

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 6, 2023

COLLEGIUM PHARMACEUTICAL, INC.

(Exact name of registrant as specified in its charter)

Virginia
(state or other jurisdiction
of incorporation)

001-37372
(Commission
File Number)

03-0416362
(I.R.S. Employer
Identification No.)

100 Technology Center Drive
Suite 300
Stoughton, MA
(Address of principal executive offices)

02072
(Zip Code)

Registrant's telephone number, including area code: (781) 713-3699

(Former name or former address, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.001 per share	COLL	The NASDAQ Global Select Market

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicated by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

The information set forth under Item 7.01 regarding the press release announcing certain preliminary unaudited financial information is incorporated by reference into this Item 2.02.

The information contained in this Item 2.02 is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section. The information contained in this Item 2.02 shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, unless it is specifically incorporated by reference therein.

Item 7.01 Regulation FD Disclosure.

On February 6, 2023, Collegium Pharmaceutical, Inc. (the “Company”) issued a press release announcing certain preliminary unaudited financial information for its fiscal quarter and fiscal year ended December 31, 2022. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 7.01.

The information contained in this Item 7.01 and the attached Exhibit 99.1 is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that Section. The information contained in this Item 7.01 and the attached Exhibit 99.1 shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act or the Exchange Act, unless it is specifically incorporated by reference therein.

Item 8.01 Other Information.

On February 6, 2023, the Company issued a press release relating to its proposed offering of Convertible Senior Notes due 2029 (the “Notes”) to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act. A copy of the press release is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated by reference into this Item 8.01.

This Current Report on Form 8-K, including the exhibits attached hereto, does not constitute an offer to sell, or the solicitation of an offer to buy, the Notes or the shares of the Company’s common stock, if any, issuable upon conversion of the Notes.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press Release, dated February 6, 2023
99.2	Press Release, dated February 6, 2023
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Collegium Pharmaceutical, Inc.

By: /s/ Colleen Tupper

Colleen Tupper

Executive Vice President and Chief Financial Officer

Dated: February 6, 2023



Collegium Announces Fourth Quarter and Full Year 2022 Preliminary Financial Results

-Results at or above high-end of 2022 earnings guidance-

-Final fourth quarter and full year 2022 financial results to be announced after market closes on Thursday, February 23-

STOUGHTON, Mass., February 6, 2023 -- Collegium Pharmaceutical, Inc. (Nasdaq: COLL), a leading, diversified specialty pharmaceutical company, today announced preliminary, unaudited financial results for the fourth quarter and full year ended December 31, 2022.

“2022 was a pivotal year for Collegium Pharmaceutical. We estimate fourth quarter and full year 2022 GAAP operating expenses in the range of \$38.4 million to \$43.4 million and in the range of \$176.5 million to \$181.5 million, respectively, and we estimate fourth quarter and full year 2022 product revenues, adjusted operating expenses and adjusted EBITDA at or above the high-end of 2022 earnings guidance,” said Joe Ciaffoni, President and Chief Executive Officer of Collegium. “We look forward to providing full year 2022 results on our fourth quarter earnings call.”

Fourth Quarter and Full Year 2022 Preliminary Results

- For the fiscal year ended December 31, 2022, we currently estimate:
 - o Product revenues in the range of \$460.0 million to \$462.5 million;
 - o GAAP operating expenses in the range of \$176.5 million to \$181.5 million and adjusted operating expenses in the range of \$122.0 million to \$124.5 million; and
 - o Adjusted EBITDA in the range of \$261.5 million to \$264.0 million.
- For the fourth quarter ended December 31, 2022, we currently estimate:
 - o Product revenues in the range of \$125.7 million to \$128.2 million,
 - o GAAP operating expenses in the range of \$38.4 million to \$43.4 million and adjusted operating expenses in the range of \$32.3 million to \$34.8 million, and
 - o Adjusted EBITDA in the range of \$71.9 million to \$74.4 million.

