HealthpointCapital Partners, L.P. and HealthpointCapital Partners II, L.P., which hold approximately 38.1% of our voting shares, have agreed to vote in favor of the proposal.

This proxy statement sets forth more information about Alphatec, Scient x, the Scient x shareholders and the Share Purchase. **We encourage you to carefully read this proxy statement before voting, including the section entitled Risk Factors beginning on page 23.**

Sincerely,

Dirk Kuyper
President and Chief Executive Officer

This document is dated , 2010, and is first being mailed to our stockholders on or about , 2010.

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ALPHATEC HOLDINGS, INC.

5818 El Camino Real

Carlsbad, CA 92008

(760) 431-9286

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To the stockholders of Alphatec Holdings, Inc.:

A special meeting of our stockholders will be held at the offices of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., which are located at 666 Third Avenue, 25th Floor, New York, NY 10076, on _____, 2010 at _____ a.m., Eastern Standard time. At the special meeting, stockholders will consider and act upon the following matter:

the issuance of 24,000,000 shares of our common stock in consideration for 100% of the outstanding shares of Scient x. Pursuant to applicable NASDAQ Marketplace Rules, the issuance of shares of our common stock pursuant to the share purchase agreement and any additional agreements to acquire the remaining approximately 5% of the shares of Scient x that we are not acquiring pursuant to the share purchase agreement requires approval by a majority of the total votes cast at a special meeting of stockholders at which a quorum is present.

Our board of directors formed a special committee of disinterested directors to evaluate and, if appropriate, negotiate the proposed Share Purchase because two of our principal stockholders, HealthpointCapital Partners, L.P. and HealthpointCapital Partners II, L.P., which we refer to collectively as HealthpointCapital, and their affiliates hold approximately 39.4% of our voting shares and approximately 94.8% of the voting shares of Scient x as of December 15, 2009. Five of our directors, Mortimer Berkowitz III, John H. Foster, R. Ian Molson, Stephen E. O Neil and Stephen H. Hochschuler, M.D. are beneficial owners of or affiliated with HealthpointCapital, LLC, which is the ultimate parent of HealthpointCapital. The special committee retained its own legal counsel, obtained valuation advice and a fairness opinion from an independent investment bank, and negotiated the terms of the Share Purchase with the Scient x shareholders. The Special Committee unanimously determined that the terms of the Share Purchase are advisable, fair to, and in the best interests of our stockholders unaffiliated with HealthpointCapital. Upon the special committee's unanimous recommendation, our board of directors then unanimously determined that the terms of the Share Purchase are advisable, fair to, and in the best interests of, our stockholders unaffiliated with HealthpointCapital. The special committee and our board of directors believe that combining Scient x with Alphatec will create valuable synergies and scale that will benefit all stockholders and recommends that you approve the proposal described in the accompanying proxy statement.

After careful consideration, and upon the unanimous recommendation of a special committee of the disinterested directors, our board of directors has unanimously approved the proposal referred to above and concluded that it is advisable, fair to, and in the best interests of our stockholders unaffiliated with HealthpointCapital. The special committee and our board of directors unanimously recommend that our stockholders vote FOR the proposal referred to above.

Only those holders of our common stock of record as of the close of business on _____, 2010 are entitled to notice of, and to vote at, the special meeting and at any adjournments thereof. A total of _____ shares of our common stock were issued and outstanding as of that date. Each share of common stock entitles its holder to one vote. HealthpointCapital, which holds approximately 38.1% of our voting shares, has agreed to vote in favor of the proposal.

The proxy statement accompanying this notice sets forth more information about us, Scient x, the Scient x shareholders, the Share Purchase and the interests of some of our directors and principal stockholders in the Share Purchase. The accompanying materials also provide instructions on how to vote your shares in person at the special meeting or by proxy.

Your vote is very important. At least a majority of all issued and outstanding shares of common stock entitled to vote at a meeting is required to constitute a quorum. Accordingly, whether you plan to attend the special meeting or not, we ask that you complete, sign, date and return the enclosed proxy card as soon as possible in accordance with the instructions on the proxy card. A pre-addressed, postage prepaid return envelope is enclosed for your convenience. In the event you are able to attend the meeting, you may revoke your proxy and vote your shares in person.

