

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of**  
**The Securities Exchange Act of 1934**

**Date of Report: September 1, 2023**  
(Date of earliest event reported)

**TITAN PHARMACEUTICALS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation)

**001-13341**

(Commission File Number)

**94-3171940**

(IRS Employer  
Identification No.)

**400 Oyster Point Blvd., Suite 505, South San Francisco, CA 94080**

(Address of principal executive offices, including zip code)

**650-244-4990**

(Registrant's telephone number, including area code)

**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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	TTNP	Nasdaq Capital Market

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 1.01. Entry into a Material Definitive Agreement.**

***Asset Purchase Agreement***

On September 1, 2023 (the "Closing Date"), Titan Pharmaceuticals, Inc. (the "Titan" or the "Company") closed on the previously announced sale of certain ProNeura assets including Titan's portfolio of drug addiction products, in addition to other early development programs based on the ProNeura drug delivery technology (the "ProNeura Assets"). As previously reported by the Company, on July 26, 2023, the Company entered into an asset purchase agreement (the "Asset Purchase Agreement") with Fedson, Inc., a Delaware corporation ("Fedson") for the sale of the ProNeura Assets. The Company's addiction portfolio consists of the Probuphine and Nalmefene implant programs. The ProNeura Assets constituted only a portion of Titan's assets. On August 25, 2023, the Company entered into an Amendment and Extension Agreement (the "Amendment") to the Asset Purchase Agreement, pursuant to which Fedson agreed to purchase the ProNeura Assets from the Company for a purchase price of \$2 million, consisting of (i) \$500,000 in readily available funds, to be paid in full on the Closing Date (the "Closing Cash"), (ii) \$500,000 in the form of a promissory note due and payable on October 1, 2023 (the "Cash Note") and (iii) \$1,000,000 in the form of a promissory note due and payable on January 1, 2024 (the "Escrow Note"). On the Closing Date, Fedson delivered to the Company a written guaranty by a principal of Fedson of all of Fedson's obligations under both the Cash Note and Escrow Note.

The foregoing description of the Asset Purchase Agreement does not purport to be complete and is qualified in its entirety by the terms and conditions of the Asset Purchase Agreement, which was filed as Exhibit 10.1 to the Current Report on Form 8-K filed by the Company on July 28, 2023. The foregoing description of the Amendment does not purport to be complete and is qualified in its entirety by the terms and conditions of the Amendment, which was filed as Exhibit 10.1 to the Current Report on Form 8-K filed by the Company on August 30, 2023.

**Item 2.01. Completion of Acquisition or Disposition of Assets**

The information set forth above under Item 1.01 of this Current Report on Form 8-K is hereby incorporated into this Item 2.01 by reference.

**Item 9.01. Financial Statements and Exhibits.**

(b) Pro Forma Financial Information.

The following unaudited pro forma condensed financial statements of the Company are attached hereto as Exhibit 99.1 and incorporated herein by reference:

- Unaudited pro forma condensed balance sheet as of June 30, 2023;
- Unaudited pro forma condensed statements of operations for the six months ended June 30, 2023 and the year ended December 31, 2022; and
- Notes to the unaudited pro forma condensed financial information.

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">Unaudited Pro Forma Condensed Financial Statements</a>
104	Cover Page Interactive Data (embedded within the Inline XBRL document).

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**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.

**TITAN PHARMACEUTICALS, INC.**

By: /s/ Katherine Beebe DeVarney, Ph.D.  
Katherine Beebe DeVarney, Ph.D.  
President and Chief Operating Officer

Date: September 8, 2023

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**TITAN PHARMACEUTICALS, INC.**  
**UNAUDITED PRO FORMA CONDENSED FINANCIAL INFORMATION**

On September 1, 2023, Titan Pharmaceuticals, Inc. (“Titan” or the “Company”) completed the sale of certain ProNeura Assets, for approximately \$2.0 million, comprised of approximately \$0.5 million of cash proceeds, the Cash Note for \$0.5 million and the Escrow Note for \$1.0 million.