Preliminary 2022 Financial Results

The preliminary, unaudited financial results included in this press release are based on information available as of February 6, 2023 and management's initial review of operations for the fourth quarter and year ended December 31, 2022. They remain subject to change based on management's ongoing review of the fourth-quarter and full year results and are forward-looking statements. We assume no obligation to update these statements. The actual results remain subject to the completion of management's and our audit committee's reviews and our other financial closing procedures, as well as the completion of the preparation of our audited consolidated financial results for the year ended December 31, 2022. During that process, we may identify items that would require us to make adjustments, which may be material, to the information presented in this press release. While we do not expect that our actual results for the year ended December 31, 2022 will vary materially from the preliminary, unaudited financial results presented in this press release, there can be no assurance that these estimates will be realized. Actual results may be materially different and are affected by the risk factors and uncertainties identified in this press release and in our annual and quarterly filings with the Securities and Exchange Commission (“SEC”).



These preliminary, unaudited results should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the related notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2021 and our Quarterly Report on Form 10-Q for the period ended September 30, 2022, which have been filed with the SEC. The preliminary, unaudited financial information presented herein should not be considered a substitute for the financial information to be filed with the SEC in our Annual Report on Form 10-K for the year ended December 31, 2022 once it becomes available.

Non-GAAP Financial Measures

We have included information about certain non-GAAP financial measures in this press release. We use these non-GAAP financial measures to understand, manage and evaluate our business as we believe they provide additional information on the performance of our business. We believe that the presentation of these non-GAAP financial measures, taken in conjunction with our results under GAAP, provide analysts, investors, lenders and other third parties insight into our view and assessment of our ongoing operating performance. In addition, we believe that the presentation of these non-GAAP financial measures, when viewed with our results under GAAP and the accompanying reconciliations, where applicable, provide supplementary information that may be useful to analysts, investors, lenders, and other third parties in assessing our performance and results from period to period. We report these non-GAAP financial measures to portray the results of our operations prior to considering certain income statement elements. These non-GAAP financial measures should be considered in addition to, and not as a substitute for, or superior to, net income or other financial measures calculated in accordance with GAAP.

In this press release we discuss the following financial measures that are not calculated in accordance with GAAP.

Adjusted EBITDA

Adjusted EBITDA is a non-GAAP financial measure that represents GAAP net income (loss) adjusted to exclude interest expense, interest income, the benefit from or provision for income taxes, depreciation, amortization, stock-based compensation, and other adjustments to reflect changes that occur in our business but do not represent ongoing operations. Adjusted EBITDA, as used by us, may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies.

There are several limitations related to the use of adjusted EBITDA rather than net income (loss), which is the nearest GAAP equivalent, such as:

- adjusted EBITDA excludes depreciation and amortization, and, although these are non-cash expenses, the assets being depreciated or amortized may have to be replaced in the future, the cash requirements for which are not reflected in adjusted EBITDA;
 - we exclude stock-based compensation expense from adjusted EBITDA although (a) it has been, and will continue to be for the foreseeable future, a significant recurring expense for our business and an important part of our compensation strategy and (b) if we did not pay out a portion of our compensation in the form of stock-based compensation, the cash salary expense included in operating expenses would be higher, which would affect our cash position;
 - adjusted EBITDA does not reflect changes in, or cash requirements for, working capital needs;
 - adjusted EBITDA does not reflect the benefit from or provision for income taxes or the cash requirements to pay taxes;
 - adjusted EBITDA does not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments;
 - we exclude impairment expenses from adjusted EBITDA and, although these are non-cash expenses, the asset being impaired may have to be replaced in the future, the cash requirements for which are not reflected in adjusted EBITDA;
 - we exclude restructuring expenses from adjusted EBITDA. Restructuring expenses primarily include employee severance and contract termination costs that are not related to acquisitions. The amount and/or frequency of these restructuring expenses are not part of our underlying business;
 - we exclude litigation settlements from adjusted EBITDA, as well as any applicable income items or credit adjustments due to subsequent changes in estimates. This does not include our legal fees to defend claims, which are expensed as incurred;
-



- we exclude acquisition related expenses as the amount and/or frequency of these expenses are not part of our underlying business. Acquisition related expenses include transaction costs, which primarily consisted of financial advisory, banking, legal, and regulatory fees, and other consulting fees, incurred to complete the acquisition, employee-related expenses (severance cost and benefits) for terminated employees after the acquisition, and miscellaneous other acquisition expenses incurred; and
- we exclude recognition of the step-up basis in inventory from acquisitions (i.e., the adjustment to record inventory from historic cost to fair value at acquisition) as the adjustment does not reflect the ongoing expense associated with sale of our products as part of our underlying business.

