

Radius Health, Inc.
Form 10-Q
November 10, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended September 30, 2014.

Or

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

For the transition period from to .

Commission File Number 001-35726

Radius Health, Inc.

(Exact name of registrant as specified in its charter)

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Delaware
(State or other jurisdiction of
Incorporation or organization)

80-0145732
(IRS Employer
Identification Number)

950 Winter Street
Waltham, Massachusetts
(Address of Principal Executive Offices)

02451
(Zip Code)

(617) 551-4000

(Registrant's telephone number, including area code)

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 No

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

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.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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

Number of shares of the registrant's Common Stock, \$.0001 par value per share, outstanding as of November 6, 2014: 32,923,834 shares

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CURRENCY AND CONVERSIONS

In this report, references to dollar or \$ are to the legal currency of the United States, and references to euro or are to the single currency introduced on January 1, 1999 at the start of the third stage of European Economic and Monetary Union, pursuant to the Treaty establishing the European Communities, as amended by the Treaty on European Union and the Treaty of Amsterdam. Unless otherwise indicated, the financial information in this report has been expressed in U.S. dollars. Unless otherwise stated, the U.S. dollar equivalent information translating euros into U.S. dollars has been made, for convenience purposes, on the basis of the noon buying rate published by the Board of Governors of the Federal Reserve as of September 30, 2014, which was 1.00 = \$1.2628. Such translations should not be construed as a representation that the euro has been, could have been or could be converted into U.S. dollars at the rate indicated, any particular rate or at all.

Trademarks appearing in this report are the property of their respective holders.

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(In thousands, except share and per share amounts)

	September 30, 2014 (unaudited)	December 31, 2013
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 16,466	\$ 12,303
Marketable securities	52,048	
Prepaid expenses and other current assets	1,380	334
Total current assets	69,894	12,637
Property and equipment, net	790	76
Other assets	252	45
Total assets	\$ 70,936	\$ 12,758
LIABILITIES, CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable	\$ 1,309	\$ 300
Accrued expenses and other current liabilities	21,911	22,007
Current portion of note payable, net of discount	2,027	13,005
Total current liabilities	25,247	35,312
Note payable, net of current portion and discount	22,295	
Warrant liability		1,945
Commitments and contingencies		
Series B-2 Convertible Preferred Stock, \$.0001 par value; no shares and 655,000 shares authorized, no shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively		
Series B Convertible Preferred Stock, \$.0001 par value; no shares and 980,000 shares authorized, no shares and 701,235 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively		43,892
Series A-1 Convertible Preferred Stock, \$.0001 par value; no shares and 1,000,000 shares authorized, no shares and 939,612 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively		78,737
Series A-2 Convertible Preferred Stock, \$.0001 par value; no shares and 983,213 shares authorized, no shares and 983,208 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively		93,977
Series A-3 Convertible Preferred Stock, \$.0001 par value; no shares and 142,230 shares authorized, no shares and 142,227 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively		12,232
Series A-4 Convertible Preferred Stock, \$.0001 par value; no shares and 4,000 shares authorized, no shares and 3,998 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively		271

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Series A-5 Convertible Preferred Stock, \$.0001 par value; no shares and 7,000 shares authorized, no shares and 6,443 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively			525
Series A-6 Convertible Preferred Stock, \$.0001 par value; no shares and 800,000 shares authorized, no shares and 496,111 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively			23,168
Stockholders' equity (deficit):			
Common stock, \$.0001 par value; 200,000,000 shares and 100,000,000 shares authorized, 29,747,797 shares and 385,664 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively		3	
Additional paid-in-capital		349,677	
Accumulated other comprehensive loss		(10)	
Accumulated deficit		(326,276)	(277,301)
Total stockholders' equity (deficit)		23,394	(277,301)
Total liabilities, convertible preferred stock and stockholders' equity (deficit)	\$	70,936	\$ 12,758

See accompanying notes to unaudited condensed financial statements.

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Radius Health, Inc.

Condensed Statements of Operations and Comprehensive Loss

(Unaudited, in thousands, except share and per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
OPERATING EXPENSES:				
Research and development	\$ 13,817	\$ 15,543	\$ 34,152	\$ 49,070
General and administrative	2,836	1,621	8,045	4,643
Loss from operations	(16,653)	(17,164)	(42,197)	(53,713)
OTHER (EXPENSE) INCOME:				
Other (expense) income, net		(2,607)	(506)	7,465
Loss on retirement of note payable			(203)	