By order of the board of directors,
Ebun S. Garner, Esq.
General Counsel, Vice President and Secretary

, 2010

Carlsbad, California

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QUESTIONS AND ANSWERS

The following questions and answers briefly address some commonly asked questions about the special meeting and this proxy statement. They may not include all the information that is important to you. You should carefully read this entire proxy statement, including the annexes and the other documents referred to herein.

Q: What will happen in connection with the Share Purchase?

A: We have entered into a share purchase agreement, or the Share Purchase Agreement, with certain direct and indirect shareholders of Scient x S.A. pursuant to which we will acquire, directly or indirectly, approximately 95% of the issued and outstanding shares of Scient x S.A., or Scient x. Scient x is a global medical device company based in Guyancourt, France that designs, develops and manufactures surgical implants to treat disorders of the spine. A copy of the Share Purchase Agreement is attached to this proxy statement at Annex B. In addition, HealthpointCapital has agreed to use its commercially reasonable efforts to cause the shareholders of Scient x who hold the remaining approximately 5% of the shares of Scient x that we are not purchasing to sell to us those shares substantially on the same terms and conditions as set forth in the Share Purchase Agreement, so that we will acquire 100% of the issued and outstanding shares of Scient x. Our acquisition of substantially all of the shares of Scient x is referred to as the Share Purchase. Following the Share Purchase, Scient x will be an indirectly owned subsidiary of ours.

We will issue 24,000,000 shares of our common stock in consideration for 100% of the outstanding shares of Scient x, which represents 45.7% of our voting shares prior to the issuance and will represent 31.3% of our voting shares following the issuance, based on our outstanding capital stock at December 15, 2009. The shares of our common stock being issued to Scient x shareholders pursuant to the Share Purchase Agreement and any additional agreements to purchase the remaining approximately 5% of the shares of Scient x that we are not acquiring pursuant to the Share Purchase Agreement are referred to in this proxy statement as the Shares or the Share Purchase Shares. The number of shares to be issued will be reduced by a certain number of shares calculated at the closing in exchange for our payment of certain fees and expenses incurred by HealthpointCapital in the Share Purchase, as described below under The Share Purchase Agreement Expenses and Reimbursement on page 71.

For a further discussion of the Share Purchase Agreement, see The Share Purchase Agreement beginning on page 62.

Q: Why are you receiving this proxy statement?

A: Our stock is listed on The NASDAQ Global Market. Rule 5635(a) of the NASDAQ Marketplace Rules requires listed companies to obtain stockholder approval of issuances of common stock in certain circumstances, including in connection with the acquisition of the stock or assets of another company, if:

the securities to be issued represent 20% or more of the number of shares of common stock outstanding before the issuance;

the common stock has or will have upon issuance voting power equal to or in excess of 20% of the voting power outstanding before the issuance of stock or securities convertible into or exercisable for common stock; and

any director, officer or substantial shareholder of the listed company has a 5% or greater interest (or such persons collectively have a 10% or greater interest), directly or indirectly, in the listed company or assets to be acquired or in the consideration to be paid in the transaction or series of related transactions and the present or potential issuance of common stock, or securities convertible into or exercisable for common stock, could result in an increase in outstanding common shares or voting power of 5% or more.

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You are being asked to approve the issuance of the Share Purchase Shares because the issuance implicates each of the circumstances listed above, and, pursuant to the Share Purchase Agreement, our stockholders' approval of the issuance of the Share Purchase Shares is a condition to closing the Share Purchase. We will hold a special meeting of our stockholders to obtain approval of the issuance of the Share Purchase Shares. This proxy statement contains important information about the special meeting, us, Scient x, the Scient x shareholders, the Share Purchase and the interests of some of our directors and principal stockholders in the Share Purchase, and you should read it carefully.

Q: Why is Alphatec proposing the Share Purchase?

A: We and Scient x believe that the acquisition will provide substantial strategic and financial benefits to the stockholders of both companies. We are seeking to grow our business, particularly in international markets and in the underserved market for conditions that affect the aging spine. Consistent with that objective, we have been focused on increasing our international distribution presence and acquiring intellectual property that can be commercialized for use in the aging spine market. Scient x has an established international market presence, with distribution representation or direct sales representatives in more than 50 countries. We believe that we will be able to capitalize on this international penetration by selling both our core products and our aging spine products through this distribution channel. In addition, Scient x is considered to be a pioneer in the area of dynamic fusion, which uses a semi-rigid rod to potentially increase the success rate for fusion surgery. We believe that the dynamic fusion product portfolio of Scient x is an important addition to our aging spine product line. In fact, we already have FDA approval to immediately begin selling the Scient x IsoBarTM semi-rigid rod with the Alphatec Zodiac[®] polyaxial pedicle screw. In addition, we believe that the business of Scient x will accelerate in the United States with access to our established marketing and sales infrastructure.

