

SOLIGENIX, INC.
Form 10-Q
August 11, 2017

**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, 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 No. 000-16929

SOLIGENIX, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of
incorporation or organization)

41-1505029

(I.R.S. Employer
Identification Number)

29 EMMONS DRIVE, SUITE C-10 PRINCETON, NJ

(Address of principal executive offices)

08540

(Zip Code)

(609) 538-8200

(Registrant's telephone number, including area code)

Indicate by check whether the registrant (1) 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, 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

Non-accelerated filer

(Do not check if a smaller reporting company)

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 Exchange Act). Yes No

As of August 7, 2017, 5,723,140 shares of the registrant's common stock (par value, \$.001 per share) were outstanding.

SOLIGENIX, INC.

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PART I - FINANCIAL INFORMATION**ITEM 1 - Financial Statements****Soligenix, Inc. and Subsidiaries****Consolidated Balance Sheets**

	June 30, 2017 (Unaudited)	December 31, 2016
Assets		
Current assets:		
Cash and cash equivalents	\$5,813,863	\$8,772,567
Contracts receivable	714,893	1,206,777
Prepaid expenses	129,075	134,431
Total current assets	6,657,831	10,113,775
Office furniture and equipment, net	20,010	26,702
Intangible assets, net	95,781	126,628
Total assets	\$6,773,622	\$10,267,105
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	\$1,611,282	\$1,708,091
Accrued expenses	1,482,684	806,118
Accrued compensation	57,744	355,648
Total current liabilities	3,151,710	2,869,857
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, 350,000 shares authorized; none issued or outstanding	-	-
Common stock, \$.001 par value; 25,000,000 and 10,000,000 shares authorized at June 30, 2017 and December 31, 2016, respectively; 5,682,753 shares and 5,470,032 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively	5,683	5,470
Additional paid-in capital	157,784,226	157,514,740
Accumulated deficit	(154,167,997)	(150,122,962)
Total shareholders' equity	3,621,912	7,397,248
Total liabilities and shareholders' equity	\$6,773,622	\$10,267,105

The accompanying notes are an integral part of these consolidated financial statements.

Soligenix, Inc. and Subsidiaries**Consolidated Statements of Operations****For the Three and Six Months Ended June 30, 2017 and 2016****(Unaudited)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Contract revenue	\$990,971	\$3,160,050	\$2,321,855	\$5,791,037
Cost of revenues	(677,167)	(2,342,539)	(1,764,482)	(4,574,874)
Gross profit	313,804	817,511	557,373	1,216,163
Operating expenses:				
Research and development	1,783,714	827,832	3,001,254	2,256,332
General and administrative	846,919	999,637	1,611,138	1,875,494
Total operating expenses	2,630,633	1,827,469	4,612,392	4,131,826
Loss from operations	(2,316,829)	(1,009,958)	(4,055,019)	(2,915,663)
Other income (expense):				
Change in fair value of warrant liability	-	525,328	-	1,285,485
Other income	-	390,599	-	390,599
Interest income (expense)	5,231	1,256	9,984	(2,629)
Total other income (expense)	5,231	917,183	9,984	1,673,455
Net loss	\$(2,311,598)	\$(92,775)	\$(4,045,035)	\$(1,242,208)
Basic net loss per share	\$(0.41)	\$(0.03)	\$(0.73)	\$(0.39)
Diluted net loss per share	\$(0.41)	\$(0.19)	\$(0.73)	\$(0.77)
Basic weighted average common shares outstanding	5,601,879	3,176,937	5,537,164	3,152,439
Diluted weighted average common shares outstanding	5,601,879	3,273,378	5,537,164	3,267,981

The accompanying notes are an integral part of these consolidated financial statements.

Soligenix, Inc. and Subsidiaries**Consolidated Statement of Changes in Shareholders' Equity****For the Six Months Ended June 30, 2017****(Unaudited)**

	Common Stock		Additional	Accumulated	
	Shares	Par Value	Paid-In Capital	Deficit	Total
Balance, December 31, 2016	5,470,032	\$5,470	\$157,514,740	\$(150,122,962)	\$7,397,248
Issuance of common stock pursuant to Lincoln Park Equity Line	10,096	10	23,090	-	23,100
Issuance of common stock from cashless exercise of warrants	200,125	200	(200)	-	-
Issuance of common stock to vendors	2,500	3	5,922	-	5,925
Share-based compensation expense	-	-	240,674	-	240,674
Net loss	-	-	-	(4,045,035)	(4,045,035)
Balance, June 30, 2017	5,682,753	\$5,683	\$157,784,226	\$(154,167,997)	\$3,621,912

The accompanying notes are an integral part of these consolidated financial statements.

Soligenix, Inc. and Subsidiaries**Consolidated Statements of Cash Flows****For the Six Months Ended June 30,****(Unaudited)**

	2017	2016
Operating activities:		
Net loss	\$(4,045,035)	\$(1,242,208)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization and depreciation	39,671	45,436
Amortization of discount on debt	-	7,281
Share-based compensation	240,674	336,684
Gain on settlement liability	-	(390,599)
Issuance of common stock for services	5,925	36,500
Change in fair value of warrant liability	-	(1,285,485)
Change in operating assets and liabilities:		
Contracts receivable	491,884	179,341
Prepaid expenses	5,356	15,203
Accounts payable and accrued expenses	579,756	188,039
Accrued compensation	(297,904)	(242,506)
Total adjustments	1,065,362	(1,110,106)
Net cash used in operating activities	(2,979,673)	(2,352,314)