

Radius Health, Inc.
Form 10-Q
November 14, 2013
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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, 2013.

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 000-53173

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)

201 Broadway
Sixth Floor
Cambridge, Massachusetts
(Address of Principal Executive Offices)

02142
(Zip Code)

(617) 551-4700

(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, \$0.0001 par value per share, outstanding as of November 14, 2013: 879,370 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, 2013, which was 1.00 = \$1.3535. 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 Unaudited****Radius Health, Inc.****Condensed Balance Sheets**

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

	September 30, 2013	December 31, 2012
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 19,493	\$ 18,653
Marketable securities	10,250	4,000
Prepaid expenses and other current assets	242	2,463
Total current assets	29,985	25,116
Property and equipment, net	91	139
Other assets	45	45
Total assets	\$ 30,121	\$ 25,300
LIABILITIES, CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS		
DEFICIT		
Current liabilities:		
Accounts payable	\$ 2,684	\$ 550
Accrued expenses and other current liabilities	22,943	8,740
Current portion of note payable, net of discount	10,837	7,800
Total current liabilities	36,464	17,090
Note payable, net of current portion and discount	4,369	13,005
Warrant liability	2,499	830
Other liabilities	22,186	24,387
Commitments and contingencies		
Series B Convertible Preferred Stock, \$.0001 par value; 980,000 shares authorized, 701,235 shares and no shares issued and outstanding at September 30, 2013 and December 31, 2012, respectively	43,024	
Series A-1 Convertible Preferred Stock, \$.0001 par value; 1,000,000 shares authorized, 939,612 shares issued and outstanding at September 30, 2013 and December 31, 2012	76,987	71,957
Series A-2 Convertible Preferred Stock, \$.0001 par value; 983,213 shares authorized, 983,208 shares issued and outstanding at September 30, 2013 and December 31, 2012	92,094	86,714
Series A-3 Convertible Preferred Stock, \$.0001 par value; 142,230 shares authorized, 142,227 shares issued and outstanding at September 30, 2013 and December 31, 2012	11,960	11,182
Series A-4 Convertible Preferred Stock, \$.0001 par value; 4,000 shares authorized, 3,998 shares issued and outstanding at September 30, 2013 and December 31, 2012	271	271
Series A-5 Convertible Preferred Stock, \$.0001 par value; 7,000 shares authorized, 6,443 shares issued and outstanding at September 30, 2013 and December 31, 2012	525	525
Series A-6 Convertible Preferred Stock, \$.0001 par value; 800,000 shares authorized, no shares issued and outstanding at September 30, 2013 and December 31, 2012		
Stockholders' deficit:		

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Common stock, \$.0001 par value; 100,000,000 shares authorized, 879,370 and 867,204 shares issued and outstanding at September 30, 2013 and December 31, 2012, respectively			
Additional paid-in-capital			
Accumulated other comprehensive income			
Accumulated deficit		(260,258)	(200,661)
Total stockholders' deficit		(260,258)	(200,661)
Total liabilities, convertible preferred stock and stockholders' deficit	\$	30,121	\$ 25,300

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 September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
OPERATING EXPENSES:				
Research and development	\$ 15,543	\$ 14,173	\$ 49,070	\$ 38,539
General and administrative	1,621	1,918	4,643	6,209
Loss from operations	(17,164)	(16,091)	(53,713)	(44,748)
OTHER (EXPENSE) INCOME:				
Other (expense) income, net	(2,607)	(604)	7,465	(1,788)
Interest income	11	18	27	53
Interest expense	(582)	(853)	(1,938)	(1,880)
NET LOSS	\$ (20,342)	\$ (17,530)	\$ (48,159)	\$ (48,363)
OTHER COMPREHENSIVE LOSS, NET OF TAX:				
Unrealized gain from available-for-sale securities	(3)	(7)		(2)
COMPREHENSIVE LOSS	\$ (20,345)	\$ (17,537)	\$ (48,159)	\$ (48,365)
LOSS ATTRIBUTABLE TO COMMON STOCKHOLDERS - BASIC AND DILUTED (Note 10):				
	\$ (25,090)	\$ (21,090)	\$ (60,857)	\$ (58,733)
LOSS PER SHARE:				
Basic	\$ (28.53)	\$ (24.53)	\$ (69.77)	\$ (70.76)
Diluted	\$ (28.53)	\$ (24.53)	\$ (69.77)	\$ (70.76)
WEIGHTED AVERAGE SHARES:				
Basic	879,370	859,769	872,195	830,068
Diluted	879,370	859,769	872,195	830,068

See accompanying notes to unaudited condensed financial statements.

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Radius Health, Inc.

Statements of Convertible Preferred Stock and Stockholders Deficit

(Unaudited, in thousands except share amounts)

	Convertible Preferred Stock										Stockholders Deficit				
	Seris B Shares	Series A-1 Shares	Series A-2 Shares	Series A-3 Shares	Series A-4 Shares	Series A-5 Shares	Series A-6 Shares	Common Shares	Additional Paid-in Capital	Accumulated Deficit	Total Deficit	Stockhold ers	Deficit		
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount		
Balance at December 31, 2012		939,612	\$ 71,957	983,208	\$ 86,714	142,227	\$ 11,182	3,998	\$ 271	6,443	\$ 525	\$ 867,204	\$ \$ \$ \$ (200,661)	\$ (200,661)	
Net loss														(48,159)	(48,159)
Unrealized gain from available-for-sale securities															
Issuance of common stock												12,166	13		13
Issuance of preferred stock	701,235														