

Sorrento Therapeutics, Inc.  
Form 4  
January 09, 2017

# FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2015  
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
ABG Management Ltd

(Last) (First) (Middle)

UNIT 3002-3004, 30TH FLOOR,, GLOUCESTER TOWER, THE LANDMARK, CENTRAL

(Street)

HONG KONG, K3 00000

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
Sorrento Therapeutics, Inc. [SRNE]

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/05/2017

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
			Code	V	Amount	(A) or (D)	Price		
Common Stock	01/05/2017		J		397,853	A	<u>(1)</u> <u>(2)</u> 397,853	I	Through ABG II-SO Limited <u>(3)</u> <u>(4)</u> <u>(5)</u>
Common Stock	01/05/2017		J		1,441,441	A	<u>(1)</u> <u>(2)</u> 1,441,441	I	Through Ally Bridge LB Healthcare Master Fund Limited <u>(3)</u>

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Common Stock	01/05/2017	J	3,243,242	A	<u>(1)</u> <u>(2)</u>	3,243,242	I	<u>(4)</u> <u>(6)</u> Through ABG SRNE Limited <u>(3)</u> <u>(4)</u> <u>(7)</u>
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Pr Deri Secu (Inst	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Warrants	\$ 8.5					<u>(8)</u>	05/31/2019	Common Stock	432,432
Warrants	\$ 8.5					<u>(8)</u>	05/31/2019	Common Stock	432,432
Warrants	\$ 8.5					<u>(9)</u>	06/07/2019	Common Stock	540,540

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ABG Management Ltd UNIT 3002-3004, 30TH FLOOR, GLOUCESTER TOWER, THE LANDMARK, CENTRAL HONG KONG, K3 00000		X		
ABG SRNE Ltd UNIT 3002-3004, 30TH FLOOR, GLOUCESTER TOWER, THE LANDMARK, CENTRAL HONG KONG, K3 00000		X		
Ally Bridge Group Capital Partners II, L.P. UNIT 3002-3004, 30TH FLOOR, GLOUCESTER TOWER, THE LANDMARK, CENTRAL HONG KONG, K3 00000		X		
ABG II-SO Ltd UNIT 3002-3004, 30TH FLOOR, GLOUCESTER TOWER, THE LANDMARK, CENTRAL HONG KONG, K3 00000		X		
Ally Bridge LB Healthcare Master Fund Ltd UNIT 3002-3004, 30TH FLOOR, GLOUCESTER TOWER, THE LANDMARK, CENTRAL HONG KONG, K3 00000		X		
Ally Bridge LB Management Ltd UNIT 3002-3004, 30TH FLOOR, GLOUCESTER TOWER, THE LANDMARK, CENTRAL HONG KONG, K3 00000		X		
Ally Bridge Group Innovation Capital Partners III, L.P. UNIT 3002-3004, 30TH FLOOR, GLOUCESTER TOWER, THE LANDMARK, CENTRAL HONG KONG, K3 00000		X		
Yu Fan UNIT 3002-3004, 30TH FLOOR, GLOUCESTER TOWER, THE LANDMARK, CENTRAL HONG KONG, K3 00000		X		
Li Bin UNIT 3002-3004, 30TH FLOOR, GLOUCESTER TOWER, THE LANDMARK, CENTRAL HONG KONG, K3 00000		X		

## Signatures

/s/ Yu Fan on behalf of himself and each other reporting person

01/09/2017

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

The Reporting Persons are making this joint, single filing because they may be deemed to constitute a "group" within the meaning of Section 13(d)(3) of the Securities Exchange Act 1934 as amended (the "Act"). According to a Form 8-K filing by the Issuer on January 5, 2017, the Issuer consummated a transaction that involved (i) the cancellation of warrants to purchase an aggregate of 1,137,316 shares of Common Stock (the "Warrants") and cancellation of secured promissory notes in an aggregate principal amount of \$53,502,315 that were issued to the Issuer, of which \$43,502,315 in aggregate principal amount was outstanding as of December 31, 2016 (the "Notes") and (ii) forfeiture of 7,838,259 shares of Common Stock (the "Shares") which were returned to the Issuer.

(1) Prior to the forfeiture of the Shares and the cancellation of the Warrants and Notes, the Issuer had 58,721,115 Shares outstanding and warrants to purchase an aggregate of 7,070,314 shares of Common Stock outstanding. The Issuer now has 50,882,856 Shares outstanding and warrants to purchase an aggregate of 5,932,998 shares of Common Stock outstanding. As a result of this transaction, the Reporting Persons' (defined below) collective ownership of the Issuer's securities have increased.

The Form 4 is filed by and on behalf of each of the following persons (each a "Reporting Person"): (i) ABG II-SO Limited ("ABG II-SO"), a British Virgin Islands limited company, (ii) Ally Bridge Group Capital Partners II, L.P., a Cayman Islands limited partnership, (iii) Ally Bridge LB Healthcare Master Fund Limited ("ABG LB"), a Cayman Islands limited company, (iv) Ally Bridge LB Management Limited, a Cayman Islands limited company, (v) ABG SRNE Limited ("ABG SRNE"), a British Virgin Islands limited company, (vi) Ally Bridge Group Innovation Capital Partners III, L.P., a Cayman Islands limited company, (vii) ABG Management Ltd., a Cayman Islands limited partnership, (viii) Mr. Fan Yu, a director of ABG LB and a shareholder and director of Ally Bridge LB Management Limited, and the sole shareholder and director of ABG Management Ltd., and (ix) Mr. Bin Li, a director and executive officer of ABG LB and a shareholder and director of Ally Bridge LB Management Limited.

(2) Each Reporting Person states that neither the filing of this statement nor anything herein shall be deemed an admission that such person is, for the purpose of Section 16 of the Act or otherwise, the beneficial owner of any securities covered by this statement. Each Reporting Person disclaims beneficial ownership of the securities covered by this statement, except to the extent of the pecuniary interest of such person in such securities.

(3) ABG II-SO directly owns 397,853 shares of common stock of the Issuer. The following Reporting Persons may be deemed to beneficially own such securities: (i) Ally Bridge Group Capital Partners II, L.P., as parent of ABG II-SO, (ii) ABG Management Ltd., as manager of Ally Bridge Group Capital Partners II, L.P., and (iii) Mr. Fan Yu, as sole shareholder and director of ABG Management Ltd.

(4) ABG LB directly owns (i) 1,441,441 shares of common stock of the Issuer and (ii) warrants to purchase 432,432 shares of common stock of the Issuer. The following Reporting Persons may be deemed to beneficially own such securities: (i) Ally Bridge LB Management Limited, as manager of ABG LB, (ii) Mr. Fan Yu, as a shareholder and director of Ally Bridge LB Management Limited, and (iii) Mr. Bin Li, as a shareholder and director of Ally Bridge LB Management Limited.

(5) ABG SRNE directly owns (i) 3,243,242 shares of common stock of the Issuer and (ii) warrants to purchase 972,972 shares of common stock of the Issuer. The following Reporting Persons may be deemed to beneficially own such securities: (i) Ally Bridge Group Innovation Capital Partners III, L.P., as owner of the sole voting share of ABG SRNE, (ii) ABG Management Ltd., as manager of Ally Bridge Group Innovation Capital Partners III, L.P., and (iii) Mr. Fan Yu, as sole shareholder and director of ABG Management Ltd.

(6) The warrants are exercisable at any time on or after May 31, 2016.

(7) The warrants are exercisable at any time on or after June 7, 2016.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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