

# Q2 2018 RESULTS AND BUSINESS UPDATE

August 7, 2018



NASDAQ: RDUS

Radius<sup>®</sup>

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Within this presentation, in order to provide greater transparency regarding our performance, we refer to certain non-GAAP financial measures that involve adjustments to GAAP measures. Any non-GAAP financial measures presented should not be considered an alternative to measures required by GAAP and are unlikely to be comparable to non-GAAP information provided by other companies. A reconciliation between our non-GAAP financial measures and GAAP financial measures is included at the end of this presentation.

# Agenda

TOPIC	PRESENTER
Business Review	Jesper Hoeiland, Chief Executive Officer
Financial Review	Pepe Carmona, Chief Financial Officer
Closing Remarks	Jesper Hoeiland, Chief Executive Officer
Q&A	Jesper Hoeiland, Chief Executive Officer Pepe Carmona, Chief Financial Officer Gary Hattersley, Chief Scientific Officer Joe Kelly, SVP Sales and Marketing Amanda Mott, SVP Market Access



## Q2 2018 BUSINESS OVERVIEW

JESPER HOEILAND  
CHIEF EXECUTIVE OFFICER

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## Q2 2018 Highlights and Accomplishments

### Continued increasing U.S. anabolic market share for TYMLOS

- TYMLOS Q2 2018 U.S. sales reach \$22.6 million with 56% growth over prior quarter
- Market share increased to an average of 19% in Q2 2018 from 13% in previous quarter\*
- Anabolic market volume grows 9% in Q2 2018 over Q2 2017

