BIOLARGO, INC. Form 10-Q May 14, 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 March 31, 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 000-19709

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Delaware 65-0159115 (State or other jurisdiction of (I.R.S. Employer

incorporation or organization) Identification No.)

14921 Chestnut St.

Westminster, CA 92683

(Address, including zip code, of principal executive offices)

(949) 643-9540

(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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act

Non-accelerated filer 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 12b-2 of the Exchange Act). Yes No

The number of shares of the Registrant's Common Stock outstanding as of May 12, 2018 was 122,154,066 shares.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

BIOLARGO, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

AS OF DECEMBER 31, 2017 AND MARCH 31, 2018

	DECEMBED	MARCH
	DECEMBER	31, 2018
	31, 2017	(Unaudited)
Assets		
Current assets:		
Cash and cash equivalents	\$ 990,457	\$921,942
Accounts receivable, net of allowance of \$2,500	94,413	102,310
Inventories	53,973	56,805
Prepaid expenses and other current assets	20,000	32,745
Total current assets	1,158,843	1,113,802
Leasehold improvement and equipment, net of depreciation	108,865	117,295
Other non-current assets	32,530	32,530
Deferred offering cost	195,182	191,494
Total assets	\$ 1,495,420	\$1,455,121
Liabilities and stockholders' deficit		
Current liabilities:		
Accounts payable and accrued expenses	\$ 224,105	\$351,000
Convertible notes payable	5,248,847	5,398,847
Discount on convertible notes payable, net of amortization	(1,257,182)	(697,231)
Total current liabilities	4,215,770	5,052,616
Long-term liabilities:		
Line of credit		390,000
Convertible notes payable	1,539,271	1,769,271
Discount on convertible notes payable and line of credit, net of amortization	(850,000	(1,141,478)
Total liabilities	4,905,041	6,070,409

COMMITMENTS, CONTINGENCIES (Note 11)