

NeuroMetrix, Inc.
Form 10-Q
July 20, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q
(Mark One)

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 Number 001-33351

NEUROMETRIX, INC.

(Exact name of registrant as specified in its charter)

Delaware 04-3308180
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

1000 Winter Street, Waltham, Massachusetts 02451
(Address of principal executive offices) (Zip Code)
(781) 890-9989
(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 or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Yes No

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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 the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 1,860,519 shares of common stock, par value \$0.0001 per share, were outstanding as of July 14, 2017.

NeuroMetrix, Inc.
Form 10-Q
Quarterly Period Ended June 30, 2017

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

NeuroMetrix, Inc.
Balance Sheets

	June 30, 2017 (Unaudited)	December 31, 2016
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,611,949	\$ 3,949,135
Accounts receivable, net	984,515	738,729
Inventories	1,477,327	1,252,238
Prepaid expenses and other current assets	1,719,996	1,646,821
Total current assets	7,793,787	7,586,923
Fixed assets, net	444,321	532,706
Other long-term assets	144,551	164,262
Total assets	\$ 8,382,659	\$ 8,283,891
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 758,208	\$ 734,048
Accrued compensation	505,553	307,471
Accrued expenses	1,746,556	1,648,731
Deferred revenue	659,273	628,236
Total current liabilities	3,669,590	3,318,486
Common stock warrants	41,099	4,641
Total liabilities	3,710,689	3,323,127
Commitments and contingencies (Note 8)		
Stockholders' equity:		
Preferred stock	—	—
Convertible preferred stock	22	18
Common stock, \$0.0001 par value; 100,000,000 shares authorized at June 30, 2017 and December 31, 2016; 1,650,519 and 836,862 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively	165	84
Additional paid-in capital	189,620,780	183,439,463
Accumulated deficit	(184,948,997)	(178,478,801)
Total stockholders' equity	4,671,970	4,960,764
Total liabilities and stockholders' equity	\$ 8,382,659	\$ 8,283,891

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

NeuroMetrix, Inc.
 Statements of Operations
 (Unaudited)

	Quarters Ended June		Six Months Ended June	
	30,		30,	
	2017	2016	2017	2016
Revenues	\$4,310,059	\$2,647,422	\$8,616,181	\$4,922,669
Cost of revenues	2,639,402	1,572,370	5,337,004	3,054,883
Gross profit	1,670,657	1,075,052	3,279,177	1,867,786
Operating expenses:				
Research and development	877,584	1,127,850	1,780,868	2,284,640
Sales and marketing	2,919,281	2,832,279	5,516,993	5,240,158
General and administrative	1,245,347	1,292,305	2,667,129	2,716,646