

Radius Health, Inc.
Form 10-Q
May 06, 2015
[Table of Contents](#)

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 March 31, 2015.

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)

Edgar Filing: Radius Health, Inc. - Form 10-Q

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 May 1, 2015: 37,890,202 shares

Table of Contents

RADIUS HEALTH, INC.
QUARTERLY REPORT FOR THE QUARTER ENDED MARCH 31, 2015
ON FORM 10-Q

INDEX

PART I FINANCIAL INFORMATION

<u>Item 1.</u>	<u>Financial Statements</u>	2
	<u>Condensed Balance Sheets as of March 31, 2015 and December 31, 2014</u>	2
	<u>Condensed Statements of Operations and Comprehensive Loss for the three months ended March 31, 2015 and 2014</u>	3
	<u>Condensed Statement of Stockholders' Equity for the three months ended March 31, 2015</u>	4
	<u>Condensed Statements of Cash Flows for the three months ended March 31, 2015 and 2014</u>	5
	<u>Notes to Unaudited Financial Statements</u>	6
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	15
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	26
<u>Item 4.</u>	<u>Controls and Procedures</u>	27

PART II OTHER INFORMATION 28

<u>Item 1.</u>	<u>Legal Proceedings</u>	28
<u>Item 1A.</u>	<u>Risk Factors</u>	28
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	47
<u>Item 3.</u>	<u>Defaults Upon Senior Securities</u>	47
<u>Item 4.</u>	<u>Mine Safety Disclosures</u>	47
<u>Item 5.</u>	<u>Other Information</u>	47
<u>Item 6.</u>	<u>Exhibits</u>	48

SIGNATURES 49

Table of Contents

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 March 31, 2015, which was 1.00 = \$1.0741. 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.

Table of Contents**Item 1. Financial Statements****Radius Health, Inc.****Condensed Balance Sheets**

(In thousands, except share and per share amounts)

	March 31, 2015 (unaudited)	December 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 34,810	\$ 28,518
Marketable securities	199,364	76,758
Prepaid expenses and other current assets	2,489	2,057
Total current assets	236,663	107,333
Property and equipment, net	863	842
Marketable securities, long-term	8,904	
Other assets	261	242
Total assets	\$ 246,691	\$ 108,417
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable	\$ 3,173	\$ 2,292
Accrued expenses and other current liabilities	12,108	18,267
Current portion of note payable, net of discount	2,446	
Total current liabilities	17,727	20,559
Note payable, net of current portion and discount	22,016	24,394
Total liabilities	\$ 39,743	\$ 44,953
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$.0001 par value; 200,000,000 shares authorized; 37,882,967 shares and 32,924,535 shares issued and outstanding at March 31, 2015 and December 31, 2014, respectively	\$ 4	\$ 3
Additional paid-in-capital	568,198	407,720
Accumulated other comprehensive income (loss)	41	(21)
Accumulated deficit	(361,295)	(344,238)
Total stockholders' equity	206,948	63,464
Total liabilities and stockholders' equity	\$ 246,691	\$ 108,417

See accompanying notes to unaudited condensed financial statements.

Table of Contents**Radius Health, Inc.****Condensed Statements of Operations and Comprehensive Loss**

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

	Three Months Ended March 31,	
	2015	2014
OPERATING EXPENSES:		
Research and development	\$ 11,559	\$ 9,717
General and administrative	4,756	2,139
Loss from operations	(16,315)	(11,856)
OTHER (EXPENSE) INCOME:		
Other income (expense), net	(50)	(2,233)
Interest income	105	2
Interest expense	(797)	(401)
NET LOSS	\$ (17,057)	\$ (14,488)
OTHER COMPREHENSIVE INCOME, NET OF TAX:		
Unrealized gain from marketable securities	62	
COMPREHENSIVE LOSS	\$ (16,995)	\$ (14,488)
LOSS ATTRIBUTABLE TO COMMON STOCKHOLDERS - BASIC AND DILUTED		
(Note 10):	\$ (17,057)	\$ (19,457)
LOSS PER SHARE:		
Basic	\$ (0.47)	\$ (50.45)
Diluted	\$ (0.47)	\$ (50.45)
WEIGHTED AVERAGE SHARES:		
Basic	36,268,975	385,664
Diluted	36,268,975	385,664

See accompanying notes to unaudited condensed financial statements.