Table of Content

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

FORM 10-Q

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

For the quarterly period ended August 31, 2024

OR

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

For the transition period from _____ to _____
Commission file number 0-50761

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

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

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

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

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

Title of each class	Trading symbol	Name of each exchange on which registered
Common Stock, par value $.01	ANGO	NASDAQ Global Select Market
Preferred Stock Purchase Rights		NASDAQ Global Select Market

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

None
(Title of Class)

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

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

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of “large accelerated filer”, “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

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

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

Indicate the number of shares outstanding of each of the Registrant’s classes of common stock, as of the latest practicable date.

Class	Outstanding as of October 2, 2024
Common Stock, par value $.01	**40,634,249**

AngioDynamics, Inc. and Subsidiaries

TABLE OF CONTENTS

PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements.

AngioDynamics, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)
(in thousands of dollars, except per share data)

	Three Months Ended	
	Aug 31, 2024	Aug 31, 2023
Net sales	$ 67,491	$ 78,679
Cost of sales (exclusive of intangible amortization)	30,767	38,619
Gross profit	36,724	40,060
Operating expenses:		
Research and development	6,285	7,941
Sales and marketing	25,605	27,368
General and administrative	10,975	10,856
Amortization of intangibles	2,570	3,625
Change in fair value of contingent consideration	76	(130)
Acquisition, restructuring and other items, net	4,311	3,212
Total operating expenses	49,822	52,872
Gain on sale of assets	—	47,842
Operating income (loss)	(13,098)	35,030
Other expense:		
Interest income, net	606	119
Other expense, net	(173)	(288)
Total other income (expense), net	433	(169)
Income (loss) before income tax benefit	(12,665)	34,861
Income tax expense (benefit)	133	(11,023)
Net income (loss)	$ (12,798)	$ 45,884
Earnings (loss) per share		
Basic	$ (0.31)	$ 1.15
Diluted	$ (0.31)	$ 1.15
Weighted average shares outstanding		
Basic	40,653	39,842
Diluted	40,653	39,968

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

AngioDynamics, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(unaudited)
(in thousands of dollars)

	Three Months Ended	
	Aug 31, 2024	Aug 31, 2023
Net income (loss)	$ (12,798)	$ 45,884
Other comprehensive income (loss), before tax:		
Foreign currency translation gain (loss)	1,098	(930)
Other comprehensive income (loss), before tax	1,098	(930)
Income tax expense related to items of other comprehensive income (loss)	—	—
Other comprehensive income (loss), net of tax	1,098	(930)
Total comprehensive income (loss), net of tax	$ (11,700)	$ 44,954

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

AngioDynamics, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEETS
(unaudited)
(in thousands of dollars, except share data)

	Aug 31, 2024	May 31, 2024
Assets		
Current assets		
Cash and cash equivalents	$ 55,005	$ 76,056
Accounts receivable, net of allowances of $2,363 and $2,141 respectively	39,563	43,610
Inventories	64,700	60,616
Prepaid expenses and other	13,326	12,971
Total current assets	172,594	193,253
Property, plant and equipment, net	34,377	35,666
Intangible assets, net	75,774	77,383
Other assets	10,883	11,369
Total assets	$ 293,628	$ 317,671
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 31,272	$ 37,751
Accrued liabilities	34,108	41,098
Current portion of contingent consideration	4,804	4,728
Other current liabilities	6,515	7,578
Total current liabilities	76,699	91,155
Deferred income taxes	4,626	4,852
Other long-term liabilities	15,721	16,078
Total liabilities	97,046	112,085
Commitments and contingencies (Note 14)		
Stockholders' equity		
Preferred stock, par value $0.01 per share, 5,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, par value $0.01 per share, 75,000,000 shares authorized; 41,446,390 and 40,801,597 shares issued and 41,004,249 and 40,431,597 shares outstanding at August 31, 2024 and May 31, 2024, respectively	386	385
Additional paid-in capital	613,730	610,484
Accumulated deficit	(408,002)	(395,204)
Treasury stock, 442,141 and 370,000 shares at August 31, 2024 and May 31, 2024, respectively	(6,265)	(5,714)
Accumulated other comprehensive loss	(3,267)	(4,365)
Total Stockholders' Equity	196,582	205,586
Total Liabilities and Stockholders' Equity	$ 293,628	$ 317,671

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

AngioDynamics, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(in thousands of dollars)

	Three Months Ended	
	Aug 31, 2024	Aug 31, 2023
Cash flows from operating activities:		
Net income (loss)	$ (12,798)	$ 45,884
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	6,785	6,688
Non-cash lease expense	494	476
Stock based compensation	3,205	4,144
Gain on disposal of assets	—	(47,842)
Transaction costs for disposition	—	(2,427)
Change in fair value of contingent consideration	76	(130)
Deferred income taxes	(339)	(11,415)
Change in accounts receivable allowances	270	(78)
Fixed and intangible asset impairments and disposals	20	65
Write-off of other assets	—	869
Other	121	(9)
Changes in operating assets and liabilities:		
Accounts receivable	3,784	3,157
Inventories	(4,053)	(4,574)
Prepaid expenses and other	(836)	(4,168)
Accounts payable, accrued and other liabilities	(14,982)	(16,539)
Net cash used in operating activities	(18,253)	(25,899)
Cash flows from investing activities:		
Additions to property, plant and equipment	(1,092)	(791)
Additions to placement and evaluation units	(1,313)	(767)
Proceeds from sale of assets	—	100,000
Net cash (used in) provided by investing activities	(2,405)	98,442
Cash flows from financing activities:		
Repayment of long-term debt	—	(50,000)
Payment of acquisition related contingent consideration	—	(10,000)
Repurchase of common stock	(552)	—
Proceeds from exercise of stock options and employee stock purchase plan	43	410
Net cash used in financing activities	(509)	(59,590)
Effect of exchange rate changes on cash and cash equivalents	116	13
Increase (decrease) in cash and cash equivalents	(21,051)	12,966
Cash and cash equivalents at beginning of period	76,056	44,620
Cash and cash equivalents at end of period	$ 55,005	$ 57,586
Supplemental disclosure of non-cash investing and financing activities:		
Accrual for capital expenditures incurred during the period	$ (32)	$ (68)

