
**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): August 28, 2023 (August 21, 2023)

SORRENTO THERAPEUTICS, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-36150
(Commission
File Number)

33-0344842
(IRS Employer
Identification No.)

4955 Directors Place
San Diego, CA 92121
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (858) 203-4100

N/A
(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:

- 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))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.0001 par value	SRNEQ	N/A

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.

INTRODUCTORY NOTE

As previously disclosed, on February 13, 2023, Sorrento Therapeutics, Inc. (“**Sorrento**” or the “**Company**”) and its wholly owned direct subsidiary, Scintilla Pharmaceuticals, Inc. (together with the Company, the “**Debtors**”), commenced voluntary proceedings under Chapter 11 of the United States Bankruptcy Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”). The Debtors’ Chapter 11 proceedings are jointly administered under the caption *In re Sorrento Therapeutics, Inc., et al.*, Case Number 23-90085 (DRJ) (the “**Chapter 11 Cases**”). The Debtors continue to operate their business in the ordinary course and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court.

As previously disclosed, and as stated in the final order (the “**Bidding Procedures Order**”) of the Bankruptcy Court on April 14, 2023, the Debtors are conducting a dual-track (i) financing process for the potential raising of debt, equity or hybrid financing or consummation of a restructuring transaction through a Chapter 11 plan of reorganization (a “**Plan of Reorganization**”) and (ii) marketing process for the sale or disposition of all or any portion of the Debtors’ assets under section 363 of the Bankruptcy Code, including (x) the Debtors’ equity interests in its non-debtor subsidiaries, including, but not limited to, Scilex Holding Company (“**Scilex**”) and (y) the Debtors’ other assets.

Item 1.01. Entry into a Material Definitive Agreement.

Amendment to Stock Purchase Agreement

As previously disclosed, on August 7, 2023, Sorrento entered into a Stock Purchase Agreement (as amended by that certain First Amendment to Stock Purchase Agreement (the “**First SPA Amendment**”), dated August 9, 2023, the “**Stalking Horse Stock Purchase Agreement**”), with Oramed Pharmaceuticals Inc. (“**Oramed**”) relating to the purchase and sale of certain equity securities of Scilex (the “**Scilex Purchased Securities**”). Pursuant to the Stalking Horse Stock Purchase Agreement, Oramed agreed to buy, and Sorrento agreed to sell (subject to further Bankruptcy Court approval in the form of a sale order (the “**Sale Order**”) the Scilex Purchased Securities for a purchase price (subject to the submission of higher or otherwise better offers in accordance with the approved procedures for the auction) of \$105 million (the “**Purchase Price**”).

On August 21, 2023, Sorrento and Oramed entered into that certain Second Amendment to Stock Purchase Agreement (the “**Second SPA Amendment**”), pursuant to which the parties agreed: (i) to further extend the deadline for entry of the Sale Order from August 21, 2023 to August 25, 2023; (ii) to reduce the number of Scilex warrants included in the Scilex Purchased Securities as follows: (a) reducing the number of public warrants exercisable for shares of Scilex common stock from warrants in respect of 1,386,617 shares of Scilex common stock to warrants in respect of 693,309 shares of Scilex common stock and (b) reducing the number of private warrants exercisable for shares of Scilex common stock from warrants in respect of 3,104,000 shares of Scilex common stock to warrants in respect of 1,552,000 shares of Scilex common stock; (iii) to include an obligation on the part of Sorrento to serve notice of the proposed Sale Order containing the terms of the Junior DIP Compromise (as defined below) on the shareholders of Scilex; and (iv) to include as a condition to closing that the Sale Order include the following terms (collectively such terms are referred to as the “**Junior DIP Compromise**”) relating to the junior debtor-in-possession loan between Scilex and the Debtors (the “**Junior DIP Facility**”): (A) that any recovery to Scilex on account of the Junior DIP Facility shall be identical to the treatment of Sorrento’s general unsecured creditors under any Chapter 11 plan or otherwise in the Chapter 11 Cases; provided that the Junior DIP Facility shall not be payable with equity securities of any reorganized debtor without the prior written consent of Scilex; (B) findings of fact and conclusions of law that the Junior DIP Compromise is entirely fair to Scilex and its shareholders under the laws of the State of Delaware; (C) exculpation of Oramed and Scilex, its affiliates and any directors appointed to the board of directors of Scilex in connection with the consummation of the transactions contemplated by the Stalking Horse Stock Purchase Agreement (as amended) and the Junior DIP Compromise to the fullest extent permitted by law; (D) any order confirming a Chapter 11 plan for Sorrento shall include provisions consistent with the foregoing clauses (B) and (C) in form and substance acceptable to Oramed and Sorrento; and (E) findings of fact and conclusions of law that notice of the proposed Sale Order was sufficiently served on shareholders of Scilex under the circumstances.

