

# IMPAX LABORATORIES INC

## FORM 8-K (Current report filing)

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Address	30831 HUNTWOOD AVENUE HAYWARD, CA 94544
Telephone	510-240-6000
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SIC Code	2834 - Pharmaceutical Preparations
Industry	Biotechnology & Drugs
Sector	Healthcare
Fiscal Year	12/31

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

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**FORM 8-K**

**CURRENT REPORT**

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

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Date of Report (Date of earliest event reported): April 30, 2003

**IMPAX LABORATORIES, INC.**

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(Exact name of Registrant as specified in its charter)

Delaware	0-27354	65-0403311
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(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification Number)

30381 Huntwood Avenue  
Hayward, CA 94544  
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (510) 476-2000

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**Item 9. Regulation FD Disclosure.**

**Item 12. Results of Operations and Financial Condition.**

On April 30, 2003, the Company issued a press release announcing its results of operations for the three months ended March 31, 2003. A copy of that press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

## SIGNATURES

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.

### **Impax Laboratories, Inc.**

*By: /s/ Cornel C. Spiegler*  
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*Chief Financial Officer*

*Date: April 30, 2003*

**IMPAX  
LABORATORIES, INC.**

Company Contacts:  
IMPAX Laboratories, Inc.

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Barry R. Edwards, Co-CEO  
(215) 289-2220 Ext. 1771  
Larry Hsu, Ph.D., President  
(510) 476-2000 Ext. 1111  
Cornel C. Spiegler, CFO  
(215) 289-2220 Ext. 1706  
www.impaxlabs.com  
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Investor Relations Contacts:  
Lippert/Heilshorn & Associates, Inc.

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Kim Sutton Golodetz (kgolodetz@lhai.com)  
(212) 838-3777  
Bruce Voss (bvoss@lhai.com)  
(310) 691-7100  
www.lhai.com  
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**IMPAX REPORTS RECORD FIRST QUARTER RESULTS  
Quarter Highlighted by Record Revenues and Litigation Progress**

HAYWARD, Calif (April 30, 2003) - IMPAX Laboratories, Inc. (NASDAQ NM: IPXL) today reported financial results for the three months ended March 31, 2003.

Revenues for the first quarter of 2003 were \$11,425,000, up more than 232% compared with revenues of \$3,432,000 in the prior year's first quarter, and up more than 36% over total revenues of \$8,400,000 in the fourth quarter of 2002. The significant year-over-year increases came primarily on Claritin-D(R) 12-hour over-the-counter (OTC) Tablets shipped to Schering-Plough during the first quarter of 2003; higher sales of Fludrocortisone Acetate Tablets, introduced at the end of the first quarter of 2002; higher Lipram sales; sales of Minocycline Hydrochloride Capsules launched in the third quarter of 2002; and lower product returns.

The net loss for the 2003 first quarter was \$3,213,000, or \$(0.07) per share, compared with a net loss of \$5,421,000, or \$(0.12) per share, in the prior year first quarter. Net loss narrowed due to increased sales, which was partially offset by increases in research and development expenses.

Cash, cash equivalents and short-term investments (unrestricted) were \$11.2 million at March 31, 2003, compared to \$10.2 million at December 31, 2002.

"We continue our rapid sequential quarter improvement as we execute on our commercial strategy," commented Barry R. Edwards, Co-Chief Executive Officer of Impax Laboratories. "In addition, we have made progress in resolving much of the outstanding patent litigation which stood in the way of obtaining final FDA approval for two of our products. We recently prevailed in Abbott's patent infringement lawsuit regarding our ANDA filing for generic Tricor(R) capsules, and Merck withdrew its lawsuit related to our ANDA filing for generic Sinemet(R) CR tablets."

IMPAX has 19 applications pending at the FDA, including three tentatively approved, that address approximately \$6.0 billion in U.S. branded product sales for the twelve months ended December 31, 2002. Fourteen of these filings were made under Paragraph IV of the Hatch-Waxman Amendments.

IMPAX Laboratories, Inc. is a technology based specialty pharmaceutical company applying its formulation expertise and drug delivery technology to the development of controlled-release and specialty generics in addition to the development of branded products. IMPAX markets its generic products through its

Global Pharmaceuticals division and intends to market its branded products through the IMPAX Pharmaceuticals division. Additionally, where strategically appropriate, IMPAX has developed marketing partnerships to fully leverage its technology platform. IMPAX Laboratories is headquartered in Hayward, California, and has a full range of capabilities in its Hayward and Philadelphia facilities. For more information, please visit the Company's Web site at: [www.impaxlabs.com](http://www.impaxlabs.com).

