

**Apyx Medical Corporation
Audit Committee Charter
Adopted as of December 1, 2019**

The Audit Committee of the Board of Directors (“the Audit Committee”) of Apyx Medical Corporation (“Apyx” or the “Company”) oversees the integrity of the financial statements of the Company and the qualifications, independence and performance of the independent auditors. Additionally, the Audit Committee has oversight responsibility for the performance of the Company’s internal audit function and compliance with legal and regulatory requirements.

To fulfill these obligations, the Audit Committee relies on (a) management for the preparation and accuracy of the Company’s financial statements and for establishing effective internal controls and procedures to ensure the Company’s compliance with accounting standards, financial reporting procedures and applicable laws and regulations; and (b) the Company’s independent auditors for an unbiased, diligent review or audit, as applicable, of the Company’s financial statements and the effectiveness of the Company’s internal controls. The members of the Audit Committee are not employees of the Company and are not responsible for conducting the audit or performing other accounting procedures.

I. Purpose

1. The Audit Committee is appointed by the Board of Directors (the “Board”) to assist in the Board in its oversight of:
 - a. the integrity of the Company’s financial statements and its reporting and disclosure practices provided by the Company to its stockholders and others;
 - b. the soundness of the Company’s systems of internal controls regarding financial and accounting compliance;
 - c. the appointment and monitoring of the independence, qualifications, and performance of the Company’s external independent auditor;
 - d. the performance of the Company’s internal audit function;
 - e. the Company’s compliance with legal, regulatory and public disclosure requirements;
 - f. enterprise risk management, privacy and data security;
 - g. audit, accounting, financial reporting, treasury and finance matters generally; and
 - h. providing for open communication among the independent auditor, management, and the Board.

2. The Audit Committee is also charged with preparing the Audit Committee report required by the rules of the Securities and Exchange Commission (the “SEC”) to be included in the Company’s annual proxy statement. The Audit Committee does not itself prepare financial statements or perform audits, and its members are not auditors or certifiers of the Company’s financial statements. It is not the duty of the Audit Committee to conduct audits or to determine that the Company’s financial statements and disclosures are complete and accurate and are in accordance with U.S. Generally

Accepted Accounting Principles ("GAAP") and applicable rules and regulations. These duties are the responsibilities of management and the independent auditors.

II. Committee Membership

The Audit Committee shall consist of at least three members of the Board. The members of the Audit Committee are required to meet the independence and experience requirements in accordance with applicable laws, rules and regulations, including the rules of the Nasdaq Stock Market LLC ("Nasdaq") and Rule 10A-3 under the Securities Exchange Act of 1934 as amended (the "Exchange Act").

Each member shall be able to read and understand fundamental financial statements, in accordance with Nasdaq audit committee requirements, and at least one member will have past employment experience in finance or accounting, requisite professional certification in accounting, or comparable experience or background, including a current or past position as principal financial officer or other senior officer with financial oversight responsibilities and will otherwise qualify as an "audit committee financial expert", as defined by applicable SEC rules.

No member of the Audit Committee may serve simultaneously on the audit committee of more than two other public companies, unless approved by the Board.

The Board shall appoint and remove the members of the Audit Committee, and the Board shall designate one member as Chair or delegate authority to designate a Chair to the Audit Committee. Members of the Audit Committee shall serve until their successors are duly elected and qualified or their earlier resignation or removal. However, if at any time there is a vacancy on the Audit Committee and the remaining members satisfy all membership requirements, then the Audit Committee may consist of two members until the earlier of the Company's next annual stockholders meeting or one (1) year from the occurrence of the vacancy.

III. Committee Meetings

The Audit Committee shall meet as often as it deems appropriate, but not less than quarterly, to perform its duties and responsibilities under this charter. At the beginning of the year, the Audit Committee will establish a schedule of agenda subjects to be discussed during the year (to the extent these can be foreseen).

The Chair of the Board, any member of the Audit Committee, or the Chief Financial Officer of the Company may call meetings of the Audit Committee. The Chair of the Audit Committee, in consultation with the Audit Committee members and members of management, will, subject to the requirements of this charter, determine the frequency and length of Committee meetings and develop the Audit Committee's agenda.

The Audit Committee shall meet at least quarterly with management, the head of the Company's internal audit function, and the independent auditors in separate executive sessions to discuss any matters that the Audit Committee or any of these groups believes should be discussed privately.