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

AngioDynamics, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(unaudited)
(in thousands of dollars, except share data)

	Common Stock		Additional paid in capital	Accumulated deficit	Accumulated other comprehensive loss	Treasury Stock		Total
	Shares	Amount				Shares	Amount	
Balance at May 31, 2024	40,801,597	$ 385	$ 610,484	$ (395,204)	$ (4,365)	(370,000)	$ (5,714)	$ 205,586
Net loss				(12,798)				(12,798)
Issuance/Cancellation of restricted stock units	432,144		(321)					(321)
Issuance/Cancellation of performance share units	60,731		(347)					(347)
Purchases of common stock under ESPP	151,918	2	709					711
Stock-based compensation			3,205					3,205
Common stock repurchased		(1)				(72,141)	$ (551)	(552)
Other comprehensive income, net of tax					1,098			1,098
Balance at August 31, 2024	41,446,390	$ 386	$ 613,730	$ (408,002)	$ (3,267)	(442,141)	$ (6,265)	$ 196,582

	Common Stock		Additional paid in capital	Accumulated deficit	Accumulated other comprehensive loss	Treasury Stock		Total
	Shares	Amount				Shares	Amount	
Balance at May 31, 2023	39,981,422	$ 382	$ 599,206	$ (210,855)	$ (4,723)	(370,000)	$ (5,714)	$ 378,296
Net income				45,884				45,884
Issuance/Cancellation of restricted stock units	386,031		(280)					(280)
Issuance/Cancellation of performance share units	87,377		(210)					(210)
Purchases of common stock under ESPP	131,811	1	899					900
Stock-based compensation			4,144					4,144
Other comprehensive loss, net of tax					(930)			(930)
Balance at August 31, 2023	40,586,641	$ 383	$ 603,759	$ (164,971)	$ (5,653)	(370,000)	$ (5,714)	$ 427,804

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

AngioDynamics, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Statements of Operations and the Consolidated Statements of Comprehensive Income (Loss) for the three months ended August 31, 2024 and 2023, the Consolidated Balance Sheet as of August 31, 2024, the Consolidated Statements of Cash Flows for the three months ended August 31, 2024 and 2023, and the Consolidated Statements of Stockholders' Equity for the three months ended August 31, 2024 and 2023 have been prepared by the Company and are unaudited. The Consolidated Balance Sheet as of May 31, 2024 was derived from audited consolidated financial statements but does not include all disclosures required by accounting principles generally accepted in the United States of America. In the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary to state fairly the financial position, changes in stockholders' equity and comprehensive income, results of operations and cash flows as of and for the period ended August 31, 2024 (and for all periods presented) have been made.

The unaudited interim consolidated financial statements for the three months ended August 31, 2024 and 2023 include the accounts of AngioDynamics, Inc. and its wholly owned subsidiaries (collectively, the "Company", "we", "our" or "us"). All intercompany balances and transactions have been eliminated.

2. DIVESTITURES

PICCs and Midlines

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

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

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

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

Dialysis and BioSentry

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

The Company and Merit entered into various agreements to facilitate the transition of the divested businesses to Merit, including a Transition Services Agreement and Contract Manufacturing Agreement. The Company determined that the sale of

the businesses did not constitute a strategic shift that had a major effect on the Company's operations or financial results and as a result, this transaction will not be classified as discontinued operations.

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

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

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue Recognition

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

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

Disaggregation of Revenue

The following table summarizes net sales by Med Tech, Med Device and by geography:

	Three Months Ended August 31, 2024			Three Months Ended August 31, 2023		
(in thousands)	United States	International	Total	United States	International	Total
Net sales						
Med Tech	$ 24,889	$ 3,080	$ 27,969	$ 22,242	$ 3,618	$ 25,860
Med Device	34,592	4,930	39,522	42,157	10,662	52,819
Total	$ 59,481	$ 8,010	$ 67,491	$ 64,399	$ 14,280	$ 78,679

Net Product Revenue

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

Contracts and Performance Obligations

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

Transaction Price and Allocation to Performance Obligations

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

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

Revenue Recognition

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

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

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

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

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

Variable Consideration

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

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

Product Returns: The Company generally offers customers a limited right of return. Product returns after 30 days must be pre-approved by the Company and customers may be subject to a 20% restocking charge. To be accepted, a returned product must be unadulterated, undamaged and have at least twelve months remaining prior to its expiration date. The Company estimates the amount of its product sales that may be returned by its customers and records this estimate as a reduction of revenue in the period the related product revenue is recognized. The Company currently estimates product return liabilities using its historical product return information and considers other factors that it believes could significantly impact its expected returns, including product recalls. During the three months ended August 31, 2024 and 2023, such product returns were not material.

Contract Balances with Customers

A receivable is generally recognized in the period the Company ships the product. Payment terms on invoiced amounts are based on contractual terms with each customer and generally coincide with revenue recognition. Accordingly, the Company does not have any contract assets associated with the future right to invoice its customers. In some cases, if control of the

product has not yet transferred to the customer or the timing of the payments made by the customer precedes the Company's fulfillment of the performance obligation, the Company recognizes a contract liability that is included in deferred revenue in the accompanying Consolidated Balance Sheets.

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

(in thousands)	Aug 31, 2024	May 31, 2024
Receivables	$ 39,563	$ 43,610
Contract assets	$ —	$ —
Contract liabilities	$ —	$ 391

During the three months ended August 31, 2024, the Company had additions to contract liabilities of $ 0.1 million. This was offset by $0.1 million in revenue that was recognized during the three months ended August 31, 2024.

