

Cryoport, Inc.  
Form 424B1  
May 16, 2016

**Filed Pursuant to Rule 424(b)(1)  
Registration Statement No. 333-210985**

## **PROSPECTUS**

**Subscription Rights to purchase up to 6,666,667 shares of Common Stock at 85% of the volume weighted average price per share of our common stock on the NASDAQ Capital Market for the five consecutive trading days immediately preceding and including May 31, 2016**

**and the shares of Common Stock issuable upon the exercise of such Subscription Rights**

Cryoport, Inc., a Nevada corporation (“us,” “we,” “our,” “Cryoport” or the “Company”), is distributing, at no charge, to holders of our common stock and holders of our warrants non-transferable subscription rights to purchase one share of our common stock for each share of common stock owned at, and each share of common stock into which the warrants held by them were exercisable at, 5:00 p.m., New York City time, on May 31, 2016. Pursuant to the terms of this rights offering, the rights may only be exercised for a maximum of \$10,000,000 of subscription proceeds or 6,666,667 shares. We refer to this as the “rights offering.”

Each subscription right will entitle the holder to purchase one share of our common stock at a subscription price of 85% of the volume weighted average price per share of our common stock on the NASDAQ Capital Market for the five consecutive trading days immediately preceding and including May 31, 2016, rounded to the nearest penny, which we refer to as the basic subscription privilege. If you fully exercise your basic subscription privilege and other holders do not fully exercise their basic subscription privileges, you may also exercise an over-subscription right to purchase additional shares of common stock that remain unsubscribed at the expiration of the rights offering, subject to the availability and pro rata allocation of shares among holders exercising this over-subscription right.

We are conducting the rights offering to raise capital that we intend to use for general corporate purposes, which may include funding for sales and marketing, and general working capital purposes. See “Use of Proceeds.”

The subscription rights will expire if they are not exercised by 5:00 p.m., New York City time, on June 20, 2016, unless we extend the rights offering period. We have the option to extend the rights offering and the period for exercising your subscription rights for a period not to exceed 30 days, although we do not presently intend to do so. You should carefully consider whether to exercise your subscription rights prior to the expiration of the rights offering. All exercises of subscription rights are irrevocable, even if you later learn information that you consider to be unfavorable to the exercise of your subscription rights and even if the rights offering is extended by our board of directors. However, if we amend the rights offering to allow for an extension of the rights offering for a period of more than 30 days or make a fundamental change to the terms of the rights offering set forth in this prospectus, you may cancel your subscription and receive a refund of any money you have advanced. Unless we otherwise agree in writing, a person or entity, together with related persons or entities, may not exercise subscription rights (including over-subscription rights) to purchase shares of our common stock that, when aggregated with their existing ownership, would result in such person or entity, together with any related persons or entities, owning in excess of twenty percent (20%) of our issued and outstanding shares of common stock following the closing of the transactions contemplated by this rights offering. Further, in the event that the exercise by a stockholder of the basic subscription privilege or the over-subscription privilege could, as determined by us in our sole discretion, potentially result in a limitation on our ability to use net operating losses, tax credits and other tax attributes, which we refer to as the "Tax Attributes," under the Internal Revenue Code of 1986, as amended, which we refer to as the "Code", and rules promulgated by the Internal Revenue Service (the "IRS"), we may, but are under no obligation to, reduce the exercise by such stockholder of the basic subscription privilege or the over-subscription privilege to such number of shares of common stock as we, in our sole discretion, shall determine to be advisable in order to preserve our ability to use the Tax Attributes.

Our board of directors is making no recommendation regarding your exercise of the subscription rights. The subscription rights may not be sold, transferred or assigned and will not be listed for trading on the NASDAQ Capital Market or any other stock exchange or market. Our board of directors may cancel the rights offering at any time prior to the expiration of the rights offering for any reason. In the event the rights offering is cancelled, all subscription payments received by the subscription agent for the rights offering will be returned, without interest, as soon as practicable. Our board of directors also reserves the right to amend or modify the terms of the rights offering in its sole discretion.

We have engaged Source Capital Group, Inc. as dealer-manager for the rights offering. See "Plan of Distribution."

Shares of our common stock are traded on the NASDAQ Capital Market under the symbol "CYRX". The shares of common stock issued in the rights offering will also be traded on the NASDAQ Capital Market under the same symbol.

**The exercise of your subscription rights for shares of our common stock involves risks. See "Risk Factors" beginning on page 13 of this prospectus to read about important factors you should consider before exercising your subscription rights.**

**Neither the Securities and Exchange Commission (the “SEC”) nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

	Per Share	Total(1)
Subscription price	\$ (3)	\$10,000,000
Dealer-manager fees and expenses (2)	\$ (3)	\$800,000
Proceeds to us, before expenses	\$ (3)	\$9,200,000

(1) Assumes that the rights offering is fully subscribed for the maximum aggregate offering amount of \$10,000,000.

In connection with the rights offering, we have agreed to pay Source Capital Group, Inc., the dealer-manager for (2) the rights offering, a cash fee of 6% of the gross proceeds of the rights offering in cash and a non-accountable expense allowance of 2% of the gross proceeds of the rights offering.

The per share subscription price will be 85% of the volume weighted average price per share of our common stock (3) on the NASDAQ Capital Market for the five consecutive trading days immediately preceding and including May 31, 2016, rounded to the nearest penny. The closing price of our common stock on May 13, 2016 was \$2.04.

If you have any questions or need further information about the rights offering, please call Georgeson LLC, our information agent for the rights offering, at (800) 903-2897 (toll free) or cryoport@georgeson.com.

*Dealer-Manager*

**Source Capital Group, Inc.**

**The date of this prospectus is May 16, 2016**

TABLE OF CONTENTS

Page	
<u>PROSPECTUS SUMMARY</u>	1
<u>QUESTIONS AND ANSWERS ABOUT THE RIGHTS OFFERING</u>	8
<u>RISK FACTORS</u>	13
<u>CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	29
<u>USE OF PROCEEDS</u>	30
<u>CAPITALIZATION</u>	31
<u>DILUTION</u>	32
<u>THE RIGHTS OFFERING</u>	33
<u>MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	42
<u>BUSINESS</u>	56
<u>DESCRIPTION OF PROPERTY</u>	71
<u>LEGAL PROCEEDINGS</u>	71
<u>MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS</u>	72
<u>MANAGEMENT</u>	74
<u>EXECUTIVE COMPENSATION</u>	77
<u>SUMMARY COMPENSATION TABLE</u>	78
<u>OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END 2015</u>	80
<u>DIRECTOR COMPENSATION</u>	82
<u>COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION</u>	84
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	85
<u>PRINCIPAL STOCKHOLDERS</u>	86
<u>DESCRIPTION OF CAPITAL STOCK</u>	87
<u>DESCRIPTION OF SUBSCRIPTION RIGHTS</u>	88
<u>MATERIAL U.S. FEDERAL TAX CONSIDERATIONS</u>	90
<u>PLAN OF DISTRIBUTION</u>	95
<u>LEGAL MATTERS</u>	96
<u>EXPERTS</u>	96
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	96

You should rely only on the information contained in this prospectus. Neither we nor the dealer-manager have authorized anyone to provide you with additional or different information from that contained in this prospectus. You should assume that the information contained in this prospectus is accurate only as of any date on the front cover of this prospectus regardless of the time of delivery of this prospectus or any exercise of the subscription rights. Our

business, financial condition, results of operations and prospects may have changed since such date. We are not making an offer of these securities in any state where the offer is not permitted.

## Prospectus Summary

*This summary highlights selected information from this prospectus. This summary may not contain all of the information that you should consider before deciding whether or not you should exercise your subscription rights. You should carefully read this entire prospectus and the documents to which we refer you. Unless the context requires otherwise, references in this prospectus to the “Company,” “Cryoport,” “we,” “us” and “our” refer to Cryoport, Inc., a Nevada corporation, and its consolidated subsidiaries.*

*Unless otherwise indicated all historical and pro forma common stock and per share data in this prospectus have been retroactively restated to the earliest period presented to account for the 1-for-12 reverse stock split that became effective on May 19, 2015.*

## General Overview

We provide cryogenic logistics solutions to the life sciences industry through a combination of purpose-built proprietary packaging, information technology and specialized cold chain logistics knowhow. We view our solutions as disruptive to the “older technologies” of dry ice and liquid nitrogen, in that our solutions are comprehensive and combine our competencies in configurations that are customized to our client’s requirements. We provide comprehensive, reliable, economic alternatives to all existing logistics solutions and services utilized for frozen shipping in the life sciences industry (e.g., personalized medicine, cell therapies, stem cells, cell lines, vaccines, diagnostic materials, semen, eggs, embryos, cord blood, bio-pharmaceuticals, infectious substances, and other commodities that require continuous exposure to cryogenic or frozen temperatures). As part of our services, we provide the ability to monitor, record and archive crucial information for each shipment that can be used for scientific and regulatory purposes.

Our Cryoport Express<sup>®</sup> Solutions include a sophisticated cloud-based logistics operating platform, which is branded as the Cryoport<sup>™</sup>. The Cryoport<sup>™</sup> supports the management of the entire shipment and logistics process through a single interface, including initial order input, document preparation, customs clearance, courier management, shipment tracking, issue resolution, and delivery. In addition, it provides unique and incisive information dashboards and validation documentation for every shipment. The Cryoport<sup>™</sup> records and retains a fully documented “chain-of-custody” and, at the client’s option, “chain-of-condition” for every shipment, helping ensure that quality, safety, efficacy, and stability of shipped commodities are maintained throughout the process. This recorded and archived information allows our clients to meet exacting requirements necessary for scientific work and for proof of regulatory compliance during the logistics phase.

The branded packaging for our Cryoport Express® Solutions includes our liquid nitrogen dry vapor shippers, the Cryoport Express® Shippers. The Cryoport Express® Shippers are cost-effective and reusable cryogenic transport shippers (our standard shipper is a patented vacuum flask) utilizing an innovative application of “dry vapor” liquid nitrogen technology. Cryoport Express® Shippers are International Air Transport Association certified and validated to maintain stable temperatures of minus 150° Celsius and below for a 10-day dynamic shipment period. The Company currently features three Cryoport Express® Shippers: the Standard Dry Shipper (holding up to 75 2.0 ml vials), the High Volume Dry Shipper (holding up to 500 2.0 ml vials) and the Cryoport Express® CXVC1 Shipper (holding up to 1,500 2.0 ml vials). In addition, we assist clients with internal secondary packaging, e.g., vials, canes, straws, plates, etc.

Our most used solution is the “turnkey” solution, which can be accessed directly through our cloud-based Cryoport™ or by contacting Cryoport Client Care for order entry. Once an order is placed and cleared, we ship a fully charged Cryoport Express® Shipper to the client who conveniently loads its frozen commodity into the inner chamber of the Cryoport Express® Shipper. The customer then closes the shipper package and reseals the shipping box displaying the next recipient’s address for pre-arranged carrier pick up. Cryoport arranges for the pick-up of the parcel by a shipping service provider, which is designated by the client or chosen by Cryoport, for delivery to the client’s intended recipient. The recipient simply opens the shipper package and removes the frozen commodity that has been shipped. The recipient then reseals the package, displaying the nearest Cryoport Operations Center address, making it ready for pre-arranged carrier pick-up. When the Cryoport Operations Center receives the Cryoport Express® Shipper, it is cleaned, put through quality assurance testing, and returned to inventory for reuse.

In late 2012, we shifted our focus to become a comprehensive cryogenic logistics solutions provider. Recognizing that clients in the life sciences industry have varying requirements, we unbundled our technologies, establishing customer facing solutions and taking a consultative approach to the market. Today, in addition to our standard turnkey solution, described above, we also provide the following customer facing, value-added solutions to address our various clients’ needs:

**“Customer Staged Solution,”** designed for clients making 50 or more shipments per month. Under this solution, we supply an inventory of our Cryoport Express® Shippers to our customer, in an uncharged state, enabling our customer (after training and certification) to charge them with liquid nitrogen and use our Cryoport™ to enter orders with shipping and delivery service providers for the transportation of the package. Once the order is released, our customer service professionals monitor the shipment and the return of the shipper to us for cleaning, quality assurance testing and reuse.

**“Customer Managed Solution,”** a limited customer implemented solution whereby we supply our Cryoport Express® Shippers to clients in a fully charged state, but leaving it to the client to manage the shipping, including the selection of the shipping and delivery service provider and the return of the shipper to us.

“**powered by Cryoport<sup>SM</sup>**,” available to providers of shipping and delivery services who seek to offer a “branded” cryogenic logistics solution as part of their service offerings, with “powered by Cryoport<sup>SM</sup>” appearing prominently on the software interface and shippers or storage unit. This solution can also be private labeled upon meeting certain requirements, including minimum required shipping volumes.

“**Integrated Solution**,” which is our outsource solution. It is our most comprehensive solution and involves our management of the entire cryogenic logistics process for our client, including Cryoport employees at the client’s site to manage the client’s cryogenic logistics function in total.

“**Regenerative Medicine Point-of-Care Repository Solution**,” designed for allogeneic therapies. Under this solution we supply our Cryoport Express<sup>®</sup> Shipper to ship and store cryogenically preserved life science products for up to 6 days (or longer periods with supplementary shippers) at a point-of-care site, with the Cryoport Express<sup>®</sup> Shipper serving as a temporary freezer/repository enabling the efficient and effective distribution of temperature sensitive allogeneic cell-based therapies without the expense, inconvenience, and potential costly failure of an on-site, cryopreservation device. Our customer service professionals monitor each shipment throughout the predetermined process including the return of the shipper to us. When the Cryoport Operations Center receives the Cryoport Express<sup>®</sup> Shipper package it is cleaned, put through quality assurance testing, and returned to inventory for reuse.

“**Personalized Medicine and Cell-based Immunotherapy Solution**,” designed for autologous therapies. Under this solution our Cryoport Express<sup>®</sup> Shipper serves as an enabling technology for the safe transportation of manufactured autologous cellular-based immunotherapies by providing a comprehensive logistics solution for the verified chain of custody and condition transport from, (a) the collection of the patient’s cells in a hospital setting, to (b) a central processing facility where they are manufactured into a personalized medicine, to (c) the safe, cryogenically preserved return of these irreplaceable cells to a point-of-care treatment facility. If required, the Cryoport Express<sup>®</sup> Shipper can then serve as a temporary freezer/repository to allow the efficient distribution of this personalized medicine to the patient when and where the medical provider needs it most without the expense, inconvenience, and potential costly failure of an on-site, cryopreservation device. Our customer service professionals monitor each shipment throughout the predetermined process, including the return of the shipper to us. When the Cryoport Operations Center receives the Cryoport Express<sup>®</sup> Shipper package it is cleaned, put through quality assurance testing, and returned to inventory for reuse.

## Corporate Information

We are a Nevada corporation originally incorporated under the name G.T.5-Limited (“GT5”) on May 25, 1990. In connection with a Share Exchange Agreement, on March 15, 2005 we changed our name to Cryoport, Inc. and acquired all of the issued and outstanding shares of common stock of Cryoport Systems, Inc., a California corporation, in exchange for 200,901 shares of our common stock (which represented approximately 81% of the total issued and outstanding shares of common stock following the close of the transaction). Cryoport Systems, Inc., which was originally formed in 1999 as a California limited liability company, and subsequently reorganized into a California corporation on December 11, 2000, remains the operating company under Cryoport, Inc. Our principal executive offices are located at 17305 Daimler Street, Irvine, CA 92614. The telephone number of our principal executive

offices is (949) 470-2300, and our main corporate website is [www.cryoport.com](http://www.cryoport.com).

The Company became public by a reverse merger with a shell company in May 2005. Over time the Company has transitioned from being a development company to a fully operational public company, providing cold chain logistics solutions to the life sciences industry globally.

## The RIGHTS Offering

**Securities Offered** We are distributing, at no charge, to holders of our common stock and holders of our warrants non-transferrable subscription rights to purchase up to an aggregate of 6,666,667 shares of our common stock. Holders of our common stock will receive one subscription right for each share of common stock owned at, and our warrant holders will receive one subscription right for each share of common stock into which the warrants held by them were exercisable at, 5:00 p.m., New York City time, on May 31, 2016; provided, that, the rights may only be exercised for a maximum \$10,000,000 of subscription proceeds or 6,666,667 shares.

**Basic Subscription Privilege** The basic subscription privilege of each subscription right will entitle you to purchase one share of our common stock at a subscription price of 85% of the volume weighted average price per share of our common stock on the NASDAQ Capital Market for the five consecutive trading days immediately preceding and including May 31, 2016, rounded to the nearest penny.

If the basic subscription rights are exercised for an amount in excess of \$10,000,000, the basic subscription rights that have been exercised will be reduced on a pro-rata basis based on the number of shares each rights holder subscribed for under the basic subscription right, subject to adjustment to eliminate fractional shares, so that the total exercise price of the basic subscription rights shall equal \$10,000,000, and any excess subscription amount received by the subscription agent will be returned, without interest, as soon as practicable after the rights offering has expired and all prorating calculations and reductions contemplated by the terms of the rights offering have been effected.

**Over-Subscription Privilege** If you fully exercise your basic subscription privilege and basic subscription rights are exercised for an amount less than \$10,000,000, you may also exercise an over-subscription right to purchase additional shares of common stock that remain unsubscribed at the expiration of the rights offering, subject to the availability and pro rata allocation of shares among stockholders exercising this over-subscription right. To the extent the number of the unsubscribed shares are not sufficient to satisfy all of the properly exercised over-subscription rights requests, then the available shares will be prorated among those who properly exercised over-subscription rights based on the number of shares each rights holder subscribed for under the basic subscription right. If this pro rata allocation results in any stockholder receiving a greater number of shares of common stock than the stockholder subscribed for pursuant to the exercise of the over-subscription privilege, then such stockholder will be allocated only that number of shares for which the stockholder oversubscribed, and the remaining shares of common stock will be allocated among all other stockholders exercising the over-subscription privilege on the same pro rata basis described above. The proration process will be repeated until all shares of common stock have been allocated or all over-subscription exercises have been fulfilled, whichever occurs earlier.

Subscription rights may only be exercised for whole numbers of shares of our common stock; no fractional shares of common stock will be issued in this offering. If the subscription rights are exercised for an amount in excess of \$10,000,000 and the pro rata reduction would result in the issuance of fractional shares, the number of shares of common stock each subscription rights

holder may acquire will be rounded down to result in delivery of whole shares.

**Limitations on Exercise**

Unless we otherwise agree in writing, a person or entity, together with related persons or entities, may not exercise subscription rights (including over-subscription rights) to purchase shares of our common stock that, when aggregated with their existing ownership, would result in such person or entity, together with any related persons or entities, owning in excess of twenty percent (20%) of our issued and outstanding shares of common stock following the closing of the transactions contemplated by this rights offering.

In the event that the exercise by a stockholder of the basic subscription privilege or the over-subscription privilege could, as determined by the Company in its sole discretion, potentially result in a limitation on the Company's ability to use the Tax Attributes under the Code and rules promulgated by the IRS, the Company may, but is under no obligation to, reduce the exercise by such stockholder of the basic subscription privilege or the over-subscription privilege to such number of shares of common stock as the Company, in its sole discretion, shall determine to be advisable in order to preserve the Company's ability to use the Tax Attributes.

**Record Date**

5:00 p.m., New York City time, on May 31, 2016

**Expiration Date of the Rights Offering**

5:00 p.m., New York City time, on June 20, 2016

**Subscription Price**

85% of the volume weighted average price per share of our common stock on the NASDAQ Capital Market for the five consecutive trading days immediately preceding and including May 31, 2016, rounded to the nearest penny, payable in cash. To be effective, any payment related to the exercise of a right must clear prior to the expiration of the rights offering.

**Use of Proceeds**

We are conducting the rights offering to raise capital that we intend to use for general corporate purposes, which may include funding for sales and marketing, and general working capital purposes. See "Use of Proceeds."

**Non-Transferability of Rights**

The subscription rights may not be sold, transferred or assigned and will not be listed for trading on the NASDAQ Capital Market or any other stock exchange or market.

**No Board Recommendation**

Although our directors may invest their own money in the rights offering, our board of directors is making no recommendation regarding your exercise of the subscription rights. You are urged to make your decision based on your own assessment of our business and the rights offering. Please see "Risk Factors" for a discussion of some of the risks involved in investing in our common stock.

**No Revocation**

All exercises of subscription rights are irrevocable, even if you later learn information that you consider to be unfavorable to the exercise of your subscription rights and even if the rights offering is extended by our board of directors. However, if we amend the rights offering to allow for an extension of the rights offering for a period of more than 30 days or make a fundamental change to the terms of the rights offering set forth in this prospectus, you may cancel your subscription and receive a refund of any money you have advanced. You should not exercise your subscription rights unless you are certain that you wish to purchase additional shares of our common stock at the subscription price.

**U.S. Federal Income  
Tax Considerations**

For U.S. federal income tax purposes holders of shares of our common stock and holders of warrants to acquire our common stock generally should not recognize income or loss in connection with the receipt or exercise of subscription rights unless, by way of example only, the rights offering is part of a “disproportionate distribution” within the meaning of applicable tax rules (in which case you may recognize taxable income upon receipt of the subscription rights). We believe that the rights offering should not be treated as part of a disproportionate distribution, but that conclusion is unclear and is not binding on the IRS or the courts. You are urged to consult your own tax advisor as to your particular tax consequences resulting from the receipt and exercise of subscription rights and the receipt, ownership and disposition of our common stock. For further information, please see “Material U.S. Federal Income Tax Considerations.”

