

DIGIRAD CORP
Form 8-K
January 11, 2019

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): January 8, 2019

DIGIRAD CORPORATION

(Exact name of registrant as specified in its charter)

Delaware 001-35947 33-0145723
(State or Other Jurisdiction (Commission (IRS Employer
of Incorporation) File Number) Identification No.)

1048 Industrial Court, Suwanee, GA 30024
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (858) 726-1600

Not Applicable

(Former Name or Former Address, If Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 3.01 Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standards; Transfer of Listing.

On January 8, 2019, Digirad Corporation (the “Company”) received a letter (the “Letter”) from the Listing Qualifications Department of the Nasdaq Stock Market (“Nasdaq”) stating that, based upon the closing bid price of the Company’s common stock for the last 30 consecutive business days, the Company did not meet the minimum bid price of \$1.00 per share required for continued listing on The Nasdaq Global Market pursuant to Nasdaq Listing Rule 5450(a)(1).

In accordance with Nasdaq Listing Rule 5810(c)(3)(A), and as indicated in the Letter, the Company has 180 calendar days, or until July 8, 2019, to regain compliance with the minimum bid price rule. The Letter further provided that if at any time during this 180-day period, the closing bid price of the Company’s common stock is at least \$1.00 for a minimum of 10 consecutive business days, Nasdaq will provide the Company written confirmation of compliance with the minimum bid price rule and the matter will be closed.

If the Company does not regain compliance by July 8, 2019, the Company may transfer from The Nasdaq Global Market to The Nasdaq Capital Market and may be eligible for an additional compliance period of 180 days. To qualify for the additional compliance period, the Company will have to: (i) submit a Transfer Application and related application fees; (ii) meet the continued listing requirement for market value of publicly held shares and all other initial listing standards of The Nasdaq Capital Market (except for the bid price requirement); and (iii) provide written notice to Nasdaq of its intention to cure the deficiency during the additional 180-day compliance period by effecting a reverse stock split if necessary. If the Company does not qualify for an additional compliance period, or should the Company determine not to submit a transfer application or make the required representation, or if Nasdaq concludes that the Company will not be able to cure the deficiency, Nasdaq will provide written notice to the Company that its common stock will be subject to delisting. Nasdaq rules permit the Company to appeal any delisting determination by Nasdaq to a Hearings Panel.

The Company will continue to actively monitor the closing bid price of its common stock and will evaluate available options, including, without limitation, seeking to effect a reverse stock split, in order to resolve the deficiency and regain compliance with the minimum bid price rule.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**DIGIRAD
CORPORATION**

By: /s/ Matthew G. Molchan
Matthew G. Molchan

President, Chief
Executive Officer and
Interim Chief Financial
Officer

Date: January 11, 2019