# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION

**WASHINGTON, D.C. 20549**

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# FORM 8-K

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

**Date of Report (Date of earliest event reported): April 30, 2020**

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## CRYOLIFE, INC.

(Exact name of registrant as specified in its charter)

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| **Florida** | **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**

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**(Former name or former address, if changed since last report)**

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

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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):

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

o 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))

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

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. ☐

**Section 1 Registrant's Business and Operations.**

**Item 1.01 Entry into a Material Definitive Agreement.**

Solely as a precautionary measure to increase cash and maintain financial flexibility during the current uncertainty in global markets resulting from the COVID-19 pandemic, the Company has taken certain measures, described below, under its December 1, 2017 Credit and Guarantee Agreement, as amended (the "Credit Agreement"), the material terms of which are described in the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission ("SEC") on December 1, 2017, which description is incorporated herein by reference.

On April 29, 2020, the Company entered into a Second Amendment (the "Second Amendment") to the Credit Facility, under which the Company obtains relief from a certain maintenance covenant under the Credit Agreement that came into effect as a result of the fact that, on March 26, 2020, the Company borrowed the entire amount available to it ($30M) under the Revolver (the "Revolver") of the Credit Facility, as previously disclosed in the Company's Current Report on Form 8-K filed with the SEC on April 1, 2020.

As a result of this draw down of the Revolver, under the terms of the Credit Agreement prior to the Second Amendment, whenever the principal amount of loans outstanding on the last day of a fiscal quarter under the Revolver is in excess of $7.5 million, or 25% of the total amount of the Revolver, the Credit Agreement requires the Company to comply with a maximum first lien net leverage ratio of 5.25x bank EBITDA as of the end of such fiscal quarter.

Under the Second Amendment, however, the lenders under that Credit Agreement granted the Company relief from such maintenance covenant on the following terms and conditions:

(a) During the Covenant Waiver Period (i.e., Q2-Q4 2020), the maximum net leverage ratio will not apply or be tested so long as there is no prohibited Restricted Junior Payment;

(b) After the Covenant Waiver Period, in calculating the maximum net leverage ratio for test periods in 2021, which are based on a trailing twelve month calculation at each test date, the Earnings Before Interest Taxes and Depreciation ("EBIDTA") as used in that calculation and as defined by the Agreement, for each quarter in 2020 to be included in such calculation, will be deemed to be the EBITDA of Q4 2019 (the "Deemed EBIDTA") as long as either there is no prohibited Restricted Junior Payment or the Company's Minimum Liquidity is at least $12 million after giving effect to any Restricted Junior Payments; and

(c) In lieu of the maximum net leverage ratio covenant, Minimum Liquidity will be tested on (i) the last business day of each month during the Covenant Waiver Period, and thereafter (ii) the last day of each of Q1-Q3 2021 but only if revolver utilization (less up to $2,500,000 of undrawn Letters of Credit)exceeds 25% of the then outstanding Revolving Credit Commitments in effect on such date.

The Company paid an amendment fee of $150,000.

The foregoing description of the Second Amendment does not purport to be complete and is qualified in its entirety by the Second Amendment.

**Section 2 Financial Information.**

**Item 2.02 Results of Operations and Financial Condition.**

On April 30, 2020, CryoLife, Inc. ("CryoLife" or the "Company") issued a press release announcing its financial results for the quarter ended September 30, 2019. CryoLife hereby incorporates by reference herein the information set forth in its press release dated October 30, 2019, a copy of which is attached hereto as Exhibit 99.1. Except as otherwise provided in the press release, the press release speaks only as of the date of such press release and it shall not create any implication that the affairs of CryoLife have continued unchanged since such date.

The information provided pursuant to this Item 2.02 is to be considered “furnished” pursuant to Item 2.02 of Form 8-K and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended, nor shall it be deemed incorporated by reference into any of CryoLife’s reports or filings with the Securities and Exchange Commission, whether made before or after the date hereof, except as expressly set forth by specific reference in such report or filing.

