

**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 6, 2018**

CHF SOLUTIONS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

001-35312
(Commission File Number)

68-0533453
(IRS Employer Identification No.)

12988 Valley View Road
Eden Prairie, Minnesota 55344
(Address of principal executive offices) (Zip Code)

(952) 345-4200
(Registrant's telephone number, including area code)

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))

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 6, 2018, CHF Solutions, Inc. (the "Company") issued a press release reporting its financial results for the quarter ended September 30, 2018. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

In accordance with General Instruction B.2 of Form 8-K, the information included in this Current Report on Form 8-K (including Exhibit 99.1) is furnished pursuant to Item 2.02 and shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The following exhibit is filed as part of this report:

| No. | Description |
|-----------------------------|---|
| <u>99.1</u> | Press Release, dated November 6, 2018, reporting the Company's financial results for the quarter ended September 30, 2018 |

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.

Date: November 6, 2018

CHF SOLUTIONS, INC.

By: /s/ CLAUDIA DRAYTON
Name: Claudia Drayton
Title: Chief Financial Officer



CHF Solutions, Inc. Announces 42% Revenue Growth for its Third Quarter and Provides Company Update

Eden Prairie, MN: November 6, 2018: CHF Solutions, Inc. (NASDAQ: CHFS) announced today its third quarter results for the period ended September 30, 2018. Highlights include:

- Revenue for third quarter ended September 30, 2018 increased 42 percent compared to the same period in 2017, and 24 percent sequentially over the second quarter of 2018.
- Announced expansion into the post-surgical cardiovascular market, an adjacent market opportunity with a significant unmet clinical need.
- Continued international expansion and announced entrance into the markets in Germany and Thailand.
- Continued path to identify complementary diagnostic technologies. Completed acquisition of AcQtrac™ impedance technology and announced collaboration agreements with NIMedical and Daxor Corporation to evaluate available, market-cleared diagnostic technologies.
- Announced completion of all manufacturing transfer activities from Baxter.
- Ended the quarter with \$8.2 million of cash and equivalents and no debt.

“We have delivered double-digit year over year quarterly growth for six quarters in a row,” said John Erb, Chairman and CEO. “We continue to execute on our strategy and deliver results.”

The Company will host a conference call and webcast at 9:00 AM ET today to discuss its financial results and provide an update on the Company’s performance.

To access the live webcast, please visit [Investor Relations | CHF Solutions, Inc.](#) Alternatively, you may access the live conference call by dialing (877) 303-9826 (U.S.) or (224) 357-2194 (international) and using conference ID: 8283328. An audio archive of the webcast will be available following the call at [Investor Relations | CHF Solutions, Inc.](#)

About CHF Solutions

CHF Solutions, Inc. (NASDAQ:CHFS) is a medical device company focused on commercializing the Aquadex FlexFlow® system for aquapheresis therapy. The Aquadex FlexFlow system, is indicated for temporary (up to eight hours) ultrafiltration treatment of patients with fluid overload who have failed diuretic therapy, and extended (longer than 8 hours) ultrafiltration treatment of patients with fluid overload who have failed diuretic therapy and require hospitalization. All treatments must be administered by a healthcare provider, under physician prescription, both of whom having received training in extracorporeal therapies. The company's objective is to improve the quality of life for patients with heart failure and related conditions. CHF Solutions is a Delaware corporation headquartered in Minneapolis with wholly owned subsidiaries in Australia and Ireland. The company has been listed on the NASDAQ Capital Market since February 2012.

Forward-Looking Statements

Certain statements in this release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation, the statement regarding the benefits from using the Aquadex FlexFlow, trends in our revenue, our expansion plan and our future growth and developments. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this release, including, without limitation, those risk associated with our ability to execute on our business strategy, the possibility that we may be unable to raise sufficient funds necessary for our anticipated operations, our post-market clinical data collection activities, benefits of our products to patients, our expectations with respect to product development and commercialization efforts, our ability to increase market and physician acceptance of our products, potentially competitive product offerings, intellectual property protection, our ability to integrate acquired businesses, our expectations regarding anticipated synergies with and benefits from acquired businesses, and other risks and uncertainties described in our filings with the SEC. Forward-looking statements speak only as of the date when made. CHF Solutions does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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FINANCIALS

CHF SOLUTIONS, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Operations and Comprehensive Loss
(Unaudited and in thousands, except per share amounts)

