SeaSpine Holdings Corp
Form 10-Q
November 12, 2015
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2015
or

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

For the transition period from to
COMMISSION FILE NO. 001-36905

SeaSpine Holdings Corporation
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	47-3251758
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

5770 Armada Drive, Carlsbad, California	92008
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)	(ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (760) 727-8399

2302 La Mirada Drive, Vista, California	92081

(FORMER NAME, FORMER ADDRESS AND FORMER FISCAL YEAR, IF CHANGED SINCE LAST REPORT

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	o	Accelerated filer	o
Non-accelerated filer	x (Do not check if a smaller reporting company)	Smaller reporting company	o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No ý

The number of shares of the registrant's Common Stock, $0.01 par value, outstanding as of November 5, 2015 was 11,102,928.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

SEASPINE HOLDINGS CORPORATION
CONDENSED CONSOLIDATED AND COMBINED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Total revenue, net	$32,679	$33,606	$98,454	$103,547
Cost of goods sold	17,341	14,282	44,448	42,077
Gross profit	15,338	19,324	54,006	61,470
Operating expenses:				
Selling, general and administrative	26,348	20,262	83,059	64,518
Research and development	2,364	2,111	5,973	6,259
Intangible amortization	1,295	1,397	4,049	4,174
Total operating expenses	30,007	23,770	93,081	74,951
Operating loss	(14,669)	(4,446)	(39,075)	(13,481)
Other income (expense), net	195	(30)	(577)	(59)
Loss before income taxes	(14,474)	(4,476)	(39,652)	(13,540)
Provision (benefit) for income taxes	(275)	840	2,130	2,764
Net loss	$(14,199)	$(5,316)	$(41,782)	$(16,304)
Net Loss per share, basic and diluted	$(1.27)	$(0.48)	$(3.75)	$(1.48)
Weighted average shares used to compute basic and diluted net loss per share	11,171	11,048	11,130	11,048

The accompanying notes are an integral part of these condensed consolidated and combined financial statements.

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SEASPINE HOLDINGS CORPORATION
CONDENSED CONSOLIDATED AND
COMBINED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited)
(In thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net loss	$(14,199)	$(5,316)	$(41,782)	$(16,304)
Other comprehensive income (loss)				
Change in foreign currency translation adjustments	525	(535)	937	(446)
Comprehensive loss	$(13,674)	$(5,851)	$(40,845)	$(16,750)

The accompanying notes are an integral part of these condensed consolidated and combined financial statements.

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SEASPINE HOLDINGS CORPORATION
CONDENSED CONSOLIDATED AND COMBINED BALANCE SHEETS
(Unaudited)
(In thousands, except par value data)

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	September 30, 2015	December 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	$38,503	$652
Trade accounts receivable, net of allowances of $794 and $558	25,345	22,538
Inventories	52,897	49,862
Deferred tax assets	141	436
Prepaid expenses and other current assets	4,300	1,128
Total current assets	121,186	74,616
Property, plant and equipment, net	23,026	16,360
Intangible assets, net	41,589	46,891
Deferred tax assets	450	501
Other assets	222	1,274
Total assets	$186,473	$139,642
LIABILITIES AND INVESTED EQUITY		
Current liabilities:		
Accounts payable, trade	13,748	36,637
Income taxes payable	726	608
Accrued compensation	6,550	6,300
Accrued expenses and other current liabilities	3,724	2,407
Total current liabilities	24,748	45,952
Other liabilities	2,565	2,406
Total liabilities	27,313	48,358
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.01 par value; 15,000 authorized; none issued and outstanding	—	—
Common stock, $0.01 par value; 60,000 authorized; 11,103 shares issued and outstanding at September 30, 2015, and none issued and outstanding at December 31, 2014	111	—
Additional paid-in capital	171,418	—
Integra net investment prior to the spin-off	—	90,391
Accumulated other comprehensive income	1,830	893
Accumulated deficit	(14,199)	—
Total stockholders' equity	159,160	91,284
Total liabilities and stockholders' equity	$186,473	$139,642

The accompanying notes are an integral part of these condensed consolidated and combined financial statements.

