UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2024

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________to __________

Commission file number 001-35887

MIMEDX GROUP, INC.

(Exact name of registrant as specified in its charter)

Florida	**26-2792552**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1775 West Oak Commons Court, NE, Marietta, GA

(Address of principal executive offices)

30062

(Zip Code)

(770) 651-9100

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None.

Title of each class	**Trading Symbol**	**Name of each exchange on which registered**
Common Stock, par value $0.001 per share	MDXG	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☑

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes·☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§223.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
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. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered accounting firm that prepared or its audit report ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

The aggregate market value of the registrant's voting common equity held by non-affiliates of the registrant as of June 28, 2024 (the last business day of the registrant's most recently completed second quarter) was approximately $803.7 million based upon the last sale price ($6.93) of the shares as reported on The Nasdaq Stock Market LLC on such date.

There were 147,366,056 shares of the registrant's common stock, par value $0.001 per share, outstanding as of February 25, 2025.

Documents Incorporated By Reference

Portions of the proxy statement relating to the 2025 Annual Meeting of Shareholders, to be filed within 120 days after the end of the fiscal year to which this report relates, are incorporated by reference in Part III of this Report.

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PART I

Explanatory Note and Important Cautionary Statement Regarding Forward-Looking Statements

As used herein, the terms “MIMEDX,” “the Company,” “we,” “our” and “us” refer to MiMedx Group, Inc., a Florida corporation, and its consolidated subsidiaries as a combined entity, except where it is clear that the terms mean only MiMedx Group, Inc.

The following discussion should be read in conjunction with the financial statements and related notes contained elsewhere in this Annual Report. Certain statements made in this Annual Report are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “***Securities Act”***), and Section 21E of the Securities Exchange Act of 1934, as amended. All statements relating to events or results that may occur in the future are forward-looking statements, including, without limitation, statements regarding the following:

- our strategic focus and our current business priorities, and our ability to implement these priorities;
- the advantages of our products, development of new products and expansion of our product offering;
- our expectations regarding potential markets for our products, including a growing number of surgical specialties, the size of potential markets and any growth in such markets;
- our expectations regarding expansion in current markets for our products;
- our expectations regarding ongoing regulatory obligations and oversight and the changing nature thereof impacting our products, research and clinical programs, and business;
- our expectations regarding Medicare reimbursement reform involving certain of our products and our ability to secure Medicare reimbursement for additional products in the future;
- our expectations regarding our ability to procure sufficient supplies of human tissue to manufacture and process our existing and future products;
- our expectations regarding costs relating to compliance with regulatory requirements;
- our expectations regarding our systems and their ability to ensure the Company’s compliance with regulations;
- our intention to implement and maintain rigorous quality standards through the Company’s supply chain and to advance the scientific body of evidence substantiating the clinical efficacy of our products;
- our expectations regarding the sufficiency of our insurance;
- our expectations regarding government and other third-party coverage and reimbursement for our products;
- our expectation that we will not pay cash dividends and will use available funds in the development, operation, and expansion of our business, to repay debt, and, to the extent authorized by our Board, repurchase Common Stock;
- our belief that our properties are suitable and adequate to meet the needs of our business;
- our expectations regarding the outcome of pending litigation and investigations;
- our belief in the sufficiency of our intellectual property rights in our technology;
- our expectations regarding future income tax liability;
- our belief that we will be able to meet our operational liquidity needs;
- demographic and market trends; and
- our ability to compete effectively.

Forward-looking statements generally can be identified by words such as “expect,” “will,” “change,” “intend,” “seek,” “target,” “future,” “plan,” “continue,” “potential,” “possible,” “could,” “estimate,” “may,” “anticipate,” “to be” and similar expressions. These statements are based on numerous assumptions and involve known and unknown risks, uncertainties and other factors that could significantly affect our operations and may cause our actual actions, results, financial condition, performance or achievements to differ materially from any future actions, results, financial condition, performance or achievements expressed or implied by any such forward-looking statements. Factors that may cause such a difference include, without limitation, those discussed in Item 1A, *Risk Factors* in this Annual Report.

Unless required by law, the Company does not intend, and undertakes no obligation, to update or publicly release any revision to any forward-looking statements, whether as a result of the receipt of new information, the occurrence of subsequent events, a change in circumstances or otherwise. Each forward-looking statement contained in this Annual Report is specifically qualified in its entirety by the aforementioned factors. Readers are advised to carefully read this Annual Report in conjunction with the important disclaimers set forth above prior to reaching any conclusions or making any investment decisions and not to place undue reliance on forward-looking statements, which apply only as of the date of the filing of this Annual Report with the SEC.

Summary of Risk Factors

Risks Related to Our Business and Industry

- If we do not successfully execute our priorities, our business, operating results and financial condition could be adversely affected.
- We are in a highly competitive and evolving field and face competition from well-established tissue processors and medical device manufacturers, as well as new market entrants.
- Rapid technological change could cause our products to become obsolete.
- Many of our products depend on the availability of tissue from human donors, and any disruption in supply could adversely affect our business.
- We depend on our senior leadership team and key employees and may not be able to retain or replace these employees or recruit additional qualified personnel.
- Our revenues depend on adequate reimbursement from public and private insurers and health systems and changes to the way in which our products are reimbursed in various sites of service could adversely impact our financial results.
- Our revenue, results of operations and cash flows may suffer upon the loss of a Group Purchasing Organization or Integrated Delivery Network.
- We contract with and are dependent on independent sales agents and distributors.
- Disruption of our processing facilities could adversely affect our business, financial condition and results of operations.
- To be commercially successful, we must educate physicians, where appropriate, how and when our products are proper alternatives to existing treatments and that our products should be used in their procedures.
- If we cannot successfully address quality issues that may arise with our products, our brand reputation could suffer, and our business, financial condition, and results of operations could be adversely impacted.
- The formation of physician-owned distributorships could result in increased pricing pressure on our products or harm our ability to sell our products to physicians who own or are affiliated with those distributorships.
- We face the risk of product liability claims and may not be able to obtain or maintain adequate product liability insurance.
- The products we offer are derived from human and animal tissue and therefore have the potential for disease transmission.
- We may implement a product recall or voluntary market withdrawal.
- A cyberattack or significant disruptions of information technology systems could adversely affect our business.
- We may expand or contract our business through acquisitions, divestitures, licenses, investments, and other commercial arrangements.
- A portion of our revenues and accounts receivable come from government accounts.
- New lines of business or new products and services may subject us to additional risks.
- Our international expansion and operations outside the U.S. expose us to risks.

Risks Related to Regulatory Approval of Our Products and Other Government Regulations

- The FDA has in the past determined, and may in the future determine, that certain of our products that are, or are derived from, human cells or tissues, do not qualify for regulation solely under Section 361 of the Public Health Service Act ("Section 361"), and may require that we revise our labeling and marketing claims for these products or that we suspend sales of such products until FDA pre-market clearance or approval is obtained, which could adversely affect our business, results of operations, and financial condition.
- Obtaining and maintaining the necessary regulatory approvals, including conducting clinical trials, for certain of our products will be expensive and time consuming and may impede our ability to fully exploit our technologies.
- Our business is subject to extensive regulation by the FDA and other authorities, which is costly.
- We may be subject to fines, penalties, injunctions and other sanctions if we are deemed to be promoting the use of our products for unapproved, or off-label, uses.
- We and our sales representatives must comply with various federal and state anti-kickback, self-referral, false claims and similar laws.
- Our results of operations may be adversely affected by current and potential future healthcare reforms.
- We may fail to obtain or maintain foreign regulatory approvals to market our products in other countries.
- Federal, state, and international laws that protect the privacy and security of personal information may increase our costs and limit our ability to collect and use that information and subject us to liability.

Risks Related to Our Intellectual Property

- Our ability to protect our intellectual property and proprietary technology through patents and other means is uncertain and may be inadequate.
- We may become subject to claims of infringement of the intellectual property rights of others.
- We may be subject to damages resulting from claims that we, our employees, or our independent contractors have wrongfully used or disclosed alleged trade secrets, proprietary or confidential information of our competitors or are in breach of non-competition or non-solicitation agreements with our competitors.

Risks Related to Our Consolidated Financial Statements, Internal Controls and Related Matters

- If we fail to maintain adequate internal control over financial reporting in the future, this could adversely affect our business, financial condition and operating results.

Risks Related to the Ownership of Our Common Stock

- The restrictive covenants in the Citizens Credit Agreement, and the Company's obligation to make payments under the Citizens Credit Agreement, limit our operating and financial flexibility.
- EW Healthcare Partners and its interests may conflict with those of our other shareholders.
- The price of our Common Stock has been, and will likely continue to be, volatile.
- Securities analysts may elect not to report on our common stock or may issue negative reports that adversely affect the stock price.
- Fluctuations in revenue or results of operations could cause additional volatility in our stock price.
- We do not intend to pay cash dividends on our Common Stock.
- Certain provisions of Florida law and anti-takeover provisions in our organizational documents may discourage or prevent a change of control.

Estimates and Projections

This discussion includes certain estimates, projections and other statistical data. These estimates and projections reflect management's best estimates based upon currently available information and certain assumptions we believe to be reasonable. These estimates are inherently uncertain, subject to risks and uncertainties, many of which are not within our control, have not been reviewed by our independent auditors and may be revised as a result of management's further review. In addition, these estimates and projections are not a comprehensive statement of our financial results, and our actual results may differ materially from these estimates and projections due to developments that may arise between now and the time the results are final. There can be no assurance that the estimates will be realized, and our results may vary significantly from the estimates, including as a result of unexpected issues in our business and operations. Accordingly, you should not place undue reliance on such information. 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. See Item 1A, *Risk Factors* for further information.

Item 1. Business

Overview

MIMEDX is a pioneer and leader in placental biologics focused on helping humans heal. With more than a decade of helping clinicians manage chronic and other hard-to-heal wounds, MIMEDX is dedicated to providing a leading portfolio of products for applications in the wound care, burn, and surgical sectors of healthcare. The Company's vision is to be the leading global provider of healing solutions through relentless innovation to restore quality of life.

With deep expertise, leading peer-reviewed data and an expansive library of additional scientific and real-world evidence in the field of placental biologics, MIMEDX develops and distributes placental tissue allografts that are manufactured using patent-protected, proprietary processes for multiple sectors of healthcare. Additionally, we began offering animal-derived products, or xenografts, in 2024 and have plans to further expand our product offering to serve our large and growing customer base.

Today, our product offering is comprised of solutions designed to help clinicians treat patients suffering from chronic and other hard-to-heal wounds, primarily in the wound care, burn, and surgical sectors of healthcare. These wounds can be slow to respond or unresponsive to conventional treatments and may benefit from advanced treatments, such as through the use of our products, in order to support the healing process.

Our placental allografts are human tissues that are derived from one person (the donor) and used to process products that treat multiple people (the recipients). The manufacturing of our human derived product offering begins with donated birth tissue, namely the human placental membrane, umbilical cord and the placental disc, which we source through a large donor network developed over multiple years with leading hospitals and clinician groups. In partnership with these facilities, we are able to obtain donated birth tissue from consenting mothers, which then are shipped to our manufacturing facilities in Marietta, Georgia, and undergo a series of testing followed by our proprietary tissue manufacturing workflow, which we refer to as the PURION® process. MIMEDX has supplied over three million allografts, through all shipments, filling direct orders and consignment orders, through December 31, 2024.

In 2024, we obtained the exclusive rights for and launched our first xenograft product and first U.S. Food & Drug Administration ("***FDA***") 510(k)-cleared product, HELIOGEN™ Fibrillar Collagen Matrix, a particulate product aimed at addressing complex wounds primarily in the surgical setting. HELIOGEN is manufactured by Regenity Biosciences, a developer and manufacturer of bioresorbable technologies.

We employ Current Good Tissue Practices ("***CGTP***") and terminal sterilization to produce our allografts. All of our products sold in the United States are regulated by the FDA, and to the extent we sell our products outside the United States, by other regulatory agencies in such international markets.

We devote significant research and development resources and expertise to the therapeutic potential of human derived, animal derived and synthetic tissues in an effort to grow our product offering, develop innovative products that address a wide range of chronic and acute health conditions affecting large patient populations, and generate best-in-class clinical evidence and data to support the use of our products.

Market Overview

Domestic sales currently account for the vast majority of our revenue today. In the United States, our primary areas of clinical use include applications in surgical settings as well as for the treatment of wounds and burns. Additionally we continue to pursue international expansion, primarily targeting Japan, as discussed below.

Wound

The unmet need for healing solutions is large and growing, with an estimated 1-2% of the population in developed countries and worldwide experiencing a chronic wound sometime in their lives[1]. In the U.S., the most recently available data indicates that chronic wounds affect 10.5 million Medicare beneficiaries and nearly 2.5% of the total population in the U.S.[22] The treatment of chronic wounds with advanced treatments is often referred to as Advanced Wound Care ("***AWC***"). Chronic wounds are defined and characterized as those that do not progress through the normal process of healing and remain open for an extended period of time, which, depending on the wound, can be from several weeks to a few months. There are numerous underlying causes of these wounds, with this patient population typically sharing some combination of comorbidities, including age, obesity, smoking history, diabetes and underlying heart and vascular diseases. Due to the rising incidence of each of these factors, we expect the AWC market will continue to grow worldwide.

Patients present with chronic wounds in a variety of care settings and these wounds vary in severity and complexity to treat. Our products can be found in many of these sites of service, including the private physician office (e.g., podiatry clinics), wound care centers, hospital inpatient and outpatient settings, nursing homes and federal facilities, such as those operated by the Department of Veterans Affairs ("***VA***"). The most common types of chronic and hard-to-heal wounds appear in the lower extremities, presenting as diabetic foot ulcers ("***DFUs***"), venous leg ulcers ("***VLUs***"), and pressure ulcers, among others. Taken together, nearly 60% of the chronic wounds in the U.S. are categorized as chronic leg ulcers (which include DFUs and VLUs), with 47% of these wounds treated with Advanced Wound Care dressings such as skin substitutes[3]. These wounds require intervention and active management by clinicians and are treated in a variety of sites-of-service, with numerous products aimed at achieving healing for the patient. The costs associated with treatment and management of patients with acute and chronic wounds is also high, with some estimates of the Medicare spend associated with such wounds approaching $100 billion annually.

The large and increasing number of patients requiring advanced treatment represents a significant cost burden on the healthcare system. The overall cost of treating chronic wounds is rising sharply, and the annual estimated cost in the United States has recently been estimated to exceed $28 billion[4].

Complications from non-healing chronic wounds can ultimately result in significant, life-altering adverse outcomes, such as limb amputation[5]. Ineffective wound management is linked to numerous poor outcomes for patients, up to and including the potential for amputation of the extremity where the wound is present. Amputation is a catastrophic event for patients, with significant impacts to their quality of life, the lives of their caretakers and the expense burden on the healthcare system. Today, up to one-fifth of diabetic patients who develop a DFU will require some form of amputation. Further, patients who undergo a major lower extremity amputation have an increased five-year mortality rate that is comparable to, and in some cases higher than, patients with many forms of cancer[6].

Advances in managing chronic and hard-to-heal wounds with solutions such as our EPIFIX® product have been shown to help contribute to improved outcomes for these patients. It is estimated that up to 85% of amputations are avoidable with a holistic, multispecialty team approach that incorporates innovative treatments, such as MIMEDX's products, and adherence to treatment parameters. MIMEDX is a leader in the cellular tissue products/skin substitute segment of the AWC category and the amniotic tissue allograft sub-category.

The AWC market is comprised of many product types, such as medical devices, advanced dressings, xenografts, synthetically derived grafts, biological products, and Human Cells, Tissues, and Cellular and Tissue - Based Products (***"HCT/Ps"***), which are used as skin substitutes to treat severe and chronic wounds. Not included in AWC are traditional wound care dressings, such as bandages, gauzes and ointments, which typically are used in the treatment of non-severe or non-chronic wounds.

The prevalence of both acute and chronic wounds has grown not only in the U.S., but also globally. While historically we have focused primarily on the U.S. market, we are in the process of expanding our footprint internationally, most notably in Japan where EPIFIX is the first and currently the only amniotic tissue product approved in the country for wound treatment across a broad range of conditions. We believe our first-mover advantage, favorable reimbursement rate, and strong distribution partner set us up for long-term success in this large and growing market.

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1 Chronic Wounds Primer, https://pmc.ncbi.nlm.nih.gov/articles/PMC10352385/

2 Human Wound and Its Burden: Updated 2022 Compendium of Estimates, https://pmc.ncbi.nlm.nih.gov/articles/PMC10615092/

3 GlobalData: 2022 Wound Care Management- Tissue Engineered Skin Subs U.S. Updated May 2022

4 Chronic Wounds: Economic Impact & Costs to Medicare, https://www.woundcarestakeholders.org/news/studies-and-publications/chronic-wounds-economic-impact-costs-to-medicare

5 Five year mortality and direct costs of care for people with diabetic foot complications are comparable to cancer, https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7092527/#CR1

6 Epidemiology and Risk of Amputation in Patients With Diabetes Mellitus and Peripheral Artery Disease, https://www.ahajournals.org/doi/10.1161/ATVBAHA.120.314595

Traditional dressings such as bandages, gauzes and ointments, along with treatment of active infection and debridement, currently represent the "standard of care" for treating chronic wounds such as DFUs and VLUs. If, after four weeks of standard of care therapy, the wound has not responded appropriately or improved, clinical research has shown that advanced therapy such as a skin substitute can be beneficial as part of the patient's treatment plan. Our EPIFIX, EPICORD® and EPIEFFECT® products can be stored at room temperature for up to five years, in contrast to certain other skin substitutes currently on the market that have performance, storage or handling limitations. In addition, we market multiple sizes of EPIFIX, EPICORD and EPIEFFECT sheets for use as protective barriers, which enables a healthcare provider to select an appropriate size graft based on the size of the wound to reduce product waste. Our EPICORD, EPICORD Expandable and EPIEFFECT product lines also offer an alternative treatment option to address larger, deeper wounds in a cost-effective way at a point earlier in the treatment algorithm.

With broad commercial payor coverage, Medicare coverage under the Local Coverage Determinations ("***LCDs***") scheduled for implementation in April 2025, the largest body of Level 1 clinical evidence among placental allograft products and a dedicated sales team calling on each of the major sites-of-service, we expect to continue to expand our presence in the AWC market, driving future growth of our business[7].

Surgical

In addition to our presence in the AWC settings, our products are also used in a variety of surgical settings, and our strategic goals include building a body of evidence and real-world use data for our products in a wide range of procedures. The applications in Surgical range from those involving the closure of an acute wound (which we refer to as "***Surgical Recovery***"), to those where our allografts are used inside the body to protect or reinforce tissues and/or regions of interest.

Acute wounds are defined as those that are recent, are acquired from an incision or trauma and have yet to progress through the sequential stages of wound healing. Acute wounds can be caused accidentally or they can arise in the normal course of a wide-range of surgical procedures. When acute wounds present in patients with similar comorbidities to those of chronic wound patients, the risk of a slow or ineffective healing wound increases, and the risk of a surgical site infection or other similar complication increases for the patient.

In other surgical settings, the use of our products in a wide range of procedures presents a growing number of meaningful opportunities for our business. For example, the use of our tissues in anastomotic procedures has shown a statistically significant reduction in complications arising from leaks. In other procedures, the need to protect sensitive nerves, tissues or other areas may occur. We are working with surgeons in a range of disciplines to build the body of clinical, scientific and health outcomes evidence to support the use of our products broadly. We believe our product offering is ideally suited for applications in a growing number of surgical specialties that we are targeting and expect the utilization of our products to continue to grow over time in this market.

Our strategy is to continue to deliver advanced products that serve patient needs within the Advanced Wound Care and Surgical markets and increase access to our products through clinical data generation and physician education.

Our Strategic Priorities

We manage our business by focusing on the following strategic priorities, which we believe are paramount to the success of MIMEDX over the short- and long-term.

Our first priority is to innovate and diversify our product portfolio to maximize growth. Achievement of this priority is measured by our ability to maximize our commercial opportunities in the markets we serve with existing and future products, continue to introduce new products from our organic pipeline, such as the late-2023 launch of EPIEFFECT as well as the 2024 launch of HELIOGEN and accelerate market expansion internationally with a particular focus on continuing to grow our presence in Japan.

Our second priority is to develop and deploy programs to expand our surgical footprint. We believe our ability to further penetrate the surgical setting is significant and will be enabled by our ability to leverage our existing evidence for surgical applications, invest in additional research and data in new indications and to drive market adoption of new surgical products, like our recently launched HELIOGEN offering.

Our third priority is to enhance our customer intimacy, which is a company-wide effort intended to implement programs and introduce offerings in support of lowering customer turnover. To that end, in March 2024 we launched MIMEDX Connect, an

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[7] Zelen CM, et al. Int Wound J. 2013;10(5):502-507. 2. Zelen CM. J Wound Care. 2013;22(7):347-351. 3. Zelen CM, et al. Wound Medicine. 2014;4:1-4. 4. Zelen CM, et al. Int Wound J. 2014;11(2):122-128. 5. Zelen CM, et al. Int Wound J. 2015;12(6):724-732. 6. Zelen CM, et al. Int Wound J. 2016;13(2):272-282. 7. Tettelbach W,et al. Int Wound J. 2019;16(1):122-130. 8. Serena TE, et al. Wound Repair Regen. 2014;22(6):688-693. 9. Bianchi C, et al. Int Wound J. 2018;15(1):114-122. 10. Bianchi C, et al. Int Wound J. 2019;16(3):761-767

online product ordering and account management portal available to our customers designed to streamline ordering, payment processing and reimbursement submissions,

We believe execution of these strategic priorities can and will differentiate the value of our portfolio, address multiple areas of significant unmet clinical need, and support our continued growth in both new and existing segments of the market. We have focused our priorities on initiatives across our organization that position us to realize our commercial ambitions over the long-term while also generating a profitable, cash flow positive business capable of self-funding our future growth objectives.

Our Product Portfolio & Pipeline

Our product offering is comprised of tissue allografts derived from human placental membrane, umbilical cord and the placental disc. These products were developed and are manufactured using our proprietary processes. We sell our placenta-based allograft products under our own brands. We maintain strict controls on quality at each step of the manufacturing process beginning at the time of procurement. Our Quality Management System is focused on compliance with the American Association of Tissue Banks' ("***AATB***") standards, the FDA's CGTP regulations, and applicable foreign regulations.

Our Wound products, such as EPIFIX are marketed for external use, such as in Advanced Wound Care applications, while products such as AMNIOEFFECT are positioned for use in Surgical applications, including lower extremity repair, plastic surgery, vascular surgery and multiple orthopedic repairs and reconstruction, and our AXIOFILL product is positioned for use in the replacement or supplementation of damaged or inadequate integumental tissue. Our product portfolio also includes products for the burn market and others.

In 2024, we launched HELIOGEN, our first xenograft (animal-derived) and our first 510(k) cleared product in our portfolio. HELIOGEN is an advanced bovine collagen matrix containing type I and type III collagen that is intended for the management of moderately to heavily exudating wounds and to control minor bleeding. The product may be used for the management of exudating wounds such as pressure ulcers, venous stasis ulcers, diabetic ulcers, acute wounds, such as trauma and surgical wounds, and partial-thickness burns.

We continue to research new opportunities for additional human and animal derived products in a variety of configurations and sizes, and we have additional offerings in various stages of conceptualization and development.

Placenta Donation Program

In order to obtain the source material for our human birth tissue-based product portfolio, we partner with physicians and hospitals to recover donations of these materials at hospitals around the United States. Through our donor program, a mother who delivers a healthy baby via Caesarean section can donate her placenta and umbilical cord tissue in lieu of having it discarded as medical waste. After consent for donation is obtained, a blood sample from each donor is tested for communicable diseases, and the donor is screened for risk factors to determine eligibility in compliance with federal regulations and AATB standards. We operate a licensed tissue bank that is registered as a tissue establishment with the FDA, and we are an accredited member of the AATB. All donor records and test results are reviewed by our Medical Director and staff prior to the release of the tissue for distribution.

We have developed a large, geographically diverse, network of hospitals across the United States that participate in our placenta donation program, and we employ a dedicated staff that work with these hospitals. We also utilize third-party providers of placenta donations on an as- needed basis to mitigate business risk. We believe that we will be able to obtain an adequate supply of tissue to meet anticipated demand for the foreseeable future.

Processing (Manufacturing)

The Company has developed and patented a unique and proprietary technique (PURION) for processing allografts from the donated placental tissue. This technique specifically focuses on preserving the tissue's natural growth factor content and regulatory proteins and maintaining the structure and collagen matrix of the tissue. Our patented and proprietary processing method employs aseptic processing techniques in addition to terminal sterilization for increased product safety. Despite starting with similar placental tissues, all placental tissue products and processing methods are not the same – we believe that our proprietary process preserves more of the natural beneficial characteristics of the tissue than the processes used by many of our competitors.

The PURION process produces an allograft that retains the tissue's inherent biological properties and regulatory proteins (including cytokines, chemokines, and growth factors) found in the placental tissue and produces an allograft that is safe and easy for healthcare providers to use. Our allografts can be stored at room temperature and have a five-year shelf life. Each sheet allograft incorporates specialized visual markings that assist the health care practitioner with allograft placement and orientation.

To ensure the safety of human tissue products, the FDA enforces CGTP manufacturing regulations. We believe that MIMEDX has developed robust systems to comply with, and is in compliance with, these regulations. As an important part of the Company's product safety compliance, MIMEDX products are terminally sterilized to an internationally recognized industry standard in addition to having been processed *via* the PURION process.

Our facilities are subject to periodic announced and unannounced inspections by regulatory authorities and may undergo compliance inspections conducted by the FDA and corresponding state and foreign agencies. We are registered with the FDA as a tissue establishment and are subject to the FDA's CGTP quality program regulations, state regulations, and regulations promulgated by various regulatory authorities outside the United States.

The FDA most recently inspected our Marietta, Georgia, and Kennesaw, Georgia, processing facilities in 2023. At the conclusion of the inspections, the agency confirmed that the observations made in connection with its prior inspection in 2019 had all been satisfactorily closed out and/or resolved and there were no observations relating to noncompliance with 21 CFR 1271.

During the inspections, the FDA communicated that our product, AXIOFILL, appeared to be regulated under Section 351 of the Public Health Service Act (the "***PHS Act***"). Based on this position, the FDA inspected the facilities related to AXIOFILL production using regulations 21 CFR 210 and 211, relating to finished pharmaceutical products in addition to 21 CFR 1271, relating to HCT/Ps (as defined below). The FDA issued a Form 483, which is a list of inspectional observations, at the conclusion of each inspection. Specifically, the FDA issued a Form 483 consisting of one (1) observation at our Marietta, Georgia, processing facility, and a Form 483 consisting of six (6) observations at our Kennesaw, Georgia, processing facility. All observations were related to our AXIOFILL product and 21 CFR 211.

Subsequent to the inspections, MIMEDX engaged with the FDA regarding the observations and the appropriate classification of AXIOFILL, including a pre-Request for Designation ("***RFD***") and a formal RFD process, which define the regulatory identity or classification of a product as a drug, device, biological product or combination product. While the Company was engaged with FDA through the formal RFD process regarding AXIOFILL, MIMEDX received a Warning Letter on December 21, 2023, relating to the inspections and classification of AXIOFILL.

In March 2024, the FDA issued a determination letter in connection with the RFD process for AXIOFILL, reaffirming its position that the product does not meet the regulatory classification requirements of a Human Cell, Tissue or Cellular or Tissue-based Product ("***HCT/P***") under Section 361 of the Public Health Service Act ("***PHSA***"). In response to the RFD determination letter, MIMEDX subsequently filed suit in the U.S. District Court for the Northern District of Georgia and intends to exhaust all legal options available, given the arbitrary and capricious manner in which FDA is regulating like-kind products. These proceedings are ongoing. Notably, while these proceedings are taking place, the Company is permitted to continue marketing AXIOFILL.

Intellectual Property

Our intellectual property includes owned and licensed patents, owned and licensed patent applications and patents pending, proprietary manufacturing processes and trade secrets, and trademarks associated with our technology. We believe that our patents, proprietary manufacturing processes, trade secrets, trademarks, and technology licensing rights provide us with important competitive advantages.

Patents and Patent Applications

Due to the substantial expertise and investment of time, effort and financial resources required to bring new regenerative biomaterial products and implants to the market, the importance of obtaining and maintaining patent protection for significant new technologies, products and processes cannot be underestimated. As of the date of the filing of this Annual Report, in addition to international patents and patent applications, we own 81 U.S. patents related to our amniotic tissue technology and products, and 12 additional patent applications covering aspects of this technology are pending at the United States Patent and Trademark Office. The vast majority of our domestic patents covering our core amniotic tissue technology and products will not begin to expire until August 2027. Globally, the Company has over 200 issued and pending patents, and from time to time seeks to enforce its intellectual property rights.

Marketing and Sales

Our direct sales team includes field sales representatives and field sales management, who call on hospitals, wound care clinics, physician offices, and federal health care facilities such as the VA and Department of Defense ("***DoD***") hospitals. Our direct sales force primarily focuses on the Wound and Surgical categories through multiple sites of service. We also maintain a network of independent sales agents that focus on Surgical applications leveraging the complementary products in their portfolios, and provide access to certain customers, as well as sales coverage for areas where we do not have a full-time sales representative.

We also sell our products through distributors. Distributors purchase products from us at wholesale prices and resell products to providers and end users. For example, in Japan, our distribution partner, Gunze Medical, purchases products from us and is responsible for sales to the end users for the approved indications of use and at the prevailing reimbursement rate for the product.

Coverage and Reimbursement

With the exception of government accounts, most purchasers of our products include physicians, hospitals, or ambulatory surgery centers ("***ASCs***") that rely on reimbursement by third-party payers. Accordingly, our growth substantially depends on adequate levels of third-party reimbursement for our products from these payers. Third-party payers have historically been sensitive to the cost of products and services and are increasingly seeking to implement cost containment measures to control, restrict access to, or influence the purchase of health care products and services. In the U.S., such payers include U.S. federal healthcare programs (e.g., Medicare and Medicaid), private insurance plans, managed care programs, and workers' compensation plans. Federal healthcare programs have prescribed coverage criteria and reimbursement rates for medical products, services, and procedures. Similarly, private, third-party payers have their own coverage criteria and negotiate reimbursement amounts for medical products, services, and procedures with providers. In addition, in the U.S., an increasing percentage of insured individuals are receiving their medical care through managed care programs (including managed federal healthcare programs) which monitor and may require pre-approval of the products and services that a member receives. Ultimately, however, each third-party payer determines whether and on what conditions they will provide coverage for our products, and such decisions often include each payer's assessment of the science and efficacy of the applicable product.

A portion of our products is purchased by U.S. government accounts (e.g., the VA and the Public Health Service, including the Indian Health Service), which do not depend on reimbursement from third-party payers. In order for us to be eligible to have our products purchased by such federal agencies and paid for by the Medicaid program, federal law requires us to participate in the VA Federal Supply Schedule ("***FSS***") pricing program.

Medicare Coverage

The largest third-party payer in the United States is the Medicare program, which is a federally-funded program that provides healthcare coverage for senior citizens and certain disabled individuals. The Medicare program is administered by the Centers for Medicare and Medicaid Services ("***CMS***"), an agency within the U.S. Department of Health and Human Services ("HHS"). Medicare Administrative Contractors ("***MACs***") are private insurance companies that serve as agents of CMS in the administration of the Medicare program and are responsible for making coverage decisions and paying claims for the designated Medicare jurisdiction. There are seven Part A/B MACs in the U.S., which cover 12 unique geographical jurisdictions. Each MAC also has its own standards and process for determining coverage and reimbursement for a procedure or product. Private payers often follow the lead of governmental payers in making coverage and reimbursement determinations. Therefore, achieving favorable Medicare coverage and reimbursement is usually a significant gating factor for successful adoption of a new product or clinical application by private payers.

The coverage and reimbursement framework for products under Medicare is determined in accordance with the Social Security Act and pursuant to regulations promulgated by CMS, as well as the agency's coverage and reimbursement guidance. In some cases, CMS does not specify coverage, leaving each of the MACs to determine whether and on what conditions they will provide coverage for the product. Such decisions are based on each MAC's assessments of the science and efficacy of the applicable product. As noted below under the heading "Research and Development," we have devoted significant resources to clinical studies to provide data to the MACs, as well as other payers, in order to demonstrate the clinical efficacy and economic effectiveness of our tissue technologies.

For Medicare reimbursement purposes, our EPIFIX, EPICORD and EPIEFFECT allografts are classified as "skin substitutes." Current reimbursement methodology varies between the hospital outpatient department ("***HOPD***") and ASC setting versus the physician office. Currently, within the HOPD and ASC places of service, skin substitutes are reimbursed under a "packaged" or "bundled" methodology that provides a single payment for both the application of the product as well as the product itself. CMS classifies skin substitutes into low cost or high cost groups. Our EPIFIX, EPICORD and EPIEFFECT products are all reimbursed under the high cost bundle in these settings. The national HOPD average packaged ("bundled") rate for our EPIFIX and EPICORD allograft products was $1,715 in 2021, $1,749.26 in 2022, $1,725 in 2023, and $1,738 in 2024. The national HOPD average packaged ("bundled") rate for our EPIFIX, EPICORD and EPIEFFECT products in 2025 is $1,829.23. CMS assigns lower national rates to the ASC to reflect a less resource-intensive place of service. Revenue in the ASC setting constitutes less than 1% of the Company's annual net sales. Medicare payments for most items and services, including EPIFIX and EPICORD sheet products, have been subject to sequestration reductions of approximately 2% periodically from 2013.

Medicare reimbursement in the physician office and associated care settings has been under increased scrutiny over the last couple of years and has led to changes in the manner in which products qualify for coverage and are reimbursed. We expect additional reimbursement changes over the course of 2025 associated with skin substitutes. Beginning in 2022, CMS announced plans to potentially change the reimbursement mechanism for skin substitutes in the physician office setting but has not proposed or enacted any national changes to the rules for these products to date. Over the last several years, a combination of rapidly escalating prices and volumes in the industry has resulted in Medicare spending on skin substitutes to increase dramatically, with annual spending in 2020 of about $500 million to a monthly run-rate of over $1 billion per month by the end of 2024.

In response to this dramatic increase in Medicare spending, the MACs together released a proposed Local Coverage Determination ("***LCD***") in April 2024 that was further refined and finalized in November 2024. This policy, which is scheduled to become effective April 13, 2025 includes lists of skin substitute products which would explicitly be eligible for coverage and those which would not, based upon prospective, peer-reviewed randomized, controlled trials ("***RCTs***").

The Company's EPIFIX and EPICORD products are recognized in the document for having sufficient evidence for coverage, with EPIFIX listed as covered for DFUs and VLUs and EPICORD covered for DFUs. EPIEFFECT, the Company's other primary product for the Wound markets, will not be covered under this policy initially. We are currently enrolling an RCT for EPIEFFECT designed to generate and publish the requisite evidence for coverage in the future.

Private Payers

We have devoted considerable resources to clinical trials to support coverage and reimbursement of our products. An increasing number of private payers reimburse for EPIFIX and EPICORD in the physician office, the HOPD and the ASC settings, and we have complete national commercial coverage for the use of EPIFIX in the treatment of DFUs. Additionally, EPIEFFECT has also started to receive private reimbursement in certain regions of the U.S. and we are focused on continuing to increase the number of covered lives eligible for this product in the future, most notably through the completion of a well designed and powered RCT that we are currently enrolling.

Coverage and reimbursement vary according to the patient's health plan and related benefits. The majority of health plans currently provide coverage for EPIFIX and EPICORD for the treatment of DFUs, and many include treatment of VLUs. MIMEDX has secured payer coverage for over 300 million covered lives, allowing a significant number of patients access to our products. Information contributing to the coverage determination included a third-party technical brief (by the Agency for Healthcare Research and Quality ("***AHRQ***")) that evaluated a number of skin substitutes for treating chronic wounds, in which EPIFIX was noted to have the most Randomized Controlled Trials, a low risk of overall study bias, and statistically significant findings.

We have established and continue to grow a reimbursement support group to provide providers and patients with accurate coverage and reimbursement information regarding our products, and plan to continue investing in clinical data supportive of coverage for our products in additional clinical areas of use.

Hospital Use

Products administered in the hospital inpatient setting are bundled when submitted as part of the hospital's claim under a diagnosis-related group ("***DRG***"). In these cases, we continue to educate the hospital that our products are cost-effective, and have the potential to improve patient outcomes and reduce the length of stay. We are working to develop additional health economic data to support this effort. As noted above, the ability to sell products in a hospital is dependent upon demonstrating to the hospital the product's efficacy and cost effectiveness.

Seasonality

Revenues during our fourth quarter tend to be stronger than other quarters because many hospitals increase their purchases of our products during the fourth quarter to coincide with the end of their budget cycles in the United States. Satisfaction of patient deductibles through the course of the year also results in increased revenues later in the year. In general, our first quarter usually has lower revenues than the preceding fourth quarter, the second and third quarters have higher revenues than the first quarter, and the fourth quarter revenues are the highest in the year.

Customer Concentration

For the years ended December 31, 2024, 2023, and 2022, our top ten customers accounted for 20%, 20% and 19%, respectively, of our net sales, and net sales to all U.S. government accounts comprised approximately 1%, 2% and 2%, respectively, of our net sales.

Competition

Due to lower barriers to entry in the Section 361 HCT/P regulated market, competition is intense in the skin substitute market, particularly among human derived products and subject to new entrants and evolving market dynamics. Companies within the industry compete on the basis of price, ease of handling, logistics and efficacy. Another important factor is third-party reimbursement, which is difficult to obtain as it is a time-consuming and expensive process. We believe our success in obtaining third-party reimbursement, our strong position with group purchasing organizations, and the established clinical evidence for our products are competitive advantages.

In February 2020, the AHRQ published a technology assessment analyzing Skin Substitutes for Treating Chronic Wounds. AHRQ conducted a literature search yielding 164 studies and 81 Supplemental Evidence and Data for Systematic Reviews ("***SEADs***") submissions. Only 22 RCTs met the inclusion criteria to be reviewed in the AHRQ analysis, and out of the 22 RCTs MIMEDX had six RCTs included in the final brief. Of the 22 studies reviewed, only 12 were assessed as low risk of bias, of which five were MIMEDX RCTs. This important government assessment highlights our commitment to providing unbiased level 1 clinical evidence in advanced wound treatment. This dedication to elevating the standard of care is further underscored by the fact that the AHRQ points out in its assessment that MIMEDX was the only entity to provide two studies out of the 22 evaluated that performed a subgroup analysis of patients with DFUs that received adequate debridement. Both studies reported an increase in wounds healed with adequate debridement.

AWC therapies employ technologies to aid in wound healing in cases where the wound is chronic and healing progress has stalled or stopped. The primary competitive products in the skin substitutes category include, among others, placental-tissue allografts, tissue-engineered living skin equivalents, porcine-, bovine- and fish skin-derived xenografts and collagen matrix products.

Our main publicly-traded competitors in the skin substitute market include Integra LifeSciences Holdings Corporation, Organogenesis, Inc., and Smith & Nephew plc, which sell a variety of AWC products, including skin substitutes and placental tissue allografts. In addition, the overall market is competitive, with a large number of other, oftentimes privately-held competitors that compete regionally and nationally, primarily in the physician office and associated care settings due to the historical Medicare reimbursement and pricing dynamics that resulted in significant growth of Medicare expenditures for skin substitutes.

Government Regulation and Compliance

The products we sell are regulated by the FDA in the United States. The majority of the products currently manufactured and processed by the Company are derived from human tissue. Generally, our products currently sold in the United States are regulated as Human Cells, Tissues, and Cellular and Tissue - Based Products (***"HCT/Ps"***), and are subject solely to Section 361 of the Public Health Service Act ("***Section 361***") and related regulations, which do not require pre-market clearance or approval by the FDA. We do not currently sell in the United States those cellular and tissue-based products considered to be drugs, devices, and/or biological products ("***Section 351 HCT/Ps***") subject to licensure under Section 351 of the Public Health Service Act (***"Section 351"***) and related regulations. Section 351 HCT/Ps are regulated as biological products, and, in order to be lawfully marketed in the United States, require FDA pre-market approval.

