

CESCA THERAPEUTICS INC.
Form 8-K
January 31, 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 29, 2019

CESCA THERAPEUTICS INC.

(Exact Name of Registrant as Specified in Charter)

| | | |
|---|-----------------------------|--------------------------------------|
| Delaware | 333-82900 | 94-3018487 |
| (State or Other Jurisdiction of Incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

| | |
|---|------------|
| 2711 Citrus Road, Rancho Cordova, California | 95742 |
| (Address of Principal Executive Offices) | (Zip Code) |

Registrant's telephone number, including area code (949) 753-0624

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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 1.01. Entry into a Material Definitive Agreement.

On January 29, 2019, Cesca Therapeutics Inc. (the “Company”) entered into and closed the transactions contemplated by a Securities Purchase Agreement (the “Purchase Agreement”) with certain accredited investors (the “Investors”), pursuant to which the Company agreed to issue and sell to the Investors (the “Offering”) an aggregate of \$800,000 face value of unsecured convertible promissory notes (the “Notes”) that, after six months and subject to the receipt of stockholder approval of the conversion feature of the Notes (“Stockholder Approval”), are convertible into shares of the Company's common stock, par value \$0.001 per share, at a conversion price equal to the lower of (a) \$0.18 per share or (2) 90% of the closing sale price of the Company’s common stock on the date of conversion (subject to a floor conversion price of \$0.05) (the “Conversion Price”).

The Notes bear interest at the rate of twenty-four percent (24%) per annum and is payable quarterly in arrears. Unless sooner converted in the manner described below, all principal under the Notes, together with all accrued and unpaid interest thereupon, will be due and payable eighteen (18) months from the date of the issuance of the Notes (the “Maturity Date”). However, if the Stockholder Approval does not occur at the Company’s next annual meeting of stockholders, the Maturity Date will accelerate to the date that is fourteen days after the next annual meeting. The Notes may be prepaid without penalty at any time after the Notes become convertible (at which time the holders will have the right to convert the Notes before prepayment thereof).

On the date that is six months after the issuance of the Notes but subject to Stockholder Approval, and for so long thereafter as any principal and accrued but unpaid interest under the Notes remain outstanding, any holder of the Notes may convert such holder’s Notes, in whole or in part, into a number of shares of Company common stock equal to (i) the principal amount being converted, together with any accrued or unpaid interest thereon, divided by (ii) the Conversion Price in effect at the time of conversion. The Notes have customary conversion blockers at 4.99% and 9.99% unless otherwise agreed to by the Company and a holder of the Notes.

The Notes contain customary events of default, including the suspension or failure of our common stock to be traded on a trading platform, our failure to pay interest or principal when due, or if we seek file for bankruptcy or take some other similar action for the benefit of creditors. In the event of any default under the Note, the holders may accelerate all outstanding interest and principal due on the Notes.

The Offering was not registered under the Securities Act of 1933, as amended (the “Securities Act”), pursuant to the exemption provided in Section 4(a)(2) under the Securities Act and Rule 506 of Regulation D promulgated thereunder. The Purchase Agreement also contains representations, warranties, indemnification and other provisions customary for transactions of this nature.

The foregoing descriptions of the Purchase Agreement and the Notes do not purport to be complete and are qualified in their entirety by reference to the full text of the Purchase Agreement and the form of Note, which are attached as Exhibits 4.1 and 10.1 hereto, respectively, and incorporated herein by reference.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information contained in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities.

The information contained in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

Exhibit 4.1. Form of Note.

Exhibit 10.1. Securities Purchase Agreement, dated as of January 29, 2019, between Cesca Therapeutics Inc. and the Purchasers identified on the signature pages thereto.

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.

CESCA THERAPEUTICS INC.
(Registrant)

Dated: January 31, 2019 /s/ Jeff Cauble
Jeff Cauble, Principal Financial and Accounting Officer