

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

ALIMERA SCIENCES INC

Form: 8-K

Date Filed: 2020-07-30

Corporate Issuer CIK: 1267602

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 29, 2020

ALIMERA SCIENCES, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other Jurisdiction of Incorporation)

001-34703

(Commission File Number)

20-0028718

(IRS Employer Identification No.)

6120 Windward Parkway

Suite 290

Alpharetta, Georgia

(Address of Principal Executive Offices)

30005

(Zip Code)

Registrant's telephone number, including area code: **(678) 990-5740**

Not Applicable

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

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:

- 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))
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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 per share	ALIM	The Nasdaq Stock Market LLC (Nasdaq Global Market)

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 2.02. Results of Operations and Financial Condition.

On July 29, 2020, Alimera Sciences, Inc. (“Alimera”) issued a press release regarding its results of operations and financial condition for the second quarter ended June 30, 2020 as well as a corporate update. On July 30, 2020 at 9:00 A.M. ET, Alimera will host a conference call and a live webcast on the Investor Relations section of its corporate website at www.alimerasciences.com. During the conference call, Alimera’s executives will discuss its financial results for the second quarter ended June 30, 2020 and provide commercial and other corporate updates, including the impact of COVID-19 on Alimera. The full text of the press release, which includes information regarding Alimera’s use of a non-GAAP financial measure, is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Various statements made during the conference call and webcast will or may be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, regarding, among other things, Alimera’s expectations with respect to (a) how physicians will view ILUVIEN in light of current circumstances, and (b) Alimera being positioned to communicate how ILUVIEN provides significant long-term clinical benefits while reducing the number of visits for high-risk patients. Such forward-looking statements are based on current expectations and involve inherent risks and uncertainties, including factors that could delay, divert or change them, and could cause actual results to differ materially from those projected in the forward-looking statements. Meaningful factors that could cause actual results to differ include, but are not limited to, physicians may elect to continue to use anti-VEGF treatments as before without adding ILUVIEN to the treatment regimen or substituting ILUVIEN for anti-VEGF treatments, or other unexpected circumstances, and risks that include continuing risks relating to the COVID-19 pandemic, such as increased COVID-19 cases in certain states that have resulted or may again result in reduced access to medical facilities for patient visits with their physicians and continuing concerns of patients with diabetes who may be unwilling to visit their physicians in person (even if otherwise permitted) due to their fear of contracting COVID-19. Other factors are discussed in the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of Alimera’s Annual Report on Form 10-K for the year ended December 31, 2019 and Alimera’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, which are on file with the Securities and Exchange Commission (SEC) and available on the SEC’s website at <http://www.sec.gov>. Additional factors will also be described in those sections of Alimera’s Quarterly Report on Form 10-Q for the second quarter of 2020, to be filed with the SEC soon.

In addition to the risks described above and in Alimera’s reports and other filings with the SEC, other unknown or unpredictable factors also could affect Alimera’s results. There can be no assurance that the actual results or developments anticipated by Alimera will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Alimera. Therefore, no assurance can be given that the outcomes stated in such forward-looking statements and estimates will be achieved. All forward-looking statements contained in the conference call and webcast and in the press release are expressly qualified by the cautionary statements contained or referred to herein. These forward-looking statements speak only as of the date of the conference call and webcast and the press release (unless another date is indicated). Alimera undertakes no obligation, and specifically declines any obligation, to publicly update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.

The information in Item 2.02 of this Current Report on Form 8-K and the press release furnished as Exhibit 99.1 hereto 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, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 7.01. Regulation FD.

The conference call and webcast, and the press release, include or will include a non-GAAP financial measure, Adjusted EBITDA. A reconciliation of this non-GAAP financial measure to the comparable measure calculated and presented in accordance with GAAP is included in Alimera’s press release issued July 29, 2020 and attached hereto as Exhibit 99.1.

The information in this Current Report on Form 8-K under Item 7.01 is being “furnished” and not “filed” with the SEC for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities under such section. Furthermore, such information shall not be deemed incorporated by reference in any filing under the Securities Act, or the Exchange Act, unless specifically identified as being incorporated therein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit

No.

Description

99.1

[Press Release of Alimera Sciences, Inc. dated July 29, 2020](#)

SIGNATURES

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

ALIMERA SCIENCES, INC.