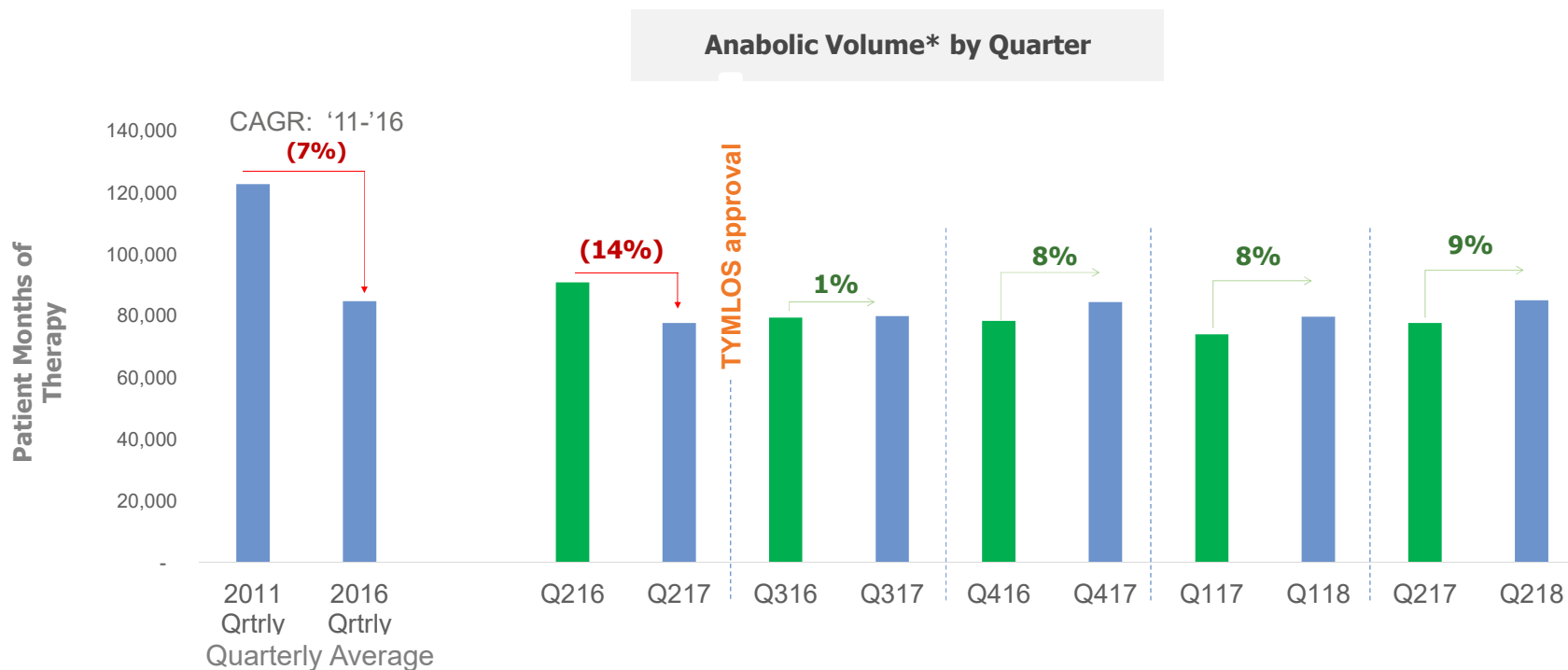
### Strengthened Company Organization

- Appointed Chhaya Shah as SVP, Technical Operations
- Hired Chief Medical Officer with strong background in oncology and breast cancer.  
Will be joining on September 4th
- Initiated hiring key clinical, regulatory and commercial expertise in oncology

### Advanced Clinical Pipeline

- Initiated TYMLOS Histomorphometry Study
- On track to start elacestrant Phase 3 Study in 2H 2018

# U.S. Anabolic Market Maintains its Growth Trajectory



- Teriparatide volume declined over the past years and rapidly in 2016
- Class volume has shown strong growth since the launch of TYMLOS
- Increase expectations for anabolic market volume growth to 7-9% in 2018

