

# CAREDX, INC.

## **FORM 8-K** (Current report filing)

Filed 01/08/18 for the Period Ending 01/08/18

Address	3260 BAYSHORE BOULEVARD BRISBANE, CA, 94005
Telephone	415-287-2300
CIK	0001217234
Symbol	CDNA
SIC Code	8071 - Services-Medical Laboratories
Industry	Biotechnology & Medical Research
Sector	Healthcare
Fiscal Year	12/31

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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

**Date of Report (Date of earliest event reported): January 8, 2018**

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**CAREDX, INC.**

(Exact Name of Registrant as Specified in its Charter)

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**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-36536**  
(Commission  
File Number)

**94-3316839**  
(IRS Employer  
Identification No.)

**3260 Bayshore Boulevard**  
**Brisbane, California 94005**  
(Address of Principal Executive Offices) (Zip Code)

**(415) 287-2300**  
Registrant's telephone number, including area code

**N/A**  
(Former Name, or Former Address, if Changed Since Last Report)

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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))

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 2.02 Results of Operations and Financial Condition.**

On January 8, 2018, CareDx, Inc. (the “Company”) issued a press release announcing certain preliminary financial results for the quarter and year ended December 31, 2017. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The preliminary financial information presented in the press release is based on the Company’s current expectations and may be adjusted as a result of, among other things, completion of the audit of the Company’s financial statements as of, and for the year ended, December 31, 2017.

The information in this Item 2.02, including the press release attached hereto as Exhibit 99.1, is intended to be furnished under Item 2.02 and Item 9.01 of Form 8-K and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (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 of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

*Cautionary Note Regarding Forward-Looking Statements* . This Current Report on Form 8-K and the press release furnished as Exhibit 99.1 hereto contain forward-looking statements that involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements. Please refer to the note in the press release under the heading “Forward-Looking Statements” regarding these forward-looking statements.

**Item 9.01. Financial Statements and Exhibits.****(d) Exhibits.**

The following exhibits are being furnished herewith:

<u>Number</u>	<u>Description</u>
99.1	<a href="#"><u>Press Release, dated January 8, 2018 regarding preliminary financial results of CareDx, Inc.</u></a>

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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.

Date: January 8, 2018

**CAREDX, INC.**

By: /s/ Michael Bell

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Michael Bell  
Chief Financial Officer



## CareDx Reports Preliminary Fourth Quarter and FY2017 Financial Results

### *32 Transplantation Centers Offering AlloSure*

BRISBANE, Calif., January 8, 2018 (GLOBE NEWSWIRE) — CareDx, Inc. (NASDAQ: CDNA), a molecular diagnostics company focused on the discovery, development and commercialization of clinically differentiated, high-value diagnostic solutions for transplant patients, today reported preliminary financial results for the fourth quarter and full year ended December 31, 2017.

#### **Fourth Quarter highlights:**

- AlloSure<sup>®</sup> commercially launched on October 9, 2017
  - As of December 31, 2017, 32 U.S. transplant centers providing AlloSure testing to patients
  - Preliminary AlloSure testing revenue expected to be \$0.5 million, representing 282 test results provided to kidney transplant patients
- Preliminary fourth quarter total revenue expected to be between \$12.3 million and \$12.5 million
  - AlloMap<sup>®</sup> testing revenue expected to be between \$7.9 million and \$8.1 million in the quarter, with quarterly test volume increasing 8% year-over-year to 3,840 tests
  - Product revenue expected to be \$3.7 million in the fourth quarter

“2017 was a banner year for CareDx. We received Medicare reimbursement for and launched AlloSure, plus the PAMA-related reimbursement increase for our AlloMap test became effective on January 1, 2018,” said Peter Maag, CareDx President and Chief Executive Officer. “We are very pleased with the initial AlloSure interest and traction, with 32 centers offering this high-value diagnostic test to kidney transplant patients across the US as of December 31, 2017. With the AlloSure launch fully underway and our portfolio of core transplantation products delivering steady growth, we believe CareDx is positioned for accelerated growth in 2018 and profitability in the second half of the year.”

#### **Preliminary Full Year and Fourth Quarter 2017 Financial Results**

These financial results for the year and three months ended December 31, 2017 are preliminary and subject to the completion of the audit of the Company’s financial statements as of, and for the year ended, December 31, 2017, and will be updated with the filing of the upcoming annual report on Form 10-K for the year ended December 31, 2017.

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Revenue for the three months ended December 31, 2017 is expected to be between \$12.3 million and \$12.5 million, an increase of 13%-15% compared with \$10.9 million in the fourth quarter of 2016. Testing revenue for the quarter is expected to be \$8.4 million to \$8.6 million compared with \$7.4 million in the same period in 2016. Product revenue in the three months ended December 31, 2017 is expected to be \$3.7 million, compared to \$3.5 million in the same period of 2016.

Revenue for the full year ended December 31, 2017 is expected to be between \$48.1 million and \$48.3 million, an increase of 18%-19% compared with \$40.6 million in 2016. Testing revenue for the year ended December 31, 2017 is expected to be \$32.9 million to \$33.1 million compared with \$29.7 million in 2016. Product revenue for the full year 2017 is expected to be \$14.6 million, compared with \$10.7 million in 2016.

Preliminary total cash was \$26.5 million as of December 31, 2017, which consisted of cash and cash equivalents of \$16.9 million and restricted cash of \$9.6 million. The change in cash and cash equivalents from \$6.0 as of September 30, 2017, is due to approximately \$19 million net cash received from a public offering of common stock and exercises of common stock warrants and options, approximately \$6 million net cash used to repay debt, bank overdraft and deferred purchase obligations, and approximately \$2 million net cash used in operating activities.

CareDx will report full fourth quarter and full-year 2017 financial results and provide financial guidance on its March 2018 earnings call.

### **About CareDx**

CareDx, Inc., headquartered in Brisbane, California, is a molecular diagnostics company focused on the discovery, development and commercialization of clinically differentiated, high-value diagnostic solutions for transplant recipients. CareDx offers products across the transplant testing continuum, including AlloMap and AlloSure for post-transplant surveillance and Olerup SSP<sup>®</sup>, Olerup QTYPE<sup>®</sup>, and Olerup SBT<sup>™</sup> for pre-transplant HLA testing.

For more information, please visit: [www.CareDx.com](http://www.CareDx.com).

### **Forward Looking Statements**

This press release includes forward-looking statements, including expectations regarding the Company's fourth quarter and full-year fiscal 2017 revenue, testing revenue and product revenue, prospects and drive toward future profitability. These forward-looking statements are based upon information that is currently available to CareDx and its current expectations, speak only as of the date hereof, and are subject to numerous risks and uncertainties, including completion of the audit of the Company's financial statements as of, and for the year ended, December 31, 2017, general economic and market factors, among others discussed in CareDx's filings with the SEC, including the Annual Report on Form 10-K for the fiscal year ended December 31, 2016 filed by CareDx with the SEC on April 21, 2017 and the periodic reports that CareDx has subsequently filed with the SEC. Any of these may cause CareDx's actual results, performance or achievements to differ materially and

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adversely from those anticipated or implied by CareDx's forward-looking statements. CareDx expressly disclaims any obligation, except as required by law, or undertaking to update or revise any such forward-looking statements.

**CONTACTS:**

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