Dated: July 29, 2020

By: /s/ J. Philip Jones

Name: J. Philip Jones

Title: Chief Financial Officer



FOR IMMEDIATE RELEASE

Alimera Sciences Announces Second Quarter 2020 Financial Results and Provides Corporate Update

Second Quarter and Recent Company Highlights:

- ***Consolidated Net Revenue Down 8% Compared to Second Quarter 2019***
- ***International Net Revenue Up 89% Compared to Second Quarter 2019***
- ***Net Loss of \$2.5 Million vs. \$5.0 Million in Second Quarter 2019***
- ***Adjusted EBITDA Loss of \$0.3 Million vs. \$2.1 Million in Second Quarter 2019***

ATLANTA (July 29, 2020) – Alimera Sciences, Inc. (NASDAQ: ALIM) (Alimera), a leader in the commercialization and development of prescription ophthalmology treatments for the management of retinal diseases, announces financial results for the three months ended June 30, 2020. Alimera will host a conference call on Thursday, July 30, 2020 at 9:00 AM ET to review these financial results and provide an update on corporate developments.

“The second quarter of 2020 was a successful quarter for Alimera Sciences in the context of the COVID-19 pandemic, having delivered \$10 million in revenue, decreasing only 8% versus the second quarter of 2019, despite limited access to patients. We leveraged our geographic diversity and the late 2019 European launch of ILUVIEN for uveitis while managing our expenses. These results led to improvements in net loss and adjusted EBITDA compared to the second quarter of 2019,” said Rick Eiswirth, Alimera’s President and Chief Executive Officer. “As we move through the COVID-19 pandemic, we believe that physicians will see ILUVIEN in a new light. Having not made any changes to our staffing levels across the organization, we believe we are positioned to communicate how ILUVIEN provides significant long-term clinical benefits while reducing the number of visits for high-risk patients. ILUVIEN can also help doctors work through their backlog of patients who have been left untreated or undertreated during the pandemic.”

Second Quarter 2020 Financial Results

Net Revenue

Consolidated net revenue for Q2 2020 was down 8% to \$10.0 million, compared to \$10.9 million for Q2 2019.

U.S. net revenue was \$3.4 million for Q2 2020, down 53% from \$7.3 million during the same period in 2019. End user demand, which represents units purchased by physicians and pharmacies from Alimera's U.S. distributors, was 625 units in Q2 2020 compared to 917 units in Q2 2019, a decrease of 32%, as a result of lower demand due to COVID-19. Additionally, our distributors lowered their inventory levels and purchased approximately 36% fewer units than they sold to end users as weekly volumes decreased in the second quarter due to COVID-19.

International net revenue increased 89% to approximately \$6.6 million in Q2 2020, compared to approximately \$3.5 million for the same period during 2019, driven primarily by increasing sales behind the posterior uveitis indication in the U.K. and Germany and by increased business in our distributor markets

Operating Expenses

Total operating expenses for Q2 2020 decreased by \$3.4 million or 26% to \$9.9 million, compared to \$13.3 million during Q2 2019. Alimera achieved major expense reductions by reducing travel costs, decreasing attendance at medical conferences that were cancelled or converted to virtual meetings and reducing its spending on external commercial and medical activities.

Net Loss and Non-GAAP Adjusted EBITDA

For Q2 2020, Alimera reported a net loss of approximately \$2.5 million, compared to a net loss of \$5.0 million for Q2 2019. "Adjusted EBITDA," a non-GAAP financial measure defined below, was a loss of approximately \$0.3 million for Q2 2020, compared to a loss of approximately \$2.1 million for Q2 2019.

Net Loss per Share

Basic and diluted net loss per share for Q2 2020 was \$(0.51). This compares to basic and diluted net loss per share for Q2 2019 of \$(1.06).

Cash and Cash Equivalents

As of June 30, 2020, Alimera had cash and cash equivalents of approximately \$13.5 million, compared to \$12.2 million in cash and cash equivalents as of March 31, 2020.

Definition of Non-GAAP Financial Measure

For purposes of this press release, "Adjusted EBITDA" is defined as earnings before interest, taxes, depreciation, amortization, stock-based compensation expenses, net unrealized gains and losses from foreign currency exchange transactions, losses on extinguishment of debt and severance expenses. Please refer to the sections of this press release entitled "Non-GAAP Financial Measure" and "Reconciliation of GAAP Net Loss to Non-GAAP Adjusted EBITDA."

Conference Call to Be Held July 30, 2020

Management will host a conference call at 9:00 AM ET on Thursday, July 30, 2020, to review financial results and provide an update on corporate developments. Following management's formal remarks, there will be a question and answer session.