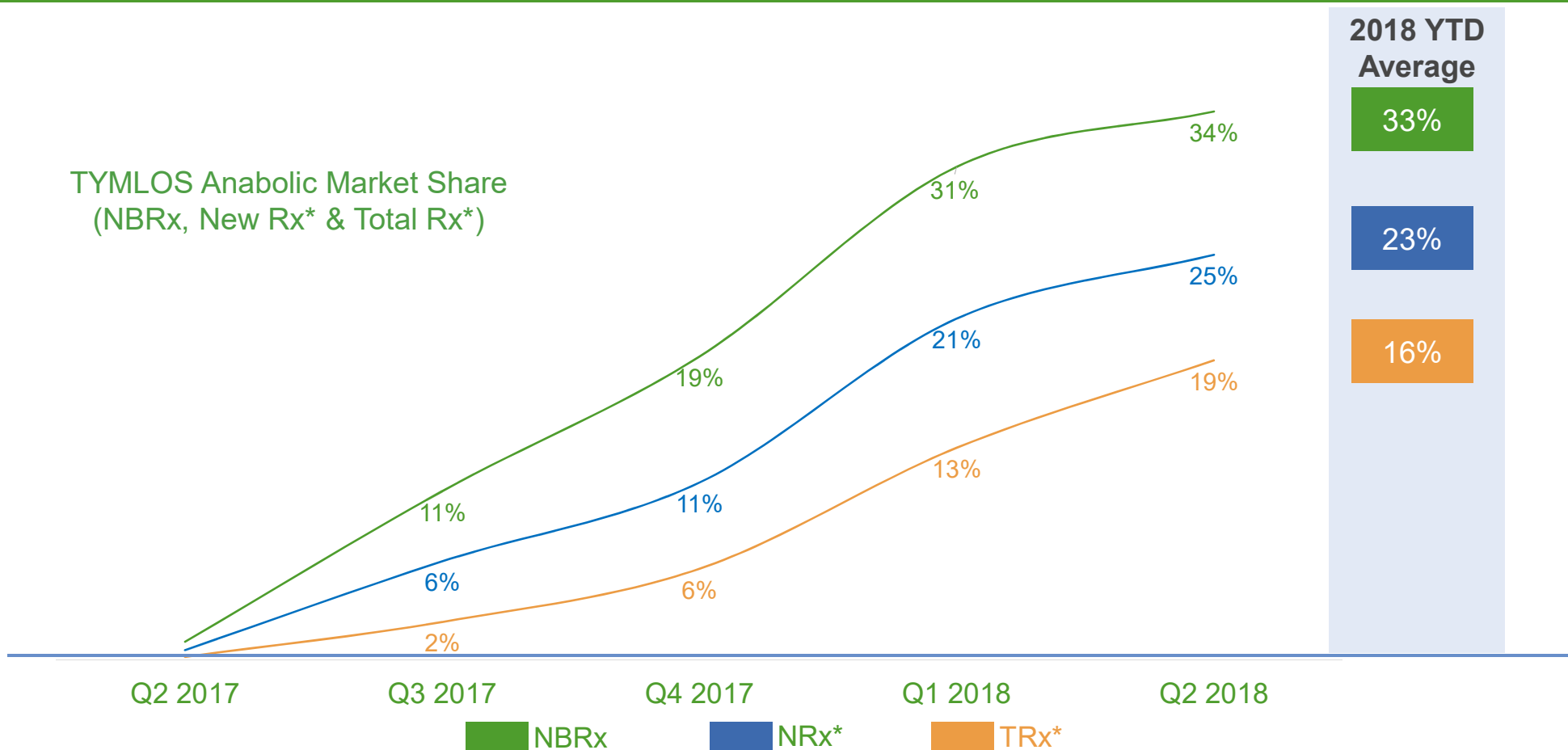


Source: IQVIA NPA. Restated data in 2018

Measured in Patients Months on Therapy (PMOT). TYMLOS PMOT (also number of pens) = (IMS Extended Units TRx / 1.56ml)\* (30 daily doses / 30 days)  
 .Forteo PMOT = (IMS Extended Units TRx / 2.4ml)\* (28 daily doses / 30 days)

# TYMLOS U.S. Anabolic Market Share Continues to Increase in Q2 2018

TYMLOS Anabolic Market Share  
(NBRx, New Rx\* & Total Rx\*)

