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

FORM 8-K

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

Date of Report (Date of earliest event reported): July 1, 2024

ARTIVION, INC.
(Exact name of registrant as specified in its charter)

Delaware	**1-13165**	**59-2417093**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1655 Roberts Boulevard, N.W., Kennesaw, Georgia	**30144**
(Address of principal executive office)	(Zip Code)

Registrant's telephone number, including area code: (770) 419-3355

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, $0.01 par value	AORT	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 1.01 Entry into a Material Definitive Agreement

Amended and Restated Loan Agreement & Amended and Restated Debenture

Artivion, Inc. (the "Company") previously entered into a Loan Agreement and Debenture with Endospan Ltd. ("Endospan"), dated September 11, 2019, pursuant to which the Company provided Endospan a secured loan in an amount of $15 million. The Company and Endospan entered into an Amended and Restated Loan Agreement dated July 1, 2024 and, in connection therewith, entered into an Amended and Restated Debenture dated July 1, 2024.

Pursuant to the Amended and Restated Loan Agreement, the Company agreed to provide Endospan additional secured loans of up to $25 million. The additional loans are to be funded in three tranches of $7 million, $10 million, and $8 million, respectively, subject to Endospan's achievement of milestones related to its pursuit of regulatory approval for the NEXUS® product that are specified in the Amended and Restated Loan Agreement. The first such tranche is to be funded as soon as practicable, subject to the satisfaction of closing conditions.

The loans bear interest at a rate of 5% per annum and are subject to acceleration upon an event of default. If the Company elects to exercise its option to purchase Endospan as contemplated in the Securities Purchase Option Agreement previously entered into by and among the Company, Endospan, and Endospan Security Holders on September 11, 2019, as amended, then the outstanding principal amount and all accrued interest on the loans would be deducted from the acquisition proceeds paid at closing, interest accrued through the closing of the acquisition would be payable upon such closing, and the principal amount and any additional accrued interest would be payable upon the first anniversary of such closing. The additional loans will become due and payable upon the earlier of a third-party acquisition of Endospan or December 31, 2027. If the Company does not exercise its option to purchase Endospan during the option period, the original loan will be cancelled. The additional loans are not subject to cancellation.

The loans are secured pursuant to the Amended and Restated Debenture, which grants the Company a security interest over substantially all of Endospan's assets. Such security interest is a first priority security interest, except as to a pre-existing security interest granted to a third party that ranks pari passu with the Company's security interest.

The foregoing description of the Amended and Restated Loan Agreement and Amended and Restated Debenture does not purport to be complete and is qualified in its entirety by reference to the Amended and Restated Loan Agreement and Amended and Restated Debenture, copies of which are to be filed with the Company's Quarterly Report on Form 10-Q for the quarter ending September 30, 2024.

References to NEXUS® refer to Endospan's NEXUS® Aortic Arch Stent Graft System product. All brands, product names, company names, trademarks and service marks are the properties of their respective owners.

Item 7.01 Regulation FD Disclosure

On July 1, 2024, the Company issued a press release announcing the execution of the Amended and Restated Loan Agreement and the Amended and Restated Debenture, a copy of which is furnished as Exhibit 99.1 hereto and incorporated herein by reference.

The information in Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and it shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or under the Exchange Act, whether made before or after the date hereof, except as expressly set forth by specific reference in such filing to Item 7.01 of this Current Report on Form 8-K.

Item 9.01(d) Exhibits

(d) Exhibits.

Exhibit Number	Description
99.1*	Press Release of Artivion, Inc., dated July 1, 2024.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Furnished herewith, not filed.

SIGNATURES

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

Date: July 1, 2024

ARTIVION, INC.

By: /s/ Lance A. Berry
Name: Lance A. Berry
Title: Chief Financial Officer and
Executive Vice President, Finance

ARTIVION

NEWS RELEASE

FOR IMMEDIATE RELEASE

Contacts:

Artivion, Inc.
Lance A. Berry
Executive Vice President &
Chief Financial Officer
Phone: 770-419-3355

Gilmartin Group LLC
Brian Johnston / Laine Morgan
Phone: 332-895-3222
investors@artivion.com

Artivion Amends Agreements with Endospan

Provides Endospan with $25 million of Additional Debt Funding to Obtain FDA Approval for NEXUS

Upfront Payment Associated with Purchase Option Reduced to $135 million, inclusive of loan off-set, and $100 million earnout minimum eliminated

ATLANTA, GA – (July 1, 2024) – Artivion, Inc. (NYSE: AORT), a leading cardiac and vascular surgery company focused on aortic disease, today announced it has amended its credit facility and option purchase agreements with Endospan Ltd. ("Endospan"), an Israeli-based, privately-held developer of the NEXUS® Stent Graft System ("NEXUS"). In 2019, the Company provided a credit facility to Endospan and entered into an option agreement to purchase Endospan upon U.S. Food and Drug Administration ("FDA") approval of NEXUS. The amendments announced today result in three major changes to the original credit facility and option purchase agreements:

- Artivion will provide additional loans to Endospan of up to $25 million in three tranches and anticipates funding the loans with free cash flow;
- The upfront payment associated with the purchase option is reduced from $250 million to $175 million, resulting in an upfront acquisition purchase price of $135 million, inclusive of loan off-set; and
- The $100 million minimum payout for the earnout is eliminated.

