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 16, 2024

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

Delaware	**001-38993**	**45-3337483**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

10897 South River Front Parkway #300
South Jordan, UT 84095
(Address of principal executive offices, including zip code)

(801) 708-6800
(Registrant's telephone number, including area code)

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))

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

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common Stock, par value $0.001 per share	**HCAT**	**The Nasdaq Global Select 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 1.01. Entry into a Material Definitive Agreement.

On July 16, 2024 (the “Closing Date”), Health Catalyst, Inc., a Delaware corporation (the “Company”) entered into that certain Credit Agreement (the “Credit Agreement”) by and among the Company, as the borrower, Silver Point Finance, LLC, as administrative agent and collateral agent (the “Administrative Agent”), and the lenders from time to time party thereto (collectively, the “Lenders”). The Credit Agreement provides a five-year term loan facility in an aggregate principal amount of up to $225 million, consisting of (i) an initial term loan in the aggregate principal amount of $125 million (the “Initial Term Loan”), which was funded in full on the Closing Date, and (ii) a delayed draw term loan facility in the aggregate principal amount of $100 million, which was undrawn as of the Closing Date (the “Delayed Draw Facility”, and each borrowing thereunder, collectively, the “Delayed Draw Loans”, and, together with the Initial Term Loan, the “Term Loans”). The Company has the option to draw (x) up to $40 million under the Delayed Draw Facility at any time on or prior to the date that is six months after the Closing Date (the “Delayed Draw A Loans”) and (y) up to an additional $60 million under the Delayed Draw Facility at any time on or prior to the date that is eighteen months after the Closing Date (the “Delayed Draw B Loans”), in each case, subject to the Company having satisfied certain conditions precedent to funding (including, among others, pro forma compliance with a minimum liquidity threshold and a maximum recurring revenue ratio).

The net proceeds from the Initial Term Loan will be used, together with cash on hand, (i) to repurchase, repay and/or pay amounts of cash due upon conversion of any or all of the Company’s existing convertible notes due 2025 at any time on or prior to the maturity of such existing convertible notes and (ii) for working capital and general corporate purposes. The proceeds from the Delayed Draw Loans, if any, will be used to fund the Company’s inorganic growth strategy through permitted acquisitions (including deferred purchase price or similar arrangements related thereto) and to pay fees, costs, and expenses in connection therewith. The maturity date of the Term Loans is July 16, 2029 (the “Maturity Date”).

Borrowings under the Credit Agreement may take the form of base rate loans or SOFR loans, at the option of the Company. Base rate loans will bear interest at a rate per annum equal to (A) the ABR (as defined below), which is subject to a floor of 2.00% per annum, plus (B) an applicable margin of 5.50% per annum. SOFR loans will bear interest at a rate per annum equal to (A) Term SOFR (as defined in the Credit Agreement) for a period of one, three or six months (as selected by the Company), subject to a floor of 1.00% per annum, plus (B) an applicable margin of 6.50% per annum. During the continuance of an event of default under the Credit Agreement, the interest rate on any overdue principal and interest may (or in the case of a payment or bankruptcy event of default, shall) increase by an additional 2.00% per annum. “ABR” means the highest of (i) the Prime Rate (as defined in the Credit Agreement), (ii) the Federal Funds Effective Rate (as defined in the Credit Agreement) plus 0.50% per annum, and (iii) the Daily SOFR Rate (as defined in the Credit Agreement) plus 1.00% per annum.

The Initial Term Loan will amortize in quarterly installments in an amount equal to 0.25% of the aggregate original principal amount of the Initial Term Loans borrowed on the Closing Date. Each Delayed Draw Loan will amortize in quarterly installments in an amount equal to 0.25% of the aggregate original principal amount of such Delayed Draw Loan that was funded on the applicable funding date. Such amortization payments will be due on the last day of each fiscal quarter of the Company, commencing with the quarter ending on December 31, 2024 (or, in the case of any Delayed Draw Loan, the first full fiscal quarter ending after the funding date thereof), until maturity. On the Maturity Date, the Company shall be required to repay the entire principal amount of Initial Term Loans and Delayed Draw Loans then outstanding, together with all accrued and unpaid interest, fees and other amounts due thereon.

In addition to paying interest on the Term Loans as described above, the Company is required to pay a commitment fee on the unutilized commitments under the Delayed Draw Facility (such commitments in respect of the Delayed Draw A Loans, the “Delayed Draw A Commitments”, and such commitments in respect of the Delayed

Draw B Loans, the “Delayed Draw B Commitments”). The commitment fee (i) for the Delayed Draw A Commitments is equal to 1.50% per annum on the actual daily unused outstanding amount of the Delayed Draw A Commitments and (ii) for the Delayed Draw B Commitments is equal to (x) for the period commencing on the Closing Date through and including the one-year anniversary of the Closing Date, 1.50% per annum on the actual daily unused outstanding amount of Delayed Draw B Commitments and (y) thereafter, 2.50% per annum on the actual daily unused outstanding amount of Delayed Draw B Commitments. The commitment fee is due and payable quarterly in arrears on the last business day of each calendar quarter, commencing with the quarter ending September 30, 2024.

