

Ignyta, Inc.
Form 10-Q
August 08, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2017

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: 001-36344

Ignyta, Inc.

(Exact name of registrant as specified in its charter)

Delaware	45-3174872
(State or other jurisdiction of	(I.R.S. Employer
incorporation or organization)	Identification No.)

4545 Towne Centre Court, San Diego, CA	92121
(Address of principal executive offices)	(Zip Code)

(858) 255-5959

Edgar Filing: Ignyta, Inc. - Form 10-Q

(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

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 definition 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	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 July 31, 2017, the registrant had 56,253,915 shares of common stock (\$0.0001 per share par value) outstanding.

IGNYTA, INC.

FORM 10-Q — QUARTERLY REPORT

FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2017

TABLE OF CONTENTS

	Page
<u>PART I – FINANCIAL INFORMATION</u>	1
<u>Item 1. Condensed Financial Statements (unaudited)</u>	1
<u>Condensed Balance Sheets at June 30, 2017 and December 31, 2016</u>	1
<u>Condensed Statements of Operations and Comprehensive Loss for the three and six months ended June 30, 2017 and 2016</u>	2
<u>Condensed Statements of Cash Flows for the six months ended June 30, 2017 and 2016</u>	3
<u>Notes to Unaudited Condensed Financial Statements</u>	4
<u>Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	14
<u>Item 3. Quantitative and Qualitative Disclosures about Market Risk</u>	22
<u>Item 4. Controls and Procedures</u>	22
<u>PART II – OTHER INFORMATION</u>	23
<u>Item 1. Legal Proceedings</u>	23
<u>Item 1A. Risk Factors</u>	23
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	27
<u>Item 3. Defaults Upon Senior Securities</u>	27
<u>Item 4. Mine Safety Disclosures</u>	27
<u>Item 5. Other Information</u>	27
<u>Item 6. Exhibits</u>	28
<u>SIGNATURES</u>	30

PART I — FINANCIAL INFORMATION

Item 1. Condensed Financial Statements

Ignyta, Inc.

Condensed Balance Sheets

(In thousands, except share data)

	June 30, 2017 (Unaudited)	December 31, 2016
Assets		
Current assets:		
Cash and cash equivalents	\$ 61,147	\$ 24,340
Short-term investment securities	104,231	83,637
Other current assets	3,958	3,873
Total current assets	169,336	111,850
Long-term investment securities	4,000	24,983
Property and equipment, net	4,675	6,270
Other long-term assets	1,520	1,811
Total assets	\$ 179,531	\$ 144,914
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 17,420	\$ 13,510
Obligation due to licensor	3,709	—
Accrued compensation and benefits	2,057	4,007
Total current liabilities	23,186	17,517
Term loan, net of discount	29,838	29,517
Other long-term liabilities	11,628	3,110
Total liabilities	64,652	50,144
Commitments and contingencies		