

**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): November 02, 2022

Inari Medical, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-39293
(Commission File Number)

45-2902923
(IRS Employer
Identification No.)

6001 Oak Canyon, Suite 100
Irvine, California
(Address of Principal Executive Offices)

92618
(Zip Code)

Registrant's Telephone Number, Including Area Code: (877) 923-4747

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

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, \$0.001 par value | NARI | NASDAQ Global Select Market |

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

Emerging growth company

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

Item 2.02 Results of Operations and Financial Condition.

On November 2, 2022, Inari Medical, Inc. (the “Company”) issued a press release announcing financial results for its third quarter ended September 30, 2022. A copy of the Company’s press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information furnished in this Current Report on Form 8-K (including Exhibit 99.1) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| Exhibit No. | Description |
|------------------------|--|
| 99.1 | Press Release of Inari Medical, Inc., dated November 2, 2022 |
| 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 thereunto duly authorized.

INARI MEDICAL, INC.

Date: November 2, 2022

By: /s/ William Hoffman
William Hoffman
President and Chief Executive Officer



Inari Medical Reports Third Quarter 2022 Financial Results

IRVINE, CALIFORNIA – November 2, 2022 (GLOBE NEWSWIRE) -- Inari Medical, Inc. (NASDAQ: NARI) ("Inari"), a medical device company with a mission to treat and transform the lives of patients suffering from venous and other diseases, today reported financial results for its third quarter ended September 30, 2022.

Third Quarter Revenue and Recent Business Highlights

- Generated revenue of \$96.2 million in the third quarter of 2022, up 32% over the same quarter last year.
- Initiated full market release of two new products, Protrieve and InThrill. Both devices are priced outside of our per procedure pricing representing independent sources of revenue.
- Presented three late breaking clinical trials at recent major medical conferences. Analyses of the full data sets of FLASH (800 PE patients) and CLOUT (500 DVT patients) confirm best in class safety and efficacy of FlowTrievers and ClotTrievers.
- Ended the quarter with \$319.2 million in cash, cash equivalents and short-term investments.

"Our aggressive investment in our growth drivers is paying off for our mission", said Bill Hoffman, Chief Executive Officer of Inari Medical. "We launched two new products, our fifth and sixth of 2022, and presented three new data sets as late breaking clinical trials at major conferences. We continue to sense responsibility, not merely opportunity, for this work. I love so much that our team has committed to changing lives in the most beautiful ways."

"We have committed to our patients and to big ideas, and I think you are seeing tangible results in the cadence of new product and data releases, as well as our overall performance", continued Drew Hykes, Inari's Chief Operating Officer and incoming CEO. "Our efforts continue to drive market expansion and uptake of our devices while further distancing Inari from both existing and future competition."

Third Quarter 2022 Financial Results

Revenue was \$96.2 million for the third quarter of 2022, compared to \$72.9 million for the third quarter of 2021 and \$92.7 million for the prior quarter. The increase over prior periods was driven primarily by continued U.S. commercial expansion, increased adoption of our procedures, and introduction of new products.

Gross profit was \$85.1 million for the third quarter of 2022, compared to \$65.9 million for the same period of 2021. Gross margin was 88.5% for the third quarter of 2022, compared to 90.3% for the same period in the prior year. The decrease in gross margin is primarily due to the addition of new products to our FlowTrievers per procedure pricing model.

Operating expenses for the third quarter of 2022 were \$94.9 million, compared to \$68.6 million for the third quarter of 2021. The increase was mainly driven by personnel-related expenses as we increased headcount to fund the expansion of the commercial, research and development, clinical, and support organizations.

Net loss was \$10.2 million for the third quarter of 2022 and net loss per share was \$0.19 on a weighted-average basic and diluted share count of 53.5 million, compared to a net loss of \$2.8 million and a net loss per share of \$0.06 on a weighted-average basic and diluted share count of 50 million, in the same period of the prior year.

Full-Year 2022 Revenue Guidance

For the full year 2022, we are increasing our revenue guidance from our previous range of \$360 million to \$370 million to a range of \$373 million to \$375 million.

Webcast and Conference Call Information

Inari Medical will host a conference call to discuss the third quarter 2022 financial results after market close on Wednesday, November 2, 2022 at 1:30 p.m. Pacific Time / 4:30 p.m. Eastern Time. The conference call can be accessed live by registering [here](#).

About Inari Medical, Inc.

Inari Medical, Inc. is a medical device company with a mission to treat and transform the lives of patients suffering from venous and other diseases. Our current product offering consists of two minimally invasive, novel catheter-based mechanical thrombectomy devices that are designed to remove large clots from large vessels and eliminate the need for thrombolytic drugs. The company purpose-built its products for the specific characteristics of the venous system and the treatment of the two distinct manifestations of venous thromboembolism, or VTE: deep vein thrombosis and pulmonary embolism. The ClotTrievers system is 510(k)-cleared by FDA and CE marked for the non-surgical removal of clot from peripheral blood vessels, including for the use in the treatment of deep vein thrombosis. The FlowTrievers system is 510(k)-cleared by FDA and CE marked for the non-surgical removal of clot from peripheral blood vessels, including for the use in the treatment of pulmonary embolism and clot in transit in the right atrium.