The foregoing summaries of the Stalking Horse Stock Purchase Agreement, the First SPA Amendment and the Second SPA Amendment are qualified in their entirety by reference to the full text of the Stalking Horse Stock Purchase Agreement, the First SPA Amendment and the Second SPA Amendment. A copy of the Stalking Horse Stock Purchase Agreement, the First SPA Amendment and the Second SPA Amendment are attached to this Current Report on Form 8-K as Exhibit 2.1, Exhibit 2.2 and Exhibit 2.3, respectively, and incorporated by reference herein.

Additional information about the Chapter 11 Cases is available online at <https://cases.stretto.com/sorrento>, a website administered by Stretto, a third-party bankruptcy claims and noticing agent. The information on that website is not incorporated by reference into, and does not constitute part of, this Current Report on Form 8-K.

Item 8.01. Other Events

On August 17, 2023, Sorrento filed a Notice of (I) Successful Bidder and Successful Bid, (II) Reset of Sale Hearing, and (III) Sale Objection Deadline announcing Oramed as the successful bidder in the auction for the Scilex Purchased Securities. The winning bid was Oramed's initial bid, except as modified on the record at the auction and subsequently memorialized by the Second SPA Amendment. The full terms of the transactions contemplated by the Stalking Horse Stock Purchase Agreement (as amended) are set forth in the Stalking Horse Stock Purchase Agreement, as amended by the First SPA Amendment and the Second SPA Amendment.

On August 25, 2023, the Bankruptcy Court held a hearing to consider approval of the transactions contemplated by the Stalking Horse Stock Purchase Agreement (as amended). The Bankruptcy Court approved such transactions on the record at the hearing.

Cautionary Statement Concerning Forward-Looking Statements

This Current Report on Form 8-K includes certain statements that are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "should," "would," "plan," "predict," "potential," "seem," "seek," "future," "outlook" and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding the sale of the Scilex Purchased Securities and the consummation of the transactions contemplated by the Stalking Horse Stock Purchase Agreement (as amended). The Company's actual results or outcomes and the timing of certain events may differ significantly from those discussed in any forward-looking statements. These statements are based on various assumptions and on the current expectations of the Company's management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability.

Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of the Company. These forward-looking statements are subject to a number of risks and uncertainties, including risks associated with the application of the proceeds from the transactions contemplated by the Stalking Horse Stock Purchase Agreement (as amended) (if any) and the ability of the Company to use such proceeds efficiently in support of its business; the Company's ability to obtain exit financing and to pursue a Plan of Reorganization and exit the Chapter 11 Cases; the ability to close the transactions contemplated by the Stalking Horse Stock Purchase Agreement (as amended), or any Alternative Transaction (as defined in the Stalking Horse Stock Purchase Agreement), in a timely manner or at all; the failure to satisfy conditions to completion of the transactions contemplated by the Stalking Horse Stock Purchase Agreement (as amended), including receipt of required regulatory and other approvals, or the failure to close such transactions for any other reason; the occurrence of any event, change or other circumstances that could give rise to the termination of the Stalking Horse Stock Purchase Agreement (as amended) by either Sorrento or Oramed; the entry by the court into any Sale Order relating to the transactions contemplated by the Stalking Horse Stock Purchase Agreement (as amended) or any Alternative Transaction; and those factors discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 and subsequent Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission (the "SEC"), in each case, under the heading "Risk Factors," and other documents of the Company filed, or to be filed, with the SEC. If the risks materialize or assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that the Company presently does not know or that the Company currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect the Company's expectations, plans or forecasts of future events and views as of the date of this document. The Company anticipates that subsequent events and developments will cause its assessments to change. However, while the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the Company's assessments as of any date subsequent to the date of this document. Accordingly, undue reliance should not be placed upon the forward-looking statements.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

