
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):

February 26, 2018

OPKO Health, Inc.

(Exact name of registrant as specified in its charter)

Delaware

001-33528

75-2402409

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

4400 Biscayne Blvd., Miami, Florida

33137

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(305) 575-4100

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))

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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. [☐]

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Item 1.01 Entry into a Material Definitive Agreement

The information set forth under Item 3.02 of this Current Report on Form 8-K is incorporated herein by reference to this Item 1.01.

Item 2.02 Results of Operations and Financial Condition

On March 1, 2018, OPKO Health, Inc., a Delaware corporation (the “Company”), issued a press release announcing operating and financial highlights for the quarter and full year ended December 31, 2017. A copy of the press release is attached hereto as Exhibit 99.1.

The information included herein and in Exhibit 99.1 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 as amended (“Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 as amended (“Securities Act”) or the Exchange Act, except as expressly set forth by specific reference in such a filing.

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 3.02 of this Current Report on Form 8-K is incorporated herein by reference to this Item 2.03.

Item 3.02 Unregistered Sales of Equity Securities.

On February 27, 2018, the Company, issued a series of 5% Convertible Promissory Notes (the “Notes”) in the aggregate principal amount of \$55 million. The Notes mature five (5) years from the date of issuance. Each holder of a Note has the option, from time to time, to convert all or any portion of the outstanding principal balance of such Note, together with accrued and unpaid interest thereon, into shares of the Company’s common stock, par value \$0.01 per share (“Common Stock”), at a conversion price of \$5.00 per share of Common Stock (the “Shares”). The Company may redeem all or any part of the then issued and outstanding Notes, together with accrued and unpaid interest thereon, pro rata among the holders, upon no fewer than 30 days, and no more than 60 days, notice to the holders. The Notes contain customary events of default and representations and warranties of the Company. The Company intends to use the proceeds of the Notes for general corporate purposes.

The issuance of the Notes and the issuance of the Shares, if any, upon conversion thereof was not, and will not be, respectively, registered under the Securities Act of 1933, as amended, pursuant to the exemption provided by Section 4(a)(2) thereof, and the Company has not agreed to register the Shares if or when such Shares are issued.

Purchasers of the Notes include an affiliate of Dr. Phillip Frost, M.D., the Company’s Chairman and Chief Executive Officer, and Dr. Jane H. Hsiao, Ph.D., MBA, the Company’s Vice-Chairman and Chief Technical Officer.

The foregoing description of the Notes is only a summary and is qualified in its entirety by reference to the form of Note, a copy of which will be filed as an exhibit to our Annual Report on Form 10-K for the year ended December 31, 2017.

Item 7.01 Regulation FD Disclosure.

On February 26, 2018, the Company issued a press release announcing that it will hold a conference call to provide a business update and discuss its second quarter financial and operating results. A copy of the press release is attached hereto as Exhibit 99.2. The Company also expects to give revenue guidance in the conference call.

The information included herein and in Exhibit 99.2 shall not be deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release of the Company dated March 1, 2018
99.2	Press Release of the Company dated February 26, 2018

Exhibit Index

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SIGNATURES

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.

OPKO Health, Inc.

March 1, 2018

By: Adam Logal

Name: Adam Logal

Title: Senior Vice President-Chief Financial Officer



OPKO Health Reports 2017 Fourth Quarter Business Highlights and Financial Results

Conference Call begins today at 4:30 p.m. Eastern Time

MIAMI (March 1, 2018) – **OPKO Health, Inc. (NASDAQ: OPK)** reports business highlights and financial results for the three months ended December 31, 2017.

Business Highlights

RAYALDEE total prescriptions reported by IMS increased 47% in Q4 2017 compared with Q3 2017: Total prescriptions were more than 3,900 during the three months ended December 31, 2017. As of January 1, 2018, more than 79% of patients have access to *RAYALDEE* under their insurance plans.

4Kscore® utilization increased 15% in Q4 2017 compared with Q4 2016: OPKO has undertaken a number of initiatives to drive utilization of the *4Kscore* test, the Company's blood test that gives a man with elevated prostate specific androgen (PSA) levels a personalized prediction of his chance of having or developing an aggressive form of prostate cancer. OPKO launched regional television ads in the Northeast for the *4Kscore* test on November 21, 2017 and expanded the television ads to Florida in February 2018.

