

Minerva Neurosciences, Inc.  
Form 10-Q  
August 07, 2014  
Table of Contents

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

---

**FORM 10-Q**

---

- x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2014

OR

- o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File No. 001-36517

---

# Minerva Neurosciences, Inc.

(Exact Name of Registrant as Specified in its Charter)

---

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

**245 First St, Suite 1800, Cambridge, MA**  
(Address of Principal Executive Offices)

**26-0784194**  
(I.R.S. Employer  
Identification No.)

**02142**  
(Zip Code)

Registrant's telephone number, including area code: **(617) 444-8444**

---

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

Explanatory Note: The registrant became subject to the filing requirements of Section 13 of the Securities Exchange Act of 1934 on June 30, 2014.

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 (§229.405 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.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  Smaller reporting company   
(Do not check if smaller reporting company)

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

18,439,482 shares, \$0.0001 par value per share, were outstanding as of August 6, 2014.



Table of Contents

**INDEX TO FORM 10-Q**

	<b>Page</b>
<b><u>PART I Financial Information</u></b>	
Item 1.	
Financial Statements:	
<u>Condensed Consolidated Balance Sheets at June 30, 2014 and December 31, 2013 (unaudited)</u>	4
<u>Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2014 and 2013 (unaudited)</u>	5
<u>Condensed Consolidated Statement of Changes in Stockholders' Equity for the six months ended June 30, 2014 (unaudited)</u>	6
<u>Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2014 and 2013 (unaudited)</u>	7
<u>Notes to Unaudited Condensed Consolidated Financial Statements</u>	8
Item 2.	22
Item 3.	35
Item 4.	36
<b><u>PART II Other Information</u></b>	
Item 1.	37
Item 1A.	37
Item 2.	79
Item 6.	80
<u>SIGNATURES</u>	81

Table of Contents

*This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These forward-looking statements reflect our plans, estimates and beliefs. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. In some cases, you can identify forward-looking statements by terms such as anticipates, believes, could, estimates, expects, intends, may, plans, potential, predicts, projects, should, would and similar expressions intended to identify forward-looking statements. Forward-looking statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties. Because of these risks and uncertainties, the forward-looking events and circumstances discussed in this report may not transpire. These risks and uncertainties include, but are not limited to, the risks included in this Quarterly Report on Form 10-Q under Part II, Item IA, Risk Factors and beginning on Page 9 under the heading Risk Factors of our prospectus dated June 30, 2014, filed pursuant to Rule 424(b)(4) under the Securities Act of 1933, as amended (the Securities Act ), with the Securities and Exchange Commission on July 1, 2014 (the Prospectus ).*

*Given these uncertainties, you should not place undue reliance on these forward-looking statements. Also, forward-looking statements represent our estimates and assumptions only as of the date of this document. You should read this document with the understanding that our actual future results may be materially different from what we expect. Except as required by law, we do not undertake any obligation to publicly update or revise any forward-looking statements contained in this report, whether as a result of new information, future events or otherwise.*

Table of Contents**PART I**

## MINERVA NEUROSCIENCES, INC.

**Condensed Consolidated Balance Sheets****(Unaudited)**

	June 30, 2014	December 31, 2013
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 480,009	\$ 1,818,317
Prepaid expenses	33,213	852
<b>Total current assets</b>	<b>513,222</b>	<b>1,819,169</b>
Equipment, net	27,165	3,232
In-process research and development	34,200,000	19,000,000
Goodwill	15,104,239	7,918,387
Deferred public offering costs	3,111,744	433,998
<b>Total assets</b>	<b>\$ 52,956,370</b>	<b>\$ 29,174,786</b>
<b>Liabilities and Stockholders Equity</b>		
Current liabilities		
Accounts payable	\$ 4,324,673	\$ 522,981
Accrued expenses and other current liabilities	2,338,465	815,239
Convertible promissory notes	2,007,518	58,270
Loans payable	1,382,817	
Derivative liability		10,093
<b>Total current liabilities</b>	<b>10,053,473</b>	<b>1,406,583</b>
Deferred taxes	13,668,600	7,588,600
<b>Total liabilities</b>	<b>23,722,073</b>	<b>8,995,183</b>
Commitments and contingencies		
Stockholders equity		
Common stock; \$.0001 par value; 125,000,000 shares authorized; 8,520,925 and 6,112,738 shares issued and outstanding as of June 30, 2014 and December 31, 2013, respectively	852	611
Additional paid-in capital	69,367,316	38,008,783
Accumulated deficit	(40,133,871)	(17,829,791)
<b>Total stockholders equity</b>	<b>29,234,297</b>	<b>20,179,603</b>
<b>Total liabilities and stockholders equity</b>	<b>\$ 52,956,370</b>	<b>\$ 29,174,786</b>

See accompanying notes to condensed consolidated financial statements



Table of Contents

## MINERVA NEUROSCIENCES, INC.

**Condensed Consolidated Statements of Operations****(Unaudited)**

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Expenses</b>				
Research and development	\$ 14,554,662	\$ 249,845	\$ 15,140,598	\$ 353,782
General and administrative	3,095,173	128,942	5,132,565	296,335
Total expenses	17,649,835	378,787	20,273,163	650,117
Loss from operations	(17,649,835)	(378,787)	(20,273,163)	(650,117)
Foreign exchange gains	10,549		3,987	
Interest expense	(1,726,380)		(2,035,583)	
Interest income	4	2,834	679	2,834
Net loss	\$ (19,365,662)	\$ (375,953)	\$ (22,304,080)	\$ (647,283)
Net loss per share, basic and diluted	\$ (2.55)	\$ (0.10)		