The Audit Committee shall meet with the independent auditors and management quarterly to review the Company's financial information. Each regularly scheduled meeting will conclude with an executive session of the Audit Committee and the independent auditor, absent

members of management.

The Audit Committee shall maintain written minutes of its meetings, which shall be recorded and, following each such meeting, shall be circulated to the members of the Audit Committee for their review and approval, and to the full Board. All approved minutes shall be duly filed in the Company's records.

IV. Authority, Resources and Responsibilities

The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a Committee meeting or to meet with any members of, or consultants to, the Audit Committee. The Audit Committee shall have the power to conduct or authorize investigations into any matters within the Audit Committee's scope of responsibilities.

The Audit Committee has the right at any time to obtain advice, reports or opinions from internal and external counsel and expert advisors and have the authority to hire and terminate independent legal, financial and other advisors as it may deem necessary or appropriate, at the Company's expense, without consulting with, or obtaining approval from, any officer of the Company in advance.

Oversight of the Company's Relationship with Independent Auditors

The Audit Committee, to the extent it deems necessary or appropriate, shall:

1. Appoint and oversee the work of the independent auditors (including resolving disagreements between management and the independent auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or related work.
2. Discuss with the independent auditors the Company's financial statements and audit findings, including any significant adjustments, management judgments and accounting estimates, significant new accounting policies and disagreements with management and any other matters required to be discussed by Public Company Accounting Oversight Board Auditing Standard No. 1301 ("Communications with Audit Committees") and Rule 2-07 of SEC Regulation S-X ("Communication with audit committees"), as in effect at the time in the case of annual financial statements, and Statement on Auditing Standards No. 100, as in effect at the time in the case of quarterly financial statements
3. Pre-approve all audit and permissible non-audit services to be provided to the Company by the independent auditors, as set forth in Section 10A of the Exchange Act and the rules and regulations promulgated thereunder by the SEC. The Audit Committee shall have the sole authority to approve the hiring and firing of the independent auditors and all fees and terms of audit and non-audit engagements with the independent auditors, in each case as may be permissible and compatible with the auditors' independence obligations. The Audit Committee shall also review and approve disclosures with respect to non-audit services.
4. Review and provide guidance with respect to the external audit and the Company's relationship with its independent auditors by:
 - a) reviewing the independent auditors' proposed audit scope, approach and independence;

- b) obtaining on a periodic basis a statement from the independent auditors regarding relationships and services with the Company which may impact their independence and presenting this statement to the Board, and to the extent there are relationships, monitoring and investigating them;
 - c) ensuring that the independent auditors submit to the Audit Committee on an annual basis a written statement (consistent with the applicable requirements of the Public Company Accounting Oversight Board) delineating all relationships and services that may impact the objectivity and independence of the independent auditors; and
 - d) reviewing reports submitted to the Audit Committee by the independent auditors in accordance with applicable SEC requirements.
5. Obtain and review an annual report from the independent auditors describing (i) the independent auditors' internal quality control procedures and (ii) any material issues raised by the recent internal quality control review, peer review, or Public Company Accounting Oversight Board review, of the independent auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditors, and steps taken to deal with any such issues.
 6. At least annually, evaluate the qualifications, performance and independence of the Company's independent auditors, including an evaluation of the lead audit partner; and to assure the regular rotation of the lead audit partner at the Company's independent auditors and consider regular rotation of the accounting firm serving as the Company's independent auditors.
 7. Review with the independent auditor the results of the annual audit examination, and any issues the auditor may have encountered in the course of its audit work and management's response. This review should include, among other things, any management letter, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.
 8. To review and discuss with the Company's independent auditors any other matters required to be discussed by Public Company Accounting Oversight Board ("PCAOB") Auditing Standards No. 16, Communications with Audit Committee.
 9. Establish clear policies for hiring employees and former employees of the independent auditor.

