

# PEREGRINE PHARMACEUTICALS INC

## **FORM 8-K** (Current report filing)

Filed 10/24/17 for the Period Ending 10/20/17

Address	14282 FRANKLIN AVE TUSTIN, CA, 92780
Telephone	7145086000
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Symbol	PPHM
SIC Code	2834 - Pharmaceutical Preparations
Industry	Pharmaceuticals
Sector	Healthcare
Fiscal Year	04/30

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, DC 20549

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**FORM 8-K**

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**CURRENT REPORT**

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

Date of Report (Date of earliest event reported): **October 20, 2017**

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**PEREGRINE PHARMACEUTICALS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State of other jurisdiction  
of incorporation)

**0-32839**  
(Commission File Number)

**95-3698422**  
(IRS Employer  
Identification No.)

**14282 Franklin Avenue, Tustin, California 92780**  
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: **(714) 508-6000**

**Not Applicable**  
(Former name or former address, if changed since last report)

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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 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.

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**ITEM 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS**

(d) On October 20, 2017, the Board of Directors (the “Board”) of Peregrine Pharmaceuticals, Inc. (the “Company”), acting pursuant to its Amended and Restated Bylaws, adopted a resolution to increase the number of authorized directors of the Company from six to seven directors and, following the recommendation of the Nominating Committee of the Board, adopted a resolution appointing Patrick D. Walsh, effective immediately, to fill the vacancy created thereby.

The Nominating Committee determined that Mr. Walsh is qualified to serve on the Board due to his extensive experience in leading successful, high-growth CDMOs and complex laboratory and pharmaceutical manufacturing operations including parenteral and active pharmaceutical ingredients (API) on a global scale.

Mr. Walsh has not engaged in any related person transaction (as defined in Item 404(a) of Regulation S-K) with the Company, and there was no arrangements or understanding between Mr. Walsh and any other persons pursuant to which Mr. Walsh was selected as a director.

As non-employee director, Mr. Walsh will receive compensation under the Company’s non-employee director compensation program, which was recently amended by the Compensation Committee of the Board, and consists of an annual cash retainer, paid in monthly installments, of \$55,000 per year and a separate annual cash retainer of \$15,000 per each committee of the Board on which a non-employee director serves. At the time of the filing, the Board had not yet determined the committee(s) of the Board on which Mr. Walsh would serve. In addition, under the compensation program, Mr. Walsh is eligible to receive a cash fee of \$2,000 per day for each Board of Directors meeting attended, whether in-person or telephonically, and is entitled to receive a cash fee of \$2,000 for each additional Company meeting attended in excess of four hours in length.

Pursuant to the non-employee director compensation policy, Mr. Walsh, as a new director, was granted stock options from the Company’s existing stock incentive plans to purchase up to an aggregate of 75,000 shares of the Company’s common stock at an exercise price equal to the closing price of the Company’s common stock on October 20, 2017. The stock options will vest in equal monthly installments over a three (3) year period.

**ITEM 8.01 OTHER EVENTS.**

On October 24, 2017, the Company issued a press release announcing the appointment of Mr. Walsh as an independent member of the Board of Directors of both the Company and Avid Bioservices, Inc., the Company’s wholly-owned contract development and manufacturing organization subsidiary. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.**

(d) Exhibits. The following material is filed as an exhibit to this Current Report on Form 8-K:

**Exhibit  
Number**

99.1 [Press Release issued October 24, 2017.](#)

## 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.

PEREGRINE PHARMACEUTICALS, INC.

Date: October 24, 2017

By: /s/ Paul J. Lytle  
Paul J. Lytle  
Chief Financial Officer

**EXHIBIT INDEX**

<u>Exhibit Number</u>	<u>Description</u>
99.1	<a href="#"><u>Press Release issued October 24, 2017.</u></a>



## Contacts:

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**Peregrine Pharmaceuticals Announces Appointment of Patrick Walsh to Board of Directors of Peregrine and Avid Bioservices**

*-- Industry Veteran with More Than Thirty Years of Experience Leading Successful Contract Development and Pharmaceutical Manufacturing Organizations --*

**TUSTIN, Calif., October 24, 2017** – Peregrine Pharmaceuticals, Inc. (NASDAQ:PPHM) (NASDAQ:PPHMP), a company focused on helping improve patient lives by providing high quality biologics manufacturing services to biotechnology and pharmaceutical companies, today announced the appointment of Patrick Walsh as an independent member of the board of directors of both Peregrine and Avid Bioservices, the company’s wholly-owned contract development and manufacturing organization (CDMO) subsidiary. Mr. Walsh’s record of leading successful, high-growth CDMOs is well-documented in the industry and he has also led complex laboratory and pharmaceutical manufacturing operations including parenteral and active pharmaceutical ingredients (API) on a global scale.

“We are thrilled to add an individual with Patrick’s industry expertise and impressive track record of success to the Peregrine and Avid boards. The industry insight and knowledge that he has accumulated throughout his years of serving on the senior management teams of successful CDMOs, will prove invaluable as we continue to expand and enhance our CDMO business,” said Steven W. King , president and chief executive officer of Peregrine. “Since early September, we have made great progress in our stated goal of hiring a dedicated president focused on the CDMO business and expanding our board of directors with individuals with high quality CDMO industry experience. We believe that these key appointments strongly position our CDMO business to continue its growth and capture a more significant portion of the rapidly expanding business opportunities in this industry.”

