

OMB APPROVAL	
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>ORBIMED ADVISORS LLC</u> (Last) (First) (Middle) <u>601 LEXINGTON AVENUE</u> <u>54TH FLOOR</u> (Street) <u>NEW YORK NY 10022</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Xtant Medical Holdings, Inc. [XTNT]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>02/14/2018</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/14/2018		A ⁽⁶⁾		5,126,534 ⁽⁵⁾	A	\$7.2 ⁽⁶⁾	5,287,197 ⁽⁵⁾	I	See Footnotes ⁽¹⁾⁽³⁾
Common Stock	02/14/2018		A ⁽⁶⁾		2,905,396 ⁽⁵⁾	A	\$7.2 ⁽⁶⁾	2,973,996 ⁽⁵⁾	I	See Footnotes ⁽²⁾⁽³⁾
Common Stock	02/14/2018		P ⁽⁷⁾		603,687 ⁽⁵⁾	A	\$7.2 ⁽⁷⁾	5,890,884 ⁽⁵⁾	I	See Footnotes ⁽¹⁾⁽³⁾
Common Stock	02/14/2018		P ⁽⁷⁾		342,132 ⁽⁵⁾	A	\$7.2 ⁽⁷⁾	3,316,128 ⁽⁵⁾	I	See Footnotes ⁽²⁾⁽³⁾

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Convertible Note	\$46.56 ⁽⁵⁾	02/14/2018		D ⁽⁶⁾		33,190,000		(4)	07/15/2021	Common Stock	33,190,000	\$46.56 ⁽⁵⁾	0	I	See Footnotes ⁽¹⁾⁽³⁾
Convertible Note	\$46.56 ⁽⁵⁾	02/14/2018		D ⁽⁶⁾		18,810,000		(4)	07/15/2021	Common Stock	18,810,000	\$46.56 ⁽⁵⁾	0	I	See Footnotes ⁽²⁾⁽³⁾
Convertible Note	\$34.8 ⁽⁵⁾	02/14/2018		D ⁽⁶⁾		1,428,553		(4)	07/15/2021	Common Stock	1,428,553	\$34.8 ⁽⁵⁾	0	I	See Footnotes ⁽¹⁾⁽³⁾
Convertible Note	\$34.8 ⁽⁵⁾	02/14/2018		D ⁽⁶⁾		809,614		(4)	07/15/2021	Common Stock	809,614	\$34.8 ⁽⁵⁾	0	I	See Footnotes ⁽²⁾⁽³⁾

Explanation of Responses:

- These securities are held of record by ROS Acquisition Offshore LP ("ROS Acquisition"). OrbiMed Advisors LLC ("Advisors"), a registered adviser under the Investment Advisors Act of 1940, as amended, is the investment manager of ROS Acquisition. Advisors is also the investment manager of Royalty Opportunities S.a.r.l., of which ROS Acquisition is a wholly-owned subsidiary. By virtue of such relationships, Advisors may be deemed to have voting and investment power with respect to the securities held by ROS Acquisition noted above and as a result may be deemed to have beneficial ownership over such securities. Advisors exercised this investment and voting power through a management committee comprised of Carl L. Gordon, Sven H. Borho and Jonathan T. Silverstein, each of whom disclaims beneficial ownership of the securities held by ROS Acquisition.
- These securities are held of record by OrbiMed Royalty Opportunities II, LP ("ORO II"). OrbiMed ROF II LLC ("ROF II") is the sole general partner of ORO II, and Advisors is the sole managing member of ROF II. By virtue of such relationships, Advisors may be deemed to have voting and investment power with respect to the securities held by ORO II noted above and as a result may be deemed to have beneficial ownership over such securities. Advisors exercised this investment and voting power through a management committee comprised of Carl L. Gordon, Sven H. Borho and Jonathan T. Silverstein, each of whom disclaims beneficial ownership of the securities held by ORO II.
- Each of ROS Acquisition, ORO II and the reporting person disclaims beneficial ownership of the securities reported herein for purposes of Rule 16a-1(a) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), except to the extent of its pecuniary interest therein, if any. This report shall not be deemed an admission that any such entity or the reporting person is a beneficial owner of such securities for the purposes of Section 16 of the Exchange Act, or for any other purposes. Samuel D. Isaly, who was included as a Reporting Person on previous reports under Section 16 of the Exchange Act filed by Advisors, is no longer subject to Section 16 with respect to securities of the Issuer.

4. These convertible notes (collectively, the "Notes") were convertible into shares of common stock ("Shares") of the Issuer at any time prior to the close of business on the second business day immediately preceding July 15, 2021. However, the Notes were not convertible to the extent that such conversion would result in the holder of each Note or any of its affiliates being deemed to beneficially own in excess of 9.99% of the then-outstanding Shares.

5. Gives effect to the 1:12 reverse stock split which occurred on February 14, 2018.

6. On February 14, 2018, the Notes, plus accrued and unpaid interest, were exchanged for newly-issued shares of Common Stock at an exchange rate of 138.8889 shares per \$1,000 principal amount of notes, for an exchange price of \$7.20 per share. This resulted in the issuance of 5,126,534 shares of Common Stock to ROS Acquisition and 2,905,396 shares of Common Stock to ORO II.

7. On February 14, 2018, ROS Acquisition and ORO II purchased an aggregate of 945,819 shares of Common Stock at a price of \$7.20 per share in a private placement.

/s/ Jonathan T. Silverstein 02/23/2018

/s/ Sven H. Borho 02/23/2018

/s/ Carl L. Gordon 02/23/2018

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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