For a description of the other factors considered by the special committee of our board of directors in determining to recommend approval of the Share Purchase, see The Share Purchase Our Reasons for the Share Purchase beginning on page 48.

Q: Do our Special Committee and board of directors recommend voting in favor of the issuance of the Share Purchase Shares?

A: Yes. Our board of directors appointed a special committee of disinterested directors, who have no interest in Scient x or any entities affiliated with HealthpointCapital to evaluate and, if appropriate, negotiate the terms of the Share Purchase. We refer to them in this proxy statement as the Special Committee. The Special Committee unanimously determined that the terms of the Share Purchase are advisable, fair to, and in the best interests of our stockholders that are unaffiliated with HealthpointCapital. The Special Committee has unanimously recommended that you vote FOR approval of the issuance of the Share Purchase Shares. Based solely on the Special Committee's unanimous recommendation, our board of directors has also unanimously recommended that you vote FOR approval of the issuance of the Share Purchase Shares.

The reasons the Special Committee's recommendation are discussed in detail in The Share Purchase Our Reasons for the Share Purchase beginning on page 48.

Q: Is the Share Purchase a related person transaction?

A: Yes. HealthpointCapital and its affiliates in the aggregate hold approximately 39.4% of our voting shares and approximately 94.8% of the voting shares of Scient x as of December 15, 2009. Five of our directors, Mortimer Berkowitz III, John H. Foster, R. Ian Molson, Stephen E. O. Neil and Stephen H. Hochschuler, M.D., are beneficial owners of or affiliated with HealthpointCapital, LLC, which is the ultimate parent of HealthpointCapital. Our board of directors formed the Special Committee to evaluate and, if appropriate, negotiate the proposed Share Purchase. The Special Committee retained its own legal counsel, obtained valuation advice and a fairness opinion from an independent investment bank, and negotiated the terms of the Share Purchase with the Scient x shareholders.

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HealthpointCapital has agreed to vote in favor of the proposal.

For a further discussion of related persons, see [Alphatec Certain Relationships and Related Transactions](#) beginning on page 115.

Q: What will the Scient x shareholders receive as consideration for the Share Purchase?

A: We will issue 24,000,000 shares of our common stock in consideration for 100% of the outstanding shares of Scient x, which represents 45.7% of our voting shares prior to the issuance and will represent 31.3% of our voting shares following the issuance, based on our outstanding capital stock at December 15, 2009. Upon the closing of the Share Purchase, we will issue the Scient x shareholders their pro rata portion of the 24,000,000 shares, and upon the closing of any additional agreements to purchase the remainder of the approximately 5% of the shares of Scient x that we are not acquiring pursuant to the Share Purchase Agreement, we will issue an additional pro rata portion or portions of the 24,000,000 shares. The number of shares to be issued will be reduced by a certain number of shares calculated at the closing in exchange for our payment of certain fees and expenses incurred by HealthpointCapital in the Share Purchase, as described below under [The Share Purchase Agreement Expenses and Reimbursement](#) on page 71.

For a further discussion of the consideration payable to acquire the issued and outstanding shares of Scient x, see [The Share Purchase Share Purchase Consideration](#) on page 59.

Q: When does Alphatec expect to complete the Share Purchase?

A: Subject to satisfaction or waiver of all conditions, including approval of the issuance of the Share Purchase Shares at the special meeting, we expect to complete the Share Purchase no later than the fifth business day following the special meeting. We currently expect to complete the Share Purchase by the end of the first quarter of 2010.

For a description of the conditions to completion of the Share Purchase, see [The Share Purchase Agreement Conditions to the Completion of the Share Purchase](#) beginning on page 63.

Q: Are there risks you should consider in deciding whether to vote for the issuance of the Share Purchase Shares?

A: Yes. In evaluating whether to vote for the issuance of the Share Purchase Shares, you should carefully consider the factors discussed under the heading [Risk Factors](#) beginning on page 23.

Q: What vote is required by Alphatec stockholders to approve the issuance of the Share Purchase Shares?

