
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): March 28, 2018

ALTIMMUNE, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-32587
(Commission
File Number)

20-2726770
(IRS Employer
Identification No.)

910 Clopper Road, Suite 201S
Gaithersburg, Maryland
(Address of principal executive offices)

20878
(Zip Code)

Registrant's telephone number including area code: (240) 654-1450

(Former name or former address, if changed since last report)
19 Firstfield Road
Gaithersburg, Maryland 20878

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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.

Item 2.02 Results of Operations and Financial Condition

On March 28, 2018, Altimmune, Inc. (the “Company”) issued a press release announcing the Company’s financial results for its fiscal year ended December 31, 2017. A copy of this press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information included in this Current Report on Form 8-K (including Exhibit 99.1 hereto) that is furnished pursuant to this Item 2.02 shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. In addition, the information included in this Current Report on Form 8-K (including Exhibit 99.1 hereto) that is furnished pursuant to this Item 2.02 shall not be incorporated by reference into any filing of the Registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference into such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| No. | Description |
|------|--|
| 99.1 | Press Release dated March 28, 2018 |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ALTIMMUNE, INC.

By: /s/ William Enright
Name: William Enright
Title: President and Chief Executive Officer

Dated March 29, 2018



Altimune Announces Financial Results for the Year Ended December 31, 2017 and Provides Corporate Update

Conference call and webcast scheduled for tomorrow, March 29 at 8:30am ET

GAITHERSBURG, MD, Mar. 28, 2018 — Altimune, Inc. (Nasdaq: ALT), a clinical-stage immunotherapeutics company, today announced financial results for the year ended December 31, 2017.

Corporate Highlights

- Enrolled first two cohorts of government funded Phase 1 trial of NasoShield, an intranasal vaccine against anthrax infection
- Positive data in two Phase 2 clinical programs:
 - Announced positive proof-of-concept Phase 2 flu vaccine trial results with our NasoVAX™ vaccine
 - Announced positive pre-clinical data from the Company's SparVax-L trial comparing SparVax-L and BioThrax against anthrax infection
- Extended its IP protection of NasoShield in the U.S. with a Notice of Allowance from the U.S. Patent Office
- Elected Mitchel Sayare, Ph.D., as Chairman of its Board of Directors
- Raised approximately \$30 million in financing, including through a Series B preferred offering, cash acquired in connection with the reverse merger with PharmAthene and a pre-merger private placement with existing investors, providing cash into the first quarter of 2019

“We have had a very data-rich few weeks with results being reported from our NasoVAX, HepTcell, and SparVax-L programs and moving forward on enrollment in our Phase 1 trial of NasoShield,” said William J. Enright, Chief Executive Officer of Altimune. “We are very excited by the positive results from our NasoVAX trial and look forward to continuing to advance that program. NasoVAX is a very different type of flu vaccine that has tremendous potential as an effective, easy-to-use vaccine that potentially provides better protection than current vaccines. We are also excited by the results on our SparVax-L trial and look forward to moving that program forward once we secure additional government funding. We continue to evaluate our HepTcell results will update investors on our next steps as we better understand those results.”

Mr. Enright continued, “operationally, we are pleased with our progress. In 2017 we closed the reverse merger with PharmAthene, allowing us to leverage our resources and create a focused immunotherapeutics company. We strengthened our scientific team with the promotion of Dr. Sybil Tasker to Chief Medical Officer in early 2017. Additionally, in January 2018, Mitchel Sayare, Ph.D. was elected as Chairman of our Board of Directors bringing in-depth biotechnology experience as the former CEO of Immunogen. We anticipate continuing to build on our momentum in 2018 as we move forward with our NasoVAX, SparVax-L and NasoShield programs.”



Financial Results for the Year Ended December 31, 2017

Revenue for the year ended December 31, 2017 was \$10.7 million compared to \$3.2 million for 2016. The increase was due to \$5.7 million increase in revenue from our contract with BARDA and \$1.8 million revenue from the NIAID contract we assumed from our merger with PharmAthene in May 2017.

Research and development expenses were \$18.4 million for the year ended December 31, 2017 compared to \$7.2 million for 2016. The increase in research and development expenses was primarily the result of increases relating to NasoShield, NasoVAX, HepTcell, and SparVax-L clinical and preclinical trial costs, partially offset by \$0.5 million reduced spending on the Oncosyn program. Research and development expenses for the year ended December 31, 2016 did not include PharmAthene or costs incurred under the NIAID contract.

General and administrative expenses were \$8.5 million for the year ended December 31, 2017, compared to \$7.1 million for 2016. The increase was the combined result of increased professional fees related to the merger with PharmAthene and costs incurred by us as a public company, including insurance costs and stock compensation expense, offset by \$2.4 million of costs related to our initial public offering incurred in 2016 that did not recur in 2017.