**Extension,  
Cancellation  
and  
Amendment**

We have the option to extend the expiration of the rights offering for a period not to exceed 30 days by giving oral or written notice to the subscription agent prior to the expiration date of the rights offering, although we do not presently intend to do so. If we elect to extend the expiration of the rights offering, we will issue a press release announcing such extension no later than 9:00 a.m., New York City time, on the next business day after the most recently announced expiration time of the rights offering. We will extend the duration of the rights offering as required by applicable law or regulation and may choose to extend it if we decide to give investors more time to exercise their subscription rights in the rights offering.

Our board of directors may cancel the rights offering at any time prior to the expiration of the rights offering for any reason. In the event the rights offering is cancelled, all subscription payments received by the subscription agent for the rights offering will be returned, without interest, as soon as practicable.

Our board of directors also reserves the right to amend or modify the terms of the rights offering in its sole discretion. If we should make any fundamental changes to the terms of the rights offering set forth in this prospectus, we will file a post-effective amendment to the registration statement in which this prospectus is included, offer potential purchasers who have subscribed for rights the opportunity to cancel such subscriptions and issue a refund of any money advanced by such stockholder and recirculate an updated prospectus after the post-effective amendment is declared effective by the SEC. In addition, upon such event, we may extend the expiration date of the rights offering to allow holders of rights ample time to make new investment decisions and for us to recirculate updated documentation. Promptly following any such occurrence, we will issue a press release announcing any changes with respect to the rights offering and the new expiration date. The terms of the rights offering cannot be modified or amended after the expiration date of the rights offering. Although we do not presently intend to do so, we may choose to amend or modify the terms of the rights offering for any reason, including, without limitation, in order to increase participation in the rights offering. Such amendments or modifications may include a change in the subscription price, although no such change is presently contemplated.

**Procedures for  
Exercise**

To exercise your subscription rights, you must complete the rights certificate and deliver it to the subscription agent, Continental Stock Transfer & Trust Company, together with full payment for all the subscription rights you elect to exercise under the basic subscription privilege and over-subscription privilege. You may deliver the documents and payments by regular mail or commercial carrier. If regular mail is used for this purpose, we recommend using registered mail, properly insured, with return receipt requested.

If you cannot deliver your rights certificate to the subscription agent prior to the expiration of the rights offering, you may follow the guaranteed delivery procedures described under “The Rights Offering—Guaranteed Delivery Procedures.”

**Subscription Agent** Continental Stock Transfer & Trust Company

**Information Agent** Georgeson LLC

**Dealer-Manager** Source Capital Group, Inc.

**Shares Outstanding Before the Rights Offering** 14,270,987 shares of our common stock<sup>(1)</sup>

**Shares Outstanding After the Rights Offering** Assuming 6,666,667 shares of our common stock are issued in the rights offering through the exercise of subscription rights, we anticipate that 20,937,654 shares of our common stock will be outstanding following the completion of the rights offering.<sup>(1)</sup>

**Risk Factors** See “Risk Factors” beginning on page 13 to read about factors you should consider before you decide whether to exercise your subscription rights to purchase shares of our common stock.

**Fees and Expenses** We will pay all fees charged by the subscription agent and the information agent in connection with the rights offering. We will also pay the fees and commissions charged by Source Capital Group, Inc. (“Source Capital Group”) as dealer-manager for this rights offering. You are responsible for paying any other commissions, fees, taxes or other expenses incurred in connection with the exercise of the subscription rights.

**Distribution Arrangements** Source Capital Group will act as dealer-manager for the rights offering. In such capacity, Source Capital Group will provide marketing assistance and advice to our company in connection with the rights offering. Under the terms and subject to the conditions contained in the dealer-manager agreement, we have agreed to pay Source Capital Group a cash fee of 6% of the gross proceeds of this offering and a non-accountable expense allowance of 2% of the gross proceeds of the rights offering. We have also agreed to indemnify Source Capital Group and their respective affiliates against certain liabilities arising under the Securities Act of 1933, as amended (the “Securities Act”). Source Capital Group’s participation in this offering is subject to customary conditions contained in the dealer-manager agreement. Source Capital Group and its affiliates may provide to us from time to time in the future in the ordinary course of their business certain financial advisory, investment banking and other services for which they will be entitled to receive customary fees. Source Capital Group does not make any recommendation with respect to whether you should exercise the basic subscription or over subscription rights or to otherwise invest in our company.

**NASDAQ Capital Market Trading Symbol for Our Common Stock** Shares of our common stock are traded on the NASDAQ Capital Market under the symbol “CYRX.”

**Questions**

If you have any questions or need further information about this rights offering, please call Georgeson LLC, our information agent for the rights offering, at (800) 903-2897 (toll free) or [cryoport@georgeson.com](mailto:cryoport@georgeson.com).

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(1) Based upon the total number of issued and outstanding shares as of May 10, 2016, but does not include, as of that date:

6

9,133,064 shares of common stock reserved for issuance upon the exercise of outstanding warrants with a weighted average exercise price of \$4.51 per share;

4,865,518 shares of common stock reserved for issuance upon the exercise of outstanding stock options with a weighted average exercise price of \$3.96 per share; and

2,163,926 shares of common stock available for future grant under our Cryoport, Inc. 2015 Omnibus Equity Incentive Plan.

## QUESTIONS AND ANSWERS ABOUT THE RIGHTS OFFERING

### *What is the rights offering?*

We are distributing to holders of our common stock and holders of our warrants, at no charge, non-transferable subscription rights to purchase shares of our common stock. Our stockholders will receive one subscription right for each share of common stock owned at, and our warrant holders will receive one subscription right for each share of common stock into which the warrants held by them were exercisable at, 5:00 p.m., New York City time, on May 31, 2016; provided, that, the rights may only be exercised for a maximum of \$10,000,000 of subscription proceeds or 6,666,667 shares. The subscription rights will be evidenced by rights certificates. Each subscription right will entitle the holder to a basic subscription privilege and an over-subscription privilege.

### *What is the basic subscription privilege?*

The basic subscription privilege of each subscription right gives holders the opportunity to purchase one share of our common stock at a subscription price of 85% of the volume weighted average price per share of our common stock on the NASDAQ Capital Market for the five consecutive trading days immediately preceding and including May 31, 2016, rounded to the nearest penny. You may exercise the basic subscription privilege of any number of your subscription rights, or you may choose not to exercise any subscription rights.

If the basic subscription rights are exercised for an amount in excess of \$10,000,000, the basic subscription rights that have been exercised will be reduced on a pro-rata basis, subject to adjustment to eliminate fractional shares, so that the total exercise price of the basic subscription rights shall equal \$10,000,000, and any excess subscription amount received by the subscription agent will be returned, without interest, as soon as practicable after the rights offering has expired and all prorating calculations and reductions contemplated by the terms of the rights offering have been effected.

### *What is the over-subscription privilege?*

We do not expect all of our stockholders to exercise all of their basic subscription privileges. The over-subscription privilege provides stockholders that exercise all of their basic subscription privileges the opportunity to purchase the shares that are not purchased by other stockholders. If you fully exercise your basic subscription privilege and basic subscription rights are exercised for an amount less than \$10,000,000, you may also exercise an over-subscription

right to purchase additional shares of common stock that remain unsubscribed at the expiration of the rights offering, subject to the availability and pro rata allocation of shares among stockholders exercising this over-subscription right. To the extent the number of the unsubscribed shares are not sufficient to satisfy all of the properly exercised over-subscription rights requests, then the available shares will be prorated among those who properly exercised over-subscription rights based on the number of shares each rights holder subscribed for under the basic subscription right. If this pro rata allocation results in any stockholder receiving a greater number of shares of common stock than the stockholder subscribed for pursuant to the exercise of the over-subscription privilege, then such stockholder will be allocated only that number of shares for which the stockholder oversubscribed, and the remaining shares of common stock will be allocated among all other stockholders exercising the over-subscription privilege on the same pro rata basis described above. The proration process will be repeated until all shares of common stock have been allocated or all over-subscription exercises have been fulfilled, whichever occurs earlier.

In order to properly exercise your over-subscription privilege, you must deliver the subscription payment related to your over-subscription privilege prior to the expiration of the rights offering. Because we will not know the total number of unsubscribed shares prior to the expiration of the rights offering, if you wish to maximize the number of shares you purchase pursuant to your over-subscription privilege, you will need to deliver payment in an amount equal to the aggregate subscription price for the maximum number of shares of our common stock available to you, assuming that no stockholder other than you has purchased any shares of our common stock pursuant to their basic subscription privilege and over-subscription privilege. See “The Rights Offering—The Subscription Rights—Over-Subscription Privilege.”

Fractional shares of our common stock resulting from the exercise of the over-subscription privilege will be eliminated by rounding down to the nearest whole share, with the total subscription payment being adjusted accordingly. Any excess subscription payments received by the subscription agent will be returned, without interest, as soon as practicable.

***What are the limitations on the exercise of the basic subscription privilege and over-subscription privilege?***

Unless we otherwise agree in writing, a person or entity, together with related persons or entities, may not exercise subscription rights (including over-subscription rights) to purchase shares of our common stock that, when aggregated with their existing ownership, would result in such person or entity, together with any related persons or entities, owning in excess of twenty percent (20%) of our issued and outstanding shares of common stock following the closing of the transactions contemplated by this rights offering.

In the event that the exercise by a stockholder of the basic subscription privilege or the over-subscription privilege could, as determined by the Company in its sole discretion, potentially result in a limitation on the Company's ability to use the Tax Attributes under the Code and rules promulgated by the IRS, the Company may, but is under no obligation to, reduce the exercise by such stockholder of the basic subscription privilege or the over-subscription privilege to such number of shares of common stock as the Company, in its sole discretion, shall determine to be advisable in order to preserve the Company's ability to use the Tax Attributes.

***Why are we conducting the rights offering?***

We are conducting the rights offering to raise capital that we intend to use for general corporate purposes, which may include funding for sales and marketing, and general working capital purposes. See "Use of Proceeds." We believe that the rights offering will strengthen our financial condition by generating additional cash and increasing our stockholders' equity.

***How was the subscription price determined?***

In determining the subscription price, our board of directors considered a number of factors, including: the likely cost of capital from other sources, the price at which our stockholders might be willing to participate in the rights offering, historical and current trading prices and volatility of our common stock, our need for liquidity and capital and the desire to provide an opportunity to our stockholders to participate in the rights offering on a pro rata basis. In conjunction with its review of these factors, our board of directors also reviewed a range of discounts to market value represented by the subscription prices in various prior rights offerings of public companies. The subscription price is not necessarily related to our book value, net worth or any other established criteria of value and may or may not be considered the fair value of our common stock to be offered in the rights offering. We cannot give any assurance that our common stock will trade at or above the subscription price in any given time period.

***Am I required to exercise all of the subscription rights I receive in the rights offering?***

No. You may exercise any number of your subscription rights, or you may choose not to exercise any subscription rights. However, if you choose not to exercise your subscription rights in full, the relative percentage of our common stock that you own will decrease, and your voting and other rights will be diluted. In addition, if you do not exercise your basic subscription privilege in full, you will not be entitled to participate in the over-subscription privilege.

***How soon must I act to exercise my subscription rights?***

The subscription rights may be exercised at any time beginning on the date of this prospectus and prior to the expiration of the rights offering, which is 5:00 p.m., New York City time, on June 20, 2016. If you elect to exercise any rights, the subscription agent must actually receive all required documents and payments from you prior to the expiration of the rights offering. Although we have the option of extending the expiration of the rights offering for a period not to exceed 30 days, we currently do not intend to do so.

***May I transfer my subscription rights?***

No. You may not sell or transfer your subscription rights to anyone.

***Are we requiring a minimum subscription to complete the rights offering?***

No.

***Are there any conditions to completing the rights offering?***

No.

***Can our board of directors extend, cancel or amend the rights offering?***

We have the option to extend the expiration of the rights offering for a period not to exceed 30 days by giving oral or written notice to the subscription agent prior to the expiration date of the rights offering, although we do not presently intend to do so. If we elect to extend the expiration of the rights offering, we will issue a press release announcing such extension no later than 9:00 a.m., New York City time, on the next business day after the most recently announced expiration time of the rights offering. We will extend the duration of the rights offering as required by applicable law or regulation and may choose to extend it if we decide to give investors more time to exercise their subscription rights in the rights offering.

Our board of directors may cancel the rights offering at any time prior to the expiration of the rights offering for any reason. In the event the rights offering is cancelled, all subscription payments received by the subscription agent for the rights offering will be returned, without interest, as soon as practicable.

Our board of directors also reserves the right to amend or modify the terms of the rights offering in its sole discretion. If we should make any fundamental changes to the terms of the rights offering set forth in this prospectus, we will file a post-effective amendment to the registration statement in which this prospectus is included, offer potential purchasers who have subscribed for rights the opportunity to cancel such subscriptions and issue a refund of any money advanced by such stockholder and recirculate an updated prospectus after the post-effective amendment is declared effective by the SEC. In addition, upon such event, we may extend the expiration date of the rights offering to allow holders of rights ample time to make new investment decisions and for us to recirculate updated documentation. Promptly following any such occurrence, we will issue a press release announcing any changes with respect to the rights offering and the new expiration date. The terms of the rights offering cannot be modified or amended after the expiration date of the rights offering. Although we do not presently intend to do so, we may choose to amend or modify the terms of the rights offering for any reason, including, without limitation, in order to increase participation in the rights offering. Such amendments or modifications may include a change in the subscription price, although no such change is presently contemplated.

***Has our board of directors made a recommendation to our stockholders regarding the rights offering?***

Neither our board of directors nor the dealer-manager is making any recommendation to stockholders regarding the exercise of rights in the rights offering. You should make an independent investment decision about whether or not to exercise your rights. Stockholders who exercise subscription rights risk investment loss on new money invested. We cannot assure you that the market price for our common stock will remain above the subscription price or that anyone purchasing shares at the subscription price will be able to sell those shares in the future at the same price or a higher price. If you do not exercise your rights, you will lose any value represented by your rights and your percentage ownership interest in us will be diluted. Please see "Risk Factors" for a discussion of some of the risks involved in

investing in our common stock.

***What will happen if I choose not to exercise my subscription rights?***

If you do not exercise any subscription rights, the number of shares of our common stock you own will not change; however, due to the fact that shares of common stock may be purchased by other stockholders in the rights offering, your percentage ownership in the Company after the completion of the rights offering will be diluted.

***How do I exercise my subscription rights? What forms and payment are required to purchase the shares of our common stock?***

If you wish to participate in the rights offering, you must take the following steps:

- (i) deliver payment to the subscription agent using the methods outlined in this prospectus before 5:00 p.m., New York City time, on June 20, 2016; and
- (ii) deliver a properly completed rights certificate to the subscription agent before 5:00 p.m., New York City time, on June 20, 2016.

If you cannot deliver your rights certificate to the subscription agent prior to the expiration of the rights offering, you may follow the guaranteed delivery procedures described under “The Rights Offering—Guaranteed Delivery Procedures”.

If you send a payment that is insufficient to purchase the number of shares you requested, or if the number of shares you requested is not specified in the forms, the payment received will be applied to exercise your subscription rights to the full extent possible based on the amount of the payment received, subject to the elimination of fractional shares.

***When will I receive my new shares?***

If you purchase shares of our common stock through the rights offering, you will receive your new shares as soon as practicable after the closing of the offering.

***After I send in my payment and rights certificate, may I cancel my exercise of subscription rights?***

No. All exercises of subscription rights are irrevocable, even if you later learn information that you consider to be unfavorable to the exercise of your subscription rights and even if the rights offering is extended by our board of directors. However, if we amend the rights offering to allow for an extension of the rights offering for a period of more than 30 days or make a fundamental change to the terms of the rights offering set forth in this prospectus, you may cancel your subscription and receive a refund of any money you have advanced. You should not exercise your subscription rights unless you are certain that you wish to purchase additional shares of our common stock at the subscription price of 85% of the volume weighted average price per share of our common stock on the NASDAQ Capital Market for the five consecutive trading days immediately preceding and including May 31, 2016, rounded to the nearest penny.

***What should I do if I want to participate in the rights offering but my shares are held in the name of my broker, dealer, custodian bank or other nominee?***

If you hold your shares of our common stock or our warrants in the name of a broker, dealer, custodian bank or other nominee, then your broker, dealer, custodian bank or other nominee is the record holder of the shares or warrants you own. The record holder must exercise the subscription rights on your behalf for the shares of our common stock you wish to purchase.

If you wish to participate in the rights offering and purchase shares of our common stock, please promptly contact the record holder of your shares. We will ask your broker, dealer, custodian bank or other nominee to notify you of the rights offering. You should complete and return to your record holder the form entitled "Beneficial Owner Election Form". You should receive this form from your record holder with the other rights offering materials.

***How many shares of our common stock will be outstanding after the rights offering?***

Assuming 6,666,667 shares of our common stock are issued in the rights offering through the exercise of subscription rights, we anticipate that 20,937,654 shares of our common stock will be outstanding following the completion of the rights offering.

***How much proceeds will the Company receive from the rights offering?***

Assuming full participation in the rights offering, we estimate that the net proceeds from the rights offering will be approximately \$9,056,993, after deducting expenses related to this offering payable by us estimated at approximately \$943,007, including dealer-manager fees. Please see “Use of Proceeds.”

***Are there risks in exercising my subscription rights?***

Yes. The exercise of your subscription rights involves risks. Exercising your subscription rights involves the purchase of additional shares of our common stock and should be considered as carefully as you would consider any other equity investment. Among other things, you should carefully consider the risks described under the headings “Risk Factors” in this prospectus.

***May stockholders and warrant holders in all states participate in the rights offering?***

Although we intend to distribute the rights to all stockholders and holders of our warrants, we reserve the right in some states to require such holders, if they wish to participate, to state and agree upon exercise of their respective rights that they are acquiring the shares for investment purposes only, and that they have no present intention to resell or transfer any shares acquired. Our securities are not being offered in any jurisdiction where the offer is not permitted under applicable local laws.

***If the rights offering is not completed, will my subscription payment be refunded to me?***

Yes. The subscription agent will hold all funds it receives in a segregated bank account until completion of the rights offering. If the rights offering is not completed, all subscription payments received by the subscription agent will be returned, without interest, as soon as practicable. If you own shares in “street name,” it may take longer for you to receive payment because the subscription agent will return payments through the record holder of your shares.

***Will the subscription rights be listed on a stock exchange or national market?***

The subscription rights may not be sold, transferred or assigned and will not be listed for trading on the NASDAQ Capital Market or any other stock exchange or market.

***How do I exercise my subscription rights if I live outside the United States?***

We will not mail this prospectus or the rights certificates to stockholders whose addresses are outside the United States or who have an army post office or foreign post office address. The subscription agent will hold the rights certificates for their account. To exercise subscription rights, our foreign stockholders must notify the subscription agent and timely follow the procedures described in “The Rights Offering—Foreign Stockholders.”

***What fees or charges apply if I purchase shares of our common stock?***

We are not charging any fee or sales commission to issue subscription rights to you or to issue shares to you if you exercise your subscription rights. If you exercise your subscription rights through the record holder of your shares, you are responsible for paying any fees your record holder may charge you.

***What are the U.S. federal income tax consequences of receipt of or exercise of subscription rights?***

For U.S. federal income tax purposes, you generally should not recognize income or loss in connection with the receipt or exercise of subscription rights unless, by way of example only, the rights offering is part of a “disproportionate distribution” within the meaning of applicable tax rules (in which case you may recognize taxable income upon receipt of the subscription rights). We believe that the rights offering should not be treated as part of a disproportionate distribution, but that conclusion is unclear and is not binding on the IRS or the courts. You are urged to consult your own tax advisor as to your particular tax consequences resulting from the receipt and exercise of subscription rights and the receipt, ownership and disposition of our common stock. For further information, please see “Material U.S. Federal Income Tax Considerations.”

***To whom should I send my forms and payment?***

If your shares are held in the name of a broker, dealer or other nominee, then you should send your subscription documents, rights certificate, notices of guaranteed delivery and subscription payment to that record holder. If you are the record holder, then you should send your subscription documents, rights certificate, notices of guaranteed delivery and subscription payment by hand delivery, first class mail or courier service to:

Continental Stock Transfer & Trust Company  
Attn: Corporate Actions Department  
17 Battery Place  
New York, New York 10004

You are solely responsible for completing delivery to the subscription agent of your subscription documents, rights certificate and payment. We urge you to allow sufficient time for delivery of your subscription materials to the subscription agent.

***Whom should I contact if I have other questions?***

If you have other questions or need assistance, please contact the information agent, Georgeson LLC, at (800) 903-2897 (toll free) or [cryoport@georgeson.com](mailto:cryoport@georgeson.com).

## **Risk Factors**

*An investment in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below together with all of the other information contained in this prospectus, including our consolidated financial statements and the related notes appearing at the end of this prospectus, before making a decision to invest in our common stock or to exercise your subscription rights to purchase shares of our common stock. If any of these risks actually occur, our business, results of operations and financial condition could suffer. In that case, the market price of our common stock could decline, and you may lose all or part of your investment.*

### **Risks Related to the Rights Offering**

*Your ownership interest in our company may be diluted as a result of the rights offering.*

Common stockholders who do not fully exercise their respective subscription rights should expect that they will, at the completion of the rights offering, own a smaller proportional interest in our company than would otherwise be the case had they fully exercised their basic subscription rights.