Participants are asked to pre-register for the call through the following link: <http://dpre register.com/10145768>. Please note that registered participants will receive their dial in

number upon registration and will dial directly into the call without delay. Those without internet access or unable to pre-register may dial in by calling: 1-866-777-2509 (domestic) or 1-412-317-5413 (international). All callers should dial in approximately 10 minutes prior to the scheduled start time and ask to be joined into the Alimera Sciences call. The conference call will also be available through a live webcast, which can be accessed through the following link: <https://services.choruscall.com/links/alimera200730.html>, which is also available through the company's website at <https://investors.alimerasciences.com/ALIM/events/3819>.

A webcast replay of the call will be available approximately one hour after the end of the call through October 30, 2020. The replay can be accessed through the above links or by calling 1-877-344-7529 (domestic) or 1-412-317-0088 (international) and using access code 10145768. The telephonic replay will be available until August 13, 2020.

About Alimera Sciences, Inc.

www.alimerasciences.com

Alimera is a pharmaceutical company that specializes in the commercialization and development of prescription ophthalmic pharmaceuticals. Alimera is presently focused on diseases affecting the back of the eye, or retina, because these diseases are not well treated with current therapies and affect millions of people globally. For more information, please visit www.alimerasciences.com.

Non-GAAP Financial Measure

This press release contains a discussion of a non-GAAP financial measure, as defined in Regulation G promulgated under the Securities Exchange Act of 1934, as amended. Alimera reports its financial results in compliance with GAAP but believes that the non-GAAP measure of Adjusted EBITDA provides useful information to investors regarding Alimera's operating performance. Alimera uses Adjusted EBITDA in the management of its business. Accordingly, Adjusted EBITDA for the three and six months ended June 30, 2020 has been presented in certain instances excluding items identified in the reconciliations provided in the table entitled "Reconciliation of GAAP Net Loss to non-GAAP Adjusted EBITDA." GAAP net loss is the most directly comparable GAAP financial measure to Adjusted EBITDA.

Adjusted EBITDA, as presented, may not be comparable to similarly titled measures reported by other companies because not all companies may calculate Adjusted EBITDA in an identical manner. Therefore, Adjusted EBITDA is not necessarily an accurate measure of comparison between companies.

The presentation of Adjusted EBITDA is not intended to be considered in isolation or as a substitute for guidance prepared in accordance with GAAP. The principal limitation of this non-GAAP financial measure is that it excludes significant elements required by GAAP to be recorded in Alimera's financial statements. In addition, Adjusted EBITDA is subject to inherent limitations as it reflects the exercise of judgments by management in determining this non-GAAP financial measure.

About ILUVIEN

ILUVIEN (fluocinolone acetonide intravitreal implant) 0.19 mg is a sustained release intravitreal implant, injected into the back of the eye. With its CONTINUOUS MICRODOSING™ technology, ILUVIEN is designed to release submicrogram levels of fluocinolone acetonide, a corticosteroid, for up to 36 months, to reduce the recurrence of disease. ILUVIEN enables patients to maintain vision longer with fewer injections. ILUVIEN is approved in the U.S., Canada, Kuwait, Lebanon and the U.A.E. to treat diabetic macular edema (DME) in patients who have been previously treated with a course of corticosteroids and did not have a clinically significant rise in intraocular pressure. In 17 European countries, ILUVIEN is indicated for the treatment of vision impairment associated with chronic DME considered insufficiently responsive to available therapies and for prevention of relapse in recurrent non-infectious uveitis affecting the posterior segment of the eye (NIPU). Alimera does not have the contractual right to pursue approval to treat uveitis in the U.S., and therefore does not have a regulatory license in the U.S. to treat NIPU. For important safety information on ILUVIEN, see <https://iluvien.com/#isi>