Beginning in 2024, we began commercializing a xenograft product, HELIOGEN, which is a 510(k) cleared product manufactured by Regenity Biosciences, a contract manufacturer. As a result, MIMEDX assumes FDA regulatory responsibilities associated with medical device distribution including complaint handling and medical device reporting as well as certain state requirements for medical device distribution.

Tissue Products

The FDA requires each HCT/P establishment to register and establish that its product meets the requirements to qualify for regulation solely under Section 361. To be a Section 361 HCT/P, a cellular or tissue-based product generally must meet all four of the following criteria (fully set forth in 21 CFR Part 1271):

- it must be minimally manipulated;
- it must be intended for homologous use;
- its manufacture must not involve combination with another article, except for water, crystalloids or a sterilizing, preserving or storage agent; and
- it must not have a systemic effect and must not be dependent upon the metabolic activity of living cells for its primary function.

Certain amniotic and other birth tissues are considered cellular and tissue-based articles and are therefore eligible for regulation solely as a Section 361 HCT/P depending on whether the specific product at issue and the claims made for it are consistent with the criteria set forth above. HCT/Ps that do not meet these criteria are subject to more extensive regulation as drugs, medical devices, biological products, or combination products.

Products Regulated Solely as Section 361 HCT/Ps

The FDA has specific regulations governing HCT/Ps, including some regulations specific to Section 361 HCT/Ps, which are set forth in 21 CFR Part 1271. All establishments that manufacture Section 361 HCT/Ps must register and list their HCT/Ps with the FDA's Center for Biologics Evaluation and Research within five days after commencing operations. In addition, establishments are required to update their registration annually in December or within 30 days of certain changes and submit changes in HCT/P listing at the time of or within six months of such change.

The regulations in 21 CFR Part 1271 also require establishments to comply with donor screening, eligibility and testing requirements, and CGTP to prevent the introduction, transmission and spread of communicable diseases. The CGTP govern, as may be applicable, the facilities, controls, and methods used in the manufacture of all HCT/Ps, including processing, storage, recovery, labeling, packaging, and distribution of Section 361 HCT/Ps. CGTP require us, among other things, to maintain a quality program, train personnel, control, and monitor environmental conditions as appropriate, control and validate processes, properly store, handle and test our products and raw materials, maintain our facilities and equipment, keep records and comply with standards regarding recovery, pre-distribution, distribution, tracking and labeling of our products, and complaint handling. 21 CFR Part 1271 also mandates compliance with adverse reaction and CGTP deviation reporting and labeling requirements.

The FDA conducts periodic inspections of HCT/P manufacturing facilities, and contract manufacturers' facilities, to assess compliance with CGTP. Such inspections can occur at any time, with or without written notice, at such frequency as determined by the FDA in its sole discretion. To determine compliance with the applicable provisions, the inspection may include, but is not limited to, an assessment of the establishment's facilities, equipment, finished and unfinished materials, containers, processes, HCT/Ps, procedures, labeling, records, files, papers and controls required to be maintained under 21 CFR Part 1271. If the FDA were to find serious non-compliant manufacturing or processing practices during such an inspection, it could take regulatory actions that could adversely affect our business, results of operations, financial condition, and cash flows.

2017 FDA Guidance and Transition Policy for HCT/Ps

In November 2017, the FDA released four guidance documents that, collectively, the agency described as a "comprehensive policy framework" for applying existing laws and regulations governing regenerative medicine products, including HCT/Ps. One guidance document in particular, "*Regulatory Considerations for Human Cells, Tissues, and Cellular and Tissue – Based Products: Minimal Manipulation and Homologous Use – Guidance for Industry and Food and Drug Administration Staff*," offered important clarity.

The guidance documents confirmed that sheet forms of amniotic membrane generally are appropriately regulated as solely Section 361 HCT/Ps when intended for use as a barrier or covering. We continually evaluate our marketing materials for each of our products to align with FDA guidance.

In March 2024, the FDA issued a determination letter in connection with the RFD process related to AXIOFILL, a human-derived particulate wound dressing. In the letter, FDA reaffirmed its position that AXIOFILL does not meet the regulatory classification requirements under Section 361. In response to the RFD determination letter, the Company has filed suit in the U.S. District Court for the Northern District of Georgia and intends to exhaust all legal options available, given the arbitrary and capricious manner in which FDA is regulating like-kind products. Notably, while these proceedings are taking place, the Company is permitted to continue marketing AXIOFILL.The FDA has broad regulatory compliance and enforcement powers. If the FDA determines that the Company has failed to comply with applicable regulatory requirements, it can take a variety of compliance or enforcement actions, such as issuing an FDA Form 483 notice of inspectional observations; sending a warning letter or untitled letter; issuing an order of retention, destruction, or cessation of marketing; imposing civil money penalties; suspending or delaying issuance of approvals; requiring product recalls; imposing a total or partial shutdown of production; withdrawing approvals or clearances already granted; pursuing product seizures, consent decrees or other injunctive relief; and criminal prosecution through the Department of Justice ("***DOJ***").

FDA Post–Market Regulation

Tissue processors regulated solely under Section 361 are still required to register as a tissue establishment with the FDA. As a registered tissue establishment, we are required to comply with regulations regarding labeling, record keeping, donor eligibility, screening, and testing. We are also required to process the tissue in accordance with established CGTP, as well as report any deviations from core CGTP requirements or adverse reactions caused by a possible transmission of an infectious disease attributed to our tissue. Our facilities are also subject to periodic inspections to assess our compliance with the regulations.

Other Regulation Specific to Tissue Products

National Organ Transplant Act

Procurement of certain human organs and tissue for transplantation is subject to the restrictions of the National Organ Transplant Act ("***NOTA***"), which prohibits the transfer of certain human organs, including skin and related tissue, for valuable consideration, but permits the reimbursement of reasonable expenses associated with the removal, transportation, implantation, processing, preservation, quality control, and storage of human tissue and skin. Our wholly-owned subsidiary, MiMedx Tissue Services, LLC, is registered with the FDA as an establishment that manufactures human cells, tissues, and cellular and tissue- based products and is involved with the recovery and storage of donated human placental tissues. We reimburse tissue banks, hospitals, and physicians for their services associated with the recovery and storage of donated human tissue.

Tissue Bank Laws, Regulations, and Related Accreditation

As discussed above, we are required to register with the FDA as an establishment that manufactures human cells, tissues, and cellular and tissue-based products. We are licensed, registered, or permitted as a tissue bank in California, New York, Delaware, Illinois, Oregon, and Maryland. Additionally, we received and actively maintain AATB accreditation. The AATB has issued operating standards for tissue banking. Compliance with these standards is required in order to become an AATB-accredited tissue establishment. AATB standards include specific requirements for recovery, screening, testing, labeling, processing, and storing of birth tissue. We maintain compliance with AATB standards and our state licensure requirements.

To the extent we sell our products outside of the United States, we also are subject to laws and regulations of foreign countries.

Other Healthcare Laws and Compliance Requirements

In the United States, our activities are potentially subject to regulation by various federal, state and local authorities in addition to the FDA, including CMS, other divisions of the HHS (e.g., the Office of Inspector General), the DOJ and individual United States Attorney offices within the DOJ, and state and local governments. These regulations include those described below.

- The federal Anti-Kickback Statute ("***AKS***"), which is a criminal law that prohibits, among other things, any person from knowingly and willfully offering, soliciting, receiving or providing any remuneration (including any kickback, bribe or rebate), directly or indirectly, overtly or covertly, in cash or in kind, to induce or reward referrals, purchases or orders, or arranging for or recommending the purchase, order or referral of any item or service for which payment may be made in whole or in part by a federal healthcare program, such as the Medicare and Medicaid programs. The term "remuneration" has been broadly interpreted to include anything of value. The Patient Protection and Affordable Care Act amended the intent requirement of the federal AKS, so that a person or entity no longer needs to have actual knowledge of this statute or specific intent to violate it. A conviction for violation of the AKS results in criminal fines and requires mandatory exclusion from participation in federal health care programs. Although there are a number of statutory exceptions and regulatory safe harbors to the federal AKS that protect certain common industry practices from prosecution, the exceptions and safe harbors are drawn narrowly, and arrangements may be subject to scrutiny or penalty if they do not fully satisfy all elements of an available exception or safe harbor.
- The federal False Claims Act ("***FCA***") imposes significant civil liability on any person or entity that knowingly presents, or causes to be presented, a claim for payment to the U.S. government, including the Medicare and Medicaid programs, that is false or fraudulent. The FCA also allows a private individual or entity as a whistleblower to sue on behalf of the government to recover civil penalties and treble damages. FCA liability is potentially significant in the healthcare industry because the statute provides for significant damages (treble) and mandatory penalties per false claim or statement. As a result of a modification made by the Fraud Enforcement and Recovery Act of 2009, a claim includes "any request or demand" for money or property presented to the U.S. government.
- The federal Health Insurance Portability and Accountability Act of 1996 ("***HIPAA***") fraud and abuse provisions prohibit executing a scheme to defraud any healthcare benefit program, willfully obstructing a criminal investigation of a health care offense, or making false statements or concealing a material fact relating to payment for healthcare benefits, items or services.
- While manufacturers of human cell and tissue products regulated solely under Section 361 are not subject to the federal Physician Payments Sunshine Act and its implementing regulations (together with the Act, the "***Sunshine Act***"), manufacturers of 510(k) products are required to comply with the Sunshine Act. For our HELIOGEN product only, this law requires us (with certain exceptions) to report information to CMS related to certain payments or other transfers of value we make to U.S.-licensed physicians and teaching hospitals, and for reports submitted on or after January 1, 2022, physician assistants, nurse practitioners, clinical nurse specialists, certified nurse anesthetists and certified nurse-midwives. Such information will subsequently be made publicly available by CMS on the Open Payments website. There is a risk we do not report the information related to HELIOGEN accurately and that CMS or another government agency may take the position that our other products are not human cell and tissue products

regulated solely under Section 361, and thereby assert that we are currently subject to the Sunshine Act, which could subject us to civil penalties and the administrative burden of having to comply with the law.

- Federal conflicts of interest laws, the Standards of Ethical Conduct for Employees of the Executive Branch, and local site policies for each federal institution we call upon govern our interactions with federal employees at our various government accounts (*e.g.*, DoD, VA, *etc*.) and impose a number of limitations on such interactions.
- There are state law equivalents of each of the above federal laws, such as anti-kickback and false claims laws, which may apply to items or services reimbursed by any third-party payer, including commercial insurers, many of which differ from each other in significant ways and often are not preempted by federal laws, thus complicating compliance efforts.

In addition, we may be subject to data privacy and security regulation by both the federal government and the states in which we conduct our business. HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act ("***HITECH***") and its implementing regulations, imposes certain requirements relating to the privacy, security and transmission of protected health information. Among other things, HITECH made HIPAA's privacy and security standards directly applicable to "business associates," independent contractors or agents of covered entities that receive or obtain protected health information in connection with providing a service on behalf of a covered entity. HITECH also created four new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates and possibly other persons and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions. In addition, state laws govern the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts.

International Regulation (Japan)

In 2021, MIMEDX received regulatory approval from the Japanese Ministry of Health, Labour and Welfare ("***JMHLW***") to market EPIFIX in Japan. Under JMHLW guidelines, EPIFIX is classified as a Class IV Medical Device and "Specified Biological Product" and is approved for the treatment of refractory ulcers, such as DFUs and VLUs that do not respond to conventional therapy. As a condition of the final approval, MIMEDX is conducting post-market surveillance, consisting of a limited study of over 75 participants. The JMHLW has the ultimate responsibility of granting final approval on all Class III and IV Medical Devices and "Specified Biological Products." All approved products in Japan, including EPIFIX, are regulated by the Pharmaceuticals and Medical Devices Agency ("***PMDA***"), which acts as the technical arm of the JMHLW. The PMDA serves in a similar function as the FDA in the United States, and is responsible for ensuring the safety, efficacy, and quality of pharmaceuticals and medical devices in Japan. The PMDA provides review and approval of medical devices, QMS/GLP/GCP inspections, and collection and analysis of adverse event reports.

MIMEDX also secured reimbursement approval from JMHLW in September 2022 with an awarded rate of 35,100 Yen/cm^2, and subsequently entered into an exclusive distribution agreement with Gunze Medical for sales of EPIFIX in Japan. Insurance coverage for EPIFIX provides doctors and patients in Japan with new treatment options and optimal wound care.

Research and Development

Our research and development group has extensive experience in developing products for our target markets, and works to design products that are intended to improve patient outcomes, simplify techniques, shorten procedures, reduce hospitalization and rehabilitation times and, as a result, reduce costs. Our research and development group also works to establish scientific evidence in support of the use of our products. Clinical trials that demonstrate the safety, efficacy and cost effectiveness of our products are key to obtaining broader third-party reimbursement for our products. In addition to our internal staff, we contract with outside laboratories and physicians who aid us in our research and development process. See Part II, Item 7, below, for information regarding expenditures for research and development in each of the last three fiscal years.

Environmental, Social & Governance Matters ("ESG")

We focus on providing best-in-class solutions for the AWC and surgical markets. Our leading portfolio of placental allografts and xenograft products are used by healthcare professionals to treat patients suffering from both acute and chronic, hard-to-heal wounds. Our mission, vision, and core values guide our commitment to leading the category in research and clinical evidence, helping clinicians elevate the standard of care, and providing a safe and healthy environment for our employees.

In an effort to deliver long-term value to all of our stakeholders, we incorporate environmental, social, and governance (ESG) objectives that are relevant to our business. These ESG objectives are informed by a combination of feedback from our stakeholders as well as leading ESG frameworks, such as the Sustainability Accounting Standards Board (SASB) Medical Equipment & Supplies standards, under the oversight of our Board of Directors.

Environmental Matters

Stewardship is a core value at MIMEDX. We are stewards of a precious, life-protecting and life-giving resource – human birth tissue – which currently represent the biological source material for many of our products. Without our placental donation and recovery program, this material would most likely be discarded as medical waste at the hospital.

Environmental Management

We have worked with a third-party to conduct an environmental, health, and safety gap assessment in order to accurately benchmark our environmental impact. The review looked at several areas including:

- Air Pollution Control Management
- Battery Handling and Disposal
- Community Right-to-Know (Hazardous Material Reporting)
- Hazardous Waste Management
- SARA Title III (Release Reporting)
- Solid Waste Management
- Spill, Prevention, Control and Countermeasure
- State Pollutant Discharge Elimination System (SPDES)
- Storm Water Management
- Universal Waste Management
- Waste Oil Management

Waste Management

We work with waste removal providers to responsibly dispose of medical waste and biohazardous waste and have a program in place for the management of all medical and biohazardous waste processed in our facilities. In addition, we follow applicable packaging requirements for regulated medical waste, and conduct regular required training for all employees responsible for packaging medical waste for shipment. Our waste management initiatives also include the shredding and recycling of paper waste from our facilities, our transition to digital systems where possible to reduce print waste, and the distribution of electronic tablets to our sales teams to minimize printing needs, shipping costs, and printed materials.

Our facilities management team collects recyclable and reusable material when possible, including for cardboard, plastics, batteries, fluorescent lamps, and ballasts. We have significantly reduced the use of plastic and aluminum materials with the installation of filtered water and soda machines within our facilities. The packaging of our product cartons is recyclable and, since 2015, has been reduced in size by 50%.

Greenhouse Gas (GHG) Emissions

MIMEDX has established a baseline of environmental metrics for our business operations as of 2023:

- Scope 1 emissions: 1,025 MT CO_2e
- Scope 2 emissions: 3,685 MT CO_2e

  (MT CO_2e = metric tons of carbon dioxide equivalent)

We remain committed to monitoring these insights and minimizing our environmental impact as we continue to grow our business.

Environment, Health, and Safety (EHS)

As a healthcare company, we strive to make a positive impact on our people, our patients, our partners, and our world. A critical part of this commitment is enhancing our EHS initiatives and establishing goals and objectives to track our progress and communicate the results. Our Global EHS Policy can be found on our Sustainability webpage.

Human Capital

As of December 31, 2024, we had 837 full time employees. Generally, we consider our relationships with our employees to be good, and none of our employees are covered by a collective bargaining agreement. We conduct regular surveys of employees to monitor engagement levels and act on feedback received through this process.

Our Diversity and Inclusion

MIMEDX values the diversity of perspective, experience, and background within our Company. We have stated goals to promote diversity, inclusion, and equal opportunity regardless of race, gender, nationality, ethnic origin, religion, age, or sexual orientation. Intimidation or harassment of any kind are not acceptable in our workplace.

Our business requires a workforce with a wide range backgrounds, experiences, skills, and knowledge and a culture that blends this diversity into an effective team. In order for our employees to do their best work, and for us to achieve our mission, everyone at MIMEDX must feel respected, valued, and included. That's why we remain focused on cultivating a work environment that encourages healthy growth, development, and promotion of all employees while embracing and valuing everyone's dimensions of diversity.

The table below provides an overview of MIMEDX's diversity as of December 31, 2024:

Board of Directors	Women and minorities hold over 40% of the seats on our Board, including the Chair of the Board.
Employee Gender Diversity	Female: 57% Male: 43% Women represented 56% of our new hires in 2023.
Employee Ethnic/Racial Diversity	Black or African American: 26% Hispanic or Latino: 9% Other Non-White (including American Indian, Alaskan Native, Asian, Native Hawaiian, or Other Pacific Islander): 4% Two or more races: 3% White: 57% Not specified: 1%

Recruiting, Retaining, and Engaging Talent

Talent is our greatest asset and we are dependent on being able to recruit, develop, and retain talent that share our core values. We use tools, such as an interview guide, designed to prevent us from bias in our hiring decisions. We leverage targeted outreach in our hiring process to ensure our postings reach underrepresented groups.

We are focused on retaining our talented professionals who we believe are key to the Company's success. Our human resource group continuously monitors and benchmarks employee turnover and other trends in our industry and on a regional level to ensure MIMEDX is competitive and responsive to changes in the broader marketplace. Combining this data with feedback from exit interviews in any instances of voluntary employee turnover, we are able to use these actionable insights to improve employee engagement, provide opportunities for career development, evolve our total rewards offering and evaluate implementation of additional resources to enhance the employee experience at MIMEDX.

Compensation and Benefits

We offer all of our full-time employees a comprehensive benefits package and market competitive compensation programs, including:

- Health coverage, including Medical, Dental, Vision insurance, a wellness incentive program and virtual and text-based healthcare
- Life insurance options (employer paid and supplemental plans)
- Paid Parental and Caregiver leave
- Employee Assistance Program
- Paid company holidays
- 401(k) plan, including employer match
- Employee Stock Purchase Plan

Available Information

We are required to file proxy statements, annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K with the SEC. The SEC maintains an internet site, www.sec.gov, where these reports are available free of charge. We also make these reports available free of charge on our website, www.mimedx.com, under the heading "*Investors–SEC Filings*." In addition, our Audit Committee, Compensation Committee, Ethics and Compliance Committee, and Nominating and Corporate Governance Committee Charters as well as our Code of Business Conduct and Ethics, are on our website under the heading "*Investors–Corporate Governance*." The reference to our website does not constitute incorporation by reference of any information contained on that site.

Item 1A. Risk Factors

An investment in our Common Stock involves a substantial risk of loss. Set forth below is a summary of the risks and uncertainties affecting our business that we currently believe to be material. We caution you to read the following risk factors, which have affected, and/or in the future could affect, our business, prospects, operating results, and financial condition. Additional risks and uncertainties not currently known to us or that we currently deem immaterial may also affect our business, prospects, operating results, and financial condition. Additional risks and uncertainties are described under other captions in this report and should also be considered by our stockholders. If any of these risks materialize, our business, financial condition or operating results could suffer. In this case, the trading price of our Common Stock could decline, and you may lose part or all of your investment.

Risks Related to Our Business and Industry

If we do not successfully execute our priorities, our business, operating results and financial condition could be adversely affected.

Our priorities in our Wound & Surgical business are to address large, underpenetrated market opportunities, domestically and internationally, including by launching new organic or inorganic products. We intend to implement and maintain rigorous quality standards throughout our entire supply chain and continue to advance the scientific body of evidence substantiating clinical efficacy, economic viability and the underlying mechanism of action for our PURION processed placental tissue platform through additional peer-reviewed publications, rigorous scientific research and clinical studies.

We have sought and may continue to seek capital to implement our priorities. In developing our priorities, we evaluated many factors including, without limitation, those related to developments in our industry, customer demand, competition, regulatory developments, and general economic conditions. Actual conditions may be different from our assumptions, and we may not be able to successfully execute our priorities. If we do not successfully execute our priorities, or if actual results vary significantly from our assumptions, our business, operating results and financial condition could be adversely impacted.

We are in a highly competitive and evolving field and face competition from well-established tissue processors and medical device manufacturers, as well as new market entrants.

Our business is in a very competitive and evolving field. Competition from other tissue processors, medical device companies, and biotherapeutic companies, and from research and academic institutions, is intense, expected to increase and subject to rapid change and could be significantly affected by new product introductions as well as changes in reimbursement that could favor certain products and competitors over others. Established competitors and newer market entrants are investing in additional clinical research that may allow them to gain further clinician usage, adoption and payer coverage of their products. In addition, consolidation and cost containment measures in the healthcare industry may cause hospitals to consolidate their purchases with suppliers that have a broad portfolio of products. This would continue to give rise to demands for price concessions, which could have an adverse effect on our business, results of operations and financial condition. Further, competitors may introduce placental-based membrane products in the future at lower prices, adding new features or gaining additional reimbursement coverage, or utilize sales and marketing practices that negatively impact the industry. Further, they may copy our products outside the United States. The presence of this competition may lead to pricing pressure, which could have an adverse effect on our business, results of operations and financial condition.

Rapid technological change could cause our products to become obsolete and, if we do not enhance our product offerings through our research and development efforts or business development and inorganic activities, we may be unable to compete effectively.

The technologies underlying our products are subject to rapid technological change. Competition intensifies as technical advances in each field are made and become more widely known. Others may develop services, products or processes with significant advantages over the products, services and processes that we offer or are seeking to develop. Any such occurrence could have an adverse effect on our business, results of operations and financial condition.

We plan to enhance and broaden our product offerings as part of a strategy that involves responding to changing customer demands and competitive pressure and technologies, among other factors. The success of any new product offering or enhancement to an existing product will depend on numerous factors, including our ability to:

- properly identify and anticipate physician and patient needs;
- acquire, through licensing, co-development or outright purchase, new technology developed outside of MIMEDX;
- develop and introduce new products or product enhancements in a timely manner;
- adequately protect our intellectual property and avoid infringing upon the intellectual property rights of third parties;
- demonstrate the safety and efficacy of new products; and
- obtain the necessary regulatory clearances or approvals for new products or product enhancements.

If we do not develop and, when necessary, obtain regulatory clearance or approval for new products or product enhancements in time to meet market demand, or if there is insufficient demand for these products or enhancements, our results of operations and financial condition will suffer. Our research and development efforts may require a substantial investment of time and resources, including additional capital, before we are adequately able to determine the commercial viability of a new product, technology, material or other innovation. In addition, even if we are able to successfully develop enhancements or new generations of our products, these enhancements or new generations of products may not produce sales in excess of the costs of development, or they may never receive required regulatory approval and they may be quickly rendered obsolete by changing customer preferences or the introduction by our competitors of products embodying new technologies or features.

Many of our products depend on the availability of tissue from human donors, and any disruption in supply could adversely affect our business.

The success of our human tissue products depends upon, among other factors, the availability of tissue from human donors. Any failure to obtain tissue from our sources will interfere with our ability to effectively meet demand for our products incorporating human tissue. The availability of donated tissue could also be adversely impacted by regulatory changes, public opinion of the donor process and our own reputation in the industry. We may not be successful in our ability to scale tissue recovery efforts to meet the potential future demand of our pipeline. Obtaining adequate supplies of human tissue involves several risks, including limited control over availability (due to for example, access to hospital accounts and the number of consenting mothers), quality, delivery schedules, and eligibility requirements. In addition, any interruption in the supply of any human tissue component could harm our ability to manufacture our products until a new source of supply, if any, could be found. We also utilize third-party providers of placental donations on an as-needed basis to mitigate risks but there can be no assurance that these third parties will be able to provide donated tissues at all times. We may be unable to find a sufficient alternative supply channel in a reasonable time period or on commercially reasonable terms, if at all, which would have an adverse effect on our business, results of operations and financial condition.

We depend on our senior leadership team and key employees and may not be able to retain or replace these employees or recruit additional qualified personnel, which would harm our business, results of operations and financial condition.

Our business and success are materially dependent on attracting and retaining members of our senior leadership team to formulate and execute the Company’s business plans and our sales team to market our products.

Leadership changes can be inherently difficult to manage and may cause material disruption to our business or management team. Changes in senior management could also lead to an environment that presents additional challenges in recruiting and retaining employees, which could have an adverse effect on our business, results of operations and financial condition.

Recruiting and retaining qualified scientific, clinical, and sales and marketing personnel are critical to our success. The loss of the services of our executive officers or other key employees could impede the achievement of our research, development and commercialization objectives and seriously harm our ability to successfully implement our business strategy. Furthermore, replacing executive officers and key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain regulatory approval for and commercialize our product candidates. Competition to hire qualified personnel in our industry is intense, and we may be unable to hire, train, retain or motivate these key personnel on acceptable terms given the competition among numerous pharmaceutical and biotechnology companies for similar personnel.

Furthermore, to the extent our executive officers or key personnel with access to our proprietary or confidential information are hired by our competitors, they may share such information with our competitors requiring us to initiate litigation to prevent any use of such information by our competitors. For example, in December 2024, MIMEDX filed a lawsuit against Surgenex, LLC in the United States District Court for the District of Arizona. The complaint asserts that several of Surgenex’s placental allograft products infringe the Company’s patents and seeks permanent injunctive relief and monetary damages.

On the other hand, if we hire personnel from competitors, we may be subject to allegations that they have been improperly solicited or that they have divulged proprietary or other confidential information, or that their former employers own their research output.

Our revenues depend on adequate reimbursement from public and private insurers and health systems and changes to the ways in which our products are reimbursed in various sites of service could adversely impact our financial results.

Our success depends on the extent to which our customers receive adequate reimbursement for the costs of our products and related treatments from third-party payers, including government healthcare programs, such as Medicare and Medicaid, as well as private insurers and health systems. Government and other third-party payers attempt to contain healthcare costs by limiting both coverage and the level of reimbursement of medical products, particularly new products. Therefore, significant uncertainty may exist as to the reimbursement status of new healthcare products by third-party payers. Although EPIFIX and EPICORD have coverage with the majority of large payers, a significant number of public and private insurers currently do not cover or reimburse our other products.

The reimbursement landscape for our products varies depending upon the site in which the products are administered. If we are not successful in obtaining adequate coverage and reimbursement for our products from these third-party payers in one or more of the sites of service where our products are used, it could have an adverse effect on market acceptance of our products. Inadequate reimbursement levels would likely also create downward price pressure on our products. Even if we do succeed in obtaining widespread coverage and reimbursement rates or policies for our products, future changes in coverage or reimbursement rates or policies could have a negative impact on our business, financial condition and results of operations.

Further, we have experienced some reluctance by payers to cover our products under certain circumstances, including for applications other than those for which we have published clinical efficacy data. Since 2022, several wide-ranging proposals have been published for public comment, including relating to payment methodology within the physician office, with potential to change how CMS reimburses for skin substitute products at a national level.

Changes in the coverage and reimbursement environment as described above could result in declines in our revenue that would adversely affect our business, financial condition and results of operation.

Our revenue, results of operations and cash flows may suffer upon the loss of a Group Purchasing Organization or Integrated Delivery Network.

As with many manufacturers in the healthcare space, the Company contracts with Group Purchasing Organizations (**"*GPOs*"**) and Integrated Delivery Networks (**"*IDNs*"**) to establish contracted pricing and terms and conditions for the members of GPOs and IDNs. Approximately 76% of our sales in the year ended December 31, 2024 came from customers that are members of our primary GPOs or IDNs.

Our agreements with GPOs and IDNs allow us to sell our products efficiently to large groups of customers. Our agreements with GPOs and IDNs typically provide their members with favorable ordering terms and conditions and access to favorable product pricing. These customers purchase our product through GPO and IDN arrangements in part because of the favorable pricing and terms and conditions. If our agreement with any GPO or IDN is terminated or expires without being extended, renewed or renegotiated, this could adversely affect our revenue, results of operations and cash flows.

We contract with and are dependent upon independent sales agents and distributors.

In 2024, approximately 24% of our sales were through our relationships with independent agents, and we also use a small number of distributors, primarily outside the United States, and may use more in the future. Sales agents act directly on behalf of MIMEDX to arrange sales, while distributors take title to product and may set their own prices.

If our relationships with our independent sales agents were terminated for any reason, it could materially and adversely affect our revenues and profits. Because the independent agent often controls the customer relationships within its territory, there is a risk that if our relationship with the agent ends, our relationship with the customer will be lost.

Because our agents and distributors are not employees, there is a risk we will be unable to ensure that our sales processes, compliance safeguards, and related policies will be adhered to despite our communication and training of agents and distributors regarding these requirements. Furthermore, if we fail to maintain relationships with our key independent agents, or fail to ensure that our independent agents adhere to our sales processes, compliance safeguards and related policies, there could be an adverse effect on our business, results of operations, and financial condition.

We may obtain the assistance of additional distributors and independent sales representatives to sell products in certain sales channels, particularly in territories and fields where agents are commonly used. Our success is partially dependent upon our ability to train, retain and motivate our independent sales agencies, distributors, and their representatives to appropriately and compliantly sell our products in certain territories or fields. They may not be successful in implementing our marketing plans or compliance safeguards. Some of our independent sales agencies and distributors do not sell our products exclusively and may offer similar products from other companies. Our independent sales agencies and distributors may terminate their contracts with us, may devote insufficient sales efforts to our products or may focus their sales efforts on other products that produce greater commissions for them, which could have an adverse effect on our business, results of operations and financial condition. We also may not be able to find additional independent sales agencies and distributors who will agree to appropriately and compliantly market or distribute our products on commercially reasonable terms, if at all. If we are unable to establish new independent sales representative and distribution relationships or renew current sales agency and distribution agreements on commercially acceptable terms, our business, financial condition, and results of operations could be materially and adversely affected.

Disruption of our processing facilities could adversely affect our business, financial condition and results of operations.

Our business depends upon the continued operation of our processing facilities in Marietta, Georgia and Kennesaw, Georgia, located less than ten miles apart. Risks that could impact our ability to use these facilities include the occurrence of natural and other disasters, the outbreak of pandemics, and the need to comply with the requirements of directives from government agencies, including the FDA. Either of our two processing facilities can serve as a redundant processing facility for most of our products in the event the other facility experiences a disaster event. However, if our processing facilities were to become unavailable, this could have a material adverse effect on our business, financial condition and results of operations during the period of such unavailability.

To be commercially successful, we must educate physicians, where appropriate, how and when our products are proper alternatives to existing treatments and that our products should be used in their procedures.

We believe physicians will only use our products if they determine, based on their independent medical judgment and experience, clinical data, and published peer reviewed journal articles, that the use of our products in a particular procedure is a favorable alternative to other treatments. Physicians may be hesitant to change their existing medical treatment practices for the following reasons, among others:

- their lack of experience with advanced therapeutics, such as our placenta-based allografts or xenografts;
- lack of evidence supporting additional patient benefits of advanced therapeutics, such as our placenta-based allografts or xenografts, over conventional methods in certain therapeutic applications;
- perceived liability risks generally associated with the use of new products and procedures;
- limited availability of reimbursement from third-party payers;
- more favorable reimbursement for other market-available products; and
- the time that must be dedicated to physician training in the use of our products.

If we cannot successfully address quality issues that may arise with our products, our brand reputation could suffer, and our business, financial condition, and results of operations could be adversely impacted.

In the course of conducting our business, we must adequately address quality issues that may arise with our products, as well as defects in third-party components included in our products, as any quality issues or defects may negatively impact physician use of our products. Although we have established internal procedures to minimize risks that may arise from quality issues, we may not be able to eliminate or mitigate occurrences of these issues and associated liabilities. If the quality of our products does not meet the expectations of physicians or patients, then our brand reputation could suffer and our business could be adversely impacted. We must also ensure any promotional claims made for our products comport with government regulations.

The formation of physician-owned distributorships ("PODs") could result in increased pricing pressure on our products or harm our ability to sell our products to physicians who own or are affiliated with those distributorships.

PODs are medical product distributors that are owned, directly or indirectly, by physicians. These physicians derive a proportion of their revenue from selling or arranging for the sale of medical products for use in procedures they perform on their own patients at hospitals that agree to purchase from or through the POD, or that otherwise furnish ordering physicians with income that is based directly or indirectly on those orders of medical products. The Office of Inspector General ("***OIG***") of the Department of Health & Human Services has issued a Special Fraud Alert on PODs, indicating that they are inherently suspect under the federal Anti-Kickback Statute.

Our commercial strategy emphasizes selling directly to healthcare providers and, to a limited extent, through distributors. To our knowledge, we do not directly sell to or distribute any of our products through PODs. The number and strength of PODs in the industry may continue to grow as economic pressures increase throughout the industry and hospitals, insurers and physicians search for ways to reduce costs, and, in the case of the physicians, identify additional sources to increase their incomes. These companies and the physicians who own, or partially own, PODs may have significant market knowledge, access to and influence on the physicians who use our products and the hospitals that purchase our products, and we may not be able to compete effectively for business from physicians who own PODs.

We face the risk of product liability claims and may not be able to obtain or maintain adequate product liability insurance.

While we have had a low product complaint and adverse event rate historically, our business exposes us to the risk of product liability claims that are inherent in the manufacturing, processing and marketing of human tissue products. We may be subject to such claims if our products cause, or appear to have caused, an injury. Claims may be made by patients, healthcare providers or others selling our products. Product liability claims can be expensive to defend (regardless of merit), divert our management's attention, result in substantial damage awards against us, harm our reputation, and generate adverse publicity, which could result in the withdrawal of, or reduced acceptance of, our products in the market.

Although we have product liability insurance that we believe is adequate, this insurance is subject to deductibles and coverage limitations, and we may not be able to maintain this insurance at an acceptable cost or on acceptable terms or be able to secure increased coverage (if needed), nor can we be sure that existing or future claims against us will be covered by our product liability insurance. Moreover, the existing coverage of our insurance or any rights of indemnification and contribution that we may have may not be sufficient to offset existing or future claims. If we are unable to maintain product liability insurance at an acceptable cost or on acceptable terms with adequate coverage or otherwise protect ourselves against potential product liability claims or we underestimate the amount of insurance we need, we could be exposed to significant liabilities, which may harm our business. A product liability claim or other claim with respect to uninsured liabilities or for amounts in excess of insured liabilities could result in significant costs and significant harm to our business. Even if a claim is not successful, defending such claim would be time-consuming and expensive, may damage our reputation in the marketplace, and would likely divert our management's attention.

The products we offer are derived from human and animal tissue and therefore have the potential for disease transmission.

The utilization of human tissue creates the potential for transmission of communicable disease, including, without limitation, human immunodeficiency virus, viral hepatitis, syphilis and other viral, fungal or bacterial pathogens. We and our contract manufacturers are required to comply with federal and state regulations intended to prevent communicable disease transmission.

We maintain strict quality controls designed in accordance with CGTP to ensure the safe procurement and processing of our tissue, including terminal sterilization of our products. These controls are intended to prevent the transmission of communicable disease. However, risks exist with any human tissue implantation. Also, negative publicity concerning disease transmission from other companies' improperly processed donated tissue could have a negative impact on the demand for our products and adversely affect our business, financial condition and results of operations.

We may implement a product recall or voluntary market withdrawal, which could significantly increase our costs, damage our reputation, disrupt our business and adversely affect our business, results of operations and financial condition.

The processing and marketing of our tissue products involves an inherent risk that our tissue products or processes may not meet applicable quality standards and requirements. In the event that one or more of our products experiences a failure to meet such standards and requirements, we may voluntarily implement a recall or market withdrawal or may be required to do so by a regulatory authority.

A recall or market withdrawal of one of our products could be costly and may divert management resources. A recall or withdrawal of one of our products, or a similar product processed by another entity, also could impair sales of our products as a result of confusion concerning the scope of the recall or withdrawal, or as a result of the damage to our reputation for quality and safety.

A cyberattack or significant disruptions of our information technology systems could adversely affect our business, results of operation and financial condition.

A cyberattack, a disruption in availability, or the unauthorized alteration of systems or data could adversely affect our business, results of operations and financial condition. We rely on technology for day-to-day operations as well as positioning to enhance our stance in the market. We generate intellectual property that is central to the future success of the business and transmit large amounts of confidential information. Additionally, we collect, store and transmit confidential information of customers, patients, employees and third parties. We also have outsourced significant elements of our operations to third parties, including significant elements of our information technology infrastructure, and, as a result, we are managing many independent vendor relationships with third parties who may or could have access to our confidential information. The continually changing threat landscape of cybersecurity today makes our systems potentially vulnerable to service interruptions or to security breaches from inadvertent or intentional actions by our employees, partners, and vendors, and from attacks by malicious third parties, including supply chain attacks originating at our third-party partners. Such attacks are of ever-increasing levels of sophistication. Attacks are made by individuals or groups that have varying levels of expertise, some of which are technologically advanced and well-funded including, without limitation, nation states, organized criminal groups and hacktivists organizations.

To ensure protection of our information, we have invested in cybersecurity and have implemented processes and procedural controls to maintain the confidentiality and integrity of such information. We measure these controls and their success through a cybersecurity framework that is based on industry standards. While we have invested in the protection of our data and technology, there can be no guarantees that our efforts will prevent all service interruptions or security breaches. Any such interruption or breach of our systems could adversely affect our business operations and result in the loss of critical or sensitive confidential information or intellectual property, and could result in financial, legal and reputational harm to our business, including legal claims and proceedings, liability under laws that protect the privacy of personal information, government enforcement actions and regulatory penalties, as well as remediation costs. We also maintain cyber liability insurance. However, this insurance may not be sufficient to cover the financial, legal or reputational losses that may result from an interruption or breach of our systems.

We may expand or contract our business through acquisitions, divestitures, licenses, investments, and other commercial arrangements with other companies or technologies, which may adversely affect our business, results of operations and financial condition.

We periodically evaluate opportunities to acquire companies or divest divisions, technologies, products, and rights through licenses, distribution agreements, investments, and outright acquisitions to grow our business, although we may not successfully identify or negotiate any such transaction. In connection with one or more of those transactions, we may, subject to the requirements and limitations set forth in our Citizens Credit Agreement (as defined below in Management's Discussion and Analysis of Financial Condition and Results of Operations ("***MD&A***"), Liquidity and Capital Resources):

- divest or license existing products or technology;
- use cash that we may need in the future to operate our business;
- incur debt that could have terms unfavorable to us or that we might be unable to repay;
- structure the transaction in a manner that has unfavorable tax consequences, such as a stock purchase that does not permit a step-up in the tax basis for the assets acquired;
- be unable to realize the anticipated benefits, such as increased revenues, cost savings, or synergies from additional sales;
- be unable to successfully integrate, operate, maintain, and manage our newly acquired operations;
- divert management's attention from the existing business;
- acquire unknown liabilities that could subject us to government investigations and/or litigation or other actions that make it impossible to realize the anticipated benefits of the transaction; and
- be unable to secure the services of key employees related to the transaction(s).

Any of these items could adversely affect our revenues, results of operations and financial condition. Business acquisitions also involve the risk of unknown liabilities associated with the acquired business, which could be material. Incurring unknown liabilities or the failure to realize the anticipated benefits of any transaction could adversely affect our business if we are unable to recover our initial investment. Inability to recover our investment, or any write off of such investment, associated goodwill or assets could have an adverse effect on our business, results of operations and financial condition. In addition, if the benefits of any proposed acquisition do not meet the expectations of investors and analysts, our stock price may decline.

A portion of our revenues and accounts receivable come from government accounts.

Some of our revenues are derived from sales, both direct and through a distributor, to the government. Any disruption of our products on the FSS or any change in the way the government purchases products like ours or the price it is willing to pay for our products could adversely affect our business, results of operations and financial condition.

New lines of business or new products and services may subject us to additional risks.

