
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2025

OR

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: 001-36046

Axogen, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Minnesota

(State or other jurisdiction of
incorporation or organization)

13631 Progress Blvd., Suite 400 Alachua, FL

(Address of principal executive offices)

41-1301878

(I.R.S. Employer
Identification No.)

32615

(Zip Code)

386-462-6800

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

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

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.01 par value	AXGN	The Nasdaq Stock Market

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 (§232.405 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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of May 5, 2025, the registrant had 45,544,044 shares of common stock outstanding.

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Forward-Looking Statements

From time to time, in reports filed with the United States (“U.S.”) Securities and Exchange Commission (the “SEC”) (including this Quarterly Report on Form 10-Q), in press releases, and in other communications to shareholders or the investment community, Axogen, Inc. (including Axogen, Inc.’s wholly owned subsidiaries, Axogen Corporation, Axogen Processing Corporation, Axogen Germany GmbH and Axogen Europe GmbH, the “Company,” “Axogen,” “we,” “our,” or “us”) may provide forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995, concerning possible or anticipated future results of operations or business developments. These statements are based on management’s current expectations or predictions of future conditions, events or results based on various assumptions and management’s estimates of trends and economic factors in the markets in which the Company is active, as well as its business plans. Words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “projects,” “forecasts,” “continue,” “may,” “should,” “will,” “goals,” and variations of such words and similar expressions are intended to identify such forward-looking statements.

The forward-looking statements in this Form 10-Q include, but are not limited to, the following:

- Our belief that we will continue to drive growth in the nerve protection category; and
- Our belief that our existing cash and cash equivalents and investments, as well as cash provided by sales of our products will allow us to fund our operations through at least the next twelve months.

The forward-looking statements are and will be subject to risks and uncertainties, which may cause actual results to differ materially from those expressed or implied in such forward-looking statements. Forward-looking statements contained in this Quarterly Report on Form 10-Q should be evaluated together with the many risks and uncertainties that affect the Company’s business and its market, particularly those discussed in the risk factors and cautionary statements set forth in the Company’s filings with the SEC, including as described in “Risk Factors” included in Item 1A and “Risk Factor Summary” included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 (the “2024 Annual Report on Form 10-K”). Forward-looking statements are not guarantees of future performance, and actual results may differ materially from those projected. The forward-looking statements are representative only as of the date they are made and, except as required by applicable law, the Company assumes no responsibility to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or otherwise.

PART 1 — FINANCIAL INFORMATION

ITEM 1 — FINANCIAL STATEMENTS

Axogen, Inc.
Condensed Consolidated Balance Sheets
(unaudited)
(In thousands, except share and per share amounts)

	March 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 18,096	\$ 27,554
Restricted cash	6,000	6,000
Investments	3,973	5,928
Accounts receivable, net of allowance for doubtful accounts of \$960 and \$788, respectively	26,295	24,105
Inventory	35,504	33,183
Prepaid expenses and other	3,202	2,447
Total current assets	93,070	99,217
Property and equipment, net	83,311	84,667
Operating lease right-of-use assets	13,903	14,265
Intangible assets, net	5,881	5,579
Total assets	\$ 196,165	\$ 203,728
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 19,658	\$ 28,641
Current maturities of long-term lease obligations	2,087	1,969
Total current liabilities	21,745	30,610
Long-term debt, net of debt discount and financing fees	47,716	47,496
Long-term lease obligations	18,640	19,221
Debt derivative liabilities	2,558	2,400
Other long-term liabilities	141	94
Total liabilities	90,800	99,821
Commitments and contingencies - see Note 13		
Shareholders' equity:		
Common stock, \$0.01 par value per share; 100,000,000 shares authorized; 45,512,623 and 44,148,836 shares issued and outstanding	455	441
Additional paid-in capital	400,004	394,726
Accumulated deficit	(295,094)	(291,260)
Total shareholders' equity	105,365	103,907
Total liabilities and shareholders' equity	\$ 196,165	\$ 203,728

See Notes to Condensed Consolidated Financial Statements.

Axogen, Inc.
Condensed Consolidated Statements of Operations
(unaudited)
(In thousands, except share and per share amounts)

	Three Months Ended	
	March 31, 2025	March 31, 2024
Revenues	\$ 48,560	\$ 41,378
Cost of goods sold	13,627	8,758
Gross profit	34,933	32,620
Costs and expenses:		
Sales and marketing	21,045	19,815
Research and development	6,091	7,409
General and administrative	9,458	9,956
Total costs and expenses	36,594	37,180
Loss from operations	(1,661)	(4,560)
Other (expense) income:		
Investment income	272	293
Interest expense	(2,250)	(2,326)
Change in fair value of debt derivative liabilities	(158)	65
Other expense	(37)	(107)
Total other expense, net	(2,173)	(2,075)
Net loss	\$ (3,834)	\$ (6,635)
Weighted average common shares outstanding — basic and diluted	45,204,076	43,233,149
Net loss per common share — basic and diluted	\$ (0.08)	\$ (0.15)

See Notes to Condensed Consolidated Financial Statements.

Axogen, Inc.
Condensed Consolidated Statements of Cash Flows
(unaudited)
(In thousands)

	Three Months Ended	
	March 31, 2025	March 31, 2024
Cash flows from operating activities:		
Net loss	\$ (3,834)	\$ (6,635)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	1,728	1,520
Amortization of right-of-use assets	87	315
Amortization of intangible assets	67	62
Amortization of debt discount and deferred financing fees	220	222
Provision for bad debts	187	255
Change in fair value of debt derivative liabilities	158	(65)
Investment gains	(45)	(10)
Stock-based compensation	2,909	3,919
Change in operating assets and liabilities:		
Accounts receivable	(2,377)	681
Inventory	(2,321)	(4,616)
Prepaid expenses and other	(489)	(262)
Accounts payable and accrued expenses	(9,079)	(7,291)
Operating lease obligations	(452)	(360)
Cash paid for interest portion of financing lease obligations	(1)	(1)
Other long-term liabilities	63	—
Net cash used in operating activities	(13,179)	(12,266)
Cash flows from investing activities:		
Purchase of property and equipment	(256)	(924)
Purchase of investments	—	(1,910)
Proceeds from sale of investments	2,000	—
Cash payments for intangible assets	(405)	(417)
Net cash provided by (used in) investing activities	1,339	(3,251)
Cash flows from financing activities:		
Cash paid for debt portion of financing lease obligations	(1)	(3)
Proceeds from exercise of stock options and ESPP stock purchases	2,383	207
Net cash provided by financing activities	2,382	204
Net decrease in cash and cash equivalents, and restricted cash	(9,458)	(15,313)
Cash and cash equivalents, and restricted cash, beginning of period	33,554	37,026
Cash and cash equivalents, and restricted cash, end of period	\$ 24,096	\$ 21,713
Supplemental disclosures of cash flow activity:		
Cash paid for interest	\$ 1,513	\$ 1,656
Supplemental disclosure of noncash investing and financing activities:		
Acquisition of property and equipment in accounts payable and accrued expenses	\$ 116	\$ 516
Acquisition of intangible assets in accounts payable and accrued expenses	\$ (36)	\$ 290

See Notes to Condensed Consolidated Financial Statements.

Axogen, Inc.
Condensed Consolidated Statements of Changes in Shareholders' Equity
(unaudited)
(In thousands, except share amounts)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Shareholders' Equity
	Shares	Amount			
Three Months Ended March 31, 2025					
Balance at December 31, 2024	44,148,836	\$ 441	\$ 394,726	\$ (291,260)	\$ 103,907
Net loss	—	—	—	(3,834)	(3,834)
Stock-based compensation	—	—	2,909	—	2,909
Issuance of restricted and performance stock units	1,105,214	11	(11)	—	—
Exercise of stock options and employee stock purchases under the ESPP	258,573	3	2,380	—	2,383
Balance at March 31, 2025	45,512,623	\$ 455	\$ 400,004	\$ (295,094)	\$ 105,365
Three Months Ended March 31, 2024					
Balance at December 31, 2023	43,124,496	\$ 431	\$ 376,530	\$ (281,296)	\$ 95,665
Net loss	—	—	—	(6,635)	(6,635)
Stock-based compensation	—	—	3,919	—	3,919
Issuance of restricted and performance stock units	539,233	5	(5)	—	—
Exercise of stock options and employee stock purchases under the ESPP	24,000	1	206	—	207
Balance at March 31, 2024	43,687,729	\$ 437	\$ 380,650	\$ (287,931)	\$ 93,156

See Notes to Condensed Consolidated Financial Statements.

Axogen, Inc.
Notes to Condensed Consolidated Financial Statements
(unaudited)
(In thousands, except share and per share amounts)

1. Nature of Business

Axogen, Inc. (together with its wholly-owned subsidiaries, the “Company”) was incorporated in Minnesota. The Company’s business is focused on the science, development and commercialization of the technologies used for peripheral nerve regeneration and repair. The Company’s products include Avance[®] Nerve Graft, Axoguard Nerve Connector[®], Axoguard Nerve Protector[®], Axoguard HA+ Nerve Protector[™], Axoguard Nerve Cap[®] and Avive+ Soft Tissue Matrix[™]. The Company is headquartered in Florida. The Company has processing, warehousing and distribution facilities in Ohio and Texas.

The Company manages its operations as a single operating segment. Substantially all of the Company’s assets are maintained in the United States (“U.S.”). The Company derives substantially all of its revenues from sales to customers in the U.S.

2. Summary of Significant Accounting Policies

Please see Note 2 to the Company’s consolidated financial statements included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024, filed with the Securities and Exchange Commission on February 26, 2025, for a description of all significant accounting policies.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of the Company as of March 31, 2025 and December 31, 2024 and for the three months ended March 31, 2025 and 2024. The Company’s condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X and therefore do not include all information and footnotes necessary for a fair presentation of consolidated financial position, results of operations and cash flows in conformity with accounting principles generally accepted in the U.S. (“U.S. GAAP”) and should be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2024, which are included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024.

The interim condensed consolidated financial statements are unaudited, and in the opinion of management, reflect all adjustments, consisting only of normal recurring adjustments necessary for a fair presentation of results for the periods presented. The results of operations for the three months ended March 31, 2025 are not necessarily indicative of the results to be expected for the full year due primarily to the impact of the continued uncertainty of general economic conditions that may impact the Company’s markets for the remainder of fiscal year 2025. All intercompany accounts and transactions have been eliminated in consolidation.

Cash and Cash Equivalents and Concentration

Cash and cash equivalents consist of short-term, highly liquid investments with original maturities of three months or less from the date of acquisition. Certain of the Company’s cash and cash equivalents balances exceed Federal Deposit Insurance Corporation (“FDIC”) insured limits or are invested in money market accounts with investment banks that are not FDIC-insured. The Company places its cash and cash equivalents in what it believes to be credit-worthy financial institutions. As of March 31, 2025, \$17,830 of the cash and cash equivalents balance were not FDIC-insured or were in excess of FDIC limits.

Restricted Cash

Amounts included in restricted cash represent those required to be set aside to meet contractual terms of a lease agreement held by the Company. See Note 8 - Long-Term Debt, Net of Debt Discount and Financing Fees, *Other Credit Facilities*.

The following table provides a reconciliation of Cash and cash equivalents, and Restricted cash reported on the Condensed Consolidated Balance Sheets that sum to the total of the same amounts shown on the Condensed Consolidated Statements of Cash Flows:

(in thousands)	March 31, 2025	December 31, 2024
Cash and cash equivalents	\$ 18,096	\$ 27,554
Restricted cash	6,000	6,000
Total Cash and cash equivalents, and Restricted cash shown on the Condensed Consolidated Statements of Cash Flows	<u>\$ 24,096</u>	<u>\$ 33,554</u>

Recent Accounting Pronouncements

In November 2024, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2024-03 — *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40) — Disaggregation of Income Statement Expenses* (“ASU 2024-03”), and in January 2025, the FASB issued ASU 2025-01 — *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date* (“ASU 2025-01”). ASU 2024-03 requires additional disclosure of the nature of expenses included in the statement of operations as well as disclosures about specific types of expenses included in the expense captions presented in the statement of operations. ASU 2024-03, as clarified by ASU 2025-01, is effective for annual periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. Both early adoption and retrospective application are permitted. The Company expects to enhance annual expense disclosures based on the new requirements.

In December 2023, the FASB issued ASU 2023-09 — *Income Taxes (Topic 740) — Improvements to Income Tax Disclosures* (“ASU 2023-09”). The new guidance provides for disclosure on an annual basis of the following: (i) specific categories in the rate reconciliation and (ii) additional information for reconciling items that meet a quantitative threshold of greater than 5% of the amount computed by multiplying pretax income (or loss) by the applicable statutory income tax rate. ASU 2023-09 is effective for annual periods beginning after December 15, 2024 and early adoption is permitted. The Company expects to enhance annual income tax reporting disclosures based on the new requirements.

All other ASUs issued and not yet effective as of March 31, 2025 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 or future financial position or results of operations.

3. Inventory

Inventory consists of the following:

(in thousands)	March 31, 2025	December 31, 2024
Finished goods	\$ 29,180	\$ 27,054
Work in process	1,321	1,325
Raw materials	5,003	4,804
Inventory	<u>\$ 35,504</u>	<u>\$ 33,183</u>

As of March 31, 2025 and December 31, 2024, the Company reserved \$2,950 and \$1,630, respectively, for potential losses relating to inventory.