*The market price of our common stock is volatile and may decline before or after the subscription rights expire.*

The market price of our common stock could be subject to wide fluctuations in response to numerous factors, some of which are beyond our control. These factors include, among other things, actual or anticipated variations in our costs of doing business, operating results and cash flow, the nature and content of our earnings releases and our competitors' earnings releases, customers, competitors or markets, changes in financial estimates by securities analysts, business conditions in our markets and the general state of the securities markets and the market for similar stocks, changes in capital markets that affect the perceived availability of capital to companies in our industries, governmental legislation or regulation, as well as general economic and market conditions, such as continued downturns in our economy and recessions.

We cannot assure you that the market price of our common stock will not decline after you elect to exercise your subscription rights. If that occurs, you may have committed to buy shares of our common stock in the rights offering at a price greater than the prevailing market price, and you could have an immediate unrealized loss. Moreover, we cannot assure you that following the exercise of your subscription rights that you will be able to sell your common stock at a price equal to or greater than the subscription price. Until shares are delivered upon expiration of the rights

offering, you will not be able to sell the shares of our common stock that you purchase in the rights offering. Certificates (physical, electronic or book-entry form) representing shares of our common stock purchased will be delivered as soon as practicable after expiration of the rights offering. We will not pay you interest on funds delivered to the subscription agent pursuant to the exercise of subscription rights.

*The rights offering may cause the price of our common stock to decrease.*

Depending upon the trading price of our common stock at the time of our announcement of the rights offering and its terms, including the subscription price, together with the number of shares of common stock we propose to issue and ultimately will issue if the rights offering is completed, may result in an immediate decrease in the market value of our common stock. This decrease may continue after the completion of the rights offering. If that occurs, you may have committed to buy shares of common stock in the rights offering at a price greater than the prevailing market price. Further, if a substantial number of rights are exercised and the holders of the shares received upon exercise of those rights choose to sell some or all of those shares, the resulting sales could depress the market price of our common stock. Your purchase of shares of our common stock in the rights offering may be at a price greater than the prevailing trading price. There is no assurance that following the exercise of your rights you will be able to sell your common stock at a price equal to or greater than the subscription price.

***The subscription price determined for the rights offering is not necessarily an indication of the value of our common stock.***

In determining the subscription price, our board of directors considered a number of factors, including: the likely cost of capital from other sources, the price at which our stockholders might be willing to participate in the rights offering, historical and current trading prices of our common stock, our need for liquidity and capital and the desire to provide an opportunity to our stockholders to participate in the rights offering on a pro rata basis. In conjunction with its review of these factors, our board of directors also reviewed a range of discounts to market value represented by the subscription prices in various prior rights offerings of public companies. The subscription price is not necessarily related to our book value, net worth or any other established criteria of value and may or may not be considered the fair value of our common stock to be offered in the rights offering. We cannot give any assurance that our common stock will trade at or above the subscription price in any given time period. We do not intend to change the subscription price in response to changes in the trading price of our common stock prior to the closing of the rights offering.

***If you purchase shares of our common stock in the rights offering, you will incur immediate and substantial dilution.***

Dilution is the difference between the subscription price per share and the pro forma net tangible book value per share after giving effect to the rights offering. The subscription price per share that you pay for shares of our common stock sold in the rights offering is substantially higher than our pro forma net tangible book value per share after giving effect to the rights offering. The subscription price will be 85% of the volume weighted average price (“VWAP”) per share of our common stock on the NASDAQ Capital Market for the five consecutive trading days immediately preceding and including May 31, 2016, rounded to the nearest penny. Assuming the subscription price is determined to be \$1.74, which is 85% of the five day VWAP period ending on May 13, 2016, you will incur immediate dilution in net tangible book value per share of \$0.91. As a result of this dilution, investors purchasing shares of our common stock in the rights offering may receive significantly less than the full subscription price that they paid for in the rights offering in the event of liquidation. See “Dilution” for additional information.

***Completion of the rights offering is not subject to us raising a minimum offering amount and therefore proceeds may be insufficient to meet our objectives, thereby increasing the risk to investors in the rights offering.***

Completion of the rights offering is not subject to us raising a minimum offering amount. As such, proceeds from this rights offering may not be sufficient to meet the objectives we state in this prospectus or other corporate milestones that we may set. Investors should not rely on the success of the rights offering to address our need for funding. Therefore, if you exercise the basic subscription privilege or the over-subscription privilege, you may be investing in a company that continues to desire additional capital.

***The subscription rights are not transferable and there is no market for the subscription rights.***

You may not sell, transfer or assign your subscription rights. The subscription rights are only transferable by operation of law. Because the subscription rights are non-transferable, there is no market or other means for you to directly realize any value associated with the subscription rights. You must exercise the subscription rights and acquire additional shares of our common stock to realize any value that may be embedded in the subscription rights.

***None of our officers, directors or significant stockholders is obligated to exercise their subscription right and, as a result, the offering may be undersubscribed.***

As a group, our officers and directors own or have the right to acquire, within 60 days of May 10, 2016, approximately 12.4% of our outstanding common stock and owners of 5% or more of our outstanding common stock hold 10.3% of our outstanding common stock. None of our officers, directors or owners of 5% or more of our outstanding common stock are obligated to participate in the rights offering. We cannot guarantee you that any of our officers or directors or owners of 5% or more of our outstanding common stock will exercise their basic or over-subscription rights to purchase any shares issued in connection with the rights offering. As a result, the offering may be undersubscribed and proceeds may not be sufficient to meet the objectives we state in this prospectus or other corporate milestones that we may set.

***If we terminate the rights offering for any reason, we will have no obligation other than to return subscription monies promptly.***

We may decide, in our discretion and for any reason, to cancel or terminate the rights offering at any time prior to the expiration date. If the rights offering is terminated, we will have no obligation with respect to those rights that have been exercised except to return promptly, without interest or deduction, the subscription monies deposited with the subscription agent. If we terminate the rights offering and you have not exercised any rights, such rights will expire worthless.

***Our common stock price may be volatile as a result of this rights offering.***

The trading price of our common stock may fluctuate substantially. The price of the common stock that will prevail in the market after the rights offering may be higher or lower than the subscription price depending on many factors, some of which are beyond our control and may not be directly related to our operating performance. These factors include, but are not limited to, the following:

- price and volume fluctuations in the overall stock market from time to time;
- significant volatility in the market price and trading volume of our securities;
- actual or anticipated changes or fluctuations in our operating results;

material announcements by us regarding business performance, financings, mergers and acquisitions or other transactions;

- general economic conditions and trends;

- competitive factors;

- loss of key supplier or distribution relationships; or

- departure of key personnel.

***We will have broad discretion in the use of the net proceeds from the rights offering and may not use the proceeds effectively.***

Although we plan to use the proceeds of the rights offering to raise capital that we intend to use for general corporate purposes, which may include funding for sales and marketing, and general working capital purposes, we will not be restricted to such use and will have broad discretion in determining how the proceeds of the rights offering will be used. Our discretion is not substantially limited by the uses set forth in this prospectus in the section entitled "Use of Proceeds." While our board of directors believes the flexibility in application of the net proceeds is prudent, the broad discretion it affords entails increased risks to the investors in the rights offering. Investors in the rights offering have

no current basis to evaluate the possible merits or risks of any application of the net proceeds of the rights offering. Our stockholders may not agree with the manner in which we choose to allocate and spend the net proceeds.

***If you do not act on a timely basis and follow subscription instructions, your exercise of rights may be rejected.***

Holders of subscription rights who desire to purchase shares of our common stock in the rights offering must act on a timely basis to ensure that all required forms and payments are actually received by the subscription agent prior to 5:00 p.m., New York City time, on the expiration date, unless extended. If you are a beneficial owner of shares of common stock or our warrants and you wish to exercise your rights, you must act promptly to ensure that your broker, dealer, custodian bank, trustee or other nominee acts for you and that all required forms and payments are actually received by your broker, dealer, custodian bank, trustee or other nominee in sufficient time to deliver such forms and payments to the subscription agent to exercise the rights granted in the rights offering that you beneficially own prior to 5:00 p.m., New York City time on the expiration date, as may be extended. We will not be responsible if your broker, dealer, custodian bank, trustee or other nominee fails to ensure that all required forms and payments are actually received by the subscription agent prior to 5:00 p.m., New York City time, on the expiration date, as may be extended.

If you fail to complete and sign the required subscription forms, send an incorrect payment amount, or otherwise fail to follow the subscription procedures that apply to your exercise in the rights offering, the subscription agent may, depending on the circumstances, reject your subscription or accept it only to the extent of the payment received. Neither we nor the subscription agent undertakes to contact you concerning an incomplete or incorrect subscription form or payment, nor are we under any obligation to correct such forms or payment. We have the sole discretion to determine whether a subscription exercise properly follows the subscription procedures.

***If you make payment of the subscription price by uncertified check, your check may not clear in sufficient time to enable you to purchase shares in this rights offering.***

Any uncertified check used to pay for shares to be issued in this rights offering must clear prior to the expiration date of this rights offering, and the clearing process may require five or more business days. If you choose to exercise your subscription rights, in whole or in part, and to pay for shares by uncertified check and your check has not cleared prior to the expiration date of this rights offering, you will not have satisfied the conditions to exercise your subscription rights and will not receive the shares you wish to purchase.

***The U.S. federal income tax treatment of the receipt of subscription rights is somewhat uncertain and it may be treated as a taxable event to holders of shares of our stock and to holders of rights or warrants to acquire shares of our stock .***

If, by way of example only, the rights offering is deemed to be part of a “disproportionate distribution” under section 305 of the Code, holders of shares of our common stock, and holders of rights or warrants to acquire shares of our common stock, may recognize taxable income for U.S. federal income tax purposes in connection with the receipt of subscription rights in the rights offering depending, in part, on our current and accumulated earnings and profits, the fair market value of the subscription rights and, if applicable, our stockholders’ tax basis in our common stock. A “disproportionate distribution” is a distribution or a series of distributions, including deemed distributions, that has the effect of the receipt of cash or other property by some Shareholders (defined below in the section entitled, “Material U.S. Federal Income Tax Considerations”) and an increase in the proportionate interest of other Shareholders in the company’s assets or earnings and profits. It is unclear whether the fact that we have outstanding options and certain other equity-based awards (other than the warrants contemplated in the section entitled, “Material U.S. Federal Income Tax Considerations”) could cause the receipt of subscription rights to be part of a disproportionate distribution. Although there are options and certain other equity-based awards (other than the previously mentioned warrants), the existence of which could impact the Shareholders, this offering does not address any of the tax issues, or potential tax issues, applicable to holders of such options or other equity-based awards. Please see “Material U.S. Federal Income Tax Considerations” for further information on the tax treatment of the rights offering.

***The rights offering could impair or limit our net operating loss carryforwards.***

As of March 31, 2015, we had net operating losses (NOLs) of approximately \$43.4 million for U.S. federal income tax purposes. Under the Code, an “ownership change” (defined below) with respect to a corporation can significantly limit the amount of pre-ownership change NOLs, and certain other tax assets and tax attributes, that the corporation may utilize after the ownership change to offset future taxable income. The effect of such limitations is a reduction of the amount of cash which would otherwise be available to the corporation to satisfy its obligations. An ownership change generally should occur if the aggregate stock ownership of holders of at least 5% of our stock increases by

more than 50 percentage points over the preceding three-year period. The amount of the annual limitation generally is equal to the product calculated by multiplying (i) the value of our stock immediately prior to the ownership change, by the adjusted federal long-term tax exempt rate. The purchase of shares of our common stock pursuant to the rights offering may trigger an ownership change with respect to the company, and thereby limit the company's ability to use its NOLs to offset income in tax periods following the rights offering.

***We may amend or modify the terms of the rights offering at any time prior to the expiration of the rights offering in our sole discretion.***

Our board of directors reserves the right to amend or modify the terms of the rights offering in its sole discretion. If we should make any fundamental changes to the terms of the rights offering set forth in this prospectus, we will file a post-effective amendment to the registration statement in which this prospectus is included, offer potential purchasers who have subscribed for rights the opportunity to cancel such subscriptions and issue a refund of any money advanced by such stockholder and recirculate an updated prospectus after the post-effective amendment is declared effective by the SEC. In addition, upon such event, we may extend the expiration date of the rights offering to allow holders of rights ample time to make new investment decisions and for us to recirculate updated documentation. Promptly following any such occurrence, we will issue a press release announcing any changes with respect to the rights offering and the new expiration date. The terms of the rights offering cannot be modified or amended after the expiration date of the rights offering. Although we do not presently intend to do so, we may choose to amend or modify the terms of the rights offering for any reason, including, without limitation, in order to increase participation in the rights offering. Such amendments or modifications may include a change in the subscription price, although no such change is presently contemplated.

***There is no back-stop or standby commitment in place to purchase rights or shares that are not purchased in the offering.***

Source Capital Group, as the dealer-manager of this rights offering, is acting as a placement agent of the rights or the shares of common stock issuable upon exercise of the basic subscription or over subscription rights. There is no back-stop or standby commitment in place to purchase rights or shares that are not purchased in the offering. The dealer-managers services to us in this connection cannot be construed as any assurance that the rights offering will be successful. Source Capital Group does not make any recommendation with respect to whether you should exercise the basic subscription or over subscription rights or to otherwise invest in our company.

***Your subscription privilege is subject to adjustment and reduction.***

Unless we otherwise agree in writing, a person or entity, together with related persons or entities, may not exercise subscription rights (including over-subscription rights) to purchase shares of our common stock that, when aggregated with their existing ownership, would result in such person or entity, together with any related persons or entities, owning in excess of twenty percent (20%) of our issued and outstanding shares of common stock following the closing of the transactions contemplated by this rights offering.

In the event that the exercise by a stockholder of the basic subscription privilege or the over-subscription privilege could, as determined by us in our sole discretion, potentially result in a limitation on our ability to use net operating losses, tax credits and other tax attributes, which we refer to as the "Tax Attributes," under the Code, and rules promulgated by the Internal Revenue Service, we may, but are under no obligation to, reduce the exercise by such stockholder of the basic subscription privilege or the over-subscription privilege to such number of shares of common stock as we in our sole discretion shall determine to be advisable in order to preserve our ability to use the Tax Attributes.

If subscription rights holders exercise basic subscription rights of more than \$10,000,000, then the total number of exercised basic subscription rights to be fulfilled by the Company shall be limited to \$10,000,000, and exercised basic subscription rights will be reduced on a pro-rata basis based on the number of shares subscribed for by each subscribing holder as part of their basic subscription rights, subject to adjustment to eliminate fractional shares. If the pro-rated amount of shares allocated to you in connection with your basic subscription rights is less than your basic subscription request, then the excess funds held by the subscription agent on your behalf will be returned to you as soon as practicable, without interest, as soon as practicable after the rights offering has expired and all prorating calculations and reductions contemplated by the terms of the rights offering have been effected, and we will have no further obligations to you.

After considering the exercises of the basic subscription privilege, to the extent that basic subscription rights have been exercised for less than \$10,000,000, if the acceptance of all of the properly exercised over-subscription rights requests would result in the exercise of more than \$10,000,000 of subscription rights, then the available shares will be prorated among those who properly exercised over-subscription rights based on the number of shares each rights holder subscribed for under the basic subscription right, as set forth more fully in this prospectus, and a participating stockholder may not receive the full number of shares for which such stockholder exercised over-subscription rights.

#### Risks Related to Our Financial Condition

*We have incurred significant losses to date and may continue to incur losses.*

We have incurred net losses in each fiscal year since we commenced operations. The following table represents net losses incurred for each of our last two fiscal years:

	Net Loss
Fiscal Year Ended March 31, 2015	\$7,026,900
Fiscal Year Ended March 31, 2014	\$19,565,400

Our fiscal year ended March 31, 2014 loss of \$19,565,400 included a non-cash loss of \$13,713,800 as a result of an induced debt conversion expense as described in “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations for Fiscal 2015 Compared to Fiscal 2014.” As of December 31, 2015, we had an accumulated deficit of \$109.4 million. In order to achieve and sustain revenue growth in the future, we must significantly expand our market presence and revenues from existing and new customers. We may continue to incur losses in the future and may never generate revenues sufficient to become profitable or to sustain profitability. Continuing losses may impair our ability to raise the additional capital required to continue and expand our operations.

***Our auditors have expressed substantial doubt about our ability to continue as a going concern.***

The Report of Independent Registered Public Accounting Firm on our March 31, 2015 consolidated financial statements includes an explanatory paragraph stating that the recurring losses and negative cash flows from operations since inception and our cash and cash equivalent balance at March 31, 2015 raise substantial doubt about our ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

***If we are unable to obtain additional funding, we may have to reduce or discontinue our business operations.***

As of December 31, 2015, the Company had cash and cash equivalents of \$5.2 million and working capital of \$3.7 million. Therefore, our ability to continue and expand our operations is highly dependent on the amount of cash and cash equivalents on hand combined with our ability to raise additional capital to fund future operations.

In April 2016, we completed our tender offer. Pursuant to the offer, original warrants were amended and exercised in connection therewith, resulting in the issuance by the Company of an aggregate of 2,020,597 shares of its common stock for aggregate gross proceeds of \$2.5 million.

We anticipate, based on currently proposed plans and assumptions relating to our ability to market and sell our products, that our cash on hand and the proceeds from this offering, assuming this offering is fully subscribed, together with projected cash flows, will satisfy our operational and capital requirements through fiscal year 2017. There are a number of uncertainties associated with our financial projections that could reduce or delay our future projected revenues and cash-inflows, including, but not limited to, our ability to increase our customer base and revenues. If our projected revenues and cash-inflows are reduced or delayed, we may not have sufficient capital to operate through fiscal year 2017 unless we raise more capital. Additionally, if we are unable to realize satisfactory revenue in the near future, we will be required to seek additional financing to continue our operations beyond that

period. We will also require additional financing to expand into other markets and further develop and market our products. Except for the shares of common stock to be offered in this offering, we have no current arrangements with respect to any additional financing. Consequently, there can be no assurance that any additional financing on commercially reasonable terms, or at all, will be available when needed. The inability to obtain additional capital may reduce our ability to continue to conduct business operations. Any additional equity financing may involve substantial dilution to our then existing stockholders. The uncertainties surrounding our future cash inflows have raised substantial doubt regarding our ability to continue as a going concern.

#### Risks Related to Our Business

***Our agreements with global providers of shipping services may not result in a significant increase in our revenues or cash flow, soon or in the future.***

We believe that establishing strategic alliances with global providers (integrators) of logistics and of shipping services, such as our agreements with FedEx, DHL and UPS can drive growth in our revenues, but there is no certainty to this view. We are seeking to establish similar arrangements with other providers of international shipping services. We anticipate all such alliances will enable us to provide seamless, end-to-end shipping solutions to customers of our respective alliance partners and allow us to leverage the established relationships with those customers, but there is no guarantee this will happen.

In January 2013, we entered into an agreement with FedEx, renewing FedEx's right to, on a non-exclusive basis, promote, market and sell transportation of our shippers and our related value-added goods and services and providing FedEx with a non-exclusive license and right to use a customized version of our Cryoport<sup>TM</sup> software platform for the management of shipments made by FedEx customers. In June 2014, we added DHL as our second major distribution partner, whereby DHL can offer our validated and comprehensive cryogenic solutions to its life sciences and healthcare customers on a global basis. In October 2014, we entered into an agreement with UPS related to our participation in UPS's efforts to expand its provision of cryogenic shipping services to the life sciences industry.

Because our agreements with FedEx, DHL and UPS do not contain any requirement that they use a minimum level of our services, there can be no assurance of any significant increase in our revenues or cash flows as a result of these strategic alliances.

***Our agreements with providers of vaccines may not result in a significant increase in our revenues or cash flow.***

We believe that establishing strategic relationships with manufacturers and distributors of treatments for animals and humans, such as our agreements with Zoetis, Inc., can drive growth in our revenues.

In December 2012, we entered an agreement with what became Zoetis, Inc. (in January 2013, Pfizer spun off its animal health business into Zoetis, Inc., a public company) pursuant to which we were engaged to manage frozen shipments of a key poultry vaccine from Zoetis' production site in the United States. In September 2015, the agreement was further amended and extended through September 2018, subject to certain termination and extension provisions. Over time, Zoetis has further expanded our role in providing them assistance in managing their cryogenic distribution of their vaccines and has become our largest customer.

While we anticipate growth in shipments by Zoetis under our management, there can be no assurance of any significant increase in our revenues or cash flows as a result of these important alliances.

***We will have difficulty increasing our revenues if we experience delays, difficulties or unanticipated costs in establishing the sales, distribution and marketing capabilities necessary to successfully commercialize our solutions.***

We plan to improve our sales, distribution and marketing capabilities in the Americas, Europe and Asia. It will be expensive and time-consuming for us to develop our global marketing and sales network and thus we intend to rely

on our strategic alliances with FedEx, DHL and UPS. We further intend to seek to enter into additional strategic alliances with international providers of shipping services to incorporate use of our solutions in their service offerings. We may not be able to provide adequate incentive to our sales force or to establish and maintain favorable distribution and marketing collaborations with others to promote our solutions. In addition, any third party with whom we have established a marketing and distribution relationship may not devote sufficient time to the marketing and sales of our solutions, thereby exposing us to potential expenses in exiting such distribution agreements. We, and any of our alliance partners, must also market our services in compliance with federal, state, local and international laws relating to the provision of incentives and inducements. Violation of these laws can result in substantial penalties. Therefore, if we are unable to successfully motivate and expand our marketing and sales force and further develop our sales and marketing capabilities, or if our alliance partners fail to promote our solutions, we will have difficulty increasing our revenues and the revenue may not off-set the additional expense of expansion.

***Our ability to grow and compete in our industry will be hampered if we are unable to retain the continued service of our key professionals or to identify, hire and retain additional qualified professionals.***

A critical factor to our business is our ability to attract and retain qualified professionals including key employees and consultants. We are continually at risk of losing current professionals or being unable to hire additional professionals as needed. If we are unable to attract new qualified employees, our ability to grow will be adversely affected. If we are unable to retain current employees or strategic consultants, our financial condition and ability to maintain operations may be adversely affected.