From time to time, we may implement or may acquire new lines of business or offer new products and services within existing lines of business. There are risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed or are evolving. In developing and marketing new lines of business and new products and services, we may invest significant time and resources. External factors, such as regulatory compliance obligations, competitive alternatives, and shifting market preferences, may also impact the successful implementation of a new line of business or a new product or service. Failure to successfully manage these risks in the development and implementation of new lines of business or new products or services could have an adverse effect on our business, results of operations and financial condition.

Our international expansion and operations outside the U.S. expose us to risks associated with international sales and operations.

We are pursuing further expansion outside the U.S., including in Japan. Managing a global organization is difficult, time consuming and expensive. Our ability to conduct international operations is affected by many of the same risks we face in our U.S. operations, as well as unique costs and difficulties of managing international operations, including the relationships and operations of distributors we elect to work with in these markets. Adoption of our products in new geographic regions could take longer and cost more than we anticipate. Risks inherent in international operations also include, among others, potential adverse tax consequences, greater difficulty in enforcing intellectual property rights, risks associated with the Foreign Corrupt Practices Act and local anti-bribery law compliance, and other international regulations. These regulations may limit our ability to market, sell, distribute or otherwise transfer our products to prohibited countries or persons. International regulations may also limit what promotional claims we may make for our products.

Compliance with these regulations and laws is costly, and failure to comply with applicable legal and regulatory obligations could adversely affect us in a variety of ways that include, without limitation, significant criminal, civil and administrative penalties, including imprisonment of individuals, fines and penalties, denial of export privileges, seizure of shipments and restrictions on certain business activities. Also, the failure to comply with applicable legal and regulatory obligations could result in the disruption of our distribution and sales activities.

These risks may limit or disrupt our expansion, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalization or expropriation without fair compensation. Operating outside of the U.S. also requires significant management attention and financial resources.

Risks Related to Regulatory Approval of Our Products and Other Government Regulations

The FDA has in the past determined, and may in the future determine, that certain of our products that are, or are derived from, human cells or tissues, do not qualify for regulation solely under Section 361, and may require that we revise our labeling and marketing claims for these products or that we suspend sales of such products until FDA pre-market clearance or approval is obtained, which could adversely affect our business, results of operations, and financial condition.

Many of the products we manufacture and process are derived from human tissue. Amniotic and other birth tissue have in the past generally been regulated as *HCT/P* and were therefore eligible to be subject to regulation solely under Section 361 ("***Section 361 HCT/P***") depending on whether the specific product at issue and the claims made for it were consistent with the applicable criteria. HCT/Ps that do not meet these criteria are subject to more extensive regulation as drugs, medical devices, biological products, or combination products. These HCT/Ps must comply with both the FDA's requirements for HCT/Ps and the requirements applicable to biologics, devices or drugs, including pre-market clearance or approval from the FDA. Obtaining FDA pre-market clearance or approval involves significant time and investment by the Company.

In March 2024, the FDA issued a determination letter in connection with the RFD process related to AXIOFILL, a human-derived particulate wound dressing. In the letter, FDA reaffirmed its position that AXIOFILL does not meet the regulatory classification requirements under Section 361. In response to the RFD determination letter, the Company has filed suit in the U.S. District Court for the Northern District of Georgia and intends to exhaust all legal options available, given the arbitrary and capricious manner in which FDA is regulating like-kind products. Notably, while these proceedings are taking place, the Company has been permitted to continue marketing AXIOFILL. Depending on the outcome of this legal proceeding, we may no longer be able to market AXIOFILL. The loss of our ability to market and sell this or any other product in our portfolio would have an adverse impact on our revenues, business, financial condition and results of operations.

Any future regulatory changes could also have adverse consequences for us and make it more difficult or expensive for us to conduct our business by requiring pre-market clearance or approval and compliance with additional post-market regulatory requirements with respect to those products. For example, the FDA may in the future impose conditions, such as labeling restrictions, and the requirement that a product be manufactured in compliance with CGMP, which would require significant additional time and cost investments by the Company. Moreover, increased regulatory scrutiny within the industry in which we operate could lead to increased regulation of HCT/Ps, including Section 361 HCT/Ps, which could ultimately increase our costs and adversely impact our business, results of operations and financial condition.

HELIOGEN, our first xenograft product offering, falls into an FDA classification that requires the submission of a Premarket Notification (510(k)) to the FDA. The 510(k) was obtained and is owned by our contracted manufacturing partner, Regenity Biosciences.

To date, the Company has neither applied for, nor received any 510(k)'s from the FDA, however we have efforts underway to explore our ability to do so with certain of the products in our pipeline. The 510(k) process requires us to demonstrate that the device to be marketed is at least as safe and effective as, that is, substantially equivalent to, a legally marketed device. We must submit information that supports our substantial equivalency claims. Before we can market the new device, we must receive an order from the FDA finding substantial equivalence and clearing the new device for commercial distribution in the U.S. Obtaining clearances or approvals is time consuming, expensive, and uncertain. Furthermore, even if we are granted regulatory clearances or approvals, they may include significant limitations on the indicated uses of the product, which may limit the potential customers for the product. If we are unable to obtain required FDA clearance or approval for a product or are unduly delayed in doing so, or the uses of that product were limited, our business could suffer.

Obtaining and maintaining the necessary regulatory approvals, including conducting clinical trials, for certain of our products or potential products could be expensive and time consuming.

The process of obtaining regulatory clearances or approvals to market a biological product or medical device from the FDA or similar regulatory authorities outside of the U.S. may be costly and time consuming, and such clearances or approvals may not be granted on a timely basis, or at all. The FDA may take the position that some of the products that we currently market require FDA regulatory clearance or approval. Some of the future products and enhancements to our current products that we expect to develop or may acquire and market may require marketing clearance or approval from the FDA. However, clearance or approval may not be granted with respect to any of our products or enhancements and further FDA review may add delays that could adversely affect our ability to market such products or enhancements.

The process of obtaining formal FDA clearance or approval, such as a 510(k), BLA, or equivalent, including clinical trial development and execution as well as manufacturing processes, requires the expenditure of substantial time, effort and financial resources and may take years to complete, including costs incurred on top of those fees incurred as part of conducting various clinical studies. The fee for filing such submissions and program fees payable with respect to any establishment that manufactures biologics are substantial. The FDA may not grant approval on a timely basis, or at all, or we may decide not to pursue this pathway for certain products or indications, or need to conduct additional trials for a given indication. Additionally, the FDA may limit the indications for use or place other conditions on any approvals that could restrict the commercial application of the products. If we do receive approval, some types of changes to the approved product, such as adding new indications or doses, manufacturing changes and additional labeling claims, are subject to further testing requirements and FDA review and approval. Our revenues could be adversely affected if we fail to obtain approvals and clearances on a timely basis or at all, or if the FDA limited the indications for use or required other conditions that restrict the commercial application of our products.

Additionally, there are significant costs associated with clinical trials that can be difficult to accurately estimate until a BLA is approved. Clinical trials may not be successful or may return results that do not support approval. Moreover, the results of early clinical trials are not necessarily predictive of future results, and any product we advance into clinical trials may not have favorable results in later clinical trials. Our interpretation of data and results from our clinical trials does not ensure that we will achieve similar results in future clinical trials. In addition, clinical data are often susceptible to various interpretations and analyses, and many companies that have believed their products performed satisfactorily in earlier clinical trials or retrospective studies have nonetheless failed to replicate results in later clinical trials.

Our business is subject to extensive regulation by the FDA and other authorities, which is costly, and our failure to comply could result in negative effects on our business, results of operations and financial condition.

As discussed above, the FDA has specific regulations governing our tissue-based products, or HCT/Ps. The FDA has broad post-market and regulatory and enforcement powers, even for Section 361 HCT/Ps. The FDA's regulation of HCT/Ps includes requirements for registration and listing of products, donor screening and testing, processing and distribution, labeling, record keeping and adverse-reaction reporting, and inspection and enforcement.

HCT/Ps that are regulated as drugs, biological products or medical devices are subject to even more stringent regulation by the FDA. Even if pre-market clearance or approval is obtained, the approval or clearance may place substantial restrictions on the indications for which the product may be marketed or to whom it may be marketed, may require warnings to accompany the product or impose additional restrictions on the sale or use of the product. In addition, regulatory approval is subject to continuing compliance with regulatory standards, including the FDA's quality system regulations.

If we fail to comply with the FDA regulations regarding our tissue products, the FDA could take enforcement action, including, without limitation, any of the following sanctions and the manufacture of our products or processing of our tissue could be delayed or terminated:

- untitled letters, warning letters, cease and desist orders, fines, injunctions, and civil penalties;
- recall or seizure of our products;
- operating restrictions, partial suspension or total shutdown of production;
- refusing our requests for clearance or approval of new products;
- withdrawing or suspending current applications for approval or approvals already granted;
- refusal to grant export approval for our products; and
- criminal prosecution.

The FDA's regulation of HCT/Ps may continue to evolve. Complying with any such new regulatory requirements may entail significant time delays and expense, which could have an adverse effect on our business, results of operations and financial condition.

The AATB has issued operating standards for tissue banking. Compliance with these standards is a requirement in order to become an accredited tissue bank. In addition, some states have their own tissue banking regulations.

In addition, procurement of certain human organs and tissue for transplantation is subject to the restrictions of the NOTA, which prohibits the transfer of certain human organs, including skin and related tissue for valuable consideration, but permits the reasonable payment associated with the removal, transportation, implantation, processing, preservation, quality control and storage of human tissue and skin. We reimburse tissue banks, hospitals and physicians for their services associated with the recovery and storage of donated human tissue. Although we have independent third-party appraisals that confirm the reasonableness of the service fees we pay, if we were to be found to have violated NOTA's prohibition on the sale or transfer of human tissue for valuable consideration, we could potentially be subject to criminal enforcement sanctions, which could adversely affect our results of operations.

Finally, we and other manufacturers of skin substitutes are required to provide average sales price *("**ASP**")* information to CMS on a quarterly basis. The Medicare payment rates are updated quarterly based on this ASP information. If a manufacturer is found to have made a misrepresentation in the reporting of ASP, such manufacturer is subject to civil monetary penalties of up to $10,000 for each misrepresentation for each day in which the misrepresentation was applied, and potential False Claims Act liability. See "*We and our sales representatives, whether employees or independent contractors, must comply with various federal and state anti-kickback, self-referral, false claims and similar laws, any breach of which could cause an adverse effect on our business, results of operations and financial condition."*

We may be subject to fines, penalties, injunctions and other sanctions if we are deemed to be promoting the use of our products for unapproved, or off-label, uses.

As a general rule, FDA regulations require that the marketing of 361 HCT/Ps only be for appropriate homologous uses, and that the promotion of pre-approved biological products or devices only be for FDA-approved indications. Generally, unless the products are approved by the FDA for alternative uses, the FDA contends that we may not make claims about the safety or effectiveness of our products, or promote them as safe or effective for uses other than those specifically approved by the FDA. Such limitations present a risk that the FDA or other federal or state law enforcement authorities could determine that the nature and scope of our sales, marketing and support activities, though designed to comply with all FDA requirements, constitute the promotion of our products for an unapproved use in violation of the Federal Food Drug & Cosmetic Act. We also face the risk that the FDA or other governmental authorities might pursue enforcement based on past activities that we have discontinued or changed, including sales activities, prior marketing materials, arrangements with institutions and doctors, educational and training programs and other activities.

Investigations concerning the promotion of unapproved product uses and related issues are typically expensive, disruptive and burdensome and generate negative publicity. If our promotional activities are found to be in violation of the law, we may face significant legal action, fines, penalties, and even criminal liability and may be required to substantially change our sales, promotion, grant and educational activities. There is also a possibility that we could be enjoined from selling some or all of our products for any unapproved use. In addition, as a result of an enforcement action against us or any of our executive officers, we could be excluded from participation in government healthcare programs such as Medicare and Medicaid.

Nevertheless, while we believe we are fully in compliance with the FDA's Guidance on HCT/Ps, there can be no assurance that we have correctly interpreted the FDA Guidance, or that we will not need to discontinue marketing a product and/or may be subject to fines, penalties, injunctions, and other sanctions if we are deemed to be promoting the use of our products for unapproved uses. Such regulatory penalties by the FDA could adversely affect our business and results of operations.

We and our sales representatives, whether employees or independent contractors, must comply with various federal and state anti-kickback, self-referral, false claims and similar laws, any breach of which could cause an adverse effect on our business, results of operations and financial condition.

Our relationships with physicians, hospitals and other healthcare providers are subject to various federal and state healthcare fraud and abuse laws. Healthcare fraud and abuse laws are complex and, in some instances, even minor or inadvertent violations can give rise to liability. Possible sanctions for violation of the healthcare fraud and abuse laws include, without limitation, monetary fines, civil and criminal penalties, exclusion from participating in the federal and state healthcare programs, including, without limitation, Medicare, Medicaid, the VA health programs and TRICARE (the healthcare program administered by or on behalf of the U.S. Department of Defense for uniformed service members, including both those in active duty and retirees, as well as their dependents), and forfeiture of amounts collected in violation of such prohibitions. Many states have similar fraud and abuse laws, imposing substantial penalties for violations. A finding of a violation of one or more of these laws, or even a government investigation or inquiry into the same, would likely result in a material adverse effect on the market price of our Common Stock, as well as on our business, results of operations, and financial condition.

We are subject to the AKS as amended by the Patient Protection and Affordable Care Act (the "***PPACA***"). A conviction for violation of the AKS results in criminal fines and requires mandatory exclusion from participation in federal health care programs. Although there are a number of statutory exceptions and regulatory safe harbors to the federal AKS that protect certain common industry practices from prosecution, the exceptions and safe harbors are drawn narrowly, and arrangements may be subject to scrutiny or penalty if they do not fully satisfy all elements of an available exception or safe harbor. We have entered into consulting agreements, speaker agreements, research agreements and product development agreements with physicians, including some who may order or recommend our products or make decisions to use them. In addition, some of these physicians own our stock, which they purchased in arm's-length transactions on terms identical to those offered to non-physicians, or received stock awards from us in the past as consideration for services performed by them. While we believe these transactions generally meet the requirements of applicable laws, including the federal AKS and analogous state laws, it is possible that our arrangements with physicians and other providers may be questioned by regulatory or enforcement authorities under such laws, which could lead us to redesign the arrangements and subject us to significant civil or criminal penalties. We have designed our policies and procedures to comply with the federal AKS, FCA, and industry best practices. In addition, we have conducted training sessions on these principles. If, however, regulatory or enforcement authorities were to view these arrangements as non-compliant with applicable laws, there would be risk of government investigations/inquiries or penalties. There is also risk that one or more of our employees or agents will disregard the rules we have established. Because our strategy relies on the involvement of physicians who consult with us on the design of our products, perform clinical research on our behalf or educate other health care professionals about the efficacy and uses of our products, we could be materially impacted if regulatory or enforcement agencies or courts interpret our financial relationships with physicians who refer or order our products to be in violation of applicable laws. This could harm our reputation and the reputations of the physicians we engage to provide services on our behalf. In addition, the cost of noncompliance with these laws could be substantial since we could be subject to monetary fines and civil or criminal penalties, and we could also be excluded from federally-funded healthcare programs, including Medicare, Medicaid, VA and TRICARE.

The FCA imposes civil liability on any person or entity that knowingly submits, or causes the submission of, a false or fraudulent claim to the U.S. government. Damages under the FCA can be significant and consist of the imposition of fines and penalties. The FCA also allows a private individual or entity to sue on behalf of the government to recover civil penalties and treble damages as a whistleblower. FCA liability is potentially significant in the healthcare industry because the statute provides for treble damages and mandatory penalties of between $13,946 and $27,894 per false claim or statement for penalties assessed after February 12, 2024, with respect to violations occurring after November 2, 2015.

Manufacturers can be held liable under the FCA even when they do not submit claims directly to government payers if they are deemed to "cause" the submission of false or fraudulent claims. The PPACA provides that claims tainted by a violation of the federal AKS are false for purposes of the FCA. The DOJ on behalf of the government has previously alleged that the marketing and promotional practices of pharmaceutical and medical device manufacturers, including the off-label promotion of products or the payment of prohibited kickbacks to doctors, violated the FCA, resulting in the submission of improper claims to federal and state healthcare programs such as Medicare and Medicaid. In certain cases, manufacturers have entered into criminal and civil settlements with the federal government under which they entered into plea agreements, paid substantial monetary amounts and entered into onerous corporate integrity agreements with the government that require, among other things, substantial reporting and remedial actions, as well as oversight and review by an outside entity, an Independent Review Organization ("***IRO***"), at substantial expense to the Company.

Under the HIPAA criminal federal healthcare fraud statute, it is a crime to knowingly and willfully execute, or attempt to execute, a scheme or artifice to defraud any health care benefit program or to obtain, by means of false or fraudulent pretenses, representations or promises, any of the money or property owned by, or under the custody or control of, any health care benefit program, in connection with the delivery of or payment for health care benefits, items or services.

There are federal and state laws requiring detailed reporting of manufacturer interactions with and payments to healthcare providers, such as the Sunshine Act. The Sunshine Act requires, among others, "applicable manufacturers" of drugs, devices, biological products, and medical supplies reimbursed under Medicare, Medicaid or the Children's Health Insurance Program to annually report to CMS information related to payments and other transfers of value provided to "covered recipients." The term covered recipients includes U.S.-licensed physicians and teaching hospitals, and, for reports submitted on or after January 1, 2022, physician assistants, nurse practitioners, clinical nurse specialists, certified nurse anesthetists, and certified nurse-midwives. There is the risk that CMS or another government agency may take the position that our products are not human cell and tissue products regulated solely under Section 361, and thereby assert that we are currently subject to the Sunshine Act, which could subject us to civil penalties and the administrative burden of having to comply with the law. Additionally, the Sunshine Act, and its implementing regulations, require that certain manufacturers of drugs, devices, biological and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) report information related to certain payments or other transfers of value made or distributed to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain non-physician practitioners (such as physician assistants and nurse practitioners), and teaching hospitals, or to entities or individuals at the request of, or designated on behalf of, the physicians and teaching hospitals and to report annually to CMS certain ownership and investment interests held by physicians and their immediate family members. Failure to report accurately could result in penalties. In addition, many states also govern the reporting of payments or other transfers of value, many which differ from each other in significant ways, are often not pre-empted, and may have a more prohibitive effect than the Sunshine Act, thus further complicating compliance efforts.

There are state law equivalents to the AKS and FCA. There are also so-called state “all-payer” anti-kickback laws which may apply to items or services reimbursed by any third-party payer, including commercial insurers, as well as when no insurer is involved (*i.e.* cash-pay patients).

The enforcement of all of these laws is uncertain and subject to rapid change. Federal or state regulatory or enforcement authorities may investigate or challenge our current or future activities under these laws. Any investigation or challenge could have a material adverse effect on our business, financial condition and results of operations. Any state or federal regulatory or enforcement review of us, regardless of the outcome, would be costly and time consuming. Additionally, we cannot predict the impact of any changes in these laws, whether these changes are retroactive or will have effect on a going-forward basis only.

Our results of operations may be adversely affected by current and potential future healthcare reforms.

In response to perceived increases in healthcare costs in recent years, there have been and continue to be proposals by the U.S. federal government, state governments, regulators and third-party payers to control these costs and, more generally, to reform the U.S. healthcare system.

Notably, the COVID-19 pandemic had a significant impact on the nation’s health sector expenditures, beginning in 2020, primarily driven by increased federal spending, including financial assistance to providers to make up for lost revenue through the Provider Relief Fund, the Paycheck Protection Program, and increased federal public health spending such as spending for vaccine development, COVID testing, and health facility preparedness. As a result, growth in federal government spending on healthcare increased 36% in 2020.

Within our industry, Medicare expenditures on skin substitute products have increased dramatically from 2019, when annual spending on these products administered in private physician offices and associated care settings was approximately $0.5 billion. By 2023, annual expenditures for this class of products totaled over $4 billion, and more recently, spending by Medicare has reached an excess of $1 billion per month in the category. As a result, CMS”) and the MACs have sought ways to implement coverage and payment reform in order to curb the dramatically increasing expenditures in our industry.

CMS could alter the reimbursement dynamics in outpatient care settings through the Physician Fee Schedule (“PFS”), which is published on an annual basis and regulates payments to healthcare providers for services furnished in these settings. In 2022, CMS, through its publication of the PFS proposals for CY 2023, indicated that it was considering a revision of the payment system for skin substitutes. Specifically, CMS proposed to change the terminology of skin substitutes to ‘wound care management products’, and to treat and pay for these products as incident to supplies under the PFS beginning on January 1, 2024. Ultimately, CMS decided to provide interested parties with more opportunities to comment on the specific details of changes in coding and payment mechanisms prior to finalizing any changes. To date, CMS has not altered the existing policies.

In August 2023, three MACs issued updated LCDs entitled: “Skin Substitute Grafts/Cellular and/or Tissue-Based Products for the Treatment of Diabetic Foot Ulcers and Venous Leg Ulcers,” which would regulate our products’ Medicare coverage in the private physician office and associated care settings. Following a comment period and lengthy discussions with industry and clinician stakeholders, these LCDs were ultimately withdrawn ahead of their scheduled effective date. In November 2024, all seven MACs proposed revised LCDs in unison with support from CMS, which took into consideration many of the findings and commentary from the withdrawn 2023 LCDs. These LCDs are scheduled to become effective on April 13, 2025. In the past, LCDs have been delayed or terminated. If these LCDs were to be delayed or terminated, they may not go into effect in April 2025.

Changes to the manner and amounts Medicare reimburses for our products could have an impact on their utilization. We believe that substantial uncertainty remains regarding the specific reform measures and proposed legislation that could impact our industry. Any changes will likely take time to unfold and could have an impact on coverage and reimbursement for healthcare items and services, including our products.

Furthermore, we believe that substantial uncertainty remains regarding the net effect of the PPACA, or its repeal and potential replacement, on our business, including uncertainty over how benefit plans purchased on exchanges will cover our products, how the expansion or contraction of the Medicaid program will affect access to our products, the effect of risk-sharing payment models such as Accountable Care Organizations and other value-based purchasing programs on coverage for our products, and the effect of the general increase or decrease in federal oversight of healthcare payers. The taxes imposed and the expansion in government's role in the U.S. healthcare industry under the PPACA, if unchanged, may result in decreased revenues, lower reimbursements by payers for our products and reduced medical procedure volumes, all of which could have a material adverse effect on our business, results of operations and financial condition.

We may fail to obtain or maintain foreign regulatory approvals to market our products in other countries.

We currently market our products in a small number of foreign countries, including in Japan. Foreign jurisdictions require separate regulatory approvals and compliance with numerous and varying regulatory requirements. The approval procedures vary among countries and may involve requirements for additional testing. Certain of our products require clearance or approval by the FDA. However, such clearance or approval does not ensure approval or certification by regulatory authorities in other countries or jurisdictions, and approval or certification by one foreign regulatory authority does not ensure approval or certification by regulatory authorities in other foreign countries or by the FDA. The foreign regulatory approval or certification process may include all of the risks associated with obtaining FDA clearance or approval. We may not obtain foreign regulatory approvals on a timely basis, if at all. We may not be able to file for regulatory approvals or certifications and may not receive necessary approvals to commercialize our products in any foreign jurisdiction. Furthermore, many foreign jurisdictions operate under socialized medical care, and obtaining reimbursement for our products under that construct may also prove difficult. If we fail to receive necessary approvals, certifications, or reimbursements necessary to commercialize our products in foreign jurisdictions on a timely basis, or at all, our business, results of operations and financial condition could be adversely affected. Further, governmental authorities outside the U.S. have become increasingly stringent in their regulation of medical devices, and our products may become subject to more rigorous regulation by non-U.S. governmental authorities in the future. U.S. or non-U.S. government regulations may be imposed in the future that may have a material adverse effect on our business and operations.

Federal and state laws that protect the privacy and security of personal information may increase our costs and limit our ability to collect and use that information and subject us to liability if we are unable to fully comply with such laws.

Numerous federal and state laws, rules and regulations govern the collection, dissemination, use, security and confidentiality of personal information, including protected health information and individually identifiable health information. These laws include:

- provisions of HIPAA that limit how covered entities and business associates may use and disclose protected health information, provide certain rights to individuals with respect to that information and impose certain security requirements
- HITECH, which strengthened and expanded the HIPAA Privacy Rule and Security Rules, imposed data breach notification obligations, created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates and gave state attorneys general new authority to file civil actions for damages or injunctions in U.S. federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions;
- other federal and state laws restricting the use and protecting the privacy and security of personal information, including health information, many of which are not preempted by HIPAA;
- federal and state consumer protection laws; and
- federal and state laws regulating the conduct of research with human subjects.

As part of our business operations, including our medical record keeping, third-party billing and reimbursement and research and development activities, we collect and maintain protected health information in paper and electronic format. Standards related to collecting and maintaining health information, whether implemented pursuant to HIPAA, HITECH, state laws, federal or state action or otherwise, could have a significant effect on the manner in which we handle personal information, including healthcare-related data, and communicate with payers, providers, patients, donors and others, and compliance with these standards could impose significant costs on us or limit our ability to offer services, thereby negatively impacting the business opportunities available to us.

If we are alleged to have not complied with existing or new laws, rules and regulations related to personal information, we could be subject to litigation and to sanctions that include monetary fines, civil or administrative penalties, civil damage awards or criminal penalties.

Risks Related to Our Intellectual Property

Our ability to protect our intellectual property and proprietary technology through patents and other means is uncertain and may be inadequate, which could have an adverse effect on our business, results of operations and financial condition.

Our success depends significantly on our ability to protect our proprietary rights to the technologies used in our products. We rely on patent protection, as well as a combination of copyright, trade secret and trademark laws and nondisclosure, confidentiality and other contractual restrictions to protect our proprietary technology, including our licensed technology. These legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep any competitive advantage. In addition, our pending patent applications include claims to material aspects of our products and procedures that may not be protected by issued patents. The patent application process can be time consuming and expensive. Our pending patent applications might not result in issued patents, and issued patents may later be determined to be invalid or unenforceable as a result of district court litigation or related administrative proceedings. Competitors may be able to design around our patents or develop products that provide outcomes that are comparable or even superior to ours. Although we have taken steps to protect our intellectual property and proprietary technology, including entering into confidentiality agreements and intellectual property assignment agreements with some of our officers, employees, consultants and advisors, such agreements may not be enforceable or may not provide meaningful protection for our trade secrets or other proprietary information in the event of unauthorized use or disclosure or other breaches of the agreements.

The failure to obtain and maintain patents or protect our intellectual property rights could have an adverse effect on our business, results of operations, and financial condition. Whether a patent claim is valid is a complex matter of science, facts and law, and therefore we cannot be certain that, if challenged in a court of law, or through an administrative proceeding, our patent claims would be upheld. If any of those patent claims are invalidated or determined to be unenforceable, our competitive advantage may be reduced or eliminated.

In the event a competitor infringes upon our licensed patents, issued patents, pending patent applications or other intellectual property rights, enforcing those rights may be costly, uncertain, difficult and time consuming. Even if successful, litigation to enforce or defend our intellectual property rights could be expensive and time consuming and could divert our management's attention. Further, bringing litigation to enforce our patents subjects us to the potential for counterclaims. Other companies or entities also have commenced, and may again commence, actions seeking to establish the invalidity of our patents and certain related claims. In the event that any of our patent claims are challenged, a court, the United States Patent and Trademark Office ("***USPTO***"), or the Patent Trial and Appeal Board ("***PTAB***") of the USPTO may invalidate one or more challenged patent claims or determine that the patent is unenforceable, which could harm our competitive position. If the USPTO or the PTAB ultimately cancels or narrows the claim scope of any of our patents through these proceedings, it could prevent or hinder us from being able to enforce them against competitors. Such adverse decisions could negatively impact our business, results of operations, and financial condition.

In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as the laws of the United States. Many companies have encountered significant problems in enforcing and defending intellectual property rights in certain foreign jurisdictions. This could make it difficult for us to stop infringement of our foreign patents, if obtained, or the misappropriation of our other intellectual property rights. For example, some foreign countries have compulsory licensing laws under which a patent owner must grant licenses to third parties. In addition, some countries limit the enforceability of patents against third parties, including government agencies or government contractors. In these countries, patents may provide limited or no benefit. Patent protection must ultimately be sought on a country-by-country basis, which is an expensive and time-consuming process with uncertain outcomes. Accordingly, we may choose not to seek patent protection in certain countries, and we will not have the benefit of patent protection in such countries. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business. Accordingly, our efforts to protect our intellectual property rights in some countries may be inadequate.

We may become subject to claims of infringement of the intellectual property rights of others, which could prohibit us from developing our products, require us to obtain licenses from third parties or to develop non-infringing alternatives, and subject us to substantial monetary damages.

Third parties could assert that our products infringe one or more claims of their issued patents or other intellectual property rights. Whether a product infringes a patent claim or other intellectual property right involves a complex combination of legal and factual issues, the determination of which is often uncertain. Therefore, we cannot be certain that we have not infringed the intellectual property rights of others. Because patent applications are not immediately published, and may take years to issue, there also may be applications now pending of which we are unaware that may later result in issued patent claims that our products or processes may infringe. There also may be existing patents or pending patent applications of which we are unaware that our products or processes may inadvertently infringe.

Any infringement claim could cause us to incur significant costs, place significant strain on our financial resources, divert management’s attention from our business and harm our reputation. If the relevant patent claims at issue in such a dispute were upheld as valid and enforceable and we were found to infringe, we could be prohibited from selling any product that is found to infringe those claims through an injunction unless we could obtain licenses to use the technology covered by the asserted patent claims or other intellectual property, or are able to design around the patent claim or claims at issue or other intellectual property. We may be unable to obtain such a license on terms acceptable to us, if at all, and we may not be able to redesign our products to avoid infringement. A court could also order us to pay compensatory damages for such infringement, plus prejudgment interest and could, in addition, treble the compensatory damages and award attorney fees. These damages could be substantial and could harm our reputation, business, financial condition and operating results. A court also could enter orders that temporarily, preliminarily or permanently enjoin us and our customers from making, using, or selling products, and could enter an order mandating that we undertake certain remedial measures. Depending on the nature of the relief ordered by the court, we could become liable for additional damages to third parties. Further, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our trade secrets or other confidential information could be compromised by inadvertent or court-ordered disclosure during this type of litigation.

We may be subject to damages resulting from claims that we, our employees, or our independent contractors have wrongfully used or disclosed alleged trade secrets, proprietary or confidential information of our competitors or are in breach of non-competition or non-solicitation agreements with our competitors.

Some of our employees were previously employed at other medical device, pharmaceutical or tissue companies. We may also hire additional employees who are currently employed at other medical device, pharmaceutical or tissue companies, including our competitors. Additionally, consultants or other independent agents with which we may contract may be or have been in a contractual arrangement with one or more of our competitors. Although no claims are currently pending, we may be subject to claims that we, our employees, or our independent contractors have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of these former employers or competitors. In addition, we have been and may in the future be subject to claims that we caused an employee to breach the terms of his or her non-competition or non-solicitation agreement. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to management. If we fail to defend such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Any future litigation or the threat thereof may adversely affect our ability to hire additional direct sales representatives. A loss of key personnel or their work product could hamper or prevent our ability to market existing or new products, which could severely harm our business, financial condition and operating results.

Risks Related to Our Consolidated Financial Statements, Internal Controls and Related Matters

If we fail to maintain adequate internal control over financial reporting in the future, this could adversely affect our business, financial condition and operating results.

If material weaknesses or deficiencies in our internal control over financial reporting are discovered or occur in the future, our consolidated financial statements might contain material misstatements and we could be required to restate our financial results. Moreover, because of the inherent limitations of any control system, material misstatements due to error or fraud may not be prevented or detected on a timely basis, or at all. If we are unable to provide reliable and timely financial reports in the future, our business and reputation may be further harmed. Failures in internal controls may also cause us to fail to meet reporting obligations, negatively affect investor confidence in our management and the accuracy of our financial statements and disclosures, or result in adverse publicity and concerns from investors, any of which could have a negative effect on the price of our Common Stock, subject us to regulatory investigations and penalties or shareholder litigation, and adversely impact our business, results of operations and financial condition.

Risks Related to the Securities Markets and Ownership of Our Common Stock

Our indebtedness may adversely affect our financial health.

As of December 2024, the Company had aggregate borrowings outstanding of $19.0 million under its Term Loan Facility, pursuant to its Citizens Credit Agreement (as defined below in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*). Our outstanding debt may limit our ability to borrow additional funds or may adversely affect the terms on which such additional funds may be available. Additionally, a default under certain other indebtedness constitutes an event of default under the Citizens Credit Agreement. Consequently, the effects of a default under other debt may be amplified by the lenders exercising the remedies available to it in the Citizens Credit Agreement for events of default, including foreclosure on the collateral securing our obligations and the declaration that all amounts outstanding under the Citizens Credit Agreement are immediately due and payable.

The restrictive covenants in the Citizens Credit Agreement, and the Company's obligation to make payments under the Citizens Credit Agreement, limit our operating and financial flexibility and may adversely affect our business, results of operations and financial condition.

The Citizens Credit Agreement imposes operating and financial restrictions and covenants. The Company must comply with certain financial covenants, including, a maximum total net leverage ratio and a minimum consolidated fixed charge coverage ratio. Additionally, the Citizens Credit Agreement includes certain customary restrictive covenants, including, but not limited to, limitations on indebtedness, liens, fundamental changes, dispositions, investments, loans, advances, guarantees, acquisitions, dividends and other restricted payments, transactions with affiliates, swap transactions, sale and leaseback transactions, prepayments on subordinated debt, and amendments to organizational and other material agreements.

The Citizens Credit Agreement also contains certain customary events of default, including, without limitation, (i) failure to pay interest or principal when due, (i) failure to provide notice of certain material events and (iii) failure to perform or observe certain covenants under the Citizens Credit Agreement or any related loan documents (subject to a 30-day grace period in certain circumstances). If an event of default occurs and is continuing, the agent under the agreement may, and at the direction of the lenders, take one or more of the following actions: (i) terminate the commitments, (ii) declare any amounts outstanding immediately due and payable, and (iii) exercise any other right it has under the Citizens Credit Agreement or at law. Compliance with such covenants may restrict our operating flexibility, and in the event that we were unable to comply with such covenants, leading to default and acceleration, this could adversely affect our business, results of operations and financial condition.

EW Healthcare Partners and its interests may conflict with those of our other shareholders.

As of December 31, 2024, EW Healthcare Partners and their affiliates owned approximately 19.3% of our Common Stock (calculated on the basis described in Item 12, "*Security Ownership Of Certain Beneficial Owners And Management"* below). Also, for as long as EW Healthcare Partners and its affiliates collectively hold at least (i) 10% of the outstanding shares of our Common Stock, EW Healthcare Partners has the right to select two individuals that the Company must include among its nominees to serve on our Board and (ii) 5% (but less than 10%) of the outstanding shares of our outstanding Common Stock, EW Healthcare Partners has the right to select one individual that the Company must include among its nominees to serve on our Board. EW Healthcare Partners designated Martin P. Sutter and William A. Hawkins, III, who continue to serve on our board as directors. The interests of EW Healthcare Partners may conflict with those of our other shareholders, and EW Healthcare Partners may seek to influence, and may be able to influence, us through its director nomination rights and its share ownership.

The price of our Common Stock has been, and will likely continue to be, volatile.

The market price of our Common Stock, like that of the securities of many other healthcare companies that are engaged in research, development, and commercialization, has fluctuated over a wide range, and it is likely that the price of our Common Stock will fluctuate in the future. The market price of our Common Stock could be impacted by a variety of factors, including:

- Fluctuations in stock market prices and trading volumes of similar companies or of the markets generally;
- Our ability to successfully launch, market and earn significant revenue from our products;
- Our ability to obtain additional financing to support our continuing operations;
- Disclosure of the details and results of our clinical trials and our regulatory applications and proceedings;
- Developments in and disclosure or publicity regarding existing or new litigation or contingent liabilities;
- Changes in government regulations or our failure to comply with any such regulations;
- Additions or departures of key personnel;
- Our investments in research and development or other corporate resources;
- Announcements of technological innovations or new commercial products by us or our competitors;
- Developments in the patents or other proprietary rights owned or licensed by us or our competitors;
- The timing of new product introductions;
- Actual or anticipated fluctuations in our operating results, including as a result of seasonality in our business, as well as any restatements of previously reported results;
- Our ability to effectively and consistently process or manufacture our products and avoid costs associated with the recall of defective or potentially defective products;
- Our ability and the ability of our distribution partners to market and sell our products;
- Changes in reimbursement for our products or the price for our products to our customers;
- Removal of our products from the FSS, or changes in how government accounts purchase products such as ours or in the price for our products to government accounts;
- Activities of market participants and investors, including analysts and MIMEDX shareholders;
- Material amounts of short-selling of our Common Stock; and
- The other risks detailed in this Item 1A.

Any unanticipated shortfall in our revenue in any fiscal quarter could have an adverse effect on our results of operations in that quarter. The effect on our net income of such a shortfall could be exacerbated by the relatively fixed nature of most of our costs, which primarily include personnel costs as well as facilities costs. These fluctuations could cause the trading price of our stock to be negatively affected. Our quarterly operating results have varied substantially in the past and may vary substantially in the future, including as a result of seasonality in our business. Price volatility or a decrease in the market price of our Common Stock could have an adverse effect on our ability to raise capital, liquidity, business, financial condition and results of operations.

Securities analysts may elect not to report on our common stock or may issue negative reports that adversely affect the stock price.

If we fail to attract the coverage of securities analysts, or if securities analysts discontinue covering our common stock, the lack of research coverage may adversely affect the actual and potential market price of our common stock. The trading market for our common stock may be affected in part by the research and reports that industry participants, industry analysts or financial analysts publish about our business. If one or more analysts elect to cover us and then downgrade the stock, the stock price would likely decline rapidly. If one or more of these analysts cease coverage of us, we could lose visibility in the market, which in turn could cause our stock price to decline.

Fluctuations in revenue or results of operations could cause additional volatility in our stock price.

Any unanticipated shortfall in our revenue in any fiscal quarter could have an adverse effect on our results of operations in that quarter. The effect on our net income of such a shortfall could be exacerbated by the relatively fixed nature of most of our costs, which primarily include personnel costs as well as facilities costs. These fluctuations could cause the trading price of our stock to be negatively affected. Our quarterly operating results have varied substantially in the past and may vary substantially in the future.

We do not intend to pay cash dividends on our Common Stock.

We have never declared or paid cash dividends on our Common Stock. We currently expect to use available funds and any future earnings; in the development, operation and expansion of our business; to repay debt; and, to the extent authorized by our Board, repurchasing our Common Stock. We do not anticipate paying any cash dividends on our Common Stock in the foreseeable future. As a result, capital appreciation, if any, of our Common Stock will be an investor’s only source of potential gain from our Common Stock for the foreseeable future.

Certain provisions of Florida law and anti-takeover provisions in our organizational documents may discourage or prevent a change of control, even if an acquisition would be beneficial to shareholders, which could affect our share price adversely and prevent attempts by shareholders to remove current management.

The Florida Business Corporation Act (the “***FBCA***”) includes several provisions applicable to the Company that may discourage potential acquirors. Such provisions include provisions that:

- allow directors to take other stakeholders into account in discharging their duties;
- a requirement that certain transactions with a shareholder of 10% or more ownership must be approved by the affirmative vote of two-thirds of the other shareholders unless approved by a majority of the disinterested directors or certain fair price requirements are met; and
- voting rights acquired by a shareholder at ownership levels at or above one-fifth, one-third and a majority of voting power are denied unless authorized by the Board prior to such acquisition or by a majority of the other shareholders (excluding interested shares (as defined in the FBCA)).

Additionally, our organizational documents contain provisions:

- authorizing the issuance of blank check preferred stock;
- restricting persons who may call shareholder meetings;
- permitting shareholders to remove directors only “for cause” and only by super-majority vote; and
- providing the Board with the exclusive right to fill vacancies and to fix the number of directors.

These provisions of Florida law and our articles of incorporation and bylaws could negatively affect our share price, prevent attempts by shareholders to remove current management, prohibit or delay mergers or other takeovers or changes of control of the Company and discourage attempts by other companies to acquire us, even if such a transaction would be beneficial to our shareholders.