Subject to exceptions set forth in the Credit Agreement, mandatory prepayments of the Term Loans using all or a portion of the net cash proceeds received from the applicable event will be required to the extent the Company or any of its subsidiaries (i) incurs certain permitted convertible indebtedness, (ii) incurs indebtedness that is not permitted to be incurred pursuant to the terms of Credit Agreement, (iii) receives net cash proceeds from certain asset sales or certain insurance and/or condemnation events, (iv) generates cash flow in excess of a certain threshold in any fiscal year (commencing with the fiscal year ending December 31, 2025), (v) receives cash proceeds in connection with certain sales by the Company of common stock or (vi) receives net cash proceeds outside of the ordinary course of business in connection with judgments, settlements, indemnity payments, or similar consideration or payments. The Term Loans may be voluntarily prepaid, in whole or in part at any time, subject to the prepayment premium described below, and certain notice requirements and minimum prepayment amounts as set forth in the Credit Agreement.

Any voluntary prepayment of Term Loans, any acceleration of Term Loans, and certain mandatory prepayments of Term Loans are, in each case, subject to a prepayment premium equal to (i) if such prepayment or acceleration occurs prior to July 16, 2025, 3.00% plus the Applicable Make-Whole Amount (as defined in the Credit Agreement), (ii) if such prepayment or acceleration occurs on or after July 16, 2025 but prior to July 16, 2026, 3.00%, (iii) if such prepayment or acceleration occurs on or after July 16, 2026 but prior to July 16, 2027, 2.00%, and (iv) if such prepayment or acceleration occurs on or after July 16, 2027 but prior to July 16, 2028, 1.00%. There is no prepayment premium required for any prepayment or acceleration of the Term Loans occurring on or after July 16, 2028.

The Credit Agreement contains various representations and warranties, affirmative covenants, and negative covenants, including covenants that restrict the ability of the Company and its subsidiaries to take certain actions including, among other things and subject to certain exceptions, the incurrence of debt, the granting of liens, engaging in mergers and other fundamental changes, the making of investments, entering into transactions with affiliates, the payment of dividends and other restricted payments, the prepayment of other indebtedness and the sale of assets. The Credit Agreement also requires the Company to maintain (i) a minimum liquidity threshold, tested as of the end of each business day, (ii) a maximum recurring revenue-based leverage ratio, tested on a quarterly basis commencing with the fiscal quarter ending September 30, 2024 through and including the fiscal quarter ending June 30, 2026, and (iii) a maximum EBITDA-based net leverage ratio, tested on a quarterly basis, commencing with the fiscal quarter ending September 30, 2026, through maturity.

The Company’s obligations under the Credit Agreement and the other loan documents are required to be guaranteed by all present and future domestic and foreign subsidiaries of the Company, subject to certain exceptions (the subsidiaries providing such guarantees, collectively, the “Guarantors”). All obligations under the Credit Agreement and the other loan documents are secured by a first priority perfected lien on, and security interest in, substantially all present and future assets of the Company and the Guarantors, subject to certain exceptions.

The Credit Agreement includes various events of default, including, among others: non-payment of principal, interest or fees, violation of covenants, inaccuracy of representations or warranties, cross-default to other material indebtedness, bankruptcy and insolvency events, invalidity or impairment of security interests or invalidity of loan documents, certain ERISA events, unsatisfied or unstayed judgments and change of control. Upon the occurrence of an event of default, the Administrative Agent and the Lenders may declare all outstanding obligations immediately due and payable and take such other actions as set forth in the Credit Agreement and the related loan documents, including proceeding against the collateral securing such borrowings.

The foregoing description of the material terms of the Credit Agreement is qualified in its entirety by the terms and conditions of the Credit Agreement, a copy of which will be filed as an exhibit to the Company’s Quarterly Report on Form 10-Q for the period ending June 30, 2024.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth under Item 1.01 with respect to the Credit Agreement is incorporated herein by reference.

Item 8.01. Other Events.

On July 18, 2024, the Company issued a press release announcing the entry into the Credit Agreement. A copy of the press release is attached hereto as Exhibit 99.1.

The information contained in Item 8.01 of this Current Report, including Exhibit 99.1, is being furnished and shall not be deemed "filed" for any purposes, including for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. Such information shall not be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1*	Health Catalyst, Inc. press release dated July 18, 2024
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

* Furnished herewith.

SIGNATURE

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.

HEALTH CATALYST, INC.

Date: July 18, 2024

By: /s/ Jason Alger

Jason Alger

Chief Financial Officer

Exhibit 99.1

Health Catalyst Announces New Credit Facility for up to $225,000,000

Salt Lake City, Utah – July 18, 2024 – Health Catalyst, Inc. ("Health Catalyst" or the "Company") (Nasdaq: HCAT), a leading provider of data and analytics technology and services to healthcare organizations, today announced it has entered into a five-year term loan facility for up to $225,000,000 (the "Credit Facility" or the "Financing") with Silver Point Finance, the direct lending business of Silver Point Capital, L.P. The Financing consists of (i) an initial term loan facility in an aggregate principal amount of $125,000,000 (the "Initial Facility") and (ii) a delayed draw term loan facility (the "Delayed Draw Facility") in an aggregate principal amount of $100,000,000.

