TOBIRA THERAPEUTICS, INC.

FORM 10-Q
(Quarterly Report)

Filed 04/29/15 for the Period Ending 03/31/15

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CIK	0001311596
Symbol	TBRA
SIC Code	2834 - Pharmaceutical Preparations
Fiscal Year	12/31

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**

Commission File Number: 001-35953

REGADO BIOSCIENCES, INC.
(Exact name of registrant as specified in its charter)

Delaware	**No. 03-0422069**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

106 Allen Road, 4 th Floor
Basking Ridge, New Jersey 07920
(Address of principal executive offices) (Zip Code)

(908) 580-2100
(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 Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) 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. (Check one):

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☒ (Do not check if a smaller reporting company)	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 ☒

As of April 27, 2015, 33,609,212 shares of common stock, $0.001 par value per share, were outstanding.

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REGADO BIOSCIENCES, INC.

FORM 10-Q

Quarter Ended March 31, 2015

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PART I

Cautionary Statement Regarding Forward-Looking Statements

This quarterly report on Form 10-Q includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. For this purpose, any statements contained herein, other than statements of historical fact, including statements regarding the progress and timing of our product development programs and related trials; our future opportunities; our strategy, future operations, anticipated financial position, future revenues and projected costs; our management's prospects, plans and objectives; and any other statements about management's future expectations, beliefs, goals, plans or prospects constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We may, in some cases, use words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "project," "should," "target," "will," "would" or other words that convey uncertainty of future events or outcomes to identify these forward-looking statements. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including our "critical accounting estimates"; the outcome of the pending lawsuits against us; timing and amount of termination costs incurred in connection with our workforce reduction plan, the timing and amount of any decrease in annualized cash expenditures as a result of our workforce reduction plan, the completion of any potential business alternatives such as the pending Merger with Tobira Therapeutics Inc.; the performance of contract research organizations who conduct our clinical trials for us; the performance of third-party manufacturers who supply or manufacture our products; regulatory developments in the United States and foreign countries potential product liability claims; our ability to attract and retain a sufficient number of scientists, clinicians, sales personnel and other key personnel; our ability to obtain, maintain, defend and enforce intellectual property rights; and the risk factors in this report under the heading "Risk Factors." All forward-looking statements are expressly qualified in their entirety by this cautionary notice. You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date of this report or the date of the document incorporated by reference into this report. We have no obligation, and expressly disclaim any obligation, to update, revise or correct any of the forward-looking statements, whether as a result of new information, future events or otherwise. We have expressed our expectations, beliefs and projections in good faith and we believe they have a reasonable basis. However, we cannot assure you that our expectations, beliefs or projections will result or be achieved or accomplished.

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Item 1. FINANCIAL STATEMENTS

Regado Biosciences, Inc.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	March 31, 2015 (Unaudited)	December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	$ 44,460	$ 51,557
Restricted cash	—	81
Prepaid expenses	630	827
Other assets	158	1,693
Total current assets	45,248	54,158
Property and equipment, net	11	239
Total assets	$ 45,259	$ 54,397
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 417	$ 185
Accrued expenses	7,332	6,298
Warrant liability	1	8
Current portion of long-term debt	—	2,629
Total current liabilities	7,750	9,120
Total liabilities	7,750	9,120
Commitments and contingencies		
Stockholders' equity:		
Series F convertible preferred stock; stated value of $1,000, 1,000,000 shares authorized, 10,000 shares issued and outstanding at March 31, 2015 and December 31, 2014, respectively	24,832	24,832
Common stock, $0.001 par value; 500,000,000 shares authorized; 33,609,212 shares issued and outstanding at March 31, 2015 and December 31, 2014	34	34
Additional paid-in-capital	232,674	232,502
Accumulated deficit	(220,031)	(212,091)
Total stockholders' equity	37,509	45,277
Total liabilities and stockholders' equity	$ 45,259	$ 54,397

The accompanying notes are an integral part of these consolidated financial statements.

Regado Biosciences, Inc.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited)
(In thousands, except share and per share data)

	For the Three Months Ended March 31,	
	2015	2014
Total revenue	$ —	$ —
Operating expenses:		
Research and development	3,653	13,115
General and administrative	4,234	2,549
Total operating expenses	7,887	15,664
Loss from operations	(7,887)	(15,664)
Other (expense) income:		
Interest income	10	3
Interest expense	(63)	(187)
Total other (expense) income	(53)	(184)
Net loss	$ (7,940)	$ (15,848)
Deemed dividend related to beneficial conversion feature of Series F convertible preferred stock	—	(14,840)
Net loss attributable to stockholders	$ (7,940)	$ (30,688)
Net loss attributable to preferred stockholders	(446)	(163)
Net loss attributable to common stockholders - basic and diluted	$ (7,494)	$ (30,525)
Comprehensive loss applicable to all stockholders	$ (7,940)	$ (30,688)
Loss per share - basic and diluted	$ (0.22)	$ (1.30)
Weighted-average common shares - basic and diluted	33,609,212	23,496,033

The accompanying notes are an integral part of these consolidated financial statements

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Regado Biosciences, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	For the Three Months Ended March 31,	
	2015	**2014**
Cash flows used in operating activities:		
Net loss	$ (7,940)	$ (15,848)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	24	24
Amortization of patents and licenses	—	35
Accrued final bank fee	7	22
Amortization of debt discount	4	24
Amortization of debt issuance costs	—	8
Change in fair value of warrant liability	(7)	51
Stock-based compensation	172	485
Loss on disposal of property and equipment	204	—
Changes in operating assets and liabilities:		
Prepaid expenses	197	(204)
Other assets	1,535	561
Other non-current assets	—	196
Accounts payable	232	(267)
Accrued expenses	1,034	1,496
Net cash used in operating activities	(4,538)	(13,417)
Cash flows used in investing activities:		
Change in restricted cash	81	(1,000)
Purchase of property and equipment	—	(47)
Patent and license acquisition costs	—	(140)
Net cash provided by (used in) investing activities	81	(1,187)
Cash flows from financing activities:		
Proceeds from issuance of common stock, net of underwriting discounts and fees	—	18,800
Payment of offering costs	—	(99)
Repayment of other notes payable	(2,640)	—
Proceeds from issuance of common stock from exercise of options and warrants	—	53
Net cash (used in) provided by financing activities	(2,640)	18,754
Net (decrease) increase in cash and cash equivalents	$ (7,097)	$ 4,150
Cash and cash equivalents, beginning of period	51,557	30,688
Cash and cash equivalents, end of period	$ 44,460	$ 34,838
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 71	$ 82
Supplemental disclosure of non-cash investing and financing activities :		
Exchange of common stock for convertible preferred stock, net of issuance costs	$ —	$ 24,824
Fair value of Series F Preferred Stock beneficial conversion feature	$ —	$ 14,840
Accretion of deemed dividend on Series F Convertible Preferred Stock	$ —	$ (14,840)
Accrued common stock issuance and offering costs	$ —	$ 100

The accompanying notes are an integral part of these consolidated financial statements.

Regado Biosciences, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Organization and Description of Business

Regado Biosciences, Inc. (the "Company" or "we" or "our" or "us") is a development stage enterprise incorporated in the State of Delaware on December 19, 2001, operating primarily in Basking Ridge, New Jersey and Durham, North Carolina. We are a biopharmaceutical company that is focused on the discovery and development of novel, first-in-class, actively controllable antithrombotic drug systems for acute and sub-acute cardiovascular indications. On August 25, 2014, we announced the permanent termination of enrollment in our REGULATE-PCI phase 3 trial for our lead program, Revolixys™ Kit, formerly known as REG1. The decision was made based on a recommendation from the trial's Data and Safety Monitoring Board, or DSMB, following their analysis of the data from the first approximately 3,250 patients enrolled in what was intended to be a 13,200-patient trial comparing the safety and efficacy of Revolixys Kit with bivalirudin. Prior to the substantial suspension of our clinical development activities, we were conducting the REGULATE-PCI trial to evaluate Revolixys™ Kit, a two-component system consisting of pegnivacogin, an anticoagulant aptamer specifically targeting coagulation Factor IXa, and its complementary oligonucleotide active control agent, anivamersen. Revolixys was being developed for use in patients with a wide variety of acute coronary syndromes, or ACS, undergoing a percutaneous coronary intervention, or PCI, a hospital-based procedure used to mechanically open or widen obstructed coronary arteries.

In September 2014, we announced that our Board of Directors retained MTS Health Partners, L.P. ("MTS") and Cowen & Company, LLC, or Cowen, to act as financial advisors in connection with our exploration of potential business alternatives. In addition, the Company, announced the restructuring activities described in Note 8 to the financial statements to reduce costs following the termination of the REGULATE-PCI trial as part of the Company's decision to focus resources on three principal activities following the termination of the trial: completion of the final closure of the REGULATE-PCI trial and analysis of the unblinded database from the trial, diligence activities associated with thoroughly exploring potential business alternatives, and the Company's compliance activities associated with being a public company in good regulatory standing. We continue to plan and seek partnerships for preclinical studies of potential new products and maintain and advance our intellectual property portfolio. See Recent Developments for resolution of process.

On January 14, 2015, the Company entered into an Agreement and Plan of Merger and Reorganization, as amended on January 23, 2015 (the "Merger Agreement"), with Tobira Therapeutics, Inc., a Delaware corporation ("Tobira"), a clinical-stage biopharmaceutical company focused on the development and commercialization of innovative therapeutics to treat liver disease, human immunodeficiency virus, fibrosis and inflammation, Landmark Merger Sub Inc., a Delaware corporation and wholly-owned subsidiary of the Company (the "Merger Sub") and, solely with respect to Section 5.14 of the Merger Agreement, Brent Ahrens, as the agent of Tobira's stockholders.

Upon the terms and subject to the satisfaction of the conditions described in the Merger Agreement, including approval of the transaction by the Company's stockholders and Tobira's stockholders, the Merger Sub will be merged with and into Tobira (the "Merger"), with Tobira surviving the Merger as a wholly-owned subsidiary of the Company. The Merger is intended to qualify as a tax-free reorganization for U.S. federal income tax purposes.

At the effective time of the Merger, but subject to the escrow provisions described below: (a) each outstanding share of Tobira's common stock will be converted into and exchanged for the number of shares of the Company's common stock (the "Company Common Stock") equal to the exchange ratio described below; (b) each outstanding Tobira stock option will be assumed by the Company; and (c) certain warrants to acquire Tobira capital stock will be assumed by the Company.

Under the exchange ratio formula in the Merger Agreement, immediately after the Merger, but excluding the effect of any financing (as described below), the former Tobira securityholders are expected to own approximately 71% of the aggregate number of shares of the Company Common Stock, and the stockholders of the Company immediately prior to the Merger (the "Company Stockholders") are expected to own approximately 29% of the aggregate number of shares of the Company Common Stock (on a fully diluted basis). This exchange ratio will be adjusted to the extent the Company's net cash at closing is greater or less than $33 million.

Following the Merger, Tobira's Chief Executive Officer, Laurent Fischer, M.D., will be the Company's Chief Executive Officer, and the Company's corporate headquarters will be relocated to 701 Gateway Blvd, Suite 300, South San Francisco, CA 94080. Additionally, following the Merger, the board of directors of the Company will consist of nine seats and will be comprised of six representatives of Tobira and three representatives of the Company, with the Company's current chairman of the board of directors, Dennis Podlesak, continuing to act as chairman of the board of the Company following the Merger.

The Merger Agreement contains customary representations, warranties and covenants made by the Company and Tobira, including covenants relating to obtaining the requisite approvals of the stockholders of the Company and Tobira, indemnification of directors and officers, the Company's and Tobira's conduct of their respective businesses between the date of signing the Merger Agreement and the closing of the Merger and a covenant by the Company to, following the closing of the Merger, file a registration statement on Form S-3 to register the resale of the shares of Company Common Stock issued pursuant to the Merger Agreement.

The authorization and issuance of the shares of Company Common Stock in the Merger and in the financing described below, amendments of the Company charter related to changing the name of the Company and a potential nine to one reverse stock split are subject to approval by the Company's stockholders. The Merger is subject to other customary closing conditions, including, among other things, the accuracy of the representations and warranties, subject to certain materiality qualifications, compliance by the parties with their respective covenants and no law or order preventing the Merger and related transactions.

The Merger Agreement may be terminated by either party under certain circumstances, including, among others: (i) if the closing has not occurred by the six-month anniversary of the Merger Agreement; (ii) if a court or other governmental entity has issued a final and non-appealable order prohibiting the closing; (iii) if the Company's or Tobira's stockholders fail to approve the transaction; (iv) upon a material uncured breach by the other party that would result in a failure of the conditions to the closing; or (v) in the event of a material adverse event. Upon termination of the Merger Agreement for a party's failure to obtain the approval of its stockholders, such party is obligated to pay the other party a termination fee of $1 million plus reimburse the other party's fees and expenses up to $250,000. If such party enters into an agreement relating to an Acquisition Transaction (as defined in the Merger Agreement) or consummates an Acquisition Transaction within 12 months following a termination for the failure to obtain stockholder approval, such party is obligated to pay an additional $1 million to the other party. In addition, if the Merger Agreement is terminated due to certain breaches of the Merger Agreement, the breaching party is obligated to reimburse up to $250,000 of the other party's fees and expenses.

On March 23, 2015, the Company filed a definitive proxy relating to the Merger Agreement and set its special shareholder meeting date as May 4, 2015.

Liquidity

Our financial statements have been prepared on a going-concern basis, which contemplates the realization of assets and settlement of liabilities and commitments in the normal course of business. Operations since inception have consisted primarily of developing and acquiring product technologies and securing financing.

