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): September 1, 2020

SORRENTO THERAPEUTICS, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**001-36150**	**33-0344842**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(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:

Title of each class	**Trading Symbol**	**Name of each exchange on which registered**
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 2.01 Completion of Acquisition or Disposition of Assets.

On September 1, 2020, Sorrento Therapeutics, Inc. (the "Company") completed its previously announced merger (the "Merger") of SP Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of the Company ("Merger Sub"), with and into SmartPharm Therapeutics, Inc., a Delaware corporation ("SmartPharm"), whereby SmartPharm became a wholly owned subsidiary of the Company. The Merger was effected pursuant to that certain Agreement and Plan of Merger (the "Merger Agreement"), dated as of August 20, 2020, by and among the Company, Merger Sub, SmartPharm and John C. Thomas, Jr., as representative of the stockholders of SmartPharm (the "Stockholders' Representative").

The total value of the consideration payable to the holders of capital stock of SmartPharm (the "SmartPharm Stockholders") in the Merger is equal to $19,368,664, subject to certain adjustments for net working capital, indebtedness, transaction expenses and cash (the "Consideration"). At the effective time of the Merger, SmartPharm Stockholders became entitled to receive an aggregate of 1,757,563 shares of common stock of the Company (the "Shares") based on a price per share equal to $10.60, to be paid in accordance with the terms of the Merger Agreement, of which 204,828 Shares will be placed in escrow to serve as collateral and partial security for working capital adjustments and certain indemnification rights of the Company arising under the Merger Agreement. As provided for in the Merger Agreement, any SmartPharm Stockholder that is not an "accredited investor" as defined in Regulation D under the Securities Act of 1933, as amended (the "Securities Act"), may receive cash in lieu of shares of common stock of the Company pursuant to the terms of the Merger Agreement. A portion of the Consideration otherwise payable to the SmartPharm Stockholders was set aside for expenses incurred by the Stockholders' Representative.

The foregoing description of the Merger Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Merger Agreement that was filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 20, 2020, and is incorporated herein by reference.

Item 3.02. Unregistered Sale of Securities.

The information set forth in Item 2.01 of this Current Report on Form 8-K is incorporated herein by reference into this Item 3.02 in its entirety. The Shares were offered and sold on September 1, 2020, in a transaction exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), in reliance on Section 4(a)(2) thereof and Rule 506 of Regulation D thereunder. Each of the accredited SmartPharm Stockholders represented that such accredited SmartPharm Stockholder was an "accredited investor," as defined in Regulation D, and was acquiring the Shares for investment only and not with a view towards, or for resale in connection with, the public sale or distribution thereof. Accordingly, the Shares have not been registered under the Securities Act and the Shares may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act and any applicable state securities laws. Neither this Current Report on Form 8-K nor the exhibits attached hereto is an offer to sell or the solicitation of an offer to buy shares of Common Stock or any other securities of the Company.

Item 8.01 Other Events.

On September 2, 2020, the Company issued a press release announcing the closing of the Merger. A copy of the press release is filed herewith as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

Exhibit Number	Exhibits
99.1	Press Release, dated September 2, 2020.
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: September 2, 2020

By: /s/ Henry Ji, Ph.D.
Name: Henry Ji, Ph.D.
Title: Chairman of the Board, President and Chief Executive Officer

Exhibit 99.1

FOR IMMEDIATE RELEASE

September 2, 2020

SORRENTO ANNOUNCES THE CLOSING OF ITS ACQUISITION OF SMARTPHARM TO BUILD NEXT GENERATION G-MAB-ENCODED PLASMID DNA FOR COST-EFFICIENT AND IN VIVO PRODUCTION OF ANTIBODY THERAPEUTICS IN PATIENTS

SAN DIEGO and BOSTON, September 2nd, 2020 /GlobeNewswire/ -- Sorrento Therapeutics, Inc. (Nasdaq: SRNE, "Sorrento") and SmartPharm Therapeutics, Inc. ("SmartPharm") announced today that Sorrento has completed the acquisition of SmartPharm, a gene-encoded protein therapeutics company developing non-viral DNA and RNA gene delivery platforms for COVID-19 and rare diseases with broad potential application in enhancing any antibody-centric therapeutics.

The platform in synergy with Sorrento's industry-leading fully human G-MAB™ antibody library has the potential to be the engine for the next-generation, cost-effective *in vivo* production of antibody therapeutics in patients. By encoding the antibody sequence into a plasmid, a single injection into someone's muscle could potentially lead the person to make their own antibodies *in vivo* for months, instead of relying on repeat administrations of an externally manufactured antibody.

"We are very encouraged by the preclinical data generated thus far by our STI-2020dna plasmid candidate against COVID-19," said Henry Ji, Ph.D., CEO of Sorrento Therapeutics. "But beyond STI-2020dna the integration of the plasmid DNA technology with our existing antibody products has the potential to make antibody therapy much more accessible and affordable for patients, and is applicable to a multitude of indications ranging from cancer to infectious diseases."

The current SmartPharm R&D and senior management team will remain in place and is expected to integrate into the Sorrento research, development, and corporate infrastructure.

