

ARROWHEAD PHARMACEUTICALS, INC.

Form 10-Q

February 09, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended December 31, 2017

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
Commission file number 001-38042

ARROWHEAD PHARMACEUTICALS, INC.

(Exact name of registrant as specified in its charter)

Delaware 46-0408024
(State of incorporation) (I.R.S. Employer Identification No.)

225 S. Lake Avenue, Suite 1050

Pasadena, California 91101

(626) 304-3400

(Address and telephone number of principal executive offices)

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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

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 (§ 232.405 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, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated

Accelerated filer

Non-accelerated filer

(Do not check if a smaller reporting company) Smaller reporting company

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.

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

The number of shares of the registrant’s common stock outstanding as of February 7, 2018 was 86,787,566.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Arrowhead Pharmaceuticals, Inc.

Consolidated Balance Sheets

	(unaudited)	
	December	September
	31, 2017	30, 2017
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$11,531,345	\$24,838,567
Accounts receivable	149,931	67,797
Prepaid expenses	651,239	867,363
Other current assets	1,604,986	1,359,638
Short term investments	39,169,376	40,769,539
TOTAL CURRENT ASSETS	53,106,877	67,902,904
Property and equipment, net	14,932,366	15,513,019
Intangible assets, net	20,039,332	20,464,439
Other assets	141,918	141,918
TOTAL ASSETS	\$88,220,493	\$104,022,280
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$5,707,047	\$4,076,514
Accrued expenses	3,478,512	4,564,507
Accrued payroll and benefits	1,936,024	3,399,679
Deferred rent	440,580	440,580
Deferred revenue	1,875,001	5,269,741
Derivative liabilities	20,445	695,114
Note Payable	212,233	208,506
Other current liabilities	46,407	46,407
TOTAL CURRENT LIABILITIES	13,716,249	