We determined that our goodwill was impaired and a non-cash goodwill impairment charge of \$35.9 million was recorded during the year ended December 31, 2017 which was classified as a component of operating expenses. The non-cash charge resulted from our goodwill assessment based on our market capitalization plus an implied control premium relative to the carrying value of our net assets. The non-cash charge has no effect on our current cash balance or operating cash flows.

We recorded an income tax benefit of \$5.6 million during the year ended December 31, 2017, which reflected estimated tax refunds we expect to receive from carrying back our 2017 net operating losses to offset the 2016 federal and state income taxes paid by PharmAthene.

Net loss attributable to common stockholders for the year ended December 31, 2017 was \$51.4 million compared with \$11.5 million for 2016. Excluding the non-cash goodwill impairment charges, net loss attributable to common stockholders for the year ended December 31, 2017 was \$15.4 million compared to \$11.5 million for 2016.

Net loss per share attributable to common stockholders for the year ended December 31, 2017 was (\$4.01) compared with (\$1.66) for 2016. Excluding the non-cash goodwill impairment charges, net loss per share attributable to common stockholders for the year ended December 31, 2017 was (\$1.21), compared to (\$1.66) for 2016.

At December 31, 2017, the Company had cash, cash equivalents, and restricted cash of approximately \$12.3 million, of which \$3.5 million was restricted under the terms of the Series B preferred offering.



Non-GAAP Measures

To supplement the Company's unaudited financial statements presented in accordance with generally accepted accounting principles ("GAAP"), this press release includes a discussion of adjusted net loss attributable to common stockholders and adjusted net loss per share attributable to common stockholders, in each case adjusted for the loss due to a goodwill impairment charge. The Company believes that these non-GAAP measures, when taken into consideration with the corresponding GAAP financial measures, provide investors with meaningful comparisons of current results to prior period results by excluding items that the Company does not believe reflect its fundamental business performance. See the attached schedule for a reconciliation of net loss to adjusted net loss and loss per share to adjusted loss per share for the twelve months ended December 31, 2017 and 2016.

Conference Call Details

Date: Thursday, March 29
Time: 8:30am Eastern Time
Domestic: 866-548-4713
International: 323-794-2093
Conference ID: 6280732
Webcast: <http://public.viavid.com/index.php?id=128569>

Replays will be available through April 12:

Domestic: 844-512-2921
International: 412-317-6671
Replay PIN: 6280732

About Altimune

Altimune is a clinical-stage immunotherapeutics company focused on the development of products to stimulate robust and durable immune responses for the prevention and treatment of disease and on the development of two next-generation anthrax vaccines that are intended to improve protection and safety while having favorable dosage and storage requirements compared to other anthrax vaccines. The company has two proprietary platform technologies, RespirVec and Densigen, each of which has been shown to activate the immune system in distinctly different ways than traditional vaccines.

Forward-Looking Statement

Any statements made in this press release relating to future financial or business performance, conditions, plans, prospects, trends, or strategies and other financial and business matters, including without limitation, the prospects for commercializing or selling any product or drug candidates, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In addition, when or if used in this press release, the words "may," "could," "should," "anticipate," "believe," "estimate," "expect," "intend," "plan," "predict" and similar expressions and their variants, as they relate to Altimune, Inc. (the "Company") may identify forward-looking statements. The Company cautions that these forward-looking statements are subject to numerous assumptions, risks, and



uncertainties, which change over time. Important factors that may cause actual results to differ materially from the results discussed in the forward looking statements or historical experience include risks and uncertainties, including risks relating to: realizing the benefits of the merger between Altimune, Inc. and PharmAthene, Inc.; clinical trials and the commercialization of proposed product candidates (such as marketing, regulatory, product liability, supply, competition, dependence on third parties and other risks); the regulatory approval process; dependence on intellectual property; the Company's BARDA contract and other government programs, reimbursement and regulation; and the lack of financial resources and access to capital to fund proposed operations. Further information on the factors and risks that could affect the Company's business, financial conditions and results of operations are contained in the Company's filings with the U.S. Securities and Exchange Commission, included in Item 1A under the heading "Risk Factors" in the Company's annual report on Form 10-K, which is available at www.sec.gov.