Item 1B. Unresolved Staff Comments

There are no unresolved SEC Staff comments with respect to our SEC filings.

Item 1C. Cybersecurity

We face significant and persistent cybersecurity risks due primarily to: the substantial level of harm that could occur to us and our customers were we to suffer impacts of a material cybersecurity incident; and our use of third-party products, services and components. We are committed to maintaining robust governance and oversight of these risks and to implementing mechanisms, controls, technologies, and processes designed to help us assess, identify, and manage these risks. While we have not, as of the date of this Annual Report, experienced a cybersecurity threat or incident that resulted in a material adverse impact to our business or operations, there can be no guarantee that we will not experience such an incident in the future. In addition, these threats are constantly evolving, thereby increasing the difficulty of successfully defending against them or implementing adequate preventative measures. We seek to detect and investigate unauthorized attempts and attacks against our network, products, and services, and to prevent their occurrence and recurrence where practicable through changes or updates to our internal processes and tools and changes or updates to our products and services; however, we remain potentially vulnerable to known or unknown threats.

We aim to incorporate industry best practices throughout our cybersecurity program. Our cybersecurity strategy focuses on implementing effective and efficient controls, technologies, and other processes to assess, identify, and manage material cybersecurity risks. Our cybersecurity program is designed to be aligned with applicable industry standards and is assessed periodically by independent third-parties. We have processes in place to assess, identify, manage, and address material cybersecurity threats and incidents. These include, among other things: annual and ongoing security awareness training for employees; mechanisms to detect and monitor unusual network activity; and containment and incident response tools. We monitor issues that are internally discovered or externally reported that may affect our business, and have processes to assess those issues for potential cybersecurity impact or risk. We also have a process in place to manage cybersecurity risks associated with third-party service providers. We impose security requirements upon our suppliers, including: maintaining an effective security management program and abiding by information handling and asset management requirements. These processes and response mechanisms are continually assessed for effectiveness, and any new security mechanisms, including several in 2024, are integrated when business needs arise or industry best practices shift.

Our Board of Directors has ultimate oversight of cybersecurity risk, which it manages as part of our enterprise risk management program. That program is utilized in making decisions with respect to company priorities, resource allocations, and oversight structures. The Board of Directors is assisted by the Audit Committee, which regularly reviews our cybersecurity program with management and reports to the Board of Directors. Cybersecurity reviews by the Audit Committee or the Board of Directors generally occur at least annually, or more frequently as determined to be necessary or advisable. Our cybersecurity program is run by the head of our information security department, who reports to our Chief Financial Officer. Our Chief Financial Officer is informed about and monitors prevention, detection, mitigation, and remediation efforts through regular communication and reporting from professionals in the information security team, who hold cybersecurity certifications such as a Certified Information Systems Security Professional, and through the use of technological tools and software and results from third party audits. We have an escalation process in place to inform senior management and the Board of Directors of material issues.

Item 2. Properties

Our corporate headquarters are located in Marietta, Georgia, where we lease office, laboratory, tissue processing and warehouse space. We also lease a facility in Kennesaw, Georgia, which primarily consists of laboratory, tissue processing and warehouse space. Our properties are used for the design, manufacture and marketing of Wound & Surgical product portfolio. We believe that such properties are suitable and adequate to meet the needs of our business.

Item 3. Legal Proceedings

The description of the Company’s legal proceedings contained in Note 18, Commitments and Contingencies to our financial statements included in Item 8 is incorporated herein by reference.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market for Common Stock

Our Common Stock trades on The Nasdaq Stock Market under the trading symbol "MDXG."

Holders

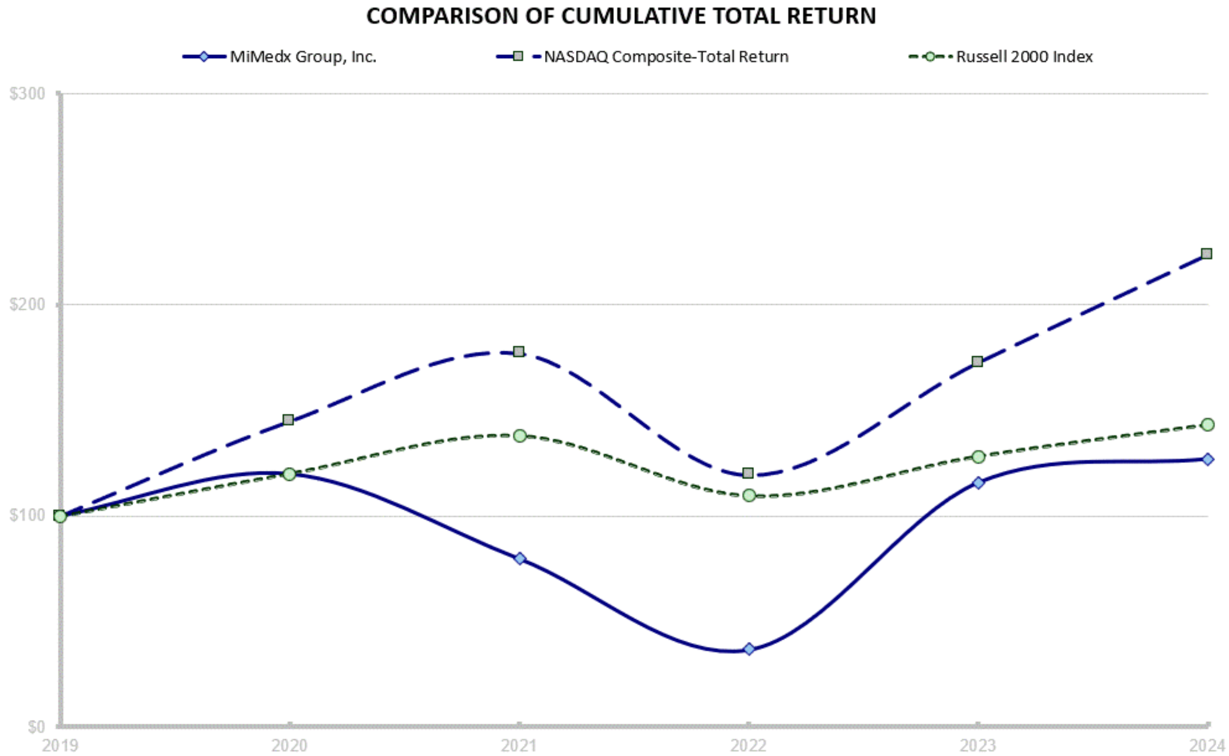
Based upon information supplied from our transfer agent, there were approximately 770 shareholders of record of our Common Stock as of February 25, 2025.

Dividends

We have not paid any dividends since our inception and do not anticipate declaring or paying any cash dividends on our Common Stock in the foreseeable future. Payment of future dividends, if any, will be at the discretion of our Board of Directors and will depend on many factors, including general economic and business conditions, our strategic plans, our financial results and condition, legal requirements and other factors as our Board deems relevant.

Stock Performance Graph

The following graph compares the cumulative total stockholder return on our Common Stock with the cumulative total stockholder return of the Nasdaq Composite Index and the Russell 2000 Index, for the five year period that commenced on December 31, 2019 and ended December 31, 2024, assuming an investment of $100.00 on December 31, 2019.



ASSUMES $100 INVESTED ON DEC. 31, 2019
ASSUMES DIVIDEND REINVESTMENT; NO DIVIDENDS ISSUED BY MIMEDX
FISCAL YEAR ENDED DEC. 31, 2024

Securities Authorized for Issuance Under Equity Compensation Plans

Information about securities authorized for issuance under our equity compensation plans is incorporated herein by reference to Item 12 of Part III of this Annual Report.

Recent Sales of Unregistered Securities

None.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The following table sets forth information regarding purchases of the Company's equity securities made by or on behalf of the Company or any affiliated purchaser (as defined in Rule 10b-18 under the Exchange Act) during the three-month period ended December 31, 2024.

	Total number of shares purchased	Average price paid per share	Total number of shares purchased under publicly announced plan	Approximate dollar value of shares that may yet be purchased under plans or programs
October 1 - October 31, 2024	13,349	$ 5.76		$ —
November 1 - November 30, 2024	—	—	—	—
December 1 - December 31, 2024	722	9.53	—	—
Total for the quarter	14,071	$ 5.95	—	$ —

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Executive Summary

During 2024, we delivered 8.5% growth in net sales, with broad-based contributions by customer type. This growth was driven by a combination of commercial execution and demand for newer products, despite ongoing Medicare reimbursement uncertainty for the private office and associated care settings as well as a higher than normal level of customer and employee turnover in the middle of the year. Operating and financial highlights during the year include:

- Fourth quarter and full year 2024 net sales of $92.9 million and $348.9 million, respectively, reflecting 7.0% and 8.5% growth over the fourth quarter and full year 2023, respectively.
- GAAP net income for the fourth quarter and full year 2024 of $7.4 million and $42.0 million, respectively.
- Announced improved capital structure with new credit facilities that provide substantial interest savings over the Company's prior indebtedness and access to additional capital in support of the Company's strategic priorities
- Introduced e-commerce and account management platform, MIMEDX Connect, designed to streamline ordering, payment processing, and reimbursement submissions for our customers,
- Entered into an exclusive agreement providing the Company with rights to commercialize HELIOGEN, a 510(k) cleared, bovine-derived collagen matrix particulate that is indicated for the management of exudating wounds, which launched commercially during the second half of 2024
- Announced publication focused on surgical applications using MIMEDX placental-based allografts in Nature - Scientific Reports. The study adds to the Company's growing body of evidence and expands the understanding of the regulatory capabilities of its DHACM and LHACM allografts on the fibrotic process
- Highlighted the publication of a feature article on placental allografts for patients with hard-to-heal, acute and chronic wounds, which was published in the New York Times: "Her Face Was Unrecognizable After an Explosion. A Placenta Restored It"

On April 13, 2025, new LCDs are currently scheduled to go into effect which will modify the reimbursement of skin substitutes in physician office settings. Among other changes, many allografts that have been covered will no longer be reimbursed for DFUs and/or VLUs. While EPIFIX and EPICORD continue to be covered under the new LCD, certain of our other products are not currently included. In the past LCDs have been delayed or terminated so there is no guarantee they will go into effect in April 2025

Overview

MIMEDX is a pioneer and leader in placental biologics focused on delivering innovative solutions to patients and the healthcare professionals who treat them. With more than a decade of experience helping clinicians manage acute and chronic wounds, MIMEDX has been dedicated to providing a leading portfolio of products for applications in the wound care, burn, and surgical sectors of healthcare. All of our products sold in the United States are regulated by the FDA. We apply Current Good Tissue Practices (***"CGTP"***) and other applicable quality standards in addition to terminal sterilization to produce our allografts.

Our Products

Our product portfolio is divided into two categories (1) Wound Care Products and (2) Surgical and Other Products.

The Wound Care products we manufacture include EPIFIX and EPIEFFECT, which are marketed for external use, such as in Advanced Wound Care applications. Within Surgical and Other, our product offering includes AMNIOFIX and AMNIOEFFECT, which are positioned for use in a variety of applications and surgical settings, including lower extremity repair, plastic surgery, vascular surgery and multiple orthopedic repairs and reconstructions. From time to time, we will also acquire, manufacture and market other products in the wound care, surgical or other products in response to market demands or to maintain our competitive position.

In 2024, we also launched HELIOGEN, a particulate xenograft product aimed at addressing complex wounds primarily in the surgical setting. HELIOGEN is a shelf-stable offering that contains Type I and Type III collagen and mimics the native composition of structural connective tissue, HELIOGEN is manufactured by Regenity Biosciences.

This discussion, which presents our results for the fiscal years ended December 31, 2024 and 2023, should be read in conjunction with our Consolidated Financial Statements and the accompanying notes. Also, please refer to Part I, Item 1, *Business*, and Part I, Item 1A, *Risk Factors*, which include detailed discussions of various items impacting our business, results of operations and financial condition. We intend for this discussion to provide the reader with information that will assist in understanding our financial statements, the changes in certain key items in those financial statements from period to period and the primary factors that accounted for those changes. We also discuss certain performance metrics that management uses to assess the Company's performance.

Our Annual Report for the year ended December 31, 2023 (the "***2023 Annual Report***") includes a discussion and analysis of our total company financial condition and results of operations for 2023 compared to 2022 in Part II, Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

Components of and Key Factors Influencing Our Results of Continuing Operations

In assessing the performance of our business, we consider a variety of performance and financial measures. We believe the items discussed below provide insight into the factors that affect these key measures.

Net sales

Our net sales are derived from selling to a wide range of customers, including hospitals, wound care centers and private physician offices that have clinicians using our suite of products to aid in the management of patients with chronic or hard-to-heal wounds. These customers choose products like ours based upon a variety of factors, including clinical efficacy, availability, handling characteristics, and reimbursement coverage and payer sources. Net sales are recognized based on the consideration we expect to receive from the sale at the point in time when control of the goods is transferred to the customer, which generally occurs upon our delivery to a third-party carrier or implantation for consignment arrangements. Net sales consists of the gross selling price of the product, less any discounts, rebates and other customer incentives, fees paid to GPOs, and returns.

Cost of goods sold and gross profit

Cost of goods sold includes product testing costs, quality assurance costs, personnel costs, manufacturing costs, raw materials and product costs, depreciation and facility costs associated with our manufacturing and warehouse facilities. Fluctuations in our cost of goods sold correspond with the fluctuations in these costs as well as sales volume.

Gross profit is calculated as net sales less cost of goods sold. Gross margin is calculated as gross profit divided by net sales. Our gross margin is affected by product and geographic sales mix, realized pricing of our products, the efficiency of our manufacturing operations and the costs of materials used to make our products. Regulatory actions, including with respect to reimbursement for our products, may require costly expenditures or result in pricing pressure, and may decrease our gross profit and gross margin.

Selling, general and administrative expense

Selling, general and administrative expense consists of both selling and marketing ("***S&M***") and general and administrative ("***G&A***") expenses. S&M includes costs to execute our sales strategy, which includes personnel costs pertaining to our sales force and sales support functions, including salaries, commissions and other incentive compensation, commissions to sales agents, customer support, travel expenses, and bad debt expense. G&A expense reflects costs related to functions which support our business, such as legal, finance, human resources, and other such functions, including personnel costs associated with these functions, insurance, and certain professional fees. We expect our S&M expense to fluctuate based on revenue fluctuations, geographic changes, and any changes to the size of our headcount, particularly that of our sales and marketing forces. Certain of these costs scale with sales, but can fluctuate depending on sales mix. For example, we pay sales agents a greater commission than our internal sales force, meaning that we could incur greater commission expenses if a greater proportion of our sales are through sales agents. We expect our G&A expense to fluctuate based on headcount.

Research and development expense

Research and development expense relates to our investments to expand our product pipeline and platforms, including historically through clinical trials, as well as expenditures in improvements to our manufacturing process and the enhancement of existing products. Our research and development costs also include expenses such as salaries and benefits related to our research department, consulting costs and advisory costs, and regulatory costs.

We expense research and development costs as incurred. Fluctuations in research and development expenses can be impacted by the timing and cadence of our clinical trials.

Investigation, restatement and related (benefit) expense

Investigation, restatement and related expense primarily related to legal fees that were advanced to certain former officers and directors of the Company under certain indemnification agreements and our liability from legal proceedings that were taken against us. These costs ceased during the year ended December 31, 2024 and are not expected to reoccur.

Interest expense, net

We incur interest expense primarily through stated interest on our outstanding term and revolving loans, to the extent that they are outstanding. The interest on our term and revolving loans are currently tied to applicable Secured Overnight Financing Rates ("***SOFR***"). Increases in SOFR could cause our interest expense to increase. Other activity influencing interest expense relates to the amortization of deferred financing costs and original issue discount associated with credit facilities outstanding. This amount is presented net of interest income, which we generate from our treasury management.

Income Tax Provision

We generate tax liability primarily in the United States and in various states in which we have nexus. Across these jurisdictions, we have net operating losses, research and development tax credit carryforwards, and other deferred tax assets which materially defray our liability. Large fluctuations in our effective tax rate are generally driven by changes in our expectations of the realizability of our deferred tax assets. See "*Critical Accounting Estimates*" for further details. Our effective tax rate is also impacted by other permanent items, primarily executive compensation limitations and windfall or shortfall on the vesting of stock awards.

Results of Continuing Operations for 2024 Compared to 2023

	Year Ended December 31, (in thousands)			
	2024	2023	$ Change	% Change
Net sales	$ 348,879	$ 321,477	$ 27,402	8.5 %
Cost of sales	60,073	54,634	5,439	10.0 %
Gross profit	288,806	266,843	21,963	8.2 %
Selling, general and administrative	225,087	211,124	13,963	6.6 %
Research and development	12,341	12,665	(324)	(2.6)%
Investigation, restatement and related	(8,698)	5,176	(13,874)	nm
Amortization of intangible assets	765	762	3	0.4 %
Impairment of intangible assets	446	—	446	100.0 %
Interest expense, net	(1,006)	(6,457)	5,451	(84.4)%
Other expense, net	(565)	(26)	(539)	nm
Income tax provision benefit (expense)	(15,296)	36,806	(52,102)	nm
Net income (loss) from continuing operations	$ 41,998	$ 67,439	$ (25,441)	(37.7)%

Net Sales

We recorded net sales for the year ended December 31, 2024 of $348.9 million, an increase of $27.4 million, or 8.5%, over net sales for the year ended December 31, 2023 net sales of $321.5 million.

Our sales by product category were as follows (amounts in thousands):

	Year Ended December 31,		% of net sales		Change	
	2024	2023	2024	2023	$	%
Wound	$ 231,004	$ 205,660	66 %	64 %	$ 25,344	12.3 %
Surgical	117,875	115,817	34 %	36 %	$ 2,058	1.8 %
Net sales	$ 348,879	$ 321,477	100 %	100 %	$ 27,402	8.5 %

Net sales in the Wound category were $231.0 million for the year ended December 31, 2024, a $25.3 million, or 12.3% increase, compared to $205.7 million for the year ended December 31, 2023. The increase was primarily driven by sales of EPIEFFECT, partially offset by commercial challenges associated with competitive behavior in the marketplace as well as headwinds relating to turnover of certain of our sales team and customers.

Net sales in the Surgical category grew by $2.1 million, or 1.8%, to $117.9 million for the year ended December 31, 2024, compared to $115.8 million for the year ended December 31, 2023. The increase reflects growing sales volume contributions from AMNIOEFFECT, partially offset by lower AXIOFILL compared to the prior year due to regulatory headwinds. In addition, Surgical sales for the year ended December 31, 2023 reflects $3.3 million of sales of our dental product which we have since discontinued.

Gross Margin and Cost of Sales

Gross margin in 2024 was 82.8%, compared to 83.0% in 2023. The decrease in margin was driven by the amortization of various intangible assets acquired during 2024. This effect was offset by a favorable product mix and our continued execution on scrap improvement projects, partially offset by throughput pressures.

Cost of sales for the year ended December 31, 2024 was $60.1 million, an increase of $5.4 million, or 10.0%, compared to $54.6 million for the year ended December 31, 2023. The increase in cost of sales was driven by the increase in sales volume and the changes in margins noted above.

Selling, General and Administrative Expense

SG&A expense increased $14.0 million, or 6.6%, to $225.1 million for December 31, 2024, compared to $211.1 million for December 31, 2023. The following table shows the composition of this expense between selling and marketing ("***S&M***") and general and administrative ("***G&A***") components (amounts in thousands):

	Year Ended December 31,		Change	
	2024	2023	$	%
Selling and marketing	$ 175,562	$ 161,833	$ 13,729	8.5 %
General and administrative	49,525	49,291	234	0.5 %
Selling, general and administrative	$ 225,087	$ 211,124	$ 13,963	6.6 %

Sales and marketing expenses increased $13.7 million, or 8.5%, year over year, which was driven by increases in commissions due to higher sales and higher effective commission rates. General and administrative expense increased $0.2 million, or 0.5%, year-over-year. The increase was driven by general increases in salaries from merit increases, offset by reductions in severance expense and professional services.

Research and Development Expense

Our research and development ("***R&D***") expense was $12.3 million for the year ended December 31, 2024, compared to $12.7 million for the year ended December 31, 2023. The decrease in R&D expense related to the timing of our product development activities, which primarily related to EPIEFFECT in 2023.

Investigation, Restatement and Related Expense

Investigation, restatement, and related expenses for the year ended December 31, 2024 was a benefit of $8.7 million, compared to expense of $5.2 million for the year ended December 31, 2023. The benefit was resulted from various settlements related to former officers and other related matters during 2024. This was offset by the last material payment towards the resolution of matters stemming from the findings of our historical Audit Committee investigation during the year ended December 31, 2024. We do not expect activity to be material in future periods.

Amortization of Intangible Assets

Amortization expense related to intangible assets were $0.8 million for each of the years ended December 31, 2024 and 2023.

Impairment of Intangible Assets

Impairment for the year ended December 31, 2024 was $0.4 million, which relates to abandoned patents.

Interest Expense, Net

Interest expense decreased $5.5 million to $1.0 million for the year ended December 31, 2024 from $6.5 million for the year ended December 31, 2023. The decrease was the result of a decrease in outstanding debt and lower rates under the Citizens Credit Facilities after the Debt Refinancing Transactions (as defined below) was completed in January 2024. Improvements in our treasury management further aided the decrease. This decrease was partially offset by a $1.4 million loss on extinguishment of debt due to repaying and terminating a previous loan agreement during the first quarter of 2024.

Income Tax Provision

Our effective tax rates for 2024 and 2023 was 26.7% and (120.2)%, respectively, on income from continuing operations before income tax provision of $57.3 million and $30.6 million for 2024 and 2023, respectively.

Our effective tax rate in 2024 was favorably impacted by vestings of restricted stock, offset by executive compensation deduction limitations.

Our effective tax rate for the year ended December 31, 2023 was significantly impacted by the reversal of a valuation allowance. In the period, the Company noted that it was no longer in a cumulative three-year loss on a continuing operations basis, after excluding the effects of permanent book-tax differences. The absence of such negative evidence, coupled with our expectation for future taxable income generation, led to a change in our assessment of the realizability of our deferred tax assets.

Liquidity and Capital Resources

We require capital for our operating activities, including costs associated with the sale of product through direct and indirect sales channels, research and development activities, compliance costs, costs to sell and market our products, regulatory fees, and legal and consulting fees in connection with ongoing litigation and other matters. We generally fund our operating capital requirements through our operating activities and cash reserves. We expect to use capital to invest in the broadening of our product portfolio, including through potential acquisitions, licensing agreements or other arrangements, the international expansion of our business and certain capital projects.

As of December 31, 2024, we had $104.4 million of cash and cash equivalents.

Our net working capital at December 31, 2024 was $146.3 million, an increase of $28.0 million from $118.3 million at December 31, 2023. Our current ratio was 4.2 to 1 and 3.6 to 1 as of as of December 31, 2024 and 2023, respectively. We had no borrowings outstanding and $75 million of availability under our Revolving Credit Facility (as defined below).

The Company is currently paying its obligations in the ordinary course of business. We believe that our anticipated cash from operating activities, existing cash and cash equivalents, and available credit under the Citizens Credit Agreement, as defined below, will enable us to meet our operational liquidity needs for the twelve months following the filing date of this Annual Report.

Contractual Obligations

Contractual obligations associated with ongoing business activities are expected to result in cash payments in future periods. See Item 8, Note 18, *Commitments and Contingencies*, in the Consolidated Financial Statements for more information regarding our contractual commitments.

Citizens Loan Facilities

On January 19, 2024, we entered into a Credit Agreement (the “***Citizens Credit Agreement***”) with a syndicate of banks comprised of Citizens Bank, N.A. as administrative agent (the “***Agent***”), and Bank of America, N.A. The Citizens Credit Agreement was designed to simultaneously improve our capital structure, providing the ability to refinance the $50 million senior secured term loan under the Hayfin Loan Agreement (as defined below) at lower interest rates and have access to additional borrowing capacity that could be deployed in the future in support of our organic and potential inorganic growth objectives.

The Citizens Credit Agreement provides for senior secured credit facilities in an aggregate principal amount of up to $95.0 million consisting of: (i) a $75.0 million senior secured revolving credit facility (the “***Revolving Credit Facility***”) with a $10.0 million letter of credit sublimit and a $10.0 million swingline loan sublimit, and (ii) a $20.0 million senior secured term loan facility (the “***Term Loan Facility***” and, together with the Revolving Credit Facility, the “***Credit Facilities***”). All obligations are required to be paid in full on January 19, 2029 (the “***Maturity Date***”), and are guaranteed by certain of our subsidiaries, and secured by substantially all of the assets of the Company and the guarantors pursuant to a customary security agreement. Subject to the terms of the Citizens Credit Agreement, we have the option to obtain one or more incremental term loan facilities and/or increase the commitments under the Revolving Credit Facility in an aggregate principal amount equal to the greater of (i) $50.0 million and (ii) 1.00 times the Company’s Consolidated EBITDA as defined therein, each subject to the existing or any new lenders’ election to extend additional term loans or revolving commitments.

At our option, borrowings under the Citizens Credit Agreement (other than any swingline loan) will bear interest at a rate per annum equal to (i) the Alternate Base Rate, as defined therein, or (ii) a Term SOFR as defined therein, in each case plus an applicable margin ranging from 1.25% and 2.50% with respect to Alternate Base Rate borrowings and 2.25% and 3.50% for Term SOFR borrowings. Swingline loans will bear interest at a rate per annum equal to one-month Term SOFR plus the applicable margin. The applicable margin will be determined based on the Company’s consolidated total net leverage ratio.

We are required to pay a quarterly commitment fee on any unused portion of the Revolving Credit Facility, letter of credit fees, and other customary fees to the Agent and the Lenders. The Term Loan Facility will amortize on a quarterly basis at 1.25% (for year one and two), 1.875% (for year three and four), and 2.5% (for year five) based on the aggregate principal amount outstanding under the Term Loan Facility at inception, with the remainder due on the Maturity Date. We must make mandatory prepayments in connection with certain asset dispositions and casualty events, subject in each case to customary reinvestment rights. We may prepay borrowings under the Credit Facilities at any time, without premium or penalty, and may, at our option, reduce the aggregate unused commitments under the Revolving Credit Facility in whole or in part, in each case subject to the terms of the Credit Agreement. We must also comply with certain financial covenants, including a maximum total net leverage ratio and a minimum consolidated fixed charge coverage ratio, as well as other customary restrictive covenants.

In addition, on January 19, 2024, we borrowed $30.0 million under the Revolving Credit Facility and $20.0 million under the Term Loan Facility. Proceeds from the initial drawings under the Credit Facilities, together with cash on hand, were used to repay in full the $50.0 million principal amount and other obligations under that certain Loan Agreement, dated as of June 30, 2020 (as amended from time to time), by and among the Company, the guarantors party thereto, the lenders party thereto and Hayfin Services LLP, as administrative and collateral agent (as amended from time to time, the “***Hayfin Loan Agreement***”) and to pay related fees, premiums, costs and expenses (collectively with the entry into the Citizens Credit Agreement and the initial borrowings thereunder, the “***Debt Refinancing Transactions***”).

In February 2024, we repaid the initial $30.0 million drawing under the Revolving Credit Facility. There were no borrowings on the Revolving Credit Facility outstanding as of December 31, 2024.

Discussion of Cash Flows for 2024 Compared to 2023

Operating Activities from Continuing Operations

During the year ended December 31, 2024, net cash provided by operating activities of continuing operations increased $32.2 million to $67.1 million compared to cash provided of $34.9 million for the year ended December 31, 2023. The increase in cash provided by operating activities was primarily as a result of year-over-year increases in net sales, which drove increases in collections from customers.

Investing Activities

During the year ended December 31, 2024, net cash used in investing activities was $9.6 million, a increase of $7.4 million, compared to $2.2 million for the year ended December 31, 2023. The primary reason for the increase was our investments to expand our product portfolio through various acquisitions during 2024. This was offset by a decrease in capital expenditures, year over year.

Financing Activities

During the year ended December 31, 2024, net cash used in financing activities was $34.2 million, an increase of $25.6 million compared to $8.6 million for the year ended December 31, 2023. During 2024, we entered into the Citizens Credit Agreement, as described above. The cash used during 2024 was due to the repayment of the initial $30.0 million drawing under the Revolving Credit Facility, deferred financing costs and other payments made as part of the Debt Refinancing Transactions, as described above. Other activity contributing to the increase included stock repurchases for tax withholdings upon vesting of employee awards of $2.6 million, proceeds from exercise of stock options of $1.4 million, and scheduled payments on our Term Loan Facility under the Citizen's Credit Agreement of $1.0 million. The increase was offset by the repurchase of our historical Series B Preferred Stock of $9.5 million during 2023.

Critical Accounting Estimates

This Management's Discussion and Analysis of Financial Condition and Results of Operations discusses our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America ("***GAAP***"). The preparation of these financial statements requires that we make judgments and estimates which may affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. We derive these judgments and estimates on historical experience and other relevant factors which we believe to be reasonable. Actual results may differ from these estimates.

Share-Based Compensation

Description

We measure the fair value of stock options and other stock-based awards granted to employees on the grant date and recognize the assessed fair value as share-based compensation expense, straight-line, over the requisite service period to achieve the award based on the vesting requirements to the extent that the achievement of performance conditions associated with such awards, as applicable, are determined to be "probable."

Judgments and Uncertainties

Share-based payment arrangements are measured at fair value on the grant date. The fair value of restricted stock units and performance stock units are generally measured at the last trading price on the grant date. Options are measured using an appropriate option pricing model using applicable inputs as of the grant date. In each case, the grant date fair value is adjusted for the presence of any market conditions.

Subsequent to the determination of fair value, we recognize expense to the extent we evaluate that performance conditions associated with share-based payment arrangements are probable of occurring. We determine probable performance based on actual performance to date, internally-developed budgets and forecasts for periods covered by the relevant performance condition, and other evidence deemed relevant to this determination. We re-evaluate our probability assessments at least quarterly, with any revisions reflected as a cumulative adjustment to expense. Because of the cumulative nature of adjustments, during any period in which we re-evaluate probability, the adjustments could significantly impact our results of operations.

Sensitivity of Estimate to Change

As of December 31, 2024, all outstanding performance stock unit awards vest on the basis of stipulated revenue targets in addition to continued employment. Cumulative expense recognized for unvested performance stock unit awards was $5.9 million as of December 31, 2024. This was based on determinations regarding probable resolution or the extent of probable resolution of relevant performance conditions to earn such awards.

If it is subsequently determined that the performance conditions associated with the performance stock unit awards are no longer probable of being met, or performance conditions which were determined to be probable of occurring do not actually occur, we could reverse up to this amount of expense in the period such determination is made. Furthermore, if probable levels of achievement are later determined to be greater, or actual achievement exceeds the level of achievement assessed as probable, we could record increases to expense to reflect this level of achievement. As of December 31, 2024, a revision of expense to reflect the maximum hypothetical attainment of all unvested performance stock units would result in a $7.8 million increase to expense. Conversely, a revision of expense to reflect that no shares are probable of vesting would result in a $5.9 million decrease to expense. The amount of any incremental expense recognition or reversal will depend on the magnitude and timing of such change in estimate. With the amount of units awarded, any change in the probability has the potential to be material to the financial statements.

Net Sales

Description

We record estimates for returns and allowances as a reduction to net sales based on our expectation for such returns.

Judgments and Uncertainties

We sell our products to individual customers and independent distributors (collectively referred to as "***customers***"). Customers obtain and use products either through ship and bill sales or consignment arrangements. We recognize revenue as performance obligations are fulfilled, which generally occurs upon the shipment of product to customers for ship and bill sales or upon implantation for consignment sales. We recognize revenue based on consideration we expect to receive from the sale. This consists of the gross selling price of the product, less any discounts, rebates, fees paid to GPOs, and an expectation for sales returns.

We maintain a return policy that allows our customers to return product for any reason within 30 days of sale, and to return product that is damaged or non-conforming, ordered in error, or due to recall at any time.

We derive an expectation for product returns based on historical return patterns and other discrete factors which influence return activity, such as changes in our regulatory environment, product recalls, changes in reimbursement rates, changes in reimbursement eligibility and rules, and other factors also impact return patterns. Determinations involving other factors are based on our estimates for product at customer sites that are eligible for return.

Additions or reversals to our return allowance, as determined necessary, are accounted for prospectively and recorded as a decrease or increase to net sales, respectively. Actual returns are recorded against the recorded accrual.

Sensitivity of Estimate to Change

We have accrued $2.0 million for sales returns as of December 31, 2024. Changes in return patterns or unforeseen changes in regulations or identified product recalls could cause returns significantly in excess of this estimate.

Income Taxes

Description

We have $28.8 million of net deferred tax assets available to us to defray future tax liability, including net operating loss carryforwards, research and development tax credits, and other future deductions and credits. We record a valuation allowance to offset our gross deferred tax asset to the extent that realization is not likely.

Judgments and Uncertainties

Deferred income taxes arise from temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements. Transactions which result in lower taxable income in the future give rise to deferred tax assets. GAAP requires that the net balance of deferred tax assets reflect the extent of utilization which is 'more likely than not'. This is accomplished through a valuation allowance recorded against gross deferred tax assets.

We evaluate our ability to recover deferred tax assets based on projected future taxable income, scheduled reversals of deferred tax liabilities, tax planning strategies, and our recent operating results. Judgment is required to determine whether the totality of this evidence suggests that we can recover our deferred tax assets in the future.

Sensitivity of Estimate to Change

As of December 31, 2024, we had $0.5 million in valuation allowances recorded against our deferred tax assets balance of $28.8 million. The amount and extent of the valuation allowance necessary to reflect the extent of realization of these deferred tax assets being more likely than not may change due to changes in tax law, a revision to our expectation regarding taxable income in the future, taxable income generated in a period in which we had not previously anticipated taxable income, a change in scheduled reversals of deferred tax liabilities, and other changes.

Recently Adopted Accounting Pronouncements

See Item 8, Note 2, *Significant Accounting Policies*, in the Consolidated Financial Statements for recently adopted accounting pronouncements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to risks associated with changes in interest rates that could adversely affect our results of operations and financial condition. We do not hedge against interest rate risk.

Interest Rate Risk

The interest rate on our Term Loan Facility is currently determined quarterly based on the 1-month SOFR. As of December 31, 2024, the interest rate on our Term Loan Facility was 6.7%. A 100-basis point change in SOFR would change interest expense by $0.2 million on an annualized basis.

Item 8. Financial Statements and Supplementary Data

Index to Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of MiMedx Group, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of MiMedx Group, Inc. and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations, stockholders' equity (deficit), and cash flows, for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 26, 2025, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Net Sales - Revenue Recognition — Refer to Note 2 in the financial statements

Critical Audit Matter Description

The Company sells its products primarily to individual customers and independent distributors (collectively referred to as “customers”). Customers obtain and use products either through ship and bill sales or consignment arrangements. Under ship and bill arrangements, the Company retains possession of the product until the customer submits an order and the order is shipped to the customer. Under consignment arrangements, the customer takes possession of the product, but the Company retains title until the implantation, or application of the Company’s product to the end user. The Company recognizes revenue as performance obligations are fulfilled, which generally occurs upon the shipment of product to the customers for ship and bill orders or upon implantation for consignment sales.

We identified the timing of revenue recognition for ship and bill and consignment sales at or near year end as a critical audit matter because of the judgments involved in evaluating that the performance obligations are fulfilled. This required a higher degree of audit effort and auditor judgment when performing audit procedures and evaluating the results of these procedures.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the timing of revenue recognition transactions included the following, among others:

- We tested the effectiveness of controls over the recognition of ship and bill and consignment sales at or near year end.

- We created data visualizations using a detail of all revenue transactions and evaluated trends in the transactional revenue data with emphasis on activity at or near year end.
- We evaluated and tested corollary relationships between revenue and related accounts.
- We evaluated the appropriateness and consistency of the methods and assumptions utilized by management to estimate consignment revenue.
- We tested a sample of consignment revenue transactions accrued as of year-end and evaluated whether the transactions were recorded in the correct period.
- We tested a sample of ship and bill revenue transactions close to period end by agreeing the amounts recognized to source documents and evaluating whether the transaction was recorded in the correct period.
- We tested a sample of sale refunds issued after year end by agreeing to documents supporting the authorization for the issuance of the refund and evaluating if the refund was recorded in the correct period.

/s/ Deloitte & Touche LLP
Atlanta, Georgia
February 26, 2025
We have served as the Company's auditor since 2021.

MIMEDX GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	December 31,	
	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 104,416	$ 82,000
Accounts receivable, net	55,828	53,871
Inventory	23,807	21,021
Prepaid expenses	5,018	5,624
Other current assets	2,817	1,745
Total current assets	191,886	164,261
Property and equipment, net	5,944	6,974
Right of use assets	5,606	2,132
Deferred tax assets	28,306	40,777
Goodwill	19,441	19,441
Intangible assets, net	11,626	5,257
Other assets	1,106	205
Total assets	$ 263,915	$ 239,047
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long term debt	$ 1,000	$ 1,000
Accounts payable	7,409	9,048
Accrued compensation	23,667	22,353
Accrued expenses	9,012	9,361
Current portion of Profit Share Payments	1,421	—
Current liabilities of discontinued operations	—	1,352
Other current liabilities	3,086	2,894
Total current liabilities	45,595	46,008
Long term debt, net	17,830	48,099
Other liabilities	7,383	2,223
Total liabilities	$ 70,808	$ 96,330
Commitments and contingencies (Note 18)		
Stockholders' equity		
Common stock; $.001 par value; 250,000,000 shares authorized, 146,932,032 issued and outstanding at December 31, 2024 and 146,227,639 issued and outstanding at December 31, 2023	147	146
Additional paid-in capital	284,219	276,249
Accumulated deficit	(91,259)	(133,678)
Total stockholders' equity	193,107	142,717
Total liabilities and stockholders' equity	$ 263,915	$ 239,047

See notes to the consolidated financial statements.

MIMEDX GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except share and per share data)

	Year Ended December 31,		
	2024	2023	2022
Net sales	$ 348,879	$ 321,477	$ 267,841
Cost of sales	60,073	54,634	48,316
Gross profit	288,806	266,843	219,525
Operating expenses:			
Selling, general and administrative	225,087	211,124	208,673
Research and development	12,341	12,665	12,701
Investigation, restatement and related	(8,698)	5,176	12,177
Amortization of intangible assets	765	762	701
Impairment of intangible assets	446	—	—
Operating income (loss)	58,865	37,116	(14,727)
Other expense, net			
Interest expense, net	(1,006)	(6,457)	(5,016)
Other expense, net	(565)	(26)	(4)
Income (loss) from continuing operations before income tax provision	57,294	30,633	(19,747)
Income tax provision (expense) benefit from continuing operations	(15,296)	36,806	(206)
Net income (loss) from continuing operations	41,998	67,439	(19,953)
Income (loss) from discontinued operations, net of tax	421	(9,211)	(10,244)
Net income (loss)	$ 42,419	$ 58,228	$ (30,197)
Net income (loss) available to common stockholders from continuing operations	$ 41,998	$ 55,796	$ (26,533)
Basic net income (loss) per common share:			
Continuing operations	$ 0.29	$ 0.48	$ (0.24)
Discontinued operations	0.00	(0.08)	(0.09)
Basic net income (loss) per common share:	$ 0.29	$ 0.40	$ (0.33)
Diluted net income (loss) per common share:			
Continuing operations	$ 0.28	$ 0.43	$ (0.24)
Discontinued operations	0.00	(0.06)	(0.09)
Diluted net income (loss) per common share:	$ 0.28	$ 0.37	$ (0.33)
Weighted average common shares outstanding - basic	146,979,354	116,495,810	112,909,266
Weighted average common shares outstanding - diluted	149,049,197	145,962,462	112,909,266

See notes to the consolidated financial statements.

