



MIMEDX Announces Record Second Quarter 2025 Operating and Financial Results

July 30, 2025

Highest Quarterly Net Sales in MIMEDX History

Second Quarter Net Sales of \$99 million Grew 13% Year-Over-Year

Second Quarter GAAP Net Income and Diluted Earnings Per Share were \$10 Million and \$0.06, Respectively

Second Quarter Adjusted EBITDA was \$24 Million, or 25% of Net Sales

Raises 2025 Net Sales Growth Expectations

Management to Host Conference Call Today, July 30, 2025, at 4:30 PM ET

MARIETTA, Ga., July 30, 2025 (GLOBE NEWSWIRE) -- MiMedx Group, Inc. (Nasdaq: MDXG) ("MIMEDX" or the "Company"), today announced operating and financial results for the second quarter 2025.

Joseph H. Capper, MIMEDX Chief Executive Officer, commented, "We are proud to report on the Company's outstanding second quarter 2025 results, which included top-line net sales growth of 13%. This performance was driven by balanced, double-digit year-over-year growth from our Wound and Surgical franchises to produce our highest ever quarterly net sales. Additionally, our continued expense discipline and operational efficiency contributed to a record Adjusted EBITDA and a increase of \$12 million for an ending cash balance of \$119 million. Our commercial momentum gives us confidence that we will now be in a position to deliver net sales growth in the low double-digits for the full year."

Mr. Capper continued, "Earlier this month, Centers for Medicare and Medicaid Services ("CMS") introduced a sweeping proposal to overhaul reimbursement of skin substitutes next year in both the private office and hospital outpatient settings. We welcome and support reform in the category and look forward to engaging with CMS during the comment period to ensure the system brings rational behavior, drives enormous cost savings and prioritizes patient care."

Second Quarter 2025 Results Discussion

Net Sales

MIMEDX reported net sales for the three months ended June 30, 2025, of \$99 million, compared to \$87 million for the three months ended June 30, 2024, an increase of 13%. The increase was primarily driven by Wound product sales growth of 12% compared to the prior year period, driven in part by sales of our newer products, CELERA™ and EMERGE™. Additionally, net sales of our Surgical products increased 15% compared to the prior year period, including double-digit growth of AMNIOFIX®, AMNIOEFFECT® and accelerating contributions from HELIOGEN™.

Gross Profit and Margin

Gross profit for the three months ended June 30, 2025, was \$80 million, compared to \$72 million the prior year period. Gross margin for the three months ended June 30, 2025 was 81%, compared to 83% in the prior year period. The year-over-year decrease in gross margin was driven by production variances and product mix.

Operating Expenses

Selling, general and administrative ("SG&A") expenses for the three months ended June 30, 2025, were \$64 million compared to \$55 million for the three months ended June 30, 2024. The increase in SG&A was driven primarily by year-over-year increases in commissions due to greater sales and higher sales costs as well as increased legal expenses.

Research and development ("R&D") expenses for the three months ended June 30, 2025 and 2024, were \$3 million. R&D spend in the quarter was driven, in part, by the randomized controlled trial for EPIEFFECT® and ongoing investments in the development of future products in our pipeline.

Net Income

Net income for the three months ended June 30, 2025 was \$10 million compared to \$18 million for the three months ended June 30, 2024. Notably, the prior year period benefited from a one-time \$9.3 million settlement benefit.

Cash and Cash Equivalents

As of June 30, 2025, the Company had \$119 million of cash and cash equivalents compared to \$104 million as of December 31, 2024. As of June 30, 2025, our cash position, net of debt on our balance sheet, was \$100 million.

Financial Outlook

For 2025, MIMEDX now expects net sales growth to be in the low double-digits as a percentage compared to 2024. 2025 Adjusted EBITDA margin is expected to be above 20% on a full year basis.

Longer-term, the Company continues to expect to achieve annual net sales growth in the low double-digits as a percentage with an adjusted EBITDA margin above 20%.

Conference Call and Webcast

MIMEDX will host a conference call and webcast to review its second quarter 2025 results on Wednesday, July 30, 2025, beginning at 4:30 p.m., 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: 13754722

A replay of the webcast will be available for approximately 30 days on the Company's website at www.mimedx.com following the conclusion of the event.