Costs to Obtain or Fulfill a Customer Contract

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

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

4. INVENTORIES

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

(in thousands)	Aug 31, 2024	May 31, 2024
Raw materials	$ 31,444	$ 30,736
Work in process	7,728	6,772
Finished goods	25,528	23,108
Inventories	$ 64,700	$ 60,616

The Company periodically reviews inventory for both obsolescence and loss of value. The Company makes assumptions about the future demand for and market value of the inventory. Based on these assumptions, the Company estimates the amount of obsolete, expiring and slow-moving inventory. The total inventory reserve at August 31, 2024 and May 31, 2024 was $3.2 million and $3.3 million, respectively.

5. INTANGIBLE ASSETS

Definite Lived Intangible Assets

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

Intangible assets consisted of the following:

(in thousands)	Aug 31, 2024 Gross carrying value	Accumulated amortization	Net carrying value
Product technologies	$ 177,654	$ (105,373)	$ 72,281
Customer relationships	9,052	(5,765)	3,287
Trademarks	2,100	(2,038)	62
Licenses	3,837	(3,693)	144
	$ 192,643	$ (116,869)	$ 75,774

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

Amortization expense for the three months ended August 31, 2024 and 2023 was $ 2.6 million and $3.6 million, respectively.

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

(in thousands)	
Remainder of 2025	$ 7,773
2026	10,183
2027	10,092
2028	10,043
2029	9,946
2030 and thereafter	27,737
	$ 75,774

6. ACCRUED LIABILITIES

Accrued liabilities consisted of the following:

(in thousands)	Aug 31, 2024	May 31, 2024
Payroll and related expenses	$ 9,685	$ 15,640
Outside services	8,125	8,962
Research and development	1,613	1,255
Royalties	1,455	2,575
Sales and franchise taxes	894	520
Deferred Warranties	429	460
TSA Payable	5,794	6,259
Rebates	396	412
Accrued Freight	450	575
Accrued severance	1,817	1,486
Other	3,450	2,954
	$ 34,108	$ 41,098

7. INCOME TAXES

The Company provides for income taxes at the end of each interim period based on the estimated effective tax rate for the full fiscal year adjusted for any discrete events, which are recorded in the period that they occur. The estimated annual effective

tax rate prior to discrete items was 1.8% as of the first quarter of fiscal year 2025, as compared to (32.0)% for the same period in fiscal year 2024. In fiscal year 2025, the Company's effective tax rate differs from the U.S. statutory rate primarily due to the impact of the valuation allowance, foreign taxes, and other non-deductible permanent items (such as non-deductible meals and entertainment, Section 162(m) excess compensation and non-deductible share-based compensation).

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

Based on the review of all available evidence, the Company determined that it has not yet attained a sustained level of profitability and the objectively verifiable negative evidence outweighed the positive evidence. Therefore, the Company has provided a valuation allowance on its federal and state net operating loss carryforwards, federal and state R&D credit carryforwards and other net deferred tax assets as of August 31, 2024. The Company will continue to assess the level of the valuation allowance required. If sufficient positive evidence exists in future periods to support a release of some or all of the valuation allowance, such a release would likely have a material impact on the Company's results of operations.

8. SHARE-BASED COMPENSATION

On October 13, 2020, the Company's shareholders approved the 2020 Stock and Incentive Award Plan (the "2020 Plan"). The 2020 Plan provides for the grant of incentive stock options, non-statutory stock options, restricted stock, restricted stock units, stock appreciation rights, performance share units, performance shares and other incentive awards to the Company's employees, directors and other service providers. On November 14, 2023 the Company's shareholders approved an amendment to the 2020 Plan to increase the reserve of shares of common stock available for future grants by 1.5 million shares. As of August 31, 2024, there was a maximum of 0.9 million shares of common stock available for future grant under the 2020 Plan.

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

The Company also has an employee stock purchase plan. On November 3, 2022 the Company's shareholders approved an amendment to the employee stock purchase plan to increase the reserve of shares of common stock available for future grants by 1.0 million shares. As of August 31, 2024, there was a maximum of 2.7 million shares of common stock available for future grant under the employee stock purchase plan.

For the three months ended August 31, 2024 and 2023, share-based compensation expense was $ 3.2 million and $4.1 million, respectively.

During the three months ended August 31, 2024 and 2023, the Company granted stock options and restricted stock units under the 2020 Plan to certain employees and members of the Board of Directors. Stock option awards are valued using the Black-Scholes option-pricing model and then amortized on a straight-line basis over the requisite service period of the award. Generally, restricted stock unit awards are valued based on the closing trading value of the Company's common stock on the date of grant and then amortized on a straight-line basis over the requisite service period of the award. In July 2023, the Board of Directors approved a change in terms of restricted stock units granted to non-employee directors to provide for immediate vesting upon grant of the award.

During the three months ended August 31, 2024 and 2023, the Company granted performance share units under the 2020 Plan to certain employees. The awards may be earned by achieving performance levels over the requisite service period. The performance criteria are based on achieving certain performance targets and the total shareholder return ("TSR") of the Company's common stock relative to the TSR of the common stock of a pre-defined industry peer-group. The fair value of these awards is based on a Monte Carlo simulation model.

As of August 31, 2024, there was $21.9 million of unrecognized compensation expense related to share-based payment arrangements. These costs are expected to be recognized over a weighted-average period of approximately three years. The Company has sufficient shares to satisfy expected share-based payment arrangements.

9. EQUITY

On July 16, 2024, the Board of Directors approved a share repurchase program (the "Repurchase Program") under which they authorized the Company the option to repurchase up to $15.0 million of its outstanding common stock. The timing and amount of any share repurchases under the authorization will be determined by management within certain parameters and based on market conditions and other considerations. During the first quarter of fiscal year 2024, the Company repurchased

72,141 shares of common stock in the open market at an aggregate cost of $ 0.5 million under the Repurchase Program. As of August 31, 2024, $14.5 million remained available for repurchase under the Repurchase Program.

