

ARC Group Worldwide, Inc.
Form 10-Q
May 10, 2018
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10 - Q

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

For the quarterly period ended April 1, 2018

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

ARC Group Worldwide, Inc.

(Exact name of registrant as specified in its charter)

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Utah

(State or other jurisdiction of incorporation or organization)

001-33400

(Commission File Number)

87-0454148

(I.R.S. Employer Identification Number)

810 Flightline Blvd.

Deland, FL 32724

(Address of principal executive offices including zip code)

(303) 467-5236

(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 the definitions 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 (Do not check if a smaller reporting company)

Smaller reporting 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

As of May 9, 2018, the Registrant had 23,306,061 shares outstanding of its \$.0005 par value common stock.

ARC Group Worldwide, Inc.

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PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ARC Group Worldwide, Inc.

Unaudited Condensed Consolidated Statements of Operations

(in thousands, except for share and per share amounts)

	For the three months ended		For the nine months ended	
	April 1, 2018	April 2, 2017	April 1, 2018	April 2, 2017
Sales	\$ 21,460	\$ 24,200	\$ 59,764	\$ 76,921
Cost of sales	20,354	21,410	57,606	64,949
Gross profit	1,106	2,790	2,158	11,972
Selling, general and administrative	3,261	4,803	10,299	14,321
Loss from operations	(2,155)	(2,013)	(8,141)	(2,349)
Other income (expense), net	(104)	88	26	893
Interest expense, net	(870)	(865)	(2,809)	(3,002)
Loss on extinguishment of debt	—	—	—	(723)
Loss before income taxes	(3,129)	(2,790)	(10,924)	(5,181)
Income tax benefit (expense)	13	(120)	207	1,181
Net loss from continuing operations	(3,116)	(2,910)	(10,717)	(4,000)
(Loss) gain on sale of subsidiaries and income (loss) from discontinued operations, net of tax	—	136	(276)	4,123
Net (loss) income	(3,116)			