
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934
(Amendment No. 3)*

Venus Concept Inc.

(Name of Issuer)

Common Stock, Par Value \$0.001 Per Share
(Title of Class of Securities)

92332W204
(CUSIP Number)

Matthew Girandola
Chief Compliance Officer
330 Madison Avenue – Floor 33
New York, NY 10017
(646) 560-5490

(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications)

May 3, 2024
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, *see* the Notes).

1	NAMES OF REPORTING PERSONS MADRYN ASSET MANAGEMENT, LP	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS OO; AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION STATE OF DELAWARE, UNITED STATES OF AMERICA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0 Shares of Common Stock
	8	SHARED VOTING POWER 1,353,428 Shares of Common Stock
	9	SOLE DISPOSITIVE POWER 0 Shares of Common Stock
	10	SHARED DISPOSITIVE POWER 1,353,428 Shares of Common Stock
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,353,428 Shares of Common Stock	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 17.8% of the outstanding Common Stock	
14	TYPE OF REPORTING PERSON PN; IA	

1	NAMES OF REPORTING PERSONS MADRYN HEALTH PARTNERS, LP	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS PF; OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION STATE OF DELAWARE, UNITED STATES OF AMERICA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0 Shares of Common Stock
	8	SHARED VOTING POWER 500,768 Shares of Common Stock
	9	SOLE DISPOSITIVE POWER 0 Shares of Common Stock
	10	SHARED DISPOSITIVE POWER 500,768 Shares of Common Stock
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 500,768 Shares of Common Stock	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 6.6% of the outstanding Common Stock	
14	TYPE OF REPORTING PERSON PN	

1	NAMES OF REPORTING PERSONS MADRYN HEALTH PARTNERS (CAYMAN MASTER), LP	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS PF; OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION CAYMAN ISLANDS	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0 Shares of Common Stock
	8	SHARED VOTING POWER 852,660 Shares of Common Stock
	9	SOLE DISPOSITIVE POWER 0 Shares of Common Stock
	10	SHARED DISPOSITIVE POWER 852,660 Shares of Common Stock
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 852,660 Shares of Common Stock	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 11.2% of the outstanding Common Stock	
14	TYPE OF REPORTING PERSON PN	

1	NAMES OF REPORTING PERSONS MADRYN HEALTH ADVISORS, LP	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS OO; AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION STATE OF DELAWARE, UNITED STATES OF AMERICA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0 Shares of Common Stock
	8	SHARED VOTING POWER 1,353,428 Shares of Common Stock
	9	SOLE DISPOSITIVE POWER 0 Shares of Common Stock
	10	SHARED DISPOSITIVE POWER 1,353,428 Shares of Common Stock
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,353,428 Shares of Common Stock	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 17.8% of the outstanding Common Stock	
14	TYPE OF REPORTING PERSON PN	

EXPLANATORY NOTE

This Amendment No. 3 amends and supplements the Schedule 13D originally filed by the Reporting Persons (as defined below) with the Securities and Exchange Commission on December 18, 2020 (as amended to date, this "Schedule 13D"). On May 11, 2023, the Company (as defined below) effected a reverse stock split (the "Reverse Stock Split") of the Company's Common Stock (as defined below) at a ratio of 15:1. The share and per share amounts reported in this Schedule 13D give effect to the Reverse Stock Split for all periods presented herein, except as otherwise noted.

ITEM 1. SECURITY AND ISSUER.

This Schedule 13D (the "Statement") relates to the common stock, par value \$0.0001 per share (the "Common Stock"), of Venus Concept, Inc., a Delaware corporation (the "Company"). The Company's principal executive offices are located at 235 Yorkland Blvd, Suite 9, Toronto, Ontario M2J 4Y8.

ITEM 2. IDENTITY AND BACKGROUND.

(a) This Statement is filed by the following persons (the "Reporting Persons"):

<u>Reporting Person</u>	<u>State of Organization</u>
Madryn Asset Management, LP (" <u>Madryn</u> ")	Delaware
Madryn Health Partners, LP (" <u>Health Partners LP</u> ")	Delaware
Madryn Health Partners (Cayman Master), LP (" <u>Cayman Master LP</u> ") and, together with Health Partners LP, the " <u>Funds</u> ")	Cayman Islands
Madryn Health Advisors, LP (" <u>Advisors</u> ")	Delaware

(b) The principal business and principal office address for each of the Reporting Persons is 330 Madison Avenue – Floor 33, New York, NY 10017.

