# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

# FORM 10-K

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

**For the fiscal year ended May 31, 2024**

**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 0-50761**

# AngioDynamics, Inc.
**(Exact name of registrant as specified in its charter)**

| **Delaware** | **11-3146460** |
|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(I.R.S. Employer Identification No.)** |

**14 Plaza Drive, Latham, New York 12110**
**(Address of principal executive offices and zip code)**

**(518) 795-1400**
**Registrant's telephone number, including area code**

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

| Title of each class | Trading Symbol | Name of each exchange on which registered |
|---|---|---|
| Common Stock, par value $.01 per share | ANGO | NASDAQ Global Select Market |

**Securities registered pursuant to Section 12(g) of the Act:**
**None**
**(Title of Class)**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

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

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

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 definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

| | | | |
|---|---|---|---|
| Large accelerated filer | ☐ | Accelerated filer | ☒ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| Emerging growth company | ☐ | | |

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☒ No ☐

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

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

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

As of November 30, 2023, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the registrant's common stock held by non-affiliates was approximately $226,507,351 computed by reference to the last sale price of the common stock on that date as reported by The NASDAQ Global Select Market.

As of July 24, 2024 there were 40,276,582 shares of the registrant's common stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**

The information required for Part III of this Annual Report on Form 10-K is incorporated by reference to the registrant's Proxy Statement for its 2024 Annual Meeting of Stockholders to be filed within 120 days of the registrant's fiscal year ended May 31, 2024.

**AngioDynamics, Inc. and Subsidiaries**

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## Part I

*Unless otherwise indicated in this report, "AngioDynamics," the "Company," "we," "our" or "us" refers to AngioDynamics, Inc and our consolidated subsidiaries.*

**Disclosure Regarding Forward-Looking Statements**

This annual report on Form 10-K, including the sections entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements regarding AngioDynamics' expected future financial position, results of operations, cash flows, business strategy, budgets, projected costs, capital expenditures, products, competitive positions, growth opportunities, plans and objectives of management for future operations, as well as statements that include the words such as "expects," "reaffirms," "intends," "anticipates," "plans," "believes," "seeks," "estimates," "projects," "optimistic," or variations of such words and similar expressions, are forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties. Investors are cautioned that actual events or results may differ materially from AngioDynamics' expectations, expressed or implied. Factors that may affect the actual results achieved by AngioDynamics include, without limitation, the ability of AngioDynamics to develop its existing and new products, technological advances and patents attained by competitors, infringement of AngioDynamics' technology or assertions that AngioDynamics' technology infringes the technology of third parties, the ability of AngioDynamics to effectively compete against competitors that have substantially greater resources, future actions by the FDA or other regulatory agencies, domestic and foreign health care reforms and government regulations, results of pending or future clinical trials, overall economic conditions (including inflation, labor shortages and supply chain challenges including the cost and availability of raw materials), the results of on-going litigation, challenges with respect to third-party distributors or joint venture partners or collaborators, the results of sales efforts, the effects of product recalls and product liability claims, changes in key personnel, the ability of AngioDynamics to execute on strategic initiatives, the effects of economic, credit and capital market conditions, general market conditions, market acceptance, foreign currency exchange rate fluctuations, the effects on pricing from group purchasing organizations and competition, the ability of AngioDynamics to obtain regulatory clearances or approval of its products, or to integrate acquired businesses. Other risks and uncertainties include, but are not limited to, the factors described from time to time in our reports filed with the Securities and Exchange Commission (the "SEC").

Although we believe that the assumptions underlying the forward-looking statements contained herein are reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this annual report on Form 10-K will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by us or any other person that our objectives and plans will be achieved. Any forward-looking statements are made pursuant to the Private Securities Litigation Reform Act of 1995 and, as such, investors are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date stated, or if no date is stated, as of the date of this report. AngioDynamics does not assume any obligation to publicly update or revise any forward-looking statements for any reason.

**Disclosure Regarding Trademarks**

This report includes trademarks, tradenames and service marks that are our property or the property of other third parties. Solely for convenience, such trademarks and tradenames sometimes appear without any “™” or “®” symbol. However, failure to include such symbols is not intended to suggest, in any way, that we will not assert our rights or the rights of any applicable licensor, to these trademarks and tradenames. For a complete listing of all our trademarks, tradenames and service marks please visit www.angiodynamics.com/IP.

**Item 1. *Business.***

**OVERVIEW**

AngioDynamics is a leading and transformative medical technology company focused on restoring healthy blood flow in the body's vascular system, expanding cancer treatment options and improving quality of life for patients.

**HISTORY**

AngioDynamics was founded in Queensbury, N.Y., U.S., in 1988 and began manufacturing and shipping product in the early 1990s. The Company is headquartered in Latham, N.Y., with manufacturing primarily out of the Queensbury facility. Initially dedicated to the research and development of products used in interventional radiology, the Company soon became well established as a producer of diagnostic catheters for non-coronary angiography and thrombolytic delivery systems.

The Company grew over the following years as a result of acquisitions of companies including RITA Medical Systems in January 2007, Oncobionic in May 2008, the assets of Diomed in June 2008, Vortex Medical, Inc. in October 2012, the assets of Microsulis Medical Limited in January 2013, and Clinical Devices in August 2013. These acquisitions added product lines including ablation and NanoKnife systems, vascular access products, angiographic products and accessories, dialysis products,

drainage products, thrombolytic products, embolization products and venous products. In May 2012, the Company acquired Navilyst Medical's Fluid Management business, which the Company sold in May 2019 to Medline Industries, Inc. pursuant to an asset purchase agreement.

In August 2018, the Company acquired the BioSentry product line from Surgical Specialties, LLC, which the Company sold in June 2023 to Merit Medical Systems, Inc. pursuant to an asset purchase agreement. In September 2018, the Company acquired RadiaDyne, which included endorectal and vaginal balloons. On October 2, 2019, the Company acquired Eximo Medical, Ltd., a pre-commercial stage medical device company and its proprietary 355nm laser atherectomy technology (now called Auryon), which treats Peripheral Artery Disease. On December 17, 2019, the Company acquired the C3 Wave tip location asset from Medical Components Inc., which the Company sold in February 2024 to Spectrum Vascular pursuant to an asset purchase agreement. On July 27, 2021, AngioDynamics acquired the Camaro Support Catheter asset from QX Medical, LLC and subsequently discontinued this product in the third quarter of fiscal year 2024.

AngioDynamics is publicly traded on the NASDAQ stock exchange under the symbol ANGO.

**PRODUCTS**

Our product offerings fall within two segments, Med Tech and Med Device. All products discussed below have been cleared for sale in the United States by the Food and Drug Administration. International regulatory clearances vary by product and jurisdiction.

**Med Tech**

*Auryon*

The Auryon Atherectomy System is one of our latest advancements in peripheral arterial disease. The Auryon system is designed to deliver an optimized wavelength, pulse width, and amplitude to remove lesions while preserving vessel wall endothelium. Additionally, the Auryon system includes aspiration which enhances the safety of the procedure. Regardless of lesion type, the Auryon system provides safety and efficacy. The Auryon system is indicated for use in the treatment, including atherectomy, of infrainguinal stenoses and occlusions, including in-stent restenosis (ISR), and to aspirate thrombus adjacent to stenoses in native and stented infrainguinal arteries.


Thrombectomy

Our Thrombus Management portfolio includes the AlphaVac Mechanical Thrombectomy System, AngioVac venous drainage cannula and circuit, as well as catheter directed thrombolytic devices, including the Uni-Fuse system, the Uni-Fuse+ system, the Pulse Spray system and SpeedLyser infusion catheters. AngioDynamics offers a range of options when treating thrombus and removing fresh, soft thrombi or emboli.

*AngioVac*

Our AngioVac venous drainage system includes a Venous Drainage Cannula and Extracorporeal Circuit. The cannula is indicated for use as a venous drainage cannula and for removal of fresh, soft thrombi or emboli during extracorporeal bypass. The AngioVac circuit is indicated for use in procedures requiring extracorporeal circulatory support for periods of up to six hours. AngioVac devices are for use with other manufacturers' off-the-shelf pump, filter and reinfusion cannula, to facilitate venous drainage as part of an extracorporeal bypass procedure.


The AngioVac venous drainage cannula is a 22 French flat coil-reinforced cannula designed with a proprietary self-expanding nitinol reinforced funnel shaped distal tip. The funnel shaped tip enhances venous drainage flow when the distal tip

is exposed by retracting the sheath, helps prevent clogging of the cannula with commonly encountered undesirable intravascular material, and facilitates embolic removal of such extraneous material.

*AlphaVac*

The AlphaVac System is an emergent mechanical aspiration device that eliminates the need for perfusionist support. AlphaVac is offered in both a 22 French flat coil-reinforced cannula and an 18 French braided reinforced cannula each designed with a proprietary self-expanding nitinol reinforced funnel shaped distal tip. AlphaVac is indicated for the non-surgical removal of thrombi or emboli from vasculature as well as aspiration of contrast media and other fluids from the vasculature. The cannula is intended for use in the venous system. The handle is indicated as a vacuum source for the AlphaVac MMA system. The AlphaVac F18 system is indicated for the treatment of pulmonary embolism and allows for the utilization in the non-surgical removal of thrombi or emboli from the venous vasculature, reducing thrombus burden and improving right ventricular function in patients with PE.

ALPHAVAC

MULTIPURPOSE MECHANICAL ASPIRATION

*Thrombolytic Catheters*

Thrombolytic catheters are used to deliver thrombolytic agents, which are drugs that dissolve blood clots in hemodialysis access grafts, arteries, veins and surgical bypass grafts. AngioDynamics' Uni-Fuse infusion catheter features pressure response outlets, a proprietary slit technology that provides a consistent, even distribution of fluid volume along the entire length of the infusion pattern, designed to provide an advantage over standard side-hole catheters.

We also offer the Pulse-Spray infusion system for high pressure, pulsed delivery of lytic agents designed to shorten treatment time, and the SpeedLyser infusion system built for dialysis grafts and fistulas.

*NanoKnife*

The NanoKnife IRE Ablation System is an alternative to traditional thermal ablation that received 510(k) clearance from the Food and Drug Administration for the surgical ablation of soft tissue. The system utilizes low energy direct current electrical pulses to permanently open pores in target cell membranes. These permanent pores or nano-scale defects in the cell membranes result in cell death. The treated tissue is then removed by the body's natural processes in a matter of weeks, mimicking natural cell death. Unlike other ablation technologies, the NanoKnife System does not achieve tissue ablation using thermal energy.

NanoKnife

The NanoKnife System consists of two major components: a Low Energy Direct Current, or LEDC Generator and needle-like electrode probes. Up to six (6) electrode probes can be placed into or around the targeted soft tissue. Once the probes are in place, the user enters the appropriate parameters for voltage, number of pulses, interval between pulses, and the pulse length into the generator user interface. The generator then delivers a series of short electric pulses between each electrode probe. The energy delivery is hyperechoic and can be monitored under real-time ultrasound.

**Med Device**

Peripheral Products (Interventional Devices)

We offer a comprehensive portfolio of products for use during minimally invasive procedures. Product categories include an extensive line of angiographic catheters, guidewires, drainage catheters and micropuncture kits.

*Angiographic Catheters & Guidewires*

Our extensive line of various angiographic catheter configurations are designed to allow physicians to navigate and reach targeted anatomical locations within a patient's vasculature that are in need of angiographic diagnosis. Typically run over a diagnostic guidewire, our angiographic catheters allow physicians to deliver contrast media to the desired location to determine the diagnosis and subsequent therapeutic modalities, as needed for the patient.

AngioDynamics offers three different angiographic catheter lines to meet physicians' procedural needs. All of our catheters feature our soft, atraumatic, super-radiopaque tip that is uniquely welded to our co-extruded nylon shaft, which provides excellent visibility under fluoroscopy and re-enforced tip stability.

- Soft-Vu Angiographic Catheters highlight the soft, atraumatic super-radiopaque and proprietary tip-to-shaft weld in a full offering of different tip shapes, lengths and french sized flush and selective catheters. Flush catheters are used in procedures where a large volume of contrast is required to deliver a concentrated bolus of contrast quickly for visualization or larger anatomical locations, such as the aorta or for run-offs into lower extremities. Selective catheters are typically used to gain access to more specific vasculature within the body to deliver smaller amounts of contrast. Mariner Hydrophilic Catheters also feature a hydrophilic coating on the distal 20cm of the catheter that reduces friction during catheter advancement in the vasculature and allows for smooth navigation, as well as, optimum handling and control by the physician.

- Accu-Vu Sizing Catheters are our line of flush catheters that also feature highly visible radiopaque marker bands, which are heat embedded, along the catheter shaft, providing a smooth transition across the catheter shaft to ensure the marker bands will not separate from the shaft. These radiopaque marker bands come in different patterns along the shaft and allow physicians, under fluoroscopy, to take measurements in different anatomical locations for the placement of stents, IVC filters or other devices. The tight tolerances and consistent placement across the entire sizing pattern, within +/-1mm of accuracy, provide a highly accurate measurement to the physician.

AngioDynamics offers a line of diagnostic and interventional guidewires which are designed to aid in delivering diagnostic and/or therapeutic devices to the desired location.

- The ADx Peripheral Vascular Guidewire line is AngioDynamics diagnostic line of guidewires that is available in a multitude of fixed core wire configurations, including J-Tip and Bentson, in various lengths and ODs. By utilizing a proprietary pre-coat process for the Polytetrafluoroethylene (PTFE) and upholding tight specifications, our ADx Guidewires offer high quality and performance for physicians.

- The NiT-Vu High Performance Micro Guidewires are our highly kink resistant nitinol shaft interventional wires that feature a highly visible radiopaque tungsten tip and lubricious coating. The NiT-Vu wires are designed to reduce friction during wire advancement and also provides torque control, flexibility and kink resistance.

*Drainage Products*

To aid physicians in percutaneous drainage procedures, AngioDynamics offers two different Drainage Catheter lines: Total Abscession Drainage Catheters and Exodus Drainage Catheters. Each line is available in a Multipurpose/General and Biliary configuration, while Total Abscession also offers a Nephrostomy option. Both lines offer options with a radiopaque marker band at the distal tip to aid in placement.

- The Total Abscession Drainage Catheter line offers a soft, kink resistant shaft that features the lubricious Blue Silk Finish for easier insertion and pushability, while providing the optimal patient comfort. The unique Vault Locking Mechanism securely fixes the pigtail and prevents tampering or accidental removal.

- The Exodus Drainage line features an integrated polymer blend extruded shaft with external catheter markings, and GLYCE Hydrophilic Coating on the distal 20cm of the catheter shaft. The unique Sure-Twist hub provides audible and tactile feedback when locked, without the need for a separate tool.

*Micropuncture Kits*

AngioDynamics offers physicians two micropuncture kit lines that are designed to start each procedure with ease and efficiency: Mini Stick MAX Coaxial Microintroducer Kits and Micro-Introducer Kits. Each kit features a coaxial design with a 4F or 5F sheath introducer and stiff or standard dilator, along with a 21G needle and various 0.018" access wire configurations.

- Mini Stick MAX Coaxial Introducer kits contain a unique containment clip that keeps all the unique components of the kit together and organize. The kit options include our AngioDynamics proprietary coaxial introducer with smooth transition at the tip, translucent 21G needle with bevel indicator and 0.018" access wire available in three different wire material configurations.

- The Micro-Introducer Kits offer a variety of configurations that include aid in simplifying set up and gaining vascular access.

Ports

Ports are implantable devices utilized for the central venous administration of a variety of medical therapies and for blood sampling and diagnostic purposes. Central venous access facilitates a more systemic delivery of treatment agents, while mitigating certain harsh side effects of certain treatment protocols and eliminating the need for repeated access to peripheral veins. Depending upon needle gauge size and the port size, a port can be utilized for up to approximately 2,000 accesses once implanted in the body. Our ports are used primarily in systemic or regional short- and long-term cancer treatment protocols that require frequent infusions of highly concentrated or toxic medications (such as chemotherapy agents, antibiotics or analgesics) and frequent blood samplings. Our port products and accessories include:

- *SmartPort, SmartPort+, SmartPort Plastic*: The SmartPort power-injectable port with Vortex technology offers the ability for a clinician to access a vein for both the delivery of medications or fluids and for administering power-injected contrast to perform a CT scan. The ability to access a port for power-injected contrast studies eliminates the need for additional needle sticks in the patient's arm and wrist veins. Once implanted, repeated access to the bloodstream can be accomplished with greater ease and less discomfort. Our SmartPort port line is available in standard, mini and low-profile to accommodate more patient anatomies. The SmartPort+ port line combines Vortex technology with BioFlo catheters. In addition to the three titanium port body sizes, there is a plastic port body.

- *BioFlo Port*: Our BioFlo Port was the first port available featuring a catheter with Endexo Technology. Advanced features of the BioFlo Port include multiple profile and catheter options, a large septum area for ease of access, PASV and non-PASV valve technology and the ability to administer contrast through a CT injection for purposes of imaging.

- *Xcela Plus*: The Xcela Plus Port product family is Power-Injectable and part of a complete portfolio of vascular access products, and is fully compatible with the LifeGuard Safety Infusion product family. It has easily identifiable critical information radiopaque "CT" lettering which helps to confirm if port is power-injectable or flipped. The Xcela Plus port family is available in single lumen standard size in either a non-valved or valved configuration.

*Port Technologies*

- *BioFlo:* AngioDynamics offers the BioFlo catheter, the only catheter on the market with Endexo Technology, a material more resistant to thrombus accumulation, in vitro (based on platelet count). Endexo Technology is a permanent and non-eluting polymer that is "blended" into the polyurethane from which the catheter is made. It is present throughout the catheter, including the extraluminal, intraluminal and cut catheter surface of the tip. Endexo Technology remains present for the life of the catheter. The BioFlo catheter's long-term durability and efficacy is intended to provide clinicians a high degree of safety and confidence in providing better patient care and improved patient outcomes

- *Vortex:* Our Vortex port technology line of ports features a clear-flow port technology that, we believe, revolutionized port design. With its rounded chamber, the Vortex port is designed to have no sludge-harboring corners or dead spaces. This product line consists of titanium, plastic and dual-lumen offerings.

- *PASV Valve Technology:* The PASV Valve Technology is designed to automatically resist backflow and reduce blood reflux that could lead to catheter-related complications.

Venous Insufficiency

*VenaCure EVLT laser system*

Our VenaCure EVLT system products are used in endovascular laser procedures to treat superficial venous disease (varicose veins). Superficial venous disease is a malfunction of one or more valves in the leg veins whereby blood refluxes or does not return to the heart, thereby pooling in the legs and leading to symptoms such as pain, swelling and ulcerations. The VenaCure EVLT system uses laser energy to stop the reflux by ablating (collapsing and destroying) the affected vein. Blood is then re-routed to other healthy veins.


The procedure is minimally invasive and generally takes less than an hour, typically allowing the patient to quickly return to normal activities.

The VenaCure EVLT system is sold as a system that includes diode laser hardware and procedure kits which include disposable laser fiber components, an access sheath, access wires and needles. Our VenaCure EVLT 1470 nanometer wavelength laser allows physicians to more efficiently heat the vein wall using lower power settings thereby reducing the risk of collateral damage. The NeverTouch tip fiber eliminates laser tip contact with the vein wall, which in turn minimizes perforations of the vein wall that typically result in less pain and bruising as compared to traditional bare-tip fibers. The NeverTouch tip also maximizes ultrasonic visibility, making it easier for physicians to use. Procedure kits are available in a variety of lengths and configurations to accommodate varied patient anatomies.

The VenaCure EVLT system comes with a comprehensive physician training program and extensive marketing support.

Microwave Ablation

*Solero Microwave Tissue Ablation (MTA) System*

The Solero MTA System features the Solero Microwave (MW) Generator and the specially designed Solero MW Applicators. The solid state Solero MW Generator with a 2.45 GHz operating frequency can power up to 140W for optimized power delivery and fast ablations. The Solero MW Applicator's optimized ceramic tip diffuses MW energy nearly spherically, and its patented cooling channel with thermocouple provides real-time monitoring to help protect non-targeted tissue during the ablation. In addition, the Solero MTA System offers physicians scalability with a single applicator designed for multiple, predictable ablation volumes by varying time and wattage. Solero is a single applicator system able to complete up to a 5 cm ablation in six (6) minutes at maximum power.


The Solero MTA System and Accessories are indicated for the ablation of soft tissue during open procedures. The Solero MTA System is not intended for cardiac use.

IsoLoc Endorectal Balloon

The IsoLoc Endorectal Balloon's unique, customer-driven design is the result of collaborations with Radiation Oncologists, Therapists and Physicists with one goal in mind, to create a new standard for endorectal balloons (ERB) in the oncology space.

The design of the IsoLoc device not only addresses patient comfort, but also simplifies three challenging clinical scenarios that many physicians face when using radiation therapy for and/or in relation to the prostate. First, its' gas-release tip removes rectal gas and reduces prostate motion for gaseous patients. Secondly, the structure of the ERB aids in defining the anatomy for difficult planning scenarios with post-radical patients. Lastly, the IsoLoc device repositions and lifts the bowel in patients that have a low-lying bowel.

Alatus Vaginal Balloon Packing System

The Alatus device was developed with the patient's comfort in mind and to assist the physician to move healthy tissue away from the radiation treatment field. Prior to the Alatus device, the clinician would push gauze into the vagina to move the bladder and bowel away from the radiation treatment field. Inserting gauze into the vagina can be uncomfortable before treatment and unpleasant at the end of treatment as it tends to dry out before removing.

**RESEARCH & DEVELOPMENT**

Our growth depends in large part on the continuous introduction of new and innovative products, together with ongoing enhancements to our existing products. This happens through internal product development, technology licensing, strategic alliances and acquisitions. Our research and development (R&D) teams work closely with our marketing teams, sales force and regulatory and compliance teams to incorporate customer feedback into our development and design process. We believe that we have a reputation among interventional physicians as a strong partner for developing high quality products because of our tradition of close physician collaboration, dedicated market focus, responsiveness and execution capabilities for product development and commercialization. We recognize the importance of, and intend to continue to make investments in R&D.

**COMPETITION**

We encounter significant competition across our product lines and in each market in which our products are sold. These markets are characterized by rapid change resulting from technological advances, scientific discoveries and changing customer needs and expectations. We face competitors, ranging from large manufacturers with multiple business lines, to small manufacturers that offer a limited selection of products.

Our primary device competitors include: Boston Scientific Corporation; Cook Medical; Medical Components, Inc. (MedComp); TeleFlex Medical; Becton Dickinson; Medtronic; Merit Medical; Terumo Medical Corporation; Johnson and Johnson; Philips Healthcare; Inari Medical; Varian Medical Systems and Total Vein Systems.

We believe our products compete primarily based on their quality, clinical outcomes, ease of use, reliability, physician familiarity and cost-effectiveness. In the current environment of managed care, which is characterized by economically motivated buyers, consolidation among health care providers, increased competition and declining reimbursement rates, we have been increasingly required to compete on the basis of price. We believe that our continued competitive success will depend upon our ability to develop or acquire scientifically advanced technology, apply our technology cost-effectively across product lines and markets, attract and retain skilled personnel, obtain patent or other protection for our products, obtain required regulatory and reimbursement approvals, manufacture and successfully market our products either directly or through third parties, and maintain sufficient inventory to meet customer demand.

**SALES AND MARKETING**

We sell our broad line of quality devices in the United States primarily through a direct sales force and internationally through a combination of direct sales and distributor relationships. We support our customers and sales organization with a marketing staff that includes product managers, customer service representatives and other marketing specialists. We focus our sales and marketing efforts on interventional radiologists, interventional cardiologists, vascular surgeons, urologists, interventional and surgical oncologists and critical care nurses.

**MANUFACTURING**

We manufacture certain proprietary components and products and then assemble, inspect, test and package our finished products. By designing and manufacturing many of our products from raw materials, and assembling and testing our subassemblies and products, we believe that we are able to maintain better quality control, ensure compliance with applicable regulatory standards and our internal specifications, and limit outside access to our proprietary technology. We have custom-designed proprietary manufacturing and processing equipment and have developed proprietary enhancements for existing production machinery.

We manufacture many of our products from two owned manufacturing properties, one in Queensbury, NY and one small facility in Glens Falls, NY, providing capabilities which include manufacturing, service, offices, engineering and research and we lease distribution warehouses. The manufacturing facilities are registered with the FDA and have been certified to ISO 13485 standards. ISO 13485 is a quality system standard that satisfies European Union regulatory requirements, thus allowing us to market and sell our products in European Union countries. AngioDynamics is certified under the Medical Device Single Audit Program ("MDSAP") which allows a recognized auditing organization to conduct a single regulatory audit of a medical device manufacturer to satisfy the relevant requirements of the regulatory authorities participating in the program. International partners that are participating in the MDSAP include:

- Therapeutic Goods Administration of Australia

- Brazil’s Agência Nacional de Vigilância Sanitária
- Health Canada
- Japan’s Ministry of Health, Labour and Welfare, and the Japanese Pharmaceuticals and Medical Devices Agency
- U.S. Food and Drug Administration

Our manufacturing facilities are subject to periodic inspections by regulatory authorities to ensure compliance with domestic and non-U.S. regulatory requirements. See “Government Regulation” section of this Item 1 for additional information. See Part I, Item 2 "Properties" in this Annual Report on Form 10-K for details on each manufacturing location.

During the fourth quarter of fiscal year 2022, AngioDynamics entered into a supply agreement with Precision Concepts, Costa Rica S.A., a Costa Rica corporation, with its principal place of business in Alajuela, Costa Rica. Precision Concepts is manufacturing, storing, and handling certain products for the Company and is registered with the FDA and certified to the ISO 13485 standard. The Company also relies on third party manufacturers for the manufacturing of certain products.

During the third quarter of fiscal year 2024, AngioDynamics announced the restructuring of its manufacturing footprint and a plan to shift to a fully outsourced model by the third quarter of fiscal year 2026.

**BACKLOG**

We have historically kept sufficient inventory on hand to ship product within 24-48 hours of order receipt to meet customer demand. In fiscal year 2024, the Company's ability to manufacture products, the reliability of our supply chain, labor shortages, backlog and inflation (including the cost and availability of raw materials, direct labor and shipping) have impacted our business and resulted in a backlog of $1.3 million at the end of the fourth quarter down $1.4 million from the fourth quarter of fiscal year 2023. We continue to focus on meeting the demand for our product and working towards standard inventory and backlog levels in fiscal year 2025. See Part I, Item 1A "Risk Factors" in this Annual Report on Form 10-K.

**INTELLECTUAL PROPERTY**

Patents, trademarks and other proprietary rights are very important to our business. We also rely upon trade secrets, manufacturing know-how, technological innovations and licensing opportunities to maintain and improve our competitive position. We regularly monitor and review third-party proprietary rights, including patents and patent applications, as available, to aid in the development of our intellectual property strategy, avoid infringement of third-party proprietary rights, and identify licensing opportunities. The Company owns an extensive portfolio of patents and patent applications in the United States and in certain foreign countries. The portfolio also includes exclusive licenses to third party patents and applications. Most of our products are sold under the AngioDynamics trade name or trademark. Additionally, products are sold under product trademarks and/or registered product trademarks owned by AngioDynamics, Inc., or an affiliate or subsidiary. Some products contain trademarks of companies other than AngioDynamics.

See Part I, Item 3 "Legal Proceedings" and Note 17 to the consolidated financial statements in this Annual Report on Form 10-K for additional details on litigation regarding proprietary technology.

**LITIGATION**

We operate in an industry characterized by extensive patent litigation. Patent litigation can result in significant damage awards and injunctions that could prevent the manufacture and sale of affected products, or result in significant royalty payments in order to continue selling those products. The medical device industry is also susceptible to significant product liability claims. These claims may be brought by individuals seeking relief on their own behalf or purporting to represent a class. In addition, product liability claims may be asserted against us in the future based on events we are not aware of at the present time. At any given time, we are involved in a number of product liability actions. For additional information, see both Part I, Item 3 "Legal Proceedings" and Note 17 to the consolidated financial statements in this Annual Report on Form 10-K.

**GOVERNMENT REGULATION**

The products we manufacture and market are subject to regulation by the United States Food and Drug Administration (FDA) under the Federal Food, Drug, and Cosmetic Act, or FDCA, and international regulations in our specific target markets.

**United States FDA Regulation**

Before a new medical device can be introduced into the market, a manufacturer generally must obtain marketing clearance or approval from the FDA through either a 510(k) submission (a premarket notification) or a premarket approval application (PMA).

The 510(k) clearance procedure is available only if a manufacturer can establish that its device is “substantially equivalent” in intended use and in safety and effectiveness to a “predicate device,” which is (i) a device that has been cleared

through the 510(k) clearance process; (ii) a device that was legally marketed prior to May 28, 1976 (preamendment device); or (iii) a device that was originally on the U.S. market as a Class III device (Premarket approval) and later downclassified to Class II or I. After a device receives 510(k) clearance, any modification that could significantly affect its safety or effectiveness, or that would constitute a major change in its intended use, requires a new 510(k) clearance. The 510(k) clearance procedure including questions and responses may take up to 12 months. In some cases, supporting clinical data may be required. The FDA may determine that a new or modified device is not substantially equivalent to a predicate device or may require that additional information, including clinical data, be submitted before a determination is made, either of which could significantly delay the introduction of a new or modified device. If a device cannot demonstrate substantial equivalence, it may be subject to either a De Novo 510(k) submission or a PMA.

The PMA application procedure is more comprehensive than the 510(k) procedure and typically takes more time to complete. The PMA application must be supported by scientific evidence providing pre-clinical and clinical data relating to the safety and efficacy of the device and must include other information about the device and its components, design, manufacturing, and labeling. The FDA will approve a PMA application only if reasonable assurance that the device is safe and effective for its intended use can be provided. As part of the PMA application review, the FDA will inspect the manufacturer's facilities for compliance with its Quality System Regulation, or QSR. As part of the PMA approval the FDA may place restrictions on the device, such as requiring additional patient follow-up for an indefinite period of time. If the FDA's evaluation of the PMA application or the manufacturing facility is not favorable, the FDA may deny approval of the PMA application or issue a "not approvable" letter. The FDA may also require additional clinical trials, which can delay the PMA approval process by several years. After the PMA is approved, if significant changes are made to a device, its manufacturing or labeling, a PMA supplement containing additional information must be filed for prior FDA approval.

Historically, our products have been introduced into the market using the 510(k) procedure.

FDA submissions require extensive validations and testing which requires a significant amount of time and financial resources. Recent changes in both regulations and FDA perspectives have increased both time and testing requirements, which have caused and are expected to continue to cause significant delays and increased costs for clearances and approvals. The increased focus by the FDA on such issues as chemical identification of all colorants, non-acceptance of certain colorants (certain forms of carbon black) and other concerns, continue to cause challenges and delays. In addition, changes to existing products call into question previously approved devices and result in additional costs for testing and material analysis.

The devices manufactured by us are also subject to the QSR, which imposes elaborate testing, control, documentation and other quality assurance procedures on our manufacturing facilities. Every phase of production, including raw materials, components and subassembly, manufacturing, testing, quality control, labeling, tracing of customers after distribution and follow-up and reporting of complaint information is governed by the FDA's QSR. Device manufacturers are required to register their facilities and list their products with the FDA and certain state agencies. The FDA periodically inspects manufacturing facilities and, if there are alleged violations, the operator of a facility must correct them or satisfactorily demonstrate the absence of the violations or face regulatory action. Failure to maintain compliance with the QSR may result in the issuance of one or more Forms 483 or warning letters and could potentially result in a consent decree. Failure to maintain the QSR appropriately could result in the issuance of further warning letters. In addition, non-compliance with applicable FDA requirements can result in, among other things, fines, injunctions, civil penalties, recall or seizure of products, total or partial suspension of production, failure of the FDA to grant marketing approvals, inability to obtain clearances or approvals for products, withdrawal of marketing approvals, a recommendation by the FDA to disallow us to enter into government contracts, and/or criminal prosecutions. The FDA also has the authority to request repair, replacement or refund of the cost of any device manufactured or distributed by us.

**Other U.S. Regulatory Bodies**

We and our products are subject to a variety of federal, state and local laws in those jurisdictions where our products are, or will be, marketed. We and our products are also subject to a variety of federal, state and local laws relating to matters such as safe working conditions, manufacturing practices, environmental protection, fire hazard control and disposal of hazardous or potentially hazardous substances. In addition, we are subject to various federal and state laws governing our relationships with the physicians and others who purchase or make referrals for our products. For instance, federal law prohibits payments of any form that are intended to induce a referral for any item payable under Medicare, Medicaid or any other federal healthcare program. Many states have similar laws. There can be no assurance that we will not be required to incur significant costs to comply with such laws and regulations now or in the future, or that such laws or regulations will not have a material adverse effect upon our ability to do business.

**International Regulation**

Internationally, all of our current products are considered medical devices under applicable regulatory regimes, and we anticipate that this will be true for all of our future products. Sales of medical devices are subject to regulatory requirements in many countries. The regulatory review process may vary greatly from country to country.

In order to distribute and sell products into the European Union as well as a number of other countries including many Central European Free Trade Agreement participants, Scandinavian, and Middle Eastern countries, a CE Mark is required. New products must be compliant with the Medical Device Regulation ("MDR") as of May 2021 and previously CE Marked products must become compliant when their certification expires, with a transition period ending December 2027 for higher classification devices, or December 2028 for lower classification devices. Products with an expiring certification must be in distribution before certification expiration dates to continue to be sold. Clinical evaluations of products under MDR requires more information than previously required. All devices must have current clinical literature that specifically addresses data-driven safety and performance criteria, and legacy devices often require additional biocompatibility, bench testing and redesign to address changes in standards over time. Additionally, there can be extended time frames under MDR for product certifications that can be 12-18 months or longer. During that time period, significant design modifications cannot be made.

Similar regulations are in place for Canada, Japan, China, Brazil and most other countries. In some cases, we rely on our international distributors to obtain regulatory approvals, complete product registrations, comply with clinical trial requirements and complete those steps that are customarily taken in the applicable jurisdictions.

International sales of medical devices manufactured in the United States that are not approved or cleared by the FDA for use in the United States, or are banned or deviate from lawful performance standards, are subject to FDA export requirements. Before exporting such products to a foreign country, we must first comply with the FDA's regulatory procedures for exporting unapproved devices.

The process of obtaining approval to distribute medical products is costly and time-consuming in virtually all the major markets where we sell medical devices. We cannot assure that any new medical devices we develop will be cleared, approved or certified in a timely or cost-effective manner or cleared, approved or certified at all. There can be no assurance that new laws or regulations regarding the release or sale of medical devices will not delay or prevent sale of our current or future products.

**THIRD-PARTY REIMBURSEMENT AND ANTI-FRAUD AND CORRUPT PRACTICES REGULATION**

**United States**

The delivery of our devices is subject to regulation by the Department of Health and Human Services (HHS) and comparable state and non-U.S. agencies responsible for reimbursement and regulation of health care items and services. U.S. laws and regulations are imposed primarily in conjunction with the Medicare and Medicaid programs, as well as the government's interest in regulating the quality and cost of health care. Foreign governments also impose regulations in conjunction with their health care reimbursement programs and the delivery of health care items and services.

U.S. federal health care laws apply when we or customers submit claims for items or services that are reimbursed under Medicare, Medicaid, or other federally-funded health care programs. The principal U.S. federal laws include: (1) the Anti-kickback Statute which prohibits offers to pay or receive remuneration of any kind for the purpose of inducing or rewarding referrals of items or services reimbursable by a federal health care program, subject to certain safe harbor exceptions; (2) the False Claims Act which prohibits the submission of false or otherwise improper claims for payment to a federally-funded health care program, including claims resulting from a violation of the Anti-kickback Statute; (3) the Stark law which prohibits physicians from referring Medicare or Medicaid patients to a provider that bills these programs for the provision of certain designated health services if the physician (or a member of the physician's immediate family) has a financial relationship with that provider; and (4) health care fraud statutes that prohibit false statements and improper claims to any third-party payer. There are often similar state false claims, anti-kickback, and anti-self-referral and insurance laws that apply to state-funded Medicaid and other health care programs and private third-party payers. In addition, the U.S. Foreign Corrupt Practices Act (FCPA) can be used to prosecute companies in the U.S. for arrangements with physicians or other parties outside the U.S. if the physician or party is a government official of another country and the arrangement violates the law of that country.

**International**

The delivery of our devices in any EU member country is subject to evolving regulation by the EU Medical Device Regulations, notified bodies and comparable nation-specific bodies whether part of the EU or not, responsible for reimbursement and regulation of health care items and services. Our success in international markets will depend largely upon the availability of reimbursement from the national public health payers as well as private, third party payors, through which healthcare providers are paid in those markets. Reimbursement and healthcare payment systems vary significantly by country. The main types of healthcare payment systems are government sponsored healthcare and private insurance. Reimbursement

approval must be obtained individually in each country in which our products are marketed. Members of our healthcare economics team work directly with providers, our distributors and health systems to obtain reimbursement approval in the countries in which they will use or sell our products. There can be no assurance that reimbursement approvals will be received. See Part I. Item 1A "Risk Factors" in this Annual Report on Form 10-K.

**INSURANCE**

Our product liability insurance coverage is limited to a maximum of $10 million per product liability claim and an annual aggregate policy limit of $10 million, subject to a self-insured retention of $500,000 per occurrence and $2 million in the aggregate. The policy covers, subject to policy conditions and exclusions, claims of bodily injury and property damage from any product sold or manufactured by us.

There is no assurance that this level of coverage is adequate. We may not be able to sustain or maintain this level of coverage and cannot assure you that adequate insurance coverage will continue to be available on commercially reasonable terms, or at all. A successful product liability claim or other claim, with respect to uninsured or underinsured liabilities, could have a material adverse effect on our business. See Part I. Item 1A "Risk Factors" in this Annual Report on Form 10-K.

**ENVIRONMENTAL, HEALTH AND SAFETY**

We are subject to federal, state and local laws, rules, regulations and policies governing the use, generation, manufacture, storage, air emission, effluent discharge, handling and disposal of certain hazardous and potentially hazardous substances used in connection with our operations. Our operations are also subject to laws and regulations related to occupational health and safety. We maintain safety, training and maintenance programs as part of our ongoing efforts to ensure compliance with applicable laws and regulations. Although we believe that we have complied with environmental, health and safety laws and regulations in all material respects and, to date, have not been required to take any action to correct any noncompliance, there can be no assurance that we will not be required to incur significant costs to comply with environmental regulations in the future.

**EMPLOYEES**

As of May 31, 2024, we had approximately 748 full time employees. None of our employees are represented by a labor union and we have never experienced a work stoppage. In the highly competitive medical technology industry, we consider attracting, developing, engaging and retaining high performing talent in positions critical to our long-term growth strategy including but not limited to technical, operational, marketing, sales, research and development, and management. Our ability to recruit and retain such talent depends on several factors, including culture, compensation and benefits, talent development, career opportunities, recognition and work environment. Our goal is to create a diverse and inclusive culture that encourages an environment where employees feel welcomed, respected and valued. We are an equal opportunity/affirmative action employer committed to making employment decisions without regard to race, religion, ethnicity or national origin, gender, sexual orientation, gender identity or expression, age, disability, protected veteran status or any other characteristics protected by law.

The engagement of our workforce is crucial to delivering on our competitive strategy, and we place high importance on informed and engaged employees. We communicate frequently and transparently with our employees through a variety of communication methods, including video and written communications, town hall meetings and our company intranet.

