

BIOLIFE SOLUTIONS INC
Form 10-Q
August 09, 2018

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the quarterly period ended June 30, 2018

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the transition period from to

Commission File Number 001-36362

BioLife Solutions, Inc.

(Exact name of registrant as specified in its charter)

DELAWARE

94-3076866

(State or other jurisdiction of (IRS Employer

incorporation or organization) Identification No.)

3303 MONTE VILLA PARKWAY, SUITE 310, BOTHELL, WASHINGTON, 98021

(Address of registrant's principal executive offices, Zip Code)

(425) 402-1400

(Telephone number, including area code)

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 website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (S232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post said 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 filer Accelerated filer Non-accelerated filer 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 Act). Yes No

As of August 7, 2018, 16,461,711 shares of the registrant's common stock were outstanding.

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BIOLIFE SOLUTIONS, INC.

FORM 10-Q

FOR THE QUARTER ENDED JUNE 30, 2018

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	June 30, 2018	December 31, 2017
Assets		
Current assets		
Cash and cash equivalents	\$14,166,604	\$6,663,318
Accounts receivable, trade, net of allowance for doubtful accounts of \$0 and \$5,575 at June 30, 2018 and December 31, 2017, respectively	2,166,415	1,021,315
Inventories	2,121,881	1,846,746
Prepaid expenses and other current assets	352,507	399,502
Total current assets	18,807,407	9,930,881
Property and equipment		
Leasehold improvements	1,284,491	1,284,491
Furniture and computer equipment	693,399	682,466
Manufacturing and other equipment	1,229,318	1,148,006
Subtotal	3,207,208	3,114,963
Less: Accumulated depreciation	(2,163,430)	(2,008,927)
Net property and equipment	1,043,778	1,106,036
Investment in SAVSU	1,899,669	1,070,120
Long term deposits	36,166	36,166
Total assets	\$21,787,020	\$12,143,203
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	\$842,941	\$690,702
Accrued expenses and other current liabilities	172,879	200,548
Accrued compensation	517,692	491,432
Deferred rent	130,216	130,216
Total current liabilities	1,663,728	1,512,898
Deferred rent, long-term	422,828	492,207
Other long-term liabilities	45,364	45,512
Total liabilities	2,131,920	2,050,617

Commitments and contingencies (Note 9)

Shareholders' equity

Preferred stock, \$0.001 par value; 1,000,000 shares authorized, Series A, 4,250 shares designated, and 3,187 and 4,250 shares issued and outstanding at June 30, 2018 and December 31, 2017, respectively	3	4
Common stock, \$0.001 par value; 150,000,000 shares authorized, 16,107,505 and 14,021,422 shares issued and outstanding at June 30, 2018 and December 31, 2017, respectively	16,107	14,021
Additional paid-in capital	92,653,721	84,036,444
Accumulated deficit	(73,014,731)	(73,957,883)
Total shareholders' equity	19,655,100	10,092,586
Total liabilities and shareholders' equity	\$21,787,020	\$12,143,203

The accompanying Notes to Financial Statements are an integral part of these financial statements

Table of Contents**BioLife Solutions, Inc.****Statements of Operations****(unaudited)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Product sales	\$5,177,854	\$2,557,765	\$8,992,736	\$4,923,966
Cost of product sales	1,536,779	956,839	2,900,608	1,885,241
Gross profit	3,641,075	1,600,926	6,092,128	3,038,725
Operating expenses				
Research and development	324,612	318,607	671,066	605,358
Sales and marketing	641,168	546,455	1,252,670	1,058,399
General and administrative	1,390,524	1,077,067	2,743,901	2,180,210
Total operating expenses	2,356,304	1,942,129	4,667,637	3,843,967
Operating income (loss)	1,284,771	(341,203)	1,424,491	(805,242)
Other income (expenses), net				
Interest income	32,537	76	40,955	124
Interest expense	(1,332)	(104,582)	(2,232)	(187,915)
Amortization of debt discount	—	(62,398)		