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

**FORM 10-Q**

(Mark One)

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

For the quarterly period ended June 28, 2025

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-37844

**BIOVENTUS INC.**

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

81-0980861

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

4721 Emperor Boulevard, Suite 100

Durham, North Carolina

(Address of Principal Executive Offices)

27703

(Zip Code)

(919) 474-6700

(Registrant's Telephone Number, Including Area Code)

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Class A Common Stock, \$0.001 par value per share	BVS	The Nasdaq Global Select Market

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

As of July 31, 2025, there were 66,892,303 shares of Class A common stock outstanding and 15,786,737 shares of Class B common stock outstanding.

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**BIOVENTUS INC.**  
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## **SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

As used in this Quarterly Report on Form 10-Q, unless expressly indicated or the context otherwise requires, references to “Bioventus,” “we,” “us,” “our,” the “Company,” and similar references refer to Bioventus Inc. and its consolidated subsidiaries, including Bioventus LLC (“BV LLC”).

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (“Exchange Act”), and Section 27A of the Securities Act of 1933, as amended (“Securities Act”), concerning our business, operations and financial performance and condition, as well as our plans, objectives and expectations for our business operations and financial performance and condition. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements including, without limitation, statements regarding our business strategy, including, without limitation, the impact of the divestiture of our Advanced Rehabilitation Business and impact of our new credit facility on our financial condition and operations; our domestic and international operations and expected financial performance and condition; the effect of regulatory approvals; our ability to commercialize our products and timeframe; sales trends; estimated market opportunities, position and growth; and impacts of inflation and ongoing conflicts in Ukraine and the Middle East. In some cases, you can identify forward-looking statements by terminology such as “aim,” “anticipate,” “assume,” “believe,” “contemplate,” “continue,” “could,” “due,” “estimate,” “expect,” “goal,” “intend,” “may,” “objective,” “plan,” “predict,” “potential,” “positioned,” “seek,” “should,” “target,” “will,” “would” and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words.

Forward-looking statements are based on management’s current expectations, estimates, forecasts and projections about our business and the industry in which we operate, and management’s beliefs and assumptions are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors that are in some cases beyond our control. As a result, any or all of our forward-looking statements in this Quarterly Report on Form 10-Q may turn out to be inaccurate. Furthermore, if the forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. Important factors that may cause actual results to differ materially from current expectations include, among other things: the risks related to tariffs and unexpected changes in tariffs, trade barriers and regulatory requirements, export licensing requirements or other restrictive actions by the United States or retaliatory tariffs and other actions taken by foreign governments; the risk that we might not realize some or all of the benefits expected to result from the divestiture of our Advanced Rehabilitation Business or new credit facility; the FDA regulatory process is expensive, time-consuming and uncertain, and the failure to obtain and maintain required regulatory clearances and approvals could prevent us from commercializing our products; we may be unable to successfully commercialize newly developed or acquired products or therapies within expected timeframes; if clinical studies of our future product candidates do not produce results necessary to support regulatory clearance or approval in the United States or elsewhere, we will be unable to expand the indications for or commercialize these products; if we fail to properly manage growth or scale our business processes, systems, or data management, our business could suffer; our ability to maintain our competitive position depends on our ability to attract, retain and motivate our senior management team and highly qualified personnel necessary to execute our strategic plans; we may face issues with respect to the supply of our products or their components due to product quality and regulatory compliance issues, including increased costs, disruptions of supply, shortages, contamination or mislabeling; we might not meet certain of our debt covenants under our 2025 Credit Agreement and might be required to repay our indebtedness on an accelerated basis; there are restrictions on operations and other costs associated with our indebtedness; we might require additional capital to fund our current financial obligations and support business growth; failure to establish and maintain effective financial controls could adversely affect our business and stock price; we might not be able to complete acquisitions or successfully integrate new businesses, products or technologies in a cost-effective and non-disruptive manner; our cash is maintained at financial institutions, often in balance that exceed federally insured limits; we are subject to securities class action litigation and may be subject to similar or other litigation in the future, which will require significant management time and attention, result in significant legal expenses or costs not covered by our insurers, and may result in unfavorable outcomes; we are highly dependent on a limited number of products; our long-term growth depends on our ability to develop, acquire and commercialize new products, line extensions or expanded indications; demand for our existing portfolio of products and any new products, line extensions or expanded indications depends on the continued and future acceptance of our products by physicians, patients, third-party payers and others in the medical community; the proposed down classification of non-invasive bone growth stimulators, including our EXOGEN system, by the FDA could increase future competition for bone growth stimulators and otherwise adversely affect the Company’s sales of EXOGEN; failure to achieve and maintain adequate levels of coverage and/or reimbursement for our products or future products, the procedures using our products, such as our hyaluronic acid (“HA”)

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viscosupplements, or future products we may seek to commercialize; failure to achieve and maintain adequate levels of coverage and/or reimbursement for our products or future products, the procedures using our products; pricing and other competitive factors; governments outside the United States might not provide coverage or reimbursement of our products; we compete and may compete in the future against other companies, some of which have longer operating histories, more established products or greater resources than we do; if our HA products are reclassified from medical devices to drugs in the United States by the FDA, it could negatively impact our ability to market these products and may require that we conduct costly additional clinical studies to support current or future indications for use of those products; our failure to properly manage our anticipated growth and strengthen our brands; risks related to product liability claims; fluctuations in demand for our products; issues relating to the supply of our products or their components due to product quality and regulatory compliance issues, including increased costs, disruptions of supply, shortages, contamination or mislabeling; our reliance on a limited number of third-party manufacturers to manufacture certain of our products; if our facilities are damaged or become inoperable, we will be unable to continue to research, develop and manufacture certain of our products; economic, political, regulatory and other risks related to international sales, manufacturing and operations; failure to maintain contractual relationships; security breaches, unauthorized access to our disclosure of information, cyberattacks, or other incidents, or the perception that confidential information in our or our vendors' or service providers' possession or control is not secure; failure of key information technology and communications systems, process or sites; risks related to our future capital needs; failure to comply with extensive governmental regulation relevant to us and our products; we may be subject to enforcement action if we engage in improper claims submission practices and resulting audits or denials of our claims by government agencies could reduce our net sales or profits; unstable political or economic conditions; legislative or regulatory reforms; our business might experience adverse impacts due to public health outbreaks; risks related to intellectual property matters; the dilution of our Class A common stockholders upon an exchange of the outstanding common membership interests in BV LLC could adversely affect the market price of our Class A common stock and the resale of such shares could cause the market price of our Class A common stock to fall; and other important factors described in *Part I. Item 1A. Risk Factors* in our Annual Report on Form 10-K for the year ended December 31, 2024 and our Quarterly Reports on Form 10-Q, as may be further updated from time to time in our other filings with the SEC. You are urged to consider these factors carefully in evaluating these forward-looking statements. These forward-looking statements speak only as of the date hereof. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

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## PART I. FINANCIAL INFORMATION

### Item 1. Financial Statements.

#### Bioventus Inc.

#### Consolidated Condensed Statements of Operations and Comprehensive Income (Loss)

Three and Six Months Ended June 28, 2025 and June 29, 2024

(Amounts in thousands, except share amounts)

(Unaudited)

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Net sales	\$ 147,660	\$ 151,217	\$ 271,536	\$ 280,674
Cost of sales (including depreciation and amortization of \$10,603, \$11,021, \$20,868 and \$21,046, respectively)	45,570	47,578	86,390	88,655
Gross profit	102,090	103,639	185,146	192,019
Selling, general and administrative expense	79,110	96,668	152,612	175,443
Research and development expense	3,172	4,210	6,183	6,837
Change in fair value of contingent consideration	—	300	—	595
Depreciation and amortization	1,439	2,064	3,032	3,819
Impairment of assets	—	31,870	—	31,870
Loss on disposals	1	—	82	—
Operating income (loss)	18,368	(31,473)	23,237	(26,545)
Interest expense, net	7,494	9,924	15,003	20,263
Other expense, net	561	159	1,338	222
Other expense	8,055	10,083	16,341	20,485
Income (loss) before income taxes	10,313	(41,556)	6,896	(47,030)
Income tax expense (benefit), net	1,041	(7,339)	946	(6,432)
Net income (loss)	9,272	(34,217)	5,950	(40,598)
(Income) loss attributable to noncontrolling interest	(1,813)	8,535	(1,128)	10,026
Net income (loss) attributable to Bioventus Inc.	\$ 7,459	\$ (25,682)	\$ 4,822	\$ (30,572)
Net income (loss)	\$ 9,272	\$ (34,217)	\$ 5,950	\$ (40,598)
Other comprehensive income (loss), net of tax				
Change in foreign currency translation adjustments	1,593	(426)	2,226	(1,011)
Comprehensive income (loss)	10,865	(34,643)	8,176	(41,609)
Comprehensive income (loss) attributable to noncontrolling interest	(2,118)	8,619	(1,555)	10,226
Comprehensive income (loss) attributable to Bioventus Inc.	\$ 8,747	\$ (26,024)	\$ 6,621	\$ (31,383)
Income (loss) per share of Class A common stock:				
Basic	\$ 0.11	\$ (0.40)	\$ 0.07	\$ (0.48)
Diluted	\$ 0.11	\$ (0.40)	\$ 0.07	\$ (0.48)
Weighted-average shares of Class A common stock outstanding:				
Basic	66,500,433	64,056,759	66,258,679	63,720,342
Diluted	68,536,759	64,056,759	68,765,591	63,720,342

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

**Bioventus Inc.**
**Consolidated Condensed Balance Sheets as of June 28, 2025 and December 31, 2024**
**(Amounts in thousands, except share amounts)**
**(Unaudited)**

	June 28, 2025	December 31, 2024
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 32,910	\$ 41,582
Accounts receivable, net	132,367	127,393
Inventory	96,465	92,475
Prepaid and other current assets	13,461	14,160
<b>Total current assets</b>	<b>275,203</b>	<b>275,610</b>
Property and equipment, net	24,512	27,012
Goodwill	7,462	7,462
Intangible assets, net	386,954	404,729
Operating lease assets	6,225	6,506
Deferred tax assets	4,745	4,745
Investment and other assets	1,687	1,892
<b>Total assets</b>	<b>\$ 706,788</b>	<b>\$ 727,956</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 24,245	\$ 23,690
Accrued liabilities	113,666	135,879
Current portion of long-term debt	43,358	27,339
Current portion of contingent consideration	—	19,573
Other current liabilities	4,411	3,917
<b>Total current liabilities</b>	<b>185,680</b>	<b>210,398</b>
Long-term debt, less current portion	297,880	308,288
Deferred income tax liabilities	651	564
Other long-term liabilities	21,278	23,102
<b>Total liabilities</b>	<b>505,489</b>	<b>542,352</b>
Commitments and contingencies (Note 10)		
<b>Stockholders' Equity</b>		
Preferred stock, \$0.001 par value, 10,000,000 shares authorized, 0 shares issued		
Class A common stock, \$0.001 par value, 250,000,000 shares authorized as of June 28, 2025 and December 31, 2024, 66,885,359 and 65,758,341 shares issued and outstanding as of June 28, 2025 and December 31, 2024, respectively	67	66
Class B common stock, \$0.001 par value, 50,000,000 shares authorized, 15,786,737 shares issued and outstanding as of June 28, 2025 and December 31, 2024	16	16
Additional paid-in capital	514,772	508,092
Accumulated deficit	(352,839)	(357,661)
Accumulated other comprehensive loss	(774)	(2,573)
<b>Total stockholders' equity attributable to Bioventus Inc.</b>	<b>161,242</b>	<b>147,940</b>
Noncontrolling interest	40,057	37,664
<b>Total stockholders' equity</b>	<b>201,299</b>	<b>185,604</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 706,788</b>	<b>\$ 727,956</b>

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

**Bioventus Inc.**  
**Consolidated Condensed Statements of Changes in Stockholders' Equity**  
**Three and Six Months Ended June 28, 2025 and June 29, 2024**  
(Amounts in thousands, except share amounts)(Unaudited)

**Three Months Ended June 28, 2025**

	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated other comprehensive income (loss)	Accumulated Deficit	Non-controlling interest	Total Stockholders' equity
	Shares	Amount	Shares	Amount					
Balance at March 29, 2025	66,231,388	\$ 66	15,786,737	\$ 16	\$ 510,422	\$ (2,062)	\$ (360,298)	\$ 37,335	\$ 185,479
Issuance of Class A common stock for equity plans	653,971	1	—	—	1,316	—	—	—	1,317
Net income	—	—	—	—	—	—	7,459	1,813	9,272
Equity-based compensation	—	—	—	—	3,034	—	—	609	3,643
Distribution to members	—	—	—	—	—	—	—	(5)	(5)
Translation adjustment	—	—	—	—	—	1,288	—	305	1,593
Balance at June 28, 2025	66,885,359	\$ 67	15,786,737	\$ 16	\$ 514,772	\$ (774)	\$ (352,839)	\$ 40,057	\$ 201,299

**Three Months Ended June 29, 2024**

	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated other comprehensive income (loss)	Accumulated Deficit	Non-controlling interest	Total Stockholders' equity
	Shares	Amount	Shares	Amount					
Balance at March 30, 2024	63,672,170	\$ 64	15,786,737	\$ 16	\$ 497,297	\$ 325	\$ (326,426)	\$ 46,156	\$ 217,432
Issuance of Class A common stock for equity plans	1,499,989	1	—	—	495	—	—	—	496
Net loss	—	—	—	—	—	—	(25,682)	(8,535)	(34,217)
Change in noncontrolling interest allocation	—	—	—	—	502	—	—	(502)	—
Equity-based compensation	—	—	—	—	4,685	—	—	1,092	5,777
Translation adjustment	—	—	—	—	—	(342)	—	(84)	(426)
Balance at June 29, 2024	65,172,159	\$ 65	15,786,737	\$ 16	\$ 502,979	\$ (17)	\$ (352,108)	\$ 38,127	\$ 189,062

**Six Months Ended June 28, 2025**

	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated other comprehensive income (loss)	Accumulated Deficit	Non-controlling interest	Total Stockholders' equity
	Shares	Amount	Shares	Amount					
Balance at December 31, 2024	65,758,341	\$ 66	15,786,737	\$ 16	\$ 508,092	\$ (2,573)	\$ (357,661)	\$ 37,664	\$ 185,604
Issuance of Class A common stock for equity plans	1,127,018	1	—	—	1,466	—	—	—	1,467
Net income	—	—	—	—	—	—	4,822	1,128	5,950
Change in noncontrolling interest allocation	—	—	—	—	159	—	—	(159)	—
Equity-based compensation	—	—	—	—	5,055	—	—	1,002	6,057
Distributions to members	—	—	—	—	—	—	—	(5)	(5)
Translation adjustment	—	—	—	—	—	1,799	—	427	2,226
Balance at June 28, 2025	66,885,359	\$ 67	15,786,737	\$ 16	\$ 514,772	\$ (774)	\$ (352,839)	\$ 40,057	\$ 201,299

**Six Months Ended June 29, 2024**

	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated other comprehensive income (loss)	Accumulated Deficit	Non-controlling interest	Total Stockholders' equity
	Shares	Amount	Shares	Amount					
Balance at December 31, 2023	63,267,436	\$ 63	15,786,737	\$ 16	\$ 494,254	\$ 794	\$ (321,536)	\$ 47,527	\$ 221,118
Issuance of Class A common stock for equity plans	1,904,723	2	—	—	784	—	—	—	786
Net loss	—	—	—	—	—	—	(30,572)	(10,026)	(40,598)
Change in noncontrolling interest allocation	—	—	—	—	821	—	—	(821)	—
Equity-based compensation	—	—	—	—	7,120	—	—	1,647	8,767
Translation adjustment	—	—	—	—	—	(811)	—	(200)	(1,011)
Balance at June 29, 2024	65,172,159	\$ 65	15,786,737	\$ 16	\$ 502,979	\$ (17)	\$ (352,108)	\$ 38,127	\$ 189,062

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

**Bioventus Inc.**  
**Consolidated Condensed Statements of Cash Flows**  
**Six Months Ended June 28, 2025 and June 29, 2024**  
**(Amounts in thousands)**  
**(Unaudited)**

	Six Months Ended	
	June 28, 2025	June 29, 2024
<b>Operating activities:</b>		
Net income (loss)	\$ 5,950	\$ (40,598)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation and amortization	23,914	24,875
Provision (benefit) for credit losses	843	(537)
Equity-based compensation	6,057	8,767
Change in fair value of contingent consideration	—	595
Deferred income taxes	87	(8,098)
Impairment of assets	—	31,870
Loss on disposals	82	—
Unrealized (gain) loss on foreign currency fluctuations	(365)	536
Other, net	763	961
Changes in operating assets and liabilities:		
Accounts receivable	(4,625)	(21,933)
Inventories	(4,690)	(8,359)
Accounts payable and accrued expenses	(22,681)	22,552
Other current and noncurrent assets and liabilities	1,272	(1,474)
Net cash from operating activities	6,607	9,157
<b>Investing activities:</b>		
Settlement from the sale of a business	(686)	—
Purchase of property and equipment	(1,509)	(368)
Investments and acquisition of distribution rights	—	(709)
Net cash from investing activities	(2,195)	(1,077)
<b>Financing activities:</b>		
Proceeds from issuance of Class A common stock	1,467	786
Payment of contingent consideration	(19,771)	—
Borrowing on revolver	15,000	—
Payment on revolver	(10,000)	—
Debt refinancing costs	—	(1,180)
Payments on long-term debt	—	(11,320)
Other, net	(412)	(373)
Net cash from financing activities	(13,716)	(12,087)
Effect of exchange rate changes on cash	632	(963)
Net change in cash and cash equivalents	(8,672)	(4,970)
Cash and cash equivalents at the beginning of the period	41,582	36,964
Cash and cash equivalents at the end of the period	\$ 32,910	\$ 31,994
<b>Supplemental disclosure of noncash investing and financing activities</b>		
Accounts payable for purchase of property, plant and equipment	\$ 196	\$ 205

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

**Bioventus Inc.**

**Notes to the unaudited consolidated condensed financial statements**  
**(Amounts in thousands, except unit and share amounts)**

**1. Organization**

**The Company**

Bioventus Inc. (together with its subsidiaries, the “Company”) was formed as a Delaware corporation for the purpose of facilitating an initial public offering and other related transactions in order to carry on the business of Bioventus LLC and its subsidiaries (“BV LLC”). Bioventus Inc. functions as a holding company with no direct operations, material assets or liabilities other than the equity interest in BV LLC. BV LLC is a limited liability company formed under the laws of the state of Delaware on November 23, 2011 and operates as a partnership. BV LLC commenced operations in May 2012.