The Credit Facility closed on July 16, 2024 (the "Closing Date"), and Health Catalyst borrowed $125,000,000 of the Initial Facility (constituting the entire amount thereof) on the Closing Date. The Delayed Draw Facility remained undrawn as of the Closing Date. Health Catalyst has the option to draw (x) up to $40,000,000 under the Delayed Draw Facility at any time on or prior to the date that is six months after the Closing Date, and (y) up to an additional $60,000,000 under the Delayed Draw Facility at any time on or prior to the date that is 18 months after the Closing Date, in each case subject to certain terms and conditions.

The net proceeds of the Initial Facility, together with cash on hand, will be used (x) to refinance Health Catalyst's existing convertible notes, which mature in 2025, at any time at or prior to maturity, and (y) for working capital and general corporate purposes. The proceeds of the Delayed Draw Facility may be used to fund Health Catalyst's inorganic growth strategy.

"This financing is an important milestone for Health Catalyst and its shareholders. The Credit Facility not only assists with refinancing our existing convertible notes, but also provides flexibility and additional non-dilutive capital for us to continue to proactively pursue meaningful organic and inorganic growth opportunities, and to continue to act as a consolidation platform for our clients, integrating compelling technologies within our five areas of focus, which we believe positions us well to create client and shareholder value. We are pleased to have Silver Point as a long-term strategic financing partner as we continue our mission to be the catalyst for massive, measurable, data-informed healthcare improvement," said Dan Burton, Health Catalyst's Chief Executive Officer.

Jason Alger, Health Catalyst's Chief Financial Officer, shared, "This financing represents a dynamic, flexible solution that allows Health Catalyst to refinance existing debt and fund growth initiatives in a non-dilutive way. Additionally, we believe that the structure of the financing, in particular the delayed draw feature, allows us to continue to pursue and finance our acquisition strategy as we continue to work on improving EBITDA and increasing our cashflow. This flexible structure, which we believe enables us to address our near-term convertible notes maturity in a non-dilutive fashion, allows us to focus on creating value for our shareholders, while maintaining a strong, flexible balance sheet."

"We are pleased to partner with Health Catalyst and work closely with their team to develop a flexible financing solution that supports the Company's growth initiatives and enables the Company to refinance their existing convertible notes. The Company is at an exciting inflection point and we believe our capital allows Dan, Jason and the entire team the time, flexibility and dry powder to execute their plan," said Anthony DiNello, Head of Silver Point Finance.

Lazard acted as sole placement agent and financial advisor to the Company in connection with the Credit Facility and Latham & Watkins LLP acted as legal advisor to the Company.

Additional information about this transaction can be found in a Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission.

About Health Catalyst

Health Catalyst is a leading provider of data and analytics technology and services to healthcare organizations committed to being the catalyst for massive, measurable, data-informed healthcare improvement. Its customers leverage the cloud-based data platform—powered by data from more than 100 million patient records and encompassing trillions of facts—as well as its analytics software and professional services expertise to make data-informed decisions and realize measurable clinical, financial, and operational improvements. Health Catalyst envisions a future in which all healthcare decisions are data informed.

About Silver Point Finance

For over 20 years, Silver Point Finance ("SPF") has been an active participant in the direct lending market, providing customized financing solutions to middle-market companies across a broad range of industries. SPF's transactions support acquisitions, refinancings, bridge loans, growth capital, balance sheet restructurings and leveraged recapitalizations. Along with its affiliates, SPF manages approximately $13 billion in investable capital and, in 2023, agented or arranged approximately $6.2 billion in credit facilities. Silver Point Finance is the direct lending business of Silver Point Capital, L.P., a leader in global credit investing that oversees the management of approximately $31 billion in investable capital. For more information, please visit
silverpointfinance.com.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, as amended. These forward-looking statements include statements regarding the availability of the Delayed Draw Facility, the use of proceeds from the loans under the Credit Facility, the Company's ability to refinance existing indebtedness, potential investments in technology, the Company's pursuit and financing of the Company's acquisition strategy, and the Company's ability to maximize shareholder value. Forward-looking statements are subject to risks and uncertainties and are based on potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Actual results may differ materially from the results predicted, and reported results should not be considered as an indication of future performance.

Important risks and uncertainties that could cause actual results to differ materially from the Company's expectations include, among others, risks and uncertainties relating to the aggregate overall level of indebtedness that the Company incurs and the terms and conditions of any changes in the Company's debt financing; risks and uncertainties concerning the use of proceeds or the allocation and uses of capital; risks and uncertainties related to fluctuations in the secured overnight financing rate, federal funds- and/or prime-based rates; and risks and uncertainties concerning whether the financial performance of the Company meets expectations. For a detailed discussion of the risk factors that could affect the Company's actual results, please refer to the risk factors identified in the Company's SEC reports, including, but not limited to the Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2024 filed with the SEC on May 10, 2024 and the Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on February 22, 2024. All information provided in this release and in the attachments is as of the date hereof, and the Company undertakes no duty to update or revise this information unless required by law.

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