***Sustainable future revenue growth is dependent on new solutions and services.***

Our future revenue streams depend to a large degree on our ability to bring new solutions and services to an evolving market on a timely basis. We must continue to make investments in research and development in order to continue to develop new solutions and services, enhance existing solutions and services, and achieve market acceptance of such solutions and services. We may incur problems in introducing new solutions and services.

***The adoption cycle of our target customers tends to be very lengthy, which continues to adversely affect our ability to increase revenues quickly.***

We offer our solutions primarily to companies in the life sciences industry. These companies operate within a heavily regulated environment and as such, changing vendors and distribution practices typically requires a number of steps, which may include the audit of our facilities, review of our procedures, qualifying us as a vendor, and performing test shipments. This process can take several months or longer to complete, involving multiple levels of approval, prior to a company fully adopting our Cryoport Express® Solutions. Moreover, the logistics management of many companies is decentralized, adding to the time needed to effect adaptation of our solutions. In addition, any such adoption may be on a gradual basis, such that the customer progressively ramps up use of our Cryoport Express® Solutions following adoption. The slow adoption process continues to adversely affect our ability to increase revenues.

***The loss of key members of our executive management team could adversely affect our business.***

Our success in implementing our business strategy depends largely on the skills, experience and performance of key members of our executive management team and others in key management positions. The collective efforts of each of these persons working as a team will be critical to us as we continue to develop our technologies, tests and research and development and sales programs. As a result of the difficulty in locating qualified new management, the loss or incapacity of existing members of our executive management team could adversely affect our operations. If we were to lose one or more of these key employees, we could experience difficulties in finding qualified successors, competing effectively, developing our technologies and implementing our business strategy. We do not maintain “key person” insurance on any of our employees.

***Our solutions and services may contain errors or defects, which could result in damage to our reputation, lost revenues, diverted development resources and increased service costs and litigation.***

Our solutions and services must meet stringent requirements and we must develop our services and solutions quickly to keep pace with the rapidly changing market. Solutions as sophisticated as ours could contain undetected errors or defects, especially when first introduced or when new equipment or versions of our software are released. If our solutions are not free from errors or defects, we may incur an injury to our reputation, lost revenues, diverted development resources, increased customer service and support costs, and litigation. The costs incurred in correcting any product errors or defects may be substantial and could adversely affect our business, results of operations and financial condition.

***If we were sued for product liability, we could face substantial liabilities that exceed our resources.***

The marketing, sale and use of our products could lead to the filing of product liability claims were someone to allege that our products failed to perform as designed. A product liability claim could result in substantial damages and be costly and time-consuming for us to defend.

Although we believe that our existing insurance is adequate, our insurers may fail to defend us or our insurance may not fully protect us from the financial impact of defending against product liability claims. Any product liability claim brought against us, with or without merit, could increase our insurance rates or prevent us from securing insurance coverage in the future. Additionally, any product liability lawsuit could damage our reputation, or cause current clinical partners and collaborators to terminate existing agreements and potential clinical partners to seek other partners, cause customers to terminate their relationship with us and potential customers to seek alternative solutions, any of which could impact our results of operations.

***If we experience manufacturing delays, interruptions in production, or delays in procurement of shippers manufactured by third parties, then we may experience customer dissatisfaction and our reputation could suffer.***

If we fail to produce enough shippers at our own manufacturing facility or at a third party manufacturing facility, or if we fail to complete our shipper recycling processes as planned, we may be unable to deliver shippers to our customers on a timely basis, which could lead to customer dissatisfaction and could harm our reputation and ability to compete. We currently acquire various component parts for our shippers from various independent manufacturers in the United States. We would likely experience significant delays or cessation in producing our shippers if a labor strike, natural disaster or other supply disruption were to occur at any of our main suppliers. If we are unable to procure a component from one of our manufacturers, we may be required to enter into arrangements with one or more alternative manufacturing companies, which may cause delays in producing our shippers. In addition, because we depend (in part) on third party manufacturers, our profit margins may be lower, which will make it more difficult for us to achieve profitability. To date, we have not experienced any material delay that has adversely impacted our operations. As our business develops, it becomes more likely that such problems could arise.

***We expect to base our equipment and inventory purchasing decisions on our forecasts of customers' demand, and if our forecasts are inaccurate, our operating results could be materially harmed.***

As our customer base increases, we expect to need to purchase additional equipment and inventory. Our forecasts will be based on multiple assumptions, each of which may cause our estimates to be inaccurate, affecting our ability to provide products to our customers. When demand for our products increases significantly, we may not be able to meet demand on a timely basis, and we may need to expend a significant amount of time working with our customers to allocate limited supply and maintain positive customer relations, or we may incur additional costs in order to rush the manufacture and delivery of additional products. If we underestimate customers' demand, we may forego revenue opportunities, lose market share and damage our customer relationships. Conversely, if we overestimate customer demand, we may purchase more equipment and inventory than we are able to use or sell at any given time or at all. As a result of our failure properly to estimate demand for our products, we could have excess or obsolete equipment and/or inventory, resulting in a decline in the value of our equipment and/or inventory, which would increase our costs of revenues and reduce our liquidity. Our failure to accurately manage our equipment purchases and inventory relative to demand would adversely affect our operating results.

***If we experience delays or interruption in shipping due to factors outside of our control, such disruption could lead to customer dissatisfaction and harm our reputation.***

We rely on third party shipment and carrier services to transport our shippers containing biological material. These third party operations could be subject to customs delays and country borders, natural disasters, adverse weather conditions, other business disruptions, and carrier error, which could cause delays in the delivery of our shippers, which in turn could cause serious harm to the biological material being shipped. As a result, any prolonged delay in shipment, whether due to technical difficulties, power failures, break-ins, destruction or damage to carrier facilities as a result of a natural disaster, fire, or any other reason, could result in damage to the contents of the shipper. If we are unable to cause the delivery of our shippers in a timely matter and without damage, this could also harm our operating results and our reputation, even if we are not at fault.

***Our solutions and services may expose us to liability in excess of our current insurance coverage.***

Our solutions and services involve significant risks of liability, which may substantially exceed the revenues we derive from them. We cannot predict the magnitude of these potential liabilities. We currently maintain general liability insurance, with coverage in the amount of \$1 million per occurrence, subject to a \$2 million annual limitation, and product liability insurance with a \$1 million annual coverage limitation. Claims may be made against us that exceed these limits.

Our liability policy is an “occurrence” based policy. Thus, our policy was complete when we purchased it and following cancellation of the policy, it will continue to provide coverage for future claims based on conduct that took place during the policy term. Our insurance coverage, however, may not protect us against all liability because our policies typically have various exceptions to the claims covered and also require us to assume some costs of the claim, even though a portion of the claim may be covered. In addition, if we expand into new markets, we may not be aware of the need for, or be able to obtain insurance coverage for such activities or, if insurance is obtained, the dollar amount of any liabilities incurred could exceed our insurance coverage. A partially or completely uninsured claim, if successful and of significant magnitude, could have a material adverse effect on our business, financial condition and results of operations.

*If we use biological and hazardous materials in a manner that causes injury, we could be liable for damages.*

Our customers may ship potentially harmful biological materials in our shippers. We cannot eliminate the risk of accidental contamination or injury to employees or third parties from the use, storage, handling or disposal of these materials. In the event of contamination or injury, we could be held liable for any resulting damages, and any liability could exceed our resources or any applicable insurance coverage we may have. Additionally, we are subject to, on an ongoing basis, federal, state and local laws and regulations governing the use, storage, handling and disposal of these materials and specified waste products. In the event of an accident, we could be held liable for damages.

*If we cannot compete effectively, we will lose business.*

Our services and solutions are positioned to be competitive in the life sciences cold-chain logistics market. While there are technological and marketing barriers to entry, we cannot guarantee that the barriers we are capable of producing will be sufficient to defend the market share we wish to gain against current and future competitors. Our principal competitive considerations in our market include:

- financial resources to allocate to proper marketing and an appropriate sales effort,
- acceptance of our solutions model,
- acceptance of our solutions including per use fee structures and other charges for services,
- keeping up technologically with ongoing development of enhanced features and benefits,
- reductions in the delivery costs of competitors' solutions,
- the ability to develop and maintain and expand strategic alliances,
- establishing our brand name,
- our ability to deliver our solutions to our customers when requested,
- our timing of introductions of new solutions and services, and
- financial resources to support working capital needs and required capital investments in infrastructure.

Current and prospective competitors have substantially greater resources, more customers, longer operating histories, greater name recognition and more established relationships in the industry. As a result, these competitors may be able to develop and expand their networks and product offerings more quickly, devote greater resources to the marketing and sale of their solutions and adopt more aggressive pricing policies. In addition, these competitors have entered and will likely continue to enter into business relationships to provide additional solutions competitive to those we provide or plan to provide.

***We may acquire other businesses, products or technologies in order to remain competitive in our market and our business could be adversely affected as a result of any of these future acquisitions.***

We may make acquisitions of complementary businesses, products or technologies. If we identify any appropriate acquisition candidates, we may not be successful in negotiating acceptable terms of the acquisition, financing the acquisition, or integrating the acquired business, products or technologies into our existing business and operations. Further, completing an acquisition and integrating an acquired business will significantly divert management time and resources. The diversion of management attention and any difficulties encountered in the transition and integration process could harm our business. If we consummate any significant acquisitions using stock or other securities as consideration, our shareholders' equity could be significantly diluted. If we make any significant acquisitions using cash consideration, we may be required to use a substantial portion of our available cash. Acquisition financing may not be available on favorable terms, if at all. In addition, we may be required to amortize significant amounts of other intangible assets in connection with future acquisitions, which would harm our operating results and financial condition.

***If we successfully develop products and/or services, but those products and/or services do not achieve and maintain market acceptance, our business will not be profitable.***

The degree of acceptance of our Cryoport Express® Solutions or any future products or services by our current target markets, and any other markets to which we attempt to sell our products and services, and our profitability and growth will depend on a number of factors including, among others:

- our shippers' ability to perform and preserve the integrity of the materials shipped,
- relative convenience and ease of use of our shipper and/or Cryoport™,
- availability of alternative products,
- pricing and cost effectiveness,
- effectiveness of our or our collaborators' sales and marketing strategy, and

the adoption cycles of our targeted customers.

***If any products or services we may develop do not achieve market acceptance, then we may not generate sufficient revenue to achieve or maintain profitability.***

In addition, even if our products and services achieve market acceptance, we may not be able to maintain that market acceptance over time if new products or services are introduced that are more favorably received than our products and services, are more cost effective, or render our products obsolete. Although we are not aware of any other treatments or methods currently being developed that would directly compete with the methods we employ, there can be no assurance that future developments in technology will not make our technology non-competitive or obsolete, or significantly reduce our operating margins or the demand for our offerings, or otherwise negatively impact our ability to be profitable.

***We may not be able to compete with our competitors in the industry because many of them have greater resources than we do.***

We expect to continue to experience significant and increasing levels of competition in the future. In addition, there may be other companies which are currently developing competitive products and services or which may in the future develop technologies and products that are comparable, superior or less costly than our own. For example, some cryogenic equipment manufacturers with greater resources currently have solutions for storing and transporting cryogenic liquid and gases and may develop storage solutions that compete with our products. Additionally, some specialty couriers with greater resources currently provide dry ice transportation and may develop other products in the future, both of which compete with our products. A competitor that has greater resources than us may be able to bring its product to market faster than we can and offer its product at a lower price than us to establish market share. We may not be able to successfully compete with a competitor that has greater resources and such competition may adversely affect our business.

#### Intellectual Property Risks Associated with Our Business

***Our success depends, in part, on our ability to obtain patent protection for our solutions and business model, preserve our trade secrets, and operate without infringing the proprietary rights of others.***

Our policy is to seek to protect our proprietary position by, among other methods, filing United States patent applications related to our technology, inventions and improvements that are important to the development of our

business. We have three issued U.S. patents, one pending U.S. patent application, and one recently filed U.S. provisional patent application, all relating to various aspects of our solutions and services. Our patents or patent application may be challenged, invalidated or circumvented in the future or the rights granted may not provide a competitive advantage. We intend to vigorously protect and defend our intellectual property. Costly and time-consuming litigation brought by us may be necessary to enforce our patents and to protect our trade secrets and know-how, or to determine the enforceability, scope and validity of the proprietary rights of others.

We also rely upon trade secrets, technical know-how and continuing technological innovation to develop and maintain our competitive position. In the past our employees, consultants, advisors and suppliers have not always executed confidentiality agreements and inventions assignment and work for hire agreements in connection with their employment, consulting, or advisory relationships. Consequently, we may not have adequate remedies available to us to protect our intellectual property should one of these parties attempt to use our trade secrets or refuse to assign any rights he or she may have in any intellectual property he or she developed for us. Additionally, our competitors may independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our proprietary technology, or we may not be able to meaningfully protect our rights in unpatented proprietary technology.

While we are not aware of any third party that is infringing any of our patents or trademarks nor do we believe that we are infringing on the patents or trademarks of any other person or organization, we cannot guarantee that our current and potential competitors and other third parties have not filed (or in the future will not file) patent applications for (or have not received or in the future will not receive) patents or obtain additional proprietary rights that will prevent, limit or interfere with our ability to make, use or sell our solutions either in the United States or internationally. Additionally, we may face assertions of claims by holders of patents alleging that we are infringing upon their patent rights, which claims may be without merit, but may nonetheless result in our incurring substantial costs of defense.

***We depend on a third party for the continued development and maintenance of our Cryoport™ software.***

Our proprietary Cryoport™ is a logistics platform software used by our customers, business partners and client care team to automate the entry of orders, prepare customs documentation and facilitate status and location monitoring of shipped orders while in transit. The continued development of the Cryoport™ platform is contracted with an outside software development company. If this developer becomes unable or unwilling to continue work on scheduled projects, and an alternative software development company cannot be secured, we may not be able to implement needed enhancements to the system. Failure to proceed with enhancements or the loss of our license for the system would adversely affect our ability to generate new business and serve existing customers, resulting in a reduction in revenue.

***Our customers could also become the target of litigation relating to the patent and other intellectual property rights of others.***

Any litigation relating to the intellectual property rights of others could trigger technical support and indemnification obligations in licenses or customer agreements that we may enter into. These obligations could result in substantial expenses, including the payment by us of costs and damages relating to claims of intellectual property infringement. In addition to the time and expense required for us to provide support or indemnification to our customers, any such litigation could disrupt the businesses of our customers, which in turn could hurt our relationships with such customers and cause the sale of our products to decrease. No assurance can be given that claims for indemnification will not be made, or that if made, such claims would not have a material adverse effect on our business, operating results or financial conditions.

***Our Cryoport™ software platform may be subject to intentional disruption that could adversely impact our reputation and future revenues.***

We have implemented our Cryoport™ software platform which is used by our customers and business partners to automate the entry of orders, prepare customs documentation and facilitate status and location monitoring of shipped orders while in transit. Although we believe we have sufficient controls in place to prevent intentional disruptions, we could be a target of cyber-attacks specifically designed to impede the performance of the Cryoport™ software platform. Similarly, experienced computer programmers may attempt to penetrate our Cryoport™ software platform in an effort to search for and misappropriate proprietary or confidential information or cause interruptions of our services. Because the techniques used by such computer programmers to access or sabotage networks change frequently and may not be recognized until launched against a target, we may be unable to anticipate these techniques. Our activities could be adversely affected and our reputation, brand and future sales could be harmed if such intentionally disruptive efforts were successful.

Regulatory Risks Relating to Our Business

***Complying with certain regulations that apply to shipments using our solutions can limit our activities and increase our cost of operations.***

Shipments using our solutions and services are subject to various regulations in the various countries in which we operate. For example, shipments using our solutions may be required to comply with the shipping requirements promulgated by the Centers for Disease Control (“CDC”), the Occupational Safety and Health Organization (“OSHA”), the Department of Transportation (“DOT”) as well as rules established by the IATA and the ICAO. Additionally, our data logger may be subject to regulation and certification by the Food and Drug Administration (“FDA”), Federal Communications Commission (“FCC”) and the Federal Aviation Administration (“FAA”). We will need to ensure that our solutions and services comply with relevant rules and regulations to make our solutions and services marketable, and in some cases compliance is difficult to determine. Significant changes in such regulations could require costly changes to our solutions and services or prevent use of our shippers for an extended period of time while we seek to comply with changed regulations. If we are unable to comply with any of these rules or regulations or fail to obtain any required approvals, our ability to market our solutions and services may be adversely affected. In addition, even if we are able to comply with these rules and regulations, compliance can result in increased costs. In either event, our financial results and condition may be adversely affected. We depend on our business partners and unrelated and frequently unknown third party agents in foreign countries to act on our behalf to complete the importation process and to make delivery of our shippers to the final user. The failure of these third parties to perform their duties could result in damage to the contents of the shipper resulting in customer dissatisfaction or liability to us, even if we are not at fault.

## Risks Relating to Ownership of Our Common Stock

***Certain of our existing stockholders own and have the right to acquire a substantial number of shares of common stock.***

As of May 10, 2016, our directors, executive officers and beneficial owners of 5% or more of our outstanding common stock beneficially owned 1,910,921 shares of common stock (without regard to beneficial ownership limitations contained in certain warrants) assuming their exercise of all outstanding warrants and options that are exercisable within 60 days of May 10, 2016 or approximately 12.4% of our outstanding common stock. As such, the concentration of beneficial ownership of our common stock may have the effect of delaying or preventing a change in control of the Company and may adversely affect the voting or other rights of other holders of our common stock.

***The sale of substantial shares of our common stock may depress our stock price.***

As of May 10, 2016, there were 14,270,987 shares of our common stock outstanding. Substantially all of these shares of common stock are eligible for trading in the public market. The market price of our common stock may decline if our stockholders sell a large number of shares of our common stock in the public market, or the market perceives that such sales may occur. In addition to the number of shares of common stock we propose to issue and ultimately will issue if the rights offering is completed, we could also issue up to 16,162,508 shares of our common stock, including 9,133,064 shares to be issued upon the exercise of outstanding warrants and 7,029,444 shares upon exercise of outstanding options or reserved for future issuance under our stock incentive plans as of May 10, 2016.

***If equity research analysts do not publish research or reports about our business or if they issue unfavorable commentary or downgrade our common stock and warrants, the price of our common stock and warrants could decline.***

The trading market for our common stock and warrants relies in part on the research and reports that equity research analysts publish about us and our business. We do not control these analysts. The price of our common stock and warrants could decline if one or more equity analyst downgrades our stock or if analysts downgrade our stock or issue other unfavorable commentary or cease publishing reports about us or our business.

***We have not paid dividends on our common stock in the past and do not expect to pay dividends in the foreseeable future. Any return on investment may be limited to the value of our common stock.***

We have never paid cash dividends on our common stock and do not anticipate paying cash dividends in the foreseeable future. The payment of dividends on our common stock will depend on our earnings, financial condition and other business and economic factors affecting us at such time as our board of directors may consider the payment of any such dividends. If we do not pay dividends, our common stock may be less valuable because a return on your investment will only occur if the price of our common stock appreciates.

***We need additional capital, and the sale of additional shares of common stock or other equity securities could result in additional dilution to our stockholders.***

Our current cash and cash equivalents and anticipated cash flow from operations are insufficient to meet our cash needs. We require additional cash resources to fund our operations and may require additional funds in the future due to changed business conditions or other future developments, including any investments or acquisitions we may decide to pursue. The sale of additional equity securities, or debt securities convertible into equity securities, could result in additional dilution to our stockholders. The incurrence of indebtedness would result in increased debt service obligations and could result in operating and financing covenants that would restrict our operations.

***While warrants to purchase our common stock are outstanding, it may be more difficult to raise additional equity capital.***

As of May 10, 2016, we have outstanding options and warrants for the purchase of up to 16,162,508 shares of our common stock, including 9,133,064 shares to be issued upon the exercise of outstanding warrants and 7,029,444 shares upon exercise of outstanding options or reserved for future issuance under our stock incentive plans as of May 10, 2016. We may find it more difficult to raise additional equity capital while some or all of these warrants are outstanding. At any time during which these warrants are likely to be exercised, we may not be able to obtain financing on favorable terms, or at all. If we are unable to obtain financing, our business, results of operations, or financial condition could be materially and adversely affected, and we could be forced to curtail or cease operations.

***Our Articles of Incorporation allow our board of directors to issue up to 2,500,000 shares of “blank check” preferred stock.***

Our Articles of Incorporation allows our board of directors to issue up to 2,500,000 shares of “blank check” preferred stock, without action by our stockholders. We have designated 800,000 shares as Class A Preferred Stock and 585,000 shares as Class B Preferred Stock, none of which are currently issued and outstanding. Accordingly, our board of directors will have discretion to issue up to 1,115,000 shares on terms determined by them. Without limiting the foregoing, (i) such shares of preferred stock could have liquidation rights that are senior to the liquidation preference applicable to our common stock and Preferred Stock, (ii) such shares of preferred stock could have voting or conversion rights, which could adversely affect the voting power of the holders of our common stock and Preferred

Stock and (iii) the ownership interest of holders of our common stock will be diluted following the issuance of any such shares of preferred stock. In addition the issuance of such shares of blank check preferred stock could have the effect of discouraging, delaying or preventing a change of control of our Company.