Except for the historical information contained in this report, the statements made by CryoLife are forward-looking statements that involve risks and uncertainties. All such statements are subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995. CryoLife’s future financial performance could differ significantly from the expectations of management and from results expressed or implied in the press release. Please refer to the last paragraph of the text portion of the press release for further discussion about forward-looking statements. For further information on risk factors, please refer to “Risk Factors” contained in CryoLife’s most recently filed Form 10-K and its subsequent filings with the Securities and Exchange Commission, as well as in the press release attached as Exhibit 99.1 hereto. CryoLife disclaims any obligation or duty to update or modify these forward-looking statements.

**Section 5 Corporate Governance and Management.**

**Item 5.02 Compensatory Arrangements of Certain Officers.**

On April 30, 2020, CryoLife, Inc. (the "Company") announced that, as part of its response to the ongoing global economic challenges and uncertainties attributable to the coronavirus (“COVID-19”) pandemic and the resulting impact on the broader macroeconomic environment and its business, the Company made the following changes to the compensation of all members of the Company’s senior management Operating Team and of each of the non-employee directors of the Company’s Board of Directors (the “Board”).

*2020 Mandatory Base Salary Reduction*

On April 24, 2020, the Board approved six-month a 25% base salary reduction for all members of the Company’s senior management Operating Team, including its CEO, J. Patrick Mackin, and all other current Named Executive Officers, D. Ashley Lee, Jean F. Holloway, John E. Davis, and Michael S. Simpson. This six-month base salary reduction period ends at the end of October 2020 (the “Salary Reduction Period”).

On April 24, 2020, the Board also approved the grant, to each member of the Operating Team of a cash bonus in the form of phantom shares of Company stock in a value equal to that Operating Team member’s base salary reduction. The Company will pay out all phantom shares in cash on or about April 27, 2021, the first anniversary of the grant date. The number of phantom shares granted, and the value to be paid out in cash on or about April 27, 2021, was, and will be, determined by reference to the Company’s closing stock price on April 27, 2020 and April 27, 2021, respectively. Each resulting cash payout to an Operating Team member will be subject to a minimum and maximum payout of 100% and 115%, respectively, of that individual’s mandatory base salary reduction. The grant is not subject to forfeiture in the event an Operating Team member separates from the Company for any reason on or after the commencement of the Salary Reduction Period; however, it is subject to pro ration should an Operating Team member cease employment with the Company during the Salary Reduction Period.

*2020 Non-Executive Directors’ Cash Retainers*

On April 24, 2020, the Board also approved the elimination, for a six-month period ending September 30, 2020, of all cash retainers for non-executive directors of the Board. The Board also approved an award of restricted stock to each non-employee director of the Board in an amount equal to that non-employee director’s forfeited cash retainers for the same six-month period. The Company anticipates making these grants on May 4, 2020 after the Company’s regulatory scheduled quarterly trading black out ends, and the awarded shares will vest one year from the date of grant. The grants are subject to the terms and conditions of the Company’s current Equity and Cash Incentive Plan.

**Section 8 Other Events.**

**Item 8.01**

*2020 Non-Executive Directors' Cash Retainers*

The disclosure set forth above in Item 5.02 regarding changes to non-executive director compensation is incorporated by reference herein.

**Section 9 Financial Statements and Exhibits.**

**Item 9.01(d) Exhibits.**

(d) Exhibits.

| Exhibit Number | Description |
|---|---|
| 99.1* | Press Release dated April 30, 2020 |

*This exhibit is furnished, not filed.

**SIGNATURES**

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

Date: April 30, 2020

CRYOLIFE, INC.

