
**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): August 4, 2021

Keros Therapeutics, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(state or other jurisdiction
of incorporation)

001-39264
(Commission
File Number)

81-1173868
(I.R.S. Employer
Identification No.)

99 Hayden Avenue, Suite 120, Building E
Lexington, Massachusetts
(Address of principal executive offices)

02421
(Zip Code)

Registrant's telephone number, including area code: (617) 314-6297

Not applicable

(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	Name of each exchange on which registered
Common Stock, \$0.0001 par value per share	KROS	The Nasdaq Stock Market LLC

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 1.01 Entry into a Material Definitive Agreement.

On August 4, 2021, Keros Therapeutics, Inc. (the “Company”) and 99 Hayden LLC, successor-in-interest to 128 Spring Street Lexington, LLC (the “Landlord”) entered into the Third Amendment to Lease (the “Amendment”), which amends the lease agreement dated March 20, 2017, as amended by the First Amendment to Lease dated July 1, 2019 and as further amended by the Second Amendment to Lease dated August 8, 2019 (collectively, the “Lease”). Pursuant to the Lease, the Company leased approximately 10,400 square feet of office and laboratory space (the “Initial Premises”) in Lexington, Massachusetts, which serve as the Company’s headquarters. The Amendment provides for (i) the expansion of the Premises to include an additional 5,205 square feet (the “Expansion Premises”) and (ii) the extension of the term of the Lease for an additional period commencing on January 1, 2023 and ending on March 31, 2023 (the “Extended Term”). Except as set forth in the Amendment, all of the terms and provisions of the Lease shall apply during the Extended Term, and shall remain unmodified and in full force and effect.

The Lease with respect to the Expansion Premises pursuant to the Amendment shall commence on the later to occur of: (i) October 1, 2021 and (ii) the date the current tenant of the Expansion Premises vacates the Expansion Premises in a condition sufficient for Landlord to deliver them to the Company (the “Expansion Commencement Date”). Additionally, commencing on the Expansion Commencement Date, (i) the base rent for the Expansion Premises will be \$34,700 a month and (ii) the Company’s additional rent amount will increase to account for the Company’s additional share of the operating expenses, utility costs, insurance premiums and taxes and other applicable levies associated with the Expansion Premises.

Pursuant to the Amendment, during the Extended Term, the base rent (i) for 5,420 square feet of the Initial Premises will increase to approximately \$20,400 a month and (ii) for 4,997 square feet of the Initial Premises will increase to approximately \$22,700 a month.

The description of the Amendment contained in this Current Report on Form 8-K does not purport to be complete and is qualified in its entirety by reference to the Amendment, a copy of which will be filed as an exhibit to the Company’s Quarterly Report on Form 10-Q for the period ending June 30, 2021.

Item 2.02 Results of Operations and Financial Condition.

On August 5, 2021, the Company issued a press release announcing its recent business highlights and financial results for the quarter ended June 30, 2021. A copy of the press release is furnished hereto as Exhibit 99.1 and is incorporated herein by reference.

The information in this Item 2.02, including Exhibit 99.1 attached hereto, 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 and in the accompanying exhibit is not incorporated by reference in any filing of the Company under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit

No.	Description
99.1	Press Release dated August 5, 2021.

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.

KEROS THERAPEUTICS, INC.

By: /s/ Jasbir Seehra
Jasbir Seehra, Ph.D.
Chief Executive Officer

Dated: August 5, 2021

Keros Therapeutics Reports Recent Business Highlights and Second Quarter 2021 Financial Results

Lexington, Mass. – August 5, 2021 – Keros Therapeutics, Inc. (“Keros” or the “Company”) (Nasdaq: KROS), a clinical-stage biopharmaceutical company focused on the discovery, development and commercialization of novel treatments for patients suffering from hematological and musculoskeletal disorders with high unmet medical need, today provided a business update and reported financial results for the quarter ended June 30, 2021.

“We have made substantial progress over the past quarter, including announcing our preliminary results from our Phase 2 clinical trial of KER-050,” said Jasbir S. Sehra, Ph.D., President and Chief Executive Officer. “We continue to make notable progress advancing our pipeline, and remain focused on the execution of our near-term development plans. In that regard, we remain on track to initiate several clinical trials for KER-050, KER-047 and KER-012 over the balance of 2021.”

