

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

**FORM 8-K**

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

Date of Report (Date of earliest event reported): June 13, 2023

**MIMEDX GROUP, INC.**

(Exact name of registrant as specified in charter)

Florida  
(State or other jurisdiction  
of incorporation)

001-35887  
(Commission  
File Number)

26-2792552  
(IRS Employer  
Identification No.)

1775 West Oak Commons Ct., NE, Marietta GA 30062  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (770) 651-9100

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

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

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

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

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

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

As described in Item 7.01 of this Current Report, on June 20, 2023, MiMedx Group, Inc. (the “**Company**”), issued a press release (the “**Press Release**”) announcing a strategic realignment of its business, including among other items, focusing on its Wound & Surgical business to drive profitability and cash flows, suspending all current activities associated with its knee osteoarthritis clinical program, and disbanding its Regenerative Medicine business unit (the “**Realignment**”). Dr. Robert Stein’s position as President of the Company’s Regenerative Medicine business unit was eliminated as part of the realignment, and he will be departing from the Company.

**Item 7.01 Regulation FD Disclosure.**

On June 20, 2023, the Company issued the Press Release announcing the Realignment and also providing updates on its outlook for financial results in 2023. A copy of the Press Release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

On June 20, 2023, at 5:30 p.m. Eastern Daylight Time, the Company intends to host a conference call and webcast (the “**Investor Call**”) to discuss the strategic realignment and updates on its outlook. A copy of the slide presentation to be used by the Company in connection with the Investor Call is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

The foregoing information is furnished pursuant to Item 7.01, including Exhibits 99.1 and 99.2 attached hereto, and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), or otherwise subject to the liabilities of that section. It may only be incorporated by reference into another filing under the Exchange Act or Securities Act of 1933, as amended (the “**Securities Act**”), if such subsequent filing specifically references this Form 8-K. All information in the Press Release and the slide presentation speaks as of the date thereof and the Company does not assume any obligation to update said information in the future. In addition, the Company disclaims any inference regarding the materiality of such information which otherwise may arise as a result of its furnishing such information under Item 7.01 of this report on Form 8-K.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit No.</b>	<b>Description of Exhibit</b>
99.1	<a href="#">Press Release dated June 20, 2023</a>
99.2	<a href="#">Investor Call Presentation, dated June 20, 2023</a>
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

**SIGNATURES**

Pursuant to the requirements of the Exchange Act, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**MIMEDX GROUP, INC.**

Date: June 20, 2023

By: /s/ William “Butch” Hulse  
William “Butch” Hulse,  
General Counsel & Chief Administrative Officer

**MIMEDX Announces Strategic Realignment:  
Increases Focus on Wound & Surgical Business  
Expected to Significantly Improve Profitability**

*Suspending Current Activities Associated with Knee Osteoarthritis Program and Disbanding Regenerative Medicine Business Unit*

*Restructuring Expected to Generate Approximately \$25 Million in Annualized Savings*

*Raising Expectations to Deliver Mid-Teens Percentage Net Sales Growth During 2023*

*Management to Host Conference Call Today at 5:30pm ET to Discuss Update*

**MARIETTA, Ga., June 20, 2023** -- MiMedx Group, Inc. (Nasdaq: MDXG) ("MIMEDX" or the "Company") today announced a strategic realignment designed to focus the Company's resources on accelerating growth of its Wound & Surgical business, driving profitability and enhancing cash flow generation. As part of this realignment, the Company is suspending all current activities associated with its Knee Osteoarthritis ("KOA") program and is disbanding its Regenerative Medicine business unit, effective immediately.

In connection with today's announcement, Joseph Capper, MIMEDX Chief Executive Officer ("CEO"), provided the following comments:

*"After considerable analysis and deliberation, we have determined that it is in MIMEDX's best interest to update our strategic priorities. Today's announcement marks the beginning of a new era for MIMEDX – one in which we will be laser-focused on advancing our leadership position in the Wound & Surgical markets. The decision to suspend the KOA program had absolutely nothing to do with the safety or efficacy of our KOA product or our confidence in our team's ability.*

*"In consultation with experienced advisors, we conducted a thorough review of the relevant factors relating to the KOA market. When the analysis was complete, it was clear that due to changes in the market landscape, the inability to forecast with any precision multiple areas of risk, including regulatory uncertainty, combined with the opportunity cost of the significant capital requirements of the program, the decision to suspend KOA is right for MIMEDX. I want to recognize and thank the entire Regenerative Medicine team for their commitment and service to the Company.*