Because we have not yet completed our year-end closing process and because of the forward-looking nature of the estimated adjusted EBITDA ranges presented above for the fourth quarter and year ended December 31, 2022, we do not have specific quantifications of the amounts that would be required to provide a reconciliation of net income (loss), the most directly comparable financial measure calculated and presented in accordance with GAAP to adjusted EBITDA for the fourth quarter and year ended December 31, 2022. We believe that there is a degree of variability with respect to certain of the GAAP measures and certain adjustments made to arrive at the relevant non-GAAP measure that precludes us from providing an accurate preliminary estimate of a GAAP to non-GAAP reconciliation without unreasonable effort or expense. As a result, we believe that providing estimates of the amounts that would be required to reconcile the ranges of our adjusted EBITDA would imply a degree of precision that would be confusing or misleading to investors for the reasons identified above.

Adjusted Operating Expenses

Adjusted operating expenses is a non-GAAP financial measure that represents GAAP operating expenses adjusted to exclude stock-based compensation expense, and other adjustments to reflect changes that occur in our business but do not represent ongoing operations.

Set forth below is a reconciliation of operating expenses, the most directly comparable financial measure calculated and reported in accordance with GAAP, to adjusted operating expenses for high and low end of the preliminary ranges set forth herein for the three months and year ended December 31, 2022. Our calculation of adjusted operating expenses may not be comparable to the calculation of similarly titled measures presented by other companies.

(in millions, unaudited)	Three Months Ended December 31, 2022		Year Ended December 31, 2022	
	Low	High	Low	High
GAAP operating expenses	\$ 38.4	\$ 43.4	\$ 176.5	\$ 181.5
Stock-based compensation	5.8	6.8	23.0	24.0
Acquisition-related expense	0.3	1.8	31.5	33.0
Adjusted operating expenses	\$ 32.3	\$ 34.8	\$ 122.0	\$ 124.5

Fourth Quarter and Full Year 2022 Financial Results Conference Call Information

Fourth quarter and full year 2022 financial results to be announced after market closes on Thursday, February 23, 2023. Following the release of the financials, the Company will host a live conference call and webcast at 4:30 p.m. ET.

To access the conference call, please dial (877) 407-8037 (U.S.) or (201) 689-8037 (International) and reference the “Collegium Pharmaceutical Q4 2022 Earnings Call.” An audio webcast will be accessible from the Investors section of the Company’s website: www.collegiumpharma.com. The webcast will be available for replay on the Company’s website approximately two hours after the event.



About Collegium Pharmaceutical, Inc.