MIMEDX GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (in thousands)

	Year Ended December 31,		
	2024	2023	2022
Cash flows from operating activities:			
Net income (loss) from continuing operations	$ 41,998	$ 67,439	$ (19,953)
Adjustments to reconcile net income (loss) from continuing operations to net cash flows provided by (used in) operating activities of continuing operations:			
Share-based compensation	16,933	16,959	11,328
Deferred income tax provision	12,472	(37,802)	—
Shares received in settlement of litigation	(9,300)	—	—
Amortization of intangible assets	3,762	762	701
Depreciation	2,279	2,665	3,345
Loss on extinguishment of debt	1,401	—	—
Non-cash lease expenses	1,310	1,268	1,259
Credit loss expense	595	1,449	2,820
Other	1,112	613	542
Increase (decrease) in cash resulting from changes in:			
Accounts receivable	(2,552)	(12,237)	(5,937)
Inventory	(2,357)	(7,838)	(1,794)
Prepaid expenses	606	(283)	(1,371)
Other assets	(958)	1,535	(333)
Accounts payable	(1,410)	783	839
Accrued compensation	2,896	1,829	(1,859)
Accrued expenses	(789)	(1,708)	2,366
Other liabilities	(870)	(497)	75
Net cash flows provided by (used in) operating activities of continuing operations	67,128	34,937	(7,972)
Net cash flows used in operating activities of discontinued operations	(930)	(8,162)	(9,921)
Net cash flows provided by (used in) operating activities	66,198	26,775	(17,893)
Cash flows from investing activities:			
Purchases of equipment	(1,683)	(1,987)	(1,514)
Cash paid for acquisitions	(7,862)	—	—
Other	(38)	(168)	(1,146)
Net cash flows used in investing activities	(9,583)	(2,155)	(2,660)
Cash flows from financing activities:			
Proceeds from Citizens Revolving Credit Facility	30,000	—	—
Proceeds from Citizens Term Loan Facility	19,783	—	—
Prepayment premium on Hayfin term loan	(500)	—	—
Deferred financing cost	(1,101)	—	—
Repayment of Hayfin term loan	(50,000)	—	—
Repayment of Citizens Revolving Credit Facility	(30,000)	—	—
Principal payments on Citizens Term Loan Facility	(1,000)	—	—
Proceeds from exercise of stock options	1,397	997	651
Stock repurchased for tax withholdings on vesting of restricted stock	(2,641)	—	(1,190)
Repurchase of Series B Preferred Shares	—	(9,515)	—
Other	(137)	(52)	(41)
Net cash flows used in financing activities	(34,199)	(8,570)	(580)

Net change in cash	22,416	16,050	(21,133)
Cash and cash equivalents, beginning of period	82,000	65,950	87,083
Cash and cash equivalents, end of period	$ 104,416	$ 82,000	$ 65,950

See notes to the consolidated financial statements.

MIMEDX GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

(in thousands, except share data)

	Common Stock		Additional Paid-in	Treasury Stock		Accumulated	
	Shares	Amount	Capital	Shares	Amount	Deficit	Total
Balance at December 31, 2021	112,703,926	$ 113	$ 165,695	778,710	$ (4,017)	$ (161,709)	$ 82
Share-based compensation expense	—	—	12,666	—	—	—	12,666
Exercise of stock options	160,762	—	(618)	(151,239)	1,269	—	651
Issuance of restricted stock	840,759	1	(3,969)	(882,251)	3,968	—	—
Restricted stock shares canceled/forfeited	—	—	30	5,338	(30)	—	—
Shares repurchased for tax withholding	—	—	—	249,442	(1,190)	—	(1,190)
Net loss	—	—	—	—	—	(30,197)	(30,197)
Balance at December 31, 2022	113,705,447	$ 114	$ 173,804	—	$ —	$ (191,906)	$ (17,988)
Share-based compensation expense	—	—	17,178	—	—	—	17,178
Employee stock purchase plan	444,809	—	1,367	—	—	—	1,367
Issuance of restricted stock	2,185,604	2	(268)	(73,335)	266	—	—
Restricted stock shares canceled/forfeited	—	—	378	90,367	(378)	—	—
Exercise of stock options	130,129	—	885	(17,032)	112	—	997
Repurchase of Series B Preferred Stock	—	—	(4,935)	—	—	—	(4,935)
Conversion of Series B Preferred Stock	29,761,650	30	87,840	—	—	—	87,870
Net income	—	—	—	—	—	58,228	58,228
Balance at December 31, 2023	146,227,639	$ 146	$ 276,249	—	$ —	$ (133,678)	$ 142,717
Share-based compensation expense	—	—	16,933	—	—	—	16,933
Employee stock purchase plan	245,640	—	1,582	—	—	—	1,582
Issuance of restricted stock, net	1,451,067	2	(2,643)	—	—	—	(2,641)
Exercise of stock options	207,686	—	1,397	—	—	—	1,397
Shares received in settlement of litigation	(1,200,000)	(1)	(9,299)	—	—	—	(9,300)
Net income	—	—	—	—	—	42,419	42,419
Balance at December 31, 2024	146,932,032	$ 147	$ 284,219	—	$ —	$ (91,259)	$ 193,107

See notes to the consolidated financial statements.

MIMEDX GROUP, INC. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Nature of Business

MiMedx Group, Inc. (together with its subsidiaries, except where the context otherwise requires, "***MIMEDX***," or the "***Company***") is a pioneer and leader in placental biologics focused on helping humans heal. With more than a decade of helping clinicians manage chronic and other hard-to-heal wounds, MIMEDX is dedicated to providing a leading portfolio of products for applications in the wound care, burn, and surgical sectors of healthcare. The Company's vision is to be the leading global provider of healing solutions through relentless innovation to restore quality of life. All of our products sold in the United States are regulated by the United States Food and Drug Administration ("***FDA***").

The Company's product portfolio and product development focuses on Wound and Surgical markets.

The Company's business is focused primarily on the United States of America but the Company also has a small commercial presence in several international locations, including Japan.

2. Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of MiMedx Group, Inc. and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated upon consolidation.

Reclassifications

Current portion of long term debt of $1.0 million as of December 31, 2023, which was presented in other current liabilities in previously-issued financial statements, has been reclassified to be presented in a separate line item, still within current liabilities, in these consolidated financial statements to conform to current year presentation.

Use of Estimates

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("***GAAP***"). GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported consolidated statements of operations during the reporting period. Actual results could differ from those estimates. Significant estimates include estimates of useful lives of property and equipment and intangible assets, impairment of property and equipment, goodwill and intangible assets, estimates of loss for contingent liabilities, estimate of allowance for doubtful accounts, estimate of fair value of and the probable achievement of performance conditions associated with share-based payment awards, estimates of returns and allowances, estimate of fair value of Profit Share Payments (as defined below), and valuation of deferred tax assets.

Segment Reporting

The application of GAAP requires the use of the "management approach" model for segment reporting. The management approach model is based on the way a company's chief operating decision maker ("***CODM***") organizes segments within the Company for which separate financial information is available regarding resource allocation and assessing performance. The Company has concluded that its Chief Executive Officer ("***CEO***") is its CODM. The Company reassesses the existence of operating segments when facts and circumstances suggest that there may have been a change in the way that the Company is managed. The Company assessed that the CODM assesses performance and resources as one reportable segment. Refer to Note 13, *Segment Information,* for further discussion.

Cash and Cash Equivalents

Cash and cash equivalents include cash held at various banks. The Company considers all highly-liquid investments purchased with an original maturity of three months or less at the date of purchase and money market mutual funds to be cash equivalents.

Market Concentrations and Credit Risk

The Company places its cash and cash equivalents on deposit with U.S.-based financial institutions. The U.S. Federal Deposit Insurance Corporation ("***FDIC***") provides insurance coverage for deposits up to $250,000 for substantially all depository accounts. As of December 31, 2024 and 2023, the Company had cash and cash equivalents of approximately $103.7 million and $81.3 million, respectively, in excess of the insured amounts in three depository institutions.

Accounts Receivable

Accounts receivable represent amounts due from customers for which revenue has been recognized. Generally, the Company does not require collateral or any other security to support its receivables.

Accounts receivable is presented net of the Company's allowance for doubtful accounts. The allowance for credit losses is calculated based on the Company's current expectations for credit losses, which is generally informed by historical trends. The Company's policy to reserve for potential bad debts based on the age of the individual receivable and the character of the customer, as well as customer-specific qualitative factors, such as bankruptcy proceedings. The Company manages credit risk by routinely performing credit checks on customers prior to sales. Individual receivables are written-off after all reasonable efforts to collect the funds have been made. Actual write-offs may differ from the amounts reserved.

Inventory

Inventory is valued at the lower of cost or net realizable value. Costs of inventory sold are recognized using the first–in, first-out ("***FIFO***") method. Inventory is tracked through raw material, work-in-process, and finished goods stages as the product progresses through various production steps and stocking locations. Labor and overhead costs are absorbed through the various production processes up to when the work order closes. Historical yields and normal capacities are utilized in the calculation of production overhead rates. Inventory is written down to the lower of cost or net realizable value to reflect slow-moving inventory as well as inventory no longer needed due to diminished demand or regulatory action.

Property and Equipment

Property and equipment are recorded at cost and depreciated on a straight-line method over their estimated useful lives, principally three to seven years. Leasehold improvements are depreciated on a straight-line method over the shorter of the estimated useful lives and the remaining lease term.

Asset Retirement Obligations

The Company records obligations associated with the legal requirement to retire long-lived assets when an estimate for the cost of retirement can reasonably be made. The Company reviews legal obligations associated with the retirement of long-lived assets that result from contractual obligations or the acquisition, construction, development and/or normal use of the assets. If it is determined that a legal obligation exists, regardless of whether the obligation is conditional on a future event, the fair value of the liability for an asset retirement obligation is recognized in the period in which it is incurred, if a reasonable estimate of fair value can be made. The fair value is calculated as the estimate of the expected cash outflow to satisfy the legal obligation discounted to present value using the Company's then-prevailing incremental borrowing rate. At such point in time, an asset and liability are recorded for the amount of the expected liability. The asset amount is depreciated, straight-line, over the life of the underlying asset, while the liability is accreted to the amount of the expected outflow through selling, general and administrative expense using the effective interest method. Subsequent revisions to estimates for future cash flows related to the asset retirement obligations are recorded as equal increases or decreases to the retirement asset and liability.

Intangible Assets, Net

Intangible assets are assets which lack physical substance and (a) grant the Company with a legal right or (b) are capable of being separated and sold. Intangible assets acquired outside of a business combination are capitalized based on the cost to acquire the assets, allocated pro rata based on the fair value of the individual assets acquired. Any contingent consideration issued in connection with the acquisition of assets is capitalized at the time at which all contingencies regarding its payment are resolved. The Company amortizes the capitalized cost of finite-lived intangible assets over a period generally reflective of the anticipated contributions to cash flow generation. Amortization of intangible assets is recorded as part of cost of sales or operating expenses in the consolidated statements of operations depending on the nature of the underlying intangible asset and its use in the Company's operations.

Impairment of Long-lived Assets

The Company evaluates the recoverability of its long-lived assets (property, equipment, right of use, and intangible assets with finite lives) whenever adverse events or changes in business climate indicate that the expected undiscounted future cash flows from the related assets may be less than their carrying amounts. When a situation arises which results in a conclusion that it is more likely than not that an asset is not recoverable, the Company estimates cash flows expected to be derived from the continuing use and eventual disposition of the asset. If the sum of those undiscounted cash flows does not exceed the net book value of the asset, the Company estimates the fair value of the asset. Impairment loss is recorded to the extent that the net book value exceeds the fair value of the asset.

Impairment reviews are based on an estimated future cash flow approach that requires significant judgment with respect to future revenue and expense growth rates, selection of appropriate discount rate (as applicable), asset groupings, and other assumptions and estimates. The Company uses estimates that are consistent with its business plans and a market participant view of the assets being evaluated. Actual results may differ from these estimates.

Goodwill and Indefinite-lived Intangible Assets

The Company assesses goodwill for impairment at least annually on October 1 and more frequently whenever events or substantive changes in circumstances indicate that it is more likely than not that goodwill is impaired. In performing the goodwill impairment test, the Company first assesses qualitative factors to determine the existence of impairment. If the qualitative factors indicate that the carrying value of a reporting unit exceeds its fair value, the Company proceeds to a quantitative test to measure the existence and amount, if any, of goodwill impairment. The Company may also choose to bypass the qualitative assessment and proceed directly to the quantitative test.

In performing the quantitative test, impairment loss is recorded to the extent that the carrying value of the reporting unit exceeds its assessed fair value. The Company determines the fair value of reporting units using the income and market approaches, as applicable. Under the income approach, the fair value of a reporting unit is the present value of its future cash flows as viewed from the lens of a hypothetical market participant in an orderly transaction. These future cash flows are derived from expectations of revenue, expenses, tax deductions and credits, working capital flows, capital expenditures, and other projected sources and uses of cash, as applicable. Value indications are developed by discounting expected cash flows to their present value using a discount rate commensurate with the risks associated with the reporting unit subject to testing. Under the market approach, the Company uses market multiples derived from various comparable companies based on measures salient to investors in those companies.

Impairment loss is recorded to the extent the carrying value of a reporting unit exceeds the fair value. No impairment loss is recognized if the fair value of the reporting unit exceeds the carrying value.

Patent Costs

The Company incurs certain legal and related costs in connection with patent applications. The Company capitalizes such costs to be amortized over the expected life of the patent to the extent that an economic benefit is anticipated from the resulting patent or an alternative future use is available to the Company. The Company capitalized $0.0 million, $0.2 million, and $0.2 million of patent costs for the years ended December 31, 2024, 2023, and 2022, respectively.

Leases

The Company determines if a contract is, or contains, a lease at inception. Leases provide the Company with the right to control an underlying asset for a contractual term, subject to certain renewal and other rights, in exchange for a series of stipulated cash flows. Right of use ("***ROU***") assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease.

Lease assets and liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. The Company calculates the present value of lease payments by discounting the lease payments using the Company's incremental borrowing rate for a collateralized or secured borrowing over a term equivalent to that of the lease. Lease payments that vary according to an index or rate are measured using the index or rate at lease inception. The lease term and applicable payments include options to extend or terminate the lease when it is reasonably certain that the Company will exercise such options. This determination is reassessed as new information arises and is accounted for prospectively. As an accounting policy election, the Company does not capitalize leases having initial terms of 12 months or fewer. The Company has made an accounting policy election not to separate lease components from non-lease components in the event that the agreement contains both.

Modifications to existing leases are recognized on the modification date. In such cases, the lease liability is remeasured based on the estimated present value of lease payments from the modification date. The difference between the lease liability immediately before and immediately after lease modification is reflected as an equal and offsetting adjustment to the associated ROU asset.

Operating lease right of use assets and the related liabilities are included in right of use asset, other current liabilities, and other liabilities, respectively, in the consolidated balance sheets. Lease expense associated with operating leases is recognized, straight-line, over the lease term. The Company does not recognize interest expense from operating lease liabilities.

Finance lease right of use assets and the related liabilities are included in property and equipment, net, other current liabilities, and other liabilities, respectively, in the consolidated balance sheets. Finance lease right of use assets are amortized, straight-line, over the lease term as depreciation expense. Interest expense is recognized using the effective interest method on finance lease liabilities as part of interest expense, net.

Treasury Stock

Except for shares retired by the Company upon repurchase, shares repurchased by the Company are recorded as treasury stock at the cost to acquire such shares. Subsequent issuances of shares held in treasury are assumed to be released on a FIFO basis. During 2024, all shares repurchased were retired.

Contingencies

The Company is or has been subject to various patent challenges, product liability claims, government investigations, former employee matters, and other legal proceedings. See Note 18, *Commitments and Contingencies*, for discussion of material matters. Legal fees and other expenses related to litigation are expensed as incurred and included in selling, general and administrative expenses or investigation, restatement and related expenses in the consolidated statements of operations, depending on the nature of the matter. The Company records an accrual for resolution costs and other contingencies in the consolidated financial statements when the Company determines that a loss is both probable and reasonably estimable. Subsequent revisions to the Company's accrual are made as new information emerges and are accounted for prospectively. The Company discloses all ongoing legal matters for which a loss is reasonably possible, regardless of whether an estimate can be reasonably determined.

Due to the fact that legal proceedings and other contingencies are inherently unpredictable, the Company's estimates of the probability and amount of any such liabilities involve significant judgment regarding future events. The actual costs of resolving a claim may be substantially different from the amount of reserve the Company recorded. The Company records a receivable from its insurance carriers only when the resolution of any dispute has been reached and realization of the amounts equal to the potential claim for recovery is considered probable. Any recovery of an amount in excess of the related recorded contingent loss will be recognized only when all contingencies relating to recovery have been resolved.

Revenue Recognition

The Company sells its products primarily to individual customers and independent distributors (collectively referred to as "***customers***"). Customers obtain and use products either through ship and bill sales or consignment arrangements. Under ship and bill arrangements, the Company retains possession of the product until the customer submits an order. Upon approval of the sales order, the Company ships product to the customer and invoices them for the product sold. Under consignment arrangements, the customer takes possession of the product, but the Company retains title until the implantation or application of the Company's product to the end user.

The Company recognizes revenue as performance obligations are fulfilled, which generally occurs upon the shipment of product to the customers for ship and bill orders or upon implantation for consignment sales.

Revenue is recognized based on the consideration the Company expects to receive from the sale. This consists of the gross selling price of the product, less any discounts, rebates or other amounts paid to customers, fees paid to Group Purchasing Organizations ("***GPOs***"), and returns (collectively, "***deductions***" or "***sales deductions***"). Gross selling price is a standard set by the Company for all customers unless a contract governing the sale provides for a specified price. Sales deductions are specified in individual contracts with customers. The Company estimates the total sales deductions which a specific customer will achieve over the relevant term and applies the reduction to sales as they are made throughout the period.

Sales deductions owed to customers and other parties are accrued and recorded in accrued expenses on the consolidated balance sheets.

The Company acts as the principal in all of its customer arrangements and records revenue on a gross basis. Shipping is considered immaterial in the context of the overall customer arrangement, and damages or loss of goods in transit are rare. Therefore, shipping is not deemed a separately recognized performance obligation and the Company has elected to treat shipping costs as activities to fulfill the promise to transfer the product. The Company maintains a returns policy that allows its customers to return product that is damaged or non-conforming, ordered in error, or due to a recall. The estimate of the provision for returns is based upon historical experience with actual returns. The Company's payment terms for customers are typically 30 to 60 days from receipt of title of the goods.

Cost of Sales

Cost of sales includes all costs directly related to bringing the Company's products to their final selling destination. Amounts include direct and indirect costs to manufacture products including raw materials, personnel costs and direct overhead expenses necessary to convert collected tissues into finished goods, costs to acquire product from third-party manufacturers, product testing costs, quality assurance costs, facility costs associated with the Company's manufacturing and warehouse facilities, including depreciation, freight charges, costs to operate equipment and other shipping and handling costs for products shipped to customers.

The Company obtains raw material in the form of human placenta donations from participating mothers who give birth via scheduled Caesarean section.

Research and Development Costs

Research and development costs consist of direct and indirect costs associated with the development of the Company's technologies. Historically, these expenses largely represented costs associated with our clinical trials, but now largely represent costs associated with new product development and pilot production. These costs are expensed as incurred.

Advertising expense

Advertising expense consists primarily of print media promotional materials. Advertising costs are expensed as incurred. Advertising expense for the year ended December 31, 2024, 2023, and 2022 was $0.6 million, $0.6 million, and $0.2 million respectively.

Income Taxes

Income tax provision, deferred tax assets and liabilities, and liabilities for unrecognized tax benefits reflect management's best assessment of estimated current and future taxes to be paid. The Company is subject to income taxes in the United States and numerous states.

Deferred income taxes arise from temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements, which will result in taxable or deductible amounts in the future. The Company recognizes deferred tax assets to the extent that it believes these assets are more likely than not to be realized. The Company evaluates the realizability of its deferred tax assets quarterly.

In evaluating the Company's ability to recover its deferred tax assets within the jurisdiction from which they arise, management considers all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax-planning strategies, results of recent operations, and changes in tax laws. In projecting future taxable income, the Company begins with historical results and incorporates assumptions about the amount of future state and federal pretax operating income adjusted for items that do not have tax consequences. The assumptions about future taxable income require significant judgment and are consistent with the plans and estimates the Company uses to manage the underlying business. In evaluating the objective evidence that historical results provide, management considers three years of cumulative income (loss) exclusive of items that will not recur, such as discontinued operations. The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the tax provision (benefit) in the period that includes the enactment date.

The calculation of income tax liabilities involves dealing with uncertainties in the application of complex tax laws and regulations both for U.S. federal income tax purposes and across numerous state jurisdictions. Accounting Standards Codification ("***ASC***") Topic 740, *Income Taxes*, states that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, on the basis of the technical merits. The Company records unrecognized tax benefits within other current liabilities on the consolidated balance sheets and adjusts these liabilities when management's judgment changes as a result of the evaluation of new information not previously available. Because of the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from management's current estimate of the unrecognized tax benefit liabilities. These differences will be reflected as increases or decreases to the deferred tax asset or income tax expense in the period in which new information is available.

The Company records uncertain tax positions on the basis of a two-step process whereby (1) it determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position, and (2) for those tax positions that meet the more-likely-than-not recognition threshold, it recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority.

The Company recognizes interest and penalties related to unrecognized tax benefits within the income tax expense line in the consolidated statements of operations. Accrued interest and penalties, if any, are included within the other liabilities line in the consolidated balance sheets and recorded as a component of income tax expense.

Share-based Compensation

The Company grants share-based awards to employees and members of the Company's Board of Directors (the "***Board***"). Awards to employees and the Board are generally made annually. Grants are issued outside of the annual cadence for certain new hires, promotions, and other events.

The Company has two share-based compensation plans which provide for the granting of equity awards, including qualified incentive and non-qualified stock options and restricted stock awards. The Company has three types of awards to employees and directors: restricted stock units ("***RSUs***'), performance stock units ("***PSUs***"), and stock options.

The amount of expense to be recognized is determined by the fair value of the award using inputs available as of the grant date. The basis of fair value for RSUs and PSUs is the closing stock price on the date of the grant. The fair value of stock options is determined based on an appropriate option pricing model using inputs available as of the grant date, generally using a Black-Scholes model. In each case, the fair value is adjusted for the presence of a market condition using an appropriate pricing model.

For awards with service-based vesting conditions only, the Company recognizes the grant date fair value as share-based compensation expense on a straight-line basis through the vesting date of the last tranche of the award. For awards which are subject to a condition other than a service condition, the Company recognizes stock-based compensation expense using the graded-vesting method, treating each tranche as if it were a separately-granted award and recognizing expense through the vesting date of each individual tranche. In each case, the Company recognizes share-based compensation expense to the extent that vesting is "probable". The Company recognizes the cumulative effect of changes in the probability outcomes in the period in which the changes occur.

The resolution of a market condition is not subsequently considered in expense recognition. Consequently, the Company could recognize expense for awards that do not ultimately vest.

Basic and Diluted Net Income (Loss) per Common Share

Basic net income (loss) per common share is calculated as net income (loss) from continuing operations available to common stockholders divided by weighted average common shares outstanding for the applicable period. Net income (loss) from continuing operations available to common stockholders is calculated by adjusting net income (loss) for dividends on the Company's historical Series B Convertible Preferred Stock ("***Series B Preferred Stock***"), which fully converted during 2023. This amount is divided by the weighted average common shares outstanding during the period.

Weighted average common shares outstanding is calculated as shares of the Company outstanding adjusted for the portion of the period for which they are outstanding. Unvested non-option share awards are excluded from the calculation of weighted average common shares outstanding until they have vested. Unexercised stock options are excluded from the calculation of weighted average common shares outstanding until they are exercised. Shares issuable pursuant to the Company's Employee Stock Purchase Plan ("***ESPP***") are included for the minimum number of shares issuable beginning at the point in time that all contingencies for share issuance are resolved.

Diluted net income (loss) per common share adjusts basic net income (loss) per common share for convertible securities, options, equity incentive awards, and other share-based payment awards which have yet to vest and vest only upon the satisfaction of a service condition. Equity incentive awards and options that are subject to a performance or market condition are included only if the performance or market condition would be satisfied if the end of the applicable period were the end of the performance period. In any case, these adjustments are reflected in the calculation of diluted net income (loss) per common share to the extent that they reduce basic net income (loss) from continuing operations per common share.

Basic and diluted net income (loss) per common share from discontinued operations are evaluated using the same denominator as basic and diluted net income (loss) per common share from continued operations even if the dilutive adjustments are antidilutive to that calculation.

The Company used the if-converted method to calculate the dilutive effect of the Series B Preferred Stock. The if-converted method assumes that convertible securities are converted at the later of the issuance date and the beginning of the period. If the hypothetical conversion of convertible securities, and the consequential avoidance of any accumulated preferred dividends, would decrease basic net income (loss) from continuing operations per common share, these effects are incorporated in the calculation of diluted net income (loss) from continuing operations per common share, adjusted for the portion of the period the securities were outstanding.

The Company uses the treasury stock method to calculate the dilutive effect of options, non-option share awards, and certain other share-based payments. The treasury stock method assumes that the proceeds from exercise are used to repurchase common shares at the weighted average market price during the period, increasing the denominator for the net effect of shares issued upon exercise less hypothetical shares repurchased.

Shares issuable pursuant to the ESPP are included in the calculation of diluted net loss per common share to the extent that such shares would be issued based on the share price at the conclusion of the period, excluding the shares already reflected in the calculation of weighted average common shares outstanding.

Fair Value of Financial Instruments and Fair Value Measurements

The respective carrying value of certain on-balance sheet financial instruments approximated their fair values due to the short-term nature and type of these instruments. These financial instruments include cash and cash equivalents, accounts receivable, notes receivable, and certain other financial assets and liabilities.

The Company measures certain non-financial assets at fair value on a non-recurring basis. These non-recurring valuations include evaluating assets such as long-lived assets, and non-amortizing intangible assets for impairment, allocating value to assets in an acquired asset group, and accounting for business combinations. The Company uses the fair value measurement framework to value these assets and reports these fair values in the periods in which they are recorded or written down.

Fair value financial instruments are recorded in accordance with the fair value measurement framework. The fair value measurement framework includes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair values in their broad levels. These levels from highest to lowest priority are as follows:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities;
- Level 2: Quoted prices in active markets for similar assets or liabilities or observable prices that are based on inputs not quoted on active markets, but corroborated by market data.
- Level 3: Unobservable inputs or valuation techniques that are used when little or no market data is available.

The determination of fair value and the assessment of a measurement's placement within the hierarchy require judgment. Level 3 valuations often involve a higher degree of judgment and complexity. Level 3 valuations may require the use of various valuation methodologies which incorporate unobservable inputs, management estimates, and assumptions. Management's assumptions could vary depending on the asset or liability valued and the valuation method used. Such assumptions could include: estimates of prices, earnings, costs, actions of market participants, market factors, or the weighting of various valuation methods. The Company may also engage external advisors to assist it in determining fair value, as appropriate.

Although the Company believes that the recorded fair value of its financial instruments is appropriate, these fair values may not be indicative of net realizable value or reflective of future fair values.

Government Assistance

The Company receives benefits from various government entities for various purposes from time to time. With respect to any benefits that are not dependent on income (which are subject to the policy described under *Income Taxes*, above), the Company recognizes such benefits at the point in time in which all barriers to receive the assistance have been overcome in an amount equal to the expected benefit. Benefits are reflected in the consolidated statements of operations in the line item to which the associated benefit relates.

Recently Adopted Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, "*Segment Reporting: Improvements to Reportable Segment Disclosures (Topic 280)*". The standard seeks to improve the disclosures about a public entity's reportable segments and address requests from investors for additional, more detailed information about a reportable segment's expenses. ASU 2023-07 is effective for annual reporting periods beginning after December 15, 2023, and interim periods in fiscal years beginning after December 15, 2024. As of December 31, 2024, the Company adopted this standard. Refer to Note 13, *Segment Information,* for further discussion.

Recently Issued Accounting Pronouncements Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, "*Improvement to Income Tax Disclosures (Topic 740)*", which requires additional disclosures for income tax rate reconciliations, income taxes paid, and certain other tax disclosures. ASU 2023-09 is intended to enhance the transparency and decision usefulness of income tax disclosures. The amendments in ASU 2023-09 address investor requests for enhanced income tax information primarily through changes to the rate reconciliation and income taxes paid information. Adoption is required for annual periods beginning after December 15, 2024. The Company is currently evaluating the impact of this standard on its consolidated financial statements..

In November 2024, the FASB issued ASU 2024-03, *"Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40)"*, which requires disclosure of specified information about certain costs and expenses. The amendments in ASU 2024-03 are intended to improve financial reporting by requiring that public business entities disclose additional information about specific expense categories in the notes to the financial statements. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within annual periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact of this standard on its consolidated financial statements.

ASUs issued and not yet effective as of December 31, 2024, and through the date of this report, were assessed and determined to be either not applicable or are expected to have minimal impact on the Company's current and future financial position or results of operations.

3. Accounts Receivable, Net

Accounts receivable, net, consists of the following (in thousands):

	December 31,	
	2024	2023
Accounts receivable, gross	$ 58,960	$ 57,015
Allowance for doubtful accounts	(3,132)	(3,144)
Accounts receivable, net	$ 55,828	$ 53,871

Activity related to the Company's allowance for doubtful accounts during the year ended December 31, 2024 was as follows (in thousands):

	Allowance for Doubtful Accounts
Balance at December 31, 2022	$ 3,783
Bad debt expense	1,449
Write-offs	(2,088)
Balance at December 31, 2023	$ 3,144
Bad debt expense	595
Write-offs	(607)
Balance at December 31, 2024	$ 3,132

4. Inventory

Inventory consists of the following (in thousands):

	December 31,	
	2024	2023
Raw materials	$ 1,010	$ 825
Work in process	8,580	8,521
Finished goods	14,217	11,675
Inventory	$ 23,807	$ 21,021

Consignment inventory, included as a component of finished goods in the table above, was $5.1 million and $4.0 million as of December 31, 2024 and 2023, respectively.

5. Property and Equipment, Net

Property and equipment, net, consists of the following (in thousands):

	December 31,	
	2024	2023
Lab and clean room equipment	$ 15,549	$ 13,954
Furniture and office equipment	1,951	1,989
Leasehold improvements	8,213	8,141
Construction in progress	686	1,791
Asset retirement cost	867	938
Finance lease assets	—	189
Property and equipment, gross	27,266	27,002
Less: accumulated depreciation and amortization	(21,322)	(20,028)
Property and equipment, net of accumulated depreciation and amortization	$ 5,944	$ 6,974

Depreciation expense for each of the years ended December 31, 2024, 2023, and 2022 was recorded in certain captions of the consolidated statements of operations for those periods in the amounts shown in the table below (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Cost of sales	$ 1,408	$ 1,569	$ 1,816
Selling, general, and administrative expense	544	795	1,243
Research and development expense	327	301	286
Total	$ 2,279	$ 2,665	$ 3,345

6. Leases

The Company has leases for corporate offices and manufacturing facilities. None of the Company's leases require any contingent rental payments, impose any financial restrictions, or contain any residual value guarantees.

Supplemental balance sheet information related to the Company's leases, including the financial statement caption in which the amounts are presented, is as follows (amounts in thousands, except lease term and discount rate):

	Operating Leases		Finance Leases
	December 31,		December 31,
	2024	2023	2023
Assets			
Right of use asset	$ 5,606	$ 2,132	$ —
Property and equipment, net	—	—	51
Total assets	$ 5,606	$ 2,132	$ 51
Liabilities			
Other current liabilities	$ 1,307	$ 1,495	$ 53
Other liabilities	4,705	893	5
Total liabilities	$ 6,012	$ 2,388	$ 58
Weighted-average remaining lease term (years)	4.3	2.0	1.1
Weighted-average discount rate	6.9 %	8.3 %	8.3 %

The Company had no finance lease obligations or associated right of use assets outstanding as of December 31, 2024.

Information related to lease costs are as follows (amounts in thousands):

	Year Ended December 31,		
	2024	2023	2022
Operating lease cost	$ 1,478	$ 1,532	$ 1,620
Amortization of finance lease ROU assets	51	47	47
Interest expense on finance lease liabilities	2	7	10

Maturities of lease liabilities are as follows (amounts in thousands):

Year Ending December 31,	Operating Leases
2025	$ 1,671
2026	1,725
2027	1,355
2028	1,346
2029	794
Thereafter	—
Total lease payments	6,891
Less: imputed interest	(879)
Lease liability	$ 6,012

Asset Retirement Obligations

Certain lease agreements require the Company to return designated areas of leased space to its original condition upon termination of the lease agreement, for which the Company records an asset retirement obligation and a corresponding capital asset in an amount equal to the estimated fair value of the obligation. In subsequent periods, the asset retirement obligation is accreted for the change in its present value and the capitalized asset is depreciated, both over the term of the associated lease agreement. Asset retirement obligations of $1.2 million are included in other liabilities in the consolidated balance sheets as of both December 31, 2024 and 2023.

7. Goodwill and Intangible Assets, Net

Goodwill

In concert with the disbanding of its Regenerative Medicine business unit during the fourth quarter of 2023, management concluded that the Company operated as a single operating segment beginning at that time. This operating segment reflected its sole reporting unit for goodwill impairment testing purposes.

For the annual impairment test performed on October 1, 2024, the Company performed a qualitative assessment to determine the existence of impairment. The qualitative assessment concluded that it was more likely than not that goodwill was not impaired and the Company did not proceed to the quantitative assessment. There was no impairment of goodwill in 2023 or 2022.

The following table indicates the changes in the carrying amount of goodwill for 2024 and 2023 (in thousands):

	Goodwill
Balance as of January 1, 2023	$ 19,441
Activity	—
Balance as of December 31, 2023	$ 19,441
Activity	—
Balance as of December 31, 2024	$ 19,441

Intangible Assets, Net

Intangible assets, net, are summarized as follows (in thousands):

	December 31, 2024			December 31, 2023		
	Gross Carrying Amount	Accumulated amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated amortization	Net Carrying Amount
Amortized intangible assets						
Patents and know-how	$ 10,320	$ (8,488)	$ 1,832	$ 10,039	$ (7,818)	$ 2,221
Customer and supplier relationships	7,659	(1,147)	6,512	—	—	—
Tradenames and trademarks	2,937	(1,850)	1,087	—	—	—
Licenses	1,000	(104)	896	1,000	(54)	946
Total amortized intangible assets	$ 21,916	$ (11,589)	$ 10,327	$ 11,039	$ (7,872)	$ 3,167
Unamortized intangible assets						
Tradenames and trademarks	$ 1,008		$ 1,008	$ 1,008		$ 1,008
Patents in process	291		291	1,082		1,082
Total intangible assets	$ 23,215		$ 11,626	$ 13,129		$ 5,257

Amortization expense and impairment expense for the years ended December 31, 2024, 2023, and 2022, is summarized in the table below (amounts in thousands):

	Year ended December 31,		
	2024	2023	2022
Amortization of intangible assets			
Cost of sales	$ 2,997	$ —	$ —
Operating expense	765	762	701
Total amortization of intangible assets	$ 3,762	$ 762	$ 701
Impairment of intangible assets	$ 446	$ —	$ —

The impairment of intangible assets in 2024 related to patents which were abandoned.

Expected future amortization of intangible assets as of December 31, 2024, is as follows (in thousands):

Year Ending December 31,	Estimated Amortization Expense
2025	$ 3,008
2026	1,766
2027	1,765
2028	1,763
2029	607
Thereafter	1,418
Total amortization expense	$ 10,327

8. Accrued Expenses

Accrued expenses consist of the following (in thousands):

	December 31,	
	2024	2023
External commissions	$ 3,843	$ 4,136
Accrued GPO Fees	411	1,338
Estimated returns	1,990	1,096
Legal costs	459	834
Accrued rebates	1,223	745
Accrued inventory receipts	871	174
Other	215	1,038
Total	$ 9,012	$ 9,361

9. Long Term Debt

Citizens Credit Agreement

On January 19, 2024 (the "***Closing Date***"), the Company entered into a Credit Agreement (the "***Citizens Credit Agreement***") with certain lenders party thereto, and Citizens Bank, N.A. as administrative agent (the "***Agent***"). The Citizens Credit Agreement provides for senior secured credit facilities in an aggregate principal amount of up to $95.0 million consisting of: (i) a $75.0 million senior secured revolving credit facility (the "***Revolving Credit Facility***") with a $10.0 million letter of credit sublimit and a $10.0 million swingline loan sublimit, and (ii) a $20.0 million senior secured term loan facility (the "***Term Loan Facility***" and, together with the Revolving Credit Facility, the "***Credit Facilities***"). All obligations are required to be paid in full on January 19, 2029 (the "***Maturity Date***"). The Company has the option to obtain one or more incremental Term Loan Facilities and/or increase the commitments under the Revolving Credit Facility in an aggregate principal amount equal to the greater of (i) $50.0 million and (ii) 1.00 times the Company's Consolidated EBITDA (as defined therein), each subject to the existing or any new lenders' election to extend additional term loans or revolving commitments.

At the Company's option, borrowings under the Citizens Credit Agreement (other than any swingline loan) will bear interest at a rate per annum equal to (i) the Alternate Base Rate, as defined therein, or (ii) a Term Secured Overnight Financing Rates ("***SOFR***"), as defined therein, in each case plus an applicable margin ranging from 1.25% and 2.50% with respect to Alternate Base Rate borrowings and 2.25% and 3.50% for Term SOFR borrowings, plus a fallback provision of 0.1%. Swingline loans will bear interest at a rate per annum equal to one-month Term SOFR plus the applicable margin. The applicable margin will be determined based on the Company's consolidated total net leverage ratio.

The Company is required to pay a quarterly commitment fee on any unused portion of the Revolving Credit Facility, letter of credit fees, and other customary fees to the Agent and the Lenders. The Term Loan Facility will amortize on a quarterly basis at 1.25% (for year one and two), 1.88% (for year three and four), and 2.5% (for year five) based on the aggregate principal amount outstanding under the Term Loan Facility on the Closing Date, with the remainder due on the Maturity Date. The Company must make mandatory prepayments in connection with certain asset dispositions and casualty events, subject in each case to customary reinvestment rights. The Company may prepay borrowings under the Credit Facilities at any time, without premium or penalty, and may, at its option, reduce the aggregate unused commitments under the Revolving Credit Facility in whole or in part, in each case subject to the terms of the Credit Agreement. The Company must also comply with certain financial covenants, including a maximum total net leverage ratio and a minimum consolidated fixed charge coverage ratio, as well as other customary restrictive covenants. As of December 31, 2024, the Company is in compliance with all financial covenants under the Citizens Credit Agreement.

Original issue discount and deferred financing costs incurred as part of the Credit Facilities were allocated between the Term Loan Facility and the Revolving Credit Facility on the basis of the maximum potential principal outstanding permitted under the Citizens Credit Agreement. The allocation of the deferred financing costs and original issue discount between the Term Loan Facility and the Revolving Credit Facility were as follows (in thousands):

	January 19, 2024		
	Term Loan Facility	Revolving Credit Facility	Total
	Long term debt, net	*Other assets*	
Original issue discount	$ 224	$ 839	$ 1,063
Deferred financing costs	54	202	256

On the Closing Date, the Company borrowed $30.0 million under the Revolving Credit Facility and $20.0 million under the Term Loan Facility. Proceeds from the initial drawings under the Credit Facilities together with cash on hand were used to repay in full the $50.0 million principal amount and other outstanding obligations under the Hayfin Term Loan, as defined below, and to pay related fees, premiums, costs and expenses (collectively with the entry into the Citizens Credit Agreement and the initial borrowings thereunder, the "***Debt Refinancing Transactions***"). The Company recorded a loss on extinguishment of debt of $1.4 million. This amount is reflected as a part of interest expense, net on the consolidated statement of operations for the year ended December 31, 2024. The composition of the loss on extinguishment of debt was as follows (amounts in thousands):

	January 19, 2024
Unamortized deferred financing costs	$ 781
Unamortized original issue discount	120
Prepayment premium	500
Loss on extinguishment of debt	$ 1,401

During February 2024, the Company repaid the initial $30.0 million drawing under the Revolving Credit Facility and had no outstanding borrowings under this facility as of December 31, 2024. Deferred financing costs and original issue discount allocated to the Revolving Credit Facility are amortized straight-line through the expiration of the commitment term. The Revolving Credit Facility is currently subject to a commitment fee of 0.25% per annum of the amount undrawn, which is recognized as interest expense.