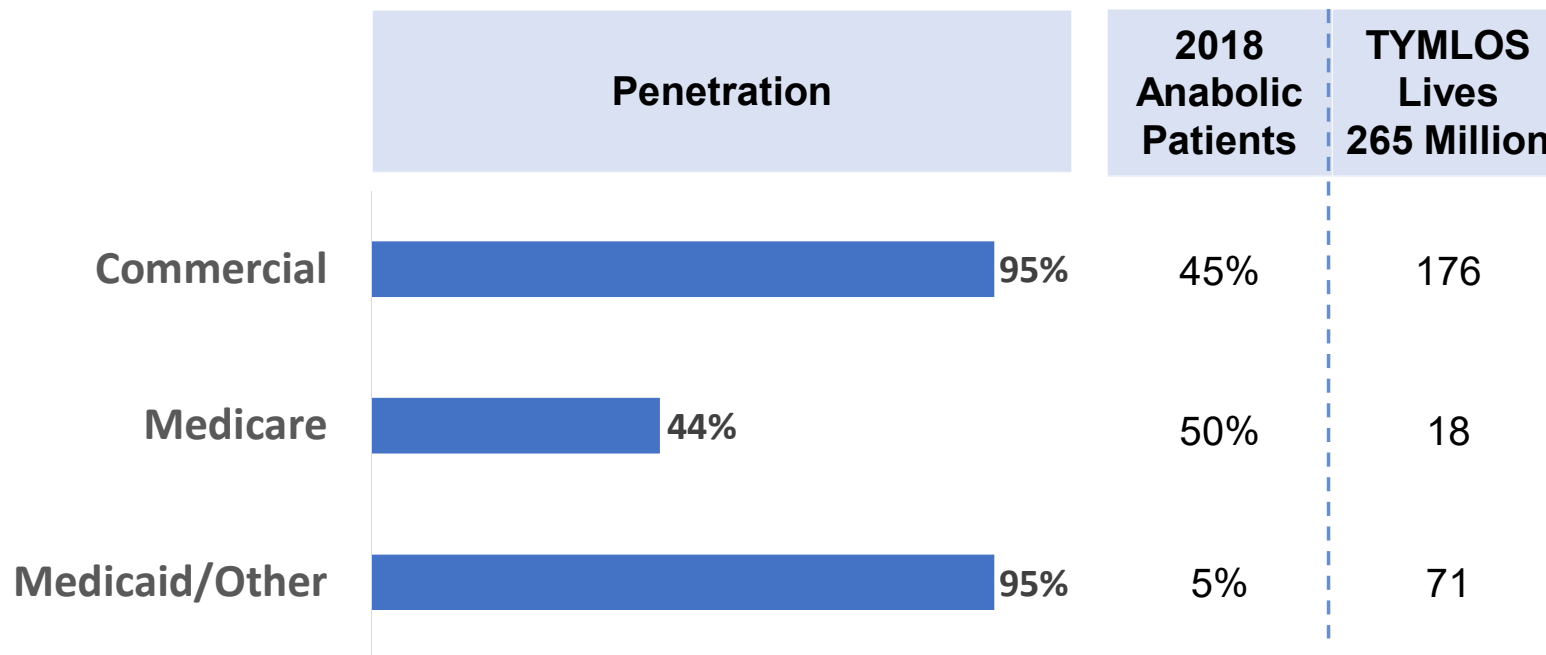


Source: IQVIA NPA Monthly and New to Brand Monthly, month ending June 2018.  
NBRx: New Patients To Brand Drug

\*Measured in Patients Month on Therapy (PMOT). Tymlos PMOT (also number of pens) = (IMS Extended Units TRx / 1.56ml)\* (30 daily doses / 30 days)  
Forteo PMOT = (IMS Extended Units TRx / 2.4ml)\* (28 daily doses / 30 days)



## TYMLOS Access Increases to ~265 M Covered Lives Representing 88% of the US Insured Population



- Active engagement in 2019 review cycles for both Commercial and Medicare Part D
- In July updates, ESI, CVS and OptumRX confirm parity Commercial coverage for the two drugs in the anabolic class
- High Commercial access fuels growth in prescriptions across segments, leading to use of TYMLOS irrespective of formal formulary status in Medicare Part D plans



# Radius Pipeline of Investigational Drugs

	PRECLINICAL	PHASE 1	PHASE 2	PHASE 3	REGULATORY REVIEW
<b>Abaloparatide-SC</b> Osteoporosis Anabolic <i>Subcutaneous Injection</i> Men					
<b>Abaloparatide-Patch</b> Osteoporosis Anabolic <i>Transdermal Patch</i> Post-menopausal Women					
<b>Elacestrant</b> ER+ Breast Cancer <i>Oral SERD</i> Metastatic ER+/HER2-					
<b>RAD140</b> HR+ Breast Cancer <i>Oral SARM</i> Metastatic HR+					