***Provisions in our bylaws and Nevada law may discourage, delay or prevent a change in control of our Company or changes in our management and, as a result, may depress the trading price of our common stock.***

Provisions in our bylaws and Nevada law may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable, including transactions in which you might receive a premium for your shares of common stock. The relevant bylaw provisions may also prevent or frustrate attempts by our stockholders to replace or remove our management. These provisions include having advance notice requirements for stockholder proposals and nominations, requiring that all stockholder action be conducted at a meeting of the stockholders, establishing that 75% of the outstanding voting stock is required for stockholders to call a special meeting, and the ability of our board of directors to make, alter or repeal our bylaws.

***Absent approval of our board of directors, our bylaws may only be amended or repealed by the affirmative vote of the holders of at least a majority of our outstanding shares of capital stock entitled to vote.***

In addition, Section 78.438 of the Nevada Revised Statutes prohibits a publicly-held Nevada corporation from engaging in a business combination with an interested stockholder (generally defined as a person which together with its affiliates owns, or within the last three years has owned, 10% of our voting stock, for a period of two years after the date of the transaction in which the person became an interested stockholder) unless the business combination is approved in a prescribed manner.

The existence of the foregoing provisions and other potential anti-takeover measures could limit the price that investors might be willing to pay in the future for shares of our common stock. They could also deter potential acquirers of our Company, thereby reducing the likelihood that you could receive a premium for your common stock in an acquisition.

***Even though we are not incorporated in California, we may become subject to a number of provisions of the California General Corporation Law.***

Section 2115(b) of the California Corporations Code imposes certain requirements of California corporate law on corporations organized outside California that, in general, are doing more than 50% of their business in California and have more than 50% of their outstanding voting securities held of record by persons residing in California. While we are not currently subject to Section 2115(b), we may become subject to it in the future.

The following summarizes some of the principal differences which would apply if we become subject to Section 2115(b).

Under both Nevada and California law, cumulative voting for the election of directors is permitted. However, under Nevada law, cumulative voting must be expressly authorized in the Articles of Incorporation and our Amended and Restated Articles of Incorporation do not authorize cumulative voting. If we become subject to Section 2115(b), we may be required to permit cumulative voting if any stockholder properly requests to cumulate his or her votes.

Under Nevada law, the stockholders may remove directors by the vote of two-thirds of the voting power of the issued and outstanding stock entitled to vote. However, California law permits the removal of directors by the vote of only a majority of the outstanding shares entitled to vote. If we become subject to Section 2115(b), the removal of a director may be accomplished by a majority vote, rather than a vote of two-thirds, of the stockholders entitled to vote.

Under California law, the corporation must take certain steps to be allowed to provide for greater indemnification of its officers and directors than is provided in the California Corporation Code. If we become subject to Section 2115(b), our ability to indemnify our officers and directors, to the extent permitted in our Articles of Incorporation, Bylaws and under Nevada law, may be limited by California law.

Nevada law permits distributions to stockholders as long as, after the distribution, (i) the corporation would be able to pay its debts as they become due and (ii) the corporation's total assets are at least equal to its liabilities and preferential dissolution obligations. Under California law, distributions may be made to stockholders as long as the corporation would be able to pay its debts as they mature and either (i) the corporation's retained earnings equal or exceed the amount of the proposed distributions, or (ii) after the distributions, the corporation's tangible assets are at least 125% of its liabilities and the corporation's current assets are at least equal to its current liabilities (or, 125% of its current liabilities if the corporation's average operating income for the two most recently completed fiscal years was less than the average of the interest expense of the corporation for those fiscal years). If we become subject to Section 2115(b), we will have to satisfy more stringent financial requirements to be able to pay dividends to our stockholders. Additionally, stockholders may be liable to the corporation if we pay dividends in violation of California law.

California law permits a corporation to provide "supermajority vote" provisions in its Articles of Incorporation, which would require specific actions to obtain greater than a majority of the votes, but not more than 66<sup>2</sup>/<sub>3</sub> percent. Nevada law does not permit supermajority vote provisions. If we become subject to Section 2115(b), it is possible that our stockholders would vote to amend our Articles of Incorporation and require a supermajority vote for us to take specific actions.

Under California law, in a disposition of substantially of all the corporation's assets, if the acquiring party is in control of or under common control with the disposing corporation, the principal terms of the sale must be approved by 90 percent of the stockholders. Although Nevada law does contain certain rules governing interested stockholder business combinations, it does not require similar stockholder approval. If we become subject to Section 2115(b), we may have to obtain the vote of a greater percentage of the stockholders to approve a sale of our assets to a party that is in control of, or under common control with, us.

California law places certain additional approval rights in connection with a merger if all of the shares of each class or series of a corporation are not treated equally or if the surviving or parent party to a merger represents more than 50 percent of the voting power of the other corporation prior to the merger. Nevada law does not require such approval. If we become subject to Section 2115(b), we may have to obtain the vote of a greater percentage of the stockholders to approve a merger that treats shares of a class or series differently or where a surviving or parent party to the merger represents more than 50% of the voting power of the other corporation prior to the merger.

California law requires the vote of each class to approve a reorganization or a conversion of a corporation into another entity. Nevada law does not require a separate vote for each class. If we become subject to Section 2115(b), we may have to obtain the approval of each class if we desire to reorganize or convert into another type of entity.

California law provides greater dissenters' rights to stockholders than Nevada law. If we become subject to Section 2115(b), more stockholders may be entitled to dissenters' rights, which may limit our ability to merge with another

entity or reorganize.

***If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results, and current and potential stockholders may lose confidence in our financial reporting.***

We are required by the SEC to establish and maintain adequate internal control over financial reporting that provides reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles. We are likewise required, on a quarterly basis, to evaluate the effectiveness of our internal controls and to disclose any changes and material weaknesses in those internal controls.

Any failure to maintain such internal controls in the future could adversely impact our ability to report our financial results on a timely and accurate basis. If our financial statements are not accurate, investors may not have a complete understanding of our operations. Likewise, if our financial statements are not filed on a timely basis as required by the SEC and NASDAQ, we could face severe consequences from those authorities. In either case, there could result a material adverse effect on our business. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our stock.

***Our publicly-filed SEC reports are reviewed by the SEC from time to time and any significant changes required as a result of any such review may result in material liability to us and have a material adverse impact on the trading price of our common stock.***

The reports of publicly-traded companies are subject to review by the SEC from time to time for the purpose of assisting companies in complying with applicable disclosure requirements and to enhance the overall effectiveness of companies' public filings, and reviews of such reports are now required at least every three years under the Sarbanes-Oxley Act of 2002. SEC reviews may be initiated at any time, and we could be required to modify or reformulate information contained in prior filings as a result of an SEC review. Any modification or reformulation of information contained in such reports could be significant and could result in material liability to us and have a material adverse impact on the trading price of our common stock.

***The requirements of being a U.S. public company may strain our resources and divert management's attention.***

As a U.S. public company, we are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, certain listing requirements, and other applicable securities rules and regulations. Compliance with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time-consuming, or costly, and increase demand on our systems and resources. The Exchange Act requires, among other things, that we file annual and current reports with respect to our business and operating results.

### Cautionary Note Regarding Forward-Looking Statements

This prospectus contains forward-looking statements. All statements other than statements of historical fact contained in this prospectus, including statements regarding our future results of operations and financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” “continues,” and “may continue,” and the negative of these terms or other similar words. These statements are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. We discuss many of the risks in greater detail under the heading “Risk Factors.” Also, these forward-looking statements represent our estimates and assumptions only as of the date of this prospectus. Forward-looking statements in this prospectus include, but are not necessarily limited to, those relating to:

- our intention to introduce new products or services;
- our expectations about securing strategic relationships with global couriers or large clinical research organization;
- our future capital needs;
- the results of our research and development efforts; and
- the approval of our patent applications.

Forward-looking statements are subject to risks and uncertainties, certain of which are beyond our control. Actual results could differ materially from those anticipated as a result of the factors described in “Risk Factors” in this prospectus and detailed in our other SEC filings, including among others:

- the effect of regulation by United States and foreign governmental agencies;

- research and development efforts, including delays in developing, or the failure to develop, our products;
  - the development of competing or more effective products by other parties;
    - uncertainty of market acceptance of our products;
  - errors in business planning attributable to insufficient market size or segmentation data;
  - problems that we may face in manufacturing, marketing and distributing our products;
- problems that we may encounter in further development of Cryoport Express® Solutions, which includes the cloud-based logistics management software branded as Cryoport™;
  - our inability to raise additional capital when needed;
- delays in the issuance of, or the failure to obtain, patents for certain of our products and technologies;
  - problems with important suppliers and strategic business partners; and
  - difficulty or delays in establishing marketing relationships with international couriers.

Because of these risks and uncertainties, the forward-looking events and circumstances discussed in this prospectus might not transpire. Except for our ongoing obligations to disclose material information as required by the federal securities laws, we undertake no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. All of the above factors are difficult to predict, contain uncertainties that may materially affect our actual results and may be beyond our control. New factors emerge from time to time, and it is not possible for our management to predict all of such factors or to assess the effect of each factor on our business. You are advised to consult any further disclosures we make on related subjects in the reports we file with the SEC.

This prospectus also contains estimates and other industry and statistical data developed by independent parties and by us relating to market size, growth, and segmentation of markets. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. While we believe the data referred to in this prospectus to be reliable, industry and statistical data is subject to variations and cannot be verified due to limits on the availability and reliability of data inputs, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. We have not independently verified these estimates generated by independent parties and contained in this prospectus. In addition, projections, assumptions, and estimates of our future performance and the future performance of the industries in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in “Risk Factors,”

“Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and elsewhere in this prospectus. These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

## Use of Proceeds

Assuming full participation in the rights offering, we estimate that the net proceeds from the rights offering will be approximately \$9,056,993, after deducting expenses related to the rights offering payable by us estimated at approximately \$943,007, including dealer-manager fees. Assuming all the shares of common stock offered are sold, the gross proceeds to us from the rights offering will be up to approximately \$10,000,000.

We are conducting the rights offering to raise capital that we intend to use for general corporate purposes, which may include funding for sales and marketing, and general working capital purposes. We have broad discretion in determining how the proceeds of this offering will be used, and our discretion is not limited by the aforementioned possible uses. Our board of directors believes the flexibility in application of the net proceeds is prudent. See “Risk Factors—Risks Related to the Rights Offering—We will have broad discretion in the use of the net proceeds from the rights offering and may not use the proceeds effectively.”

## Capitalization

The following table sets forth our cash and cash equivalents and our capitalization as of December 31, 2015:

on an actual basis;

on a pro forma basis giving effect as if the following transactions and adjustments had occurred on December 31, 2015:

the issuance of 4,977,038 shares of common stock issued pursuant to the mandatory exchange of all our outstanding Class A Convertible Preferred Stock and Class B Convertible Preferred Stock on January 30, 2016 (includes the conversion of unpaid dividends for the Class A Convertible Preferred Stock and Class B Convertible Preferred Stock totaling \$665,086 and \$402,969, respectively, as of January 30, 2016); and our tender offer that expired on April 7, 2016 with respect to certain warrants which were amended and exercised in connection therewith and resulted in the issuance of 2,020,597 shares of our common stock for gross proceeds of \$2,525,746; and

by way of example, on a pro forma as adjusted basis to give effect to the rights offering, assuming the issuance of 5,747,126 shares of common stock at a subscription price of \$1.74, which is based on 85% of the actual five day VWAP of our common stock ending on May 13, 2016, and our receipt of gross proceeds from the rights offering of \$10,000,000 and after deducting expenses related to the rights offering payable by us estimated at approximately \$943,007, including dealer-manager fees.

The pro forma as adjusted information set forth below is illustrative only and will be adjusted based on the number of shares sold and the subscription price. The subscription price could be materially different than the price used herein as a result of future changes in the market price of our common stock. You should read the data set forth in the table below together with the information under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the related notes appearing elsewhere in this prospectus.

	December 31, 2015		
	Actual (unaudited)	Pro Forma (unaudited)	Pro Forma As Adjusted (unaudited)
Cash and cash equivalents	\$5,247,425	\$7,773,171	\$16,830,164
Debt:			
Related-party notes payable and accrued interest, net of discount of \$64,000	\$981,992	981,992	981,992

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Total debt	981,992	981,992	981,992
Stockholders' Equity:			
Preferred Stock, \$0.001 par value; 2,500,000 shares authorized; Class A convertible preferred stock – \$0.001 par value; 800,000 shares authorized; 454,750 shares issued and outstanding at December 31, 2015, actual; no shares issued and outstanding pro forma and pro forma as adjusted	455	—	—
Class B convertible preferred stock – \$0.001 par value; 585,000 shares authorized; 534,571 shares issued and outstanding actual; no shares issued and outstanding pro forma and pro forma as adjusted	535	—	—
Common stock, \$0.001 par value; 50,000,000 shares authorized; 7,247,466 shares issued and outstanding, actual; 14,245,101 shares issued and outstanding pro forma; 19,992,227 shares issued and outstanding pro forma as adjusted	7,247	14,245	19,992
Additional paid-in capital	114,334,637	117,922,430	126,973,676
Accumulated deficit	(109,352,607)	(110,420,662)	(110,420,662)
Total stockholders' equity	4,990,267	7,516,013	16,573,006
Total capitalization	\$5,972,259	\$8,498,005	\$17,554,998

Please see the “Rights Offering” section of the Prospectus Summary for additional information about the number of shares of common stock outstanding before and after this rights offering.

## Dilution

Purchasers of our common stock in the rights offering will experience an immediate and substantial dilution of the net tangible book value of the shares purchased. At December 31, 2015, we had a net tangible book value of approximately \$4,976,783, or \$0.69 per share of our common stock. We calculate net tangible book value per share by calculating the difference between the total assets less intangible assets and total liabilities, and dividing the result by the number of shares of common stock outstanding.

By way of illustration, the following table illustrates this per-share dilution assuming a subscription price of \$1.74, which is based on 85% of the volume weighted average price (“VWAP”) per share of our common stock on the NASDAQ Capital Market for the five consecutive trading days immediately preceding and including May 13, 2016.

Pro forma as adjusted net tangible book value dilution per share represents the difference between the amount per share of common stock in the rights offering and the pro forma net tangible book value per share of common stock immediately after the completion of this offering as of December 31, 2015 after giving effect to:

- the sale by us of 5,747,126 shares of our common stock at an assumed price of \$1.74 per share and the application of the estimated net proceeds to us in this offering as described under “Use of Proceeds”;
- the issuance of 4,977,038 shares of common stock upon the mandatory conversion of all outstanding Class A Convertible Preferred Stock and Class B Convertible Preferred Stock on January 30, 2016, consisting of 454,750 shares of Class A Convertible Preferred Stock and 534,571 shares of Class B Convertible Preferred Stock; and
- the issuance of 2,020,597 shares of common stock upon the close of the tender offer on April 7, 2016.

Assumed Subscription Price	\$1.74
Net tangible book value per share at December 31, 2015 before the rights offering	\$0.69
Increase in pro forma as adjusted net tangible book value per share attributable to the rights offering	\$0.14
Less: Pro forma as adjusted net tangible book value per share after giving effect to the rights offering	\$(0.83 )
Dilution in pro forma as adjusted net tangible book value per share to purchasers in the rights offering	\$0.91



## **THE RIGHTS OFFERING**

Please read the following information concerning the subscription rights in conjunction with the statements under “Description of Subscription Rights” in this prospectus, which the following information supplements.

### **The Subscription Rights**

We are distributing, at no charge, to holders of our common stock and holders of our warrants non-transferrable subscription rights to purchase up to an aggregate of 6,666,667 shares of our common stock. Holders of our common stock will receive one subscription right for each share of common stock owned at, and our warrant holders will receive one subscription right for each share of common stock into which the warrants held by them were exercisable at, 5:00 p.m., New York City time, on May 31, 2016; provided, that, the rights may only be exercised for a maximum of or \$10,000,000 of subscription proceeds or 6,666,667 shares.

Each subscription right will entitle the holder to a basic subscription privilege and an over-subscription privilege, which are described below.

#### ***Basic Subscription Privilege***

With your basic subscription privilege, you may purchase one share of our common stock per subscription right, upon delivery of the required documents and payment of the subscription price of 85% of the volume weighted average price per share of our common stock on the NASDAQ Capital Market for the five consecutive trading days immediately preceding and including May 31, 2016, rounded to the nearest penny, prior to the expiration of the rights offering. You may exercise all or a portion of your basic subscription privilege. However, if you exercise less than your full basic subscription privilege, you will not be entitled to purchase shares pursuant to your over-subscription privilege.

If the basic subscription rights are exercised for an amount in excess of \$10,000,000, the basic subscription rights that have been exercised will be reduced on a pro-rata basis based on the number of shares each rights holder subscribed for under the basic subscription right, subject to adjustment to eliminate fractional shares, so that the total exercise price of the basic subscription rights shall equal \$10,000,000, and any excess subscription amount received by the subscription agent will be returned, without interest, as soon as practicable after the rights offering has expired and all prorating calculations and reductions contemplated by the terms of the rights offering have been effected.

Basic subscription rights may only be exercised for whole numbers of shares of our common stock; no fractional shares of common stock will be issued in this offering. If the basic subscription rights are exercised for an amount in excess of \$10,000,000, the number of shares of common stock each subscription rights holder may acquire will be rounded down to result in delivery of whole shares.

We will deliver certificates (physical, electronic or book-entry form) representing shares of our common stock purchased with the basic subscription privilege as soon as practicable after the rights offering has expired.

### *Over-Subscription Privilege*

If you fully exercise your basic subscription privilege and basic subscription rights are exercised for an amount less than \$10,000,000, you may also exercise an over-subscription right to purchase additional shares of common stock that remain unsubscribed at the expiration of the rights offering, subject to the availability and pro rata allocation of shares among stockholders exercising this over-subscription right. To the extent the number of the unsubscribed shares are not sufficient to satisfy all of the properly exercised over-subscription rights requests, then the available shares will be prorated among those who properly exercised over-subscription rights based on the number of shares each rights holder subscribed for under the basic subscription right. If this pro rata allocation results in any stockholder receiving a greater number of shares of common stock than the stockholder subscribed for pursuant to the exercise of the over-subscription privilege, then such stockholder will be allocated only that number of shares for which the stockholder oversubscribed, and the remaining shares of common stock will be allocated among all other stockholders exercising the over-subscription privilege on the same pro rata basis described above. The proration process will be repeated until all shares of common stock have been allocated or all over-subscription exercises have been fulfilled, whichever occurs earlier.

In order to properly exercise your over-subscription privilege, you must deliver the subscription payment related to your over-subscription privilege prior to the expiration of the rights offering. Because we will not know the total number of unsubscribed shares prior to the expiration of the rights offering, if you wish to maximize the number of shares you purchase pursuant to your over-subscription privilege, you will need to deliver payment in an amount equal to the aggregate subscription price for the maximum number of shares of our common stock available to you, assuming that no stockholder other than you has purchased any shares of our common stock pursuant to their basic subscription privilege and over-subscription privilege.

We can provide no assurances that you will actually be entitled to purchase the number of shares issuable upon the exercise of your over-subscription privilege in full at the expiration of the rights offering. We will not be able to satisfy your exercise of the over-subscription privilege if all of our stockholders exercise their basic subscription privileges in full, and we will only honor an over-subscription privilege to the extent sufficient shares of our common stock are available following the exercise of subscription rights under the basic subscription privileges.

To the extent the aggregate subscription price of the maximum number of unsubscribed shares available to you pursuant to the over-subscription privilege is less than the amount you actually paid in connection with the exercise of the over-subscription privilege, you will be allocated only the number of unsubscribed shares available to you, and any excess subscription payments received by the subscription agent will be returned, without interest, as soon as practicable.

To the extent holders properly exercise their over-subscription privileges for an aggregate amount of shares that is less than the number of the unsubscribed shares you will be allocated the number of unsubscribed shares for which you actually paid in connection with the over-subscription privilege.

Fractional shares of our common stock resulting from the exercise of the over-subscription privilege will be eliminated by rounding down to the nearest whole share, with the total subscription payment being adjusted accordingly. Any excess subscription payments received by the subscription agent will be returned, without interest, as soon as practicable.

We will deliver certificates (physical, electronic or book-entry form) representing shares of our common stock purchased with the basic subscription privilege as soon as practicable after the rights offering has expired.

### Subscription Price

In determining the subscription price of 85% of the volume weighted average price per share of our common stock on the NASDAQ Capital Market for the five consecutive trading days immediately preceding and including May 31, 2016, rounded to the nearest penny, our board of directors considered a number of factors, including: the likely cost of capital from other sources, the price at which holders might be willing to participate in the rights offering, historical and current trading prices and volatility of our common stock, our need for liquidity and capital and the desire to provide an opportunity to our stockholders and warrant holders to participate in the rights offering on a pro rata basis. In conjunction with its review of these factors, our board of directors also reviewed a range of discounts to market value represented by the subscription prices in various prior rights offerings of public companies. See “Risk Factors – Risks Related to the Rights Offering – The subscription price determined for the rights offering is not necessarily an indication of the value of our common stock.”

#### Expiration Date

The subscription period during which you may exercise your subscription rights expires at 5:00 p.m., New York City time, on June 20, 2016, which is the expiration of the rights offering. If you do not exercise your subscription rights prior to that time, your subscription rights will expire and will no longer be exercisable. We will not be required to issue shares of our common stock to you if the subscription agent receives your rights certificate or your subscription payment after that time, regardless of when the rights certificate and subscription payment were sent, unless you send the documents in compliance with the guaranteed delivery procedures described below.