(c) (f) The principal business or occupation of each Reporting Person is as follows:

<u>Reporting Person</u>	<u>Principal Business or Occupation</u>
Madryn	Investment advisor of the Funds
Health Partners LP	Investment Fund
Cayman Master LP	Investment Fund
Advisors	General partner of the Funds

A list of Madryn's directors, executive officers and managers (collectively, the "Covered Persons") is set forth below. To the knowledge of the Reporting Persons, each of the Covered Persons that is a natural person is a United States citizen. Other than as set forth below, none of the Reporting Persons have appointed any executive officers or directors:

<u>Name</u>	<u>Principal Occupation</u>
Avinash Amin	Member
John Ricciardi	Chief Financial Officer/Chief Operating Officer
Matthew Girandola	Chief Compliance Officer

(d) During the last five years, none of the Reporting Persons or, to their knowledge, none of the Covered Persons, has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) During the last five years, none of the Reporting Persons or, to their knowledge, none of the Covered Persons, has been a party to a civil proceeding of any judicial or administrative body of competent jurisdiction and, as a result of which they were or are subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

On October 11, 2016, Venus Concept Ltd., a predecessor of the Company, entered into a credit agreement as a guarantor with Health Partners LP, as administrative agent, and the Funds as lenders (as amended, restated supplemented or modified, the "Credit Agreement"), pursuant to which the Funds agreed to make certain loans to certain of Venus Concept Ltd.'s subsidiaries. On November 7, 2019, in connection with the merger between Restoration Robotics, Inc. and Venus Concept Ltd. (the "Merger"), the Company joined the Credit Agreement as a guarantor.

Prior to the Merger, the Reporting Persons acquired beneficial ownership in a series of financing transactions of certain equity and equity-linked securities of Venus Concept Ltd which, upon consummation of the Merger, automatically converted into equity securities of the Company. All of the Common Stock held directly by the Funds were acquired from the Company, or its predecessor Venus Concept Ltd., by or on behalf of the Funds using the investment capital of the Funds. The aggregate purchase price of the Common Stock held directly by the Funds was approximately \$15,475,268 (excluding brokerage commissions and transaction costs).

In connection with the Credit Agreement, Venus Concept Ltd. issued three types of 10-year warrants (collectively, the "Warrants"). At the effective time of the Merger, each of the outstanding Warrants, whether or not vested, to purchase ordinary shares or preferred shares, as applicable, of Venus Concept Ltd., that was unexercised immediately prior to the effective time of the Merger was converted into a warrant to purchase shares of Common Stock. As of the date hereof, the Warrants are exercisable into 11,995 shares of Common Stock at an exercise price of \$131.625 per share, at any time on or prior to expiration on December 1, 2026.

On December 9, 2020, the Funds acquired \$26,695,110.54 aggregate principal amount of the Company's the secured subordinated convertible notes (the "2020 Convertible Notes") pursuant to a Securities Exchange and Registration Rights Agreement (the "2020 Exchange Agreement"), dated as of December 8, 2020, pursuant to which the Company repaid \$42,500,000 aggregate principal amount owed under the Credit Agreement and issued the 2020 Convertible Notes to the Funds.

On October 4, 2023, the Funds entered into an Exchange Agreement (the "2023 Exchange Agreement"), dated as of October 4, 2023, pursuant to which the Funds exchanged the 2020 Convertible Notes for (i) \$22,791,748.32 aggregate principal amount of the Company's secured subordinated convertible notes (the "2023 Convertible Notes") and (ii) 248,755 shares of the Company's Series X Convertible Preferred Stock (the "Series X Preferred Stock"). The initial conversion rate of the 2023 Convertible Notes is 41.6666667 shares of Common Stock per \$1,000 principal amount of 2023 Convertible Notes, which represents an initial conversion price of \$24.00 per share of Common Stock. The conversion rate will be subject to customary adjustments upon the occurrence of certain events. Each share of Series X Preferred Stock is convertible into ten shares of Common Stock at any time at the option of the holder. From the date of issuance until December 31, 2026, each share of Series X Preferred Stock accrues a dividend at a rate of 12.5% per annum. Such dividend is payable on a quarterly basis in cash or additional shares of Series X Preferred Stock, at the Company's election.

