



## **Sanara MedTech Inc. Reports Fourth Quarter and Full Year 2024 Financial Results (Unaudited)**

March 25, 2025

*Q4 Net Revenue Increased 49% Year-Over-Year; 2024 Net Revenue Increased 33% Year-Over-Year*

FORT WORTH, TX, March 25, 2025 (GLOBE NEWSWIRE) – **Sanara MedTech Inc.** (“Sanara,” the “Company,” “we,” “our” or “us”) (Nasdaq: SMTI), a medical technology company focused on developing and commercializing transformative technologies to improve clinical outcomes and reduce healthcare expenditures in the surgical, chronic wound and skincare markets, today reported its financial results for the fourth quarter and full year ended December 31, 2024.

### **Fourth Quarter 2024 Financial Summary**

- Net revenue increased 49% to \$26.3 million, compared to \$17.7 million in the fourth quarter of 2023.
- Net loss of \$1.7 million, compared to net loss of \$0.3 million in the fourth quarter of 2023.
- Adjusted EBITDA(1) of \$0.9 million, compared to \$0.4 million in the fourth quarter of 2023.

### **Full Year 2024 Financial Summary**

- Net revenue increased 33% to \$86.7 million, compared to \$65.0 million in 2023.
- Net loss of \$9.9 million, compared to net loss of \$4.4 million in 2023.
- Adjusted EBITDA(1) of \$2.7 million, compared to \$0.1 million in 2023.

(1) Adjusted EBITDA is a non-GAAP financial measure. See the discussion and the reconciliations at the end of this release for additional information.

### **Fourth Quarter 2024 and Recent Operational Announcements**

- On October 4, 2024, the Company appointed Mr. Keith Myers to serve as a director on its Board. Mr. Myers is the chairman and CEO emeritus of LHC Group, one of the largest and highest quality in-home healthcare providers in the United States.
- On January 21, 2025, the Company announced the execution of an exclusive license and distribution agreement with, and minority investment in, Biomimetic Innovations Ltd (“BMI”), a privately-held medical device company headquartered in Shannon, Ireland. Sanara acquired the exclusive U.S. marketing, sales, and distribution rights to BMI’s OsStic® Synthetic Injectable Structural Bio-Adhesive Bone Void Filler, as well as a hardware agnostic adjunctive internal fixation technology.
- On January 21, 2025, the Company announced the expansion of its executive leadership team

with new appointments, effective January 15, 2025. Elizabeth Taylor was appointed to the position of Chief Financial Officer, succeeding Michael McNeil, who was appointed to serve as Chief Accounting Officer and Chief Administrative Officer.

- In 2024, the Sanara R&D team submitted 11 provisional patent applications covering innovations in proprietary antimicrobial technologies and hydrolyzed collagen, including novel formulations, treatment applications, and key component advancements.
- On March 19, 2025, the Company entered into the First Amendment to Term Loan Agreement with CRG Servicing LLC (“CRG”), which amended our existing term loan with CRG to provide for up to two additional borrowings under the term loan, and extended the date by which borrowings are permitted to occur by December 31, 2025.

## **Management Comments**

“Our team delivered an impressive conclusion to 2024, with net revenue growth in the fourth quarter of 49% year-over-year, fueled primarily by sales of soft tissue products in our Sanara Surgical segment,” stated Ron Nixon, Sanara’s Executive Chairman and CEO. “Throughout 2024, our Sanara Surgical commercial team achieved strong execution with respect to our growth strategy, expanding our coverage and penetration of the markets we serve. We also made significant progress in developing the technology platform and infrastructure for Tissue Health Plus, our value-based wound care program. In parallel, we continued our efforts to evaluate and pursue new partnerships, enhance our intellectual property portfolio and develop our product pipeline, while securing a new credit facility to provide increased financial flexibility as we pursue our long-term strategy.”