## Q2 2018 FINANCIALS

PEPE CARMONA  
CHIEF FINANCIAL OFFICER

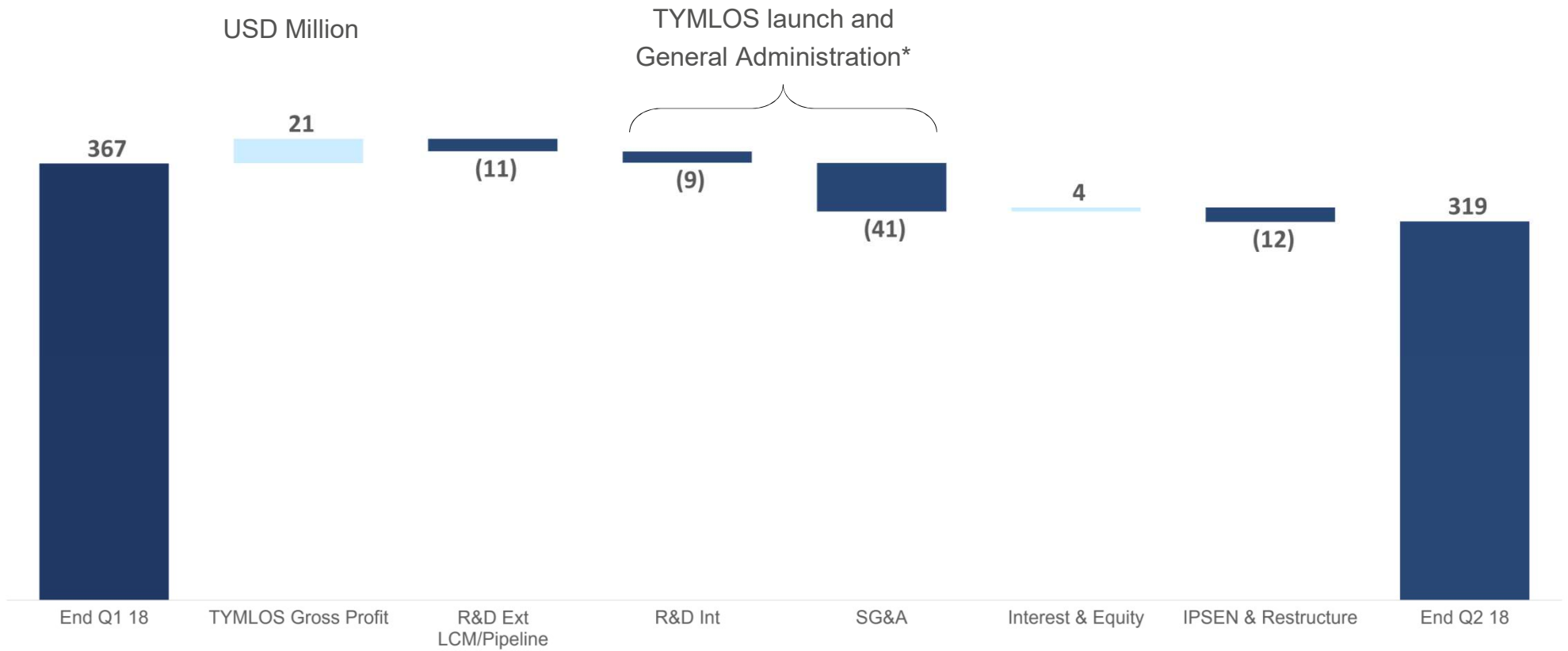
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## Q2 2018 Income Statement

Summary Financial Statement (USD Million)	US GAAP		Non - US GAAP*	
	Q2 2018	Q2 2017	Q2 2018	Q2 2017
<b>Product revenue, net</b>	<b>22.6</b>	<b>1.0</b>	<b>22.6</b>	<b>1.0</b>
<b>License revenue</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Cost of Goods Sold	(1.8)	(0.1)	(1.6)	(0.1)
<b>Gross profit / (loss)</b>	<b>20.8</b>	<b>0.9</b>	<b>21.0</b>	<b>0.9</b>
<i>Product Gross Margin %</i>	92%	N/A	93%	N/A
Research and Development	(26.3)	(19.7)	(21.8)	(14.7)
Selling, General and Administrative	(48.6)	(50.1)	(43.7)	(43.7)
Other Operating Expenses	(10.8)	0.0	0.0	0.0
<b>Total Operating Expenses</b>	<b>(85.7)</b>	<b>(69.8)</b>	<b>(65.5)</b>	<b>(58.4)</b>
Other Income / (Expenses)	(4.0)	0.5	(0.6)	0.5
<b>Net Income (Loss)</b>	<b>(68.9)</b>	<b>(68.4)</b>	<b>(45.1)</b>	<b>(57.0)</b>
Basic and diluted	(1.52)	(1.58)	(0.99)	(1.31)
Weighted Avg. Shares	45.4	43.4	45.4	43.4