Financial Reporting Processes, Accounting Policies, and Internal Control Structure

The Audit Committee, will oversee the integrity of the Company's financial statements and its reporting and disclosure practices provided by the Company to its stockholders and others by:

1. Review with management and the independent auditor:
 - a) the annual audited financial statements including the Company's disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations, significant issues and judgments regarding accounting and auditing principles and practices, and the effect of regulatory and accounting initiatives on the Company's financial statements, and recommend to the Board whether the financial statements

- should be included in the Company's Report on Form 10-K;
- b) the Company's quarterly financial statements prior to filing the Report on Form 10-Q, including the results of the independent auditor's review of them and the Company's disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations;
 - c) other relevant reports or financial information submitted by the Company to any governmental body or the public, including proxy statements, management certifications as required by the Sarbanes-Oxley Act of 2002, and relevant reports rendered by the independent auditor;
 - d) earnings press releases and investor presentations, including the type and presentation of information, paying attention to any pro forma or adjusted non-GAAP information.
2. Consider, review and discuss with management major issues and changes to the Company's auditing and accounting principles and practices as suggested by the independent auditor or management, and analyses setting forth significant financial reporting issues and judgments, including analyses of the effects of alternative GAAP methods on the financial statements, and the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.
 3. Inquire about the application of the Company's accounting policies and its consistency from period to period, and the compatibility of these accounting policies with GAAP, and, when applicable, the provisions for future occurrences that may have a material impact on the financial statements of the Company.
 4. Review any management decision to seek a second opinion from independent auditors other than the Company's regular independent auditors with respect to any significant accounting issues.
 5. Review and discuss with management and with the Company's independent auditors (i) the auditors' responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process, (ii) the overall audit strategy, (iii) the scope and timing of the annual audit, (iv) any significant risks identified during the auditors' risk assessment procedures and (v) when completed, the results, including significant findings, of the annual audit.
 6. Review with management reports from the independent auditor and management regarding, and review the adequacy and effectiveness of, the Company's internal controls, including any significant deficiencies in internal controls and significant changes in such controls reported to the Audit Committee by the independent auditor or management, and any special audit steps adopted in light of material deficiencies.
 7. Receive reports from management regarding, and review the adequacy and effectiveness of, the Company's disclosure controls and procedures. Receive reports from management regarding, and review compliance processes with, the Company's Code of Conduct and Code of Business Conduct and Ethics for Officers and Directors.
 8. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Oversight of the Company's Internal Audit Function

The Audit Committee, to the extent it deems necessary or appropriate, shall establish and oversee the work of the Company's Internal Audit function (whether outsourced or not) including:

1. Consider, review and discuss the functions of the Company's Internal Audit function, including its purpose, organization, responsibilities, budget and performance; and to review the scope, performance and results of such department's internal audit plans with management.
2. Consider, review and discuss the appointment, replacement, reassignment, or dismissal of Internal Audit personnel or third-party service providers acting in this capacity. Approval required following review.
3. Review and discuss with management, in consultation with appropriate Internal Audit personnel and the independent auditor, the audit scope and plan of the internal auditor function and the independent auditors.
4. Review and discuss with appropriate Internal Audit personnel and the independent auditor the coordination of audit effort to assure completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
5. Review and discuss with management, Internal Audit, and the independent auditor:
 - a) Significant findings during the year and management's responses thereto;
 - b) Any difficulties encountered in the course of their audits, including any
 - c) restrictions on the scope of their work or access to required information;
 - d) Any changes required in the planned scope of their audit plan; and
 - e) The Internal Audit department's responsibilities, budget and staffing.

Regulatory and Legal Compliance

The Audit Committee, to the extent it deems necessary or appropriate (and subject to the responsibilities of other executive committees of the Board), will oversee the Company's regulatory and legal compliance through:

1. Review and discuss with management and the independent auditors any correspondence with regulators or governmental agencies and any employee complaints regarding the Company's financial statements or accounting policies.
2. Periodically review separately with each of management, Internal Audit and the independent auditors (i) any disagreements between management and the independent auditors in connections with any audits, (ii) any difficulties encountered during the course of audits, including restrictions in scope or access to required information, and (iii) management's response.
3. Review with the Company's counsel and independent auditor, legal compliance and legal matters that could have a material impact on the financial statements, including any

material reports or inquiries received from regulators, governmental agencies or employees.