Important Cautionary Statement

This press release includes forward-looking statements, including statements regarding (i) our 2025 and longer term financial goals and expectations for future financial results, including net sales growth and Adjusted EBITDA margin; and (ii) our expectations regarding regulatory actions. 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) future sales are uncertain and are affected by competition, access to customers, patient access to healthcare providers, the reimbursement environment and many other factors; (ii) the Company may change its plans due to unforeseen circumstances; (iii) the results of scientific research are uncertain and may have little or no value; (iv) 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; (v) the effectiveness of amniotic tissue as a therapy for particular indications or conditions is the subject of further scientific and clinical studies; (vi) we may alter the timing and amount of planned expenditures for research and development based on regulatory developments; (vii) Medicare spending; and (viii) changes in the size of the addressable market for our products. 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. 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 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. For additional information, please visit www.mimedx.com.

Contact:

Matt Notarianni
Investor Relations
470.304.7291

mnotarianni@mimedx.com

Selected Unaudited Financial Information

MiMedx Group, Inc.
Condensed Consolidated Balance Sheets
(in thousands) Unaudited

	June 30, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 118,869	\$ 104,416
Accounts receivable, net	69,228	55,828
Inventory	24,890	23,807
Prepaid expenses	4,863	5,018
Other current assets	3,026	2,817
Total current assets	220,876	191,886
Property and equipment, net	5,390	5,944
Right of use asset	4,987	5,606
Deferred tax asset, net	27,397	28,306
Goodwill	19,441	19,441
Intangible assets, net	12,028	11,626
Other assets	990	\$ 1,106
Total assets	<u>\$ 291,109</u>	<u>\$ 263,915</u>

LIABILITIES AND STOCKHOLDERS' EQUITY
Current liabilities:

Current portion of long term debt	1,250	1,000
Accounts payable	8,499	7,409
Accrued compensation	22,025	23,667
Accrued expenses	15,105	9,012
Other current liabilities	3,411	4,507
Total current liabilities	50,290	45,595
Long term debt, net	17,211	17,830
Other liabilities	6,984	7,383
Total liabilities	<u>\$ 74,485</u>	<u>\$ 70,808</u>
Total stockholders' equity	<u>216,624</u>	<u>193,107</u>
Total liabilities and stockholders' equity	<u>\$ 291,109</u>	<u>\$ 263,915</u>

MiMedx Group, Inc.
Condensed Consolidated Statements of Operations

(in thousands, except share and per share amounts) Unaudited

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net sales	\$ 98,605	\$ 87,207	\$ 186,810	\$ 171,915
Cost of sales	18,681	14,855	35,239	27,841
Gross profit	79,924	72,352	151,571	144,074
Operating expenses:				
Selling, general and administrative	64,151	55,401	124,120	110,530
Research and development	3,303	3,012	6,632	5,852
Investigation, restatement and related	—	(9,701)	—	(9,390)
Amortization of intangible assets	100	190	199	379
Impairment of intangible assets	—	—	—	54
Operating income	12,370	23,450	20,620	36,649
Other expense, net				
Interest income (expense), net	738	3	1,244	(1,687)
Other expense, net	(101)	(237)	(247)	(336)
Income from continuing operations before income tax	13,007	23,216	21,617	34,626
Income tax provision	(3,389)	(5,595)	(4,978)	(7,944)
Net income from continuing operations	9,618	17,621	16,639	26,682
Income from discontinued operations, net of tax	—	4	—	204
Net income	<u>\$ 9,618</u>	<u>\$ 17,625</u>	<u>\$ 16,639</u>	<u>\$ 26,886</u>
Basic net income per common share:				
Continuing operations	\$ 0.07	\$ 0.12	\$ 0.11	\$ 0.18
Discontinued operations	—	0.00	—	0.00
Basic net income per common share	<u>\$ 0.07</u>	<u>\$ 0.12</u>	<u>\$ 0.11</u>	<u>\$ 0.18</u>
Diluted net income per common share:				
Continuing operations	\$ 0.06	\$ 0.12	\$ 0.11	\$ 0.18
Discontinued operations	—	0.00	—	0.00
Diluted net income per common share	<u>\$ 0.06</u>	<u>\$ 0.12</u>	<u>\$ 0.11</u>	<u>\$ 0.18</u>
Weighted average common shares outstanding - basic	147,761,332	147,326,273	147,518,179	147,033,879
Weighted average common shares outstanding - diluted	149,317,281	148,897,920	149,529,544	149,211,012

MiMedx Group, Inc.
Condensed Consolidated Statements of Cash Flows

(in thousands) Unaudited

	Six Months Ended June 30,	
	2025	2024
Net cash flows provided by operating activities from continuing operations	19,718	28,722
Net cash flows used in operating activities of discontinued operations	—	(930)

