

INOVIO PHARMACEUTICALS, INC.

Form 10-Q

August 09, 2013

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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, 2013

OR

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

FOR THE TRANSITION PERIOD FROM TO
COMMISSION FILE NO. 001-14888

INOVIO PHARMACEUTICALS, INC.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE

(State or other jurisdiction of
incorporation or organization)

33-0969592

(I.R.S. Employer
Identification No.)

1787 SENTRY PARKWAY WEST

BUILDING 18, SUITE 400

BLUE BELL, PENNSYLVANIA

(Address of principal executive offices)

19422

(Zip Code)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (267) 440-4200

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT:

COMMON STOCK, \$0.001 PAR VALUE

(Title of Class)

NYSE MKT

(Name of Each Exchange on Which Registered)

SECURITIES REGISTERED PURSUANT TO SECTION 12(G) OF THE ACT: NONE

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 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, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

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

The number of shares outstanding of the Registrant's Common Stock, \$0.001 par value, was 189,903,446 as of August 8, 2013.

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FORM 10-Q

For the Quarterly Period Ended June 30, 2013

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Part I. Financial Information

Item 1. Financial Statements

INOVIO PHARMACEUTICALS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2013	December 31, 2012
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$10,352,170	\$5,646,021
Short-term investments	13,107,779	8,034,001
Accounts receivable	540,345	830,433
Accounts receivable from affiliated entity	—	36,234
Prepaid expenses and other current assets	710,289	471,328
Prepaid expenses and other current assets from affiliated entity	763,357	887,167
Deferred tax asset	62,728	62,728
Total current assets	25,536,668	15,967,912
Restricted cash	100,586	100,410
Fixed assets, net	348,119	363,021
Investment in affiliated entity	7,835,197	10,703,332
Intangible assets, net	6,596,287	7,489,315
Goodwill	10,113,371	10,113,371
Common stock warrants	265,500	267,200
Other assets	197,143	134,193
Total assets	\$50,992,871	\$45,138,754
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	\$3,336,480	\$3,181,574
Accounts payable and accrued expenses due to affiliated entity	45,287	187,275
Accrued clinical trial expenses	1,732,247	1,405,896
Common stock warrants	13,453,937	2,859,899
Deferred revenue	89,828	353,391
Deferred revenue from affiliated entity	413,541	388,542
Total current liabilities	19,071,320	8,376,577
Deferred revenue, net of current portion	85,286	88,609
Deferred revenue from affiliated entity, net of current portion	1,399,194	1,586,694
Deferred rent	601,077	65,076
Deferred tax liabilities	164,393	164,393
Total liabilities	21,321,270	10,281,349
Inovio Pharmaceuticals, Inc. stockholders' equity:		
Common stock	180,059	144,313
Additional paid-in capital	278,570,240	263,897,116
Accumulated deficit	(249,456,837)	(229,760,129)
Accumulated other comprehensive (loss) income	(96,436)	73,362
Total Inovio Pharmaceuticals, Inc. stockholders' equity	29,197,026	34,354,662
Non-controlling interest	474,575	502,743
Total stockholders' equity	29,671,601	34,857,405
Total liabilities and stockholders' equity	\$50,992,871	\$45,138,754

See accompanying notes.

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INOVIO PHARMACEUTICALS, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Revenues:				
License fee and milestone revenue	\$14,311	\$20,907	\$28,570	\$45,745
License fee and milestone revenue from affiliated entity	106,250	106,250	212,500	212,500
Grants and miscellaneous revenue	665,049	308,925	1,999,765	1,870,958
Total revenues	785,610	436,082	2,240,835	2,129,203
Operating expenses:				
Research and development	4,411,082	4,527,086	9,526,194	8,569,665
General and administrative	3,046,586	2,696,909	6,020,739	5,184,997
Gain on sale of assets	(1,000,000)	—	(1,000,000)	(651,000)
Total operating expenses	6,457,668	7,223,995	14,546,933	