The merger was completed on September 1, 2020 and at such time, SmartPharm became a wholly owned subsidiary of Sorrento. The total value of the consideration payable to the holders of capital stock of SmartPharm in the merger was $19.4 million, subject to certain adjustments for net working capital, indebtedness, transaction expenses and cash. Upon completion of the merger, SmartPharm stockholders became entitled to receive an aggregate of approximately 1.76 million shares of Sorrento common stock based on a price per share equal to $10.60.

About SmartPharm Therapeutics

SmartPharm Therapeutics, Inc. is a privately held, development stage biopharmaceutical company focused on developing next-generation, non-viral gene therapies for the treatment of serious or rare diseases with the vision of creating “Biologics from Within.” SmartPharm is currently developing a novel pipeline of non-viral, gene-encoded proteins for the treatment of conditions that require biologic therapy such as enzyme replacement and tissue restoration. SmartPharm commenced operations in 2018 and is headquartered in Cambridge, MA, USA. For more information, please visit www.smartpharmtx.com.

About Sorrento Therapeutics, Inc.

Sorrento is a clinical stage, antibody-centric, biopharmaceutical company developing new therapies to turn malignant cancers into manageable and possibly curable diseases. Sorrento's multimodal, multipronged approach to fighting cancer is made possible by its extensive immuno-oncology platforms, including key assets such as fully human antibodies ("G-MAB™ library"), clinical stage immuno-cellular therapies ("CAR-T", "DAR-T™"), antibody-drug conjugates ("ADCs"), and clinical stage oncolytic virus ("Seprehvir™"). Sorrento is also developing potential coronavirus antiviral therapies and vaccines, including COVIDTRAP™, ACE-MAB™, COVI-MAB™, COVI-GUARD™, COVI-SHIELD™ and T-VIVA-19™; and diagnostic test solutions, including COVI-TRACK™ and COVI-TRACE™. Sorrento's commitment to life-enhancing therapies for patients is also demonstrated by our effort to advance a first-in-class (TRPV1 agonist) non-opioid pain management small molecule, resiniferatoxin ("RTX"), and ZTlido® (lidocaine topical system) 1.8% for the treatment of post-herpetic neuralgia. RTX is completing a phase IB trial for intractable pain associated with cancer and a phase 1B trial in osteoarthritis patients. ZTlido® was approved by the FDA on February 28, 2018.

For more information, visit www.sorrentotherapeutics.com

Forward-Looking Statements

This press release and any statements made for and during any presentation or meeting contain forward-looking statements related to Sorrento Therapeutics, Inc., under the safe harbor provisions of Section 21E of the Private Securities Litigation Reform Act of 1995 and subject to risks and uncertainties that could cause actual results to differ materially from those projected. Forward-looking statements include statements regarding the potential effects that the acquisition of SmartPharm may have on Sorrento’s business and product candidate pipeline; the data read-outs related to ongoing studies for COVID-19 using antibodies and gene-encoded antibodies; the potency and potential therapeutic capabilities of gene-encoded antibodies and STI-2020dna, and their respective impact on SARS-CoV-2; the expected length of any therapeutic benefit or antiviral protection provided by gene-encoded antibodies and STI-2020dna; the potential administration and applications for a range of disease indications of gene-encoded antibodies and STI-2020dna, alone or in combination; the status of preclinical testing for STI-1499 and STI-2020dna; the therapeutic potential of gene-encoded antibodies, and STI-2020dna for SARS-CoV-2 and COVID-19; the potential costs and cost-effectiveness associated with STI-2020dna and other DNA plasmids; Sorrento’s ability to produce antibody candidates against pathogens and cancer cells; Sorrento’s ability to transition from product development to full scale manufacturing and commercialization; Sorrento’s ability to advance SmartPharm’s non-viral gene therapy technology and its gene-encoded platform technology; Sorrento’s ability to combine SmartPharm’s technology with Sorrento’s technology and manufacturing capabilities; and Sorrento’s potential position in the biopharmaceutical industry. Risks and uncertainties that could cause our actual results to differ materially and adversely from those expressed in our forward-looking statements, include, but are not limited to: risks related to Sorrento's technologies and prospects with newly acquired technologies, including the acquisition of SmartPharm and the utilization of SmartPharm’s Gene-Encoded Therapeutics (GET) platforms for the treatment and prevention of coronavirus infections and other pathogens and cancer cells; risks related to seeking regulatory approvals and conducting clinical trials; the clinical and commercial success of the treatment and prevention of coronavirus infections using gene-encoded antibodies; the viability and success of using gene-encoded antibodies for treatments in anti-viral therapeutic areas, including coronavirus; clinical development risks, including risks in the progress, timing, cost and results of clinical trials and product development programs; risk of difficulties or delays in obtaining regulatory approvals; risks that prior study and trial results may not be replicated in future studies and trials; risks that clinical study results may not meet any or all endpoints of a clinical study and that any data generated from such studies may not support a regulatory submission or approval; risks related to seeking regulatory approvals and conducting clinical trials; risks of manufacturing drug product; risks related to leveraging the expertise of its employees, subsidiaries, affiliates and partners to assist the company in the execution of its strategies; risks related to the global impact of COVID-19 and other risks that are described in Sorrento's most recent periodic reports filed with the Securities and Exchange Commission, including Sorrento's Annual Report on Form 10-K for the year ended December 31, 2019, and subsequent Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission, including the risk factors set forth in those filings. Investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release and we undertake no obligation to update any forward-looking statement in this press release except as required by law.

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Media and Investor Relations

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