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*"We expect one-time wind down expenses to be approximately \$5 million dollars. On a pro forma basis, assuming the realignment had occurred on January 1, 2023, we expect that it would have added approximately \$25 million of Adjusted EBITDA<sup>1</sup> for the full year 2023. Suffice it to say, this change will materially improve our operating margins and free cash flow generation, providing much greater growth financing optionality. Since the second quarter is still ongoing, we will not comment on operating results until our next earnings release in early August. However, given our progress to date, we are raising our outlook for full year 2023 net sales percentage growth from the low-double digits to the mid-teens.*

*"With the suspension of KOA, we are now poised to strengthen our position in the Wound & Surgical markets, providing a clear pathway toward continuing to build shareholder value. Today's realignment also provides us with flexibility necessary to explore opportunities that could broaden our wound management offering.*

*"Our team members at MIMEDX work tirelessly at providing solutions designed to help thousands of people each year navigate some of the most complex wound healing challenges. We excel at and take great pride in helping people recover from their wounds, and we are confident a more streamlined company dedicated to that endeavor is best for patients and investors alike."*

#### **Conference Call and Webcast**

MIMEDX will host a conference call and webcast to discuss today's announcement beginning at 5:30 pm, Eastern Time. The call can be accessed using the following information:

Webcast: [Click here](#)

U.S. Investors: 877-407-6184

International Investors: 201-389-0877

Conference ID: 13739444

A replay of the webcast will be available for approximately 30 days on the Company's website at [www.mimedx.com](http://www.mimedx.com) following the conclusion of the event.

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<sup>1</sup> EBITDA and Adjusted EBITDA are non-GAAP financial measures. A reconciliation of certain of these measures to the closest GAAP measures is available on our web site and in our periodic filings with the Securities and Exchange Commission ("SEC"). We are not able to provide a reconciliation of our Adjusted EBITDA financial outlook or guidance or other non-GAAP financial outlook or guidance to the corresponding GAAP measure without unreasonable effort because of the uncertainty and variability of the nature and amount of the non-recurring and other items that are excluded from such non-GAAP financial measures. Such adjustments in future periods are generally expected to be similar to the kinds of charges excluded from such non-GAAP financial measures in prior periods. The exclusion of these charges and costs in future periods could have a significant impact on our non-GAAP financial measures.

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### **Important Cautionary Statement**

This press release includes forward-looking statements. Statements regarding: (i) expected benefits from the realignment; (ii) anticipated cost savings from and costs of the realignment; (iii) anticipated future sales and sales growth; (iv) our 2023 financial goals and expectations for future financial results, including EBITDA and Adjusted EBITDA, and related margins and cash flow; and (v) our expectations regarding the timing of the realignment. Additional forward-looking statements may be identified by words such as "believe," "expect," "may," "plan," "goal," "outlook," "potential," "will," "preliminary," and similar expressions, and are based on management's current beliefs and expectations.

Forward-looking statements are subject to risks and uncertainties, and the Company cautions investors against placing undue reliance on such statements. Actual results may differ materially from those set forth in the forward-looking statements. Factors that could cause actual results to differ from expectations include: (i) higher than anticipated costs in connection with the reduction in force and restructuring efforts; (ii) future sales are uncertain and are affected by competition, access to customers, patient access to healthcare providers, the reimbursement environment and many other factors; (iii) the Company may change its plans due to unforeseen circumstances, or delays in analyzing and auditing results, and may delay or alter the timeline for future trials, analyses, or public announcements; (iv) our access to hospitals and health care provider facilities could be restricted as a result of the ongoing COVID-19 pandemic or other factors; (v) the results of scientific research are uncertain and may have little or no value; (vi) our ability to sell our products in other countries depends on a number of factors including adequate levels of reimbursement, market acceptance of novel therapies, and our ability to build and manage a direct sales force or third party distribution relationship; (vii) the effectiveness of amniotic tissue as a therapy for particular indications or conditions is the subject of further scientific and clinical studies; and (viii) we may alter the timing and amount of planned expenditures for research and development based on the results of clinical trials and other regulatory developments. The Company describes additional risks and uncertainties in the Risk Factors section of its most recent annual report and quarterly reports filed with the SEC. Any forward-looking statements speak only as of the date of this press release and the Company assumes no obligation to update any forward-looking statement.