Endospan has developed NEXUS, the first and only approved branched endovascular system to treat aortic arch disease, including both aortic aneurysms and dissections. While minimally invasive endovascular repair has been the standard of care for Abdominal Aortic Aneurysm (AAA) and Thoracic Aortic Aneurysms (TAA), aortic arch disease patients with aneurysms or dissections who receive treatment have previously had little choice but to undergo open-chest surgery with its associated invasiveness and risks, lengthy hospitalizations, and prolonged recuperation. NEXUS transforms a complex surgical aortic arch repair into a minimally invasive endovascular procedure and stands to address an annual global addressable market opportunity of $600 million according to latest estimates.

“Based on our experience with NEXUS in Europe since 2019, we continue to see a significant global opportunity for the NEXUS technology and expect that it will further solidify our position as a global leader in aortic repair,” said Pat Mackin, Chairman, President, and Chief Executive Officer of Artivion. “We view our revised credit facility and option purchase agreements with Endospan as an investment in the next frontier of aortic arch surgery. Should we exercise our option to acquire Endospan, we believe we will be able to meaningfully expand our total addressable market at that time on terms more favorable than existed prior to these amendments.”

Terms of the Amendments

Under the terms of the amended Endospan credit facility, Artivion will provide up to an additional $25 million in debt financing to Endospan over three tranches, with the first $7 million drawn at close and subsequent tranches subject to progress toward and achievement of the NEXUS PMA. The terms of the loan are nearly identical to the terms of the original $15 million loan, except that under the amended terms both original and new loans will benefit from a first priority lien in Endospan assets, pari passu with other first lien Endospan liabilities.

If Artivion elects to exercise its option to purchase Endospan as contemplated in the Securities Purchase Option Agreement, then the outstanding principal amount and all accrued interest on the original and new loans would be deducted from the acquisition proceeds paid at closing. Under the amended purchase option, Artivion has the right to acquire Endospan at any time up to 90 days after receiving notice of U.S. FDA approval of NEXUS, for an upfront payment of $175 million, less previously extended loans and accrued interest, and an additional payment in the form of an earnout at two years post exercise of two and one half times (2.5x) incremental year two revenue. There is no longer any minimum earnout payment, and the maximum payment is still $200 million. Additionally, Artivion at its sole discretion may use up to $12.5 million of Artivion equity as part of the upfront payment.

The amendments to the credit facility and Securities Purchase Option Agreement have been approved by both companies’ boards of directors and Endospan’s Security Holders. There were no changes to the parties existing Exclusive Distribution Agreement. The purchase obligations of the Securities Purchase Option Agreement will become effective if, and only when, Artivion exercises its purchase option. Any purchase of Endospan by Artivion would be subject to customary closing conditions.

Financial Commentary

The Company does not anticipate the amended agreement with Endospan to have a material impact on its full-year 2024 financial guidance.

About Artivion, Inc.
Headquartered in suburban Atlanta, Georgia, Artivion is a medical device company focused on developing simple, elegant solutions that address cardiac and vascular surgeons' most difficult challenges in treating patients with aortic diseases. Artivion's four major groups of products include: aortic stent grafts, surgical sealants, On-X mechanical heart valves, and implantable cardiac and vascular human tissues. Artivion markets and sells products in more than 100 countries worldwide. For additional information about Artivion, visit our website, www.artivion.com.

About Endospan Ltd.
Privately held Endospan, headquartered in Herzlia (Tel Aviv), Israel, is a pioneer in the endovascular repair of Aortic Arch Disease including aneurysms and dissections. Endospan has received CE-Mark to commercialize in Europe the NEXUS Stent Graft System, the first endovascular off-the-shelf system to treat Aortic Arch Disease which affects a greatly underserved group of patients diagnosed with a dilative lesion in, or near, the aortic arch. While minimally invasive endovascular repair has been the standard of care for Abdominal Aortic Aneurysm (AAA), Aortic Arch Disease patients with aneurysms or dissections have not been as fortunate and have had little choice but to undergo open-chest surgery with its invasiveness and risks, lengthy hospitalization periods, and prolonged recuperation. For additional information about Endospan, visit their website, www.endospan.com.

Forward Looking Statements
Statements made in this press release and the accompanying presentation that look forward in time or that express management's beliefs, expectations, or hope are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements reflect the views of management at the time such statements are made. These statements include those regarding our estimates for the total addressable annual global market for the NEXUS technology; and our beliefs that we continue to see a significant global opportunity for the NEXUS technology and expect that it will further solidify our position as a global leader in aortic repair; we view our revised credit facility and option purchase agreements with Endospan as an investment in the next frontier of aortic arch surgery; and we believe that should we exercise our option to acquire Endospan, we will be able to meaningfully expand our total addressable market at that time on terms more favorable than existed prior to these amendments. These forward-looking statements are subject to a number of risks, uncertainties, estimates, and assumptions that may cause actual results to differ materially from current expectations. These risks and uncertainties include but are not limited to the risks that the TRIOMPHE clinical trial may not be completed or may fail, may not reach its endpoints, or may be completed on timeframes different than anticipated; that PMA approval for NEXUS may be not achieved at all or on the time frames anticipated or that there be developments in technology by competitors that reduce the total addressable market for the NEXUS technology. These risks and uncertainties include the risk factors detailed in our Securities and Exchange Commission filings, including our Form 10-K for the year ended December 31, 2023, and our subsequent filings with the SEC. Artivion does not undertake to update its forward-looking statements.