#### Limitation on Exercise of Basic Subscription Privilege and Over-Subscription Privilege

Unless we otherwise agree in writing, a person or entity, together with related persons or entities, may not exercise subscription rights (including over-subscription rights) to purchase shares of our common stock that, when aggregated with their existing ownership, would result in such person or entity, together with any related persons or entities, owning in excess of twenty percent (20%) of our issued and outstanding shares of common stock following the closing of the transactions contemplated by this rights offering.

In the event that the exercise by a stockholder of the basic subscription privilege or the over-subscription privilege could, as determined by us in our sole discretion, potentially result in a limitation on our ability to use net operating losses, tax credits and other tax attributes, which we refer to as the "Tax Attributes," under the Internal Revenue Code of 1986, as amended, which we refer to as the "Code", and rules promulgated by the Internal Revenue Service (the "IRS"), we may, but are under no obligation to, reduce the exercise by such stockholder of the basic subscription privilege or the over-subscription privilege to such number of shares of common stock as we, in our sole discretion, shall determine to be advisable in order to preserve our ability to use the Tax Attributes.

## Reasons for the Rights Offering

In authorizing the rights offering, our board of directors carefully evaluated our need for liquidity, financial flexibility and additional capital. Our board of directors also considered several alternative capital raising methods prior to concluding that the rights offering was the appropriate alternative under the circumstances. We are conducting the rights offering to raise capital that we intend to use for general corporate purposes, which may include funding for sales and marketing and general working capital purposes. See “Use of Proceeds.” Although we believe that the rights offering will strengthen our financial condition, our board of directors is making no recommendation regarding your exercise of the subscription rights.

## Method of Exercising Subscription Rights

You may exercise your subscription rights as follows:

### ***Subscription by Registered Holders***

You may exercise your subscription rights by properly completing and executing the rights certificate together with any required signature guarantees and forwarding it, together with your full subscription payment, to the subscription agent at the address set forth below under “– Subscription Agent,” prior to the expiration of the rights offering.

### ***Subscription by DTC Participants***

We expect that the exercise of your subscription rights may be made through the facilities of the Depository Trust Company, or DTC. If your subscription rights are held of record through DTC, you may exercise your subscription rights by instructing DTC, or having your broker instruct DTC, to transfer your subscription rights from your account to the account of the subscription agent, together with certification as to the aggregate number of subscription rights you are exercising and the number of shares of our common stock you are subscribing for under your basic subscription privilege and your over-subscription privilege, if any, and your full subscription payment.

### ***Subscription by Beneficial Owners***

If you are a beneficial owner of shares of our common stock or our warrants that are registered in the name of a broker, custodian bank or other nominee, or if you hold our common stock certificates or certificates representing warrants directly and would prefer to have an institution conduct the transaction relating to the subscription rights on your behalf, you should instruct your broker, custodian bank or other nominee or institution to exercise your subscription rights and deliver all documents and payment on your behalf prior to the expiration date of the rights offering. Your subscription rights will not be considered exercised unless the subscription agent receives from you, your broker, custodian bank, nominee or institution, as the case may be, all of the required documents and your full subscription payment prior to the expiration date of the rights offering.

#### Payment Method

Payments must be made in full in U.S. currency by:

check or bank draft payable to Continental Stock Transfer & Trust Company, the subscription agent, drawn upon a U.S. bank;

· postal, telegraphic or express money order payable to the subscription agent; or

· wire transfer of immediately available funds to accounts maintained by the subscription agent.

Payments received after the expiration of the rights offering will not be honored, and the subscription agent will return your subscription payment to you, without interest, as soon as practicable. The subscription agent will be deemed to receive payment upon:

· clearance of any uncertified check deposited by the subscription agent;

- receipt by the subscription agent of any certified check bank draft drawn upon a U.S. bank;

- receipt by the subscription agent of any postal, telegraphic or express money order; or

- receipt of collected funds in the subscription agent's account.

If you elect to exercise your subscription rights, we urge you to consider using a certified or cashier's check, money order or wire transfer of funds to ensure that the subscription agent receives your funds prior to the expiration of the rights offering. If you send an uncertified check, payment will not be deemed to have been received by the subscription agent until the check has cleared, but if you send a certified check bank draft drawn upon a U.S. bank, a postal, telegraphic or express money order or wire or transfer funds directly to the subscription agent's account, payment will be deemed to have been received by the subscription agent immediately upon receipt of such instruments and wire or transfer.

Any personal check used to pay for shares of our common stock in the rights offering must clear the appropriate financial institutions prior to the expiration date of the rights offering. The clearinghouse may require five or more business days. Accordingly, holders that wish to pay the subscription price by means of an uncertified personal check are urged to make payment sufficiently in advance of the expiration of the rights offering to ensure such payment is received and clears by such date.

You should read the instruction letter accompanying the rights certificate carefully and strictly follow it. **DO NOT SEND RIGHTS CERTIFICATES OR PAYMENTS TO US.**

Except as described below under “—Guaranteed Delivery Procedures,” we will not consider your subscription received until the subscription agent has received delivery of a properly completed and duly executed rights certificate and payment of the full subscription amount. The risk of delivery of all documents and payments is borne by you or your nominee, and not by the subscription agent or us.

The method of delivery of rights certificates and payment of the subscription amount to the subscription agent will be at the risk of the holders of subscription rights. If sent by mail, we recommend that you send those certificates and payments by overnight courier or by registered mail, properly insured, with return receipt requested, and that a sufficient number of days be allowed to ensure delivery to the subscription agent and clearance of payment prior to the expiration of the rights offering.

Unless a rights certificate provides that the shares of our common stock are to be delivered to the record holder of such rights or such certificate is submitted for the account of a bank or a broker, signatures on such rights certificate must be guaranteed by an “eligible guarantor institution,” as such term is defined in Rule 17Ad-15 under the Exchange Act, subject to any standards and procedures adopted by the subscription agent.

#### Missing or Incomplete Subscription Information

If you do not indicate the number of subscription rights being exercised, or the subscription agent does not receive the full subscription payment for the number of subscription rights that you indicate are being exercised, then you will be deemed to have exercised the maximum number of subscription rights that may be exercised with the aggregate subscription payment you delivered to the subscription agent. If we do not apply your full subscription payment to your purchase of shares of our common stock, any excess subscription payment received by the subscription agent will be returned to you, without interest, as soon as practicable.

#### Extension, Cancellation and Amendment

We may extend the expiration of the rights offering for a period not to exceed 30 days by giving oral or written notice to the subscription agent prior to the expiration date of the rights offering, although we do not presently intend to do so. If we elect to extend the expiration of the rights offering, we will issue a press release announcing such extension no later than 9:00 a.m., New York City time, on the next business day after the most recently announced expiration time of the rights offering. We will extend the duration of the rights offering as required by applicable law or regulation and may choose to extend it if we decide to give investors more time to exercise their subscription rights in the rights offering. If we elect to extend the rights offering for a period of more than 30 days, then holders who have subscribed for rights may cancel their subscriptions and receive a refund of all subscription payments advanced.

Our board of directors may cancel the rights offering at any time prior to the expiration of the rights offering for any reason. In the event the rights offering is cancelled, all subscription payments received by the subscription agent for the rights offering will be returned, without interest, as soon as practicable.

Our board of directors also reserves the right to amend or modify the terms of the rights offering in its sole discretion. If we should make any fundamental changes to the terms of the rights offering set forth in this prospectus, we will file a post-effective amendment to the registration statement in which this prospectus is included, offer potential purchasers who have subscribed for rights the opportunity to cancel such subscriptions and issue a refund of any money advanced by such stockholder and recirculate an updated prospectus after the post-effective amendment is declared effective by the SEC. In addition, upon such event, we may extend the expiration date of the rights offering to allow holders of rights ample time to make new investment decisions and for us to recirculate updated documentation. Promptly following any such occurrence, we will issue a press release announcing any changes with respect to the rights offering and the new expiration date. The terms of the rights offering cannot be modified or amended after the expiration date of the rights offering. Although we do not presently intend to do so, we may choose to amend or modify the terms of the rights offering for any reason, including, without limitation, in order to increase participation in the rights offering. Such amendments or modifications may include a change in the subscription price, although no such change is presently contemplated.

#### Conditions, Withdrawal and Termination

We reserve the right to withdraw the rights offering prior to the expiration date of the rights offering for any reason. We may terminate the rights offering, in whole or in part, if at any time before completion of the rights offering there is any judgment, order, decree, injunction, statute, law or regulation entered, enacted, amended or held to be applicable to the rights offering that in the sole judgment of our board of directors would or might make the rights offering or its completion, whether in whole or in part, illegal or otherwise restrict or prohibit completion of the rights offering. We may waive any of these conditions and choose to proceed with the rights offering even if one or more of these events occur. If we terminate, cancel or withdraw the rights offering, in whole or in part, we will issue a press release notifying the stockholders of such event, all affected subscription rights will expire without value, and all excess subscription payments received by the subscription agent will be returned, without interest, as soon as practicable following such termination, cancellation or withdrawal.

#### Subscription Agent

The subscription agent for this offering is Continental Stock Transfer & Trust Company. The address to which subscription documents, rights certificates, notices of guaranteed delivery and subscription payments other than wire transfers should be mailed or delivered is:

Continental Stock Transfer & Trust Company  
Attn: Corporate Actions Department  
17 Battery Place  
New York, New York 10004

If you deliver subscription documents, rights certificates or notices of guaranteed delivery in a manner different than that described in this prospectus, we may not honor the exercise of your subscription rights.

#### Information Agent

You should direct any questions or requests for assistance concerning the method of subscribing for the shares of our common stock or for additional copies of this prospectus to the information agent, Georgeson LLC, at (800) 903-2897 (toll free) or [cryoport@georgeson.com](mailto:cryoport@georgeson.com).

#### Fees and Expenses

We will pay all fees charged by the subscription agent and the information agent in connection with the rights offering. We will also pay the fees and commissions charged by Source Capital Group, Inc. as dealer-manager for the rights offering. You are responsible for paying any other commissions, fees, taxes or other expenses incurred in connection with the exercise of the subscription rights.

### No Fractional Shares

We will not issue fractional shares or cash in lieu of fractional shares. Fractional shares of our common stock resulting from the exercise of the over-subscription privileges will be eliminated by rounding down to the nearest whole share, with the total subscription payment being adjusted accordingly. Any excess subscription payments received by the subscription agent will be returned, without interest, as soon as practicable. Fractional shares of our common stock will not result from the exercise of the basic-subscription privileges.

### Medallion Guarantee May Be Required

Your signature on each subscription rights certificate must be guaranteed by an eligible institution, such as a member firm of a registered national securities exchange or a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”), or a commercial bank or trust company having an office or correspondent in the United States, subject to standards and procedures adopted by the subscription agent, unless:

your subscription rights certificate provides that shares are to be delivered to you as record holder of those subscription rights; or

you are an eligible institution.

You can obtain a signature guarantee from a financial institution—such as a commercial bank, savings bank, credit union or broker dealer—that participates in one of the Medallion signature guarantee programs. The three Medallion signature guarantee programs are the following:

Securities Transfer Agents Medallion Program (STAMP), whose participants include U.S. and Canadian financial institutions;

Stock Exchanges Medallion Program (SEMP), whose participants include the regional stock exchange member firms and clearing and trust companies; and

New York Stock Exchange Medallion Signature Program (MSP), whose participants include New York Stock Exchange member firms.

If a financial institution is not a member of a recognized Medallion signature guarantee program, it would not be able to provide signature guarantees. Also, if you are not a customer of a participating financial institution, it is likely the financial institution will not guarantee your signature. Therefore, the best source of a Medallion signature guarantee would be a bank, savings and loan association, brokerage firm or credit union with which you do business. The participating financial institution will use a Medallion imprint or stamp to guarantee your signature, indicating that the financial institution is a member of a Medallion signature guarantee program and is an acceptable signature guarantor.

#### Notice to Nominees

If you are a broker, custodian bank or other nominee holder that holds shares of our common stock or our warrants for the account of others on the record date, you should notify the beneficial owners of such shares or warrants for whom you are the nominee of the rights offering as soon as possible to learn their intentions with respect to exercising their subscription rights. You should obtain instructions from the beneficial owner, as set forth in the instructions we have provided to you for your distribution to beneficial owners. If the beneficial owner so instructs, you should complete the appropriate rights certificate and submit it to the subscription agent with the proper subscription payment. If you hold shares of our common stock or our warrants for the account(s) of more than one beneficial owner, you may exercise the number of subscription rights to which all beneficial owners in the aggregate otherwise would have been entitled had they been direct holders of our common stock or direct holders of our warrants on the record date, provided that you, as a nominee record holder, make a proper showing to the subscription agent by submitting the form entitled "Nominee Holder Certification" which is provided with your rights offering materials. If you did not receive this form, you should contact the subscription agent to request a copy.

## Beneficial Owners

If you are a beneficial owner of shares of our common stock or our warrants or will receive your subscription rights through a broker, custodian bank or other nominee, we will ask your broker, custodian bank or other nominee to notify you of the rights offering. If you wish to exercise your subscription rights, you will need to have your broker, custodian bank or other nominee act for you. If you hold certificates of our common stock or certificates representing warrants directly and would prefer to have your broker, custodian bank or other nominee act for you, you should contact your nominee and request it to effect the transactions for you. To indicate your decision with respect to your subscription rights, you should complete and return to your broker, custodian bank or other nominee the form entitled “Beneficial Owners Election Form”. You should receive this form from your broker, custodian bank or other nominee with the other rights offering materials. If you wish to obtain a separate subscription rights certificate, you should contact the nominee as soon as possible and request that a separate subscription rights certificate be issued to you. You should contact your broker, custodian bank or other nominee if you do not receive this form, but you believe you are entitled to participate in the rights offering. We are not responsible if you do not receive the form from your broker, custodian bank or nominee or if you receive it without sufficient time to respond.

## Guaranteed Delivery Procedures

If you wish to exercise subscription rights, but you do not have sufficient time to deliver the rights certificate evidencing your subscription rights to the subscription agent prior to the expiration of the rights offering, you may exercise your subscription rights by the following guaranteed delivery procedures:

deliver to the subscription agent prior to the expiration of the rights offering the subscription payment for each share you elected to purchase pursuant to the exercise of subscription rights in the manner set forth above under “– Payment Method”;

deliver to the subscription agent prior to the expiration of the rights offering the form entitled “Notice of Guaranteed Delivery”; and

deliver the properly completed rights certificate evidencing your subscription rights to be exercised and the related nominee holder certification, if applicable, with any required signatures guaranteed, to the subscription agent within three (3) business days following the date of the Notice of Guaranteed Delivery.

Your Notice of Guaranteed Delivery must be delivered in substantially the same form provided with the “Form of Instructions for Use of Subscription Rights Certificates,” which will be distributed to you with your rights certificate. Your Notice of Guaranteed Delivery must include a signature guarantee from an eligible institution acceptable to the

subscription agent. A form of that guarantee is included with the Notice of Guaranteed Delivery.

In your Notice of Guaranteed Delivery, you must provide:

your name;

the number of subscription rights represented by your rights certificate, the number of shares of our common stock for which you are subscribing under your basic subscription privilege, and the number of shares of our common stock for which you are subscribing under your over-subscription privilege, if any; and

your guarantee that you will deliver to the subscription agent a rights certificate evidencing the subscription rights you are exercising within three (3) business days following the date the subscription agent receives your Notice of Guaranteed Delivery.

You may deliver your Notice of Guaranteed Delivery to the subscription agent in the same manner as your rights certificate at the address set forth above under “—Subscription Agent.”

The information agent will send you additional copies of the form of Notice of Guaranteed Delivery if you need them. You should call Georgeson LLC, at (800) 903-2897 (toll free) to request additional copies of the form of Notice of Guaranteed Delivery.

#### Transferability of Subscription Rights

The subscription rights granted to you are non-transferable and, therefore, you may not sell, transfer or assign your subscription rights to anyone. The subscription rights will not be listed for trading on the NASDAQ Capital Market or any stock exchange or market or on the OTC Market Group's marketplaces.

## Validity of Subscriptions

We will resolve all questions regarding the validity and form of the exercise of your subscription rights, including time of receipt and eligibility to participate in the rights offering. In resolving all such questions, we will review the relevant facts, consult with our legal advisors and we may request input from the relevant parties. Our determination will be final and binding. We reserve the absolute right to reject any subscriptions or directions not properly submitted or the acceptance of which would be unlawful. You must resolve any irregularities in connection with your subscriptions before the subscription period expires, unless waived by us in our sole discretion. Neither we nor the subscription agent shall be under any duty to notify you or your representative of defects in your subscriptions. A subscription will be considered accepted, subject to our right to withdraw or terminate the rights offering, only when a properly completed and duly executed rights certificate and any other required documents and the full subscription payment has been received by the subscription agent. Our interpretations of the terms and conditions of the rights offering will be final and binding.

## Escrow Arrangements; Return of Funds

The subscription agent will hold funds received in payment for shares of our common stock in a segregated account pending completion of the rights offering. The subscription agent will hold this money in escrow until the rights offering is completed or is withdrawn and canceled. If the rights offering is withdrawn or canceled for any reason, all subscription payments received by the subscription agent will be returned, without interest, as soon as practicable. In addition, all subscription payments received by the subscription agent will be returned, without interest, as soon as practicable, if subscribers decide to cancel their subscription rights in the event that we extend the rights offering for a period of more than 30 days after the expiration date or if there is a fundamental change to the terms of the rights offering.

## Stockholder Rights

You will have no rights as a holder of the shares of our common stock you purchase in the rights offering, if any, until certificates (physical, electronic or book-entry form) representing the shares of our common stock are issued to you. You will have no right to revoke your subscriptions after you deliver your completed rights certificate, the full subscription payment and any other required documents to the subscription agent. See “– No Revocation or Change.”

## Foreign Stockholders

We will not mail this prospectus or the rights certificates to stockholders whose addresses are outside the United States or who have an army post office or foreign post office address. The subscription agent will hold the rights certificates for their account. To exercise subscription rights, our foreign stockholders must notify the subscription agent prior to 11:00 a.m., New York City time, at least three business days prior to the expiration of the rights offering and demonstrate to the satisfaction of the subscription agent that the exercise of such subscription rights does not violate the laws of the jurisdiction of such stockholder.

#### No Revocation or Change

Once you submit the form of rights certificate to exercise any subscription rights, you are not allowed to revoke or change the exercise or request a refund of monies paid. All exercises of subscription rights are irrevocable, even if you later learn information that you consider to be unfavorable to the exercise of your subscription rights and even if the rights offering is extended by our board of directors. However, if we amend the rights offering to allow for an extension of the rights offering for a period of more than 30 days or make a fundamental change to the terms of the rights offering set forth in this prospectus, you may cancel your subscription and receive a refund of any money you have advanced. You should not exercise your subscription rights unless you are certain that you wish to purchase additional shares of our common stock at the subscription price.

#### Regulatory Limitation

We will not be required to issue to you shares of our common stock pursuant to the rights offering if, in our opinion, you are required to obtain prior clearance or approval from any state or federal regulatory authorities to own or control such shares and if, at the time the rights offering expires, you have not obtained such clearance or approval.

## U.S. Federal Income Tax Treatment of Rights Distribution

For U.S. federal income tax purposes, you generally should not recognize income or loss in connection with the receipt or exercise of subscription rights unless the rights offering is part of a “disproportionate distribution” within the meaning of applicable tax rules (in which case you may recognize taxable income upon receipt of the subscription rights). We believe that the rights offering should not be part of a disproportionate distribution, but certain aspects of that determination are unclear. This position is not binding on the IRS or the courts, however. You are urged to consult your own tax advisor as to your particular tax consequences resulting from the receipt and exercise of subscription rights and the receipt, ownership and disposition of our common stock. For further information, please see “Material U.S. Federal Income Tax Considerations.”

## No Recommendation to Rights Holders

Although our directors may invest their own money in the rights offering, our board of directors is making no recommendation regarding your exercise of the subscription rights. You are urged to make your decision based on your own assessment of our business and the rights offering. Please see “Risk Factors” for a discussion of some of the risks involved in investing in our common stock.

## Listing

The subscription rights will not be listed for trading on the NASDAQ Capital Market or any other stock exchange or market. The shares of our common stock issuable upon exercise of the subscription rights will trade on the NASDAQ Capital Market under the symbol “CYRX.”

## Shares of Our Common Stock Outstanding After the Rights Offering

Assuming 6,666,667 shares of our common stock are issued in the rights offering through the exercise of subscription rights, we anticipate that 20,937,654 shares of our common stock will be outstanding following the completion of the rights offering.

## Other Matters

We are not making the rights offering in any state or other jurisdiction in which it is unlawful to do so, nor are we distributing or accepting any offers to purchase any shares of our common stock from subscription rights holders who are residents of those states or other jurisdictions or who are otherwise prohibited by federal or state laws or regulations from accepting or exercising the subscription rights. We may delay the commencement of the rights offering in those states or other jurisdictions, or change the terms of the rights offering, in whole or in part, in order to comply with the securities laws or other legal requirements of those states or other jurisdictions. Subject to state securities laws and regulations, we also have the discretion to delay allocation and distribution of any shares you may elect to purchase by exercise of your subscription privileges in order to comply with state securities laws. We may decline to make modifications to the terms of the rights offering requested by those states or other jurisdictions, in which case, if you are a resident in those states or jurisdictions or if you are otherwise prohibited by federal or state laws or regulations from accepting or exercising the subscription rights, you will not be eligible to participate in the rights offering. However, we are not currently aware of any states or jurisdictions that would preclude participation in the rights offering.