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SEASPINE HOLDINGS CORPORATION
CONDENSED CONSOLIDATED AND COMBINED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Nine Months Ended September 30, 2015	2014
OPERATING ACTIVITIES:		
Net loss	$(41,782)	$(16,304)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization	9,169	9,857
Instrument replacement expense	944	1,206
Impairment of instruments	175	—
Provision for excess and obsolete inventories	6,069	2,037
Stock-based compensation	1,775	454
Amortization of inventory step-up	—	165
Allocation of non-cash charges from Integra	563	1,523
Changes in assets and liabilities		
Accounts receivable	(2,099)	5,667
Inventories	(8,752)	(1,322)
Prepaid expenses and other current assets	5,612	213
Other non-current assets	(6,164)	524
Accounts payable	5,213	1,317
Income taxes payable	406	(621)
Accrued expenses and other current liabilities	1,413	308
Other non-current liabilities	(1,993)	(84)
Net cash (used in) provided by operating activities	(29,451)	4,940
INVESTING ACTIVITIES:		
Purchases of property and equipment	(9,826)	(2,343)
Technology license milestone payment	(150)	—
Net cash used in investing activities	(9,976)	(2,343)
FINANCING ACTIVITIES:		
Integra net investment prior to the spin-off	77,173	(2,587)
Excess tax benefits from stock-based compensation arrangements	37	—
Net cash provided by (used in) financing activities	77,210	(2,587)
Effect of exchange rate changes on cash and cash equivalents	68	(2)
Net change in cash and cash equivalents	37,851	8
Cash and cash equivalents at beginning of period	652	646
Cash and cash equivalents at end of period	$38,503	$654
Non-cash financing activities:		
Settlement of related-party payable to Integra net investment	$29,022	$—
Non-cash investing activities:		
Property and equipment in liabilities	$1,419	$520

The accompanying notes are an integral part of these condensed consolidated and combined financial statements.

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SEASPINE HOLDINGS CORPORATION
CONDENSED CONSOLIDATED AND COMBINED STATEMENT OF EQUITY
(Unaudited)
(In thousands)

	Common Stock		Additional	Integra	Accumulated Other		Total
	Number of Shares	Amount	Paid-In Capital	Net Investment	Comprehensive Income	Accumulated Deficit	Stockholder's Equity
Balance January 1, 2015	—	$—	$—	$ 90,391	$ 893	$ —	$ 91,284
Net loss	—	—	—	(27,583)	—	(14,199)	(41,782)
Net transfer from Integra	—	—	—	107,106	—	—	107,106
Reclassification of Integra net investment in connection with spin-off	—	—	169,914	(169,914)		—	—
Foreign currency translation adjustment	—	—	—	—	937	—	937
Issuance of common stock in connection with spin-off	11,048	110	(110)	—	—	—	—
Restricted stock awards issued	66	1	(1)	—	—	—	—
Restricted stock awards forfeited	(11)	—	—	—	—	—	—
Stock-based compensation	—	—	1,578	—	—	—	1,578
Excess tax benefits from stock-based compensation arrangements	—	—	37	—	—	—	37
Balance September 30, 2015	11,103	$ 111	$ 171,418	$ —	$ 1,830	$ (14,199)	$ 159,160

The accompanying notes are an integral part of these condensed consolidated and combined financial statements.

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SEASPINE HOLDINGS CORPORATION
NOTES TO UNAUDITED CONDENSED CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS

1. BUSINESS
Spin-off from Integra
As of June 30, 2015, SeaSpine Holdings Corporation ("SeaSpine", or the "Company") was a subsidiary of Integra LifeSciences Holdings Corporation ("Integra"). On July 1, 2015, Integra completed the spin-off of its orthobiologics and spinal fusion hardware business into SeaSpine, which was created to be a separate, independent, publicly-traded medical technology company focused on the design, development and commercialization of surgical solutions for the treatment of patients suffering from spinal disorders. Unless the context indicates otherwise, (i) references to "SeaSpine", the "Company", and the "Business", refer to SeaSpine Holdings Corporation and its orthobiologics and spinal fusion hardware business and (ii) references to "Integra" refer to Integra LifeSciences Holdings Corporation and its subsidiaries other than SeaSpine.
On July 1, 2015 (the "Distribution Date"), SeaSpine common stock was distributed, on a pro rata basis, to Integra's stockholders of record as of 5:00 p.m. Eastern Time on June 19, 2015 (the "Record Date"). On the Distribution Date, each holder of Integra common stock received one share of SeaSpine common stock for every three shares of Integra common stock held by such holder as of the Record Date. The spin-off was completed pursuant to a Separation and Distribution Agreement and several other agreements with Integra or its subsidiaries related to the spin-off, including an Employee Matters Agreement, a Tax Matters Agreement, a Transition Services Agreement and several Supply Agreements, each of which is filed as an Exhibit to the Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission ("SEC") on July 1, 2015 and incorporated by reference herein. These agreements govern the relationship between SeaSpine and Integra following the spin-off and provide for the allocation of various assets, liabilities, rights and obligations. These agreements also include arrangements for transition services, products and raw materials to be provided by Integra to SeaSpine and transition services and products to be provided by SeaSpine to Integra. For a discussion of each agreement, see the section entitled "Certain Relationships and Related Party Transactions" in the SeaSpine Information Statement included as Exhibit 99.1 to the Registration Statement on Form 10, as amended, filed with the SEC on June 9, 2015 (the "Information Statement").
The SeaSpine Registration Statement on Form 10 became effective on June 9, 2015, and SeaSpine common stock began "regular-way" trading on the NASDAQ Global Market on July 2, 2015 under the symbol "SPNE."

