

CHAMPIONS ONCOLOGY, INC.  
Form 10-Q  
December 13, 2013

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 October 31, 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 0-17263

**CHAMPIONS ONCOLOGY, INC.**

(Exact name of registrant as defined in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**52-1401755**

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

**One University Plaza, Suite 307**

**Hackensack, New Jersey**

(Address of principal executive offices)

**07601**

(Zip Code)

**(201) 808-8400**

(Registrant's telephone number, including area code)

**Not Applicable**

(Former name, former address and former fiscal year, if changed since last report)

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.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
(Do not check if a 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

The number of Common Shares of the Registrant outstanding as of November 30, 2013 was 66,867,100.

**DOCUMENTS INCORPORATED BY REFERENCE - None**



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FOR THE QUARTERLY PERIOD ENDED OCTOBER 31, 2013**

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## PART I FINANCIAL INFORMATION

## Item 1. Financial Statements

**CHAMPIONS ONCOLOGY, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Dollars in Thousands)

	October 31, 2013 (unaudited)	April 30, 2013
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 7,572	\$ 9,561
Accounts receivable, net	1,462	500
Prepaid expenses and other current assets	219	315
Total current assets	9,253	10,376
Restricted cash	193	192
Property and equipment, net	387	414
Goodwill	669	669
Total assets	\$ 10,502	\$ 11,651
<b>LIABILITIES, REDEEMABLE COMMON STOCK AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities:		
Accounts payable	\$ 982	\$ 1,204
Accrued liabilities	329	611
Deferred revenue	1,958	1,114
Total current liabilities	3,269	2,929
Warrant liability	3,094	1,046
Total liabilities	6,363	3,975
Commitments and contingencies		
Redeemable common stock; \$0.001 par value; 31,133,333 contingently puttable common shares outstanding as of October 31, 2013 and April 30, 2013	16,882	16,882
Stockholders' equity:		
Common stock, \$.001 par value; 125,000,000 shares authorized, including redeemable common stock, 38,970,003 and 38,955,003 shares issued and 35,733,767 and 35,718,767 shares outstanding as of October 31, 2013 and April 30, 2013,	39	39

respectively		
Treasury stock, at cost, 3,236,236 common shares as of October 31, 2013		
and	(1,252)	(1,252)
April 30, 2013		
Additional paid-in capital	24,617	23,580
Accumulated deficit	(36,023)	(31,473)
Accumulated other comprehensive loss	(124)	(100)
Total stockholders' deficit	(12,743)	(9,206)
Total liabilities, redeemable common stock and stockholders' deficit	\$ 10,502	\$ 11,651

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

**CHAMPIONS ONCOLOGY, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Dollars in Thousands Except Per Share Amounts)

	Three Months Ended		Six Months Ended	
	October 31,		October 31,	
	2013	2012	2013	2012
Operating revenue:				
Personalized oncology solutions	\$ 623	\$ 459	\$ 1,245	\$ 1,377
Translational oncology solutions	1,760	999	4,158	2,187
<b>Total operating revenue</b>	<b>2,383</b>	<b>1,458</b>	<b>5,403</b>	<b>3,564</b>
Costs and operating expenses:				
Cost of personalized oncology solutions	732	582	1,525	1,354
Cost of translational oncology solutions	698	475	1,576	1,174
Research and development	677	436	1,079	823
Sales and marketing	698	680	1,340	1,389
General and administrative	1,279	1,201	2,355	2,340
<b>Total costs and operating expenses</b>	<b>4,084</b>	<b>3,374</b>	<b>7,875</b>	<b>7,080</b>
<b>Loss from operations</b>	<b>(1,701)</b>	<b>(1,916)</b>	<b>(2,472)</b>	<b>(3,516)</b>
Other (expense) income:				
Change in fair value of warrant liability	(585)	(52)	(2,048)	233
Other (expense)	(29)	(5)	(30)	(10)
<b>Total other (expense) income</b>	<b>(614)</b>	<b>(57)</b>	<b>(2,078)</b>	<b>223</b>
<b>Loss before provision for income taxes</b>	<b>(2,315)</b>	<b>(1,973)</b>	<b>(4,550)</b>	<b>(3,293)</b>
Provision for income taxes	3	1	6	4
<b>Net loss</b>	<b>\$ (2,318)</b>	<b>\$ (1,974)</b>	<b>\$ (4,556)</b>	<b>\$ (3,297)</b>
<b>Net loss per common share outstanding, including redeemable common stock, basic and diluted</b>	<b>\$ (0.03)</b>	<b>\$ (0.04)</b>	<b>\$ (0.07)</b>	<b>\$ (0.07)</b>
<b>Weighted average common shares outstanding, including redeemable common stock, basic and diluted</b>	<b>66,863,147</b>	<b>47,079,000</b>	<b>66,857,630</b>	<b>47,073,000</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**  
(Dollars in Thousands)

Net loss	\$(2,318)	\$(1,974)	\$(4,556)	\$(3,297)
Foreign currency translation adjustment	(12)	2	(24)	27
<b>Comprehensive loss</b>	<b>\$(2,330)</b>	<b>\$(1,972)</b>	<b>\$(4,580)</b>	<b>\$(3,270)</b>

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The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

**CHAMPIONS ONCOLOGY, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Dollars in Thousands)**

	Six Months Ended October 31, 2013	2012
Operating activities:		