Forward Looking Statements

Statements in this press release may contain “forward-looking statements” that are subject to substantial risks and uncertainties. Forward-looking statements contained in this press release may be identified by the use of words such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential” or “continue” or the negative of these terms or other similar expressions. Forward-looking statements include estimated full year 2022 revenue, and are based on Inari’s current expectations, forecasts, and assumptions, are subject to inherent uncertainties, risks and assumptions that are difficult to predict, and actual outcomes and results could differ materially due to a number of factors. These and other risks and uncertainties include those described more fully in the section titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operation” and elsewhere in its Annual Report on Form 10-K for the period ended December 31, 2021, and in its other reports filed with the U.S. Securities and Exchange Commission. Forward-looking statements contained in this announcement are based on information available to Inari as of the date hereof and are made only as of the date of this release. Inari undertakes no obligation to update such information except as required under applicable law. These forward-looking statements should not be relied upon as representing Inari’s views as of any date subsequent to the date of this press release. In light of the foregoing, investors are urged not to rely on any forward-looking statement in reaching any conclusion or making any investment decision about any securities of Inari.

Investor Contact:

ICR Westwicke

Caroline Corner

Phone +1-415-202-5678

caroline.corner@westwicke.com

INARI MEDICAL, INC.
Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)
(in thousands, except share and per share data)
(unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|----------------------------------|------------|---------------------------------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| Revenue | \$ 96,204 | \$ 72,916 | \$ 275,700 | \$ 193,766 |
| Cost of goods sold | 11,064 | 7,040 | 31,378 | 16,477 |
| Gross profit | 85,140 | 65,876 | 244,322 | 177,289 |
| Operating expenses | | | | |
| Research and development | 19,105 | 12,499 | 53,809 | 32,292 |
| Selling, general and administrative | 75,833 | 56,104 | 212,721 | 135,899 |
| Total operating expenses | 94,938 | 68,603 | 266,530 | 168,191 |
| (Loss) income from operations | (9,798) | (2,727) | (22,208) | 9,098 |
| Other income (expense) | | | | |
| Interest income | 618 | 27 | 882 | 130 |
| Interest expense | (74) | (73) | (220) | (220) |
| Other income (expense) | (59) | 30 | 169 | (4) |
| Total other income (expenses) | 485 | (16) | 831 | (94) |
| (Loss) income before income taxes | (9,313) | (2,743) | (21,377) | 9,004 |
| Provision for income taxes | 840 | 61 | 2,092 | 271 |
| Net (loss) income | \$ (10,153) | \$ (2,804) | \$ (23,469) | \$ 8,733 |
| Other comprehensive income (loss) | | | | |
| Foreign currency translation adjustments | (406) | (146) | (814) | (269) |
| Unrealized gain on available-for-sale debt securities | 644 | 7 | 271 | 19 |
| Total other comprehensive income (loss) | 238 | (139) | (543) | (250) |
| Comprehensive (loss) income | \$ (9,915) | \$ (2,943) | \$ (24,012) | \$ 8,483 |
| Net (loss) income per share | | | | |
| Basic | \$ (0.19) | \$ (0.06) | \$ (0.45) | \$ 0.18 |
| Diluted | \$ (0.19) | \$ (0.06) | \$ (0.45) | \$ 0.16 |
| Weighted average common shares used to compute net (loss) income per share | | | | |
| Basic | 53,491,625 | 50,001,996 | 52,552,662 | 49,664,037 |
| Diluted | 53,491,625 | 50,001,996 | 52,552,662 | 55,511,061 |

INARI MEDICAL, INC.
Condensed Consolidated Balance Sheets
(in thousands, except share data)
(unaudited)

| | September 30, 2022 | December 31, 2021 |
|--|-----------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | \$ 83,528 | \$ 92,752 |
| Short-term investments in debt securities | 235,705 | 83,348 |
| Accounts receivable, net | 54,059 | 42,351 |
| Inventories, net | 29,670 | 21,053 |
| Prepaid expenses and other current assets | 7,609 | 5,694 |
| Total current assets | 410,571 | 245,198 |
| Property and equipment, net | 21,191 | 16,471 |
| Operating lease right-of-use assets | 49,951 | 44,909 |
| Deposits and other assets | 6,106 | 981 |
| Long-term investments in debt securities | — | 3,983 |
| Total assets | \$ 487,819 | \$ 311,542 |
| Liabilities and Stockholders' Equity | | |
| Current liabilities | | |
| Accounts payable | \$ 6,035 | \$ 6,541 |
| Payroll-related accruals | 28,052 | 24,433 |
| Accrued expenses and other current liabilities | 7,668 | 10,737 |
| Operating lease liabilities, current portion | 588 | 802 |
| Total current liabilities | 42,343 | 42,513 |
| Operating lease liabilities, noncurrent portion | 30,377 | 28,404 |
| Other long-term liability | — | 1,416 |
| Total liabilities | 72,720 | 72,333 |
| Commitments and contingencies | | |
| Stockholders' equity | | |
| Preferred stock, \$0.001 par value, 10,000,000 shares authorized, no shares issued and outstanding as of September 30, 2022 and December 31, 2021 | — | — |
| Common stock, \$0.001 par value, 300,000,000 shares authorized as of September 30, 2022 and December 31, 2021; 53,595,277 and 50,313,452 shares issued and outstanding as of September 30, 2022 and December 31, 2021, respectively | 53 | 50 |
| Additional paid in capital | 457,043 | 257,144 |
| Accumulated other comprehensive loss | (945) | (402) |
| Accumulated deficit | (41,052) | (17,583) |
| Total stockholders' equity | 415,099 | 239,209 |
| Total liabilities and stockholders' equity | \$ 487,819 | \$ 311,542 |