***Executive Officers of the Company***

The following table sets forth certain information with respect to our executive officers.

| Name | Age | Position |
|---|---|---|
| James C. Clemmer | 60 | President and Chief Executive Officer |
| Stephen A. Trowbridge | 50 | Executive Vice President and Chief Financial Officer |
| Chad T. Campbell | 53 | Senior Vice President and General Manager, Global Oncology and Vascular Access |
| Laura Piccinini | 54 | Senior Vice President and General Manager, Endovascular Therapies and International |
| Warren G. Nighan | 55 | Senior Vice President, Global Supply Chain, Quality and Regulatory Affairs |

*James C. Clemmer* became our President and Chief Executive Officer (CEO) in April 2016. Prior to joining AngioDynamics, Mr. Clemmer served as President of the $1.8 billion medical supplies segment at Covidien plc. where he directed the strategic and day-to-day operations for global business divisions that collectively manufactured 23 different product categories. In addition, he managed global manufacturing, research and development, operational excellence, business development and all other functions associated with the medical supplies business. Prior to his role at Covidien, Mr. Clemmer served as Group President at Kendall Healthcare (which was acquired by Tyco International in 1994), where he managed the U.S. business across five divisions and built the strategic plan for the medical supplies segment before Covidien was spun off

from Tyco. Mr. Clemmer began his career at Sage Products, Inc. Mr. Clemmer currently serves on the Board of Directors for AngioDynamics and previously served on the Board of Directors for Lantheus Medical Imaging. Mr. Clemmer is a graduate of the Massachusetts College of Liberal Arts, where he served as interim president from August 2015 until March 2016.

*Stephen A. Trowbridge* was appointed Executive Vice President and Chief Financial Officer (CFO) in February 2020, having served as Interim Chief Financial Officer since October 2019. Prior to his appointment as CFO, he served as the Company's Senior Vice President and General Counsel. He joined AngioDynamics in June 2008 as Corporate Counsel. In addition to serving as the Company's CFO and managing the finance functions, Mr. Trowbridge also manages the Legal function. Prior to AngioDynamics, Mr. Trowbridge served as Corporate Counsel at Philips Healthcare and Intermagnetics General Corporation. Mr. Trowbridge began his career with Cadwalader, Wickersham & Taft LLP in the firm's Mergers and Acquisitions and Securities Group. Mr. Trowbridge received a Bachelor of Science in Science and Technology Studies from Rensselaer Polytechnic Institute, a Juris Doctor from the University of Pennsylvania Law School, and a Master of Business Administration from Duke University's Fuqua School of Business.

*Chad T. Campbell* joined AngioDynamics in May 2016 as the Senior Vice President and General Manager for Vascular Access. As of October 2021, Mr. Campbell assumed responsibility of the Oncology Global Business Unit in addition to his role of General Manager for Vascular Access. In his role, Mr. Campbell oversees global commercialization of the Global Business Unit's portfolio. Mr. Campbell joined AngioDynamics from Medtronic where he served as the Vice President of Marketing for the Patient Care and Safety business after serving as the Vice President of Marketing for the SharpSafety business at Covidien (Medtronic). During his tenure at Covidien, Mr. Campbell also held roles including Director of Marketing, Area Vice President of Sales, Region Manager, Product Manager and Account Manager. Mr. Campbell received a Bachelor of Arts from the University of Kentucky.

*Laura Piccinini* was appointed Senior Vice President and Global Manager for Endovascular Therapies and International in January 2024, after serving as Senior Vice President and General Manager for International since joining AngioDynamics in June 2021. Ms. Piccinini brings more than 25 years of experience in leadership roles in the medical device industry, with an extensive background in the field of respiratory and surgical care. From June 2020 to June 2021, she served as CEO and a member of the Board of Directors for Respiratory Motion, Inc. Prior to that, from 2017 to 2020, she served as Global Head of Commercial Operations for the Implants business unit at Nobel Biocare Systems, then a Danaher subsidiary now part of Envista Holdings. From 2015 to 2017, Ms. Piccinini served as President of EMEA at Covidien and prior to that at Stryker. Ms. Piccinini is a graduate of the Parma University of Medicine, where she received a nursing degree with specializations in ICU, Anesthesia, and First Aid as a Helicopter Flight Coordinator.

*Warren G. Nighan* was appointed Senior Vice President, Global Supply Chain, Quality and Regulatory Affairs in March 2024, after serving as Senior Vice President of Quality and Regulatory Affairs since joining AngioDynamics in April 2017. Before joining AngioDynamics, Mr. Nighan was a quality and regulatory consultant to clients in FDA-regulated industries, specializing in execution and management of quality systems implementation and remediation. Previously, Mr. Nighan served as the Executive Vice President of Global Clinical, Quality Affairs and Regulatory Affairs at Haemonetics Corporation, Vice President of Quality/Regulatory/Clinical/Technical Services at St. Jude Medical's Atrial Fibrillation Division, and Corporate Vice President of Quality/Compliance at Tyco Healthcare/Covidien (Medtronic). Mr. Nighan earned a Bachelor and Master of Science in Nursing from Northeastern University's Bouvé College of Health Sciences.

**AVAILABLE INFORMATION**

Our corporate headquarters is located at 14 Plaza Drive, Latham, New York 12110. Our phone number is (518) 795-1400. Our website is *www.angiodynamics.com*.

We make available, free-of-charge through our website, our Annual Reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after we electronically file or furnish such materials to the SEC. In addition, our website includes, among other things, charters of the various committees of our Board of Directors and our code of conduct and ethics applicable to all employees, officers and directors. Within the time period required by the SEC, we will post on our website any amendment to the code of conduct and ethics and any waiver applicable to any executive officer, director or senior financial officer. We use our website as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Accordingly, investors should monitor our website, in addition to following our press releases, SEC filings and public conference calls and webcasts. We use these channels as well as social media and blogs to communicate with the public about our company, our services and other issues. It is possible that the information we post on social media and blogs could be deemed to be material information. Therefore, we encourage investors, the media, and others interested in our Company to review the information we post on the social media channels and blogs listed on our website. Any stockholder also may obtain copies of these documents, free of charge, by sending a request in writing to our Corporate headquarters, Attention: Saleem Cheeks. Information on our website or connected to our website is not incorporated by reference into this Annual Report on Form 10-K.

**Item 1A.** ***Risk Factors.***

In addition to the other information contained in this Annual Report on Form 10-K and in our other filings with the Securities and Exchange Commission, the following risk factors should be considered carefully by investors in evaluating our business. Our financial and operating results are subject to a number of risks and uncertainties, including those set forth below, many of which are not within our control. Our business, financial condition, results of operations and/or liquidity could be materially and adversely affected by any of these risks or by additional risks not presently known to us or that we currently deem immaterial.

**RISKS RELATED TO OUR BUSINESS AND INDUSTRY**

***We face intense competition in the medical device industry which continues to experience consolidation. We may be unable to compete effectively with respect to technological innovation and price which may have a material adverse effect on our revenues, financial condition, results of operations and/or liquidity.***

The markets for our products are highly competitive and we expect competition to continue to intensify. The medical device industry is characterized by rapid technological change, frequent product introductions and evolving customer requirements. Our customers consider many factors when choosing products, including technology, features and benefits, quality, reliability, ease of use, clinical or economic outcomes, availability, price and customer service. We face competition globally from a wide range of companies, many of whom have substantially greater financial, marketing and other resources than us. We may not be able to compete effectively, and we may lose market share to our competitors. Our primary device competitors include: Boston Scientific Corporation; Cook Medical; Medical Components, Inc. (MedComp); TeleFlex Medical; Becton Dickinson; Medtronic; Merit Medical; Terumo Medical Corporation; Johnson and Johnson; Philips Healthcare; Inari Medical; Varian Medical Systems and Total Vein Systems.

Our competitors may succeed in adapting faster than us to changing customer needs or requirements, in developing and introducing technologies and products earlier, in obtaining patent protection (which could create barriers to market entry for us) or regulatory clearance earlier, or in commercializing new products or technologies more rapidly than us. Our competitors may also develop products and technologies that are superior to ours or that otherwise could render our products obsolete or noncompetitive. The trend of increased consolidation in the medical technology industry has resulted in companies with greater scale and market power, intensifying competition and increasing pricing pressure. We may also face competition from providers of other medical therapies, such as pharmaceutical companies, that may offer non-surgical therapies for conditions that are currently, or in the future may be, treated using our products. If we are not able to compete effectively, our market share and revenue may decline.

In addition, the increasing purchasing power of health systems, group purchasing organizations ("GPOs") and integrated health delivery networks ("IDNs"), together with increased competition and declining reimbursement rates, has resulted increasingly with the Company competing on the basis of price. Due to the highly competitive nature of the GPO and IDN contracting processes, we may not be able to obtain market prices for our products or obtain or maintain contract positions with major GPOs and IDNs, which could adversely impact our profitability. Also, sales through a GPO or IDN can be significant to our business and our inability to retain contracts with our customers, or acquire additional contracts, could have a material adverse effect on our business, financial condition, results of operations and/or liquidity.

***Our inability to continue to effectively develop, acquire and/or market new products and technologies could have a material adverse effect on our business, financial condition and/or results of operations.***

The market for our devices is characterized by rapid technological change, new product introductions, technological improvements, changes in physician requirements and evolving industry standards. Product life cycles are relatively short because medical device manufacturers continually develop more effective and less expensive versions of existing devices in response to physician demand. We engage in product development and improvement programs to maintain and improve our competitive position. Our products are technologically complex and these programs involve significant planning, market studies, investment in research and development, clinical trials and regulatory clearances or approvals and may require more time and expense than anticipated to bring such products to market. We may not, however, be successful in enhancing existing products, or developing new products or technologies that will achieve regulatory approval, be developed or manufactured in a cost-effective manner, obtain appropriate intellectual property protection or receive market acceptance. We also may be unable to recover all or a meaningful part of our investment in these products or technologies. Additionally, there can be no assurance that the size of the markets in which we compete will increase above existing levels or not decline, that we will be able to maintain, gain or regain market share or that we can compete effectively on the basis of price or that the number of procedures in which our products are used will increase above existing levels or not decline.

In particular, the future prospects of many of our high growth products, such as the NanoKnife system, the AngioVac system, the AlphaVac system and the Auryon system, rely on continued market development and continued generation of clinical data pursuant to clinical trials conducted by us, our competitors or other third parties. If the results of these trials are not what we expect or fail to generate meaningful clinical data, it may adversely impact our ability to obtain product approvals. If any of these products fail to achieve clinical acceptance or are perceived unfavorably by the market, it could severely limit our ability to drive revenue growth, which could have a material adverse effect on our business, financial condition, results of operations and/or liquidity. See Risk Factor titled *"Our business and prospects rely heavily upon our ability to successfully complete clinical trials, including, but not limited to, our NanoKnife DIRECT clinical study, our NanoKnife PRESERVE clinical study and clinical studies for AngioVac. We may choose to, or may be required to, suspend, repeat or terminate our clinical trials if they are not conducted in accordance with regulatory requirements, the results are negative or inconclusive or the trials are not well designed."*

As part of our business strategy, we expect to continue to engage in business development activities which includes selectively evaluating and pursuing the acquisition of complementary businesses, technologies and products. These activities may result in substantial investment of our time and financial resources and competition for targets may be significant. We may not be able to identify appropriate acquisition candidates, consummate transactions, obtain agreements with favorable terms or obtain any necessary financing or regulatory approvals. Further, once a business is acquired, any inability to successfully integrate the business or achieve anticipated cost savings or operating synergies, decreases in customer loyalty or product orders, failure to retain and develop its workforce, failure to establish and maintain appropriate controls, higher or unanticipated expenses, or unknown or contingent liabilities could adversely affect our ability to realize the anticipated benefits of any acquisition. The evaluation and integration of an acquired business, whether or not successful, requires significant efforts which may result in additional expenses and divert the attention of our management and technical personnel from other projects.

If we proceed with one or more significant acquisitions in which the consideration consists of cash, a substantial portion of our available cash could be used to consummate the acquisitions. If we consummate one or more acquisitions in which the consideration consists of capital stock, our stockholders could suffer significant dilution of their interest in us. In addition, we could incur or assume significant amounts of indebtedness in connection with acquisitions. These transactions are inherently risky and may not enhance our financial position or results of operations or create value for our shareholders as they are based on projections and assumptions which are uncertain and subject to change and there can be no assurance that any past or future transaction will be successful.

If we fail to develop and successfully manufacture and launch new products, generate satisfactory clinical results, provide sufficient economic value, enhance existing products, or identify, acquire and integrate complementary businesses, technologies and products or if we experience a decrease in market size or market share or declines in average selling price or procedural volumes, or otherwise fail to compete effectively, we may not achieve our growth goals, which could have a material adverse effect on our business, financial condition and/or results of operations.

***If we do not maintain our reputation with interventional physicians, interventional and surgical oncologists, and critical care nurses, our growth will be limited and our business could be harmed.***

Physicians typically influence the medical device purchasing decisions of the hospitals and other healthcare institutions in which they practice. Consequently, our reputation with interventional physicians, interventional and surgical oncologists, and critical care nurses is crucial to our continued growth. We believe that we have built a positive reputation based on the quality of our products, our physician-driven product development efforts, our marketing and training efforts and our presence at medical society meetings. Any actual or perceived diminution in the quality of our products, or our failure or inability to maintain these other efforts, could damage our reputation with interventional physicians, interventional and surgical oncologists, and critical care nurses, and cause our growth to be limited and our business to be harmed, which could have a material adverse effect on our business, financial condition, results of operations and/or liquidity.

***Our business and prospects rely heavily upon our ability to successfully complete clinical trials, including, but not limited to, our NanoKnife DIRECT clinical study, our NanoKnife PRESERVE clinical study and clinical studies for AngioVac. We may choose to, or may be required to, suspend, repeat or terminate our clinical trials if they are not conducted in accordance with regulatory requirements, the results are negative or inconclusive or the trials are not well designed.***

Clinical trials must be conducted in accordance with the applicable laws and regulations in the jurisdictions in which the clinical trials are conducted, including FDA's current Good Clinical Practices. The clinical trials are subject to oversight by the FDA, regulatory agencies in other jurisdictions, ethics committees and institutional review boards at the medical institutions where the clinical trials are conducted. Clinical trial protocols may require a large number of patients to be enrolled in the trials. Patient enrollment is a function of many factors, including the size of the patient population for the target indication, the proximity of patients to clinical sites, the eligibility criteria for the trial, the existence of competing clinical trials and the

availability of alternative or new treatments. Clinical trials may be suspended by the FDA or by a regulatory agency in another jurisdiction at any time if the FDA or the regulatory agency finds deficiencies in the conduct of these trials or it is believed that these trials expose patients to unacceptable health risks.

We, the FDA or regulatory agencies in other jurisdictions might delay or terminate our clinical trials for various reasons, including insufficient patient enrollment, fatalities, unforeseen adverse side effects by enrolled patients or the development of new therapies that require us to revise or amend our clinical trial protocols. Patients may be discouraged from enrolling in our clinical trials if the trial protocol requires them to undergo extensive follow-up to assess safety and effectiveness, if they determine that the treatments received under the trial protocols are not attractive or involve unacceptable risks or discomforts or if they participate in contemporaneous clinical trials of competing products.

In addition, we rely on contract research organizations, or CROs, with respect to conducting our clinical trials. We may experience significant cost overruns associated with, and we may encounter difficulties managing, these CROs. Termination of our clinical trials or significant delays in completing our clinical trials could have a material adverse effect on our business, financial condition, results of operations and/or liquidity.

***If we are unable to convince customers that our products can improve the cost structure of their business, our revenue growth and profitability may be materially and adversely impacted.***

Worldwide initiatives to contain healthcare costs have led governments and the private sector to enact cost containment efforts as a means of managing the growth of health care utilization. Common techniques include policies on price regulation, competitive pricing, bidding and tender mechanics, coverage and payment, comparative effectiveness of therapies, technology assessments, and managed-care arrangements. These changes are causing the marketplace to put increased emphasis on the delivery of more cost-effective medical devices and therapies. Government programs, including Medicare and Medicaid, private health care insurance, and managed-care plans have attempted to control costs by limiting the amount of reimbursement they will pay for particular procedures or treatments, tying reimbursement to outcomes, shifting to population health management, and other mechanisms designed to constrain utilization and contain costs. Simultaneously, hospitals are redefining their role in health care delivery as many assume much more risk and control of the total cost of patient care. To successfully make this transformation, health systems are consolidating, purchasing or partnering with physicians and post-acute care providers, while also narrowing networks thus allowing greater control over outcomes. This has created an increasing level of price sensitivity among customers for our products and could have a material adverse effect on our business, financial condition, results of operations and/or liquidity.

***We are dependent on single and limited source suppliers which subjects our business and results of operations to risks of supplier business interruptions.***

We currently purchase significant amounts of several key products, raw materials and product components from single and limited source suppliers and anticipate that we will do so for future products as well. Any delays in delivery of or shortages in those or other products and components (like we experienced during our 2022 and 2023 fiscal year) could interrupt and delay manufacturing of our products, lead to backlogs and result in the cancellation of orders for our products. Any or all of these suppliers could discontinue the manufacture or supply of these products, raw materials and/or components at any time.

Due to FDA and other business considerations, we may not be able to identify and integrate alternative sources of supply in a timely fashion or at all. Any transition to alternate suppliers may result in production delays and increased costs and may limit our ability to deliver products to our customers. Furthermore, if we are unable to identify alternative sources of supply, we would have to modify our products to use substitute components, which may cause delays in shipments, backlogs, increased prices for our products or increased design and manufacturing costs.

In addition, we historically have purchased and may purchase in the future certain products as a distributor for the manufacturer of those products. Any constraint or interruption in the supply of raw materials, other product components or finished products that we distribute could materially impact our ability to sell products, and have a material adverse effect on our business, financial condition, results of operations and/or liquidity.

***We rely on third-party manufacturers to manufacture some of our products today, and we have announced a plan to move to a fully outsourced model for manufacturing in various parts of the world, which exposes us to additional risks, including reduced control over manufacturing, delivery timing, product quality issues, potential price fluctuations, regulatory, environmental, labor or other operational disruptions, which would result in a loss of revenue or reduced profitability.***

We currently rely on third-party manufacturers for a portion of our products and due to the resource and cost limitations of manufacturing in upstate New York, on January 5, 2024, we announced a restructuring of our manufacturing footprint and a shift to an outsourced model (the “Plan”). This Plan is intended to transfer all product manufacturing processes to third-party

manufacturers located in various parts of the world, including, but not limited to the United States, Costa Rica, Latvia, Italy, Israel and China. The restructuring activities associated with the Plan are expected to be completed in the third quarter of fiscal year 2026. If we are unable to effectively execute on this Plan within the announced timeline it could have a material adverse effect on our business, financial condition and/or results of operations.

Our manufacturing strategy may present certain risks and uncertainties that could have a material adverse effect on our business, financial condition and/or results of operations, many of which we cannot predict, including, but not limited to:

- the ability to effectively negotiate and enter into contracts with third party manufacturers;
- if market demand for our products is less than our purchase obligations to our manufacturers, we may incur substantial penalties and substantial inventory write-offs;
- manufacturers of our products are subject to ongoing periodic inspections by the FDA and other regulatory authorities for compliance with strictly enforced good manufacturing practices regulations and similar foreign standards, and we do not have control over our third-party manufacturers' compliance with these regulations and standards;
- we may have to share intellectual property rights, including any improvements in the manufacturing processes or new manufacturing processes for our products;
- our product costs may increase if our manufacturers pass their increasing costs onto us;
- if our agreement with a third-party manufacturer expires, we may not be able to renegotiate a new agreement with that manufacturer on favorable terms, if at all. If we cannot successfully complete such renegotiation, we may not be able to locate any necessary acceptable replacement manufacturers or enter into favorable agreements with such replacement manufacturers in a timely manner, if at all; and
- manufacturing could be curtailed or partially or completely shut down as the result of a number of circumstances, most of which are outside of our control, such as unscheduled maintenance, an earthquake, hurricane, flood, tsunami or other natural disaster, significant labor strikes or work stoppages, government implementation of export limitations or freezes, political unrest or pandemics.

In addition, our business practices in international markets are subject to the requirements of the U.S. Foreign Corrupt Practices Act of 1977, as amended, any violation of which could subject us to significant fines, criminal sanctions and other penalties. We expect all of our contracted manufacturing facilities, to comply with all applicable laws, including labor, safety and environmental laws, and to otherwise meet our standards of conduct. Our ability to find manufacturing facilities that uphold these standards is a challenge, especially with respect to facilities located outside the United States. We also are subject to the risk that one or more of these manufacturing facilities will engage in business practices in violation of our standards or applicable laws, which could damage our reputation, hurt our relationship with our customers and result in negative publicity, damage to our brand and a material and adverse effect on our business, financial condition, results of operations and/or liquidity.

A portion of the manufacturing activities is conducted in China. As a result, our business, financial condition, results of operations could be affected significantly by economic, political and legal developments in China as well as trade disputes between China and the United States and the potential imposition of bilateral tariffs. The imposition of tariffs or export restrictions on products imported by us from China could require us to (i) increase prices to our members or (ii) locate suitable alternative manufacturing capacity or relocate our operations from China to other countries. In the event we are unable to increase our prices or find alternative manufacturing capacity or relocate to an alternative base of operation outside of China on favorable terms, we would likely experience higher manufacturing costs and lower gross margins, which could have an adverse effect on our business and results of operations. The Chinese economy differs from the economies of most developed countries in many respects, including the degree of government involvement, the level of development, the growth rate, the control of foreign exchange, access to financing and the allocation of resources.

***We are heavily dependent on third-party distributors to generate a substantial portion of our international revenues and are at the risk of these distributors also selling for our competitors, failing to be financially viable and failing to effectively distribute our products in compliance with applicable laws.***

Outside of North America we rely heavily on third party distributors, either on a country-by-country basis or on a multi-country, regional basis, to market, sell and distribute our products where we do not have a direct sales and marketing presence (including, among others, China, Japan, Brazil, the Middle East and many European countries). As such, our revenue, if any, depends on the terms of such arrangements and the distributors' efforts. These efforts may turn out not to be sufficient and our third-party distributors may not effectively sell our products. International distributors accounted for approximately 77% of international revenues for the fiscal year ended May 31, 2024. International sales decreased 6% in fiscal year 2024 partially due to the sale of the PICCs, Midline, dialysis and BioSentry businesses, along with the discontinuation of the RadioFrequency Ablation product line. If we are unable to maintain our relationships or establish direct sales capabilities on acceptable terms or at all, we may lose significant revenue or be unable to achieve our growth aspirations. In certain circumstances, distributors may also sell competing products, or products for competing diagnostic modalities, and may have incentives to shift sales

towards those competing products. As a result, we cannot assure you that our international distributors will increase or maintain our current levels of unit sales or increase or maintain our current unit pricing, which, in turn, could have a material adverse effect on our business, financial condition, results of operations and/or liquidity. In addition, there is a risk that our distributors will not be financially viable due to current economic and/or regulatory events in their respective countries or remit payments to us in a timely manner. If our distributors fail to comply with applicable laws or fail to effectively market and sell our products, our financial condition and results of operations could be materially and adversely impacted.

***Failure to secure adequate reimbursement for our products could materially impair our ability to grow revenue and drive profitability.***

Our products are used in medical procedures and purchased principally by hospitals or physicians which typically bill various third-party payors, such as governmental programs (e.g., Medicare, Medicaid and comparable foreign programs), private insurance plans and managed care plans, for the healthcare services provided to their patients. The ability of our customers to obtain appropriate reimbursement for products and services from third-party payors is critical to the success of medical device companies because it affects which products customers purchase and the prices they are willing to pay. In general, a third-party payor only covers a medical product or procedure when the plan administrator is satisfied that the product or procedure improves health outcomes, including quality of life or functional ability, in a safe and cost-effective manner. Even if a device has received clearance or approval for marketing by the FDA, there is no assurance that third-party payors, including Medicare and managed care companies, will cover the cost of the device and related procedures. Even if coverage is available, third-party payors may place restrictions on the circumstances where they provide coverage or may offer reimbursement that is not sufficient to cover the cost of our products.

Third-party payors who cover the cost of medical products or equipment, in addition to allowing a general charge for the procedure, often maintain lists of exclusive suppliers or approved lists of products deemed to be cost-effective. If our products are not on approved lists of third-party payors, healthcare providers must determine if the additional cost and effort required in obtaining prior authorization, and the uncertainty of actually obtaining coverage, is justified by any perceived clinical benefits from using our products.

Finally, the advent of contracted fixed rates per procedure has made it difficult to receive reimbursement for disposable products, even if the use of these products improves clinical outcomes. In addition, many third-party payors are moving to managed care systems in which providers contract to provide comprehensive healthcare for a fixed cost per person. Managed care providers often attempt to control the cost of healthcare by authorizing fewer elective surgical procedures. Under current prospective payment systems, such as the diagnosis related group system and the hospital out-patient prospective payment system, both of which are used by Medicare and in many managed care systems used by private third-party payors, the cost of our products will be incorporated into the overall cost of a procedure and not be separately reimbursed.

If hospitals and physicians cannot obtain adequate reimbursement for our products or the procedures in which they are used, this could have a material adverse effect on our business, financial condition, results of operations and/or liquidity.

Reimbursement varies by country and can significantly impact the acceptance of new technology. Implementation of healthcare reforms in the United States and in other countries may limit, reduce or eliminate reimbursement for our products and adversely affect both our pricing flexibility and the demand for our products. Even when we develop a promising new product, we may find limited demand for the product unless reimbursement approval is obtained from private and governmental third-party payors. Changes in healthcare systems in the United States or elsewhere in a manner that significantly reduces reimbursement for procedures using our medical devices or denies coverage for these procedures, or adverse decisions relating to our products by administrators of these systems in coverage or reimbursement issues, would have an adverse impact on the acceptance of our products and the prices which our customers are willing to pay for them.

***If a product liability claim is brought against us or our product liability insurance coverage is inadequate, our business could be harmed.***

The design, manufacture and marketing of the types of medical devices we sell entail an inherent risk of product liability. Our products are used by physicians to treat seriously ill patients. We are periodically subject to product liability claims, and patients or customers may in the future bring claims against us in a number of circumstances and for a number of reasons, including if our products were misused, if a component of our product fails, if our manufacture or design was flawed, if the product produced unsatisfactory results or if the instructions for use and operating manuals and disclosure of product related risks for our products were found to be inadequate. In addition, individuals or groups seeking to represent a class may file suit against us. The outcome of litigation, particularly class action lawsuits, is difficult to assess or quantify. Plaintiffs in these types of lawsuits often seek recovery of very large or indeterminate amounts, including not only actual damages, but also punitive damages. The magnitude of the potential losses relating to these lawsuits may remain unknown for substantial periods of time.

We carry a product liability policy with a limit of $10.0 million per product liability claim and an aggregate policy limit of $10.0 million, subject to a self-insured retention of $0.5 million per occurrence and $2.0 million in the aggregate. We believe, based on claims made against us in the past, our existing product liability insurance coverage is reasonably adequate to protect us from any liabilities we might incur. However, there is no assurance that this coverage will be sufficient to satisfy any claim made against us. In addition, we may not be able to continue to maintain adequate coverage at a reasonable cost and on reasonable terms, if at all. Any product liability claim brought against us, with or without merit, could increase our product liability insurance rates or prevent us from securing any coverage in the future. Additionally, if one or more product liability claims is brought against us for uninsured liabilities or is in excess of our insurance coverage, our financial condition, results of operations and/or liquidity could be negatively impacted. Further, such claims may require us to recall some of our products, which could result in significant costs to us.

***We may be exposed to risks associated with product line divestitures as we may never realize the expected benefits and could cause operational disruptions with personnel, systems and infrastructure changes.***

On February 15, 2024, the Company entered into an asset purchase agreement (the "Asset Purchase Agreement") with Spectrum Vascular pursuant to which Spectrum acquired the Company's PICC and Midline businesses for $34.5 million in cash and resulted in a pre-tax book income of $6.7 million. Included in the agreement is a $5.5 million earn-out related to the sales of divested products over a two-year period and a milestone payment of $5.0 million paid upon final transfer of the manufacturing to a third-party. The Company and Spectrum entered into various agreements to facilitate the transition to Spectrum, including a Transactions Services Agreement and Contract Manufacturing Agreement.

On June 8, 2023, the Company entered into an asset purchase agreement (the "Asset Purchase Agreement") with Merit Medical Systems, Inc. pursuant to which Merit acquired the dialysis product portfolio and BioSentry tract sealant system biopsy businesses for $100.0 million in cash. The Company and Merit entered into various agreements to facilitate the transition to Merit, including a Transactions Services Agreement and Contract Manufacturing Agreement.

These divestitures along with potential future divestitures of certain product lines will allow us to transform ourselves into a high growth, highly profitable, medical technology company. If we are unable to achieve our growth and profitability objectives due to competition, lack of acceptance of our products, failure to generate favorable clinical data or gain regulatory approvals, or other risks as described in this section, or due to other events, we will not be successful in transforming our business and may not see the appropriate market valuation. The divestiture of product lines will impact revenue, earnings and cash flows, which over time we expect to replace by investing in higher margin revenue streams. There is a risk that we will be unable to replace the revenue, earnings and cash flow that these product lines generated, or that the cost of such will be higher than expected. If we are unable to achieve our profit and growth objectives, such failure will be exacerbated by the loss of revenue, earnings and cash flow generated by our divested product lines and could materially impact our financial position and results of operations, resulting in a decline in our stock price.

The sale of product lines could require us to restructure significant personnel, systems and infrastructure. In some instances, we may enter into short term transition service arrangements, under which the parties perform certain services for each other pending establishment of new processes and systems. Although these transitions are thoroughly planned, it is not unlikely in a transaction of this complexity that disruptions could occur. If disruptions to our financial controls, IT, administrative support, manufacturing or regulatory processes occur, and if such disruptions prove to be more severe than our planning anticipated, this could have a material adverse effect on our business.

***International and national economic and industry conditions constantly change, and could materially and adversely affect our business, financial condition and results of operations.***

Our business, financial condition and results of operation are affected by many changing economic, industry and other conditions beyond our control. Actual or potential changes in international, national, regional and local economic, business and financial conditions, including recession, high inflation and trade protection measures, creditworthiness of our customers, may negatively affect consumer preferences, perceptions, spending patterns or demographic trends, any of which could adversely affect our business, financial condition, results of operations and/or liquidity.

We are subject to macro-economic fluctuations in the U.S. and worldwide economy. Concerns about consumer and investor confidence, volatile corporate profits and reduced capital spending, international conflicts, terrorist and military activity, civil unrest and pandemic illness could reduce customer orders or cause customer order cancellations. In addition, political and social turmoil may put further pressure on economic conditions in the United States and abroad. The global economy has been periodically impacted by the effects of global economic downturns. There can be no assurance that there will not be further such events or deterioration in the global economy. These economic conditions make it more difficult for us to accurately forecast and plan our future business activities.

Volatility in the cost of raw materials, components, freight and energy increases the costs of producing and distributing our products. New laws or regulations adopted in response to climate change could also increase energy and transportation costs, as well as the costs of certain raw materials and components. Increases in oil prices may increase our packaging and transportation costs. Recently, the costs of labor, raw materials, transportation, construction, services, and energy necessary for the production and distribution of our products have increased significantly. While we have implemented cost containment measures, selective price increases and taken other actions to offset these inflationary pressures in our supply chain, we may not be able to completely offset all the increases in our operational costs, any of which could adversely affect our business, financial condition, results of operations and/or liquidity.

Sales outside the U.S. accounted for approximately 17% of our net sales during our fiscal year ended May 31, 2024. We anticipate that sales from international operations will continue to represent a significant portion of our total sales, and we intend to continue our expansion into emerging and/or faster-growing markets outside the U.S. Our sales and profitability from our international operations are subject to risks and uncertainties that could have a material adverse effect on our business, financial condition and/or results of operations, many of which we cannot predict, including:

- fluctuations in currency exchange rates which may, in some instances affect spending behavior and reduce cash flows and revenue outside the U.S.;
- healthcare reform legislation;
- multiple non-U.S. regulatory requirements that are subject to change and could restrict our ability to manufacture and sell our products;
- local product preferences and product requirements;
- longer-term receivables than are typical in the U.S. and/or the ability to obtain payment;
- trade protection measures and import or export licensing requirements;
- less intellectual property protection in some countries outside the U.S. than exists in the U.S.;
- different labor regulations and workforce instability;
- the potential payment of U.S. income taxes on earnings of certain foreign subsidiaries subject to U.S. taxation upon repatriation;
- the expiration and non-renewal of foreign tax rulings;
- potential negative consequences from changes in or interpretation of tax laws, including changes in our effective tax rate or the applicable tax rate in one or more jurisdictions; and
- economic instability and inflation, recession or interest rate fluctuations.

Geopolitical developments related to various global conflicts are sources of uncertainty and may cause disruptions to global or regional markets, supply chains or operations in the regions. Russia's invasion and military attacks on Ukraine have triggered significant sanctions from U.S. and European leaders. The Israel/Hamas war has also disrupted operations of companies doing business in the Middle East. These events may escalate and have created increasingly volatile global economic conditions. Resulting changes in U.S. trade policy could trigger retaliatory actions by Russia, its allies and other affected countries, including China and Israel, resulting in a "trade war." A trade war could result in increased costs for raw materials we use in our manufacturing and could result in Russia, Israel and other foreign governments imposing tariffs on products that we export outside the U.S. or otherwise limiting our ability to sell our products abroad. These increased costs could have a material adverse effect on our business, financial condition and results of operations. Furthermore, if global conflicts continue for a long period of time, or if other countries, including the U.S., become further involved in the conflict, we could face material adverse effects on our business, financial condition, results of operations and/or liquidity.

***Our business could be harmed if we cannot hire or retain qualified personnel.***

Our business depends upon our ability to attract and retain highly qualified personnel, including managerial, sales, and technical personnel. We compete for key personnel with other companies, healthcare institutions, academic institutions, government entities and other organizations. We do not have written employment agreements with our executive officers, other than the CEO. Our ability to maintain and expand our business may be impaired if we are unable to retain our current key personnel or hire or retain other qualified personnel in the future, including personnel for our manufacturing facilities and field based sales employees. If we are not able to hire and retain personnel in our manufacturing facilities, we may not meet our production demand. We experienced labor shortages in fiscal year 2023 that significantly contributed to the backlog in fiscal year 2023. In addition, our sales force is highly talented and we face intense competition in our industry for sales personnel which could have an adverse effect on our business and revenue if there is significant turnover.

***If we are unable to manage our growth profitably, our business, financial results and stock price could suffer.***

Our future financial results will depend in part on our ability to profitably manage our growth. Management will need to maintain existing customers and attract new customers, recruit, retain and effectively manage employees, as well as expand

operations and integrate customer support and financial control systems. If integration-related expenses and capital expenditure requirements are greater than anticipated or if we are unable to manage our growth profitably, our financial results and the market price of our common stock may decline.

In recent years we have begun to implement operational excellence initiatives which include a number of restructuring, realignment and cost reduction initiatives. We may not realize the benefits of these initiatives to the extent or on the timing we anticipated and the ongoing difficulties in implementing these measures may be greater than anticipated and/or offset by inflationary pressures, which could cause us to incur additional costs or result in business disruptions like the backlog we experienced in fiscal year 2023. In addition, if these measures are not successful or sustainable, we may undertake additional realignment and cost reduction efforts, which could result in significant additional expenses and adversely impact our ability to achieve our other strategic goals and business plans.

***We may fail to attract additional capital necessary to expand our business or may incur indebtedness which could impose operating and financial restrictions on us as a result of debt service obligations which could significantly limit our ability to execute our business strategy or curtail our growth.***

We may require additional capital to expand our business. If cash generated internally is insufficient to fund capital requirements, we may require debt or equity financing. In addition, we may require financing to fund any significant acquisitions we may seek to make. Disruptions in the capital markets and increases in the cost of capital have previously resulted, and could again result, in volatility, decreased liquidity, and widening of credit spreads, which could make needed financing either unavailable or available on terms unsatisfactory to us which could result in significant stockholder dilution.

We may incur indebtedness or draw amounts on credit facilities in the future subject to limitations contained in the agreements governing our debt. The interest rate on potential borrowings could be a floating rate which could expose us to the risk of increased interest expense in the future. The terms of indebtedness could require us to comply with certain financial maintenance covenants. In addition, any future indebtedness could include, covenants restricting or limiting our ability to take certain actions. These covenants could adversely affect our ability to obtain additional financing, to finance future operations, to pursue certain business opportunities or take certain corporate actions. The covenants could also restrict our flexibility in planning for changes in our business and the industry and could make us more vulnerable to economic downturns and adverse developments, could limit our flexibility in planning for, or reacting to, changes and opportunities in the markets in which we compete, could place us at a competitive disadvantage compared to our competitors that have less debt or could require us to dedicate a substantial portion of our cash flow to service our debt.

Our ability to meet our cash requirements could be dependent upon our operating performance, which would be subject to general economic and competitive conditions and to financial, business and other factors affecting our operations, many of which could be beyond our control. We cannot provide assurance that our business operations would generate sufficient cash flows from operations to fund potential cash requirements and debt service obligations. If our operating results, cash flow or capital resources prove inadequate, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet other obligations. If we incurred indebtedness and were unable to service our debt, we could be forced to reduce or delay planned expansions and capital expenditures, sell assets, restructure or refinance our debt or seek additional equity capital, and we could be unable to take any of these actions on satisfactory terms or in a timely manner. Further, any of these actions may not be sufficient to allow us to service our potential debt obligations or could have an adverse impact on our business. Our potential debt agreements could limit our ability to take certain of these actions. Our failure to generate sufficient operating cash flow to pay our potential debts or to successfully undertake any of these actions could have a material adverse effect on us.

On June 8, 2023, the Company completed the sale of the dialysis and BioSentry businesses to Merit Medical Systems, Inc. In connection with the completion of the sale, the Company repaid all amounts outstanding under its then existing Credit Agreement, and as a result, the Credit Agreement was extinguished. We believe that our current cash balance, together with cash generated from operations will provide sufficient liquidity to meet our anticipated needs for capital for at least the next 12 months. If we seek to make acquisitions of other businesses or technologies in the future for cash or if circumstances materially change, we may require additional financing for liquidity, capital requirements or growth initiatives. We may not be able to obtain financing on terms and at interest rates that are favorable to us or at all. Any inability by us to obtain financing in the future could have a material adverse effect on our business, financial position, results of operations and cash flows.

***Inflationary pressure and unfavorable economic conditions could negatively affect our operations and business.***

A significant deterioration in economic conditions, including economic slowdowns or recessions, increased unemployment levels, inflationary pressures or disruptions to credit and capital markets, could lead to decreased consumer confidence and spending and availability of credit. For example, in 2022 and continuing into 2024, the United States and other certain foreign countries have experienced a rapid increase in inflation levels. Such heightened inflationary levels may

negatively impact demand for our products and increase our costs. The rapid increase in inflation during fiscal year 2024 led to a rapid increase in market interest rates. In addition, if rates continue to increase, we may incur significant additional expense and adversely impact our ability to achieve our other strategic goals and business plans.

***Our goodwill, intangible assets and fixed assets are subject to potential impairment; we have recorded significant impairment charges and may be required to record additional charges to future earnings if our assets become impaired.***

A significant portion of our assets consist of goodwill, intangible assets and fixed assets, the carrying value of which may be reduced if we determine that those assets are impaired, including intangible assets from recent acquisitions.

Most of our intangible and fixed assets have finite useful lives and are amortized or depreciated over their useful lives on either a straight-line basis or over the expected period of benefit or as revenues are earned from the sales of the related products. The underlying assumptions regarding the estimated useful lives of these intangible assets are reviewed quarterly and more often if an event or circumstance occurs making it likely that the carrying value of the assets may not be recoverable and are adjusted through accelerated amortization if necessary. Whenever events or changes in circumstances indicate that the carrying value of the assets may not be recoverable, we test intangible assets for impairment based on estimates of future cash flows. Factors that may be considered a change in circumstances indicating that the carrying value of our intangible assets and/or goodwill may not be recoverable include a decline in stock price and market capitalization, slower growth rates in our industry or our own operations and/or other materially adverse events that have implications on the profitability of our business. When testing for impairment of definite-lived intangible assets held for use, the Company groups assets at the lowest level for which cash flows are separately identifiable. The Company operates as a single asset group. If an intangible asset is considered to be impaired, the amount of the impairment will equal the excess of the carrying value over the fair value of the asset. If actual results differ from the assumptions and estimates used in the intangible asset calculations, we could incur future impairment or amortization charges, which could negatively impact our financial condition and results of operations.