We are not profitable and do not expect to be profitable in the foreseeable future. We have suffered negative cash flows from operating activities of $4.5 million for the three months ended March 31, 2015. We have an accumulated deficit of approximately $220 million as of March 31, 2015. We have devoted most of our financial resources to research and development, including our preclinical development activities and clinical trials. We have not completed development of any product candidate and we have therefore not generated any revenues from product sales. Since we have ceased our clinical product development activities, we do not expect to have any revenues for the foreseeable future. In September 2014, we implemented a workforce reduction plan described in Note 8 to the financial statements and other cost-cutting measures. Also, we will continue to incur expenses from the wind down of the clinical operations and general and administrative costs associated with running the company. As a result, we expect to continue to incur net losses and negative cash flows for the foreseeable future. These net losses and negative cash flows have had, and will continue to have, an adverse effect on our stockholders' equity and working capital. As of March 31, 2015, we had approximately $44.5 million of cash and cash equivalents.

The accompanying financial statements have been prepared assuming that we will operate as a going concern. We have had negative cash flows from operating activities of $4.5 million for the three months ended March 31, 2015. We will continue to closely monitor and analyze expenses and make adjustments as necessary to prioritize business operations. We have entered into the Merger Agreement with Tobira (see Note 1). Assuming that a transaction involving a potential business alternative is not consummated, we believe that our working capital will be sufficient for us to fund our reduced operations for the foreseeable future.

2. Basis of Presentation

Principles of Consolidation

In March 2013, we incorporated Regado Biosciences Europe Limited, a wholly owned subsidiary registered in England and Wales, in order to establish a legal presence in the European Union (the "EU") for the purpose of conducting clinical trials in the EU. Regado Biosciences Europe Limited had no operations during the three months ended March 31, 2015 or 2014. This entity has been dissolved during the quarter ended March 31, 2015.

The accompanying consolidated financial statements include the accounts of Regado Biosciences, Inc. and its wholly owned subsidiary, Regado Biosciences Europe Limited. There were no significant intercompany accounts or transactions that needed to be eliminated in consolidation. The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). All intercompany balances and transactions have been eliminated in consolidation.

Unaudited Interim Financial Data

The accompanying interim consolidated financial statements are unaudited. These unaudited consolidated financial statements have been prepared in accordance with the rules and regulations of the United States Securities and Exchange Commission ("SEC") for interim financial information under Article 210.10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. generally accepted accounting principles, or GAAP, for complete financial statements. These unaudited interim consolidated financial statements should be read in conjunction with the audited financial statements and the accompanying notes for the year ended December 31, 2014 contained in the Company's Annual Report on Form 10-K. The unaudited interim consolidated financial statements have been prepared on the same basis as the annual financial statements and, in the opinion of management, reflect all adjustments necessary to state fairly our financial position as of March 31, 2015, the results of our operations for the three months ended March 31, 2015 and 2014, and our cash flows for the three months ended March 31, 2015 and 2014. The results of operations for the three months ended March 31, 2015 are not necessarily indicative of the operating results for the full year or any other interim period.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

We consider all interest-bearing investments due on demand and all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash and cash equivalents included cash of $590,000 and $1.7 million at March 31, 2015 and December 31, 2014, respectively. Cash and cash equivalents at March 31, 2015 and December 31, 2014 also included investments of $43.9 million and $49.9 million, respectively, in money market funds invested in U.S. Treasury securities with original maturities of less than three months. Cash deposits are held in federally insured financial institutions in the United States of America. We maintain cash in accounts which are in excess of federally insured limits.

Segment and Geographic Information

Operating segments are defined as components of an enterprise engaging in business activities for which discrete financial information is available and regularly reviewed by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company operates and manages its business as one operating segment and all of the Company's operations were in North America during the three months ended March 31, 2015 and 2014.

Clinical Trial Supplies

Historically, we capitalized materials that were to be used in our REGULATE-PCI clinical trial that had an alternative future use in either ongoing or future clinical research or development projects. Clinical trial supplies may comprise material used to manufacture active pharmaceutical ingredients ("API") used to develop our product candidates, in-process or completed API, in-process or completed unlabeled finished drug product and labeled finished drug product. With the termination of the REGULATE-PCI trial and suspension of clinical development activities we have expensed these supplies.

As of December 31, 2014 we expensed all clinical trial supplies, therefore, there are no clinical trial supplies included in other current assets as of March 31, 2015.

Clinical Agreements

We entered into various clinical trial agreements with academic research organizations ("AROs") and clinical research organizations ("CROs") for the planning, management and execution of clinical trials. The financial terms of these agreements are subject to negotiation, vary from contract to contract, and may result in uneven payment flows. The majority of our service providers invoice us monthly in arrears for services performed or when contractual milestones are met. Costs for ARO and CRO contracts are recognized based on an evaluation of the progress to completion of specific tasks using data such as patient enrollment, clinical site activations, or information provided by vendors on their actual costs incurred; such costs are charged to research and development expense in the accompanying consolidated statements of comprehensive loss. There may be instances in which payments made to our vendors will exceed the level of services provided and result in a prepayment of the research and development expense. Upfront contract signing fees are amortized over the life of the respective contract.

In general, our ARO and CRO service agreements permit either party to terminate at will plus any non-cancellable expenses that have been entered into by the ARO and CRO on the Company's behalf. Accordingly, such expenses would be accrued at time of contract termination and any prepaid expenses and unamortized advance payments would be expensed, accordingly.

All upfront and contract signing costs were applied to outstanding invoices or expensed during the year ended December 31, 2014. There are no prepaid expenses or other non-current assets related to clinical agreements as of March 31, 2015.

Value Added Taxes

We were charged value added taxes on purchases, made on the Company's behalf by a CRO, of certain clinical supplies from manufacturers in foreign jurisdictions. As of December 31, 2014, the Company had recorded $1.2 million as a VAT receivable and $780,000 as a VAT liability in the accompanying consolidated balance sheet within other current assets and accrued expenses. As part of a settlement agreement, it was determined that the VAT refund would be made directly to the CRO (See Note 7). We have written off the related receivable and liability as of March 31, 2015. The difference of $420,000 is included in research and development expenses during the three months ended March 31, 2015.

Intangible Assets and Impairment of Long-lived Assets

The Company's policy is to file patent application(s) to protect technology, inventions and improvements that are considered important to the development of its business. The patent positions of technology companies, including the Company, are uncertain and involve complex legal and factual questions for which important legal principles are largely unresolved. Upon receipt of a patent grant, the respective costs are amortized over the remaining life of the patent.

We perform a quarterly review of finite-lived identified intangible assets to determine whether facts and circumstances indicate that the useful life is shorter than we had originally estimated or that the carrying amount of assets may not be recoverable. If such facts and circumstances exist, we assess recoverability by comparing the projected undiscounted net cash flows associated with the related assets or group of assets over their remaining lives against their respective carrying amounts. Impairments, if any, are based on the excess of the carrying amount over the fair value of those assets. If an asset's useful life is shorter than originally estimated, we accelerate the rate of amortization and amortize the remaining carrying value over the new shorter useful life. For the year ended December 31, 2014, management determined that the carrying value of the patents was impaired and recognized a full impairment loss of $2.1 million on those assets. There are no intangibles assets as of March 31, 2015. No impairment losses were recognized during the three months ended March 31, 2015 and 2014.

The Company amortized license agreements over the stated contractual life.

Research and Development

Research and development ("R&D") expenses include direct and indirect R&D costs. Direct R&D consists principally of external costs, such as fees paid to investigators, license and patent amortization and related impairment, VAT expenses, consultants, central laboratories and clinical research organizations, including costs incurred in connection with our clinical trials, and related clinical trial fees and all employee-related expenses for those employees working in research and development functions, including stock-based compensation for R&D personnel. Indirect R&D costs include overhead costs related to facilities, depreciation, insurance, and small supplies that are not allocated to specific product candidates or indications. R&D costs are expensed as incurred.

Stock-based Compensation

In accordance with FASB Accounting Standards Codification ("ASC") Topic 718, Stock Compensation, as modified or supplemented, we measure compensation cost for share-based payment awards granted to employees and non-employee directors at fair value using the Black-Scholes option-pricing model. We recognize compensation expense on a straight-line basis over the service period for awards expected to vest. Share-based compensation cost related to share-based payment awards granted to non-employees is adjusted each reporting period for changes in the fair value of our common stock until the measurement date. The measurement date is generally considered to be the date when all services have been rendered or the date that options are fully vested.

Series F Convertible Preferred Stock

The Series F convertible preferred stock was deemed to have a beneficial conversion feature (a "BCF"). See Note 9 for further detail regarding the accounting for the Series F convertible preferred stock and this feature.

Net Loss per Share

Basic net loss per share is calculated by dividing the net loss by the weighted average number of common shares outstanding for the period, without consideration for common stock equivalents. Diluted net loss per share is calculated by dividing the net loss by the weighted-average number of common stock equivalents outstanding for the period determined using the treasury-stock method. Dilutive common stock equivalents are comprised of convertible preferred stock, options outstanding under our stock option plan and warrants.

3. Recently Issued Accounting Pronouncements

In August 2014, FASB issued ASU 2014-15-Presentation of Financial Statements-Going Concern (ASC Subtopic 205-40): "Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern". The update requires management to assess a company's ability to continue as a going concern and to provide related footnote disclosures in certain circumstances. All entities are required to apply the new requirements in annual periods ending after December 15, 2016, and interim periods thereafter. Early application is permitted. As such, we are required to adopt these provisions for the annual period ending December 31, 2016. We are currently evaluating the impact of FASB ASU 2014-15 but we do not expect the adoption thereof to have a material effect on the Company's financial statements.

4. Fair Value of Financial Instruments

The following table (in thousands) sets forth our assets and liabilities that were measured at fair value on a recurring basis at March 31, 2015 and at December 31, 2014 by level within the fair value hierarchy. Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

	As of March 31, 2015				As of December 31, 2014			
Assets and Liabilities	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of March 31, 2015	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2014
Assets:								
Money market funds	$ 43,870	$ —	$ —	$ 43,870	$ 49,856	$ —	$ —	$ 49,856
Total assets at fair value	$ 43,870	$ —	$ —	$ 43,870	$ 49,856	$ —	$ —	$ 49,856
Liabilities:								
Warrant liability	$ —	$ —	$ 1	$ 1	$ —	$ —	$ 8	$ 8
Total liabilities at fair value	$ —	$ —	$ 1	$ 1	$ —	$ —	$ 8	$ 8

The change in the fair value measurement using significant unobservable inputs (Level 3) is summarized below (in thousands):

Balance at December 31, 2014	$ 8
Change in fair value recorded as interest income	(7)
Change in fair value recorded as interest expense	—
Balance at March 31, 2015	$ 1

The warrant liability represents our allocation of a portion of the proceeds from the May 2013 Comerica Loan (as defined in Note 6). The allocation of the proceeds from the Comerica Loan was based on the fair value of the warrant liability on the date of grant. We accounted for equity contracts not indexed to the issuer's own stock and not meeting the definition of a derivative as an asset or liability. We utilized the Binomial pricing model to determine the fair value of the warrant liability. We record changes in the fair value of the warrant liability as interest expense or interest income, as applicable.

We used significant assumptions in estimating the fair value of the warrant liability including the estimated volatility, risk free interest rate, estimated fair value of the preferred shares, and the estimated life of the warrant. These assumptions were used to establish an expected set of cash flows which were probability-weighted and discounted to present value to determine a fair value.

5. **Accrued Expenses**

The components of accrued expenses are as follows (in thousands):

	March 31, 2015	December 31, 2014
Accrued restructuring costs	$ 6,720	$ 4,591
Accrued legal and professional services	391	276
Accrued VAT expenses	—	780
Accrued interest	—	21
Accrued compensation and benefits	38	140
Accrued expenses, other	183	490
Total accrued expenses	$ 7,332	$ 6,298

6. Bank Debt

On May 13, 2013, we secured a venture debt loan with Comerica Bank (the "Comerica Loan"). We borrowed $4.5 million ("Tranche One"), and the proceeds of the loan were utilized to repay all amounts due to MidCap Financial SBIC, LP. The Comerica Loan bears interest at Comerica's Prime Reference Rate (as defined in the Loan Agreement) subject to a floor of 30 day LIBOR plus 250 basis points plus 4.0%, or 7.25% as of March 31, 2015 and December 31, 2014. The terms allow for an interest only period of 15 months, and the remaining principal and interest will be repaid starting September 2014 over a nine-month period (24 months in total), maturing in 2015. As of March 31, 2015, this loan was repaid in its entirety.

Interest expense recorded related to the Comerica Loan, including changes in fair value of warrants, was approximately $63,000 and $187,000 for the three month periods ending March 31, 2015 and 2014, respectively.

In connection with the funding of Tranche One, we issued to Comerica a warrant to purchase 156,250 shares of the Series E Preferred Stock at a price of $0.72 per share, or the Warrant Price, subject to adjustment for stock splits, combinations, reclassifications or exchanges and certain dilutive issuances. After giving effect to our IPO and reverse stock split, the warrant was adjusted to a warrant to purchase 9,356 shares of our common stock at a price of $12.02 per share (see Note 4).

7. Commitments and Contingencies

Employment Agreement

We entered into an employment agreement with our President and Chief Operating Officer which has an effective date of October 2014. The agreement specifies the compensation payable to, and the services to be provided by, the executive. If the agreement should be terminated by us for other than cause, as defined, we are required to pay 12 months of the executive's base salary and the executive's target bonus for the year to be paid semi-monthly.