10. EARNINGS PER SHARE

Basic earnings per share is based on the weighted average number of common shares outstanding without consideration of potential common stock. Diluted earnings per share includes the dilutive effect of potential common stock consisting of stock options, restricted stock units and performance stock units, provided that the inclusion of such securities is not anti-dilutive. In periods with a net loss, stock options and restricted stock units are not included in the computation of diluted loss per share as the impact would be anti-dilutive.

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

	Three Months Ended	
(in thousands)	Aug 31, 2024	Aug 31, 2023
Basic	40,653	39,842
Effect of dilutive securities	—	126
Diluted	40,653	39,968
Securities excluded as their inclusion would be anti-dilutive	5,180	3,401

11. SEGMENT AND GEOGRAPHIC INFORMATION

Segment information

The Company regularly reviews its segments and the approach used by the chief operating decision maker, the President and Chief Executive Officer ("CEO"), and management to evaluate performance and allocate resources. The Company manages its operations through two segments, Med Tech and Med Device. The CEO evaluates these two segments based on net sales and gross margin to, among other items, allocate resources and assess performance. Executives reporting to the CEO include those responsible for commercial operations, manufacturing operations, regulatory and quality and certain corporate functions. The CEO evaluates all other elements of profitability, investment and cash flow metrics on a consolidated global basis due to shared infrastructure and resources.

The Company manages its assets on a total company basis, not by operating segment; therefore, the CEO does not review any asset information by operating segment and, accordingly, asset information is not reported or evaluated by operating segment. Total assets were $293.6 million as of August 31, 2024.

The table below summarizes net sales and gross margin by Med Tech and Med Device:

	Three Months Ended	
(in thousands)	Aug 31, 2024	Aug 31, 2023
Med Tech net sales	$ 27,969	$ 25,860
Gross profit	17,697	16,727
Gross margin	63.3 %	64.7 %
Med Device net sales	$ 39,522	$ 52,819
Gross profit	19,027	23,333
Gross margin	48.1 %	44.2 %
Total net sales	$ 67,491	$ 78,679
Gross profit	36,724	40,060
Gross margin	54.4 %	50.9 %

Geographic information

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

(in thousands)	Three Months Ended Aug 31, 2024	Aug 31, 2023
Net Sales		
United States	$ 59,481	$ 64,399
International	8,010	14,280
Total	$ 67,491	$ 78,679

For the three months ended August 31, 2024 and 2023, international sales as a percentage of total net sales were 11.9% and 18.1%, respectively. Sales to any one country outside the U.S., as determined by shipment destination, did not comprise a material portion of net sales in any of the last three fiscal years. In addition, no one customer represents more than 10% of consolidated net sales and 66% of long-lived assets are located within the United States.

12. FAIR VALUE

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

- Level 1 - Inputs to the valuation methodology are quoted market prices for identical assets or liabilities.
- Level 2 - Inputs to the valuation methodology are other observable inputs, including quoted market prices for similar assets or liabilities and market-corroborated inputs.
- Level 3 - Inputs to the valuation methodology are significant unobservable inputs based on management's best estimate of inputs market participants would use in pricing the asset or liability at the measurement date, including assumptions about risk.

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

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

(in thousands)	Fair Value Measurements using inputs considered as: Level 1	Level 2	Level 3	Fair Value at Aug 31, 2024
Financial Liabilities				
Contingent consideration for acquisition earn outs	$ —	$ —	$ 4,804	$ 4,804
Total Financial Liabilities	$ —	$ —	$ 4,804	$ 4,804

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

There were no transfers between Level 1, 2 and 3 for the three months ended August 31, 2024 and 2023.

The table below presents the changes in fair value components of Level 3 instruments:

(in thousands)	Three Months Ended Aug 31, 2024 Fair Value Measurements Using Significant Unobservable Inputs (Level 3)
Balance, May 31, 2024	$ 4,728
Change in present value of contingent consideration [1]	76
Balance, August 31, 2024	$ 4,804

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

Contingent Liability for Acquisition Earn Outs

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

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

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

(in thousands)	Fair Value	Valuation Technique	Unobservable Input	Range
Revenue based payments	$ 4,804	Discounted cash flow	Discount rate	10%
			Probability of payment	90% - 100%
			Projected fiscal year of payment	2025

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

13. LEASES

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

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

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

(in thousands)	Balance Sheet Location	Aug 31, 2024	May 31, 2024
Assets			
Operating lease ROU asset	Other assets	$ 5,313	$ 5,804
Liabilities			
Current operating lease liabilities	Other current liabilities	1,931	1,975
Non-current operating lease liabilities	Other long-term liabilities	3,490	3,939
Total lease liabilities		$ 5,421	$ 5,914

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

	Aug 31, 2024
Weighted average remaining term (in years)	3.24
Weighted average discount rate	4.7 %

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

(in thousands)	Aug 31, 2024
Remainder of 2025	$ 1,642
2026	1,978
2027	984
2028	729
2029 and thereafter	515
Total lease payments	$ 5,848
Less: imputed interest	427
Total lease obligations	$ 5,421
Less: Current portion of lease obligations	1,931
Long-term lease obligations	$ 3,490

During the three months ended August 31, 2024 and 2023, the Company recognized $ 0.7 million and $0.6 million of operating lease expense, respectively, which includes immaterial short-term leases. The expenses on the Consolidated Statement of Operations were classified as follows:

	Three Months Ended	
(in thousands)	Aug 31, 2024	Aug 31, 2023
Cost of sales	$ 230	$ 197
Research and development	109	58
Sales and marketing	40	40
General and administrative	300	332
	$ 679	$ 627

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

	Three Months Ended	
(in thousands)	Aug 31, 2024	Aug 31, 2023
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	$ 562	$ 532
ROU assets obtained in exchange for lease liabilities		
Operating leases	$ —	$ 381

14. COMMITMENTS AND CONTINGENCIES

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

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

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

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

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

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

Port Product Claims

As of August 31, 2024, the Company is defending approximately 50 product liability claims involving the Company's port products (collectively, the “Port Product Claims”). Port Product Claims are pending in various state and federal court jurisdictions, and a motion to transfer the Port Product Claims pursuant to 28 USC § 1407 for coordinated or consolidated pretrial proceedings is pending before the United States Judicial Panel on Multidistrict Litigation. The Port Product Claims generally seek damages for personal injury allegedly resulting from use of the products. The Company has limited information regarding the nature and quantity of certain of the Port Product Claims. The Company continues to receive claims and lawsuits and may in future periods learn additional information regarding other unfiled or unknown claims, or other lawsuits, which could materially impact the Company’s estimate of the number of claims or lawsuits against the Company.