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|-------------------------------------|-------------------|------------------------------------|-------------------|
| | 2018 | 2017 | 2018 | 2017 |
| Net sales | \$ 1,363 | \$ 957 | \$ 3,499 | \$ 2,722 |
| Costs and expenses: | | | | |
| Cost of goods sold | 915 | 782 | 2,686 | 1,912 |
| Selling, general and administrative | 3,713 | 2,671 | 11,489 | 7,478 |
| Research and development | 985 | 367 | 2,107 | 1,002 |
| Total costs and expenses | 5,613 | 3,820 | 16,282 | 10,392 |
| Loss from operations | (4,250) | (2,863) | (12,783) | (7,670) |
| Other income (expense): | | | | |
| Other income, net | 10 | 17 | 10 | 28 |
| Warrant valuation expense | - | - | - | (67) |
| Change in fair value of warrant liability | - | 4 | - | 1,470 |
| Total other income | 10 | 21 | 10 | 1,431 |
| Loss before income taxes | (4,240) | (2,842) | (12,773) | (6,239) |
| Income tax expense, net | (1) | (5) | (3) | (6) |
| Net loss | \$ (4,241) | \$ (2,847) | \$ (12,776) | \$ (6,245) |
| Basic and diluted loss per share | \$ (0.61) | \$ (4.55) | \$ (2.47) | \$ (25.36) |
| Weighted average shares outstanding – basic and diluted | 6,987 | 626 | 5,171 | 359 |
| Other comprehensive loss: | | | | |
| Foreign currency translation adjustments | \$ (1) | \$ (1) | \$ (2) | \$ (7) |
| Total comprehensive loss | \$ (4,242) | \$ (2,848) | \$ (12,778) | \$ (6,252) |

CHF SOLUTIONS, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in thousands, except share and per share amounts)

| | September 30, 2018 (unaudited) | December 31, 2017 |
|--|---|------------------------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 8,222 | \$ 15,595 |
| Accounts receivable | 787 | 545 |
| Inventory | 1,948 | 1,588 |
| Other current assets | 240 | 136 |
| Total current assets | 11,197 | 17,864 |
| Property, plant and equipment, net | 573 | 570 |
| Other assets | 21 | 21 |
| TOTAL ASSETS | \$ 11,791 | \$ 18,455 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities | | |
| Accounts payable and accrued expenses | \$ 617 | \$ 862 |
| Accrued compensation | 1,315 | 1,021 |
| Other current liabilities | 80 | 208 |
| Total current liabilities | 2,012 | 2,091 |
| Other liabilities | 126 | 126 |
| Total liabilities | 2,138 | 2,217 |
| Commitments and contingencies | — | — |
| Stockholders' equity | | |
| Series A junior participating preferred stock as of September 30, 2018 and December 31, 2017, par value \$0.0001 per share; authorized 30,000 shares, none outstanding | — | — |
| Series F convertible preferred stock as of September 30, 2018 and December 31, 2017, par value \$0.0001 per share; authorized 565 and 3,780 shares, respectively, issued and outstanding 565 and 3,780, respectively | — | — |
| Preferred stock as of September 30, 2018 and December 31, 2017, par value \$0.0001 per share; authorized 39,969,435 and 39,966,220 shares, none outstanding | — | — |
| Common stock as of September 30, 2018 and December 31, 2017, par value \$0.0001 per share; authorized 100,000,000 shares, issued and outstanding 7,074,407 and 3,798,929, respectively | 1 | — |
| Additional paid-in capital | 203,559 | 197,367 |
| Accumulated other comprehensive income: | | |
| Foreign currency translation adjustment | 1,225 | 1,227 |
| Accumulated deficit | (195,132) | (182,356) |
| Total stockholders' equity | 9,653 | 16,238 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ 11,791 | \$ 18,455 |

CHF SOLUTIONS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Unaudited, in thousands)

| | Nine months ended | |
|---|--------------------------|-----------------|
| | September 30, | |
| | 2018 | 2017 |
| Operating Activities: | | |
| Net loss | \$ (12,776) | \$ (6,245) |
| Adjustments to reconcile net loss to cash flows used in operating activities: | | |
| Depreciation and amortization expense | 174 | 656 |
| Stock-based compensation expense | 1,544 | 391 |
| Change in fair value of warrant liability | - | (1,470) |
| Warrant valuation expense | - | 67 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (242) | (498) |
| Inventory | (361) | (660) |
| Other current and long-term assets | (104) | 28 |
| Accounts payable and accrued expenses | (78) | (1,038) |
| Net cash used in operations | (11,843) | (8,769) |
| Investing Activities: | | |
| Purchases of property and equipment | (177) | (206) |
| Net cash used in investing activities | (177) | (206) |
| Financing Activities: | | |
| Net proceeds from public stock offering | 4,649 | 8,002 |
| Net proceeds from exercise of warrants | - | 1,981 |
| Net proceeds from the sale of common stock, preferred stock, and warrants | - | 184 |
| Net cash provided by financing activities | 4,649 | 10,167 |
| Effect of exchange rate changes on cash | (2) | (2) |
| Net increase (decrease) in cash and cash equivalents | (7,373) | 1,190 |
| Cash and cash equivalents - beginning of period | 15,595 | 1,323 |
| Cash and cash equivalents - end of period | \$ 8,222 | \$ 2,513 |
| Supplement schedule of non-cash activities | | |
| Warrants issued as inducement to warrant exercise | \$ - | \$ 509 |
| Conversion of temporary equity to permanent equity | \$ - | \$ 485 |
| Supplemental cash flow information | | |
| Cash paid for income taxes | \$ - | \$ 8 |

CONTACTS:

INVESTORS:

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