Clinical Agreements

We had various clinical trial agreements with AROs and CROs for the planning, management and execution of clinical trials. The financial terms of these agreements are subject to negotiation, vary from contract to contract, and may result in uneven payment flows. These contracts generally provide for termination on notice (see Note 2—Clinical Agreements). All such contracts have been terminated as of December 31, 2014.

Milestones and Other Obligations

Upon the commencement of our REGULATE-PCI trial which occurred in September 2013, we were obligated to make milestone payments of $500,000 to Duke University ("Duke"), and $1.0 million to Archemix Corporation, ("Archemix"). All amounts have been paid. There are no further payments due for milestones and no outstanding obligations as of March 31, 2015.

We entered into an agreement with MTS where they would advise us in connection with its consideration, evaluation and/or exploration of potential transactions. The fees would be a non-refundable retainer of $100,000 upon execution of the agreement plus a fee equal to $1.5 million upon the closing of the transaction, with $500,000 payable in the form of public company securities. The $100,000 retainer was paid during the year ended December 31, 2014. The $1.5 million payment will be paid if we consummate a transaction, including the pending merger with Tobira. There have been no payments made for the three months ended March 31, 2015.

We entered into an agreement with Cowen and Company, LLC ("Cowen") where Cowen has been engaged to act as a financial advisor to us in connection with the proposed merger transaction with Tobira. A cash fee of $500,000 was due when Cowen informed the Board of Directors of the Company that it was prepared to render its first opinion. This amount was due without regard to whether the transaction was consummated. This cash fee was paid during the three months ended March 31, 2015. In the event of a subsequent opinion, Cowen shall be paid $250,000 in common stock of the Company. If the transaction is consummated, Cowen shall be paid a transaction fee at the closing of the transaction of $250,000 payable in common stock.

Operating Leases

In April 2014, we entered into a 6-year lease agreement for 18,467 square feet of administrative office space at 106 Allen Road in Basking Ridge, NJ. In February 2015, we entered into an assignment of the lease whereas we assigned all rights to the space to the tenant and they assume all obligations under the lease. As of February 2015, we had remaining minimum lease payments of $2.4 million. The assignee has assumed the minimum lease payments of $2.4 million for a net effect of $0. This assignment does not relieve us from any covenants or obligations under the lease. We incurred expenses of $255,000 related to the assignment of the lease during the three months ended March 31, 2015.

In May 2013, we entered into a three-year lease agreement for 1,657 square feet of administrative office space in Durham, North Carolina. This lease is current and active.

Legal Proceedings

On February 2, 2015, a purported shareholder of the Company filed a putative class-action lawsuit (captioned *Maiman v. Regado Biosciences, Inc.* , Case No. 10606-CB) in the Court of Chancery for the State of Delaware (the "Court"), challenging the proposed stock-for-stock Merger of the Company with Tobira ("Proposed Merger"). On February 25, 2015, a second, related putative class action (captioned *Gilboa v. Regado Biosciences, Inc.* , Case No. 10720-CB) was filed in Delaware Chancery Court challenging the Proposed Merger. The complaints name as defendants: (i) each member of the Company's Board of Directors, (ii) the Company, (iii) Tobira, and (iv) Landmark Merger Sub Inc. Plaintiffs allege that the Company's directors breached their fiduciary duties to the Company's stockholders by, among other things, (a) agreeing to merge the Company with Tobira for inadequate consideration, (b) implementing a process that was distorted by conflicts of interest, and (c) agreeing to certain provisions of the Merger Agreement that are alleged to favor Tobira and deter alternative bids. Plaintiffs also generally allege that the entity defendants aided and abetted the purported breaches of fiduciary duty by the directors. On March 25, 2015, the Court consolidated the two actions and assigned lead counsel for plaintiffs. On March 27, 2015, plaintiffs filed a motion for expedited proceedings and a motion for preliminary injunction. On April 20, 2015, the parties agreed in principle to resolve the litigation (subject to approval by the Court) and signed a memorandum of understanding setting forth the terms of the proposed settlement. On April 23, 2015, as part of the proposed settlement, Regado provided additional disclosures to the Company's shareholders.

On March 30, 2015, PAREXEL International, LLC ("PAREXEL") filed suit against the Company in the United States District Court for the District of Massachusetts alleging breach of contract and breach of the implied covenant of good faith and fair dealing claims, as well as violations of Chapter 93A of the Massachusetts General Laws, arising from the closing out of the parties' contract for PAREXEL's services in furtherance of the REGULATE-PCI clinical trial. PAREXEL filed a motion to voluntarily dismiss its lawsuit for lack of subject matter jurisdiction on April 2, 2015, which the court granted on April 6, 2015. Also on April 2, 2015, PAREXEL filed a substantially similar lawsuit in the Superior Court of Massachusetts for Suffolk County seeking $6,543,936 in fees and other expenses relating to the trial. On April 3, 2015, the Company filed a lawsuit against PAREXEL in the Superior Court of Massachusetts for Middlesex County, where PAREXEL is headquarted, seeking, inter alia, a declaration that PAREXEL breached the parties' agreement in satisfaction of any amounts due PAREXEL following the REGULATE-PCI clinical, and alleging breach of contract and breach of the implied covenant of good faith and fair dealing claims, as well as violations of Chapter 93A of the Massachusetts General Laws. On April 9, 2015, the Company moved to dismiss PAREXEL's case in Suffolk County and PAREXEL moved to dismiss the Company's case in Middlesex County.

On April 22, 2015, Regado and PAREXEL reached a settlement relating to payment for services provided by PAREXEL in furtherance of the REGULATE-PCI trial (the "Trial"). Pursuant to the parties' agreement, Regado agreed to pay PAREXEL $5,000,000 in full and final payment for PAREXEL's and any additional costs related to those services. Regado further agreed that PAREXEL will address any issues related to any Value Added Tax applicable to the services and pass-through costs relating to the Trial in the Federal Republic of Germany, and that PAREXEL may keep any refund of VAT paid in Germany which relates to the Trial. Pursuant to the settlement, Regado also agreed to stipulate to the dismissal of a lawsuit relating to the subject matter of the above-mentioned settlement agreement that it filed against PAREXEL in the Superior Court of Massachusetts for Middlesex County on April 3, 2015. PAREXEL also agreed to stipulate to the dismissal of a lawsuit, also relating to the subject matter of the above-mentioned settlement agreement that it filed against Regado in the Superior Court of Massachusetts for Suffolk County on April 2, 2015. As a result of this settlement, the Company recorded a charge to research and development expense of approximately $3.4 million in the first quarter of 2015.

8. Restructuring

On September 24, 2014, the Company announced a workforce reduction plan to reduce costs following the termination of the REGULATE-PCI trial. Pursuant to the workforce reduction plan, the Company eliminated 88% of the Company's workforce, or 28 of our 32 full-time employees, across all operational sites. Affected employees were offered separation benefits, including severance payments, and temporary healthcare coverage assistance.

There was $35,000 and $0 of severance expense incurred for the three months ended March 31, 2015 and 2014, respectively. As of March 31, 2015 and December 31, 2014, there was $1.7 million and $2.6 million, respectively, of unpaid severance included in accrued expenses.

We have accrued $6.7 million and $4.6 million as of March 31, 2015 and December 31, 2014, respectively, in connection with the wind down of various operational activities for the company including severance, final payments and close down expenditures.

9. Stockholders' Equity

Common and Preferred Stock Transactions

During the first quarter of 2014, we sold 4,000,000 shares of our common stock at a purchase price of $5.00 per share to certain accredited and institutional investors (the "2014 Private Placement"), raising an aggregate of $20.0 million before sales agency fees and offering costs of approximately $1.4 million. In connection with this financing, the Company entered into a securities purchase agreement, pursuant to which it agreed to register the resale of the shares of common stock issued in the financing.

On March 21, 2014, we entered into an exchange agreement, ("Exchange Agreement"), with Biotechnology Value Fund, LP, Biotechnology Value Fund II, LP and Investment 10, LLC ("the Exchanging Stockholders") pursuant to which we effected an exchange ("the Exchange") of the 2,000,000 shares of our common stock purchased by the exchanging stockholders in our 2014 Private Placement for 10,000 shares of newly designated Series F Convertible Preferred Stock ("Series F") with a stated value of $1,000 per share, each share of which is convertible into 200 shares of our common stock (subject to adjustment in the event of stock splits, recapitalizations and other similar events affecting our common stock).

In April 2014, we consummated an underwritten public offering of 10,000,000 shares of our common stock (the "April 2014 Offering") at a price of $6.00 per share or $5.64 per share after deducting underwriting discounts and commissions. Upon the underwriters' exercise of the over-allotment option in connection with this offering, we issued an additional 279,461 shares of common stock resulting in total net proceeds to us of approximately $57.5 million after deducting underwriting discounts of $3.7 million and offering costs of $0.5 million.

The preferred stock was issued without registration under the Securities Act of 1933, as amended (the "Securities Act") in reliance on the exemption from registration contained in Section 3(a)(9) of the Securities Act.

Series F Convertible Preferred Stock Terms

Pursuant to the terms of the Series F, the exchanging stockholders have the right to convert the Series F into 2,000,000 shares of our common stock, determined by dividing the stated value of $1,000 per share by the conversion price of $5.00 per share, subject to adjustment in the event of stock splits, recapitalizations and other similar events affecting our common stock; provided, however, that the preferred stock cannot be converted by the exchanging stockholders if, after giving effect thereto, the exchanging stockholders would beneficially own more than 9.99% of our common stock, calculated as provided in the certificate of designation establishing the preferred stock, subject to certain exceptions.

The holders of the preferred stock will not have the right to vote on any matter except to the extent required by Delaware law.

Series F convertible preferred shares are entitled to dividends in the same form as dividends actually paid on shares of common stock other than dividends in the form of common stock.

Upon the execution of a fundamental transaction which effects a merger or other change of control transaction of the Company, a holder will have the right to receive, upon any subsequent conversion of a share of Series F (in lieu of conversion shares) for each issuable conversion share, the same kind and amount of securities, cash or property as it would have been entitled to receive upon the occurrence of such fundamental transaction if it had been, immediately prior to such fundamental transaction, the holder of the shares of common stock into which such holder's shares of Series F is then convertible.

Accounting for the Series F Convertible Preferred Stock

Each share of the Series F is convertible into 200 shares of common stock at any time at the option of the holder, subject to adjustment, and the beneficial ownership limitation provision noted above. The Company has recorded the Series F in equity. The initial carrying value of the Series F was $24.8 million. Upon completion of the Exchange, the conversion option of the Series F was immediately exercisable; therefore, the $14.8 million discount related to the BCF was immediately accreted to Series F, resulting in an increase in the carrying value of the Series F by $14.8 million.

As the Series F are considered participating securities, the Series F participates in the earnings or losses of the Company. Consequently, net losses were adjusted for the deemed distributions relating to the BCF and losses attributable to preferred stockholders to calculate the net loss attributable to common stockholders for the three months period ended March 31, 2015.

Warrants

See Note 4 regarding our issuance of a warrant for Series E Preferred Stock in connection with obtaining the Comerica Loan. As of March 31, 2015 and 2014, we had 9,356 warrants outstanding that were exercisable into common shares at a weighted average price of $12.02 per share at the option of the warrant holder. During the three months ended March 31, 2015, there were no warrants exercised. During the three months ended March 31, 2014, warrants for 6,976 shares of common stock were exercised at an exercise price of $0.17.

10. Stock Based Compensation

Equity Compensation Plans

The 2013 Equity Compensation Plan (the "2013 Plan") adopted by our Board of Directors in May 2013, became effective upon consummation of the IPO in August 2013. There are 6,088,830 common shares authorized for issuance under the 2013 Plan of which 2,485,227 were available as of March 31, 2015. Upon effectiveness of the 2013 Plan, stock options outstanding under the 2004 Equity Compensation Plan (the "2004 Plan") to acquire 1,406,910 shares of our common stock were assumed under the 2013 Plan, leaving stock options to acquire 34,342 shares of our common stock outstanding under the 2004 Plan. There will be no further awards made under the 2004 Plan.

The 2013 Plan includes an "evergreen provision" that allows for an annual increase in the number of shares of common stock available for issuance under the 2013 Plan. The annual increase will be added on the first day of each fiscal year starting January 1, 2014, inclusive, and will be equal to five percent of the total number of shares of Common Stock outstanding on December 31st of the preceding calendar year as determined by the board of directors (the "Board"). The Board may act prior to the first day of any calendar year, to provide that there shall be no increase in the share reserve for such calendar year or that the increase in the share reserve for such calendar year shall be a lesser number of shares of Common Stock than would otherwise occur. On January 1, 2015 another 1,680,461 options became available for grant under this evergreen provision, increasing the number of shares authorized for issuance under the 2013 Plan from 4,408,369 shares at December 31, 2014 to a total of 6,088,830 shares at March 31, 2015.

Stock Options

We use the Black-Scholes-Merton option pricing model to determine the fair value of our stock options. The determination of the fair value of stock-based payment awards on the date of grant using an option pricing model is affected by our stock price, as well as assumptions regarding a number of complex and subjective variables. These variables include our expected stock price volatility over the term of the awards, risk-free interest rate, actual employee exercise behaviors and expected dividends.

The following table shows the weighted average assumptions used to value stock options on the date of grant, as follows:

	Three Months Ended March 31,			
	2015		2014	
	Employee	Non-Employees	Employee	Non-Employees
Expected stock price volatility	62.35%	63.00%	54.64%	61.0%
Risk-free interest rate	0.86%	1.32%	1.15%	0.13%
Expected life of option (in years)	2.79	4.00	3.70	1.00
Estimated dividend yield	0.00%	0.00%	0.00%	0.00%
Weighted-average grant date fair value per share	$ 0.93	$ 0.44	$ 2.26	$ 1.15

There were 1,470,510 options granted during the three month period ended March 31, 2015.