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation
For periods prior to the spin-off, the Company's condensed combined financial statements were derived from the audited combined financial statements included in the Information Statement, which were prepared on a stand-alone basis and derived from Integra's consolidated financial statements and accounting records related to its orthobiologics and spinal fusion hardware business and should be read in conjunction with the notes to financial statements included in the Information Statement. The Company relied on Integra for a significant portion of its operational and administrative support. The combined financial statements included allocations of certain Integra corporate expenses, including information technology resources and support; finance, accounting, auditing services; real estate and facility management services; human resources activities; certain procurement activities; treasury services, legal advisory services and costs for research and development. These costs were allocated to the Company on the basis of direct usage when identifiable, with the remainder allocated on a pro-rata basis of revenue, standard costs of sales, or other measures.
Integra used a centralized approach to cash management and financing of its operations and substantially all cash generated by the Company through May 4, 2015, the date the Company implemented a separate enterprise resource planning ("ERP") system for SeaSpine, was assumed to be remitted to Integra. Prior to the spin-off, cash management and financing transactions relating to the Company were accounted for through the Integra invested equity account.

Accordingly, none of the Integra cash and cash equivalents at the corporate level were assigned to SeaSpine in the combined financial statements. Integra’s debt and related interest expense were not allocated to SeaSpine for any of the periods presented since the Company was not the legal obligor of the debt and Integra’s borrowings were not directly attributable to SeaSpine.

Subsequent to the spin-off, the Company’s unaudited interim condensed financial statements as of and for the three months ended September 30, 2015 are presented on a consolidated basis, as the Company became a separate publicly-traded company on July 1, 2015. The Company performs its operational and administrative support using internal resources and purchased

SEASPINE HOLDINGS CORPORATION
NOTES TO UNAUDITED CONDENSED CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS
(continued)

services, some of which will be provided by Integra for a fee during a transitional period pursuant to a transition services agreement. These fees are partially offset by other income from SeaSpine services provided to Integra.

The Company prepared the unaudited interim condensed consolidated and combined financial statements included in this report in accordance with accounting principles generally accepted in the U.S. (“GAAP”) for interim financial information and the rules and regulations of the SEC related to quarterly reports on Form 10-Q. Accordingly, they do not include all information and disclosures required by GAAP for annual audited financial statements and should be read in conjunction with the Company’s audited combined financial statements and notes thereto included in the Information Statement. In the opinion of management, the unaudited interim condensed consolidated and combined financial statements have been prepared on the same basis as the audited combined financial statements and include all adjustments, which include only normal recurring adjustments, necessary for a fair statement of the financial position, results of operations, cash flows, and statement of equity for periods presented. The results for the three and nine months ended September 30, 2015 are not necessarily indicative of the results expected for the full year. The condensed combined balance sheet as of December 31, 2014 was derived from the audited combined financial statements for the year ended December 31, 2014 included in the Information Statement.
See Note 4, “Transactions with Integra,” for further information regarding the relationships the Company has with Integra.

Reclassifications

Certain reclassifications have been made to prior year amounts to conform to the current year presentation. The reclassifications were not material to the interim condensed consolidated and combined financial statements.

Principles of Consolidation and Combination

For periods prior to the spin-off, the combined financial statements include certain assets and liabilities that have historically been held at the Integra level but were specifically identifiable or otherwise attributable to the Company. All significant intra-company transactions within Integra's pre-spin off orthobiologics and spinal fusion hardware business have been eliminated. All significant transactions between the Company and other businesses of Integra before the spin-off are included in these combined financial statements.