By: /s/ D. Ashley Lee
Name: D. Ashley Lee
Title: Executive Vice President, Chief Operating Officer and Chief Financial Officer

CryoLife®
Life Restoring Technologies®

NEWS RELEASE

***FOR IMMEDIATE RELEASE***

**Contacts:**

**CryoLife**
D. Ashley Lee
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**Gilmartin Group LLC**
Greg Chodaczek / Lynn Lewis
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# CryoLife Reports First Quarter 2020 Financial Results

**First Quarter and Recent Business Highlights:**

- Achieved total revenues of $66.4 million in the first quarter 2020 versus preliminary first quarter 2020 revenues of $65.5 million
  - Total revenues decreased 2% and decreased 1% on a constant currency basis versus first quarter 2019
  - Excluding TMR, total revenues increased 1% and increased 2% on a constant currency basis versus first quarter of 2019
- Received CE Mark for our Frozen Elephant Trunk E-vita OPEN NEO
- Received renewed CE Mark status for our AAP Ascending Aortic Prosthesis
- Secured Credit Facility Covenant Modification to Enhance Liquidity

**ATLANTA, GA – (April 30, 2020) – CryoLife, Inc. (NYSE: CRY)**, a leading cardiac and vascular surgery company focused on aortic disease, announced today its financial results for the first quarter ended March 31, 2020.

"During these challenging times, we are focused on protecting our employees' health and safety while continuing to supply our customers and patients who depend on our life saving and life sustaining products," commented Pat Mackin, Chairman, President, and Chief Executive Officer. "Our business is well suited to weather the impact of this global pandemic given the nature of the procedures in which our products are used. Our manufacturing facilities have been running at near capacity and our supply chain remained largely intact. We have continued to fund R&D programs related to products that could deliver revenue in 2021 and 2022, including our U.S. PerClot PMA, BioGlue China and PROACT Mitral. Further, we renegotiated our Credit Facility covenant to have greater financial flexibility, if necessary. Given our recent device approvals, and the ongoing progress made on our key growth initiatives, we expect 2021 to be a strong year for CryoLife."

**First Quarter 2020 Financial Results**
Total revenues for the first quarter of 2020 were $66.4 million, reflecting a decrease of (2%), and (1%) on a non-GAAP constant currency basis, both compared to the first quarter of 2019. Growth in tissue processing and On-X revenues was offset by decreases in BioGlue and JOTEC revenues.

Net loss for the first quarter of 2020 was ($6.7) million, or ($0.18) per fully diluted common share, compared to a net loss of ($297,000), or ($0.01) per fully diluted common share for the first quarter of 2019. Non-GAAP net loss for the first quarter of 2020 was ($3.0) million, or ($0.08) per fully diluted common share, compared to non-GAAP net income of $1.5 million, or $0.04 per fully diluted common share for the first quarter of 2019. Net loss on both a GAAP and non-GAAP basis reflects a $3.7 million pretax loss primarily related to non-cash unrealized foreign currency losses on intercompany payable balances.

**2020 Financial Outlook**
As previously reported on April 1, 2020, the Company has withdrawn its 2020 financial guidance due to uncertainties resulting from the COVID-19 pandemic.

All numbers are presented on a GAAP basis except where expressly referenced as non-GAAP. The Company does not provide GAAP income per common share on a forward-looking basis because the Company is unable to predict with reasonable certainty business development and acquisition-related expenses, purchase accounting fair value adjustments, and any unusual gains and losses without unreasonable effort. These items are uncertain, depend on various factors, and could be material to results computed in accordance with GAAP.

The Company's financial performance for 2020 is subject to the risks identified below.