Expected stock price volatility was calculated based on the weighted-average of historical information of similar public entities, for a period consistent with the expected life of the option. We will continue to use a weighted-average approach using other similar public entities' volatility information until our historical volatility is relevant to measure expected volatility for future option grants. The risk-free rate was based on the U.S. Treasury yield curve in effect at the time of grant commensurate with the expected life assumption. The average expected life was determined based on anticipated exercise strategy and cancellation behavior for employees and non-employee directors. For the three months ended March 31, 2015, a forfeiture rate of 1% and 0% was used for employees and nonemployee directors, respectively. For the three months ended March 31, 2014, a forfeiture rate of 1% and 0% was used for employees and nonemployee directors, respectively. We have not paid and do not anticipate paying cash dividends; therefore, the expected dividend rate was assumed to be 0%.

The following table summarizes our aggregate Equity Compensation Plan activity:

	Number of Options	Weighted Average Exercise Price	Weighted Average Contractual Term (in years)	Aggregate Intrinsic Value (1)
Outstanding – December 31, 2014	3,839,122	$ 4.68	6.43	$ 50,252
Granted	1,470,510			
Exercised	—			
Forfeited	(46,415)			
Expired	(289,882)			
Outstanding – March 31, 2015	4,973,335	$ 3.52	7.66	$ 751,487
Exercisable – March 31, 2015	2,485,227	$ 5.27	5.76	$ 108,862
Vested and expected to vest at March 31, 2015	4,959,746	$ 5.27	5.76	$ 747,979

(1) Intrinsic value is the excess of the fair value of the underlying common shares as of March 31, 2015 over the weighted-average exercise price. A negative intrinsic value indicates the weighted-average exercise price is greater than the fair value of the underlying common shares as of March 31, 2015.

(2) The number of stock options expected to vest takes into account an estimate of expected forfeitures.

The total intrinsic value of options exercised during the three month periods ended March 31, 2015 and March 31, 2014 was $0 and $30,000, respectively.

Stock-Based Compensation Expense

In the first quarter of 2015, the Company decided to extend the exercise period of certain awards. The Company accounted for the extension of the exercise period as a modification under modification accounting. The Company valued the old awards immediately prior to the modification and the excess value of the new award over that value is recorded as an incremental expense over the vesting period. Additional stock compensation cost expensed in the three months ended March 31, 2015 related to the modification was immaterial.

Total stock-based compensation expense recognized based on the total grant date fair value of options vested and expected to vest was approximately $172,000 and $485,000 for the three months ended March 31, 2015 and 2014, respectively. Due to the valuation allowance against our net deferred tax asset, we have never recognized a tax benefit for stock-based compensation.

As of March 31, 2015, approximately $1.5 million of total unrecognized compensation cost related to unvested share options is expected to be recognized over a weighted-average period of 2.75 years. If the consummation of the Merger is completed in May 2015, as currently expected, 1,413,791 shares will fully vest and 172,533 shares will cease vesting.

11. Income Taxes

We estimate an annual effective tax rate of 0% for the year ending December 31, 2015, as the Company incurred losses for the three months ended March 31, 2015 and are forecasting additional losses through the end of 2015, resulting in an estimated net loss for both financial statement and tax purposes for the year ending December 31, 2015.

Due to our history of losses since inception, there is not enough evidence at this time to support that we will generate future income of a sufficient amount and nature to utilize the benefits of its net deferred tax assets. Accordingly, the deferred tax assets have been reduced by a valuation allowance, since it has been determined that it is more likely than not that all of the deferred tax assets will not be realized. Therefore, no federal or state income taxes are expected and none have been recorded as of March 31, 2015. Income taxes have been accounted for using the liability method.

12. Net Loss per Share

Basic net loss per share of common stock is computed by dividing the Company's net loss attributable to its stockholders by the weighted-average number of shares of common stock outstanding during the period. Diluted net loss per share of common stock is computed by giving effect to all potentially dilutive securities, including stock options, warrants and convertible preferred stock. Basic and diluted net loss per share of common stock attributable to the Company's stockholders was the same for all periods presented on the Consolidated Statements of Comprehensive Loss, as the inclusion of all potentially dilutive securities outstanding would have been anti dilutive. As such, the numerator and the denominator used in computing both basic and diluted net loss per share are the same for each period presented.

In March 2014, the Company issued the Series F with a BCF (See Note 9) and recorded a deemed dividend relating to the BCF of $14.8 million for 2014. The Series F participates in earnings or losses of the Company. Consequently, net losses were adjusted for the deemed distribution relating to the BCF and losses attributable to Series F stockholders to calculate the net loss attributable to common stockholders.

The following table presents the calculation of basic and diluted net loss per share of common stock attributable to the Company's common stockholders (in thousands, except share and per share data):

	Three Months Ended March 31,	
	2015	2014
Net loss per share:		
Numerator:		
Net loss	$ (7,940)	$ (15,848)
Deemed dividend related to the beneficial conversion feature of Series F convertible preferred stock	—	(14,840)
Net loss attributable to common stockholders	$ (7,940)	$ (30,688)
Net loss attributable to preferred stockholders	$ (446)	$ (163)
Net loss attributable to common stockholders — basic and diluted	$ (7,494)	$ (30,525)
Denominator:		
Weighted average common shares outstanding, basic and diluted	33,609,212	23,496,033
Net loss per share attributable to common stockholders, basic and diluted	$ (0.22)	$ (1.30)

For all periods presented, there is no difference in the number of shares used to calculate basic and diluted shares outstanding due to our net loss position. Securities that may potentially dilute earnings per share in the future that have not been included in the calculation of diluted net loss per share because to do so would be anti-dilutive are as follows (in common equivalent shares):

	Three months ended March 31,	
	2015	2014
Convertible preferred stock	2,000,000	2,000,000
Common stock options	4,973,335	4,018,449
Warrants	9,356	9,356
Total	6,982,691	6,027,805

As of March 31, 2015 and 2014, we had 9,356 warrants outstanding that were exercisable into common shares at a weighted average price of $12.02 per share at the option of the warrant holder. During the three months ended March 31, 2015, there were no warrants exercised. During the three months ended March 31, 2014, warrants for 6,976 shares of common stock were exercised at an exercise price of $0.17.

13. Subsequent Events

The Company evaluated all other events or transactions that occurred after March 31, 2015 up through date the Company issued these financial statements and found no subsequent event that needed to be reported other than the settlement of the litigation described in Note 7.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The interim financial statements and this Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the financial statements and notes thereto for the year ended December 31, 2014, and the related Management's Discussion and Analysis of Financial Condition and Results of Operations, both of which are contained in our Annual Report on Form 10-K for the year ended December 31, 2014. In addition to historical information, this discussion and analysis contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are subject to risks and uncertainties, including those set forth under "Part I. Item 1. Business—Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2014, and elsewhere in this report, that could cause actual results to differ materially from historical results or anticipated results. Except as required by law, we undertake no obligation to update any forward-looking statements to reflect events or circumstances occurring after the date of this Quarterly Report on Form 10-Q.

Overview

Regado Biosciences, Inc. (the "Company" or "we" or "our" or "us") is a development stage enterprise incorporated in the State of Delaware on December 19, 2001, operating primarily in Basking Ridge, New Jersey and Durham, North Carolina. We are a biopharmaceutical company that is focused on the discovery and development of novel, first-in-class, actively controllable antithrombotic drug systems for acute and sub-acute cardiovascular indications. On August 25, 2014, we announced the permanent termination of enrollment in our REGULATE-PCI phase 3 trial for our lead program, Revolixys™ Kit, formerly known as REG1. The decision was made based on a recommendation from the trial's Data and Safety Monitoring Board, or DSMB, following their analysis of the data from the first approximately 3,250 patients enrolled in what was intended to be a 13,200-patient trial comparing the safety and efficacy of Revolixys Kit with bivalirudin. Prior to the substantial suspension of our clinical development activities, we were conducting the REGULATE-PCI trial to evaluate Revolixys™ Kit, a two-component system consisting of pegnivacogin, an anticoagulant aptamer specifically targeting coagulation Factor IXa, and its complementary oligonucleotide active control agent, anivamersen. Revolixys was being developed for use in patients with a wide variety of acute coronary syndromes, or ACS, undergoing a percutaneous coronary intervention, or PCI, a hospital-based procedure used to mechanically open or widen obstructed coronary arteries.

In September 2014, we announced that our Board of Directors retained MTS and Cowen & Company, LLC, or Cowen, to act as financial advisors in connection with our exploration of potential business alternatives. In addition, the Company, announced the restructuring activities described in Note 8 to the financial statements to reduce costs following the termination of the REGULATE-PCI trial as part of the Company's decision to focus resources on three principal activities following the termination of the trial: completion of the final closure of the REGULATE-PCI trial and analysis of the unblinded database from the trial, diligence activities associated with thoroughly exploring potential business alternatives, and the Company's compliance activities associated with being a public company in good regulatory standing. We continue to plan and seek partnerships for preclinical studies of potential new products and maintain and advance our intellectual property portfolio.

On January 14, 2015, the Company entered into an Agreement and Plan of Merger and Reorganization, as amended on January 23, 2015 (the "Merger Agreement"), with Tobira Therapeutics, Inc., a Delaware corporation ("Tobira"), a clinical-stage biopharmaceutical company focused on the development and commercialization of innovative therapeutics to treat liver disease, human immunodeficiency virus, fibrosis and inflammation, Landmark Merger Sub Inc., a Delaware corporation and wholly-owned subsidiary of the Company (the "Merger Sub") and, solely with respect to Section 5.14 of the Merger Agreement, Brent Ahrens, as the agent of Tobira's stockholders.

Upon the terms and subject to the satisfaction of the conditions described in the Merger Agreement, including approval of the transaction by the Company's stockholders and Tobira's stockholders, the Merger Sub will be merged with and into Tobira (the "Merger"), with Tobira surviving the Merger as a wholly-owned subsidiary of the Company. The Merger is intended to qualify as a tax-free reorganization for U.S. federal income tax purposes.

At the effective time of the Merger, but subject to the escrow provisions described below: (a) each outstanding share of Tobira's common stock will be converted into and exchanged for the number of shares of the Company's common stock (the "Company Common Stock") equal to the exchange ratio described below; (b) each outstanding Tobira stock option will be assumed by the Company; and (c) certain warrants to acquire Tobira capital stock will be assumed by the Company.

Under the exchange ratio formula in the Merger Agreement, immediately after the Merger, but excluding the effect of any financing (as described below), the former Tobira securityholders are expected to own approximately 71% of the aggregate number of shares of the Company Common Stock, and the stockholders of the Company immediately prior to the Merger (the "Company Stockholders") are expected to own approximately 29% of the aggregate number of shares of the Company Common Stock (on a fully diluted basis). This exchange ratio will be adjusted to the extent the Company's net cash at closing is greater or less than $33 million.

Following the Merger, Tobira's Chief Executive Officer, Laurent Fischer, M.D., will be the Company's Chief Executive Officer, and the Company's corporate headquarters will be relocated to 701 Gateway Blvd, Suite 300, South San Francisco, CA 94080. Additionally, following the Merger, the board of directors of the Company will consist of nine seats and will be comprised of six representatives of Tobira and three representatives of the Company, with the Company's current chairman of the board of directors, Dennis Podlesak, continuing to act as chairman of the board of the Company following the Merger.

The Merger Agreement contains customary representations, warranties and covenants made by the Company and Tobira, including covenants relating to obtaining the requisite approvals of the stockholders of the Company and Tobira, indemnification of directors and officers, the Company's and Tobira's conduct of their respective businesses between the date of signing the Merger Agreement and the closing of the Merger and a covenant by the Company to, following the closing of the Merger, file a registration statement on Form S-3 to register the resale of the shares of Company Common Stock issued pursuant to the Merger Agreement.

The authorization and issuance of the shares of Company Common Stock in the Merger and in the financing described below, amendments of the Company charter related to changing the name of the Company and a potential nine to one reverse stock split are subject to approval by the Company's stockholders. The Merger is subject to other customary closing conditions, including, among other things, the accuracy of the representations and warranties, subject to certain materiality qualifications, compliance by the parties with their respective covenants and no law or order preventing the Merger and related transactions.

The Merger Agreement may be terminated by either party under certain circumstances, including, among others: (i) if the closing has not occurred by the six-month anniversary of the Merger Agreement; (ii) if a court or other governmental entity has issued a final and non-appealable order prohibiting the closing; (iii) if the Company's or Tobira's stockholders fail to approve the transaction; (iv) upon a material uncured breach by the other party that would result in a failure of the conditions to the closing; or (v) in the event of a material adverse event. Upon termination of the Merger Agreement for a party's failure to obtain the approval of its stockholders, such party is obligated to pay the other party a termination fee of $1 million plus reimburse the other party's fees and expenses up to $250,000. If such party enters into an agreement relating to an Acquisition Transaction (as defined in the Merger Agreement) or consummates an Acquisition Transaction within 12 months following a termination for the failure to obtain stockholder approval, such party is obligated to pay an additional $1 million to the other party. In addition, if the Merger Agreement is terminated due to certain breaches of the Merger Agreement, the breaching party is obligated to reimburse up to $250,000 of the other party's fees and expenses.

On March 23, 2015, the Company filed a definitive proxy relating to the Merger Agreement and set its special shareholder meeting date as of May 4, 2015.