ITEM 4. PURPOSE OF THE TRANSACTION.

The information set forth in Items 3 and 6 of this Statement is hereby incorporated by reference into this Item 4.

The Reporting Persons acquired the securities reported herein for investment purposes. In their capacity as a significant stockholder of the Company, the Reporting Persons intend to take an active role in working with the Company's management and the board of directors on operational, financial and strategic initiatives, including in connection with the evaluation by the Company's board of directors of potential strategic alternatives as disclosed in the Company's Current Report on Form 8-K filed on January 24, 2024. The Reporting Persons intend to review their investments in the Company on a continuing basis. Depending on various factors, including but not limited to the Company's financial position and strategic direction, price levels of the Common Stock, conditions in the securities markets, compliance with applicable listing standards, various laws and regulations applicable to the Company and companies in its industry and the Reporting Persons' ownership in the Company and position as lender to the Company, and general economic and industry conditions, the Reporting Persons may in the future take actions with respect to their investment in the Company as they deem appropriate, including changing their current intentions, with respect to any or all matters required to be disclosed in this Statement. Without limiting the foregoing, the Reporting Persons may, from time to time, acquire or cause affiliates to acquire additional shares of Common Stock or other securities of the Company (including any combination or derivative thereof), dispose, or cause affiliates to dispose, of some or all of their Common Stock or other securities of the Company or continue to hold, or cause affiliates to hold, Common Stock or other securities of the Company.

In addition, without limitation, the Reporting Persons have engaged and intend to continue engaging in discussions with management or the board of directors of the Company about its business, operations, strategy, plans and prospects. In addition, without limitation, the Reporting Persons have engaged and intend to continue engaging in discussions with management, the board of directors of the Company, stockholders or other securityholders of or lenders to the Company and other relevant parties or take other actions concerning the offering and sale of securities by the Company or other financing transactions by the Company, any extraordinary corporate transaction (including, but not limited to, a merger, reorganization, recapitalization or liquidation), a sale or transfer of a material amount of assets, a change in the board of directors or management, a material change in the capitalization or dividend policies, other material changes in the Company's business or corporate structure, changes in the Company's charter, bylaws or other actions that may impede the acquisition of control, de-listing or de-registration of the Issuer, or similar actions.

On April 23, 2024, the Funds purchased the entire outstanding principal amount of the Company's existing Main Street Lending Program loan (the "MSLP Loan") from the City National Bank of Florida.

On May 3, 2024, the Reporting Persons delivered a nonbinding transaction proposal (the "Proposal") to the Company concerning a proposed restructuring of the Company's current debt and equity capital structure. Pursuant to the Proposal, the Reporting Persons would exchange a portion of the MSLP Loan and/or other debt instruments held by the Reporting Persons for Common Stock, in addition to entering into a new senior secured credit facility as a part of a comprehensive restructuring of the Company's outstanding debt. As a result of the transactions contemplated by the Proposal, the Reporting Persons and their affiliates would become the majority owners of the Company's common stock on a fully diluted basis.

The Proposal is unilateral and non-binding and, once structured and agreed upon, would be conditioned on, among other things, the negotiation and execution of definitive documentation setting forth the terms of a transaction between the Company and the Reporting Persons, as well as the Company successfully completing an equity financing and obtaining requisite stockholder consents. There can be no assurance that a definitive agreement with respect to the Proposal will be executed or, if executed, whether the transaction will be consummated. While the Reporting Persons intend to engage in negotiations with the Company to agree the terms of the transactions contemplated by the Proposal, there is no certainty as to how the Company may respond to the Proposal, or as to the timing for execution of any definitive agreement. The Reporting Persons reserve the right to withdraw the Proposal or modify the terms at any time including with respect to the amount or form of the instruments to be offered in exchange for the Company's Common Stock. The Reporting Persons may, directly or indirectly, take such additional steps as they may deem appropriate to further the Proposal.