A: Pursuant to applicable NASDAQ Marketplace Rules and our by-laws, the affirmative vote of a majority of the total votes cast at a special meeting at which a quorum is present is required to approve the issuance of the Share Purchase Shares. As of December 15, 2009, our directors and executive officers and their affiliates, including HealthpointCapital, were entitled to vote approximately 40.9% of our outstanding shares of common stock.

In addition, in the event that the Special Committee changes its recommendation regarding the Share Purchase, the affirmative vote of a majority of the shares of our common stock represented in person or by proxy and voting for, against or abstaining on such matter, and unaffiliated with HealthpointCapital, is also required to approve the issuance of the Share Purchase Shares.

Q: Has HealthpointCapital agreed to approve the issuance of the Share Purchase Shares?

A: Yes. HealthpointCapital, which holds approximately 38.1% of our voting shares, has agreed to vote its shares in favor of the issuance of the Share Purchase Shares.

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Q: Are there any restrictions on the Share Purchase Shares?

A: Yes. All of the shares of our common stock issued in the Share Purchase will be restricted securities and may not be sold absent registration under the Securities Act of 1933, as amended, which we refer to as the Securities Act, or pursuant to Rule 144 or another available exemption from registration.

In addition, we have entered into a corporate governance agreement with HealthpointCapital pursuant to which it has agreed generally not to, directly or indirectly, and subject to certain exceptions, effect, seek, offer or propose to effect or participate in any arrangement or scheme to acquire any of our securities, to join any group regarding any transaction to acquire our securities, or to make any public announcement with respect to, or submit an unsolicited proposal for or offer of (with or without condition), any extraordinary transaction involving us or our securities or assets. It has also agreed that it will not transfer or permit any of its affiliates or associates to transfer any of their shares of our common stock, except as provided in the agreement. The agreement is described below under the heading Corporate Governance Agreement beginning on page 75.

Q: Will the Scient x shareholders be entitled to any registration rights for their Shares?

A: Yes. In connection with the closing of the Share Purchase, we will enter into a registration rights agreement with the Scient x shareholders pursuant to which the Scient x shareholders will have registration rights under certain circumstances. The agreement is described below under the heading Registration Rights Agreement beginning on page 76.

Q: What do you need to do now?

A: We urge you to carefully read and consider the information contained in this document, including the annexes, and to consider how the Share Purchase, including the issuance of the Share Purchase Shares, will affect you as a stockholder. You should then vote as soon as possible in accordance with the instructions provided in this document and on the enclosed proxy card.

Q: When and where is the special meeting?

A: The special meeting of our stockholders will be held at the offices of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., which are located at 666 Third Avenue, 25th Floor, New York, NY 10076, on _____, 2010 at _____ a.m., Eastern Standard time.

Q: How do you vote?

A: If you are a record holder, meaning your shares are registered in your name, you may vote:

- (1) *Over the Internet:* Go to the website of our tabulator, BNY Mellon Investor Services, at www.proxyvoting.com/atec. Use the vote control number printed on your enclosed proxy card to access your account and vote your shares. You must specify how you want your shares voted or your Internet vote cannot be completed and you will receive an error message. Your shares will be voted according to your instructions.
- (2) *By Telephone:* Call 1-800-540-5760 toll free from the United States, Canada and Puerto Rico, and follow the instructions on your enclosed proxy card. You must specify how you want your shares voted and confirm your vote at the end of the call or your

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telephone vote cannot be completed. Your shares will be voted according to your instructions.

- (3) *By Mail:* Complete and sign your enclosed proxy card and mail it in the enclosed postage prepaid envelope to . Your shares will be voted according to your instructions. If you do not specify how you want your shares voted, they will be voted as recommended by our board of directors.

- (4) *In Person at the Special Meeting:* If you attend the special meeting, you may deliver your completed proxy card in person or you may vote by completing a ballot, which we will provide to you at the meeting.

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If your shares are held in street name, meaning they are held for your account by a broker or other nominee, you may vote:

- (1) *Over the Internet or by Telephone:* You will receive instructions from your broker or other nominee if they permit Internet or telephone voting. You should follow those instructions.
- (2) *By Mail:* You will receive instructions from your broker or other nominee explaining how you can vote your shares by mail. You should follow those instructions.
- (3) *In Person at the Special Meeting:* Contact your broker or other nominee who holds your shares to obtain a brokers proxy card and bring it with you to the special meeting. **You will not be able to vote in person at the special meeting unless you have a proxy from your broker issued in your name giving you the right to vote your shares.**

Q: Will my shares be voted if I do not return my proxy card?