### **About MIMEDX**

MIMEDX is a pioneer and leader in placental biologics, developing and distributing placental tissue allografts to help address unmet clinical needs in multiple sectors of healthcare, including the Advanced Wound Care market as well as in surgical recovery settings. Our products are derived from human placental tissues and processed using our proprietary methods, including the Company's own PURION® process. We employ Current Good Tissue Practices, Current Good Manufacturing Practices, and terminal

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sterilization to produce our allografts. MIMEDX has supplied over two million allografts, through both direct and consignment shipments. For additional information, please visit [www.mimedx.com](http://www.mimedx.com).

**Contact:**

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Investor Relations

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## Investor Conference Call

June 20, 2023





## ■ Disclaimer & Cautionary Statements

Some of the information and statements contained in this presentation and certain oral statements made from time to time by representatives of MIMEDX constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that do not directly or exclusively relate to historical facts. Such forward-looking statements include statements regarding:

- Future sales or sales growth;
- Estimates of potential market size for the Company's current and future products;
- Plans for expansion outside of the U.S.;
- Our belief that suspending our knee osteoarthritis clinical program and eliminating our regenerative medicine business unit will sharpen our focus, optimize our profitability profile and significantly improve cash flow generation, and our expectations as to associated one-time costs and resulting annualized savings;
- Expectations regarding the U.S. Centers for Medicare and Medicaid Services ("CMS") and Medicare Administrative Contractors ("MACs") reimbursement policies and the impact of CMS and MAC reimbursement policy proposals on the Company's business and financial results in 2023 and beyond;
- The effectiveness of amniotic tissue as a therapy for any particular intended uses or condition; and
- The Company's long-term strategy and goals for value creation, the status of its pipeline products, expectations for future products, and expectations for future growth and profitability, including in net sales, Adjusted EBITDA and Adjusted EBITDA margin.

## ■ Disclaimer & Cautionary Statements (cont.)

Additional forward-looking statements may be identified by words such as "believe," "expect," "may," "plan," "potential," "will," "preliminary," and similar expressions, and are based on management's current beliefs and expectations. Forward-looking statements are subject to risks and uncertainties, and the Company cautions investors against placing undue reliance on such statements. Actual results may differ materially from those set forth in the forward-looking statements. Factors that could cause actual results to differ from expectations include:

- Future sales are uncertain and are affected by competition, access to customers, patient access to healthcare providers, the reimbursement environment and many other factors;
- The future market for the Company's products can depend on regulatory approval of such products, which might not occur at all or when expected, and is based in part on assumptions regarding the number of patients who elect less acute and more acute treatment than the Company's products, market acceptance of the Company's products, and adequate reimbursement for such therapies;
- 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. is costly and time consuming, and such clearances or approvals may not be granted on a timely basis, or at all, and the ability to obtain the rights to market additional, suitable products depends on negotiations with third parties which may not be forthcoming; and
- Whether there is full access to hospitals and healthcare provider facilities, as a continuation or escalation of access restrictions or lockdown orders resulting from the ongoing COVID-19 pandemic or other health emergencies.

The Company describes additional risks and uncertainties in the Risk Factors section of its most recent annual report and quarterly reports filed with the Securities and Exchange Commission (the "SEC"). Any forward-looking statements speak only as of the date of this presentation and the Company assumes no obligation to update any forward-looking statement.

## ■ Use of Non-GAAP Financial Measures

- In addition to our results in accordance with generally accepted accounting principles ("GAAP"), we provide certain non-GAAP metrics including Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA"), Adjusted EBITDA, and related margins.
- We believe that the presentation of these measures provides important supplemental information to management and investors regarding our performance.
- These measurements are not a substitute for GAAP measurements.
- Company management uses these Non-GAAP measurements as aids in monitoring our ongoing financial performance from quarter-to-quarter and year-to-year on a regular basis and for benchmarking against comparable companies.
- A reconciliation of certain of our non-GAAP metrics to the nearest comparable GAAP measurements is available on our web site and in our annual and quarterly filings with the SEC.
- We are not able to provide a reconciliation of our Adjusted EBITDA margin financial outlook or guidance or other non-GAAP financial outlook or guidance to the corresponding GAAP measure without unreasonable effort because of the uncertainty and variability of the nature and amount of the non-recurring and other items that are excluded from such non-GAAP financial measures.
  - Such adjustments in future periods are generally expected to be similar to the kinds of charges excluded from such non-GAAP financial measures in prior periods.
  - The exclusion of these charges and costs in future periods could have a significant impact on our non-GAAP financial measures.