As of March 31, 2015, we had approximately $44.5 million of cash and cash equivalents. In September 2014, we implemented a workforce reduction plan described in Note 8 to the financial statements and other cost-cutting measures.

Financial Operations Overview

Research and Development

Prior to the suspension of our clinical development activities, our research and development activity was focused on conducting a Phase III trial for our lead product candidate, Revolixys™ Kit, formerly known as REG1, a two-component system consisting of pegnivacogin, an anticoagulant aptamer specifically targeting coagulation Factor IXa, and its complementary oligonucleotide active control agent, anivamersen. Our research and development expenses consist of the costs associated with our research and discovery activities, conducting preclinical studies and clinical trials and activities related to regulatory filings. Our research and development expenses consist of:

- employee salaries and related expenses, which include all compensation benefits for the personnel involved in our drug discovery and development activities, including stock based compensation;
- external research and development expenses incurred under agreements with third party AROs and CROs and investigative sites;
- clinical trial supplies when used or upon determination that they have no alternative future use and clinical trial supplies shipped to clinical sites for use in clinical studies;
- license fees for and milestone payments related to in-licensed products and technologies; and
- overhead costs related to facilities, depreciation, and supplies.

Historically we have expensed research and development costs as incurred, with the exception of materials purchased and/or manufactured for use in clinical trials which we capitalized. Clinical trial supplies are comprised of materials that will be used in our clinical trials that also have an alternative future use in either ongoing or future clinical research or development projects. Capitalized clinical trial supplies that are determined to be unsuitable for future use are immediately expensed to research and development; otherwise, clinical trial supplies are expensed to research and development when shipped to clinical sites for use in clinical studies or when used in other research and development projects. As of March 31, 2015, all such costs had been expensed. Costs for clinical agreements, including ARO and CRO contracts, are recognized based on an evaluation of the progress to completion of specific tasks using data such as patient enrollment, clinical site activations, or information provided by vendors on their actual costs incurred. Payments for these activities are based on the terms of the individual arrangements, which may differ from the pattern of costs incurred, and are reflected in our financial statements as prepaid or accrued expenses.

General and Administrative Expenses

General and administrative expenses consist principally of salaries and related benefit costs, including stock-based compensation for administrative personnel. Other general and administrative expenses include facility costs, and professional fees for legal, consulting, auditing and tax services. We also incurred substantial legal costs related to legal proceedings (see Note 7) and the Director and Officer life insurance tail of the policy. We anticipate that our general and administrative expenses will decrease in future periods following the workforce reduction plan announced in September 2014 (see Note 8 to the financial statements). This reduction will likely be offset by increased spending in support of the identification, evaluation and consummation of potential business alternatives, including, for instance, our pending Merger with Tobira.

Interest Income (Expense)

Interest income consists of interest earned on our cash and cash equivalents. We expect our interest income earned on cash and cash equivalents to remain relatively constant or to decrease slightly based on our spending to consummate our merger with Tobira.

Interest expense in 2015 consisted of fair value adjustments related to our warrant liability, amortization of financing fees and interest charges related to the Comerica Loan. Interest expense in 2014 consisted of fair value adjustments to our warrant liability and interest charges related to the Comerica loan.

Critical Accounting Policies and Significant Judgments and Estimates

Our discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses and the disclosure of contingent assets and liabilities in our financial statements. We evaluate our estimates and judgments, including those related to accrued expenses and share-based compensation, on an ongoing basis. We base our estimates on historical experience, known trends and events and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Our significant accounting policies are described in more detail in the notes to our audited consolidated financial statements included in this report. We believe the following accounting policies to be most critical to the judgments and estimates used in preparation of our financial statements and such policies have been reviewed and discussed with our audit committee.

Accrued Expenses

As part of the process of preparing our financial statements, we are required to estimate accrued expenses. This process involves reviewing open contracts and purchase orders, communicating with applicable vendor personnel to identify services that have been performed on our behalf and estimating the level of service performed and the associated cost incurred for the service when we have not yet been invoiced or otherwise notified of actual cost. The majority of our service providers invoice us monthly in arrears for services performed. We make estimates of our accrued expenses as of each balance sheet date in our financial statements based on facts and circumstances known to us. We periodically confirm the accuracy of our estimates with the service providers and make adjustments if necessary. Examples of estimated accrued expenses include:

- fees paid to CROs in connection with clinical trials;
- investigative site costs in connection with clinical trials;
- milestone payments; and
- unpaid salaries, wages and benefits.

We accrue our expenses related to clinical trials based on our estimates of the services received and efforts expended pursuant to contracts with multiple research institutions and CROs that conduct and manage clinical trials on our behalf. The financial terms of these agreements are subject to negotiation, vary from contract to contract and may result in uneven payment flows. Payments under some of these contracts depend on factors such as the successful enrollment of patients and the completion of clinical trial milestones. In accruing service fees, we estimate the time period over which services will be performed and the level of effort to be expended in each period. If the actual timing of the performance of services or the level of effort varies from our estimate, we will adjust the accrual accordingly. If we do not identify costs that we have begun to incur or if we underestimate or overestimate the level of services performed or the costs of these services, our actual expenses could differ from our estimates. Since all of our clinical programs have ceased, there are only a few remaining vendors with estimated accruals. We do not currently anticipate the future settlement of existing accruals to differ materially from our estimates.

Stock-based Compensation

In accordance with FASB ASC Topic 718, Stock Compensation, as modified or supplemented, we measure compensation cost for share-based payment awards granted to employees and non-employee directors at fair value using the Black-Scholes option-pricing model. We recognize compensation expense on a straight-line basis over the service period for awards expected to vest. Share-based compensation cost related to share-based payment awards granted to non-employees is adjusted each reporting period for changes in the fair value of our common stock until the measurement date. The measurement date is generally considered to be the date when all services have been rendered or the date that options are fully vested.

We use the Black-Scholes-Merton option pricing model to determine the fair value of our stock options. The determination of the fair value of stock-based payment awards on the date of grant using an option pricing model is affected by our stock price, as well as assumptions regarding a number of complex and subjective variables. These variables include our expected stock price volatility over the term of the awards, risk-free interest rate, actual employee exercise behaviors and expected dividends.

As of December 31, 2014, there were 3,839,122 options outstanding. On January 1, 2015, there was an automatic grant to the Members of the Board of Directors in addition to grants made to the remaining employees for an outstanding option balance of 4,973,335 as of March 31, 2015. The Company does not anticipate issuance of substantial additional stock options until a strategic alternative transaction is consummated. For certain employees, the stock options granted had been modified as part of their retention program, and in such case the net impact of change in the fair value of the modified option was recognized as an additional stock compensation expense.

The following table shows the weighted average assumptions used to value stock options on the date of grant, as follows:

	Three Months Ended March 31,			
	2015		2014	
	Employee	Non-Employees	Employee	Non-Employees
Expected stock price volatility	62.35%	63.00%	54.64%	61.0%
Risk-free interest rate	0.86%	1.32%	1.15%	0.13%
Expected life of option (in years)	2.79	4.00	3.70	1.00
Estimated dividend yield	0.00%	0.00%	0.00%	0.00%
Weighted-average grant date fair value per share	$ 0.93	$ 0.44	$ 2.26	$ 1.15

Expected stock price volatility was calculated based on the weighted-average of historical information of similar public entities. We will continue to use a weighted-average approach using other similar public entities' volatility information until our historical volatility is relevant to measure expected volatility for future option grants. The risk-free rate was based on the U.S. Treasury yield curve in effect at the time of grant commensurate with the expected life assumption. The average expected life was determined based on anticipated exercise strategy and cancellation behavior for employees and nonemployees, primarily non-employee directors. For the three months ended March 31, 2015, a forfeiture rate of 1% and 0% was used for employees and nonemployee directors, respectively. For the three months ended March 31, 2014, a forfeiture rate of 1% and 0% was used for employees and nonemployees, respectively. We have not paid and do not anticipate paying cash dividends; therefore, the expected dividend rate was assumed to be 0%.

Total stock-based compensation expense recognized based on the total grant date fair value of options vested and expected to vest was approximately $172,000 and $485,000 for the three months ended March 31, 2015 and 2014, respectively. Due to the valuation allowance against our net deferred tax asset, we have never recognized a tax benefit for stock based compensation.

As of March 31, 2015, approximately $1.5 million total unrecognized compensation cost related to unvested share options is expected to be recognized over a weighted-average period of 2.75 years.

Accounting for Convertible Preferred Stock

On March 21, 2014, we entered into an exchange agreement (the "Exchange Agreement"), with Biotechnology Value Fund, LP, Biotechnology Value Fund II, LP and Investment 10, LLC (the "Exchanging Stockholders"), pursuant to which we effected an exchange (the "Exchange") of 2,000,000 shares of our common stock purchased by the exchanging stockholders in our 2014 Private Placement for 10,000 shares of newly designated Series F Convertible Preferred Stock ("Series F"), with a stated value of $1,000 per share, each share of which is convertible into 200 shares of our common stock (subject to adjustment in the event of stock splits, recapitalizations and other similar events affecting our common stock).

Pursuant to the terms of the Series F, the exchanging stockholders have the right to convert the Series F into 2,000,000 shares of our common stock, determined by dividing the stated value of $1,000 per share by the conversion price of $5.00 per share, subject to adjustment in the event of stock splits, recapitalizations and other similar events affecting our common stock; provided, however, that the Series F cannot be converted by the exchanging stockholders if, after giving effect thereto, the exchanging stockholders would beneficially own more than 9.99% of our common stock, calculated as provided in the certificate of designation establishing the preferred stock, subject to certain exceptions.

The holders of the preferred stock will not have the right to vote on any matter except to the extent required by Delaware law.

Series F are entitled to dividends in the same form as dividends actually paid on shares of common stock other than dividends in the form of common stock.

Upon the execution of a fundamental transaction which effects a merger or other change of control transaction of the Company, a holder will have the right to receive, upon any subsequent conversion of a share of Series F (in lieu of conversion shares) for each issuable conversion share, the same kind and amount of securities, cash or property as it would have been entitled to receive upon the occurrence of such fundamental transaction if it had been, immediately prior to such fundamental transaction, the holder of the shares of common stock into which such holder's shares of Series F is then convertible.

As the Series F participates in the earnings or losses of the Company, the Series F are considered participating securities. Consequently, net losses were adjusted for the deemed distributions relating to the beneficial conversion feature (the "BCF") and losses attributable to preferred stockholders to calculate the net loss attributable to common stockholders for the three months ended March 31, 2015.

Results of Operations

Three Months Ended March 31, 2015 and 2014

The following table sets forth certain information concerning our results of operations for the periods shown (in thousands):

	Three Months Ended March 31,		Increase (Decrease)
	2015	2014	
Operating expenses:			
Research and development	$(3,653)	$(13,115)	$ (9,462)
General and administrative	(4,234)	(2,549)	1,685
Total operating expenses	(7,887)	(15,664)	(7,777)
Other (expense) income:			
Interest income	10	3	7
Interest expense	(63)	(187)	124
Total other (expense) income	(53)	(184)	131
Net loss	$(7,940)	$(15,848)	$
Deemed dividend related to beneficial conversion feature of Convertible preferred stock	—	(14,840)	14,840
Net loss applicable to stockholders	$(7,940)	$(30,688)	$ 22,748

Research and Development Expenses

Research and development expenses decreased by $9.5 million for the three months ended March 31, 2015 compared to the three months ended March 31, 2014 due to the reduction of costs related to the REGULATE-PC1 trials which were terminated in 2014. The 2015 costs consist primarily of the costs to resolve the Parexel litigation.

General and Administrative Expenses

General and administrative expenses increased by $1.7 million for the three months ended March 31, 2015 compared to the three months ended March 31, 2014. The increase was primarily due to approximately $2 million (excluding certain fees that are payable upon consummation of the Merger) of professional fees related to the Merger Agreement with Tobira.

Other Income (Expense)

Interest income increased by $7,000 for the three months ended March 31, 2015, compared to the three months ended March 31, 2014 due to the change in the fair value of the warrant liability.

Interest expense decreased by $124,000 for the three months ended March 31, 2015, compared to the three months ended March 31, 2014 due to the pay off of the Comerica loan in February, 2015.

Series F Convertible Preferred Stock Accretion

Accretion of the Series F deemed dividend related to the Series F BCF was $0 in 2015 compared to $14.8 million in 2014. The rights and preferences of the Series F, as well as the BCF as a result of the issuance of the Series F, are described further in Note 9 to the notes to the financial statements.

Liquidity and Capital Resources

Sources of Liquidity

To date, we have not generated any product revenue. We have funded our operations to date through sales of our equity and debt securities, bank borrowings and government grants. As of March 31, 2015 we had $44.5 million in cash and cash equivalents, compared to $51.6 million in cash and cash equivalents as of December 31, 2014. Following the restructuring described in Note 8, and assuming that a transaction involving a potential business alternative is not consummated, we anticipate that our cash resources will be sufficient to fund our operations for the foreseeable future. However, changes may occur that would cause us to consume our existing capital prior to that time, including the costs to consummate our pending Merger with Tobira or other of potential business alternatives. Additionally, actual costs may ultimately vary from our current expectations, which could materially impact our use of capital and our forecast of the period of time through which our financial resources will be adequate to support our operations. We have estimated the sufficiency of our cash resources based in part on the discontinuation of the REGULATE-PCI trial, and our activities with respect to the identification and evaluation of potential business alternatives.