## **Management’s Discussion and Analysis of Financial Condition and Results of Operations**

*The following discussion and analysis of our financial condition and results of operations should be read together with the financial statements and the notes thereto included elsewhere in this prospectus. This discussion contains forward-looking statements that are based on management’s current expectations, estimates and projections about our business and operations. The cautionary statements made in this prospectus should be read as applying to all related forward-looking statements whenever they appear in this prospectus. Our actual results may differ materially from those currently anticipated and expressed in such forward-looking statements as a result of number of factors, including those we discuss under “Risk Factors” and elsewhere in this prospectus. You should read “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements.”*

### General Overview

We provide cryogenic logistics solutions to the life sciences industry through a combination of purpose-built proprietary packaging, information technology and specialized cold chain logistics knowhow. We view our solutions as disruptive to the “older technologies” of dry ice and liquid nitrogen, in that our solutions are comprehensive and combine our competencies in configurations that are customized to our client’s requirements. We provide comprehensive, reliable, economic alternatives to all existing logistics solutions and services utilized for frozen shipping in the life sciences industry (e.g., personalized medicine, cell therapies, stem cells, cell lines, vaccines, diagnostic materials, semen, eggs, embryos, cord blood, bio-pharmaceuticals, infectious substances, and other commodities that require continuous exposure to cryogenic or frozen temperatures). As part of our services, we provide the ability to monitor, record and archive crucial information for each shipment that can be used for scientific and regulatory purposes.

Our Cryoport Express® Solutions include a sophisticated cloud-based logistics operating platform, which is branded as the Cryoport™. The Cryoport™ supports the management of the entire shipment and logistics process through a single interface, including initial order input, document preparation, customs clearance, courier management, shipment tracking, issue resolution, and delivery. In addition, it provides unique and incisive information dashboards and validation documentation for every shipment. The Cryoport™ records and retains a fully documented “chain-of-custody” and, at the client’s option, “chain-of-condition” for every shipment, helping ensure that quality, safety, efficacy, and stability of shipped commodities are maintained throughout the process. This recorded and archived information allows our clients to meet exacting requirements necessary for scientific work and for proof of regulatory compliance during the logistics phase.

The branded packaging for our Cryoport Express® Solutions includes our liquid nitrogen dry vapor shippers, the Cryoport Express® Shippers. The Cryoport Express® Shippers are cost-effective and reusable cryogenic transport

shippers (our standard shipper is a patented vacuum flask) utilizing an innovative application of “dry vapor” liquid nitrogen technology. Cryoport Express® Shippers are International Air Transport Association certified and validated to maintain stable temperatures of minus 150° Celsius and below for a 10-day dynamic shipment period. The Company currently features three Cryoport Express® Shippers: the Standard Dry Shipper (holding up to 75 2.0 ml vials), the High Volume Dry Shipper (holding up to 500 2.0 ml vials) and the Cryoport Express® CXVC1 Shipper (holding up to 1,500 2.0 ml vials). In addition, we assist clients with internal secondary packaging as well (e.g., vials, canes, straws, plates, etc.).

Our most used solution is the “turnkey” solution, which can be accessed directly through our cloud-based Cryoport™ or by contacting Cryoport Client Care for order entry. Once an order is placed and cleared, we ship a fully charged Cryoport Express® Shipper to the client who conveniently loads its frozen commodity into the inner chamber of the Cryoport Express® Shipper. The customer then closes the shipper package and reseals the shipping box displaying the next recipient’s address for pre-arranged carrier pick up. Cryoport arranges for the pick-up of the parcel by a shipping service provider, which is designated by the client or chosen by Cryoport, for delivery to the client’s intended recipient. The recipient simply opens the shipper package and removes the frozen commodity that has been shipped. The recipient then reseals the package, displaying the nearest Cryoport Operations Center address, making it ready for pre-arranged carrier pick-up. When the Cryoport Operations Center receives the Cryoport Express® Shipper, it is cleaned, put through quality assurance testing, and returned to inventory for reuse.

In late 2012, we shifted our focus to become a comprehensive cryogenic logistics solutions provider. Recognizing that clients in the life sciences industry have varying requirements, we unbundled our technologies, establishing customer facing solutions and taking a consultative approach to the market. Today, in addition to our standard turnkey solution, described above, we also provide the following customer facing, value-added solutions to address our various clients' needs:

**“Customer Staged Solution,”** designed for clients making 50 or more shipments per month. Under this solution, we supply an inventory of our Cryoport Express® Shippers to our customer, in an uncharged state, enabling our customer (after training and certification) to charge them with liquid nitrogen and use our Cryoport™ to enter orders with shipping and delivery service providers for the transportation of the package. Once the order is released, our customer service professionals monitor the shipment and the return of the shipper to us for cleaning, quality assurance testing and reuse.

**“Customer Managed Solution,”** a limited customer implemented solution whereby we supply our Cryoport Express® Shippers to clients in a fully charged state, but leaving it to the client to manage the shipping, including the selection of the shipping and delivery service provider and the return of the shipper to us.

**“powered by Cryoport™,”** available to providers of shipping and delivery services who seek to offer a “branded” cryogenic logistics solution as part of their service offerings, with “powered by Cryoport™” appearing prominently on the software interface and shippers or storage unit. This solution can also be private labeled upon meeting certain requirements, including minimum required shipping volumes.

**“Integrated Solution,”** which is our outsource solution. It is our most comprehensive solution and involves our management of the entire cryogenic logistics process for our client, including Cryoport employees at the client's site to manage the client's cryogenic logistics function in total.

**“Regenerative Medicine Point-of-Care Repository Solution,”** designed for allogeneic therapies. Under this solution we supply our Cryoport Express® Shipper to ship and store cryogenically preserved life science products for up to 6 days (or longer periods with supplementary shippers) at a point-of-care site, with the Cryoport Express® Shipper serving as a temporary freezer/repository enabling the efficient and effective distribution of temperature sensitive allogeneic cell-based therapies without the expense, inconvenience, and potential costly failure of an on-site, cryopreservation device. Our customer service professionals monitor each shipment throughout the predetermined process including the return of the shipper to us. When the Cryoport Operations Center receives the Cryoport Express® Shipper package it is cleaned, put through quality assurance testing, and returned to inventory for reuse.

**“Personalized Medicine and Cell-based Immunotherapy Solution,”** designed for autologous therapies. Under this solution our Cryoport Express® Shipper serves as an enabling technology for the safe transportation of manufactured autologous cellular-based immunotherapies by providing a comprehensive logistics solution for the verified chain of custody and condition transport from, (a) the collection of the patient's cells in a hospital setting, to (b) a central processing facility where they are manufactured into a personalized medicine, to (c) the safe, cryogenically preserved

return of these irreplaceable cells to a point-of-care treatment facility. If required, the Cryoport Express® Shipper can then serve as a temporary freezer/repository to allow the efficient distribution of this personalized medicine to the patient when and where the medical provider needs it most without the expense, inconvenience, and potential costly failure of an on-site, cryopreservation device. Our customer service professionals monitor each shipment throughout the predetermined process, including the return of the shipper to us. When the Cryoport Operations Center receives the Cryoport Express® Shipper package it is cleaned, put through quality assurance testing, and returned to inventory for reuse.

#### Recent Developments

The Company's board of directors authorized the 1-for-12 reverse stock split that became effective on May 19, 2015. All prior periods presented in this prospectus have been adjusted to reflect the twelve to one reverse stock split. Financial information updated by this capital change includes earnings per common share, dividends per common share, stock price per common share, weighted average common shares, outstanding common shares, treasury shares, common stock, and additional paid-in capital.

On July 29, 2015, the Company completed the sale of common stock and warrants (the “Units”) under a registered public offering. The gross proceeds to the Company from the offering, including the partial exercise of the over-allotment option, were approximately \$6.8 million, before underwriting discounts and commissions and other offering expenses (approximately \$5.9 after underwriting discounts, commissions and other expenses).

The public offering price per Unit was \$3.25. Each Unit consists of one share of common stock and a warrant to purchase one share of common stock. Under the terms of the offering, the Company issued 2,090,750 shares of common stock and warrants to purchase up to an aggregate of 2,090,750 shares of common stock, inclusive of the partial exercise of the over-allotment option. The common stock and the warrants are immediately separable and trade on the NASDAQ Capital Market under the symbols CYRX, and CYRXW, respectively. The warrants have a per share exercise price of \$3.57, are exercisable immediately and will expire five years from the date of issuance.

On September 16, 2015, the Company entered into the Purchase and Sale Agreement by and between KLATU Networks, LLC (“KLATU”) and the Company. Pursuant to the Purchase and Sale Agreement, the Company purchased from KLATU certain intellectual property and intellectual property rights related to the Company’s Cryoport™ logistics management platform, which KLATU previously developed for and licensed to the Company pursuant to the Master Consulting and Engineering Services Agreement, by and between KLATU and the Company, dated October 9, 2007. As full compensation for the sale and assignment of the Developed Technology from KLATU to the Company, the Company paid KLATU an aggregate amount of \$400,000.

In November 2015, the Company’s shareholders approved an increase in the authorized number of shares of the Company’s common stock from 20,833,333 shares to 50,000,000 shares.

On January 30, 2016, the Company caused the mandatory exchange of all its outstanding Class A Convertible Preferred Stock and Class B Convertible Preferred Stock, consisting of 454,750 shares of Class A Convertible Preferred Stock and 534,571 shares of Class B Convertible Preferred Stock, into (i) an aggregate of 4,977,038 shares of the Company’s common stock and (ii) an aggregate of 4,977,038 warrants, each warrant representing the right to purchase one share of the Company’s common stock.

On March 1, 2016, the Company and/or its wholly owned subsidiary Cryoport Systems, Inc., a California corporation, entered into definitive agreements to amend and restate certain related party notes with outstanding principal of \$923,791 in the aggregate pursuant to Second Amended and Restated Promissory Notes dated February 29, 2016 to increase the interest rate to 7% per annum, extend the term to April 1, 2017, and modify the repayment provisions to provide for repayment of 10% of the original principal balance and accrued interest of such notes on a quarterly basis commencing April 1, 2016 and a payment of the remaining outstanding balance on April 1, 2017. In addition, the Company issued to such note holders warrants to purchase an aggregate of 24,551 shares of the Company’s common stock at an exercise price of \$1.88 per share expiring April 1, 2019 and agreed to reimburse up to \$5,000 of legal fees

incurred by the note holders.

Also on March 1, 2016, the Company entered into a verbal agreement with one of the holders of the related party notes with an original principal balance of \$35,761 to extend the term of such note to April 1, 2016. Such note was amended to extend the term of the note to July 1, 2016.

On April 7, 2016, the Company consummated its issuer tender offer to amend and exercise (the "Offer to Amend and Exercise") certain warrants to purchase the Company's common stock (the "Original Warrants"). The Original Warrants were previously issued to holders in connection with various private placements of the Company's securities. The Company issued 2,020,597 shares of common stock upon the amendment and exercise of Original Warrants of holders who elected to participate in the Offer to Amend and Exercise for gross proceeds of \$2.5 million.

#### Going Concern

As reported in the Report of Independent Registered Public Accounting Firm on our March 31, 2015 and 2014 consolidated financial statements, we have incurred recurring losses and negative cash flows from operations since inception. These factors, among others, raise substantial doubt about our ability to continue as a going concern.

We expect to continue to incur substantial additional operating losses from costs related to the commercialization of our Cryoport Express® Solutions and do not expect that revenues from operations will be sufficient to satisfy our funding requirements in the near term. We believe that our cash resources at March 31, 2015, and funds raised through a recent Class B convertible preferred stock offering together with the revenues generated from our services, will be sufficient to sustain our planned operations into the third quarter of fiscal year 2017; however, we must obtain additional capital to fund operations thereafter and for the achievement of sustained profitable operations. These factors raise substantial doubt about our ability to continue as a going concern. We are currently working on funding alternatives in order to secure sufficient operating capital to allow us to continue to operate as a going concern.

Future capital requirements will depend upon many factors, including the success of our commercialization efforts and the level of customer adoption of our Cryoport Express® Solutions as well as our ability to establish additional collaborative arrangements. We cannot make any assurances that the sales ramp will lead to achievement of sustained profitable operations or that any additional financing will be completed on a timely basis on acceptable terms or at all. Management's inability to successfully achieve significant revenue increases or its cost reduction strategies or to complete any other financing will adversely impact our ability to continue as a going concern. To address this issue, the Company is seeking additional capitalization to properly fund our efforts to become a self-sustaining financially viable entity.

While we increased revenue year-over-year by 48% to \$3.9 million for the fiscal year ended March 31, 2015, our revenue is still significantly lower than our operating expenses during the year and we have no assurance of the level of future revenues. We incurred a net loss of \$7.1 million and used cash of \$4.3 million in our operating activities during the nine months ended December 31, 2015. We had negative working capital of \$3.7 million and had cash and cash equivalents of \$5.2 million at December 31, 2015.

We plan to raise additional funds through additional debt or equity offerings to cover general working capital needs and sales and marketing initiatives to expand our customer base and increase sales. There is no assurance that funds can be secured or if these funds would allow us to continue our operations until more significant revenues can be generated or more funding can be secured. These matters raise substantial doubt about our ability to continue as a going concern.

## Results of Operations

### *Nine Months Ended December 31, 2015 Compared to Nine Months Ended December 31, 2014*

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The following table summarizes certain information derived from our condensed consolidated statements of operations:

	Nine Months Ended December 31,				
	2015	2014	\$ Change	% Change	
	(\$ in 000's)				
Revenues	\$4,327	\$2,737	\$1,590	58.1	%
Cost of revenues	(3,018)	(1,938)	(1,080)	55.7	%
Gross margin	1,309	799	510	63.8	%
Selling, general and administrative	(7,020)	(4,431)	(2,589)	58.4	%
Research and development	(406 )	(268 )	(138 )	51.7	%
Interest expense	(984 )	(1,185)	201	(16.9)	%
Other expense, net	(5 )	(3 )	(2 )	77.8	%
Provision for income taxes	(4 )	(2 )	(2 )	126.6	%
Net loss	\$(7,110)	\$(5,090)	\$(2,020)	39.7	%

**Revenues.** We generated revenues from customers in all of our target life sciences markets, such as biopharma, reproductive medicine and animal health. Revenues increased \$1.6 million or 58.1% to \$4.3 million for the nine months ended December 31, 2015, as compared to \$2.7 million for the nine months ended December 31, 2014. This increase is primarily driven by an overall increase in the number of customers utilizing our services compared to the prior year. Revenues in the biopharma market, which includes biotech and diagnostic companies, pharmaceutical companies, central laboratories, contract research organizations and research institutions grew by 91.3% compared to the prior year period and we are now supporting 59 clinical trials, of which ten are in phase III of their respective clinical trials. Revenues in the reproductive medicine market increased by 58.4% over the prior year to \$997,800 for the nine months ended December 31, 2015. While revenue in the reproductive medicine market continues to be driven by our targeted sales and marketing campaigns and an increased awareness of our cryogenic logistics solutions in this market, our international revenue was impacted by the closure of reproductive tourism in three countries during our third fiscal quarter, driven by continued success of our targeted sales and marketing campaigns and an increased awareness of our cryogenic logistics solutions in this market. Our revenues from the animal health market were \$656,400 for the nine months ended December 31, 2015, representing a 7.6% decrease over the same period in the prior year as a result of a temporary reduction in production volume from one of our clients.

**Gross margin and cost of revenues.** Gross margin for the nine months ended December 31, 2015 was 30.2% of revenues, as compared to 29.2% of revenues for the nine months ended December 31, 2014. Cost of revenues for the nine months ended December 31, 2015 was 69.8% of revenues, as compared to 70.8% of revenues for the nine months ended December 31, 2014. Our cost of revenues are primarily comprised of freight charges, payroll and related expenses for our operations center in California, third-party charges for our European and Asian operations centers in the Netherlands and Singapore, depreciation expenses of our Cryoport Express® Shippers and supplies and consumables used for our solutions. The increase in cost of revenues is primarily due to freight charges from the growth in shipments and inventory transfers between operations centers, freight pricing increases and the expansion of the shipping team in anticipation of increased shipping volume.

**Selling, general and administrative expenses.** Selling, general and administrative expenses increased \$2.6 million for the nine months ended December 31, 2015 or 58.4% as compared to the nine months ended December 31, 2014. This increase is primarily due to equity-based compensation charges, salaries and associated employee costs incurred to expand our sales force, the engagement of a marketing firm, increased attendance at trade shows, public company related expenses, including legal fees and costs to trade on the NASDAQ Capital Market and travel expenses associated with the public equity offering completed in July 2015.

**Research and development expenses.** Research and development expenses increased \$138,200 or 51.7% for the nine months ended December 31, 2015, as compared to the nine months ended December 31, 2014. The increase is primarily due to a write off of previously capitalized costs in the amount of \$98,100 resulting from the abandonment of method of shipment patent application and the salary and associated employee costs related to the addition of a research and development engineer. Our research and development efforts are focused on continually improving the features of the Cryoport Express® Solutions including the Company's cloud-based logistics management platform, the Cryoport™, the Cryoport Express® Shippers and development of additional accessories to facilitate the efficient shipment of life science commodities using our solution. We use an outside software development company and other

third parties to provide some of these services. These efforts are expected to lead to the introduction of additional shipper designs to meet market requirements, constructed of lower cost materials and utilizing high volume manufacturing methods. In addition, research and development effort has been directed towards developing an advanced condition monitoring system, Smart Pak II, which is currently in beta testing and is scheduled to be launched during the first quarter of fiscal year 2017.

**Interest expense.** Interest expense decreased \$200,600 for the nine months ended December 31, 2015, as compared to the nine months ended December 31, 2014. Interest expense for the nine months ended December 31, 2015 included amortization of the debt discount on the related-party notes payable of \$195,600, the related interest expense of \$43,400, the amortization of the debt discount on the notes payable of \$221,400, related interest expense of \$3,300 as well as the fair value of the beneficial conversion feature of the related-party notes payable of \$521,100. Interest expense for the nine months ended December 31, 2014 included amortization of the debt discount and deferred financing fees of approximately \$1.1 million, of which \$826,900 related to the fair value of the beneficial conversion feature of the 5% Bridge Notes that was triggered by the convertible preferred stock offering, interest expense on our 5% Bridge Notes of approximately \$10,600 and accrued interest on our related party notes payable of approximately \$23,600, amortization of the debt discount on the 7% Bridge Notes of \$38,100 and related interest expense of \$3,000.

**Other expense, net.** The other expense, net for the nine months ended December 31, 2015 is primarily due to administrative charges and foreign exchange losses on accounts receivable and payable invoices.

### **Results of Operations for Fiscal 2015 Compared to Fiscal 2014**

The following table summarizes certain information derived from our condensed consolidated statements of operations:

	Year Ended March 31,				
	2015	2014	\$ Change	% Change	
	(\$ in 000's)				
Revenues	\$ 3,935	\$ 2,660	\$ 1,275	47.9	%
Cost of revenues	(2,766 )	(2,223 )	(543 )	24.4	%
Gross margin	1,169	437	732	167.5	%
Selling, general and administrative	(6,409 )	(5,106 )	(1,303 )	25.5	%
Research and development	(353 )	(409 )	56	(13.8)	)%
Debt conversion expense	—	(13,714 )	13,714	(100)	)%
Interest expense	(1,428 )	(784 )	(644 )	82.0	%
Change in fair value of derivative liabilities	—	21	(21 )	(100)	)%
Other expense	(4 )	(8 )	4	(47.2)	)%
Provision for income taxes	(2 )	(2 )	—	—	
Net loss	\$ (7,027 )	\$ (19,565 )	\$ 12,538	(64.1)	)%

**Revenues.** We generated revenues from customers in all of our target life sciences markets, such as biotech and diagnostic companies, pharmaceutical companies, central laboratories, contract research organizations, the reproductive medicine market/in vitro fertilization market, and research institutions. Net revenues increased \$1.3 million or 47.9% for the year ended March 31, 2015 as compared to the prior year. This increase is primarily driven by an overall increase in the number of customers utilizing our services and frequency of shipments compared to the prior year, an increase in revenues in the reproductive medicine market and the ramp up and expansion of logistics services provided to Zoetis. Revenues in the reproductive medicine market increased by 59% over the prior year to \$924,300 for the year ended March 31, 2015, driven by continued success of our telemarketing activities, email and other targeted campaigns and in increased awareness of our cryogenic logistics solutions in this market. Our revenues from Zoetis were \$893,200 for the year ended March 31, 2015, representing a 9% increase over the prior year. This is reflective of the expansion of our services, both domestically and globally, provided to Zoetis for a primary poultry vaccine, and the addition of logistics management for a second vaccine that was introduced to the market during the fourth calendar quarter of 2013.

**Gross margin and cost of revenues.** Gross margins for the year ended March 31, 2015 was 29.7% of revenues, as compared to 16.4% of revenues for the prior year. The increase in gross margin is primarily due to the increase in net revenue combined with a reduction in freight as a percentage of revenues and a decrease of fixed manufacturing costs. Cost of revenues for the year ended March 31, 2015 was 70.3% of revenues, as compared to 83.6% of revenues for the prior year. Our cost of revenues are primarily comprised of freight charges, payroll and related expenses related to our operations center in California, third-party charges for our European and Asian operations centers in Holland and Singapore, depreciation expenses of our Cryoport Express<sup>®</sup> Shippers and supplies and consumables used for our solutions. The increase in cost of revenues is primarily due to freight charges from the growth in shipments.

***Selling, general and administrative expenses.*** Selling, general and administrative expenses increased \$1.3 million, or 25.5% for the year ended March 31, 2015 as compared to the prior year. This increase is primarily due to salaries and recruiting fees incurred to expand our sales force, the engagement of an investor relations firm and related activities, equity based compensation charges, public company related expenses including legal, SOX and financial reporting expenses and banking charges as a result of the higher business volume.