For periods subsequent to the spin-off, the consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. Intercompany accounts and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of 90 days or less at the date of purchase to be cash equivalents. Cash and cash equivalents include cash in readily available checking and money market accounts.

Fair Value of Financial Instruments

The carrying amounts of cash, cash equivalents, receivables, accounts payable and accrued expenses at September 30, 2015 and December 31, 2014, are considered to approximate fair value because of the short term nature of those items.

Recently Issued Accounting Standards

In May 2014, the Financial Accounting Standards Board ("FASB") issued Update No. 2014-09, Revenue from Contracts with Customers (Topic 606). The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should:

1) identify the contract(s) with a customer, 2) identify the performance obligations in the contract, 3) determine the transaction price, 4) allocate the transaction price to the performance obligations in the contract, and 5) recognize revenue when (or as) the entity satisfies a performance obligation. In July 2015, the FASB deferred for one year the effective date of the new revenue standard, but early adoption is permitted. The new standard will be effective for the Company on January 1, 2018. The Company is in the process of evaluating the impact of this standard on its financial statements.

In August 2014, the FASB issued Update No. 2014-15, Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern. The amendment requires management to evaluate, for each annual and interim reporting period, whether there are conditions and events, considered in the aggregate, that raise substantial doubt about an entity's ability to continue as a

SEASPINE HOLDINGS CORPORATION
NOTES TO UNAUDITED CONDENSED CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS
(continued)

going concern within one year after the date the financial statements are issued or are available to be issued. If substantial doubt is raised, additional disclosures around management’s plan to alleviate these doubts are required. This update will become effective for all annual periods and interim reporting periods beginning after December 15, 2016. The implementation of the amended guidance is not expected to have an impact on current disclosures in our financial statements.

In April 2015, the FASB issued Update No. 2015-03, Simplifying the Presentation of Debt Issuance Costs. The new standard will require debt issuance costs to be presented on the balance sheet as a direct reduction of the carrying value of the associated debt liability, consistent with the presentation of debt discounts. The recognition and measurement requirements will not change as a result of this guidance. The standard is effective for the annual reporting periods beginning after December 15, 2015 and requires a retrospective application. The guidance in ASU 2015-03 does not address presentation or subsequent measurement of debt issuance costs related to line-of-credit arrangements. In August 2015, the FASB issued ASU 2015-15, Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements. Under the new standard, the SEC staff will not object to an entity deferring and presenting debt issuance costs as an asset and subsequently amortizing the deferred debt issuance costs ratably over the term of the line-of-credit arrangement, regardless of whether there are any outstanding borrowings on the line-of-credit arrangement. The implementation of the amended guidance is not expected to have an impact on current disclosures in our financial statements.

In July 2015, the FASB issued Update No. 2015-11, Simplifying the Measurement of Inventory. The new guidance requires an entity to measure inventory within the scope of the amendment at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. The guidance is effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. The implementation of the amended guidance is not expected to have an impact on current disclosures in our financial statements.

Net Loss Per Share
For periods prior to the spin-off, basic and diluted net loss per share was calculated based on the approximately 11.0 million shares of SeaSpine common stock that were distributed to Integra shareholders on July 1, 2015. For periods subsequent to the spin-off, basic and diluted net loss per share was calculated using the weighted-average number of shares of common stock outstanding during the period. The weighted average number of shares used to compute diluted net loss per share excludes any assumed exercise of stock options, and any assumed issuance of common stock under restricted stock units as the effect would be antidilutive. Common stock equivalents of 1.8 million shares for the three and nine months ended September 30, 2015 were excluded from the calculation because of their antidilutive effect.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	(In thousands, except per share data)			
Net loss	$(14,199)	$(5,316)	$(41,782)	$(16,304)
Loss Per Share Data				
Loss per share				
Basic and diluted	$(1.27)	$(0.48)	$(3.75)	$(1.48)
Weighted average number of shares outstanding				
Basic and diluted	11,171	11,048	11,130	11,048

3. FAIR VALUE MEASUREMENTS

In connection with the spin-off, the Company received $34.0 million in cash from Integra on July 1, 2015. The Company invested the entire amount in money market funds, which are valued based on publicly available quoted market prices for identical securities as of September 30, 2015. The Company recorded the fair value of these money market funds, which totaled $26.0 million at September 30, 2015, as cash equivalents, based on quoted market prices in active markets. These cash equivalents are classified as level 1 fair value financial instruments.