Collegium is a diversified, specialty pharmaceutical company committed to improving the lives of people living with serious medical conditions. Collegium's headquarters are located in Stoughton, Massachusetts. For more information, please visit the Company's website at www.collegiumpharma.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. We may, in some cases, use terms such as "predicts," "forecasts," "believes," "potential," "proposed," "continue," "estimates," "anticipates," "expects," "plans," "intends," "may," "could," "might," "should" or other words that convey uncertainty of future events or outcomes to identify these forward-looking statements. Examples of forward-looking statements contained in this press release include, among others, statements related to our fourth quarter and full year 2022 preliminary financial results, including preliminary product revenue, adjusted operating expenses and adjusted EBITDA, current and future market opportunities for our products and our assumptions related thereto, expectations (financial or otherwise) and intentions, and other statements that are not historical facts. Such statements are subject to numerous important factors, risks and uncertainties that may cause actual events or results, performance, or achievements to differ materially from the company's current expectations, including risks relating to, among others: risks related to the ability to realize the anticipated benefits of our acquisitions at all or within the expected time period; unknown liabilities; risks related to future opportunities and plans for our products, including uncertainty of the expected financial performance of such products; the impact of the COVID-19 pandemic on our ability to conduct our business, reach our customers, and supply the market with our products; our ability to commercialize and grow sales of our products; our ability to manage our relationships with licensors; the success of competing products that are or become available; our ability to obtain and maintain regulatory approval of our products and any product candidates, and any related restrictions, limitations, and/or warnings in the label of an approved product; the size of the markets for our products and product candidates, and our ability to service those markets; our ability to obtain reimbursement and third-party payor contracts for our products; the rate and degree of market acceptance of our products and product candidates; the costs of commercialization activities, including marketing, sales and distribution; changing market conditions for our products; the outcome of any patent infringement or other litigation that may be brought by or against us; the outcome of any governmental investigation related to our business; our ability to secure adequate supplies of active pharmaceutical ingredient for each of our products and manufacture adequate supplies of commercially saleable inventory; our ability to obtain funding for our operations and business development; regulatory developments in the U.S.; our expectations regarding our ability to obtain and maintain sufficient intellectual property protection for our products; our ability to comply with stringent U.S. and foreign government regulation in the manufacture of pharmaceutical products, including U.S. Drug Enforcement Agency, or DEA, compliance; our customer concentration; and the accuracy of our estimates regarding expenses, revenue, capital requirements and need for additional financing. These and other risks are described under the heading "Risk Factors" in our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q and other filings with the SEC. Any forward-looking statements that we make in this press release speak only as of the date of this press release. We assume no obligation to update our forward-looking statements whether as a result of new information, future events or otherwise, after the date of this press release.

Investor Contact:

Christopher James, M.D.
Vice President, Investor Relations
ir@collegiumpharma.com



Collegium Pharmaceutical, Inc. Announces Proposed Convertible Senior Notes Offering

STOUGHTON, Mass., February 6, 2023 -- Collegium Pharmaceutical, Inc. (Nasdaq: COLL) today announced its intention to offer, subject to market and other conditions, \$175,000,000 aggregate principal amount of convertible senior notes due 2029 (the “notes”) in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”). Collegium also expects to grant the initial purchaser of the notes an option to purchase, for settlement within a period of 13 days from, and including, the date the notes are first issued, up to an additional \$26,250,000 principal amount of notes.

The notes will be senior, unsecured obligations of Collegium, will accrue interest payable semi-annually in arrears and will mature on February 15, 2029, unless earlier repurchased, redeemed or converted. Noteholders will have the right to convert their notes in certain circumstances and during specified periods. Collegium will settle conversions by paying or delivering, as applicable, cash, shares of its common stock or a combination of cash and shares of its common stock, at Collegium’s election.

The notes will be redeemable, in whole or in part (subject to certain limitations), for cash at Collegium’s option at any time, and from time to time, on or after February 17, 2026 and on or before the 40th scheduled trading day before the maturity date, but only if the last reported sale price per share of Collegium’s common stock exceeds 130% of the conversion price for a specified period of time. The redemption price will be equal to the principal amount of the notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

If certain corporate events that constitute a “fundamental change” occur, then, subject to a limited exception, noteholders may require Collegium to repurchase their notes for cash. The repurchase price will be equal to the principal amount of the notes to be repurchased, plus accrued and unpaid interest, if any, to, but excluding, the applicable repurchase date.

The interest rate, initial conversion rate and other terms of the notes will be determined at the pricing of the offering.

Collegium intends to use a portion of the net proceeds from the offering to finance the concurrent repurchase of a portion of its 2.625% Convertible Senior Notes due 2026 (the “2026 notes”), as described below, and the remainder of the net proceeds for general corporate purposes, which may include working capital, capital expenditures and implementation of Collegium’s capital allocation strategy, which is focused on executing business development transactions targeting commercial-stage, durable assets; rapid repayment of debt; and opportunistically returning capital to shareholders. Collegium has not designated any specific uses, other than the repurchase of 2026 notes, and has no current agreements with respect to any acquisition or strategic transaction.

