

Corium International, Inc.  
Form 10-Q  
August 10, 2018  
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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, 2018

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 Number: 001-36375

Corium International, Inc.

(Exact name of registrant as specified in its charter)

Delaware	38-3230774
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

Corium International, Inc.  
235 Constitution Drive  
Menlo Park, California 94025

(Address of principal executive offices and zip code)

(650) 298-8255

(Registrant's 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

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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. (Check one):

Large accelerated filer

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 Act). Yes No

As of August 7, 2018, there were approximately 36,250,261 shares of the Registrant’s Common Stock outstanding.

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## PART I

## ITEM 1. FINANCIAL STATEMENTS

## CORIUM INTERNATIONAL, INC.

## CONDENSED BALANCE SHEETS

(In thousands, except share and per share data)

(Unaudited)

	As of June 30, 2018	As of September 30, 2017
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 82,523	\$ 57,466
Accounts receivable	3,556	4,641
Unbilled accounts receivable	228	169
Inventories	1,686	2,300
Prepaid expenses and other current assets	924	982
Total current assets	88,917	65,558
Property and equipment, net	15,810	12,176
Intangible assets, net	7,404	7,117
<b>TOTAL ASSETS</b>	<b>\$ 112,131</b>	<b>\$ 84,851</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 4,519	\$ 3,978
Accrued expenses and other current liabilities	6,860	6,411
Long-term debt, current portion	49	13,172
Recall liability, current portion	119	114
Deferred contract revenues, current portion	137	626
Total current liabilities	11,684	24,301
Convertible notes, net	70,021	—
Long-term debt, net of current portion	337	39,027
Recall liability, net of current portion	1,697	1,811
Deferred contract revenues, net of current portion	3,500	3,500
Total liabilities	87,239	68,639
Commitments and contingencies		
Stockholders' equity:		
Common stock, par value of \$0.001 per share, 150,000,000 shares authorized; 36,244,074 and 36,004,602 shares issued and outstanding as of June 30, 2018 and September 30, 2017	36	36
Additional paid-in capital	283,826	231,457
Accumulated deficit	(258,970)	(215,281)

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Total stockholders' equity	24,892	16,212
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 112,131	\$ 84,851

See accompanying notes to condensed financial statements.

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CORIUM INTERNATIONAL, INC.

## CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(In thousands, except share and per share data)

(Unaudited)

	Three Months Ended		Nine Months Ended June 30,	
	June 30, 2018	2017	2018	2017
Revenues:				
Product revenues	\$ 5,901	\$ 5,906	\$ 18,512	\$ 16,301
Contract research and development revenues	1,529	1,936	7,813	5,320
Other revenues	240	267	720	801
Total revenues	7,670	8,109	27,045	22,422
Costs and operating expenses:				
Cost of product revenues	3,507	3,935	10,806	10,892
Cost of contract research and development revenues	2,339	2,977	9,238	7,891
Research and development expenses	8,305	9,122	30,511	22,650
General and administrative expenses	3,325	3,284	10,728	9,288
Amortization of intangible assets	183	159	541	514
Loss on disposal of equipment	4	6	4	6
Total costs and operating expenses	17,663	19,483	61,828	51,241
Loss from operations	(9,993)	(11,374)	(34,783)	(28,819)
Interest income	332	77	617	149
Interest expense	(3,370)	(2,087)	(7,903)	(6,178)
Loss on extinguishment of long-term debt	—	—	(2,258)	—
Other income	640	—	640	—
Loss before income taxes	(12,391)			