

Mast Therapeutics, Inc.  
Form 424B3  
November 04, 2013  
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Filed Pursuant to Rule 424(b)(3)  
Registration No. 333-188870

**Prospectus Supplement No. 5**

**(To prospectus dated June 14, 2013)**

**Warrants to Purchase up to 28,097,500 Shares of Common Stock**

This Prospectus Supplement No. 5 (the "Prospectus Supplement") supplements our Prospectus dated June 14, 2013 and Prospectus Supplements No. 1, 2, 3 and 4 dated June 26, 2013, August 5, 2013, August 9, 2013 and October 30, 2013, respectively (together, the "Prospectus"), relating to the issuance of up to 28,097,500 shares of our common stock issuable upon exercise of outstanding warrants issued in connection with our registered offering which closed on June 19, 2013. We cannot predict when or if the warrants will be exercised, and it is possible that the warrants may expire and never be exercised.

**Recent Developments**

This Prospectus Supplement is being filed to update and supplement the information in the Prospectus with the information contained in our Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 4, 2013 (the "Quarterly Report"). Accordingly, we have attached the Quarterly Report to this Prospectus Supplement. Any statement contained in the Prospectus shall be deemed to be modified or superseded to the extent that information in this Prospectus Supplement modifies or supersedes such statement. Any statement that is modified or superseded shall not be deemed to constitute a part of the Prospectus except as modified or superseded by this Prospectus Supplement.

This Prospectus Supplement should be read in conjunction with, and may not be delivered or utilized without, the Prospectus.

**In reviewing this Prospectus Supplement, you should carefully consider the matters described under the caption "Risk Factors" beginning on page 4 of the Prospectus.**

**Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this Prospectus Supplement is truthful or complete. Any representation to the contrary is a criminal offense.**

**This Prospectus Supplement does not constitute an offer to sell or the solicitation of an offer to buy any securities.**

**The date of this Prospectus Supplement is November 4, 2013**

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

**FORM 10-Q**

(Mark One)

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

**For the quarterly period ended September 30, 2013**

**OR**

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

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**Commission File Number 001-32157**

**Mast Therapeutics, Inc.**

**(Exact name of registrant as specified in its charter)**

**Delaware**  
**(State or other jurisdiction of**  
**incorporation or organization)**

**84-1318182**  
**(I.R.S. Employer**  
**Identification No.)**

**12390 El Camino Real, Suite 150, San Diego, CA**  
**(Address of principal executive offices)**

**92130**  
**(Zip Code)**

**(858) 552-0866**

**(Registrant's telephone number, including area code)**

**N/A**

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of shares outstanding of the registrant's common stock, \$0.001 par value per share, as of November 1, 2013 was 102,710,286.

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(A Development Stage Enterprise)

**Condensed Consolidated Balance Sheets**

(Unaudited)

	<b>September 30, 2013</b>	<b>December 31, 2012</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 30,231,154	\$ 22,500,440
Investment securities	19,131,616	14,010,962
Interest and other receivables	29,185	15,689
Prepaid expenses	542,423	646,571
<b>Total current assets</b>	<b>49,934,378</b>	<b>37,173,662</b>
Property and equipment, net	115,092	198,358
In-process research and development	6,549,000	6,549,000
Goodwill	3,006,883	3,006,883
Other assets	43,912	43,912
<b>Total assets</b>	<b>\$ 59,649,265</b>	<b>\$ 46,971,815</b>
<b>Liabilities and Stockholders Equity</b>		
Current liabilities:		
Accounts payable	\$ 794,674	\$ 698,838
Accrued liabilities	2,155,179	1,283,976
Accrued compensation and payroll taxes	1,026,888	445,352
Contingent liability		142,500
<b>Total current liabilities</b>	<b>3,976,741</b>	<b>2,570,666</b>
Deferred income tax liability	2,608,755	2,608,755
<b>Total liabilities</b>	<b>6,585,496</b>	<b>5,179,421</b>
Stockholders equity:		
Common stock, \$0.001 par value; 500,000,000 shares authorized; 102,710,286 and 47,719,365 shares issued at September 30, 2013 and December 31, 2012, respectively; 102,710,286 and 46,265,286 shares outstanding at September 30, 2013 and December 31, 2012, respectively	102,710	47,720

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Treasury stock, at cost 0 and 1,454,079 shares at September 30, 2013 and December 31, 2012, respectively		(1,454)
Additional paid-in capital	253,713,892	226,696,863
Accumulated other comprehensive loss	(28,722)	(2,194)
Deficit accumulated during the development stage	(200,724,111)	(184,948,541)
Total stockholders' equity	53,063,769	41,792,394
Total liabilities and stockholders' equity	\$ 59,649,265	\$ 46,971,815

See accompanying notes to unaudited condensed consolidated financial statements.