Premarket Approval (PMA) application for Claros® point-of-care (POC) PSA test submitted to FDA: On November 6, 2017, OPKO submitted a PMA for a PSA test utilizing the Claros 1 immunoassay analyzer, a novel diagnostic instrument that can provide rapid, quantitative blood test results in 10 minutes in the physician's office with only a finger stick drop of whole blood. A second product on the same platform for testosterone is advancing toward a 510(k) submission to the FDA later this year.

Global and Japan Phase 3 and registration studies for hGH-CTP in pediatric growth hormone deficient children are making good progress in enrolling patients: The global pediatric study is a pivotal, non-inferiority design comparing a single weekly administration of hGH-CTP with daily injections of a currently marketed growth hormone product. This study is expected to complete enrollment this year. The global and Japanese pediatric studies utilize the pen device and formulation that will be launched commercially upon approval. The pediatric segment represents more than 80% of the commercial market for treatment of hGH deficiency.

Initiated a Phase 2b clinical trial for OPK88004, an orally administered selective androgen receptor modulator (SARM): In November 2017, OPKO initiated a Phase 2b dose-ranging study for the treatment of men with benign prostatic hypertrophy (BPH), or enlarged prostate. OPK88004 is expected to improve the symptoms of BPH by reducing prostate size and, on the basis of data from a previous trial in 350 men, increase muscle mass and bone strength and decrease fat mass. BPH affects approximately 50 million men in the U.S.

Initiation of four Phase 2 clinical trials anticipated in 2018:

- **RAYALDEE line extension in dialysis patients with secondary hyperparathyroidism (SHPT):** Together with its partners Vifor Fresenius and Japan Tobacco, OPKO is developing *RAYALDEE* for Stage 5 chronic kidney disease (CKD) patients with SHPT undergoing dialysis and anticipates initiating a global Phase 2 trial in dialysis centers in the second quarter of this year.
- **OPK88003, a once-weekly oxyntomodulin dual GLP1-Glucagon agonist for type 2 diabetes and obesity:** OPKO expects to initiate a Phase 2b dose-escalation study with OPK88003 in the second quarter of this year. In a 420-patient Phase 2 trial in patients with type 2 diabetes, OPK88003 reduced HbA1c levels similar to exenatide extended-release (Ex ER). The drug also showed statistically significantly greater weight loss and lowering of total cholesterol and triglycerides compared to once-weekly Ex ER, with a good safety profile.
- **OPK88002, an NK-1 antagonist to treat pruritus (itching) in Stage 5 CKD patients undergoing dialysis:** An Investigational New Drug application was submitted to the FDA and plans are being finalized to begin a single-dose Phase 2a trial of OPK88002 in dialysis patients to treat severe itching. Approximately 50% of renal dialysis patients experience difficulty to control pruritus.
- **OPK88001 for the treatment of Dravet Syndrome:** Three clinical research centers in the United States are expected to participate in this first in human clinical study of the AntagoNAT for treatment of Dravet Syndrome.

Financial Highlights

Net loss of \$213.9 during the three months ended December 31, 2017 included \$147.7 million of non-recurring or non-cash items consisting of:

- o \$73.3 million of revenue adjustments
- o \$13.2 million of intangible impairment related to VARUBI™
- o \$61.2 million Income tax provision

Consolidated revenues for the three months ended December 31, 2017 were \$193.7 million compared to \$275.5 million for the comparable period of 2016. During the three months ended December 31, 2017, revenue from services were negatively impacted by non-recurring reimbursement adjustments from commercial and federal payor programs of \$73.3 million and by reduced sample volume of \$9.3 million. Revenue from products included \$9.1 million of revenue from RAYALDEE, including \$6.2 million related to revenue previously deferred through September 30, 2017.

During the three months ended December 31, 2017, operating expenses included investment in the commercial activities supporting the launch of RAYALDEE of \$7.9 million, as well as continued investment in the Company's pharmaceutical pipeline, with R&D expense increasing to \$34.2 million. In addition, fourth quarter 2017 operating expenses included a \$13.2 million impairment related to our VARUBI intangible assets as a result of our licensee's discontinuation of the IV formulation.

During the three months ended December 31, 2017, a \$61.2 million income tax provision was recorded, principally as a result of the Tax Cuts and Jobs Act (\$31.8 million) as well as recording a valuation allowance against our U.S. based deferred tax assets. The comparable period of 2016 includes an income tax benefit of \$31.5 million.

