
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): **May 30, 2025**

Fortress Biotech, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-35366
(Commission File Number)

20-5157386
(IRS Employer
Identification No.)

1111 Kane Concourse, Suite 301
Bay Harbor Islands, FL 33154
(Address of Principal Executive Offices)

(781) 652-4500
(Registrant's telephone number, including area code)

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.
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act.
- ☐ Pre-commencement communications pursuant to Rule 14d-2b under the Exchange Act.
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act.

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	FBIO	Nasdaq Capital Market
9.375% Series A Cumulative Redeemable Perpetual Preferred Stock	FBIO-P	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). ☐

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.

As previously disclosed in the Current Report on Form 8-K filed by Fortress Biotech, Inc. (“Fortress”, or the “Company”), with the U.S. Securities and Exchange Commission (the “SEC”) on March 10, 2025, Checkpoint Therapeutics, Inc., a Delaware corporation (“Checkpoint”) and subsidiary of Fortress, entered into an Agreement and Plan of Merger, dated as of March 9, 2025 (as subsequently amended on April 14, 2025, the “Merger Agreement”) with Sun Pharmaceutical Industries, Inc., a Delaware corporation (“Sun Pharma”) and Snoopy Merger Sub, Inc., a Delaware corporation (“Merger Sub”). On May 30, 2025 (the “Closing Date”), Merger Sub merged with and into Checkpoint (the “Merger”) pursuant to the Merger Agreement, with Checkpoint continuing as the surviving corporation of the Merger and a wholly-owned subsidiary of Sun Pharma; Checkpoint was therefore deconsolidated as a subsidiary of Fortress (the “Subsidiary Sale”).

In connection with the closing of the Merger and pursuant to the Merger Agreement, Fortress will receive approximately \$28.0 million in cash and be eligible to receive up to an additional \$4.8 million upon achievement of a regulatory milestone associated with the rights (“CVRs”) issued under a Contingent Value Rights Agreement (the “CVR Agreement”). Fortress is also eligible to receive quarterly cash payments of 2.5% of net sales of certain products of Checkpoint and Sun Pharma for a specified time period pursuant to that certain previously disclosed Royalty Agreement, dated as of March 9, 2025, that was entered into by Checkpoint, Sun Pharma and the Company concurrently with the Merger Agreement.

A copy of the unaudited pro forma consolidated financial statements of the Company, giving effect to the deconsolidation of Checkpoint, are attached as Exhibit 99.1 to this Current Report on Form 8-K and are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(b) Pro forma financial information.

The following unaudited pro forma consolidated financial statements of the Company giving effect to the Subsidiary Sale are filed as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference:

- Unaudited Pro Forma Condensed Consolidated Balance Sheet as of March 31, 2025;
- Unaudited Pro Forma Condensed Statements of Operations for the three months ended March 31, 2025 and for the year ended December 31, 2024; and
- Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements.

(d) Exhibits.

The following exhibit is furnished herewith:

Exhibit Number	Description
<u>2.1*#</u>	<u>Agreement and Plan of Merger, dated as of March 9, 2025, by and among Checkpoint Therapeutics, Inc., Sun Pharmaceutical Industries, Inc., and Snoopy Merger Sub, Inc. (incorporated by reference to Exhibit 2.1 of the Registrant's Form 8-K filed with the SEC on March 10, 2025).</u>
<u>10.1</u>	<u>Royalty Agreement, dated as of March 9, 2025, by and among Checkpoint Therapeutics, Inc., Sun Pharmaceutical Industries, Inc., and Fortress Biotech, Inc. (incorporated by reference to Exhibit 10.2 of the Registrant's Form 8-K filed with the SEC on March 10, 2025).</u>
<u>99.1</u>	<u>Unaudited Pro Forma Condensed Consolidated Financial Information for Fortress Biotech, Inc.</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)
*	Certain exhibits and schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. Fortress agrees to furnish supplementally a copy of any omitted exhibit or schedule to the SEC upon request; provided, however, that Fortress may request confidential treatment pursuant to Rule 24b-2 of the Exchange Act for any schedule so furnished.
#	Pursuant to Item 601(b)(z)(ii) of Regulation S-K promulgated by the SEC, certain portions of this exhibit have been redacted because the registrant customarily and actually treats such omitted information as private or confidential and because such omitted information is not material.

