

CYTRX CORP  
Form 10-Q  
August 06, 2018

**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 0-15327**

**CytRx Corporation**

(Exact name of Registrant as specified in its charter)

**Delaware**

**58-1642740**

Edgar Filing: CYTRX CORP - Form 10-Q

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

**11726 San Vicente Blvd., Suite 650**

**90049**

**Los Angeles, CA**

(Address of principal executive offices) (Zip Code)

**(310) 826-5648**

(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 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 the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
Emerging growth company  (Do not check if a smaller reporting 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 12(b)-2 of the Exchange Act). Yes  No

Number of shares of CytRx Corporation common stock, \$0.001 par value, outstanding as of August 6, 2018:  
33,637,501 shares.

**CYTRX CORPORATION**

**FORM 10-Q**

**TABLE OF CONTENTS**

	<b>Page</b>
<b><u>PART I. — FINANCIAL INFORMATION</u></b>	
Item 1. <u>Consolidated Financial Statements (unaudited)</u>	3
Item 2. <u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	15
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	21
Item 4. <u>Controls and Procedures</u>	21
<b><u>PART II. — OTHER INFORMATION</u></b>	
Item 1. <u>Legal Proceedings</u>	21
Item 1A. <u>Risk Factors</u>	21
Item 6. <u>Exhibits</u>	21
<b><u>SIGNATURES</u></b>	22
<b><u>INDEX TO EXHIBITS</u></b>	23

## PART I — FINANCIAL INFORMATION

## Item 1. — Financial Statements

CYTRX CORPORATION  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(Unaudited)

	June 30, 2018	December 31, 2017
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$36,426,292	\$37,643,404
Receivables	6,151,013	7,529,032
Prepaid expenses and other current assets	227,708	1,914,077
Total current assets	42,805,013	47,086,513
Equipment and furnishings, net	780,592	1,042,892
Goodwill	183,780	183,780
Other assets	34,334	34,334
Total assets	\$43,803,719	\$48,347,519
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$1,633,428	\$4,122,017
Accrued expenses and other current liabilities	7,581,180	8,029,274
Deferred revenue	—	6,924,353
Warrant liabilities	—	527,025
Term loan, net	9,380,607	10,599,795
Total liabilities	18,595,215	30,202,464
Commitments and contingencies		
Stockholders' equity:		
Preferred Stock, \$0.01 par value, 833,334 shares authorized, including 4,167 shares of Series A Junior Participating Preferred Stock; no shares issued and outstanding	—	—
Preferred Stock, \$1,000 stated value, 650 shares authorized, no shares issued and outstanding	—	—
Common stock, \$0.001 par value, 41,666,667 shares authorized; 33,637,501 shares issued and outstanding at June 30, 2018; 28,037,501 shares issued and outstanding at December 31, 2017	33,637	28,037
Additional paid-in capital	476,410,506	468,969,445
Accumulated deficit	(451,235,639)	(450,852,427)

Edgar Filing: CYTRX CORP - Form 10-Q

Total stockholders' equity	25,208,504	18,145,055
Total liabilities and stockholders' equity	\$43,803,719	\$48,347,519

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

**CYTRX CORPORATION****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(Unaudited)

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30,</b>		<b>June 30,</b>	
	2018	2017	2018	2017
Revenue:				
Licensing revenue	\$—	\$—	\$—	\$—
Expenses:				
Research and development	818,629	6,167,074	2,275,045	12,934,058
General and administrative	1,689,553	3,137,008	4,153,112	6,116,063
	2,508,182	9,304,082	6,428,157	19,050,121
Loss before other income	(2,508,182)	(9,304,082)	(6,428,157)	(19,050,121)
Other income (loss):				
Interest income	92,975	90,849	175,909	151,392
Interest expense	(659,860 )	(848,395 )	(1,352,647)	(2,171,110 )
Other income (loss), net	(8,134 )			