

PLURISTEM THERAPEUTICS INC

Form 10-Q

November 07, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2018

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from

_____ to _____

Commission file number 001-31392

PLURISTEM THERAPEUTICS INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

98-0351734

(IRS Employer Identification No.)

MATAM Advanced Technology Park, Building No. 5, Haifa, Israel 31905

(Address of principal executive offices)

011-972-74-7108607

(Registrant's telephone number)

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 past 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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registration was required to submit files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated non-accelerated filer, smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

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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 Exchange Act).

Yes No

State the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date:
115,800,504 shares of common stock issued and outstanding as of November 4, 2018.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

PLURISTEM THERAPEUTICS INC. AND ITS SUBSIDIARY

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of September 30, 2018

(Unaudited)

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PLURISTEM THERAPEUTICS INC. AND ITS SUBSIDIARY
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As of September 30, 2018

U.S. DOLLARS IN THOUSANDS

(Unaudited)

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PLURISTEM THERAPEUTICS INC. AND ITS SUBSIDIARY

INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS

U.S. Dollars in thousands (except share and per share data)

	September	June 30,
	30, 2018	2018
	Note	Unaudited

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 8,433	\$8,821
Short-term bank deposits	13,283	21,079
Restricted cash and short-term bank deposits	777	687
Accounts receivable from the Israeli Innovation Authority (“IIA”)	37	58
Other current assets	1,921	1,391
<u>Total</u> current assets	24,451	32,036

LONG-TERM ASSETS:

Long-term deposits and restricted bank deposits	385	383
Severance pay fund	858	846
Property and equipment, net	5,186	5,678
Other long-term assets	13	17
<u>Total</u> long-term assets	6,442	6,924
<u>Total</u> assets	\$ 30,893	\$38,960

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

PLURISTEM THERAPEUTICS INC. AND ITS SUBSIDIARY

INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS

U.S. Dollars in thousands (except share and per share data)

	September 30, 2018	June 30, 2018
	Note	Unaudited
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Trade payables	\$2,133	\$3,261
Accrued expenses	3,048	2,266
Other accounts payable	2,217	3,021
<u>Total</u> current liabilities	7,398	8,548
LONG-TERM LIABILITIES		
Accrued severance pay	1,141	1,127
Other long-term liabilities	825	778
<u>Total</u> long-term liabilities	1,966	1,905
COMMITMENTS AND CONTINGENCIES	5	
STOCKHOLDERS' EQUITY		
Share capital:	6	
Common stock \$0.00001 par value per share:		
Authorized: 200,000,000 shares		
Issued and outstanding: 114,649,702 shares as of		
September 30, 2018, 113,565,780 shares as of June 30, 2018	1	1
Additional paid-in capital	246,011	244,203
Accumulated deficit	(224,483)	(215,697)
<u>Total</u> stockholders' equity	21,529	28,507
<u>Total</u> liabilities and stockholders' equity	\$30,893	\$38,960

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

PLURISTEM THERAPEUTICS INC. AND ITS SUBSIDIARY

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

U.S. Dollars in thousands (except share and per share data)

	Three months ended September 30,	
	2018	2017
Revenues	\$4	\$-
Cost of revenues	(*)	-
Gross profit	4	-
Operating Expenses:		
Research and development expenses	\$(7,765)	\$(5,192)
Less: participation by the IIA and other parties	1,001	515
Research and development expenses, net	(6,764)	(4,677)
General and administrative expenses, net	(2,210)	