15. ACQUISITION, RESTRUCTURING, AND OTHER ITEMS, NET

Acquisition, Restructuring and Other Items

Acquisition, restructuring and other items, net, consisted of:

(in thousands)	Three Months Ended Aug 31, 2024	Aug 31, 2023
Legal [1]	$ 507	$ 1,817
Plant closure [2]	3,589	—
Transition service agreement [3]	(507)	(145)
Manufacturing relocation [4]	—	587
Other	722	953
Total	$ 4,311	$ 3,212

(1) Legal expenses related to litigation that is outside the normal course of business.
(2) Plant closure expense, related to the restructuring of our manufacturing footprint which was announced on January 5, 2024.
(3) Transition services agreements that were entered into with Merit and Spectrum.
(4) Expenses to relocate certain manufacturing lines out of Queensbury, NY.

Restructuring

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

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

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

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

The Company recorded restructuring charges related to the plan during the three months ended August 31, 2024 of $3.6 million. Total restructuring charges recorded to date are $13.1 million. Termination benefits are only earned if an employee stays until their termination date; therefore, the expenses related to termination benefits are being recorded ratably over the service period.

The table below presents the restructuring reserve for the three months ended August 31, 2024:

(in thousands)	Three Months Ended Aug 31, 2024						
	Termination Benefits	Outside Consultants	Validation Expenses	Facilities Closeout Fees	Regulatory Filings	Other	Total
Balance at May 31, 2024	$ 568	$ 1,153	$ 373	$ —	$ 6	$ 20	$ 2,120
Charges	287	994	696	1,269	13	330	3,589
Non-cash adjustments	—	—	—	(1,269)	—	—	(1,269)
Cash payments	—	(1,153)	(387)	—	(19)	(276)	(1,835)
Balance at August 31, 2024	$ 855	$ 994	$ 682	$ —	$ —	$ 74	$ 2,605

16. ACCUMULATED OTHER COMPREHENSIVE LOSS

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

(in thousands)	Three Months Ended Aug 31, 2024
	Foreign currency translation income
Balance at May 31, 2024	$ (4,365)
Other comprehensive income, net of tax	1,098
Net other comprehensive income	$ 1,098
Balance at August 31, 2024	$ (3,267)

17. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Recently Issued Accounting Pronouncements - Adopted

There are no recently issued accounting pronouncements that have been adopted.

Recently Issued Accounting Pronouncements - Not Yet Applicable or Adopted

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

There have been no material changes to our critical accounting policies since our Annual Report on Form 10-K for fiscal year ended May 31, 2024.

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

The following information should be read together with the consolidated financial statements and the notes thereto and other information included elsewhere in this quarterly report on Form 10-Q. The following discussion should be read in conjunction with the Company's 2024 Annual Report on Form 10-K, and the consolidated financial statements and notes thereto included elsewhere in the Form 10-Q.

Disclosure Regarding Forward-Looking Statements

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

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

Disclosure Regarding Trademarks

This report includes trademarks, tradenames and service marks that are our property or the property of other third parties. Solely for convenience, such trademarks and tradenames sometimes appear without any “™” or “®” symbol. However, failure to include such symbols is not intended to suggest, in any way, that we will not assert our rights or the rights of any applicable licensor, to these trademarks and tradenames. For a complete listing of all our trademarks, tradenames and service marks please visit www.angiodynamics.com/IP. Information on our website or connected to our website is not incorporated by reference into this Quarterly Report on Form 10-Q.

Executive Overview

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

Our business operations cross a variety of markets. Our financial performance is impacted by changing market dynamics, which have included an emergence of value-based purchasing by healthcare providers, consolidation of healthcare providers,

the increased role of the consumer in health care decision-making and an aging population, among others. In addition, our growth is impacted by changes within our sector, such as the merging of competitors to gain scale and influence; changes in the regulatory environment for medical devices; and fluctuations in the global economy.

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

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

The current macroeconomic environment continues to impact our business and may continue to pose future risks. The Company's ability to manufacture products, the reliability of our supply chain, labor shortages, backlog and inflation (including the cost and availability of raw materials, direct labor and shipping) have impacted our business, trends that may continue. Accordingly, management continues to evaluate the Company’s liquidity position, communicate with and monitor the actions of our customers and suppliers, and review our near-term financial performance.

On July 16, 2024, the Board of Directors approved a share repurchase program (the "Repurchase Program") under which they authorized the Company the option to repurchase up to $15.0 million of its outstanding common stock. The timing and amount of any share repurchases under the authorization will be determined by management at its discretion and based on market conditions and other considerations. During the first quarter of fiscal year 2024, the Company repurchased 72,141 shares of common stock in the open market at an aggregate cost of $0.5 million under the Repurchase Program. As of August 31, 2024, $14.5 million remained available for repurchase under the Repurchase Program.