\* See Appendix for GAAP to Non-GAAP reconciliation

# Q2 2018 Cash Allocated to Key Strategic Priorities of Driving TYMLOS Growth and Advancing the Pipeline



- \* Includes annual Bonus payout
- R&D External includes expenses for all pipeline development and life cycle management projects
- R&D Internal includes employee expenses and fixed costs

## FY 2018: Radius increases expectations for U.S. anabolic osteoporosis market to grow at high single digits and maintains TYMLOS U.S. anabolic market share guidance

Anabolic Market * <i>(volume in PMOT)</i>	Q3 2017	Q4 2017	Q1 2018	Q2 2018	FY 2018
<b>Anabolic Market Growth (% vs Prior Year)</b>	1%	8%	8%	9%	Previous: 5-7% <b>New: 7% to 9%</b>
<b>TYMLOS TRx PMOT Share (avg %)</b>	2%	6%	13%	19%	<b>FY Avg 19% – 21%</b>

Source: IQVIA. Restated data as of 2018

### CONVERSION OF SCRIPTS TO PMOT (Patient Months on Therapy)

- Using unadjusted Total Rx data per IQVIA (IMS) would generate 13 TRxs over twelve months for Forteo, versus 12 for TYMLOS
- Using PMOT adjusts for a cleaner like for like comparison and gives out scripts for a 30 day therapy
  - Tymlos PMOT (also number of pens) =  $(\text{IMS Extended Units TRx} / 1.56\text{ml}) * (30 \text{ daily doses} / 30 \text{ days})$
  - Forteo PMOT =  $(\text{IMS Extended Units TRx} / 2.4\text{ml}) * (28 \text{ daily doses} / 30 \text{ days})$



# CLOSING REMARKS

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CHIEF EXECUTIVE OFFICER

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## Upcoming Milestones

- ✓ Elacestrant clinical regulatory pathway for global registrational study
- ✓ Abaloparatide patch FDA alignment in Jan 2018 and commercial agreement with 3M in Feb 2018
- ✓ Initiation of Phase 3 Abaloparatide Male Osteoporosis Bridging Study in Q1 2018
- ✓ Radius Osteoporosis Investor Day (June 8<sup>th</sup>, NYC)
- ✗ CHMP opinion on MAA for abaloparatide-SC
- ✓ Publication of ACTIVEExtend Phase 3 data
- Initiate elacestrant Phase 3, potential global registrational study, in breast cancer in 2H 2018
- Update on RAD140 Phase 1 development program by the end of 2018
- Collaboration agreement for elacestrant combination studies
- Ex-US partnership for abaloparatide

*THANK YOU*



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## Reconciliation between US GAAP and Non-US GAAP

Reconciliation Non-GAAP to US GAAP		
(\$M)	Q2 2018	Q2 2017
<b>GAAP Net Income (Loss)</b>	<b>\$ (68.9)</b>	<b>\$ (68.4)</b>
Stock-based compensation: Research and Development	3.7	5.0
Stock-based compensation: Selling, General and Administrative	4.3	6.4
Intangible asset amortization	0.2	-
Non-cash interest	3.4	-
Restructuring Charges: Research and Development	0.8	-
Restructuring Charges: Selling, General and Administrative	0.6	-
Ipsen Payment	10.8	-
<b>Non-GAAP Net Income (Loss)</b>	<b>\$ (45.1)</b>	<b>\$ (57.0)</b>