**Non-GAAP Financial Measures**
This press release contains non-GAAP financial measures. Investors should consider this non-GAAP information in addition to, and not as a substitute for, financial measures prepared in accordance with U.S. GAAP. In addition, this non-GAAP financial information may not be the same as similar measures presented by other companies. The Company's non-GAAP net income and non-GAAP EBITDA results exclude (as applicable) business development and integration expenses, amortization expense, inventory basis step-up expense, loss on foreign currency revaluation, stock-based compensation expense, and corporate rebranding expenses. The Company believes that these non-GAAP presentations provide useful information to investors regarding unusual non-operating transactions; the operating expense structure of the Company's existing and recently acquired operations, without regard to its on-going efforts to acquire additional complementary products and businesses and the transaction and integration expenses incurred in connection with recently acquired and divested product lines; and the operating expense structure excluding fluctuations resulting from foreign currency revaluation and stock-based compensation expense. The Company believes it is useful to exclude certain expenses because such amounts in any specific period may not directly correlate to the underlying performance of its business operations or can vary significantly between periods as a result of factors such as acquisitions, or non-cash expense related to amortization of previously acquired tangible and intangible assets. The Company has excluded the impact of changes in currency exchange from certain revenues to evaluate growth rates on a constant currency basis. The Company does, however, expect to incur similar types of expenses and currency exchange impacts in the

future, and this non-GAAP financial information should not be viewed as a statement or indication that these types of expenses will not recur.

**Webcast and Conference Call Information**
The Company will hold a teleconference call and live webcast later today, April 30, 2020 at 4:30 p.m. ET to discuss the results followed by a question and answer session. To listen to the live teleconference, please dial 201-689-8261. A replay of the teleconference will be available through May 7, 2020 and can be accessed by calling (toll free) 877-660-6853 or 201-612-7415. The Conference ID for the replay is 13702193.

The live webcast and replay can be accessed by going to the Investor Relations section of the CryoLife website at www.cryolife.com and selecting the heading Webcasts & Presentations.

**About CryoLife, Inc.**
Headquartered in suburban Atlanta, Georgia, CryoLife is a leader in the manufacturing, processing, and distribution of medical devices and implantable tissues used in cardiac and vascular surgical procedures focused on aortic repair. CryoLife markets and sells products in more than 100 countries worldwide. For additional information about CryoLife, visit our website, www.cryolife.com.

**Forward Looking Statements**
*Statements made in this press release that look forward in time or that express management's beliefs, expectations, or hopes 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 our beliefs that our business is well suited to weather the impact of the COVID-19 pandemic given the nature of the procedures in which our products are used; that we are funding R&D programs for products that could deliver revenue in 2021 and 2022, including our U.S. PerClot PMA, BioGlue China, and PROACT Mitral; that the renegotiation of our Credit Facility covenant will give us greater financial flexibility, if necessary; and that we expect 2021 to be a strong year for CryoLife. 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 the risk factors detailed in our Securities and Exchange Commission filings, including our Form 10-K for year ended December 31, 2019. CryoLife does not undertake to update its forward-looking statements, whether as a result of new information, future events, or otherwise.*

**CryoLife, Inc. and Subsidiaries**
**Financial Highlights**
*(In thousands, except per share data)*

| | Three Months Ended March 31, | |
|---|---|---|
| | **2020** | **2019** |
| **Revenues:** | | |
| Products | $ 46,420 | $ 48,401 |
| Preservation services | 20,009 | 19,104 |
| **Total revenues** | **66,429** | **67,505** |
| | | |
| **Cost of products and preservation services:** | | |
| Products | 13,040 | 13,826 |
| Preservation services | 9,218 | 9,406 |
| **Total cost of products and preservation services** | **22,258** | **23,232** |
| | | |
| **Gross margin** | **44,171** | **44,273** |
| | | |
| **Operating expenses:** | | |
| General, administrative, and marketing | 39,002 | 36,520 |
| Research and development | 6,356 | 5,548 |
| **Total operating expenses** | **45,358** | **42,068** |
| | | |
| **Operating (loss) income** | **(1,187)** | **2,205** |
| | | |
| Interest expense | 3,388 | 3,894 |
| Interest income | (102) | (116) |
| Other expense, net | 3,662 | 77 |
| | | |
| **Loss before income taxes** | **(8,135)** | **(1,650)** |
| Income tax benefit | (1,470) | (1,353) |
| | | |
| **Net loss** | $ **(6,665)** | $ **(297)** |
| | | |
| **Loss per common share:** | | |
| **Basic** | $ **(0.18)** | $ **(0.01)** |
| **Diluted** | $ **(0.18)** | $ **(0.01)** |
| | | |
| **Weighted-average common shares outstanding:** | | |
| Basic | 37,390 | 36,778 |
| Diluted | 37,390 | 36,778 |
| | | |
| **Net loss** | $ **(6,665)** | $ **(297)** |
| **Other comprehensive loss:** | | |
| Foreign currency translation adjustments | (4,463) | (3,781) |
| **Comprehensive loss** | $ **(11,128)** | $ **(4,078)** |