4. Property and Equipment, Net

Property and equipment, net consist of the following:

(in thousands)	March 31, 2025	December 31, 2024
Land	\$ 731	\$ 731
Building	60,679	60,679
Leasehold improvements	17,977	17,977
Processing equipment	14,068	13,950
Furniture and equipment	10,626	9,583
Projects in process	710	1,499
Finance lease right-of-use assets	159	159
Property and equipment, at cost	104,950	104,578
Less: accumulated depreciation and amortization	(21,639)	(19,911)
Property and equipment, net	\$ 83,311	\$ 84,667

Depreciation expense is as follows:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Depreciation expense	\$ 1,728	\$ 1,520

5. Intangible Assets, Net

Intangible assets consist of the following:

(in thousands)	March 31, 2025			December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizable intangible assets:						
Patents	\$ 6,431	\$ (1,140)	\$ 5,291	\$ 6,090	\$ (1,073)	\$ 5,017
Unamortized intangible assets:						
Trademarks	590	—	590	562	—	562
Total intangible assets	\$ 7,021	\$ (1,140)	\$ 5,881	\$ 6,652	\$ (1,073)	\$ 5,579

Amortization expense is as follows:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Amortization expense	\$ 67	\$ 62

As of March 31, 2025, future amortization of patents is as follows:

Year Ending December 31,	(in thousands)
2025 (excluding the three months ended March 31, 2025)	\$ 226
2026	309
2027	309
2028	309
2029	309
Thereafter	3,829
Total	\$ 5,291

6. Fair Value Measurement

The following tables present the Company's fair value hierarchy for its financial assets and liabilities measured at fair value on a recurring basis as of March 31, 2025 and December 31, 2024:

(in thousands)	March 31, 2025			
	(Level 1)	(Level 2)	(Level 3)	Total
Assets:				
Money market funds ⁽¹⁾	\$ 8,612	\$ —	\$ —	\$ 8,612
U.S. Treasuries	3,973	—	—	3,973
Total assets	<u>\$ 12,585</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 12,585</u>
Liabilities:				
Debt derivative liabilities	\$ —	\$ —	\$ 2,558	\$ 2,558
Total liabilities	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,558</u>	<u>\$ 2,558</u>

⁽¹⁾ Money market funds are included in Cash and cash equivalents on the Condensed Consolidated Balance Sheet.

(in thousands)	December 31, 2024			
	(Level 1)	(Level 2)	(Level 3)	Total
Assets:				
Money market funds ⁽¹⁾	\$ 19,399	\$ —	\$ —	\$ 19,399
U.S. Treasuries	5,928	—	—	5,928
Total assets	<u>\$ 25,327</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 25,327</u>
Liabilities:				
Debt derivative liabilities	\$ —	\$ —	\$ 2,400	\$ 2,400
Total liabilities	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,400</u>	<u>\$ 2,400</u>

⁽¹⁾ Money market funds are included in Cash and cash equivalents on the Condensed Consolidated Balance Sheet.

The changes in Level 3 liabilities measured at fair value on a recurring basis for the three months ended March 31, 2025 and 2024 were as follows (in thousands):

Three Months Ended March 31, 2025	
Balance at December 31, 2024	\$ 2,400
Change in fair value included in net loss	158
Balance at March 31, 2025	<u>\$ 2,558</u>
Three Months Ended March 31, 2024	
Balance at December 31, 2023	\$ 2,987
Change in fair value included in net loss	(65)
Balance at March 31, 2024	<u>\$ 2,922</u>

There were no changes in the levels or methodology of the measurement of financial assets or liabilities during the three months ended March 31, 2025 and 2024.

The fair values of cash, restricted cash, accounts receivable, accounts payable and accrued expenses approximate the carrying values because of the short-term nature of these instruments. The carrying value and fair value of the credit facility the Company has with Oberland Capital ("Credit Facility") were \$47,716 and \$51,103 at March 31, 2025 and \$47,496 and \$51,307 at December 31, 2024, respectively. See Note 8 - Long-Term Debt, Net of Debt Discount and Financing Fees.

The debt derivative liabilities are measured using a “with and without” valuation model to compare the fair value of each tranche of the Credit Facility including the identified embedded derivative features and the fair value of a plain vanilla note with the same terms. The fair value of the Credit Facility including the identified embedded derivative features was determined using a probability-weighted expected return model based on three potential settlement scenarios for the Credit Facility included in the table below. The estimated settlement value of each scenario, which would include any required make-whole payment, is then discounted to present value using a discount rate that is derived based on the initial terms of the Credit Facility at issuance and corroborated utilizing a synthetic credit rating analysis.

The significant inputs that are included in the valuation of the debt derivative liability - first tranche include:

	March 31, 2025	December 31, 2024
Input		
Remaining term (years)	2.25 years	2.5 years
Maturity date	June 30, 2027	June 30, 2027
Coupon rate	9.5% - 13.0%	9.5% - 13.0%
Revenue participation payments	Maximum each year	Maximum each year
Discount rate	12.23% ⁽¹⁾	12.22% ⁽¹⁾
Probability of mandatory prepayment event	15.0% ⁽¹⁾	15.0% ⁽¹⁾
Estimated timing of mandatory prepayment event	March 31, 2026 ⁽¹⁾	March 31, 2026 ⁽¹⁾
Probability of optional prepayment event	5.0% ⁽¹⁾	5.0% ⁽¹⁾
Estimated timing of optional prepayment event	December 31, 2025 ⁽¹⁾	December 31, 2025 ⁽¹⁾
Probability of note held-to-maturity ⁽²⁾	80.0% ⁽¹⁾	80.0% ⁽¹⁾

(1) Represents a significant unobservable input.

(2) See Maturity date in table.

The significant inputs that are included in the valuation of the debt derivative liability - second tranche include:

	March 31, 2025	December 31, 2024
Input		
Remaining term (years)	3.25 years	3.5 years
Maturity date	June 30, 2028	June 30, 2028
Coupon rate	9.5% - 13.0%	9.5% - 13.0%
Revenue participation payments	Maximum each year	Maximum each year
Discount rate	15.57% ⁽¹⁾	15.48% ⁽¹⁾
Probability of mandatory prepayment event	15.0% ⁽¹⁾	15.0% ⁽¹⁾
Estimated timing of mandatory prepayment event	March 31, 2026 ⁽¹⁾	March 31, 2026 ⁽¹⁾
Probability of optional prepayment event	5.0% ⁽¹⁾	5.0% ⁽¹⁾
Estimated timing of optional prepayment event	December 31, 2025 ⁽¹⁾	December 31, 2025 ⁽¹⁾
Probability of held-to-maturity ⁽²⁾	80.0% ⁽¹⁾	80.0% ⁽¹⁾

(1) Represents a significant unobservable input.

(2) See Maturity date in table.

7. Leases

The Company leases administrative, manufacturing, research, and distribution facilities through operating leases. Several leases include fixed payments, including rent and non-lease components such as common area or other maintenance costs.

The components of total operating lease expense are as follows:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Operating lease costs		
Operating lease costs	\$ 911	\$ 909
Short-term lease costs	127	142
Variable lease costs	59	155
Sublease income	(269)	—
Total operating lease expense	\$ 828	\$ 1,206

Supplemental balance sheet information related to the operating and financing leases is as follows:

(in thousands, except lease term and discount rate)	March 31, 2025	December 31, 2024
Operating Leases		
Right-of-use operating assets	\$ 13,903	\$ 14,265
Current maturities of long-term lease obligations	\$ 2,078	\$ 1,960
Long-term lease obligations	\$ 18,612	\$ 19,191
Financing Leases		
Right-of-use financing assets, net of accumulated amortization ⁽¹⁾	\$ 34	\$ 37
Current maturities of long-term lease obligations	\$ 9	\$ 9
Long-term lease obligations	\$ 28	\$ 30
Weighted average operating lease term (in years):	8.6	8.8
Weighted average financing lease term (in years):	3.2	3.6
Weighted average discount rate - operating leases	10.93%	10.95%
Weighted average discount rate - financing leases	13.91%	14.06%

⁽¹⁾ Financing leases are included in Property and equipment, net on the Condensed Consolidated Balance Sheets.

Future minimum lease payments under operating and financing leases at March 31, 2025 are as follows:

(in thousands)	
2025 (excluding the three months ended March 31, 2025)	\$ 3,119
2026	4,284
2027	3,120
2028	3,119
2029	3,187
Thereafter	15,385
Total	32,214
Less: Imputed interest	(11,487)
Total lease obligations	20,727
Less: Current maturities of long-term lease obligations	(2,087)
Long-term lease obligations	\$ 18,640

Lease modifications

The Company accounts for lease revisions as a lease modification in accordance with FASB ASC 842, *Leases*, when the modification effectively terminates the existing lease and creates a new lease. No lease modifications were recorded during the three months ended March 31, 2025 and 2024.

Sublease Agreement

The Company subleases portions of its headquarters building in Tampa, Florida under two sublease agreements with different sublessees. The first sublease term began August 1, 2024 and expires on October 31, 2031. The Company or the sublessee can terminate the sublease agreement after sixty-three months with twelve months written notice. There is no option to extend the sublease agreement. The second sublease term began on February 1, 2025 and expires on January 31, 2030. The sublessee can terminate the sublease agreement after thirty-six months with six months written notice. The Company accounts for these subleases in accordance with ASC 842, *Leases*.

8. Long-Term Debt, Net of Debt Discount and Financing Fees

Long-term debt, net of debt discount and financing fees consists of the following:

(in thousands)	March 31, 2025	December 31, 2024
Credit Facility - first tranche	\$ 35,000	\$ 35,000
Credit Facility - second tranche	15,000	15,000
Less - unamortized debt discount and deferred financing fees	(2,284)	(2,504)
Long-term debt, net of debt discount and financing fees	\$ 47,716	\$ 47,496

Credit Facility

On June 29, 2023, the Company amended its Credit Facility with Oberland Capital and its affiliates, TPC Investments II LP and Argo LLC (collectively, the "Lender"), to transition the base interest rate from the three-month London Interbank Offered Rate to the forward-looking term rate based on the secured overnight financing rate as set by the Federal Reserve Bank of New York plus 0.10% ("Adjusted SOFR"). The Company obtained the first tranche of \$35,000 at closing on June 30, 2020. On June 30, 2021, the second tranche of \$15,000 was drawn down by the Company.

Each tranche under the Credit Facility requires quarterly interest payments for seven years. Interest is calculated as 7.5% plus the greater of Adjusted SOFR or 2.0% (11.91% at March 31, 2025), provided that the interest rate shall never be less than 9.5%. Each tranche of the Credit Facility has a term of seven years from the date of issuance (with the first tranche issued on June 30, 2020, maturing on June 30, 2027, and the second tranche issued on June 30, 2021, maturing on June 30, 2028). In connection with the Credit Facility, the Company entered into a revenue participation agreement (the "Revenue Participation Agreement") with the Lender, which provided that, among other things, a quarterly royalty payment as a percentage of the Company's net revenues, up to \$70 million in any given year, after April 1, 2021, ending on the date upon which all amounts owed under the Credit Facility have been paid in full. This structure results in approximately 1.5% per year of additional interest payments on the outstanding loan amount. The Company recorded \$524 and \$447 as interest expense for this Revenue Participation Agreement for the three months ended March 31, 2025 and 2024, respectively. The Company pays the quarterly debt interest on the last day of the quarter and for the three months ended March 31, 2025 and 2024 paid \$1,489 and \$1,634, respectively, to the Lender. As of March 31, 2025, the Company was in compliance with all financial covenants. The borrowings under the Credit Facility are secured by substantially all of the assets of the Company.

Embedded Derivatives

The debt derivative liabilities are recorded at fair value, with the change in fair value reported in Change in fair value of derivatives on the Condensed Consolidated Statements of Operations at each reporting date. The fair values of the debt derivative liabilities were \$2,558 and \$2,400 at March 31, 2025 and December 31, 2024, respectively. See Note 6 - Fair Value Measurement.

Unamortized Debt Discount and Financing Fees

The unamortized debt discount consists of the remaining initial fair values of the embedded derivatives related to the Credit Facility.

The financing fees for the Credit Facility were \$642 and were recorded as a contra liability to Long-term debt on the Condensed Consolidated Balance Sheets.

Amortization of debt discount and deferred financing fees for the three months ended March 31, 2025 and 2024 was \$20 and \$222, respectively.

Other Credit Facilities

The Company had restricted cash of \$6,000 at both March 31, 2025 and December 31, 2024, which represents collateral for an irrevocable standby letter of credit

9. Stock-Based Compensation

The Company’s stock-based compensation plans are described in Note 11. Stock-Based Compensation to the Company’s consolidated financial statements included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024.

During the three months ended March 31, 2025, the following stock-based awards were granted to officers and employees. All awards were granted under the 2019 Amended and Restated Long-Term Incentive Plan, with the exception of the inducement shares awarded as material inducement of employment to new employees entering into employment with the Company in accordance with Nasdaq Listing Rule 5635(c)(4).

Type of Award	Target Shares or Units	Weighted Average Grant Date Fair Value
Restricted Stock Units ⁽¹⁾	583,300	\$ 18.77
Performance Stock Units ⁽²⁾⁽³⁾	526,300	\$ 22.58
Inducement Shares ⁽⁴⁾		
Restricted Stock Units	103,000	\$ 18.52
Performance Stock Units	58,000	\$ 22.36

⁽¹⁾ Restricted Stock Units (“RSUs”) awarded to certain officers and employees during the first quarter of 2025 vest 50% after 24 months and an additional 25% on the third and fourth anniversaries of the grant date. Upon vesting, the outstanding number of RSUs vested are converted into common stock.

⁽²⁾ Performance Stock Units (“PSUs”) were awarded to certain executive officers and other employees with a target of 519,300 shares and performance metrics tied to the Company’s revenue compounded annual growth rate (“CAGR”) from 2025 through 2028 and total shareholder return (“TSR”) relative to its peers (“CAGR TSR PSUs”) with a payout ranging from 0% to 200% upon achievement of specific revenue CAGR and relative TSR goals. The CAGR TSR PSUs vest at the end of the three-year period upon determination of the results at the end of the performance period.

⁽³⁾ 7,000 BLA PSUs were awarded to an employee related to his work on the Biologics License Application (“BLA”) for Avance Nerve Graft. The number of shares was allocated to certain milestones related to the BLA approval by the U.S. Food and Drug Administration. The performance measure is based upon achieving each of the specific milestones and will vest upon achieving each of the milestones but not sooner than one year after the grant date.