The foregoing does not purport to be complete and is qualified in its entirety by reference to the full text of the Proposal filed as Exhibit 99.4 hereto and incorporated by reference herein.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

(a)-(b) The Reporting Persons beneficially own in the aggregate 1,353,428 shares of Common Stock, which represents approximately 17.8% of the outstanding shares of Common Stock. The shares of Common Stock shown to be beneficially owned by the Reporting Persons in this Statement exclude (i) 522,820 shares of Common Stock issuable upon conversion of the Series X Preferred Stock held by Health Partners LP, (ii) 351,373 shares of Common Stock issuable upon conversion of 2023 Convertible Notes held by Health Partners LP, (iii) 890,568 shares of Common Stock issuable upon conversion of Series X Preferred Stock held by Cayman Master LP and (iv) 598,284 shares of Common Stock issuable upon conversion of 2023 Convertible Notes held by Cayman Master LP, in each case due to limitations on convertibility imposed by the rules and regulations of the Nasdaq Capital Market. Each percentage ownership of shares of Common Stock set forth in this Statement is based on 6,355,230 shares of Common Stock reported by the Company as outstanding as of April 22, 2024 in its Proxy Statement on Schedule 14A filed with the SEC on April 29, 2024, plus 1,229,393 shares of Common Stock issuable upon conversion of Series X Preferred Stock, plus 11,995 shares of Common Stock issuable upon exercise of the Warrants.

Each of the Funds directly holds the number and percentage of shares of Common Stock disclosed as beneficially owned by it in the applicable table set forth on the cover page to this Statement. Madryn, as the investment manager for each of the Funds, and Advisors, as the general partner for each of the Funds, may be deemed to have the shared power to direct the voting and disposition of shares of Common Stock beneficially owned by the Funds and, consequently, Madryn and Advisors may be deemed to possess indirect beneficial ownership of such shares. Madryn and Advisors disclaim beneficial ownership of such shares for all other purposes.

The responses of the Reporting Persons to rows 7, 8, 9, 10, 11 and 13 on the cover pages of this Statement are incorporated herein by reference.

(c) Except as described in Item 3 of this Schedule 13D, none of the Reporting Persons or, to their knowledge, none of the Covered Persons, has had any transactions in the Common Stock during the past 60 days.

(d) None.

(e) Not applicable.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

The 2020 Exchange Agreement provided the Madryn Noteholders with certain registration rights related to the shares issuable upon conversion of the 2020 Convertible Notes. The description of the Exchange Agreement is qualified in its entirety by reference to the complete text of such agreement, a copy of which is filed as exhibits hereto and are incorporated herein by reference. The 2023 Exchange Agreement terminated the 2020 Exchange Agreement except with respect to the aforementioned registration rights.

In connection with the 2023 Exchange Agreement, the Funds entered into a Resale Registration Rights Agreement, dated as October 4, 2023, by and among the Company and the Funds (the “2023 Registration Rights Agreement”). The 2023 Registration Rights Agreement provides the Funds with certain registration rights related to the shares issuable upon conversion of the 2023 Convertible Notes and the Series X Preferred Stock. The description of the 2023 Registration Rights Agreement is qualified in its entirety by reference to the complete text of such agreement, a copy of which is filed as an exhibit hereto and is incorporated herein by reference.

In connection with the 2023 Exchange Agreement, the Funds entered into a Voting Agreement, dated as of October 4, 2023, by and among the Company and the Shareholders identified therein (the “Voting Agreement”). The Voting Agreement, which was a condition of the Funds’ entering into the 2023 Exchange Agreement, requires the Shareholders identified therein to vote the securities held by the Shareholders in favor of a proposal approving the transactions contemplated by the 2023 Exchange Agreement.

Pursuant to Rule 13d-1(k) promulgated under the Securities Exchange Act of 1934, as amended, the Reporting Persons have entered into an agreement with respect to the joint filing of this Schedule 13D, which agreement is set forth on the signature page to this Schedule 13D.