Forward-Looking Statements

Statements in this Current Report on Form 8-K that are not descriptions of historical facts are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended. The words “anticipates,” “believes,” “can,” “continue,” “could,” “estimates,” “expects,” “intends,” “may,” “might,” “plans,” “potential,” “predicts,” “should,” or “will” or the negative of these terms or other comparable terminology are generally intended to identify forward-looking statements. These forward-looking statements are based on management’s current expectations and are subject to risks and uncertainties that could negatively affect our business, operating results, financial condition and stock price.

Examples of such forward-looking statements include, but are not limited to, express or implied:

- statements regarding the transaction and related matters, including the benefits of the transaction, any payments under the CVRs, prospective performance and opportunities, post-closing operations and the outlook for the companies’ businesses;
 - statements of targets, plans, objectives or goals for future operations, including those related to Checkpoint’s products, product research, product development, product introductions and product approvals as well as cooperation in relation thereto;
 - statements containing projections of or targets for revenues, costs, income (or loss), earnings per share, capital expenditures, dividends, capital structure, net financials and other financial measures;
 - statements regarding future economic performance, future actions and outcome of contingencies such as legal proceedings; and
 - statements regarding the assumptions underlying or relating to such statements.
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Factors that could cause actual results to differ materially from those currently anticipated include risks relating to: the difficulty of predicting the timing or outcome of regulatory approvals or actions; the risks related to non-achievement of the CVR milestone and that holders of the CVRs will not receive payments in respect of the CVRs; our growth strategy, financing and strategic agreements and relationships; our need for substantial additional funds and uncertainties relating to financings; our ability to identify, acquire, close and integrate product candidates successfully and on a timely basis; our ability to attract, integrate and retain key personnel; the early stage of products under development; the results of research and development activities; uncertainties relating to preclinical and clinical testing; our ability to obtain regulatory approval for products under development; our ability to successfully commercialize products for which we receive regulatory approval or receive royalties or other distributions from third parties; our ability to secure and maintain third-party manufacturing, marketing and distribution of our and our partner companies' products and product candidates; government regulation; patent and intellectual property matters; competition; as well as other risks described in our SEC filings. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations or any changes in events, conditions or circumstances on which any such statement is based, except as may be required by law, and we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. The information contained herein is intended to be reviewed in its totality, and any stipulations, conditions or provisos that apply to a given piece of information in one part of this press release should be read as applying mutatis mutandis to every other instance of such information appearing herein.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Fortress Biotech, Inc.
(Registrant)

Date: June 5, 2025

By: /s/ David Jin
David Jin
Chief Financial Officer



Unaudited Pro Forma Consolidated Financial Statements

As previously disclosed in the Current Report on Form 8-K filed by Fortress Biotech, Inc. ("Fortress" or the "Company") with the Securities and Exchange Commission (the "SEC") on March 10, 2025, Checkpoint Therapeutics, Inc., a Delaware corporation ("Checkpoint") and subsidiary of Fortress, entered into an Agreement and Plan of Merger, dated as of March 9, 2025 (as subsequently amended on April 14, 2025, the "Merger Agreement"), with Sun Pharmaceutical Industries, Inc., a Delaware corporation ("Sun Pharma"), and Snoopy Merger Sub, Inc., a Delaware corporation ("Merger Sub"). On May 30, 2025 ("Closing Date"), Merger Sub merged with and into Checkpoint (the "Merger") pursuant to the Merger Agreement, with Checkpoint continuing as the surviving corporation of the Merger and a wholly owned subsidiary of Sun Pharma and therefore was deconsolidated as a subsidiary of Fortress ("Subsidiary Sale"). In connection with the closing of the Merger and pursuant to the Merger Agreement, Fortress will receive approximately \$28.0 million in cash and be eligible for up to \$4.8 million upon achievement of a corresponding milestone associated with the contingent value rights issued under a Contingent Value Rights Agreement.

The unaudited pro forma consolidated financial statements were derived from the Company's historical consolidated financial statements for the respective periods. The unaudited pro forma consolidated balance sheet as of March 31, 2025 gives effect to the Subsidiary Sale as if it had occurred on March 31, 2025. The unaudited pro forma consolidated statements of operations for the quarter ended March 31, 2025 gives effect to the Subsidiary Sale as if it had occurred on January 1, 2025. The unaudited pro forma consolidated statements of operations for the year ended December 31, 2024 gives effect to the Subsidiary Sale as if it had occurred on January 1, 2024.