We expect that we will need not additional financing to support our Company's operations for the foreseeable future, unless a business alternative transaction is consummated including our pending Merger with Tobira, in which case we will need to finance our cash needs through the sale of equity securities, strategic collaborations and/or debt financings, or through other sources that may be dilutive to existing stockholders. There can be no assurance that we will be able to obtain funding from any of these sources or, if obtained, what the terms of such funding(s) may be, or that any amount that we are able to obtain will be adequate to support our working capital requirements until we achieve profitable operations. We have no current committed sources of additional capital but are constantly assessing market conditions so that we may take advantage of financing opportunities.

During the first quarter of 2014, we sold 4,000,000 shares of our common stock at a purchase price of $5.00 per share to certain accredited and institutional investors (the "2014 Private Placement"), raising an aggregate of $20.0 million before sales agency fees and offering costs of approximately $1.4 million. In connection with this financing, the Company entered into a securities purchase agreement, pursuant to which it agreed to register the resale of the shares of common stock issued in the financing.

In April 2014, we consummated an underwritten public offering of 10,000,000 shares of our common stock at a price of $6.00 per share or $5.64 per share after deducting underwriting discounts and commissions. Upon the underwriters' exercise of the over-allotment option in connection with this offering, we issued an additional 279,461 shares of common stock resulting in total net proceeds to us of approximately $57.5 million after deducting underwriting discounts and offering costs.

Comerica Loan

In May 2013, we entered into a Loan and Security Agreement, or the Loan Agreement, with Comerica Bank, or Comerica. Pursuant to the terms of the Loan Agreement, we were initially eligible to borrow $4.5 million in an initial tranche, or Tranche One. Upon Comerica's receipt of evidence satisfactory to Comerica that (i) the 1,000 patient interim analysis in the REGULATE-PCI study is successful and performed by April 30, 2014 and (ii) upon our completion of the IPO and receipt of net proceeds of at least $50 million prior to September 30, 2013, we had the option to borrow an additional $4 million in the second tranche, or Tranche Two. Since the Tranche Two conditions were not satisfied, the availability of Tranche Two is solely at the discretion of Comerica.

The Comerica loan bears interest at Comerica's Prime Reference Rate (as defined in the Loan Agreement) subject to a floor of 30 day LIBOR plus 250 basis points plus 4.0%. The Comerica loan is interest-only until September 1, 2014. We must repay the principal amount in nine approximately equal consecutive monthly installments commencing on September 1, 2014. The loan matures on May 10, 2015. As of March 31, 2015, the loan was repaid in full.

In connection with the funding of Tranche One, we issued a warrant to Comerica, or the Comerica Warrant, to purchase 156,250 shares of our Series E Preferred Stock at a price of $0.72 per share, or the Warrant Price, subject to adjustment for stock splits, combinations, reclassifications or exchanges and certain dilutive issuances. After giving effect to our IPO and reverse stock-split, the Comerica Warrant was adjusted to a warrant to purchase 9,356 shares of our common stock at a price of $12.02 per share (the "Adjusted Warrant Price").

Cash Flows

Our net cash flow from operating, investing and financing activities for the periods below were as follows (in thousands):

	Three Months Ended March 31,	
	2015	2014
Net cash provided by (used in):		
Operating activities	$(4,538)	$(13,417)
Investing activities	81	(1,187)
Financing activities	(2,640)	18,754
Net (decrease) increase in cash and cash equivalents	$(7,097)	$ 4,150

Operating Activities

Net cash used in operating activities was $4.5 million for the three months ended March 31, 2015 and $13.4 million for the three months ended March 31, 2014. Net cash used in operating activities for the three months ended March 31, 2015 principally resulted from transaction fees relating to the pending Tobira Merger, severance payments, and payments related to the lease assignment. Net cash used in operating activities for the three months ended March 31, 2014 principally resulted from REGULATE-PCI trial expenses which commenced in September 2013 and to the increased costs of being a public company, in addition to an increase in accrued expenses.

Investing Activities

Net cash provided by investing activities was $81,000 for the three months ended March 31, 2015 and net cash used in investing activities was $1.2 million for the three months ended March 31, 2014. The increase in net cash used in investing activities for the three months ended March 31, 2015 resulted from the closing of letter of credit and money market accounts. The net cash used in investing activities for the three months ended March 31, 2014 primarily consisted of $1.0 million of restricted cash for payment of an accrued milestone obligation, in addition to the acquisition of property rights.

Financing Activities

Net cash provided used in activities was $2.6 million for the three months ended March 31, 2015 and net cash provided by financing activities was $18.8 million for the three months ended March 31, 2014. Net cash used in financing activities for the three months ended March 31, 2015 resulted from the repayment of the Comerica Loan (see Note 6). Net cash provided by financing activities for the three months ended March 31, 2014 resulted primarily from $18.6 million in net proceeds from the 2014 Private Placement.

Funding Requirements

Supply and Manufacturing Agreements

We had entered into several supply and manufacturing agreements, whereby services were provided on a purchase order basis. As of December 31, 2014, all vendors were notified that no further purchase orders would be issued. No orders exist as of March 31, 2015.

Clinical Agreements

We have employed various clinical trial agreements with AROs and CROs for planning, management and execution of clinical trials. The financial terms of these agreements, varied from contract to contract, resulted in uneven payment flows. These contracts generally provide for termination on notice. As of December 31, 2014, all vendors were notified that no further agreements and services would be required. No clinical agreements exist as of March 31, 2015.

Lease Obligations

In April 2014, we entered into a 6-year lease for 18,467 square feet of administrative office space at 106 Allen Road in Basking Ridge, New Jersey. In February 2015, we entered into an assignment of the lease whereas we assigned all rights to the space to the tenant and they assume all obligations under the lease. As of February 2015, we had remaining minimum lease payments of $2.4 million. The assignee has assumed the minimum lease payments of $2.4 million for a net effect of $0. This assignment does not relieve us from any covenants or obligations under the lease. We incurred expenses of $255,000 related to the assignment of the lease during the three months ended March 31, 2015.

In May 2013, we entered into a three-year lease agreement for 1,657 square feet of administrative office space in Durham, North Carolina. This lease is current and active.

Off-Balance Sheet Arrangements

Since inception, we have not engaged in any off-balance sheet arrangements as defined in Item 303(a)(4) of Regulation S-K.

Recent Accounting Pronouncements

In August 2014, FASB issued ASU 2014-15-Presentation of Financial Statements-Going Concern (ASC Subtopic 205-40): "Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern". The update requires management to assess a company's ability to continue as a going concern and to provide related footnote disclosures in certain circumstances. All entities are required to apply the new requirements in annual periods ending after December 15, 2016, and interim periods thereafter. Early application is permitted. As such, we are required to adopt these provisions for the annual period ending December 31, 2016. We are currently evaluating the impact of FASB ASU 2014-15 but we do not expect the adoption thereof to have a material effect on the Company's financial statements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Our exposure to market risk is limited to our cash, cash equivalents and marketable securities, all of which have maturities of one year or less. The goals of our investment strategy are preservation of capital, fulfillment of liquidity needs and fiduciary control of cash and investments. We also seek to maximize income from our investments without assuming significant risk. To achieve our goals, we maintain a portfolio of cash equivalents and investments in a variety of securities that management believes to be of high credit quality. The securities in our investment portfolio are not leveraged, are classified as available for sale and are, due to their short-term nature, subject to minimal interest rate risk. We currently do not hedge interest rate exposure. Because of the short-term maturities of our investments, we do not believe that an increase in market rates would have a material negative impact on the value of our investment portfolio.

We do not have any material foreign currency exposure.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of March 31, 2015, our management, with the participation of our principal executive officer and principal financial officer, evaluated the effectiveness of our disclosure controls and procedures. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost benefit relationship of possible controls and procedures. Based on this evaluation, management concluded that our disclosure controls and procedures were effective. In earlier periods the company reported a material weakness. While controls were implemented that addressed this weakness there was, and will not, be an opportunity to test these controls given that the transaction in question will not occur in the future.

Changes in Internal Control over Financial Reporting

In September of 2014 the Company announced that it was suspending all clinical development activities and had engaged outside firms to assist the Company in pursuing a strategic transaction including both the sales of assets and the Company. The Company also announced a plan to substantially reduce the workforce. At the end of 2014 we separated the remaining accounting employees. We have engaged these employees and other service providers as consultants through the time necessary to file the 10-Q for March 31, 2015.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

On February 2, 2015, a purported shareholder of the Company filed a putative class-action lawsuit (captioned *Maiman v. Regado Biosciences, Inc.* , Case No. 10606-CB) in the Court of Chancery for the State of Delaware (the "Court"), challenging the proposed stock-for-stock Merger of the Company with Tobira ("Proposed Merger"). On February 25, 2015, a second, related putative class action (captioned *Gilboa v. Regado Biosciences, Inc.* , Case No. 10720-CB) was filed in Delaware Chancery Court challenging the Proposed Merger. The complaints name as defendants: (i) each member of the Company's Board of Directors, (ii) the Company, (iii) Tobira, and (iv) Landmark Merger Sub Inc. Plaintiffs allege that the Company's directors breached their fiduciary duties to the Company's stockholders by, among other things, (a) agreeing to merge the Company with Tobira for inadequate consideration, (b) implementing a process that was distorted by conflicts of interest, and (c) agreeing to certain provisions of the Merger Agreement that are alleged to favor Tobira and deter alternative bids. Plaintiffs also generally allege that the entity defendants aided and abetted the purported breaches of fiduciary duty by the directors. On March 25, 2015, the Court consolidated the two actions and assigned lead counsel for plaintiffs. On March 27, 2015, plaintiffs filed a motion for expedited proceedings and a motion for preliminary injunction. On April 20, 2015, the parties agreed in principle to resolve the litigation (subject to approval by the Court) and signed a memorandum of understanding setting forth the terms of the proposed settlement. On April 23, 2015, as part of the proposed settlement, Regado provided additional disclosures to the Company's shareholders.

On March 30, 2015, PAREXEL International, LLC ("PAREXEL") filed suit against the Company in the United States District Court for the District of Massachusetts alleging breach of contract and breach of the implied covenant of good faith and fair dealing claims, as well as violations of Chapter 93A of the Massachusetts General Laws, arising from the closing out of the parties' contract for PAREXEL's services in furtherance of the REGULATE-PCI clinical trial. PAREXEL filed a motion to voluntarily dismiss its lawsuit for lack of subject matter jurisdiction on April 2, 2015, which the court granted on April 6, 2015. Also on April 2, 2015, PAREXEL filed a substantially similar lawsuit in the Superior Court of Massachusetts for Suffolk County seeking $6,543,936 in fees and other expenses relating to the trial. On April 3, 2015, the Company filed a lawsuit against PAREXEL in the Superior Court of Massachusetts for Middlesex County, where PAREXEL is headquartered, seeking, inter alia, a declaration that PAREXEL breached the parties' agreement in satisfaction of any amounts due PAREXEL following the REGULATE-PCI clinical, and alleging breach of contract and breach of the implied covenant of good faith and fair dealing claims, as well as violations of Chapter 93A of the Massachusetts General Laws. On April 9, 2015, the Company moved to dismiss PAREXEL's case in Suffolk County and PAREXEL moved to dismiss the Company's case in Middlesex County.

On April 22, 2015, Regado and PAREXEL reached a settlement relating to payment for services provided by PAREXEL in furtherance of the REGULATE-PCI trial (the "Trial"). Pursuant to the parties' agreement, Regado agreed to pay PAREXEL $5,000,000 in full and final payment for PAREXEL's and any additional costs related to those services. Regado further agreed that PAREXEL will address any issues related to any Value Added Tax applicable to the services and pass-through costs relating to the Trial in the Federal Republic of Germany, and that PAREXEL may keep any refund of VAT paid in Germany which relates to the Trial. Pursuant to the settlement, Regado also agreed to stipulate to the dismissal of a lawsuit relating to the subject matter of the above-mentioned settlement agreement that it filed against PAREXEL in the Superior Court of Massachusetts for Middlesex County on April 3, 2015. PAREXEL also agreed to stipulate to the dismissal of a lawsuit, also relating to the subject matter of the above-mentioned settlement agreement, that it filed against Regado in the Superior Court of Massachusetts for Suffolk County on April 2, 2015. As a result of this settlement, the Company recorded a charge to research and development expense of approximately $3.4 million in the first quarter of 2015.

Item 1A. Risk Factors

Except for the historical information contained herein or incorporated by reference, this Annual Report and the information incorporated by reference contains forward-looking statements that involve risks and uncertainties. These statements include projections about our accounting and finances, plans and objectives for the future, future operating and economic performance and other statements regarding future performance. These statements are not guarantees of future performance or events. Our actual results may differ materially from those discussed here. Factors that could cause or contribute to differences in our actual results include those discussed in the following section, as well as those discussed in Part II, Item 7 entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere throughout this Annual Report and in any other documents incorporated by reference into this Annual Report. You should consider carefully the following risk factors, together with all of the other information included or incorporated in this Annual Report. Each of these risk factors, either alone or taken together, could adversely affect our business, operating results and financial condition, as well as adversely affect the value of an investment in our common stock. There may be additional risks that we do not presently know of or that we currently believe are immaterial which could also impair our business and financial position.

Risks Relating to the Company and its Operations

We have a history of operating losses and cannot give assurance of future revenues or operating profits; investors may lose their entire investment.

We have incurred net losses in all prior reporting periods, including net losses of $4.5 million during the three months ended March 31, 2015. As of March 31, 2015, we had an accumulated deficit of $220 million. To date, we have not commercialized any products or generated any revenues from the sale of products, and absent the realization of sufficient revenues from product sales, we may never attain profitability in the future. Our losses have resulted principally from costs incurred in our discovery and development activities.