Cash, cash equivalents and marketable securities were \$91.5 million as of December 31, 2017.

OPKO strengthened its balance sheet with a \$55 million private placement of convertible notes issued on February 27, 2018.

CONFERENCE CALL & WEBCAST INFORMATION

OPKO's senior management will provide a business update and discuss results in greater detail in a conference call and live audio webcast at 4:30 p.m. Eastern time today. The conference call dial-in and webcast information is as follows:

DOMESTIC DIAL-IN:	866-634-2258
INTERNATIONAL DIAL-IN:	330-863-3454
PASSCODE:	1973978
WEBCAST:	http://investor.opko.com/events.cfm

For those unable to participate in the live conference call or webcast, a replay will be available beginning March 1, 2018 approximately two hours after the close of the conference call. To access the replay, dial 855-859-2056 or 404-537-3406. The replay passcode is 1973978. The replay can be accessed for a period of time on OPKO's website at <http://investor.opko.com/events.cfm>.

About OPKO Health, Inc.

OPKO Health is a diversified healthcare company that seeks to establish industry-leading positions in large, rapidly growing markets. Our diagnostics business includes BioReference Laboratories, the nation's third-largest clinical laboratory with a core genetic testing business and a 400-person sales and marketing team to drive growth and leverage new products, including the 4Kscore prostate cancer test and the Claros® 1 in-office immunoassay platform. Our pharmaceutical business features RAYALDEE, an FDA-approved treatment for SHPT in stage 3-4 CKD patients with vitamin D insufficiency (launched in November 2016), VARUBI® for chemotherapy-induced nausea and vomiting (launched by partner TESARO), OPK88003, a once-weekly oxyntomodulin for type 2 diabetes and obesity that is a clinically advanced drug candidate among the new class of GLP-1 glucagon receptor dual agonists, and OPK88004, a selective androgen receptor modulator being developed for benign prostatic hypertrophy and other urologic and metabolic conditions. Our biologics business includes hGH-CTP, a once-weekly human growth hormone injection (in Phase 3 and partnered with Pfizer), and a long-acting Factor VIIa drug for hemophilia in Phase 2a. We also have various production and distribution assets abroad, multiple strategic investments and an active business development strategy. More information is available at www.opko.com.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains "forward-looking statements," as that term is defined under the Private Securities Litigation Reform Act of 1995 (PSLRA), which statements may be identified by words such as "expects," "plans," "projects," "will," "may," "anticipates," "believes," "should," "intends," "estimates," and other words of similar meaning, including statements regarding expected financial performance and expectations regarding the market for and sales of our products, whether 4Kscore test utilization and prescriptions for RAYALDEE will continue to increase, our product development efforts and the expected benefits of our products, including whether our ongoing and future clinical trials will be successfully enrolled or completed on a timely basis or at all and whether the data from any of our trials will support submission or approval, validation and/or reimbursement for our products, the expected timing for launch of our products in development, the expected timing of commencing and concluding our clinical trials, including studies for the testosterone POC test, OPK88002, OPK88003, and OPK88004, expected enrollment in clinical trials, and disclosure of results for the trials, the timing of our regulatory

submissions, our ability to market and sell any of our products in development, and expectations about developing RAYALDEE for dialysis patients, as well as other non-historical statements about our expectations, beliefs or intentions regarding our business, technologies and products, financial condition, strategies or prospects. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements. These factors include those described in our Annual Reports on Form 10-K filed and to be filed with the Securities and Exchange Commission and in our other filings with the Securities and Exchange Commission, as well as integration challenges for Bio-Reference, EirGen, Transition, and other acquired businesses, liquidity issues and the risks inherent in funding, developing and obtaining regulatory approvals of new, commercially-viable and competitive products and treatments, that earlier clinical results of effectiveness and safety may not be reproducible or indicative of future results, that the 4Kscore, RAYALDEE, hGH-CTP, OPK88003, OPK88004, and/or any of our compounds or diagnostic products under development may fail, may not achieve the expected results or effectiveness and may not generate data that would support the approval or marketing of products for the indications being studied or for other indications, that currently available over-the-counter and prescription products, as well as products under development by others, may prove to be as or more effective than our products for the indications being studied. In addition, forward-looking statements may also be adversely affected by general market factors, competitive product development, product availability, federal and state regulations and legislation, the regulatory process for new products and indications, manufacturing issues that may arise, patent positions and litigation, among other factors. The forward-looking statements contained in this press release speak only as of the date the statements were made, and we do not undertake any obligation to update forward-looking statements. We intend that all forward-looking statements be subject to the safe-harbor provisions of the PSLRA.