**CryoLife, Inc. and Subsidiaries**
**Financial Highlights**
*(In thousands)*

| | (Unaudited) Three Months Ended March 31, | |
|---|---|---|
| | **2020** | **2019** |
| **Products:** | | |
| BioGlue | $ 16,737 | $ 17,222 |
| JOTEC | 15,268 | 15,954 |
| On-X | 12,202 | 11,731 |
| PhotoFix | 1,042 | 730 |
| PerClot | 860 | 1,050 |
| NEXUS | 200 | -- |
| CardioGenesis cardiac laser therapy | 111 | 1,714 |
| **Total products** | **46,420** | **48,401** |
| | | |
| **Preservation services:** | | |
| Cardiac tissue | $ 10,033 | $ 8,930 |
| Vascular tissue | 9,976 | 10,174 |
| **Total preservation services** | **20,009** | **19,104** |
| | | |
| **Total revenues** | **$ 66,429** | **$ 67,505** |
| | | |
| **Revenues:** | | |
| U.S. | $ 36,447 | $ 37,325 |
| International | 29,982 | 30,180 |
| **Total revenues** | **$ 66,429** | **$ 67,505** |

| | (Unaudited) March 31, 2020 | December 31, 2019 |
|---|---|---|
| Cash, cash equivalents, and restricted securities | $ 63,877 | $ 34,294 |
| Total current assets | 214,082 | 187,390 |
| Total assets | 621,033 | 605,654 |
| Total current liabilities | 43,685 | 45,195 |
| Total liabilities | 344,424 | 319,958 |
| Shareholders' equity | 276,609 | 285,696 |

**CryoLife, Inc. and Subsidiaries**
**Reconciliation of GAAP to Non-GAAP**
**Net Loss and Diluted (Loss) Income Per Common Share**
*(In thousands, except per share data)*

| | (Unaudited) Three Months Ended March 31, | |
|---|---|---|
| | **2020** | **2019** |
| ***GAAP:*** | | |
| **Loss before income taxes** | **$ (8,135)** | **$ (1,650)** |
| Income tax benefit | (1,470) | (1,353) |
| **Net loss** | **$ (6,665)** | **$ (297)** |
| | | |
| **Diluted loss per common share:** | **$ (0.18)** | **$ (0.01)** |
| | | |
| ***Reconciliation of loss before income taxes, GAAP to adjusted net (loss) income, non-GAAP*** | | |
| **Loss before income taxes, GAAP** | **$ (8,135)** | **$ (1,650)** |
| Adjustments: | | |
| Amortization expense | 3,033 | 2,579 |
| Business development and integration expenses | 823 | 1,109 |
| Corporate rebranding | 321 | -- |
| **Adjusted (loss) income before income taxes, non-GAAP** | **(3,958)** | **2,038** |
| Income tax expense calculated at a pro forma tax rate of 25% | (989) | 510 |
| **Adjusted net (loss) income, non-GAAP** | **$ (2,969)** | **$ 1,528** |
| | | |
| ***Reconciliation of diluted loss per common share, GAAP to adjusted diluted (loss) income per common share, non-GAAP:*** | | |
| **Diluted loss per common share, GAAP:** | **$ (0.18)** | **$ (0.01)** |
| Adjustments: | | |
| Amortization expense | 0.08 | 0.07 |
| Business development and integration expenses | 0.02 | 0.03 |
| Corporate rebranding | 0.01 | -- |
| Tax effect of non-GAAP adjustments | (0.03) | (0.03) |
| Effect of 25% pro forma tax rate | 0.02 | (0.02) |
| **Adjusted diluted (loss) income per common share, non-GAAP:** | **$ (0.08)** | **$ 0.04** |
| | | |
| **Diluted weighted-average common shares outstanding** | 37,390 | 37,711 |