We have announced entry into the Merger Agreement with Tobira. Should the Merger or the other transactions contemplated by the Merger Agreement not be successfully completed we may never achieve or sustain profitability on a quarterly or annual basis or return value to our stockholders. Our failure to become and remain profitable would depress the market price of our common stock and could impair our ability to raise capital, expand our business, diversify our product offerings or continue our operations. If we continue to suffer losses as we have in the past, investors may not receive any return on their investment and may lose their entire investment.

Our insurance policies are expensive and protect us only from some business risks, which will leave us exposed to significant uninsured liabilities.

We do not carry insurance for all categories of risk that our business may encounter. Some of the policies we currently maintain include general liability, employment practices liability, property, auto, workers' compensation, products liability, clinical trial and directors' and officers' insurance. Operating as a public company makes it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain coverage. As a result, it may be more difficult for us to attract and retain qualified people to serve on our board of directors, our board committees or as executive officers. We do not know, however, if we will be able to maintain existing insurance with adequate levels of coverage. Any significant uninsured liability may require us to pay substantial amounts, which would adversely affect our cash position and results of operations.

Risks Relating to the Proposed Merger Transaction

The announcement and pendency of the Merger could have an adverse effect on our stock price and/or the business, financial condition, results of operations, or business prospects of our company.

While there have been no significant adverse effects to date, the announcement and pendency of the Merger could disrupt our businesses in the following ways, among others:

- third parties may seek to terminate and/or renegotiate their relationships with us as a result of the Merger, whether pursuant to the terms of their existing agreements with us or otherwise; and
- the attention of our management may be directed toward the completion of the Merger and related matters and may be diverted from the day-to-day business operations of their respective companies, including from other opportunities that might otherwise be beneficial to us.

Should they occur, any of these matters could adversely affect our stock price or harm our financial condition, results of operations, or business prospects.

The conditions under the Merger Agreement to Tobira's consummation of Merger may not be satisfied at all or in the anticipated timeframe.

The obligation of Tobira to complete the Merger is subject to certain conditions, including the expiration or termination of any waiting period (and extensions thereof) applicable to the transactions contemplated by the Merger Agreement under applicable antitrust regulations, the approval by our stockholders and Tobira's stockholders of certain matters and other customary closing conditions, including, among other things, the accuracy of the representations and warranties, subject to certain materiality qualifications, compliance by the parties with their respective covenants and no law or order preventing the Merger and related transactions. These conditions are described in more detail in the Merger Agreement, as amended, which is filed as Exhibits 2.1 and 2.2 hereto and incorporated herein by reference.

We intend to pursue all required approvals in accordance with the Merger Agreement. However, no assurance can be given that the required approvals will be obtained and, even if all such approvals are obtained, no assurance can be given as to the terms, conditions and timing of the approvals or that they will satisfy the terms of the Merger Agreement.

The Merger Agreement restricts our ability to pursue alternatives to the Merger and requires us to pay a termination fee to Tobira if we do.

The Merger Agreement contains non-solicitation provisions that, subject to limited exceptions, restrict our ability to initiate, solicit or encourage or take any action to discuss or accept a competing third party proposal. Although our board of directors is permitted to change its recommendation that shareholders approve the matters relating to the proposed Merger if it determines in good faith that these actions are reasonably likely to be required to comply with its fiduciary duties and certain other conditions, doing so in specified situations would require us to pay a termination fee to Tobira of up $2.0 million. Furthermore, we will have to pay Tobira's out-of-pocket expenses, including all fees and expenses payable to all legal, accounting, financial, public relations and other professional advisors arising out of, in connection with, or related to the Merger, up to a maximum of $250,000 in the aggregate, if the Merger Agreement is terminated under certain circumstances.

Additionally, these non-solicitation provisions could discourage a potential acquirer that might have an interest in acquiring all or a significant part of our company from considering or proposing that acquisition, even if it were prepared to pay consideration with a higher per share cash or market value than the consideration contemplated by the Merger Agreement or might result in a potential competing acquirer proposing to pay a lower per share price to acquire our company than it might otherwise have proposed to pay because of the added expense of the termination fee that may become payable in certain circumstances.

If our announced proposed transactions with Tobira contemplated by the Merger Agreement are not successful, our Board of Directors may decide to pursue a dissolution and liquidation of our company.

There can be no assurance that the previously announced proposed transactions with Tobira will be successful. If no transactions with respect to potential business alternatives are identified and completed, our Board of Directors may decide to pursue a dissolution and liquidation of our company. If our Board of Directors were to approve and recommend, and our stockholders were to approve, a dissolution and liquidation of our company, we would be required under Delaware corporate law to pay our outstanding obligations, as well as to make reasonable provision for contingent and unknown obligations, prior to making any distributions in liquidation to our stockholders. Our commitments and contingent liabilities may include (i) obligations under our outstanding indebtedness; (ii) obligations under our employment and separation agreements with certain members of its management that provide for severance and other payments following a termination of employment occurring for various reasons, including a change in control of our

company, (iii) other various claims and legal actions arising in the ordinary course of business and (iv) non-cancelable lease obligations. As a result of this requirement, a portion of our assets may need to be reserved pending the resolution of such obligations. In addition, we may be subject to litigation or other claims related to a dissolution and liquidation of our company. If a dissolution and liquidation were pursued, our Board of Directors, in consultation with its advisors, would need to evaluate these matters and make a determination about a reasonable amount to reserve. Accordingly, holders of our common stock may lose their entire investment in the event of a bankruptcy, liquidation, dissolution or winding up of our company.

Risks Relating to the Combined Company if the Tobira Merger is Completed

The integration of Regado and Tobira following the Merger will require significant resources and may not be successful.

There is no history of Regado and Tobira as a combined company. Additionally, various decisions regarding management restructuring, operational staffing and reporting systems following the Merger have not yet been finalized. As a result, there can be no guarantee that Regado and Tobira will operate together successfully as a combined company. Integration of the companies and consolidation of their operations will require considerable management time, which could result in the diversion of management resources from other important matters.

The failure to integrate successfully the businesses of Tobira and Regado in the expected timeframe could adversely affect the combined company's future results following the completion of the Merger.

The success of the Merger will depend, in large part, on the ability of the combined company following the completion of the Merger to realize the anticipated benefits from combining the businesses of Regado and Tobira. The continued operation of the two companies will be complex.

The failure to integrate successfully and to manage successfully the challenges presented by the integration process may result in the combined company's failure to achieve some or all of the anticipated benefits of the Merger.

Potential difficulties that may be encountered in the integration process include the following:

- using the combined company's cash and other assets efficiently to develop the business of the combined company;
- appropriately managing the liabilities of the combined company;
- potential unknown or currently unquantifiable liabilities associated with the Merger and the operations of the combined company;
- potential unknown and unforeseen expenses, delays or regulatory conditions associated with the Merger; and
- performance shortfalls at one or both of the companies as a result of the diversion of management's attention caused by completing the Merger and integrating the companies' operations.

The Merger will result in changes to the Tobira and Regado Board of Directors that may affect the combined company's operations.

If the parties complete the Merger, the composition of the Regado Board will change in accordance with the Merger Agreement. Following the completion of the Merger, Regado's Board will consist of nine members and will be comprised of six representatives of Tobira and three representatives of Regado, with Regado's current chairman of the board of directors, Dennis Podlesak, continuing to act as chairman of the board of Tobira following the Merger. This new composition of the Board may affect the business strategy and operating decisions of the combined company upon completion of the Merger.

Regado and Tobira have incurred substantial expenses in connection with the Merger.

Regado and Tobira have each incurred and will incur additional substantial expenses in connection with the transactions contemplated by the Merger Agreement, whether or not the Merger is completed. These costs include fees for financial advisors, attorneys and accountants, filing fees and financial printing costs. If the Merger is not consummated, each party will be responsible for its own expenses, which are not reimbursable (except in limited circumstances) in the event the Merger does not occur. Upon completion of the Merger, the amount of transaction costs will, in effect, reduce the cash reserves available for the combined enterprise to pursue its plan of business.

The operations of Regado and Tobira may be adversely affected by the Merger.

Regado and Tobira will be subject to various risks following the consummation of the Merger, including:

- interruption of the operations of the combined companies; and
- anticipated and unanticipated costs relating to additional administrative or operating expenses of each business.

These and other factors could adversely affect Tobira's and Regado's combined business and operating results.

Risks Relating to the Development and Regulatory Approval of Our Product Candidates

Following the termination of the REGULATE-PCI trial, we have terminated clinical development on all of our product candidates, and may not be able to identify any additional product candidates for development in the future.

We terminated clinical development on all of our product candidates as part of the Company's decision to focus resources on three principal activities following the termination of the REGULATE-PCI trial: completion of the final closure of the REGULATE-PCI trial and analysis of the unblinded database from the trial, diligence activities associated with thoroughly exploring potential business alternatives, and the Company's compliance activities associated with being a public company in good regulatory standing. As a result, we have initiated a process to identify and evaluate potential business alternatives. If this process is not successful in identifying any additional product candidates for development, then we would be unable to generate revenue through product sales and our business would be harmed.

Risks Relating to Our Intellectual Property

It is difficult and costly to protect our proprietary rights, and we may not be able to ensure their protection.

Our commercial success will depend in part on obtaining and maintaining proprietary rights important to our business, as well as successfully defending and enforcing those proprietary rights if challenged. The procurement, defense and enforcement of intellectual property rights involve complex legal and factual questions. Changes in either the patent laws or in interpretations of patent laws in the United States and foreign jurisdictions may diminish the value of our intellectual property. Laws relating to patent rights continue to evolve in the United States and foreign jurisdictions, as does their interpretation by national patent offices and judicial systems, creating some uncertainty for patent applicants, patent owners and licensees.

Our ability to stop third parties from using our technology or making, using, selling, offering to sell or importing our products is dependent upon the extent to which we have rights under valid and enforceable patents or trade secrets that cover these activities. If any patent we currently or in the future may own or license is deemed invalid or unenforceable, it could impact our commercial success. We cannot predict the breadth of claims that may be issued from any patent applications we currently or may in the future own or license from third parties.

The degree of future protection our proprietary rights may afford is uncertain because legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. For example:

- others may be able to make, use, sell, offer to sell or import products that are similar to our product candidates but that are not covered by the claims of our patents;
- we might not have been the first to make the inventions covered by our patent portfolio;
- we might not have been the first to file patent applications for these inventions;
- others may independently develop similar or alternative technologies or duplicate any of our technologies in a manner that does not violate our trade secrets;
- our proprietary rights may not provide us with any competitive advantages;
- we may not develop additional technologies or products that are patentable or suitable to maintain as trade secrets; or
- the proprietary rights of others may have an adverse effect on our business.

As of March 31, 2015, we are the owner of record of at least eight issued or allowed U.S. patents and at least seven issued or allowed non-U.S. patents, as well as the licensee of at least ten issued or allowed U.S. patents and at least fourteen issued or allowed non-U.S. patents. We had been actively pursuing at least an additional 6 U.S. patent applications, of which 2 are provisional and four are non-provisional, at least three international patent applications and at least 21 non-U.S. patent applications in at least twelve jurisdictions as the owner of record, in addition to at least two U.S. patent applications and at least 10 non-U.S. patent applications under license. We do not expect to continue spending money on new patents except in limited situations, and will only spend sufficient funds to maintain existing patents of perceived value related to our preclinical product candidates or future product candidates.

We also may rely on trade secrets to protect our technology, especially where we do not believe patent protection is appropriate or obtainable. Our ability to stop third parties from making, using, selling, offering to sell or importing our products or practicing our technology is dependent in part upon the extent to which we have rights in enforceable trade secrets that cover these activities. Trade secret rights can be lost through disclosure to third parties. Although we use reasonable efforts to protect our trade secrets, our employees, consultants, contractors, outside scientific collaborators and other advisors may unintentionally or willfully disclose our trade secrets to third parties, resulting in loss of trade secret protection. Moreover, our competitors may independently develop equivalent knowledge, methods and know-how, which would not constitute a violation of our trade secret rights. Enforcing a claim that a third party is engaged in the unlawful use of our trade secrets is expensive and time consuming, and the outcome is unpredictable. In addition, recognition of rights in trade secrets and a willingness to enforce trade secrets may differ in certain jurisdictions.

Risks Relating to Ownership of Our Common Stock

We and certain of our directors have been named as defendants in a purported securities class action lawsuit. This lawsuit, could result in substantial damages, divert management's time and attention from our business, and have a material adverse effect on our results of operations. This lawsuit and any other lawsuits to which we are subject will be costly to defend or pursue and are uncertain in their outcome.

Securities class action and derivative litigation has often been brought against companies, including many biotechnology companies, which experience volatility in the market price of their securities. This risk is especially relevant for us because biotechnology and biopharmaceutical companies often experience significant stock price volatility in connection with their product development programs.

On February 2, 2015, a purported shareholder of the Company filed a putative class-action lawsuit (captioned Maiman v. Regado Biosciences, Inc., Case No. 10606-CB) in the Court of Chancery for the State of Delaware, challenging the proposed stock-for-stock Merger of the Company with Tobira. The complaint names as defendants: (i) each member of the Company's Board of Directors, (ii) the Company, (iii) Tobira, and (iv) Landmark Merger Sub Inc. Plaintiff alleges that the Company's directors breached their fiduciary duties to the Company's stockholders by, among other things, (a) agreeing to merge the Company with Tobira for inadequate consideration, (b) implementing a process that was distorted by conflicts of interest, and (c) agreeing to certain provisions of the Merger Agreement that are alleged to favor Tobira and deter alternative bids. Plaintiff also generally alleges that the entity defendants aided and abetted the purported breaches of fiduciary duty by the directors. Plaintiff seeks an injunction against the consummation of the Merger and an award of costs and expenses, including a reasonable allowance for attorneys' and experts' fees. The Company believes the litigation is without merit.