Recent Corporate Highlights:

- **Executive leadership changes:** In August 2021, the Company announced that Simon Cooper, M.B.B.S., has been appointed to serve as the Company’s Chief Medical Officer, effective as of August 2, 2021. Dr. Cooper succeeded Claudia Ordonez, M.D., who departed from the Chief Medical Officer position effective July 30, 2021. Dr. Ordonez will provide consulting services to the Company until September 15, 2021.
- **Issuance of Keros foundational U.S. patent:** In May 2021, the United States Patent and Trademark Office issued U.S. Patent No. 11,013,785, which is a composition of matter patent directed to novel therapeutic proteins, including KER-050, that contains 20 claims and expires in November 2037.

Recent Program Highlights:

- **KER-050 for the treatment of ineffective hematopoiesis to address cytopenias**
 - In June 2021, Keros announced preliminary results from Cohorts 1 and 2 (0.75 mg/kg and 1.5 mg/kg) of Part 1 of its Phase 2 clinical trial evaluating KER-050 in patients with myelodysplastic syndromes. Following Safety Review Committee recommendation, dosing for Cohort 3 of the trial was initiated at 2.5 mg/kg of KER-050, to be administered once every four weeks for 12 weeks.
 - The Company expects to report additional Part 1 data and initiate Part 2 of the trial by the end of 2021.

Second Quarter 2021 Financial Results

Keros reported a net loss of \$15.6 million in the second quarter of 2021 as compared to a net loss of \$10.8 million in the second quarter of 2020. The increase in net loss for the second quarter was largely due to increased research and development efforts as well as additional infrastructure expenses to support our operations as a publicly traded company.

Research and development expenses were \$10.0 million for the second quarter of 2021 as compared to \$7.3 million for the same period in 2020. The increase of \$2.7 million was primarily due to additional research and development efforts, manufacturing activities, and personnel expenses to support the advancement of our pipeline.

General and administrative expenses were \$5.7 million for the second quarter of 2021 as compared to \$3.7 million for the same period in 2020. The increase of \$2.0 million was primarily due to increase in personnel expenses and other external expenses to support Keros' organizational growth.

Keros' cash and cash equivalents as of June 30, 2021 was \$237.1 million compared to \$265.9 million as of December 31, 2020. Keros expects that the cash and cash equivalents it had on hand at June 30, 2021 will fund its operating expenses and capital expenditure requirements into the fourth quarter of 2023.

About Keros Therapeutics, Inc.

Keros is a clinical-stage biopharmaceutical company focused on the discovery, development and commercialization of novel treatments for patients suffering from hematologic and musculoskeletal disorders with high unmet medical need. Keros is a leader in understanding the role of the Transforming Growth Factor-Beta family of proteins, which are master regulators of red blood cell and platelet production as well as of the growth, repair and maintenance of muscle and bone. Keros' lead protein therapeutic product candidate, KER-050, is being developed for the treatment of low blood cell counts, or cytopenias, including anemia and thrombocytopenia, in patients with myelodysplastic syndromes and in patients with myelofibrosis. Keros' lead small molecule product candidate, KER-047, is being developed for the treatment of anemia resulting from iron imbalance, as well as for the treatment of fibrodysplasia ossificans progressiva. Keros' third product candidate, KER-012, is being developed for the treatment of disorders associated with bone loss, such as osteoporosis and osteogenesis imperfecta, and for the treatment of pulmonary arterial hypertension.

Cautionary Note Regarding Forward-Looking Statements

Statements contained in this press release regarding matters that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Words such as "anticipates," "believes," "expects," "intends," "plans," "potential," "projects," "would" and "future" or similar expressions are intended to identify forward-looking statements. Examples of these forward-looking statements include statements concerning: Keros' expectations regarding its growth, strategy, progress and timing of its preclinical studies and clinical trials for KER-050, KER-047 and KER-012; the potential impact of COVID-19 on Keros' ongoing and planned preclinical studies, clinical trials, business and operations; and Keros' expected cash runway. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, among others: Keros' limited operating history and historical losses; Keros' ability to raise additional funding to complete the development and any commercialization of its product candidates; Keros' dependence on the success of its lead product candidates, KER-050 and KER-047; that Keros may be delayed in initiating, enrolling or completing any clinical trials; competition from third parties that are developing products for similar uses; Keros' ability to obtain, maintain and protect its intellectual property; Keros' dependence on third parties in connection with manufacturing, clinical trials and preclinical studies; and risks relating to the impact on Keros' business of the COVID-19 pandemic or similar public health crises.