Net cash flows provided by operating activities	\$	19,718	\$	27,792
Net cash flows used in investing activities		(1,293)		(6,929)
Net cash flows used in financing activities		(3,972)		(33,826)
Net change in cash	\$	14,453	\$	(12,963)

Reconciliation of Non-GAAP Measures

In addition to our GAAP results, we provide certain non-GAAP measures including Adjusted EBITDA and related margins, Free Cash Flow, Adjusted Gross Profit, Adjusted Gross Margin, Adjusted Net Income, and Adjusted Earnings Per Share ("Adjusted EPS"). We believe that the presentation of these measures provides important supplemental information to management and investors regarding our performance. These measures are not a substitute for GAAP measures. Company management uses these non-GAAP measures 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.

These non-GAAP financial measures reflect the exclusion of the following items:

- Share-based compensation expense - expense recognized related to awards to employees and our board of directors issued pursuant to our share-based compensation plans. This expense is reflected amongst cost of sales, research and development expense, and selling, general, and administrative expense in the unaudited condensed consolidated statements of operations.
- Impairment of intangible assets - reflects the impairment of intangibles. This expense is reflected in the line of the same name in our unaudited condensed consolidated statements of operations.
- Strategic legal and regulatory expenses - relates to litigation and regulatory expenses deemed strategically important to our operations. Litigation expenses incurred relate to suits filed against former employees and their employers for violation of non-compete and non-solicitation agreements and certain patent infringement matters. Regulatory expenses relate to legal fees incurred stemming from action taken against the United States Food & Drug Administration ("FDA") surrounding the designation of one of our products.
- Loss on extinguishment of debt - reflects the excess of cash paid to extinguish debt over the carrying value of the debt on our balance sheet upon the repayment and termination of a loan agreement. Amounts in this line reflect (i) prepayment premium paid and (ii) write-offs of unamortized original issue discount and deferred financing costs. These expenses are reflected as a component of interest income (expense), net in our unaudited condensed consolidated statements of operations.
- Expenses related to the disbanding of Regenerative Medicine - incremental expenses recognized or incurred directly as a result of our announcement to disband our Regenerative Medicine segment. These expenses ceased in Q3 2024.
- Amortization of acquired intangible assets - reflects amortization expense recognized solely related to assets which were acquired as part of a transaction. These expenses are reflected in cost of sales in our consolidated statements of operations.
- Reorganization expense - expenses incurred toward the realignment of our operating strategy. These expenses primarily relate to severance expenses related to certain executive leaders. These expenses are reflected as a component of selling, general, and administrative expense in the unaudited condensed consolidated statements of operations.
- Investigation, restatement and related benefit - expenses incurred toward the legal defense of the Company and advanced on behalf of former officers and directors, net of negotiated reductions and settlements of amounts previously advanced, related to certain legal matters. This expense is reflected in the line of the same name in our unaudited condensed consolidated statements of operations.
- Income Tax Adjustment - for purposes of calculating Adjusted Net Income and Adjusted Earnings Per Share, reflects our expectation of a long-term effective tax rate, which is normalized and balance sheet-agnostic. Actual tax expense will be based on GAAP earnings, and may differ from the expected long-term effective tax rate due to a variety of factors, including the tax treatment of various transactions included in GAAP net income and other reconciling items that are excluded in determining Adjusted Net Income and Adjusted EPS. The actual long-term normalized effective tax rate was 25% for each of the quarters and year-to-date periods ended June 30, 2025 and 2024.

Adjusted EBITDA and Adjusted EBITDA margin

Adjusted EBITDA consists of GAAP net income excluding (i) depreciation expense, (ii) amortization of intangible assets, (iii) interest (income) expense, net, (iv) income tax provision, (v) share-based compensation, (vi) investigation, restatement and related expenses, (vii) impairment of intangible assets, (viii) transaction-related expenses, (ix) strategic legal and regulatory expenses, (x) expenses related to disbanding of Regenerative Medicine Business Unit, and (xi) reorganization expenses.