SEASPINE HOLDINGS CORPORATION
NOTES TO UNAUDITED CONDENSED CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (continued)

4. TRANSACTIONS WITH INTEGRA

Related-party Transactions

Prior to the spin-off, and pursuant to certain supply agreements subsequent to the spin-off, SeaSpine purchases a portion of raw materials and finished goods from Integra for the Mozaik family of products, and SeaSpine contract manufactures certain finished goods for Integra. The Company's purchases of raw materials and Mozaik product finished goods from Integra for the three months ended September 30, 2015 and 2014 totaled $1.9 million and $0.3 million, respectively, and for the nine months ended September 30, 2015 and 2014 totaled $5.6 million and $1.2 million, respectively. The amount of finished goods sold by SeaSpine to Integra was immaterial for all periods presented.

Pursuant to a transition services agreement, Integra and SeaSpine will provide certain services following the spin-off, and Integra and SeaSpine will indemnify each other against certain liabilities arising from their respective businesses. Under this agreement, Integra provides us with certain support functions, including information technology, accounting and other financial functions, regulatory affairs and quality assurance, human resources and other administrative support. In addition, SeaSpine provides limited information technology and systems support services to Integra. The Company incurred approximately $1.8 million of costs under the agreement during the three months ended September 30, 2015, of which $0.5 million was outstanding at September 30, 2015. The amount of services provided by SeaSpine to Integra was immaterial during the three months ended September 30, 2015. Integra also collected funds from customers on behalf of the Company, of which $1.0 million was outstanding as of September 30, 2015 and recorded in Other Current Assets.

Allocated Costs

For periods prior to the spin-off, the condensed combined statements of operations included direct expenses for cost of goods sold, research and development, sales and marketing, customer service, and administration as well as allocations of expenses arising from shared services and infrastructure provided by Integra to the Company, such as costs of information technology, including the costs of a multi-year global enterprise resource planning implementation, accounting and legal services, real estate and facilities management, corporate advertising, insurance and treasury services, and other corporate and infrastructure services. These allocations are included in the table below. These expenses were allocated to the Company using estimates that the Company considers to be a reasonable reflection of the utilization of services provided to or benefits received from the Company. The allocation methods include pro-rata basis of revenue, standard cost of sales or other measures.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	(In thousands)			
Cost of goods sold	$—	$326	$488	$978
Selling, general and administrative	—	4,215	8,633	13,977
Research and development	—	119	253	370
Total Allocated Costs	$—	$4,660	$9,374	$15,325

Included in the above amounts are certain non-cash allocated costs, including stock-based compensation. Such amounts were $0.4 million for the three months ended September 30, 2014, and $0.6 million and $1.5 million for the nine months ended September 30, 2015 and 2014 respectively.

All significant related party transactions between SeaSpine and Integra were included in the condensed consolidated and combined financial statements and were considered to be effectively settled for cash at the time the transaction was recorded, with the exception of (i) the purchases from Integra of Mozaik raw materials and finished goods for all periods presented and (ii) the provision of services by Integra to SeaSpine under the transition services agreement during the three months ended September 30, 2015. The total net effect of the transactions considered to be effectively settled for cash was reflected in the combined statement of cash flows as a financing activity and in the combined

balance sheet as Integra net investment.
The following table summarizes the components of the net increase (decrease) in Integra net investment for the three and nine months ended September 30, 2015 and 2014:

SEASPINE HOLDINGS CORPORATION
NOTES TO UNAUDITED CONDENSED CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS
(continued)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	(In thousands)			
Cash pooling and general financing activities (a)	$34,025	$(5,489)	$68,386	$(16,389)
Corporate Allocations (excluding non-cash adjustments)	—	4,265	8,787	13,802
Total Integra net investment in financing activities within cash flow statement	34,025	(1,224)	77,173	(2,587)
Non-cash adjustments (b)	—	540	29,806	1,977
Spin-off related adjustment (c)	(166)	—	(166)	—
Reclassification of Integra net investment in connection with the spin-off	(169,914)	—	(169,914)	—
Foreign exchange impact	—	(133)	293	(79)
Net decrease in Integra investment	$(136,055)	$(817)	$(	