Except as described above and herein in this Schedule 13D, there are no other contracts, understandings or relationships (legal or otherwise) among the parties named in Item 2 hereto and between such persons and any person with respect to any of the common stock of the Company owned by the Funds.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

- | | |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Exhibit 99.1 | Securities Exchange and Registration Rights Agreement, dated as of December 8, 2020 by and among the Company, Venus Concept USA Inc., Venus Concept Canada Corp., Venus Concept Ltd., Madryn Health Partners, LP and the Investors signatory thereto. (Incorporated by reference to Exhibit 10.9 of the Company’s Current Report on Form 8-K filed on December 15, 2020). |
| Exhibit 99.2 | Resale Registration Rights Agreement, dated as of October 4, 2023 by and among the Company, Madryn Health Partners, LP and Madryn Health Partners (Cayman Master), LP. (Incorporated by reference to Exhibit 10.2 of the Company’s Current Report on Form 8-K filed on October 5, 2023). |
| Exhibit 99.3 | Voting Agreement, dated as of October 4, 2023 by and among the Company and the Shareholders signatory thereto (Incorporated by reference to Exhibit 99.3 of Madryn’s Schedule 13D/A filed on October 12, 2023). |
| Exhibit 99.4 | Summary of Proposed Terms, dated of May 3, 2024. |

SIGNATURES

After reasonable inquiry and to the best of each of the undersigned's knowledge and belief, each of the undersigned certifies that the information set forth in this Statement is true, complete and correct.

In accordance with Rule 13d-1(k)(1)(iii) under the Securities Exchange Act of 1934, as amended, the persons named below agree to the joint filing on behalf of each of them of this Statement on Schedule 13D with respect to the Common Stock of the Company.

Dated: May 7, 2024

Madryn Asset Management, LP

By: /s/ Matthew Girandola

Name: Matthew Girandola

Title: Chief Compliance Officer

Madryn Health Partners, LP

By: /s/ Matthew Girandola

Name: Matthew Girandola

Title: Chief Compliance Officer

Madryn Health Partners (Cayman Master), LP.

By: /s/ Matthew Girandola

Name: Matthew Girandola

Title: Chief Compliance Officer

Madryn Health Advisors, LP

By: /s/ Matthew Girandola

Name: Matthew Girandola

Title: Chief Compliance Officer

SUMMARY OF PROPOSED TERMS

May 3, 2024

Set forth below is a summary of the principal terms and conditions (the “**Nonbinding Term Sheet**”) of a potential transaction (the “**Transaction**”) involving Venus Concept Inc. (the “**Company**”) and Madryn Asset Management, LP (together with its affiliates, “**Madryn**”). This Nonbinding Term Sheet does not purport to summarize all terms of the definitive documentation with respect to the Transaction and is for discussion purposes only. The Transaction will be subject to the completion of definitive documentation incorporating the terms set forth herein.

All defined terms in this Nonbinding Term Sheet apply only to this Nonbinding Term Sheet.

Illustrative Terms of Potential Transaction

Existing Debt / Preferred Stock

- “**Madryn Convertible Notes**” means the convertible notes issued by the Company to Madryn Health Partners, L.P. (“**Madryn Health**”) and Madryn Health Partners (Cayman), L.P. (“**Madryn Cayman**”) and collectively with Madryn Health, the “**Madryn Funds**”) on October 4, 2023. As of [____], 2024 the Madryn Convertible Notes had an outstanding funded principal amount equal to \$[____], plus accrued and unpaid interest of \$[____].
- “**EW Convertible Notes**” means the convertible notes issued by the Company to EW Healthcare Partners-A, L.P. (“**EW-A**”) and EW Healthcare Partners, L.P. (“**EW**”) and collectively with EW-A, the “**EW Funds**”), which as of [____], 2024 had an outstanding funded principal amount equal to \$[____], plus accrued and unpaid interest of \$[____].
- “**Main Street Term Loan**” means the senior term loan initially provided to the Company by City National Bank of Florida (“**CNB**”) on December 8, 2020 pursuant to the Main Street Priority Loan Facility as established by the Board of Governors of the Federal Reserve System, which loan was purchased from CNB by the Madryn Funds on April 23, 2024. As of [____], 2024, the Main Street Term Loan had an outstanding funded principal amount equal to \$[____], plus accrued and unpaid interest of \$[____].
- “**Madryn Bridge Loan**” means the bridge loans provided or to be provided to the Company by the Madryn Funds pursuant to a Loan and Security Agreement dated as of April 23, 2024. As of [____], 2024, the Madryn Bridge Loan had an outstanding funded principal amount equal to \$[____], plus accrued and unpaid interest of \$[____].
- “**Madryn Debt**” means, collectively, the Madryn Convertible Notes, the Main Street Term Loan and the Madryn Bridge Loan.
- All references to “Madryn Convertible Notes,” “EW Convertible Notes,” the “Main Street Term Loan” and the “Madryn Bridge Loan” herein shall include any accrued and unpaid interest on such amounts from and after [____], 2024.
- “**Series X Preferred Stock**” means the Series X Preferred Stock of the Company, held by the Madryn Funds.
- “**Senior Preferred Stock**” means all classes of the Company’s preferred stock other than the Series X Preferred Stock, held by, among others, the EW Funds.