The sale constitutes a significant disposition for the purposes of Item 2.01 of Current Report on Form 8-K. The unaudited pro forma condensed balance sheet as of June 30, 2023 gives effect to the transaction as if it had occurred on June 30, 2023. The transaction accounting adjustments for the disposition consist of those necessary to account for the disposition. In addition, we have included unaudited pro forma condensed statements of operations for the six months ended June 30, 2023 and the year ended December 31, 2022.

The unaudited pro forma condensed balance sheet has been derived from the historical consolidated balance sheet prepared in accordance with U.S. generally accepted accounting principles (“US GAAP”) and is presented based on information currently available. The unaudited pro forma condensed balance sheet is intended for informational purposes only and is not intended to represent the Company’s financial position had the disposition and related events occurred on the date indicated. Our actual financial condition may differ significantly from the pro forma amounts reflected herein due to a variety of factors.

**TITAN PHARMACEUTICALS, INC.**  
**PRO FORMA CONDENSED BALANCE SHEETS**  
**(unaudited)**  
**(in thousands, except share and per share data)**

	June 30, 2023 Historical	Transfer Accounting Adjustments	June 30, 2023 Pro forma
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 105	\$ 500	\$ 605
Restricted cash	17	-	17
Receivables	9	-	9
Inventory	-	-	-
Prepaid expenses and other current assets	229	-	229
Discontinued operations - current assets	32	-	32
Notes receivable, current	-	1,500	1,500
Current assets held for sale	106	(106)	-
Total current assets	498	1,894	2,392
Property and equipment, net	9	-	9
Other assets	48	-	48
Operating lease right-of-use assets, net	124	-	124
Noncurrent assets held for sale	133	(133)	-
Total assets	<u>\$ 812</u>	<u>\$ 1,761</u>	<u>\$ 2,573</u>
<b>Liabilities and Stockholders’ Equity (Deficit)</b>			
Current liabilities:			
Accounts payable	\$ 597	\$ -	\$ 597
Accrued clinical trials expenses	3	-	3
Other accrued liabilities	676	74	750
Operating lease liability, current	128	-	128
Deferred grant revenue	16	-	16
Discontinued operations – current liabilities	190	-	190
Current liabilities held for sale	236	(236)	-
Total current liabilities	1,846	(162)	1,684
Operating lease liability, noncurrent	-	-	-
Total liabilities	1,846	(162)	1,684
Commitments and contingencies (Note 6)			
Stockholders’ equity (deficit):			
Common stock, at amounts paid-in, \$0.001 par value per share; 225,000,000 shares authorized, 15,016,295 shares issued and outstanding at June 30, 2023 and December 31, 2022.	15	-	15
Additional paid-in capital	388,473	-	388,473
Accumulated deficit	(389,522)	1,923	(387,599)
Total stockholders’ equity (deficit)	(1,034)	1,923	889
Total liabilities and stockholders’ equity (deficit)	<u>\$ 812</u>	<u>\$ 1,761</u>	<u>\$ 2,573</u>

**TITAN PHARMACEUTICALS, INC.**  
**PRO FORMA CONDENSED STATEMENTS OF OPERATIONS**  
**(in thousands, except per share amount)**  
**(unaudited)**