On February 16, 2021, the Company completed its initial public offering (“IPO”), which was conducted through what is commonly referred to as an umbrella partnership C Corporation (“UP-C”) structure. The Company has majority interest, sole voting interest and controls the management of BV LLC. As a result, the Company consolidates the financial results of BV LLC and reports a noncontrolling interest representing the interest of BV LLC held by its continuing LLC owner.

The Company is a global medical device company focused on helping patients recover and live life to the fullest by relieving pain and addressing musculoskeletal challenges through a diverse portfolio of high-quality, innovative, and clinically-proven solutions. The Company is headquartered in Durham, North Carolina and had approximately 950 employees at June 28, 2025.

**Interim periods**

The Company reports quarterly interim periods on a 13-week basis within a standard calendar year. Each annual reporting period begins on January 1 and ends on December 31. Each quarter ends on the Saturday closest to calendar quarter-end, with the exception of the fourth quarter, which ends on December 31. The 13-week quarterly periods for fiscal year 2025 end on March 29, June 28 and September 27. Comparable periods for 2024 ended on March 30, June 29 and September 28. The fourth and first quarters may vary in length depending on the calendar year.

**Revision of Previously Issued Financial Statements for Correction of Immaterial Error**

During the quarter ended March 29, 2025, the Company identified an error in its equity-based compensation expense, which is recorded in selling, general, and administrative expense and research and development expense for the fiscal year ended December 31, 2024 and related quarterly periods. The Company’s third-party administrator unintentionally changed the grant-date fair value of the restricted stock units granted on March 15, 2024. The change made by the third-party administrator occurred after the Company had performed its routine quarterly review over the accuracy and completeness of the fair value of new grants in its system. As a result, equity-based compensation expense was calculated in the system based on an incorrect value, causing an understatement of equity-based compensation expense. The Company identified the misstatement during its preparation and review of the definitive proxy statement for the Company’s 2025 Annual Meeting of Stockholders. The misstatement did not impact revenues or cash flows.

The annual financial statements affected by this error included the consolidated statements of operations and comprehensive loss, consolidated balance sheets and consolidated statements of changes in stockholders’ equity issued in the Company’s filed Annual Report on Form 10-K for the year ended December 31, 2024. The quarterly statements impacted by the error include the consolidated condensed statements of operations and comprehensive loss, consolidated condensed balance sheets and consolidated condensed statement of changes in stockholders’ equity issued in the Company’s Quarterly Reports filed on Form 10-Q for the periods ended March 30, June 29 and September 28, 2024.

The Company concluded that these errors were not material, individually or in the aggregate, as evaluated under the Securities and Exchange Commission Staff Accounting Bulletin Topic 1.M - Materiality, Topic 1.N - Considering the Effects of Prior Year Misstatements in Current Year Financial Statements and Financial Accounting Standards Board ASC 250-10, Accounting Changes and Error Corrections. To facilitate comparison between periods, the Company will adjust previously reported financial information for the immaterial error in future filings, as further explained below.

The Company revised the following amounts in the consolidated statements of operations, the consolidated balance sheets and the consolidated statements of changes in stockholders' equity, as applicable, originally reported in the Form 10-Q for the quarterly period ended June 29, 2024, in this Quarterly Report on Form 10-Q for the period ended June 28, 2025:

Consolidated statements of operations and comprehensive loss — Three and Six Months Ended June 29, 2024 (Unaudited)	Three Months Ended			Six Months Ended		
	As Previously Reported	Adjustments	As Adjusted	As Previously Reported	Adjustments	As Adjusted
Selling, general and administrative expense	\$ 94,785	\$ 1,883	\$ 96,668	\$ 173,191	\$ 2,252	\$ 175,443
Research and development expense	3,988	222	4,210	6,585	252	6,837
Operating loss	(29,368)	(2,105)	(31,473)	(24,041)	(2,504)	(26,545)
Loss before income taxes	(39,451)	(2,105)	(41,556)	(44,526)	(2,504)	(47,030)
Net loss	(32,112)	(2,105)	(34,217)	(38,094)	(2,504)	(40,598)
Loss attributable to noncontrolling interest	8,120	415	8,535	9,532	494	10,026
Net loss attributable to Bioventus Inc.	(23,992)	(1,690)	(25,682)	(28,562)	(2,010)	(30,572)
Comprehensive loss	(32,538)	(2,105)	(34,643)	(39,105)	(2,504)	(41,609)
Comprehensive loss attributable to noncontrolling interest	8,204	415	8,619	9,732	494	10,226
Comprehensive loss attributable to Bioventus Inc.	(24,334)	(1,690)	(26,024)	(29,373)	(2,010)	(31,383)
Loss per share of Class A common stock - basic and diluted	\$ (0.37)	\$ (0.03)	\$ (0.40)	\$ (0.45)	\$ (0.03)	\$ (0.48)

Consolidated Balance Sheets — December 31, 2024	As Previously Reported	Adjustments	As Adjusted
Additional paid in capital	\$ 505,509	\$ 2,583	\$ 508,092
Accumulated deficit	(355,078)	(2,583)	(357,661)

Net loss attributable to Bioventus Inc. was misstated for the annual period ended December 31, 2024 and for the quarterly period ended September 28, 2024 by \$2,583 and \$341 respectively. If recorded, these amounts would have increased the loss attributable to Bioventus Inc. in those respective periods.

#### Unaudited interim financial information

The accompanying unaudited consolidated condensed financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Pursuant to these rules and regulations, they do not include all information and notes required by U.S. GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments, and the adjustments discussed in *Note 1. Organization*) considered necessary for a fair statement of the Company's financial condition and results of operations have been included. Operating results for the periods presented are not necessarily indicative of the results that may be expected for the full year. As such, the information included in this report should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2024. The consolidated balance sheets at December 31, 2024 have been derived from the audited consolidated financial statements of the Company, but do not include all the disclosures required by U.S. GAAP.

#### Use of estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, at the date of the financial statements, as well as the reported amounts of revenues and expenses during the period. On an ongoing basis, management evaluates these estimates, including those related to contractual allowances and sales incentives, allowance for credit losses, inventory reserves, goodwill and intangible assets impairment, valuation of assets and liabilities assumed in acquisitions, useful lives of long lived assets, fair value measurements, litigation and contingent liabilities, income taxes, and equity-based compensation. Management bases its estimates on historical experience, future expectations and other relevant assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from those estimates.

## Recent accounting pronouncements

In December 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update 2023-09 (“ASU 2023-09”), Income Taxes, which enhances the transparency of income tax disclosures by expanding annual disclosure requirements related to the rate reconciliation and income taxes paid. The amendments are effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. The amendments should be applied on a prospective basis. Retrospective application is permitted. The Company is currently evaluating ASU 2023-09 to determine its impact on the Company's disclosures.

In November 2024, the FASB issued Accounting Standards Update 2024-03 (“ASU 2024-03”), Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures, which requires additional disclosures regarding income statement expense categories. The additional disclosures will further disaggregate relevant expense captions in tabular form within the notes to the consolidated financial statements because they include one or more expense categories such as: (1) purchases of inventory, (2) employee compensation, (3) depreciation, (4) intangible asset amortization and (5) depreciation, depletion and amortization recognized as part of oil- and gas-producing activities or other types of depletion expenses. ASU 2024-03 also requires: (i) disclosure of certain amounts that are already required to be disclosed under current requirements in the same disclosure as the other disaggregation requirements; (ii) a qualitative description of the amount remaining in relevant expense captions that are not separately disaggregated quantitatively; and (iii) disclosure of the total amount of selling expenses. In January 2025, the FASB issued Accounting Standards Update 2025-01, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures: Clarifying the Effective Date, further defining that ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods within the annual reporting periods beginning after December 15, 2027. The Company is currently evaluating ASU 2024-03 to determine its impact on the Company's disclosures and plans to adopt ASU 2024-03 in the Company's Annual Report on Form 10-K for the fiscal year ending December 31, 2027. The Company expects that further disaggregation of income statement captions will be necessary, which will be disclosed in the notes to the consolidated financial statements upon the adoption of ASU 2024-03.

## 2. Balance sheet information

### Accounts receivable, net

Accounts receivable, net are amounts billed and currently due from customers. The Company records the amounts due net of allowance for credit losses. Collection of the consideration that the Company expects to receive typically occurs within 30 to 90 days of billing. The Company applies the practical expedient for contracts with payment terms of one year or less which does not consider the effects of the time value of money. Occasionally, the Company enters into payment agreements with patients that allow payment terms beyond one year. In those cases, the financing component is not deemed significant to the contract.

Accounts receivable, net of allowances, consisted of the following as of:

	June 28, 2025	December 31, 2024
Accounts receivable	\$ 135,265	\$ 130,257
Less: Allowance for credit losses	(2,898)	(2,864)
	<u>\$ 132,367</u>	<u>\$ 127,393</u>

Due to the short-term nature of the Company's receivables, the estimate of expected credit losses is based on aging of the accounts receivable balances. The allowance is adjusted on a specific identification basis for certain accounts as well as pooling of accounts with similar characteristics. The Company had one customer representing approximately 19.9% and 20.4% of the accounts receivable balance as of June 28, 2025 and December 31, 2024, respectively. Historically, the Company's allowance for credit losses have been adequate to cover credit losses.

### Inventory

Inventory consisted of the following as of:

	June 28, 2025	December 31, 2024
Raw materials and supplies	\$ 23,438	\$ 22,098
Finished goods	73,027	70,377
	<u>\$ 96,465</u>	<u>\$ 92,475</u>

### Accrued liabilities

Accrued liabilities consisted of the following as of:

	June 28, 2025	December 31, 2024
Gross-to-net deductions	\$ 66,925	\$ 66,405
Bonus and commission	15,781	32,647
Compensation and benefits	6,960	7,598
Accrued interest	4,426	5,324
Income and other taxes	4,644	3,868
Other liabilities	14,930	20,037
	<u>\$ 113,666</u>	<u>\$ 135,879</u>

### 3. Divestitures

On December 31, 2024, the Company closed the sale of certain products within its advanced rehabilitation business, including the L100, L300 Go, L360, H200, Vector Gait & Safety System and Bioness Integrated Therapy System (collectively, the “Advanced Rehabilitation Business”). The Advanced Rehabilitation Business was considered non-core and required additional research and development expenditures to achieve its next stage of growth. The Company received \$24,678 at closing, net of transactional fees, subject to a post-closing adjustment for net working capital. The Company paid \$686 in the second quarter of 2025 to settle the adjustment for net working capital. The proceeds from the sale were used to pay \$20,000 in long-term debt obligations on December 31, 2024. The Company may also receive an aggregate of \$20,000 in potential earn-out payments, which are based on the achievement of certain revenue and financial metric thresholds in respect to sales of products from the Advanced Rehabilitation Business during the 2025 and 2026 fiscal years.

### 4. Financial instruments

Long-term debt consisted of the following as of:

	June 28, 2025	December 31, 2024
Amended Term Loan due October 2026 (7.79% at June 28, 2025)	\$ 337,864	\$ 337,864
Revolver due October 2025 (7.79% at June 28, 2025)	5,000	—
Less:		
Current portion of long-term debt <sup>(a)</sup>	(43,358)	(27,339)
Unamortized debt issuance cost	(834)	(1,147)
Unamortized discount	(792)	(1,090)
	<u>\$ 297,880</u>	<u>\$ 308,288</u>

<sup>(a)</sup> Consists of (i) \$38,358 for current portion of the Amended Term Loan and (ii) the outstanding Revolver balance of \$5,000.

#### Amended Term Loan

On December 6, 2019, the Company entered into a Credit and Guaranty Agreement (the “2019 Credit Agreement”) that consisted of a \$200,000 term loan (“Original Term Loan”) and a \$50,000 revolving facility (the “Revolver”). The Company amended the 2019 Credit Agreement on August 29, 2021, and then again on October 29, 2021 in connection with the acquisition of Misonix, Inc. in which the Company prepaid \$80,000 on the Original Term Loan. The 2019 Credit Agreement, as amended, subsequent to the prepayment, was comprised of a \$360,750 term loan (“Term Loan”) and the Revolver.

On July 11, 2022, the Company further amended the 2019 Credit Agreement in conjunction with the acquisition of CartiHeal (2009) Ltd. (“CartiHeal”). Pursuant to that amendment, an \$80,000 term loan facility (the “July 2022 Term Loan” and, together with the Term Loan, the “Term Loan Facilities”) was extended to the Company to be used for: (i) the financing of the acquisition of CartiHeal; (ii) the payment of related fees and expenses; (iii) repayment of the draws made on the Revolver; and (iv) working capital needs and general corporate purposes of the Company, including without limitation for permitted acquisitions.

On March 31, 2023, the Company entered into another amendment to the 2019 Credit Agreement to, among other things, modify certain financial covenants, waive covenant noncompliance at December 31, 2022, and modify interest rates applicable to borrowings under the 2019 Credit Agreement.

On January 18, 2024 (the “Closing Date”), the Company further amended the 2019 Credit Agreement (collectively, with the August 2021, October 2021, July 2022 and March 2023 amendments, the “Amended 2019 Credit Agreement”), to further modify certain financial covenants under the 2019 Credit Agreement. The Company was in compliance with the financial covenants within the 2019 Credit Agreement as of June 28, 2025.

The Term Loan Facilities mature on October 29, 2026 (“Maturity”). The Revolver matures on October 29, 2025.

Secured overnight financing rate (“SOFR”) loans and base rate loans had a margin of 3.25% and 2.25%, respectively, subsequent to July 11, 2022 and prior to the Closing Date. Subsequent to the March 31, 2023 amendment, SOFR loans and base rate loans had a margin of 4.25% and 3.25%, respectively. All obligations under the Amended 2019 Credit Agreement are guaranteed by the Company and certain wholly owned subsidiaries where substantially all the assets of the Company collateralize the obligations.

The Amended 2019 Credit Agreement contains customary affirmative and negative covenants, including those related to financial reporting and notification, restrictions on the declaration or payment of certain distributions on or in respect of Bioventus LLC’s equity interests, restrictions on acquisitions, investments and certain other payments, limitations on the incurrence of new indebtedness, limitations on transfers, sales and other dispositions of assets of Bioventus LLC and its subsidiaries, as well as limitations on making changes to the business and organizational documents of Bioventus LLC and its subsidiaries. Financial covenant requirements include a maximum debt leverage ratio and an interest coverage ratio. In addition, during the period commencing on the Closing Date and ending upon the satisfaction of certain conditions occurring not prior to the delivery of financial statements of the Company for the fiscal quarter ending October 29, 2025, the Company will be subject to certain additional requirements and covenants, including a requirement to maintain Liquidity (as defined in the Amended 2019 Credit Agreement) of not less than \$10,000 as of the end of each calendar month during such period.