As previously announced, the Company has scheduled a conference call to discuss this announcement beginning at 8:00 a.m. Eastern Time today. To participate in the call, a few minutes prior to the start time, please dial (888) 803-7396 in the U.S. or (706) 634-1052 for international callers. Those unable to participate are invited to listen to a recording of the call and Question and Answer session from 10:00 a.m. Eastern Time April 30, 2003 through midnight Eastern Time May 2, 2003, by dialing (800) 642-1687 in the U.S. or (706) 645-9291 for international callers, and entering access code 9890648. Alternatively, individuals may listen to the call by visiting the investor relations section of the Company's website at [www.impaxlabs.com](http://www.impaxlabs.com). To listen to the live call, please go to the website 15 minutes prior to its start to register, download, and install the necessary audio software. A recording of the call will be available for 14 days on the site beginning on April 30, 2003.

"Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995:

To the extent any statements made in this news release contain information that is not historical, these statements are forward-looking in nature and express the beliefs and expectations of management. Such statements are based on current expectations and involve a number of known and unknown risks and uncertainties that could cause Impax's future results, performance or achievements to differ significantly from the results, performance or achievements expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, Impax's ability to obtain sufficient capital to fund its operations, the difficulty of predicting FDA filings and approvals, consumer acceptance and demand for new pharmaceutical products, the impact of competitive products and pricing, Impax's ability to successfully develop and commercialize pharmaceutical products, Impax's reliance on key strategic alliances, the uncertainty of patent litigation, the availability of raw materials, the regulatory environment, dependence on patent and other protection for innovative products, exposure to product liability claims, fluctuations in operating results and other risks detailed from time to time in Impax's filings with the Securities and Exchange Commission. Forward-looking statements speak only as to the date on which they are made, and Impax undertakes no obligation to update publicly or revise any forward-looking statement, regardless of whether new information becomes available, future developments occur or otherwise.

(Tables to follow)

**IMPAX LABORATORIES, INC.**  
**STATEMENTS OF OPERATIONS**  
(dollars in thousands, except share and per share data)

	Three Months Ended March 31,	
	2003	2002
Net sales	\$ 11,066	\$ 3,432
Other revenues	359	--
Total revenues	11,425	3,432
Cost of sales	8,147	3,139
Gross margin	3,278	293
Research and development	3,755	2,890
Less: Teva payments	(132)	(166)
Research and development, net	3,623	2,724
Selling expenses	568	658
General and administrative expenses	2,122	2,170
Other operating income (expense), net	11	(30)
Net loss from operations	(3,024)	(5,289)
Interest income	42	235
Interest expense	(231)	(367)
Net loss	\$ (3,213)	\$ (5,421)
Net loss per share (basic and diluted)	\$ (0.07)	\$ (0.12)
Weighted average common shares outstanding	47,876,830	46,812,977

**IMPAX LABORATORIES, INC.**  
**CONDENSED BALANCE SHEET**  
(in thousands)

	March 31, 2003 (unaudited)	December 31, 2002 (unaudited)
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**ASSETS**

Cash, cash equivalents and short-term investments	\$ 11,224	\$ 10,219
Restricted cash (a)	10,000	10,000
Accounts receivable, net	5,734	6,524
Inventory	12,788	10,478
Property, plant and equipment, net	36,974	37,065
Goodwill and intangibles, net	28,241	28,337
Other assets	1,730	1,780
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Total assets	\$ 106,691	\$ 104,403
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**LIABILITIES AND STOCKHOLDERS' EQUITY**

Current liabilities	\$ 27,144	\$ 23,248
Long-term debt, net of current portion	9,643	9,105
Refundable deposit	22,000	22,000
Deferred revenues and other liabilities	2,419	1,486
Mandatory redeemable convertible preferred stock	7,500	7,500
Stockholders' equity	37,985	41,064
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Total liabilities and stockholders' equity	\$ 106,691	\$ 104,403
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(a) Represents cash held as collateral for the \$25 million revolving credit facility and term loan with Congress Financial.

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