## ■ Announcing Strategic Realignment

Increasing Focus on Wound & Surgical Business

Suspending Knee Osteoarthritis ('KOA') Program  
& Disbanding Regenerative Medicine Business Unit

Discussing Long Range Financial Targets

**Realignment sharpens our focus on our core Wound & Surgical end markets as we look to go broader & deeper in these channels while optimizing our profitability profile**

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## MIMEDX: Focused on Global Leadership in Healing Solutions

### Unparalleled Expertise



>15 Years Dedicated to Innovation in Wound Care



#1 Amniotic Skin Substitute\*

### Relentless Innovation



New Product Launches Creating New Opportunities for Growth



Unmatched Clinical & Scientific Evidence

### Increasing Patient Access



Over 300,000,000 Payer Covered Lives



Targeted International Expansion

### Best-in-Class Wound Product Portfolio



### Expanding Offering for Surgical Market



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\* BiomedGPS - SmartTRAK, 2022 US Amniotic Tissue Market - Revenue Shares. <https://www.smarttrak.com>. Accessed April 13, 2023

MIMEDX

■ **Introducing Our New 'Why' Statement & Company Vision**

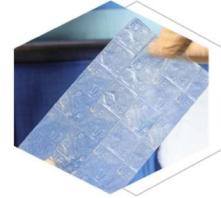
**Our Why:**

**Helping Humans Heal**



**Our Vision:**

**To be the leading global provider of healing solutions through relentless innovation to restore quality of life**



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**MIMEDX**

## ■ Suspending KOA

### Impact

Disbanding Regenerative Medicine business unit and eliminating clinical trial costs and associated expense

Simplifies & focuses the Company on winning in the marketplace today

Aligning resources in order to accelerate commercial success in Wound & Surgical

### Cost Savings

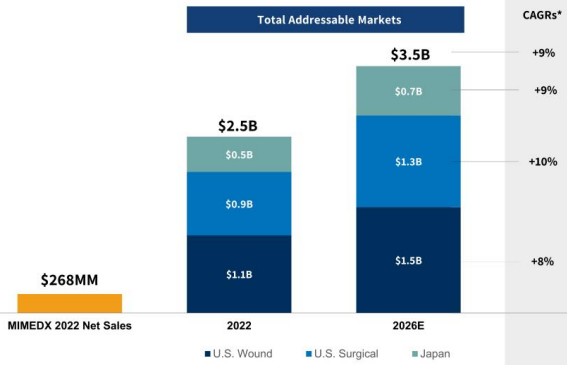
Expect to generate approximately \$25 million in annualized savings

One-time costs in Q2:23 expected to be approximately \$5 million

**Expected to significantly improve profitability and cash flow generation**

## Sizable Opportunities in Wound & Surgical End Markets

Favorable Demographic Trends & Increasing Need for Wound Solutions for Large & Growing Patient Population



9 \*CAGRs are the estimated cumulative annual growth rates for the period January 1, 2022 through December 31, 2026. BioMed GPS SmartTrak; 3rd party proprietary assessment; GlobalData Tissue Engineered-Skin Sub Data Model Wound Management Year 2020 -- retrieved Sept 2022; Management estimates





## ■ Targeting Above Market Growth & Improving Financial Profile

### Net Sales Growth

In the long term, expect to deliver **low double-digit percentage net sales growth** on an annual basis

With strong start to year, **anticipating 2023 full year net sales growth percentage to be higher - in the mid-teens**

**Potential to double 2022 annual net sales over the next few years**

### Profitability

On a pro-forma basis, assuming realignment took place Jan. 1, 2023, expect **Adjusted EBITDA margin percentage in the mid-to-high teens for full year 2023**

**Over time, Adjusted EBITDA margin has potential to be 20%+**

## ■ Our Strategic Priorities Remain

### Build leadership position in Wound & Surgical

- Grow in all sites-of-service
- Regain share in private physician office
- Go deeper and wider in Surgical Recovery

### Develop opportunities in adjacent markets

- Invest organically and inorganically in our product pipeline
- Numerous potential opportunities to augment growth profile

### Demonstrate corporate discipline around expenses

- Accelerating sustainable profitability and cash flow, beginning today
- Continue to focus on enhancing efficiencies across organization and achievement of near-term expense and profitability targets

helping humans heal