The January 2024 amendment had deferred financing costs of \$1,180, of which \$325 was recorded in selling, general and administrative expense within the consolidated condensed statements of operations and comprehensive income (loss) during the six months ended June 29, 2024 and \$855 was capitalized on the consolidated condensed balance sheets. There were no losses on debt refinancing and modification as a result of the January 2024 amendment.

As of June 28, 2025, \$336,238 was outstanding on the Term Loan Facilities, net of original issue discount of \$792 and deferred financing costs of \$834. Capitalized deferred fees are amortized to interest expense on a straight-line basis over the term of the Term Loan Facilities, which approximates the effective interest method. Interest expense includes deferred cost amortization of \$381 for both the three months ended June 28, 2025 and June 29, 2024 and \$762 for both the six months ended June 28, 2025 and June 29, 2024.

The estimated fair value of the Term Loan Facilities, using the midpoint of the Bloomberg Valuation, was \$332,147 as of June 28, 2025. This is classified as a Level 2 instrument within the fair value hierarchy.

#### ***Revolver and Letters of Credit***

The Revolver was initially a five-year revolving credit facility, that was subsequently reduced to a four-year revolving credit facility in the Amended 2019 Credit Agreement, which includes revolving and swingline loans as well as letters of credit (“LOC”). The Revolver’s capacity was reduced by \$5,000 on December 31, 2023 and June 30, 2024 in accordance with the Amended 2019 Credit Agreement establishing a \$40,000 credit line. LOCs are available in an amount not to exceed \$7,500. Revolving loans are due at the earlier of termination or Maturity. Swingline loans are available as base interest rate (“BR”) option loans only and must be outstanding for at least five days. Swingline loans are due the fifteenth or last day of a calendar month or Maturity, whichever is earlier. As of June 28, 2025, the Company had three LOCs outstanding, leaving approximately \$5,300 available. During the first quarter of 2025, the Company borrowed \$15,000 on the Revolver for working capital considerations and repaid \$10,000 through the second quarter of 2025, leaving a \$5,000 balance and \$35,000 in availability on the Revolver at June 28, 2025 excluding outstanding LOCs. The Company paid the remaining Revolver balance of \$5,000 on July 11, 2025. The Company had no outstanding borrowings as of December 31, 2024.

#### ***2025 Credit Agreement***

On July 31, 2025, the Company entered into a Credit Agreement (the “2025 Credit Agreement”) consisting of a \$300,000 term loan facility (the “2025 Term Loan”) and a \$100,000 revolving credit facility (the “2025 Revolver”) with Wells Fargo Bank, National Association and a syndicate of financial institutions and other entities (the “Lenders”). The proceeds resulting from the 2025 Term Loan, \$30,000 in borrowings on the 2025 Revolver and \$2,562 in available cash were used to repay the outstanding Term Loan balance under the Amended 2019 Credit Agreement, which totaled \$332,562 on July 31, 2025. A scheduled principal payment on the Term Loan of \$5,302 had previously been made on June 30, 2025.

The 2025 Term Loan and 2025 Revolver mature on July 31, 2030 (“Maturity”). Scheduled principal payments for the 2025 Term Loan are as follows:

Period	Quarterly	Annually
2025	\$ 3,750	\$ 3,750
2026	3,750	15,000
2027	3,750	15,000
2028	3,750	15,000
2029	3,750	15,000
2030	3,750	7,500
2030 - Final payment at Maturity	—	228,750

#### ***Interest - 2025 Credit Agreement***

The 2025 Term Loan and the 2025 Revolver permit the Company to elect either the SOFR or The Base Rate (“BR”) options for the entire amount or certain portions of the loans. Both the SOFR and BR options have interest rates equal to a formula derived base interest rate plus a margin, tied to a leverage ratio. The leverage ratio is the ratio of consolidated net indebtedness to consolidated EBITDA as defined in the 2025 Credit Agreement. BR portions of the 2025 Term Loan are based on the Federal Funds Rate plus 0.50% and are due the last day of each calendar quarter-end. SOFR portions of the Term Loan Facilities are determined for periods (“Interest Periods”) of one, three or six months at the Company’s discretion. Interest based upon SOFR is paid on the last day of each Interest Period or, in the case of Interest Periods longer than three months, every three months. The applicable interest margins will initially be 2.50% and 1.50% for SOFR and BR loans, respectively.

The 2025 Revolver includes an initial annual commitment fee of 0.30% based on the average daily amount of the available revolving commitment, assuming any swingline loans outstanding are zero. There were no swingline loans outstanding as of July 31, 2025. Outstanding LOCs under the 2025 Credit Agreement are limited to \$7,500. The 2025 Revolver’s commitment fee is payable quarterly in arrears on the last day of each calendar quarter and at Maturity. The commitment rate is adjusted after the quarterly financial statements are delivered to lenders based upon the leverage ratio.

Pricing grids are used to determine the applicable loan margins based on the type of loan and the leverage ratio. The loan margin is adjusted after the quarterly financial statements are delivered to the lenders in accordance with the below pricing grid, which reflects the margins in effect under the 2025 Credit Agreement:

Leverage ratio	SOFR	BR	Commitment Fee
< 2.00 to 1.00	1.75 %	0.75 %	0.20 %
≥ 2.00 to 1.00 < 2.50 to 1.00	2.00 %	1.00 %	0.20 %
≥ 2.50 to 1.00 < 3.00 to 1.00	2.25 %	1.25 %	0.30 %
≥ 3.00 to 1.00 < 3.50 to 1.00	2.50 %	1.50 %	0.30 %
≥ 3.50 to 1.00	2.75 %	1.75 %	0.30 %

All outstanding LOCs incur fees equal to the interest margin for SOFR based loans under the 2025 Revolver on the undrawn and unexpired amount of each LOC. The fees are payable quarterly in arrears on the last day of the calendar quarter.

#### ***Covenants - 2025 Credit Agreement***

The 2025 Credit Agreement contains affirmative and negative covenants applicable to senior secured credit facilities, including covenants that, among other things, limit or restrict the ability of the Company to, subject to negotiated exceptions, incur additional indebtedness, liens on its assets, engage in acquisitions or dispositions, pay dividends or make other distributions, enter into transactions with affiliated persons, make investments, change the nature of its business or organizational documents, or prepay or make modifications to other indebtedness that would adversely affect the Lenders. The 2025 Credit Agreement also contains financial covenants including a maximum consolidated total net leverage ratio of 4.00 to 1.00 for the fiscal quarter ending September 30, 2025 through the fiscal quarter ending December 31, 2025, and starting with the fiscal quarter ending March 31, 2026 and for each fiscal quarter thereafter, a maximum consolidated total net leverage ratio of 3.50 to 1.00. The Company may elect to increase such ratio level by 0.50 to 1.00 following certain permitted acquisitions. A minimum interest coverage ratio of 2.50 to 1.00 must also be maintained. The 2025 Revolver includes standard provisions related to conditions of borrowing and customary events of default. The Company does not expect any of these restrictions to affect or limit its ability to conduct business in the ordinary course.

### Interest Rate Swaps

On August 1, 2025, the Company entered into two interest rate swaps (“Interest Rate Swaps”) to hedge the interest rate risk associated with the Company’s floating-rate SOFR-based borrowings under the 2025 Credit Agreement. The Company will pay a fixed interest rate in exchange for SOFR-based variable interest throughout the life of the Interest Rate Swaps. The Interest Rate Swaps have a weighted average fixed interest rate of 3.60% and an underlying notional value of \$150,000, or 50.0% of the 2025 Term Loan.

### 5. Fair value measurements

The process for determining fair value has not changed from that described in the Annual Report on Form 10-K for the year ended December 31, 2024.

There were no assets measured at fair value on a recurring basis and there were no liabilities valued at fair value using Level 1 or Level 2 inputs. The following table provides information for liabilities measured at fair value on a recurring basis using Level 3 inputs:

	June 28, 2025		December 31, 2024	
	Total	Level 3	Total	Level 3
<b>Liabilities:</b>				
Current portion of contingent consideration	—	—	19,573	19,573
<b>Total liabilities:</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 19,573</b>	<b>\$ 19,573</b>

### Contingent consideration

The Company initially values contingent consideration related to business combinations using a probability-weighted calculation of potential payment scenarios discounted at rates reflective of the risks associated with the expected future cash flows for certain milestones. For other milestones, the Company used a variation of the income approach where revenue was simulated in a risk-neutral framework using Geometric Brownian Motion, a stock price behavior model.

Key assumptions used to estimate the fair value of contingent consideration include projected financial information, market data and the probability and timing of achieving the specific targets. After the initial valuation, the Company generally uses its best estimate to measure contingent consideration at each subsequent reporting period using unobservable Level 3 inputs.

### Unobservable inputs

A summary of the unobservable Level 3 inputs utilized for the above liability were as follows:

	Valuation Technique	Unobservable inputs	Range
Bioness contingent consideration	Discounted cash flow	Payment discount rate Payment period	6.4% - 6.8% 2025

Significant changes in these assumptions could have resulted in a higher or lower fair value. The contingent consideration reported in the above table resulted from the acquisition of Bioness, Inc. (“Bioness”) on March 30, 2021 and was comprised of future earn-out payments contingent upon the achievement of certain research and development projects as well as sales milestones related to Bioness products. Contingent consideration resulting from the acquisition of Bioness included up to \$50,000 in earn-out payments, consisting of: (i) \$20,000 for meeting net sales targets for certain implantable products over a three year period ending on June 30, 2025 at the latest; (ii) up to \$10,000 for meeting net sales milestones for certain implantable products over a three year period ending on June 30, 2025 at the latest; and (iii) \$20,000 for maintaining Centers for Medicare & Medicaid Services coverage and reimbursement for certain products at specified levels as of December 31, 2024. The Company met criteria (iii) during the fourth quarter of 2024 and paid \$10,771 and \$19,771 of the contingent consideration during the three and six months ended June 28, 2025, respectively. The Company has no future contingent consideration obligations from its acquisition of Bioness.

Contingent consideration was adjusted quarterly based on the passage of time or the anticipated success or failure of achieving certain milestones and is recorded as the change in fair value of contingent consideration within the consolidated condensed statements of operations and comprehensive income (loss). There were no changes in contingent consideration related to Bioness for the three and six months ended June 28, 2025 due to the previously discussed milestone achievement. Changes in contingent consideration totaled \$300 and \$595 for the three and six months ended June 29, 2024, respectively.

## 6. Equity-based compensation

### 2021 Plan

The Company operates an equity-based compensation plan (the “2021 Plan”), which allows for the issuance of stock options (incentive and nonqualified), restricted stock, dividend equivalents, restricted stock units (“RSUs”), performance restricted stock units (“PRSUs”), and other stock-based and cash awards (collectively, the “2021 Plan Awards”). As of June 28, 2025, 23,233,862 shares of Class A common stock have been authorized to be awarded under the 2021 Plan and 11,209,669 shares were available for 2021 Plan Awards.

### 2023 Plan

The Company also operates the 2023 Retention Equity Award Plan (the “2023 Plan” and, together with the 2021 Plan, the “Plans”), the purpose of which is to retain and motivate critical personnel over the short-term by providing them additional incentives in the form of RSUs (the “Retention Awards” and together with the “2021 Plan Awards,” the “Awards”). As of June 28, 2025, 600,000 shares of Class A common stock were authorized to be awarded under the 2023 Plan and 69,050 shares were available for Retention Awards.

### Activity under the Plans

#### Expense

Equity-based compensation, net for Awards granted under the Plans for the three and six months ended June 28, 2025 and June 29, 2024 totaled \$3,361, \$5,562, \$5,775 and \$8,552, respectively. Expenses and expense reductions within the consolidated condensed statements of operations and comprehensive income (loss) are primarily included in selling, general and administrative expense with a nominal amount in research and development expense, based upon the department of the employee. There were no income tax benefits related to equity-based compensation expense for the three and six months ended June 28, 2025 and June 29, 2024.

#### Restricted Stock Units

During the three and six months ended June 28, 2025, the Company granted time-based RSUs which vest at various dates through March 14, 2029. RSU compensation expense is recognized over the vesting period, which is typically between 1 and 4 years. Unamortized compensation expense related to RSUs totaled \$14,095 at June 28, 2025, and is expected to be recognized over a weighted-average period of approximately 3.04 years. A summary of the RSU award activity for the six months ended June 28, 2025 is as follows (number of units in thousands):

	Number of units	Weighted-average grant-date fair value per unit
Unvested at December 31, 2024	2,412	\$ 5.52
Granted	1,402	8.78
Vested	(854)	5.97
Forfeited or canceled	(52)	7.12
Unvested at June 28, 2025	2,908	\$ 6.92

#### Performance Restricted Stock Units

During the six months ended June 28, 2025, the Company granted PRSUs subject to a 3-year cliff vesting period provided that the designated performance objective is achieved at the end of the period, which is comprised of relative total shareholder return (“TSR”). PRSU compensation expense is recognized on a straight-line basis over the vesting period of 3 years. The fair value of the PRSUs was measured using a Monte Carlo simulation on the date of grant, which measured potential TSR for the Company’s Class A common stock relative to the value of common stock for a group of companies listed in the Russell 2000 Medical Equipment Index and additional companies. The estimated number of shares of the Company’s Class A common stock issuable upon vesting is adjusted upward or downward based on the probability of achieving the TSR established for PRSUs. The actual number of Class A common stock issued generally ranges from 0% to 200% of the target shares at the time of grant.

Unamortized compensation expense related to PRSUs totaled \$1,478 at June 28, 2025, and is expected to be recognized over a weighted-average period of approximately 2.50 years. A summary of PRSU award activity for the six months ended June 28, 2025 is as follows (number of units in thousands):

	Number of units	Weighted-average grant-date fair value per unit
Unvested at December 31, 2024	—	\$ —
Granted	159	10.37
Unvested at June 28, 2025	<u>159</u>	<u>\$ 10.37</u>

### Stock Options

During the three and six months ended June 28, 2025, the Company granted time-based stock options which vest over 1 to 4 years following the date of grant and expire within 10 years. The fair value of time-based stock options is determined using the Black-Scholes valuation model, with such value recognized as expense over the service period, which is typically 1 to 4 years, net of actual forfeitures. A summary of the Company's assumptions used in determining the fair value of the stock options granted during the six months ended June 28, 2025 is shown in the following table:

Risk-free interest rate	4.0% - 4.5%
Expected dividend yield	— %
Expected stock price volatility	37.9% - 38.3%
Expected life of stock options (years)	6.25

The weighted-average grant date fair value of options granted during the six months ended June 28, 2025 was \$4.22 per share. The expected term of the options granted is estimated using the simplified method. Expected volatility is based on the historical volatility of the peer Company's common stock. The risk-free interest rate is determined based upon a constant U.S. Treasury security rate with a contractual life that approximates the expected term of the option. Unamortized compensation expense related to the options totaled \$3,915 at June 28, 2025, and is expected to be recognized over a weighted-average period of approximately 3.15 years.

A summary of stock option activity is as follows for the six months ended June 28, 2025 (number of options in thousands):

	Number of options	Weighted-average exercise price	Weighted-average remaining contractual term	Aggregate intrinsic value
Outstanding at December 31, 2024	4,629	\$ 7.73	7.14	\$ 17,049
Granted	566	9.36		
Exercised	(159)	5.24		
Forfeited or canceled	(252)	12.93		
Outstanding at June 28, 2025	<u>4,784</u>	7.73	7.53	\$ 6,442
Exercisable and vested at June 28, 2025	<u>2,292</u>	\$ 9.10	6.39	\$ 2,547

The aggregate intrinsic value is calculated as the difference between the exercise price of the underlying options and the market price of the Company's Class A common stock for options that had exercise prices lower than \$6.77 per share, as this was the closing price of the Company's Class A common stock on June 27, 2025, the last trading day of the second quarter.

### Employee Stock Purchase Plan

The Company operates a non-qualified Employee Stock Purchase Plan ("ESPP"), which provides for the issuance of shares of the Company's Class A common stock to eligible employees of the Company that elect to participate in the plan and purchase shares of Class A common stock through payroll deductions at a discounted price. As of June 28, 2025, the aggregate number of shares reserved for issuance under the ESPP was 1,806,669. A total of 114,803 shares were issued under the ESPP and \$282 of expense was recognized during the three and six months ended June 28, 2025. A total of 125,622 shares were issued under the ESPP and \$215 of expense was recognized during the three and six months ended June 29, 2024.

