

OCEAN BIO CHEM INC
Form 10-Q
November 14, 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 September 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: 0-11102

OCEAN BIO-CHEM, INC.

(Exact name of registrant as specified in its charter)

Florida **59-1564329**
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

4041 SW 47 Avenue, Fort Lauderdale, Florida 33314
(Address of principal executive offices) (Zip Code)

954-587-6280

(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 every Interactive Data File required to be submitted 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 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	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

At November 14, 2018, 9,338,191 shares of the registrant's Common Stock were outstanding.

OCEAN BIO-CHEM, INC. AND SUBSIDIARIES

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PART 1 - FINANCIAL INFORMATION**Item 1. Financial Statements****OCEAN BIO-CHEM, INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEETS**

	September 30, 2018 (Unaudited)	December 31, 2017
ASSETS		
Current Assets:		
Cash	\$ 1,835,123	\$ 2,418,484
Trade accounts receivable less allowances of approximately \$214,000 and \$79,000, respectively	10,792,379	4,963,895
Receivables due from affiliated companies	638,526	1,584,365
Restricted cash	2,562,725	2,747,360
Inventories, net	11,652,868	9,074,426
Prepaid expenses and other current assets	1,259,085	1,013,213
Total Current Assets	28,740,706	21,801,743
Property, plant and equipment, net	9,728,231	9,291,667
Intangible assets, net	2,113,690	897,408
Total Assets	\$ 40,582,627	\$ 31,990,818
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Current portion of long-term debt, net	\$ 420,779	\$ 240,017
Revolving line of credit	2,750,000	---
Accounts payable - trade	3,409,146	1,807,120
Accrued expenses payable	1,557,213	812,062
Total Current Liabilities	8,137,138	2,859,199
Deferred tax liability	264,777	153,895
Long-term debt, less current portion and debt issuance costs	4,621,841	4,081,793
Total Liabilities	13,023,756	7,094,887
Commitments and contingencies (Note 10)		
Shareholders' Equity:		
Common stock - \$.01 par value, 12,000,000 shares authorized; 9,338,191 and 9,254,580 shares issued and outstanding	93,382	92,546

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Additional paid in capital	10,235,827	9,931,634
Accumulated other comprehensive loss	(292,064)	(288,051)
Retained earnings	17,521,726	15,159,802
Total Shareholders' Equity	27,558,871	24,895,931
Total Liabilities and Shareholders' Equity	\$ 40,582,627	\$ 31,990,818