

BioAmber Inc.
Form 8-K
February 08, 2018

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 6, 2018

BIOAMBER INC.

(Exact name of registrant as specified in charter)

Delaware
(State or other jurisdiction

of incorporation)

001-35905
(Commission

File Number)
1250 Rene Levesque West, Suite 4310

98-0601045
(IRS Employer

Identification No.)

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Montreal, Quebec, Canada H3B 4W8

(Address of principal executive office)

Registrant's telephone number, including area code (514) 844-8000

Not Applicable

(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 or Rule 12b-2 of the Securities Exchange Act of 1934.

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 February 6, 2018, BioAmber Inc. (the "Company") entered into an underwriting agreement (the "Underwriting Agreement") with H.C. Wainwright & Co., LLC, as the underwriter, to issue and sell an aggregate of 32,300,000 Series A units (the "Series A Units"), with each Series A unit consisting of one share of common stock, par value \$0.01 per share (the "Common Stock"), of the Company, one Series A warrant to purchase one share of Common Stock (the "Series A Warrants") and one Series B warrant to purchase one share of Common Stock (the "Series B Warrants" and, together with the Series A Warrants, the "Common Warrants"), at a price to the public of \$0.25 per Series A Unit, and an aggregate of 7,700,000 Series B units (the "Series B Units"), with each Series B unit consisting of one pre-funded warrant to purchase one share of Common Stock (the "Pre-Funded Warrants" and, together with the Common Warrants, the "Warrants"), one Series A Warrant and one Series B Warrant, at a price to the public of \$0.24 per Series B Unit.

The Series A Units and the Series B Units were offered by the Company pursuant to a shelf registration statement on Form S-3 (File No. 333-215408) and a related prospectus, including the related prospectus supplement, filed with the Securities and Exchange Commission (the "Offering"). The Offering is expected to close on February 8, 2018, subject to customary closing conditions.

The Series A Warrants will have an initial exercise price of \$0.25, subject to adjustment as described in the Series A Warrants, and a term of six (6) months, exercisable upon the date of issuance. The Series B Warrants will have an initial exercise price of \$0.25, subject to adjustment as described in the Series B Warrants, and a term of five (5) years, exercisable upon the date of issuance. The Pre-Funded Warrants will have an exercise price of \$0.25 per share, which will be pre-paid upon issuance, except for a nominal exercise price of \$0.01 per share and, consequently, no additional payment or other consideration (other than the nominal exercise price of \$0.01 per share) will be required to be delivered to the Company by the holder upon exercise of the Pre-Funded Warrants. The Pre-Funded Warrants will be exercisable upon the date of issuance until exercised in full. The shares of Common Stock and the Warrants will be immediately separable and will be issued separately.

The Company estimates that the net proceeds from the Offering, assuming no exercise of the Warrants offered in the Offering, to be approximately \$9.3 million, after deducting underwriting discounts and estimated offering expenses payable by the Company. The Company expects to use the net proceeds from the Offering for working capital and other general corporate purposes.

Pursuant to the terms of the Warrants, the number of shares of Common Stock that may be acquired by any holder upon any exercise of any Warrant is limited to the extent necessary to insure that, following such exercise (or other issuance), the total number of shares of Common Stock then beneficially owned by such holder and its affiliates and any other persons whose beneficial ownership of common stock would be aggregated with the holder's for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), does not exceed 4.99% of the total number of issued and outstanding shares of Common Stock (including for such purpose the shares of common stock issuable upon such exercise). The holder may elect to change this beneficial ownership limitation from 4.99% up to 9.99% of the total number of issued and outstanding shares of Common Stock (including for such purpose the shares of common stock issuable upon such exercise) upon 61 days' prior written notice.

If, at any time while the Warrants are outstanding, the Company undergoes a fundamental transaction, as described in the Warrants and generally including any consolidation or merger with or into another person, sale of all or substantially all of its assets, effecting any tender or exchange offer that is accepted by 50% or more of the outstanding Common Stock, any reclassification, reorganization or recapitalization of the Common Stock, or effecting a change of control of more than 50% of the Company's outstanding shares of Common Stock, then the holder is entitled to receive, upon exercise of the Warrant, the same amount and kind of securities, cash or property as it would have been entitled to receive upon the occurrence of such fundamental transaction if it had been, immediately prior to such fundamental transaction, the holder of the number of shares of Common Stock then issuable upon exercise of the Warrant, and any additional consideration payable as part of the fundamental transaction. Any successor to the

Company or surviving entity is obligated to assume the obligations under the Warrant. In addition, with respect to the Common Warrants, in the event the Company completes a fundamental transaction, the holders of the Warrants will have the right to require the Company or its successor, to repurchase the remaining unexercised portion of the Warrants at their then-current Black-Scholes Value (as defined) exercisable solely within thirty (30) days of the closing of a fundamental transaction.

Holders of the Warrants must surrender payment in cash of the aggregate exercise price of the shares being acquired upon exercise of the Warrants.