In evaluating the operating performance of our business, management focuses on company-wide and segment revenue and gross margin and company-wide operating income, earnings per share and cash flow from operations. A summary of these key financial metrics for the three months ended August 31, 2024 compared to the three months ended August 31, 2023 are as follows:

Three months ended August 31, 2024:

- Revenue decreased by 14.2% to $67.5 million
- Med Tech growth of 8.2% and Med Device decrease of 25.2%
- Gross profit increased 350 bps to 54.4%
- Med Tech gross profit decreased 140 bps to 63.3% and Med Device gross profit increased 390 bps to 48.1%
- Net loss increased by $58.7 million to $12.8 million
- Loss per share increased by $1.46 to $0.31

For the three months ended August 31, 2024, the decrease in revenue is partially due to the sale of the PICCs, Midline, dialysis and BioSentry businesses, along with the discontinuation of the RadioFrequency Ablation and Syntrax product lines, the total of which impacted sales by $12.0 million compared to the three months ended August 31, 2023. Our Med Tech revenue, comprised of Auryon, the thrombus management platform and NanoKnife, grew 8.2% in the first quarter of fiscal year 2025. The growth in Auryon was partially offset by softness in the NanoKnife and thrombus management platforms. Our Med Device revenue declined by 25.2% in the first quarter of fiscal year 2025 driven mainly by the sale of the PICCs, Midlines, dialysis and BioSentry businesses along with the discontinuation of the RadioFrequency Ablation product lines.

Results of Operations

For the three months ended August 31, 2024, the Company reported net loss of $12.8 million, or diluted loss per share of $0.31, on net sales of $67.5 million, compared with a net income of $45.9 million, or diluted earnings per share of $1.15, on net sales of $78.7 million during the same quarter of the prior year.

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

(in thousands)	Three Months Ended Aug 31, 2024	Aug 31, 2023	$ Change
Net Sales			
Med Tech	$ 27,969	$ 25,860	$ 2,109
Med Device	39,522	52,819	$ (13,297)
Total	$ 67,491	$ 78,679	$ (11,188)

(in thousands)	Three Months Ended Aug 31, 2024	Aug 31, 2023	$ Change
Net Sales			
United States	$ 59,481	$ 64,399	$ (4,918)
International	8,010	14,280	$ (6,270)
Total	$ 67,491	$ 78,679	$ (11,188)

For the three months ended August 31, 2024, net sales decreased $11.2 million to $67.5 million compared to the same period in the prior year. At August 31, 2024, the Company had a backlog of $1.1 million.

The Med Tech segment net sales increased $2.1 million for the three months ended August 31, 2024 compared to the same period in the prior year. The change in sales from the prior year was primarily driven by:

- Increased Auryon sales of $2.7 million;
- Decreased sales of Syntrax of $0.1 million due to the discontinuation of this product line as of February 29, 2024;
- Decreased sales of the thrombus management platform of $0.1 million, which was driven by a decrease in AngioVac sales of $0.5 million and was partially offset by an increase in AlphaVac sales of $0.4 million; and
- Decreased NanoKnife sales of $0.4 million, which was driven by decreased capital and disposable sales.

The Med Device segment net sales decreased $13.3 million for the three months ended August 31, 2024 compared to the same period in the prior year. The backlog, which primarily impacted sales of Core products, was $1.1 million.

The change in sales for the three months ended August 31, 2024 compared to the same period in the prior year, was primarily driven by:

- Decreased sales of PICCs and Midline products of $10.2 million, which was due to the divestiture of these businesses on February 15, 2024;
- Decreased sales of dialysis and BioSentry products of $0.8 million, which was due to the divestiture of these businesses on June 8, 2023;
- Decreased sales of RadioFrequency Ablation of $0.9 million due to the discontinuation of this product line as of February 29, 2024; and
- Decreased sales of Microwave, Core and Oncology products of $1.5 million, $0.2 million and $0.2 million, respectively, which was partially offset by increased sales of Ports of $0.4 million.

Gross Profit

(in thousands)	Three Months Ended Aug 31, 2024	Aug 31, 2023	$ Change
Med Tech	$ 17,697	$ 16,727	$ 970
Gross profit % of sales	63.3 %	64.7 %	
Med Device	$ 19,027	$ 23,333	$ (4,306)
Gross profit % of sales	48.1 %	44.2 %	
Total	$ 36,724	$ 40,060	$ (3,336)
Gross profit % of sales	54.4 %	50.9 %	

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

Total Company gross profit decreased by $3.3 million for the three months ended August 31, 2024 compared to the same period in the prior year. The change from the prior year was primarily driven by:

- The sale of the PICCs, Midline, dialysis and BioSentry businesses contributed $3.4 million of gross profit in the prior year;
- Sales volume, price and product mix, which positively impacted gross profit by $1.5 million;
- Production volume and other incentives, which negatively impacted gross profit by $0.4 million. This was partially offset by production volume related to our TSA, which positively impacted gross profit by $0.3 million;
- Inflationary costs on raw materials, labor shortages and freight costs negatively impacted gross profit by $0.9 million; and
- Incremental depreciation and other expense on placement units of $0.5 million.

The Med Tech segment gross profit increased by $1.0 million for the three months ended August 31, 2024 compared to the same period in the prior year. The change from the prior year was primarily driven by:

- Sales volume, price and product mix, which positively impacted gross profit by $1.8 million;
- Inflationary costs on raw materials, labor shortages and freight costs negatively impacted gross profit by $0.4 million; and
- Incremental depreciation and other expense on placement units of $0.6 million.

The Med Device segment gross profit decreased by $4.3 million for the three months ended August 31, 2024 compared to the same period in the prior year. The change from the prior year was primarily driven by:

- The sale of the PICCs, Midline, dialysis and BioSentry businesses contributed $3.4 million of gross profit in the prior year;
- Sales volume, which negatively impacted gross profit by $1.0 million;
- Production volume and other incentives, which negatively impacted gross profit by $0.4 million. This was partially offset by production volume related to our TSA, which positively impacted gross profit by $0.3 million;
- Price and product mix, which positively impacted gross profit by $0.8 million;
- Inflationary costs on raw materials, labor shortages and freight costs negatively impacted gross profit by $0.5 million; and
- Incremental depreciation and other expense on placement units of $0.1 million.