Mr. Nixon continued: “Looking ahead, our team remains focused on driving revenue growth and improving profitability in our Sanara Surgical segment, while continuing to invest in our Tissue Health Plus segment. In 2025, we remain focused on improving the profitability in our Sanara Surgical segment, while continuing to invest in our Tissue Health Plus segment in preparation for a planned launch of our first pilot program with a wound care provider group during the second quarter. Specifically, we expect our continued investment in Tissue Health Plus over the first half of 2025 to be between \$7.5 to \$10.0 million. Importantly, we are pursuing financial partners to invest in the execution of our Tissue Health Plus strategy. We look forward to expanding awareness and adoption of our technologies this year, with the goal of improving patient outcomes, reducing healthcare costs and enhancing the long-term value of our organization.”

## **Fourth Quarter and Full Year 2024 Revenue**

The following tables summarize revenue streams from product sales and royalties for the three and twelve months ended December 31, 2024 and 2023:

	Three Months Ended December 31,			
	2024	2023	\$ Change	%
Soft tissue repair	\$ 23,538,066	\$ 15,079,871	\$ 8,458,195	56 %
Bone fusion products	2,767,299	2,559,692	207,607	8 %
Royalty revenue	-	50,250	(50,250)	(100) %
<b>Total Net Revenue</b>	<b>\$ 26,305,365</b>	<b>\$ 17,689,813</b>	<b>\$ 8,615,552</b>	<b>49 %</b>

	Year Ended December 31,			
	2024	2023	\$ Change	%
Soft tissue repair	\$ 76,125,012	\$ 54,836,410	\$ 21,288,602	39 %
Bone fusion products	10,547,413	9,952,432	594,981	6 %
Royalty revenue	—	201,000	(201,000)	(100) %
<b>Total Net Revenue</b>	<b>\$ 86,672,425</b>	<b>\$ 64,989,842</b>	<b>\$ 21,682,583</b>	<b>33 %</b>

#### Fourth Quarter 2024 Financial Results

Net revenue for the fourth quarter of 2024 was \$26.3 million, compared to \$17.7 million for the fourth quarter of 2023, an increase of \$8.6 million, or 49%, year-over-year. The increase in net revenue was driven by an increase of \$8.5 million, or 56%, in sales of soft tissue repair products and an increase of \$0.2 million, or 8%, in sales of bone fusion products.

The increase in sales of soft tissue repair products was driven primarily by increased demand for CellerateRX<sup>®</sup> Surgical Activated Collagen<sup>®</sup> (“CellerateRX Surgical”) and, to a lesser extent, BIASURGE<sup>®</sup> Advanced Surgical Solution (“BIASURGE”). Fourth quarter 2024 BIASURGE<sup>®</sup> sales were driven, in part, by approximately \$1.8 million of revenue that we believe is attributable to supply chain issues and shortages of intravenous fluids and saline solutions experienced by the broader industry due to Hurricane Helene.

Gross profit for the fourth quarter of 2024 was \$24.1 million, compared to \$15.9 million for the fourth quarter of 2023, an increase of \$8.2 million, or 51%, year-over-year. The increase in gross profit was driven by increased sales of soft tissue repair and bone fusion products. Gross margin was 91% of net revenue for the fourth quarter of 2024, compared to 90% of net revenue for the fourth quarter of 2023. The increase in gross margin was driven by increased sales of soft tissue repair products, particularly CellerateRX<sup>®</sup> Surgical and BIASURGE<sup>®</sup>.

Operating expenses for the fourth quarter of 2024 were \$24.4 million, compared to \$16.1 million for the fourth quarter of 2023, an increase of \$8.3 million, or 51%, year-over-year. The increase in operating expenses was driven by an increase of \$6.1 million, or 37%, in selling, general and

administrative (“SG&A”), an increase of \$1.8 million, or 270%, in research and development (“R&D”), and an increase of \$0.5 million, or 47%, in depreciation and amortization. The increase in depreciation and amortization in the fourth quarter of 2024 was driven by a \$0.5 million non-cash charge to write-off the remaining net book value of certain Tissue Health Plus internal use software assets.

Operating loss for the fourth quarter of 2024 was \$0.4 million, compared to operating loss of \$0.2 million for the fourth quarter of 2023.