4. Review and discuss any related-party transactions or conflicts of interest involving the Company and the Company's employees, officers, directors, consultants, agents, vendors or customers.
5. Consider, review and approve the hiring or retention of any relative of any member of the Company's management, or the renewal of any contract of any such person, where such consideration, review and approval shall include whether the terms of such hiring, retention or renewal is fair and reasonable to the Company.
6. Maintain oversight of any criminal or regulatory enforcement inquiry, investigation, or proceeding involving the Company, an executive officer, or a director, with such oversight to include consideration of each such matter at each regular meeting of the Audit Committee and the making or recommendations to the Board, after consultations with counsel, if necessary.
7. Maintain oversight of any material litigation to which the Company is a plaintiff or defendant, with such oversight to include consideration of each such matter at a regular meeting of the Audit Committee and the making of recommendations to the Board, after consultations with counsel, if necessary.
8. Maintain oversight of any material litigation to which an executive officer or director of the Company is made a defendant by reason of being an executive officer or director of the Company, with such oversight to include: (i) consideration of each such matter at each regular meeting of the Audit Committee, (ii) whether it is appropriate for the Company to provide advancement of legal fees and expenses or indemnification to each such officer or director, and (iii) the proposal of recommendations to the Board, after consultation with counsel, if necessary.
9. Conduct appropriate investigations as to each inquiry, investigation or litigation over which the Audit Committee is required to exercise oversight responsibilities, without further action by the Board.

Treasury and Finance

The Audit Committee will oversee the Company's treasury and finance matters, and shall have the following responsibilities with respect thereto:

1. Review periodically the capital structure of the Company, and, when necessary, recommend to the Board transactions or alterations to the Company's capital structure.
2. Review and approve the Company's treasury resolutions.
3. Periodically review matters pertaining to the Company's investment practices for cash management, foreign exchange, investments, and derivatives.
4. Review and approve special transactions or expenditures as specifically delegated by the Board.

5. Review and discuss with management all material off-balance sheet transactions, arrangements, obligations (including contingent obligations), leases and other relationships of the Company with unconsolidated entities or other persons, that may have a material current or future effect on financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves, or significant components of revenues or expenses.
6. Review and discuss with management any equity investments, acquisitions, and divestitures that may have a material current or future effect on financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves, or significant components of revenues or expenses.
7. Review and discuss with management the Company's effective tax rate, adequacy of tax reserves and significant tax developments.

Risk Oversight, Privacy and Data Security

The Audit Committee will oversee the Company's risk management, privacy and security matters, and shall have the following responsibilities with respect thereto:

1. Review and discuss with management the Company's program to identify, assess, manage, and monitor significant business risks of the Company, including financial, operational, privacy, security, business continuity, legal and regulatory, and reputational risks; and management's risk management decisions, practices, and activities.
2. Review and discuss with management the Company's privacy and data security risk exposures, including: the potential impact of those exposures on the Company's business, financial results, operations and reputation; the steps management has taken to monitor and mitigate such exposures; the Company's information governance policies and programs; and major legislative and regulatory developments that could materially impact the Company's privacy and data security risk exposure.
3. Regularly report to the Board the substance of such reviews and discussions and, as necessary, recommend to the Board such actions as the Audit Committee deems appropriate.

Other Responsibilities

Additionally, the Audit Committee shall:

1. Provide an open avenue of communication between the Company's Internal Audit function, the independent auditor, and the Board.
2. Review the Audit Committee's charter, structure, processes, and membership requirements and submit any recommended changes to the Board at least once a year.
3. Report to the Board concerning the Audit Committee's activities with such recommendations as the Audit Committee deems appropriate at least once a year.

4. Delegate, in its discretion, any of its responsibilities to the extent allowed under applicable law.
5. Review the Audit Committee's own performance annually by conducting self-assessments to ensure that the Audit Committee is fulfilling its responsibilities.
6. Perform such other functions as assigned by law, the Company's charter or bylaws, or the Board.

V. Limitations of the Audit Committee's Role

The Audit Committee's role is one of oversight. Management is responsible for the preparation, presentation and integrity of the Company's financial statements as well as the Company's financial reporting process, accounting policies, Internal Audit function, internal accounting controls and disclosure controls and procedures.

The independent auditors are responsible for auditing the Company's financial statements. Management is responsible for fair presentation of information set forth in the financial statements in conformity with U.S. Generally Accepted Accounting Principles ("U.S. GAAP").

While the Audit Committee has the responsibilities and powers set for in this charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements or disclosures are complete and accurate or in conformity with U.S. GAAP.

Further, it is not the duty of the Audit Committee to assure compliance with applicable laws and regulations or the Company's Code of Conduct.

VI. Publication of Charter

The Company shall maintain a copy of this Charter on the Company's website and/or file this Charter as an appendix to the Company's proxy statement at least once every three years.