
**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): February 13, 2023 (December 2, 2022)

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	SRNE	The Nasdaq Stock Market LLC

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 1.03. Bankruptcy or Receivership.

Ongoing Litigation

As previously disclosed, Sorrento Therapeutics, Inc. (“Sorrento” or the “Company”) had been engaged in arbitration before the American Arbitration Association against NantPharma, LLC (“NantPharma”) relating to alleged breaches of the May 14, 2015 Stock Sale and Purchase Agreement entered into between the Company and NantPharma related to the development of the cancer drug Cynviloq™ (the “Cynviloq Arbitration”). The Cynviloq Arbitration is one of several pending actions filed by the Company against Dr. Soon-Shiong and entities he controls. As previously disclosed, in April 2019, the Company filed an action in the Los Angeles Superior Court (the “Court”) derivatively on behalf of Immunotherapy NANTibody LLC (“NANTibody”) against NantCell, Inc. (“NantCell”) and Patrick Soon-Shiong, among others, related to several breaches of the June 11, 2015 Limited Liability Company Agreement for NANTibody entered into between the Company and NantCell (the “Derivative Action”). The suit alleges breaches of fiduciary duties and seeks, among other things, a declaration that the Assignment Agreement entered into on July 2, 2017, between NantPharma and NANTibody is void and an equitable unwinding of the Assignment Agreement. The suit calls for the restoration of \$90.05 million to the NANTibody capital account, thereby restoring the Company’s equity method investment in NANTibody to its invested amount as of June 30, 2017 of \$40.0 million. The parties are currently engaged in discovery in the Derivative Action, with a jury trial likely in 2023. In 2020, the Company additionally filed a legal action against Patrick Soon-Shiong in the Court, asserting claims for fraudulent inducement and common law fraud alleging that, among other things, Dr. Soon-Shiong acquired the drug Cynviloq for the purpose of halting its progression to the market.

As previously disclosed, the Company had also been engaged in arbitration before the American Arbitration Association against NantCell and NANTibody relating to alleged breaches of the April 21, 2015 Exclusive License Agreement entered into between the Company and NantCell and the June 11, 2015 Exclusive License Agreement entered into between the Company and NANTibody (the “NantCell/NANTibody Arbitration”).

On December 2, 2022, the arbitrator in the NantCell/NANTibody Arbitration issued an award granting contractual damages and pre-award interest in the amounts of \$156,829,562 to NantCell and \$16,681,521 to NANTibody, exclusive of post-award, prejudgment interest, which will accrue at 9% per annum (the “Nant Award”). On December 20, 2022, the arbitrator in the Cynviloq Arbitration issued an award granting contractual damages of \$125 million to the Company, reflecting the value of lost milestone payments for the approval of Cynviloq for the treatment of breast and lung cancers.

On February 7, 2023, the Court confirmed the Nant Award and issued a 70-day stay of enforcement of the judgment beyond \$50 million. Following such confirmation, the Company believed that NantCell and NANTibody, in an attempt to satisfy the unstayed \$50 million portion of the Nant Award, would imminently take steps to levy the Company’s assets, which would cause significant disruption and harm to the Company’s business, including its ability to continue developing life-saving and cutting-edge drugs.

Chapter 11 Filing

To protect the Company’s business and maximize its value, on February 13, 2023, 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 in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”). The Debtors have requested that the Chapter 11 proceedings be jointly administered under the caption *In re Sorrento Therapeutics, Inc., et al.* (the “Chapter 11 Cases”). The Debtors continue to operate their business in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. The Debtors intend to seek approval of a variety of “first day” motions containing customary relief intended to assure the Debtors’ ability to continue their ordinary course operations during the Chapter 11 Cases.

Additional information about the Chapter 11 Cases, including access to documents filed with the Bankruptcy Court, 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 9.01. Financial Statements and Exhibits.

(d) Exhibits.

104 Cover Page Interactive Data File, formatted in Inline Extensible Business Reporting Language (iXBRL).

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: February 13, 2023

By: /s/ Henry Ji, Ph.D.

Name: Henry Ji, Ph.D.

Title: Chairman of the Board, President and Chief Executive Officer