CONTACTS:

Company

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David Malina, 305-575-4100
Investor Relations

Investors

LHA Investor Relations
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or
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bvoss@lhai.com

—Tables to Follow—

OPKO Health, Inc. and Subsidiaries Condensed Consolidated Balance Sheets (in millions)

	As of	
	December 31, 2017	December 31, 2016
Assets:		
Cash, cash equivalents and marketable securities	\$ 91.5	\$ 168.7
Other current assets	252.0	314.9
Total Current Assets	343.5	483.6
In-process Research and Development and Goodwill	1,364.4	1,349.3
Other assets	876.7	933.7
Total Assets	\$ 2,584.6	\$ 2,766.6
Liabilities and Equity:		
Current liabilities	\$ 301.3	\$ 263.3
2033 Senior Notes, net of discount	29.2	43.7
Deferred tax liabilities	148.7	165.3
Other long-term liabilities, principally deferred revenue, contingent consideration and lines of credit	220.0	202.5
Total Liabilities	699.2	674.8
Equity	1,885.4	2,091.8
Total Liabilities and Equity	\$ 2,584.6	\$ 2,766.6

OPKO Health, Inc. and Subsidiaries Condensed Consolidated Statements of Operations (in millions, except share and per share data)

For the three months ended December 31,		For the twelve months ended December 31,	
2017	2016	2017	2016

Revenues				
Revenue from services	\$ 148.1	\$ 234.6	\$ 889.1	\$ 1,012.1
Revenue from products	33.8	20.2	107.7	83.5
Revenue from transfer of intellectual property	<u>11.8</u>	<u>20.7</u>	<u>70.7</u>	<u>126.1</u>
Total revenues	193.7	275.5	1,067.5	1,221.7
Costs and expenses				
Cost of revenues	156.6	159.3	620.1	611.5
Selling, general and administrative	124.6	120.5	521.0	490.9
Research and development	34.2	27.6	125.2	111.2
Contingent consideration	1.1	1.4	(3.4)	17.0
Amortization of intangible assets	30.8	17.1	84.7	64.4
Total Costs and expenses	<u>347.3</u>	<u>325.9</u>	<u>1,347.6</u>	<u>1,295.0</u>
Operating loss	(153.6)	(50.4)	(280.1)	(73.3)
Other income and (expense), net	<u>3.6</u>	<u>7.7</u>	<u>4.6</u>	<u>(0.2)</u>
Loss before income taxes and investment losses	(150.0)	(42.7)	(275.5)	(73.5)
Income tax benefit (provision)	<u>(61.2)</u>	<u>31.5</u>	<u>(18.9)</u>	<u>56.1</u>
Loss before investment losses	(211.2)	(11.2)	(294.4)	(17.4)
Loss from investments in investees	<u>(2.7)</u>	<u>(2.5)</u>	<u>(14.5)</u>	<u>(7.7)</u>
Net loss	\$ (213.9)	\$ (13.7)	\$ (308.9)	\$ (25.1)
Basic loss per share	<u>\$ (0.38)</u>	<u>\$ (0.02)</u>	<u>\$ (0.55)</u>	<u>\$ (0.05)</u>
Diluted loss per share	<u>\$ (0.38)</u>	<u>\$ (0.04)</u>	<u>\$ (0.55)</u>	<u>\$ (0.05)</u>



OPKO Health to Announce Fourth Quarter and Year End 2017 Financial Results on March 1, 2018

MIAMI (February 26, 2018) – OPKO Health, Inc. (NASDAQ: OPK), plans to announce its operating and financial results for the three and twelve months ended December 31, 2017, after the close of the U.S. financial markets on Thursday, March 1, 2018.

OPKO's senior management will provide a business update and discuss its financial results in a conference call and live audio webcast beginning at 4:30 p.m. Eastern time on Thursday, March 1, 2018.

Conference Call & Webcast Information

WHEN: Thursday, March 1, 2018 at 4:30 p.m. Eastern time.

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or

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