During the third quarter of fiscal year 2024, the Company made the decision to abandon the Syntrax product line. This resulted in an impairment charge of $3.4 million. During the third quarter of fiscal year 2024, the Company announced a restructuring of its manufacturing footprint and a shift to an outsourced model. This resulted in an impairment charge of $3.4 million related to the facilities closure. The impairment charges are recorded in "Acquisition, restructuring and other items, net", on the Consolidated Statements of Operations (see Note 19, "Acquisition, restructuring and other items, net" set forth in the Notes in the consolidated financial statements included in this Annual Report on Form 10-K).

Goodwill and other intangible assets that have indefinite useful lives are not amortized, but rather, are tested for impairment annually or more frequently if impairment indicators arise. The annual goodwill impairment review performed in April 2023 indicated no goodwill impairment. As of May 31, 2023, the Company concluded that the sale of the dialysis product portfolio and BioSentry tract sealant system biopsy businesses to Merit Medical Systems, Inc. was a triggering event for the Med Device report unit. The Company utilized the income approach to determine the fair value of the remaining Med Device reporting unit. Based on the results of this evaluation, the Company recorded a goodwill impairment charge of $14.5 million for the year ended May 31, 2023 to write down the carrying value of the Med Device reporting unit to fair value. As of February 29, 2024, the Company concluded that the sustained decline in our stock price was a triggering event for the Med Tech reporting unit. The Company utilized the income approach, as it was determined to be a better representation of the remaining Med Tech reporting unit's projected long-term performance. Based on the results of this evaluation, the Company recorded a goodwill impairment charge of $159.5 million for the quarter ended February 29, 2024 to write down the carrying value of the Med Tech reporting unit to fair value.

***We may be limited in our ability to utilize, or may not be able to utilize, net operating loss carryforwards to reduce our future tax liability.***

IRC Section 382 and related provisions contain rules that limit for U.S. federal income tax purposes the ability of a Company that undergoes an “ownership change” to utilize its net operating loss carryforwards and certain other tax attributes existing as of the date of such ownership change. Our Federal net operating loss carryforwards as of May 31, 2024 after considering IRC Section 382 limitations are $111.0 million. The expiration of the Federal net operating loss carryforwards is as follows: $37.1 million between 2029 and 2032 and $73.9 million indefinitely. Our state net operating loss carryforwards as of May 31, 2024 after considering remaining IRC Section 382 limitations are $14.4 million which expire in various years from 2029 to 2043. Future ownership changes within the meaning of IRC Section 382 may also subject our tax loss carryforwards to annual limitations which would restrict our ability to use them to offset our taxable income in periods following the ownership changes. See Note 10, "Income Taxes" set forth in our consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended May 31, 2024 for a further discussion of our tax loss carryovers.

***A cyber-attack or other breach of our, our distributors, or our supply chain partners' information technology systems could have a material adverse effect on our business, financial condition and/or results of operations.***

We rely on information technology systems to process, transmit, and store electronic information in our day-to-day operations. Similar to other large multi-national companies, the size and complexity of our information technology systems makes them vulnerable to cyber-attacks, malicious intrusions, breakdowns, destruction, losses of data privacy, or other significant disruptions. Our distributors and supply chain partners face similar risks. Our information systems require an ongoing commitment of resources to maintain, protect, and enhance existing systems and develop new systems to keep pace with continuing changes in information processing technology, evolving systems and regulatory standards, the increasing need to protect patient and customer information, and changing customer patterns. In addition, third parties may attempt to gain access into our systems or products or those of our supply chain partners to obtain data relating to patients or our proprietary information.

Any failure by us, our distributors, or our supply chain partners to maintain or protect information technology systems and data integrity, including from cyber-attacks, ransomware, intrusions or other breaches, could result in the unauthorized access to supply chain partners or vendors and personally identifiable information, theft of intellectual property, misappropriation of assets, or otherwise compromise confidential or proprietary information and disrupt operations of our Company, our distributors, or our supply chain partners. Any of these events, in turn, may cause us to lose existing customers, have difficulty preventing, detecting, and controlling fraud, have disputes with customers, our supply chain partners, physicians, and other health care professionals, be subject to legal claims and liability, have regulatory sanctions or penalties imposed, have increases in operating expenses, incur expenses or lose revenues as a result of a data privacy breach or theft of intellectual property, or suffer other adverse consequences, any of which could have a material adverse effect on our business, financial condition and/or results of operations.

***Artificial intelligence based platforms present new risks and challenges to our business.***

Artificial intelligence, or AI, based platforms are increasingly being used in the medical device and consumer health industries. We are committed to providing a safe and secure environment for all of our personnel, our business partners and our customers, including the responsible use of AI chatbots and generative AI data processor products (“AI Systems”). We have developed policies governing the use of AI Systems to help reasonably ensure that such AI Systems are used in a trustworthy manner by our employees, contractors and authorized agents and that AngioDynamics’ assets, including intellectual property, competitive information, personal information and customer information, are protected. The failure by our personnel to adhere to the company’s established policies could violate confidentiality obligations or applicable laws and regulations, jeopardize our intellectual property rights, cause or contribute to unlawful discrimination or result in the misuse of personally identifiable information or the injection of malware into the company’s systems, any of which could have a material adverse effect on our business, results of operations and financial condition.

The use of AI Systems by our business partners with access to our confidential information, including trade secrets, may continue to increase and could lead to the release of such information, which could negatively impact our company, including our ability to realize the benefits of our intellectual property. The use of AI Systems by our business partners may lead to novel and urgent cybersecurity risks, which could have a material adverse effect on our operations and reputation as well as the operations of any of our business partners. We may also face increased competition from other companies that are using AI Systems, some of whom may develop more effective methods than we and any of our business partners have, which could have a material adverse effect on our business, results of operations and financial condition. In addition, uncertainties regarding developing legal and regulatory requirements and standards may require significant resources to modify and maintain business practices to comply with U.S. and non-U.S. laws concerning the use of AI and AI Systems, the nature of which cannot be determined at this time.

***Any disaster at our manufacturing facilities or those of our suppliers could disrupt our ability to manufacture our products for a substantial amount of time.***

We conduct manufacturing and assembly at facilities in Queensbury, New York, Glens Falls, New York, and other third parties in Costa Rica, Israel, Latvia, China and other locations. It would be difficult, expensive and time-consuming to transfer resources from one facility to the other and/or replace or repair these facilities or manufacturing equipment if they were significantly affected by a disaster. Additionally, we might be forced to rely on third-party manufacturers or delay production of our products. Insurance for damage to our properties and the disruption of our business from disasters may not be sufficient to cover all of our potential losses and may not continue to be available to us on acceptable terms, or at all. If one of our principal suppliers were to experience a similar disaster, uninsured loss or under-insured loss, we might not be able to obtain adequate alternative sources of supplies or products. Any significant uninsured loss, prolonged or repeated disruption, or inability to

operate experienced by us or any of our principal suppliers could cause significant harm to our business, financial condition, results of operations and/or liquidity.

***Anti-takeover provisions in our organizational documents and Delaware law may discourage or prevent a change of control, even if an acquisition would be beneficial to our stockholders, which could cause our stock price to decline and prevent attempts by our stockholders to replace or remove our current management.***

Our amended and restated certificate of incorporation and our amended and restated bylaws contain provisions that may enable our management to resist a change in control. For example, our Board of Directors is classified so that not all members of our Board of Directors are elected at one time and our Board of Directors is authorized, without prior stockholder approval, to create and issue "blank check" preferred stock with rights senior to those of our common stock and stockholder action by written consent is prohibited. We are also subject to the provisions of Section 203 of the Delaware General Corporation Law, which may prohibit certain business combinations with stockholders owning 15% or more of our outstanding voting stock. These provisions may discourage, delay or prevent a change in the ownership of our Company or a change in our management. In addition, these provisions could limit the price that investors would be willing to pay in the future for shares of our common stock. Any delay or prevention of a change of control transaction or changes in our Board of Directors could cause the market price of our common stock to decline.

***Global health crises, pandemics, epidemics or other outbreaks could adversely impact our business, operations and financial results.***

We are subject to risks associated with global health crises, pandemics, epidemics or other outbreaks beyond our control which could adversely affect our business, operations and financial results. Such risks may also have the effect of heightening other risks described herein, such as those relating to general economic conditions, demand for our products, relationships with suppliers and sales efforts. For example, impacts from the COVID-19 pandemic and measures taken in response thereto, such as constraints in the capacities of hospitals and other healthcare providers to perform non-COVID related procedures, changes to our on-site operations, delays in product development efforts and related clinical trials and regulatory clearances and approvals, and disruptions to global supply chains and labor markets, resulting in cost inflation and raw material supply constraints, adversely affected our business and there can be no assurance that similar events will not occur in the future.

***We could be negatively impacted by Environmental, Social and Governance (ESG), climate change and other sustainability-related matters***.

Governments, investors, customers, employees and other stakeholders are increasingly focusing on corporate ESG practices and disclosures, including risks associated with climate change and expectations in this area are rapidly evolving. Shifts in weather patterns caused by climate change are expected to increase the frequency and severity of adverse weather conditions such as hurricanes, tornadoes, earthquakes, wildfires, droughts, extreme temperatures or flooding, which could cause or contribute to reduced workforce availability, increased production and distribution costs and disruptions and delays in our logistics and supply chain/operations as well as the operations of our customers. The increasing attention to corporate ESG initiatives and ESG risks could result in reduced demand for products, reduced profits and increased investigations and litigation. If we are unable to satisfy any new criteria by which our ESG practices may be assessed, investors may conclude that our policies and/or actions with respect to ESG matters and risks are inadequate. If we fail or are perceived to have failed to accurately disclose our progress on such initiatives or goals, our reputation, business, financial condition and results of operations could be adversely impacted.

**RISKS RELATED TO THE REGULATORY ENVIRONMENT**

***We are subject to a comprehensive system of federal, state and international laws and regulations, and we could be the subject of investigations, enforcement actions or face lawsuits and monetary or equitable judgments.***

We operate in many parts of the world, and our operations are affected by complex state, federal and international laws relating to healthcare, environmental protection, antitrust, anti-corruption, anti-bribery, fraud and abuse, export control, tax, employment and laws regarding privacy, personally identifiable information and protected health information, including, for example, the Food, Drug and Cosmetic Act ("FDCA"), various FDA and international regulations relating to, among other things, the development, quality assurance, manufacturing, importation, distribution, marketing and sale of, and billing for, our products, the federal Anti-Kickback Statute and Federal False Claims Act (Note 17), the U.S. Foreign Corrupt Practices Act ("FCPA") and similar anti-bribery laws in international jurisdictions, including the UK Anti-Bribery Act, the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), General Data Protection Regulation ("GDPR"), domestic and foreign data protection, data security and privacy laws, laws related to the collection, storage, use and disclosure of personal data and laws and regulations relating to sanctions and money laundering.

The failure to comply with these laws and regulatory standards, allegations of such non-compliance or the discovery of previously unknown problems with a product or manufacturer: (i) could result in FDA Form-483 notices and/or warning letters or the foreign equivalent, fines, delays or suspensions of regulatory clearances, investigations, detainment, seizures or recalls of products (with the attendant expenses), the banning of a particular device, an order to replace or refund the cost of any device previously manufactured or distributed, operating restrictions and/or civil or criminal prosecution, and/or penalties, as well as decreased sales as a result of negative publicity and product liability claims; (ii) could expose us to breach of contract claims, fines and penalties, costs for remediation and harm to our reputation; (iii) could result in criminal or civil sanctions, including substantial fines, imprisonment and exclusion from participation in healthcare programs such as Medicare and Medicaid and health programs outside the United States; and (iv) could otherwise disrupt our business and could have a material adverse effect on our business, financial condition, results of operations and/or liquidity.

The healthcare industry is under continued scrutiny from state, federal and international governments, including with respect to industry practices in the area of sales and marketing. Certain states, including Massachusetts, have recently passed or are considering legislation restricting our interactions with health care providers and requiring disclosure of many payments to them. The federal government has recently introduced similar legislation, which may or may not preempt state laws. If our marketing, sales or other activities fail to comply with the FDA's or other comparable foreign regulatory agencies' regulations or guidelines, or other applicable laws, we may be subject to warnings from the FDA or investigations or enforcement actions from the FDA, Medicare, the Office of Inspector General of the U.S. Department of Health and Human Services or other government agencies or enforcement bodies. We anticipate that the government will continue to scrutinize our industry closely, and that additional regulation by governmental authorities may increase compliance costs, increase exposure to litigation and may have other adverse effects to our operations. The Company's failure to comply with any marketing or sales regulations or any other applicable regulatory requirements could adversely affect our business, results of operations, financial condition and/or liquidity.

In addition, lawsuits by or otherwise involving employees, customers, licensors, licensees, suppliers, vendors, business partners, distributors, shareholders or competitors with respect to how we conduct our business could be very costly and could substantially disrupt our business. The occurrence of an adverse monetary or equitable judgment or a large expenditure in connection with a settlement of any of these matters could have a material adverse effect on our business, financial condition, results of operations and/or liquidity.

***If we or some of our suppliers fail to comply with the FDA's Quality System Regulation, or QSR, and other applicable post-market requirements, our manufacturing operations could be disrupted, our product sales and profitability could suffer, and we may be subject to a wide variety of FDA enforcement actions.***

Our manufacturing processes and those of some of our suppliers must comply with the FDA's Quality System Regulation, or QSR, which governs the methods used in, and the facilities and controls used for, the design, testing, manufacture, control, quality assurance, installation, servicing, labeling, packaging, storage and shipping of medical devices, and with current medical device adverse event reporting regulations, and similar foreign rules and regulations. The FDA enforces the QSR through unannounced inspections. Despite our training and compliance programs, our internal control policies and procedures may not always protect us from negligent, reckless or criminal acts committed by our employees or agents. If we, or one of our suppliers, fail a QSR inspection, or if a corrective action plan adopted by us or one of our suppliers is not sufficient, the FDA may bring an enforcement action, and our operations could be disrupted and our manufacturing delayed. We are also subject to the FDA's general prohibition against promoting our products for unapproved or "off-label" uses, the FDA's adverse event reporting requirements and the FDA's reporting requirements for field correction or product removals. The FDA has recently placed increased emphasis on its scrutiny of compliance with the QSR and these other post-market requirements. In addition, most other countries require us and our suppliers to comply with manufacturing and quality assurance standards for medical devices that are similar to those in force in the United States before marketing and selling our products in those countries. If we, or our suppliers, should fail to do so, we would lose our ability to market and sell our products in those countries.

***If we cannot obtain and maintain marketing clearance or approval from governmental agencies, we will not be able to sell our products.***

Our products are medical devices that are subject to extensive regulation in the United States and in the foreign countries in which they are sold. Unless an exemption applies, each medical device that we wish to market in the United States must receive either 510(k) clearance or Pre-Market Approval ("PMA") from the FDA before the product can be sold. Either process can be lengthy and expensive. The FDA's 510(k) clearance procedure, also known as "premarket notification," is the process we have used for our current products. This process usually takes from four to twelve months from the date the premarket notification is submitted to the FDA, but may take significantly longer. Even after a device receives regulatory approval it remains subject to significant regulatory and quality requirements, such as manufacturing, recordkeeping, renewal, recertification or reporting and other post market approval requirements, which may include clinical, laboratory or other studies.

Product approvals by the FDA and other foreign regulators can be withdrawn due to failure to comply with regulatory standards or the occurrence of unforeseen problems following initial approval or may be re-classified to a higher regulatory classification, such as requiring a PMA for a previously cleared 510(k) device. The PMA process is much more costly, lengthy and uncertain. It generally takes from one to three years from the date the application is submitted to, and filed with the FDA, and may take even longer. In addition, any modification to an FDA-cleared medical device that could significantly affect its safety or effectiveness, or that would constitute a major change or modification in its intended use, requires a new FDA 510(k) clearance or, possibly, a PMA.

Regulatory regimes in other countries similarly require approval or clearance prior to our marketing or selling products in those countries. We rely on our distributors to obtain regulatory clearances or approvals of our products outside of the United States. If we are unable to obtain additional clearances or approvals needed to market existing or new products in the United States or elsewhere or obtain these clearances or approvals in a timely fashion or at all, or if our existing clearances are revoked, our revenues and profitability may decline.

In general, we intend to obtain Medical Device Regulation ("MDR") approvals for our principal products sold in the European Union ("EU") ahead of expiration dates; however for multiple reasons, including but not limited to changing business strategies, labor shortages and contract resources, administrative delays, increased costs of obtaining MDR certification, availability of necessary data and notified body capacity, certain products may not be fully compliant at the time of CE mark expiration. The additional time and resources required to obtain MDR certification has been a significant factor in, and will likely continue to influence, our decisions whether to discontinue sales and distribution of certain products in the EU.

Complying with and obtaining regulatory approval in foreign countries, including our efforts to comply with the requirements of the MDR, have and will likely continue to lead to additional uncertainty, risk, expense and delay in commercializing products in certain foreign jurisdictions, which could have a material adverse effect on our business, financial condition and/or results of operations.

***Our products may be subject to product recalls, which may harm our reputation and divert managerial and financial resources.***

The FDA and similar governmental authorities in other countries have the authority to order mandatory recall of our products or order their removal from the market if there are material deficiencies or defects in design, manufacture, installation, servicing or labeling of the product, or if the governmental entity finds that our products would cause serious adverse health consequences. A government mandated recall, voluntary recall or field action by us could occur as a result of component failures, manufacturing errors or design defects, including labeling defects. Any recall of our products may harm our reputation with customers and divert managerial, engineering and financial resources. There is no assurance that we will not incur warranty or repair costs, be subject to liability claims for damages related to product defects, or experience manufacturing, shipping or other delays or interruptions as a result of these defects in the future. Our insurance policies may not provide sufficient protection should a claim be asserted. A recall of any of our products could harm our reputation, divert managerial and financial resources and have a material adverse effect on our business, financial condition, results of operations and/or liquidity.

***We may be subject to fines, penalties, injunctions or costly investigations if we are determined to be promoting the use of our products for unapproved or "off-label" uses.***

If we are incorrect in our belief that our promotional materials and training methods regarding the use of our products are conducted in compliance with regulations of the FDA and other applicable regulations, and the FDA determines that our promotional materials or training constitutes promotion of an unapproved use, the FDA could request that we modify our training or promotional materials or subject us to regulatory enforcement actions, including the issuance of a warning letter, injunction, seizure, civil fine and criminal penalties. It is also possible that other federal, state or foreign enforcement authorities might take action if they consider promotional or training materials to constitute promotion of an unapproved use, which could result in significant fines or penalties under other statutory authorities, such as laws prohibiting false claims for reimbursement. Any of these results could have a material adverse effect on our business, financial condition, results of operations and/or liquidity.

***Laws and regulations governing the export of our products could adversely impact our business. If the U.S. government imposes strict sanctions on Iran, our revenue could be impacted.***

The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), and the Bureau of Industry and Security at the U.S. Department of Commerce (BIS), administer certain laws and regulations that restrict U.S. persons and, in some instances, non-U.S. persons, in conducting activities, transacting business with or making investments in certain countries, governments, entities and individuals subject to U.S. economic sanctions.

Due to our international operations, we are subject to such laws and regulations, which are complex, restrict our business dealings with certain countries and individuals, and are constantly changing. Further restrictions may be enacted, amended, enforced or interpreted in a manner that materially impacts our operations.

In fiscal year 2024 we generated $1.4 million of revenue for sales to distributors doing business in Iran. We continuously review our ability to sell products to distributors that conduct business in Iran in accordance with all applicable U.S. laws. If laws, rules or regulations of the United States, with respect to doing business in or with parties that do business in Iran, change to restrict our ability to generate revenue in Iran, our revenue could decline, impacting our results of operations.

From time to time, we have limited business dealings in countries subject to comprehensive sanctions. These business dealings may expose us to a heightened risk of violating applicable sanctions regulations. Violations of these regulations are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts, revocations or restrictions of licenses, and/or criminal fines and imprisonment. We have established policies and procedures designed to assist with our compliance with such laws and regulations. However, there can be no assurance that our policies and procedures will effectively prevent us from violating these regulations in every transaction in which we may engage, and such a violation could adversely affect our reputation, business, financial condition, results of operations and cash flows.

**RISKS RELATED TO INTELLECTUAL PROPERTY**

***If we fail to adequately protect our intellectual property rights, we may not be able to generate revenues from new or existing products and our business may suffer.***

Our success depends in part on obtaining, maintaining and enforcing our patents, trademarks and other proprietary rights, and our ability to avoid infringing the proprietary rights of others. We rely upon patent, trade secret, copyright, know-how and trademark laws, as well as license agreements and contractual provisions, to establish our intellectual property rights and protect our products. However, no assurances can be made that any pending or future patent applications will result in the issuance of patents, that any current or future patents issued to, or licensed by us, will not be challenged or circumvented by our competitors, or that our patents will not be found invalid.

Patent positions of medical device companies, including our Company, are uncertain and involve complex and evolving legal and factual questions. The coverage sought in a patent application can be denied or significantly reduced either before or after the patent is issued. Consequently, there can be no assurance that any of our pending patent applications will result in an issued patent. There is also no assurance that any existing or future patent will provide significant protection or commercial advantage, or whether any existing or future patent will be circumvented by a more basic patent, thus requiring us to obtain a license to produce and sell the product.

Additionally, we rely on trade secret protection for certain unpatented aspects of our proprietary technology. There can be no assurance that others will not independently develop or otherwise acquire substantially equivalent proprietary information or techniques, that others will not gain access to our proprietary technology or disclose such technology, or that we can meaningfully protect our trade secrets. We have a policy of requiring key employees and consultants to execute confidentiality agreements upon the commencement of an employment or consulting relationship with us. Our confidentiality agreements also require our employees to assign to us all rights to any inventions made or conceived during their employment with us. We also generally require our consultants to assign to us any inventions made during the course of their engagement by us. There can be no assurance, however, that these agreements will provide meaningful protection or adequate remedies for us in the event of unauthorized use, transfer or disclosure of confidential information or inventions. If we are not able to adequately protect our intellectual property, our market share, financial condition and results of operations may suffer.

***If third parties claim that our products infringe their intellectual property rights, we may be forced to expend significant financial resources and management time defending against such actions and our financial condition and our results of operations could suffer.***

Third parties may claim that our products infringe their patents and other intellectual property rights. Identifying third-party patent rights can be particularly difficult because, in general, patent applications can be maintained in secrecy for at least 18 months after their earliest priority date, and publication of discoveries in the scientific or patent literature often lag behind actual discoveries. Some companies in the medical device industry have used intellectual property infringement litigation to gain a competitive advantage. If a competitor were to challenge our patents, licenses or other intellectual property rights, or assert that our products infringe its patent or other intellectual property rights, we could incur substantial litigation costs, be forced to make expensive changes to our product design, pay royalties or other fees to license rights in order to continue manufacturing and selling our products, or pay substantial damages. Third-party infringement claims, regardless of their outcome, would not only consume our financial resources but also divert our management’s time and effort.

Such claims could also cause our customers or potential customers to purchase competitors' products or defer or limit their purchase or use of our affected products until resolution of the claim. See Part I, Item 3 "Legal Proceedings" of this report for additional details on litigation regarding proprietary technology.

**RISKS RELATED TO OUR STOCK PRICE**

***Our future operating results are difficult to predict and may vary significantly from quarter to quarter, which may adversely affect the price of our common stock.***

The ongoing introduction of new products and services that affect our overall product mix make the prediction of future operating results difficult. You should not rely on our past results as any indication of future operating results. The price of our common stock will likely fall in the event that our operating results do not meet the expectations of analysts and investors. Comparisons of our quarterly operating results are an unreliable indication of our future performance because they are likely to vary significantly based on many factors, including:

- the level of sales of our products and services in our markets;
- our ability to introduce new products or services and enhancements in a timely manner;
- the demand for and acceptance of our products and services;
- the success of our competition and the introduction of alternative products or services;
- our ability to command favorable pricing for our products and services;
- the growth of the market for our devices and services;
- the expansion and rate of success of our direct sales force in the United States and internationally and our independent distributors internationally;
- actions relating to ongoing FDA compliance;
- our ability to integrate acquired assets or companies;
- the effect of intellectual property disputes;
- the size and timing of orders from independent distributors or customers;
- the attraction and retention of key personnel, particularly in sales and marketing, regulatory, manufacturing and research and development;
- unanticipated delays or an inability to control costs;
- general economic conditions, including inflationary pressure, as well as those specific to our customers and markets; and
- seasonal fluctuations in revenue due to the elective nature of some procedures.

***Our stock price may be volatile, which may cause the value of our stock to decline or subject us to a securities class action litigation.***

The trading price of our common stock price may be volatile and could be subject to wide fluctuations in price in response to various factors, many of which are beyond our control, attributable to outside factors and/or unrelated to operating performance. Such factors may include comments by securities analysts or other third parties, including blogs, articles, message boards and social and other media coverage which may not be attributable to us and may not be reliable or accurate.

The NASDAQ Stock Market and medical devices companies in particular have experienced substantial price and volume volatility that is often seemingly unrelated to the operating performance of the companies. These broad market fluctuations may cause the trading price of our common stock to decline. In the past, securities class action litigation has often been brought against a company after a period of volatility in the market price of its common stock.

**Item 1B.** ***Unresolved Staff Comments.***

None.

**Item 1C.** ***Cyber Security.***

***Risk Management and Strategy***

We have designed and implemented a cybersecurity risk management program to help us identify, assess, and mitigate cybersecurity risks relevant to our business, based on the National Institute of Standards and Technology (NIST) Cyber Security Framework 2.0.

Our cybersecurity risk management program includes:

- dedicated third-party cybersecurity professionals who analyze cybersecurity threats, define cybersecurity policy and requirements, implement protections, and monitor and respond to cybersecurity incidents;
- cybersecurity regulatory based risk assessments for the Company's systems and applications (where required);
- a formal incident response plan, in which incidents are classified based upon the severity, impact, and the potential harm that can be caused by the incident;
- annual information security training program for all employees, including phishing awareness training;
- working closely with application development and infrastructure & operation teams to embed security considerations into the foundation of technology;
- engagement of third-party service providers to conduct assessment of the Company's cybersecurity risk management program, penetration testing, and vulnerability testing; and
- a third-party risk assessment process for service providers, suppliers, and vendors.

Risks from cybersecurity threats are integrated into AngioDynamics' enterprise risk management (ERM) program. The ERM program establishes a risk management framework that seeks to identify, assess, and mitigate risks that could materially impact the Company's business and operation.

To date, the Company is not aware of any cybersecurity incident that has had or is reasonably likely to have a material impact on the Company's business or operations. However, despite our security measures, there can be no assurance that the Company, or the third parties with which we interact, will not experience a cybersecurity incident in the future that may materially affect us. See Item 1A. Risk Factors under, *A cyber-attack or other breach of our, our distributors, or our supply chain partners' information technology systems could have a material adverse effect on our business, financial condition and/or results of operations.*

***Governance***

The cybersecurity risk management program is led by the Senior Vice President, Information Technology ("SVP of IT"). Our SVP of IT has over 28 years of experience assisting public and privately held companies in a variety of industries, leading several enterprise-wide transformation initiatives to adapt to changing cybersecurity threats. Our SVP of IT reports to the Chief Executive Officer (CEO), who works closely with the Executive Committee to guide strategic direction and IT decisions to drive business outcomes.

Our Board of Directors is engaged in the Company's ERM program and receives briefings on the outcomes of the ERM program and the steps the Company takes to mitigate risks that the program identifies. The Board oversees the Company's cybersecurity strategies, systems, and controls to ensure reliability and prevent unauthorized access. The Audit Committee discusses policies with respect to risk assessment and risk management, including risks associated with the reliability and security of the Company's information technology and security systems, and the steps management has undertaken to monitor and control such exposures. The Board of Directors receives regular updates on the Company's cybersecurity risk management program from the SVP of IT.

**Item 2.** ***Properties.***

During the year ended May 31, 2024, we operated in the following locations:

| Location | Purpose | Approx. Sq. Ft. | Property Type |
|---|---|---|---|
| Latham, NY | Corporate headquarters | 39,000 | Lease |
| Glens Falls, NY | Manufacturing | 21,000 | Owne |
| Queensbury, NY | Manufacturing | 135,000 | Owne |
| Queensbury, NY | Distribution | 58,000 | Lease |
| Marlborough, MA | Research and development | 8,400 | Lease |
| Amsterdam, NL | Selling, marketing and administrative | 8,100 | Lease |
| Rehovot, IL | Research and development | 4,300 | Lease |

In addition, we lease sales offices in various other jurisdictions.

**Item 3.** ***Legal Proceedings.***

Information regarding legal proceedings is included in Note 17 to our consolidated financial statements in this Annual Report on Form 10-K.

**Item 4.** ***Mine Safety Disclosures.***

Not applicable.

## Part II

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

Our common stock is traded on the Global Select Market tier of the NASDAQ Stock Market LLC, under the symbol "ANGO."

The following table sets forth, for the fiscal quarters indicated, the high and low sale prices for our common stock as reported by the NASDAQ Stock Market.

| | Sale Price | |
|---|---|---|
| | High | Low |
| Year ended May 31, 2024 | | |
| Fourth Quarter | $ 7.03 | $ 5.27 |
| Third Quarter | $ 8.04 | $ 5.49 |
| Second Quarter | $ 7.73 | $ 6.17 |
| First Quarter | $ 11.16 | $ 8.00 |

| | Sale Price | |
|---|---|---|
| | High | Low |
| Year ended May 31, 2023 | | |
| Fourth Quarter | $ 12.65 | $ 8.29 |
| Third Quarter | $ 15.48 | $ 12.06 |
| Second Quarter | $ 22.81 | $ 12.51 |
| First Quarter | $ 24.30 | $ 17.83 |

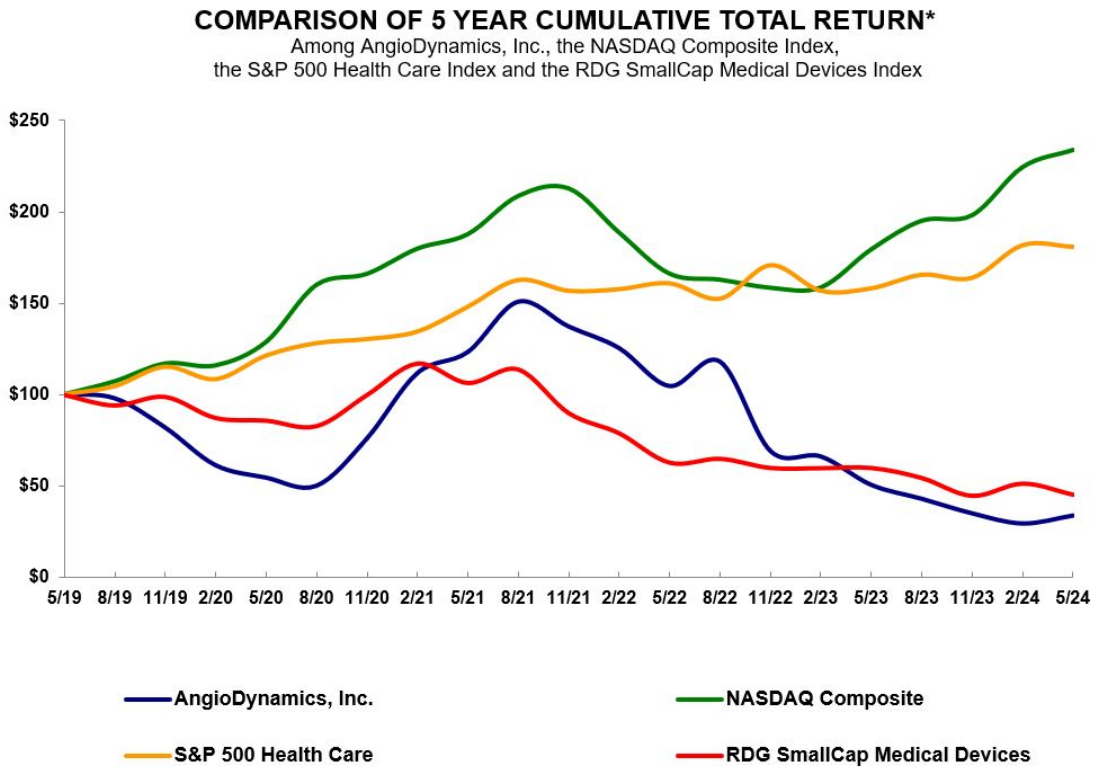
As of July 24, 2024, there were 166 holders of record of our common stock.

*Dividends*

We did not declare any cash dividends on our common stock during our last three fiscal years. We do not anticipate paying any cash dividends on our common stock for the foreseeable future.

*Performance Graph*

The graph below matches AngioDynamics, Inc.'s cumulative 5-year total shareholder return on common stock with the cumulative total returns of the NASDAQ Composite index, the RDG SmallCap Medical Devices index, and the S&P 500 Health Care index. The graph tracks the performance of a $100 investment in our common stock and in each index (with the reinvestment of all dividends) from May 31, 2019 to May 31, 2024. The stock price performance included in this graph is not necessarily indicative of future stock price performance.




**Item 6.** ***[Reserved]***

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

The following information should be read together with the audited consolidated financial statements and the notes thereto and other information included elsewhere in this annual report on Form 10-K. This discussion may contain forward-looking statements related to future events and our future financial performance that are based on current expectation and are subject to risks and uncertainties. Our actual results may differ materially from those anticipated in any forward-looking statements as a result of many factors, including those set forth in Part I, Item 1A, "Risk Factors" and "Disclosure Regarding Forward-Looking Statements" included in this Annual Report on Form 10-K.

**Company and Market**

AngioDynamics is a leading and transformative medical technology company focused on restoring healthy blood flow in the body's vascular system, expanding cancer treatment options and improving quality of life for patients. We design, manufacture and sell a wide range of medical, surgical and diagnostic devices used by professional healthcare providers for vascular access, for the treatment of peripheral vascular disease and for use in oncology and surgical settings. Our devices are generally used in minimally invasive, image-guided procedures. Many of our products are intended to be used once and then discarded, or they may be temporarily implanted for short- or long-term use.

Our business operations cross a variety of markets. Our financial performance is impacted by changing market dynamics, which have included an emergence of value-based purchasing by healthcare providers, consolidation of healthcare providers, the increased role of the consumer in health care decision-making and an aging population, among others. In addition, our growth is impacted by changes within our sector, such as the merging of competitors to gain scale and influence; changes in the regulatory environment for medical device; and fluctuations in the global economy.

Our sales and profitability growth also depends, in part, on the introduction of new and innovative products, together with ongoing enhancements to our existing products. Expansions of our product offerings are created through internal and external product development, technology licensing and strategic alliances. We recognize the importance of, and intend to continue to make investments in research and development activities and selective business development opportunities to provide growth opportunities.

We sell our products in the United States primarily through a direct sales force, and outside the U.S. through a combination of direct sales and distributor relationships. Our end users include interventional radiologists, interventional cardiologists, vascular surgeons, urologists, interventional and surgical oncologists and critical care nurses. We expect our businesses to grow in both sales and profitability by expanding geographically, penetrating new markets, introducing new products and increasing our presence internationally.

On June 8, 2023, the Company completed the sale of the dialysis and BioSentry businesses to Merit Medical Systems, Inc. The Company also entered into various agreements to facilitate the transition to Merit, including a Transition Services Agreement and Contract Manufacturing Agreement. Total consideration received by the Company for the Divestiture was $100.0 million in cash and resulted in a pre-tax book gain of $47.8 million.

On June 8, 2023 and in connection with the completion of the Divestiture, the Company repaid all amounts outstanding under its existing Credit Agreement, and as a result, the Credit Agreement was extinguished.

On January 5, 2024, the Company announced a restructuring of its manufacturing footprint and a shift to an outsourced model (the "Plan"). This Plan is intended to transfer all product manufacturing processes to third-party manufacturers. The restructuring activities associated with the Plan are expected to be completed in the third quarter of fiscal year 2026 and will allow the Company to more effectively compete in chosen markets and fundamentally change its corporate gross margin profile.

On February 15, 2024, the Company completed the sale of its PICC and Midline businesses to Spectrum Vascular. The Company also entered into various agreements to facilitate the transition to Spectrum, including a Transition Services Agreement and Contract Manufacturing Agreement. Total consideration received by the Company for the Divestiture was $34.5 million in cash and resulted in a pre-tax book gain of $6.7 million. Included in the agreement is a $5.5 million earn-out related to the sales of divested products over a two year period and a milestone payment of $5.0 million paid upon final transfer of the manufacturing to a third-party.

In the third quarter of fiscal year 2024, the Company concluded that the sustained decline in our stock price was a triggering event for the Med Tech reporting unit. The Company utilized the income approach to determine the fair value of the remaining Med Tech reporting unit. Based on the results of this evaluation, the Company recorded a goodwill impairment charge of $159.5 million for the quarter ended February 29, 2024 to write down the carrying value of the Med Tech reporting unit to fair value.

On March 31, 2024, the Company and BD entered into a Settlement Agreement as described in Note 17 "Commitments and Contingencies" set forth in the Notes to our consolidated financial statements in this Annual Report on Form 10-K. The Company will make a one-time lump sum payment to BD in the amount of $7.0 million, $3.0 million of which was paid within 5 business days of execution of the Settlement Agreement, and the remainder of which will be payable in installments over the 12 month period ending March 31, 2025. The Company will also make six minimum annual payments to BD of $2.5 million through February 2029, and potential additional payments if six percent (6%) of annual net sales of AngioDynamics' port products exceed the minimum payment. The parties will participate in the pending appeal before the Federal Circuit of the case titled C.R. Bard, Inc. and Bard Peripheral Vascular, Inc. v. AngioDynamics, Inc. (C.A. 15-00218–JFB; and CAFC appeal No. 23-2056) and a contingent payment of $3.0 million will be due from AngioDynamics to BD if the Federal Circuit reverses or vacates the District Court's findings of invalidity with respect to the patent claims at issue in the case. Appellate briefing is closed, but an agrument date has not yet been set. Neither party admitted any liability and the agreement contains mutual covenants not to sue and releases. As of May 31, 2024, the present value of the lump sum and minimum annual payments of $19.4 million was recorded in "Acquisition, restructuring and other items, net" on the accompanying consolidated statements of operations and a long-term asset of $1.2 million, other current liabilities of $5.5 million and other long-term liabilities of $12.1 million was recorded on the consolidated balance sheets.

In evaluating the operating performance of our business, management focuses on revenue, gross margin, operating income, earnings per share and cash flow from operations. A summary of these key financial metrics for the year ended May 31, 2024 compared to the year ended May 31, 2023 follows:

Year ended May 31, 2024:

- Revenue decreased by 10.3% to $303.9 million
- Med Tech growth of 10.0% and Med Device decrease of 18.4%
- Gross profit decreased by 50 bps to 50.9%
- Net loss increased by $131.9 million to $184.3 million
- Loss per share increased by $3.26 to a loss of $4.59
- Cash flow from operations decreased by $28.2 million resulting in cash used in operations of $28.2 million

For the year ended May 31, 2024, the decrease in revenue is partially due to the sale of the PICCs, Midline, dialysis and BioSentry businesses, along with the discontinuation of the RadioFrequency Ablation and Syntrax product lines, the total of which impacted sales by $48.4 million compared to the year ended May 31, 2023. Our Med Tech business, comprised of Auryon, the thrombus management platform and NanoKnife grew 10.0% in fiscal year 2024. The growth in Auryon and NanoKnife was partially offset by continued softness in the thrombus management platform. Our Med Device business decreased 18.4% in fiscal year 2024 driven mainly by the sale of the PICCs, Midlines, dialysis and BioSentry businesses along with the discontinuation of the RadioFrequency Ablation product lines.