⁽⁴⁾ Inducement shares were issued to certain employees as a material inducement to entering into employment with the Company during the first quarter of 2025 in accordance with Nasdaq Listing Rule 5635(c)(4). The RSUs vest 50% after 24 months and an additional 25% on the third and fourth anniversaries of the grant date. The PSUs granted are TSR PSUs that are tied to the Company’s share price targets with a payout range from 0% to 200% upon achievement of specific average share prices over a 30 day trading period immediately preceding the end of the performance period of February 22, 2024 through February 22, 2027. The performance measure is based upon achieving each of the specific milestones and the awards will vest upon achieving each of the milestones but not sooner than one year after the grant date.

Total stock-based compensation expense is as follows:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Stock-based compensation expense	\$ 2,909	\$ 3,919

10. Net Loss Per Common Share

The following reflects the net loss attributable to common shareholders and share data used in the basic and diluted loss per share computations using the two-class method:

(In thousands, except per share amounts)	Three Months Ended March 31,	
	2025	2024
Numerator:		
Net loss	\$ (3,834)	\$ (6,635)
Denominator:		
Weighted-average common shares outstanding — basic and diluted	45,204,076	43,233,149
Net loss per common share — basic and diluted	\$ (0.08)	\$ (0.15)
Anti-dilutive shares excluded from the calculation of diluted loss per share ⁽¹⁾		
Stock options	1,355,425	21,459
Restricted and performance stock units	2,398,560	1,265,780

(1) These common equivalent shares are not included in the diluted per share calculations as they would be anti-dilutive if the Company were in a net income position.

11. Income Taxes

The Company has no recorded income tax expense or income tax benefit for the three months ended March 31, 2025 and 2024 due to the generation of net operating losses, the benefits of which have been fully reserved.

Deferred income taxes are accounted for using the balance sheet approach, which requires recognition of deferred tax assets and liabilities for the expected future consequences of temporary differences between the financial reporting basis and the tax basis of assets and liabilities as measured by enacted state and federal tax rates. A valuation allowance is provided to reduce the deferred tax assets reported if, based on the weight of the evidence, it is more-likely-than-not that a portion or none of the deferred tax assets will be realized. As of March 31, 2025 and December 31, 2024, management assessed the realizability of deferred tax assets. After consideration of all the evidence, including reversal of deferred tax liabilities, future taxable income and other factors, management determined that a full valuation allowance was necessary as of March 31, 2025 and December 31, 2024. A portion of the net operating loss carryforwards may expire due to limitations imposed by Section 382 of the Internal Revenue Code (“IRC”). In addition, future utilization of the available net operating loss carryforwards may be limited under IRC Section 382 as a result of changes in ownership.

In the normal course of business, the Company is subject to examination by taxing authorities throughout the U.S. The Company’s remaining open tax years subject to examination by federal tax authorities include the years ended December 31, 2021 through 2024. The Internal Revenue Service is currently examining the Company’s 2021 federal income tax return. The Company’s remaining open tax years subject to examination by state and foreign tax authorities include the years ended December 31, 2020 through 2024. However, for tax years 2004 through 2017, federal and state taxing authorities may examine and adjust loss carryforwards in the years in which those loss carryforwards are ultimately utilized.

12. Segments

The Company determines its operating segments in accordance with FASB ASC 280, *Segment Reporting* (“ASC 280”). ASC 280 defines operating segments as components where discrete financial information is regularly reviewed by the chief operating decision maker (“CODM”), which for the Company is the Chief Executive Officer, to determine resource allocation and assess performance. As such, based on the way the CODM monitors and makes decisions affecting operations, the Company has concluded that it has one operating and reportable segment. The CODM is regularly provided with only the consolidated expenses as noted on the face of the Condensed Consolidated Statements of Operations. As the Company has only one operating segment and is managed on a consolidated basis, the measure of profit or loss is consolidated net income or loss. The metrics are used to review operating trends, to perform analytical comparisons between periods and to monitor budget to actual variances.

13. Commitments and Contingencies

Service Agreements

The Company pays Community Blood Services (doing business as Solvita) (“Solvita”) a facility fee for the use of clean- rooms, manufacturing, storage, and office space and for services in support of its tissue processing including for routine sterilization of daily supplies, providing disposable supplies and microbial services, and office support pursuant to a License and Services Agreement, as amended (the “Solvita Agreement”). Pursuant to the Solvita Agreement, the Company recorded expenses of \$240 and \$108 for the three months ended March 31, 2025 and 2024, respectively, in Cost of goods sold. The Solvita Agreement was amended on December 31, 2023 extending the term through December 31, 2026. The Solvita Agreement may be terminated by either party by providing an eighteen month written notice. The Company utilizes Solvita for processing and packaging of Avive+ Soft Tissue Matrix.

Distribution and Supply Agreements

In August 2008, the Company entered into an exclusive distribution agreement with Cook Biotech Incorporated (acquired on January 31, 2024 by RTI Surgical, Inc. and rebranded on December 17, 2024 as Evergen) (“Evergen”), to distribute the Axoguard Nerve Connector and Axoguard Nerve Protector products worldwide and the parties subsequently amended the agreement on August 4, 2023. The distribution agreement expires on December 31, 2030. The distribution agreement establishes a formula for the transfer cost of the Axoguard Nerve Connector and Axoguard Nerve Protector products and requires certain minimum purchases by the Company, although, through mutual agreement, the parties have not established such minimums; and, to date, have not enforced such provision. Under the distribution agreement, the Company provides purchase orders to Evergen, and Evergen fulfills the purchase orders. The distribution agreement allows for termination provisions for both parties. The loss of the ability to sell the Axoguard Nerve Connector and Axoguard Nerve Protector products could have a material adverse effect on the Company’s business until other replacement products would be available.

In June 2017, the Company entered into the Nerve End Cap Supply Agreement (the “Supply Agreement”) with Evergen whereby Evergen is the exclusive contract manufacturer of the Axoguard Nerve Cap, and the parties subsequently amended the agreement on August 4, 2023. The Supply Agreement expires on December 31, 2030. The Supply Agreement establishes the terms and conditions in which Evergen will manufacture the product for the Company. Under the Supply Agreement, the Company provides purchase orders to Evergen and Evergen fulfills the purchase orders. The Supply Agreement allows for termination provisions for both parties. The loss of the Company’s ability to sell the Axoguard Nerve Cap product could have a material adverse effect on the Company’s business until other replacement products would become available.

In May 2023, the Company entered into the Supply and Manufacturing Agreement (the “HA+ Supply Agreement”) with Evergen whereby Evergen is the exclusive contract manufacturer of the Axoguard HA+ Nerve Protector. The HA+ Supply Agreement expires on July 1, 2030. The HA+ Supply Agreement establishes the terms and conditions in which Evergen will manufacture, package, label and deliver the product to the Company. Under the HA+ Supply Agreement, the Company provides purchase orders to Evergen, and Evergen fulfills the purchase orders. The HA+ Supply Agreement allows for termination provisions for both parties. The loss of the Company’s ability to sell the Axoguard HA+ Nerve Protector product could have a material adverse effect on the Company’s business until other replacement products would become available.

Insurance Financing Agreements

The Company finances some of its commercial insurance policies. Outstanding payments owed under the insurance financing agreements are included in Prepaid expenses and other on the Condensed Consolidated Balance Sheets. The amounts owed under the insurance financing agreements were \$1,432 and \$1,255 as of March 31, 2025 and December 31, 2024, respectively.

Processing Facilities

The Company is highly dependent on the continued availability of its processing facilities at its Axogen Processing Center (the “APC Facility”) in Vandalia, Ohio and the facility it leases from Solvita in Dayton, Ohio and could be harmed if the physical infrastructure of these facilities is unavailable for any prolonged period of time.

Certain Economic Development Grants

The Company obtained certain economic development grants from state and local authorities totaling up to \$2,685 including \$1,250 of cash grants to offset costs to acquire and develop the APC Facility. Certain of these economic development grants were subject to fixed asset investments and job creation milestones by December 31, 2024 and have clawback clauses if the Company does not meet the job creation milestones. The Company has not met certain job creation milestones and has

requested a reduction or waiver of clawbacks or extensions from the grant authorities to extend the job creation milestones evaluation date from December 31, 2024 and the expiration date to December 31, 2026. Certain grant authorities have not approved the Company's request. The Company is continuing discussions with these grant authorities regarding the evaluation, expiration and clawbacks of the job creation milestones and expects to receive a response during 2025. The Company could be obligated to pay back up to approximately \$950 as of March 31, 2025 related to these grants. As of March 31, 2025, the Company has received \$1,250 in cash grants related to these economic development grants.

Fair Value of the Debt Derivative Liabilities

The fair value of the debt derivative liabilities is \$2,558 as of March 31, 2025. The fair value of the debt derivative liabilities was determined using a probability-weighted expected return model based upon three potential settlement scenarios for the Credit Facility. The estimated settlement value of each scenario includes any required make-whole payment, and then discounted to present value using a discount rate that is derived based upon the initial terms of the Credit Facility at issuance and corroborated utilizing a synthetic rating analysis. The calculated fair values under the three scenarios are then compared to the fair value of a plain vanilla note, with the difference reflecting the fair value of the debt derivative liabilities. The Company estimated the make-whole payments required under each scenario according to the terms of the Credit Facility to generate an internal rate of return equal to 11.5% through the scheduled maturity dates, less the total of all quarterly interest and royalty payments previously paid to the Lender. The calculation utilized the XIRR function in Microsoft Excel as required by the Credit Facility. If the debt is not prepaid but instead is held to its scheduled maturities, the Company's estimate of the make-whole payment for the first tranche and second tranche of the Credit Facility due on June 30, 2027 and June 30, 2028, respectively, are approximately zero. The Company has consistently applied this approach since the inception of the debt agreement on June 30, 2020.

The Company has become aware that the Lender may have an alternative interpretation of the calculation of the make-whole payments that the Company believes does not properly utilize the same methodology utilized by the XIRR function in Microsoft Excel as described in the Credit Facility. The Company estimates the top end of the range of the make-whole payments if the debt is held to its scheduled maturities under an alternative interpretation to be approximately \$9,000 for the first tranche of the Credit Facility due on June 30, 2027 and approximately \$3,000 for the second tranche of the Credit Facility due on June 30, 2028. Further, if the debt is prepaid prior to its scheduled maturity dates and subject to the alternative interpretation, the make-whole payments would be larger than the amounts herein.

Other Commitments

Certain executive officers of the Company are parties to employment contracts. Such contracts have severance payments for certain conditions including change of control.

The Company entered into a Transition and Separation Agreement with its former CEO on January 4, 2024, which results in remaining payments of \$33 and \$18 in 2025 and 2026, respectively, which includes senior advisory fees, COBRA payments and related employer paid taxes.

Legal Proceedings

The Company is and may be subject to various claims, lawsuits and proceedings in the ordinary course of the Company's business. Such matters are subject to many uncertainties and outcomes are not predictable with assurance. While there can be no assurances as to the ultimate outcome of any legal proceeding or other loss contingency involving the Company, in the opinion of management, such claims are either adequately covered by insurance or otherwise indemnified, or are not expected individually or in the aggregate, to result in a material, adverse effect on the Company's financial condition, results of operations or cash flows. However, it is possible that the Company's results of operations, financial position and cash flows in a particular period could be materially affected by these contingencies.

ITEM 2 – MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of the Company’s financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and the related notes thereto appearing elsewhere in this report and our consolidated financial statements for the year ended December 31, 2024, included in our 2024 Annual Report on Form 10-K. All dollar amounts in the discussion and analysis, unless noted otherwise, are presented in thousands.

Unless the context otherwise requires, all references in this report to “Axogen,” the “Company,” “we,” “us” and “our” refer to Axogen, Inc., and its wholly owned subsidiaries Axogen Corporation (“AC”), Axogen Processing Corporation, Axogen Europe GmbH and Axogen Germany GmbH.

Overview

We are the leading company focused specifically on the science, development and commercialization of technologies for peripheral nerve regeneration and repair. We are passionate about providing the opportunity to restore nerve function and quality of life for patients with peripheral nerve injuries. We provide innovative, clinically proven and economically effective repair solutions for surgeons and healthcare providers. Peripheral nerves provide the pathways for both motor and sensory signals throughout the body. Every day people suffer traumatic injuries or undergo surgical procedures that impact the function of their peripheral nerves. Physical damage to a peripheral nerve or the inability to properly reconnect peripheral nerves can result in the loss of muscle or organ function, the loss of sensory feeling, or the initiation of pain.

Product Portfolio

Our platform for peripheral nerve repair features a comprehensive portfolio of products, including:

- Avance® Nerve Graft, a biologically active off-the-shelf processed human nerve allograft for bridging severed peripheral nerves without the comorbidities associated with a second surgical site.
- Axoguard Nerve Connector®, a porcine (pig) submucosa extracellular matrix (“ECM”) coaptation aid for tensionless repair of severed peripheral nerves.
- Axoguard Nerve Protector®, a porcine submucosa ECM product used to wrap and protect damaged peripheral nerves and reinforce the nerve reconstruction while minimizing soft tissue attachments.
- Axoguard HA+ Nerve Protector™, a porcine submucosa ECM base layer coated with a proprietary hyaluronate-alginate gel, a next-generation technology designed to enhance nerve gliding and provide short- and long-term protection for peripheral nerve injuries.
- Axoguard Nerve Cap®, a porcine submucosa ECM product used to protect a peripheral nerve end and separate the nerve from the surrounding environment to reduce the development of symptomatic or painful neuroma.
- Avive+ Soft Tissue Matrix™, a multi-layer amniotic membrane allograft used to protect and separate tissues in the surgical bed during the critical phase of tissue healing.

Our portfolio of products is currently available in the United States (“U.S.”), Canada, Germany, the United Kingdom, Spain, South Korea and several other countries.

We derive substantially all of our revenues from sales of our nerve repair products to customers in the U.S.

Our strategy remains focused on deepening our presence in high-potential accounts, specifically Level 1 trauma centers and academic-affiliated hospitals with a high number of trained microsurgeons. We will drive growth in these accounts through targeted expansion of nerve repair indications and driving deeper adoption of our nerve repair algorithm across multiple surgical specialties.