Other expense for the fourth quarter of 2024 was \$1.3 million, compared to \$36,449 for the fourth quarter of 2023. Other expense for the fourth quarter of 2024 primarily included higher interest expense related to the Company’s term loan with CRG.

Net loss for the fourth quarter of 2024 was \$1.7 million compared to a net loss of \$0.3 million for the fourth quarter of 2023. The Company’s Sanara Surgical segment generated net income of \$0.9 million for the fourth quarter of 2024, compared to a net loss of \$0.7 million for the fourth quarter of 2023. The Company’s Tissue Health Plus segment generated a net loss of \$2.6 million for the fourth quarter of 2024, compared to net income of \$0.5 million for the fourth quarter of 2023. The year-over-year increase in net loss in the Company’s Tissue Health Plus segment was primarily due to higher SG&A and R&D related to the buildout of the Tissue Health Plus platform and infrastructure, and higher depreciation and amortization related to a \$0.5 million non-cash charge in the fourth quarter of 2024 to write-off the remaining net book value of certain Tissue Health Plus internal use software assets.

Adjusted EBITDA<sup>(1)</sup> for the fourth quarter of 2024 was \$0.9 million, compared to \$0.4 million for the fourth quarter of 2023. The Company’s Sanara Surgical segment generated Segment Adjusted EBITDA<sup>(2)</sup> of \$4.1 million for the fourth quarter of 2024, compared to \$1.5 million for the fourth quarter of 2023. The Company’s Tissue Health Plus segment generated Segment Adjusted EBITDA<sup>(2)</sup> of (\$3.1) million for the fourth quarter of 2024, compared to (\$1.1) million for the fourth quarter of 2023.

As of December 31, 2024, Sanara had \$15.9 million of cash and \$30.5 million of principal debt obligations outstanding, and \$24.5 million of available borrowing capacity, compared to \$5.1 million, \$9.8 million, and \$2.3 million, respectively, as of December 31, 2023.

## **Full Year 2024 Financial Results**

Net revenue for the full year 2024 was \$86.7 million, compared to \$65.0 million for the full year 2023, an increase of \$21.7 million, or 33%, year-over-year.

Net loss for the full year 2024 was \$9.9 million compared to net loss of \$4.4 million for the full year 2023. The Company’s Sanara Surgical segment generated a net loss of \$1.9 million for the full year 2024, compared to net income of \$0.4 million for the for full year 2023. The year-over-year change in net loss in the Company’s Sanara Surgical segment was driven primarily by interest expense of \$3.2 million, compared to \$0.2 million for the full year 2023. The Company’s Tissue Health Plus segment generated a net loss of \$8.0 million for the full year 2024, compared to a net loss of \$4.9 million for full year 2023. The year-over-year change in net loss in the Company’s Tissue Health Plus segment was primarily due to higher SG&A and R&D related to the buildout of the Tissue Health Plus platform and infrastructure.

Adjusted EBITDA<sup>(1)</sup> for the full year 2024 was \$2.7 million, compared to \$0.1 million for the full year 2023. The Company's Sanara Surgical segment generated Segment Adjusted EBITDA<sup>(2)</sup> of \$9.1 million for the full year 2024, compared to \$5.3 million for the full year 2023. The Company's Tissue Health Plus segment generated Segment Adjusted EBITDA<sup>(2)</sup> of (\$6.5) million for the full year 2024, compared to (\$5.2) million for the full year 2023.

*(1) Adjusted EBITDA is a non-GAAP financial measure. See the discussion and the reconciliations at the end of this release for additional information.*

*(2) Segment Adjusted EBITDA is a non-GAAP financial measure. See the discussion and the reconciliations at the end of this release for additional information.*

## **Conference Call**

Sanara will host a conference call on Tuesday, March 25, 2025, at 8:00 a.m. Eastern Time to discuss the results for the quarter and full year ended December 31, 2024, and hold a question and answer session at the end of the call. The toll-free number to call for this teleconference is 888-506-0062 (international callers: 973-528-0011) and the access code is 904042. A telephonic replay of the conference call will be available through Tuesday, April 08, 2025, by dialing 877-481-4010 (international callers: 919-882-2331) and entering the replay passcode: 52172.