**Strategic Initiatives to Drive Growth**

The Company is focused on its ongoing transformation from a company with a broad portfolio of largely undifferentiated products to a more focused medical technology company that delivers unique and innovative health care solutions. The Company believes that this transformation will enable the Company to shift the portfolio from the mature, lower-growth markets where we have competed in the past by investing in technology and products that provide access to larger and faster growing markets. As such, we believe the growth in the near to mid-term will continue to be driven by our high technology products including Auryon, Mechanical Thrombectomy (which includes AngioVac and AlphaVac) and NanoKnife.

Throughout the year, we introduced strategic moves designed to streamline our business, improve our overall business operations and position ourselves for growth. Those initiatives included:

- *Product development process.* The Company continued its disciplined product development process which is intended to improve the Company's ability to bring new products to market. This included:
  - Pathway expansion for Auryon in arterial thrombectomy and the launch of the Auryon XL radial catheter;
  - 510(k) clearance and CE mark for the use of AlphaVac F18$^{85}$ System to treat pulmonary embolism; and
  - Completed enrollment of patients in the PRESERVE study for the use of NanoKnife in the prostate in the first quarter.

- *Value Creation.* To create value and drive future growth, the Company plans to practice dispassionate portfolio optimization and continue to focus on areas of compelling unmet needs including those that are patient-centric and evidenced-based. In addition, the Company continues to pursue targeted global expansion opportunities. This included:
    - The sale of the dialysis and BioSentry businesses to Merit Medical Systems, Inc. on June 8, 2023;
    - The sale of the PICC and Midline businesses to Spectrum Vascular on February 15, 2024; and
    - The discontinuation of the RadioFrequency Ablation and Syntrax product lines as of February 29, 2024.
- *Focused Resource Deployment.* The Company continued its discipline on deploying resources. This included:
    - The announcement on January 5, 2024 to restructure the manufacturing footprint and a shift to an outsourced model which will transfer all product manufacturing processes to third-party manufacturers to allow the Company to more effectively compete in chosen markets and fundamentally change its corporate gross margin profile.

***Critical Accounting Policies and Use of Estimates***

Our significant accounting policies are summarized in Note 1 "Basis of Presentation, Business Description and Summary of Significant Accounting Policies" in the consolidated financial statements included in this Form 10-K. While all of these significant accounting policies affect the reporting of our financial condition and results of operations, we view certain of these policies as critical. Policies determined to be critical are those policies that have the most significant impact on our financial statements and require us to use a greater degree of judgment and/or estimates. Actual results may differ from those estimates.

*Revenue Recognition*

Under ASC 606, revenue is recognized when a customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

The Company contracts with its customers based on customer purchase orders, which in many cases are governed by master purchasing agreements. The Company’s contracts with customers are generally for product only, and do not include other performance obligations such as services or other material rights. As part of its assessment of each contract, the Company evaluates certain factors including the customer’s ability to pay (or credit risk). For each contract, the Company considers the promise to transfer products, each of which is distinct, to be the identified performance obligations.

Transaction prices of products are typically based on contracted rates. Product revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring products to a customer, net of any variable consideration described below.

If a contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price based on the estimated relative standalone selling prices of the promised products underlying each performance obligation. The Company has standard pricing for its products and determines standalone selling prices based on the price at which the performance obligation is sold separately.

Revenue is recognized when control of the product is transferred to the customer (i.e., when the Company’s performance obligation is satisfied), which occurs at a point in time, and may be upon shipment from the Company’s manufacturing site or delivery to the customer’s named location, based on the contractual shipping terms of a contract. In determining whether control has transferred, the Company considers if there is a present right to payment from the customer and when physical possession, legal title and risks and rewards of ownership have transferred to the customer.

The Company typically invoices customers upon satisfaction of identified performance obligations. As the Company’s standard payment terms are 30 to 90 days from invoicing, the Company does not provide any significant financing to its customers.

The Company enters into agreements to place placement and evaluation units (“units”) at customer sites, but the Company retains title to the units. For the duration of these agreements the customer has the right to use the unit at no upfront charge in connection with the customer’s ongoing purchase of disposables. These types of agreements include an embedded operating lease for the right to use the units. In these arrangements, revenue recognized for the sale of the disposables is not allocated

between the disposal revenue and lease revenue due to the insignificant value of the units in relation to the total agreement value.

Sales, value add, and other taxes collected on behalf of third parties are excluded from revenue.

Revenues from product sales are recorded at the net sales price (transaction price), which includes estimates of variable consideration for which reserves are established for discounts, returns, rebates and allowances that are offered within contracts between the Company and its customers. These reserves are based on the amounts earned or to be claimed on the related sales and are classified as a contra asset.

The Company provides certain customers with rebates and allowances that are explicitly stated in the Company's contracts and are recorded as a reduction of revenue in the period the related product revenue is recognized. The Company establishes reserves for such amounts, which is included in accrued expenses in the accompanying Consolidated Balance Sheets. These rebates and allowances result from performance-based offers that are primarily based on attaining contractually specified sales volumes. The Company is also required to pay administrative fees to group purchasing organizations.

The Company generally offers customers a limited right of return. Product returns after 30 days must be pre-approved by the Company and customers may be subject to a 20% restocking charge. To be accepted, a returned product must be unadulterated, undamaged and have at least twelve months remaining prior to its expiration date. The Company estimates the amount of its product sales that may be returned by its customers and records this estimate as a reduction of revenue in the period the related product revenue is recognized. The Company currently estimates product return liabilities using its historical product return information and considers other factors that it believes could significantly impact its expected returns, including product recalls. During the year ended May 31, 2024, such product returns were not material.

A receivable is generally recognized in the period the Company ships the product. Payment terms on invoiced amounts are based on contractual terms with each customer and generally coincide with revenue recognition. Accordingly, the Company does not have any contract assets associated with the future right to invoice its customers. In some cases, if control of the product has not yet transferred to the customer or the timing of the payments made by the customer precedes the Company's fulfillment of the performance obligation, the Company recognizes a contract liability that is included in deferred revenue in the accompanying Consolidated Balance Sheets.

*Inventory*

Inventories are stated at the lower of cost or net realizable value based on the first-in, first-out cost method and consist of raw materials, work in process and finished goods. Appropriate consideration is given to deterioration, obsolescence, expiring and other factors in evaluating net realizable value. When we evaluate inventory for excess quantities and obsolescence, we utilize historical product usage experience and expected demand for establishing our reserve estimates. Our actual product usage may vary from the historical experience and estimating demand is inherently difficult which may result in us recording excess and obsolete inventory amounts that do not match the required amounts. An increase to inventory reserves results in a corresponding increase in cost of revenue. Inventories are written off against the reserve when they are physically disposed.

*Acquisitions and Contingent Consideration*

The Company allocates the purchase price of acquired companies to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values. The estimates used to value the net assets acquired are based in part on historical experience and information obtained from the management of the acquired company. The Company generally values the identifiable intangible assets acquired using a discounted cash flow model. The significant estimates used in valuing certain of the intangible assets include, but are not limited to: future expected cash flows of the asset, discount rates to determine the present value of the future cash flows, attrition rates of customers, royalty rates and expected technology life cycles. The Company also estimates the useful lives of the intangible assets based on the expected period over which the Company anticipates generating economic benefit from the asset.

The Company's estimates of fair value are based on assumptions believed to be reasonable at that time. If management made different estimates or judgments, material differences in the fair values of the net assets acquired may result.

Certain of the Company's business combinations involve potential payment of future consideration that is contingent upon the achievement of certain product development milestones and/or contingent on the acquired business reaching certain performance milestones. The Company records contingent consideration at fair value at the date of acquisition based on the consideration expected to be transferred, estimated as the probability weighted future cash flows, discounted back to present value. The fair value of contingent consideration is measured using projected payment dates, discount rates, probabilities of payment, and projected revenues (for revenue-based considerations). Projected revenues are based on the Company's most recent internal operational budgets and long-range strategic plans. The discount rate used is determined at the time of

measurement in accordance with accepted valuation methodologies. Changes in projected revenues, probabilities of payment, discount rates, and projected payment dates may result in adjustments to the fair value measurements. Contingent consideration is remeasured each reporting period using Level 3 inputs, and the change in fair value, including accretion for the passage of time, is recognized as income or expense within operating expenses in the Consolidated Statements of Operations. Contingent consideration payments made soon after the acquisition date are classified as investing activities in the Consolidated Statements of Cash Flows. Contingent consideration payments not made soon after the acquisition date that are related to the acquisition date fair value are reported as financing activities in the Consolidated Statements of Cash Flows, and amounts paid in excess of the original acquisition date fair value are reported as operating activities in the Consolidated Statements of Cash Flows.

*Goodwill and Intangible Assets*

Intangible assets other than goodwill and in process research and development ("IP R&D") are amortized over their estimated useful lives, which range between two to eighteen years, on a straight-line basis over the expected period of benefit. The Company periodically reviews the estimated useful lives of intangible assets and reviews such assets or asset groups for impairment whenever events or changes in circumstances indicate that the carrying value of the assets may not be recoverable. Such conditions could include significant adverse changes in the business climate, current-period operating or cash flow losses, significant declines in forecasted operations, or a current expectation that an asset group will be disposed of before the end of its useful life. When testing for impairment of definite-lived intangible assets held for use, the Company groups assets at the lowest level for which cash flows are separately identifiable. The Company operates as two reporting units and two asset groups. If a triggering event is deemed to exist, the Company performs an undiscounted operating cash flow analysis to determine if an impairment exists. If an intangible asset is considered to be impaired, the amount of the impairment will equal the excess of the carrying value over the fair value of the asset.

Goodwill is not amortized, but rather, are tested for impairment annually or more frequently if impairment indicators arise. Goodwill represents the excess of the purchase price over the fair value of the net tangible and identifiable intangible assets acquired in each business combination. Goodwill and intangible assets have been recorded at either incurred or allocated cost. Allocated costs were based on respective fair market values at the date of acquisition.

For goodwill, the impairment test requires a comparison of the estimated fair value of each reporting unit to which the goodwill is assigned to the carrying value of the assets and liabilities of those reporting units. The determination of reporting units also requires management judgment. The Company considers whether a reporting unit exists within a reportable segment based on the availability of discrete financial information. The Company operates as two operating segments with two reporting units and consequently evaluates goodwill for impairment based on an evaluation of the fair value of each reporting unit. If the carrying value of the reporting units exceed the fair value, the carrying value is reduced to its fair value through an adjustment to the goodwill balance, resulting in an impairment charge.

As detailed in Note 9, "Goodwill and Intangible Assets" set forth in the Notes to our consolidated financial statements included in this Annual Report on Form 10-K, the Company recorded a goodwill impairment loss of $159.5 million for the year ended May 31, 2024 as the fair value of the Med Tech reporting unit was less than its carrying value. The Company recorded an impairment loss of $14.5 million for the year ended May 31, 2023 as the fair value of the Med Device reporting unit was less than its carrying value.

**Results of Operations for the years ended May 31, 2024 and 2023**

For the fiscal year ended May 31, 2024, the Company reported a net loss of $184.3 million, or a loss of $4.59 per diluted share, on net sales of $303.9 million compared to a net loss of $52.4 million, or a loss of $1.33 per diluted share, on net sales of $338.8 million in fiscal year 2023.

***Net Sales***

Net sales - Net sales are derived from the sale of our products and related freight charges, less discounts, rebates and returns.

| (in thousands) | Year ended May 31, 2024 | 2023 | $ Change |
|---|---|---|---|
| Net Sales | | | |
| Med Tech | $ 106,403 | $ 96,687 | $ 9,716 |
| Med Device | 197,511 | 242,065 | $ (44,554) |
| Total | $ 303,914 | $ 338,752 | $ (34,838) |
| | | | |
| Net Sales by Geography | | | |
| United States | $ 251,486 | $ 282,713 | $ (31,227) |
| International | 52,428 | 56,039 | $ (3,611) |
| Total | $ 303,914 | $ 338,752 | $ (34,838) |

For the year ended May 31, 2024, net sales decreased $34.8 million to $303.9 million compared to the year ended May 31, 2023. At May 31, 2024, the Company had a backlog of $1.3 million compared to $2.7 million at the end of May 31, 2023.

The Med Tech business net sales increased $9.7 million for the year ended May 31, 2024 compared to the prior year. The change in sales from the prior year was primarily driven by:

- Increased Auryon sales of $6.4 million;
- Increased NanoKnife sales of $5.7 million, which was driven by both NanoKnife disposable and capital sales, which increased $2.5 million and $3.2 million, respectively, due to increased case volume in both the U.S and international markets; and
- Decrease in the thrombectomy platform of $2.4 million, which was driven by softness in the mechanical thrombectomy platform in AngioVac, AlphaVac and Thrombolytic sales of $1.4 million, $0.4 million and $0.6 million, respectively.

The Med Device business net sales decreased $44.6 million for the year ended May 31, 2024 compared to the prior year. The backlog, which primarily impacted sales of Core and Vascular Access products, was $1.3 million at May 31, 2024 compared to $2.7 million at May 31, 2023. The change in sales from the prior year was primarily driven by:

- Decreased sales of PICCs and Midline products of $13.8 million which was due to the divestiture of these businesses on February 15, 2024;
- Decreased sales of dialysis and BioSentry products of $31.8 million which was due to the divestiture of these businesses on June 8, 2023;
- Decreased sales of RadioFrequency Ablation of $2.8 million due to the discontinuation of this product line as of February 29, 2024; and
- Increased sales of Ports, Core and Venous of $2.5 million, $2.0 million and $0.9 million, respectively. This increase was partially offset by decreased sales of Oncology and Microwave products of $1.2 million and $0.4 million, respectively.

***Gross Profit***

| (in thousands) | Year ended May 31, 2024 | 2023 | $ Change |
|---|---|---|---|
| Med Tech | $ 67,198 | $ 61,966 | $ 5,232 |
| Gross profit % of sales | 63.2 % | 64.1 % | |
| | | | |
| Med Device | $ 87,500 | $ 112,280 | $ (24,780) |
| Gross profit % of sales | 44.3 % | 46.4 % | |
| | | | |
| Total | $ 154,698 | $ 174,246 | $ (19,548) |
| Gross profit % of sales | 50.9 % | 51.4 % | |

Gross profit - Gross profit consists of net sales less the cost of goods sold, which includes the costs of materials, products purchased from third parties and sold by us, manufacturing personnel, royalties, freight, business insurance, depreciation of property and equipment and other manufacturing overhead, exclusive of intangible amortization.

Total Company gross profit decreased by $19.5 million compared to the prior year. The change from the prior year was primarily driven by:

- The sale of the PICCs, Midline, dialysis and BioSentry businesses, which negatively impacted gross profit by $23.9 million;
- Sales volume and price mix, which positively impacted gross profit by $8.4 million;
- Production volume and other incentives which positively impacted gross profit by $2.2 million;
- Sales mix, inflationary costs on raw materials, labor shortages and freight costs, which negatively impacted gross profit by $5.0 million; and
- Incremental depreciation on placement units of $1.2 million.

The Med Tech segment gross profit increased by $5.2 million compared to the prior year. The change from the prior year was primarily driven by:

- Sales volume and price mix, which positively impacted gross profit by $5.5 million;
- Production volume and other incentives which positively impacted gross profit by $1.6 million;
- Sales mix, which negatively impacted gross profit by $0.9 million;
- Inflationary costs on raw materials, labor shortages and freight costs, which negatively impacted gross profit by $0.2 million; and
- Incremental depreciation on placement units of $0.8 million.

The Med Device segment gross profit decreased by $24.8 million compared to the prior year. The change from the prior year was primarily driven by:

- The sale of the PICCs, Midline, dialysis and BioSentry businesses, which negatively impacted gross profit by $23.9 million;
- Sales volume and price mix, which positively impacted gross profit by $3.3 million;
- Production volume and other incentives which positively impacted gross profit by $0.6 million;
- Sales mix, which negatively impacted gross profit by $3.6 million;
- Inflationary costs on raw materials, labor shortages and freight costs, which negatively impacted gross profit by $1.0 million; and
- Incremental depreciation on placement units of $0.2 million.

***Operating Expenses and Other Income (expense)***

| (in thousands) | Year ended May 31, 2024 | 2023 | $ Change |
|---|---|---|---|
| Research and development | $ 31,512 | $ 29,883 | $ 1,629 |
| % of sales | 10.4 % | 8.8 % | |
| Selling and marketing | $ 102,818 | $ 104,249 | $ (1,431) |
| % of sales | 33.8 % | 30.8 % | |
| General and administrative | $ 41,164 | $ 40,003 | $ 1,161 |
| % of sales | 13.5 % | 11.8 % | |

Research and development expense - Research and development ("R&D") expense includes internal and external costs to develop new products, enhance existing products, validate new and enhanced products, manage clinical, regulatory and medical affairs.

R&D expense increased $1.6 million compared to the prior year. The change from the prior year was primarily driven by:

- The timing of certain projects and clinical spend associated with the ongoing clinical trials, which decreased R&D expense by $0.4 million; and
- Compensation and benefits expenses, which increased $2.0 million.

Sales and marketing expense - Sales and marketing ("S&M") expense consists primarily of salaries, commissions, travel and related business expenses, attendance at medical society meetings, product promotions and marketing activities.

S&M expense decreased by $1.4 million compared to the prior year. The change from the prior year was primarily driven by:

- Compensation and benefits expense, which increased by $1.1 million; and
- Travel, meeting, tradeshow and other selling expenses, which decreased $2.5 million.

General and administrative expense - General and administrative ("G&A") expense includes executive management, finance, information technology, human resources, business development, legal, and the administrative and professional costs associated with those activities.

G&A expense increased by $1.2 million compared to the prior year. The change from the prior year was primarily driven by:

- Compensation and benefits expense, which increased $0.9 million; and
- Other outside consultant spend for legal and IT which increased $0.4 million.

| (in thousands) | Year ended May 31, 2024 | 2023 | $ Change |
|---|---|---|---|
| Amortization of intangibles | $ 13,048 | $ 18,790 | $ (5,742) |
| Goodwill impairment | $ 159,476 | $ 14,549 | $ 144,927 |
| Change in fair value of contingent consideration | $ 432 | $ 2,320 | $ (1,888) |
| Acquisition, restructuring and other items, net | $ 53,182 | $ 15,633 | $ 37,549 |
| Other income (expense) | $ 797 | $ (3,256) | $ 4,053 |

Amortization of intangibles - Represents the amount of amortization expense that was taken on intangible assets held by the Company.

- Amortization expense decreased $5.7 million compared to the prior year. The decrease is due to assets being included in the sale of the dialysis, BioSentry, PICCs and Midlines businesses and the abandonment of the Syntrax product line.

Goodwill impairment - Represents the impairment charge taken on goodwill.

- The Company recorded a non-cash goodwill impairment charge of $159.5 million for the year ended May 31, 2024 as the fair value of the Med Tech reporting unit was less than its carrying value compared to a $14.5 million goodwill impairment charge for the year ended May 31, 2023 as the fair value of the Med Device reporting unit was less than its carrying value.

Change in fair value of contingent consideration - Represents changes in contingent consideration driven by changes to estimated future payments on earn-out liabilities created through acquisitions and amortization of present value discounts on long-term contingent consideration.

- The change in the fair value for the year ended May 31, 2024 is related to the Eximo contingent consideration and the increased probability of achieving the revenue milestones. The second revenue milestone was achieved in April 2024 and was paid in the fourth quarter of fiscal year 2024.

Acquisition, restructuring and other items, net - Acquisition, restructuring and other items, net represents costs associated with mergers and acquisitions, restructuring expenses, legal costs that are related to litigation that is not in the ordinary course of business, legal settlements and other one-time items.

Acquisition, restructuring and other items, net increased by $37.5 million compared to the prior year. The change from the prior year was primarily driven by:

- Legal expense, related to litigation that is outside of the normal course of business, which increased $25.0 million and was driven by the $19.3 million settlement between the Company and BD;
- Plant closure expense, related to the restructuring of our manufacturing footprint which was announced on January 5, 2024, which increased $9.5 million;
- An impairment of $3.4 million on the Syntrax product technology intangible and fixed assets and an inventory write-off of $2.9 million was taken in the third quarter of fiscal year 2024 related to the abandonment of the Syntrax and RF product lines;
- Transaction services agreements that were entered into as a result of the sale of the PICCs, Midline, dialysis and BioSentry businesses. The Company invoiced Spectrum $0.6 million for the year ended May 31, 2024. The Company invoiced Merit Medical Systems, Inc. $0.5 million for the year ended May 31, 2024;
- Manufacturing relocation expense related to the move of certain manufacturing lines from Queensbury, New York to a third party, which decreased $0.5 million;
- Other expenses, mainly severance associated with organizational changes, which increased $2.0 million; and
- The payment to the Israeli Innovation Authority of $3.5 million related to grant funds that were provided to Eximo to develop the Auryon laser prior to the acquisition in the second quarter of fiscal year 2020. These grant funds were fully repaid in the first quarter of fiscal year 2023 to satisfy the obligation which was otherwise being paid as a royalty based on a percentage of sales.

Other income (expense) - Other expense includes interest income and expense, foreign currency impacts and bank fees.

- The change in other income and expense of $4.1 million compared to the prior year, is primarily due to decreased interest expense of $2.5 million and increased interest income of $1.6 million.

***Income Tax Benefit***

| | Year ended May 31, | |
|---|---|---|
| (in thousands) | 2024 | 2023 |
| Income tax benefit | $ (7,289) | $ (1,995) |
| Effective tax rate | 3.8 % | 3.7 % |

Our effective tax rate was a benefit of 3.8% for fiscal year 2024 compared with an effective tax rate benefit of 3.7% for the prior year. The current year and prior year effective tax rates differ from the U.S. statutory rate primarily due to the impact of the valuation allowance, foreign taxes, and other non-deductible permanent items (such as non-deductible meals and entertainment, Section 162(m) excess compensation), goodwill impairment and the impact of stock-based compensation.

The Company regularly assesses its ability to realize its deferred tax assets. Assessing the realization of deferred tax assets requires significant management judgment. In determining whether its deferred tax assets are more likely than not realizable, the Company evaluated all available positive and negative evidence, and weighted the evidence based on its objectivity.

Based on the review of all available evidence, the Company determined that it has not yet attained a sustained level of profitability and the objectively verifiable negative evidence outweighed the positive evidence. As a result of the full impairment of Goodwill and the reversal of the naked credit deferred tax liability sourced income, the Company has recorded a full valuation allowance on its U.S. net deferred tax assets as of May 31, 2024. The Company will continue to assess the level of the valuation allowance required. If sufficient positive evidence exists in future periods to support a release of some or all of the valuation allowance, such a release would likely have a material impact on the Company’s results of operations.

***Liquidity and Capital Resources***

We regularly review our liquidity and anticipated capital requirements and we believe that our current cash on hand provides sufficient liquidity to meet our anticipated needs for capital for at least the next 12 months.

Our cash and cash equivalents totaled $76.1 million as of May 31, 2024, compared with $44.6 million as of May 31, 2023. As of May 31, 2024 there was no outstanding debt as the Credit Agreement was extinguished in connection with the Divestiture (see Note 12 "Long-Term Debt" set forth in the Notes to our consolidated financial statements included in this Annual Report on Form 10-K). As of May 31, 2023, total debt outstanding related to the Credit Agreement was $50.0 million. The fair value of the contingent consideration liability as of May 31, 2024 was $4.7 million.

The table below summarizes our cash flows for the years ended May 31, 2024 and 2023:

| | Year ended May 31, | |
|---|---|---|
| (in thousands) | 2024 | 2023 |
| Cash provided by (used in): | | |
| Operating activities | $ (28,158) | $ 78 |
| Investing activities | 123,717 | (9,746) |
| Financing activities | (64,248) | 25,420 |
| Effect of exchange rate changes on cash and cash equivalents | 125 | 43 |
| Net change in cash and cash equivalents | $ 31,436 | $ 15,795 |

During the years ended May 31, 2024 and 2023, cash flows consisted of the following:

Cash (used in) provided by operating activities:

Years ended May 31, 2024 and 2023:

- Net loss of $184.3 million and $52.4 million, respectively, plus the non-cash items, primarily driven by depreciation and amortization, gain on the divestiture and related expenses, goodwill impairment and stock-based compensation, along with the changes in working capital below, contributed to cash used in operations of $28.2 million for the year ended May 31, 2024 and cash provided by operations of $0.1 million for the year ended May 31, 2023;
- For the year ended May 31, 2024, working capital was unfavorably impacted by increased prepaid expenses and inventory on hand of $11.6 million and $9.4 million, respectively. This was partially offset by decreased accounts receivable and increased accounts payable and accrued liabilities of $7.9 million and $27.5 million, respectively; and
- For the year ended May 31, 2023, working capital was unfavorably impacted by increased accounts receivable, inventory on hand and prepaids of $1.3 million and $8.2 million, respectively. This was partially offset by decreased prepaids and increased accounts payable and accrued liabilities of $0.3 million and $2.1 million, respectively.

Cash provided by (used in) investing activities:

Years ended May 31, 2024 and 2023:

- $2.5 million and $3.8 million, respectively, of cash was used for fixed asset additions;
- $5.0 million and $5.4 million, respectively, of cash was used for Auryon placement and evaluation unit additions;
- $134.5 million of cash was received for the divestiture of the PICCs, Midline, dialysis and BioSentry businesses; and
- $3.3 million and $0.5 million, respectively, of cash was used for the acquisition of exclusive licenses.

Cash (used in) provided by financing activities:

Years ended May 31, 2024 and 2023:

- $50.0 million prepayment of the Credit Agreement in connection with the completion of the dialysis and BioSentry divestiture in fiscal year 2024;
- $70.0 million in proceeds on long-term debt less the repayment of $45.0 million associated with the new Credit Agreement in the first quarter of fiscal year 2023;
- $0.8 million of deferred financing costs associated with the then new Credit Agreement in the first quarter of fiscal year 2023;
- $15.0 million of contingent consideration payments made in fiscal year 2024; and
- $0.8 million and $1.2 million, respectively, of proceeds from stock option and ESPP activity.

On June 8, 2023 and in connection with the completion of the sale of the dialysis and BioSentry divestiture, the Company repaid all amounts outstanding under its existing Credit Agreement, and as a result, the Credit Agreement was extinguished. Pursuant to the terms of the Credit Agreement, AngioDynamics had the option to repay this facility prior to the maturity date without penalty.

Our contractual obligations as of May 31, 2024 are set forth in the table below (in thousands). We have no variable interest entities or other off-balance sheet obligations.

| | Cash payments due by period as of May 31, 2024 | | | | |
|---|---|---|---|---|---|
| (in thousands) | Total | Less than One Year | 1-3 Years | 3-5 Years | After 5 Years |
| Contractual Obligations: | | | | | |
| Operating leases [1] | $ 6,406 | $ 2,202 | $ 2,960 | $ 1,244 | $ — |
| Purchase obligations [2] | 2,946 | 2,946 | — | — | — |
| Acquisition-related future obligations [3] | 5,000 | 5,000 | — | — | — |
| Royalties | 36,005 | 3,625 | 7,240 | 7,240 | 17,900 |
| | $ 50,357 | $ 13,773 | $ 10,200 | $ 8,484 | $ 17,900 |

(1) Operating leases include short-term leases that are not recorded on our Consolidated Balance Sheets under ASU No. 2016-02.

(2) The inventory purchase obligations are not reflected on our Consolidated Balance Sheets under accounting principles generally accepted in the United States of America.

(3) Acquisition-related future obligations include scheduled minimum payments and contingent payments based upon achievement of performance measures or milestones such as sales or profitability targets, the achievement of research and development objectives or the receipt of regulatory approvals. The amount represents the undiscounted value of contingent liabilities recorded on the balance sheet. Timing of payments are as contractually scheduled, or where contingent, the Company's best estimate of payment timing.

**Results of Operations for the years ended May 31, 2023 and 2022**

For management discussion and analysis of our 2023 financial results and liquidity compared with 2022, see Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended May 31, 2023 filed on August 3, 2023.

**Recent Accounting Pronouncements**

Refer to Note 1 of the Notes to the consolidated financial statements for Recently Issued Accounting Pronouncements.

**Item 7A.** ***Quantitative and Qualitative Disclosures about Market Risk.***

**FOREIGN CURRENCY EXCHANGE RATE RISK**

We are exposed to market risk from changes in currency exchange rates, as well as interest rate fluctuations on our credit facility and investments that could impact our results of operations and financial position.

We transact sales in currencies other than the U.S. Dollar, particularly the Euro, British pound and Canadian dollar. Approximately 3.6% of our sales in fiscal year 2024 were denominated in foreign currencies. We do not have expenses denominated in foreign currencies at the level of our sales and as a result, our profitability is exposed to currency fluctuations. When the U.S. Dollar strengthens, our sales and gross profit will be negatively impacted. In addition, we have assets and liabilities denominated in non-functional currencies which are remeasured at each reporting period, with the offset to changes presented as a component of Other (Expense) Income. Significant non-functional balances include accounts receivable due from some of our international customers.

**INTEREST RATE RISK**

The risk associated with fluctuating interest rates is primarily limited to indebtedness. As of May 31, 2024, the Company does not have any outstanding debt (see Note 12, "Long-Term Debt" set forth in the Notes in the consolidated financial statements included in this Annual Report on Form 10-K).

**CONCENTRATION OF CREDIT RISK**

Financial instruments, which potentially subject the Company to significant concentrations of credit risk, consist primarily of cash and cash equivalents and trade accounts receivable.

The Company maintains cash and cash equivalents at various institutions and performs periodic evaluations of the relative credit standings of these financial institutions to ensure their credit worthiness.

Concentration of credit risk with respect to trade accounts receivable is limited due to the large number of customers that purchase products from the Company. No single customer represents more than 10% of total sales. The Company monitors the creditworthiness of its customers. As the Company's standard payment terms are 30 to 90 days from invoicing, the Company does not provide any significant financing to its customers. Although the Company does not currently foresee a significant credit risk associated with the outstanding accounts receivable, repayment is dependent upon the financial stability of our customers.

**Item 8.** ***Financial Statements and Supplementary Data.***

Financial statements and supplementary data required by Part II, Item 8 are included in Part IV of this report and indexed under Item 15 (a) (1) and (2) of this report, and are incorporated by reference into this Item 8.

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

None.

**Item 9A.** ***Controls and Procedures.***

**Evaluation of disclosure controls and procedures**

As of the end of the period covered by this report, our management, under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15(b) of the Securities Exchange Act of 1934, as amended. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that our disclosure controls and procedures as of the end of the period covered by this report were effective to provide reasonable assurance that the information required to be disclosed by us in reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

**Management's Report on Internal Control Over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for our Company. Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) promulgated under the Securities Exchange Act of 1934, as amended, as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by our Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States, and that our receipts and expenditures are being made only in accordance with authorizations of our management and members of our Board of Directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

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

Our management has assessed the effectiveness of our internal control over financial reporting as of May 31, 2024. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework* (2013). Based on this evaluation, management concluded that our internal control over financial reporting was effective as of May 31, 2024.

The effectiveness of our internal control over financial reporting as of May 31, 2024 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report which appears herein.

**Changes in Internal Control over Financial Reporting**

There was no change in our internal control over financial reporting for the fiscal year ended May 31, 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of
AngioDynamics, Inc.
Latham, New York

**Opinion on Internal Control over Financial Reporting**

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

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended May 31, 2024, of the Company and our report dated July 25, 2024, expressed an unqualified opinion on those financial statements.

**Basis for Opinion**

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

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

**Definition and Limitations of Internal Control over Financial Reporting**

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

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

/s/ Deloitte & Touche LLP

Boston, Massachusetts
July 25, 2024

**Item 9B.** ***Other Information.***

None.

**Item 9C.** ***Foreign Jurisdictions that Prevent Inspections.***

Not applicable.

## Part III

Certain information required by Part III is omitted from this Annual Report on Form 10-K because we will file a definitive proxy statement within 120 days after the end of our fiscal year end pursuant to Regulation 14A (the "Proxy Statement") for our Annual Meeting of Stockholders, currently scheduled for October 2024. The information included in the Proxy Statement under the respective headings noted below is incorporated herein by reference.

**Item 10.** ***Directors, Executive Officers and Corporate Governance.***

Information required in this Annual Report on Form 10-K with respect to Executive Officers is contained in the discussion titled "Executive Officers of the Company" in Part I of this Annual Report on Form 10-K. The balance of the information required by Item 10 is incorporated herein by reference to our Proxy Statement under the heading "Election of Directors".

**Item 11.** ***Executive Compensation.***

The information required by this caption is incorporated herein by reference to our Proxy Statement under the heading "Executive Compensation".

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

The information required by this caption is incorporated herein by reference to our Proxy Statement under the heading "Ownership of Securities".

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

The information required by this caption is incorporated herein by reference to our Proxy Statement under the heading "Certain Relationships and Related Transactions".

**Item 14.** ***Principal Accounting Fees and Services.***

The information required by this caption is incorporated herein by reference to our Proxy Statement under the headings "Audit Matters—Principal Accounting Fees and Services and—Policy on Audit Committee Pre-approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm".

## Part IV

**Item 15.** ***Exhibits, Financial Statement Schedules.***

**(a)(1)** ***Financial Statements***

The following consolidated financial statements and supplementary data of Registrant and its subsidiaries required by Part II, Item 8, are included in Part IV of this report:



**(2)** ***Financial Statement Schedules***

The following consolidated financial statement schedule is included in Part IV of this report:



All other schedules are omitted because they are not applicable, not required, or because the required information is included in the consolidated financial statements or notes thereto.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of

AngioDynamics, Inc.

Latham, New York

**Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of AngioDynamics, Inc. and subsidiaries (the "Company") as of May 31, 2024 and 2023, the related consolidated statements of operations, comprehensive loss, stockholders' equity, and cash flows, for each of the three years in the period ended May 31, 2024, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of May 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended May 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of May 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated July 25, 2024, expressed an unqualified opinion on the Company's internal control over financial reporting.

**Basis for Opinion**

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

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

**Critical Audit Matters**

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

**Inventories – Excess Quantities and Obsolescence — Refer to Notes 1 & 6**

*Critical Audit Matter Description*

The Company evaluates inventory each reporting period for excess quantities and obsolescence, establishing reserves when necessary, based upon historical experience, assessment of economic conditions, and expected demand. Once recorded, these reserves are considered permanent adjustments to the carrying value of inventory. As of May 31, 2024, the Company has inventories of $60.6 million, net of excess quantities and obsolescence reserves.

We identified the reserve for excess quantities and obsolete inventory as a critical audit matter because of the significant estimates and assumptions management makes to quantify and to record the reserve, including the determination of expected demand. This required a high degree of auditor judgment and an increased extent of effort when performing audit procedures to evaluate the methodology and the reasonableness of assumptions including expected demand.

*How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to the reserve for excess quantities and obsolete inventory including management’s estimate of expected demand, included the following, among others:

- We tested the design and effectiveness of controls over inventory, including those over the estimation of reserves for excess quantities and obsolescence.
- We evaluated the reasonableness of the Company's excess and obsolete inventory policy, considering historical experience and the underlying assumptions and considered the Company's disclosures.

- We tested the calculation of the excess and obsolete reserve pursuant to the Company's policy, on a sample basis, including the completeness and accuracy of the data used in the calculation.
- We performed a retrospective review by comparing management's prior year projections of future demand by product, with actual product sales in the current year to identify potential bias in the inventory reserve.
- We held discussions with senior financial and operating management to determine whether any strategic, regulatory, or operational changes in the business were consistent with the projections of future demand that were utilized as the basis for the reserves recorded.

**Goodwill - Valuation of Goodwill for the Med Tech Reporting Unit - Refer to Notes 1 & 9**

*Critical Audit Matter Description*

On February 29, 2024, the Company's recorded goodwill was $159.5 million. As discussed in Note 1 of the consolidated financial statements, goodwill is not amortized but rather is tested for impairment at least annually or more frequently if impairment indicators arise. In the third quarter of fiscal year 2024, the Company concluded that the sustained decline in the Company's stock price represented a triggering event requiring further assessment relating to the recoverability of its goodwill and therefore performed an interim impairment test as of February 29, 2024.

The Company recorded a goodwill impairment charge of $159.5 million for the year ended May 31, 2024, relating to its Med Tech reporting unit.

Auditing the annual goodwill impairment involves significant audit effort, as well as a degree of complexity and auditor judgment due to the estimation required in determining the fair value of the reporting units. In particular, the fair value estimates involve judgmental assumptions including the amount and timing of expected future cash flows from revenue growth rates, EBITA margins, depreciation, capital expenditures, and discount rates. The audit effort involved the use of professionals with specialized skill and knowledge.

*How the Critical Audit Matter Was Addressed in the Audit*

The primary procedures we performed to address this critical audit matter included:

- We performed risk assessment procedures over the Company's goodwill impairment analysis, and evaluated the sensitivity of certain business assumptions, including:
  - Revenue growth rates
  - EBITA margins
  - Depreciation
  - Capital expenditures
  - Discount rates used in the valuation model inclusive of the Company specific risk premium
- We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's goodwill impairment review process. This included controls over management's review of significant assumptions including the revenue growth rates, EBITA margins, depreciation, capital expenditures, and discount rates, among other assumptions.
- To test the estimated fair value of the Company's Med Tech reporting unit, we performed audit procedures that included, among others, evaluating methodologies used, involving our valuation specialists to assist in our procedures related to the measurement of fair value and testing the underlying data used by the Company in its analysis. We compared the significant assumptions used by management to current industry and peer trends and recent historic performance. We assessed the historical accuracy of management's estimates and performed sensitivity analyses of significant assumptions to evaluate the changes in the fair value of the reporting unit that would result from changes in the assumptions. We evaluated the assumptions within the model and tested the model's mathematical accuracy. We developed a range of independent estimates for the discount rate and compared those to the discount rate selected by management. In addition, we inspected the Company's reconciliation of the fair value of all reporting units to the market capitalization of the Company. We have also assessed the adequacy of the Company's disclosures included in Notes 1 and 9 in relation to this matter.

/s/ Deloitte & Touche LLP

Boston, Massachusetts
July 25, 2024

We have served as the Company's auditor since 2016.

**AngioDynamics, Inc. and Subsidiaries**

**CONSOLIDATED STATEMENTS OF OPERATIONS**
**(in thousands, except per share data)**

| | Year ended May 31, | | |
|---|---|---|---|
| | 2024 | 2023 | 2022 |
| **Net sales** | $ 303,914 | $ 338,752 | $ 316,219 |
| **Cost of sales (exclusive of intangible amortization)** | 149,216 | 164,506 | 150,487 |
| Gross profit | 154,698 | 174,246 | 165,732 |
| **Operating expenses** | | | |
| Research and development | 31,512 | 29,883 | 30,739 |
| Sales and marketing | 102,818 | 104,249 | 95,301 |
| General and administrative | 41,164 | 40,003 | 38,451 |
| Amortization of intangibles | 13,048 | 18,790 | 19,458 |
| Goodwill impairment | 159,476 | 14,549 | — |
| Change in fair value of contingent consideration | 432 | 2,320 | 1,212 |
| Acquisition, restructuring and other items, net | 53,182 | 15,633 | 9,042 |
| Total operating expenses | 401,632 | 225,427 | 194,203 |
| Gain on sale of assets | 54,499 | — | — |
| Operating loss | (192,435) | (51,181) | (28,471) |
| **Other expenses** | | | |
| Interest income (expense), net | 1,614 | (2,702) | (688) |
| Other expense, net | (817) | (554) | (790) |
| Total other income (expense), net | 797 | (3,256) | (1,478) |
| **Loss before income tax benefit** | (191,638) | (54,437) | (29,949) |
| **Income tax benefit** | (7,289) | (1,995) | (3,402) |
| Net loss | $ (184,349) | $ (52,442) | $ (26,547) |
| **Loss per share** | | | |
| Basic | $ (4.59) | $ (1.33) | $ (0.68) |
| Diluted | $ (4.59) | $ (1.33) | $ (0.68) |
| **Weighted average shares outstanding** | | | |
| Basic | 40,181 | 39,480 | 39,009 |
| Diluted | 40,181 | 39,480 | 39,009 |

The accompanying notes are an integral part of these consolidated financial statements.