	Six Months Ended		Six Months Ended
	June 30, 2023 Historical	Transaction Accounting Adjustments	June 30, 2023 Pro forma
<b>Revenues:</b>			
License revenue	\$ 1	\$ -	\$ 1
Grant revenue	180	-	180
Total revenues	<u>181</u>	<u>-</u>	<u>181</u>
<b>Operating expenses:</b>			
Research and development	1,003	-	1,003
General and administrative	2,463	-	2,463
Total operating expenses	<u>3,466</u>	<u>-</u>	<u>3,466</u>
Loss from operations	(3,285)	-	(3,285)
<b>Other income (expense):</b>			
Interest income	29	-	29
Other expense, net	(5)	-	(5)
Gain on sale of assets	-	1,923	1,923
Other income (expense), net	<u>24</u>	<u>1,923</u>	<u>1,947</u>
Net loss	<u>\$ (3,261)</u>	<u>\$ 1,923</u>	<u>\$ (1,338)</u>
Basic and diluted net loss per common share	<u>\$ (0.22)</u>	<u>\$ 0.13</u>	<u>\$ (0.09)</u>
Weighted average shares used in computing basic and diluted net loss per common share	<u>15,016</u>	<u>15,016</u>	<u>15,016</u>

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**TITAN PHARMACEUTICALS, INC.**  
**PRO FORMA CONDENSED STATEMENTS OF OPERATIONS**  
(in thousands, except per share amount)  
(unaudited)

	Year Ended December 31, 2022 Historical	Transaction Accounting Adjustments	Year Ended December 31, 2022 Pro forma
<b>Revenues:</b>			
License revenue	\$ 60	\$ -	\$ 60
Grant revenue	497	-	497
Total revenues	<u>557</u>	<u>-</u>	<u>557</u>
<b>Operating expenses:</b>			
Research and development	4,758	-	4,758
General and administrative	6,034	-	6,034
Total operating expenses	<u>10,792</u>	<u>-</u>	<u>10,792</u>
Loss from operations	(10,235)	-	(10,235)
<b>Other income (expense):</b>			
Interest income	53	-	53
Other expense, net	(24)	-	(24)
Gain on sale of assets	-	1,865	1,865
Other income (expense), net	<u>29</u>	<u>1,865</u>	<u>1,894</u>
Net loss	<u>\$ (10,206)</u>	<u>\$ 1,865</u>	<u>\$ (8,341)</u>
Basic and diluted net loss per common share	<u>\$ (0.76)</u>	<u>\$ 0.14</u>	<u>\$ (0.62)</u>
Weighted average shares used in computing basic and diluted net loss per common share	<u>13,434</u>	<u>13,434</u>	<u>13,434</u>

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**TITAN PHARMACEUTICALS, INC.**  
**NOTES TO PRO FORMA CONDENSED FINANCIAL STATEMENTS**  
(unaudited)

**Note 1. Basis of Presentation**

The Company's historical consolidated balance sheet has been adjusted in the preparation of the unaudited pro forma condensed balance sheet to reflect only the transaction accounting adjustments related to the sale of the ProNeura Assets. The pro forma balance sheet as of June 30, 2023 gives effect to the disposition as if it were completed on June 30, 2023.

**Note 2. Pro forma Adjustments**

The following adjustments have been reflected in the unaudited pro forma condensed combined financial statements:

- (a) Pro forma adjustment represents a total purchase price of approximately \$2.0 million comprised of approximately \$0.5 million estimated cash proceeds from the sale at the closing of the transaction, the \$0.5 million Cash Note due on October 1, 2023 and the \$1.0 million Escrow Note due on January 1, 2024.
- (b) Pro forma adjustment reflects closing transaction costs of approximately \$74,000.
- (c) Pro forma adjustments reflect the elimination of assets and liabilities attributable to the ProNeura Assets included in the sale as if it had occurred on June 30, 2023.

(d) Pro forma adjustment reflects an additional portion related to the estimated pre-tax gain on the sale of approximately \$1.9 million, which was calculated as follows:

	<u>(in thousands)</u>
Estimated consideration of the disposition, net of transaction costs (1)	\$ 1,926
Assets of the businesses	(239)
Liabilities of the businesses	236
Pre-tax gain on the disposition	<u>\$ 1,923</u>

(1) Reflects the estimated net cash consideration received, inclusive of items identified in (a) and other customary adjustments identified in (b), as if the transaction had closed on June 30, 2023.