Operating Expenses and Other Income (Expense)

	Three Months Ended		
(in thousands)	Aug 31, 2024	Aug 31, 2023	$ Change
Research and development	$ 6,285	$ 7,941	$ (1,656)
% of sales	9.3 %	10.1 %	
Selling and marketing	$ 25,605	$ 27,368	$ (1,763)
% of sales	37.9 %	34.8 %	
General and administrative	$ 10,975	$ 10,856	$ 119
% of sales	16.3 %	13.8 %	

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

R&D expense decreased $1.7 million for the three months ended August 31, 2024 compared to the same period in the prior year . The change from the prior year was primarily driven by:

- The timing of certain projects and clinical spend associated with the ongoing clinical trials, which decreased R&D expense by $1.3 million; and
- Compensation and benefits expenses, which decreased $0.4 million.

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

S&M expense decreased $1.8 million for the three months ending August 31, 2024 compared to the same period in the prior year. The change from the prior year was primarily driven by:

- Compensation and benefits expense, which decreased by $1.7 million; and
- Travel and other selling expenses, which decreased $0.2 million and was partially offset by trade show expenses, which increased $0.4 million.

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

G&A expense increased $0.1 million for the three months ended August 31, 2024 compared to the same period in the prior year. The change from the prior year was primarily driven by:

- Compensation and benefits expenses, which decreased $0.8 million; and
- Other outside consultant spend for legal and IT, which increased $0.9 million.

	Three Months Ended		
(in thousands)	Aug 31, 2024	Aug 31, 2023	$ Change
Amortization of intangibles	$ 2,570	$ 3,625	$ (1,055)
Change in fair value of contingent consideration	$ 76	$ (130)	$ 206
Acquisition, restructuring and other items, net	$ 4,311	$ 3,212	$ 1,099
Other expense, net	$ 433	$ (169)	$ 602

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

- Amortization expense decreased $1.1 million for the three months ended August 31, 2024 compared to the same period in the prior year, due to the intangible assets that were included in the sale of the dialysis, BioSentry, PICCs and Midlines businesses and the abandonment of the Syntrax product line.

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

- The change in the fair value for the three months ended August 31, 2024 is related to the Eximo contingent consideration.

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

Acquisition, restructuring and other items, net, increased by $1.1 million for the three months ended August 31, 2024, compared to the same period in the prior year. The change from the prior year was primarily driven by:

- Legal expense, related to litigation that is outside of the normal course of business, which decreased $1.3 million;
- Plant closure expense, related to the restructuring of our manufacturing footprint which was announced on January 5, 2024, which increased $3.6 million;
- Transaction services agreements that were entered into as a result of the sale of the PICCs, Midline, dialysis and BioSentry businesses. The increase in the fees invoiced was $0.4 million; and
- Manufacturing relocation expense related to the move of certain manufacturing lines from Queensbury, New York to a third party, which decreased $0.6 million.

Other expense, net - Other expenses include interest expense, foreign currency impacts and bank fees.

- The change in other expense of $0.6 million for the three months ended August 31, 2024, compared to the same period in the prior year , is primarily due to increased interest income of $0.4 million and unrealized foreign currency fluctuations of $0.1 million.

Income Tax Benefit

(in thousands)	Three Months Ended Aug 31, 2024	Aug 31, 2023
Income tax benefit (expense)	$ 0.1	$ (11.0)
Effective tax rate including discrete items	(1.1)%	(31.6)%

Our effective tax rate including discrete items for the three months ended August 31, 2024 and August 31, 2023 was (1.1)% and (31.6)%, respectively. In fiscal year 2025, the Company's effective tax rate differs from the U.S. statutory rate primarily due to the impact of the valuation allowance, foreign taxes, and other non-deductible permanent items (such as non-deductible meals and entertainment, Section 162(m) excess compensation and non-deductible stock-based compensation).

Liquidity and Capital Resources

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

Our cash and cash equivalents totaled $55.0 million as of August 31, 2024, compared with $76.1 million as of May 31, 2024. As of August 31, 2024 and May 31, 2024 the Company did not have any outstanding debt. The fair value of contingent consideration liability as of August 31, 2024 and May 31, 2024, was $4.8 million and $4.7 million, respectively.

The table below summarizes our cash flows:

(in thousands)	Three Months Ended Aug 31, 2024	Aug 31, 2023
Cash provided by (used in):		
Operating activities	$ (18,253)	$ (25,899)
Investing activities	(2,405)	98,442
Financing activities	(509)	(59,590)
Effect of exchange rate changes on cash and cash equivalents	116	13
Net change in cash and cash equivalents	$ (21,051)	$ 12,966

During the quarters ended August 31, 2024 and 2023, cash flows consisted of the following:

Cash used in operating activities

Three months ended August 31, 2024 and 2023:

- Net loss of $12.8 million and a net income of $45.9 million, respectively, plus the non-cash items, primarily driven by depreciation and amortization and stock based compensation, along with the changes in working capital below, contributed to cash used in operations of $18.3 million and $25.9 million, respectively, for these periods.
- For the period ended August 31, 2024, working capital was unfavorably impacted by decreased accounts payable, accrued liabilities and other liabilities of $15.0 million, along with increased inventory and prepaid expenses of $4.1 million and $0.8 million, respectively. This was partially offset by decreased accounts receivable of $3.8 million.
- For the period ended August 31, 2023, working capital was unfavorably impacted by decreased accounts payable, accrued liabilities and other liabilities of $16.5 million, along with increased inventory and prepaid expenses of $4.6 million and $4.2 million, respectively. This was partially offset by decreased accounts receivable of $3.2 million.