***Research and development expenses.*** Research and development expenses decreased \$56,500 or 13.8% for the year ended March 31, 2015, as compared to the prior year. Our research and development efforts are focused on continually improving the features of the Cryoport Express® Solutions including the Company's cloud-based logistics management platform, the Cryoport™, the Cryoport Express® Shippers and development of additional accessories to facilitate the efficient shipment of life science commodities using our solution. We use an outside software development company and other third parties to provide some of these services. Research and development expenses to date have consisted primarily of costs associated with the continually improving the features of the Cryoport Express® Solution including the web based customer service portal and the Cryoport Express® Shippers. Further, these efforts are expected to lead to the introduction of shippers of varying sizes based on market requirements, constructed of lower cost materials and utilizing high volume manufacturing methods that will make it practical to provide the cryogenic packages offered by the Cryoport Express® Solution. Other research and development effort has been directed toward improvements to the liquid nitrogen retention system to render it more reliable in the general shipping environment and to the design of the outer packaging. Alternative phase change materials in place of liquid nitrogen may be used to increase the potential markets these shippers can serve such as ambient and 2° to 8° Celsius markets.

***Debt conversion expense.*** Debt conversion expense for the year ended March 31, 2014 of \$13.7 million was related to the induced conversion of \$4.1 million of aggregate principal and accrued interest from the convertible bridge notes into shares of common stock and warrants. Debt conversion expense represents the fair value of the securities transferred in excess of the fair value of the securities issuable upon the original conversion terms of the bridge notes. The Company calculated the fair value of the common stock issued by using the closing price of the stock on the date of issuance. The fair value of the warrants was calculated using the Black-Scholes option pricing model.

***Interest expense.*** Interest expense increased \$643,600 for the year ended March 31, 2015, as compared to the prior year. Interest expense included amortization of the debt discount and deferred financing fees of approximately \$1.1 million, of which \$826,900 related to the fair value of the beneficial conversion feature of the 5% Bridge Notes that was triggered by the convertible preferred stock offering, interest expense on our 5% Bridge Notes of approximately \$10,600, accrued interest on our related-party notes payable of approximately \$33,500, amortization of the debt discount on the 7% Bridge Notes of \$237,500 and related interest expense of \$15,500. Interest expense for the year ended March 31, 2014 included amortization of the debt discount and deferred financing fees of approximately \$678,900, interest expense on our bridge notes of approximately \$71,600 and accrued interest on our related-party notes payable of approximately \$36,500.

***Change in fair value of derivative liabilities.*** The warrants classified as derivative liabilities expired in April 2014. The gain on the change in fair value of derivative liabilities was \$20,800 for the year ended March 31, 2014 as a result of a decrease in the value of our warrant derivatives, due primarily to a decrease in our stock price.

***Other expense, net.*** The other expense, net for the year ended March 31, 2015 is primarily due to administrative charges and foreign exchange losses on accounts receivable and payable invoices.

## Liquidity and Capital Resources

As of December 31, 2015, the Company had cash and cash equivalents of \$5.2 million and working capital of \$3.7 million. Historically, we have financed our operations primarily through sales of our debt and equity securities.

For the nine months ended December 31, 2015, we used \$4.3 million of cash for operations primarily as a result of the net loss of \$7.1 million offset by non-cash expenses of \$3.3 million primarily comprised of amortization of debt discounts, stock-based compensation expense, depreciation and amortization and loss on the write-off of patents. Also contributing to the cash impact of our net operating loss (excluding non-cash items) was an increase in accounts receivable of \$63,100 due to increased revenues, increase in other current assets for prepaid amounts of \$116,600 and an increase in deposits and other assets of \$363,400 related to security deposits for the new facility lease in Irvine.

Net cash used in investing activities of \$714,000 during the nine months ended December 31, 2015 was primarily due to the purchase from KLATU of certain intellectual property and intellectual property rights related to the Company's Cryoport™ logistics management platform, which KLATU previously developed for and licensed to the Company. In addition, we purchased additional liquid nitrogen dry vapor shippers and data loggers for our condition monitoring system aggregating \$310,000.

Net cash provided by financing activities totaled \$8.9 million during the nine months ended December 31, 2015, and resulted from net proceeds from the public equity offering of \$5.9 million, issuance of convertible preferred stock of \$3.9 million and proceeds from the exercise of stock options and warrants of \$10,900, partially offset by the repayment of notes payable of \$741,400 and the repayment of related-party notes payable of \$212,000.

The Company received gross proceeds of \$4.5 million (approximately \$3.9 million after offering costs) in exchange for the issuance of 372,862 shares of convertible preferred stock in the first quarter of fiscal 2016 which is further described in Note 7 in the accompanying condensed consolidated financial statements. The funds raised are being used for working capital purposes and to continue our sales efforts to advance the Company's commercialization of the Cryoport Express® Solutions.

In July 2015, the Company completed a public offering of its common stock and warrants under a registered public offering to provide working capital, support the Company's anticipated operations and development plans and meet the eligibility requirement to list its common stock on the NASDAQ Capital Market. The gross proceeds to Cryoport from this offering, including the partial exercise of the over-allotment option, were approximately \$6.8 million.

In April 2016, the Company completed its tender offer. Pursuant to the offer, original warrants were amended and exercised in connection therewith, resulting in the issuance by the Company of an aggregate of 2,020,597 shares of its common stock for aggregate gross proceeds of \$2.5 million.

As discussed in Note 2 of the accompanying condensed financial statements, as of and for the nine months ended December 31, 2015, there exists substantial doubt regarding the Company's ability to continue as a going concern. The Company's management recognizes that the Company will need to obtain additional capital to fund its operations until sustained profitable operations are achieved. Management is currently working on such funding alternatives in order to secure sufficient operating capital through the end of fiscal year 2017. In addition, management will continue to review its operations for efficiencies to extend the time the Company can operate with its current cash on hand and to utilize third parties for services such as its international recycling and refurbishment centers to provide for greater flexibility in aligning operational expenses with the changes in sales volumes. Additional funding plans may include obtaining additional capital through equity and/or debt funding sources; however, no assurance can be given that additional capital, if needed, will be available when required or upon terms acceptable to the Company.

#### Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements within the meaning of Item 303(a)(4) of Regulation S-K.

#### Impact of Inflation

From time to time, the Company experiences price increases from third party manufacturers and these increases cannot always be passed on to the Company's customers. While these price increases have not had a material impact on the Company's historical operations or profitability in the past, they could affect revenues in the future.

#### Critical Accounting Policies and Estimates

Management's discussion and analysis of financial condition and results of operations, as well as disclosures included elsewhere in this prospectus, are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). Our significant accounting policies are described in the notes to the audited consolidated financial statements contained elsewhere in this prospectus. Included within these policies are our "critical accounting policies." Critical accounting policies are those policies that are most important to the preparation of our consolidated financial statements and require management's most subjective and complex judgments due to the need to make estimates about matters that are inherently uncertain. Although we believe that our estimates and assumptions are reasonable, actual results may differ significantly from these estimates. Changes in estimates and assumptions based upon actual results may have a material impact on our results of operations and/or financial condition.

We believe that the critical accounting policies that most impact the consolidated financial statements are as described below.

### ***Basis of Presentation***

The accompanying consolidated financial statements have been prepared in accordance with U.S. GAAP.

On May 12, 2015, our board of directors approved an amendment to our certificate of incorporation to effect a reverse stock split by a ratio of 1-for-12. The reverse stock split was effective on May 19, 2015. Unless otherwise noted, all share and per share data in this prospectus give effect to the 1-for-12 reverse stock split of our common stock. Financial information updated by this capital change includes earnings per common share, dividends per common share, stock price per common share, weighted average common shares, outstanding common shares, treasury shares, common stock, additional paid-in capital, and share-based compensation.

### ***Principles of Consolidation***

The consolidated financial statements include the accounts of Cryoport, Inc. and its wholly owned subsidiary, Cryoport Systems, Inc. All intercompany accounts and transactions have been eliminated.

### ***Use of Estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from estimated amounts. The Company's significant estimates include the allowance for doubtful accounts, recoverability of long-lived assets, allowance for inventory obsolescence, deferred taxes and their accompanying valuations, and valuation of equity instruments and conversion features.

### ***Fair Value of Financial Instruments***

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, related-party notes payable, notes payable, accounts payable and accrued expenses. The carrying value for all such instruments approximates fair value at December 31, 2015 and March 31, 2015 due to their short-term nature. The difference between the fair value and recorded values of the related-party notes payable is not significant.

### *Cash and Cash Equivalents*

The Company considers highly liquid investments with original maturities of 90 days or less to be cash equivalents.

### *Customers*

The Company grants commercial trade credit to customers under established terms and conditions within the U.S. and to a limited number of international customers and does not require collateral. Revenues from international customers are generally secured by advance payments except for a limited number of established foreign customers. The Company generally requires advance or credit card payments for initial revenues from new customers, who have not received credit approval. The Company's ability to collect receivables is affected by customer circumstances, economic fluctuations in the respective geographic areas and the industries served by the Company. Reserves for uncollectible amounts are provided based on past experience and a specific analysis of the respective accounts, which management believes is sufficient. Accounts receivable at December 31, 2015 and March 31, 2015 are net of reserves for doubtful accounts of \$40,600 and \$12,200, respectively. Although the Company expects to collect amounts due, actual collections may differ from the estimated amounts.

The majority of the Company's customers are in the biotechnology, pharmaceutical, animal health and life science industries. Consequently, there is a concentration of accounts receivable within these industries, which is subject to normal credit risk. At December 31, 2015 and March 31, 2015, there was one customer that accounted for 10.4% and 14.6%, respectively, of net accounts receivable. No other single customer owed us more than 10% of net accounts receivable at December 31, 2015 and March 31, 2015.

The Company has revenue from foreign customers primarily in the Europe, Japan, Canada, India and Australia regions. During the nine months ended December 31, 2015 and 2014, the Company had revenues from foreign customers of approximately \$631,400 and \$418,800, respectively, which constituted approximately 14.6% and 15.3% of total revenues, respectively.

For the nine months ended December 31, 2015 and 2014, there was one customer that accounted for 14.5% and 25.0% of total revenues, respectively.

### ***Inventories***

The Company's inventories consist of packaging materials and accessories sold to customers. Inventories are stated at the lower of cost or current estimated market value. Cost is determined using the standard cost method which approximates the first-in, first-to-expire method. Inventories are reviewed periodically for slow-moving or obsolete status. The Company writes down the carrying value of its inventories to reflect situations in which the cost of inventories is not expected to be recovered. Once established, write-downs of inventories are considered permanent adjustments to the cost basis of the obsolete or excess inventories. Raw materials and finished goods include material costs less reserves for obsolete or excess inventories. The Company evaluates the current level of inventories considering historical trends and other factors, and based on such evaluation, records adjustments to reflect inventories at its net realizable value. These adjustments are estimates, which could vary significantly from actual results if future economic conditions, customer demand, competition or other relevant factors differ from expectations. These estimates require us to make assessments about future demand for the Company's products in order to categorize the status of such inventory items as slow-moving, obsolete or in excess-of-need. These estimates are subject to the ongoing accuracy of the Company's forecasts of market conditions, industry trends, competition and other factors.

### ***Property and Equipment***

The Company provides shipping packaging ("shipper") to its customers and charges a fee in exchange for the use of the shipper. The Company's arrangements are similar to the accounting standard for leases since they convey the right to use the container over a period of time. The Company retains the title to the shippers and provides its customers the use of the shipper for a specific shipping cycle. At the culmination of the customer's shipping cycle, the shipper is returned to the Company. As a result, the Company classifies the shippers as property and equipment for the per-use shipper program.

Property and equipment are recorded at cost. Cryogenic shippers are depreciated using the straight-line method over their estimated useful lives of three years. Software, equipment and furniture are depreciated using the straight-line

method over their estimated useful lives (generally three to seven years) and leasehold improvements are amortized using the straight-line method over the estimated useful life of the asset or the lease term, whichever is shorter. Equipment acquired under capital leases is amortized over the estimated useful life of the assets or term of the lease, whichever is shorter and included in depreciation and amortization expense.

Betterments, renewals and extraordinary repairs that extend the lives of the assets are capitalized; other repairs and maintenance charges are expensed as incurred. The cost and related accumulated depreciation and amortization applicable to assets retired are removed from the accounts, and the gain or loss on disposition is recognized in current operations.

### *Intangible Assets*

Intangible assets are comprised of patents and trademarks and software development costs. The Company capitalizes costs of obtaining patents and trademarks, which are amortized, using the straight-line method over their estimated useful life of five years once the patent or trademark has been issued. During the nine months ended December 31, 2015, the Company wrote off patents aggregating \$98,100 to research and development expense in the accompanying condensed consolidated statement of operations. The Company capitalizes certain costs related to software developed for internal use. Software development costs incurred during the preliminary or maintenance project stages are expensed as incurred, while costs incurred during the application development stage are capitalized and amortized using the straight-line method over the estimated useful life of the software, which is five years. Capitalized costs include purchased materials and costs of services including the valuation of warrants issued to consultants.

### ***Long-lived Assets***

If indicators of impairment exist, we assess the recoverability of the affected long-lived assets by determining whether the carrying value of such assets can be recovered through undiscounted future operating cash flows. If impairment is indicated, we measure the amount of such impairment by comparing the fair value to the carrying value. We believe the future cash flows to be received from the long-lived assets will exceed the assets' carrying value, and accordingly, we have not recognized any impairment losses through December 31, 2015.

### ***Deferred Financing Costs***

Deferred financing costs represent costs incurred in connection with the issuance of the convertible notes payable and equity financings. Deferred financing costs related to the issuance of debt are being amortized over the term of the financing instrument using the effective interest method while offering costs from equity financings are netted against the gross proceeds received from the equity financings.

### ***Conversion Features***

If a conversion feature of convertible debt is not accounted for as a derivative instrument and provides for a rate of conversion that is below market value, this feature is characterized as a beneficial conversion feature ("BCF"). A BCF is recorded by the Company as a debt discount. The convertible debt is recorded net of the discount related to the BCF. The Company amortizes the discount to interest expense over the life of the debt using the effective interest rate method.

Preferred stock is convertible to common stock at a rate of conversion that is below market value and, therefore, this feature is characterized as a BCF. The Company records this BCF as a discount to the preferred stock and accretes the discount to retained earnings as a deemed dividend through the earliest conversion date or upon issuance if the preferred stock can be immediately converted.

### ***Income Taxes***

The Company accounts for income taxes under the provision of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 740, Income Taxes, or ASC 740. As of December 31, 2015 and March 31, 2015, there were no unrecognized tax benefits included in the accompanying condensed consolidated balance sheets that would, if recognized, affect the effective tax rates.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations. Based on the weight of available evidence, the Company’s management has determined that it is more likely than not that the net deferred tax assets will not be realized. Therefore, the Company has recorded a full valuation allowance against the net deferred tax assets. The Company’s income tax provision consists of state minimum taxes.

The Company’s policy is to recognize interest and/or penalties related to income tax matters in income tax expense. The Company had no accrual for interest or penalties on its condensed consolidated balance sheets at December 31, 2015 and March 31, 2015 and has not recognized interest and/or penalties in the condensed consolidated statement of operations for the nine months ended December 31, 2015 and 2014. The Company is subject to taxation in the U.S. and various state jurisdictions. As of December 31, 2015, the Company is no longer subject to U.S. federal examinations for years before 2011 and for California franchise and income tax examinations for years before 2010. However, to the extent allowed by law, the taxing authorities may have the right to examine prior periods where net operating losses were generated and carried forward, and make adjustments up to the amount of the net operating loss carry forward amount. The Company is not currently under examination by U.S. federal or state jurisdictions.

### ***Revenue Recognition***

The Company provides shipping containers to its customers and charges a fee in exchange for the use of the shipper. The Company’s arrangements are similar to the accounting standard for leases since they convey the right to use the shippers over a period of time. The Company retains title to the shipper and provides its customers the use of the shipper for a specified shipping cycle. At the culmination of the customer’s shipping cycle, the shipper is returned to the Company.

The Company recognizes revenue for the use of the shipper once the shipper has been delivered to the end user of the enclosed materials, and at the time that collectability of the related fees is reasonably certain. Revenue is recorded net of discounts and allowances.

The Company also provides logistics support and management services to some customers, which may include onsite logistics personnel. Revenue is recognized for these services as services are rendered and at the time that collectability is reasonably certain.

#### ***Accounting for Shipping and Handling Revenue, Fees and Costs***

The Company classifies amounts billed for shipping and handling as revenue. Shipping and handling fees and costs are included in cost of revenues in the accompanying condensed consolidated statements of operations.

#### ***Research and Development Expenses***

Expenditures relating to research and development are expensed in the period incurred.

#### ***Stock-based Compensation***

The Company accounts for stock-based payments to employees and directors in accordance with stock-based payment accounting guidance which requires all stock-based payments to employees and directors, including grants of employee stock options and warrants, to be recognized based upon their fair values. The fair value of stock-based awards is estimated at the grant date using the Black-Scholes Option Pricing Model (“Black-Scholes”) and the portion that is ultimately expected to vest is recognized as compensation cost over the requisite service period. The determination of fair value using Black-Scholes is affected by the Company’s stock price as well as assumptions regarding a number of complex and subjective variables, including expected stock price volatility, risk-free interest rate, expected dividends and projected employee stock option exercise behaviors.

Since stock-based compensation is recognized only for those awards that are ultimately expected to vest, the Company has applied an estimated forfeiture rate to unvested awards for the purpose of calculating compensation cost. These estimates will be revised, if necessary, in future periods if actual forfeitures differ from estimates. Changes in

forfeiture estimates impact compensation cost in the period in which the change in estimate occurs. The estimated forfeiture rates at December 31, 2015 and March 31, 2015 were zero as the Company has not had a significant history of forfeitures and does not expect significant forfeitures in the future.

Cash flows from the tax benefits resulting from tax deductions in excess of the compensation cost recognized for those options or warrants are classified as financing cash flows. Due to the Company's loss position, there were no such tax benefits during the nine months ended December 31, 2015 and 2014.

### ***Equity Instruments Issued to Non-Employees for Acquiring Goods or Services***

Issuances of the Company's common stock for acquiring goods or services are measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. The measurement date for the fair value of the equity instruments issued to consultants or vendors is determined at the earlier of (i) the date at which a commitment for performance to earn the equity instruments is reached (a "performance commitment" which would include a penalty considered to be of a magnitude that is a sufficiently large disincentive for nonperformance) or (ii) the date at which performance is complete. When it is appropriate for the Company to recognize the cost of a transaction during financial reporting periods prior to the measurement date, for purposes of recognition of costs during those periods, the equity instrument is measured at the then-current fair values at each of those interim financial reporting dates.

### ***Basic and Diluted Net Income (Loss) Per Share***

We calculate basic and diluted net income (loss) per share attributable to common stockholders using the weighted average number of common shares outstanding during the periods presented, and adjust the amount of net income (loss) used in this calculation for deemed preferred stock dividends and cumulative preferred stock dividends, whether they are earned or not during the period. In periods of a net loss position, basic and diluted weighted average shares are the same. For the diluted earnings per share calculation, we adjust the weighted average number of common shares outstanding to include dilutive stock options, warrants and shares associated with the conversion of convertible debt and convertible preferred stock outstanding during the periods. As of December 31, 2015 and March 31, 2015, the Company had cumulative, undeclared, dividends that have not been accrued related to its preferred stock of \$992,600 and \$305,300, respectively. During the nine months ended December 31, 2015, undeclared dividends totaling \$687,300 and \$194,900, respectively, were added to the net loss on the condensed consolidated statements of operations in order to calculate net loss per share attributable to common stockholders.

The following shows the amounts used in computing net loss per share for the nine months ended December 31, 2015 and 2014:

	Nine Months Ended December 31,	
	2015	2014
Net loss	\$ (7,110,180	) \$ (5,089,781 )
Add:		
Preferred stock beneficial conversion charge	(4,474,348	) (2,961,723 )
Undeclared cumulative preferred dividends	(687,267	) (194,901 )
Net loss attributable to common stockholders	\$ (12,271,795	) \$ (8,246,405 )
Weighted average shares issued and outstanding-basic and diluted	6,259,686	5,002,683
Basic and diluted net loss per share attributable to common stockholders	(1.96	) (1.65 )

The following table sets forth the number of shares excluded from the computation of diluted loss per share, as their inclusion would have been anti-dilutive:

	Nine Months Ended December 31,	
	2015	2014
Class A convertible preferred stock	1,136,875	1,107,220
Class B convertible preferred stock	1,336,428	—
Stock options	847,015	390,011
Warrants	615,790	395,857
	3,936,108	1,893,088

### ***Segment Reporting***

We currently operate in one reportable segment.

### ***Fair Value Measurements***

We measure fair value based on the prices that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are based on a three-tier hierarchy that prioritizes the inputs used to measure fair value. These tiers include the following:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable prices that are based on inputs not quoted on active markets, but corroborated by market data. These inputs include quoted prices for similar assets or liabilities; quoted market prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, we utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, as well as consider counterparty credit risk in the assessment of fair value.

We have no assets or liabilities that are required to be measured at fair value on a recurring basis as of December 31, 2015 and March 31, 2015.

### ***Foreign Currency Transactions***

We record foreign currency transactions at the exchange rate prevailing at the date of the transaction with resultant gains and losses being included in results of operations. Foreign currency transaction gains and losses have not been significant for any of the periods presented.

### ***Recent Accounting Pronouncements***

In May 2014, the FASB issued Accounting Standard Update (“ASU”) No. 2014-09, “Revenue from Contracts with Customers”. ASU 2014-09 supersedes the revenue recognition