

ORGANOVO HOLDINGS, INC.
Form 10-Q
August 09, 2013
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

Form 10-Q

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

For the quarterly period ended June 30, 2013

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 001-35996

Organovo Holdings, Inc.

(Exact name of registrant as specified in its charter)

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Delaware (State or other jurisdiction of incorporation or organization)	27-1488943 (I.R.S. Employer Identification No.)
6275 Nancy Ridge Drive, Suite 110, San Diego, CA 92121 (Address of principal executive offices and zip code)	(858) 550-9994 (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

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 August 7, 2013, a total of 76,507,069 shares of the Registrant's Common Stock, \$0.001 par value, were outstanding.

Table of Contents

Table of Contents

Organovo Holdings, Inc.

INDEX

PART I. FINANCIAL INFORMATION

Item 1.	<u>Financial Statements</u>	3
	<u>Condensed Consolidated Balance Sheets as of June 30, 2013 (Unaudited) and March 31, 2013 (Audited)</u>	3
	<u>Unaudited Condensed Consolidated Statements of Operations for the Three Months Ended June 30, 2013 and 2012 and April 19, 2007 (Inception) through June 30, 2013</u>	4
	<u>Unaudited Condensed Consolidated Statement of Stockholders' Equity (Deficit) for April 19, 2007 (Inception) through June 30, 2013</u>	5
	<u>Unaudited Condensed Consolidated Statements of Cash Flows for the Three Months Ended June 30, 2013 and 2012 and April 19, 2007 (Inception) through June 30, 2013</u>	6
	<u>Notes to Unaudited Condensed Consolidated Financial Statements</u>	8
Item 2.	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	21
Item 3.	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	24
Item 4.	<u>Controls and Procedures</u>	24

PART II. OTHER INFORMATION

Item 1.	<u>Legal Proceedings</u>	26
Item 1A.	<u>Risk Factors</u>	26
Item 2.	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	26
Item 3.	<u>Defaults Upon Senior Securities</u>	26
Item 4.	<u>Mine Safety Disclosure</u>	26
Item 5.	<u>Other Information</u>	26
Item 6.	<u>Exhibits</u>	27

Table of Contents

Organovo Holdings, Inc.

(A development stage company)

Condensed Consolidated Balance Sheets

(in thousands except per share data)

	June 30, 2013 (Unaudited)	March 31, 2013 (Audited)
Assets		
Current Assets		
Cash and cash equivalents	\$ 12,849	\$ 15,628
Grant receivable		101
Inventory	85	88
Prepaid expenses and other current assets	327	327
Total current assets	13,261	16,144
Fixed Assets - Net	1,113	1,045
Restricted Cash	38	88
Other Assets - Net	96	98
Total assets	\$ 14,508	\$ 17,375
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	\$ 374	\$ 641
Accrued expenses	1,143	780
Deferred revenue	28	53
Capital lease obligation, current portion	10	10
Warrant liabilities	6,025	6,898
Total current liabilities	7,580	8,382
Deferred revenue, net of current portion	8	9
Capital lease obligation, net of current portion	12	15
Total liabilities	\$ 7,600	\$ 8,406
Commitments and Contingencies (Note 5)		
Stockholders' Equity		
Common stock, \$0.001 par value; 150,000,000 shares authorized, 64,951,014 and 64,686,919 shares issued and outstanding at June 30, 2013 and March 31, 2013, respectively	65	65
Additional paid-in capital	76,979	75,269
Deficit accumulated during the development stage	(70,136)	(66,365)
Total stockholders' equity	6,908	8,969
Total Liabilities and Stockholders' Equity	\$ 14,508	\$ 17,375

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

Table of Contents

Organovo Holdings, Inc.

(A development stage company)

Unaudited Condensed Consolidated Statements of Operations

(in thousands except per share data)

	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Period from April 19, 2007 (Inception) through June 30, 2013
Revenues			
Product	\$	\$	\$ 224
Collaborations	94	259	1,990
Grants	12		955
Total Revenues	106	259	3,169
Cost of product revenue			134
Selling, general, and administrative expenses	2,378	1,056	14,917
Research and development expenses	1,462	653	9,544
Loss from Operations	(3,734)	(1,450)	(21,426)
Other Income (Expense)			
Fair value of warrant liabilities in excess of proceeds received			(19,019)
Change in fair value of warrant liabilities	(23)	(33,937)	(21,995)
Financing transaction costs in excess of proceeds received			(2,130)
Loss on inducement to exercise warrants			(1,904)
Loss on disposal of fixed assets	(4)		(162)
Interest expense	(13)		(3,484)
Interest income	3	2	14
Other expense			(30)
Total Other Income (Expense)	(37)	(33,935)	(48,710)
Net Loss	\$ (3,771)	\$ (35,385)	\$ (70,136)
Net loss per common share - basic and diluted	\$ (0.06)	\$ (0.82)	
Weighted average shares used in computing net loss per common share - basic and diluted	64,794,144	43,029,026	

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

Table of Contents

Organovo Holdings, Inc.

(A development stage company)

Unaudited Condensed Consolidated Statements of Stockholders' Equity (Deficit) (in thousands)

Period from April 19, 2007 (Inception) through June 30, 2013

	Common Stock		Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Total
	Shares	Amount			
Balance at Inception (April 19, 2007)		\$	\$	\$	\$
Issuance of Common stock					
Stock-based compensation expense					
Net Loss					
Balance at December 31, 2007		\$	\$	\$	\$
Issuance of Common stock to founders	1,730	2	(2)		
Issuance of restricted Common stock	12,628	12	(12)		
Stock-based compensation expense			2		2
Net Loss				(98)	(98)
Balance at December 31, 2008	14,358	\$ 14	\$ (12)	\$ (98)	\$ (96)
Issuance of restricted Common stock	130				
Stock-based compensation expense			2		2
Net Loss				(872)	(872)
Balance at December 31, 2009	14,488	\$ 14	\$ (10)	\$ (970)	\$ (966)
Issuance of restricted Common stock	219				
Stock-based compensation expense			4		4
Net Loss					