Hayfin Loan Agreement

In June 2020, the Company entered into a Loan Agreement with, among others, Hayfin Services, LLP, and affiliate of Hayfin Capital Management, LLP (as amended from time to time, the "***Hayfin Loan Agreement***"), under which Hayfin provided the Company with a senior secured term loan of $50.0 million (the "***Hayfin Term Loan***"). The Hayfin Term Loan was to mature on June 30, 2025 (the "***Hayfin Maturity Date***"). Interest on the Hayfin Term Loan was based on SOFR, plus a fallback provision of 0.15%, subject to the Floor, plus the Margin.

Annually, the Company was required to prepay the outstanding loans based on a percentage of Excess Cash Flow (as defined in the Hayfin Loan Agreement), if such were generated. Had the Company not executed the Debt Refinancing Transactions, the Company would have been required to prepay a portion of the outstanding principal pursuant to the Excess Cash Flow provision under the Hayfin Loan Agreement for the year ended December 31, 2023. The $1.0 million of principal repayments for the year ending December 31, 2024 reflects the scheduled principal payments pursuant to the Citizens Credit Agreement (as defined above) during that period, therefore representing the current obligation that was not refinanced on a long-term basis. This amount is classified as current portion of long term debt in the Company's consolidated balance sheets.

As noted above, the Hayfin Loan Agreement was terminated as a result of the Debt Refinancing Transactions. There were no continuing obligations as part of the Hayfin Loan Agreement as of December 31, 2024.

The balances of the Term Loan Facility as of December 31, 2024 and the Hayfin Term Loan as of December 31, 2023 were as follows (amounts in thousands):

	December 31, 2024		December 31, 2023	
	Current portion of long term debt	Long term debt, net	Current portion of long term debt	Long term debt, net
Outstanding principal	$ 1,000	$ 18,000	$ 1,000	$ 49,000
Deferred financing costs	—	(33)	—	(781)
Original issue discount	—	(137)	—	(120)
Total	$ 1,000	$ 17,830	$ 1,000	$ 48,099

Interest expense related to the Term Loan Facility and the Hayfin Term Loan included in interest expense, net in the consolidated statements of operations, was as follows (amounts in thousands):

	Year Ended December 31,		
	2024	2023	2022
Stated interest	$ 1,797	$ 6,078	$ 4,559
Amortization of deferred financing costs	47	438	405
Accretion of original issue discount	91	67	62
Interest expense	$ 1,935	$ 6,583	$ 5,026

Interest expense related to the Revolving Credit Facility included in interest expense, net in the consolidated statements of operations, was as follows (amounts in thousands):

	Year Ended December 31, 2024
Commitment fee	$ 178
Amortization of deferred financing costs	63
Accretion of original issue discount	168
Interest expense	$ 409

Scheduled principal payments due on the Term Loan Facility, by year, as of December 31, 2024 through maturity are as follows (in thousands):

Year ending December 31,	Principal
2025	$ 1,000
2026	1,500
2027	1,500
2028	2,000
2029	13,000
Thereafter	—
Long term debt	$ 19,000

As of December 31, 2024, the fair value of the Term Loan Facility was $18.7 million. This valuation was calculated based on a series of Level 2 and Level 3 inputs, including a discount rate based on the credit risk spread of debt instruments of similar risk character in reference to U.S. Treasury instruments with similar maturities, with an incremental risk premium for risk factors specific to the Company. The remaining cash flows associated with the Term Loan Facility were discounted to December 31, 2024 using this discount rate to derive the fair value.

10. Basic and Diluted Net Loss Per Common Share

Net loss per common share is calculated using two methods: basic and diluted.

Basic Net Loss Per Common Share

The following table provides a reconciliation of net loss to net loss available to common shareholders and calculation of basic net loss per common share for each of the years ended December 31, 2024, 2023, and 2022 (amounts in thousands, except share and per-share amounts):

	Year ended December 31,		
	2024	2023	2022
Net income (loss) from continuing operations	$ 41,998	$ 67,439	$ (19,953)
Income (loss) from discontinued operations, net of tax	421	(9,211)	(10,244)
Net income (loss)	42,419	58,228	(30,197)
Adjustments to reconcile to net loss available to common stockholders:			
Accumulated dividend on previously converted Series B Preferred Stock	—	6,753	6,580
Preferred share repurchase in excess of book value	—	4,890	—
Total adjustments	—	11,643	6,580
Net income (loss) available to common stockholders from continuing operations	$ 41,998	$ 55,796	$ (26,533)
Weighted average common shares outstanding	146,979,354	116,495,810	112,909,266
Basic net income (loss) per common share:			
Continuing operations	$ 0.29	$ 0.48	$ (0.24)
Discontinued operations	0.00	(0.08)	(0.09)
Basic net income (loss) per common share	$ 0.29	$ 0.40	$ (0.33)

Diluted Net Loss Per Common Share

The following table sets forth the computation of diluted net loss per common share (in thousands, except share and per-share amounts):

	Year ended December 31,		
	2024	2023	2022
Net income (loss) available to common stockholders from continuing operations	$ 41,998	$ 55,796	$ (26,533)
Adjustments:			
Dividends on previously converted Series B Preferred Stock	—	6,466	6,580
Preferred share repurchase in excess of book value	—	5,177	—
Less: antidilutive adjustments	—	(5,177)	(6,580)
Total adjustments	—	6,466	—
Numerator			
Net income (loss) available to common stockholders from continuing operations	41,998	62,262	(26,533)
Income (loss) from discontinued operations, net of tax	421	(9,211)	(10,244)
Weighted average common shares outstanding	146,979,354	116,495,810	112,909,266
Adjustments:			
Potential common shares (a)			
Previously converted Series B Preferred Stock	—	27,457,905	—
Restricted stock unit awards	1,447,217	1,452,153	—
Outstanding stock options	473,015	396,779	—
Performance stock unit awards	149,611	137,425	—
Restricted stock awards	—	22,136	—
Employee stock purchase plan	—	254	—
Total adjustments	2,069,843	29,466,652	—
Weighted average common shares outstanding adjusted for potential common shares	149,049,197	145,962,462	112,909,266
Diluted net income (loss) per common share:			
Continuing operations	$ 0.28	$ 0.43	$ (0.24)
Discontinued operations	0.00	(0.06)	(0.09)
Diluted net income (loss) per common share	$ 0.28	$ 0.37	$ (0.33)

(a) Weighted average common shares outstanding for the calculation of diluted net loss per common share does not include the following adjustments for potential common shares below because their effects were determined to be anti-dilutive for the periods presented:

	Year ended December 31,		
	2024	2023	2022
Series B Preferred Stock	—	1,219,348	27,850,916
Restricted stock unit awards	—	—	546,883
Restricted stock awards	—	—	217,971
Outstanding stock options	—	—	65,720
Performance stock unit awards	—	—	5,251
Employee stock purchase plan	—	—	18,852
Potential common shares	—	1,219,348	28,705,593

11. Equity

Series B Preferred Stock

Repurchase

In October 2023, the Company repurchased 5,000 shares of the Company's Series B Preferred Stock for $9.5 million (the "***Repurchase***") pursuant to a Securities Purchase Agreement with certain entities managed by or affiliated with Hayfin Capital Management LLP (the "***Hayfin Shareholders***"). In connection with the Repurchase, the Hayfin Shareholders entered into customary lock-up provisions requiring them to retain the balance of their equity positions for a period of at least one year. Management assessed whether the consideration paid could have reflected a non pro-rata distribution and reached the conclusion that it was not.

Mandatory Conversion

In December 2023, the remaining 95,000 outstanding shares of the Company's Series B Preferred Stock, together with accrued dividends, were mandatorily converted into shares of the Company's Common Stock in accordance with the Series B Preferred Stock terms set forth in the Company's Articles of Incorporation. As a result of this conversion, the Company issued 29,761,650 shares of Common Stock to the holders of the Series B Preferred Stock. The conversion of the shares ended the dividend accrual associated with the Series B Preferred Stock

The below table illustrates changes in the Company's balance of the Series B Preferred Stock for the year ended December 31, 2023. (in thousands, except per share amounts):

	Series B Preferred Stock	
	Shares	Amount
Balance at December 31, 2022	100,000	$ 92,494
Repurchase of Series B Preferred Stock	(5,000)	(4,625)
Conversion of Series B Preferred Stock	(95,000)	(87,869)
Balance at December 31, 2023	—	$ —

There was no activity related to the Series B Preferred Stock during the year ended December 31, 2022. As a result of their conversion in December 2023, there were no shares of Series B Preferred Stock outstanding at any point during the year ended December 31, 2024.

Stock-Based Compensation Awards

The Company has two share-based compensation plans which provide for the granting of equity awards, including qualified incentive and non-qualified stock options and restricted stock awards: the MiMedx Group, Inc. 2016 Equity and Cash Incentive Plan Amended and Restated through March 2, 2023 (the "***2016 Plan***"), which was approved by shareholders on May 18, 2016, and the MiMedx Group, Inc. Assumed 2006 Stock Incentive Plan (the "***Prior Incentive Plan***"). During the years ended December 31, 2024, 2023, and 2022 the Company used only the 2016 Plan to make grants.

The 2016 Plan permits the grant of equity awards to the Company's employees, directors, consultants and advisors for up to 13,400,000 shares of the Company's common stock plus (i) the number of shares of the Company's common stock that remain available for issuance under the Prior Incentive Plan, and (ii) the number of shares that are represented by outstanding awards that later become available because of the expiration or forfeiture of the award without the issuance of the underlying shares. Awards granted under the 2016 Plan are subject to a vesting schedule as set forth in each individual agreement.

A summary of share-based compensation expense recognized for each of the years ended December 31, 2024, 2023, and 2022 is as follows (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Cost of sales	$ 1,546	$ 1,533	$ 1,213
Selling, general and administrative	14,646	14,776	9,578
Research and development	741	650	537
Total share-based compensation	16,933	16,959	11,328
Income tax benefit, before consideration of valuation allowance	(4,233)	(4,240)	(2,832)
Total share-based compensation, net of tax benefit	$ 12,700	$ 12,719	$ 8,496

Stock Options

The Company grants stock options to certain of its employees. Each stock option granted reflects the right to purchase one share of stock for a stipulated price. Except for the CEO Performance Option (as defined below), all of the Company's stock option grants outstanding as of December 31, 2024 vest exclusively based on continued service to the Company through each relevant vesting date. All stock options outstanding vest in four equal annual tranches.

A summary of stock option activity for the year ended December 31, 2024 is presented below:

	Number of Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding at January 1, 2024	4,042,520	$ 4.06		
Granted	344,026	8.63		
Exercised	(207,686)	6.79		
Unvested options forfeited	—	—		
Vested options expired	(123,334)	7.17		
Outstanding at December 31, 2024	4,055,526	4.21	5.16	21,952
Exercisable at December 31, 2024	341,000	$ 4.21	4.87	$ 1,851

With the exception of the CEO Performance Option (as defined and explained below), all options granted during the years ended December 31, 2024 and 2023 were valued using a Black-Scholes model. The below table reflects the material inputs used to value the options granted during those periods (exclusive of the CEO Performance Option).

	Year ended December 31,	
	2024	2023
Stock price on grant date	$ 8.63	$ 6.44
Exercise price	$ 8.63	$ 6.44
Expected term (years)	4.75	4.75
Risk-free interest rate	4.2 %	4.3 %
Expected volatility (annualized)	66 %	77 %
Dividend yield	— %	— %
Weighted average grant date fair value	$ 4.93	$ 4.10

There were no options granted during the year ended December 31, 2022.

The intrinsic values of the options exercised during the years ended December 31, 2024, 2023, and 2022 were \$0.2 million, \$0.2 million, and \$0.6 million, respectively. Cash received from option exercise under all share-based payment arrangements for the years ended December 31, 2024, 2023, and 2022 was \$1.4 million, \$1.0 million, and \$0.7 million, respectively. The actual tax benefit for the tax deductions from option exercise of the share-based payment arrangements totaled \$0.1 million,

$0.2 million, and $0.2 million, respectively, for the years ended December 31, 2024, 2023, and 2022. The Company has a policy of using its available repurchased treasury stock, if any, to satisfy option exercises prior to the issuance of new shares of common stock. There was $3.4 million unrecognized compensation expense related to unvested stock options at December 31, 2024, which is expected to be recognized over 2.33 years.

Restricted Stock Units

The Company grants RSUs to certain employees and to its Board of Directors. RSUs reflect contracts reflecting the right to receive on share of Common Stock on a specified date, provided the recipient continues to provide service to the Company through the relevant vesting date. RSUs generally vest over a one- to three-year period. Prior to 2024, the Company's RSUs granted to its employees granted in three equal tranches on the first three anniversary dates of the date of grant. Beginning in 2024, RSUs granted to employees generally vest in a single tranche on the third anniversary date of the date of grant. Awards granted to the Company's Board of Directors vest in a single tranche on the first anniversary date of the date of grant.

Historically, the Company also granted Restricted Stock Awards ("***RSAs***") to employees. RSAs conferred one share of common stock to the recipient which was returnable if the associated vesting conditions were not satisfied. The RSAs had similar vesting conditions to RSUs. The Company did not grant any RSAs during the year ended December 31, 2024, nor does it have any unvested RSAs outstanding as of December 31, 2024.

A summary of RSU activity for the year ended December 31, 2024 is presented below:

	Number of Shares	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2024	3,908,739	$ 5.38
Granted	2,046,126	8.11
Vested	(1,803,810)	6.06
Forfeited	(639,232)	6.29
Unvested at December 31, 2024	3,511,823	$ 6.46

The total fair value of RSUs and RSAs vested during the years ended December 31, 2024, 2023 and 2022, was $10.9 million $10.3 million, and $10.9 million, respectively.

As of December 31, 2024, there was $15.0 million of stock-based compensation expense related to RSUs which is expected to be recognized over 1.90 years.

Performance Stock Units

The Company grants PSUs to certain employees, primarily its Executive Leadership Team. Like RSUs, PSUs reflect the right to receive one share of Common Stock based on the achievement of specified performance conditions. As of December 31, 2024, all performance conditions associated with PSUs are associated with the achievement of specified net sales targets. In each case, the PSU agreements allow for vesting in excess of the number of shares granted. In all cases except for the CEO Performance PSUs (as defined and explained below), achievement of performance conditions alone can expand the award by up to 150%. Certain of these PSUs are subject to Total Shareholder Return provisions which can limit or expand the number of shares conferred upon the recipient.

PSUs also require the recipient to provide continuous service through a specified date or event.

A summary of PSU activity for the year ended December 31, 2024 is presented below:

	PSU	
	Number of Shares	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2024	3,727,272	$ 3.84
Granted	450,532	9.41
Vested	—	—
Forfeited	—	—
Unvested at December 31, 2024	4,177,804	$ 4.44

No PSUs vested during the years ended December 31, 2024, 2023 and 2022. As of December 31, 2024, there was $6.7 million of unrecognized stock-based compensation expense related to unvested PSUs, which is expected to be recognized over 2.08 years.

This amount reflects the level of vesting determined to be "probable" for all such awards. Any subsequent adjustments to expense would be reflected as a cumulative catch-up adjustment in the period of the re-evaluation. If all unvested PSUs were determined to be probable of vesting to their maximum extent, it would result in a cumulative catch-up adjustment of $7.8 million as of December 31, 2024. Conversely, the determination that none of the unvested PSUs are probable of vesting would result in a benefit of $5.9 million.

CEO Performance Grant

On January 27, 2023, the Board of Directors appointed Joseph H. Capper to serve as Chief Executive Officer. The Company entered into a Letter Agreement with Mr. Capper that included, among other things, a grant of 3,300,000 PSUs (the "***CEO Performance PSUs***") and a non-qualified stock option (the "***CEO Performance Option***", collectively with the CEO Performance PSUs, the "***CEO Performance Grant***") for 3,600,000 shares of the Company's common stock. In addition to continued employment with the Company, the occurrence and extent of vesting of each component of the CEO Performance Grant is dependent upon the Company's operating and share price performance: the CEO Performance PSUs vest on the basis of achieved revenue growth, while the CEO Performance Option vests on the basis of share price appreciation.

CEO Performance PSUs

The CEO Performance PSUs vest in a single tranche on the earlier of the filing date of the Company's 2026 Annual Report on Form 10-K and March 15, 2027. The occurrence and extent of vesting depends on the Company's compound annual growth rate ("***CAGR***") achieved with respect to its revenue growth between the year ended December 31, 2022 and the year ending December 31, 2026. The PSUs may vest with respect to 50% to 200% of the granted number of PSUs, depending on the extent of CAGR achievement. Failure to achieve the CAGR associated with 50% of achievement would result in no vesting.

Management determined the probable level of vesting using internally-developed forecasts for the relevant period representing the Company's best estimate for revenue, with a factor applied to calculate the highest level of CAGR evaluated to be probable of occurring based on that estimate. The Company recognized $2.5 million of expense related to the CEO Performance PSUs during year ended December 31, 2024.

CEO Performance Option

The CEO Performance Option grants Mr. Capper the right to purchase up to 3,600,000 shares of common stock for $3.70 per share. The CEO Performance Option vests based on the satisfaction of service and market conditions. Mr. Capper may vest in 25% of the CEO Performance Option on each of the first four anniversary dates of the date of grant provided that he remains employed by the Company and provided that specified share price goals are achieved at any point between the date of grant and January 31, 2027. There are three separate share price goals associated with the CEO Performance Option. If specified share price goals are met at one level, one-third of the option may vest, at a second level, a further one-third may vest, and at a third level, the full amount of the option may vest. Satisfaction of the share price goals is based on the average of the closing price of the Company's common stock during any 20 consecutive trading days through January 31, 2027 exceeding the stipulated share price goal. The CEO Performance Option expires on February 1, 2030.

The Company estimated the fair value of the awards using a Monte Carlo simulation using the following assumptions:

	Assumption	
Stock price on grant date	$	3.70
Exercise price	$	3.70
Risk-free interest rate		3.6 %
Expected volatility (annualized)		75 %
Dividend yield		— %
Weighted average grant date fair value	$	1.93

The risk-free interest rate was derived based on the U.S. Treasury Yield curve in effect at the date of grant for maturities of similar periods to the contractual term. The expected volatility was estimated principally based on the Company's historical daily stock price movements for a term similar in length to the contractual term. The dividend yield was based on the Company's history of dividends on its common stock. The fair value was determined using an expected term which reflects the anticipated holding and post-vesting behavior pattern, calculated for each individual simulation.

The total grant date fair value of the CEO Performance Option was $7.0 million. The fair value associated with each tranche of the award will be recognized, straight-line, over the associated requisite service period for that tranche, subject to acceleration if the market condition is met prior to the end of the derived service period. Failure to meet the market condition for an award does not result in reversal of previously-recognized expense, so long as the service is provided for the duration of the required service period. The Company recognized $2.4 million of expense related to the CEO Performance Option during year ended December 31, 2024.

Employee Stock Purchase Plan

The Company's ESPP qualifies as an "employee stock purchase plan" under Section 423 of the Internal Revenue Code. All regular full-time employees of the Company (including officers) and all other employees who meet the eligibility requirements of the plan may participate in the ESPP. The ESPP provides eligible employees an opportunity to acquire the Company's common stock on a semi-annual basis at a purchase price of 85% of the lower of the closing price per share of the Company's common stock on the first day and the last day of each six-month purchase period (the "***Purchase Period***"). The aggregate number of shares which may be issued and sold under the ESPP is 3 million shares of common stock.

For the years ended December 31, 2024, 2023 and 2022, the Company recorded $0.6 million, $0.5 million, and $0.2 million, respectively, in stock-based compensation expense related to the ESPP. As of December 31, 2024 and 2023, the Company had cumulative payroll deferrals under the ESPP for future share purchases of $0.6 million and $0.7 million, respectively. This amount is included in accrued compensation in the consolidated balance sheet.

Unrecognized stock compensation for the period is less than $0.1 million to be recognized over a weighted average period of 0.08 years.

Share Withholding for Employee Taxes

Repurchases of shares of Common Stock in connection with the satisfaction of employee tax withholding obligations upon vesting of restricted stock and exercise of stock options for the years ended December 31, 2024, 2023, and 2022 were 354,263, 0, and 249,442, respectively, for an aggregate purchase price of $2.6 million, $0, and $1.2 million, respectively.

12. Revenue

Net Sales By Product Category

MIMEDX has two product categories: (1) Wound, which reflects products typically used in Advanced Wound Care settings, including the treatment of chronic, non-healing wounds, and (2) Surgical, which reflects products principally used in surgical settings, including the closure of acute wounds or the protect and reinforce tissues and/or regions of interest. The Company manages its product portfolio and pipeline based upon opportunities in each of these settings.

Below is a summary of net sales by product line (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Wound	$ 231,004	$ 205,660	$ 175,970
Surgical	117,875	115,817	91,871
Total	$ 348,879	$ 321,477	$ 267,841

The Company did not have significant foreign operations or a single external customer from which 10% or more of revenues were derived during the years ended December 31, 2024, 2023, or 2022.

Net Sales By Care Setting

MIMEDX has three sites of service for its products (1) Hospital settings and wound care clinics, which are stable reimbursement settings in which products are used for both wound and surgical applications, (2) Private offices, which generally represents doctors and practitioners with independent operations, and (3) Other, which includes federal facilities, international sales, and other sites of service.

Below is a summary of net sales by site of service (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Hospital	$ 187,440	$ 187,000	$ 163,206
Private Office	112,388	95,789	77,158
Other	49,051	38,688	27,477
Total	$ 348,879	$ 321,477	$ 267,841

Reimbursement Changes

On April 13, 2025, new Local Coverage Determinations ("***LCDs***") are currently scheduled to go into effect which will modify the reimbursement of skin substitutes in physician office settings. Among other changes, many allografts that have been covered will no longer be reimbursed for Diabetic Foot Ulcers and/or Venous Leg Ulcers. While EPIFIX and EPICORD continue to be covered under the new LCD, certain of our other products are not currently included. In the past LCDs have been delayed or terminated. The Company cannot be certain they will go into effect in April 2025.

Sales Returns Allowance

Activity related to the Company's sales returns allowance during the year ended December 31, 2024 was as follows (in thousands):

	Sales Returns Allowance
Balance at December 31, 2022	$ 659
Additions	3,899
Deductions and write-offs	(3,462)
Balance at December 31, 2023	1,096
Additions	4,314
Deductions and write-offs	(3,420)
Balance at December 31, 2024	$ 1,990

13. Segment Information

The Company determines its operating segment based on how the Chief Operating Decision Maker (“***CODM***”) reviews the business and makes resource allocation decisions. The Company concluded that Joseph Capper, the Company’s Chief Executive Officer, is the CODM.

The Company has a single operating segment, which has not been aggregated with other operating segments. The Company defines its segment on the basis in which internal reported financial information is regularly reviewed by the CODM to analyze financial performance and make capital allocation decisions.

The CODM uses several measures of profit or loss to assess Company performance and allocate resources. Of these measures, net income (loss) is the measure that most aligns to GAAP. Other measures used by the CODM includes adjusted earnings before interest, taxes, depreciation and amortization. The CODM assesses actual results against budgets and forecasts, and uses this information to inform various strategic investments into the Company’s operations, including headcount and compensation.

Each financial statement caption included on the consolidated statements of operations reflects a significant segment expense evaluated by the CODM. In addition to this, the CODM also evaluates selling and marketing expense and general and administrative expense, both of which are components of selling, general, and administrative expense on the consolidated statements of operations.

Selling and marketing expense reflects costs associated with the sale of the Company’s products, as well as the costs of functions that support these efforts. This includes salaries and commissions associated with the Company’s direct sales force, commissions paid to sales agents, and expenses incurred by other sales support functions.

General and administrative expense reflects expenses incurred by the Company’s operating functions which do not directly advance the Company’s sales efforts, such as the Company’s finance, legal and human resource functions, among other departments.

The below table presents selling and marketing and general administrative expense for each of the years ended December 31, 2024, 2023, and 2022.

	Year Ended December 31,		
	2024	2023	2022
Selling and marketing	$ 175,562	$ 161,833	$ 151,227
General and administrative	49,525	49,291	57,446
Selling, general and administrative	$ 225,087	$ 211,124	$ 208,673

Below is a breakout of interest expense and interest income for each of the years ended December 31, 2024, 2023, and 2022.

	Year Ended December 31,		
	2024	2023	2022
Interest income	$ 2,932	$ 118	$ 32
Interest expense	(3,938)	(6,575)	(5,048)
Interest expense, net	$ (1,006)	$ (6,457)	$ (5,016)

To see depreciation expense, amortization expense, income tax expense and significant noncash items for this segment please refer to Note 5, *Property and Equipment, Net*, Note 7, *Goodwill and Intangible Assets, Net*, Note 16, *Income Taxes* and Note 17, *Supplemental Disclosure of Cash Flow and Non-Cash Investing and Financing Activities*, respectively.

The CODM is not provided and does not review segment assets at a different asset level or category than the presentation on the consolidated balance sheet.

14. Acquisitions

During 2024, the Company entered into various Asset Purchase Agreements (“***APAs***”) and associated Manufacturing and Supply Agreements (“***MSAs***”) in an effort to inorganically expand its product offering. These transactions were accounted for as acquisitions of assets and the Company did not assume any liabilities associated with these activities.

Total consideration for these transactions during 2024 was $7.9 million. Additional payments may be required in future periods in connection with these transactions.

TELA and Regenity Agreements

On March 15, 2024, the Company entered into an Asset Purchase Agreement (the "***TELA APA***") with TELA Bio, Inc. ("***TELA***") to obtain exclusive rights to sell and market a 510(k)-cleared collagen particulate xenograft product in the United States. TELA held these rights pursuant to a Manufacturing and Supply Agreement (the "***TELA-Regenity Supply Agreement***") between TELA and Regenity Biosciences, Inc. ("***Regenity***"), which retains all intellectual property rights and regulatory clearances related to the product. Pursuant to the TELA APA, the Company paid $5.0 million of initial consideration to TELA; additionally, the Company paid $0.4 million to acquire TELA's remaining product inventory, and will be required to make additional payments (the "***Profit Share Payments***") of between a minimum of $3.0 million and a maximum of $7.0 million based on MIMEDX's net sales of the product over the two years following its commercialization of the product, which occurred during the second quarter of 2024.

In connection with the execution of the TELA APA, the Company was able to renegotiate the terms of the TELA-Regenity Supply Agreement, ultimately replacing it with a new Manufacturing and Supply Agreement (the "***Supply Agreement***") with Regenity. The Supply Agreement maintains MIMEDX's exclusive right to sell and market the product in the United States.

The transaction was accounted for as an acquisition of assets, as substantially all the fair value of the acquired assets was concentrated in the acquired exclusive distribution rights. The cost to acquire the assets on the transaction date was $8.1 million, reflecting the $5.0 million of initial consideration, $0.4 million to acquire inventory, and $2.7 million, which represented the fair value of the minimum amount of the Profit Share Payments. This amount reflected the anticipated timing of such Profit Share Payments, discounted to present value at a discount rate approximating the Company's borrowing rate plus a risk premium, all of which reflect Level 3 inputs as of the acquisition date. These costs were allocated amongst the assets acquired. The Company assigned $7.6 million to the distribution rights acquired and $0.5 million to inventory. The amount ascribed to the distribution rights will be amortized over five years, generally reflective of the period of time over which the distribution rights are anticipated to contribute to cash flow generation.

Any Profit Share Payments exceeding the $3.0 million minimum will be capitalized in the period incurred as a part of the acquired assets and amortized over the remaining life of such assets.

15. Discontinued Operations

Disbanding of Regenerative Medicine Business Unit

In the second quarter of 2023, the Company announced the disbanding of its Regenerative Medicine reportable segment and the suspension of its Knee Osteoarthritis clinical trial program. The announcement reflected the abandonment of the Company's efforts to pursue a Biological License Application for its micronized dehydrated amnion chorion membrane product and a major definitive strategic shift in the Company's focus toward its continuing commercial pipeline as its primary source of value creation.

The Company completed the regulatory obligations associated with the clinical trial during the fourth quarter of 2023, at which time material run-off operations had ceased and Regenerative Medicine met the criteria for presentation as a discontinued operation.

Financial Statement Impact of Discontinued Operations

The income and expenses of the discontinued operation have been classified as income (loss) from discontinued operations in the consolidated statements of operations as of December 31, 2024, 2023, and 2022 as follows (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Selling, general and administrative expense	$ (221)	$ —	$ 116
Research and development expense	(200)	8,017	10,128
Restructuring expense	—	4,168	—
Income tax provision benefit	—	(2,974)	—
Income (loss) from discontinued operations	$ 421	$ (9,211)	$ (10,244)

The assets and liabilities of the discontinued operations have been classified as discontinued operations in the consolidated balance sheet as of December 31, 2024 and 2023 as follows (in thousands):

	December 31,	
	2024	2023
Current liabilities:		
Accrued compensation	$ —	$ 311
Accrued expenses	—	1,041
Current liabilities of discontinued operations	$ —	$ 1,352

Goodwill

As a result of the announcement of the disbanding of Regenerative Medicine business unit, the Company evaluated goodwill associated with the Regenerative Medicine reporting unit for potential impairment. The Company estimated fair value for the reporting unit using the income approach; specifically, a discounted cash flow method. As a result of this assessment, management concluded that the carrying value of the reporting unit exceeded its fair value by an amount that exceeded its goodwill balance. Accordingly, the Company recognized an impairment loss for the full amount of the goodwill ascribed to the Regenerative Medicine reporting unit. The goodwill impairment loss is included as a component of discontinued operations in the audited consolidated statement of operations for the year ended December 31, 2023. Impairment of goodwill of $0.5 million was recorded as part of loss from discontinued operations for the year ended December 31, 2023.

16. Income Taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of the Company's deferred tax assets and liabilities are as follows (in thousands):

	December 31,	
	2024	2023
Deferred Tax Assets:		
Capitalized research and development expenditures	$ 9,970	$ 10,843
Research and development and other tax credits	6,752	8,117
Share-based compensation	3,933	3,266
Net operating loss	3,713	13,712
Accrued expenses	3,038	3,660
Lease liabilities	1,456	600
Allowance for doubtful accounts	778	778
Intangible assets	580	—
Sales return and allowances	494	270
Property and equipment	295	84
Interest limitation carry forward	—	1,873
Other	155	437
Deferred Tax Liabilities:		
Prepaid expenses	(949)	(1,045)
Right of use asset	(1,392)	(571)
Interest limitation carry forward	(12)	—
Intangible assets	—	(337)
Net Deferred Tax Assets	28,811	41,687
Less: Valuation allowance	(505)	(910)
Net Deferred Tax Assets after Valuation Allowance	$ 28,306	$ 40,777

The reconciliation of the federal statutory income tax rate of 21% to the effective rate is as follows:

	Year ended December 31,		
	2024	2023	2022
Federal statutory rate	21.0 %	21.0 %	21.0 %
State taxes, net of federal benefit	4.1 %	(21.8)%	(0.8)%
Nondeductible compensation	1.1 %	1.8 %	(3.2)%
Deferred tax adjustments	0.9 %	1.3 %	(4.4)%
Meals and entertainment	0.6 %	1.2 %	(0.2)%
Uncertain tax positions	— %	0.4 %	(0.5)%
Valuation allowance	— %	(123.5)%	(12.5)%
Tax credits	(0.7)%	(3.2)%	4.9 %
Share-based compensation	(1.0)%	2.8 %	(6.1)%
Other	0.7 %	(0.2)%	0.6 %
Effective tax rate	26.7 %	(120.2)%	(1.0)%

The effective tax rate for the year ended December 31, 2023 was significantly impacted by the reversal of a valuation allowance. In the period, the Company noted that it was no longer in a cumulative three-year loss on a continuing operations basis, after excluding the effects of permanent book-tax differences. The absence of such negative evidence, coupled with the Company's expectation for future taxable income generation, led to a change in our assessment of the realizability of our deferred tax assets.

Current and deferred income tax expense (benefit) is as follows (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Current:			
Federal	$ 703	$ 576	$ —
State	2,121	422	206
Total current	2,824	998	206
Deferred:			
Federal	11,626	(31,633)	—
State	846	(9,144)	—
Total deferred	12,472	(40,777)	—
Income tax provision expense (benefit)	$ 15,296	$ (39,779)	$ 206

Certain items of income and expense are not reported in tax returns and financial statements in the same year. The tax effects of such temporary differences are reported as deferred income tax assets and liabilities. The measurement of deferred tax assets is reduced, if necessary, by the amount of any tax benefit that, based on available evidence, is not expected to be realized. The Company establishes a valuation allowance for deferred tax assets for which realization is not more likely than not. As of each reporting date, management considers new evidence, both positive and negative, that could affect its view of the future realization of deferred tax assets. A valuation allowance of $0.5 million and $0.9 million was recorded against the deferred tax asset balance as of December 31, 2024 and 2023, respectively. In the event that the weight of the evidence changes in the future, any increase or decrease in the valuation allowance would result in a income tax expense or benefit, respectively.

At December 31, 2024 and 2023, the Company had income tax net operating loss ("***NOL***") carryforwards for federal and state purposes of $0.7 million and $64.2 million and $43.5 million and $85.7 million, respectively. A portion of the Company's NOLs and tax credits are subject to annual limitations due to ownership change limitations provided by Internal Revenue Code Section 382. If not utilized, the federal and state tax NOL carryforwards will expire between 2028 and 2038. As of December 31, 2024, the Company has recorded a deferred tax asset for both federal and state NOL carryforwards of approximately

$0.1 million and $3.6 million, respectively. As of December 31, 2023, the Company has recorded a deferred tax asset for federal and state NOL carryforwards of $9.1 million and $4.6 million, respectively.

Unrecognized Tax Benefits

The following is a tabular reconciliation of the total amounts of unrecognized tax benefits (in thousands) included in the consolidated balance sheets:

	2024	2023	2022
Unrecognized tax benefits - January 1	$ 807	$ 645	$ 469
Increases - tax positions in current period	53	124	98
Increases - tax positions in prior period	—	38	78
Decreases in prior year positions	(29)	—	—
Unrecognized tax benefits - December 31	$ 831	$ 807	$ 645

Included in the balance of unrecognized tax benefits are tax benefits of $0.8 million and $0.8 million as of December 31, 2024 and 2023, respectively, that, if recognized, would affect the effective tax rate. Of these amounts, $0.2 million and $0.1 million, respectively, are recorded as other liabilities in the consolidated balance sheets as of those dates. The remaining balance is reflected as a reduction to the related deferred tax asset.

The Company recognizes accrued interest related to unrecognized tax benefits and penalties as income tax expense. Related to the unrecognized tax benefits noted above, the Company accrued no interest during the years ended December 31, 2024 or 2023.

The Company is subject to taxation in the U.S. and various state jurisdictions. As of December 31, 2024, the Company's tax returns for 2020 through 2023 generally remain open for exam by taxing jurisdictions. Additional prior years may be open to the extent attributes are being carried forward to an open tax year.

17. Supplemental Disclosure of Cash Flow and Non-Cash Investing and Financing Activities

Selected cash payments, receipts, and non-cash activities are as follows (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Cash paid for interest	$ 2,698	$ 6,034	$ 4,569
Income taxes paid (refunded)	3,247	(548)	181
Cash paid for operating leases	1,618	1,635	1,567
Non-cash activities:			
Conversion of Series B Preferred Stock	—	87,870	—
Fair value of shares received in settlement of litigation	9,300	—	—
Minimum Profit Share Payments pursuant to TELA APA	2,731	—	—
Issuance of shares pursuant to employee stock purchase plan	1,582	1,367	—
Purchases of equipment included in accounts payable	—	228	417
Financing costs incurred but not paid for Citizens Financing Transaction	—	138	—
Legal fees associated with the Repurchase of Series B Preferred Stock	—	45	—
Lease right of use asset and liability	5,333	—	(37)
Contingent consideration payable	441	—	—

18. Commitments and Contingencies

Contractual Commitments

The Company has commitments for meeting spaces, generally for hotel and conference spaces for company functions. These commitments generally contain renewal options.

The estimated meeting space commitments are as follows (in thousands):

Year ending December 31,	Meeting Space Commitments
2025	$ 237
2026	108
Total	$ 345

Litigation and Regulatory Matters

In the ordinary course of business, the Company and its subsidiaries may be a party to pending and threatened legal, regulatory, and governmental actions and proceedings (including those described below). In view of the inherent difficulty of predicting the outcome of such matters, particularly where the plaintiffs or claimants seek very large or indeterminate damages or where the matters present novel legal theories or involve a large number of parties, the Company generally cannot predict what the eventual outcome of the pending matters will be, what the timing of the ultimate resolution of these matters will be, or what the eventual recovery, loss, fines or penalties related to each pending matter may be.

In accordance with applicable accounting guidance, the Company accrues a liability when legal matters present loss contingencies that are both probable and estimable. The Company's financial statements at December 31, 2024 reflect the Company's current best estimate of probable losses associated with pending matters, including costs to comply with various settlement agreements, where applicable. The Company had zero accrued as of December 31, 2024 and December 31, 2023, respectively, related to expected settlement costs related to legal matters. The actual costs of resolving pending litigation matters may be in excess of the amounts accrued.

The Company paid $0.6 million, $0.2 million, and $0.7 million toward the resolution of legal matters involving the Company during the years ended December 31, 2024, 2023, and 2022, respectively. In addition, insurance providers paid $0.6 million on the Company’s behalf to settle legal matters for the year ended December 31, 2022.

During the second quarter 2024, the Company received 1.2 million shares of its own common stock in the settlement of certain legal matters. The Company accounted for the repayment of shares as a loss recovery, as the repayment related to the recoupment of legal fees previously incurred, but not in excess of the amount originally recorded. The Company recorded $9.3 million, reflecting the fair value of the returned shares on the date of the prevailing agreement, as a reduction to investigation, restatement and related expense on the consolidated statements of operations, where the legal fees to which this recovery originally related were recorded as they were incurred, for the year ended December 31, 2024.

The Company is a party to a variety of legal matters that arise in the ordinary course of the Company’s business, none of which are deemed to be individually material at this time. Due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim or proceeding would not have a material adverse effect on the Company’s business, results of operations, financial position or liquidity.

AXIOFILL

The Company received a Warning Letter on December 21, 2023, relating to the inspections and classification of AXIOFILL. The Company received a determination letter in March 2024 reaffirming the FDA’s position that AXIOFILL does not meet the regulatory classification requirements of a Human Cell, Tissue or Cellular or Tissue-based Product under Section 361 of the Public Health Service Act. The Company strongly disagrees with this determination. On March 25, 2024, MIMEDX filed suit in the U.S. District Court for the Northern District of Georgia against the FDA, the U.S. Department of Health and Human Services, Xavier Becerra, in his official capacity as Secretary of Health and Human Services, and Robert Califf, M.D. in his official capacity as Commissioner of Food and Drugs at FDA alleging violations of the Administrative Procedure Act and asking the Court to vacate FDA’s designation, declare FDA’s designation as arbitrary, capricious, an abuse of discretion, and contrary to law, and declare that AXIOFILL meets the criteria to be regulated under Section 361 of the Public Health Services Act. The parties have each filed motions for summary judgment in the case, which have been fully briefed.

19. 401(k) Plan

The Company has a 401(k) plan (the "***401(k) Plan***") covering all employees who have completed one month of service. Under the 401(k) Plan, participants could defer up to 90% of their eligible wages to a maximum of $23,000 per year (annual limit for 2024). Employees age 50 or over in 2024 could make additional pre-tax contributions of up to $7,500. In 2024, 2023 and 2022, the Company matched 50% of employee contributions up to 8% of the employee's eligible compensation. The matching contribution for the years ended December 31, 2024, 2023, and 2022 was $2.6 million, $2.7 million, and $3.3 million, respectively.

20. Government Assistance

Employee Retention Credit

The Coronavirus Aid, Relief, and Economic Security Act ("***CARES Act***") provided an employee retention credit ("***ERC***"), which was a refundable tax credit against certain payroll taxes. Upon determination that the Company overcame the barriers required to receive the credit, the Company qualified and filed to claim the ERC. The Company reflected the ERC as a reduction to the respective captions on the consolidated statements of operations associated with the employees to which the payroll tax benefit related. The Company has recorded $1.0 million as part of other current assets in the consolidated balance sheets as of December 31, 2024 and 2023, reflecting the amount of ERC outstanding as of those dates.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of MiMedx Group, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of MiMedx Group, Inc. and subsidiaries (the “Company”) as of December 31, 2024, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control — Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2024, of the Company and our report dated February 26, 2025, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Item 9A Managements Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP
Atlanta, Georgia
February 26, 2025

Evaluation of Disclosure Controls and Procedures

Management maintains a set of disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including our CEO and CFO, to allow for timely decisions regarding required disclosure.