**AngioDynamics, Inc. and Subsidiaries**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**
**(in thousands)**

| | Year ended May 31, | | |
|---|---|---|---|
| | 2024 | 2023 | 2022 |
| **Net loss** | $ (184,349) | $ (52,442) | $ (26,547) |
| Other comprehensive income (loss), before tax: | | | |
| Foreign currency translation gain (loss) | 358 | (6,080) | (1,796) |
| Other comprehensive income (loss), before tax | 358 | (6,080) | (1,796) |
| Income tax benefit (expense) related to items of other comprehensive income (loss) | — | — | — |
| Other comprehensive income (loss), net of tax | 358 | (6,080) | (1,796) |
| **Total comprehensive loss, net of tax** | $ (183,991) | $ (58,522) | $ (28,343) |

The accompanying notes are an integral part of these consolidated financial statements.

**AngioDynamics, Inc. and Subsidiaries**
**CONSOLIDATED BALANCE SHEETS**
**(in thousands, except share data)**

| | May 31, 2024 | May 31, 2023 |
|---|---|---|
| **Assets** | | |
| **Current Assets** | | |
| Cash and cash equivalents | $ 76,056 | $ 44,620 |
| Accounts receivable, net of allowances of $2,141 and $2,150 respectively | 43,610 | 52,826 |
| Inventories | 60,616 | 55,325 |
| Prepaid expenses and other | 12,971 | 4,617 |
| Current assets held for sale | — | 6,154 |
| Total current assets | 193,253 | 163,542 |
| Property, plant and equipment, net | 35,666 | 44,384 |
| Intangible assets, net | 77,383 | 111,144 |
| Goodwill | — | 159,238 |
| Other assets | 11,369 | 10,676 |
| Non-current assets held for sale | — | 43,653 |
| Total Assets | $ 317,671 | $ 532,637 |
| **Liabilities and Stockholders' Equity** | | |
| **Current Liabilities** | | |
| Accounts payable | $ 37,751 | $ 40,445 |
| Accrued liabilities | 41,098 | 26,617 |
| Current portion of contingent consideration | 4,728 | 14,761 |
| Other current liabilities | 7,578 | 2,002 |
| Total current liabilities | 91,155 | 83,825 |
| Long-term debt | — | 49,818 |
| Deferred income taxes | 4,852 | 12,813 |
| Contingent consideration, net of current portion | — | 4,535 |
| Other long-term liabilities | 16,078 | 3,350 |
| Total Liabilities | 112,085 | 154,341 |
| Commitments and Contingencies (Note 17) | | |
| **Stockholders' Equity** | | |
| Preferred stock, par value $0.01 per share, 5,000,000 shares authorized; no shares issued and outstanding | — | — |
| Common stock, par value $0.01 per share, 75,000,000 shares authorized; 40,801,597 and 39,981,422 shares issued and 40,431,597 and 39,611,422 shares outstanding at May 31, 2024 and 2023, respectively | 385 | 382 |
| Additional paid-in capital | 610,484 | 599,206 |
| Accumulated deficit | (395,204) | (210,855) |
| Treasury stock, 370,000 shares, at cost at May 31, 2024 and 2023, respectively | (5,714) | (5,714) |
| Accumulated other comprehensive loss | (4,365) | (4,723) |
| Total Stockholders' Equity | 205,586 | 378,296 |
| Total Liabilities and Stockholders' Equity | $ 317,671 | $ 532,637 |

The accompanying notes are an integral part of these consolidated financial statements.

**AngioDynamics, Inc. and Subsidiaries**

**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**

**(in thousands, except share data)**

| | Common Stock | | Additional paid in capital | Accumulated deficit | Accumulated other comprehensive income (loss) | Treasury Stock | | Total |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | | | | Shares | Amount | |
| **Balance at May 31, 2021** | 38,920,951 | $ 377 | $ 573,507 | $ (131,866) | $ 3,153 | (370,000) | $ (5,714) | 439,457 |
| Net loss | | | | (26,547) | | | | (26,547) |
| Exercise of stock options | 162,721 | 1 | 2,706 | | | | | 2,707 |
| Issuance/cancellation of restricted stock units | 299,544 | | (1,900) | | | | | (1,900) |
| Issuance of performance share units | 59,371 | | | | | | | — |
| Purchase of common stock under Employee Stock Purchase Plan | 98,586 | 2 | 1,874 | | | | | 1,876 |
| Stock-based compensation | | | 10,692 | | | | | 10,692 |
| Other comprehensive loss, net of tax | | | | | (1,796) | | | (1,796) |
| **Balance at May 31, 2022** | 39,541,173 | $ 380 | $ 586,879 | $ (158,413) | $ 1,357 | (370,000) | $ (5,714) | $ 424,489 |
| Net loss | | | | (52,442) | | | | (52,442) |
| Exercise of stock options | 21,617 | 1 | 155 | | | | | 156 |
| Issuance/cancellation of restricted stock units | 239,028 | | (720) | | | | | (720) |
| Issuance/cancellation of performance share units | 29,826 | | (312) | | | | | (312) |
| Purchase of common stock under Employee Stock Purchase Plan | 149,778 | 1 | 2,046 | | | | | 2,047 |
| Stock-based compensation | | | 11,158 | | | | | 11,158 |
| Other comprehensive loss, net of tax | | | | | (6,080) | | | (6,080) |
| **Balance at May 31, 2023** | 39,981,422 | $ 382 | $ 599,206 | $ (210,855) | $ (4,723) | (370,000) | $ (5,714) | $ 378,296 |
| Net loss | | | | (184,349) | | | | (184,349) |
| Issuance/cancellation of restricted stock units | 450,561 | | (305) | | | | | (305) |
| Issuance/cancellation of performance share units | 87,377 | | (546) | | | | | (546) |
| Purchase of common stock under Employee Stock Purchase Plan | 282,237 | 3 | 1,600 | | | | | 1,603 |
| Stock-based compensation | | | 10,529 | | | | | 10,529 |
| Other comprehensive income, net of tax | | | | | 358 | | | 358 |
| **Balance at May 31, 2024** | 40,801,597 | $ 385 | $ 610,484 | $ (395,204) | $ (4,365) | (370,000) | $ (5,714) | $ 205,586 |

The accompanying notes are an integral part of these consolidated financial statements.

**AngioDynamics, Inc. and Subsidiaries**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

**(in thousands)**

| | Year ended May 31, | | |
|---|---|---|---|
| | 2024 | 2023 | 2022 |
| **Cash flows from operating activities:** | | | |
| Net loss | $ (184,349) | $ (52,442) | $ (26,547) |
| Adjustments to reconcile net loss to net cash (used in) provided by operating activities: | | | |
| Depreciation and amortization | 27,712 | 30,873 | 29,349 |
| Non-cash lease expense | 1,931 | 2,484 | 2,439 |
| Goodwill impairment | 159,476 | 14,549 | — |
| Stock based compensation | 10,529 | 11,158 | 10,692 |
| Gain on dispositions | (54,499) | — | — |
| Transaction costs for disposition | (5,084) | — | — |
| Change in fair value of contingent consideration | 432 | 2,320 | 1,212 |
| Deferred income tax provision | (7,968) | (2,311) | (3,708) |
| Changes in accounts receivable allowances | 1,326 | 695 | 118 |
| Asset impairments and disposals | 7,108 | 291 | 391 |
| Write-off of other assets | 869 | — | — |
| Other | (62) | (513) | (93) |
| Changes in operating assets and liabilities: | | | |
| Accounts receivable | 7,894 | (1,299) | (17,151) |
| Inventories | (9,410) | (8,198) | (2,796) |
| Prepaid expenses and other | (11,594) | 332 | (5,012) |
| Accounts payable, accrued and other liabilities | 27,531 | 2,139 | 3,912 |
| Net cash (used in) provided by operating activities | (28,158) | 78 | (7,194) |
| **Cash flows from investing activities:** | | | |
| Additions to property, plant and equipment | (2,518) | (3,812) | (4,297) |
| Additions to placement and evaluation units | (5,015) | (5,394) | (11,410) |
| Proceeds from sale of assets | 134,500 | — | — |
| Cash paid for acquisitions | — | — | (3,600) |
| Acquisition of intangibles | (3,250) | (540) | — |
| Net cash provided by (used in) investing activities | 123,717 | (9,746) | (19,307) |
| **Cash flows from financing activities:** | | | |
| Proceeds from issuance of and borrowings on long-term debt | — | 70,000 | — |
| Repayment of long-term debt | (50,000) | (45,000) | — |
| Proceeds from borrowings on long-term debt | — | — | 5,000 |
| Deferred financing costs on long-term debt | — | (751) | — |
| Payment of acquisition related contingent consideration | (15,000) | — | — |
| Proceeds from exercise of stock options and employee stock purchase plan | 752 | 1,171 | 2,683 |
| Net cash (used in) provided by financing activities | (64,248) | 25,420 | 7,683 |
| Effect of exchange rate changes on cash and cash equivalents | 125 | 43 | (518) |
| Increase (decrease) in cash and cash equivalents | 31,436 | 15,795 | (19,336) |
| Cash and cash equivalents at beginning of year | 44,620 | 28,825 | 48,161 |
| Cash and cash equivalents at end of year | $ 76,056 | $ 44,620 | $ 28,825 |

The accompanying notes are an integral part of these consolidated financial statements.

**AngioDynamics, Inc. and Subsidiaries**

**CONSOLIDATED STATEMENTS OF CASH FLOWS—(Continued)**
**(in thousands)**

| | Year ended May 31, | | |
|---|---|---|---|
| | 2024 | 2023 | 2022 |
| **Supplemental disclosure of non-cash investing and financing activities:** | | | |
| Increase (decrease) in accounts payable for purchases of fixed assets | $ (78) | $ 124 | $ 14 |
| **Cash paid during the year for:** | | | |
| Interest | $ — | $ 2,577 | $ 562 |
| Income taxes | 455 | 342 | 329 |

The accompanying notes are an integral part of these consolidated financial statements.

## 1. BASIS OF PRESENTATION, BUSINESS DESCRIPTION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Basis of Presentation and Description of Business***

The consolidated financial statements include the accounts of AngioDynamics, Inc. and its wholly owned subsidiaries, (collectively, the "Company", "we", "our", or "us").

The Company is a leading and transformative medical technology company focused on restoring healthy blood flow in the body's vascular system, expanding cancer treatment options and improving the quality of life for patients.

***Accounting Principles***

The consolidated financial statements and accompanying notes have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

***Principles of Consolidation***

The consolidated financial statements include the accounts of AngioDynamics and its subsidiaries (all of which are wholly owned). All intercompany balances and transactions have been eliminated.

***Use of Estimates***

The preparation of consolidated financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect reported amounts of sales and expenses during the reporting period. Actual results could differ from those estimates.

***Cash and Cash Equivalents***

The Company considers all unrestricted highly liquid investments with an initial maturity of less than three months at the date of purchase to be cash equivalents. The Company maintains cash and cash equivalent balances with financial institutions in the United States in excess of amounts insured by the Federal Deposit Insurance Corporation.

***Fair Value Instruments***

The carrying amount of the Company's cash and cash equivalents, accounts receivable, accounts payable and long-term debt approximates fair value due to the short-term nature or market interest rates of these items. The Company bases the fair value of short-term investments on quoted market prices or other relevant information generated by market transactions involving identical or comparable assets. The Company measures and records derivative financial instruments at fair value. See Note 5, "Fair Value of Financial Instruments" set forth in the Notes to our consolidated financial statements included in this Annual Report on Form 10-K, for further discussion of financial instruments that are carried at fair value on a recurring and nonrecurring basis.

***Accounts Receivable***

Accounts receivable, principally trade receivables, are generally due within 30 to 90 days and are stated at amounts due from customers, net of an allowance for estimated sales returns and doubtful accounts. The Company performs ongoing credit evaluations of customers and adjusts credit limits based upon payment history and the customer’s current creditworthiness, as determined by a review of their current credit information. The Company continuously monitors aging reports, collections and payments from customers, and a provision for estimated credit losses is maintained based upon historical experience and any specific customer collection issues that have been identified. While such credit losses have historically been within expectations and the provisions established, the Company cannot guarantee that the same credit loss rates will be experienced in the future. The Company writes off accounts receivable when they are determined to be uncollectible.

***Inventories***

Inventories are stated at the lower of cost or net realizable value based on the first-in, first-out cost method and consist of raw materials, work in process and finished goods. The standard cost of finished goods and work-in-process inventory is composed of material, labor and manufacturing overhead, which approximates actual cost. In addition to stating inventory at the

lower of cost or net realizable value, we also evaluate inventory each reporting period for excess quantities and obsolescence, establishing reserves when necessary based upon historical experience, assessment of economic conditions and expected demand. Once recorded, these reserves are considered permanent adjustments to the carrying value of inventory. An increase to inventory reserves results in a corresponding increase in cost of revenue. Inventories are written off against the reserve when they are physically disposed.

***Property, Plant and Equipment***

Property, plant and equipment are stated at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Placement and evaluation units represent capital equipment placed at customer locations under placement or evaluation agreements for which depreciation expense is included in cost of sales on the Consolidated Statements of Operations. Refer below for useful lives by category:

| | Estimated useful lives |
|---|---|
| Building and building improvements | 3 to 40 years |
| Computer software and equipment | 2 to 10 years |
| Machinery and equipment | 3 to 11 years |
| Placement and evaluation units | 5 years |

The Company evaluates property, plant and equipment for impairment periodically to determine if changes in circumstances or the occurrence of events suggest the carrying value of the asset or asset group may not be recoverable. Expenditures for repairs and maintenance are charged to expense as incurred. Renewals and betterments are capitalized.

***Goodwill and Intangible Assets***

Intangible assets other than goodwill and in process research and development ("IP R&D") are amortized over their estimated useful lives, which range between two to eighteen years, on a straight-line basis over the expected period of benefit. The Company periodically reviews the estimated useful lives of intangible assets and reviews such assets or asset groups for impairment whenever events or changes in circumstances indicate that the carrying value of the assets may not be recoverable. Such conditions could include significant adverse changes in the business climate, current-period operating or cash flow losses, significant declines in forecasted operations, or a current expectation that an asset group will be disposed of before the end of its useful life. When testing for impairment of definite-lived intangible assets held for use, the Company groups assets at the lowest level for which cash flows are separately identifiable. The Company operates as two reporting units and two asset groups. If a triggering event is deemed to exist, the Company performs an undiscounted operating cash flow analysis to determine if an impairment exists. If an intangible asset is considered to be impaired, the amount of the impairment will equal the excess of the carrying value over the fair value of the asset.

Goodwill is not amortized, but rather, are tested for impairment annually or more frequently if impairment indicators arise. Goodwill represents the excess of the purchase price over the fair value of the net tangible and identifiable intangible assets acquired in each business combination. Goodwill and intangible assets have been recorded at either incurred or allocated cost. Allocated costs were based on respective fair market values at the date of acquisition.

For goodwill, the impairment test requires a comparison of the estimated fair value of each reporting unit to which the goodwill is assigned to the carrying value of the assets and liabilities of those reporting units. The determination of reporting units also requires management judgment. The Company considers whether a reporting unit exists within a reportable segment based on the availability of discrete financial information. The Company operates as two operating segments with two reporting units and consequently evaluates goodwill for impairment based on an evaluation of the fair value of each reporting unit. If the carrying value of the reporting units exceed the fair value, the carrying value is reduced to its fair value through an adjustment to the goodwill balance, resulting in an impairment charge.

As detailed in Note 9, "Goodwill and Intangible Assets" set forth in the Notes to our consolidated financial statements included in this Annual Report on Form 10-K, the Company recorded a goodwill impairment loss of $159.5 million for the year ended May 31, 2024 as the fair value of the Med Tech reporting unit was less than its carrying value.

***Contingent Consideration***

The fair value of the liability for contingent consideration recorded on the acquisition date for a business combination is based on probability weighted estimated cash flow streams, discounted back to present value using a discount rate determined in accordance with accepted valuation methods and reflective of the risk associated with the estimated cash flow streams. The liability for contingent consideration is remeasured to fair value at each reporting period with changes recorded in earnings until the contingency is resolved.

***Revenue Recognition***

The Company recognizes revenue when it transfers control of promised goods or services to its customers in an amount that reflects the consideration to which the Company expects to be entitled to in exchange for those goods and services. See Note 4, “Revenue from Contracts with Customers” set forth in the Notes to our consolidated financial statements included in this Annual Report on Form 10-K for further discussion on revenue.

***Research and Development***

Research and development costs, including salaries, consulting fees, building costs, utilities and administrative expenses that are related to developing new products, enhancing existing products, validating new and enhanced products, managing clinical, regulatory and medical affairs are expensed as incurred.

***Income Taxes***

The Company calculates income tax expense for each jurisdiction in which it operates. This involves estimating actual current taxes due plus assessing temporary differences arising from differing treatment for tax and accounting purposes that are recorded as deferred tax assets and liabilities. The Company periodically evaluates deferred tax assets, capital loss carryforwards and tax credit carryforwards to determine their recoverability based primarily on the Company's ability to generate future taxable income and capital gains. Where it is more-likely-than-not these will not be recovered, the Company estimates a valuation allowance and records a corresponding additional tax expense in the Consolidated Statements of Operations.

The Company recognizes and measures uncertain tax positions taken or expected to be taken in a tax return utilizing a two-step approach. The Company first determines if the weight of available evidence indicates that it is more likely than not that the tax position will be sustained on audit, including resolution of any related appeals or litigation processes. The second step is that the Company measures the tax benefit as the largest amount that is more likely than not to be realized upon ultimate settlement. The Company recognizes interest and penalties related to uncertain tax positions in the provision for income taxes on the Consolidated Statements of Operations.

***Stock-Based Compensation***

Stock-based compensation expense reflects the fair value of stock-based awards measured at the grant date and recognized over the relevant service period. The expense recognized includes the impact of forfeitures as they occur. The Company estimates the fair value of each stock-based award on the measurement date using either the current market price of the stock, the Black-Scholes option valuation model, or the Monte Carlo Simulation valuation model. The Black-Scholes and Monte Carlo Simulation valuation models incorporate assumptions as to stock price volatility, the expected life of options or restricted stock units, a risk-free interest rate and dividend yield. The Company recognizes stock-based compensation expense related to options, restricted stock units and market based performance stock units on a straight-line basis over the service period of the award, which is generally 4 years for options and restricted stock units and 3 years for market based performance stock units.

***Foreign Currency Translation***

The functional currency of the Company's foreign subsidiaries is the local currency in which the subsidiary operates. For foreign operations where the local currency is considered to be the functional currency, the Company translates assets and liabilities into U.S. dollars at the exchange rate on the balance sheet date. The Company translates income and expense items at average rates of exchange prevailing during each period. The Company accumulates translation adjustments in accumulated other comprehensive loss, a component of stockholders’ equity.

Transaction gains or losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are included in Other expense, net in the Consolidated Statements of Operations as incurred.

***Derivative Financial Instruments***

The Company is exposed to market risks, including changes in foreign currency and interest rates. The Company has periodically entered into certain derivative financial instruments to hedge the underlying economic exposure.

Derivative instruments are presented in the consolidated financial statements at their fair value. Changes in the fair value of derivative financial instruments are either recognized periodically in income or in stockholders’ equity as a component of accumulated other comprehensive income (loss) depending on whether the derivative financial instrument qualifies for hedge accounting and, if so, whether it qualifies as a fair value or cash flow hedge. Generally, the changes in the fair value of derivatives accounted for as fair value hedges are recorded in income along with the portions of the changes in the fair value of

hedged items that relate to the hedged risks. Changes in the fair value of derivatives accounted for as cash flow hedges, to the extent they are effective as hedges, are recorded in accumulated other comprehensive income (loss). There were no derivative instruments held by the Company as of May 31, 2024 and 2023.

***Contingencies***

The Company is subject to various legal proceedings that arise in the ordinary course of business, including patent infringement and product liability matters. The Company records accruals for contingencies when it is probable the liability has been incurred and the amount can be reasonably estimated. Legal fees are expensed as incurred. Insurance recoveries related to potential claims are recognized up to the amount of the recorded liability when coverage is confirmed and the estimated recoveries are probable of payment. These recoveries are not netted against the related liabilities for financial statement presentation.

***Recently Issued Accounting Pronouncements***

**Recently Issued Accounting Pronouncements - Adopted**

| Standard | Description | Effective Date | Effect on the Consolidated Financial Statements |
|---|---|---|---|
| ASU 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers* | This ASU improves the accounting for acquired revenue contracts with customers in a business combination by addressing diversity in practice and inconsistency related to recognition of an acquired contract liability and payment terms and their effect on subsequent revenue recognized by the acquirer. | June 1, 2023 | The Company adopted the new standard in the first quarter of fiscal year 2024 and it did not have an impact on the Company's consolidated financial statements. |

**Recently Issued Accounting Pronouncements - Not Yet Applicable or Adopted**

| Standard | Description | Effective Date | Effect on the Consolidated Financial Statements |
|---|---|---|---|
| ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* | This ASU improves the reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. | June 1, 2024 | The Company plans to adopt the new standard in the first quarter of fiscal year 2025 and does not expect there to be a material impact to the consolidated financial statements. |
| ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* | This ASU improves the income tax disclosure requirements on an annual basis by (1) disclose specific categories in the rate reconciliation and (2) provide additional information for reconciling items that meet a quantitative threshold. | June 1, 2025 | The Company plans to adopt the new standard in the first quarter of fiscal year 2026 and does not expect there to be a material impact to the consolidated financial statements. |

## 2. ACQUISITIONS

### Camaro Support Catheter Asset Acquisition

On July 27, 2021, the Company acquired the Camaro support catheter (rebranded as Syntrax) from QX Medical, LLC for an aggregate purchase price of $4.0 million, which included an upfront payment of $3.6 million and $0.4 million in purchase price holdbacks, along with $1.0 million of potential future contingent consideration related to revenue milestones. This acquisition supports the Auryon product family and the Company's strategic plan. The Company accounted for this acquisition as an asset purchase. The Company recorded the amount paid at closing as inventory and fixed assets of $0.1 million and an intangible asset product technology of $3.9 million. The intangible asset will be amortized over 15 years. The contingent consideration is comprised of revenue milestones and will be accounted for when the contingency is resolved or becomes probable and reasonably estimable. During the third quarter of fiscal year 2024, the Company made the decision to abandon the Syntrax product technology which resulted in an impairment charge of $3.3 million.

## 3. DIVESTITURES

### *PICCs and Midlines*

Pursuant to an asset purchase agreement dated February 15, 2024 (the "Asset Purchase Agreement"), the Company completed the sale of its PICC and Midline businesses (the "Divestiture") to Spectrum Vascular ("Spectrum"). Total consideration received by the Company for the Divestiture in the third quarter of fiscal year 2024 was $34.5 million in cash and resulted in a pre-tax book gain of $6.7 million. Included in the agreement is a $5.5 million earn-out related to the sales of divested products over a two year period and a milestone payment of $5.0 million paid upon final transfer of the manufacturing to a third-party.

The Company and Spectrum entered into various agreements to facilitate the transition of the divested businesses to Spectrum, including a Transition Services Agreement ("TSA") and Contract Manufacturing Agreement. The Company determined that the sale of the businesses did not constitute a strategic shift that had a major effect on the Company's operations or financial results and as a result, this transaction will not be classified as discontinued operations.

The following table summarizes the major classes of assets sold on the date of the sale:

| (in thousands) | As of February 15, 2024 |
|---|---|
| Current assets: | |
| Inventories | $ 4,203 |
| Total current assets | $ 4,203 |
| Non-current assets: | |
| Property, plant and equipment, net | $ 158 |
| Intangible assets, net | 20,781 |
| Other assets | 40 |
| Total non-current assets | $ 20,979 |

### *Dialysis and BioSentry*

Pursuant to an asset purchase agreement dated June 8, 2023 (the "Asset Purchase Agreement"), the Company completed the sale of the dialysis and BioSentry tract sealant system biopsy businesses (the "Divestiture") to Merit Medical Systems, Inc. ("Merit"). Total consideration received by the Company for the Divestiture in the first quarter of fiscal year 2024 was $100.0 million in cash and resulted in a pre-tax book gain of $47.8 million.

The Company and Merit entered into various agreements to facilitate the transition of the divested businesses to Merit, including a Transition Services Agreement and Contract Manufacturing Agreement. The Company determined that the sale of the businesses did not constitute a strategic shift that had a major effect on the Company's operations or financial results and as a result, this transaction will not be classified as discontinued operations.

The following table summarizes the major classes of assets sold on the date of the sale:

| (in thousands) | As of June 8, 2023 |
|---|---|
| Current assets: | |
| Inventories | $ 4,068 |
| Prepaid expenses and other | 2,000 |
| Total current assets | $ 6,068 |
| Non-current assets: | |
| Property, plant and equipment, net | $ 54 |
| Intangible assets, net | 17,629 |
| Goodwill | 25,980 |
| Total non-current assets | $ 43,663 |

The sale of the dialysis product portfolio and BioSentry tract sealant system biopsy businesses to Merit qualified for held for sale accounting and the Company determined that the fair value of the net assets being sold exceeded the carrying value as of May 31, 2023.

The following table summarizes the major classes of assets held for sale:

| (in thousands) | As of May 31, 2023 |
|---|---|
| Current assets: | |
| Inventories | $ 4,154 |
| Prepaid expenses and other | 2,000 |
| Total current assets held for sale | $ 6,154 |
| Non-current assets: | |
| Property, plant and equipment, net | $ 44 |
| Intangible assets, net | 17,629 |
| Goodwill | 25,980 |
| Total non-current assets held for sale | $ 43,653 |

## 4. REVENUE FROM CONTRACTS WITH CUSTOMERS

***Revenue Recognition***

Under ASC 606, *Revenue from Contracts with Customers*, revenue is recognized when a customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

The Company has one primary revenue stream which is the sales of its products.

***Disaggregation of Revenue***

The following tables summarize net sales by Med Tech, Med Device and by geography:

| | Year ended May 31, 2024 | | | Year ended May 31, 2023 | | |
|---|---|---|---|---|---|---|
| (in thousands) | United States | International | Total | United States | International | Total |
| Net sales | | | | | | |
| Med Tech | $ 90,361 | $ 16,042 | $ 106,403 | $ 84,332 | $ 12,355 | $ 96,687 |
| Med Device | 161,125 | 36,386 | 197,511 | 198,381 | 43,684 | 242,065 |
| Total | $ 251,486 | $ 52,428 | $ 303,914 | $ 282,713 | $ 56,039 | $ 338,752 |

| (in thousands) | Year ended May 31, 2022 | | |
|---|---|---|---|
| | United States | International | Total |
| Net sales | | | |
| Med Tech | $ 69,939 | $ 8,778 | $ 78,717 |
| Med Device | 196,024 | 41,478 | 237,502 |
| Total | $ 265,963 | $ 50,256 | $ 316,219 |

***Net Product Revenue***

The Company's products consist of a wide range of medical, surgical and diagnostic devices used by professional healthcare providers for vascular access, for the treatment of peripheral vascular disease and for use in oncology and surgical settings. The Company's products are generally used in minimally invasive, image-guided procedures. Most of the Company's products are intended to be used once and then discarded, or they may be implanted for short or long term use. The Company sells its products to its distributors and to end users, such as interventional radiologists, interventional cardiologists, vascular surgeons, urologists, interventional and surgical oncologists and critical care nurses.

*Contracts and Performance Obligations*

The Company contracts with its customers based on customer purchase orders, which in many cases are governed by master purchasing agreements. The Company's contracts with customers are generally for product only, and do not include other performance obligations such as services or other material rights. As part of its assessment of each contract, the Company evaluates certain factors including the customer's ability to pay (or credit risk). For each contract, the Company considers the promise to transfer products, each of which is distinct, to be the identified performance obligations.

*Transaction Price and Allocation to Performance Obligations*

Transaction prices of products are typically based on contracted rates. Product revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring products to a customer, net of any variable consideration as described below.

If a contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price based on the estimated relative standalone selling prices of the promised products underlying each performance obligation. The Company has standard pricing for its products and determines standalone selling prices based on the price at which the performance obligation is sold separately.

*Revenue Recognition*

Revenue is recognized when control of the product is transferred to the customer (i.e., when the Company's performance obligation is satisfied), which occurs at a point in time, and may be upon shipment from the Company's manufacturing site or delivery to the customer's named location, based on the shipping terms of a contract.

In determining whether control has transferred, the Company considers if there is a present right to payment from the customer and when physical possession, legal title and risks and rewards of ownership have transferred to the customer.

The Company typically invoices customers upon satisfaction of identified performance obligations. As the Company's standard payment terms are 30 to 90 days from invoicing, the Company does not provide any significant financing to its customers.

The Company enters into agreements to place placement and evaluation units ("units") at customer sites, but the Company retains title to the units. For the duration of these agreements the customer has the right to use the unit at no upfront charge in connection with the customer's ongoing purchase of disposables. These types of agreements include an embedded operating lease for the right to use the units. In these arrangements, revenue recognized for the sale of the disposables is not allocated between the disposal revenue and lease revenue due to the insignificant value of the units in relation to the total agreement value.

Sales, value add, and other taxes collected on behalf of third parties are excluded from revenue.

*Variable Consideration*

Reserves: Revenue from product sales are recorded at the net sales price (transaction price), which includes estimates of variable consideration for which reserves are established for discounts, returns, rebates and allowances that are offered within

contracts between the Company and its customers. These reserves are based on the amounts earned or to be claimed on the related sales and are classified as a contra asset.

Rebates and Allowances: The Company provides certain customers with rebates and allowances that are explicitly stated in the Company's contracts and are recorded as a reduction of revenue in the period the related product revenue is recognized. The Company establishes reserves for such amounts, which is included in accrued expenses in the accompanying Consolidated Balance Sheets. These rebates and allowances result from performance-based offers that are primarily based on attaining contractually specified sales volumes. The Company is also required to pay administrative fees to group purchasing organizations.

Product Returns: The Company generally offers customers a limited right of return. Product returns after 30 days must be pre-approved by the Company and customers may be subject to a 20% restocking charge. To be accepted, a returned product must be unadulterated, undamaged and have at least twelve months remaining prior to its expiration date. The Company estimates the amount of its product sales that may be returned by its customers and records this estimate as a reduction of revenue in the period the related product revenue is recognized. The Company currently estimates product return liabilities using its historical product return information and considers other factors that it believes could significantly impact its expected returns, including product recalls. During the year ended May 31, 2024, such product returns were not material.

***Contract Balances with Customers***

A receivable is generally recognized in the period the Company ships the product. Payment terms on invoiced amounts are based on contractual terms with each customer and generally coincide with revenue recognition. Accordingly, the Company does not have any contract assets associated with the future right to invoice its customers. In some cases, if control of the product has not yet transferred to the customer or the timing of the payments made by the customer precedes the Company's fulfillment of the performance obligation, the Company recognizes a contract liability that is included in deferred revenue in the accompanying Consolidated Balance Sheets.

The following table presents changes in the Company's receivables, contract assets and contract liabilities with customers:

| (in thousands) | May 31, 2024 | May 31, 2023 |
|---|---|---|
| Receivables | $ 43,610 | $ 52,826 |
| Contract assets | $ — | $ — |
| Contract liabilities | $ 391 | $ 499 |

During the years ended May 31, 2024 and 2023, the Company had additions to contract liabilities of $0.6 million and $0.7 million, respectively. This was offset by $0.7 million and $0.7 million in revenue that was recognized during the years ended May 31, 2024 and 2023, respectively.

***Costs to Obtain or Fulfill a Customer Contract***

Under ASC 606, the Company may recognize an asset for incremental costs of obtaining a contract with a customer if it expects to recover those costs. The Company's sales incentive compensation plans qualify for capitalization since these plans are directly related to sales achieved during a period of time. However, the Company has elected the practical expedient under ASC 340-40-25-4 to expense the costs as they are incurred within selling and marketing expenses since the amortization period is less than one year.

The Company accounts for shipping and handling activities related to contracts with customers as costs to fulfill the promise to transfer the associated products. Shipping and handling costs, associated with the distribution of finished products to customers, are recorded in costs of goods sold and are recognized when the related finished product is shipped to the customer. Amounts charged to customers for shipping are recorded in net sales.

**5. FAIR VALUE OF FINANCIAL INSTRUMENTS**

On a recurring basis, the Company measures certain financial assets and financial liabilities at fair value based upon quoted market prices, where available. Where quoted market prices or other observable inputs are not available, the Company applies valuation techniques to estimate fair value. FASB ASC Topic 820, *Fair Value Measurements and Disclosures,* establishes a three-level valuation hierarchy for disclosure of fair value measurements. The categorization of financial assets and financial liabilities within the valuation hierarchy is based upon the lowest level of input that is significant to the measurement of fair value. The three levels of the hierarchy are defined as follows:

- Level 1 - Inputs to the valuation methodology are quoted market prices for identical assets or liabilities.

- Level 2 - Inputs to the valuation methodology are other observable inputs, including quoted market prices for similar assets or liabilities and market-corroborated inputs.
- Level 3 - Inputs to the valuation methodology are unobservable inputs based on management's best estimate of inputs market participants would use in pricing the asset or liability at the measurement date, including assumptions about risk.

The Company's financial instruments include cash and cash equivalents, accounts receivable, accounts payable and contingent consideration. The carrying amount of cash and cash equivalents, accounts receivable, and accounts payable approximates fair value due to their immediate or short-term maturities. The recurring fair value measurements using significant unobservable inputs (Level 3) relate to contingent consideration liabilities.

The following tables provide information by level for assets and liabilities that are measured at fair value on a recurring basis:

| | Fair Value Measurements using inputs considered as: | | | |
|---|---|---|---|---|
| (in thousands) | Level 1 | Level 2 | Level 3 | Fair Value at May 31, 2024 |
| Financial Liabilities | | | | |
| Contingent consideration for acquisition earn outs | $ — | $ — | $ 4,728 | $ 4,728 |
| Total Financial Liabilities | $ — | $ — | $ 4,728 | $ 4,728 |

| | Fair Value Measurements using inputs considered as: | | | |
|---|---|---|---|---|
| (in thousands) | Level 1 | Level 2 | Level 3 | Fair Value at May 31, 2023 |
| Financial Liabilities | | | | |
| Contingent consideration for acquisition earn outs | $ — | $ — | $ 19,296 | $ 19,296 |
| Total Financial Liabilities | $ — | $ — | $ 19,296 | $ 19,296 |

There were no transfers between Level 1, 2 and 3 for the years ended May 31, 2024 and 2023.

The following tables present the changes in fair value components of Level 3 instruments:

| | Financial Liabilities |
|---|---|
| (in thousands) | Fair Value Measurements Using Significant Unobservable Inputs (Level 3) |
| Balance at May 31, 2023 | $ 19,296 |
| Change in present value of contingent consideration (1) | 432 |
| Contingent consideration payments | (15,000) |
| Balance at May 31, 2024 | $ 4,728 |

(1) Change in the fair value of contingent consideration is included in earnings and comprised of changes in estimated earn out payments based on projections of Company performance and amortization of the present value discount.

| | Financial Liabilities |
|---|---|
| (in thousands) | Fair Value Measurements Using Significant Unobservable Inputs (Level 3) |
| Balance at May 31, 2022 | $ 16,948 |
| Change in fair value of contingent consideration (1) | 2,320 |
| Currency loss from remeasurement | 28 |
| Balance at May 31, 2023 | $ 19,296 |

(1) Change in the fair value of contingent consideration is included in earnings and comprised of changes in estimated earn out payments based on projections of Company performance and amortization of the present value discount.

***Contingent Liability for Acquisition Earn Outs***

Some of the Company's business combinations involve the potential for the payment of future contingent consideration upon the achievement of certain product development milestones or various other performance conditions. Payment of the additional consideration is generally contingent on the acquired company reaching certain performance milestones, including attaining specified revenue levels or product development targets. Contingent consideration is recorded at the estimated fair value of the contingent payments on the acquisition date. The fair value of the contingent consideration is remeasured at the estimated fair value at each reporting period with the change in fair value recognized as income or expense within change in fair value of contingent consideration in the Consolidated Statements of Operations.

The Company measures the initial liability and remeasures the liability on a recurring basis using Level 3 inputs as defined under authoritative guidance for fair value measurements which is determined using a discounted cash flow model applied to projected net sales, using probabilities of achieving projected net sales and projected payment dates. Projected net sales are based on internal projections and extensive analysis of the target market and the sales potential. Increases or decreases in any valuation inputs in isolation may result in a significantly lower or higher fair value measurement in the future.

The recurring Level 3 fair value measurements of the contingent consideration liabilities include the following significant unobservable inputs as of May 31, 2024:

| (in thousands) | Fair Value | Valuation Technique | Unobservable Input | Range |
|---|---|---|---|---|
| Revenue based payments | $ 4,728 | Discounted cash flow | Discount rate | 10% |
| | | | Probability of payment | 90% - 100% |
| | | | Projected fiscal year of payment | 2025 |

At May 31, 2024, the amount of undiscounted future contingent consideration that the Company expects to pay as a result of all completed acquisitions is approximately $5.0 million. The milestones, including revenue projections and technical milestones, associated with the contingent consideration must be reached in future periods ranging from fiscal years 2025 to 2029 in order for the associated consideration to be paid.

***Items Measured at Fair Value on a Nonrecurring Basis***

The Company recorded a goodwill impairment charge of $159.5 million for the quarter ended February 29, 2024 to write down the carrying value of the Med Tech reporting unit to fair value. The Company recorded a goodwill impairment charge of $14.5 million for the year ended May 31, 2023 to write down the carrying value of the Med Device reporting unit to fair value.

During the third quarter of fiscal year 2024, the Company made the decision to abandon the Syntrax product technology which resulted in an impairment charge of $3.3 million.

During the third quarter of fiscal year 2024, the Company received a purchase offer for the properties located at 603 Queensbury Avenue, Queensbury NY and 8 Glens Falls Tech Park, Glens Falls, NY. This resulted in an impairment charge of $3.4 million to write the buildings down to fair value.

There were no other items measured at fair value on a nonrecurring basis during the year ended May 31, 2024 or May 31, 2023.

**6. INVENTORIES**

Inventories are stated at lower of cost and net realizable value (using the first-in, first-out method). Inventories consisted of the following:

| (in thousands) | May 31, 2024 | May 31, 2023 |
|---|---|---|
| Raw materials | $ 30,736 | $ 28,679 |
| Work in process | 6,772 | 6,708 |
| Finished goods | 23,108 | 19,938 |
| Total | $ 60,616 | $ 55,325 |

The Company periodically reviews inventory for both obsolescence and loss of value. The Company makes assumptions about the future demand for and market value of the inventory. Based on these assumptions, the Company estimates the amount of obsolete, expiring and slow moving inventory. The total inventory reserve at May 31, 2024 and 2023 was $3.3 million and $3.1 million, respectively.