The unaudited pro forma adjustments are based on available information and certain assumptions that we believe are reasonable as of the date of the Current Report on Form 8-K to which these unaudited pro forma consolidated financial statements are included. Assumptions underlying the pro forma adjustments related to the Subsidiary Sale are described in the accompanying notes. The pro forma adjustments reflected herein are based on management's expectations regarding the Subsidiary Sale. The unaudited pro forma consolidated financial statements are presented for illustrative purposes only and do not purport to indicate the results of operations of future periods or the results of operations that actually would have been realized had the Subsidiary Sale closed on the dates or during the periods presented.

The unaudited pro forma consolidated financial statements should be read in conjunction with the audited December 31, 2024 consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K filed on March 31, 2025 and with the unaudited March 31, 2025 consolidated financial statements and notes thereto contained in the Company's Quarterly Report on Form 10-Q filed on May 15, 2025.

Unaudited Pro Forma Condensed Consolidated Balance Sheet
As of March 31, 2025
(in thousands except for share and per share amounts)

	As reported	Pro Forma Adjustments	Pro Forma
ASSETS			
Current assets			
Cash and cash equivalents	\$ 91,339	\$ (2,203)(a), (b)	\$ 89,136
Accounts receivable, net	18,025	—	18,025
Inventory	12,496	—	12,496
Other receivables - related party	309	—	309
Prepaid expenses and other current assets	4,734	(1,123)(b)	3,611
Total current assets	126,903	(3,326)	123,577
Property, plant and equipment, net	2,796	—	2,796
Operating lease right-of-use asset, net	13,303	—	13,303
Restricted cash	1,220	—	1,220
Intangible assets, net	30,798	—	30,798
Other assets	3,051	—	3,051
Total assets	\$ 178,071	\$ (3,326)	\$ 174,745
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)			
Current liabilities			
Accounts payable and accrued expenses	\$ 66,286	\$ (14,742)(b)	\$ 51,544
Income taxes payable	952	—	952
Common stock warrant liabilities	261	(260)(b)	1
Operating lease liabilities, short-term	2,159	—	2,159
Partner company notes payable, short-term	1,875	—	1,875
Other current liabilities	2,141	—	2,141
Total current liabilities	73,674	(15,002)	58,672
Notes payable, long-term, net	56,382	—	56,382
Operating lease liabilities, long-term	13,820	—	13,820
Other long-term liabilities	1,709	—	1,709
Total liabilities	145,585	(15,002)	130,583
Commitments and contingencies			
Stockholders' equity (deficit)			
Cumulative redeemable perpetual preferred stock, \$0.001 par value, 15,000,000 authorized, 5,000,000 designated Series A shares, 3,427,138 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively, liquidation value of \$25.00 per share	3	—	3
Common stock, \$0.001 par value, 200,000,000 shares authorized, 29,554,966 and 27,908,839 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	30	—	30
Additional paid-in-capital	773,668	—	773,668
Accumulated deficit	(751,451)	26,625 (b)	(724,826)
Total stockholders' equity attributed to the Company	22,250	26,625	48,875
Non-controlling interests	10,236	(14,949)(b)	(4,713)
Total stockholders' equity (deficit)	32,486	11,676	44,162
Total liabilities and stockholders' equity (deficit)	\$ 178,071	\$ (3,326)	\$ 174,745

Unaudited Pro Forma Condensed Statements of Operations
For the Three Months Ended March 31, 2025
(in thousands except for share and per share amounts)

	As reported	Pro Forma Adjustments	Pro Forma
Revenue			
Product revenue, net	\$ 13,139	\$ —	\$ 13,139
Operating expenses			
Cost of goods - (excluding amortization of acquired intangible assets)	4,790	—	4,790
Amortization of acquired intangible assets	1,065	—	1,065
Research and development	3,938	(3,788)(b)	150
Selling, general and administrative	25,663	(7,361)(b)	18,302
Total operating expenses	35,456	(11,149)	24,307
Loss from operations	(22,317)	11,149	(11,168)
Other income (expense)			
Interest income	490	(1)(b)	489
Interest expense and financing fee	(2,805)	—	(2,805)
Loss on common stock warrant liabilities	(47)	62 (b)	15
Gain on deconsolidation	—	26,625 (a)	26,625
Other income (expense)	(12)	2 (b)	(10)
Total other expense	(2,374)	26,688	24,314
Net loss	(24,691)	37,837	13,146
Net loss attributable to non-controlling interests	14,107	(10,122)	3,985
Net loss attributable to Fortress	\$ (10,584)	\$ 27,715	\$ 17,131
Preferred A dividends declared and paid and/or cumulated, and Fortress' share of subsidiary deemed dividends	(2,131)	—	(2,131)
Net loss attributable to common stockholders	\$ (12,715)	\$ 27,715	\$ 14,999
Net loss per common share - basic and diluted	\$ (0.93)	1.43	\$ 0.50
Net loss per common share attributable to non - controlling interests - basic and diluted	\$ 0.53	(0.38)	\$ 0.15
Net loss per common share attributable to common stockholders - basic and diluted	\$ (0.48)	1.05	\$ 0.57
Weighted average common shares outstanding - basic and diluted	26,450,218	26,450,218	26,450,218