(1)

**Table of Contents****Mast Therapeutics, Inc. and Subsidiaries**

(A Development Stage Enterprise)

**Condensed Consolidated Statements of Operations and Comprehensive Income/(Loss)**

(Unaudited)

	<b>Three months ended</b>		<b>Nine months ended</b>		<b>Inception</b>
	<b>September 30,</b>		<b>September 30,</b>		<b>(June 12, 1996)</b>
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>through</b>
					<b>September 30, 2013</b>
<b>Revenues:</b>					
Net sales	\$	\$	\$	\$	\$ 174,830
Licensing revenue					1,300,000
Grant revenue					618,692
<b>Total net revenues</b>					<b>2,093,522</b>
Cost of goods sold					51,094
<b>Gross margin</b>					<b>2,042,428</b>
<b>Operating expenses:</b>					
Research and development	3,102,240	1,657,902	9,382,087	5,976,217	95,439,543
Selling, general and administrative	2,158,417	1,816,181	6,371,048	5,732,478	74,037,760
Transaction-related expenses		(266,222)	35,000	(174,711)	706,652
Depreciation and amortization	10,064	10,638	28,738	77,569	11,053,973
Write-off of in-process research and development					10,422,130
Goodwill impairment					5,702,130
Equity in loss of investee					178,936
<b>Total operating expenses</b>	<b>5,270,721</b>	<b>3,218,499</b>	<b>15,816,873</b>	<b>11,611,553</b>	<b>197,541,124</b>
<b>Loss from operations</b>	<b>(5,270,721)</b>	<b>(3,218,499)</b>	<b>(15,816,873)</b>	<b>(11,611,553)</b>	<b>(195,498,696)</b>
Reduction of fair value of warrants					(12,239,688)
Interest income	17,327	18,347	42,638	56,300	4,874,846
Interest expense					(191,729)
Other income (expense), net	(137)	1,099	(1,335)	(7,480)	128,370
<b>Loss before cumulative effect of change in accounting principle</b>	<b>(5,253,531)</b>	<b>(3,199,053)</b>	<b>(15,775,570)</b>	<b>(11,562,733)</b>	<b>(202,926,897)</b>
Cumulative effect of change in accounting principle					(25,821)



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Net loss	(5,253,531)	(3,199,053)	(15,775,570)	(11,562,733)	(202,952,718)
Preferred stock dividends					(621,240)
Deemed dividends on preferred stock					(10,506,683)
Net loss applicable to common stock	\$ (5,253,531)	\$ (3,199,053)	\$ (15,775,570)	\$ (11,562,733)	\$ (214,080,641)
Net loss per common share and diluted	\$ (0.05)	\$ (0.07)	\$ (0.23)	\$ (0.24)	
Weighted average shares outstanding	102,710,286	47,715,709	67,781,879	47,715,709	
<u>Comprehensive Income/(Loss):</u>					
Net loss	\$ (5,253,531)	\$ (3,199,053)	\$ (15,775,570)	\$ (11,562,733)	\$ (202,952,718)
Other comprehensive gains (losses)	(19,884)	76	(26,528)	79	(28,722)
Comprehensive loss	\$ (5,273,415)	\$ (3,198,977)	\$ (15,802,098)	\$ (11,562,654)	\$ (202,981,440)

See accompanying notes to unaudited condensed consolidated financial statements.

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(A Development Stage Enterprise)

**Condensed Consolidated Statements of Cash Flows**

(Unaudited)

	Nine months ended September 30,		Inception (June 12, 1996) through September 30, 2013
	2013	2012	
<b>Cash flows from operating activities:</b>			
Net loss	\$ (15,775,570)	\$ (11,562,733)	\$ (202,952,718)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	28,738	77,569	10,603,975
Loss on disposals of equipment		4,503	61,315
Loss on fair value of warrants			12,239,688
Loss/(gain) on change in fair value of contingent consideration	35,000	(174,711)	(1,493,907)
Amortization of debt discount			450,000
Forgiveness of employee receivable			30,036
Impairment loss write-off of goodwill			5,702,130
Share-based compensation expense related to employee stock options and restricted stock issued	1,159,021	1,073,872	12,708,345
Expenses related to options issued to non-employees			204,664
Expenses paid by issuance of common stock			1,341,372
Expenses paid by issuance of warrants			573,357
Expenses paid by issuance of preferred stock			142,501
Expenses related to stock warrants issued			612,000
Equity in loss of investee			178,936
In-process research and development			10,422,130
Write-off of license agreement			152,866
Impairment of equipment		300,114	510,739
Cumulative effect of change in accounting principle			25,821
Amortization of premium / (accretion of discount) on investments in securities		21,840	(1,571,502)
Changes in assets and liabilities, net of effect of acquisitions:			
Decrease/(increase) in prepaid expenses and other assets	90,500	(437,266)	(865,359)
Increase in accounts payable and accrued liabilities	1,533,636	127,484	3,828,814
Net cash used in operating activities	(12,928,675)	(10,569,328)	(147,094,797)

**Cash flows from investing activities:**

Purchases of certificates of deposit