- [2.1*](#) [Stock Purchase Agreement, dated August 7, 2023 between Sorrento Therapeutics, Inc. and Oramed Pharmaceuticals Inc. \(incorporated by reference from Exhibit 2.1 from our current report on Form 8-K filed August 10, 2023\).](#)
- [2.2](#) [First Amendment to Stock Purchase Agreement, dated August 9, 2023, between Sorrento Therapeutics, Inc. and Oramed Pharmaceuticals Inc. \(incorporated by reference from Exhibit 2.2 from our current report on Form 8-K filed August 10, 2023\).](#)
- [2.3](#) [Second Amendment to Stock Purchase Agreement, dated August 21, 2023, between Sorrento Therapeutics, Inc. and Oramed Pharmaceuticals Inc.](#)
- 104 Cover Page Interactive Data File, formatted in Inline Extensible Business Reporting Language (iXBRL).

* Certain schedules, exhibits and similar attachments to this agreement have been omitted in accordance with Item 601(a)(5) of Regulation S-K. A copy of any omitted exhibit or other attachment will be furnished supplementally to the SEC upon request.

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.

SORRENTO THERAPEUTICS, INC.

Date: August 28, 2023

By: /s/ Mohsin Y. Meghji

Name: Mohsin Y. Meghji

Title: Chief Restructuring Officer

**SECOND AMENDMENT TO
STOCK PURCHASE AGREEMENT**

THIS SECOND AMENDMENT TO STOCK PURCHASE AGREEMENT (this “**Amendment**”) is made as of August 21, 2023, by and between Sorrento Therapeutics, Inc., a Delaware corporation (the “**Seller**”), and Oramed Pharmaceuticals Inc., a Delaware corporation (the “**Purchaser**”). Capitalized terms used herein without definition shall have the meaning ascribed to such terms in the Stock Purchase Agreement.

WHEREAS, the Seller and the Purchaser are parties to that certain Stock Purchase Agreement, dated as of August 7, 2023 (as amended by that certain First Amendment to Stock Purchase Agreement, dated as of August 9, 2023, the “**Stock Purchase Agreement**”).

WHEREAS, the Parties desire to amend the Stock Purchase Agreement as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged by each of the parties, the parties hereby agree as follows:

1. AMENDMENT TO STOCK PURCHASE AGREEMENT

a. Schedule I to the Stock Purchase Agreement is hereby amended and restated in its entirety and replaced with Schedule I attached hereto.

b. The second sentence of Section 1 is hereby amended and restated in its entirety as follows: “The aggregate consideration for the Purchased Securities shall consist of: (i) to the extent approved by the Bankruptcy Court, the Junior DIP Compromise, and (ii) the Purchase Price. As used in this Agreement, “Purchase Price” means \$105,000,000. At the Closing, the Purchaser shall pay the Purchase Price as follows: (A) a credit bid, on a dollar-for-dollar basis, pursuant to section 363(k) of the Bankruptcy Code, in respect of the full amount of the outstanding obligations under the Replacement DIP Facility as of the Closing Date (the “Credit Bid Amount”), and (B) the remaining balance to be paid in cash to the Seller (the “Cash Amount”).”

c. Section 5(h)(i) is hereby amended to include the following sentence at the end of such paragraph: “Prior to the hearing in the Bankruptcy Court for approval of the Stock Purchase Agreement, the Seller shall serve notice of the proposed Sale Order containing the terms of the Junior DIP Compromise on the shareholders of the Company pursuant to substantially the same process provided in Exhibit A of Docket No. 1033 in the Bankruptcy Case, unless otherwise agreed to by the Seller and the Purchaser.”

d. Section 6(a)(x) is hereby amended and restated in its entirety as follows: “Sale Order. The Bankruptcy Court shall have entered an order (i) approving the Seller’s entry into this Agreement and the consummation of the transactions contemplated herein pursuant to Sections 105 and 363 of the Bankruptcy Code, and (ii) including the Junior DIP Compromise (unless not approved by the Bankruptcy Court), in form and substance reasonably acceptable to the Seller and the Purchaser (the “Sale Order”), and the Sale Order shall be an order of the Bankruptcy Court as to which the time to file an appeal, a motion for rehearing or reconsideration or a petition for writ of certiorari has expired and no such appeal, motion or petition is pending (a “Final Order”).”