**7. PREPAID EXPENSES AND OTHER**

Prepaid expenses and other consisted of the following:

| (in thousands) | May 31, 2024 | May 31, 2023 |
|---|---|---|
| Deposits | $ 913 | $ 894 |
| Software licenses | 1,643 | 1,501 |
| TSA receivable | 6,401 | — |
| License fees | 208 | 217 |
| Trade shows | 580 | 448 |
| Rent | 185 | 191 |
| Other prepaid taxes | 464 | 264 |
| Other | 2,577 | 1,102 |
| Total | $ 12,971 | $ 4,617 |

**8. PROPERTY, PLANT AND EQUIPMENT, NET**

Property, plant and equipment are summarized as follows:

| (in thousands) | May 31, 2024 | May 31, 2023 |
|---|---|---|
| Building and building improvements | $ 30,099 | $ 29,660 |
| Computer software and equipment | 28,407 | 27,435 |
| Machinery and equipment | 15,756 | 17,023 |
| Placement and evaluation units | 31,312 | 26,355 |
| Construction in progress | 2,638 | 2,444 |
| | 108,212 | 102,917 |
| Less accumulated depreciation | (69,675) | (59,026) |
| Less building impairment | (3,364) | — |
| | 35,173 | 43,891 |
| Land and land improvements | 493 | 493 |
| | $ 35,666 | $ 44,384 |

Depreciation expense for fiscal years 2024, 2023 and 2022 was $14.7 million, $11.9 million and $7.6 million, respectively. Depreciation expense for the year ended May 31, 2024 includes accelerated depreciation of $2.4 million related to the plant closure announced on January 5, 2024 (see Note 19 "Acquisition, restructuring and other items, net" as set forth in the Notes to the consolidated financial statements in this Annual Report on Form 10-K). During the third quarter of fiscal year 2024, the Company received a purchase offer for the properties located at 603 Queensbury Avenue, Queensbury NY and 8 Glens Falls Tech Park, Glens Falls, NY. This resulted in an impairment charge of $3.4 million to write the buildings down to fair value.

**9. GOODWILL AND INTANGIBLE ASSETS**

***Goodwill***

Goodwill is not amortized, but rather, is tested for impairment annually or more frequently if impairment indicators arise. Goodwill represents the excess of the purchase price over the fair value of the net tangible and identifiable intangible assets acquired in each business combination.

The Company's annual testing for impairment of goodwill was completed as of April 30, 2023. To determine the fair value of the two reporting units as of April 30, 2023, the Company utilized the income approach for Med Tech and a combination of the income approach and market approach for Med Device. Based on the results of this evaluation, there were no adjustments to goodwill for either reporting unit as of April 30, 2023.

In the fourth quarter of fiscal year 2023, the Company concluded that the sale of the dialysis and BioSentry businesses to Merit Medical Systems, Inc. was a triggering event for the Med Device reporting unit. As the Company concluded that this was the sale of a business, goodwill was allocated to the sale based on the relative fair value of the dialysis and BioSentry

businesses and is included in assets held for sale as of May 31, 2023. To determine the fair value of the remaining Med Device reporting unit as of May 31, 2023, the Company utilized the income approach, as it was determined to be a better representation of the remaining Med Device reporting unit's projected long-term performance. Based on the results of this evaluation, the Company recorded a goodwill impairment charge of $14.5 million for the year ended May 31, 2023 to write down the carrying value of the Med Device reporting unit to fair value.

In the third quarter of fiscal year 2024, the Company concluded that the sustained decline in our stock price was a triggering event for the Med Tech reporting unit. To determine the fair value of the remaining Med Tech reporting unit as of February 29, 2024, the Company utilized the income approach, as it was determined to be a better representation of the remaining Med Tech reporting unit's projected long-term performance. The income approach is based on the projected cash flows discounted to their present value using discount rates, that in the Company's judgment, consider the timing and risk of the forecasted cash flows using internally developed forecasts and assumptions. Under the income approach, the discount rate used is the average estimated value of a market participant's cost of capital and debt, derived using customary market metrics. Other significant assumptions include revenue growth rates, profitability projections, and terminal value growth rates. Based on the results of this evaluation, the Company recorded a goodwill impairment charge of $159.5 million for the year ended May 31, 2024 to write down the carrying value of the Med Tech reporting unit to fair value. The impairment loss is disclosed separately on the face of the accompanying consolidated statements of operations.

Goodwill for each reporting unit is allocated as follows:

| | Year ended May 31, 2024 | | |
|---|---|---|---|
| (in thousands) | Med Tech | Med Device | Total |
| Balance June 1, 2023 | $ 159,238 | $ — | $ 159,238 |
| Goodwill impairment | (159,476) | — | (159,476) |
| Foreign currency translation adjustments | 238 | — | 238 |
| Balance May 31, 2024 | $ — | $ — | $ — |

| | Year ended May 31, 2023 | | |
|---|---|---|---|
| (in thousands) | Med Tech | Med Device | Total |
| Balance June 1, 2022 | $ 160,529 | $ 40,529 | $ 201,058 |
| Goodwill impairment | — | (14,549) | (14,549) |
| Assets held for sale | — | (25,980) | (25,980) |
| Foreign currency translation adjustments | (1,291) | — | (1,291) |
| Balance May 31, 2023 | $ 159,238 | $ — | $ 159,238 |

***Definite Lived Intangible Assets***

Intangible assets other than goodwill are amortized over their estimated useful lives on a straight-line basis. Useful lives range from two to eighteen years. The Company periodically reviews, and adjusts, if necessary, the estimated useful lives of its intangible assets and reviews such assets or asset groups for impairment whenever events or changes in circumstances indicate that the carrying value of the assets or asset groups may not be recoverable. If an intangible asset or asset group is considered to be impaired, the amount of the impairment will equal the excess of the carrying value over the fair value of the asset.

In connection with the triggering event for the Med Tech reporting unit as of February 29, 2024, long-lived assets were tested for impairment. As a result of the undiscounted cash flow analysis that was performed, there were no impairments identified as of February 29, 2024. There were no impairment charges on definite lived intangible assets for the year ended May 31, 2024.

During the third quarter of fiscal year 2024, the Company made the decision to abandon the Syntrax product line. This resulted in an impairment charge of $3.3 million. The impairment charge is recorded in "Acquisition, restructuring and other items, net", on the Consolidated Statements of Operations (see Note 19 "Acquisition, restructuring and other items, net" as set forth in the Notes to the consolidated financial statements in this Annual Report on Form 10-K).

Intangible assets consisted of the following:

| (in thousands) | May 31, 2024 Gross carrying value | Accumulated amortization | Net carrying value |
|---|---|---|---|
| Product technologies | $ 176,227 | $ (102,468) | $ 73,759 |
| Customer relationships | 9,028 | (5,628) | 3,400 |
| Trademarks | 2,100 | (2,024) | 76 |
| Licenses | 3,837 | (3,689) | 148 |
| | $ 191,192 | $ (113,809) | $ 77,383 |

| (in thousands) | May 31, 2023 Gross carrying value | Accumulated amortization | Net carrying value |
|---|---|---|---|
| Product technologies | $ 211,751 | $ (118,314) | $ 93,437 |
| Customer relationships | 57,509 | (40,755) | 16,754 |
| Trademarks | 7,450 | (6,660) | 790 |
| Licenses | 4,837 | (4,674) | 163 |
| | $ 281,547 | $ (170,403) | $ 111,144 |

Amortization expense was $13.0 million, $18.8 million and $19.5 million for fiscal years 2024, 2023 and 2022, respectively.

Expected future amortization expense related to the intangible assets for each of the following fiscal years is as follows:

| (in thousands) | |
|---|---|
| 2025 | $ 10,269 |
| 2026 | 10,088 |
| 2027 | 9,997 |
| 2028 | 9,948 |
| 2029 | 9,851 |
| 2030 and thereafter | 27,230 |
| | $ 77,383 |

**10. INCOME TAXES**

The components of loss before income tax benefit are as follows:

| (in thousands) | Year ended May 31, 2024 | 2023 | 2022 |
|---|---|---|---|
| Loss before tax expense: | | | |
| U.S. | $ (177,314) | $ (45,240) | $ (28,495) |
| Non-U.S. | (14,324) | (9,197) | (1,454) |
| | $ (191,638) | $ (54,437) | $ (29,949) |

Income tax benefit is comprised of the following:

| (in thousands) | Year ended May 31, 2024 | 2023 | 2022 |
|---|---|---|---|
| Current | | | |
| U.S. | 318 | 129 | 120 |
| Non U.S. | 361 | 187 | 186 |
| | 679 | 316 | 306 |
| Deferred | | | |
| U.S. | (7,039) | (207) | (3,415) |
| Non U.S. | (929) | (2,104) | (293) |
| | (7,968) | (2,311) | (3,708) |
| | | | |
| Income tax benefit | $ (7,289) | $ (1,995) | $ (3,402) |

Temporary differences that give rise to deferred tax assets and liabilities are summarized as follows:

| (in thousands) | May 31, 2024 | May 31, 2023 |
|---|---|---|
| Deferred tax assets | | |
| Net operating loss carryforward | $ 28,243 | $ 40,460 |
| Stock-based compensation | 3,796 | 4,263 |
| Federal and state R&D tax credit carryforward | 7,777 | 7,311 |
| Inventories | 762 | 724 |
| Expenses incurred not currently deductible | 15,694 | 6,986 |
| Accrued liabilities | 39 | 78 |
| Gross deferred tax asset | 56,311 | 59,822 |
| Deferred tax liabilities | | |
| Depreciation and amortization | 8,443 | 46,828 |
| | 8,443 | 46,828 |
| Valuation allowance | (52,680) | (25,759) |
| Net deferred tax liability | $ (4,812) | $ (12,765) |

The net deferred tax liability of $4.9 million as of May 31, 2024 relates to the stock acquisition of Eximo Medical Ltd. primarily related to book intangibles partially offset by tax net operating losses and capitalized R&D expenditures. The net deferred tax liability in the U.S. as of May 31, 2023 principally relates to tax amortization of intangibles that have an indefinite reversal period for book purposes, also known as a “naked credit deferred tax liability”, that cannot be considered as a source of income to recover the deferred tax asset. In addition, included in the net deferred tax liability as of May 31, 2023 is a net deferred tax liability of $5.8 million that was related to the stock acquisition of Eximo Medical Ltd. primarily related to book intangibles partially offset by tax net operating losses and capitalized R&D expenditures.

The Company's U.S. Federal net operating loss carryforwards as of May 31, 2024 after considering IRC Section 382 limitations are $111.0 million. The expiration of the Federal net operating loss carryforwards are as follows: $37.1 million between 2030 and 2032, and $73.9 million indefinitely.

The Company's state net operating loss carryforwards as of May 31, 2024 after considering remaining IRC Section 382 limitations are $14.4 million which expire in various years from 2029 to 2043. The Company has Israel tax net operating losses of $17.2 million that can be carried forward indefinitely.

Beginning in 2018, except for the Global Intangible Low-Taxed Income, the Company will no longer record United States federal income tax on its share of the income of its foreign subsidiaries, nor will it record a benefit for foreign tax credits related to that income. Upon distribution of these earnings in the form of dividends or otherwise, the Company would be subject to withholding taxes payable, where applicable, to foreign countries, but would have no further federal income tax liability. The Company intends to indefinitely reinvest the unremitted foreign earnings of all other subsidiaries as of May 31, 2024, as well as all subsequent earnings generated by all of our foreign subsidiaries. Determining the amount of unrecognized deferred tax liability related to any additional outside basis difference in these entities is not practical.

The Company regularly assesses its ability to realize its deferred tax assets. Assessing the realization of deferred tax assets requires significant management judgment. In determining whether its deferred tax assets are more likely than not realizable, the Company evaluated all available positive and negative evidence, and weighted the evidence based on its objectivity.

Based on the review of all available evidence, the Company determined that it has not yet attained a sustained level of profitability and the objectively verifiable negative evidence outweighed the positive evidence. As a result of the full impairment of Goodwill and the reversal of the naked credit deferred tax liability sourced income, the Company has recorded a full valuation allowance on its US net deferred tax assets as of May 31, 2024. The Company will continue to assess the level of the valuation allowance required. If sufficient positive evidence exists in future periods to support a release of some or all of the valuation allowance, such a release would likely have a material impact on the Company's results of operations.

The Company's consolidated income tax expense has differed from the amount that would be provided by applying the U.S. Federal statutory income tax rate to the Company's income before income taxes for the following reasons:

| | Year ended May 31, | | |
|---|---|---|---|
| (in thousands) | 2024 | 2023 | 2022 |
| Income tax benefit at federal statutory tax rate of 21.0%, 21.0% and 21.0%, respectively | $ (40,244) | $ (11,432) | $ (6,289) |
| State income taxes, net of Federal tax benefit | (3,016) | (353) | (536) |
| Impact of Non-U.S. operations | 2,440 | 14 | 199 |
| Research and development tax credit | (907) | (991) | 395 |
| Meals and entertainment | 244 | 258 | 179 |
| Goodwill impairment | 4,867 | 3,055 | — |
| Non-deductible executive compensation | 201 | 366 | 686 |
| Change in valuation allowance | 26,921 | 5,556 | 3,168 |
| Stock based compensation | 1,357 | 505 | (1,616) |
| Other | 848 | 1,027 | 412 |
| Income tax benefit | $ (7,289) | $ (1,995) | $ (3,402) |

The following table provides a reconciliation of the beginning and ending amount of unrecognized tax benefits:

| | Year ended May 31, | | |
|---|---|---|---|
| (in thousands) | 2024 | 2023 | 2022 |
| Unrecognized tax benefits balance at June 1 | $ 464 | $ 464 | $ 464 |
| Decrease in gross amounts of tax positions related to prior years due to U.S. tax reform | — | — | — |
| Decrease due to lapse in statute of limitations | (464) | — | — |
| Unrecognized tax benefits balance at May 31 | $ — | $ 464 | $ 464 |

The table above includes unrecognized tax benefits associated with the calculation of limitations placed on the utilization of tax attributes related to an acquired company.

The Company recognizes interest and penalties related to unrecognized tax benefits as a component of income tax expense. There are no accrued interest and penalties recognized in the Consolidated Balance Sheets as of May 31, 2024 and May 31, 2023.

The Company files income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. In the normal course of business the Company is subject to examination by taxing authorities throughout the world. Fiscal years 2021 through 2023 remain open to examination by the various tax authorities.

The Company does not anticipate that the amount of unrecognized tax benefits will significantly change in the next twelve months.

**11. ACCRUED LIABILITIES**

Accrued liabilities consist of the following:

| (in thousands) | May 31, 2024 | May 31, 2023 |
|---|---|---|
| Payroll and related expenses | $ 15,640 | $ 9,232 |
| Outside services | 8,962 | 7,088 |
| Royalties | 2,575 | 2,874 |
| Research and development | 1,255 | 1,525 |
| Accrued severance | 1,486 | 262 |
| Sales and franchise taxes | 520 | 480 |
| TSA Payable | 6,259 | — |
| Rebates | 412 | 469 |
| Other | 3,989 | 4,687 |
| Total | $ 41,098 | $ 26,617 |

**12. LONG-TERM DEBT**

On June 8, 2023 and in connection with the completion of the dialysis and BioSentry divestiture, the Company repaid all amounts outstanding under its then existing Credit Agreement, dated as of August 30, 2022, with the lender parties thereto, JPMorgan Chase Bank, N.A., as administrative agent, Bank of America, N.A. and KeyBank National Association, as co-syndication agents, and JPMorgan Chase Bank, N.A. as sole bookrunner and sole lead arranger (the "Credit Agreement"), and as a result, the Credit Agreement was extinguished. Pursuant to the terms of the Credit Agreement, AngioDynamics had the option to repay this facility prior to the maturity date without penalty.

**13. RETIREMENT PLANS**

The Company has a 401(k) plan under which eligible employees can defer a portion of their compensation, part of which is matched by the Company. Matching contributions were $4.6 million, $4.2 million and $4.3 million in 2024, 2023 and 2022, respectively. There are also various immaterial foreign retirement plans.

**14. STOCKHOLDERS' EQUITY**

***Capitalization***

On October 29, 2014, the Board of Directors approved the Amended and Restated Certificate of Incorporation (the "Amended Certificate"). Under the Amended Certificate, the authorized capital stock is 80,000,000 shares, consisting of 75,000,000 shares of common stock, par value $.01 per share and 5,000,000 shares of preferred stock, par value $.01 per share.

The holders of common stock are entitled to one vote for each share held. Subject to preferences applicable to any outstanding shares of preferred stock, the holders of common stock are entitled to receive ratably dividends, if any, as may be declared by the Board of Directors out of funds legally available for dividend payments. If the Company liquidates, dissolves, or winds up, the holders of common stock are entitled to share ratably in all assets remaining after payment of liabilities and liquidation preferences of any outstanding shares of preferred stock. Holders of common stock have no pre-emptive rights or rights to convert their common stock into any other securities. There are no redemption or sinking fund provisions applicable to the common stock. The rights, preferences and privileges of the holders of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock that the Company may designate in the future.

The Board of Directors has the authority to (i) issue the undesignated preferred stock in one or more series, (ii) determine the powers, preferences and rights and the qualifications, limitations or restrictions granted to or imposed upon any wholly un-issued series of undesignated preferred stock and (iii) fix the number of shares constituting any series and the designation of the series, without any further vote or action by the Company's stockholders.

***Stock Options***

On October 13, 2020, the Company's shareholders approved the 2020 Stock and Incentive Award Plan (the "2020 Plan"). The 2020 Plan provides for the grant of incentive stock options, non-statutory stock options, restricted stock, restricted stock units, stock appreciation rights, performance share units, performance shares and other incentive awards to the Company's employees, directors and other service providers. On November 14, 2023 the Company's shareholders approved an amendment to the 2020 Plan to increase the reserve of shares of common stock available for future grants by 1,500,000 shares. As of May 31, 2024, there remained approximately 2.7 million shares available for future grants under the 2020 Plan.

Prior to the adoption of the 2020 Plan, equity awards were issued under the 2004 Stock and Incentive Award Plan (the "2004 Plan"). The adoption of the 2020 Plan did not impact the administration of equity awards issued under the 2004 Plan but following the adoption of the 2020 Plan, equity award grants are no longer made under the 2004 Plan.

The following table summarizes information about stock option activity for the fiscal year ended May 31, 2024:

| | Shares | Weighted average exercise price | Weighted average remaining contractual life | Aggregate intrinsic value (in thousands) |
|---|---|---|---|---|
| Outstanding at beginning of year - June 1, 2023 | 2,206,549 | $ 17.90 | | |
| Granted | 455,527 | $ 8.92 | | |
| Exercised | — | $ — | | |
| Forfeited | (198,975) | $ 17.16 | | |
| Expired | (300,118) | $ 16.33 | | |
| Outstanding at end of year - May 31, 2024 | 2,162,983 | $ 16.29 | 6.52 | $ — |
| Options exercisable at year-end | 1,317,662 | $ 17.44 | 5.44 | $ — |
| Options expected to vest in future periods | 845,321 | $ 14.51 | 8.20 | $ — |

Stock options are granted at exercise prices equal to the quoted market price of common stock at the date of the grant. Options vest 25% per year over four years for employees. Stock options granted prior to May 1, 2007 and after June 1, 2017 expire on the tenth anniversary of the grant date. Stock options granted between May 1, 2007 through May 31, 2017 expire on the seventh anniversary of the grant date.

The Company measures the fair value of each stock option grant at the date of grant using a Black-Scholes option pricing model. The weighted average grant-date fair value of options granted during the years ended May 31, 2024, 2023 and 2022 was $4.30, $9.27, and $9.57, respectively. The following assumptions were used in arriving at the fair value of options granted during 2024, 2023 and 2022, respectively: risk-free interest rates of 3.96%, 3.20% and 0.92%; expected volatility of 49%, 44%, and 41%; and expected lives of 5.23 years, 5.14 years, and 5.05 years. The Company does not declare dividends therefore a dividend yield of zero was used for the years ended May 31, 2024, 2023 and 2022. Risk-free interest rates reflect the yield on zero-coupon U.S. Treasury bonds whose maturity period equals the expected term of the option. Expected volatilities are based on the historical volatility of the Company's stock. The expected option lives are based on historical experience of employee exercise behavior.

The total intrinsic value of options exercised during the years ended May 31, 2023 and 2022 was $0.2 million and $1.6 million, respectively. There were no options exercised during the year ended May 31, 2024. As of May 31, 2024, there was $3.4 million of total unrecognized compensation cost related to non-vested options, which is expected to be recognized over a weighted average period of 2 years.

Cash received from option exercises during 2023 and 2022 was $0.3 million and $2.7 million, respectively. There were no options exercised during the year ended May 31, 2024. Due to the valuation allowance there was no tax benefit realized from stock option exercises during the years ended May 31, 2024, 2023 and 2022.

***Restricted Stock Unit and Performance Share Awards***

The Company grants restricted stock units to certain employees under the 2020 Plan, and historically under the 2004 Plan, which give the recipients the right to receive shares of Company stock upon vesting. The restricted stock unit awards vest in four equal annual installments beginning on the first anniversary of the grant date. In July 2023, the Board of Directors approved a change in terms of restricted stock units granted to non-employee directors to provide for immediate vesting upon grant of the award. Unvested restricted stock unit awards will be forfeited if the recipient ceases to be employed by the Company.

The following table summarizes information about restricted stock unit activity for the year ended May 31, 2024:

| | Restricted Stock Units | Weighted Average Grant-Date Fair Value |
|---|---|---|
| Non-vested at beginning of year, June 1, 2023 | 736,020 | $ 18.99 |
| Granted | 912,200 | $ 8.74 |
| Vested | (485,056) | $ 8.63 |
| Canceled | (82,266) | $ 12.77 |
| Non-vested at end of year, May 31, 2024 | 1,080,898 | $ 12.44 |

The fair value of each restricted stock unit is the market price of Company stock on the date of grant. The weighted average grant date fair value of restricted stock units granted during the years ended May 31, 2024, 2023 and 2022 was $8.74, $19.99 and $26.24, respectively. The total intrinsic value of restricted stock units (meaning the fair value of the units on the date of vest) vesting during the years ended May 31, 2024, 2023 and 2022 was $4.2 million, $5.6 million, and $8.5 million, respectively. As of May 31, 2024, there was $9.0 million of total unrecognized compensation cost related to non-vested restricted stock awards, which is expected to be recognized over a weighted average period of 3 years.

The Company grants performance share awards to certain employees under the 2020 Plan, and historically under the 2004 Plan, which gives the recipients the right to receive shares of Company stock if certain criteria is met.

The following table summarizes information about performance unit award activity for the year ended May 31, 2024:

| | Performance Unit Awards | Weighted Average Grant-Date Fair Value |
|---|---|---|
| Non-vested at beginning of year, June 1, 2023 | 548,530 | $ 19.23 |
| Granted | 487,856 | $ 8.92 |
| Vested | (148,621) | $ 8.92 |
| Canceled | (145,057) | $ 12.12 |
| Non-vested at end of year, May 31, 2024 | 742,708 | $ 16.13 |

During fiscal years 2024, 2023 and 2022, the Company granted performance unit awards. Performance unit awards subject to vesting are based on the Company's level of attainment of the performance targets which are set for each of the three performance years along with continued employment of the grantee. At the end of the three year period, the vested shares are subject to modification based on the Company's TSR targets relative to the percentage appreciation of a specified index of companies for the respective three-year period.

In order to estimate the fair value of such awards, a Monte Carlo Simulation valuation model on the date of the grant was used. For the years ended May 31, 2024, 2023 and 2022, the weighted average grant date fair market value for new grants was $9.53, $23.71 and $28.93, respectively. Compensation cost is recognized over the performance period which is typically three years. As of May 31, 2024, there was $0.6 million of unrecognized compensation cost which is expected to be recognized over a weighted average period of 2 year.

***Compensation Expense***

The following tables represents the break out of stock-based compensation included in the Company's Consolidated Statement of Operations:

| | Year ended May 31, | | |
|---|---|---|---|
| (in thousands) | 2024 | 2023 | 2022 |
| Cost of sales | $ 288 | $ 793 | $ 827 |
| Research and development | 1,400 | 1,459 | 1,298 |
| Sales and marketing | 3,243 | 2,922 | 2,568 |
| General and administrative | 5,595 | 5,984 | 5,999 |
| Acquisition, restructuring and other items, net | 3 | — | — |
| | $ 10,529 | $ 11,158 | $ 10,692 |

The income tax benefit on the compensation expense recognized for all stock-based compensation arrangements was $2.4 million, $2.6 million and $2.5 million for the years ended May 31, 2024, 2023 and 2022, respectively. The income tax benefit for 2024, 2023 and 2022 are negated by the full valuation allowance recorded against the deferred tax assets.

***Employee Stock Purchase Plan***

The Employee Stock Purchase Plan (the "Stock Purchase Plan") provides a means by which employees (the "participants") are given an opportunity to purchase the Company's common stock through payroll deductions. A total of 5,000,000 shares of common stock have been reserved for issuance under the Stock Purchase Plan. Shares are offered through two purchase periods, each with duration of approximately 6 months, commencing on the first business day of the first and third fiscal quarters. An employee is eligible to participate in an offering period if, on the first day of an offering period, he or she has been employed in a full-time capacity for at least six months, with a customary working schedule of 20 or more hours per week and more than five months in a calendar year. Employees who own stock possessing 5% or more of the total combined voting power or value of all classes of stock are not eligible to participate in the Stock Purchase Plan. The purchase price of the shares of common stock acquired on each purchase date will be the lower of (i) 85% of the fair market value of a share of common stock on the first day of the offering period or (ii) 85% of the fair market value of a share of common stock on the last day of the purchase period, subject to adjustments made by the Board of Directors. The Stock Purchase Plan is intended to qualify as an "employee stock purchase plan" within the meaning of Section 423 of the Internal Revenue Code. On November 3, 2022 the Company's shareholders approved an amendment to the employee stock purchase plan to increase the reserve of shares of common stock available for future grants by 1,000,000 shares.

The Company uses the Black-Scholes option-pricing model to calculate the purchase date fair value of the shares issued under the Stock Purchase Plan and recognize expense related to shares purchased ratably over the offering period. During the years ended May 31, 2024, 2023 and 2022, 282,237, 149,778 and 98,586 shares, respectively, were issued at an average price of $5.68, $13.67 and $19.02, respectively, under the Stock Purchase Plan. As of May 31, 2024, 2.9 million shares remained available for future purchases under the Stock Purchase Plan.

**15. EARNINGS PER SHARE**

Basic earnings per share are based on the weighted average number of common shares outstanding. In addition, diluted earnings per share include the dilutive effect of potential common stock consisting of stock options, restricted stock units and performance stock units, provided that the inclusion of such securities is not anti-dilutive. In periods with a net loss, stock options and restricted stock units are not included in the computation of basic loss per share as the impact would be anti-dilutive.

The following table reconciles basic to diluted weighted average shares outstanding:

| | Year ended May 31, | | |
|---|---|---|---|
| | 2024 | 2023 | 2022 |
| Basic | 40,180,925 | 39,480,367 | 39,009,419 |
| Effect of dilutive securities | — | — | — |
| Diluted | 40,180,925 | 39,480,367 | 39,009,419 |
| | | | |
| Securities excluded as their inclusion would be anti-dilutive | 3,973,382 | 3,491,099 | 3,465,738 |

**16. LEASES**

The Company determines if an arrangement is a lease at inception of the contract. The Company has operating leases for buildings, primarily for office space, R&D, manufacturing and warehousing.

Operating lease right-of-use ("ROU") assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. Many of the lease agreements contain renewal or termination clauses that are factored into the determination of the lease term if it is reasonably certain that these options would be exercised. The Company recognizes lease expense for these leases on a straight-line basis over the lease term.

The Company elected the three practical expedients that permit an entity to (a) not reassess whether expired or existing contracts contain leases, (b) not reassess lease classification for existing or expired leases, and (c) not consider whether previously capitalized initial direct costs would be appropriate under the new standard. Further, the Company has elected to not recognize leases with terms of 12 months or less on the balance sheet, and elected to account for lease and non-lease components as a single component for certain classes of assets.

The following table presents supplemental balance sheet information related to leases:

| (in thousands) | Balance Sheet Location | May 31, 2024 | May 31, 2023 |
|---|---|---|---|
| Assets | | | |
| Operating lease ROU assets | Other assets | $ 5,804 | $ 5,113 |
| Liabilities | | | |
| Current operating lease liabilities | Other current liabilities | 1,975 | 1,922 |
| Non-current operating lease liabilities | Other long-term liabilities | 3,939 | 3,316 |
| Total lease liabilities | | $ 5,914 | $ 5,238 |

The interest rate implicit in lease agreements is typically not readily determinable, and as such the Company used the incremental borrowing rate based on the information available at commencement date in determining the present value of future payments. The incremental borrowing rate is defined as the interest the Company would pay to borrow on a collateralized basis, considering factors such as length of lease term. The following table presents the weighted average remaining lease term and discount rate:

| | May 31, 2024 | May 31, 2023 |
|---|---|---|
| Weighted average remaining term (in years) | 3.43 | 3.05 |
| Weighted average discount rate | 4.7 % | 4.1 % |

The maturities of the lease liabilities for each of the following fiscal years is:

| (in thousands) | May 31, 2024 |
|---|---|
| 2025 | $ 2,202 |
| 2026 | 1,976 |
| 2027 | 984 |
| 2028 | 729 |
| 2029 and thereafter | 515 |
| Total lease payments | $ 6,406 |
| Less: Imputed Interest | 492 |
| Total lease obligations | $ 5,914 |
| Less: Current portion of lease obligations | 1,975 |
| Long-term lease obligations | $ 3,939 |

During the years ended May 31, 2024, 2023 and 2022 the Company recognized operating lease expense, which includes immaterial short-term leases, of $2.5 million, $2.7 million and $2.8 million, respectively. The expenses on the Consolidated Statement of Operations were classified as follows:

| (in thousands) | May 31, 2024 | May 31, 2023 | May 31, 2022 |
|---|---|---|---|
| Cost of sales | $ 866 | $ 881 | $ 890 |
| Research and development | 195 | 193 | 257 |
| Sales and marketing | 161 | 162 | 160 |
| General and administrative | 1,327 | 1,458 | 1,495 |
| | $ 2,549 | $ 2,694 | $ 2,802 |

The following table presents supplemental cash flow and other information related to leases:

| (in thousands) | May 31, 2024 | May 31, 2023 |
|---|---|---|
| Cash paid for amounts included in the measurement of lease liabilities | | |
| Operating cash flows from operating leases | $ 2,142 | $ 2,742 |
| ROU assets obtained in exchange for lease liabilities | | |
| Operating leases | 3,057 | 840 |

## 17. COMMITMENTS AND CONTINGENCIES

***Other Commitments and Contingencies***

The following table summarizes the Company's other future commitments and contingencies as of May 31, 2024:

| (in thousands) | Total | 2025 | 2026 | 2027 | 2028 | 2029 and thereafter |
|---|---|---|---|---|---|---|
| Purchase obligations [1] | $ 2,946 | $ 2,946 | $ — | $ — | $ — | $ — |
| Royalties [2] | 36,005 | 3,625 | 3,620 | 3,620 | 3,620 | 21,520 |
| | $ 38,951 | $ 6,571 | $ 3,620 | $ 3,620 | $ 3,620 | $ 21,520 |

(1) The non-cancelable inventory purchase obligations are not reflected on the Consolidated Balance Sheets under accounting principles generally accepted in the United States of America.
(2) These are future minimum royalty payments.

**Legal Proceedings**

The Company is involved in various legal proceedings, including commercial, intellectual property, product liability, and regulatory matters of a nature considered normal for its business. The Company accrues for amounts related to these matters if it is probable that a liability has been incurred, and an amount can be reasonably estimated. The Company discloses such matters when there is at least a reasonable possibility that a material loss may have been incurred. However, the Company cannot predict the outcome of any litigation or the potential for future litigation.

**C.R. Bard, Inc. v. AngioDynamics, Inc.**

On January 11, 2012, C.R. Bard, Inc. (“Bard”) filed a suit in the United States District Court of Utah claiming certain of the Company's implantable port products infringe on three U.S. patents held by Bard (US Patent Nos. 7,785,302 ("302"), 7,959,615 (“615”) and 7,947,022 ("022")).

On March 10, 2015, Bard and Bard Peripheral Vascular filed suit in the District of Delaware claiming certain of the Company's implantable port products infringe on three U.S. patents held by Bard (US Patent Nos. 8,475,417, 8,545,460, 8,805,478). The Court entered Judgement on June 1, 2023 in favor of the Company.

On March 8, 2021, Bard filed suit in the District of Delaware asserting certain of the Company’s port products (including certain related infusion sets) infringe U.S. Patent Nos. 8,025,639, 9,603,992 and 9,603,993. The Company counterclaimed, alleging that certain of Bard’s catheter products infringe U.S. Patent Nos. 8,377,011, 10,729,881, 8,454,574.

On March 31, 2024, the Company and Bard’s parent company Becton, Dickinson and Company (collectively, “BD”) entered into a settlement agreement (the “Settlement Agreement”) to resolve the ongoing litigations. Under the terms of the Settlement Agreement, BD will grant a license to the Company under certain of BD’s port patents and AngioDynamics will grant BD a license under certain of the Company’s catheter patents. The Company will make a one-time lump sum payment to BD in the amount of $7.0 million, $3.0 million of which was paid within 5 business days of execution of the Settlement Agreement, and the remainder of which will be payable in installments over the 12 months ending March 31, 2025. The Company will also make six minimum annual payments to BD of $2.5 million through February 2029, and potential additional payments if six percent (6%) of annual net sales of the Company’s port products exceed the minimum payment. The parties will participate in the pending appeal before the Federal Circuit of the case that was filed March 10, 2015 and a contingent payment of $3.0 million will be due from the Company to BD if the Federal Circuit reverses or vacates the District Court’s findings of invalidity with respect to the patent claims at issue in the case. Appellate briefing is closed, but an argument date has not yet been set. Neither party admitted any liability and the agreement contains mutual covenants not to sue and releases.

## 18. SEGMENTS AND GEOGRAPHIC INFORMATION

***Segment information***

The Company regularly reviews its segments and the approach used by the chief operating decision maker, the President and Chief Executive Officer ("CEO"), and management to evaluate performance and allocate resources. Prior to the first quarter of fiscal year 2023, the Company considered the business to be a single operating segment engaged in the development, manufacture and sale of medical devices for vascular access, peripheral vascular disease and oncology on a global basis. Commencing with the first quarter of fiscal year 2023, the Company began to manage its operations through two segments, Med Tech and Med Device to align with the transformation from a company with a broad portfolio of largely undifferentiated

products to a more focused medical technology company. The CEO evaluates these two segments based on net sales and gross margin to, among other items, allocate resources and assess performance. Executives reporting to the CEO include those responsible for commercial operations, manufacturing operations, regulatory and quality and certain corporate functions. The CEO evaluates all other elements of profitability, investment and cash flow metrics on a consolidated global basis due to shared infrastructure and resources.

The Company manages its assets on a total company basis, not by operating segment; therefore, the CEO does not review any asset information by operating segment and, accordingly, asset information is not reported or evaluated by operating segment. Total assets were $317.7 million as of May 31, 2024.

The table below summarizes net sales and gross margin by Med Tech and Med Device including prior periods during which the Company considered the business to be a single operating segment, in order to conform to the current period presentation:

| | Year ended May 31, | | |
|---|---|---|---|
| (in thousands) | 2024 | 2023 | 2022 |
| Med Tech Net Sales | $ 106,403 | $ 96,687 | $ 78,717 |
| Gross Profit | $ 67,198 | $ 61,966 | $ 52,584 |
| *Gross Margin* | 63.2 % | 64.1 % | 66.8 % |
| Med Device Net Sales | $ 197,511 | $ 242,065 | $ 237,502 |
| Gross Profit | $ 87,500 | $ 112,280 | $ 113,148 |
| *Gross Margin* | 44.3 % | 46.4 % | 47.6 % |
| Total Net Sales | $ 303,914 | $ 338,752 | $ 316,219 |
| Gross Profit | $ 154,698 | $ 174,246 | $ 165,732 |
| *Gross Margin* | 50.9 % | 51.4 % | 52.4 % |

***Geographic information***

The table below summarizes net sales by geographic area based on external customer location:

| | Year ended May 31, | | |
|---|---|---|---|
| (in thousands) | 2024 | 2023 | 2022 |
| Net sales by Geography | | | |
| United States | $ 251,486 | $ 282,713 | $ 265,963 |
| International | 52,428 | 56,039 | 50,256 |
| Total | $ 303,914 | $ 338,752 | $ 316,219 |

For fiscal years 2024, 2023 and 2022, international sales as a percentage of total net sales were 17%, 17% and 16%, respectively. Sales to any one country outside the U.S., as determined by shipment destination, did not comprise a material portion of net sales in any of the last three fiscal years. In addition, no one customer represents more than 10% of consolidated net sales. 67% of long-lived assets are located within the United States.

**19. ACQUISITION, RESTRUCTURING AND OTHER ITEMS, NET**

Acquisition, restructuring and other items, net consisted of:

| (in thousands) | Year ended May 31, 2024 | 2023 | 2022 |
|---|---|---|---|
| Legal [1] | $ 34,942 | $ 9,998 | $ 7,625 |
| Mergers and acquisitions [2] | 399 | 368 | 59 |
| Transition service agreement [3] | (1,092) | — | — |
| Plant Closure [4] | 9,481 | — | — |
| Manufacturing Relocation [5] | 587 | 1,091 | 644 |
| Intangible and other asset impairment [6] | 6,260 | — | — |
| Israeli Innovation Authority prepayment [7] | — | 3,544 | — |
| Other [8] | 2,605 | 632 | 714 |
| Total | $ 53,182 | $ 15,633 | $ 9,042 |

(1) Legal expenses related to litigation that is outside the normal course of business. In the third quarter of fiscal year 2024 a $19.3 million settlement expense was recorded as a result of the Settlement Agreement that was entered into between the Company and BD.
(2) Mergers and acquisitions expenses related to investment banking, legal and due diligence.
(3) Transition services agreement that were entered into with Merit and Spectrum.
(4) Plant closure expense, related to the restructuring of our manufacturing footprint which was announced on January 5, 2024.
(5) Expenses to relocate manufacturing lines out of Queensbury, NY.
(6) An impairment of $3.4 million on intangible and fixed assets and an inventory write-off of $2.9 million was taken in the third quarter of fiscal year 2024 relating to the abandonment of the Syntrax and RF product lines.
(7) In the first quarter of fiscal year 2023, a $3.5 million payment was made to the Israeli Innovation Authority to fully satisfy the obligation related to grant funds that were provided to Eximo for development of the Auryon laser prior to the acquisition in the second quarter of fiscal year 2020.
(8) Included in the $2.6 million in other for the year ended May 31, 2024 is $0.9 million of deferred financing fees that were written-off in conjunction with the sale of the Dialysis and BioSentry businesses and concurrent extinguishment of the debt, along with $1.4 million of severance due to restructurings outside of the plant closure.

**Restructuring**

The Company evaluates its performance and looks for opportunities to improve the overall operations of the Company on an ongoing basis. As a result of this evaluation, certain restructuring initiatives are taken to enhance the Company's overall operations. On January 5, 2024, the Company announced a restructuring of its manufacturing footprint and a shift to an outsourced model (the "Plan"). This Plan is intended to transfer all product manufacturing processes to third-party manufacturers. The restructuring activities associated with the Plan are expected to be completed in the third quarter of fiscal year 2026.

The following table provides a summary of our estimated costs associated with the plan:

| Type of cost | Total estimated amount expected to be incurred (in thousands) | | |
|---|---|---|---|
| Facilities closeout fees [1] | $ 14,500 | to | $ 15,250 |
| Termination benefits | 9,000 | to | 10,000 |
| Outside consultants | 9,000 | to | 10,000 |
| Validation expenses | 4,500 | to | 5,500 |
| Regulatory filings | 750 | to | 1,250 |
| Other | 750 | to | 1,250 |
| | $ 38,500 | to | $ 43,250 |

(1) Included in this estimate is approximately $13.6 million of non-cash charges for accelerated depreciation and building impairment.

The Company recorded total restructuring charges to date of $9.5 million. Termination benefits are only earned if an employee stays until their termination date; therefore, the expenses related to termination benefits are being recorded ratably over the service period.