Business Outlook

We are subject to risks and exposures from the evolving macroeconomic environment, including financial market volatility, geopolitical tensions and escalating trade disputes with U.S. trading partners. While our direct exposure to current tariffs is limited, risk lies in the potential for these disputes to cause a broader trade war, resulting in general economic instability and uncertainty that could cause our net revenue to fluctuate. We are actively assessing steps to mitigate potential

adverse effects; however, if these measures are not effective in addressing wider economic disruption, our business, financial condition, results of operations and liquidity could be materially adversely affected.

Summary of Operational and Business Highlights

- Revenues were \$48,560 for the quarter ended March 31, 2025, an increase of \$7,182 or 17.4% compared to the quarter ended March 31, 2024.
- Gross profit was \$34,933 for the quarter ended March 31, 2025, an increase of \$2,313 or 7.1% compared to the quarter ended March 31, 2024.
- The U.S. Food and Drug Administration (“FDA”) accepted the filing of the Company’s Biologics License Application (“BLA”) for Avance® Nerve Graft on November 1, 2024, and assigned a Prescription Drug User Fee Act (“PDUFA”) goal date of September 5, 2025. During the first quarter 2025, we successfully completed the following regulatory milestones to support our anticipated approval in September 2025: a mid-cycle meeting with the FDA, clinical trial site inspections, and sponsor inspection under the FDA’s Bioresearch Monitoring program.

Results of Operations

Comparison of the Three Months Ended March 31, 2025 and 2024

The following table sets forth, for the periods indicated, our results of operations expressed as dollar amounts and percentage of total revenue:

(dollars in thousands)	Three Months Ended March 31,			
	2025		2024	
	Amount	% of Revenue	Amount	% of Revenue
Revenues	\$ 48,560	100.0 %	\$ 41,378	100.0 %
Cost of goods sold	13,627	28.1	8,758	21.2
Gross profit	34,933	71.9	32,620	78.8
Costs and expenses:				
Sales and marketing	21,045	43.3	19,815	47.9
Research and development	6,091	12.5	7,409	17.9
General and administrative	9,458	19.5	9,956	24.1
Total costs and expenses	36,594	75.3	37,180	89.9
Loss from operations	(1,661)	(3.4)	(4,560)	(11.0)
Other (expense) income:				
Investment income	272	0.5	293	0.7
Interest expense	(2,250)	(4.6)	(2,326)	(5.6)
Change in fair value of debt derivative liabilities	(158)	(0.3)	65	0.2
Other expense	(37)	(0.1)	(107)	(0.3)
Total other expense, net	(2,173)	(4.5)	(2,075)	(5.0)
Net loss	\$ (3,834)	(7.9)%	\$ (6,635)	(16.0)%

Revenues

Revenues for the three months ended March 31, 2025 increased \$7,182, or 17.4%, to \$48,560, as compared to \$41,378 for the three months ended March 31, 2024. The increase in revenues was driven by an increase in unit volume of approximately 12.0%, as well as the net impact of changes in price and product mix of approximately 3.2% and 2.1%, respectively.

Gross Profit

Gross profit for the three months ended March 31, 2025 increased \$2,313, or 7.1%, to \$34,933, as compared to \$32,620 for the three months ended March 31, 2024. Gross margin as a percentage of revenues was 71.9% and 78.8% for the three months

ended March 31, 2025 and 2024, respectively. Lower margins on products sold, driven by higher product costs, lowered the gross margin by 4.5% and an increase in inventory write-offs lowered the gross margin by 2.8%.

Costs and Expenses

Total costs and expenses for the three months ended March 31, 2025 decreased \$586, or 1.6%, to \$36,594, as compared to \$37,180 for the three months ended March 31, 2024. The decrease in total costs and expenses was due to decreases of (i) \$956 in research and development project costs; (ii) \$317 in occupancy related costs; and (iii) \$242 in compensation costs, partially offset by increases of (i) \$365 in travel costs; (ii) \$255 in marketing program costs; (iii) \$201 in professional services fees and expenses; and (iv) \$108 in other costs and expenses.

Sales and marketing costs and expenses for the three months ended March 31, 2025 increased \$1,230, or 6.2%, to \$21,045, as compared to \$19,815 for the three months ended March 31, 2024. The increase in sales and marketing costs and expenses was due to increases of (i) \$689 in compensation costs; (ii) \$310 in travel costs; (iii) \$255 in marketing program costs; (iv) \$84 in other costs and expenses; and (v) \$19 in professional services fees and expenses, partially offset by a decrease of \$127 in occupancy related costs.

Research and development costs and expenses for the three months ended March 31, 2025 decreased \$1,318, or 17.8%, to \$6,091, as compared to \$7,409 for the three months ended March 31, 2024. The decrease in research and development costs and expenses was primarily due to product development and clinical expenses. Product development costs include spending for a number of specific programs, including the non-clinical expenses related to the BLA for Avance Nerve Graft. Product development costs and expenses represented approximately 57% and 59% of total research and development costs and expenses for the three months ended March 31, 2025 and 2024, respectively. Clinical trial costs and expenses represented approximately 43% and 41% of total research and development costs and expenses for the three months ended March 31, 2025 and 2024, respectively. The decrease in research and development costs and expenses was due to decreases of (i) \$956 in research and development project costs; (ii) \$419 in compensation costs; (iii) \$89 in occupancy related costs; and (iv) \$13 in other costs and expenses, partially offset by increases of (i) \$103 in professional services fees and expenses and (ii) \$56 in travel costs.

General and administrative costs and expenses for the three months ended March 31, 2025 decreased \$498, or 5.0%, to \$9,458, as compared to \$9,956 for the three months ended March 31, 2024. The decrease in general and administrative costs and expenses was due to decreases of (i) \$512 in compensation costs and (ii) \$101 in occupancy related costs, partially offset by increases of (i) \$79 in professional services fees and expenses and (ii) \$36 in net other costs.

Other Expense, Net

Other expense, net for the three months ended March 31, 2025 increased \$98, or 4.7%, to \$2,173, as compared to \$2,075 for the three months ended March 31, 2024. The increase in other expense, net was primarily due to increases of (i) \$223 in the change in fair value of the debt derivative liabilities and (ii) \$21 in investment income, partially offset by decreases of (i) \$76 in interest expense and (ii) \$70 in other expense.

Income Taxes

We had no income tax expense or benefit during the three months ended March 31, 2025 and 2024 due to the incurrence of net operating losses in both periods, the benefits of which have a full valuation allowance. From time to time, we receive notices of examination of prior tax filings from federal and state authorities. The Internal Revenue Service is currently examining our 2021 federal income tax return. We do not believe that there are any material additional tax expenses or benefits.

Critical Accounting Estimates

In preparing our financial statements in accordance with generally accepted accounting principles, there are certain accounting policies, which may require substantial judgment or estimation in their application. We believe our accounting policies for Inventories, Derivative Instruments and Stock-based Compensation, as well as the others set forth in Note 2 - Summary of Significant Accounting Policies in the Notes to the Consolidated Financial Statements in our 2024 Annual Report on Form 10-K, are critical to understanding our results of operations and financial condition. See Critical Accounting Estimates in our 2024 Annual Report on Form 10-K. Actual results could differ from our estimates and assumptions, and any such differences could be material to our results of operations and financial condition. During the quarter covered by this report, there have been no material changes to the accounting estimates and assumptions previously disclosed.

Liquidity and Capital Resources

As of March 31, 2025, our principal sources of liquidity were our cash and cash equivalents and investments totaling \$22,069. Our cash equivalent is comprised of a money market mutual fund and our investments consist of U.S. Treasuries. Our cash and cash equivalents and investments decreased \$11,413 to \$22,069 from \$33,482 at December 31, 2024, primarily as a result of paying annual bonuses and the expenses incurred in connection with conducting our national sales meeting in the first quarter of 2025.

On March 31, 2025 and December 31, 2024, our current assets exceeded our current liabilities by \$71,325 and \$68,607, respectively, and we had a current ratio of 4.3x and 3.2x, respectively. Based on current estimates, we believe that our existing cash and cash equivalents and investments, as well as cash provided by sales of our products, will allow us to fund our operations through at least the next twelve months from the date of issuance of the accompanying financial statements.

Cash Flow Information

The following table presents a summary of cash flows from operating, investing and financing activities:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Net cash (used in) provided by:		
Operating activities	\$ (13,179)	\$ (12,266)
Investing activities	1,339	(3,251)
Financing activities	2,382	204
Net decrease in cash and cash equivalents, and restricted cash	<u>\$ (9,458)</u>	<u>\$ (15,313)</u>

Net Cash Used in Operating Activities

Net cash used in operating activities was \$13,179 and \$12,266 during the three months ended March 31, 2025 and 2024, respectively. The increase in net cash used in operating activities of \$913, or 7.4%, was due to the net unfavorable change of \$2,777 in working capital accounts and noncash charges of \$906, partially offset by the decrease in net loss of \$2,801.

Net Cash Provided by (Used in) Investing Activities

Net cash provided by investing activities for the three months ended March 31, 2025 was \$1,339 compared to net cash used in investing activities of \$3,251 for the three months ended March 31, 2024. The favorable change in net cash provided by investing activities of \$4,590 was principally due to the sale of \$2,000 of investments during the three months ended March 31, 2025 compared to purchases of \$1,910 of investments during the three months ended March 31, 2024 and the decrease in purchases of property and equipment of \$668.

Net Cash Provided by Financing Activities

Net cash provided by financing activities was \$2,382 and \$204 for the three months ended March 31, 2025 and 2024, respectively, an increase of \$2,178 due primarily to the increase in proceeds from the exercise of stock options.

Credit Facilities

As of March 31, 2025, we had \$50,000 outstanding in indebtedness under a credit facility with \$35,000 maturing on June 30, 2027 and \$15,000 maturing on June 30, 2028. Quarterly interest only and revenue participation payments are due through each of the maturity dates. Interest is calculated as 7.5% plus the greater of the forward-looking term rate based on the secured overnight financing rate as set by the Federal Reserve Bank of New York plus 0.10% ("Adjusted SOFR") or 2.0% (11.91% as of March 31, 2025). Revenue participation payments are calculated as a percentage of our net revenues, up to \$70,000 in any given year, adding approximately 1.5% per year of additional interest payments on the outstanding indebtedness. Upon each maturity date or upon such date earlier repayment occurs, we will repay the principal balance and provide a make-whole payment calculated to generate an internal rate of return to the lender equal to 11.5%, less the total of all quarterly interest and revenue participation payments previously paid. See Note 8 - Long-Term Debt, Net of Debt Discount and Financing Fees and Note 13 - Commitments and Contingencies in the Notes to the Condensed Consolidated Financial Statements in this Form 10-Q.

Sources of Capital

Our expected future capital requirements may depend on many factors including expanding our customer base and sales force and timing and extent of spending in obtaining regulatory approval and introduction of new products. Additional sources of liquidity available to us include issuance of additional equity securities through public or private equity offerings, debt financings or from other sources. The sale of additional equity may result in dilution to our shareholders. There is no assurance that we will be able to secure funding on terms acceptable to us, or at all. The increasing need for capital could also make it more difficult to obtain funding through either equity or debt. Should additional capital not become available to us as needed, we may be required to take certain actions, such as slowing sales and marketing expansion, delaying regulatory approvals, or reducing headcount.

Contractual Obligations and Commitments

Contractual Obligations (in thousands)	2025 Remaining	2026-2027	2028-2029	Thereafter	Total
Credit Facility principal ⁽¹⁾	\$ —	\$ 35,000	\$ 15,000	\$ —	\$ 50,000
Credit Facility interest ⁽²⁾	4,466	9,826	893	—	15,185
Credit Facility revenue participation payments ⁽³⁾	232	1,512	231	—	1,975
Operating and financing lease obligations ⁽⁴⁾	3,119	7,404	6,306	15,385	32,214
Insurance financing agreements ⁽⁵⁾	1,432	—	—	—	1,432
Transition and separation obligations to former CEO ⁽⁶⁾	133	18	—	—	151
Total	\$ 9,382	\$ 53,760	\$ 22,430	\$ 15,385	\$ 100,957

⁽¹⁾ See Note 8 - Long-Term Debt, Net of Debt Discount and Financing Fees and Note 13 - Commitments and Contingencies in the Notes to the Condensed Consolidated Financial Statements in this Form 10-Q.

⁽²⁾ Calculated using the forecasted interest rates used in the valuation of the debt derivative liabilities. See Note 6 - Fair Value Measurement in the Notes to the Condensed Consolidated Financial Statements in this Form 10-Q.

⁽³⁾ See Note 8 - Long-Term Debt, Net of Debt Discount and Financing Fees in the Notes to the Condensed Consolidated Financial Statements in this Form 10-Q.

⁽⁴⁾ See Note 7 - Leases in the Notes to the Condensed Consolidated Financial Statements in this Form 10-Q.

⁽⁵⁾ See Note 13 - Commitments and Contingencies in the Notes to the Condensed Consolidated Financial Statements in this Form 10-Q.

⁽⁶⁾ Includes our former CEO's senior advisory fees through May 2025 and fifteen months of COBRA payments. See Note 13 - Commitments and Contingencies in the Notes to the Condensed Consolidated Financial Statements in this Form 10-Q.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For a discussion of our market risks, refer to Item 7A, "Quantitative and Qualitative Disclosures about Market Risk," included in our 2024 Annual Report on Form 10-K.

We have interest rate exposure as a result of the Credit Facility. As of March 31, 2025, the outstanding principal amount of our loans under the Credit Facility was \$50,000. Interest on our loans under the Credit Facility is calculated as 7.5% plus the greater of Adjusted SOFR or 2.0% (11.91% at March 31, 2025); provided that the interest rate shall never be less than 9.5%. Changes in the Adjusted SOFR rate may therefore affect our interest expense associated with the Credit Facility. An increase of 100 basis points in interest rates would increase interest expense by approximately \$500 annually based on the amounts currently outstanding and would not materially affect our results of operations.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain “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”), that are designed to ensure that information required to be disclosed by us in reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the U.S. Securities and Exchange Commission (the “SEC”)’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, and Board of Directors, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, management recognizes that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable assurance of achieving the desired objectives, and we necessarily are required to apply our judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures.

Our management, including our principal executive officer and principal financial officer, evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2025, and concluded that our disclosure controls and procedures were effective.