Forward Looking Statements

This press release contains, and the remarks by Alimera's officers on the conference call may contain, "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, regarding, among other things, Alimera's expectations with respect to (a) how physicians will view ILUVIEN in light of current circumstances, and (b) Alimera being positioned to communicate how ILUVIEN provides significant long-term clinical benefits while reducing the number of visits for high-risk patients. Such forward-looking statements are based on current expectations and involve inherent risks and uncertainties, including factors that could delay, divert or change them, and could cause actual results to differ materially from those projected in the forward-looking statements. Meaningful factors that could cause actual results to differ include, but are not limited to, physicians may elect to continue to use anti-VEGF treatments as before without adding ILUVIEN to the treatment regimen or substituting ILUVIEN for anti-VEGF treatments, or other unexpected circumstances, and risks that include continuing risks relating to the COVID-19 pandemic, such as increased COVID-19 cases in certain states that have resulted or may again result in reduced access to medical facilities for patient visits with their physicians and continuing concerns of patients with diabetes who may be unwilling to visit their physicians in person (even if otherwise permitted) due to their fear of contracting COVID-19. Other factors are discussed in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of Alimera's Annual Report on Form 10-K for the year ended December 31, 2019 and Alimera's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, which are on file with the Securities and Exchange Commission (SEC) and are available on the SEC's website at <http://www.sec.gov>. Applicable risk factors will also be described in those sections of Alimera's Quarterly Report on Form 10-Q for the second quarter of 2020, to be filed with the SEC soon.

The forward-looking statements in this press release speak only as of the date of this press release (unless another date is indicated). Alimera undertakes no obligation, and specifically declines any obligation, to publicly update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.

For investor inquiries:

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For media inquiries:

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ALIMERA SCIENCES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)

	June 30,	
	2020	—
	(unaudited)	—
CURRENT ASSETS:		
Cash and cash equivalents	\$ 13,496	\$
Restricted cash	31	
Accounts receivable, net	14,034	
Prepaid expenses and other current assets	2,942	
Inventory (Note 7)	1,968	
Total current assets	<u>32,471</u>	—
NON-CURRENT ASSETS:		
Property and equipment, net	1,205	
Right of use assets, net	867	
Intangible asset, net (Note 8)	13,816	
Deferred tax asset	735	
TOTAL ASSETS	<u>\$ 49,094</u>	—
CURRENT LIABILITIES:		
Accounts payable	\$ 5,884	\$
Accrued expenses	3,140	
Notes payable	889	
Finance lease obligations	226	
Total current liabilities	<u>10,139</u>	—
NON-CURRENT LIABILITIES:		
Note payable, net of discount (Note 10)	42,510	
Finance lease obligations — less current portion	311	
Other non-current liabilities	3,664	
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' DEFICIT:		
Preferred stock, \$.01 par value — 10,000,000 shares authorized at June 30, 2020 and December 31, 2019:		
Series A Convertible Preferred Stock, 1,300,000 authorized and 600,000 issued and outstanding at June 30, 2020 and December 31, 2019; liquidation preference of \$24,000 at June 30, 2020 and December 31, 2019	19,227	
Series C Convertible Preferred Stock, 10,150 authorized issued and outstanding at June 30, 2020 and December 31, 2019; liquidation preference of \$10,150 at June 30, 2020 and December 31, 2019	11,117	
Common stock, \$.01 par value — 150,000,000 shares authorized, 5,031,745 shares issued and outstanding at June 30, 2020 and 4,965,949 shares issued and outstanding at December 31, 2019	50	
Additional paid-in capital	350,769	
Common stock warrants	3,707	
Accumulated deficit	(391,314)	
Accumulated other comprehensive loss	(1,086)	
TOTAL STOCKHOLDERS' DEFICIT	<u>(7,530)</u>	—
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	<u>\$ 49,094</u>	—

ALIMERA SCIENCES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2020 AND 2019
(in thousands, except share and per share data)

	Three Months Ended June 30,		(unaudited)	Six Months June 30,
	2020	2019	2020	2020
NET REVENUE	\$ 10,038	\$ 10,855	\$	24,573
COST OF GOODS SOLD, EXCLUDING DEPRECIATION AND AMORTIZATION	(1,485)	(1,174)		(3,412)
GROSS PROFIT	8,553	9,681		21,161
RESEARCH, DEVELOPMENT AND MEDICAL AFFAIRS EXPENSES	1,810	2,834		4,693
GENERAL AND ADMINISTRATIVE EXPENSES	2,975	3,675		6,156
SALES AND MARKETING EXPENSES	4,382	6,108		10,054
DEPRECIATION AND AMORTIZATION	685	654		1,339
OPERATING EXPENSES	9,852	13,271		22,242
NET LOSS FROM OPERATIONS	(1,299)	(3,590)		(1,081)
INTEREST EXPENSE AND OTHER	(1,351)	(1,236)		(2,643)
UNREALIZED FOREIGN CURRENCY INCOME (LOSS), NET	109	49		28
NET LOSS BEFORE TAXES	(2,541)	(4,777)		(3,696)
PROVISION FOR TAXES	(5)	(261)		(48)
NET LOSS	\$ (2,546)	\$ (5,038)	\$	(3,744)
NET LOSS PER COMMON SHARE — Basic and diluted	\$ (0.51)	\$ (1.06)	\$	(0.75)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING — Basic and diluted	5,030,833	4,732,687		5,005,777