Transaction Overview

- The Transaction will involve a restructuring of the Company's capital structure on the following terms:
 - Subject to the Company's successful consummation of the PIPE Transaction (as described below), the Madryn Funds will convert an aggregate of \$[35-45] million of the Madryn Debt into shares of common stock of the Company on terms to be determined.
 - Each of (i) the outstanding EW Convertible Notes, (ii) the Senior Preferred Stock and (iii) the Series X Preferred Stock will be converted into shares of common stock of the Company.
 - Madryn will roll over the remaining principal balance of the Madryn Debt (which shall include the principal amount of any additional fundings provided by Madryn and all accrued and unpaid interest) into a New Senior Credit Facility (as described below).
 - Post-Transaction, it is anticipated that the Madryn Funds will own at least a majority of the outstanding common stock of the Company on a fully-diluted basis.

PIPE Transaction

- **Amount:** \$[at least 10-15] million (not including any investment by affiliates of Madryn)
- **Madryn Investment:** \$[3-5] million on the same terms as other investors
- **Conversion of PIPE Shares:** Equity issued in connection with the PIPE Transaction will convert into common stock of the Company in connection with the Transaction

New Senior Credit Facility

- **Type:** Senior secured term loan facility
- **Principal Amount:** \$[30-40] million
- **Guarantors:** Same as existing Madryn Debt
- **Security / Priority:** Same as existing Madryn Debt
- **Interest Rate:** Three-Month Term SOFR (with a floor of [4% - 5%]) + 0.10 (CSA) + [6% -8%] per annum, which will be paid (i) 3M Term SOFR + 0.10 (CSA) + [3% - 5%] in cash and (ii) the balance in-kind
- **Interest-Only Period:** [2 - 3] years
- **Maturity:** 5 years
- **Other:** Prepayments, exit fees, representations, covenants, events of default and other terms and conditions will be customary for transactions of this type

NASDAQ Listing Compliance

- Madryn and the Company to discuss the terms of a potential conversion of a portion of the Madryn Debt into a new class of preferred equity in order for the Company to comply with requirements necessary to maintain its NASDAQ listing. In the event that Madryn Debt is converted into new preferred equity, such equity will convert into common stock of the Company in connection with the Transaction on the same terms the Madryn Debt would convert into common stock as set forth above.

Support Agreements

- Prior to Madryn entering into definitive documentation, institutional holders will enter into support agreements which will provide that such holders will support the Transaction (the “**Support Agreements**”).

Conditions to Closing

- Closing of the Transaction will be subject to certain conditions, including, but not limited to, the following:
 - Successful consummation of the PIPE Transaction
 - Consent to the Transaction of the following parties:
 - Board of Directors of the Company
 - [Committee of the Board of Directors of the Company comprised of independent directors that has obtained a fairness opinion from an independent financial advisor]
 - Madryn
 - EW
 - Holders of the Senior Preferred Stock
 - Stockholders of the Company sufficient to approve the Transaction (including approval by a majority of the independent stockholders)
- The requisite institutional holders shall enter into the Support Agreements

Stockholders Agreement

- The Company will enter into a Stockholders Agreement providing for customary rights (*e.g.*, registration rights, lock-up caps, etc.).

M&A Considerations

- The Company will consult with Madryn regarding any potential M&A considerations.

Management Incentive Refresh

- Immediately post-Transaction, the Board, in its sole discretion, will evaluate new and existing economic arrangements to adequately incentivize management/employees going forward.

Tax Matters

- Matters relating to the tax structure of the Transaction will be determined by Madryn in sole discretion.