A live webcast of Sanara's conference call will be available under the Investor Relations section of the Company's website, [www.SanaraMedTech.com](http://www.SanaraMedTech.com). A one-year online replay will be available after the conclusion of the live broadcast.

## **About Sanara MedTech Inc.**

Sanara MedTech Inc. is a medical technology company focused on developing and commercializing transformative technologies to improve clinical outcomes and reduce healthcare expenditures in the surgical, chronic wound and skincare markets. The Company markets, distributes and develops surgical, wound and skincare products for use by physicians and clinicians in hospitals, clinics and all post-acute care settings and offers wound care and dermatology virtual consultation services via telemedicine. Sanara's products are primarily sold in the North American advanced wound care and surgical tissue repair markets. Sanara markets and distributes CellerateRX<sup>®</sup> Surgical Activated Collagen<sup>®</sup>, FORTIFY TRG<sup>®</sup> Tissue Repair Graft and FORTIFY FLOWABLE<sup>®</sup> Extracellular Matrix as well as a portfolio of advanced biologic products focusing on ACTIGEN<sup>™</sup> Verified Inductive Bone Matrix, ALLOCYTE<sup>®</sup> Plus Advanced Viable Bone Matrix, BiFORM<sup>®</sup> Bioactive Moldable Matrix, TEXAGEN<sup>®</sup> Amniotic Membrane Allograft, and BIASURGE<sup>®</sup> Advanced Surgical Solution to the surgical market. In addition, the following products are sold in the wound care market: BIAKÖS<sup>®</sup> Antimicrobial Skin and Wound Cleanser, BIAKÖS<sup>®</sup> Antimicrobial Wound Gel, and BIAKÖS<sup>®</sup> Antimicrobial Skin and Wound Irrigation Solution. Sanara's pipeline also contains potentially transformative product candidates for mitigation of opportunistic pathogens and biofilm, wound re-epithelialization and closure, necrotic tissue debridement and cell compatible substrates. The Company believes it has the ability to drive its pipeline from concept to preclinical and clinical development while meeting quality and regulatory requirements. Sanara is constantly seeking long-term strategic partnerships with a focus on products that improve outcomes at a lower overall cost. For more information, please visit [sanamedtech.com](http://sanamedtech.com).

## Information about Forward-Looking Statements

The statements in this press release that do not constitute historical facts are “forward-looking statements,” within the meaning of and subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995. These statements may be identified by terms such as “aims,” “anticipates,” “believes,” “contemplates,” “continue,” “could,” “estimates,” “expect,” “forecast,” “guidance,” “intends,” “may,” “plans,” “possible,” “potential,” “predicts,” “preliminary,” “projects,” “seeks,” “should,” “targets,” “will” or “would,” or the negatives of these terms, variations of these terms or other similar expressions. These forward-looking statements include, among others, statements regarding the timing of our planned commercial launch of the Company’s Tissue Health Plus platform, the Company’s business strategy and mission, the development of new products, the timing of commercialization of the Company’s products, the regulatory approval process and expansion of the Company’s business into value-based skincare, wound care and other services. These items involve risks, contingencies and uncertainties such as uncertainties associated with the development and process for obtaining regulatory approval for new products, the Company’s ability to build out its executive team, the Company’s ability to identify and effectively utilize the net proceeds of its term loan to support the Company’s growth initiatives, the extent of product demand, market and customer acceptance, the effect of economic conditions, competition, pricing, uncertainties associated with the development and process for obtaining regulatory approval for new products, the ability to consummate and integrate acquisitions, and other risks, contingencies and uncertainties detailed in the Company’s SEC filings, which could cause the Company’s actual operating results, performance or business plans or prospects to differ materially from those expressed in, or implied by these statements.

All forward-looking statements speak only as of the date on which they are made, and the Company undertakes no obligation to revise any of these statements to reflect future circumstances or the occurrence of unanticipated events, except as required by applicable securities laws.

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