ALIMERA SCIENCES, INC.
CONSOLIDATING STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED JUNE 30, 2020 AND 2019
(in thousands)

	Three Months Ended June 30, 2020				Three Months Ended June 30, 2019		
	U.S.	International	Other	Consolidated	U.S.	International	Other
	(unaudited)						
NET REVENUE	\$ 3,420	\$ 6,618	\$ —	\$ 10,038	\$ 7,320	\$ 3,535	\$ —
COST OF GOODS SOLD, EXCLUDING DEPRECIATION AND AMORTIZATION	(423)	(1,062)	—	(1,485)	(808)	(366)	—
GROSS PROFIT	2,997	5,556	—	8,553	6,512	3,169	—
RESEARCH, DEVELOPMENT AND MEDICAL AFFAIRS EXPENSES	1,098	664	48	1,810	1,630	1,090	114
GENERAL AND ADMINISTRATIVE EXPENSES	1,943	838	194	2,975	2,150	946	579
SALES AND MARKETING EXPENSES	3,207	1,100	75	4,382	4,217	1,779	112
DEPRECIATION AND AMORTIZATION	—	—	685	685	—	—	654
OPERATING EXPENSES	6,248	2,602	1,002	9,852	7,997	3,815	1,459
SEGMENT (LOSS) INCOME FROM OPERATIONS	(3,251)	2,954	(1,002)	(1,299)	(1,485)	(646)	(1,459)
OTHER INCOME AND EXPENSES, NET	—	—	(1,242)	(1,242)	—	—	(1,187)
NET LOSS BEFORE TAXES			<u>\$ (2,541)</u>				

ALIMERA SCIENCES, INC.
CONSOLIDATING STATEMENTS OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2020 AND 2019
(in thousands)

	Six Months Ended				Six Months Ended			
	June 30, 2020				June 30, 2019			
	U.S.	International	Other	Consolidated	U.S.	International	Other	Consolidated
	(unaudited)							
NET REVENUE	\$ 10,487	\$ 14,086	\$ —	\$ 24,573	\$ 14,086	\$ 9,659	\$ —	\$ —
COST OF GOODS SOLD, EXCLUDING DEPRECIATION AND AMORTIZATION	(1,182)	(2,230)	—	(3,412)	(1,493)	(1,281)	—	—
GROSS PROFIT	9,305	11,856	—	21,161	12,593	8,378	—	—
RESEARCH, DEVELOPMENT AND MEDICAL AFFAIRS EXPENSES	3,020	1,557	116	4,693	3,057	2,261	243	—
GENERAL AND ADMINISTRATIVE EXPENSES	3,915	1,775	466	6,156	4,084	1,933	1,051	—
SALES AND MARKETING EXPENSES	7,487	2,392	175	10,054	8,258	3,484	279	—
DEPRECIATION AND AMORTIZATION	—	—	1,339	1,339	—	—	1,306	—
OPERATING EXPENSES	14,422	5,724	2,096	22,242	15,399	7,678	2,879	—
SEGMENT (LOSS) INCOME FROM OPERATIONS	(5,117)	6,132	(2,096)	(1,081)	(2,806)	700	(2,879)	—
OTHER INCOME AND EXPENSES, NET	—	—	(2,615)	(2,615)	—	—	(2,484)	—
NET LOSS BEFORE TAXES			<u>\$ (3,696)</u>					<u>\$ —</u>

RECONCILIATION OF GAAP MEASURES TO NON-GAAP ADJUSTED MEASURES
GAAP NET INCOME OR LOSS TO NON-GAAP ADJUSTED EBITDA
(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
	(unaudited)			
GAAP NET LOSS	\$ (2,546)	\$ (5,038)	\$ (3,744)	\$ (7,801)
Adjustments to net loss:				
Interest expense and other	1,351	1,236	2,643	2,464
Provision for taxes	5	261	48	332
Depreciation and amortization	685	654	1,339	1,306
Stock-based compensation expenses	317	629	757	1,399
Unrealized foreign currency exchange (gains) losses	(109)	(49)	(28)	20
Non-cash accrued severance expenses	—	175	—	175
NON-GAAP ADJUSTED EBITDA (LOSS) INCOME	\$ (297)	\$ (2,132)	\$ 1,015	\$ (2,105)
