

Lightwave Logic, Inc.
Form 10-Q
May 15, 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 March 31, 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 0-52567

Lightwave Logic, Inc.

(Exact name of registrant as specified in its charter)

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Nevada

82-049-7368

(State or other jurisdiction of

(I.R.S. Employer Identification No.)

Incorporation or Organization)

1831 Lefthand Circle, Suite C

Longmont, CO

80501

(Address of principal executive offices)

(Zip Code)

(720) 340-4949

(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 Website, 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," "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

(Do not check if a smaller reporting company)

Emerging growth company

If an emerging growth company, indicate by checkmark 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 15, 2017 was 70,192,129.

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Forward-Looking Statements

This report on Form 10-Q contains, and our officers and representatives may from time to time make, "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," continuing, ongoing, "strategy," "future," "likely," "may," "should," could, "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding expected operating results, such as anticipated revenue; anticipated levels of capital expenditures for our current fiscal year; our belief that we have sufficient liquidity to fund our business operations during the next 12 months; strategy for gaining customers, growth, product development, market position, financial results and reserves.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: lack of available funding; general economic and business conditions; competition from third parties; intellectual property rights of third parties; regulatory constraints; changes in technology and methods of marketing; delays in completing various engineering and manufacturing programs; changes in customer order patterns; changes in product mix; success in technological advances and delivering technological innovations; shortages in components; production delays due to performance quality issues with outsourced components; those events and factors described by us in Item 1.A Risk Factors in our most recent Annual Report on Form 10-K; other risks to which our Company is subject; other factors beyond the Company's control.

Any forward-looking statement made by us in this report on Form 10-Q is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

PART I FINANCIAL INFORMATION

Item 1

Financial Statements

LIGHTWAVE LOGIC, INC.

FINANCIAL STATEMENTS

MARCH 31, 2017

(UNAUDITED)

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LIGHTWAVE LOGIC, INC.**BALANCE SHEETS**

	March 31,	December 31,
	2017	2016
	(Unaudited)	(Audited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,182,631	\$ 1,956,844
Prepaid expenses and other current assets	135,904	136,942
	2,318,535	2,093,786
PROPERTY AND EQUIPMENT - NET	394,782	425,650
OTHER ASSETS		
Intangible assets - net	676,309	667,972
TOTAL ASSETS	\$ 3,389,626	\$ 3,187,408
 LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 76,554	\$ 65,027
Accounts payable and accrued expenses - related parties	25,268	5,559
Accrued expenses	102,998	57,300
TOTAL LIABILITIES	204,820	127,886
 STOCKHOLDERS' EQUITY		
Preferred stock, \$0.001 par value, 1,000,000 authorized, No shares issued or outstanding		
Common stock \$0.001 par value, 250,000,000 authorized, 69,720,530 and 68,077,288 issued and outstanding at March 31, 2017 and December 31, 2016	69,721	68,078
Additional paid-in-capital	50,335,333	48,998,073
Accumulated deficit	(47,220,248)	(46,006,629)
TOTAL STOCKHOLDERS' EQUITY	3,184,806	3,059,522
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 3,389,626	\$ 3,187,408

See accompanying notes to these financial statements.

LIGHTWAVE LOGIC, INC.**STATEMENTS OF OPERATIONS****FOR THE THREE MONTHS ENDING MARCH 31, 2017 AND 2016****(UNAUDITED)**

	For the Three Months Ending March 31,	
	2017	2016
NET SALES	\$	\$
COST AND EXPENSE		
Research and development	728,514	603,263
General and administrative	460,413	456,048
	1,188,927	1,059,311
LOSS FROM OPERATIONS	(1,188,927)	(1,059,311)
OTHER INCOME (EXPENSE)		
Interest income	62	66
Commitment fee	(24,754)	(237,965)
NET LOSS	\$ (1,213,619)	\$ (1,297,210)
Basic and Diluted Loss per Share	\$ (0.02)	\$ (0.02)
Basic and Diluted Weighted Average Number of Shares	68,948,694	65,483,907

See accompanying notes to these financial statements.

LIGHTWAVE LOGIC, INC.**STATEMENT OF STOCKHOLDERS EQUITY****MARCH 31, 2017****(UNAUDITED)**

	Number of Shares	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total
BALANCE AT DECEMBER 31, 2016 (AUDITED)	68,077,288	\$ 68,078	\$ 48,998,073	\$ (46,006,629)	\$ 3,059,522
Common stock issued to institutional investor	1,600,000	1,600	1,070,560		1,072,160
Common stock issued for additional commitment shares	34,844	35	24,718		24,753
Common stock issued for services	8,398	8	5,992		6,000
Options issued for services			113,520		113,520
Warrants issued for services			122,470		122,470
Net loss for the three months ending March 31, 2017				(1,213,619)	(1,213,619)
BALANCE AT MARCH 31, 2017 (UNAUDITED)	69,720,530	\$ 69,721	\$ 50,335,333	\$ (47,220,248)	\$ 3,184,806

See accompanying notes to these financial statements.

LIGHTWAVE LOGIC, INC.

STATEMENTS OF CASH FLOW

FOR THE THREE MONTHS ENDING MARCH 31, 2017 AND 2016

(UNAUDITED)

**For the Three Months Ending
March 31,
2017**