Cash (used in) provided by investing activities

Three months ended August 31, 2024 and 2023:

- $1.1 million and $0.8 million, respectively, of cash was used for fixed asset additions;
- $1.3 million and $0.8 million, respectively, of cash was used for Auryon placement and evaluation unit additions;

- $100.0 million of cash was received for the divestiture of the dialysis and BioSentry businesses in the first quarter of fiscal year 2024; and

Cash used in financing activities

Three months ended August 31, 2024 and 2023:

- $0.6 million of cash was used for the repurchase of commons shares in the first quarter of fiscal year 2025;
- $50.0 million repayment of the Credit Agreement in connection with the completion of the dialysis and BioSentry divestiture in the first quarter of fiscal year 2024;
- $10.0 million of contingent consideration payments made in the first quarter of fiscal year 2024; and
- $0.4 million of proceeds from stock option and ESPP activity in the first quarter of fiscal year 2024.

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

We believe that our current cash balance, together with cash generated from operations will provide sufficient liquidity to meet our anticipated needs for capital for at least the next 12 months. If we seek to make acquisitions of other businesses or technologies in the future for cash, we may require external financing.

New Accounting Pronouncements

Information regarding new accounting pronouncements is included in Note 17 to our consolidated financial statements in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Foreign Currency Exchange Rate Risk

We are exposed to market risk from changes in currency exchange rates and investments that could impact our results of operations and financial position.

We transact sales in currencies other than the U.S. Dollar, particularly the Euro, British Pound and Canadian Dollar. For the three months ended August 31, 2024, approximately 3.4% of our sales were denominated in foreign currencies. We do not have expenses denominated in foreign currencies at the level of our sales and as a result, our profitability is exposed to currency fluctuations. When the U.S. Dollar strengthens, our sales and gross profit will be negatively impacted. In addition, we have assets and liabilities denominated in non-functional currencies which are remeasured at each reporting period, with the offset to changes presented as a component of Other (Expenses) Income. Significant non-functional balances include accounts receivable due from a sub-section of our international customers.

Concentration of Credit Risk

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

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

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

Item 4. Controls and Procedures.

Evaluation of disclosure controls and procedures

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

Changes in Internal Control over Financial Reporting

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

AngioDynamics, Inc. and Subsidiaries

PART II: OTHER INFORMATION

Item 1. Legal Proceedings.

See Note 14 "Commitments and Contingencies" set forth in the notes to our consolidated financial statements included in Part I, Item I of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors.

In addition to information set forth in this report, you should carefully consider the factors discussed in “Part I, Item 1A. Risk Factors” of our annual report on Form 10-K for our fiscal year ended May 31, 2024 which set forth information relating to important risks and uncertainties that could materially adversely affect our business, financial condition or operating results. You should review and consider such Risk Factors in making any investment decision with respect to our securities. An investment in our securities continues to involve a high degree of risk.

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

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

The following table provides information with respect to the shares of the Company’s common stock repurchased during the three months ended August 31, 2024:

	Issuer Purchases of Equity Securities			
	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs (2)	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under Plans or Programs (2)
June 1, 2024 - June 30, 2024	8,118	$ 6.10	—	$ —
July 1, 2024 - July 31, 2024	86,605	$ 6.68	72,141	$ 14,448,871
August 1, 2024 - August 31, 2024	—	$ —	—	$ —
Total	94,723	$ 6.63	72,141	14,448,871

(1) These shares were purchased from employees to satisfy tax withholding requirements on the vesting of restricted shares/units from equity-based awards.
(2) The Company has $15.0 million available to repurchase under the Repurchase Program that was approved by the Board of Directors and announced on July 16, 2024. The timing and amount of any share repurchases under the authorization will be determined by management at its discretion and based on market conditions and other considerations.

Item 3. Defaults on Senior Securities.

None.

Item 4. Mine Safety Disclosures.

None.

Item 5. Other Information.

Insider Trading Arrangements

During the quarter ended August 31, 2024, none of our directors or officers (as defined in Section 16 of the Securities Exchange Act of 1934, as amended) or the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement" (each as defined in Item 408(a) and (c), respectively, of Regulation S-K).

Item 6

EXHIBIT INDEX

No.	Description	Incorporated by Reference		
		Form	Exhibit	Filing Date
31.1	Certification pursuant to Rule 13a-14(a) or 15d-14 under the Securities Exchange Act of 1934			
31.2	Certification pursuant to Rule 13a-14(a) or 15d-14 under the Securities Exchange Act of 1934			
32.1	Certification of Chief Executive Officer pursuant to Title 18, United States Code, Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002			
32.2	Certification of Chief Financial Officer pursuant to Title 18, United States Code, Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002			
101.INS	The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document			
101.SCH	XBRL Schema Document			
101.CAL	XBRL Calculation Linkbase Documents			
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document			
101.LAB	XBRL Labels Linkbase Documents			
101.PRE	XBRL Presentation Linkbase Documents			

SIGNATURES

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

ANGIODYNAMICS, INC.
(Registrant)

Date: October 3, 2024

/ S / JAMES C. CLEMMER

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

Date: October 3, 2024

/ S / STEPHEN A. TROWBRIDGE

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

Exhibit 31.1

CERTIFICATION

I, James C. Clemmer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AngioDynamics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to 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;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 3, 2024

/ S / JAMES C. CLEMMER
James C. Clemmer, President,
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Stephen A. Trowbridge, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AngioDynamics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to 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;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 3, 2024

/ S / STEPHEN A. TROWBRIDGE
Stephen A. Trowbridge, Executive Vice President,
Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO TITLE 18,
UNITED STATES CODE, SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, James C. Clemmer, President, Chief Executive Officer and Director of ANGIODYNAMICS, Inc. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

1. the quarterly report on Form 10-Q of the Company for the fiscal quarter ended August 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 3, 2024

/ S / JAMES C. CLEMMER

James C. Clemmer, President,
Chief Executive Officer

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO TITLE 18,
UNITED STATES CODE, SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Stephen A. Trowbridge, Executive Vice President and Chief Financial Officer of ANGIODYNAMICS, Inc. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

1. the quarterly report on Form 10-Q of the Company for the fiscal quarter ended August 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 3, 2024

/ S / STEPHEN A. TROWBRIDGE

Stephen A. Trowbridge, Executive Vice President,
Chief Financial Officer