

Radius Health, Inc.
Form 10-Q
August 07, 2018
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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 June 30, 2018

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)
Delaware 80-0145732
(State or other jurisdiction of (IRS Employer
Incorporation or organization) Identification Number)

950 Winter Street
Waltham, Massachusetts 02451
(Address of Principal Executive Offices and 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 every Interactive Data File required to be submitted 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 such files). Yes No

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

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

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.

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

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Number of shares of the registrant's Common Stock, \$.0001 par value per share, outstanding as of August 6, 2018:
45,476,455 shares

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Item 1. Condensed Consolidated Financial Statements

Radius Health, Inc.

Condensed Consolidated Balance Sheets

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

| | June 30, 2018 (unaudited) | December 31, 2017 |
|---|---------------------------------|----------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 51,441 | \$ 118,564 |
| Restricted cash | 555 | 55 |
| Marketable securities | 179,730 | 134,714 |
| Accounts receivable, net | 10,957 | 4,441 |
| Inventory | 6,220 | 4,366 |
| Prepaid expenses | 6,527 | 5,175 |
| Other current assets | 1,467 | 2,191 |
| Total current assets | 256,897 | 269,506 |
| Investments | 86,763 | 176,978 |
| Property and equipment, net | 5,210 | 6,195 |
| Intangible assets | 7,781 | 8,180 |
| Other assets | 633 | 799 |
| Total assets | \$ 357,284 | \$ 461,658 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 2,532 | \$ 3,915 |
| Accrued expenses and other current liabilities | 45,177 | 49,512 |
| Total current liabilities | 47,709 | 53,427 |
| Other non-current liabilities | 142 | 189 |
| Notes payable | 172,674 | 166,006 |
| Total liabilities | \$ 220,525 | \$ 219,622 |
| Commitments and contingencies | | |
| Stockholders' equity: | | |
| Common stock, \$.0001 par value; 200,000,000 shares authorized, 45,476,455 shares and 44,616,586 shares issued and outstanding at June 30, 2018 and December 31, 2017, respectively | 5 | 4 |
| Additional paid-in-capital | 1,150,765 | 1,124,630 |
| Accumulated other comprehensive loss | (1,290) | (314) |
| Accumulated deficit | (1,012,721) | (882,284) |
| Total stockholders' equity | 136,759 | 242,036 |
| Total liabilities and stockholders' equity | \$ 357,284 | \$ 461,658 |

See accompanying notes to unaudited condensed consolidated financial statements.

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Radius Health, Inc.

Condensed Consolidated Statements of Operations and Comprehensive Loss
(Unaudited, in thousands, except share and per share amounts)

| | Three Months Ended June 30, 2018 | | Six Months Ended June 30, 2017 | |
|---|---|-----------|--------------------------------------|------------|
| REVENUES: | | | | |
| Product revenue, net | \$22,629 | \$ 980 | \$37,176 | \$ 980 |
| OPERATING EXPENSES: | | | | |
| Cost of sales - product | 1,603 | 105 | 2,691 | 105 |
| Cost of sales - intangible amortization | 200 | — | 399 | — |
| Research and development | 26,324 | 19,652 | 49,175 | 39,179 |
| Selling, general and administrative | 48,579 | 50,121 | 96,605 | 88,220 |
| Other operating expenses | 10,801 | — | 10,801 | — |
| Loss from operations | (64,878) | (68,898) | (122,495) | (126,524) |
| OTHER (EXPENSE) INCOME: | | | | |
| Other income (expense) | 171 | (97) | 66 | (17) |
| Interest expense | (5,683) | — | (11,248) | — |
| Interest income | 1,508 | 557 | 3,240 | |