Changes in Internal Controls Over Financial Reporting

There were no changes in our internal control over financial reporting during the three months ended March 31, 2025 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting (as defined in Rules 13a-15(d) or 15d-15(f) of the Exchange Act).

PART II – OTHER INFORMATION

ITEM 1 – LEGAL PROCEEDINGS

As disclosed in Note 13 - Commitments and Contingencies in the Notes to the Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q, we are engaged in certain legal proceedings, and the disclosure set forth in Note 13 - Commitments and Contingencies relating to legal proceedings is incorporated herein by reference.

ITEM 1A - RISK FACTORS

There have been no material changes to the risk factors disclosed in our 2024 Annual Report on Form 10-K. Any investment in our business involves a high degree of risk. Before making an investment decision, you should carefully consider the information we include in this Quarterly Report on Form 10-Q, including our unaudited interim condensed consolidated financial statements and accompanying notes, our Annual Report on Form 10-K for the year ended December 31, 2024, including our financial statements and related notes contained therein, and the additional information in the other reports we file with the SEC. These risks may result in material harm to our business and our financial condition and results of operations. In this event, the market price of our common stock may decline, and you could lose part or all of your investment. Additional risks that we currently believe are immaterial may also impair our business operations. Our business, financial condition and future prospects and the trading price of our common stock could be harmed as a result of any of these risks.

ITEM 2 - UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4 - MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5 - OTHER INFORMATION

Rule 10b5-1 Trading Plans

During the three months ended March 31, 2025, our Section 16 officers and directors adopted or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement” as such terms are defined under Item 408 of Regulation S-K as noted below.

Name and Title	Action	Date	Trading Arrangement		Aggregate Number of Securities to be Sold	Expiration Date
			Rule 10b5-1*	Non-Rule 10b5-1**		
Amy Wendell, Director	Adopt	11/20/2024	X		5,000	11/20/2025
William Burke, Director	Adopt	3/14/2025	X		125,983	3/13/2026

*Intended to satisfy the affirmative defense of Rule 10b5-1(c).

**Not intended to satisfy the affirmative defense of Rule 10b5-1(c).

ITEM 6 - EXHIBITS

Exhibit Number	Description
10.1 **	Form of 2025 Performance Stock Unit Award Agreement pursuant to the Axogen, Inc. 2019 Stock Incentive Plan, as amended and restated as of March 27, 2024. (1)
10.2 **	Form of 2025 Restricted Stock Unit Award Agreement pursuant to the Axogen, Inc. 2019 Stock Incentive Plan, as amended and restated as of March 27, 2024.
31.1 †	Certification of Principal Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2 †	Certification of Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32 ††	Certifications of the Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS †	XBRL Instance Document – The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL 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 Extension Labels Linkbase.
101.PRE †	XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File – The cover pages do not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

** Management contract or compensatory plan or arrangement.

(1) Portions of this exhibit (indicated by asterisks) have been redacted in compliance with Regulation S-K Item 601(b)(2)(ii).

† Filed herewith.

†† Furnished herewith.

SIGNATURES

Pursuant to the requirements 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.

AXOGEN, INC.

Dated: May 8, 2025

/s/ Michael Dale

Michael Dale
Chief Executive Officer and President
(Principal Executive Officer)

Dated: May 8, 2025

/s/ Nir Naor

Nir Naor
Chief Financial Officer
(Principal Accounting Officer)

CERTAIN INFORMATION INDICATED BY [***] HAS BEEN OMITTED AS CONFIDENTIAL

AXOGEN, INC.
PERFORMANCE-BASED RESTRICTED STOCK UNITS NOTICE
UNDER THE
AXOGEN, INC.
THIRD AMENDED AND RESTATED 2019 LONG-TERM INCENTIVE PLAN

Name of Grantee: _____

This Notice evidences the award of performance-based restricted stock units (each, an "**PSU**," and collectively, the "**PSUs**") of Axogen, Inc., a Minnesota corporation (the "**Company**"), that have been granted to you pursuant to the Axogen, Inc. Third Amended and Restated 2019 Long-Term Incentive Plan (the "**Plan**") and conditioned upon your agreement to the terms of the attached Restricted Stock Units Agreement (the "**Agreement**"). This Notice constitutes part of and is subject to the terms and provisions of the Agreement and the Plan, which are incorporated by reference herein. Each PSU is equivalent in value to one share of the Company's Common Stock and represents the Company's commitment to issue one share of the Company's Common Stock at a future date, subject to the terms of the Agreement and the Plan. The PSUs are credited to a separate account maintained for you on the books and records of the Company (the "**Account**"). All amounts credited to the Account will continue for all purposes to be part of the general assets of the Company.

Grant Date: **March __, 2025**

Performance Period: Set forth on Exhibit A

Target Number of PSUs: **##,###**

Vesting of PSUs: The Target Number of PSUs stated above reflects the target number of PSUs that may vest pursuant to this Notice and the Agreement. The number of PSUs ultimately paid out to you will range from 0% to 200% of the Target Number of PSUs as determined in accordance with the formulas and terms contained on Exhibit A to the Agreement with respect to certain goals defined therein (the "**Performance Goals**").

Forfeiture Risk. All of the PSUs are nonvested and forfeitable as of the Grant Date. Upon the cessation of your Service (as defined in the Agreement) for any reason during the Performance Period, other than a Qualified Retirement that satisfies the requirements of Section 4 of the Agreement, any unvested PSUs shall automatically and immediately terminate and be forfeited for no consideration.

"**Certification Date**" means the date on which the Administrator certifies the extent to which the Performance Goals for the full Performance Period have been achieved. The Certification Date will be no earlier than January 1st and no later than March 1st of the calendar year following the end of the Performance Period.

Vesting Upon Termination of Service:

- (i) Upon the termination of your Service during the Performance Period, for any reason other than due to a Qualified Retirement that satisfies the requirements of Section 4 of the Agreement, none of the PSUs will be eligible to vest.
- (ii) Upon termination of your Service during the Performance Period due to a Qualified Retirement that satisfies the requirements of Section 4 of the Agreement, the PSUs will be subject to the terms of Section 4 of the Agreement.

Vesting Upon a Change in Control: Notwithstanding anything in this Notice, the Agreement or the Plan to the contrary, if you remain in continuous Service at the time of a Change in Control (as defined in the Plan), vesting of the PSUs shall be determined in accordance with the Change in Control provisions set forth in Exhibit A to the Agreement.

Axogen, Inc.

Date

I acknowledge that I have carefully read this Notice, the Agreement and the prospectus for the Plan. I agree to be bound by all of the provisions set forth in those documents. I also consent to electronic delivery of all notices or other information with respect to the PSUs or the Company.

Signature of Grantee

Date

AXOGEN, INC.

PERFORMANCE-BASED RESTRICTED STOCK UNITS AGREEMENT
UNDER THE
AXOGEN, INC.
THIRD AMENDED AND RESTATED 2019 LONG-TERM INCENTIVE PLAN

1. Terminology. Unless otherwise provided in this Agreement, capitalized terms used herein are defined in the Glossary at the end of this Agreement.

2. Vesting. All of the PSUs are nonvested and forfeitable as of the Grant Date. The PSUs will become vested and nonforfeitable in accordance with the vesting terms and conditions set forth in the Notice. Except for the circumstances, if any, described in the Notice, or as otherwise provided in Section 4 below, none of the PSUs will become vested and nonforfeitable after your Service ceases. Unless forfeited earlier, any PSUs will be forfeited immediately upon the Certification Date to the extent that the Performance Goals have not been achieved.

3. Termination of Service. Except as otherwise provided in Section 4 below, or as otherwise provided in the Notice, if your Service with the Company ceases for any reason during the Performance Period, all PSUs that are not then vested and nonforfeitable will be forfeited to the Company immediately and automatically upon such cessation without payment of any consideration therefor and you will have no further right, title or interest in or to such PSUs or the underlying shares of Common Stock.

4. Qualified Retirement. If your title with the Company as of the Grant Date of the PSUs is Vice President or above, in the event your Service with the Company ceases by reason of a Qualified Retirement during the Performance Period, such Qualified Retirement occurs on a date that is at least six (6) months following the Grant Date, and you execute and do not revoke a separation and general release agreement in the form provided by the Company which becomes effective within sixty (60) days after such Qualified Retirement, (i) if you have at least ten (10) years of continuous Service but less than fifteen (15) years of continuous Service as of the date of your Qualified Retirement, then the Target Number of PSUs will continue to be eligible to become vested and nonforfeitable based on actual performance in accordance with the vesting provision set forth in the Notice; provided, that the Target Number of PSUs that are eligible to vest shall be pro-rated based on the number of days of your Service in the Performance Period, and (ii) if you have at least fifteen (15) years of continuous Service as of the date of your Qualified Retirement, then the full Target Number of PSUs will continue to be eligible to become vested and nonforfeitable based on actual performance in accordance with the vesting provision set forth in the Notice. Notwithstanding the foregoing, all eligibility for PSUs to become vested shall cease and such PSUs will be forfeited to the Company immediately and automatically upon your death or as provided in Section 12.

5. Restrictions on Transfer. To the extent permitted under Section 9(b) of the Plan, neither this Agreement nor any of the PSUs may be assigned, transferred, pledged, hypothecated or disposed of in any way, whether by operation of law or otherwise, and the PSUs shall not be subject to execution, attachment or similar process. All rights with respect to this Agreement and the PSUs shall be exercisable during your lifetime only by you or your guardian or legal representative. Notwithstanding the foregoing, the PSUs, to the extent outstanding, may be transferred upon your death by last will and testament or under the laws of descent and distribution.

6. Settlement of PSUs.

(a) Manner of Settlement. You are not required to make any monetary payment (other than applicable tax withholding, if required) as a condition to settlement of the PSUs. The Company will issue to you, in settlement of your PSUs and subject to the provisions of Section 7 below, the number of whole shares of Common Stock that equals the number of whole PSUs that become vested, and such

vested PSUs will terminate and cease to be outstanding upon such issuance of the shares. Upon issuance of such shares, the Company will determine the form of delivery (e.g., a stock certificate or electronic entry evidencing such shares) and may deliver such shares on your behalf electronically to the Company's designated stock plan administrator or such other broker-dealer as the Company may choose at its sole discretion, within reason.

(b) Timing of Settlement. Any vested PSUs will be settled by the Company, via the issuance of Common Stock as described herein, no later than ten (10) days following the Performance Determination (the "**Issuance Date**"). In no event will you be permitted, directly or indirectly, to designate the taxable year of payment. However, if an Issuance Date falls on a Saturday, Sunday or federal holiday, such Issuance Date shall instead fall on the next following day that the principal executive offices of the Company are open for business. Notwithstanding the foregoing, in the event that (i) you are subject to the Company's policy permitting officers and directors to sell shares only during certain "window" periods, in effect from time to time or you are otherwise prohibited by the Company from selling shares of the Company's Common Stock in the public market and any shares covered by your PSUs would be issued on a day (the "**Original Distribution Date**") that does not occur during an open "window period" applicable to you, as determined by the Company in accordance with such policy, or does not occur on a date when you are otherwise permitted by the Company to sell shares of the Company's Common Stock in the open market, and (ii) the Company elects not to satisfy its tax withholding obligations by withholding shares from your distribution, then, solely to the extent permitted by Section 409A (as defined below), such shares shall not be issued and delivered on such Original Distribution Date and shall instead be issued and delivered on the first business day of the next occurring open "window period" applicable to you pursuant to such policy (regardless of whether you are still providing continuous Service at such time) or the next business day when you are not prohibited by the Company from selling shares of the Company's Common Stock in the open market, but in no event later than December 31st of the calendar year in which the Performance Determination occurs or if later and to the extent permitted by Section 409A, by the 15th day of the third calendar month following the Performance Determination. The "**Performance Determination**" is the earlier of the Certification Date or a Change in Control.

7. Tax Withholding. On or before the time you receive a distribution of the shares of Common Stock subject to any vested PSUs, or at any time thereafter as requested by the Company, you hereby authorize any required withholding from the Common Stock issuable to you and/or otherwise agree to make adequate provision in cash for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any Affiliate which arise in connection with your PSUs (the "**Withholding Taxes**"). Additionally, the Company may, in its sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to your PSUs by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company; (ii) causing you to tender a cash payment; (iii) permitting you to enter into a "same day sale" commitment with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a "**FINRA Dealer**") whereby you irrevocably elect to sell a portion of the shares to be delivered under the Agreement to satisfy the Withholding Taxes and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Withholding Taxes directly to the Company; or (iv) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to you in connection with the PSUs with a Fair Market Value (measured as of the date shares of Common Stock are issued to you pursuant to Section 6 of this Agreement) equal to the amount of such Withholding Taxes. Unless the tax withholding obligations of the Company and/or any Affiliate are satisfied, the Company shall have no obligation to deliver to you any Common Stock. In the event the Company's obligation to withhold arises prior to the delivery to you of Common Stock or it is determined after the delivery of Common Stock to you that the amount of the Company's withholding obligation was greater than the amount withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

8. Non-Guarantee of Employment or Service Relationship. Nothing in the Plan or this Agreement shall alter your at-will or other employment status or other service relationship with the

Company, nor be construed as a contract of employment or service relationship between the Company and you, or as a contractual right of you to continue in the employ of, or in a service relationship with, the Company for any period of time, or as a limitation of the right of the Company to discharge you at any time with or without cause or notice and whether or not such discharge results in the forfeiture of any nonvested and forfeitable PSUs or any other adverse effect on your interests under the Plan.

9. Rights as Stockholder. You shall not have any of the rights of a stockholder with respect to any shares of Common Stock that may be issued in settlement of the PSUs until such shares of Common Stock have been issued to you. No adjustment shall be made for dividends, distributions, or other rights for which the record date is prior to the date such shares are issued, except as provided in Section 10 of the Plan and Section 6 of this Agreement.