## 7. Stockholders' equity

On February 16, 2021, the Company closed an IPO of 9,200,000 shares of Class A common stock through an UP-C structure with BV LLC. In connection with the IPO, the Company amended and restated the limited liability agreement of BV LLC ("BV LLC Agreement") to provide for a new single class of common membership interests in BV LLC ("LLC Interests") and exchange all of the existing membership interests in BV LLC (the "Original BV LLC Owners") for new LLC Interests. The Company also amended its certificate of incorporation to authorize the following shares: (i) 250,000,000 shares of Class A common stock with a par value of \$0.001 per share; (ii) 50,000,000 shares of Class B common stock with a par value of \$0.001 per share, which have voting rights but no economic interest, and some of which were issued to the Original BV LLC Owners; and (iii) 10,000,000 shares of undesignated preferred stock that may be issued from time to time by the Company's board of directors. In connection with the completion of the IPO, the Company acquired, by merger, certain entities that were part of the Original BV LLC Owners ("Former BV LLC Owners"), for which the Company issued 31,838,589 Class A common stock as merger consideration ("IPO Mergers") and cancelled the Class B common stock held by such Former BV LLC Owners. The IPO Mergers are deemed to be a recapitalization transaction.

Holders of the Company's Class A and Class B common stock are entitled to one vote per share and, except as otherwise required, will vote together as a single class on all matters on which stockholders generally are entitled to vote. Holders of Class B common stock are not entitled to receive dividends and will not be entitled to receive any distributions upon the liquidation, dissolution or winding up of the Company. Shares of Class B common stock may only be issued to the extent necessary to maintain the one-to-one ratio between the number of LLC Interests and the number of shares of Class B common stock held by Smith & Nephew, Inc. (the "Continuing LLC Owner"). Shares of Class B common stock are transferable only together with an equal number of LLC Interests. Shares of Class B common stock will be canceled on a one-for-one basis upon the redemption or exchange of any outstanding LLC Interests.

### *Noncontrolling interest*

In connection with any redemption pursuant to the BV LLC Agreement, the Company will receive a corresponding number of LLC Interests, increasing its ownership interest in BV LLC. Future redemptions of LLC Interests will result in a change in ownership and reduce the amount recorded as noncontrolling interest and increase additional paid-in capital. There were no redemptions during the six months ended June 28, 2025 or during the year ended December 31, 2024. The following table summarizes the ownership interest in BV LLC as of June 28, 2025 and December 31, 2024 (number of units in thousands):

	June 28, 2025		December 31, 2024	
	LLC Interests	Ownership %	LLC Interests	Ownership %
<b>Number of LLC Interests owned</b>				
Bioventus Inc.	66,885	80.9 %	65,758	80.6 %
Continuing LLC Owner	15,787	19.1 %	15,787	19.4 %
Total	82,672	100.0 %	81,545	100.0 %

## 8. Earnings per share

The following table sets forth the computation of basic and diluted loss per share of Class A common stock for the periods presented (amounts in thousands, except share and per share data):

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
<b>Numerator</b>				
Net income (loss)	\$ 9,272	\$ (34,217)	\$ 5,950	\$ (40,598)
Less: Net (income) loss attributable to noncontrolling interest	(1,813)	8,535	(1,128)	10,026
Net income (loss) attributable to Bioventus Inc. Class A common shareholders	<u>\$ 7,459</u>	<u>\$ (25,682)</u>	<u>\$ 4,822</u>	<u>\$ (30,572)</u>
<b>Denominator</b>				
Basic weighted-average shares of Class A common stock outstanding	66,500,433	64,056,759	66,258,679	63,720,342
Dilutive effects of:				
Stock options	826,918	—	1,090,214	—
Restricted stock units	1,209,408	—	1,416,698	—
Diluted weighted-average shares of Class A common stock outstanding	<u>68,536,759</u>	<u>64,056,759</u>	<u>68,765,591</u>	<u>63,720,342</u>
Net income (loss) per share of Class A common stock—basic	\$ 0.11	\$ (0.40)	\$ 0.07	\$ (0.48)
Net income (loss) per share of Class A common stock—diluted	\$ 0.11	\$ (0.40)	\$ 0.07	\$ (0.48)

Shares of Class B common stock do not share in the losses of the Company and are therefore not participating securities. As such, separate presentation of basic and diluted losses per share of Class B common stock under the two-class method has not been presented.

The following number of weighted-average potentially dilutive shares as of June 28, 2025 and June 29, 2024 were excluded from the calculation of diluted loss per share because the effect of including such potentially dilutive shares would have been antidilutive upon conversion:

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
LLC Interests held by Continuing LLC Owner <sup>(a)</sup>	15,786,737	15,786,737	15,786,737	15,786,737
Stock options <sup>(b)</sup>	2,448,343	4,208,043	2,140,912	4,177,250
Restricted stock units <sup>(c)</sup>	1,178,440	49,784	617,987	25,029
Total	<u>19,413,520</u>	<u>20,044,564</u>	<u>18,545,636</u>	<u>19,989,016</u>

(a) Shares of Class A common stock reserved for future issuance upon redemption or exchange of LLC Interests by the Continuing LLC Owner. LLC Interests are neither dilutive nor anti-dilutive for the periods presented as the assumed redemption for shares of Class A common stock would cause a proportionate increase to net income (loss) attributable to Class A common shareholders—diluted.

(b) Options with exercise prices greater than the average market price of our Class A common stock are excluded from the computation of diluted net income (loss) per share because they are out-of-the-money.

(c) A portion of the restricted stock units are considered anti-dilutive under the treasury stock method as the amount of shares that could be purchased with the assumed proceeds of the restricted stock units exceed the total amount of the underlying shares outstanding.

## 9. Income taxes

The tax provision for interim periods is determined using an estimate of the Company's annual effective tax rate, adjusted for discrete items, if any, that arise during the period. Each quarter, the Company updates its estimate of its annual effective tax rate, and if the estimated annual effective tax rate changes, the Company makes a cumulative adjustment in such period. The quarterly tax provision, and estimate of the Company's annual effective tax rate, are subject to variation due to several factors, including variability in pre-tax income (or loss), the mix of jurisdictions to which such income relates, changes in how the Company conducts business, and tax law developments.

For the three and six months ended June 28, 2025, the Company's effective tax rate was 10.1% and 13.7%, respectively. For the three and six months ended June 29, 2024, the Company's effective rate was 17.7% and 13.7%, respectively. The effective rate for the three months ended June 28, 2025 was driven by income in foreign jurisdictions. The effective tax rate for the six months ended June 28, 2025 was based upon foreign income tax partially offset with the release of certain reserves for uncertain tax positions. The effective tax rate for the three and six months ended June 29, 2024 was due to the impairment of intangibles related to the Advanced Rehabilitation Business and taxable income in certain entities.

### ***Tax Receivable Agreement***

The Company expects to obtain an increase in the share of the tax basis of the assets of BV LLC when LLC Interests are redeemed or exchanged by the Continuing LLC Owner and other qualifying transactions. This increase in tax basis may have the effect of reducing the amounts that the Company would otherwise pay in the future to various tax authorities. The increase in tax basis may also decrease gains (or increase losses) on future dispositions of certain capital assets to the extent tax basis is allocated to those capital assets.

On February 16, 2021, the Company entered into a tax receivable agreement ("TRA") with the Continuing LLC Owner that provides for the payment by the Company to the Continuing LLC Owner of 85% of the amount of tax benefits, if any, that the Company actually realizes as a result of (i) increases in the tax basis of assets of BV LLC resulting from any redemptions or exchanges of LLC Interests or any prior sales of interests in BV LLC; and (ii) certain other tax benefits related to the Company making payments under the TRA.

The Company will maintain a full valuation allowance against deferred tax assets related to the tax attributes generated as a result of redemptions of LLC Interests or exchanges described above until it is determined that the benefits are more-likely-than-not to be realized. As of June 28, 2025, the Continuing LLC Owner had not exchanged LLC Interests for shares of Class A common stock and therefore the Company had not recorded any liabilities under the TRA.

## 10. Commitments and contingencies

### ***Leases***

The Company leases its office facilities as well as other property, vehicles and equipment under operating leases. The Company also leases office space, a warehouse and certain equipment under finance leases. The remaining lease terms range from 1 month to 7.8 years.

The components of lease cost were as follows:

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Operating lease cost	\$ 635	\$ 938	\$ 1,247	\$ 1,826
Short-term lease cost <sup>(a)</sup>	234	326	340	406
Financing lease cost:				
Amortization of finance lease assets	150	174	301	332
Interest on lease liabilities	203	217	407	438
Total lease cost	\$ 1,222	\$ 1,655	\$ 2,295	\$ 3,002

<sup>(a)</sup> Includes variable lease cost and sublease income, which are immaterial.

Supplemental cash flow information and non-cash activity related to leases were as follows:

	Six Months Ended	
	June 28, 2025	June 29, 2024
<b>Cash paid for amounts included in measurement of lease liabilities:</b>		
Operating cash flows from operating leases	\$ 1,756	\$ 2,319
Operating cash flows from financing leases	\$ 407	\$ 438
Financing cash flows from finance leases	\$ 407	\$ 373
<b>Right-of-use assets obtained in exchange for lease obligations:</b>		
Operating lease obligations	\$ 738	\$ 132
Financing lease obligations	\$ 56	\$ —

Current portions of operating and financing lease liabilities are recorded within other current liabilities on the consolidated condensed balance sheets. Noncurrent liabilities resulting from operating and financing leases are recorded within other long-term liabilities. Supplemental balance sheet and other information related to leases are as follows:

	June 28, 2025	December 31, 2024
Operating lease assets	\$ 6,225	\$ 6,506
Operating lease liabilities—other current liabilities	\$ 3,550	\$ 3,102
Operating lease liabilities—other long-term liabilities	5,824	6,940
Total operating lease liabilities	\$ 9,374	\$ 10,042
Property, plant and equipment, net (finance leases)	\$ 11,992	\$ 12,703
Finance lease liabilities—other current liabilities	\$ 860	\$ 815
Finance lease liabilities—other long-term liabilities	9,185	9,571
Total financing lease liabilities	\$ 10,045	\$ 10,386
<b>Weighted-average remaining lease term (years) for leases</b>		
Operating leases	2.8	3.1
Finance leases	7.8	8.3
<b>Weighted-average discount rate for leases</b>		
Operating leases	5.2 %	5.1 %
Finance leases	8.1 %	8.1 %

### ***Governmental and legal contingencies***

In the normal course of business, the Company periodically becomes involved in various claims and lawsuits, and governmental proceedings and investigations that are incidental to its business. The Company accrues a liability when a loss is considered probable and the amount can be reasonably estimated. When a material loss contingency is reasonably possible but not probable, the Company does not record a liability, but instead discloses the nature and amount of the claim, and an estimate of the possible loss or range of loss, if such an estimate can be made. Legal fees are expensed as incurred. With respect to governmental proceedings and investigations, like other companies in the industry, the Company is subject to extensive regulation by national, state and local governmental agencies in the United States and in other jurisdictions in which the Company and its affiliates operate. As a result, interaction with governmental agencies is ongoing. The Company's standard practice is to cooperate with regulators and investigators in responding to inquiries.

The Company is presently unable to predict the duration, scope, or result of these matters. As such, the Company is presently unable to develop a reasonable estimate of a possible loss or range of losses, if any, related to these matters. While the Company intends to defend these matters vigorously, the outcome of such litigation or any other litigation is necessarily uncertain, is not within the Company's complete control and might not be known for extended periods of time. In the opinion of management, the outcome of any existing claims and legal or regulatory proceedings, other than the specific matters described below, if decided adversely, is not expected to have a material adverse effect on the Company's business, financial condition, results of operations, or cash flows.

#### Bioventus shareholder litigation

On January 12, 2023, the Company and certain of its current and former directors and officers were named as defendants in a putative class action lawsuit filed in the Middle District of North Carolina (the "Court"), *Ciarciello v. Bioventus Inc.*, No. 1:23-CV-00032-CCE-JEP (M.D.N.C. 2023). The complaint asserted violations of Sections 10(b) and 20(a) of the Exchange Act and of Sections 11 and 15 of the Securities Act and generally alleges that the Company failed to disclose certain information regarding rebate practices, its business and financial prospects, and the sufficiency of internal controls regarding financial reporting. The complaint seeks damages in an unspecified amount. On April 12, 2023, the Court appointed Wayne County Employees' Retirement System as lead plaintiff. The plaintiff's amended consolidated complaint was filed with the Court on June 12, 2023. On July 17, 2023, the defendants filed a motion to dismiss the complaint raising a number of legal and factual deficiencies with the amended consolidated complaint. In response to the defendants' motion to dismiss, the lead plaintiff filed a second amended complaint on July 31, 2023. The defendants moved to dismiss the second amended complaint on August 21, 2023, which the Court granted in part and denied in part on November 6, 2023. The Court dismissed the plaintiff's Securities Act claims, but allowed the plaintiff's Exchange Act claims to proceed into discovery.

On July 15, 2024, a Stipulation and Agreement of Settlement (the "Settlement Agreement") by and between the lead plaintiff and the defendants was filed with the Court and the Court preliminarily approved the Settlement Agreement on August 13, 2024. The Court entered judgment on December 18, 2024, granting final approval of the terms of the Settlement Agreement and dismissing all claims against the defendants, including the Company. The parties settled without any admission of liability or wrongdoing by any party. The settlement amount of \$15,250, together with interest earned thereon, has been paid by the defendants and/or the defendant's insurers. The Company incurred \$13, \$36 and \$13,802 of net shareholder litigation costs (including estimated settlement and reimbursement) during the three and six months ended June 28, 2025 and year ended December 31, 2024, respectively, under the Settlement Agreement, which were recorded in selling, general and administrative expense within the consolidated condensed statements of operations and comprehensive income (loss).

On October 4, 2023, certain of the Company's current and former directors and officers were named as defendants in a derivative shareholder lawsuit (in which the Company is a nominal defendant) filed in the United States District Court for the District of Delaware, *Grogan, on behalf of Bioventus Inc., v. Reali, et al.*, No. 1:23-CV-01099-RGA (D. Del. 2023). The complaint asserts violations of Section 14(a) of the Exchange Act, breaches of fiduciary duties and related state law claims, and a claim for contribution, and generally alleges the same purported misconduct as alleged in the *Ciarciello* case. On January 12, 2024, the Court agreed to stay this case pending resolution of the *Ciarciello* case.

On February 9, 2024, another plaintiff filed a derivative shareholder lawsuit against certain of the Company's current and former directors and officers (in which the Company is a nominal defendant) filed in the United States District Court for the District of Delaware, *Sanderson, on behalf of Bioventus Inc., v. Reali, et al.*, No. 1:24-cv-00180-RGA (D. Del. 2024). Like the *Grogan* case, this case asserts violations of Section 10(b) of the Exchange Act, breaches of fiduciary duties and related state law claims, and a claim for contribution, and generally alleges the same purported misconduct as alleged in the *Ciarciello* case. On May 1, 2024, the parties filed a stipulation to consolidate the two derivative matters and stay them on terms similar to those entered in the *Grogan* case. On May 2, 2024, the United States District Court for the District of Delaware granted the stipulation and ordered the consolidation of the Sanderson and Grogan cases, captioned *In re Bioventus Inc. Derivative Litigation*, Case No.: 1:23-cv-01099-RGA. The Court also stayed the consolidated case. Following resolution of the *Ciarciello* case, on December 30, 2024, the plaintiffs in the consolidated case filed an amended complaint asserting the same claims as in the *Grogan* case against certain of the Company's current and former directors and officers. On January 6, 2025, the Court entered a scheduling order, under which the defendants had until March 3, 2025 to file a motion to dismiss the amended complaint. On February 21, 2025, the parties submitted a joint stipulation to stay the proceedings to allow the parties time to negotiate a settlement. On April 22, 2025 and on June 23, 2025, the parties submitted status updates requesting more time to continue their settlement discussions. The next status update is due to the Court on August 25, 2025.

On July 31, 2024, another plaintiff filed a derivative complaint against certain of the Company's current and former officers and directors, in which Bioventus is a nominal defendant only, in the United States District Court for the Middle District of North Carolina, captioned *Vince v. Reali*, No. 1:24-cv-006390CCEJEP (M.D.N.C. 2024). Like the *Gorgan* case, the *Vince* case asserts violations of Section 14(a) of the Exchange Act, breaches of fiduciary duties, unjust enrichment, contribution, and waste, and generally alleges the same purported misconduct as alleged in the *Ciarciello* case. On November 11, 2024, the defendants filed a motion to transfer the *Vince* case to the United States District Court for the District of Delaware, pursuant to the forum selection clause in Bioventus's certificate of incorporation. On January 14, 2025, the Court granted the motion and transferred the *Vince* case to the District of Delaware. On February 14, 2025, the plaintiff requested voluntary dismissal of the *Vince* case without prejudice and the Court granted the request that same day.