Contacts

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE LOSS**

| | Year Ended December 31, | |
|--|-------------------------|-----------------------|
| | 2017 | 2016 |
| Revenue | | |
| Research grants and contracts | \$ 10,696,819 | \$ 2,826,073 |
| License revenue | 41,503 | 410,102 |
| Total revenue | <u>10,738,322</u> | <u>3,236,175</u> |
| Operating expenses | | |
| Research and development | 18,406,329 | 7,221,460 |
| General and administrative | 8,457,557 | 7,106,378 |
| Goodwill impairment charges | 35,919,695 | — |
| Total operating expenses | <u>62,783,581</u> | <u>14,327,838</u> |
| Loss from operations | <u>(52,045,259)</u> | <u>(11,091,663)</u> |
| Other expense: | | |
| Changes in fair value of warrant liability | 97,763 | — |
| Changes in fair value of embedded derivative | (7,379) | — |
| Interest expense | (162,139) | (38,499) |
| Interest income | 47,579 | 1,047 |
| Other income, net | 5,670 | 42,303 |
| Total other (expense) income, net | <u>(18,506)</u> | <u>4,851</u> |
| Net loss before income tax benefit | <u>(52,063,765)</u> | <u>(11,086,812)</u> |
| Income tax benefit | 5,638,375 | — |
| Net loss | <u>(46,425,390)</u> | <u>(11,086,812)</u> |
| Other comprehensive income (loss) – foreign currency translation adjustments | 2,997,826 | (6,805,452) |
| Comprehensive loss | <u>\$(43,427,564)</u> | <u>\$(17,892,264)</u> |
| Net loss | \$(46,425,390) | \$(11,086,812) |
| Preferred stock accretion and dividends | (4,930,010) | (368,548) |
| Net loss attributable to common stockholders | <u>\$(51,355,400)</u> | <u>\$(11,455,360)</u> |
| Weighted-average common shares outstanding, basic and diluted | <u>12,805,095</u> | <u>6,911,534</u> |
| Net loss per share attributable to common stockholders, basic and diluted | <u>\$ (4.01)</u> | <u>\$ (1.66)</u> |



UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

| | December 31, | |
|---|----------------------|----------------------|
| | 2017 | 2016 |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 8,769,465 | \$ 2,876,113 |
| Restricted cash | 3,534,174 | — |
| Total cash, cash equivalents, and restricted cash | 12,303,639 | 2,876,113 |
| Accounts receivable | 3,806,239 | 383,046 |
| Tax refunds receivable | 6,361,657 | 807,507 |
| Prepaid expenses and other current assets | 994,332 | 420,424 |
| Total current assets | 23,465,867 | 4,487,090 |
| Property and equipment, net | 603,146 | 177,859 |
| Intangible assets, net | 38,722,270 | 14,954,717 |
| Other assets | 238,917 | 22,248 |
| Goodwill | — | 18,758,421 |
| Total assets | <u>\$ 63,030,200</u> | <u>\$ 38,400,335</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Notes payable | \$ 49,702 | \$ 458,629 |
| Accounts payable | 129,075 | 2,005,208 |
| Accrued expenses | 3,625,257 | 2,972,745 |
| Current portion of deferred revenue | 19,753 | 19,753 |
| Current portion of deferred rent | 15,914 | 14,388 |
| Total current liabilities | 3,839,701 | 5,470,723 |
| Deferred income taxes | 5,938,402 | — |
| Other long-term liabilities | 4,574,507 | 722,289 |
| Total liabilities | <u>14,352,610</u> | <u>6,193,012</u> |
| Commitments and contingencies | | |
| Series B redeemable convertible preferred stock; \$0.0001 par value; 16,000 shares designated; 12,177 and zero shares issued and outstanding at December 31, 2017 and 2016 respectively; aggregate liquidation and redemption value of \$9,281,767 at December 31, 2017 | 9,281,767 | — |
| Stockholders' equity: | | |
| Series B convertible preferred stock; \$0.01 par value; zero and 599,285 shares authorized, issued and outstanding at December 31, 2017 and 2016, respectively | — | 5,993 |
| Common stock, \$0.0001 par value; 100,000,000 shares authorized; 18,127,119 and 6,991,749 shares issued; 18,103,691 and 6,917,204 shares outstanding at December 31, 2017 and 2016, respectively | 1,810 | 692 |
| Additional paid-in capital | 121,655,838 | 71,034,899 |
| Accumulated deficit | (77,684,839) | (31,259,449) |
| Accumulated other comprehensive loss – foreign currency translation adjustments | (4,576,986) | (7,574,812) |
| Total stockholders' equity | <u>39,395,823</u> | <u>32,207,323</u> |
| Total liabilities and stockholders' equity | <u>\$ 63,030,200</u> | <u>\$ 38,400,335</u> |



ALTIMMUNE, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

| | Year Ended December 31, | |
|---|-------------------------|-----------------------|
| | 2017 | 2016 |
| Net loss attributable to common stockholders | \$(51,355,400) | \$(11,455,360) |
| Goodwill impairment charges | 35,919,695 | — |
| Adjusted net loss attributable to common stockholders | <u>\$(15,435,705)</u> | <u>\$(11,455,360)</u> |
| Net loss per share attributable to common stockholders, basic and diluted | \$ (4.01) | \$ (1.66) |
| Goodwill impairment charges, net of \$0 taxes, basic and diluted | 2.80 | — |
| Net loss attributable to common stockholders, basic and diluted | <u>\$ (1.21)</u> | <u>\$ (1.66)</u> |