10. The Company's Rights. The existence of the PSUs shall not affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations, or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company, or any issue of bonds, debentures, preferred or other stocks with preference ahead of or convertible into, or otherwise affecting the Common Stock or the rights thereof, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of the Company's assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

11. Restrictions on Issuance of Shares. The issuance of shares of Common Stock upon settlement of the PSUs shall be subject to and in compliance with all applicable requirements of federal, state, or foreign law with respect to such securities. No shares of Common Stock may be issued hereunder if the issuance of such shares would constitute a violation of any applicable federal, state, or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Common Stock may then be listed. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance of any shares subject to the PSUs shall relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority shall not have been obtained. As a condition to the settlement of the PSUs, the Company may require you to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation, and to make any representation or warranty with respect thereto as may be requested by the Company.

12. Restrictive Covenants. As consideration of the grant of the PSUs, you hereby agree and acknowledge that the grant of the PSUs is conditioned upon your continued compliance with any and all confidentiality, non-compete and/or non-solicitation covenants and restrictions contained in any agreement between you and the Company, and if you breach any of such covenants or restrictions, upon written notice delivered to you: (i) the entirety of the Company's obligations under this Agreement and the Plan shall terminate in their entirety, (ii) all PSUs that are not then vested and nonforfeitable will be forfeited to the Company immediately and automatically, and (iii) you shall have no further rights or privileges under this Agreement or the Plan

13. Notices. All notices and other communications made or given pursuant to this Agreement shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company, or in the case of notices delivered to the Company by you, addressed to the Administrator, care of the Company for the attention of its Secretary at its principal executive office or, in either case, if the receiving party consents in advance, transmitted and received via telecopy or via such other electronic transmission mechanism as may be available to the parties. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this award of PSUs by electronic means or to request your consent to participate in the Plan or accept this award of PSUs by electronic means. You hereby consent to receive such documents by electronic delivery and, if requested, to agree to participate

in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

14. Entire Agreement. This Agreement, together with the relevant Notice and the Plan, contain the entire agreement between the parties with respect to the PSUs granted hereunder. Any oral or written agreements, representations, warranties, written inducements, or other communications made prior to the execution of this Agreement with respect to the PSUs granted hereunder shall be void and ineffective for all purposes.

15. Amendment. This Agreement may be amended from time to time by the Administrator in its discretion; provided, however, that this Agreement may not be modified in a manner that would have a materially adverse effect on the PSUs as determined in the discretion of the Administrator, except as provided in the Plan or in a written document signed by each of the parties hereto.

16. 409A Savings Clause. This Agreement and the PSUs granted hereunder are intended to be exempt from or comply with the requirements of Section 409A of the Code and the regulations and IRS guidance promulgated thereunder ("**Section 409A**"). In administering this Agreement, the Company shall interpret this Agreement in a manner consistent with Section 409A. Notwithstanding anything to the contrary in this Agreement, no payment that constitutes nonqualified deferred compensation within the meaning of Section 409A and that becomes payable to you due to your termination of Service with the Company will be made to you unless and until your termination of Service constitutes a "separation from service" under Section 409A. To the extent necessary to comply with the restriction in Section 409A(a)(2)(B)(i) of the Code concerning payments to "specified employees" (as defined in Section 409A), any payment on account of your separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), that would otherwise be due on the date of the separation from service or within the first six (6) months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six (6) months and one day after the date of the separation from service, but if and only if such delay in the issuance of the shares is necessary to avoid the imposition of additional taxation on you under Section 409A of the Code. Each payment under this Agreement will be treated as a "separate payment" for purposes of Section 409A and Treasury Regulation Section 1.409A-2(b)(2).

17. No Obligation to Minimize Taxes. The Company has no duty or obligation to minimize the tax consequences to you of this award of PSUs and shall not be liable to you for any adverse tax consequences to you arising in connection with this award. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the tax consequences of this award and by signing the Notice, you have agreed that you have done so or knowingly and voluntarily declined to do so.

18. Conformity with Plan. This Agreement is subject to all applicable provisions of, the Plan. Inconsistencies between this Agreement and the Plan shall be resolved in accordance with the terms of the Plan. In the event of any ambiguity in this Agreement or any matters as to which this Agreement is silent, the Plan shall govern. A copy of the Plan is available upon request to the Administrator.

19. No Funding. This Agreement constitutes an unfunded and unsecured promise by the Company to issue shares of Common Stock in the future in accordance with its terms. You have the status of a general unsecured creditor of the Company as a result of receiving the grant of PSUs.

20. Effect on Other Employee Benefit Plans. The value of the PSUs subject to this Agreement shall not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

21. Governing Law. The validity, construction and effect of this Agreement, and of any determinations or decisions made by the Administrator relating to this Agreement, and the rights of any and all persons having or claiming to have any interest under this Agreement, shall be determined exclusively in accordance with the laws of the State of Minnesota, without regard to its conflicts of laws principles. As a condition of this Agreement, you agree that you will not bring any action arising under, as a result of, pursuant to or relating to, this Agreement in any court other than a federal or state court in Hillsborough county Florida.. You further agree that you will not deny or attempt to defeat such personal jurisdiction or object to venue by motion or other request for leave from any such court.

22. Resolution of Disputes. Any dispute or disagreement which shall arise under, or as a result of, or pursuant to or relating to, this Agreement shall be determined by the Administrator in good faith in its absolute and uncontrolled discretion, and any such determination or any other determination by the Administrator under or pursuant to this Agreement and any interpretation by the Administrator of the terms of this Agreement, will be final, binding and conclusive on all persons affected thereby. You agree that before you may bring any legal action arising under, as a result of, pursuant to or relating to, this Agreement you will first exhaust your administrative remedies before the Administrator. You further agree that in the event that the Administrator does not resolve any dispute or disagreement arising under, as a result of, pursuant to or relating to, this Agreement to your satisfaction, no legal action may be commenced or maintained relating to this Agreement more than twenty-four (24) months after the Administrator's decision.

23. Headings. The headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

24. Electronic Delivery of Documents. By your signing the Notice, you (i) consent to the electronic delivery of this Agreement, all information with respect to the Plan and the PSUs, and any reports of the Company provided generally to the Company's stockholders; (ii) acknowledge that you may receive from the Company a paper copy of any documents delivered electronically at no cost to you by contacting the Company by telephone or in writing; (iii) further acknowledge that you may revoke your consent to the electronic delivery of documents at any time by notifying the Company of such revoked consent by telephone, postal service or electronic mail; and (iv) further acknowledge that you understand that you are not required to consent to electronic delivery of documents.

25. No Future Entitlement. By your signing the Notice, you acknowledge and agree that: (i) the grant of a restricted stock unit award is a one-time benefit which does not create any contractual or other right to receive future grants of restricted stock units, or compensation in lieu of restricted stock units, even if restricted stock units have been granted repeatedly in the past; (ii) all determinations with respect to any such future grants and the terms thereof will be at the sole discretion of the Administrator; (iii) the value of the restricted stock units is an extraordinary item of compensation which is outside the scope of your employment contract, if any; (iv) the value of the restricted stock units is not part of normal or expected compensation or salary for any purpose, including, but not limited to, calculating any termination, severance, resignation, redundancy, end of service payments or similar payments, or bonuses, long-service awards, pension or retirement benefits; (v) the vesting of the restricted stock units ceases upon termination of Service with the Company or transfer of employment from the Company, or other cessation of eligibility for any reason, except as may otherwise be explicitly provided in this Agreement; (vi) the Company does not guarantee any future value of the restricted stock units; and (vii) no claim or entitlement to compensation or damages arises if the restricted stock units decrease or do not increase in value and you irrevocably release the Company from any such claim that does arise.

26. Personal Data. For purposes of the implementation, administration and management of the restricted stock units or the effectuation of any acquisition, equity or debt financing, joint venture, merger, reorganization, consolidation, recapitalization, business combination, liquidation, dissolution, share exchange, sale of stock, sale of material assets or other similar corporate transaction involving the Company (a "**Corporate Transaction**"), you consent, by execution of the Notice, to the collection, receipt,

use, retention and transfer, in electronic or other form, of your personal data by and among the Company and its third party vendors or any potential party to a potential Corporate Transaction. You understand that personal data (including but not limited to, name, home address, telephone number, employee number, employment status, social security number, tax identification number, date of birth, nationality, job and payroll location, data for tax withholding purposes and shares awarded, cancelled, vested and unvested) may be transferred to third parties assisting in the implementation, administration and management of the restricted stock units or the effectuation of a Corporate Transaction and you expressly authorize such transfer as well as the retention, use, and the subsequent transfer of the data by the recipient(s). You understand that these recipients may be located in your country or elsewhere, and that the recipient's country may have different data privacy laws and protections than your country. You understand that data will be held only as long as is necessary to implement, administer and manage the restricted stock units or effect a Corporate Transaction. You understand that you may, at any time, request a list with the names and addresses of any potential recipients of the personal data, view data, request additional information about the storage and processing of data, require any necessary amendments to data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Company's Secretary. You understand, however, that refusing or withdrawing your consent may affect your ability to accept a restricted stock unit award.

{Glossary begins on next page}

GLOSSARY

- (a) “**Administrator**” means the Compensation Committee of the Board of Directors of Axogen, Inc. or such committee or committees appointed by the Board of Directors of Axogen Inc. to administer the Plan.
- (b) “**Affiliate**” means any entity, whether now or hereafter existing, which controls, is controlled by, or is under common control with Axogen, Inc. (including but not limited to joint ventures, limited liability companies, and partnerships). For this purpose, “control” means ownership or more of the total combined voting power or value of all classes of stock or interests of the entity.
- (c) “**Agreement**” means this document, as amended from time to time, together with the Notice and the Plan which are incorporated herein by reference.
- (d) “**Cause**” has the meaning ascribed to such term or words of similar import in your written employment or service contract with the Company as in effect at the time at issue and, in the absence of such agreement or definition, means your (i) conviction of, or plea of nolo contendere to, a felony or crime involving moral turpitude; (ii) fraud on or misappropriation of any funds or property of the Company, any affiliate, customer or vendor; (iii) personal dishonesty, incompetence, willful misconduct, willful violation of any law, rule or regulation (other than minor traffic violations or similar offenses) or breach of fiduciary duty which involves personal profit; (iv) willful misconduct in connection with your duties or willful failure to perform your responsibilities in the best interests of the Company; (v) illegal use or distribution of drugs; (vi) violation of any Company rule, regulation, procedure or policy; or (vii) breach of any provision of any employment, non-disclosure, non-competition, non-solicitation or other similar agreement executed by you for the benefit of the Company, all as determined by the Administrator, which determination will be conclusive.
- (e) “**Change in Control**” has the meaning set forth in the Plan.
- (f) “**Code**” means the Internal Revenue Code of 1986, as amended, and the Treasury regulations and other guidance promulgated thereunder.
- (g) “**Common Stock**” means the common stock, US\$.01 par value per share, of Axogen, Inc.
- (h) “**Company**” means Axogen, Inc. and its Affiliates, except where the context otherwise requires. For purposes of determining whether a Change in Control has occurred, Company shall mean only Axogen, Inc.
- (i) “**Fair Market Value**” has the meaning set forth in the Plan.
- (j) “**Grant Date**” means the effective date of a grant of PSUs made to you as set forth in the relevant Notice.
- (k) “**Notice**” means the statement, letter or other written notification provided to you by the Company setting forth the terms of a grant of PSUs made to you.
- (l) “**Plan**” means the Axogen Third Amended and Restated 2019 Long-Term Incentive Plan, as amended from time to time.
- (m) “**Qualified Retirement**” means the termination of your Service prior to a Change in Control after attainment of age sixty (60) with at least ten (10) years of continuous Service, provided that:
-

(i) as a Vice-President or above, if you elect to terminate your Service, you have provided the Company with at least [six (6) / twelve (12)]¹ months' advance notice of your retirement date or such other term of advance notice as is determined by the Chief Human Resources Officer of the Company; (ii) as a Vice-President or above, if the Company elected to terminate your Service, such termination is without Cause and (iii) during the three (3) years prior to the year in which such termination of Service occurs, you have maintained consistent historical performance reviews.

(n) "**PSU**" means the Company's commitment to issue one share of Common Stock at a future date, subject to the terms of the Agreement and the Plan.

(o) "**Service**" means your employment, service as a non-executive director, or other service relationship with the Company and its Affiliates. Your Service will be considered to have ceased with the Company and its Affiliates if, immediately after a sale, merger, or other corporate transaction, the trade, business, or entity with which you are employed or otherwise have a service relationship is not Axogen, Inc., or its successor or an Affiliate of Axogen, Inc. or its successor.

(p) "**you**" or "**your**" means the recipient of the PSUs as reflected on the applicable Notice. Whenever the word "you" or "your" is used in any provision of this Agreement under circumstances where the provision should logically be construed, as determined by the Administrator, to apply to the estate, personal representative, or beneficiary to whom the PSUs may be transferred by will or by the laws of descent and distribution, the words "you" and "your" shall be deemed to include such person.

{*End of Agreement*}

¹ Notice period to be 12 months for CEO, CFO and other officer with Chief's in their titles and 6 months for other VPs , eligible for post-retirement vesting.

Exhibit A

Terms of Performance-Based Restricted Stock Units Performance Vesting

Performance Period and Definitions

"Performance Period" shall mean the three calendar year period beginning January 1, 2025 and ending December 31, 2027.

"CAGR" shall mean the compound annual growth rate of revenue over the Performance Period.

"Total Shareholder Return" or "TSR" shall mean the total shareholder return, calculated as the percentage change in the Company's stock price over the Performance Period, plus the value of dividends reinvested during the Performance Period, expressed as a percentage of the initial stock price. Specifically, TSR for the Company shall be calculated as follows: $[(\text{Ending Stock Price} - \text{Beginning Stock Price}) + \text{Dividends Per Share Reinvested}] / \text{Beginning Stock Price}$.

- "Beginning Stock Price" shall mean the 20-trading day average of the closing price of the Common Stock prior to the first day of the Performance Period.
- "Ending Stock Price" shall mean the 20-trading day average of the closing price of the Common Stock prior to the last day of the Performance Period.
- "Dividends Per Share Reinvested" shall represent the total value of all dividends paid per share of Common Stock during the Performance Period, assuming that all dividends are reinvested into additional shares of Common Stock at the respective ex-dividend dates. Dividend reinvestment shall be calculated using the closing price of the Common Stock on the dividend reinvestment date.