A: If your shares are registered in your name or if you have stock certificates, they will not be voted if you do not return your proxy card by mail or vote at the meeting as described above under How Do I Vote?

If you do not vote at the special meeting by submitting a proxy or otherwise, your shares will not be counted as present for the purpose of determining a quorum and will have no effect on the outcome of the proposal to approve the issuance of the Share Purchase Shares. If you submit a proxy card and affirmatively elect to abstain from voting, your proxy will be counted as present for the purpose of determining the presence of a quorum but will not be voted at the special meeting. As a result, your abstention will have no effect on the outcome of the proposal. If you hold shares in street name and do not instruct your broker how to vote your shares, your shares will not be voted at the special meeting because brokers do not have the authority to vote on the proposal absent instructions from you. Broker non-votes will have no effect on the outcome of the proposal. The proposal to be considered at the special meeting requires the affirmative vote of a majority of the votes cast at the special meeting.

Q: Can you change your vote after you have mailed your signed proxy?

A: Yes. If you want to change your vote, send our corporate secretary a later dated, signed proxy card before the special meeting or attend the special meeting and vote in person, or you may vote over the Internet or by telephone as only your latest Internet or telephone vote received before the special meeting will be counted. You may also revoke your proxy by sending written notice to our corporate secretary before the special meeting. If you have instructed your broker to vote your shares, you must follow your broker's directions in order to change those instructions.

Q: How many votes do you have?

A: Each share of our common stock that you own entitles you to one vote.

Q: Are you entitled to appraisal rights?

A: Our stockholders are not entitled to appraisal rights in connection with the proposal to be considered at the special meeting.

Q: Who will bear the costs of the proxy solicitation?

A: We will bear the costs of soliciting proxies, including the printing, mailing and filing of this proxy statement and any additional information furnished to stockholders. HealthpointCapital and our directors, officers and employees may also solicit proxies by telephone, email, facsimile and in person, without additional compensation. Upon request, we will reimburse brokerage houses and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for distributing proxy materials.

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Q: Whom should you call with questions?

A: If you have any questions about the Share Purchase or the proposal to be considered at the special meeting, or if you need additional copies of this document or the enclosed proxy, you should contact:

Investor Relations

Alphatec Holdings, Inc.

Telephone: (760) 494-6746

Facsimile: (760) 431-9823

E-mail: investorrelations@alphatecspine.com

You may also obtain additional information about us from documents filed with the Securities and Exchange Commission by following the instructions under **Where You Can Find More Information on page 120.**

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SUMMARY TERM SHEET

This summary highlights only selected information from this proxy statement and may not contain all of the information that is important to you. To better understand the Share Purchase and the proposal being considered at the special meeting, you should carefully read this entire proxy statement, including the Consolidated Financial Statements of Scient x attached at Annex A, the Share Purchase Agreement attached at Annex B, the opinion of Thomas Weisel Partners LLC attached at Annex C, and the other documents to which we refer to or incorporate by reference in this proxy statement. You may obtain further information about us by following the instructions under the heading "Where You Can Find More Information" on page 120. We have included page references parenthetically to direct you to a more complete description of the topics presented in this summary.

The Share Purchase and the Share Purchase Agreement (see pages 36 and 62)

We have agreed to acquire, directly or indirectly, approximately 95% of the equity interests in Scient x from HealthpointCapital and certain of its affiliates pursuant to the Share Purchase Agreement.

In addition, HealthpointCapital has agreed to use its commercially reasonable efforts to cause the shareholders of Scient x who hold the remaining approximately 5% of the shares of Scient x that we are not purchasing pursuant to the Share Purchase Agreement to sell to us those shares on substantially the same terms and conditions as set forth in the Share Purchase Agreement, so that we will acquire 100% of the issued and outstanding shares of Scient x. Following the Share Purchase, Scient x will be an indirectly owned subsidiary of ours.

We will issue 24,000,000 shares of our common stock in consideration for 100% of the outstanding shares of Scient x, which represents 45.7% of our voting shares prior to the issuance and will represent 31.3% of our voting shares following the issuance, based on our outstanding capital stock at December 15, 2009. The shares of our common stock being issued to the shareholders of Scient x pursuant to the Share Purchase Agreement and any additional agreements to purchase the remaining approximately 5% of the shares of Scient x that we are not acquiring pursuant to the Share Purchase Agreement are referred to in this proxy statement as the Shares or the Share Purchase Shares. The number of shares to be issued will be reduced by a certain number of shares calculated at the closing in exchange for our payment of certain fees and expenses incurred by HealthpointCapital in the Share Purchase, as described below under "The Share Purchase Agreement Expenses and Reimbursement" on page 71.