On February 20, 2025, plaintiff Jeffrey Vince refiled a Verified Stockholder Derivative Complaint against certain of Bioventus' current and former officers and directors, naming Bioventus as a nominal defendant only, in Delaware Chancery Court, captioned *Jeffrey Vince v. Kenneth M. Reali et al.*, C.A. No. 2025-0192-LWW (Del. Ch.). Like the prior complaint, which he voluntarily dismissed, *Vince* asserts breaches of fiduciary duties, unjust enrichment, contribution, and waste, and generally alleges the same purported misconduct as alleged in the *Ciarciello* case. On March 24, 2025, the defendants filed a motion to dismiss the complaint.

On February 26, 2025, plaintiff James Bouchereau filed a Verified Stockholder Derivative Complaint against certain of Bioventus's current and former officers and directors, naming Bioventus as a nominal defendant only, in Delaware Chancery Court, captioned *James Bouchereau v. Kenneth M. Reali et al.*, C.A. No. 2025-0214-BWD (Del. Ch.). The complaint is identical to the *Vince* complaint and asserts breaches of fiduciary duties, unjust enrichment, contribution, and waste, and generally alleges the same purported misconduct as alleged in the *Ciarciello* case. The Defendants have not yet been served.

On March 6, 2025, plaintiff Jung Jae Hyung filed a derivative complaint against certain of Bioventus's current and former officers and directors, naming Bioventus as a nominal defendant only, in in the United States District Court for the Middle District of North Carolina, captioned *Jung Jae Hyung v. Kenneth M. Reali et al.*, No. 1:25-cv-177 (M.D.N.C. 2025). Like the other derivative cases, the *Hyung* case asserts violations of Section 14(a) of the Exchange Act, contribution, breaches of fiduciary duties, aiding and abetting, gross mismanagement, waste, and generally alleges the same purported misconduct as alleged in the *Ciarciello* case. On May 13, 2025, the defendants filed a motion to transfer the *Hyung* case to the United States District Court for the District of Delaware, pursuant to the forum selection clause in Bioventus's certificate of incorporation, or in the alternative, to dismiss the case. On July 1, 2025, the Court granted the motion and transferred the *Hyung* case to the District of Delaware. The plaintiff subsequently filed a notice of appeal of that order to the United States Court of Appeals for the Fourth Circuit on July 16, 2025. On July 25, 2025, the plaintiff filed a joint stipulation to voluntarily dismiss the appeal. On July 8, 2025, the plaintiff filed an amended complaint in the District of Delaware. The defendants have not yet been served.

The Company believes the claims alleged in the above derivative matters lack merit and intends to defend itself vigorously. Except as described above, the outcomes of these matters are not presently determinable, and any loss is neither probable nor reasonably estimable.

#### **Other matters**

On November 10, 2021, the Company entered into an asset purchase agreement for an HA product and made an upfront payment of \$853. An additional payment of \$853 was made in 2022 upon the transfer of certain seller customer data. If the Company is able to obtain a Medical Device Regulation Certification ("MDR Certification") for the product, \$1,707 (the "Milestone Payment") will be paid to the seller within five days. On March 8, 2023, the parties amended the agreement and reduced the Milestone Payment to \$1,418, of which \$709 was recorded as an intellectual property intangible asset during 2023 and was paid on January 31, 2024. The remainder was due upon receipt of the MDR Certification for the product provided that it was obtained prior to December 31, 2024, which was not achieved. The asset purchase agreement was further amended in 2024 acknowledging the expectation that the MDR Certification would not be obtained. Pursuant to the 2024 amendment, the MDR Certification achievement criteria under the asset purchase agreement were extended for two years.

On December 9, 2016, the Company entered into an amended and restated license agreement for the exclusive U.S. distribution and commercialization rights of a single injection osteoarthritis ("OA") product with the supplier of the Company's single injection OA product for the non-U.S. market. The agreement requires the Company to meet annual minimum purchase requirements and pay royalties on net sales. Royalties related to this agreement during the three and six months ended June 28, 2025 and June 29, 2024 totaled \$4,509, \$4,594, \$8,182 and \$8,173, respectively. These royalties are included in cost of sales within the consolidated condensed statements of operations and comprehensive income (loss).

As part of a supply agreement entered on February 9, 2016 for the Company's three injection OA product, the Company is subject to annual minimum purchase requirements for 10 years. After the initial 10 years, the agreement will automatically renew for an additional 5 years unless terminated by the Company or the seller in accordance with the agreement.

As part of a supply agreement for the Company's five injection OA product that was amended and restated on December 22, 2020, the Company is subject to annual minimum purchase requirements for 8 years.

From time to time, the Company causes letters of credit ("LOCs") to be issued to provide credit support for guarantees, contractual commitments and insurance policies. The fair values of the LOCs reflect the amount of the underlying obligation and are subject to fees payable to the issuers, competitively determined in the marketplace. The Company had three LOCs outstanding, each for \$2,200 as of June 28, 2025 and December 31, 2024.

The Company currently maintains insurance for risks associated with the operation of its business, provision of professional services and ownership of property. These policies provide coverage for a variety of potential losses, including loss or damage to property, bodily injury, general commercial liability, professional errors and omissions and medical malpractice. The Company is self-insured for health insurance covering most of its employees located in the United States. The Company maintains stop-loss insurance on a "claims made" basis for expenses in excess of \$250 per member per year.

## 11. Revenue recognition

Our policies for recognizing sales have not changed from those described in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. The Company attributes net sales to external customers to the U.S. and to all foreign countries based on the legal entity from which the sale originated. The Company had product sales to one customer totaling \$16,751 and \$30,345 representing 11.3% and 11.2% of net sales, primarily in the U.S. reporting segment during the three and six months ended June 28, 2025, respectively. The same customer had product sales of \$18,266 and \$31,409 representing 12.2% and 11.3% of net sales during the three and six months ended June 29, 2024, respectively.

The following table presents the Company's net sales disaggregated by major business within each segment as follows:

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
<b>U.S.</b>				
Pain Treatments	\$ 64,436	\$ 65,194	\$ 117,122	\$ 115,831
Surgical Solutions	45,747	41,780	86,591	80,120
Restorative Therapies	18,592	27,435	35,582	52,739
Total U.S. net sales	128,775	134,409	239,295	248,690
<b>International</b>				
Pain Treatments	8,872	7,066	15,104	13,118
Surgical Solutions	6,969	5,557	11,359	9,511
Restorative Therapies	3,044	4,185	5,778	9,355
Total International net sales	18,885	16,808	32,241	31,984
<b>Total net sales</b>	<b>\$ 147,660</b>	<b>\$ 151,217</b>	<b>\$ 271,536</b>	<b>\$ 280,674</b>

## 12. Segments

The Company identifies a business as an operating segment if (i) it engages in business activities from which it may earn revenues and incur expenses; (ii) its operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM") and (iii) it has available discrete financial information. The Company's CODM is its President and Chief Executive Officer, who uses Segment Adjusted EBITDA to make decisions regarding the allocation of resources, assess performance and to develop annual budgets and forecasts.

The Company's two operating segments are U.S. and International, which also represent its reportable segments. Both segments sell the Company's portfolio of products to healthcare institutions, physicians, patients, distributors and dealers. The Company does not disclose segment information by asset, as the CODM does not review or use it to allocate resources or to assess the operating results and financial performance.

The following table presents Segment Adjusted EBITDA reconciled to loss before income taxes:

	Three Months Ended June 28, 2025		
	U.S.	International	Consolidated
Net sales	\$ 128,775	\$ 18,885	\$ 147,660
Adjusted cost of sales <sup>(a)</sup>	28,218	6,749	
Adjusted selling expense <sup>(b)</sup>	37,351	3,220	
Adjusted marketing expense <sup>(b)</sup>	6,657	933	
Adjusted general and administrative expense <sup>(b)</sup>	24,791	2,519	
Adjusted research and development expense <sup>(c)</sup>	2,917	18	
Adjusted other segment expense <sup>(d)</sup>	366	170	
Segment Adjusted EBITDA	28,475	5,276	33,751
Interest expense, net			(7,494)
Depreciation and amortization			(12,049)
Shareholder litigation costs			(13)
Equity compensation			(3,643)
Financial restructuring costs			(172)
Loss on disposal of a business			(1)
Other items <sup>(e)</sup>			(66)
Loss before income taxes			\$ 10,313

	Three Months Ended June 29, 2024		
	U.S.	International	Consolidated
Net sales	\$ 134,409	16,808	\$ 151,217
Adjusted cost of sales <sup>(a)</sup>	29,860	6,697	
Adjusted selling expense <sup>(b)</sup>	38,742	2,695	
Adjusted marketing expense <sup>(b)</sup>	6,047	892	
Adjusted general and administrative expense <sup>(b)</sup>	24,607	3,538	
Adjusted research and development expense <sup>(c)</sup>	3,518	8	
Adjusted other segment (income) expense <sup>(d)</sup>	45	116	
Segment Adjusted EBITDA	31,590	2,862	34,452
Interest expense, net			(9,924)
Depreciation and amortization			(13,090)
Acquisition and related costs			(300)
Shareholder litigation costs			(12,502)
Restructuring and succession charges			40
Equity compensation			(5,777)
Financial restructuring costs			5
Impairment of assets			(31,870)
Other items <sup>(e)</sup>			(2,590)
Loss before income taxes			\$ (41,556)

	Six Months Ended June 28, 2025		
	U.S.	International	Consolidated
Net sales	\$ 239,295	\$ 32,241	\$ 271,536
Adjusted cost of sales <sup>(a)</sup>	53,615	11,907	
Adjusted selling expense <sup>(b)</sup>	72,067	6,419	
Adjusted marketing expense <sup>(b)</sup>	12,968	1,804	
Adjusted general and administrative expense <sup>(b)</sup>	48,108	4,485	
Adjusted research and development expense <sup>(c)</sup>	5,742	21	
Adjusted other segment expense <sup>(d)</sup>	1,265	172	
Segment Adjusted EBITDA	45,530	7,433	52,963
Interest expense, net			(15,003)
Depreciation and amortization			(23,914)
Shareholder litigation costs			(36)
Equity compensation			(6,057)
Financial restructuring costs			(172)
Loss on disposal of a business			(82)
Other items <sup>(e)</sup>			(803)
Income (loss) before income taxes			\$ 6,896

	Six Months Ended June 29, 2024		
	U.S.	International	Consolidated
Net sales	\$ 248,690	\$ 31,984	\$ 280,674
Adjusted cost of sales <sup>(a)</sup>	55,470	12,139	
Adjusted selling expense <sup>(b)</sup>	75,730	5,549	
Adjusted marketing expense <sup>(b)</sup>	11,931	1,534	
Adjusted general and administrative expense <sup>(b)</sup>	47,953	6,611	
Adjusted research and development expense <sup>(c)</sup>	6,442	18	
Adjusted other segment (income) expense <sup>(d)</sup>	(182)	404	
Segment Adjusted EBITDA	51,346	5,729	57,075
Interest expense, net			(20,263)
Depreciation and amortization			(24,875)
Acquisition and related costs			(511)
Shareholder litigation costs			(13,670)
Restructuring and succession charges			(13)
Equity compensation			(8,767)
Financial restructuring costs			(347)
Impairment of assets			(31,870)
Other items <sup>(e)</sup>			(3,789)
Income (loss) before income taxes			\$ (47,030)

(a) Adjusted cost of sales used in calculating segment Adjusted EBITDA excludes depreciation and amortization as well as the amortization of inventory step-up resulting from acquisitions.

(b) Adjusted selling, general and administrative expense used in the calculation of segment Adjusted EBITDA excludes certain acquisition and related costs, shareholder litigation costs, certain restructuring and succession charges, asset impairments, financial restructuring costs, equity-based compensation expense and other segment items—charges associated with strategic transactions, such as potential divestitures and a transformative project to redesign systems and information processing projects.

(c) Adjusted research and development expense used in calculating segment Adjusted EBITDA excludes depreciation and amortization and equity-based compensation expense.

(d) Adjusted other segment expense (income) primarily consists of foreign currency transaction and remeasurement gains and losses and other certain nonrecurring items.

- (e) Other items primarily include charges associated with strategic transactions, such as potential divestitures and a transformative project to redesign systems and information processing. During the three and six months ended June 28, 2025, other items primarily consisted of divestiture costs related to the Company's Advanced Rehabilitation Business costs. During the three and six months ended June 29, 2024, other items mostly consisted of strategic transaction and transformative project costs.

### 13. Subsequent events

#### *2025 Credit Agreement*

The Company entered into the 2025 Credit Agreement on July 31, 2025. The Company also entered into two interest rate swaps on August 1, 2025 to hedge interest rate risk associated with the 2025 Credit Agreement. Refer to *Note 4. Financial instruments—2025 Credit Agreement* and *—Interest Rate Swaps* for further details.

#### *Tax Legislation*

The “One Big Beautiful Bill Act” (“OBBBA”) was signed into law in the United States on July 4, 2025, which is considered the enactment date under U.S. GAAP. Key tax provisions under OBBBA include the restoration of 100% bonus depreciation, immediate expensing for domestic research and experimental expenditures, changes to the interest limitations in Section 163(j) of the U.S. Internal Revenue Code (the “Code”), updates to Global Intangible Low Taxed Income and Foreign-Derived Intangible Income rules, and expanded aggregation requirements under Section 162(m) of the Code.

Under U.S. GAAP, the effect of changes in tax laws are recognized in the period in which the new law is enacted. Accordingly, the impact of OBBBA will be reflected in the Company's financial statements for the third quarter of 2025. The Company is currently evaluating the impact of OBBBA and does not expect the new legislation to have a material effect on its financial statements.

### Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of Bioventus Inc.'s (sometimes referred to as “we,” “us,” “our,” “Bioventus” or “the Company”) financial condition and results of operations should be read in conjunction with the “Special Note Regarding Forward-Looking Statements” and our unaudited consolidated condensed financial statements and related notes thereto appearing elsewhere in this Quarterly Report on Form 10-Q, as well as our audited consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the Securities and Exchange Commission (“SEC”) on March 11, 2025 (“2024 10-K”).

#### **Executive Summary**

We are a global medical device company focused on helping patients recover and live life to the fullest by relieving pain and addressing musculoskeletal challenges through a diverse portfolio of high-quality, innovative, and clinically proven solutions. We operate our business through two reporting segments, U.S. and International, and our portfolio of products is comprised of five patient-focused areas, grouped into three businesses based on clinical use: (i) Pain Treatments, (ii) Surgical Solutions and (iii) Restorative Therapies.

- Pain Treatments, comprised of:
  - **Knee Osteoarthritis (“KOA”)**: Our product portfolio includes a range of intra-articular, hyaluronic acid (“HA”) injections that help relieve patient discomfort and improve quality of life. In the U.S., we also distribute the XCELL Platelet-Rich Plasma (“PRP”) system, a technology that is synergistic with our existing physician call points as many surgeons using HA also use PRP.
  - **Peripheral Nerve Stimulation (“PNS”)**: We are focused on developing a full portfolio of peripheral nerve stimulation products with solutions for acute, temporary and chronic pain.
- Surgical Solutions, comprised of:
  - **Ultrasonics**: Our Ultrasonics business offers precision bone resection for patients with degenerative spine conditions and spinal deformities. This portfolio also enables precision ultrasonic neuro and general surgery to address brain tumors and pathologies of the liver and other organs.
  - **Bone Graft Substitutes (“BGS”)**: Our BGS product portfolio includes a range of products that facilitate optimal bone fusion following a surgical procedure.
- Restorative Therapies, comprised of:
  - **Fracture Care**: We provide low-intensity pulse ultrasound to help patients who suffer from bone fractures that do not heal through traditional methods. We plan to expand our U.S. clinical fracture care indications to address the healing of fresh fractures, especially for high-risk patients.

The following table sets forth total net sales, net income (loss) and Adjusted EBITDA for the periods presented:

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Net sales	\$ 147,660	\$ 151,217	\$ 271,536	\$ 280,674
Net income (loss)	\$ 9,272	\$ (34,217)	\$ 5,950	\$ (40,598)
Adjusted EBITDA <sup>(a)</sup>	\$ 33,751	\$ 34,452	\$ 52,963	\$ 57,075
Income (loss) per Class A common stock:				
Basic	\$ 0.11	\$ (0.40)	\$ 0.07	\$ (0.48)
Diluted	\$ 0.11	\$ (0.40)	\$ 0.07	\$ (0.48)

<sup>(a)</sup> See below under results of operations-Adjusted EBITDA for a reconciliation of net income (loss) to Adjusted EBITDA.