Contemporaneously with the pricing of the notes in the offering, Collegium intends to enter into separate privately negotiated transactions with certain holders of the 2026 notes to repurchase a portion of such notes on terms to be negotiated with such holders (each a “note repurchase” and collectively the “2026 notes repurchases”). The terms of each note repurchase are anticipated to be negotiated on an individual basis and will depend on several factors, including the market price of Collegium’s common stock and the trading price of the 2026 notes at the time of such note repurchase. No assurance can be given as to how much, if any, of the 2026 notes will be repurchased or the terms on which they will be repurchased.

Collegium expects that certain holders of 2026 notes that sell their 2026 notes in negotiated transactions with Collegium may enter into or unwind various derivatives with respect to Collegium’s common stock and/or purchase shares of its common stock in the market. The amount of Collegium’s common stock that such holders purchase may be substantial in relation to the historic average daily trading volume of the common stock. In addition, Collegium expects that certain purchasers of the notes offered in the offering of notes may establish a short position with respect to its common stock by short selling the common stock or by entering into short derivative positions with respect to the common stock, in each case, in connection with the offering. The net effect of the above market activities by holders of 2026 notes and purchasers of the notes offered in the offering could increase (or reduce the size of any decrease in) or decrease (or reduce the size of any increase in) the market price of Collegium’s common stock, the market price of the notes offered in the offering and/or the initial conversion price of the notes, and Collegium cannot predict the magnitude of such market activities or the overall effect that will have on the market price of the notes, the market price of its common stock or the initial conversion price of the notes.



The notes will only be offered to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act. The offer and sale of the notes and any shares of common stock issuable upon conversion of the notes have not been, and will not be, registered under the Securities Act or any other securities laws, and the notes and any such shares cannot be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws. This press release does not constitute an offer to sell, or the solicitation of an offer to buy, the notes or any shares of common stock issuable upon conversion of the notes, nor will there be any sale of the notes or any such shares, in any state or other jurisdiction in which such offer, sale or solicitation would be unlawful.

About Collegium Pharmaceutical, Inc.

Collegium is a diversified, specialty pharmaceutical company committed to improving the lives of people living with serious medical conditions. Collegium's headquarters are located in Stoughton, Massachusetts.

Forward-Looking Statements

This press release includes forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995, including statements regarding: whether Collegium will issue the notes; the completion, timing and size of the proposed offering; the intended use of the net proceeds from the offering; the terms of the notes being offered; Collegium's expectations regarding the effects of the 2026 notes repurchases; and whether the 2026 notes repurchases will close. Collegium may, in some cases, use terms such as "predicts," "forecasts," "believes," "potential," "proposed," "continue," "estimates," "anticipates," "expects," "plans," "intends," "may," "could," "might," "should" or other words that convey uncertainty of future events or outcomes to identify these forward-looking statements. Forward-looking statements represent Collegium's current expectations regarding future events and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those implied by the forward-looking statements. Among those risks and uncertainties are risks related to market conditions, including market interest rates, the trading price and volatility of Collegium's common stock, and risks relating to the proposed transactions, Collegium and its business, including those described under the heading "Risk Factors" in Collegium's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 and other filings with the SEC, and in the preliminary offering memorandum related to the proposed offering. Collegium may not consummate the proposed offering or the 2026 notes repurchases described in this press release and, if the proposed transactions are consummated, cannot provide any assurances regarding the final terms of the offer, the notes, the 2026 notes repurchases or its ability to effectively apply the net proceeds from the offering as described above. Any forward-looking statements included in this press release speak only as of the date of this press release. Collegium does not undertake any obligation to update the statements included in this press release for subsequent developments, whether as a result of new information, future events or otherwise, except as may be required by law.

Investor Contact:

Christopher James, M.D.
Vice President, Investor Relations
ir@collegiumpharma.com