It is possible that additional suits will be filed, or allegations received from stockholders, with respect to these same or other matters and also naming us and/or our officers and directors as defendants. This lawsuit and any other related lawsuits are subject to inherent uncertainties, and the actual defense and disposition costs will depend upon many unknown factors. The outcome of this lawsuit is necessarily uncertain. We could be forced to expend significant resources in the defense of this suit and we may not prevail. In addition, we may incur substantial legal fees and costs in connection with this lawsuit. We currently are not able to estimate the possible cost to us from these matters, as this lawsuit is currently at an early stage, and we cannot be certain how long it may take to resolve these matters or the possible amount of any damages that we may be required to pay. We have not established any reserve for any potential liability relating to this lawsuit. It is possible that we could, in the future, incur judgments or enter into settlements of claims for monetary damages. A decision adverse to our interests on this action could result in the payment of substantial damages, or possibly fines, and could have a material adverse effect on our cash flow, results of operations and financial position. While the Company has D&O insurance, there is no assurance that the coverage will be sufficient.

The price of our common stock has been, and may continue to be, volatile.

Historically, the market price of our common stock has fluctuated over a wide range, and it is likely that the price of our common stock will continue to be volatile in the future. The market price of our common stock could be impacted due to a variety of factors, including, in addition to global and industry-wide events:

- the successful completion of the Merger;
- the losses we may incur;
- developments in patent or other proprietary rights owned or licensed by us, our collaborative partners or our competitors;
- public concern as to the safety and efficacy of products developed by us or others; and
- litigation

In addition, due to one or more of the foregoing factors in one or more future quarters, our results of operations may fall below the expectations of securities analysts and investors. In that event, the market price of our common stock could materially decline.

Our executive officers, directors and principal stockholders will have the ability to control all matters submitted to our stockholders for approval.

Our executive officers, directors and stockholders who beneficially owned more than 5% of our common stock, in the aggregate, beneficially own shares representing approximately 60% of our common stock as estimated as of March 31, 2015. As a result, if these stockholders were to choose to act together, they would be able to control all matters submitted to our stockholders for approval, as well as our management and affairs. For example, these persons, if they choose to act together, will control the election of directors and approval of any merger, consolidation, sale of all or substantially all of our assets or other business combination or reorganization. This concentration of voting power could delay or prevent an acquisition of us on terms that other stockholders may desire. The interests of this group of stockholders may not always coincide with your interests or the interests of other stockholders and they may act in a manner that advances their best interests and not necessarily those of other stockholders, including seeking a premium value for their common stock, and might affect the prevailing market price for our common stock.

Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of our company, which may be beneficial to our stockholders, more difficult and may prevent attempts by our stockholders to replace or remove our current management.

Provisions in our amended and restated certificate of incorporation and our amended and restated bylaws may delay or prevent a merger, acquisition or other change of control that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares. These provisions include:

- classifying our board of directors into three classes;
- authorizing the issuance of “blank check” convertible preferred stock, the terms of which may be established and shares of which may be issued without stockholder approval;
- limiting the removal of directors by the stockholders;
- requiring a supermajority vote of stockholders to amend our certificate of incorporation or bylaws;
- prohibiting stockholder action by written consent, thereby requiring all stockholder actions to be taken at a meeting of our stockholders;
- eliminating the ability of stockholders to call a special meeting of stockholders;
- establishing advance notice requirements for nominations for election to the board of directors or for proposing matters that can be acted upon at stockholder meetings; and
- establishing Delaware as the exclusive jurisdiction for certain stockholder litigation against us

In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, who are responsible for appointing the members of our management team. In addition, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which prohibits, with some exceptions, stockholders owning in excess of 15% of our outstanding voting stock from merging or combining with us. Although we believe these provisions together provide for an opportunity to receive higher bids by requiring potential acquirers to negotiate with our board of directors, they would apply even if the offer may be considered beneficial by some stockholders.

You may be diluted by exercises of outstanding options and warrants.

As of March 31 2015, we had outstanding options to purchase an aggregate of 4,973,335 shares of our common stock at a weighted average exercise price of $3.52 per share and warrants to purchase an aggregate of 9,356 shares of our common stock at a weighted average exercise price of $12.02 per share. The exercise of such outstanding options and warrants will result in dilution of your investment. In addition, as described below, you may experience additional dilution if we issue common stock in the future. As a result of this dilution, you may receive significantly less than the full purchase price you paid for the shares in the event of liquidation.

If we are unable to satisfy the continued listing requirements of The NASDAQ Stock Market, or NASDAQ, our common stock could be delisted and the price and liquidity of our common stock may be adversely affected.

Our common stock may lose value and our common stock could be delisted from NASDAQ due to several factors or a combination of such factors. While our common stock is currently listed on The NASDAQ Stock Market, there can be no assurance that we will be able to maintain such listing. To maintain the listing of our common stock on The NASDAQ, we are required to meet certain listing requirements, including, among others, a requirement to maintain a minimum closing bid price of $1.00 per share. If our common stock trades below the $1.00 minimum closing bid price requirement for 30 consecutive business days or if we do not meet other listing requirements, we may be notified by NASDAQ of non-compliance. There can be no assurance that the per share trading price of our common stock will remain above $1.00 per share or that we will be able to continue to meet other listing requirements. If our common stock is delisted, market liquidity for our common stock could be severely affected, our stockholders' ability to sell their shares of our common stock could be limited and we may fail to meet all conditions required to close our pending Merger with Tobira. In addition, our common stock could be subject to "penny stock" rules which impose additional disclosure requirements on broker-dealers and could further negatively impact our market liquidity for our common stock and our stockholders' ability to sell their shares of our common stock. Accordingly, a delisting of our common stock from NASDAQ would negatively affect the value of our common stock. Delisting could also have other negative results, including, but not limited to, the loss of institutional investor interest.

We are incurring significantly increased costs and devote substantial management time as a result of operating as a public company and such costs are likely to increase particularly after we are no longer an "emerging growth company."

As a public company, we are incurring significant legal, accounting and other expenses that we did not incur as a private company. For example, we are required to comply with certain of the requirements of the Sarbanes-Oxley Act and the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as rules and regulations subsequently implemented by the Securities and Exchange Commission, and NASDAQ, our stock exchange, including the establishment and maintenance of effective disclosure and financial controls and changes in corporate governance practices. Compliance with these requirements has increased and will continue to increase our legal and financial compliance costs and will make some activities more time consuming and costly. In addition, our management and other personnel need to divert attention from operational and other business matters to devote substantial time to these public company requirements. In particular, we expect to incur significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 of the Sarbanes-Oxley Act.

However, for as long as we remain an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012, or JOBS Act, we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies" including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We intend to take advantage of these reporting exemptions until we are no longer an "emerging growth company."

Under the JOBS Act, "emerging growth companies" can delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have irrevocably elected not to avail ourselves of this exemption from new or revised accounting standards and, therefore, we will be subject to the same new or revised accounting standards as other public companies that are not "emerging growth companies."

After we are no longer an "emerging growth company," we expect to incur additional management time and cost to comply with the more stringent reporting requirements applicable to companies that are deemed accelerated filers or large accelerated filers, including complying with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act.

We are an "emerging growth company," and will be able take advantage of reduced disclosure requirements applicable to "emerging growth companies," which could make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act, and, for as long as we continue to be an "emerging growth company," we intend to take advantage of certain exemptions from various reporting requirements applicable to other public companies but not to "emerging growth companies," including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We could be an "emerging growth company" for up to five years, or until the earliest of (i) the last day of the first fiscal year in which our annual gross revenues exceed $1 billion, (ii) the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, which would occur if the market value of our common stock that is held by non-affiliates exceeds $700.0 million as of the last business day of our most recently completed second fiscal quarter, or (iii) the date on which we have issued more than $1 billion in non-convertible debt during the preceding three year period. We cannot predict if investors will find our common stock less attractive if we choose to rely on these exemptions. If some investors find our common stock less attractive as a result of any choices to reduce future disclosure, there may be a less active trading market for our common stock and our stock price may be more volatile.

We do not anticipate paying cash dividends on our common stock, and accordingly, stockholders must rely on stock appreciation for any return on their investment.

We have never declared or paid any cash dividend on our common stock and do not anticipate paying cash dividends on our common stock in the future. Our Loan Agreement with Comerica Bank prohibits us from paying cash dividends. As a result, the only return to stockholders will be appreciation in the price of our common stock, which may never occur. Investors seeking cash dividends should not invest in our common stock.

We may be subject to securities litigation, which is expensive and could divert management attention.

Our stock price has fluctuated in the past and may be volatile in the future, and in the past, companies that have experienced volatility in the market price of their stock have been subject to an increased incidence of securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, which could seriously harm our business.

Item 1B. Unresolved Staff Comments

None.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Not applicable

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Item 3. Defaults Upon Senior Securities

Not applicable

Item 4. Mine Safety Disclosures

Not applicable

Item 5. Other Information

Not applicable

Item 6. Exhibits

The exhibits filed or furnished as part of this Quarterly Report on Form 10-Q are set forth on the Exhibit Index, which Exhibit index is incorporated herein by reference.

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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 thereunto duly authorized

REGADO BIOSCIENCES, INC.

DATED: April 29, 2015

By: /s/ Michael A. Metzger
Michael A. Metzger
President, Chief Executive Officer and Director
(Principal Executive Officer)

DATED: April 29, 2015

By: /s/ R. Don Elsey
R. Don Elsey
Senior Vice President, Finance and Chief Financial Officer
(Principal Accounting and Financial Officer)

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EXHIBIT INDEX

Exhibit No.	Description
2.1	Agreement and Plan of Merger and Reorganization, dated as of January 14, 2015, by and among Regado Biosciences, Inc., Tobira Therapeutics, Inc., Landmark Merger Sub Inc. and Brent Abrens as the Tobira stockholders' Agent (incorporated by reference to Exhibit 2.1 of the Current Report on Form 8-K filed by the registrant on January 15, 2015.)
2.2	Amendment No.1 to Agreement and Plan of Merger and Reorganization, dated as of January 23, 2015, by and among Regado Biosciences, Inc., Landmark Merger Sub, Inc., Tobira Therapeutics, Inc. and Brent Abrens as the Company Stockholders' Agent (incorporated by reference to Exhibit 2.1 of the Current Report on Form 8-K filed by the registrant on January 23, 2015.)
10.1	Separation Agreement by and between Regado Biosciences, Inc. and R. Don Elsey, dated February 6, 2015 (incorporated by reference to Exhibit 10.40 of the Annual Report on Form 10-K filed by the registrant on February 12, 2015).
10.2	Form of Parent Support Agreement by and between Tobira Therapeutics and each of the parties named in each agreement therein (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K filed by the registrant on January 15, 2015.)
10.3	Form of Company Support Agreement by and between Regado Biosciences, Inc. each of the parties named in each agreement therein (incorporated by reference to Exhibit 10.2 of the Current Report on Form 8-K filed by the registrant on January 15, 2015.)
10.4	Form of Lock-Up Agreement dated as of January 14, 2015, by and among Regado Biosciences, Inc. and each of the parties named in each agreement therein (incorporated by reference to Exhibit 10.3 of the Current Report on Form 8-K filed by the registrant on January 15, 2015.)
10.5	Equity Commitment Letter, dated as of January 14, 2015, by and among Regado Biosciences, Inc, and the parties named therein (incorporated by reference to Exhibit 10.4 of the Current Report on Form 8-K filed by the registrant on January 15, 2015.)
31.1*	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101. INS*	XBRL Instance Document
101. SCH*	XBRL Taxonomy Extension Schema Document
101. CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101. DEF*	XBRL Taxonomy Definition Linkbase Document
101. LAB*	XBRL Taxonomy Extension Label Linkbase Document
101. PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith.

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Michael A. Metzger, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 of Regado Biosciences, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2015

/s/ Michael A. Metzger
Michael A. Metzger
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, R. Don Elsey, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 of Regado Biosciences, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2015

/s/ R. Don Elsey
R. Don Elsey
Senior Vice President, Finance and Chief Financial Officer
(Principal Accounting and Financial Officer)

Exhibit 32.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(b)
OF THE SECURITIES EXCHANGE ACT OF 1934 AND 18 U.S.C. SECTION 1350

In connection with the Quarterly Report on Form 10-Q of Regado Biosciences, Inc. (the "Company") for the quarter ended March 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Michael A. Metzger, Chief Executive Officer of the Company, hereby certifies, to the knowledge of the undersigned, pursuant to 18 U.S.C. Section 1350, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 29, 2015

/s/ Michael A. Metzger
Michael A. Metzger
Chief Executive Officer
(Principal Executive Officer)

This Certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed "filed" by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Report, irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(b)
OF THE SECURITIES EXCHANGE ACT OF 1934 AND 18 U.S.C. SECTION 1350

In connection with the Quarterly Report on Form 10-Q of Regado Biosciences, Inc. (the "Company") for the quarter ended March 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, R. Don Elsey, Senior Vice President, Finance and Chief Financial Officer of the Company, hereby certifies, to the knowledge of the undersigned, pursuant to 18 U.S.C. Section 1350, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 29, 2015

/s/ R. Don Elsey
R. Don Elsey
Senior Vice President, Finance and Chief Financial Officer
(Principal Accounting and Financial Officer)

This Certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed "filed" by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Report, irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.