e. Section 6(b)(vii) is hereby amended and restated in its entirety as follows: “Sale Order. The Bankruptcy Court shall have entered a Sale Order and such Sale Order shall include the Junior DIP Compromise (unless not approved by the Bankruptcy Court) and be a Final Order.”

f. Section 7(e) is hereby amended and restated in its entirety as follows: “by the Purchaser if (i) the Auction has not commenced on or before August 14, 2023, or (ii) the Sale Order has not been entered by the Bankruptcy Court by August 25, 2023;”

g. Section 10 is hereby amended to include the following as a new defined term: ““Junior DIP Compromise” means the following terms: (i) any recovery to the Company on account of the Junior DIP Facility shall be identical to the treatment of Seller’s general unsecured creditors under any chapter 11 plan of reorganization or otherwise in the Bankruptcy Case; provided that the Junior DIP Facility shall not be payable with equity securities of any reorganized debtor without the prior written consent of the Company, (ii) findings of fact and conclusions of law that the Junior DIP Compromise is entirely fair to the Company and its shareholders under Delaware Law, (iii) exculpation of Purchaser and the Company, its Affiliates, and any directors appointed to the Company in connection with the consummation of the Transactions contemplated hereby and the Junior DIP Compromise to the fullest extent permitted by law, (iv) any order confirming a chapter 11 plan for Seller shall include provisions consistent with the foregoing clauses (ii) and (iii) in form and substance acceptable to Purchaser, and (v) findings of fact and conclusions of law that notice of the proposed Sale Order was sufficiently served on shareholders of the Company under the circumstances.”

h. Section 10 is hereby amended to include the following as a new defined term: ““Junior DIP Facility” means that certain Junior Secured, Super-Priority Debtor-in-Possession Loan and Security Agreement (as amended, restated, amended and restated, supplemented, replaced or otherwise modified from time to time), by and among the Seller, Scintilla and the Company.”

2. GENERAL

A. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State. All actions and proceedings arising out of or relating to this Amendment and the transactions contemplated hereby shall be heard and determined exclusively in the United States Bankruptcy Court for the Southern District of Texas, and the Parties hereby irrevocably submit to the exclusive jurisdiction of such court in any such action or proceeding and irrevocably waive the defense of an inconvenient forum to the maintenance of any such action or proceeding; provided, however, that, if the Bankruptcy Case is closed, any action, claim, suit or proceeding arising out of, based upon, or relating to this Agreement or the transactions contemplated hereby shall be heard and determined exclusively in any state or federal court located in New York County, New York. Each Party agrees that a final, non-appealable judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

B. Ratification. Except as expressly modified and amended by the provisions of this Amendment, all provisions of the Stock Purchase Agreement shall remain in full force and effect in accordance with their terms; provided, that in the event of any conflict between the terms of the Amendment and the terms of the Stock Purchase Agreement the terms of this Amendment shall control. References to the Stock Purchase Agreement in other documents and agreements will be deemed to be references to the Stock Purchase Agreement, as amended by this Amendment, regardless of whether such documents and agreements refer to any amendments of the Stock Purchase Agreement.

C. Miscellaneous Provisions. The provisions of Sections 10(e) (*Notices*), 10(i) (*Entire Agreement; Waiver and Amendment*) and 10(j) (*Counterparts*) of the Stock Purchase Agreement shall each apply to this Amendment *mutatis mutandis*.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Second Amendment to Stock Purchase Agreement as of the date first written above.

SELLER:

SORRENTO THERAPEUTICS, INC.

By: /s/ Mohsin Y. Meghji

Name: Mohsin Y. Meghji

Title: Chief Restructuring Officer

PURCHASER:

ORAMED PHARMACEUTICALS INC.

By: /s/ Nadav Kidron

Name: Nadav Kidron

Title: Chief Executive Officer

Schedule I

Purchased Securities

<u>Class or Type of Securities</u>	<u>Number of Securities</u>
Common Stock	59,726,737
Series A Preferred Stock	29,057,096
Warrants	Warrants exercisable for 693,309 shares of common stock of the Company in respect of Public Warrants, and warrants exercisable for 1,552,000 shares of common stock of the Company in respect of Private Placement Warrants (each as defined in the latest publicly filed Annual Report on Form 10-K of the Company)