Mr. Walsh currently serves as chief executive officer of Avista Pharma Solutions, a high-growth CDMO with over 220,000 square feet of facility space that provides pharmaceutical clients with a full suite of service offerings including analytical, microbiology, API, formulation, drug substance & drug product manufacturing expertise and capabilities. Prior to joining Avista Pharma, he was chief executive officer of AAIPharma Services, a private-equity backed CDMO at which he led a successful growth strategy culminating in the company’s sale for more than 4.5 times return on invested capital. Mr. Walsh also held the positions of president and chief operating officer of Gensia-Sicor, during which time he led the company’s commercial growth strategy, culminating in the eventual sale to Teva for \$3.4 billion. Prior to Gensia, he spent 10 years in a global pharmaceutical company culminating in leading the U.S. and international business of a leading Japanese pharma company. Mr. Walsh has served on pharma boards as chairman, non-executive chairman and company director, as well as an executive advisor to private equity and venture capital firms. He currently serves on the board of Avista Pharma, which is backed by private-equity firm Ampersand Capital Partners.

“This is an advantageous time for CDMOs with the appropriate combination of leadership, technical capabilities, and scale to capitalize on the dramatically increasing demand within the industry. With its single-use, fully disposable manufacturing technologies and proven regulatory track record, Avid is well positioned to seize this opportunity,” said Mr. Walsh. “I am pleased to serve the company in its goal to capitalize on this dynamic and growing market opportunity.”

Avid Bioservices was established out of Peregrine’s internal biologics manufacturing and development capabilities and began formal operations in January 2002. The company has grown from an internal support operation to a full service CDMO that manufactures bulk drug substance for products that are approved and marketed in over 18 countries by leading biopharma companies. Avid was recently recognized as a leading CDMO by *Life Science Leader* as a recipient of multiple 2017 Contract Manufacturing Leadership Awards for Quality, Reliability, Capabilities, Expertise and Compatibility. The company has an outstanding regulatory inspection history and state-of-the-art cGMP manufacturing facilities.

**About Peregrine Pharmaceuticals, Inc.**

Peregrine Pharmaceuticals, Inc. is a company transitioning from an R&D focused business to a pure play contract development and manufacturing organization (CDMO). Peregrine’s in-house CDMO services, including cGMP manufacturing and development capabilities, are provided through its wholly-owned subsidiary Avid Bioservices, Inc. ([www.avidbio.com](http://www.avidbio.com)).

The company is pursuing to license or sell its proprietary R&D assets, including its lead immunotherapy candidate, baviximab, which is currently being evaluated in clinical trials in combination with immune stimulating therapies for the treatment of various cancers. For more information, please visit [www.peregrineinc.com](http://www.peregrineinc.com).

**About Avid Bioservices, Inc.**

Avid Bioservices, a wholly owned subsidiary of Peregrine Pharmaceuticals, provides a comprehensive range of process development, high quality cGMP clinical and commercial manufacturing services for the biotechnology and biopharmaceutical industries. With over 20 years of experience producing monoclonal antibodies and recombinant proteins in batch, fed-batch and perfusion modes, Avid’s services include cGMP clinical and commercial product manufacturing, purification, bulk packaging, stability testing and regulatory strategy, submission and support. The company also provides a variety of process development activities, including cell line development and optimization, cell culture and feed optimization, analytical methods development and product characterization. For more information about Avid, please visit [www.avidbio.com](http://www.avidbio.com).

**Important Additional Information**

Peregrine intends to file a proxy statement with the Securities and Exchange Commission (SEC) in connection with the solicitation of proxies for Peregrine’s 2017 Annual Meeting (Proxy Statement) with an associated WHITE proxy card. Peregrine, its directors and certain of its executive officers will be participants in the solicitation of proxies from stockholders in respect of the 2017 Annual Meeting. Information regarding the names of Peregrine’s directors and executive officers and their respective interests in Peregrine by security holdings or otherwise is set forth in the Annual Report on Form 10-K of Peregrine, for the fiscal year ended April 30, 2017, filed with the SEC on July 14, 2017, and Peregrine’s proxy statement for the 2016 Annual Meeting, filed with the SEC on August 26, 2016. To the extent holdings of such participants in Peregrine’s securities are not reported, or have changed since the amounts described, in the 2016 proxy statement, such changes have been reflected on Initial Statements of Beneficial Ownership on Form 3 or Statements of Change in Ownership on Form 4 filed with the SEC. Details concerning the nominees of Peregrine’s Board of Directors for election at the 2017 Annual Meeting will be included in the Proxy Statement. BEFORE MAKING ANY VOTING DECISION, INVESTORS AND STOCKHOLDERS OF THE COMPANY ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED WITH OR FURNISHED TO THE SEC, INCLUDING THE COMPANY’S DEFINITIVE PROXY STATEMENT AND ANY SUPPLEMENTS THERETO, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and stockholders will be able to obtain a copy of the definitive proxy statement and other documents filed by Peregrine free of charge from the SEC’s website, [www.sec.gov](http://www.sec.gov). Peregrine’s stockholders will also be able to obtain, without charge, a copy of the definitive Proxy Statement and other relevant filed documents by directing a request by mail to Peregrine, Corporate Secretary’s Office, 14282 Franklin Avenue, Tustin, CA 92780, by calling Peregrine’s proxy solicitor, MacKenzie Partners, Inc., toll-free at (800) 322-2885, or from Peregrine’s website at [www.Peregrine.com](http://www.Peregrine.com).