Unaudited Pro Forma Condensed Statements of Operations
For the Year Ended December 31, 2024
(in thousands except for share and per share amounts)

	As reported	Pro Forma Adjustments	Pro Forma
Revenue			
Product revenue, net	\$ 55,134	\$ —	\$ 55,134
Collaboration revenue	1,500	—	1,500
Revenue - related party	41	(41)(b)	—
Other revenue	1,000	—	1,000
Net revenue	<u>57,675</u>	<u>(41)</u>	<u>57,634</u>
Operating expenses			
Cost of goods - (excluding amortization of acquired intangible assets)	20,879	—	20,879
Amortization of acquired intangible assets	3,424	—	3,424
Research and development	56,629	(36,152)(b)	20,477
Research and development - licenses acquired	252	—	252
Selling, general and administrative	87,731	(20,063)(b)	67,668
Loss recovery	(4,553)	—	(4,553)
Asset impairment	3,692	—	3,692
Total operating expenses	<u>168,054</u>	<u>(56,215)</u>	<u>111,839</u>
Loss from operations	(110,379)	56,174	(54,205)
Other income (expense)			
Interest income	2,683	(11)(b)	2,672
Interest expense and financing fee	(13,527)	—	(13,527)
Loss on common stock warrant liabilities	(638)	73 (b)	(565)
Gain on deconsolidation	—	26,625 (a)	26,625
Other income (expense)	1,318	4 (b)	1,322
Total other expense	<u>(10,164)</u>	<u>26,691</u>	<u>16,527</u>
Loss before income tax expense	(120,543)	82,865	(37,678)
Income tax expense	312	—	312
Net loss	<u>(120,855)</u>	<u>82,865</u>	<u>(37,990)</u>
Net loss attributable to non-controlling interests	74,858	(42,995)	31,863
Net loss attributable to Fortress	<u>\$ (45,997)</u>	<u>\$ 39,870</u>	<u>\$ (6,127)</u>
Preferred A dividends declared and paid and/or cumulated, and Fortress' share of subsidiary deemed dividends	(9,893)	—	(9,893)
Net loss attributable to common stockholders	<u>\$ (55,890)</u>	<u>\$ 39,870</u>	<u>\$ (16,021)</u>
Net loss per common share attributable to common stockholders - basic and diluted	\$ (2.69)	1.92	\$ (0.77)
Weighted average common shares outstanding - basic and diluted	20,784,334	20,784,334	20,784,334

Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements

1. Basis of Pro Forma Presentation

The accompanying unaudited pro forma condensed consolidated financial statements of the Company were prepared in accordance with Article 11 of Regulation S-X and are based on the historical condensed consolidated financial information of the Company. The condensed consolidated financial information has been adjusted in the accompanying pro forma financial statements to give effect to the disposition of the Company's ownership in Checkpoint.

2. Adjustments to the Pro Forma Condensed Consolidated Balance Sheet

Explanations of the adjustments to the pro forma condensed consolidated balance sheet are as follows:

- (a) Adjustment represents cash consideration received from the sale of Checkpoint.
- (b) Adjustments represent the elimination of assets and liabilities attributable to Checkpoint.

3. Adjustments to the Pro Forma Condensed Consolidated Statements of Operations

Explanations of the adjustments to the pro forma condensed consolidated statements of operations are as follows:

- (a) Adjustment reflects a \$26.6 million pre-tax gain on the sale of Checkpoint calculated as follows:

Cash received	\$ 27,971
Less: carrying value of investment in Checkpoint	1,347
Pro forma gain before income taxes	26,625
Provision for income taxes	-
Pro forma net gain on the sale of Checkpoint	<u>\$ 26,625</u>

- (b) Adjustments reflect the elimination of revenues, costs and expenses directly attributable to Checkpoint.
-