## ***Significant developments***

### *2025 Credit Agreement*

On July 31, 2025, we entered into a Credit Agreement (the “2025 Credit Agreement”) consisting of a \$300.0 million term loan facility (the “2025 Term Loan”) and a \$100.0 million revolving credit facility (the “2025 Revolver”). The proceeds resulting from the 2025 Term Loan, \$30.0 million in borrowings on the 2025 Revolver and \$2.6 million in available cash were used to repay the outstanding Term Loan balance under the Amended 2019 Credit Agreement, which totaled \$332.6 million on July 31, 2025. The 2025 Credit Agreement is expected to provide \$2.0 million of annual interest expense savings, increased liquidity and debt maturity extension to July 2030. On August 1, 2025, the Company entered into two interest rate swaps totaling \$150.0 million to hedge the interest rate risk associated with the Company’s floating-rate SOFR-based borrowings under the 2025 Credit Agreement.

### *Peripheral Nerve Stimulation*

In July 2025, we received FDA 510(k) clearances for both TalisMann and StimTrial, expanding our innovative growth portfolio of PNS solutions for chronic pain management. These clearances mark an important step forward and represent a substantial growth opportunity as we look to expand in the PNS market. With TalisMann and StimTrial now FDA-cleared, we offer a comprehensive PNS portfolio that empowers physicians to potentially treat a broader spectrum of patients—from initial assessment to long-term therapy—with greater confidence and flexibility. This development also reinforces our commitment to delivering non-opioid, minimally invasive therapies designed to address real-world clinical needs.

TalisMann combines our patented electric field conduction technology with an integrated pulse generator to potentially reach deeper, larger nerves. This combination is designed to provide long-term relief from chronic nerve pain for patients, potentially increasing the number of patients who respond to neuromodulation therapy. From a physician’s perspective, the increase in power allows for easier lead placement and potentially broadens addressable nerves. StimTrial provides physicians the ability to evaluate patient response to PNS therapy, which we expect will facilitate physician adoption and payer reimbursement where trial assessments are required. We expect to begin a limited commercial release of both TalisMann and StimTrial in select U.S. markets during the third quarter, with a broader rollout planned for early 2026.

### *Advanced Rehabilitation Business*

On December 31, 2024, we closed the sale of certain products within our Advanced Rehabilitation Business, including the L100, L300 Go, L360, H200, Vector Gait & Safety System and Bioness Integrated Therapy System (collectively, the “Advanced Rehabilitation Business”). The Advanced Rehabilitation Business was considered non-core and required additional research and development expenditures to achieve its next stage of growth. We received \$24.7 million at closing, net of transactional fees, subject to a post-closing adjustment for net working capital. We paid \$0.7 million in the second quarter of 2025 to settle the adjustment for net working capital. The proceeds were used to pay \$20.0 million in long-term debt obligations on December 31, 2024. We may also receive an aggregate of \$20.0 million in potential earn-out payments, which are based on the achievement of certain revenue and financial metric thresholds in respect to sales of products from the Advanced Rehabilitation Business during the 2025 and 2026 fiscal years.

## **Results of Operations**

For a description of the components of our results of operations, refer to *Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations* in our 2024 10-K.

The following table sets forth components of our consolidated condensed statements of operations as a percentage of net sales for the periods presented:

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Net sales	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales (includes depreciation & amortization)	30.9 %	31.5 %	31.8 %	31.6 %
Gross profit	69.1 %	68.5 %	68.2 %	68.4 %
Selling, general and administrative expense	53.6 %	63.9 %	56.2 %	62.5 %
Research and development expense	2.1 %	2.8 %	2.3 %	2.4 %
Change in fair value of contingent consideration	— %	0.2 %	— %	0.2 %
Depreciation and amortization	1.0 %	1.3 %	1.1 %	1.4 %
Impairment of assets	— %	21.1 %	— %	11.4 %
Loss on disposal of a business	— %	— %	— %	— %
Operating income (loss)	12.4%	(20.8%)	8.6%	(9.5%)

The following table presents a reconciliation of net income (loss) to Adjusted EBITDA for the periods presented:

(in thousands)	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
<b>Net income (loss)</b>	<b>\$ 9,272</b>	<b>\$ (34,217)</b>	<b>\$ 5,950</b>	<b>\$ (40,598)</b>
Interest expense, net	7,494	9,924	15,003	20,263
Income tax expense (benefit), net	1,041	(7,339)	946	(6,432)
Depreciation and amortization <sup>(a)</sup>	12,049	13,090	23,914	24,875
Acquisition and related costs <sup>(b)</sup>	—	300	—	511
Shareholder litigation costs <sup>(c)</sup>	13	12,502	36	13,670
Restructuring and succession charges <sup>(d)</sup>	—	(40)	—	13
Equity compensation <sup>(e)</sup>	3,643	5,777	6,057	8,767
Financial restructuring costs <sup>(f)</sup>	172	(5)	172	347
Loss on disposal of a business <sup>(g)</sup>	1	—	82	—
Impairment of assets <sup>(h)</sup>	—	31,870	—	31,870
Other items <sup>(i)</sup>	66	2,590	803	3,789
<b>Adjusted EBITDA</b>	<b>\$ 33,751</b>	<b>\$ 34,452</b>	<b>\$ 52,963</b>	<b>\$ 57,075</b>

<sup>(a)</sup> Includes for the three and six months ended June 28, 2025 and June 29, 2024, respectively, depreciation and amortization of \$10.6 million, \$11.0 million, \$20.9 million and \$21.0 million in cost of sales and \$1.4 million, \$2.1 million, \$3.0 million and \$3.9 million in operating expenses presented in the consolidated condensed statements of operations and comprehensive income (loss).

<sup>(b)</sup> Includes acquisition and integration costs related to completed acquisitions and changes in fair value of contingent consideration.

<sup>(c)</sup> Costs incurred as a result of certain shareholder litigation unrelated to our ongoing operations.

<sup>(d)</sup> Costs incurred were the result of contract terminations.

<sup>(e)</sup> Includes compensation expense resulting from awards granted under our equity-based compensation plans.

<sup>(f)</sup> Financial restructuring costs in 2025 related to our new 2025 Credit Agreement. Activity in 2024 is attributable to advisory fees and debt amendment related costs related to our Amended 2019 Credit Agreement.

<sup>(g)</sup> Represents the loss on the disposal of the Advanced Rehabilitation Business.

<sup>(h)</sup> Represents a non-cash impairment charge for intangible assets solely attributable to our Advanced Rehabilitation Business in 2024 due to our decision to divest the business.

<sup>(i)</sup> Other items includes charges associated with strategic transactions, including potential acquisitions or divestitures and a transformative project to redesign systems and information processing. Other items during the six months ended June 28, 2025 primarily consisted of \$0.5 million of divestiture expenses related to the Advanced Rehabilitation Business sold on December 31, 2024.

During the three and six months ended June 29, 2024, other items primarily consisted of: (i) strategic transaction expenses of \$1.8 million and \$2.3 million, respectively, primarily related to Advanced Rehabilitation Business divestiture expenses; and (ii) transformative project costs of \$0.5 million and \$1.3 million, respectively.

### **Non-GAAP Financial Measures - Adjusted EBITDA**

We present Adjusted EBITDA, a non-GAAP financial measure, because we believe it is a useful indicator for management to measure operating performance and for planning purposes, including the preparation of our annual operating budget and financial projections. We believe that Adjusted EBITDA is useful to our investors because it is frequently used by securities analysts, investors and other interested parties in their evaluation of the operating performance of companies in industries similar to ours. We define Adjusted EBITDA as net income (loss) from operations before depreciation and amortization, provision of income taxes and interest expense, net, adjusted for the impact of certain cash, non-cash and other items that we do not consider in our evaluation of ongoing operating performance. These items include acquisition and divestiture related costs, certain shareholder litigation costs, impairments of assets, restructuring and succession charges, equity compensation expense, financial restructuring costs and other items. Adjusted EBITDA by segment is comprised of net sales and costs directly attributable to a segment, as well as an allocation of corporate overhead costs primarily based on a ratio of net sales by segment to total consolidated net sales.

Non-GAAP financial measures have limitations as an analytical tool and should not be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with U.S. GAAP. These measures might exclude certain normal recurring expenses. Therefore, these measures might not provide a complete understanding of the Company's performance and should be reviewed in conjunction with U.S. GAAP financial measures. Additionally, other companies might define their non-GAAP financial measures differently than we do. Investors are encouraged to review the reconciliation of the non-GAAP measure provided in this Quarterly Report on Form 10-Q, including all tables referencing Adjusted EBITDA to its most directly comparable U.S. GAAP measure.

(in thousands, except for percentage)	Three Months Ended		Change	
	June 28, 2023	June 29, 2024	\$	%
<b>U.S.</b>				
Pain Treatments	\$ 64,436	\$ 65,194	\$ (758)	(1.2%)
Surgical Solutions	45,747	41,780	3,967	9.5%
Restorative Therapies	18,592	27,435	(8,843)	(32.2%)
<b>Total U.S. net sales</b>	<b>128,775</b>	<b>134,409</b>	<b>(5,634)</b>	<b>(4.2%)</b>
<b>International</b>				
Pain Treatments	8,872	7,066	1,806	25.6%
Surgical Solutions	6,969	5,557	1,412	25.4%
Restorative Therapies	3,044	4,185	(1,141)	(27.3%)
<b>Total International net sales</b>	<b>18,885</b>	<b>16,808</b>	<b>2,077</b>	<b>12.4%</b>
<b>Total net sales</b>	<b>\$ 147,660</b>	<b>\$ 151,217</b>	<b>\$ (3,557)</b>	<b>(2.4%)</b>

#### *U.S.*

Net sales decreased \$5.6 million, or 4.2%, compared to the prior year period. Changes by business were: (i) Pain Treatments—\$0.8 million decrease due to lower average selling price (“ASP”) driven by lower than normal private payer rebates in the prior year; (ii) Surgical Solutions—\$4.0 million increase due to volume growth in BGS and Ultrasonics; and (iii) Restorative Therapies—\$8.8 million decrease due to a net decline of \$10.6 million in sales reflecting the divestiture of our Advanced Rehabilitation Business, partially offset by a \$1.7 million increase for our EXOGEN Bone Stimulation System.

#### *International*

Net sales increased compared to the prior year comparable period primarily due to an increase in our sales in Pain Treatments for Durolane and in Surgical Solutions for Ultrasonics, partially offset by the divestiture of our Advanced Rehabilitation Business, which totaled \$1.6 million.

## Net Sales

(in thousands, except for percentage)	Six Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
<b>U.S.</b>				
Pain Treatments	\$ 117,122	\$ 115,831	\$ 1,291	1.1%
Surgical Solutions	86,591	80,120	6,471	8.1%
Restorative Therapies	35,582	52,739	(17,157)	(32.5%)
<b>Total U.S. net sales</b>	<b>239,295</b>	<b>248,690</b>	<b>(9,395)</b>	<b>(3.8%)</b>
<b>International</b>				
Pain Treatments	15,104	13,118	1,986	15.1%
Surgical Solutions	11,359	9,511	1,848	19.4%
Restorative Therapies	5,778	9,355	(3,577)	(38.2%)
<b>Total International net sales</b>	<b>32,241</b>	<b>31,984</b>	<b>257</b>	<b>0.8%</b>
<b>Total net sales</b>	<b>\$ 271,536</b>	<b>\$ 280,674</b>	<b>\$ (9,138)</b>	<b>(3.3%)</b>

### U.S.

Net sales decreased \$9.4 million, or 3.8%, compared to the prior year period. Changes by business were: (i) Pain Treatments—\$1.3 million increase due to volume growth primarily driven by Durolane partially offset by a decline in volume, in part, due to inventory reductions by certain distributors following higher purchases at the end of 2024 and a shift in channel mix; (ii) Surgical Solutions—\$6.5 million increase due to volume growth in BGS and Ultrasonics; and (iii) Restorative Therapies—\$17.2 million decrease due to a net decline in sales of \$20.1 million reflecting the divestiture of our Advanced Rehabilitation Business, partially offset by a \$3.0 million increase in our sales for our EXOGEN Bone Stimulation System.

### International

Net sales slightly increased compared to the prior year comparable period primarily due to an increase in our sales in Pain Treatments for Durolane and in Surgical Solutions for Ultrasonics, offset by the divestiture of our Advanced Rehabilitation Business, which totaled \$3.5 million.

## Gross profit and gross margin

(in thousands, except for percentage)	Three Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
<b>U.S.</b>	\$ 90,657	\$ 94,233	\$ (3,576)	(3.8%)
International	11,433	9,406	2,027	21.6%
<b>Total</b>	<b>\$ 102,090</b>	<b>\$ 103,639</b>	<b>\$ (1,549)</b>	<b>(1.5%)</b>

	Three Months Ended		Change
	June 28, 2025	June 29, 2024	
U.S.	70.4 %	70.1 %	0.3%
International	60.5 %	56.0 %	4.5%
<b>Total</b>	<b>69.1 %</b>	<b>68.5 %</b>	<b>0.5%</b>

### U.S.

Gross profit decreased \$3.6 million, or 3.8%, primarily due to the \$5.5 million decline resulting from the divestiture of our Advanced Rehabilitation Business. This decrease was partially offset by volume growth in Surgical Solutions and our EXOGEN Bone Stimulation System. The slight increase in gross margin resulted from the divestiture of our Advanced Rehabilitation Business, offset by freight and tariff costs for our EXOGEN Bone Stimulation System.

### International

Gross profit increased \$2.0 million, or 21.6%, primarily due to volume growth in Pain Treatments and Surgical Solutions, partially offset by the \$0.7 million decline resulting from the divestiture of our Advanced Rehabilitation Business. Gross margin increased due to favorable movements in ASP.

(in thousands, except for percentage)	Six Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
U.S.	\$ 166,186	\$ 173,601	\$ (7,415)	(4.3%)
International	18,960	18,418	542	2.9%
Total	\$ 185,146	\$ 192,019	\$ (6,873)	(3.6%)

	Six Months Ended		Change
	June 28, 2025	June 29, 2024	
U.S.	69.4 %	69.8 %	(0.4%)
International	58.8 %	57.6 %	1.2%
Total	68.2 %	68.4 %	(0.2%)

#### U.S.

Gross profit decreased \$7.4 million, or 4.3%, primarily due to the \$10.6 million decline in sales resulting from the divestiture of our Advanced Rehabilitation Business. This decrease was partially offset by volume growth in Pain Treatments, Surgical Solutions and our EXOGEN Bone Stimulation System. The decrease in gross margin resulted from: (i) a decrease in ASP in certain Pain Treatment products as a result of temporary shifts in channel mix; and (ii) freight and tariff costs for our EXOGEN Bone Stimulation System.

#### International

Gross profit increased \$0.5 million, or 2.9%, primarily due to volume growth in Pain Treatments and Surgical Solutions, partially offset by a \$1.8 million decline in sales resulting from the divestiture of our Advanced Rehabilitation Business. Gross margin increased due to favorable movements in ASP, partially offset by an unfavorable change in product and country mix.

#### Selling, general and administrative expense

(in thousands, except for percentage)	Three Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
Selling, general and administrative expense	\$ 79,110	\$ 96,668	\$ (17,558)	(18.2%)

Selling, general and administrative expenses decreased by \$17.6 million, or 18.2%, due to decreases in: (i) shareholder litigation costs settled during 2024 of \$12.5 million; (ii) compensation-related costs of \$2.8 million from less commissions due to lower sales and an overall reduction in compensation expenses, which were partially driven by the sale of the Advanced Rehabilitation Business; and (iii) stock-based compensation of \$1.8 million.

(in thousands, except for percentage)	Six Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
Selling, general and administrative expense	\$ 152,612	\$ 175,443	\$ (22,831)	(13.0%)

Selling, general and administrative expenses decreased by \$22.8 million, or 13.0%, due to decreases in: (i) shareholder litigation costs settled during 2024 of \$13.6 million; (ii) compensation-related costs of \$8.0 million from less commissions on lower sales and an overall reduction in compensation expenses, which were partially driven by the sale of the Advanced Rehabilitation Business; and (iii) stock-based compensation of \$2.9 million.