"Relative TSR" shall mean the Company's TSR relative to the TSR of the Index Companies expressed as a percentile rank.

- "Index Companies" shall mean the companies comprising the Russell 2000 Medical Equipment and Services Index on the first day of the Performance Period, as may be modified as described under "Adjustments" below.
- The TSR for each of the Index Companies shall be calculated using the same 20-trading day average methodology as the Company TSR, where the value of dividends and other distributions that have an ex-dividend date during such 20-trading day period shall be included by treating them as reinvested in additional shares of the applicable Index Company's common stock on the ex-dividend date.
- The percentile rank will be determined, by the discrete percentile rank methodology whereby the TSR for the Company and each of the Index Companies will be ranked from highest to lowest, with the company having the highest TSR being assigned the 100th percentile rank.

"Performance Goals" shall mean the CAGR Performance Goals and the TSR Performance Goals defined in the tables below.

Calculation of Actual PSU Vesting

If you remain in continuous Service through the end of the Performance Period or if your Service terminates by reason of a Qualified Retirement, the actual number of PSUs that vest with respect to the Performance Period will be calculated on the Certification Date and will equal:

- (x) the Target Number of PSUs; *multiplied by*
- (y) Payout Factor; *multiplied by*
- (z) The TSR Modifier

rounded down to the nearest whole PSU. Final payout shall be capped at 200%

Calculation of the Payout Factor

The Payout Factor shall be determined based on achievement of the CAGR Performance Goal for the Company's revenue as set forth in the following table:

CAGR Performance Goal (Revenue)	Payout Factor	
***]	200%	Max
***]	150%	Stretch
***]	100%	Target
***]	50%	Threshold
***]	0	

For a CAGR between the specified percentages, linear interpolation shall apply to calculate the Payout Factor. The Payout Factor is zero (0) if CAGR is less than 12%

Calculation of TSR Modifier

The TSR Modifier shall be determined based on achievement of the Relative TSR Performance Goal as set forth in the following table:

Relative TSR Performance Goal	TSR Modifier
***]	1.25
***]	1.0
***]	0.75

For performance between the specified percentiles, linear interpolation shall apply.

Occurrence of a Change in Control

In the event of a Change in Control during the Performance Period, the PSUs shall immediately vest and be calculated using the Payout Factor corresponding to a 15% CAGR and a TSR Modifier of 1.0.

Notwithstanding the foregoing, the Administrator (as constituted immediately prior to the applicable Change in Control), shall retain the discretionary authority, exercisable at any time on or before the Change in Control, to increase the Payout Factor up to 200%, based on the Administrator's assessment of the Company's performance and the circumstances surrounding the Change in Control. Additionally,

the Administrator (as constituted immediately prior to the applicable Change in Control), shall retain the discretionary authority, exercisable at any time on or before the Change in Control, to increase the TSR Modifier up to 1.25.

Adjustments

For purposes of calculating Relative TSR, if, during the Performance Period, one or more Index Companies merge, consolidate, file for bankruptcy, delist, engage in a spinoff, split-up, combination, sale of a substantial portion of its assets, separation, reorganization, change in corporate structure or other similar corporate transaction that in any case results in a substantial change in the business or revenue mix of the Index Company, then the Administrator shall remove such institution as an Index Company and/or make such other equitable adjustments, such as adding an acquirer or a new company to the Index Companies, as the Administrator deems appropriate, with any such changes having effect for purposes of all calculations as the Administrator determines necessary or appropriate to maintain the intended economics of the PSUs.

Adjustments will be made in the sole discretion of the Administrator, intended to be in a manner so that holders of PSUs are neither penalized nor rewarded for these items. Where applicable, adjustments will be applied formulaically consistent with principles historically applied and in a manner that will not trigger a modification or new measurement date with respect to any PSUs under GAAP and shall include adjustment for any recapitalization, split-up, spinoff, reorganization, restructuring or other similar corporate transaction.

The Administrator will have sole and exclusive authority and discretion to make all determinations and resolve all ambiguities, questions and disputes relating to calculations and the level of achievement and vesting of the PSUs.

AXOGEN, INC.
RESTRICTED STOCK UNITS NOTICE
UNDER THE
AXOGEN, INC.
THIRD AMENDED AND RESTATED 2019 LONG-TERM INCENTIVE PLAN

Name of Grantee: _____

This Notice evidences the award of restricted stock units (each, an “**RSU**,” and collectively, the “**RSUs**”) of Axogen, Inc., a Minnesota corporation (the “**Company**”), that have been granted to you pursuant to the Axogen, Inc. Third Amended and Restated 2019 Long-Term Incentive Plan (the “**Plan**”) and conditioned upon your agreement to the terms of the attached Restricted Stock Units Agreement (the “**Agreement**”). This Notice constitutes part of and is subject to the terms and provisions of the Agreement and the Plan, which are incorporated by reference herein. Each RSU is equivalent in value to one share of the Company’s Common Stock and represents the Company’s commitment to issue one share of the Company’s Common Stock at a future date, subject to the terms of the Agreement and the Plan. The RSUs are credited to a separate account maintained for you on the books and records of the Company (the “**Account**”). All amounts credited to the Account will continue for all purposes to be part of the general assets of the Company.

Grant Date:

Vesting Commencement Date:

Number of RSUs:

Vesting Schedule: All of the RSUs are nonvested and forfeitable as of the Grant Date. So long as (i) your Service (as defined in the Agreement) is continuous from the Grant Date through the applicable date upon which vesting is scheduled to occur or (ii) Section 4 of the Agreement applies, the RSUs shall vest as follows:

On each of the following dates:	Percentage of RSUs vested per corresponding date:
	50%
	25%
	25%

Change in Control: Notwithstanding anything in this Notice, the Agreement or the Plan to the contrary, if (i) a Change in Control (as defined in the Plan) occurs and (ii) on or after the Change of Control and on or before the first anniversary of the Change of Control either (1) your Service is terminated by the Company without Cause (as defined in the Agreement) or (2) you terminate your Service for Good Reason (as defined in the Agreement), then any unvested and unearned RSUs shall become immediately vested and earned as of the date of such termination of Service and shall be settled in accordance with Section 6 of the Agreement.

Axogen, Inc.

Date

I acknowledge that I have carefully read this Notice, the Agreement and the prospectus for the Plan. I agree to be bound by all of the provisions set forth in those documents. I also consent to electronic delivery of all notices or other information with respect to the RSUs or the Company.

Signature of Grantee

Date

AXOGEN, INC.

RESTRICTED STOCK UNITS AGREEMENT
UNDER THE
AXOGEN, INC.

THIRD AMENDED AND RESTATED 2019 LONG-TERM INCENTIVE PLAN

1. Terminology. Unless otherwise provided in this Agreement, capitalized terms used herein are defined in the Glossary at the end of this Agreement.

2. Vesting. All of the RSUs are nonvested and forfeitable as of the Grant Date. So long as your Service is continuous from the Grant Date through the applicable date upon which vesting is scheduled to occur, the RSUs will become vested and nonforfeitable in accordance with the vesting schedule set forth in the Notice. Except for the circumstances, if any, described in the Notice, or as otherwise provided in Section 4 below, none of the RSUs will become vested and nonforfeitable after your Service ceases.

3. Termination of Service. Except as otherwise provided in Section 4 below, or as otherwise provided in the Notice, if your Service with the Company ceases for any reason, all RSUs that are not then vested and nonforfeitable will be forfeited to the Company immediately and automatically upon such cessation without payment of any consideration therefor and you will have no further right, title or interest in or to such RSUs or the underlying shares of Common Stock.

4. Qualified Retirement. If your title with the Company as of the Grant Date of the RSUs is Vice President or above, in the event your Service with the Company ceases by reason of a Qualified Retirement, such Qualified Retirement occurs on a date that is at least six (6) months following the Grant Date, and you execute and do not revoke a separation and general release agreement in the form provided by the Company which becomes effective within sixty (60) days after such Qualified Retirement, the RSUs will continue to become vested and nonforfeitable in accordance with the vesting schedule set forth in the Notice, provided that all vesting shall cease and any remaining RSUs that are not then vested and nonforfeitable will be forfeited to the Company immediately and automatically upon your death or as provided in Section 12.

5. Restrictions on Transfer. To the extent permitted under Section 9(b) of the Plan, neither this Agreement nor any of the RSUs may be assigned, transferred, pledged, hypothecated or disposed of in any way, whether by operation of law or otherwise, and the RSUs shall not be subject to execution, attachment or similar process. All rights with respect to this Agreement and the RSUs shall be exercisable during your lifetime only by you or your guardian or legal representative. Notwithstanding the foregoing, the RSUs, to the extent outstanding, may be transferred upon your death by last will and testament or under the laws of descent and distribution.

6. Settlement of RSUs.

(a) Manner of Settlement. You are not required to make any monetary payment (other than applicable tax withholding, if required) as a condition to settlement of the RSUs. The Company will issue to you, in settlement of your RSUs and subject to the provisions of Section 7 below, the number of whole shares of Common Stock that equals the number of whole RSUs that become vested, and such vested RSUs will terminate and cease to be outstanding upon such issuance of the shares. Upon issuance of such shares, the Company will determine the form of delivery (e.g., a stock certificate or electronic entry evidencing such shares) and may deliver such shares on your behalf electronically to the Company's designated stock plan administrator or such other broker-dealer as the Company may choose at its sole discretion, within reason.

(b) Timing of Settlement. Any vested RSUs will be settled by the Company, via the issuance of Common Stock as described herein, on the applicable vesting date set forth in the Notice or the date that the RSUs become vested and nonforfeitable on a termination of Service following a Change in Control as described in the Notice (each, an "**Issuance Date**"). However, if a scheduled Issuance Date falls on a Saturday, Sunday or federal holiday, such Issuance Date shall instead fall on the next following day that the principal executive offices of the Company are open for business. Notwithstanding the foregoing, in the event that (i) you are subject to the Company's policy permitting officers and directors to sell shares only during certain "window" periods, in effect from time to time or you are otherwise prohibited by the Company from selling shares of the Company's Common Stock in the public market and any shares covered by your RSUs are scheduled to be issued on a day (the "**Original Distribution Date**") that does not occur during an open "window period" applicable to you, as determined by the Company in accordance with such policy, or does not occur on a date when you are otherwise permitted by the Company to sell shares of the Company's Common Stock in the open market, and (ii) the Company elects not to satisfy its tax withholding obligations by withholding shares from your distribution, then, solely to the extent permitted by Section 409A (as defined below), such shares shall not be issued and delivered on such Original Distribution Date and shall instead be issued and delivered on the first business day of the next occurring open "window period" applicable to you pursuant to such policy (regardless of whether you are still providing continuous Service at such time) or the next business day when you are not prohibited by the Company from selling shares of the Company's Common Stock in the open market, but in no event later than December 31st of the calendar year in which the Issuance Date occurs, or if later and to the extent permitted by Section 409A, by the 15th day of the third calendar month following the Issuance Date, provided, however, in no event are you permitted, directly or indirectly, to designate the taxable year of payment.

7. Tax Withholding. On or before the time you receive a distribution of the shares of Common Stock subject to any vested RSUs, or at any time thereafter as requested by the Company, you hereby authorize any required withholding from the Common Stock issuable to you and/or otherwise agree to make adequate provision in cash for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any Affiliate which arise in connection with your RSUs (the "**Withholding Taxes**"). Additionally, the Company may, in its sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to your RSUs by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company; (ii) causing you to tender a cash payment; (iii) permitting you to enter into a "same day sale" commitment with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a "**FINRA Dealer**") whereby you irrevocably elect to sell a portion of the shares to be delivered under the Agreement to satisfy the Withholding Taxes and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Withholding Taxes directly to the Company; or (iv) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to you in connection with the RSUs with a Fair Market Value (measured as of the date shares of Common Stock are issued to you pursuant to Section 6 of this Agreement) equal to the amount of such Withholding Taxes. Unless the tax withholding obligations of the Company and/or any Affiliate are satisfied, the Company shall have no obligation to deliver to you any Common Stock. In the event the Company's obligation to withhold arises prior to the delivery to you of Common Stock or it is determined after the delivery of Common Stock to you that the amount of the Company's withholding obligation was greater than the amount withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

8. Non-Guarantee of Employment or Service Relationship. Nothing in the Plan or this Agreement shall alter your at-will or other employment status or other service relationship with the Company, nor be construed as a contract of employment or service relationship between the Company and you, or as a contractual right of you to continue in the employ of, or in a service relationship with, the Company for any period of time, or as a limitation of the right of the Company to discharge you at any time with or without cause or notice and whether or not such discharge results in the forfeiture of any nonvested and forfeitable RSUs or any other adverse effect on your interests under the Plan.

9. Rights as Stockholder. You shall not have any of the rights of a stockholder with respect to any shares of Common Stock that may be issued in settlement of the RSUs until such shares of Common Stock have been issued to you. No adjustment shall be made for dividends, distributions, or other rights for which the record date is prior to the date such shares are issued, except as provided in Section 10 of the Plan and Section 6 of this Agreement.

10. The Company's Rights. The existence of the RSUs shall not affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations, or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company, or any issue of bonds, debentures, preferred or other stocks with preference ahead of or convertible into, or otherwise affecting the Common Stock or the rights thereof, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of the Company's assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

11. Restrictions on Issuance of Shares. The issuance of shares of Common Stock upon settlement of the RSUs shall be subject to and in compliance with all applicable requirements of federal, state, or foreign law with respect to such securities. No shares of Common Stock may be issued hereunder if the issuance of such shares would constitute a violation of any applicable federal, state, or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Common Stock may then be listed. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance of any shares subject to the RSUs shall relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority shall not have been obtained. As a condition to the settlement of the RSUs, the Company may require you to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation, and to make any representation or warranty with respect thereto as may be requested by the Company.