An evaluation of the effectiveness of the design and operation of our disclosure controls and procedures was performed under the supervision and with the participation of our management, including our CEO and CFO. As a result of this evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective as of December 31, 2024.

Management's Report on Internal Control Over Financial Reporting

Management, including our CEO and CFO, is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act and based upon the criteria established in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (the "***COSO framework***"). The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of our financial statements for external purposes in accordance with GAAP.

An effective internal control system, no matter how well designed, has inherent limitations, including the possibility of human error or overriding of controls, and therefore can provide only reasonable assurance with respect to reliable financial reporting. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may demonstrate.

Under the supervision and with the participation of our management, including our CEO and CFO, we have conducted an evaluation of the effectiveness of our internal control over financial reporting based on the COSO framework. Based on evaluation under these criteria, management determined that we did maintain effective internal control over financial reporting as of December 31, 2023.

Our independent registered public accounting firm, Deloitte & Touche LLP, has audited the effectiveness of our internal control over financial reporting as of December 31, 2024, as stated in their report which appears on page 86 of this Form 10-K.

Changes in Internal Control Over Financial Reporting

There were no changes during the quarter ended December 31, 2024 in our internal control over financial reporting (as such term is defined in the Exchange Act) that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

During the three months ended December 31, 2024, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 9C. Disclosures Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this Item is incorporated herein by reference to the Company's definitive proxy statement to be filed no later than 120 days after December 31, 2024.

Item 11. Executive Compensation

Information required by this Item will be contained in our definitive proxy statement relating to our 2025 Annual Meeting of Shareholders under the caption “Executive Compensation Discussion and Analysis,” “Summary Compensation Table (2024, 2023 and 2022,” “Grants of Plan Based Awards for 2024,” “Outstanding Equity Awards on December 31, 2024,” “2024 Options Exercised and Stock Vested Table,” “2024 Potential Payments Upon Termination or Change in Control,” “2024 Director Compensation,” “Compensation Committee Report” and “Compensation Committee Interlocks and Insider Participation” or similar captions which are incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information required by this Item will be contained in our definitive proxy statement relating to our 2025 Annual Meeting of Shareholders under the captions “Security Ownership of Certain Beneficial Owners and Management,” and “Equity Compensation Plan Information,” or similar captions which are incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Information required by this Item will be contained in our definitive proxy statement relating to our 2025 Annual Meeting of Shareholders under the captions “Policies and Procedures for Approval of Related Party Transactions,” “Related Party Transactions,” and "Director Independence" or similar captions which are incorporated herein by reference.

Item 14. Principal Accounting Fees and Services

Information required by this Item will be contained in our definitive proxy statement relating to our 2025 Annual Meeting of Shareholders under the captions “Audit Matters,” or a similar caption which is incorporated herein by reference.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) Documents filed as part of this report:

(i) Financial Statements

(ii) Financial Statement Schedule:

The following Financial Statement Schedule is filed as part of this Report:

Schedule II Valuation and Qualifying Accounts for the years ended December 31, 2024, 2023 and 2022

(iii) Exhibits

See Item 15(b) below. Each management contract or compensation plan has been identified with an asterisk.

(b) Exhibits

Notes

*	Indicates a management contract or compensatory plan or arrangement
#	Filed herewith
##	Certain exhibits and schedules have been omitted pursuant to Item 601(b)(10) of Regulation S-K, but a copy will be furnished supplementally to the Securities and Exchange Commission upon request.

Exhibit Number	Description
3.1	Restated Articles of Incorporation, adopted March 4, 2021, effective March 5, 2021 (incorporated by reference to Exhibit 3.1 to the Registrant's Annual Report on Form 10-K filed on March 8, 2021).
3.2	Articles of Amendment to Restated Articles of Incorporation, effective June 3, 2021 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on June 10, 2021).
3.3	Articles of Amendment to Restated Articles of Incorporation, effective June 3, 2021 (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed on June 10, 2021).
3.4	Articles of Amendment to Restated Articles of Incorporation, effective June 13, 2023 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on June 14, 2023)
3.5	Amended and Restated Bylaws of MiMedx Group, Inc., as amended and restated as of February 16, 2023 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on February 23, 2023).
4.1	The description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to the Registrant's Registration Statement on Form 8-A filed on November 2, 2020).
10.1	Lease effective May 1, 2013 between Hub Properties of GA, LLC and MiMedx Group, Inc. (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed on May 10, 2013).
10.1A	First Amendment to Lease dated March 7, 2017 between CPVF II West Oak LLC (as successor in interest to HUB Properties of GA, LLC) and MiMedx Group, Inc. (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on March 13, 2017).
10.1B	Second Amendment to Lease for real property and improvements located at 1775 West Oak Commons Court,Marietta, Georgia between RE Fields, LLC, successor in interest to HUB Properties GA, LLC, and CPVF II West Oak LLC, ("Landlord"), and MiMedx Group, Inc., ('Tenant") dated January 25, 2013, as amended March 7, 2017 (the "Lease"). (incorporated by reference to Exhibit 10.2B to the Registrant's Annual Report on Form 10-K filed on February 28, 2024).
10.1C	Third Amendment to Lease made as of November 30, 2021 for real property and improvements located at 1775 West Oak Commons Court, Marietta, Georgia between RE Fields, LLC, successor in interest to HUB Properties GA, LLC, and CPVF II West Oak LLC, and MiMedx Group, Inc., dated January 25, 2013, as amended March 7, 2017 (incorporated by reference to Exhibit 10.6 to the Registrant's Annual Report on Form 10-K filed on February 28, 2022).

Exhibit Number	Description
10.1D	Fourth Amendment to Lease made as of January 26, 2024 between Georgia RE Fields, LLC, successor in interest to HUB Properties GA, LLC, and CPVF II West Oak LLC, and MiMedx Group, Inc., dated January 26, 2024 (incorporated by reference to Exhibit 10.2D to the Registrant's Annual Report on Form 10-K filed on February 28, 2024).
10.1E	Fourth Amendment to Lease dated December 11, 2024 (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on December 16, 2024).
10.2##	Securities Purchase Agreement, dated as of June 30, 2020, by and between MiMedx Group, Inc., Falcon Fund 2 Holding Company, L.P. and certain other investors (incorporated by reference to Exhibit 10.38 to the Registrant's Annual Report on Form 10-K filed July 6, 2020).
10.3	Registration Rights Agreement dated as of July 2, 2020, by and between MiMedx Group, Inc. and Falcon Fund 2 Holding Company, L.P. (incorporated by reference to Exhibit 10.39 to the Registrant's Annual Report on Form 10-K filed on July 6, 2020).
10.4	MiMedx Group, Inc. Assumed 2006 Stock Incentive Plan, as amended and restated effective February 25, 2014 (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on March 3, 2014).
10.5*	Form of Incentive Stock Option Agreement under the MiMedx Group, Inc. Assumed 2006 Stock Incentive Plan (incorporated by reference to Exhibit 10.4 to the Registrant's Annual Report on Form 10-K filed on March 4, 2014).
10.6*	Form of Nonqualified Stock Option Agreement under the MiMedx Group, Inc. Assumed 2006 Stock Incentive Plan (incorporated by reference to Exhibit 10.5 to the Registrant's Annual Report on Form 10-K filed on March 4, 2014).
10.7*	Form of Restricted Stock Agreement for Non-Employee Directors under the MiMedx Group, Inc. 2006 Assumed Stock Incentive Plan (incorporated by reference to Exhibit 10.66 to the Registrant's Quarterly Report on Form 10-Q filed on August 8, 2013).
10.8*	Form of Restricted Stock Agreement under the MiMedx Group, Inc. 2006 Assumed Stock Incentive Plan (incorporated by reference to Exhibit 10.3 to the Registrant's Annual Report on Form 10-K filed on March 4, 2014).
10.9*	2016 Equity and Cash Incentive Plan, as amended and restated through May 2, 2023 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on June 14, 2023).
10.10*	Form of Incentive Stock Option Agreement under the MiMedx Group, Inc. 2016 Equity and Cash Incentive Plan (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed on August 2, 2016).
10.11*	Form of Restricted Stock Agreement under the MiMedx Group, Inc. 2016 Equity and Cash Incentive Plan (for shares not registered under the Securities Act of 1933) (incorporated by reference to Exhibit 10.9 to the Registrant's Current Report on Form 8-K filed on May 30, 2019).
10.12*	Form of Restricted Stock Agreement under the MiMedx Group, Inc. 2016 Equity and Cash Incentive Plan (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed on August 2, 2016).
10.13*	Form of Restricted Stock Agreement for Non-Employee Directors under the MiMedx Group, Inc. 2016 Equity and Cash Incentive Plan (incorporated by reference to Exhibit 10.11 to the Registrant's Current Report on Form 8-K filed on May 30, 2019).
10.14*	Form of Nonqualified Stock Option Agreement under the MiMedx Group, Inc. 2016 Equity and Cash Incentive Plan (incorporated by reference to Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q filed on August 2, 2016).
10.15*	Form of Director Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.16 to the Registrant's Annual Report on Form 10-K filed on March 17, 2020).
10.16	Form of Employee (Time-Vested) Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.33 to the Registrant's Annual Report on Form 10-K filed on July 6, 2020).
10.17*	Form of Employee (Performance-Vested, uncertain number of shares) Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.34 to the Registrant's Annual Report on Form 10-K filed on July 6, 2020).
10.18*	Form of Employee (Performance-Vested, certain number of shares) Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.35 to the Registrant's Annual Report on Form 10-K filed on July 6, 2020).
10.19*	Form of Non-Employee Restricted Stock Award Agreement (vest into retirement) (incorporated by reference to Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q filed on August 4, 2020).
10.20*	Form of Employee (Time-Vested) Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.25 to the Registrant's Annual Report on Form 10-K filed on March 8, 2021).

Exhibit Number	Description
10.21*	Employment Offer Letter between MiMedx Group, Inc. and William F. Hulse IV dated November 4, 2019, (incorporated by reference to Exhibit 10.30 to the Registrant's Annual Report on Form 10-K filed on July 6, 2020).
10.22*	Form of Key Employee Retention and Restrictive Covenant Agreement (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on December 21, 2020).
10.23*	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.65 to the Registrant's Current Report on Form 8-K filed on July 15, 2008).
10.24*	Form of Director Restricted Stock Unit Award Agreement (Type I - Initial Grant, Full Amount) (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed on August 3, 2021).
10.25*	Form of Director Restricted Stock Unit Award Agreement (Type II - Initial Grant, Pro Rata Amount) (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed on August 3, 2021).
10.26*	Form of Director Restricted Stock Unit Award Agreement (Type III - Annual Grant) (incorporated by reference to Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q filed on August 3, 2021).
10.27	Technology License Agreement dated January 29, 2007 between MiMedx, Inc., Shriner's Hospitals for Children and University of South Florida Research Foundation (incorporated by reference to Exhibit 10.32 to the Registrant's Current Report on Form 8-K filed on February 8, 2008).
10.28	Cooperation Agreement dated as of May 29, 2019 among MiMedx Group, Inc., M. Kathleen Behrens Wilsey, K. Todd Newton, Richard J. Barry, Prescience Partners, LP, Prescience Point Special Opportunity LP, Prescience Capital LLC, Prescience Investment Group, LLC d/b/a Prescience Point Capital Management LLC and Eiad Asbahi (incorporated by reference to Exhibit 10.32 to the Registrant's Current Report on Form 8-K filed on May 30, 2019).
10.29*	Employment Offer Letter between MiMedx Group, Inc. and Ricci S. Whitlow dated December 27, 2022 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on January 3, 2023).
10.30*	Letter Agreement between MiMedx Group, Inc. and Joseph H. Capper dated January 27, 2023 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on January 27, 2023).
10.31*	Performance Stock Unit Agreement between MiMedx Group, Inc. and Joseph H. Capper dated January 27, 2023 (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed on January 27, 2023).
10.32*	Nonqualified Stock Option Agreement between MiMedx Group, Inc. and Joseph H. Capper dated January 27, 2023 (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed on January 27, 2023).
10.33	Platform Intellectual Property License Agreement by and between MiMedx Group, Inc. and Global Health Solutions, Inc. (d.b.a. Turn Therapeutics) (incorporated by reference to Exhibit 10.44 to the Registrant's Annual Report on Form 10-K filed on February 28, 2023).
10.34*	Offer Letter dated June 30, 2023, between the Company and Doug Rice (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on July 5, 2023).
10.35*	Key Employee Retention and Restrictive Covenant Agreement dated July 5, 2023, between the Company and Doug Rice (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on July 5, 2023).
10.36*	Inducement Performance Stock Unit Agreement dated June 30, 2023, between the Company and Doug Rice (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed on July 5, 2023).
10.37*	Inducement Restricted Stock Unit Agreement dated June 30, 2023, between the Company and Doug Rice (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed on July 5, 2023).
10.38*	Inducement Stock Option Agreement dated June 30, 2023, between the Company and Doug Rice (incorporated by reference to Exhibit 10.5 to the Registrant's Current Report on Form 8-K filed on July 5, 2023).
10.39	Management Incentive Plan, as amended and restated effective June 6, 2023 (incorporated by reference to Exhibit 10.46 to the Registrant's Annual Report on Form 10-K filed on February 28, 2023).
10.40	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on December 16, 2024).
10.41	Form of Restricted Stock Unit Agreement under the MiMedx Group, Inc. 2016 Equity and Cash Incentive Plan (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed on April 30, 2024).
10.42	Form of Performance Stock Unit Agreement under the MiMedx Group, Inc. 2016 Equity and Cash Incentive Plan (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed on April 30, 2024).

Exhibit Number	Description
10.43	Form of Nonqualified Stock Option Agreement under the MiMedx Group, Inc. 2016 Equity and Cash Incentive Plan (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed on April 30, 2024).
10.44	Credit Agreement, dated January 19, 2024 among MIMEDX GROUP, INC., a Florida corporation, as the Borrower, MIMEDX TISSUE SERVICES LLC, as a Guarantor, MIMEDX PROCESSING SERVICES, LLC, as a Guarantor, MIMEDX SUPPLY LLC, as a Guarantor, BANK OF AMERICA, NATIONAL ASSOCIATION, as a Lender and CITIZENS BANK, N.A., as Administrative Agent, the L/C Issuer, the Swingline Lender, and as a Lender (incorporated by reference to Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q filed on April 30, 2024).
10.45#*	Offer Letter dated June 24, 2024 from MiMedx Group, Inc. to Kim Moller
10.46#	Restated Key Employee Retention and Restrictive Covenant Agreement dated June 7, 2023, between the Company and Kimberly Moller.
19.1#	Insider Trading Policy dated January 6, 2025.
21.1#	Subsidiaries of MiMedx Group, Inc.
23.1#	Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm.
24.1#	Power of Attorney (included on the signature page to this Report).
31.1#	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2#	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1#	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2#	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
97.1	MiMedx Compensation Recoupment Policy, as amended and restated effective November 29, 2023. (incorporated by reference to Exhibit 97.1 to the Registrant's Annual Report on Form 10-K filed on February 28, 2024).
101.INS#	XBRL Instance Document
101.SCH#	XBRL Taxonomy Extension Schema Document
101.CAL#	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF#	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB#	XBRL Taxonomy Extension Label Linkbase Document
101.PRE#	XBRL Taxonomy Extension Presentation Linkbase Document

Item 16. Form 10-K Summary

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

		MIMEDX GROUP, INC.
February 26, 2025	By:	/s/ Doug Rice
		Doug Rice
		Chief Financial Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints William F. Hulse IV and Kendall Lioon and each of them acting individually, as his or her true and lawful attorneys-in-fact and agents, each with full power of substitution and resubstitution, for him or her in any and all capacities, to sign any and all amendments to this Annual Report for the year ended December 31, 2024, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming our signatures as they may be signed by our said attorney to any and all amendments to said Annual Report.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature / Name	Title	Date
/s/ Joseph H. Capper Joseph H. Capper	Chief Executive Officer and Director Principal Executive Officer	February 26, 2025
/s/ Doug Rice Doug Rice	Chief Financial Officer Principal Financial Officer and Principal Accounting Officer	February 26, 2025
/s/ M. Kathleen Behrens M. Kathleen Behrens	Chair of the Board (Director)	February 26, 2025
/s/ James L. Bierman James L. Bierman	Director	February 26, 2025
/s/ William A. Hawkins III William A. Hawkins III	Director	February 26, 2025
/s/ Cato T. Laurencin Cato T. Laurencin	Director	February 26, 2025
/s/ K. Todd Newton K. Todd Newton	Director	February 26, 2025
/s/ Tiffany Olson Tiffany Olson	Director	February 26, 2025
/s/ Dorothy Puhy Dorothy Puhy	Director	February 26, 2025
/s/ Martin P. Sutter Martin P. Sutter	Director	February 26, 2025

Exhibit 10.45

Kim Moller
[●]
[●]

Dear Kim:

I am pleased to confirm your promotion to the position of Chief Commercial Officer ("CCO") on behalf of MiMedx Group, Inc. ("MiMedx" or "Company"), effective June 24th, 2024, reporting directly to the Chief Executive Officer. In addition to your current responsibilities for all U.S. commercial sales and supporting functions, you will immediately assume responsibility for all other commercial functions, including Marketing, International Sales, Reimbursement Services, etc. In connection with this promotion, you will receive the following:

Annual base salary: **$540,000** (gross before deductions).

Target annual bonus (MIP): **60%** of your annual base salary. 2024 Management Incentive Plan (MIP) will be based on the achievement of board approved performance targets.

Promotional equity grant: **300%** of your new annual base salary.

- 50% being RSUs, vesting 1/3 per year over 3 years.
- 50% being PSUs, cliff vesting after three years and the achievement of certain performance metrics. Given the timing of this promotion, we will need to agree on the PSU metrics, but they will align with your performance objectives.

Target annual equity grants (LTIP): **200%** of your annual base salary. The Long-Term Incentive Plan (LTIP) provides for an annual grant using a mix of various equity instruments as determined by the Compensation Committee of the Board of Directors, based on market data. The current mix for senior executives uses RSUs (35%), PSUs (40%) and Options (25%).

Override Grant: **50%** of your annual base salary. You have an over achievement equity grant associated with your current role. This will continue in your new role.

This role will include the same arrangements you currently have related to certain change in control and no cause separation benefits. These benefits are described more fully and governed by the "Key Employee Retention and Restrictive Covenant Agreement." As a reminder, your benefits under this agreement include:

- 1.25 times your base salary and target bonus for a no cause or good reason termination.
- 1.5 times your base and target bonus for a no cause or good reason termination within one year following a change in control.

In each instance, you shall be entitled to either health benefits continuation for a period equal to the amount of the separation payment, i.e. 15 months or 18 months, or a cash payment equal to the cost of such benefit continuation.

Kim, I could not be more excited to offer you this new role. You have been an excellent partner to me in your current role, and I look forward to continuing this collaboration as you undertake these increased responsibilities. This is a challenge you are more than prepared to assume.
Your leadership is critical to our future success!

Please feel free to contact me or Kate if you have any questions. Congratulations!

Sincerely,

/s/ Joe Capper

Joe Capper

cc: Kate Surdez

RESTATED KEY EMPLOYEE RETENTION
AND
RESTRICTIVE COVENANT AGREEMENT

THIS RESTATED KEY EMPLOYEE RETENTION AND RESTRICTIVE COVENANT AGREEMENT (the "Agreement") is dated as of June 7, 2023 between **MiMedx Group, Inc**., a Florida corporation (the "Company"), and **Kimberly Maersk-Moller** (the "Executive") (collectively, the Company and Executive referred to herein as the "Parties).

WHEREAS, Company and Executive previously entered into that certain Key Employee Retention and Restrictive Covenant Agreement, dated February 1, 2021 (the "Original Key Employee Retention and Restrictive Covenant Agreement");

WHEREAS, Company and Executive now wish to restate the Original Key Employee Retention and Restrictive Covenant Agreement and agree that the Original Key Employee Retention and Restrictive Covenant Agreement will be superceded and replaced in its entirety with this Agreement on the terms and conditions set forth herein;

WHEREAS, the Company has determined that it is appropriate to reinforce and encourage the continued attention and dedication of members of the Company's management, including the Executive, to their assigned duties without distraction in potentially disruptive circumstances arising from the possibility of a Change in Control (as hereinafter defined) of the Company; and

WHEREAS, the severance benefits payable by the Company to the Executive as provided herein are intended to ensure that the Executive receives reasonable compensation given the specific circumstances of Executive's employment history with the Company and obligations hereunder;

NOW, THEREFORE, in consideration of their respective obligations to one another set forth in this Agreement, and other good and valuable consideration, the receipt, sufficiency and adequacy of which the Parties hereby acknowledge, the Parties, intending to be legally bound, hereby agree as follows:

1. Term. This Agreement shall terminate, except to the extent that any obligation of the Company hereunder remains unpaid as of such time, upon the earliest of (i) the Date of Termination (as hereinafter defined) of the Executive's employment with the Company as a result of the Executive's death or Disability (as defined in Section 3(c)), by the Company for Cause (as defined in Section 3(d)) or by the Executive other than for Good Reason (as defined in Section 3(e)); or (ii) one year after the date of a Change in Control, if the Executive's employment with the Company has not terminated as of the date of the Change in Control (such period of time referred to hereinafter as the "Term").

2. Change in Control. For purposes of this Agreement, "Change in Control" shall mean the occurrence of any of the following events:

(a) The accumulation in any number of related or unrelated transactions by any Person of beneficial ownership (as such term is used in Rule 13d-3 promulgated under the Exchange Act) of more than fifty percent (50%) of the combined voting power of the Company's voting stock; provided that for purposes of this subsection (a), a Change in Control will not be deemed to have occurred if the accumulation of more than fifty percent (50%) of the voting power of the Company's voting stock results from any acquisition of voting stock (i) directly from the Company that is approved by the Incumbent Board (as such term is defined by the MiMedx Group, Inc. 2016 Equity And Cash Incentive Plan, as such Plan may be amended from time to time or any successor plan thereto), (ii) by the Company, (iii) by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Affiliate (as such term is defined by the MiMedx Group, Inc. 2016 Equity And Cash Incentive Plan, as such Plan may be amended from time to time or any successor plan thereto), or (iv) by any Person pursuant to a merger, consolidation or reorganization (a "Business Combination") that would not cause a Change in Control under subsections (b), (c) or (d) below; or

(b) Consummation of a Business Combination, unless, immediately following that Business Combination, (i) all or substantially all of the Persons who were the beneficial owners of the voting stock of the Company immediately prior to that Business Combination beneficially own, directly or indirectly, at least fifty percent (50%) of the then outstanding shares of common stock and at least fifty percent (50%) of the combined voting power of the then outstanding voting stock entitled to vote generally in the election of directors of the entity resulting from that Business Combination (including, without limitation, an entity that as a result of that transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions relative to each other as their ownership, immediately prior to that Business Combination, of the voting stock of the Company, and (ii) at least fifty percent (50%) of the members of the Board of Directors of the entity resulting from that Business Combination holding at least fifty percent (50%) of the voting power of such Board of Directors were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board of Directors providing for that Business Combination and as a result of or in connection with such Business Combination, no Person (as such term is defined by the MiMedx Group, Inc. 2016 Equity And Cash Incentive Plan, as such plan may be amended from time to time or any successor plan thereto), has a right to dilute either of such percentages by appointing additional members to the Board of Directors or otherwise without election or other action by the shareholders; or

(c) A sale or other disposition of all or substantially all of the assets of the Company, except pursuant to a Business Combination that would not cause a Change in Control under subsections (b) above or (d) below; or

(d) A complete liquidation or dissolution of the Company, except pursuant to a Business Combination that would not cause a Change in Control under subsections (b) and (c) above.

3. <u>Compensation and Benefits Following Termination of Employment</u>.

(a) Termination Prior to Change in Control. The Executive shall be entitled to the compensation and benefits provided in Section 4(a) if the Executive's employment is terminated, during the Term but prior to a Change in Control, for reasons other than (i) the Executive's death; (ii) the Executive's Disability; (iii) termination by the Company for Cause; or (iv) termination by the Executive without Good Reason.

(b) Termination Following Change in Control. If the Executive is employed with the Company as of the date of a Change in Control, the Executive shall be entitled to the compensation and benefits provided in Section 4(b) if the Executive's employment is subsequently terminated within the Term for reasons other than (i) the Executive's death; (ii) the Executive's Disability; (iii) termination by the Company for Cause; or (iv) termination by the Executive without Good Reason.

(c) Disability. The term "Disability" as used in this Agreement shall mean a condition that entitles the Executive to receive long-term disability benefits under the Company's long-term disability plan, or if there is no such plan, the Executive's inability, due to physical or mental incapacity, to perform the essential functions of the Executive's job, for one hundred eighty (180) days out of any three hundred sixty-five (365) day period or one hundred twenty (120) consecutive days; provided, however, in the event that the Company temporarily replaces the Executive, or transfers the Executive's duties or responsibilities to another individual on account of the Executive's inability to perform such duties due to a mental or physical incapacity which is, or is reasonably expected to become, a Disability, then the Executive's employment shall not be deemed terminated by the Company and the Executive shall not be able to resign with Good Reason as a result thereof. Any question as to the existence of the Executive's Disability as to which the Executive and the Company cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to the Executive and the Company. If the Executive and the Company cannot agree as to a qualified independent physician, each shall appoint such a physician, and those two physicians shall select a third, who shall make such determination in writing. The determination of Disability made in writing to the Company and the Executive shall be final and conclusive for all purposes of this Agreement. The Parties agree that compensation paid to the qualified independent physician providing the determination as provided herein shall be paid by the Company. The Parties also agree that termination of this Agreement pursuant to this Section, as well as any request by the Company that the Executive be evaluated pursuant to this Section for purposes of determining the existence of a Disability, shall not be construed and/or offered as evidence that the Company engaged in any conduct prohibited by any federal, state or local law prohibiting discrimination on the basis of disability, including, without limitation, the Americans with Disabilities Act and all amendments thereto.

(d) Cause. The term "Cause" for purposes of this Agreement shall be as defined in any employment or service agreement between the Company or any Affiliate and the Executive and if no such employment or service agreement exists or if such employment or service agreement does not contain any such definition of Cause or term of similar import, Cause shall mean:

(i) the Executive's willful failure to perform Executive's duties (other than any such failure resulting from incapacity due to physical or mental illness);

(ii) the Executive's embezzlement, misappropriation, or fraud, whether or not related to the Executive's employment with the Company;

(iii) the Executive's conviction of or plea of guilty or nolo contendere to a crime that constitutes a felony (or state law equivalent) or a crime that constitutes a misdemeanor involving moral turpitude;

(iv) the Executive's material violation of the Company's written policies or codes of conduct, including written policies related to discrimination, harassment, performance of illegal or unethical activities, and ethical misconduct; or

(v) the Executive's conduct which materially injures or carries the reasonable risk of materially injuring the Company's business or reputation, or which materially impairs the ability of Executive to effectively carry out his or her duties including, but not limited to, inappropriate use of drugs or alcohol or acts of discrimination, harassment or other inappropriate conduct involving another individual associated with the Company; or

(vi) the Executive's material breach of any material obligation under this Agreement and/or any employment agreement as between the Parties; or

Prior to terminating this Agreement pursuant to Section 4(d)(i), (iv) or (vi), the Company shall provide the Executive with written notice of such failure, violation or breach and provide the Executive a period of thirty (30) days (the "Cure Period") in which to cure such failure, conduct or breach. If the Executive timely cures the failure, conduct or breach to the satisfaction of the Company, in its sole discretion, then this Agreement will remain in effect, and the alleged failure, conduct or breach shall be deemed irrevocably waived by the Company as a basis for termination for Cause hereunder. For this definition, no act or omission by the Executive will be "willful" unless it is made by the Executive in bad faith or without a reasonable belief that such act or omission was in the best interests of the Company and any act or omission by the Executive based on authority given pursuant to a resolution duly adopted by the Board of Directors of the Company, on the advice of counsel for the Company or on the instruction of any officer of the Company to whom the Executive reports or any higher level officer will be deemed made in good faith and in the best interests of the Company.

(e) <u>Good Reason</u>. For purposes of this Agreement, "Good Reason" shall mean any of the following actions specified in subsections (i) through (iv) below which are taken by the Company at any time during the Term, or any of the following actions specified in subsections (v) through (vi) below which are taken by the Company at or after a Change in Control and during the Term, in any event without the Executive's written consent:

(i) a material, adverse change in the Executive's authority, duties, or responsibilities (other than temporarily while the Executive is physically or mentally incapacitated or as required by applicable law or other than changes that occur solely due to the

Company becoming a subsidiary or division of an acquiring company in connection with a Change in Control transaction);

(ii) a material reduction in the Executive's base salary as in effect on the date hereof or as the same may be adjusted from time to time during the term of this Agreement;

(iii) a material breach by the Company of any material obligation under this Agreement and/or any employment agreement as between the Parties;

(iv) any failure by the Company to obtain the assumption of this Agreement by any successor or assign of the Company effected in accordance with the provisions of Section 7(a) hereof;

(v) a relocation of the Executive's principal place of employment by more than 50 miles from the Executive's then present location at the time of the Change in Control; or

(vi) a material reduction in the overall level of employee benefits, including any benefit or compensation plan, annual bonus opportunity, equity incentive plan, retirement plan, life insurance plan, health and accident plan or disability plan in which Executive is actively participating immediately prior to a Change in Control (provided, however, that there shall not be deemed to be any such failure if the Company substitutes for the discontinued plan, a plan providing the Executive with substantially similar benefits) or the taking of any action by the Company which would adversely affect the Executive's participation in or materially reduce the Executive's overall level of benefits under such plans or deprive the Executive of any material fringe benefits enjoyed by the Executive immediately prior to a Change in Control.

Prior to terminating this Agreement pursuant to Section 4(e)(i) - (vi), the Executive shall provide the Company with written notice of such conduct or breach and provide the Company a period of thirty (30) days (the "Cure Period") in which to cure such failure, conduct or breach. Notice to the Company by the Executive of such alleged conduct or breach must be provided within thirty (30) days of the date of the Executive's knowledge of the alleged conduct or breach. If the Company timely cures the conduct or breach, or if the Executive fails to terminate his employment within ten (10) days following the end of the Cure Period, then this Agreement will remain in effect, and the alleged conduct or breach shall be deemed irrevocably waived by the Executive as a basis for termination for Good Reason hereunder.

(f) Notice of Termination. Any termination of the Executive's employment by the Company for a reason specified in Section 3(c) or (d) shall be communicated to the Executive by a Notice of Termination prior to the effective date of the termination. Any termination of the Executive's employment by the Executive for a reason specified in Section 3(e) shall be communicated to the Company by a Notice of Termination prior to the effective date of the termination. For purposes of this Agreement, a "Notice of Termination" shall mean a written notice that shall indicate whether such termination is for a reason set forth in

Section 3(c), (d) or (e) and that sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated. For purposes of this Agreement, no termination of the Executive's employment by the Company shall constitute a termination for Disability or Cause unless such termination is preceded by a Notice of Termination.

(g) Date of Termination. "Date of Termination" shall mean the date on which the Executive's termination is effective.

4. Compensation and Benefits upon Termination of Employment.

(a) Prior to Change in Control. If the Executive is entitled to compensation and benefits as provided in Section 3(a), then the Company shall provide to the Executive, as severance compensation and in consideration of the Executive's adherence to the terms of Section 5 hereof, subject to Sections 4(e) and 4(f) below, the following (such benefits pursuant to this Section 4(a) collectively referred to hereinafter as the "Severance"):

(i) a cash payment equal to 1.25 (one and one-quarter) times the Executive's annual Base Salary; and

(ii) a cash payment equal to 1.25 (one and one-quarter) times the Executive's Targeted Bonus with respect to the year in which the termination of employment occurs; and

(iii) for fifteen (15) months after Executive's termination of employment, Executive, his or her spouse and his or her dependents will continue to be entitled to participate in the Company's group health plans in which the Executive participates immediately prior to his or her termination of employment at the same rate as paid by similarly situated employees from time to time, provided that the Executive timely elects continuation coverage under Section 4980B(f) of the Code; and provided, further, that to the extent that such health plan does not permit continuation of the Executive's or his or her spouse's or dependents' participation throughout such period, the Company shall provide the Executive, on the first business day of each calendar quarter, in advance, with an amount which is equal to the Company's cost of providing such benefits, less the applicable employee rate of participation.

The cash payments specified in paragraphs (i) and (ii) of this Section 4(a) shall be paid on the sixty-fifth (65th) day (or the next following business day if the sixty-fifth (65th) day is not a business day) following the Date of Termination.

(b) Following Change in Control. If the Executive is entitled to compensation and benefits as provided in Section 3(b), then the Company shall pay to the Executive, as severance compensation and in consideration of the Executive's adherence to the terms of Section 5 hereof, subject to Sections 4(e) and 4(f) below, the following (such benefits pursuant to this Section 4(b) collectively referred to hereinafter as the "CIC Severance"):

(i) a cash payment equal to 1.5 (one and one half) times the Executive's annual Base Salary; and.

(ii) a cash payment equal to 1.5 (one and one half) times the Executive's Targeted Bonus with respect to the year in which the termination of employment occurs; and

(iii) for eighteen (18) months after Executive's termination of employment, Executive, his or her spouse and his or her dependents will continue to be entitled to participate in the Company's group health plans in which the Executive participates immediately prior to his or her termination of employment at the same rate as paid by similarly situated employees from time to time, provided that the Executive timely elects continuation coverage under Section 4980B(f) of the Code; and provided, further, that to the extent that such health plan does not permit continuation of the Executive's or his or her spouse's or dependents' participation throughout such period, the Company shall provide the Executive, on the first business day of each calendar quarter, in advance, with an amount which is equal to the Company's cost of providing such benefits, less the applicable employee rate of participation.

The cash payments specified in paragraphs (i) and (ii) of this Section 4(b) shall be paid on the sixty-fifth (65^{th}) day (or the next following business day if the sixty-fifth (65^{th}) day is not a business day) following the Date of Termination.

(c) The parties hereto agree that the Severance and CIC Severance are reasonable compensation in light of the Executive's services rendered to the Company and in consideration of the Executive's adherence to the terms of Section 5 hereof.

(i) Anything in this Agreement to the contrary notwithstanding, in the event it shall be determined that (x) any payment, award, benefit or distribution (or any acceleration of any payment, award, benefit or distribution) by the Company (or any of its affiliated entities) or any entity which effectuates a Change in Control (or any of its affiliated entities) to or for the benefit of Executive (whether pursuant to the terms of this Agreement or otherwise) (the "Payments") would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code (the "Excise Tax"), and (ii) the reduction of the amounts payable to Executive under this Agreement to the maximum amount that could be paid to Executive without giving rise to the Excise Tax (the "Safe Harbor Cap") would provide the Executive with a greater after tax amount than if such amounts were not reduced, then the amounts payable to Executive under this Agreement shall be reduced (but not below zero) to the Safe Harbor Cap. The reduction of the amounts payable hereunder, if applicable, shall be made by reducing first the payments under paragraph (i) and then paragraph (ii) of Section 4(a) or Section 4(b), as applicable.

(ii) All determinations required to be made the foregoing subsection (i), including the reduction of the Payments to the Safe Harbor Cap and the assumptions to be utilized in arriving at such determinations, shall be made by a public accounting firm that is retained by the Company as of the date immediately prior to the Change in Control (the "Accounting Firm") which shall provide detailed supporting calculations both to the Company and the Executive within fifteen (15) business days of the receipt of notice from the Company or the Executive that there has been a Payment, or such earlier time as is requested by the Company (collectively, the "Determination"). Notwithstanding the foregoing, in the event (x) the Company shall determine prior to the Change in Control that the Accounting Firm is precluded from performing such services under applicable auditor independence rules or (y) the Audit Committee of the Board of Directors of the Company determines that it does not want the Accounting Firm to perform such services because of auditor independence concerns or (z) the Accounting Firm is serving as accountant or auditor for the person(s) effecting the Change in Control, the Company, through its Compensation Committee, shall appoint another nationally recognized public accounting firm to make the determinations required hereunder (which accounting firm shall then be referred to as the Accounting Firm hereunder). All fees and expenses of the Accounting Firm shall be borne solely by the Company, and the Company shall enter into any agreement reasonably requested by the Accounting Firm in connection with the performance of the services hereunder. If the Accounting Firm determines that no Excise Tax is payable by the Executive, it shall furnish the Executive with a written opinion to such effect, and to the effect that failure to report the Excise Tax, if any, on the Executive's applicable federal income tax return will not result in the imposition of a negligence or similar penalty. In the event the Accounting Firm determines that the Payments shall be reduced to the Safe Harbor Cap, it shall furnish the Executive with a written opinion to such effect. The Determination by the Accounting Firm shall be binding upon the Company and the Executive.

(d) Executive agrees that he is not eligible for and shall not be entitled to severance compensation under any agreement, offer letter or other understanding with the Company or its affiliates or under the Company's established severance compensation plans, policies or arrangements and hereby expressly waives all rights with respect thereto; provided, however, that nothing in this Agreement shall affect or impair Executive's vested rights under any other employee benefit plan or policy of the Company providing benefits other than severance compensation. For the avoidance of doubt, if more than one Change in Control occurs during the term hereof, the term of this Agreement shall not expire until one year after the date of the latest such Change in Control to occur and the amount of compensation payable under Section 4(b) shall be based upon the highest annual base salary and Targeted Bonus payable to Executive on the date of any such Change in Control (to the extent not paid previously in connection with an earlier Change in Control), but Executive shall not be entitled to receive severance compensation under Section 4(b) more than once, and shall not be entitled to receive severance compensation under both Sections 4(a) and 4(b).

(e) The Company's obligation to provide the Severance and/or CIC Severance to Executive under this Agreement is expressly contingent upon the Company's receipt, no later than sixty (60) days after the Date of Termination, of an executed, effective and non-revocable Release of Claims substantially in the form provided by the Company (the "Release of Claims"). The Release of Claims will be provided to the Executive within five (5) days of the Date of Termination and must be executed by the Executive within the period of time provided in the Release of Claims for consideration thereof (such period, the "Consideration Period"). The Parties agree that any revisions to the Release of Claims, whether material or immaterial, do not initiate a new Consideration Period, which shall be determined based upon the date of the

Executive's receipt of the Release of Claims as initially provided to the Executive. The Company will have no obligation to provide Severance or CIC Severance, as applicable, to Executive in the event that the Executive (i) does not timely deliver to the Company an executed, effective and non-revocable Release of Claims, or (ii) does timely deliver an executed, effective and non-revocable Release of Claims to the Company, but the Executive breaches any representation, warranty or covenant of the Release of Claims after delivery. Furthermore, the Company shall accrue and withhold any Severance or CIC Severance payment or benefits otherwise due during any period prior to the Executive's submission of the executed Release of Claims or in which the Release of Claims is revocable (in whole or in part) by Executive, provided that any such withheld payments will promptly be remitted to the Executive, without payment of any interest, not later than ten (10) business days following the later of the date on which the Release of Claims becomes irrevocable or the date on which the Company receives a timely executed Release of Claims from the Executive. To the extent that the sixty (60) day period provided herein extends over more than one calendar year, no severance payments will be payable or benefits provided until the subsequent calendar year, notwithstanding the foregoing.

(f) Notwithstanding any other provision of this Agreement, if the Company determines at any time following the Date of Termination that the Executive committed any act or omission while the Executive was employed by the Company that would constitute Cause within the meaning of Section 3(d) of this Agreement, the Company may (i) cease any future payment of the Severance or CIC Severance, as applicable, otherwise payable to the Executive under this Agreement, and the Executive shall have no right to receive such Severance or CIC Severance, and/or (ii) require the Executive to repay, within not less than thirty (30) days, any and all Severance or CIC Severance, as applicable, previously paid to the Executive under the terms of this Agreement. In the event that the Company elects, within its sole discretion, to exercise its rights as provided in this Section 4(f), it shall provide written notice to the Executive of such determination and election, as well as the period of time within which the Executive is required to repay amounts previously paid, if applicable. The Company shall have the right to seek enforcement of its rights under Section 4(f)(ii) in any court of competent jurisdiction.