#### Research and development expense

(in thousands, except for percentage)	Three Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
Research and development expense	\$ 3,172	\$ 4,210	\$ (1,038)	(24.7%)

Research and development expense decreased \$1.0 million, or 24.7% due to decreases in: (i) compensation-related costs of \$0.4 million; (ii) consulting expenses of \$0.3 million due to the completion of certain projects; and (iii) stock-based compensation of \$0.3 million.

(in thousands, except for percentage)	Six Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
Research and development expense	\$ 6,183	\$ 6,837	\$ (654)	(9.6%)

Research and development expense decreased \$0.7 million, or 9.6%, due to a \$0.5 million decline in consulting expenses resulting from the completion of certain projects and a decrease of \$0.4 million in compensation-related costs.

#### ***Change in fair value of contingent consideration***

Activity from the change in fair value of contingent consideration relates to contingent consideration associated with the acquisition of Bioness in March 2021. Certain milestones were achieved during the fourth quarter of 2024 and as a result, we ceased revaluing the contingent consideration liability in 2025. We made contingent consideration payments of \$9.0 million and \$10.8 million during the first and second quarters of 2025, respectively, which settled the Bioness contingent consideration liability in its entirety.

#### ***Depreciation and amortization***

(in thousands, except for percentage)	Three Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
Depreciation and amortization	\$ 1,439	\$ 2,064	\$ (625)	(30.3%)

(in thousands, except for percentage)	Six Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
Depreciation and amortization	\$ 3,032	\$ 3,819	\$ (787)	(20.6%)

Depreciation and amortization decreased during the three and six months ended June 28, 2025 compared to the prior year comparable periods primarily due to certain information technology assets being fully depreciated in 2025.

#### ***Impairment of assets***

We evaluated the Advanced Rehabilitation Business for impairment during the second quarter of 2024 due to our decision to divest the business. As a result of this evaluation, we recorded a \$31.9 million impairment to reduce the intangible assets of the Advanced Rehabilitation Business to reflect their respective fair values less any costs to sell. We based the fair value of its intangibles on the consideration agreed to with the purchaser of the Advanced Rehabilitation Business.

#### ***Loss on disposals***

Loss on disposals during the three and six months ended June 28, 2025 resulted from working capital adjustments associated with the sale of our Advanced Rehabilitation Business.

#### ***Other expense***

(in thousands, except for percentage)	Three Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
Interest expense, net	\$ 7,494	\$ 9,924	\$ (2,430)	(24.5%)
Other expense, net	\$ 561	\$ 159	\$ 402	
NM - Not Meaningful				NM

(in thousands, except for percentage)	Six Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
Interest expense, net	\$ 15,003	\$ 20,263	\$ (5,260)	(26.0%)
Other expense, net	\$ 1,338	\$ 222	\$ 1,116	NM

Interest expense, net decreased during the three and six months ended June 28, 2025 compared to the prior year comparable periods due to less debt outstanding and a decrease in interest rates. The increase in other expense, net during the three and six months ended June 28, 2025 was due to fluctuations in foreign currency compared to the prior year comparable periods.

#### ***Income tax (benefit) expense, net***

(in thousands, except for percentage)	Three Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
Income tax (benefit) expense, net	\$ 1,041	\$ (7,339)	\$ 8,380	(114.2%)
Effective tax rate	10.1 %	17.7 %		(7.6%)

The effective tax rate for the three months ended June 28, 2025 was driven by income in foreign jurisdictions. The effective rate for the three months ended June 29, 2024 was due to the impairment of intangibles related to the Advanced Rehabilitation Business and taxable income in certain entities.

(in thousands, except for percentage)	Six Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
Income tax (benefit) expense, net	\$ 946	\$ (6,432)	\$ 7,378	(114.7%)
Effective tax rate	13.7 %	13.7 %		—%

The effective tax rate for the six months ended June 28, 2025 was based upon foreign income tax partially offset with the release of certain reserves for uncertain tax positions. The effective tax rate for the six months ended June 29, 2024 was due to the impairment of intangibles related to the Advanced Rehabilitation Business and taxable income in certain entities.

### **Noncontrolling interest**

Subsequent to the IPO and related transactions, we are the sole managing member of BV LLC in which we owned 80.9% and 80.6% at June 28, 2025 and December 31, 2024, respectively. We have a majority economic interest and the sole voting interest in and control the management of BV LLC. As a result, we consolidate the financial results of BV LLC and report a noncontrolling interest representing the 19.1% that is owned by the Continuing LLC Owner. Noncontrolling interest changes during the periods presented resulted from recorded income and loss activity.

### **Segment Adjusted EBITDA**

(in thousands, except for percentage)	Three Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
U.S.	\$ 28,475	\$ 31,590	\$ (3,115)	(9.9%)
International	\$ 5,276	\$ 2,862	\$ 2,414	84.3%

#### *U.S.*

Adjusted EBITDA decreased \$3.1 million, or 9.9%, in the three months ended June 28, 2025 compared to the prior year period primarily due to lower gross profit resulting from the divestiture of our Advanced Rehabilitation Business and the impact of foreign currency, partially offset by lower compensation-related expenses.

#### *International*

Adjusted EBITDA increased \$2.4 million or 84.3%, in the three months ended June 28, 2025 compared to the prior year period primarily due to the increase in gross profit from Durolane and Surgical Solutions and lower administrative expenses, partially offset by a reduction of gross profit resulting from the divestiture of our Advanced Rehabilitation Business.

(in thousands, except for percentage)	Six Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
U.S.	\$ 45,530	\$ 51,346	\$ (5,816)	(11.3%)
International	\$ 7,433	\$ 5,729	\$ 1,704	29.7%

#### *U.S.*

Adjusted EBITDA decreased \$5.8 million, or 11.3%, in the six months ended June 28, 2025 compared to the prior year period primarily due to lower gross profit resulting from the divestiture of our Advanced Rehabilitation Business and the impact of foreign currency, partially offset by lower compensation-related expenses.

#### *International*

Adjusted EBITDA increased \$1.7 million or 29.7%, in the six months ended June 28, 2025 compared to the prior year period primarily due to lower administrative expenses partially offset by lower gross profit resulting from the divestiture of our Advanced Rehabilitation Business.

## **Liquidity and Capital Resources**

### **Sources of liquidity**

Our principal liquidity needs have historically been for acquisitions, working capital, research and development, clinical trials, and capital expenditures. We expect these needs to continue as we develop and market new products and further expand into international markets.

On December 31, 2024, we closed the sale of the Advanced Rehabilitation Business, which was considered non-core and required additional research and development expenditures to achieve its next stage of growth. We received \$24.7 million at closing, net of transactional fees, subject to a post-closing adjustment for net working capital. We paid \$0.7 million in the second quarter of 2025 to settle the adjustment for net working capital. The proceeds were used to pay \$20.0 million in long-term debt obligations on December 31, 2024. We may also receive an aggregate of \$20.0 million in potential earn-out payments, which are based on the achievement of certain revenue and financial metric thresholds in respect to sales of products from the Advanced Rehabilitation Business during the 2025 and 2026 fiscal years.

We anticipate that to the extent that we require capital, we will obtain funding through additional equity financings or the incurrence of other indebtedness or a combination of these potential sources of capital. As of June 28, 2025, we had the ability to borrow up to an additional \$32.8 million on our Revolving Credit Facility net of outstanding letters of credit.

On July 31, 2025, we entered into the 2025 Credit Agreement, consisting of a \$300.0 million 2025 Term Loan and the 2025 Revolver with a borrowing capacity of \$100.0 million. The proceeds resulting from the 2025 Term Loan, \$30.0 million in borrowings on the 2025 Revolver and \$2.6 million in available cash were used to repay the outstanding loan balances under the Amended 2019 Credit Agreement, which totaled \$332.6 million on July 31, 2025. The 2025 Credit Agreement is expected to provide \$2.0 million of annual interest expense savings, increased liquidity and debt maturity extension to July 2030. On August 1, 2025, the Company entered into two interest rate swaps (“Interest Rate Swaps”) to hedge the interest rate risk associated with the Company’s floating-rate SOFR-based borrowings under the 2025 Credit Agreement. The Company will pay a fixed interest rate in exchange for SOFR-based variable interest throughout the life of the Interest Rate Swaps. The Interest Rate Swaps have a weighted average fixed interest rate of 3.60% and an underlying notional value of \$150.0 million, or 50.0% of the 2025 Term Loan.

We may explore divestiture opportunities for non-core assets to improve our liquidity position. In addition, we may raise additional funds to finance future cash needs through receivables or royalty financings or corporate collaboration and licensing arrangements. If we raise additional funds by issuing equity securities or convertible debt, our stockholders will experience dilution. If we raise additional funds through collaboration and licensing arrangements with third parties, it might be necessary to relinquish valuable rights to our products, future revenue streams or product candidates, or to grant licenses on terms that might not be favorable to us. We cannot be certain that additional funding will be available on acceptable terms, or at all. Any failure to raise capital in the future might have a negative impact on our financial condition and our ability to pursue our business strategies.

#### **Cash Requirements**

There have been no material changes to our future cash requirements as disclosed in *Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations* of our 2024 10-K.

We enter into contracts in the normal course of business with various third parties for development, collaboration and other services for operating purposes. These contracts generally provide for termination upon notice. Payments due upon cancellation generally consist only of payments for services provided or expenses incurred, including non-cancellable obligations of our service providers, up to the date of cancellation. Certain agreements include contingent events that upon occurrence would require payment. For information regarding commitments and contingencies, refer to *Item 1. Financial Information—Notes to the unaudited consolidated condensed financial statements—Note 10. Commitments and contingencies*.

#### **Tax Receivable Agreement**

The BV LLC Agreement provides for the payment of certain distributions to the Continuing LLC Owner in amounts sufficient to cover the income taxes imposed with respect to the allocation of taxable income from BV LLC as well as obligations within the TRA. Under the TRA, we are required to make cash payments to the Continuing LLC Owner equal to 85% of the tax benefits, if any, that we actually realize (or in certain circumstances are deemed to realize), as a result of (1) increases in the tax basis of assets of BV LLC resulting from (a) any future redemptions or exchanges of LLC Interests, and (b) certain distributions (or deemed distributions) by BV LLC and (2) certain other tax benefits arising from payments under the TRA. We expect the amount of the cash payments required to be made under the TRA will be significant. The actual amount and timing of any payments under the TRA will vary depending upon a number of factors, including the timing of redemptions or exchanges by the Continuing LLC Owner, the amount of gain recognized by the Continuing LLC Owner, the amount and timing of the taxable income we generate in the future, and the federal tax rates then applicable. Any payments made by us to the Continuing LLC Owner under the TRA will generally reduce the amount of overall cash flow that might have otherwise been available to us. To the extent that we are unable to make payments under the TRA for any reason, such payments generally will be deferred and will accrue interest until paid; provided, however, that nonpayment for a specified period may constitute a material breach of a material obligation under the TRA and therefore accelerate payments due under the TRA.

**Indebtedness**

The Amended 2019 Credit Agreement, repaid on July 31, 2025, contained customary affirmative and negative covenants, including those related to financial reporting and notification, restrictions on the declaration or payment of certain distributions on or in respect of Bioventus LLC’s equity interests, restrictions on acquisitions, investments and certain other payments, limitations on the incurrence of new indebtedness, limitations on transfers, sales and other dispositions of assets of Bioventus LLC and its subsidiaries, as well as limitations on making changes to the business and organizational documents of Bioventus LLC and its subsidiaries. Financial covenant requirements included a maximum debt leverage ratio and an interest coverage ratio. We were subject to certain additional requirements and covenants, including a requirement to maintain Liquidity (as defined in the Amended 2019 Credit Agreement) of not less than \$10.0 million as of the end of each calendar month during such period. We were in compliance with the financial covenants as stated in the Amended 2019 Credit Agreement as of June 28, 2025.

We had an outstanding Revolver balance of \$5.0 million as of June 28, 2025, which was borrowed and used for working capital needs. We paid the remaining Revolver balance of \$5.0 million on July 11, 2025.

The 2025 Credit Agreement contains affirmative and negative covenants applicable to senior secured credit facilities, including covenants that, among other things, limit or restrict the ability of the Company to, subject to negotiated exceptions, incur additional indebtedness, liens on its assets, engage in acquisitions or dispositions, pay dividends or make other distributions, enter into transactions with affiliated persons, make investments, change the nature of its business or organizational documents, or prepay or make modifications to other indebtedness that would adversely affect the Lenders. The 2025 Credit Agreement also contains financial covenants including a maximum consolidated total net leverage ratio of 4.00 to 1.00 for the fiscal quarter ending September 30, 2025 through the fiscal quarter ending December 31, 2025, and starting with the fiscal quarter ending March 31, 2026 and for each fiscal quarter thereafter, a maximum consolidated total net leverage ratio of 3.50 to 1.00. The Company may elect to increase such ratio level by 0.50 to 1.00 following certain permitted acquisitions. A minimum interest coverage ratio of 2.50 to 1.00 must also be maintained. The 2025 Revolver includes standard provisions related to conditions of borrowing and customary events of default. The Company does not expect any of these restrictions to affect or limit its ability to conduct business in the ordinary course.

Refer to *Item 1. Financial Information—Notes unaudited consolidated condensed financial statements—Note 1. Organization* for further details on the Company’s covenant compliance and *Note 4. Financial instruments* for further details on the Company’s indebtedness.

**Other**

For information regarding Commitments and Contingencies, refer to *Item 1. Financial Information—Notes to the unaudited consolidated condensed financial statements—Note 10. Commitments and contingencies* and *—Note 3. Divestitures* of this Quarterly Report on Form 10-Q.

**Information regarding cash flows**

Cash and cash equivalents as of June 28, 2025 totaled \$32.9 million, compared to \$41.6 million as of December 31, 2024. The change in cash was primarily due to the following:

(in thousands, except for percentage)	Six Months Ended		Change	
	June 28, 2025	June 29, 2024	\$	%
Net cash from operating activities	\$ 6,607	\$ 9,157	\$ (2,550)	(27.8%)
Net cash from investing activities	(2,195)	(1,077)	(1,118)	103.8%
Net cash from financing activities	(13,716)	(12,087)	(1,629)	13.5%
Effect of exchange rate changes on cash	632	(963)	1,595	(165.6%)
Net change in cash, cash equivalents	\$ (8,672)	\$ (4,970)	\$ (3,702)	74.5%

**Operating Activities**

Net cash from operating activities decreased \$2.6 million due to larger compensation payments in 2025 compared to the prior year and a decline in sales and an increase in inventory purchases. These operating cash outflows were partially offset by a decrease in interest payments resulting from the timing of interest payments and less debt outstanding.

**Investing Activities**

Net cash from investing activities decreased \$1.1 million due to an increase of \$1.1 million in capital expenditures primarily related to information technology and a working capital settlement of \$0.7 million related to our sale of the Advanced Rehabilitation Business, partially offset by a \$0.7 million outflow in 2024 for the purchase of an HA distribution right.

### *Financing Activities*

Net cash flows from financing activities decreased \$1.6 million due to a \$19.8 million payment for contingent consideration related to a previous acquisition, partially offset by \$12.5 million less in principal and deferred financing payments and \$5.0 million in net borrowings on our Revolver during 2025.

### *Off-balance Sheet Arrangements*

We do not have any off-balance sheet arrangements.

### *Contractual Obligations*

There have been no material changes to our contractual obligations as disclosed in our 2024 10-K.

### *Critical Accounting Estimates*

Our discussion of operating results is based upon the unaudited consolidated condensed financial statements and accompanying notes, which have been prepared in accordance with U.S. GAAP. The preparation of these statements requires us 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 financial statements and the reported amount of revenues and expenses during the reporting period. Our estimates are based on our historical experience and on various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Changes in the facts or circumstances underlying these estimates could result in material changes and actual results could differ from these estimates. In the event we dispose of assets before the end of their previously stated useful life, we may incur an impairment charge. Our critical accounting estimates are detailed in *Part II, Item 7. Management's Discussion and Analysis of Financial condition and Results of Operations* of our 2024 10-K and we have no material changes to such disclosures.

### *Emerging Growth Company and Smaller Reporting Company Status*

The Company is an "emerging growth company" pursuant to the provisions of the Jumpstart Our Business Startups Act (the "JOBS ACT"). An emerging growth company can delay its adoption of certain accounting standards until those standards would otherwise apply to private companies. The Company has chosen to "opt out" of such extended transition periods, and as a result, the Company plans to comply with any new or revised accounting standards on the relevant dates on which non-emerging growth companies must adopt such standards. Section 107 of the JOBS Act provides that the decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

The Company is also considered a "smaller reporting company," as defined by Rule 12b-2 of the Securities Exchange Act of 1934 (the "Exchange Act"), which was determined as of the last day of the Company's second fiscal quarter of 2024. The Company will continue to be categorized as a smaller reporting company-accelerated filer until the Company's public float reaches a certain threshold as of the determination date. The Company may rely on exemptions from certain disclosure requirements that are available to smaller reporting companies.