Please refer to the tables at the beginning of this press release for reconciliation to GAAP net income.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net Income	\$ 9,618	\$ 17,625	\$ 16,639	\$ 26,886
Non-GAAP Adjustments:				

Depreciation expense	\$ 563	\$ 577	\$ 1,120	\$ 1,135
Amortization of intangible assets	\$ 2,606	\$ 572	\$ 5,252	\$ 761
Interest (income) expense, net	\$ (738)	\$ (3)	\$ (1,244)	\$ 1,687
Income tax provision	\$ 3,389	\$ 5,595	\$ 4,978	\$ 7,944
Share-based compensation	\$ 4,754	\$ 4,091	\$ 9,014	\$ 8,431
Investigation, restatement and related benefit	—	(9,701)	—	(9,390)
Impairment of intangible assets	—	—	—	54
Transaction related expenses	633	484	640	556
Strategic legal and regulatory expenses	2,530	581	4,175	631
Expenses related to disbanding of Regenerative Medicine Business Unit	—	(4)	—	(204)
Reorganization expenses	826	—	826	—
Adjusted EBITDA	<u>24,181</u>	<u>19,817</u>	<u>41,400</u>	<u>38,491</u>
Adjusted EBITDA margin	24.5%	22.7%	22.2%	22.4%

Adjusted Net Income

Adjusted Net Income provides a view of our operating performance, exclusive of certain items which are non-recurring or not reflective of our core operations.

Adjusted Net Income is defined as GAAP net income plus (i) loss on extinguishment of debt, (ii) investigation restatement and related benefit, (iii) impairment of intangible assets, (iv) amortization of acquired intangible assets, (v) strategic legal and regulatory expenses, (vi) transaction-related expenses, (vii) expenses related to disbanding of our Regenerative Medicine business unit, (viii) reorganization expenses, and (ix) the long-term effective income tax rate adjustment.

A reconciliation of GAAP net income to Adjusted Net Income appears in the table below (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income	\$ 9,618	\$ 17,625	\$ 16,639	\$ 26,886
Loss on extinguishment of debt	—	—	—	1,401
Investigation, restatement and related benefit	—	(9,701)	—	(9,390)
Impairment of intangible assets	—	—	—	54
Amortization of acquired intangible assets	2,506	382	5,053	382
Strategic legal and regulatory expenses	2,530	581	4,175	631
Transaction related expenses	633	484	640	556
Expenses related to disbanding of Regenerative Medicine Business Unit	—	(4)	—	(204)
Reorganization expenses	826	—	826	—
Long-term effective income tax rate adjustment	(1,487)	1,855	(3,100)	879
Adjusted net income	<u>\$ 14,626</u>	<u>\$ 11,222</u>	<u>\$ 24,233</u>	<u>\$ 21,195</u>

A reconciliation of various line items included in our GAAP unaudited condensed consolidated statements of operations to Adjusted Net Income for the three months ended June 30, 2025 and 2024 are presented in the tables below (in thousands):

	Three Months Ended June 30, 2025			
	Gross Profit	Selling, General & Administrative Expense	Research and Development Expense	Net Income
Reported GAAP Measure	\$ 79,924	\$ 64,151	\$ 3,303	\$ 9,618
Amortization of acquired intangible assets	2,506	—	—	2,506
Strategic legal and regulatory expenses	—	(2,530)	—	2,530
Transaction related expenses	—	(565)	—	633
Reorganization expenses	—	(826)	—	826
Long-term effective income tax rate adjustment	—	—	—	(1,487)
Non-GAAP Measure	<u>\$ 82,430</u>	<u>\$ 60,230</u>	<u>\$ 3,303</u>	<u>\$ 14,626</u>
Gross Profit Margin	81.1%			
Gross Profit Margin, as adjusted	83.6%			

	Three months ended June 30, 2024			
	Gross Profit	Selling, General & Administrative	Research and Development	Net Income
		Expense	Expense	
Reported GAAP Measure	\$ 72,352	\$ 55,401	\$ 3,012	\$ 17,625
Investigation, restatement and related expenses	—	—	—	(9,701)
Amortization of acquired intangible assets	382	—	—	382
Transaction related expenses	—	(414)	—	484
Strategic legal and regulatory expenses	—	(581)	—	581
Expenses related to disbanding of Regenerative Medicine Business Unit	—	—	—	(4)
Long-term effective income tax rate adjustment	—	—	—	1,855
Non-GAAP Measure	<u>\$ 72,734</u>	<u>\$ 54,406</u>	<u>\$ 3,012</u>	<u>\$ 11,222</u>
Gross Profit Margin	83.0%			
Gross Profit Margin, as adjusted	83.4%			