Holders of the Warrants are entitled to a cashless exercise option if, at any time of exercise, there is no effective registration statement registering, or no current prospectus available for, the issuance or resale of the shares of Common Stock underlying the Warrants. The cashless exercise option entitles the holders of the Warrants to elect to receive fewer shares of Common Stock without paying the cash exercise price. The number of shares to be issued would be determined by a formula based on the total number of shares with respect to which the Warrant is being exercised, the market price per share of Common Stock at the time of exercise and the applicable exercise price of the Warrants issued in the Offering.

The Company will provide certain rescission rights and buy-in compensation to a holder if it fails to deliver the shares of Common Stock underlying the Warrants by the first trading day after the date on which delivery of the stock certificate is required by the Warrant. With respect to the rescission rights, the holder has the right to rescind the exercise if stock certificates are not timely delivered. The buy-in compensation applies if after the first trading day on which delivery of the stock certificate is required by the Warrant, the holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the holder of the Warrant shares that the holder anticipated receiving from us upon exercise of the Warrant. The Company is not required to issue fractional shares upon the exercise of the Warrants.

The Common Warrants contain full ratchet anti-dilution protection upon the issuance of any Common Stock, securities convertible into Common Stock or certain other issuances at a price below the then-existing exercise price of the Common Warrants, with certain exceptions.

The Underwriting Agreement contains customary representations, warranties, and agreements by the Company, and customary conditions to closing, indemnification obligations of the Company and the underwriter, including for liabilities under the Securities Act of 1933, as amended (the Securities Act), other obligations of the parties, and termination provisions.

The Underwriting Agreement is attached hereto as an exhibit to provide investors and security holders with information regarding its terms. It is not intended to provide any other factual information about the Company. The representations, warranties and covenants contained in the Underwriting Agreement were made only for purposes of the Underwriting Agreement and as of specific dates, were solely for the benefit of the parties to the Underwriting Agreement, and may be subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures exchanged between the parties in connection with the execution of the Underwriting Agreement.

A copy of the opinion of Goodwin Procter LLP relating to the legality of the issuance and sale of the Common Stock in the Offering (including the Common Stock underlying the Warrants) and the enforceability of the Warrants is attached as Exhibit 5.1 hereto. Copies of the Underwriting Agreement, the Form of Series A Warrant, the Form of Series B Warrant and the Form of Pre-Funded Warrant are filed herewith as Exhibits 1.1, 4.1, 4.2 and 4.3, respectively, and are incorporated herein by reference. The foregoing description of the Offering and the documentation related thereto does not purport to be complete and is qualified in its entirety by reference to such Exhibits.

Item 7.01 Regulation FD Disclosure.

On February 6, 2018, the Company issued a press release announcing the pricing of the Offering. A copy of the press release is furnished as Exhibit 99.1 hereto and incorporated herein by reference.

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The information contained in this Item 7.01, including Exhibit 99.1, is being furnished and shall not be deemed filed for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section or Sections 11 and 12(a)(2) of the Securities Act. The information in this Item 7.01, including Exhibit 99.1, shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act or into any filing or other document pursuant to the Exchange Act, except as otherwise expressly stated in any such filing.

This report shall not constitute an offer to sell, or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit

Number	Description
1.1	<u>Underwriting Agreement dated as of February 6, 2018, by and between BioAmber Inc. and H.C. Wainwright & Co., LLC.</u>
4.1	<u>Form of Series A Warrant to Purchase Common Stock of BioAmber Inc.</u>
4.2	<u>Form of Series B Warrant to Purchase Common Stock of BioAmber Inc. (included in Exhibit 4.1).</u>
4.3	<u>Form of Pre-Funded Warrant to Purchase Common Stock of BioAmber Inc.</u>
5.1	<u>Opinion of Goodwin Procter LLP.</u>
23.1	<u>Consent of Goodwin Procter LLP (contained in Exhibit 5.1).</u>
99.1	<u>Press Release, dated February 6, 2018.</u>

Forward-Looking Statements

This current report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve significant risks and uncertainties about BioAmber, including but not limited to statements with respect to BioAmber's anticipated use of the net proceeds of the Offering. BioAmber may use words such as anticipate, believe, could, continue, estimate, expect, intend, may, should, will, projected or the negative of such words or other similar words or phrases to identify such forward-looking statements. Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are risks relating to, among other things, changes in the price of BioAmber's Common Stock, the satisfaction of customary closing conditions related to the Offering, BioAmber's ability to maintain the listing of its common stock on the NYSE and other important risks and uncertainties contained in BioAmber's public filings with the SEC, including the risks discussed under the heading Item 1.A Risk Factors in BioAmber's Annual Report on Form 10-K for the fiscal year ended December 31, 2016 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2017. You should consider these factors in evaluating the forward-looking statements included in this current report on Form 8-K and not place undue reliance on such statements. The forward-looking statements are made as of the date hereof, and BioAmber undertakes no obligation to update such statements as a result of new information.

EXHIBIT INDEX

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4.3	Form of Pre-Funded Warrant to Purchase Common Stock of BioAmber Inc.
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23.1	Consent of Goodwin Procter LLP (contained in Exhibit 5.1).
99.1	Press Release, dated February 6, 2018.

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.

BIOAMBER INC.

Date: February 8, 2018

By: /s/ Richard P. Eno
Name: Richard P. Eno
Title: Chief Executive Officer