### **Item 3. Quantitative and Qualitative Disclosures about Market Risk.**

There have been no material changes to our market risks as disclosed in our 2024 10-K.

### **Item 4. Controls and Procedures.**

#### *Limitations on Effectiveness of Controls and Procedures*

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

### ***Evaluation of Disclosure Controls and Procedures***

Our management, including our President and Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) promulgated under the Exchange Act) as of June 28, 2025 (the end of the period covered by this Quarterly Report on Form 10-Q). Based upon that evaluation, our President and Chief Executive Officer and Chief Financial Officer concluded that, as of June 28, 2025, our disclosure controls and procedures are designed at a reasonable assurance level and are effective to provide reasonable assurance that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our President and Chief Executive Officer and our Chief Financial Officer as appropriate, to allow timely decisions regarding required disclosure.

### ***Changes in Internal Control over Financial Reporting***

There were no changes in our internal control over financial reporting that occurred during the second quarter of 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting, except for transitioning to a new system for equity-based compensation and redesigning the related process to accommodate the new system and further strengthen our equity-based compensation controls.

## **PART II. OTHER INFORMATION**

### **Item 1. Legal Proceedings.**

#### **Bioventus shareholder litigation**

On January 12, 2023, the Company and certain of its current and former directors and officers were named as defendants in a putative class action lawsuit filed in the Middle District of North Carolina (the "Court"), *Ciarciello v. Bioventus Inc.*, No. 1:23-CV-00032-CCE-JEP (M.D.N.C. 2023). The complaint asserted violations of Sections 10(b) and 20(a) of the Exchange Act and of Sections 11 and 15 of the Securities Act and generally alleges that the Company failed to disclose certain information regarding rebate practices, its business and financial prospects, and the sufficiency of internal controls regarding financial reporting. The complaint seeks damages in an unspecified amount. On April 12, 2023, the Court appointed Wayne County Employees' Retirement System as lead plaintiff. The plaintiff's amended consolidated complaint was filed with the Court on June 12, 2023. On July 17, 2023, the defendants filed a motion to dismiss the complaint raising a number of legal and factual deficiencies with the amended consolidated complaint. In response to the defendants' motion to dismiss, the lead plaintiff filed a second amended complaint on July 31, 2023. The defendants moved to dismiss the second amended complaint on August 21, 2023, which the Court granted in part and denied in part on November 6, 2023. The Court dismissed the plaintiff's Securities Act claims, but allowed the plaintiff's Exchange Act claims to proceed into discovery.

On July 15, 2024, a Stipulation and Agreement of Settlement (the "Settlement Agreement") by and between the lead plaintiff and the defendants was filed with the Court and the Court preliminarily approved the Settlement Agreement on August 13, 2024. The Court entered judgment on December 18, 2024, granting final approval of the terms of the Settlement Agreement and dismissing all claims against the defendants, including the Company. The parties settled without any admission of liability or wrongdoing by any party. The settlement amount of \$15.3 million, together with interest earned thereon, has been paid by the defendants and/or the defendant's insurers. The Company incurred \$0.01 million, \$0.04 million and \$13.8 million of net shareholder litigation costs (including estimated settlement and reimbursement) during the three and six months ended June 28, 2025 and year ended December 31, 2024, respectively, under the Settlement Agreement, which were recorded in selling, general and administrative expense within the consolidated condensed statements of operations and comprehensive income (loss).

On October 4, 2023, certain of the Company's current and former directors and officers were named as defendants in a derivative shareholder lawsuit (in which the Company is a nominal defendant) filed in the United States District Court for the District of Delaware, *Grogan, on behalf of Bioventus Inc., v. Reali, et al.*, No. 1:23-CV-01099-RGA (D. Del. 2023). The complaint asserts violations of Section 14(a) of the Exchange Act, breaches of fiduciary duties and related state law claims, and a claim for contribution, and generally alleges the same purported misconduct as alleged in the *Ciarciello* case. On January 12, 2024, the Court agreed to stay this case pending resolution of the *Ciarciello* case.

On February 9, 2024, another plaintiff filed a derivative shareholder lawsuit against certain of the Company's current and former directors and officers (in which the Company is a nominal defendant) filed in the United States District Court for the District of Delaware, *Sanderson, on behalf of Bioventus Inc., v. Reali, et al.*, No. 1:24-cv-00180-RGA (D. Del. 2024). Like the *Grogan* case, this case asserts violations of Section 10(b) of the Exchange Act, breaches of fiduciary duties and related state law claims, and a claim for contribution, and generally alleges the same purported misconduct as alleged in the *Ciarciello* case. On May 1, 2024, the parties filed a stipulation to consolidate the two derivative matters and stay them on terms similar to those entered in the *Grogan* case. On May 2, 2024, the United States District Court for the District of Delaware granted the stipulation and ordered the consolidation of the Sanderson and Grogan cases, captioned *In re Bioventus Inc. Derivative Litigation*, Case No.: 1:23-cv-01099-RGA. The Court also stayed the consolidated case. Following resolution of the *Ciarciello* case, on December 30, 2024, the plaintiffs in the consolidated case filed an amended complaint asserting the same claims as in the *Grogan* case against certain of the Company's current and former directors and officers. On January 6, 2025, the Court entered a scheduling order, under which the defendants had until March 3, 2025 to file a motion to dismiss the amended complaint. On February 21, 2025, the parties submitted a joint stipulation to stay the proceedings to allow the parties time to negotiate a settlement. On April 22, 2025 and on June 23, 2025, the parties submitted status updates requesting more time to continue their settlement discussions. The next status update is due to the Court on August 25, 2025.

On July 31, 2024, another plaintiff filed a derivative complaint against certain of the Company's current and former officers and directors, in which Bioventus is a nominal defendant only, in the United States District Court for the Middle District of North Carolina, captioned *Vince v. Reali*, No. 1:24-cv-006390CCEJEP (M.D.N.C. 2024). Like the *Grogan* case, the *Vince* case asserts violations of Section 14(a) of the Exchange Act, breaches of fiduciary duties, unjust enrichment, contribution, and waste, and generally alleges the same purported misconduct as alleged in the *Ciarciello* case. On November 11, 2024, the defendants filed a motion to transfer the *Vince* case to the United States District Court for the District of Delaware, pursuant to the forum selection clause in Bioventus's certificate of incorporation. On January 14, 2025, the Court granted the motion and transferred the *Vince* case to the District of Delaware. On February 14, 2025, the plaintiff requested voluntary dismissal of the *Vince* case without prejudice and the Court granted the request that same day.

On February 20, 2025, plaintiff Jeffrey Vince refiled a Verified Stockholder Derivative Complaint against certain of Bioventus' current and former officers and directors, naming Bioventus as a nominal defendant only, in Delaware Chancery Court, captioned *Jeffrey Vince v. Kenneth M. Reali et al.*, C.A. No. 2025-0192-LWW (Del. Ch.). Like the prior complaint, which he voluntarily dismissed, *Vince* asserts breaches of fiduciary duties, unjust enrichment, contribution, and waste, and generally alleges the same purported misconduct as alleged in the *Ciarciello* case. On March 24, 2025, the defendants filed a motion to dismiss the complaint.

On February 26, 2025, plaintiff James Bouchereau filed a Verified Stockholder Derivative Complaint against certain of Bioventus's current and former officers and directors, naming Bioventus as a nominal defendant only, in Delaware Chancery Court, captioned *James Bouchereau v. Kenneth M. Reali et al.*, C.A. No. 2025-0214-BWD (Del. Ch.). The complaint is identical to the *Vince* complaint and asserts breaches of fiduciary duties, unjust enrichment, contribution, and waste, and generally alleges the same purported misconduct as alleged in the *Ciarciello* case. The Defendants have not yet been served.

On March 6, 2025, plaintiff Jung Jae Hyung filed a derivative complaint against certain of Bioventus's current and former officers and directors, naming Bioventus as a nominal defendant only, in in the United States District Court for the Middle District of North Carolina, captioned *Jung Jae Hyung v. Kenneth M. Reali et al.*, No. 1:25-cv-177 (M.D.N.C. 2025). Like the other derivative cases, the *Hyung* case asserts violations of Section 14(a) of the Exchange Act, contribution, breaches of fiduciary duties, aiding and abetting, gross mismanagement, waste, and generally alleges the same purported misconduct as alleged in the *Ciarciello* case. On May 13, 2025, the defendants filed a motion to transfer the *Hyung* case to the United States District Court for the District of Delaware, pursuant to the forum selection clause in Bioventus's certificate of incorporation, or in the alternative, to dismiss the case. On July 1, 2025, the Court granted the motion and transferred the *Hyung* case to the District of Delaware. The plaintiff subsequently filed a notice of appeal of that order to the United States Court of Appeals for the Fourth Circuit on July 16, 2025. On July 25, 2025, the plaintiff filed a joint stipulation to voluntarily dismiss the appeal. On July 8, 2025, the plaintiff filed an amended complaint in the District of Delaware. The defendants have not yet been served.

The Company believes the claims alleged in the above derivative matters lack merit and intends to defend itself vigorously. Except as described above, the outcomes of these matters are not presently determinable, and any loss is neither probable nor reasonably estimable.

## Item 1A. Risk Factors.

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risk factors and other cautionary statements described under the heading Risk Factors included in our 2024 10-K, which could materially affect our businesses, financial condition, or future results. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, or future results. Except for such additional information and the risk factors set forth below, we believe there have been no material changes in our risk factors from those described in our 2024 Form 10-K.

***Our 2025 Credit Agreement contains financial and operating restrictions that could limit our access to credit. If we fail to comply with its financial or other covenants, we might be required to repay the indebtedness, which could harm our liquidity.***

We are subject to certain covenants under the 2025 Credit Agreement, including, but not limited to:

- a minimum interest coverage ratio and a maximum consolidated total net leverage ratio requirement as defined in the 2025 Credit Agreement;
- restrictions on the declaration or payment of certain distributions on or in respect to our equity interests;
- restrictions on acquisitions, investments and certain other payments;
- limitations on the incurrence of new indebtedness;
- limitations on the incurrence of new liens on property or assets;
- limitations on transfers, sales and other dispositions;
- limitations on entering into transactions with affiliates; and
- limitations on making any material change in any of our business objectives that could reasonably be expected to have a material adverse effect on our ability to repay amounts borrowed under the 2025 Term Loan or 2025 Revolver.

In the absence of a waiver from our lenders, any failure by us to comply with these covenants might result in the declaration of an event of default, which could adversely affect our business, results of operations and financial position.

In addition, our indebtedness could have significant consequences on our financial position, including:

- requiring a substantial portion of our cash flows to be dedicated to debt service payments instead of funding growth, working capital, capital expenditures, investments or other cash requirements;
- reducing our flexibility to adjust to changing business conditions or obtain additional financing;
- exposing us to the risk of increased interest rates as certain of our borrowings, including borrowings under our 2025 Term Loan, are at variable rates, making it more difficult for us to make payments on our indebtedness;
- restricting us from making strategic acquisitions or causing us to make non-strategic divestitures; and
- limiting our ability to obtain additional financing for working capital, capital expenditures, debt service requirements or general corporate purposes.

***We might require additional capital to fund our financial and operating obligations and support business growth.***

If our expected cash from operations together with available borrowings under our 2025 Credit Agreement are sufficient to fund our current financial and operating obligations, we might require additional capital. In addition, we intend to continue to make investments to support our business growth and might require additional funds to respond to business challenges or opportunities, including the need to further develop our current products and any new products, enhance our operating infrastructure, and acquire complementary businesses. Accordingly, we might need to engage in equity or additional debt financings to secure additional funds. If we raise additional funds through further issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our common stock. Any additional debt financing secured by us could involve restrictive covenants relating to our capital-raising activities and other financial and operational matters, which might make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. In addition, we might not be able to obtain additional financing on terms favorable to us, or at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when required, our ability to continue to support our business growth and to respond to business challenges could be significantly limited.

***International tariffs, including tariffs applied to goods traded between the United States and other countries, and restrictions on goods imported from certain such regions may adversely affect our business, results of operations and financial condition.***

Earlier this year the United States stated that it intends to impose tariffs in pursuing government policy and has already imposed, or announced, several new tariffs, including tariffs on goods and materials from various countries including member countries of the European Union, Switzerland, Canada, Mexico, Japan and China. When unilateral changes are made to United States import tariffs, other countries may reciprocate, and in many cases have reciprocated, with tariffs imposed or announced, against the United States. In some instances, the declaration of this new tariff policy has resulted in the United States entering into international trade negotiations with certain countries, some of which have resulted in the announcement of the international trade agreements with those countries. The impact of the newly announced trade agreements and whether and to what extent the newly imposed tariffs will remain in place or additional tariffs will be imposed remains uncertain. If tariffs are imposed or increased by either the United States or other countries, it may impact the cost of goods, the price of our products and demand for our products in countries impacted by such tariffs. For example, our Durolane and Gelsyn products are manufactured in Sweden and Switzerland, respectively. The enactment of, or increases in tariffs, or other such charges, may increase the cost of importing these products into the United States. This may have an adverse effect on our business or on our results of operations. The institution of trade tariffs globally also carries the risk of adversely affecting overall global economic conditions, which could have a negative impact on us.

**Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities.**

- (a) None.
- (b) None.
- (c) None.

**Item 3. Defaults Upon Senior Securities.**

Not Applicable.

**Item 4. Mine Safety Disclosures.**

Not Applicable.

**Item 5. Other Information.**

**Insider Trading Arrangements**

During the quarter ended June 28, 2025, none of our directors or officers (as defined in rule 16a-1 (f) under the Exchange Act) adopted, modified or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement” (as such terms are defined in Item 408 of Regulation S-K).

**Item 6. Exhibits.**

<u>Exhibit No.</u>	<u>Description</u>	<u>Form</u>	<u>File No.</u>	<u>Exhibit</u>	<u>Filing Date</u>	<u>Filed / Furnished Herewith</u>
10.1+	Credit Agreement between Bioventus LLC, Wells Fargo Bank, National Association, as administrative agent, and the lenders and other financial institutions party thereto, dated July 31, 2025	10-K	001-37844	10.1	8/4/2025	
31.1	Certification of President and Chief Executive Officer pursuant to Rules 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended					*
31.2	Certification of Chief Financial Officer pursuant to Rules 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended					*

<b>Exhibit No.</b>	<b>Description</b>	<b>Form</b>	<b>File No.</b>	<b>Exhibit</b>	<b>Filing Date</b>	<b>Filed / Furnished Herewith</b>
32	Certification of President and Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					**
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document					***
101.SCH	Inline XBRL Taxonomy Extension Schema Document					***
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					***
101.DEF	Inline XBRL Extension Definition Linkbase Document					***
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					***
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					***
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					*

\* Filed herewith

\*\* Furnished herewith

\*\*\* Submitted electronically herewith

+ The exhibits to the 2025 Credit Agreement were omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish a copy of any exhibit omitted from the Credit Agreement to the SEC upon request.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned duly authorized.

August 6, 2025

Date

BIOVENTUS INC.

/s/ Mark L. Singleton

Mark L. Singleton

Senior Vice President and Chief Financial Officer

(Principal Financial Officer and Principal Accounting Officer)

**CERTIFICATIONS**

I, Robert E. Claypoole certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bioventus 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.

/s/ Robert E. Claypoole

Name: Robert E. Claypoole  
Title: President and Chief Executive Officer (Principal Executive Officer)

Date: August 6, 2025

**CERTIFICATIONS**

I, Mark L. Singleton, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bioventus 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.

/s/ Mark L. Singleton

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Name: Mark L. Singleton  
Title: Senior Vice President and Chief Financial Officer  
(Principal Financial Officer)

Date: August 6, 2025

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT  
TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, in connection with the Quarterly Report on Form 10-Q of Bioventus Inc. (the Company) for the quarter ended June 28, 2025, as filed with the Securities and Exchange Commission on the date hereof (the Report), each of Robert E. Claypoole, President and Chief Executive Officer of the Company and Mark L. Singleton, Senior Vice President and Chief Financial Officer of the Company, hereby certifies, that, to such officer's knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert E. Claypoole

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Name: Robert E. Claypoole  
Title: President and Chief Executive Officer (Principal Executive Officer)

/s/ Mark L. Singleton

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Name: Mark L. Singleton  
Title: Senior Vice President and Chief Financial Officer (Principal Financial Officer)

Date: August 6, 2025