12. Restrictive Covenants. As consideration of the grant of the RSUs, you hereby agree and acknowledge that the grant of the RSUs is conditioned upon your continued compliance with any and all confidentiality, non-compete and/or non-solicitation covenants and restrictions contained in any agreement between you and the Company, and if you breach any of such covenants or restrictions, upon written notice delivered to you: (i) the entirety of the Company's obligations under this Agreement and the Plan shall terminate in their entirety, (ii) all RSUs that are not then vested and nonforfeitable will be forfeited to the Company immediately and automatically, and (iii) you shall have no further rights or privileges under this Agreement or the Plan.

13. Notices. All notices and other communications made or given pursuant to this Agreement shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company, or in the case of notices delivered to the Company by you, addressed to the Administrator, care of the Company for the attention of its Secretary at its principal executive office or, in either case, if the receiving party consents in advance, transmitted and received via telecopy or via such other electronic transmission mechanism as may be available to the parties. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this award of RSUs by electronic means or to request your consent to participate in the Plan or accept this award of RSUs by electronic means. You hereby consent to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

14. Entire Agreement. This Agreement, together with the relevant Notice and the Plan, contain the entire agreement between the parties with respect to the RSUs granted hereunder. Any oral or written agreements, representations, warranties, written inducements, or other communications made

prior to the execution of this Agreement with respect to the RSUs granted hereunder shall be void and ineffective for all purposes.

15. Amendment. This Agreement may be amended from time to time by the Administrator in its discretion; provided, however, that this Agreement may not be modified in a manner that would have a materially adverse effect on the RSUs as determined in the discretion of the Administrator, except as provided in the Plan or in a written document signed by each of the parties hereto.

16. 409A Savings Clause. This Agreement and the RSUs granted hereunder are intended to be exempt from or comply with the requirements of Section 409A of the Code and the regulations and IRS guidance promulgated thereunder ("**Section 409A**"). In administering this Agreement, the Company shall interpret this Agreement in a manner consistent with Section 409A. Notwithstanding anything to the contrary in this Agreement, no payment that constitutes nonqualified deferred compensation within the meaning of Section 409A and that becomes payable to you due to your termination of Service with the Company will be made to you unless and until your termination of Service constitutes a "separation from service" under Section 409A. To the extent necessary to comply with the restriction in Section 409A(a)(2)(B)(i) of the Code concerning payments to "specified employees" (as defined in Section 409A), any payment on account of your separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), that would otherwise be due on the date of the separation from service or within the first six (6) months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six (6) months and one day after the date of the separation from service, but if and only if such delay in the issuance of the shares is necessary to avoid the imposition of additional taxation on you under Section 409A of the Code. Each payment under this Agreement will be treated as a "separate payment" for purposes of Section 409A and Treasury Regulation Section 1.409A-2(b)(2).

17. No Obligation to Minimize Taxes. The Company has no duty or obligation to minimize the tax consequences to you of this award of RSUs and shall not be liable to you for any adverse tax consequences to you arising in connection with this award. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the tax consequences of this award and by signing the Notice, you have agreed that you have done so or knowingly and voluntarily declined to do so.

18. Conformity with Plan. This Agreement is subject to all applicable provisions of, the Plan. Inconsistencies between this Agreement and the Plan shall be resolved in accordance with the terms of the Plan. In the event of any ambiguity in this Agreement or any matters as to which this Agreement is silent, the Plan shall govern. A copy of the Plan is available upon request to the Administrator.

19. No Funding. This Agreement constitutes an unfunded and unsecured promise by the Company to issue shares of Common Stock in the future in accordance with its terms. You have the status of a general unsecured creditor of the Company as a result of receiving the grant of RSUs.

20. Effect on Other Employee Benefit Plans. The value of the RSUs subject to this Agreement shall not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

21. Governing Law. The validity, construction and effect of this Agreement, and of any determinations or decisions made by the Administrator relating to this Agreement, and the rights of any and all persons having or claiming to have any interest under this Agreement, shall be determined exclusively in accordance with the laws of the State of Minnesota, without regard to its conflicts of laws principles. As a condition of this Agreement, you agree that you will not bring any action arising under, as a result of, pursuant to or relating to, this Agreement in any court other than a federal or state court in

Hillsborough county Florida.. You further agree that you will not deny or attempt to defeat such personal jurisdiction or object to venue by motion or other request for leave from any such court.

22. Resolution of Disputes. Any dispute or disagreement which shall arise under, or as a result of, or pursuant to or relating to, this Agreement shall be determined by the Administrator in good faith in its absolute and uncontrolled discretion, and any such determination or any other determination by the Administrator under or pursuant to this Agreement and any interpretation by the Administrator of the terms of this Agreement, will be final, binding and conclusive on all persons affected thereby. You agree that before you may bring any legal action arising under, as a result of, pursuant to or relating to, this Agreement you will first exhaust your administrative remedies before the Administrator. You further agree that in the event that the Administrator does not resolve any dispute or disagreement arising under, as a result of, pursuant to or relating to, this Agreement to your satisfaction, no legal action may be commenced or maintained relating to this Agreement more than twenty-four (24) months after the Administrator's decision.

23. Headings. The headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

24. Electronic Delivery of Documents. By your signing the Notice, you (i) consent to the electronic delivery of this Agreement, all information with respect to the Plan and the RSUs, and any reports of the Company provided generally to the Company's stockholders; (ii) acknowledge that you may receive from the Company a paper copy of any documents delivered electronically at no cost to you by contacting the Company by telephone or in writing; (iii) further acknowledge that you may revoke your consent to the electronic delivery of documents at any time by notifying the Company of such revoked consent by telephone, postal service or electronic mail; and (iv) further acknowledge that you understand that you are not required to consent to electronic delivery of documents.

25. No Future Entitlement. By your signing the Notice, you acknowledge and agree that: (i) the grant of a restricted stock unit award is a one-time benefit which does not create any contractual or other right to receive future grants of restricted stock units, or compensation in lieu of restricted stock units, even if restricted stock units have been granted repeatedly in the past; (ii) all determinations with respect to any such future grants and the terms thereof will be at the sole discretion of the Administrator; (iii) the value of the restricted stock units is an extraordinary item of compensation which is outside the scope of your employment contract, if any; (iv) the value of the restricted stock units is not part of normal or expected compensation or salary for any purpose, including, but not limited to, calculating any termination, severance, resignation, redundancy, end of service payments or similar payments, or bonuses, long-service awards, pension or retirement benefits; (v) the vesting of the restricted stock units ceases upon termination of Service with the Company or transfer of employment from the Company, or other cessation of eligibility for any reason, except as may otherwise be explicitly provided in this Agreement; (vi) the Company does not guarantee any future value of the restricted stock units; and (vii) no claim or entitlement to compensation or damages arises if the restricted stock units decrease or do not increase in value and you irrevocably release the Company from any such claim that does arise.

26. Personal Data. For purposes of the implementation, administration and management of the restricted stock units or the effectuation of any acquisition, equity or debt financing, joint venture, merger, reorganization, consolidation, recapitalization, business combination, liquidation, dissolution, share exchange, sale of stock, sale of material assets or other similar corporate transaction involving the Company (a "**Corporate Transaction**"), you consent, by execution of the Notice, to the collection, receipt, use, retention and transfer, in electronic or other form, of your personal data by and among the Company and its third party vendors or any potential party to a potential Corporate Transaction. You understand that personal data (including but not limited to, name, home address, telephone number, employee number, employment status, social security number, tax identification number, date of birth, nationality, job and payroll location, data for tax withholding purposes and shares awarded, cancelled, vested and unvested) may be transferred to third parties assisting in the implementation, administration and management of the

restricted stock units or the effectuation of a Corporate Transaction and you expressly authorize such transfer as well as the retention, use, and the subsequent transfer of the data by the recipient(s). You understand that these recipients may be located in your country or elsewhere, and that the recipient's country may have different data privacy laws and protections than your country. You understand that data will be held only as long as is necessary to implement, administer and manage the restricted stock units or effect a Corporate Transaction. You understand that you may, at any time, request a list with the names and addresses of any potential recipients of the personal data, view data, request additional information about the storage and processing of data, require any necessary amendments to data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Company's Secretary. You understand, however, that refusing or withdrawing your consent may affect your ability to accept a restricted stock unit award.

{Glossary begins on next page}

GLOSSARY

- (a) “**Administrator**” means the Compensation Committee of the Board of Directors of Axogen, Inc. or such committee or committees appointed by the Board of Directors of Axogen, Inc. to administer the Plan.
- (b) “**Affiliate**” means any entity, whether now or hereafter existing, which controls, is controlled by, or is under common control with Axogen, Inc. (including but not limited to joint ventures, limited liability companies, and partnerships). For this purpose, “control” means ownership or more of the total combined voting power or value of all classes of stock or interests of the entity.
- (c) “**Agreement**” means this document, as amended from time to time, together with the Notice and the Plan which are incorporated herein by reference.
- (d) “**Cause**” has the meaning ascribed to such term or words of similar import in your written employment or service contract with the Company as in effect at the time at issue and, in the absence of such agreement or definition, means your (i) conviction of, or plea of nolo contendere to, a felony or crime involving moral turpitude; (ii) fraud on or misappropriation of any funds or property of the Company, any affiliate, customer or vendor; (iii) personal dishonesty, incompetence, willful misconduct, willful violation of any law, rule or regulation (other than minor traffic violations or similar offenses) or breach of fiduciary duty which involves personal profit; (iv) willful misconduct in connection with your duties or willful failure to perform your responsibilities in the best interests of the Company; (v) illegal use or distribution of drugs; (vi) violation of any Company rule, regulation, procedure or policy; or (vii) breach of any provision of any employment, non-disclosure, non-competition, non-solicitation or other similar agreement executed by you for the benefit of the Company, all as determined by the Administrator, which determination will be conclusive.
- (e) “**Change in Control**” has the meaning set forth in the Plan.
- (f) “**Code**” means the Internal Revenue Code of 1986, as amended, and the Treasury regulations and other guidance promulgated thereunder.
- (g) “**Common Stock**” means the common stock, US\$.01 par value per share, of Axogen, Inc.
- (h) “**Company**” means Axogen, Inc. and its Affiliates, except where the context otherwise requires. For purposes of determining whether a Change in Control has occurred, Company shall mean only Axogen, Inc.
- (i) “**Fair Market Value**” has the meaning set forth in the Plan.
- (j) “**Good Reason**” has the meaning ascribed to such term or words of similar import in your written employment or service contract with the Company as in effect at the time at issue and, in the absence of such agreement or definition, means the occurrence of any of the following in the absence of your written consent: (i) any material and adverse change in your position or authority with the Company as in effect immediately before a Change in Control, other than an isolated and insubstantial action not taken in bad faith and which is remedied by the Company within thirty (30) days after receipt of notice thereof given by you; [(ii) the transfer of your primary work site to a new primary work site that is more than fifty (50) miles from your primary work site in effect immediately before a Change in Control;] or (iii) a diminution of your base salary in effect immediately before a Change in Control by more than 10%, unless such diminution applies generally to similarly situated employees. If you do not deliver to the Company a written notice of termination within sixty (60) days after you have knowledge that an event constituting
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Good Reason has occurred, the event will no longer constitute Good Reason. In addition, you must give the Company thirty (30) days to cure the event constituting Good Reason and resign for Good Reason within thirty (30) days after the end of such cure period.

(k) “**Grant Date**” means the effective date of a grant of RSUs made to you as set forth in the relevant Notice.

(l) “**Notice**” means the statement, letter or other written notification provided to you by the Company setting forth the terms of a grant of RSUs made to you.

(m) “**Plan**” means the Axogen Third Amended and Restated 2019 Long-Term Incentive Plan, as amended from time to time.

(n) “**Qualified Retirement**” means the termination of your Service after attainment of age sixty (60) with at least ten (10) years of continuous Service, provided that: (i) as a Vice-President or above, if you elect to terminate your Service, you have provided the Company with at least [six (6) / twelve (12)]¹ months’ advance notice of your retirement date or such other term of advance notice as is determined by the Chief Human Resources Officer of the Company; (ii) as a Vice-President or above, if the Company elected to terminate your Service, such termination is without Cause and (iii) prior to a Change in Control, during the three (3) years prior to the year in which such termination of Service occurs, you have maintained consistent historical performance reviews.

(o) “**RSU**” means the Company’s commitment to issue one share of Common Stock at a future date, subject to the terms of the Agreement and the Plan.

(p) “**Service**” means your employment, service as a non-executive director, or other service relationship with the Company and its Affiliates. Your Service will be considered to have ceased with the Company and its Affiliates if, immediately after a sale, merger, or other corporate transaction, the trade, business, or entity with which you are employed or otherwise have a service relationship is not Axogen, Inc., or its successor or an Affiliate of Axogen, Inc. or its successor.

(q) “**you**” or “**your**” means the recipient of the RSUs as reflected on the applicable Notice. Whenever the word “you” or “your” is used in any provision of this Agreement under circumstances where the provision should logically be construed, as determined by the Administrator, to apply to the estate, personal representative, or beneficiary to whom the RSUs may be transferred by will or by the laws of descent and distribution, the words “you” and “your” shall be deemed to include such person.

{*End of Agreement*}

¹ Notice period to be 12 months for CEO and CFO and those executives with “chief” in their titles and 6 months for other VPs and above eligible for post-retirement vesting.

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Michael Dale, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Axogen, Inc.;
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: May 8, 2025

/s/ Michael Dale

Michael Dale
Chief Executive Officer and President

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Nir Naor, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Axogen, Inc.;
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: May 8, 2025

/s/ Nir Naor

Nir Naor

Chief Financial Officer

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002 (SUBSECTIONS (A) AND (B) OF SECTION 1350, CHAPTER 63 OF TITLE 18, UNITED STATES CODE)

In connection with the Quarterly Report on Form 10-Q (the "Report") of Axogen, Inc. (the "Company"), Michael Dale, Chief Executive Officer and President of the Company, and Nir Naor, Chief Financial Officer of the Company, each certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of 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.

Dated: May 8, 2025

/s/ Michael Dale
Michael Dale
Chief Executive Officer and President
(Principal Executive Officer)

/s/ Nir Naor
Nir Naor
Chief Financial Officer
(Principal Financial Officer)