These and other risks are described more fully in Keros' filings with the Securities and Exchange Commission ("SEC"), including the "Risk Factors" section of the Company's Quarterly Report on Form 10-Q, filed with the SEC on May 6, 2021, and its other documents subsequently filed with or furnished to the SEC. All forward-looking statements contained in this press release speak only as of the date on which they were made. Except to the extent required by law, Keros undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made.

Investor Contact:

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KEROS THERAPEUTICS, INC.
Condensed Consolidated Statements of Operations
(In thousands, except share and per share data)
(Unaudited)

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2021	2020	2021	2020
REVENUE:				
License revenue	\$ 100	\$ —	\$ 100	\$ —
Total revenue	<u>100</u>	<u>—</u>	<u>100</u>	<u>—</u>
OPERATING EXPENSES:				
Research and development	(9,983)	(7,264)	(21,478)	(15,791)
General and administrative	(5,658)	(3,650)	(9,932)	(5,627)
Total operating expenses	<u>(15,641)</u>	<u>(10,914)</u>	<u>(31,410)</u>	<u>(21,418)</u>
LOSS FROM OPERATIONS	(15,541)	(10,914)	(31,310)	(21,418)
OTHER INCOME (EXPENSE), NET				
Interest expense, net	(1)	(1)	(2)	(3)
Change in fair value of preferred stock tranche obligation	—	—	—	(1,490)
Other income (expense), net	(80)	158	(145)	90
Total other income (expense), net	<u>(81)</u>	<u>157</u>	<u>(147)</u>	<u>(1,403)</u>
Loss before income taxes	(15,622)	(10,757)	(31,457)	(22,821)
Income tax (provision) benefit	—	—	(50)	172
Net loss	<u>\$ (15,622)</u>	<u>\$ (10,757)</u>	<u>\$ (31,507)</u>	<u>\$ (22,649)</u>
Net loss attributable to common stockholders—basic and diluted	<u>\$ (15,622)</u>	<u>\$ (10,963)</u>	<u>\$ (31,507)</u>	<u>\$ (23,661)</u>
Net loss per share attributable to common stockholders—basic and diluted	<u>\$ (0.67)</u>	<u>\$ (0.62)</u>	<u>\$ (1.35)</u>	<u>\$ (2.35)</u>
Weighted-average common stock outstanding—basic and diluted	<u>23,305,673</u>	<u>17,623,994</u>	<u>23,267,943</u>	<u>10,054,026</u>

KEROS THERAPEUTICS, INC.
Condensed Consolidated Balance Sheets
(In thousands, except share and per share data)
(Unaudited)

	JUNE 30, 2021	DECEMBER 31, 2020
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	237,113	265,876
Accounts receivable	100	—
Prepaid expenses and other current assets	4,204	1,850
Total current assets	<u>241,417</u>	<u>267,726</u>
Operating lease right-of-use assets	676	878
Property and equipment, net	1,253	724
Restricted cash	115	115
TOTAL ASSETS	<u>243,461</u>	<u>269,443</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	1,372	2,149
Current portion of operating lease liabilities	449	423
Accrued expenses and other current liabilities	5,710	4,612
Total current liabilities	<u>7,531</u>	<u>7,184</u>
Operating lease liabilities, net of current portion	242	476
Other liabilities	32	62
Total liabilities	<u>7,805</u>	<u>7,722</u>
STOCKHOLDERS' EQUITY:		
Common stock, par value of \$0.0001 per share; 200,000,000 authorized as of June 30, 2021 and December 31, 2020, respectively; 23,328,771 and 23,192,866 shares issued and outstanding as of June 30, 2021 and December 31, 2020, respectively	2	2
Additional paid-in capital	332,172	326,730
Accumulated deficit	(96,518)	(65,011)
Total stockholders' equity	<u>235,656</u>	<u>261,721</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>243,461</u>	<u>269,443</u>