The Share Purchase Agreement, which is the legal document governing the Share Purchase, is attached at Annex B to this document. You should read the agreement carefully and in its entirety.

Structure of Scient x and the Share Purchase

In this proxy statement, we refer to Scient x Groupe S.A.S., Scient x S.A. and the subsidiaries of Scient x S.A. collectively as Scient x unless specifically noted. Scient x S.A. is the primary operating company in the Scient x group of companies. Approximately 66.4% of Scient x S.A. is owned by Scient x Groupe S.A.S. Approximately 28.4% of Scient x S.A. is owned by an affiliate of HealthpointCapital. The remainder of Scient x S.A., approximately 5.2%, is owned by other shareholders that are unaffiliated with HealthpointCapital. Scient x Groupe S.A.S. is a holding company that is 100% owned by an affiliate of HealthpointCapital.

Under the Share Purchase Agreement, we have agreed to acquire 100% of the issued and outstanding shares of Scient x Groupe S.A.S. from HealthpointCapital, thereby indirectly acquiring approximately 66.4% of the issued and outstanding shares of Scient x S.A., and also to acquire approximately 28.4% of the issued and outstanding shares of Scient x S.A. directly from an affiliate of HealthpointCapital.

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The Acquired Business

Scient x Groupe S.A.S.

Scient x S.A.

Bâtiment Calypso Parc Ariane 3

5 rue Alfred Kastler

78280 Guyancourt, France

331 39 30 69 30

Scient x is a global medical device company based in Guyancourt, France that designs, develops and manufactures surgical implants to treat disorders of the spine. Scient x believes it is one of the largest independent spine companies outside of the United States.

Of central importance to Scient x's 20 year history in the spinal implant business are differentiated products used in spinal fusions, posterior dynamic fusion and cervical disc arthroplasty. The company's product offering includes the Isobar TTL and Isobar Evolution^M rods, which are semi-rigid rod technologies used in spinal fusion surgeries, as well as cervical and lumbar implants that are also used predominantly in spinal fusion surgeries. In addition, Scient x markets motion preservation products outside of the United States. Internationally, Scient x sells one of the only commercially available ceramic-on-ceramic cervical discs, the Discocerv[®], which has been implanted in over 3,000 patients since its launch in 2006.

The Scient x international distribution network consists of a direct sales force and independent distributors in approximately 50 countries, including the United States. The Scient x global surgeon education and training network augments its global distribution capabilities.

Parties to the Share Purchase

Alphatec Holdings, Inc.

5818 El Camino Real

Carlsbad, CA 92008

(760) 431-9286

We are a Delaware corporation. We were incorporated in March 2005. Our principal executive offices are located at 5818 El Camino Real, Carlsbad, California 92008.

We are a medical technology company focused on the design, development, manufacturing and marketing of products for the surgical treatment of spine disorders, with a focus on products that treat conditions that affect the aging spine. Our broad product portfolio and pipeline includes a variety of spinal disorder products and systems focused on solutions addressing the cervical, thoracolumbar, intervertebral, minimally invasive, vertebral compression fracture, poor bone quality, and spinal stenosis markets. Our principal product offerings are focused on the market for orthopedic spinal disorder solution products, which is estimated in the United States to be approximately \$5.8 billion in revenue in 2008 and is expected to grow more than 10% annually over the next three years. Our surgeons' culture emphasizes collaboration with spinal surgeons to conceptualize, design and co-develop a broad range of products. We have a state-of-the-art, in-house manufacturing facility that provides us with a unique competitive advantage, and enables us to rapidly deliver solutions to meet surgeons' and patients' critical needs. Our products and systems are made of titanium, titanium alloy, stainless steel and a strong, heat resistant, radiolucent, biocompatible plastic called polyetheretherketone, or PEEK. We also sell products made of allograft, a precision-milled and processed human bone that surgeons can use in place of metal and synthetic materials. We also sell bone-grafting products that are comprised of both tissue-based and synthetic materials. We believe that our products and systems have enhanced features and benefits that make them attractive to surgeons and that our broad portfolio of products and systems provide a comprehensive solution for