5. Protective Covenants.

(a) Definitions. This Subsection sets forth the definition of certain capitalized terms used in this Section 5.

(i) "Competing Business" shall mean a business (other than the Company) that, directly or through a controlled subsidiary or through an affiliate, is an integrated developer, processor, and/or marketer of a) collagen based biomaterials and products, b) bioimplants processed from human amniotic membrane, c) other amnion based products, d) tissue regeneration products, e) human allograft including skin and bone products, and f) other products of the type conducted, authorized, offered or provided within two years prior to the Date of Termination (collectively, "Competing Services").

(ii) "Competitive Position" shall mean: (A) the Executive's direct or indirect equity ownership (excluding ownership of less than one percent (1%) of the outstanding common stock of any publicly held Company) or control of any portion of any Competing

Business; or (B) any employment, consulting, partnership, advisory, directorship, agency, promotional or independent contractor arrangement between the Executive and any Competing Business where the Executive performs services for a Competing Business.

(iii) "Confidential Information" shall have the meaning provided in the Georgia Restrictive Covenants Act, Ga. Code Ann. §§ 13-8-50 to 59, and all amendments thereto, concerning the Company, its parent and the other subsidiaries of its parent in any form or media, whether oral, written, graphic, machine readable, sample form, or other tangible media, or in information storage and retrieval systems, including (A) all tangible reproductions or embodiments of such Confidential Information; (B) all notes, analyses, compilations, studies, interpretations or other documents, and all copies thereof, prepared by the Executive, which contain, reflect or are based upon, in whole or in part, any Confidential Information. Confidential Information includes, but is not limited to, data, reports (including, but not limited to, weekly task list reports and clinical research reports), analyses (including, but not limited to, analyses of competitive products and potentially competitive emerging technologies), matrices, notes, interpretations, protocols, forecasts, testing, methods and analysis of test results, records, models (including, but not limited to, the models of studies performed), documents, agreements, business plans, budgeting information, customer lists, the identity of and information relating to suppliers, business partnerships and acquisition targets, financial statements and other financial information of the Company and its customers or suppliers, know-how, strategic or technical data, research (primary and basic), clinical trial data and outcomes, technology (including without limitation all processing, manufacturing and related technology), designs, developments, inventions, data and any components thereof, whether or not copyrightable, intellectual property and trade secrets, whether or not patented or patentable, patent programs and strategies, sales and marketing data, marketing research data, marketing strategies, marketing materials (including, those in draft form), product information (including, but not limited to, the composition and structure of products, manufacturing processes for products, histology of products, biologic activity of products, internal opinions on the efficacy of products, and research team conclusions on products), product research and development data, sample product information, information discussed during lab meetings, software programs (including source code), pricing information and strategies, information provided by third parties which the Company has a duty to protect from disclosure.

(iv) "Covenant Period" shall mean the period of time from the date of this Agreement to the date that is eighteen (18) months after the Date of Termination.

(v) "Customers" shall mean prospective and actual customers, clients or referral sources to or on behalf of which the Company provides Competing Services and with whom the Executive had Material Contact (A) during the two years prior to the date of this Agreement and (B) during the Covenant Period.

(vi) "Material Contact" shall mean the contact between the Executive and each Customer or potential Customer of the Company: (A) with whom or with which the Executive dealt on behalf of the Company in an effort to initiate, maintain or further a business relationship between the Company and the Customer or potential Customer; (B) whose dealings with the Company were coordinated or supervised by the Employee; (C) about whom the Executive obtained Confidential Information in the ordinary course of business as a result of the Executive's association with the Company; or (D) who receives products or services authorized by the Company, the sale or provision of which directly results or resulted in compensation, commissions, or earnings for the Executive within the last two (2) years of the Executive's employment with the Company.

(vii) "Restricted Territory" shall mean all states of the United States, as well as such foreign countries in which the Company has provided Competing Services within the two (2) years prior to the Date of Termination."

(viii) "Trade Secrets" shall mean Confidential Information which meets the additional requirements of the Georgia Trade Secrets Act of 1990 (the "Act") or similar state law, as applicable, or the Defend Trade Secrets Act of 2016.

(b) Limitation on Competition. In consideration of the Company's entering into this Agreement and the acknowledgements set forth in Section 5(f) below, the Executive agrees that during the Covenant Period, the Executive will not, without the prior written consent of the Company, anywhere within the Restricted Territory, either directly or indirectly, alone or in conjunction with any other party, accept, enter into or take any action in conjunction with or in furtherance of a Competitive Position (other than action to reject an unsolicited offer of a Competitive Position).

(c) Limitation on Soliciting Customers. In consideration of the Company's entering into this Agreement and the acknowledgements set forth in Section 5(f) below, the Executive agrees that during the Covenant Period, the Executive will not, without the prior written consent of the Company, alone or in conjunction with any other party, solicit, divert or appropriate or attempt to solicit, divert or appropriate on behalf of a Competing Business with which Executive has a Competitive Position any Customer located in the Restricted Territory (or any other Customer with which the Executive had any material contact on behalf of the Company) for the purpose of providing the Customer or having the Customer provided with Competing Services.

(d) Limitation on Soliciting Personnel or Other Parties. In consideration of the Company's entering into this Agreement and the acknowledgements set forth in Section 5(f) below, the Executive hereby agrees that during the Covenant Period, the Executive will not, without the prior written consent of the Company, alone or in conjunction with any other party, solicit or attempt to solicit any employee, consultant, contractor, independent broker or other personnel of the Company or any subsidiary of the Company to terminate, alter or lessen that party's affiliation with the Company or to violate the terms of any agreement or understanding between such employee, consultant, contractor or other person and the Company or any subsidiary of the Company.

(e) Limitation on Use and/or Disclosure of Confidential Information. In consideration of the Company's entering into this Agreement and the acknowledgements set forth in Section 5(f) below, the Executive hereby agrees that he shall (A) hold all Confidential

Information in trust and confidence and not, directly or indirectly, divulge, publish or disclose the Confidential Information, whether it is tangible or intangible, to (I) any third party, or (II) any employee or contractor of the Company not authorized to access the Confidential Information, without prior written consent of the Company; (B) not copy or remove from the Company offices any Confidential Information or Trade Secrets without prior written consent of the Company; and (C) not use the Confidential Information for the Executive's personal benefit or for the benefit of any third party, except as otherwise required pursuant to valid judicial order, provided the Executive shall provide prompt written notice of such order to, and shall use the Executive's best efforts to cooperate with, the Company to obtain a protective order or other remedy to ensure that confidential treatment will be afforded such Confidential Information. Notwithstanding the foregoing obligations not to disclose Confidential Information, nothing in this Agreement prohibits the Executive from disclosing information in confidence to a government official or to an attorney for the sole purpose of reporting or investigating a suspected violation of the law. Similarly, nothing in this Agreement prohibits the Executive from disclosing information in a complaint or other court filing, if and only if such filing is made under seal.

(f) Acknowledgements. The Executive understands that the nature of the Executive's position gives the Executive access to and knowledge of confidential business information of the Company and places the Executive in a position of trust and confidence with the Company. The Executive understands and acknowledges that the intellectual services the Executive provides to the Company are unique, special, or extraordinary. The Executive further understands and acknowledges that the Company's ability to reserve these for the exclusive knowledge and use of the Company is of great competitive importance and commercial value to the Company, and that improper use or disclosure by the Executive is likely to result in unfair or unlawful competitive activity. The parties acknowledge and agree that the Protective Covenants are reasonable as to time, scope and territory given the Company's need to protect its trade secrets and confidential business information and given the substantial payments and benefits to which the Executive may be entitled pursuant to this Agreement.

(g) Remedies. The parties acknowledge that any breach or threatened breach of a Protective Covenant by the Executive is reasonably likely to result in irreparable injury to the Company, and therefore, in addition to all remedies provided at law or in equity, the Executive agrees that the Company shall be entitled to a temporary restraining order and a permanent injunction to prevent a breach or contemplated breach of the Protective Covenant. If the Company seeks an injunction, the Executive waives any requirement that the Company post a bond or any other security.

(h) Notification To Third Parties: If, within the Covenant Period or other period during which Executive possesses Confidential Information (hereinafter, the "Notification Period"), the Executive enters into a Competitive Position with a Competing Business, the Executive agrees to provide the Company written notice of the Executive's job responsibilities within five (5) business days of any offer of such Competitive Position ("Employment Notice"). The Employment Notice shall include (A) a description of the nature, duties and responsibilities of the Competitive Position, (B) the identity of the Competing Business, and (C) the state or other such similar geographic territory in which the Executive will be living and working. The Executive also agrees that, upon written request by the Company regarding the status of such Competitive Position, he shall respond to the Company in writing as provided herein. Additionally, the Executive agrees that during the Notification Period, he shall notify in writing any Competing Business with which he may seek to enter into a Competitive Position of the Protective Covenants under this Agreement. The Executive further agrees that the Company shall have the right to provide a copy of the provisions of Section 5 of this Agreement to any third party with whom the Executive may seek to enter into, or may subsequently enter into, a Competitive Position in order to assure that the Company's rights under this Agreement are adequately protected.

6. No Obligation to Mitigate Damages; No Effect on Other Contractual Rights.

(a) All compensation and benefits provided to the Executive under this Agreement are in consideration of the Executive's services rendered to the Company and of the Executive's adhering to the terms set forth in Section 5 hereof and the Executive shall not be required to mitigate damages or the amount of any payment provided for under this Agreement by seeking other employment or otherwise, nor shall the amount of any payment provided for under this Agreement be reduced by any compensation earned by the Executive as the result of employment by another employer after the Date of Termination, or otherwise.

(b) The provisions of this Agreement, and any payment provided for hereunder, shall not reduce any amounts otherwise payable, or in any way diminish the Executive's existing rights, or rights which would accrue solely as a result of the passage of time, under any benefit plan, incentive plan or securities plan, employment agreement or other contract, plan or arrangement except as otherwise provided herein, including without limitation Sections 4(d) and Section 9. More specifically, and without limiting the foregoing, this Agreement, and the requirement to pay Severance or CIC Severance, shall not affect in any way any vested equity interests, if any, granted to the Executive by the Company, and the Parties' rights and obligations with respect to any such vested equity interests shall continue to be determined by such plan and related documents pursuant to which the equity interests were granted; likewise, nothing in this Agreement shall affect or in any way modify the vesting of any equity interests, if any, granted to the Executive by the Company, and the Parties' rights and obligations with respect to any such equity interests, including any requirements related to, as well as the time provided for, the vesting of such interests, shall continue to be determined by such plan and related documents pursuant to which the equity interests were granted. Finally, this Agreement, and the requirement to pay severance, does not grant or otherwise create any equity interests in the Company or expectation of such equity interests where such equity interests have not otherwise been granted to the Executive by the Company.

7. Successor to the Company.

(a) The Company will require any successor or assign (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company ("Successor or Assign"), by agreement in form and substance reasonably satisfactory to the Executive, expressly, absolutely and unconditionally to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place. Any failure of the Company to obtain such agreement prior to the effectiveness of any such succession or assignment shall be a material breach of this Agreement and shall entitle the Executive to terminate the Executive's employment for Good Reason. As used in this Agreement (except for purposes of defining "Change in Control" in Section 2), "Company" shall mean the Company as hereinbefore defined and any Successor or Assign to the Company. If at any time during the term of this Agreement the Executive is employed by any Company, a majority of the voting securities of which is then owned by the Company, "Company" as used in Sections 3, 4, 12 and 14 hereof shall in addition include such employer. In such event, the Company agrees that it shall pay or shall cause such employer to pay any amounts owed to the Executive pursuant to Section 4 hereof.

(b) This Agreement shall inure to the benefit of and be enforceable by the Executive's personal and legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive should die while any amounts are still payable to Executive hereunder, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to the Executive's devisee, legatee, or the designee or, if there be no such designee, to the Executive's estate.

8. Notice. For purposes of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered by overnight courier service or mailed by United States certified mail, return receipt required, postage prepaid, as follows:

If to Company:

MiMedx Group, Inc.
1775 West Oak Commons Court
Marietta, GA 30062
Attention: General Counsel

If to Executive:

Kimberly Maersk-Moller
[●]
[●]

or such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

9. Miscellaneous. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by the Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia without reference to principles of conflict of laws, and venue for any proceeding related to this Agreement shall be proper in the federal or state courts located in or covering Cobb County, Georgia, to which venue the Executive and the Company hereby agree and submit. This Agreement supersedes and entirely replaces any other prior discussions, agreements, and understandings of every kind and nature, whether oral or in writing, between the Parties with respect to the subject matters addressed herein; notwithstanding the foregoing, however, this Agreement shall not supersede any prior or contemporaneous written agreements between the Parties with respect to the ownership, licensing and/or assignment of inventions, copyrights, patents or other intellectual property, including specifically the Employee Inventions and Assignment Agreement or the Confidentiality and Non-Solicitation Agreement entered into upon acceptance of employment and/or to be entered.

10. Validity. The invalidity or unenforceability of any provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

11. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

12. Legal Fees and Expenses. If any contest as to the validity, enforceability or interpretation of the Agreement (whether initiated by the Executive or the Company) shall arise each party shall be responsible for its own legal fees and related expenses, if any, incurred in connection with such contest; provided, however, that, in the event the Executive substantially prevails with respect to such contest, the Company shall reimburse the Executive on a current basis for all reasonable legal fees and related expenses incurred by the Executive in connection with such contest, which reimbursement shall be made within thirty (30) days after the date the Company receives the Executive's statement for such fees and expenses.

13. Code Section 409A. It is intended that payments under this Agreement shall be exempt from or in compliance with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the provisions of this Agreement are to be construed accordingly. Payments provided hereunder are intended to satisfy the involuntary separation or short term deferral exemptions under 409A. However, in no event shall the Company or an affiliate be responsible for any tax or penalty owed by the Executive or beneficiary with regard to payments and benefits provided herein. For purposes of Code Section 409A, each installment of payments

or benefits is intended to be treated as a separate payment, and the terms "employment termination" and "termination of employment" or terms of like kind are intended to constitute "separation from service" as defined under Code Section 409A. Notwithstanding anything in this Agreement to the contrary, if the Executive is determined to constitute a Code Section 409A "Specified Employee" at the time of separation from service, any payments not exempt from Code Section 409A shall be aggregated and delayed (if then required), and paid on the earlier of the first day of the seventh month following the Executive's separation from service, or the day after the Executive's death, as applicable. Thereafter, any remaining payments and benefits shall be paid as if there had been no earlier delay. Notwithstanding anything to the contrary in this Agreement or elsewhere, in the event that the Executive waives the provisions of another severance or change in control agreement or arrangement for this Agreement and such participation in this Agreement is later determined to be a "substitution" (within the meaning of Section 409A) for the benefits under such agreement or arrangement, then any payment or benefit under this Agreement that such Executive becomes entitled to receive during the remainder of the waived term of such agreement or arrangement shall be payable in accordance with the time and form of payment provisions of such agreement or arrangement.

14. Severability; Modification. All provisions of this Agreement are severable from one another, and the unenforceability or invalidity of any provision of this Agreement shall not affect the validity or enforceability of the remaining provisions of this Agreement, but such remaining provisions shall be interpreted and construed in such a manner as to carry out fully the intention of the Parties; *provided, however*, that if any portion of Section 5 of this Agreement is invalid, illegal, or unenforceable, the remainder of this Agreement shall be unenforceable. Should any judicial body interpreting this Agreement deem any provision of this Agreement to be unreasonably broad in time, territory, scope or otherwise, it is the intent and desire of the Parties that such judicial body, to the greatest extent possible, reduce the breadth of such provision to the maximum legally allowable parameters rather than deeming such provision totally unenforceable or invalid.

15. Confidentiality. The Executive acknowledges and affirms that Executive has previously entered into and/or will enter into a Confidentiality and Non-Solicitation Agreement, dated with the Company and that the terms of such agreement shall survive the execution of this agreement.

16. Agreement Not an Employment Contract. This Agreement shall not be deemed to constitute or be deemed ancillary to an employment contract between the Company and the Executive, and nothing herein shall be deemed to give the Executive the right to continue in the employ of the Company or to eliminate the right of the Company to discharge the Executive at any time for any reason.

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the date first above written.

MiMedx Group, Inc.

/s/ Joseph H. Capper

Joseph H. Capper
Chief Executive Officer

Kimberly Maersk-Moller

/s/ Kimberly Maersk-Moller

____
Executive

MIMEDX GROUP, INC. INSIDER TRADING POLICY

Policy Statement

This Insider Trading Policy (the "Policy") provides guidelines with respect to transactions in the securities of MiMedx Group, Inc. (the "Company") and the handling of confidential information about the Company and the companies with which the Company does business. The Company has adopted this Policy to promote compliance with federal, state and foreign securities laws that prohibit certain persons who are aware of material nonpublic information about a company from: (i) trading in securities of that company; or (ii) providing material nonpublic information to other persons who may trade on the basis of that information.

Policy Scope

This Policy applies to all officers of the Company and its subsidiaries, all members of the Company's Board of Directors, and all employees of the Company and its subsidiaries. The Company may also determine that other persons should be subject to this Policy, such as contractors or consultants who have access to material nonpublic information. This Policy also applies to family members, other members of a person's household, and entities controlled or influenced by a person covered by this Policy, as described below. This Policy applies to transactions in the Company's securities (collectively referred to in this Policy as "Company Securities"), including the Company's common stock, options to purchase common stock, or any other type of securities that the Company may issue, including (but not limited to) preferred stock, convertible debentures and warrants, as well as derivative securities that are not issued by the Company, such as exchange-traded put or call options or swaps relating to the Company's Securities. This Policy applies to Company Securities regardless of whether they are held in a brokerage account, an IRA, 401(k) or similar account, or otherwise.

Procedure

Administration of the Policy

The General Counsel or his or her delegate shall serve as the Insider Trading Compliance Officer who shall be responsible for administration of this Policy. The Insider Trading Compliance Officer shall take reasonable steps to confirm that this Policy is being followed and ensure this Policy is updated as needed. All determinations and interpretations by the Insider Trading Compliance Officer shall be final and not subject to further review; provided, however, the Board of Directors of the Company shall have the power (but not the obligation) to ask the Insider Trading Compliance Officer in executive session meetings to review the trading activity of Executive Officers and directors of the Company.

Procedures for Trading

The Company has established the following procedures in order to assist the Company in the administration of this Policy, to facilitate compliance with laws prohibiting insider trading while in possession of material nonpublic information, and to avoid the appearance of any impropriety. These procedures are applicable only to those individuals described below. Appendix A and Appendix B attached hereto may be amended from time to time in the discretion of the Insider Trading Compliance Officer.

Level 1 – All Employees and Directors. It is the policy of the Company that no director, officer or other employee of the Company (or any other person designated by this Policy or by the Insider Trading Compliance Officer as subject to this Policy) who is aware of material nonpublic information relating to the Company may, directly, or indirectly through family members or other persons or entities:

1. Engage in transactions in Company Securities (as defined below), except as otherwise specified in this Policy under the headings "Transactions Under Company Plans," "Transactions Not Involving a Purchase or Sale" and "Rule 10b5-1 Plans;"

2. Recommend the purchase or sale of any Company Securities;

3. Disclose material nonpublic information to persons within the Company whose jobs do not require them to have that information, or outside of the Company to other persons, including, but not limited to, family, friends, business associates, investors and expert consulting firms, unless any such disclosure is made in accordance with the Company's policies regarding the protection or authorized external disclosure of information regarding the Company; or

4. Assist anyone engaged in the above activities.

5. In addition, it is the policy of the Company that no director, officer or other employee of the Company (or any other person designated as subject to this Policy) who, in the course of working for the Company, learns of material nonpublic information about a company with which the Company does business, including a customer or supplier of the Company, may trade in that company's securities until the information becomes public or is no longer material.

There are no exceptions to this Policy, except as specifically noted herein. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure), or small transactions, are not excepted from this Policy.

Level II – Persons With Routine Access to Material Non-Public Information - Trading Windows. The persons identified on Appendix A, as well as their Family Members (as defined below) or Controlled Entities (as defined below), may generally conduct transactions in Company Securities during a "Window Period." A Window Period is defined as: the second full trading day following the public release of the Company's annual or quarterly results and ending at the close of the trading day that is four trading days prior to the end of the last month of the fiscal quarter. However, it should be noted that if such persons are in possession of material nonpublic information during a Window Period, they may not conduct transactions in Company Securities even in the Window Period. Under certain very limited circumstances, a person subject to this restriction may be permitted to trade outside of the Window Period, but only if the Insider Trading Compliance Officer concludes that the person does not in fact possess material nonpublic information. Persons wishing to trade outside of a Window Period must contact the Insider Trading Compliance Officer for approval at least two business days in advance of any proposed transaction involving Company Securities. The consummation of such transaction must be effected within forty-eight hours after receipt of approval and immediately reported to the Insider Trading Compliance Officer.

Level III- Persons with Frequent or Intermittent Access to Material Non-Public Information - Pre-Clearance Procedures. In addition to being subject to the Window Periods, the individuals identified on Appendix B, as well as the Family Members, Controlled Entities of such individuals, and persons and entities over which such individuals have influence or control, may not engage in any transaction in

Company Securities at any time (including during a Window Period) without first obtaining pre-clearance of the transaction from the Insider Trading Compliance Officer (including during a scheduled open Trading Window). When a request for pre-clearance is made, the requestor should carefully consider whether he or she may be aware of any material nonpublic information about the Company, and should describe fully those circumstances to the Insider Trading Compliance Officer. A request for pre-clearance must be submitted to the Insider Trading Compliance Officer at least two business days in advance of the proposed transaction. The consummation of such transaction must be effected within forty-eight hours after receipt of approval and immediately reported to the Insider Trading Compliance Officer. The Insider Trading Compliance Officer is under no obligation to approve a transaction submitted for pre-clearance, and may determine not to permit the transaction. If a person seeks pre-clearance and permission to engage in the transaction is denied, then he or she should refrain from initiating any transaction in Company Securities, and should not inform any other person of the restriction.

<u>Special Consideration for Section 16 Officers and Directors</u>. Executive Officers and directors of the Company are reminded that: (a) they are generally required to report any change in their beneficial ownership of the Company's securities to the SEC within two (2) business days after that change occurs, (b) they may not engage in any sale of the Company's common stock within six months before or after they have purchased any common stock or other equity security of the Company in the open market (or conversely any open market purchase within six months before or after any sale), and (c) they are required to effect any sale of the Company's common stock in accordance with Rule 144 under the Securities Act of 1933. The Company is available to assist in filing Section 16 reporting, however, the obligation to comply with Section 16 is personal. Please direct any inquiries concerning compliance to the Insider Trading Compliance Officer. The requestor should indicate whether he or she has effected any non-exempt "opposite-way" transactions within the past six months, and should be prepared to report the proposed transaction on an appropriate Form 4 or Form 5. The requestor should also be prepared to comply with SEC Rule 144 and file Form 144, if necessary, at the time of any sale.

<u>Event-Specific Trading Restriction Periods.</u> From time to time, an event may occur that is material to the Company and is known by only a few directors, officers and/or employees. So long as the event remains material and nonpublic, the persons designated by the Insider Trading Compliance Officer may not trade Company Securities. In addition, the Company's financial results may be sufficiently material in a particular fiscal quarter that, in the judgment of the Insider Trading Compliance Officer, designated persons should refrain from trading in Company Securities even during a time that is normally a Window Period. In that situation, the Insider Trading Compliance Officer may notify these persons that they should not trade in the Company's Securities, without disclosing the reason for the restriction. The existence of an event-specific trading restriction period or extension of such a period will not be announced to the Company as a whole, and should not be communicated to any other person. Even if the Insider Trading Compliance Officer has not designated you as a person who should not trade due to an event-specific restriction, you should not trade while aware of material nonpublic information. Exceptions will not be granted during an event-specific trading restriction period.

<u>Exceptions.</u> The quarterly trading restrictions and event-driven trading restrictions do not apply to those transactions to which this Policy does not apply, as described below under the headings "Transactions Under Company Plans" and "Transactions Not Involving a Purchase or Sale." Further, the requirement for pre-clearance, the quarterly trading restrictions and event-driven trading restrictions do not apply to transactions conducted pursuant to approved Rule 10b5-1 plans, described under the heading "Rule 10b5-1 Plans."

Definition of Material Nonpublic Information

Material Information. Information is considered "material" if a reasonable investor would consider that information important in making a decision to buy, hold or sell securities. Any information that could be expected to affect the Company's stock price, whether it is positive or negative, should be considered material. There is no bright-line standard for assessing materiality; rather, materiality is based on an assessment of all of the facts and circumstances, and is often evaluated by enforcement authorities with the benefit of hindsight. While it is not possible to define all categories of material information, some examples of information that ordinarily may be regarded as material are:

- Revenue or earnings guidance or a change to announced guidance;
- A pending or proposed merger, acquisition or tender offer;
- The establishment or discontinuance of a repurchase program for Company Securities;
- A material change in the Company's pricing or cost structure;
- Major research or technology developments;
- Significant clinical trial information or results;
- Development of a significant new product;
- Pending or threatened significant litigation, or the resolution of such litigation;
- The gain or loss of a significant customer or supplier.

When Information is Considered Public. The Company generally keeps the public informed by filing periodic reports with the SEC, and through the distribution of prospectuses, proxy statements and annual reports to shareholders. In addition, the Company from time to time makes announcements to the public, at appropriate times, regarding material developments concerning its operations. Typically, such announcements are made by press release and/or public disclosure documents filed with the SEC in order to ensure the availability of such information to all members of the investing community on an equal basis. Information should be considered nonpublic until it has been distributed to the general public as described above and a reasonable time has passed. ***Generally, one should allow one full trading day following publication as a reasonable waiting period before such information is deemed to be public***. Therefore, if an announcement is made before the commencement of trading on a Monday, an employee may trade in Company Securities starting on Tuesday of that week, because one full trading day would have elapsed by then (all of Monday). If the announcement is made on Monday after trading begins, employees may not trade in Company Securities until Wednesday. If the announcement is made on Friday after trading begins, employees may not trade in Company Securities until Tuesday of the following week.

Transactions by Family Members and Entities you Influence or Control

This Policy applies to your family members who reside with you (including a spouse, a child, a child away at college, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws), anyone else who lives in your household, and any family members who do not live in your household but whose transactions in Company Securities are directed by you or are subject to your influence or control, such as parents or children who consult with you before they trade in Company Securities (collectively referred to as "Family Members"). You are responsible for the transactions of these other persons and therefore should make them aware of the need to confer with you before they trade in Company Securities, and you should treat all such transactions for the purposes of this Policy and applicable securities laws as if the transactions were for your own account. This Policy does not, however, apply to personal securities transactions of Family Members where the purchase or sale decision is made by a third party not controlled by, influenced by or related to you or your Family Members. This Policy applies to any entities that you influence or control, including any corporations, partnerships or trusts (collectively referred to as "Controlled Entities"), and transactions by these Controlled Entities should be treated for the purposes of this Policy and applicable securities laws as if they were for your own account.

Transactions Under Company Plans

This Policy does not apply in the case of the following transactions, except as specifically noted. However, Section 16 officers and directors may still have reporting obligations and must immediately report any such transaction to the Insider Trading Compliance Officer following consummation.

Stock Option Exercises. This Policy does not apply to the exercise of an employee stock option acquired pursuant to the Company's plans, or to the exercise of a tax withholding right pursuant to which a person has elected to have the Company withhold shares subject to an option to satisfy tax withholding requirements. ("Exercise and hold") This Policy does apply, however, to any sale of stock as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option. ("Exercise and sell" or "sell all")

Restricted Stock and Restricted Stock Unit Awards. This Policy does not apply to the sale of a number of shares sufficient to pay applicable withholding taxes upon the vesting of Company awards of restricted stock or restricted stock units. Such sales may occur upon the exercise of a tax withholding right pursuant to which you elect to have the Company withhold shares of stock to satisfy tax withholding requirements upon the vesting of any restricted stock or elect to have the broker which acts as the Company's stock plan administrator sell such shares on your behalf. This exception is limited to only the number of shares estimated by the Company as necessary to pay applicable withholding taxes and does not permit any market sale of restricted stock except as otherwise in compliance with this Policy.

Transactions Not Involving a Purchase or Sale

Bona fide gifts of securities are not transactions subject to this Policy, though any Section 16 officer or director must immediately notify the Insider Trading Compliance Officer upon consummation of any gift of Company Securities. Further, transactions in broadly diversified mutual funds that are invested in Company Securities are not transactions subject to this Policy.

Special and Prohibited Transactions

The Company has determined that there is a heightened legal risk and/or the appearance of improper or inappropriate conduct if the persons subject to this Policy engage in certain types of transactions. It therefore is the Company's policy that any persons covered by this Policy may not engage in any of the following transactions, or should otherwise consider the Company's preferences as described below:

Short Sales. Short sales of Company Securities (*i.e.*, the sale of a security that the seller does not own) may evidence an expectation on the part of the seller that the securities will decline in value, and therefore have the potential to signal to the market that the seller lacks confidence in the Company's prospects. In addition, short sales may reduce a seller's incentive to seek to improve the Company's performance. For these reasons, short sales of Company Securities are prohibited. In addition, Section 16(c) of the Exchange Act prohibits officers and directors from engaging in short sales. (Short sales arising from certain types of hedging transactions are governed by the paragraph below captioned "Hedging Transactions.")

Publicly-Traded Options. Given the relatively short term of publicly-traded options, transactions in options may create the appearance that a director, officer or employee is trading based on material nonpublic information and focus a director's, officer's or other employee's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in put options, call options or other derivative securities, on an exchange or in any other organized market, are prohibited by this Policy. (Option positions arising from certain types of hedging transactions are governed by the next paragraph below.)

Hedging Transactions. Hedging or monetization transactions can be accomplished through a number of possible mechanisms, including through the use of financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds. Such hedging transactions may permit a director, officer or employee to continue to own Company Securities obtained through employee benefit plans or otherwise, but without the full risks and rewards of ownership. When that occurs, the director, officer or employee may no longer have the same objectives as the Company's other shareholders. Therefore, directors, officers and employees are prohibited from engaging in such transactions.

Margin Accounts and Pledged Securities. Securities held in a margin account as collateral for a margin loan may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material nonpublic information or otherwise is not permitted to trade in Company Securities, directors, officers and other employees are prohibited from holding Company Securities in a margin account or otherwise pledging Company Securities as collateral for a loan. (Pledges of Company Securities arising from certain types of hedging transactions are governed by the paragraph above captioned "Hedging Transactions.")

Notwithstanding the above, in certain very limited circumstances, the Insider Trading Compliance Officer, in his or her sole discretion, may grant exceptions to the Special and Prohibited Transactions identified above. Any person wishing to request an exemption must request a preclearance of the arrangement at least two weeks prior to the proposed execution of documents evidencing the proposed transaction and must set forth a justification for the proposed transaction.

Rule 10b5-1 Plans

Rule 10b5-1 under the Exchange Act provides a defense from insider trading liability under Rule 10b-5. In order to be eligible to rely on this defense, a person subject to this Policy must enter into a Rule 10b5-1 plan for transactions in Company Securities that meets certain conditions specified in the Rule (a "Rule 10b5-1 Plan"). If the plan meets the requirements of Rule 10b5-1, Company Securities may be purchased or sold without regard to certain insider trading restrictions. To comply with the Policy, a Rule 10b5-1 Plan must (1) be entered into only during a Window Period and when the person entering into the plan is not aware of material nonpublic information; (2) the Rule 10b5-1 Plan shall permit trades only pursuant to specific instructions or formulae determined in advance with regard to amount, price, and date of transactions, and insiders may not exercise any influence over or authorize his or her broker discretion to execute MiMedx stock transactions, and (3) be approved by the Insider Trading Compliance Officer.

Any Rule 10b5-1 Plan must be submitted for approval at least one week prior to the entry into the Rule 10b5-1 Plan. No further pre-approval of transactions conducted pursuant to the Rule 10b5-1 Plan will be required though all Section 16 officers and directors must immediately report the consummation of any transactions to the Insider Trading Compliance Officer. Any modifications or amendments to a written plan or arrangement that has been approved by the Insider Trading Compliance Officer must receive approval of the Insider Trading Compliance Officer before any further transactions may be affected pursuant to the written arrangement. No such plan or arrangement may be established or modified at a time when there is material information regarding the Company that has not been publicly disclosed.

Special Requirements for Section 16 Officers and Directors

Rule 144. Directors and Section 16 Officers are considered "affiliates" of the Company and must effect any trade in Company securities in accordance with Rule 144 or otherwise with the express approval of the General Counsel.

Directors and Section 16 Officers are also reminded of their obligations under Section 16, including their obligation to timely file reports regarding their ownership, and changes in ownership, of Company securities, and their potential for disgorgement of "short-swing" profits from trading in Company securities.

Ownership Reports. Under Section 16(a), each director and Section 16 officer must file with the SEC an initial report on Form 3 within 10 days of becoming a director or Section 16 officer, disclosing all equity securities of the Company beneficially owned on the date of becoming a director or Section 16 officer. Even if no securities were owned on that date, the director or Section 16 officer must file a Form 3. Any subsequent change in beneficial ownership by the director or Section 16 officer must, unless exempt from reporting or eligible for deferred reporting, be reported on a Form 4 filed within two business days. Some transactions, most notably gifts, are not required to be reported on Form 4, but instead may be reported on Form 5, which is due 45 days after the end of the Company's fiscal year. A director or Section 16 officer must also file a Form 5 to report any transaction that should have been reported during the fiscal year but was not. If a director or Section 16 officer did not engage in any transaction during the fiscal year that must be reported on Form 5, then the director or Section 16 officer need not file a Form 5. All Section 16 reports are filed with the SEC electronically and become publicly available immediately.

A director or Section 16 officer must report ownership of and transactions in any securities that he or she "beneficially owns." A director or Section 16 officer is deemed to beneficially own any security from which the director or Section 16 officer can derive a direct or indirect pecuniary benefit, other than in certain limited contexts (*i.e.*, where the director or Section 16 officer is a beneficiary of a trust and has no influence over the trustee's investment decisions). A director or Section 16 officer is considered the direct beneficial owner of all securities held in the director or Section 16 officer's own name or held jointly with others. A director or Section 16 officer is considered the indirect beneficial owner of any securities from which the director or Section 16 officer obtains benefits substantially equivalent to those of ownership. Thus, equity securities of the Company beneficially owned through partnerships, corporations, trusts, estates and family members may be beneficially owned by the director or Section 16 officer and therefore subject to reporting. Absent countervailing facts, a director or Section 16 officer is presumed to be the beneficial owner of securities held by his or her spouse and family members sharing his or her home. A director or Section 16 officer is free, however, to disclaim beneficial ownership of these or any other securities being reported if there is a reasonable basis for doing so.

Disgorgement of Profits on Short-Swing Transactions. Under Section 16(b), any profit realized by a director or Section 16 officer on a "short-swing" transaction (*i.e.*, a non-exempt purchase and sale, or sale and purchase, of the Company's equity securities within a period of less than six months) must be disgorged to the Company upon demand by the Company or a stockholder acting on the Company's behalf. If, for example, a director or Section 16 officer were to purchase 1,000 shares of common stock for $20 per share, and then, less than six months later, sell 1,000 shares of common stock for $25 per share, the profit of $5,000 (1,000 shares times $5) would be recoverable by the Company. By law, the Company cannot waive or release any claim it may have under Section 16(b), or enter into an enforceable agreement to provide indemnification for amounts recovered under Section 16(b). Any security holder of the Company may bring an action against a director or Section 16 officer under Section 16(b) if the Company fails to pursue recovery itself.

Post-Termination Transactions

This Policy continues to apply to transactions in Company Securities even after termination of service to the Company. If an individual is in possession of material nonpublic information when his or her service terminates, that individual may not trade in Company Securities until that information has become public or is no longer material. The pre-clearance procedures specified under the heading "Procedures for Trading" above, however, will cease to apply to transactions in Company Securities upon the expiration of any Company-imposed trading restrictions applicable at the time of the termination of service.

Individual Responsibility and Consequences of Violations

Persons subject to this Policy have ethical and legal obligations to maintain the confidentiality of information about the Company and not to engage in transactions in Company Securities while in possession of material nonpublic information. Each individual is responsible for making sure that he or she complies with this Policy, and that any family member, household member or entity whose transactions are subject to this Policy, as discussed above, also comply with this Policy. In all cases, the responsibility for determining whether an individual is in possession of material nonpublic information rests with that individual, and any action on the part of the Company, the Insider Trading Compliance Officer or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws.

The purchase or sale of securities while aware of material nonpublic information, or the disclosure of material nonpublic information to others who then trade in the Company's Securities, is prohibited by the federal and state laws. Insider trading violations are pursued vigorously by the SEC, U.S. Attorneys and state enforcement authorities as well as the laws of foreign jurisdictions. Punishment for insider trading violations is severe, and could include significant fines and imprisonment. While the regulatory authorities concentrate their efforts on the individuals who trade, or who tip inside information to others who trade, the federal securities laws also impose potential liability on companies and other "controlling persons" if they fail to take reasonable steps to prevent insider trading by company personnel.

In addition, an individual's failure to comply with this Policy may subject the individual to Company-imposed sanctions, including dismissal for cause, whether or not the employee's failure to comply results in a violation of law. Needless to say, a violation of law, or even an SEC investigation that does not result in prosecution, can tarnish a person's reputation and irreparably damage a career.

Company Assistance

Any person who has a question about this Policy or its application to any proposed transaction may obtain additional guidance from the Insider Trading Compliance Officer.

Revised January 6, 2025

<u>Appendix A</u>

Persons subject to Trading Windows

Vice Presidents and Above

Financial and accounting personnel

Designated sales operations and IT personnel

Legal department personnel

<u>Appendix B</u>

Persons subject to Pre-clearance Procedures

Members of the Board of Directors

Section 16 Officers

Any executive employee who directly reports to the CEO or CFO, or to the Board of Directors or a Committee thereof

Any administrative assistants who work directly for any executive employee reporting directly to the CEO or CFO

Designated clinical, research and development, and regulatory personnel

Exhibit 21.1

MiMedx Group, Inc.

List of Subsidiaries

Company	Jurisdiction of Organization
MiMedx Tissue Services, LLC	Georgia
MiMedx Processing Services, LLC	Florida
MiMedx Supply, LLC	Delaware
MiMedx Japan, Godo Kaisha	Japan

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Deloitte.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statements Nos. 333-259103 and 333-189785 on Form S-3 and Registration Statement Nos. 333-251434, 333-211900, 333-199841, 333-189784, 333-183991, 333-153255, 333-273412, 333-273413, 333-265689 and 333-270394 on Form S-8 of our reports dated February 26, 2025, relating to the financial statements of MiMedx Group, Inc. and the effectiveness of MiMedx Group, Inc.'s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2024.

/s/ Deloitte & Touche LLP

Atlanta, Georgia

February 26, 2025

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULES 13a-14(A) AND 15d-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934

I, Joseph H. Capper, certify that:

1. I have reviewed this Annual Report on Form 10-K of MiMedx Group, Inc. (the “Report”);

2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

(d) Disclosed in this Report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: February 26, 2025	/s/ Joseph H. Capper
	Joseph H. Capper
	Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULES 13a-14(A) AND 15d-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934

I, Doug Rice, certify that:

1. I have reviewed this Annual Report on Form 10-K of MiMedx Group, Inc. (the “Report”);

2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

(d) Disclosed in this Report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: February 26, 2025

/s/ Doug Rice

Doug Rice

Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned Joseph H. Capper, the Chief Executive Officer of MiMedx Group, Inc. (the “Company”), has executed this certification in connection with the filing with the Securities and Exchange Commission of the Company’s Annual Report on Form 10-K for the period ending December 31, 2024 (the “Report”). Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned hereby certifies, to his knowledge, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 26, 2025

/s/ Joseph H. Capper
Joseph H. Capper
Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Doug Rice, the Chief Financial Officer of MiMedx Group, Inc. (the “Company”), has executed this certification in connection with the filing with the Securities and Exchange Commission of the Company’s Annual Report on Form 10-K for the period ending December 31, 2024 (the “Report”). Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned hereby certifies, to his knowledge, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 26, 2025

/s/ Doug Rice
Doug Rice
Chief Financial Officer