**CryoLife, Inc. and Subsidiaries**
**Reconciliation of GAAP to Non-GAAP**
**Revenues**
*(In thousands, except per share data)*

| | (Unaudited) Three Months Ended March 31, | | |
|---|---|---|---|
| | **2020** | **2019** | **Growth Rate** |
| ***Reconciliation of total revenues, GAAP to total revenues, non-GAAP:*** | | | |
| Total revenues, GAAP | $ 66,429 | $ 67,505 | -2% |
| Impact of changes in currency exchange | -- | (629) | |
| **Total constant currency revenues, non-GAAP** | **$ 66,429** | **$ 66,876** | **-1%** |
| | | | |
| ***Reconciliation of total revenues, GAAP to total revenues, non-GAAP:*** | | | |
| Total revenues, GAAP | $ 66,429 | $ 67,505 | -2% |
| Less CardioGenesis cardiac laser therapy | (111) | (1,714) | |
| **Total GAAP revenues excluding CardioGenesis** | **66,318** | **65,791** | **1%** |
| Impact of changes in currency exchange | -- | (629) | |
| **Total constant currency revenues excluding CardioGenesis, non-GAAP** | **$ 66,318** | **$ 65,162** | **2%** |
| | | | |
| ***Reconciliation of total BioGlue revenues, GAAP to total BioGlue revenues, non-GAAP:*** | | | |
| Total BioGlue revenues, GAAP | $ 16,737 | $ 17,222 | -3% |
| Impact of changes in currency exchange | -- | (76) | |
| **Total constant currency BioGlue revenues, non-GAAP** | **$ 16,737** | **$ 17,146** | **-2%** |
| | | | |
| ***Reconciliation of total On-X revenues, GAAP to total On-X revenues, non-GAAP:*** | | | |
| Total On-X revenues, GAAP | $ 12,202 | $ 11,731 | 4% |
| Impact of changes in currency exchange | -- | (17) | |
| **Total constant currency On-X revenues, non-GAAP** | **$ 12,202** | **$ 11,714** | **4%** |
| | | | |
| ***Reconciliation of total JOTEC revenues, GAAP, to total JOTEC revenues, non-GAAP:*** | | | |
| Total JOTEC revenues, GAAP | $ 15,268 | $ 15,954 | -4% |
| Impact of changes in currency exchange | -- | (534) | |
| **Total constant currency JOTEC revenues, non-GAAP** | **$ 15,268** | **$ 15,420** | **-1%** |

**CryoLife, Inc. and Subsidiaries**
**Reconciliation of GAAP to Non-GAAP**
**Adjusted EBITDA**
*(In thousands, except per share data)*

| | (Unaudited) Three Months Ended March 31, | |
|---|---|---|
| | **2020** | **2019** |
| ***Reconciliation of net loss, GAAP to adjusted EBITDA, non-GAAP:*** | | |
| Net loss, GAAP | $ (6,665) | $ (297) |
| Adjustments: | | |
| Depreciation and amortization expense | 4,898 | 4,350 |
| Loss on foreign currency revaluation | 3,663 | 74 |
| Interest expense | 3,388 | 3,894 |
| Stock-based compensation expense | 2,564 | 1,853 |
| Business development and integration expenses | 823 | 1,109 |
| Corporate rebranding | 321 | -- |
| Interest income | (102) | (116) |
| Income tax benefit | (1,470) | (1,353) |
| **Adjusted EBITDA, non-GAAP** | **$ 7,420** | **$ 9,514** |