The table below presents the restructuring reserve for the twelve months ending May 31, 2024:

| (in thousands) | May 31, 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Termination Benefits | Outside Consultants | Validation Expenses | Facilities Closeout Fees | Regulatory Filings | Other | Total |
| Balance at May 31, 2023 | $ — | $ — | $ — | $ — | $ — | $ — | $ — |
| Charges | $ 568 | $ 2,501 | $ 493 | $ 5,767 | $ 6 | $ 146 | $ 9,481 |
| Non-cash adjustments | $ — | $ — | $ — | $ (5,767) | $ — | $ — | $ (5,767) |
| Cash payments | $ — | $ (1,348) | $ (120) | $ — | $ — | $ (126) | $ (1,594) |
| Balance at May 31, 2024 | $ 568 | $ 1,153 | $ 373 | $ — | $ 6 | $ 20 | $ 2,120 |

## 20. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Changes in each component of accumulated other comprehensive income (loss), net of tax, are as follows:

| (in thousands) | Foreign currency translation gain (loss) |
|---|---|
| Balance at May 31, 2022 | $ 1,357 |
| Other comprehensive income, net of tax | (6,080) |
| Net other comprehensive loss | $ (6,080) |
| Balance at May 31, 2023 | $ (4,723) |
| Other comprehensive income, net of tax | 358 |
| Net other comprehensive income | $ 358 |
| Balance at May 31, 2024 | $ (4,365) |

**AngioDynamics, Inc. and Subsidiaries**

| (in thousands) | SCHEDULE II -VALUATION AND QUALIFYING ACCOUNTS | | | |
|---|---|---|---|---|
| Description | Balance at Beginning of Year | Additions - Charged to costs and expenses | Deductions | Balance at End of Period |
| Year Ended May 31, 2022 | | | | |
| Allowance for deferred tax asset | $ 17,035 | $ 3,168 | $ — | $ 20,203 |
| Allowance for sales returns and doubtful accounts | $ 1,919 | $ 343 | $ (323) | $ 1,939 |
| Year Ended May 31, 2023 | | | | |
| Allowance for deferred tax asset | $ 20,203 | $ 5,556 | $ — | $ 25,759 |
| Allowance for sales returns and doubtful accounts | $ 1,939 | $ 457 | $ (246) | $ 2,150 |
| Year Ended May 31, 2024 | | | | |
| Allowance for deferred tax asset | $ 25,759 | $ 26,921 | $ — | $ 52,680 |
| Allowance for sales returns and doubtful accounts | $ 2,150 | $ 1,073 | $ (1,082) | $ 2,141 |

EXHIBITS

| Exhibit Number | Description of Exhibits | Incorporated by Reference | | |
|---|---|---|---|---|
| | | Form | Exhibit | Filing Date |
| 2.2 | Stock Purchase Agreement, dated as of October 8, 2012, by and among AngioDynamics, Inc., Vortex Medical, Inc. ("Vortex"), the stockholders of Vortex set forth on the signature pages thereto, the option holders of Vortex set forth on the signature pages thereto and CHTP Management Services, Inc., as sellers' representative. | 8-K | 2.1 | October 12, 2012 |
| 2.3 | Asset Purchase Agreement dated as of April 17, 2019 by and between AngioDynamics, Inc. and Medline Industries Inc. | 8-K | 2.1 | April 18, 2019 |
| 2.4 | Asset Purchase Agreement dated as of June 8, 2023 by and between AngioDynamics, Inc. and Merit Medical Systems, Inc. | 8-K | 2.4 | June 14, 2023 |
| 3.1.1 | Amended and Restated Certificate of Incorporation. | 10-Q | 3.1 | October 7, 2005 |
| 3.1.2 | Certificate of Amendment to the Amended and Restated Certificate of Incorporation of AngioDynamics, Inc. | 10-K | 3.1.2 | August 10, 2015 |
| 3.2 | Second Amended and Restated By-Laws, effective October 16, 2015. | 8-K | 10.1 | October 21, 2015 |
| 10.1.3 | AngioDynamics, Inc. 2004 Stock and Incentive Award Plan (as amended). | DEF 14A | | August 30, 2018 |
| 10.1.6 | AngioDynamics 2017 Total Shareholder Return Performance Unit Agreement Program. | 10-Q | 10.1 | September 29, 2017 |
| 10.1.7 | AngioDynamics 2018 Total Shareholder Return Performance Unit Agreement Program. | 10-K | 10.1.7 | July 23, 2018 |
| 10.1.8 | AngioDynamics 2019 Total Shareholder Return Performance Unit Agreement Program. | 10-Q | 10.1.8 | January 8, 2020 |
| 10.1.9 | AngioDynamics, Inc. 2020 Stock and Incentive Award Plan (as amended) | DEF 14A | | September 28, 2023 |
| 10.2 | AngioDynamics, Inc. Employee Stock Purchase Plan (as amended). | DEF 14A | | September 3, 2020 |
| 10.3 | Form of Non-Statutory Stock Option Agreement pursuant to the AngioDynamics, Inc. Stock and Incentive Award Plan. | 10-Q | 10.1 | October 12, 2004 |
| 10.3.1 | Form of Non-Statutory Stock Option Agreement pursuant to the AngioDynamics, Inc. Stock and Incentive Award Plan. | 10-K | 10.3.1 | July 23, 2018 |
| 10.4.3 | Form of 2016 Performance Share Award Agreement pursuant to the AngioDynamics, Inc. 2004 Stock and Incentive Award Plan. | 10-Q | 10.2 | October 5, 2016 |
| 10.4.4 | Form of 2017 Performance Share Award Agreement pursuant to the AngioDynamics, Inc. 2004 Stock and Incentive Award Plan. | 10-Q | 10.2 | September 29, 2017 |
| 10.4.5 | Form of 2018 Performance Share Award Agreement pursuant to the AngioDynamics, Inc. 2004 Stock and Incentive Award Plan. | 10-K | 10.4.5 | July 23, 2018 |
| 10.4.6 | Form of 2020 Performance Share Award Agreement pursuant to the AngioDynamics, Inc. 2004 Stock and Incentive Award Plan | 10-Q | 10.4.6 | January 8, 2021 |
| 10.4.7 | Form of Performance Share Award Agreement pursuant to the 2020 Stock and Incentive Award Plan | 10-Q | 10.4.7 | September 30, 2021 |
| 10.5 | Form of Restricted Stock Award Agreement pursuant to the AngioDynamics, Inc. 2004 Stock and Incentive Award Plan. | 8-K | 10.3 | May 12, 2005 |
| 10.6 | Rita Medical Systems, Inc. 1994 Incentive Stock Plan. | S-1 | 10.2 | May 3, 2000 |

| Exhibit Number | Description of Exhibits | Incorporated by Reference | | |
|---|---|---|---|---|
| | | Form | Exhibit | Filing Date |
| 10.7 | Horizon Medical Products, Inc. 1998 Stock Incentive Plan. | S-1 | 10.11 | February 13, 1998 |
| 10.8 | Rita Medical Systems, Inc. 2000 Stock Plan. | S-1/A | 10.3 | June 14, 2000 |
| 10.9 | Rita Medical Systems, Inc. 2000 Directors' Stock Plan, as amended on June 8, 2005. | S-8 | 99.2 | July 8, 2005 |
| 10.10 | Rita Medical Systems, Inc. 2005 Stock and Incentive Plan. | S-8 | 99.1 | July 8, 2005 |
| 10.11 | Form of Indemnification Agreement of AngioDynamics, Inc. | 8-K | 10.1 | May 12, 2006 |
| 10.11.1 | Employment Agreement, dated April 1, 2016, between AngioDynamics, Inc. and James C. Clemmer. | 8-K | 10.1 | April 6, 2016 |
| 10.12 | Change in Control Agreement, dated April 1, 2016, between AngioDynamics, Inc. and James C. Clemmer. | 8-K | 10.2 | April 6, 2016 |
| 10.12.2 | Form of Severance Agreement of AngioDynamics, Inc. | 10-K | 10.12.2 | August 10, 2020 |
| 10.13 | Form of Change in Control Agreement. | 10-K/A | 10.13 | January 12, 2015 |
| 10.14 | Performance Share Award Agreement, with a grant date of April 4, 2016, between AngioDynamics, Inc. and James C. Clemmer. | 8-K | 10.3 | April 6, 2016 |
| 10.15 | AngioDynamics, Inc. Total Shareholder Return Performance Share Award Program - Performance Period Ending July 2019. | 8-K | 10.4 | April 6, 2016 |
| 10.16 | Stock Option Award Agreement, with a grant date of April 4, 2016, between AngioDynamics, Inc. and James C. Clemmer. | 8-K | 10.5 | April 6, 2016 |
| 10.17 | Restricted Stock Unit Award Agreement, with a grant date of April 4, 2016, between AngioDynamics, Inc. and James C. Clemmer. | 8-K | 10.6 | April 6, 2016 |
| 10.18 | Separation Agreement and General Release, dated April 22, 2016, between AngioDynamics, Inc. and Joseph M. DeVivo. | 8-K | 10.1 | April 27, 2016 |
| 10.19 | Amended and Restated Change in Control Agreement, by and between AngioDynamics, Inc. and James C. Clemmer. | 8-K | 10.1 | February 3, 2021 |
| 10.2 | Form of Amended and Restated Change in Control Agreement with AngioDynamics, Inc. | 8-K | 10.2 | February 3, 2021 |
| 10.21* | Settlement and License Agreement, dated March 31, 2024, by and among Becton, Dickinson and Company, C.R. Bard, Inc., Bard Peripheral Vascular, Inc. and AngioDynamics Inc. | | | |
| 14 | Code of Ethics. | 10-K | 14 | October 1, 2021 |
| 19 | Insider Trading Policy | | | |
| 21 | Subsidiaries | | | |
| 23 | Consent of Deloitte & Touche LLP, an independent registered public accounting firm. | | | |
| 31.1 | Certification by the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | |
| 31.2 | Certification by the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | |
| 32.1 | Certification by the Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | |
| 32.2 | Certification by the Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | |
| 97 | Clawback Policy | | | |
| 101.INS | XBRL Instance Document | | | |
| 101.SCH | XBRL Schema Document | | | |
| 101.CAL | XBRL Calculation Linkbase Documents | | | |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document | | | |

| | |
|---|---|
| 101.LAB | XBRL Labels Linkbase Documents |
| 101.PRE | XBRL Presentation Linkbase Documents |

*Certain exhibits and schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant undertakes to furnish supplementally a copy of any omitted exhibit or schedule upon request by the SEC.

**SIGNATURES**

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

**ANGIODYNAMICS, INC.**

Date: July 25, 2024

By: /s/ HOWARD W. DONNELLY

**Howard W. Donnelly,**
**Chairman of the Board, Director**

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

Date: July 25, 2024

/s/ HOWARD W. DONNELLY

**Howard W. Donnelly,**
**Chairman of the Board, Director**

Date: July 25, 2024

/s/ JAMES C. CLEMMER

**James C. Clemmer,**
**President, Chief Executive Officer**
**(Principal Executive Officer)**

Date: July 25, 2024

/s/ STEPHEN A. TROWBRIDGE

**Stephen A. Trowbridge,**
**Executive Vice President, Chief Financial Officer,**
**(Principal Financial and Accounting Officer)**

Date: July 25, 2024

/s/ WESLEY E. JOHNSON, JR.

**Wesley E. Johnson, Jr.,**
**Director**

Date: July 25, 2024

/s/ JAN S. REED

**Jan S. Reed,**
**Director**

Date: July 25, 2024

/s/ EILEEN O. AUEN

**Eileen O. Auen,**
**Director**

Date: July 25, 2024

/s/ KAREN A. LICITRA

**Karen A. Licitra,**
**Director**

Date: July 25, 2024

/s/ MICHAEL E. TARNOFF

**Michael E. Tarnoff,**
**Director**

Date: July 25, 2024

/s/ LORINDA A. BURGESS

**Lorinda A. Burgess,**
**Director**

# SETTLEMENT AND LICENSE AGREEMENT

This SETTLEMENT AND LICENSE AGREEMENT (this "**Agreement**") is made and entered into as of March 31, 2024 (the "**Effective Date**"), by and between (i) Becton, Dickinson and Company, a New Jersey corporation having a place of business at 1 Becton Drive, Franklin Lakes, New Jersey 07417, C.R. Bard, Inc., a New Jersey corporation having a place of business at 1 Becton Drive, Franklin Lakes, New Jersey 07417, Bard Peripheral Vascular, Inc., an Arizona corporation having a place of business at 850 West Rio Salado Parkway, Tempe, Arizona 85281, for themselves and their Affiliates (collectively, "**BD**"), and (ii) AngioDynamics Inc., a Delaware corporation having a place of business at 14 Plaza Drive, Latham, New York 12110 ("**Angio**"). BD and Angio are each referred to herein as a "**Party**," and collectively as the "**Parties**."

## RECITALS

**WHEREAS**, the Parties are involved in the following litigations in the United States District Court for the District of Delaware and the United States Court of Appeals for the Federal Circuit: *C.R. Bard, Inc. and Bard Peripheral Vascular, Inc. v. AngioDynamics, Inc.* (C.A. 20-1544CFC), *C.R. Bard, Inc. and Bard Peripheral Vascular, Inc. v. AngioDynamics, Inc.* (C.A. 15-00218–JFB; and CAFC appeal No. 23-2056), and *C.R. Bard, Inc. and Bard Peripheral Vascular, Inc. v. AngioDynamics, Inc.* (C.A. 21-349–CFC) (the "**Litigation**");

**WHEREAS**, the Parties wish to fully and finally settle and release any and all Claims (defined below), whether known or unknown, as of the Effective Date based on any acts occurring, in whole or in part, prior to the Effective Date, including without limitation, any Claims arising from patent infringement, subject to specific provisions herein relating to the outcome of the pending appeal in *C.R. Bard, Inc. and Bard Peripheral Vascular, Inc. v. AngioDynamics, Inc.* (C.A. 15-00218–JFB; and CAFC appeal No. 23-2056) (hereafter "Port II"); and

**WHEREAS**, as part of the resolution, the Parties are willing to grant licenses, covenants not to sue and general releases.

**NOW, THEREFORE**, for and in consideration of the covenants, conditions and undertakings set forth in this Agreement, it is hereby agreed by and among the Parties as follows:

## Article 1
## DEFINITIONS

As used herein, the following terms will have the following meanings:

1.1 "**Affiliate**" shall mean, with respect to a Party, any Person that, directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such Party; where "control" means (a) the ownership, directly or indirectly, of at least fifty percent (50%) of the voting securities or other ownership interests of such Person, or (b) possession, directly or indirectly, of the power to affirmatively direct, or

cause the direction of, the management or policies of such Person or Party, whether through ownership of voting securities, by contract relating to voting rights or corporate governance.

1.2 "**Angio Change of Control"** shall mean (a) a sale or other disposition of all or substantially all of the assets of Angio to an unaffiliated third party, (b) a merger, consolidation or reorganization involving Angio, except to the extent immediately after giving effect to such transaction, more than fifty percent (50%) of the total voting power of the outstanding voting securities of the surviving entity is beneficially owned in the aggregate by the stockholders of Angio immediately prior to such transaction, (c) the acquisition by any person, entity, or group of beneficial ownership of Angio's securities representing more than 50% of the combined voting power of Angio's then-outstanding securities, or (d) the sale, transfer or other disposition, in one transaction or a series of related transactions, of all or substantially all of the assets relating to Angio's Port Products business.

1.3 **"Angio Port Products"** shall mean Port Products commercialized by Angio prior to or as of the Effective Date, and Angio Port Products substantially similar thereto, including the Angio Port Products listed in Exhibit A.

1.4 **"Angio Licensed Port Products"** shall mean Angio Port Products that would, but for the license granted, infringe directly or indirectly a Licensed Bard Port Patent in the country of manufacture, use, sale, import or export. For purposes of this Agreement only, Angio Licensed Port Products shall include the products listed in Exhibit A, and shall further include any New Angio Port Product for which payment was made under Section 4.4.

1.5 **"Angio Port and Catheter Patents"** shall mean all worldwide patents and pending patent applications owned or controlled by Angio as of the Execution Date and having a priority date before the Execution Date, that are directed to Port Products, Catheter Products, or to components or elements thereof, or methods of use and/or manufacture thereof, including for avoidance of doubt the Angio Licensed Catheter Patents. Angio Port and Catheter Patents does not include any patent claiming BioFlo or Vortex technologies, including but not limited to U.S. Patent Nos. 8,603,070, 8,784,402, 8,876,797, 8,926,573, 9,206,283, 9,731,049, 9,744,269, 9,789,229.

1.6 **"Angio Licensed Catheter Patents"** shall mean US Patents Nos. 8,377,011, 10,729,881, and 8,454,574 and any continuations, continuations-in-part, divisionals, reissues, reexaminations, inter partes reviews, and post-grant reviews thereof, and any US or non-US patents or patent applications claiming priority to or sharing a common priority with any of the foregoing.

1.7 **"BD Port and Catheter Products"** shall mean Port Products and Catheter Products commercialized by BD prior to or as of the Effective Date, and BD Port Products and Catheter Products substantially similar thereto, including the BD Port and Catheter Products listed in Exhibit B.

1.8 **"BD Licensed Catheter Products"** shall mean BD Catheter Products that would, but for the license granted, infringe directly or indirectly an Angio Licensed Patent in the country of manufacture, use, sale, import or export. For purposes of this Agreement only, BD Licensed Catheter Products shall include the products listed in Exhibit C.

1.9 **"BD Port Patents"** shall mean all worldwide patents and pending patent applications owned or controlled by BD as of the Execution Date and having a priority date before the Execution Date, that are directed to Port Products, or to components or elements thereof, or methods of use and/or manufacture thereof, including for avoidance of doubt the BD Licensed Port Patents.

1.10 **"BD Licensed Port Patents"** shall mean US Patents Nos. 7,785,302, 7,947,022, 7,959,615, 8,545,460, 8,475,417, 8,805,478, 8,025,639, 9,603,992, and 9,603,993, and any continuations, continuations-in-part, divisionals, reissues, reexaminations, inter partes reviews, and post-grant reviews thereof, and any US or non-US patents or patent applications claiming priority to or sharing a common priority with any of the foregoing .

1.11 **"Catheter Products"** shall mean catheters such as peripheral intravenous catheters, peripherally inserted central catheters, central venous catheters, or midline catheters, that provides access to a patient's vascular system, and accessories therefor.

1.12 "**Claims**" shall mean any claims, counterclaims, cross-claims, defenses, allegations, demands, debts, dues, liabilities, requests for declaratory relief, proceedings, actions or causes of action of any kind and of whatsoever nature or character, regardless of whether existing in the past or present (or whether accrued, actual, contingent, latent or otherwise), known or unknown, made or brought for the purpose of recovering any damages or royalties or obtaining any equitable relief or any other relief of any kind, including without limitation any and all of the foregoing that were alleged or could have been alleged, as of the Effective Date, in the Litigation, or that are based in whole or in part on events occurring before the Effective Date, and any and all claims for reimbursement of legal fees, costs and disbursements that were sought or could have been sought in the Litigation.

1.13 "**Effective Date**" shall mean the effective date of this Agreement as set forth in the preamble above.

1.1 "**Minor Improvement**" shall mean minor changes that have no effect or a de minimis effect on the functionality of a product, whether the overall functionality or the functionality of one or more components thereof. By way of example the following shall be considered Minor Improvements: changes to coloration, changes to branding, minor changes to dimensions without effect on fit, form or function, minor ergonomic changes that that do not otherwise change the fit, form or function. For the avoidance of doubt, a new indication or intended use for a product that involves no effect or a de minimis effect on the functionality of the product is a Minor Improvement. By way of further example, the following shall NOT be considered Minor Improvements: substitution of one material for another (e.g., changes from a metal to plastic port body), addition, removal, or

modification of a safety feature, addition, removal, or modification of a feature for identify a port following subcutaneous implantation; addition, removal, or modification of any feature for accessing a port.

1.2 "**Net Sales**" means, with respect to Angio Licensed Port Products, the total amount actually received by Angio (including commissions) on sales, transfers, or leases of such Angio Licensed Port Products by Angio or its Affiliates, or the total amount actually received by Angio on sales, transfers or leases by sublicensees of Angio or its Affiliates to Third Parties, less the following deductions, in each case related specifically to the Angio Licensed Port Products and actually allowed and taken by such Third Parties and not otherwise recovered by or reimbursed to Angio or its Affiliates:

(a) normal and customary trade, cash and quantity discounts;

(a) price reductions or rebates, refunds, distributor fees, chargebacks, retroactive price adjustments and similar allowances imposed by, or otherwise paid to governmental authorities or other payees;

(b) taxes (such as sales, value added, use, excise, turnover or similar taxes) to the extent set forth separately as such in the total amount invoiced;

(c) amounts repaid or credited by reason of rejections, defects, return goods allowance, recalls or returns; and

(b) freight, insurance, import/export, and other transportation charges to the extent set forth separately as such in the total amount invoiced.

Net Sales shall not include sales, transfers or dispositions for clinical trials or for charitable purposes, compassionate use, indigent patient programs or as product samples, to the extent the foregoing are sold for no more than the manufacturing costs thereof, but shall include commercial sales to government purchasers.

Net Sales shall include the amount or fair market value of all other consideration received by such Party, its Affiliates or (sub)licensees in respect of such Angio Licensed Port Product, whether such consideration is in cash, payment in kind, exchange or other form. Net Sales shall not include sales between or among Angio, its Affiliates, or (sub)licensees, but shall include the subsequent re-sales to a Third Party. For clarity, distributors shall not be considered as Affiliates or (sub)licensees.

1.3 **"New Angio Port Products"** shall mean Port Products commercialized by Angio for the first time after the Effective Date.

1.4 "**Person**" shall mean an individual, sole proprietorship, corporation, trust, partnership, limited liability company, joint venture, unincorporated organization, government agency or any agency or political subdivision thereof, or other entity.

1.5 **"Port Products"** shall mean subcutaneous, implantable ports providing access to a patient's vascular system.

1.6 "**Third Party**" shall mean any Person other than the Parties to this Agreement or their respective Affiliates.

## Article 2
## LITIGATION

2.1 **General Dismissal of Litigation**. Within three (3) business days following receipt by BD of the first installment of the fee set forth in Section 4.1, the Parties shall request dismissal of *C.R. Bard, Inc. and Bard Peripheral Vascular, Inc. v. AngioDynamics, Inc.*, C.A. 20-1544-CFC and *C.R. Bard, Inc. and Bard Peripheral Vascular, Inc. v. AngioDynamics, Inc.*, C.A. 21-349-CFC with prejudice as agreed to between the Parties or which may be necessary to dismiss the Litigation. Subject to receipt of the payment described in Section 4.2 (if applicable), within five (5) business days of the issuance of the mandate in Appeal No. 23-2056, the Parties shall request dismissal of *C.R. Bard, Inc. and Bard Peripheral Vascular, Inc. v. AngioDynamics, Inc.*, C.A. 15-00218-JFB with prejudice as agreed to between the Parties or which may be necessary to dismiss the Litigation.

2.2 **Port II**. The Parties agree that Port II will not be dismissed upon execution of this Agreement and that an actual case or controversy will continue to exist with the respect to the issues raised in Port II after execution of this Agreement. The Parties and their respective counsel shall fully participate in the pending Port II appeal before the Court of Appeals for the Federal Circuit, until dismissal under Section 2.1. BD shall not file a petition for certiorari to the U.S. Supreme Court with respect to Port II.

2.3 **No Fees, Costs, or Expenses**. No Party shall owe any other Party costs, expenses and fees incurred in connection with such Litigation and the dismissal thereof under the terms of this Agreement, except as otherwise expressly provided in Article 4. The Parties acknowledge and agree that this Agreement is enforceable according to its terms with respect to final dismissal with prejudice of all Claims asserted by the Parties in the Litigation.

## Article 3
## COVENANTS AND LICENSES

3.1 **BD Covenant Not to Sue.** BD hereby covenants that it shall not enforce, or permit or encourage the enforcement of, against Angio, or its Affiliates, (sub)licensees, directors, employees, distributors, vendors, purchasers, end users, customers, successors or assigns (each, a "**Angio Protected Person**") any BD Port Patents against any such Angio Protected Person in connection with the development, manufacture, use, importation, offer for sale or sale of Angio Port Products. Such covenant shall also apply to any person or entity to whom BD assigns such patent or grants a right to enforce such patent. The covenant not sue granted under this Section 3.1 shall terminate with respect to any

claim of any BD Port Patent in the event an Angio Protected Person disputes or challenges in a legal proceeding the validity, enforceability or scope of such claim, except in the event BD, its Affiliates, and any other Person having a right to do so commences a proceeding in a court of law to enforce such claim against a Angio Protected Person. Upon an Angio Change of Control, this BD Covenant Not to Sue shall apply to the successor in interest only as to (i) Angio Port Products and (ii) products having a first commercial launch anywhere in the world after the date of the Angio Change of Control which are more than Minor Improvements to Angio Port Products. BD's covenant not to sue under this Section 3.1 is contingent on Angio meeting the payment obligations of Article 4.

3.2 **Angio Covenant Not to Sue.** Angio hereby covenants that it shall not enforce, or permit or encourage the enforcement of, against BD, or its Affiliates, (sub)licensees, directors, employees, distributors, vendors, purchasers, end users, customers, successors or assigns (each, a "**BD Protected Person**") any Angio Port and Catheter Patents against any such BD Protected Person in connection with the development, manufacture, use, importation, offer for sale or sale of BD Port and Catheter Products. Such covenant shall also apply to any person or entity to whom Angio assigns such patent or grants a right to enforce such patent. The covenant not to sue granted under this Section 3.2 shall terminate with respect to any claim of any Angio Port and Catheter Patent in the event a BD Protected Person disputes or challenges in a legal proceeding the validity, enforceability or scope of such claim, except in the event Angio, its Affiliates, and any other Person having a right to do so commences a proceeding in a court of law to enforce such claim against a BD Protected Person.

3.3 **Standstill**. For a period of two (2) years commencing on the Effective Date, each of BD (including its Affiliates) and Angio (including its Affiliates) hereby covenant not to file a lawsuit accusing Angio, its Affiliates, (sub)licensees, directors, employees, distributors, vendors, purchasers, end users, and customers, or BD, its Affiliates, (sub)licensees, directors, employees, distributors, vendors, purchasers, end users, and customers, as applicable, with respect to any claim for patent infringement, solely with respect to Angio or BD products commercialized prior to the Effective Date or products substantially identical thereto; provided, that this Section 3.3 shall cease to be of any further force and effect upon the consummation of an Angio Change of Control in which Angio is not the surviving entity. In case of an assignment of this Agreement under Section 12.3, this Standstill shall remain personal to Angio and shall not pass to a successor or assign.

3.4 **License Grant to Angio**. BD hereby grants to Angio and its controlled Affiliates a non-exclusive, worldwide, non-sublicenseable and non-transferrable license (other than as set forth in Section 12.3) under the BD Licensed Port Patents to make, have made, use, import, sell, offer for sale and have sold Angio Licensed Port Products. This Patent License shall inure to the benefit of any purchaser of or successor to Angio and such controlled Affiliates, whether by sale of stock, equities or assets or by merger or reorganization, but shall extend to only (a) the Angio Licensed Port Products that existed at Angio and such controlled Affiliates prior to the purchase, merger, or succession transaction and (b) New Angio Port Products launched after the purchase, merger or

succession transaction that fall within the definition of Angio Licensed Port Products. For the avoidance of doubt, any Persons that are no longer Affiliates of such purchaser or successor will no longer be granted the benefit of this license grant and all rights under the license grant shall immediately terminate and cease on a prospective basis with respect to such Person.

3.5 **License Grant to BD**. Angio hereby grants to BD and its controlled Affiliates a non-exclusive, fully paid-up, worldwide, non-sublicenseable and non-transferrable license (other than as set forth in Section 12.2) under the Angio Licensed Catheter Patents to make, have made, use, import, sell, offer for sale and have sold BD Licensed Catheter Products. For the avoidance of doubt, any Persons that are no longer Affiliates of such purchaser or successor will no longer be granted the benefit of this Patent License and all rights under the Patent License shall immediately terminate and cease on a prospective basis with respect to such Person.

3.6 **No Rights for Later-Acquired Products, Product Lines, Technology.** In the event that either Party or any of its Affiliates acquires (whether through merger, stock acquisition, asset acquisition or otherwise) any entity, product, product line or technology after the Effective Date, the releases, licenses, and covenants granted by the other Party hereunder shall in no event apply to any such products, services, or technology of such entity or included within such products, product lines, or technology, including with respect to the post-acquisition manufacture, sale, use or other exploitation of such products, services, technology, or product lines by the Party and its Affiliates.

3.7 **No Laundering.** For the avoidance of doubt: (i) each of the Parties understands and acknowledges that the Agreement covers only the Angio Port Products, Angio Licensed Port Products, BD Catheter Products and BD Port and Licensed Catheter Products, and neither the license rights nor covenant not to sue granted by BD or Angio are intended to, and do not, cover manufacturing activities that the other Party or its Affiliates may undertake on behalf of Third Parties; and (ii) the mere purchase, use or resale of any product or service of a Third Party shall in no event be licensed, released, covenanted or otherwise immunized or exhausted by anything set forth in this Agreement. Provided, however, the license, covenants, and releases granted to Angio under this Agreement are intended to cover Angio Port Products manufactured by PFM Medical and sold by Angio under the brand name "Xcela."

3.8 **No Assistance.** Angio shall not assist any Third Party in any dispute, whether offensive or defensive, between BD and such Third Party relating to the BD Port Patents, except pursuant to a subpoena or court order. BD shall not assist any Third Party in any dispute, whether offensive or defensive, between Angio and such Third Party relating to Angio Catheter Patents, except pursuant to a subpoena or court order. Provided, however, that nothing restricts Angio's or BD's counsel from being separately retained by a Third Party and fully participating in any dispute, whether offensive or defensive, between either BD or Angio and such Third Party, subject to applicable ethical or conflict issues or any protective order limitations.

## Article 4
## PAYMENTS

4.1 **Lump Sum Payment**. In consideration of the rights granted to the Parties under this Agreement, Angio shall remit to BD a non-refundable, non-cancellable, one-time payment of seven million US dollars (USD $7,000,000) due on the Effective Date ("**Lump Sum Payment**") and payable in installments of: three million US dollars (USD $3,000,000) within five (5) business days of the Effective Date, and four subsequent installments of one million dollars (USD $1,000,000), due on July 1, 2024, October 1, 2024, January 2, 2025, and April 1, 2025, in accordance with the payment details identified below in Section 4.8**.**

4.2 **Contingent Payment**. In the event that the Federal Circuit reverses and/or vacates each and every one of the District Court's findings of invalidity with respect to at least one patent claim at issue in Port II, Angio shall remit to BD a non-refundable, non-cancellable, one-time payment of three million US dollars (USD $3,000,000) within three (3) business days of the issuance of the mandate by the Federal Circuit.

4.3 **Reserved**.

4.4 **Payment Upon Launch of New Angio Licensed Port Product.** Upon the launch of each New Angio Licensed Port Product that (i) falls within the definition of Angio Licensed Port Product and (ii) is more than a Minor Improvement to an Angio Licensed Port Product commercialized as of the Effective Date, Angio will make a one-time payment to BD of one million dollars ($1,000,000). For avoidance of doubt, this Section 4.4 will be binding on any successor in interest to Angio.

4.5 **Annual Payments.**

(a) Angio shall make a minimum annual payment (**"Minimum Annual Payment"**) to BD of two million five hundred thousand dollars ($2,500,000) through February 24, 2029. The first Minimum Annual Payment is due by December 31, 2024 and each subsequent Minimum Annual Payment is due within forty-five (45) days after the end of each fiscal year ending May 31 (commencing May 31, 2025) and payable in accordance with Section 4.8. Should the Agreement or payment obligation terminate before the end of a fiscal year ending May 31 in which a Minimum Annual Payment is due, the final Minimum Annual Payment of $2,500,000 for that year will be made in full. For avoidance of doubt, unless the Agreement is terminated prior to May 31, 2029 under Section 7.1, six (6) Minimum Annual Payments shall be made under this Section 4.5(a).

(b) Within sixty (60) days after the end of each fiscal year ending May 31 (commencing May 31, 2025), an additional payment will be made to BD in an amount equal to the excess, if any of (i) six percent (6%) on Net Sales of Angio Licensed Port Products, on a product-by-product and country-by-country basis (the "**Net Sales Amount**") over (ii) the Minimum Annual Payment. For the avoidance of doubt, in the event the Net Sales Amount is less than the Minimum

Annual Payment, Angio shall not be required to make any payments in respect of Net Sales.

4.6 **No Representation of Reasonable Payments**. The Parties agree that the Lump Sum Payment, Net Sales Amount, Minimum Annual Payments, Contingent Payment, and New Angio Licensed Port Product Payment reflect a litigation settlement, and together reflect compensation for the licenses, covenants and releases granted herein. No representation is made that the foregoing consideration represents a reasonable payment amount or any other appropriate quanta of damages for any infringement alleged in the Litigation.

4.7 **No Reduction.** For the avoidance of doubt, Angio shall not be entitled to take any reduction in the amounts payable under Section 4.5 above for Angio Licensed Port Products for royalties payable to any Third Party on the sale of Angio Licensed Port Products.

4.8 **Payment Details**. All amounts payable hereunder shall be paid by wire transfer to BD to the following account, or such other account as BD may designate at least three (3) business days prior to any payment date:

BANK NAME:
BANK ADDRESS:
ACCOUNT NAME:
ABA/ACH ROUTING:
ACCOUNT NUMBER:
SWIFT (If International):

4.9 **Cost of Payment**. Any costs for making a payment under this Agreement shall be borne solely by Angio and may not be credited against or withheld from the amount due to BD.

4.10 **Currency**. All amounts payable hereunder shall be payable in United States Dollars. Amounts based on which payments are calculated that are in currencies other than U.S. Dollars shall be converted to U.S. Dollars based on the New York rate of exchange as quoted in The Wall Street Journal five (5) business days prior to the date that payment is due. If not so published, the Parties may agree on a substitute publication. If, due to restrictions or prohibitions imposed by national or international authority, payments cannot be made as provided in this Agreement, the Parties will consult with a view to finding a prompt and acceptable solution.

4.11 **No BD Payments**. For clarity, BD shall owe no payment to Angio under this Agreement, which is hereby acknowledged by Angio.

## Article 5
## NET SALES REPORTS

5.1 **Net Sales Reports**. Angio shall, within sixty (60) days after the end of each fiscal quarter (sixty (60) days after each August 31, November 30, February 28, and May 31) of each

year, deliver to BD a true and accurate report for Angio Licensed Port Products. Each such report shall give the following particulars of the Net Sales, on a product-by-product basis:

(a) the Net Sales of Angio Licensed Port Products during the most recently completed fiscal quarter;

(b) the territories where the Angio Licensed Port Products were sold or otherwise transferred and the exchange rates used, if applicable;

(c) total of all Angio Licensed Port Products sold or otherwise transferred during the applicable reporting period; and

(a) if no Net Sales have been made by Angio during any reporting period, Angio shall so report.

5.2 **Correctness and Payment**. The correctness and completeness in all material respects of each such report shall be attested to in writing by a responsible financial employee of Angio (but without any personal liability) or by Angio's external auditor. All payments not made when due hereunder shall accrue interest at the Prime Rate to the extent legally permitted. "**Prime Rate**" shall mean the average prime rate published in the Wall Street Journal during the relevant period (calculated by dividing (a) the sum of the prime rates for each of the days during the relevant period, by (b) the number of days in the relevant period).

5.3 **Books and Records**. Angio shall keep such books of account containing complete and accurate particulars as may be reasonably necessary for the purposes of showing the amounts payable to BD. No more than once per calendar year, Angio shall make such books of account available at Angio's principal place of business upon reasonable prior written notice by BD to Angio for inspection, during reasonable business hours, by BD and/or its designated accounting firm for the purpose of verifying payments due to BD under this Agreement. BD shall be responsible for the cost of any such inspection; provided, however, that if an inspection establishes conclusively for any audited period an underpayment in excess of five percent (5%) of amounts due to BD hereunder, then Angio shall reimburse BD for the reasonable, documented out-of-pocket costs incurred by BD to conduct the inspection. In addition, Angio shall pay BD the shortfall plus interest within thirty (30) days after the conclusion of the audit.

## Article 6
## RELEASES

6.1 **BD Release**. Contingent on receipt by BD of the Lump Sum Payment and the Minimum Annual Payments, and irrevocable beginning three (3) years after the Effective Date assuming such payments have been timely made, BD, and each of its and their successors and assigns, officers, directors, managers, members, stockholders, experts, consultants, attorneys, representatives, heirs, agents and employees, and all Persons acting by,

through, under or in concert with any of the foregoing, hereby fully, finally and forever releases, acquits and discharges Angio, and each of its successors and assigns, current or former officers, directors, managers, members, stockholders, experts, consultants, attorneys, representatives, heirs, agents, customers, manufacturers, suppliers, distributors, and current or former employees, and all Persons acting by, through, under or in concert with any of the foregoing, from any and all Claims relating to the Litigation and Bard Port Patents, and any and all Claims for patent infringement relating to the Angio Licensed Port Products listed in Exhibit A. For avoidance of doubt, upon an Angio Change of Control, the BD Release shall not apply to the products of any successor in interest commercialized prior to the Angio Change of Control or any products of such successor commercialized thereafter that are only Minor Improvements thereto.

6.2 **Angio Release.** Angio, and each of its and their successors and assigns, officers, directors, managers, members, stockholders, experts, consultants, attorneys, representatives, heirs, agents and employees, and all Persons acting by, through, under or in concert with any of the foregoing, hereby fully, finally and forever releases, acquits and discharges BD, and each of its successors and assigns, current or former officers, directors, managers, members, stockholders, experts, consultants, attorneys, representatives, heirs, agents, customers, manufacturers, suppliers, distributors, and current or former employees, and all Persons acting by, through, under or in concert with any of the foregoing, from any and all Claims relating to the Litigation and Angio Port and Catheter Patents, and any and all Claims for patent infringement relating to the BD Port and Catheter Products listed in Exhibit B and C.

6.3 **California Civil Code 1542**. The settlement and releases in this Agreement include an express, informed, knowing and voluntary waiver and relinquishment to the fullest extent permitted by law. In this connection, the Parties acknowledge that they may have sustained damages, losses, costs or expenses which are presently unknown and unsuspected and that such damages, losses, costs or expenses as may have been sustained may give rise to additional damages, losses, costs or expenses in the future. The Parties hereto further acknowledge that they have negotiated this Agreement taking into account presently unsuspected and unknown claims, counterclaims, causes of action, damages, losses, costs and expenses, and the Parties hereto voluntarily and with full knowledge of its significance, expressly waive and relinquish any and all rights they may have under any state or federal statute, rule or common law principle, in law or equity, relating to limitations on general releases. The Parties voluntarily and with full knowledge of its significance, expressly waive and relinquish any and all rights they may have under any state or federal statute, rule or common law principle, in law or equity, relating to limitations on releases. Specifically, each Party hereby expressly waives any rights it may have under California Civil Code Section 1542 (or any other similar law in any jurisdiction), which provides that: **"A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."**

## Article 7
## TERMINATION

7.1 **Termination**. This Agreement shall terminate upon the later of the last to expire of the BD Port Patents or of the Angio Port and Catheter Patents, and shall not otherwise terminate unless agreed upon by the Parties in writing. In the event of any breach of this Agreement, a Party may, after carrying out dispute resolution as set forth in Article 11, seek enforcement of its rights under this Agreement (including without limitation specific performance or reasonable attorney's fees sought in connection therewith).

7.2 **Survival**. Upon termination of this Agreement, including following expiration of the last to expire of the BD Port Patents and Angio Port and Catheter Patents, the following provisions shall survive the termination of this Agreement along with any other provision which by their context are intended to survive: Article 1, Article 3.1 and 3.2, Article 4 (solely with respect to payments owing as of the date of termination as a result of events arising prior to the date of termination), Article 5 (solely with respect to payments owing under Article 4 as of the date of termination), Article 6, this Article 7, Article 8 (other than the proviso in Section 8.1(g)), Article 10, Article 11, and Article 12.

