



Aziyo Biologics Announces Funding of Additional \$4 Million Term Loan with SWK Holdings Corporation

December 15, 2022

Follows recent equity financing, resulting in debt and equity gross proceeds of \$15.2 million

SILVER SPRING, Md., Dec. 15, 2022 (GLOBE NEWSWIRE) -- Aziyo Biologics, Inc. (Nasdaq: AZYO) ("Aziyo"), a biologics company with a portfolio of regenerative products aimed at improving compatibility between medical devices and the patients they treat, today announced that it has received an additional \$4 million term loan from SWK Holdings Corporation, a healthcare-focused investment firm.

"This funding provides us with additional capital resources to continue development of CanGaroo® RM, our next-generation biomaterial envelope enhanced with antibiotics, which we believe is on track for an FDA 510(k) marketing clearance in the first quarter of next year," said Matt Ferguson, Chief Financial Officer of Aziyo. "Our strategy remains focused on continued growth of our device compatibility business units, which represents a significant market opportunity."

"We are excited to see Aziyo build on its growth momentum and create new innovative solutions for patients, specifically with the future launch of CanGaroo® RM," said Jody Staggs, President of SWK Holdings. "We believe Aziyo is well-positioned to execute on its key strategic initiatives as it continues providing novel therapeutic options to patients in need."

The additional \$4 million term loan is the second tranche under an existing aggregate \$25 million credit facility. The initial \$21 million term loan under the facility was funded in August 2022. The additional debt financing follows Aziyo's recently closed \$11.2 million public offering of common stock in December 2022, resulting in a combined aggregate amount of \$15.2 million in gross proceeds from these two financings. The Company plans to use the proceeds to expand its product development and clinical research activities, hire additional sales personnel to coincide with product launches and to fund working capital and other general corporate purposes.

About Aziyo Biologics

Aziyo Biologics is a regenerative medicine company with a commercial portfolio of differentiated products focused on improving outcomes in patients undergoing a range of surgical procedures, primarily for implantable medical devices. Since its founding in 2015, the Company has created a portfolio of commercial-stage products used in cardiovascular, orthopedic, and reconstructive specialties. For more information, visit www.Aziyo.com.

About SWK Holdings Corporation

SWK Holdings Corporation is a specialized finance company with a focus on the global healthcare sector. SWK partners with ethical product marketers and royalty holders to provide flexible financing solutions at an attractive cost of capital to create long-term value for both SWK's business partners and its investors. SWK believes its financing structures achieve an optimal partnership for companies, institutions and inventors seeking capital for expansion or capital and estate planning by allowing its partners to monetize future cash flow with minimal dilution to their equity stakes. Additional information on the life science finance market is available on the Company's website at www.swkhold.com.

Forward-Looking Statements

This press release contains, and Aziyo's officers and representatives may make from time to time, "forward-looking statements" within the meaning of the U.S. federal securities laws. Forward-looking statements can be identified by words such as "projects," "may," "will," "could," "would," "should," "believes," "expects," "anticipates," "estimates," "intends," "plans," "potential," "promise" or similar references to future periods. Examples of forward-looking statements in this release include, without limitation, statements regarding the Company's strategies, priorities and initiatives, and expected success; the Company's market opportunity; the timing of regulatory clearance and product launch; and the anticipated use of the net proceeds from the Company's financings. Forward-looking statements are statements that are not historical facts, nor assurances of future performance. Instead, they are based on Aziyo's current beliefs, expectations and assumptions regarding the future of its business, future plans, strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent risks, uncertainties and changes in circumstances that are difficult to predict and many of which are beyond Aziyo's control, including those detailed in Aziyo's filings with the SEC. Actual results may differ from those set forth in the forward-looking statements. Important factors that could cause actual results to differ include, among others, risks regarding the Company's products and its ability to enhance, expand and develop its products; the impact on the Company's business of the recall of a single lot of its FiberCel product and the discontinuation of its sales by its distribution partner; the Company's dependence on its commercial partners; the adverse impacts of COVID-19 or adverse changes in economic conditions; physician awareness of the distinctive characteristics, and acceptance by the medical community, of the Company's products; the ability to obtain regulatory approval or other marketing authorizations; and the Company's intellectual property rights, and other important factors which can be found in the "Risk Factors" section of Aziyo's public filings with the Securities and Exchange Commission ("SEC"), including Aziyo's Annual Report on Form 10-K for the year ended December 31, 2021, as such factors may be updated from time to time in Aziyo's other filings with the SEC, including, Aziyo's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2022, accessible on the SEC's website at www.sec.gov and the Investor Relations page of Aziyo's website at <https://investors.aziyo.com>. Any forward-looking statement made by Aziyo in this press release is based only on information currently available and speaks only as of the date on which it is made. Except as required by applicable law, Aziyo expressly disclaims any obligations to publicly update any forward-looking statements, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

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