	Six Months Ended June 30, 2025			
	Gross Profit	Selling, General & Administrative	Research and Development	Net Income
		Expense	Expense	
Reported GAAP Measure	\$ 151,571	\$ 124,120	\$ 6,632	\$ 16,639
Amortization of acquired intangible assets	5,053	—	—	5,053
Strategic legal and regulatory expenses	—	(4,175)	—	4,175
Transaction related expenses	—	(565)	—	640
Reorganization expenses	—	(826)	—	826
Long-term effective income tax rate adjustment	—	—	—	(3,100)
Non-GAAP Measure	<u>\$ 156,624</u>	<u>\$ 118,554</u>	<u>\$ 6,632</u>	<u>\$ 24,233</u>
Gross Profit Margin	81.1%			
Gross Profit Margin, as adjusted	83.8%			

	Six Months Ended June 30, 2024			
	Gross Profit	Selling, General & Administrative	Research and Development	Net Income
		Expense	Expense	
Reported GAAP Measure	\$ 144,074	\$ 110,530	\$ 5,852	\$ 26,886
Loss on extinguishment of debt	—	—	—	1,401
Investigation, restatement and related benefit	—	—	—	(9,390)
Impairment of intangible assets	—	—	—	54
Amortization of acquired intangibles	382	—	—	382
Transaction related expenses	—	(486)	—	556
Strategic legal and regulatory expenses	—	(631)	—	631
Expenses related to disbanding of Regenerative Medicine Business Unit	—	—	—	(204)
Long-term effective income tax rate adjustment	—	—	—	879
Non-GAAP Measure	<u>\$ 144,456</u>	<u>\$ 109,413</u>	<u>\$ 5,852</u>	<u>\$ 21,195</u>
Gross Profit Margin	83.8%			
Gross Profit Margin, as adjusted	84.0%			

Adjusted Earnings Per Share

Adjusted Earnings Per Share is intended to provide a normalized view of earnings per share by removing items that may be irregular, one-time, or non-recurring from net income. This enables us to identify underlying trends in our business that could otherwise be masked by such items. Adjusted Earnings Per Share consists of GAAP diluted net income per common share including adjustments for (i) loss on extinguishment of debt, (ii) investigation restatement and related benefit, (iii) impairment of intangible assets, (iv) amortization of acquired intangible assets, (v) strategic legal and regulatory expenses, (vi) transaction-related expenses, (vii) expenses related to disbanding of our Regenerative Medicine business unit, (viii)

reorganization expenses, and (ix) the long-term effective income tax rate adjustment.

A reconciliation of GAAP diluted earnings per share to Adjusted Earnings Per Share appears in the table below (per diluted share):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
GAAP net income per common share - diluted	\$ 0.06	\$ 0.12	\$ 0.11	\$ 0.18
Loss on extinguishment of debt	0.00	0.00	0.00	0.01
Investigation, restatement and related benefit	0.00	(0.07)	0.00	(0.06)
Amortization of acquired intangible assets	0.02	0.00	0.03	0.00
Transaction related expenses	0.00	0.01	0.00	0.00
Strategic legal and regulatory expenses	0.02	0.01	0.03	0.00
Reorganization expenses	0.01	0.00	0.01	0.00
Long-term effective income tax rate adjustment	(0.01)	0.01	(0.02)	0.01
Adjusted Earnings Per Share	<u>\$ 0.10</u>	<u>\$ 0.08</u>	<u>\$ 0.16</u>	<u>\$ 0.14</u>
Weighted average common shares outstanding - adjusted	149,317,281	148,897,920	149,529,544	149,211,012

Free Cash Flow

Free Cash Flow is intended to provide a measure of our ability to generate cash in excess of capital investments. It provides management with a view of cash flows which can be used to finance operational and strategic investments.

Free Cash Flow is defined as net cash provided by operating activities less capital expenditures, including purchases of equipment.

A reconciliation of GAAP net cash flows provided by operating activities to Free Cash Flow appears in the table below (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net cash flows provided by operating activities	\$ 14,419	\$ 21,814	19,718	27,792
Capital expenditures, including purchases of equipment	(179)	(105)	(556)	(1,249)
Free Cash Flow	<u>\$ 14,240</u>	<u>\$ 21,709</u>	<u>\$ 19,162</u>	<u>\$ 26,543</u>

Net Sales by Product Category by Quarter

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Wound	\$ 64,476	\$ 57,547	\$ 120,549	\$ 114,595
Surgical	34,129	29,660	66,261	57,320
Net sales	<u>\$ 98,605</u>	<u>\$ 87,207</u>	<u>\$ 186,810</u>	<u>\$ 171,915</u>