## Article 8
## CONFIDENTIALITY; PUBLIC STATEMENTS

8.1 **Obligation of Confidentiality**. No Party or its Affiliates will disclose (i) the terms of this Agreement; (ii) the content of the Parties' discussions and negotiations regarding this Agreement; or (iii) any documents or correspondence exchanged between the Parties in connection with their discussions or negotiations regarding this Agreement except:

(a) with the prior written consent of the other Parties;

(b) if required to enforce such Party's rights under this Agreement;

(c) to such Party's accountants, legal counsel, tax advisors and other financial or legal advisors, in each case who are bound by written confidentiality and non-use provisions no less restrictive than those contained in this Section 8.1;

(d) to any governmental body having jurisdiction and specifically requiring such disclosure; provided, however, that prior to any such disclosure pursuant to this Section 8.1(d) the Party seeking disclosure will promptly notify the other Parties, and seek and consider in good faith the other Parties' input regarding whether there may be provisions of this Agreement with respect to which the disclosing Party might seek confidential treatment;

(e) in response to a valid subpoena or as otherwise may be required by law; provided, however, that prior to any such disclosure pursuant to this Section 8.1(e), the Party seeking disclosure will promptly notify the other Parties, and take all reasonable actions to minimize the nature and extent of such disclosure, and to

make such disclosure subject to protective order under an "Outside Attorneys Eyes Only" or higher confidentiality designation;

(f) as required during the course of litigation and subject to the extent applicable to a protective order; provided however, that any production under a protective order would be protected under an "Outside Attorneys Eyes Only" or higher confidentiality designation;

(g) for the purposes of disclosure in connection with the Securities and Exchange Act of 1934, as amended, the Securities Act of 1933, as amended, and any other reports filed with the Securities and Exchange Commission, or any other filings, reports or disclosures that may be required under applicable laws or regulations**, provided, however, that prior to any such disclosure pursuant to this Section 8.1(g) the Party seeking disclosure will promptly notify the other Party, and seek and consider in good faith the other Party's input regarding maintaining confidentiality of certain terms of the Agreement**; or

(b) with respect to either BD or Angio, to its existing and prospective investors, existing and prospective Affiliates and prospective acquirers and strategic partners (in each case together with their respective legal counsel, tax advisors and other financial or legal advisors), in each case who are bound by written confidentiality and non-use provisions no less restrictive than those contained in this Section 9.1

## Article 9
## REPRESENTATIONS, WARRANTIES AND LIMITATION OF LIABILITY

9.1 **Mutual Representations and Warranties**. Each Party to this Agreement represents and warrants to the others that, as of the date hereof:

(a) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and has all requisite power and authority to execute, deliver and perform this Agreement on behalf of itself and its Affiliates.

(b) This Agreement is a legal, valid and binding obligation enforceable against such Party in accordance with its terms and conditions.

(c) Its entry into this Agreement has been approved by all requisite corporate action, and that this Agreement and the transactions contemplated hereby do not violate any other agreements to which it is subject as a party or otherwise bound.

(d) It has the right to grant the licenses, releases and covenants expressly granted by such Party as set forth in this Agreement.

1.7 **Angio Representation**. Angio represents that, other than the Angio Port and Catheter Patents, and to the best of its knowledge, it is not aware of any basis to allege

infringement by any BD product of any issued patent claims owned or controlled by Angio.

1.8 **BD Representation**. BD represents that, other than the BD Port Patents, and to the best of its knowledge, it is not aware of any basis to allege infringement by any Angio product of any issued patent claims owned or controlled by BD.

1.9 **No Other Warranties**. EACH PARTY HEREBY DISCLAIMS ANY OTHER WARRANTIES (INCLUDING WITHOUT LIMITATION IMPLIED OR STATUTORY WARRANTIES) WITH RESPECT TO THE SUBJECT MATTER CONTAINED HEREIN, INCLUDING WITHOUT LIMITATION THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT OF THIRD PARTY RIGHTS, OR PATENT VALIDITY OR ENFORCEABILITY.

## Article 10
## NO ADMISSION OF LIABILITY

10.1 **No Liability**. This Agreement is entered into by the Parties without any admission of misconduct, responsibility, or liability, which are all expressly denied, and is entered into by the Parties solely for the purpose of settlement and compromise of the Litigation and any Claims arising out of or related to the Litigation.

## Article 11
## DISPUTE RESOLUTION

11.1 **Escalation to Senior Management**. Each Party hereby agrees that it will first attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiations by representatives from each Party with the authority to resolve the dispute. If the Parties are unable to resolve such dispute within sixty (60) days of such matter being raised by a Party to the other Party, the Parties agree to participate in at least one professionally mediated session at a location and with a mediator to be agreed upon by the Parties. If such dispute is unable to be resolved within sixty (60) days of being referred to mediation, either Party may submit the dispute to binding arbitration pursuant to Section 11.2.

11.2 **Arbitration**. Any controversy or claim arising out of or relating to this Agreement, that is unresolved pursuant to Section 11.1, shall be settled by final and binding arbitration before a panel of three (3) neutral arbitrators (one chosen by each Party and the third chosen by the other two) in accordance with the then-current Commercial Arbitration rules of the American Arbitration Association ("AAA"), except where those rules conflict with this Section 11.2, in which case this Section 11.2 controls. Any court shall have the authority to enforce this clause and enter judgment on any award based on the arbitration panel's decision. The arbitration panel may engage an independent expert with experience in the subject matter of the dispute to advise the arbitrator. The party-appointed arbitrators shall be selected within ten (10) days of commencement of the

arbitration. The arbitration shall be held in Delaware unless otherwise agreed by the parties and the Panel, and in rendering the award the arbitration panel must apply the substantive law of the State of Delaware (except where the law conflicts with this clause), except that the interpretation of this provision shall be governed by the Federal Arbitration Act. The arbitration panel in consultation with the Parties shall establish a process for such arbitration. Each Party shall bear its own attorney's fees and expert witness fees, and the Parties shall share equally the cost of the arbitration, including administrative and arbitrators' fees.

## Article 12
## MISCELLANEOUS PROVISIONS

12.1 **No Other Rights**. No other rights, immunities, or licenses are granted hereunder, by implication, estoppel, statute or otherwise, except as expressly provided in this Agreement.

12.2 **Assignment by BD**. This Agreement is assignable by BD only to (i) any Affiliate of BD or (ii) any successor to its business and operations to which this Agreement relates, without the consent of Angio.

12.3 **Assignment by Angio**. This Agreement is assignable by Angio only to (i) any Affiliate of Angio or (ii) any successor to its business and operations to which this Agreement relates, without the consent of BD.

12.4 **Successors and Assigns**. This agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. For avoidance of doubt, any successor in interest to Angio or to the portion of Angio to which this agreement applies shall be bound by the payment obligations of Article 4 and to the extent less than all the rights and obligations of a Party hereunder are transferred with an Angio Change of Control, both the transferor and transferee shall be bound by and benefit from the rights and obligations applicable thereto, on a several and not joint basis.

12.5 **Assignment of Covered Patents.** Subject to the provisions of Section 3.1, the covenants not to sue contained herein shall run with each BD Port Patent and each Angio Port and Catheter Patent, and shall be binding on any successor-in-interest or assignee thereof with respect to such patents. Neither party shall assign, or grant any exclusive license under, any such patents to any Third Party unless such assignment or grant of exclusive license is subject to the covenants not to sue granted under this Agreement with respect to such assigned patents.

12.6 **Waiver**. Either Party's waiver of any term of condition of this Agreement at any time shall not be construed to waive such term or condition at subsequent times or any other term or condition, nor as a waiver of its rights to enforce such term or condition.

12.7 **Joint Drafting; Interpretation**. The Parties have participated jointly in negotiating and drafting this Agreement. If any ambiguity, question of intent or question of interpretation

arises with respect to this Agreement, then this Agreement will be construed as if drafted jointly by the Parties, and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the actual or alleged authorship of any of the provisions of this Agreement. The term "including" shall mean "including, without limitation."

12.8 **Governing Law.** This Agreement and matters connected with the performance thereof shall be construed, interpreted, applied and governed in all respects in accordance with the laws of Delaware, without reference to conflict of laws principles.

12.9 **Headings**. The headings and subheadings herein are inserted for the convenience of reference only and shall not affect the interpretation of this Agreement.

12.10 **License Survival During Bankruptcy**. All rights and licenses granted under or pursuant to this Agreement are, and will otherwise be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(35A) of the U.S. Bankruptcy Code. Each Party further acknowledges and agrees that if a Party (or any other Person to which such Party has assigned this Agreement or any BD Patents, as applicable), as a debtor in possession or a trustee-in-bankruptcy in a case under the U.S. Bankruptcy Code, rejects this Agreement, each of the other Parties may elect to retain its rights under this Agreement as provided in Section 365(n) of the U.S. Bankruptcy Code. Without limiting the foregoing, the Parties acknowledge that the rights, licenses, and releases granted pursuant to this Agreement, to the maximum extent permitted by law, will not be affected by the rejection of this Agreement in bankruptcy, and will continue to be subject to the terms and conditions of this Agreement. In the event that this Agreement is rejected or deemed rejected in a bankruptcy proceeding (a "**Rejection**"), the debtor Party will provide written notice thereof to the non-debtor Party. To the extent any rights under this Agreement are determined by a bankruptcy court not to be "intellectual property" rights for purposes of Section 365(n) of the U. S. Bankruptcy Code, all of such rights will remain vested in and fully retained by the non-debtor Party after any such Rejection.

12.11 **Notice**. Any notice hereunder shall be in writing and shall be sent by a reliable overnight courier service; by prepaid registered or certified mail, return receipt requested; or by email (with hard copy sent via another method permitted in this Section 12.11 on the same day) to another Party at the address or email address below or to such other address or email address for which such Party shall give notice hereunder. Such notice shall be deemed to have been given one day after the date of sending if by overnight courier service, or five days after the date of sending by registered or certified mail, or upon confirmed receipt if delivered by email, excepted that notice of change of address shall be effective only upon receipt. All communications and notices to be made or given pursuant to this Agreement shall be in the English language.

If to BD:

Becton, Dickinson and Company

Attn: General Counsel
1 Becton Drive
Franklin Lakes, New Jersey 07417

If to Angio:

AngioDynamics Inc.
Attn: Chief Financial Officer
14 Plaza Drive
Latham, New York 12110

12.12 **Further Assurance**. Each Party agrees to enter into and execute such additional documents and instruments and to take such other actions as may be reasonably necessary to implement the purposes and intentions of this Agreement.

1.10 **Severability**. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the Parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the fullest extent possible.

1.11 **Entire Agreement**. This Agreement contains the entire agreement between the Parties and supersedes all previous written or oral negotiations, commitments, transactions, or undertakings with respect to the subject matter hereof. The parties expressly agree, promise and acknowledge that they have not relied on any previous written or oral negotiations, commitments, transactions, or undertakings with respect to the subject matter hereof, but have based their decision to enter this Agreement solely on the terms expressed in writing herein. This Agreement may be modified only in writing, executed by duly constituted officers of both Parties.

1.12 **Counterparts**. This Agreement may be executed in counterparts, one signed by each Party hereto, each of which shall be deemed an original, but all of which together constitute the same singular effective instrument, and which shall become effective as of the Effective Date when executed by the last Party hereto. An electronic signature shall be acceptable.

**IN WITNESS WHEREOF,** the Parties do hereby execute this Settlement and License Agreement by duly authorized officials to be effective as of the Effective Date:

**Becton, Dickinson and Company**

By: /s/ Scott J. Rittman

Name: Scott J. Rittman

Title: Assistant Secretary

**AngioDynamics Inc.**

By: /s/ Stephen A. Trowbridge

Name: Stephen A. Trowbridge

Title: EVP and CFO

Exhibit A – Angio Licensed Port Products

[Omitted]

Exhibit B – BD Port and Catheter Products

[Omitted]

Exhibit C – BD Licensed Catheter Products

[Omitted]

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|---|---|---|
| **Title:** Insider Trading Policy | | |
| **Function:** Law | | |
| **Page:** 1 of 10 | | |
| **Reviewed:** 2/22 | **Effective:** 3/1/22 | **Supersedes:** GN 078, Rev 02 |

# Insider Trading Policy

## Purpose

As a public company, AngioDynamics Inc. (the "Company") is subject to various Federal and state laws and regulations governing trading in its securities. The Company's policy is to comply fully, and to assist its directors and employees in complying fully, with these laws and regulations.

The Company has established this Insider Trading Policy (the "Policy") to provide procedures and guidelines with respect to transactions in the Company's securities and the protection of material non- public information, to protect its directors and employees from violating the law when buying or selling the Company's securities and to prevent any appearance of impropriety. It is important that all directors and employees read and understand this Policy to ensure compliance with the applicable laws. The Company depends upon the conduct and diligence of its directors and employees, in both their professional and personal capacities, to ensure full compliance with this Policy.

## Scope

This Policy applies to all members of the Company's Board of Directors (the "Board"), employees, consultants, and such other people who gain access to material non-public information because of their relationship with the Company, as well as members of such persons' immediate families and households and certain other affiliated persons, as more fully described in the Who Is Covered? section. This Policy applies to both domestic and international employees of the Company and its subsidiaries. Company policy subjects its directors and certain covered employees to additional restrictions because of their access to confidential information on a regular basis. All references in this Policy to employees of the Company should be read to include all such persons listed in the Who Is Covered? section. It is the personal obligation and responsibility of each director, employee, and consultant to act in a manner consistent with this Policy.

## Definitions

### Insider Trading

Insider trading generally involves (1) the purchase or sale of Company securities while in possession of material non-public information; (2) disclosing or "tipping" material non-public information to others or recommending the purchase or sale of securities based on such information; or (3) assisting someone who is engaged in any of the above activities. Additionally, the prohibition on insider trading is not limited to trading in Company securities, and includes trading in the securities of other companies, such as the Company's customers, suppliers, strategic partners, and competitors.

## Non-Public Information

Information about the Company is non-public if it is generally not known to the public or if it has not been disseminated in a manner making it available to investors generally. To show that information is "public", there must be evidence that it is widely disseminated and absorbed by the marketplace.
Generally, information should not be considered fully absorbed by the marketplace until after the second business day following public release of such information. Examples of public dissemination include, without limitation, a press release or filing of a reporting document, such as Form 8-K, 10-Q, or 10-K, with the U.S. Securities and Exchange Commission (the "SEC"). During the period that material information relating to the business or affairs of the Company is unavailable to the general public, it must be kept in strict confidence. Accordingly, such information should be discussed with persons who have a "need to know," and should be confined to as small a group as possible.

## Material Information

Information is material if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to buy or sell securities. While information that would affect the market price of the Company's stock or value of the Company is material in all cases, information that does not have any direct or quantifiable effect on stock price or value may also be material. As a practical matter, materiality often is determined after the fact, when it is known that someone has traded on the information and after the information itself has been made public and its effects upon the market are more certain. Examples of information that might be "material" include without limitation:

(a) financial results, reports or projections, including without limitation sales, earnings, unusual write-offs, write-downs, impairment charges, profit and losses;

(b) information about current, proposed or contemplated transactions, business plans, financial restructuring;

(c) proposed or contemplated issuance, redemption or repurchase of Company stock as well as tender offers, recapitalizations, dividends, stock splits and reverse splits;

(d) significant expansions or contractions of operations and facilities;

(e) pending research, development and discoveries relating to new products or potential products;

(f) significant increases or decreases in business or information relating to major contracts;

(g) institution of, or developments in, major litigation, investigations or other regulatory actions or proceedings;

(h) developments regarding senior management or the Board;

(i) material defaults under agreements or actions by creditors, clients or suppliers;

(j) extraordinary borrowings or liquidity problems;

(k) discussions, negotiations or agreements regarding potential mergers, acquisitions, divestitures, sale or purchase of substantial assets, major license and distribution agreements;

(l) execution, amendment or termination (other than in accordance with its terms) of a material definitive agreement not made in the ordinary course of the Company's business;

(m) creation of, or triggering events that accelerate or increase, a material direct financial obligation or a material obligation under an off-balance sheet arrangement, whether or not the Company is party to the agreement;

(n) the Board (or officers where Board approval is not required) definitively committing the Company to an exit or disposal plan under which material charges will be incurred under Generally Accepted Accounting Principles ("GAAP");

(o) determination by the Board (or officers where Board approval is not required) that the Company is required to record a material impairment charge under GAAP;

(p) determination by the Board (or officers where Board approval is not required) that investors should no longer rely on previously issued financial statements or a related audit report or completed interim review by independent accounts or changes in auditors;

(q) notice from a national securities exchange or Nasdaq that the Company or its securities do not satisfy its listing standards or have been delisted;

(r) actual or potential cybersecurity risks, incidents or events that affect the Company or third-party providers that support the Company's business operations, including computer system or network compromises, viruses or other destructive software and data breach incidents that may disclose personal, business, or other confidential information; and

(s) commencement, termination, or results of any pending or future clinical trials and the status of any regulatory clearances.

By including the list above, the Company does not mean to imply that each of these items above is per se material. The information and events on this list still require determinations as to their materiality (although some determinations will be reached more easily than others). There is no clear definition of what information is deemed to be "material". Assessment of materiality involves a fact specific inquiry. For this reason, if employees have any questions about whether a particular piece of information is "material" or whether it is "public", they should ask the General Counsel before they buy or sell Company stock.

## References

The Securities Exchange Act of 1934 ("1934 Act") was enacted, in part, in response to the insider trading abuses believed to have contributed to the stock market crash of 1929. The 1934 Act addressed insider trading directly through Section 16(b) and indirectly through Section 10(b) and Rule 10b-5 thereunder. Criminal prosecutions for insider trading are commonplace and may result in fines and/or imprisonment.

## Responsibilities

### Executive Leadership Team and Vice Presidents ("Management")

On an ongoing basis, Management is responsible for:

(a) Identifying individuals within their areas of responsibility who will be entrusted with material non-public information.

(b) Notifying the General Counsel of the list of individuals and updating this list as needed.

(c) Notifying all individuals to the extent they become a Covered Persons (i.e., insider) due to the material non-public information that they are entrusted with.

(d) Instructing all Covered Persons that they cannot discuss this material non-public information with anyone, including immediate family or friends, under penalty of violation of Section 10(b) of the 1934 Act and Rule 10b-5 thereunder. These individuals could face jail time as well as fines of up to three times the profit that they or the person they tipped made on the transaction.

### Window Period Notices

On an ongoing basis, the General Counsel or his/her designee shall notify all Covered Persons as to when trading windows are open and closed and instruct all Covered Person to buy and sell Company stock only during such open windows. Notwithstanding any open window period, trading when in possession of material non-public information is prohibited and illegal (*see* the General Prohibition on "Insider Trading" section).

### Human Resources

On an ongoing basis, Human Resources will ensure all newly hired employees are trained on this Policy as part of their new hire orientation, and that such employees acknowledge receipt of this Policy in accordance with the Company's policies and procedures and that such acknowledgment is maintained in their employee files.

## Policy

### General Prohibition on "Insider Trading"

Federal securities laws prohibit the trading of securities while in possession of "material non-public" information. If a director or employee is in possession of material non-public information, such person may not buy or sell Company stock (including common stock, preferred stock, convertible debentures, warrants, exchange-traded options or other derivative securities), other than pursuant to a pre- approved trading plan that complies with SEC Rule 10b5-1, and may not recommend the Company's stock to a third party. In addition, directors and employees of the Company who, while working for the

Company, learn of material non-public information provided by a third party to the Company, including any customer or supplier of the Company, may not buy or sell such third-party security.

## Who is Covered?

The prohibition on insider trading applies to all directors and employees of the Company, both officers and non-officers, family members or other persons who reside in their households, family members who do not live in their households but whose securities transactions are directed by them or are subject to their influence or control, and all trusts, family partnerships, and other types of entities formed for their benefit or for the benefit of a member of their family and all investment funds, trusts, retirement plans, partnerships, corporations and other types of entities in each case over which they have the ability to influence or direct investment decisions concerning securities, as well as anyone who receives such information from an employee of the Company, including consultants and advisors. An employee is prohibited from disclosing or disseminating to anyone, even immediate family members or close friends, any material non-public information obtained while working for the Company, whether relating to the Company or another third party.

## Transactions under Company Plans

Generally, this Policy does not apply to the exercise of an employee stock option, or to the exercise of a tax withholding right pursuant to which you elect to have the Company withhold shares subject to an option to satisfy tax-withholding requirements. This Policy does apply, however, to any sale of stock as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

This Policy does not apply to purchases of Company stock in the employee stock purchase plan resulting from your periodic contribution of money to the plan pursuant to the election you made at the time of your enrollment in the plan. This Policy does apply to your election to participate in the employee stock purchase plan for any enrollment period, and to your sales of Company stock purchased pursuant to such plan.

## Gifts

Generally, bona fide gifts of securities are not deemed to be transactions for the purposes of this Policy. Whether a gift is truly bona fide will depend on the circumstances surrounding a specific gift. The more unrelated the donee is to the donor, the more likely the gift would be considered “bona fide” and not a “transaction.” For example, gifts to charities, churches or non-profit organizations would not be deemed to be “transactions.” However, gifts to dependent children followed by a sale of the “gifted securities” near the time of the gift may imply some economic benefit to the donor and, therefore, may be deemed to be a “transaction” and not a “bona fide gift.”

## Additional Prohibited Transactions by Definition

The Company considers it improper and inappropriate for any director, officer, or other employee of the Company to engage in short-term or speculative transactions in the Company's securities. Under this Policy, directors, officers, and other employees may not engage in any of the following transactions.

### Short Sales

Short sales of the Company's securities evidence an expectation on the part of the seller that the securities will decline in value, and therefore signal to the market that the seller has no confidence in the Company or its short-term prospects. In addition, short sales may reduce the seller's incentive to improve the Company's performance. For these reasons, short sales of the Company's securities are prohibited by this Policy. In addition, Section 16(c) of the 1934 Act prohibits officers and directors from engaging in short sales.

### Publicly Traded Options

A transaction in options is, in effect, a bet on the short-term movement of the Company's stock and therefore creates the appearance that the director or employee is trading based on inside information. Transactions in options also may focus the director or employee's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in puts, calls, or other derivative securities, on an exchange or in any other organized market, are prohibited by this Policy.

### Hedging Transactions

Certain forms of hedging or monetization transactions, such as zero-cost dollars and forward sale contracts, allow an individual to lock in much of the value of their stock holdings, often in exchange for all or part of the potential for upside appreciation in the stock. These transactions allow the director or employee to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the director of employee may no longer have the same objectives as the Company's other shareholders. Therefore, directors and employees are prohibited from engaging in any such transactions.

### Margin Accounts and Pledges

Securities held in a margin account may be sold by the broker without the holder's consent if the holder fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material non-public information or otherwise is not permitted to trade in Company securities, directors, officers, and other employees are prohibited from holding Company securities in a margin account or pledging Company securities as collateral for a loan. An exception to this prohibition may be granted where a person wishes to pledge Company securities as collateral for a loan (not including margin debt) and clearly demonstrates the financial capacity to repay the loan without resort to the pledged securities. Any person who wishes to pledge Company securities as collateral for a loan must submit a request for approval to the General Counsel at least two weeks prior to the proposed execution of documents evidencing the proposed pledge.

### No Tipping

No director or employee shall disclose ("tip") material non-public information to any other person where such information could potentially be used by such person to their benefit by trading in the securities of the Company to which such information relates, nor shall any director or employee make any recommendations or express any opinions as to trading in the Company's securities, or the securities of any other third party, to any other person based on material non-public information.

## What are the Penalties for Violating this Policy?

The consequences of violating this Policy and the Federal securities laws are likely to be severe. Both the SEC and the national securities exchanges, through the Financial Industry Regulatory Authority, investigate and are very effective at detecting insider trading. The SEC, together with the U.S. Attorneys, pursue insider trading violations vigorously. For instance, cases have been successfully prosecuted against trading by employees in foreign accounts, trading by family members and friends, and trading involving only a small number of shares. In addition to possible termination of your employment, persons found to have violated the law and bought or sold securities while in possession of material
non-public information, or passed such information on to others, are subject to both civil action and criminal prosecution. Civil penalties may include cease and desist orders, disgorgement of profits and fines of up to three times the profit gained or loss avoided as a result of the unlawful sale or purchase. Criminal sanctions may include fines of up to $5 million for individuals and/or imprisonment of up to 20 years, or both.

## Pre-Clearance Procedures

To help prevent inadvertent violations of the Federal securities laws and to avoid even the appearance of trading on inside information, directors, Management, and certain designated employees and consultants of the Company and its subsidiaries (collectively "Covered Persons") who have access to material non-public information about the Company, together with their family members and other members of their household, may not engage in any transaction involving the Company's securities (including a stock plan transaction such as an option exercise, a gift, a contribution to a trust or any other transfer) without first obtaining pre-clearance of the transaction from the Company's General Counsel. A request for pre-clearance should be submitted to the General Counsel on the day of the proposed transaction. The General Counsel is under no obligation to approve a trade submitted for pre- clearance and may determine not to permit the trade. The General Counsel may not trade in Company securities unless the Chief Executive Officer has approved the trade(s) in accordance with the procedures set forth in this Policy. Any Covered Person who wishes to implement a trading plan under SEC Rule 10b5-1 must first pre-clear the plan with the General Counsel. Any pre-clearance approval granted by the General Counsel is only good for the specific day it is given. If the trade does not take place on the specific day approval is given, then the request must be resubmitted for approval. Any transactions in the Company's securities by a Covered Person must be reported to the General Counsel on the same day in which such a transaction occurs.

Additionally, officers and directors of the Company must continue to comply with the other SEC reporting requirements and procedures associated with such transactions.

## Blackout Procedures

All directors, executive officers, and Covered Persons are subject to the following blackout procedures.

### Quarterly Blackout Periods

The Company's announcement of its quarterly or year-end financial results has the potential to have a material effect on the market for the Company's securities. Therefore, to avoid even the appearance of trading based on material non-public information, you may only trade during open window periods upon notice and subject to pre-clearance (*see* Window Period Notices and Pre-Clearance Procedures sections), which will generally begin on the second business day following the Company's announcement of quarterly or year-end financial results and end on the last day of the second month following the end of the then current quarter or fiscal year end. All other periods shall be blackout periods and you may not trade in the Company's securities. Persons subject to these quarterly blackout periods include the Board, Management, and all other persons who are informed by the General Counsel that they are Covered Persons and subject to the quarterly blackout periods. The trading window may be opened or closed in the Company's sole discretion.

### Interim Earnings Guidance and Event-Specific Blackouts

The Company may on occasion issue interim earnings guidance or other potentially material information by means of a press release, SEC filing on Form 8-K or other means designed to achieve widespread dissemination of the information. You should anticipate that trading will be blacked out while the Company is in the process of assembling the information to be released and until the information has been released and fully absorbed by the market. Please contact the General Counsel to the extent there is any doubt as to whether a blackout is currently in effect.

### Other Material Events

From time to time, an event may occur that is material to the Company and is known by only a few directors or executives. So long as the event remains material and non-public, the persons who are aware of the event, as well as other persons covered by the quarterly earnings blackout procedures, may not trade in the Company's securities. The existence of an event-specific blackout may not be announced, other than to those who are aware of the event giving rise to the blackout. If, however, a person whose trades are subject to pre-clearance requests permission to trade in the Company's securities during an event-specific blackout, the General Counsel may inform the requesting person of the existence of a blackout period, without disclosing the reason for the blackout. Any person made aware of the existence of an event-specific blackout is prohibited from disclosing the existence of the blackout to any other person. The failure of the General Counsel to designate a person as being subject to an event-specific blackout will not relieve that person of the obligation not to trade while aware of material non-public information. Please contact the General Counsel to the extent there is any doubt as to whether an event-specific blackout is currently in effect.

Directors and executive officers may also be subject to event-specific blackouts pursuant to the SEC's Regulation Blackout Trading Restriction, which prohibits certain sales and other transfers by insiders during certain pension plan blackout periods.

## Hardship Exceptions

A Covered Person who is subject to a quarterly earnings blackout period and who has an unexpected and urgent need to sell Company stock to generate cash may, in appropriate circumstances, be permitted to sell Company stock even during the quarterly blackout period. Hardship exceptions may be granted only by the General Counsel and must be requested at least two days in advance of the proposed trade. A hardship exception may be granted only if the General Counsel concludes that the Company's earnings information for the applicable quarter does not constitute material non-public information. Under no circumstance will a hardship exception be granted during an event-specific blackout period or to a director or executive officer. Unless approved by the General Counsel, a hardship exception shall not justify your noncompliance with this Policy. As a general rule, transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure) are not exceptions to this Policy. The federal securities laws do not recognize such mitigating circumstances, and, in any event, even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct. Even in the event the General Counsel grants a hardship exception, no person shall be permitted to buy or sell the Company's securities to the extent such person is in possession of material non-public information.

## Exception for Approved 10b5-1 Plans

Trades by Covered Persons in the Company's securities that are executed pursuant to an approved 10b5-1 plan are not subject to the prohibition on trading based on material non-public information contained in this Policy or to the restrictions set forth above relating to Pre-Clearance Procedures and blackout periods.

Rule 10b5-1 provides an affirmative defense from insider trading liability under the federal securities laws for trading plans that meet certain requirements. In general, a 10b5-1 plan must be entered into during an open window and when you are not aware of material non-public information. Once the plan is adopted, you must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade. The plan must either specify (including by formula) the amount, pricing, and timing of transactions in advance or delegate discretion on those matters to an independent third party.

The Company requires that all 10b5-1 plans be approved in writing in advance by the General Counsel. The General Counsel may refuse to approve a 10b5-1 plan and may require amendments to any pre- approved 10b5-1 plan in his or her sole discretion, including in response to any changes in Federal securities laws. Any modification to a previously approved 10b5-1 plan must be approved in writing in advance by the General Counsel and must occur during a trading window and while a person is not aware of any material non-public information.

### Post-Termination Transactions

If you are aware of material non-public information when you terminate employment or services, you may not trade in the Company's securities until that information has become public or is no longer material. In all other respects, the procedures set forth in this Policy will cease to apply to your transactions in Company securities upon the expiration of any "blackout period" that is applicable to your transactions at the time of your termination of employment or services.

## Acknowledgement; Amendment

This Policy will be delivered to all directors and employees who must acknowledge receipt and agree to comply with the terms of this Policy. You acknowledge that you may be required upon the Company's request to re-acknowledge and agree to comply with this Policy (including any amendments or modifications). For such purpose, an individual will be deemed to have acknowledged and agreed to comply with this Policy, as amended from time to time, when copies of such items have been delivered by regular or electronic mail (or other delivery option used by the Company) or otherwise provided to you by the General Counsel or his or her designee.

The Company may at any time change this Policy or adopt such other policies or procedures which it considers appropriate to carry out the purposes of its policies regarding insider trading and the disclosure of material, non-public information.

## Questions/Reporting Concerns

If you have questions or concerns about our Insider Trading Policy, we offer the following resources:

- The Compliance Team (compliance@angiodynamics.com) or Law Department (legal@angiodynamics.com)
- People you can talk to: Managers, Supervisors, or the Human Resources Team
- Compliance Hotline, 24 hours a day, 7 days a week at 1-877-325-3781 or online at angiodynamics.ethicspoint.com

AngioDynamics will not tolerate any kind of retaliation against anyone who asks questions or reports a concern in good faith. Anyone who engages in retaliation against someone who asks questions or voices a concern will face discipline.

**Exhibit 21**

## Subsidiaries of AngioDynamics, Inc.

| Subsidiary | State of Incorporation or Organization |
|---|---|
| AngioDynamics UK Limited | United Kingdom |
| AngioDynamics Netherlands B. V. | Netherlands |
| RITA Medical Systems, LLC | Delaware |
| AngioDynamics France, SARL | France |
| AngioDynamics Canada Inc. | Canada |
| AngioDynamics Medical Brasil Servicos de Marketing Ltda. | Brazil |
| RadiaDyne LLC | Texas |
| Eximo Medical, Ltd. | Israel |
| AngioDynamics VA LLC | Delaware |
| AngioDynamics Italy S.r.l | Italy |

**Exhibit 23**

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in Registration Statement Nos. 333-120057, 333-138456, 333-140627, 333-161355, 333-162844, 333-170619, 333-190640, 333-203441, 333-229814, 333-252209 and 333-269151 on Form S-8 of our reports dated July 25, 2024, relating to the financial statements of AngioDynamics Inc. and the effectiveness of AngioDynamics Inc.'s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended May 31, 2024.

/s/ Deloitte & Touche LLP

Boston, Massachusetts
July 25, 2024

**Exhibit 31.1**

CERTIFICATION

I, James C. Clemmer, certify that:

1. I have reviewed this annual report on Form 10-K of AngioDynamics, 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: July 25, 2024

/ S / JAMES C. CLEMMER

James C. Clemmer, President,
Chief Executive Officer

**Exhibit 31.2**

CERTIFICATION

I, Stephen A. Trowbridge, certify that:

1. I have reviewed this annual report on Form 10-K of AngioDynamics, 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: July 25, 2024

/ S / STEPHEN A. TROWBRIDGE

Stephen A. Trowbridge, Executive Vice President,
Chief Financial Officer

**Exhibit 32.1**

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO TITLE 18,
UNITED STATES CODE, SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, James C. Clemmer, President, Chief Executive Officer and Director of ANGIODYNAMICS, Inc. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

1. the annual report on Form 10-K of the Company for the fiscal year ended May 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 25, 2024

/S/ JAMES C. CLEMMER

James C. Clemmer, President,
Chief Executive Officer

**Exhibit 32.2**

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO TITLE 18,
UNITED STATES CODE, SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Stephen A. Trowbridge, Chief Financial Officer of ANGIODYNAMICS, Inc. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

1. the annual report on Form 10-K of the Company for the fiscal year ended May 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 25, 2024

/S/ STEPHEN A. TROWBRIDGE

Stephen A. Trowbridge, Executive Vice President,
Chief Financial Officer

***Privileged and Confidential***

**AngioDynamics, Inc.**

**Executive Compensation Recoupment Policy**
(Effective October 2, 2023)

This policy ("Policy") sets forth the conditions under which AngioDynamics, Inc. (the "Company") will seek reimbursement of certain compensation paid or payable to current or former executive officers of the Company who are subject to recoupment pursuant to this Policy ("Grantees"). Except to the extent otherwise expressly provided below, the Policy as set forth herein shall become effective October 2, 2023 (the "Effective Date"). This Policy applies in addition to any other compensation recoupment policy that the Company may maintain from time to time and shall control in the event of any inconsistency with any other such policy.

*A. In General*

Clause (vii) below defines certain capitalized terms that are used but not otherwise defined in this Policy.

(i) Except as provided below in this Policy, the Company will recover reasonably promptly the amount of erroneously awarded Incentive-Based Compensation ("Erroneously Awarded Compensation") in the event that the Company is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the United States securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

(ii) This Policy applies only to Incentive-Based Compensation that is Received by an individual: (a) after beginning service as an Executive Officer; (b) who served as an Executive Officer at any time during the performance period for the applicable Incentive-Based Compensation; and (c) during the three completed fiscal years immediately preceding the date that the Company is required to prepare an accounting restatement described in clause (i) above (together with any transition period resulting from a change in the Company's fiscal year within or immediately following those three completed fiscal years, provided that any transition period between the last day of the Company's previous fiscal year end and the first day of its new fiscal year that comprises a period of nine to 12 months shall be deemed a completed fiscal year), regardless whether or when the restated financial statements are filed.

(iii) For purposes of this Policy, Erroneously Awarded Compensation is the amount of Incentive-Based Compensation that is Received that exceeds the amount of Incentive-Based Compensation that otherwise would have been Received had it been determined based on the restated amounts, computed without regard to any taxes paid. For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in an accounting restatement, the amount shall be based on a reasonable estimate of the effect of the accounting restatement on the stock price or total shareholder return upon which the Incentive-Based Compensation was Received, and the Company shall maintain documentation of that reasonable estimate and provide such documentation to The Nasdaq Stock Market LLC (the "Exchange").

(iv) For purposes of this Policy, the date that the Company is required to prepare an accounting restatement as described in clause (i) above is the earlier to occur of: (a) the date the Board of Directors of the Company (the "Board"), a committee of the Board, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare an accounting restatement as described in clause (i) above; or (b) the date a court, regulator, or other legally authorized body directs the Company to prepare an accounting restatement as described in clause (i) above.

(v) The requirements of clause (i) above shall not apply if the Compensation Committee of the Board (the "Compensation Committee") or a majority of the independent directors serving on the Board determine that recovery would be impracticable in any of the following circumstances: (a) the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered, provided the Company has made a reasonable attempt to recover such Erroneously Awarded Compensation, has documented such reasonable attempt(s) to recover, and has provided that documentation to the Exchange; (b) recovery would violate home country law where that law was adopted prior to November 28, 2022, provided that the Company has obtained an opinion of home country counsel, acceptable to the Exchange, that recovery would result in such a violation and has provided such opinion to the Exchange; or (c) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company or its subsidiaries, to fail to meet the requirements of 26 U.S.C. Section 401(a)(13) or 26 U.S.C. Section 411(a) and regulations thereunder.

(vi) This Policy shall apply to all Incentive-Based Compensation that is Received by Executive Officers on or after the Effective Date that results from attainment of a Financial Reporting Measure based on or derived from financial information for any fiscal period ending on or after the Effective Date.

(vii) For purposes of this Policy, the following italicized terms shall have the meaning indicated:

"Executive Officer" means (a) the Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer of the Company or its subsidiaries who performs a significant policy-making function for the Company, or any other person who performs significant policy-making functions for the Company and in any event (b) any individual identified as an executive officer of the Company pursuant to 17 C.F.R. Section 229.401(b).

"Financial Reporting Measures" means measures that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, any measures that are derived wholly or in part from such measures, and stock price and total shareholder return, regardless whether such measures are presented within the Company's financial statements or included in a filing with the Securities and Exchange Commission.

"Incentive-Based Compensation" means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure.

Incentive-Based Compensation is deemed "Received" in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if the payment or grant of Incentive-Based Compensation occurs after the end of that period.

(viii) This Policy shall be applied in a manner that is consistent with and does not cause a violation of, and shall be deemed to incorporate any provisions required to make it compliant with, applicable Exchange listing standards.

*B. Miscellaneous*

(i) The Company may, to the extent permitted by law, enforce all or part of a Grantee's repayment obligation under this Policy by any available means.

(ii) Except as provided in Part A(v) of this Policy, this Policy shall be administered and enforced by the Compensation Committee, except to the extent the Board shall designate another committee comprising exclusively independent directors or itself shall act (the Compensation Committee, such other committee or the Board, as applicable, the "Administrator"). The Administrator shall have full and final authority to make all determinations required under this Policy, and its decision as to all questions of interpretation and application of the Policy shall be final, binding and conclusive on all persons, provided that the Administrator shall make no determination as to whether an accounting restatement is required in the first instance, and any such determination shall be reviewed with the Audit Committee of the Board.

(iii) The recoupment of Incentive-Based Compensation under this Policy is in addition to any other right or remedy available to the Company. Without limiting the preceding sentence, this Policy is separate from and in addition to the requirements of Section 304 of the Sarbanes-Oxley Act of 2002 ("Section 304") that are applicable to the Company's Chief Executive Officer and Chief Financial Officer, and the Administrator shall consider any amounts paid to the Company by the Chief Executive Officer and Chief Financial Officer pursuant to Section 304 in determining any amount of Incentive-Based Compensation to recoup under this Policy.

(iv) The Company shall not indemnify any Grantee against the loss of Incentive-Based Compensation recouped pursuant to this Policy.

(v) This Policy may be amended at any time by the Administrator.