

**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): December 21, 2023

DARÉ BIOSCIENCE, INC.
(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-36395

(Commission
File Number)

20-4139823

(I.R.S. Employer
Identification No.)

**3655 Nobel Drive, Suite 260
San Diego, CA 92122**
(Address of Principal Executive Offices and Zip Code)

Registrant's telephone number, including area code: **(858) 926-7655**

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 (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 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

Common stock

Trading Symbol(s)

DARE

Name of each exchange on which registered

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.

Royalty Interest Financing Agreement

On December 21, 2023 (the “Effective Date”), Daré Bioscience, Inc. (the “Company”) entered into a Royalty Interest Financing Agreement (the “Agreement”) with United in Endeavour, LLC (“United”), pursuant to which the Company sold to United the right to receive certain royalty payments from the Company for a purchase price of up to \$12 million. The Company received \$5 million from United on the Effective Date (the “Initial Investment Amount”) and between January 1, 2024 and December 31, 2026, the Company may, in its sole discretion, elect to receive three additional payments from United of up to an aggregate of \$7 million (each a “Supplemental Discretionary Investment Amount,” and collectively the “Total Supplemental Discretionary Investment Amount”).

Under the Agreement, the Company has agreed to make payments to United, until such time when United has received aggregate payments equaling a 12% internal rate of return (the “IRR”) on the Initial Investment Amount and the Total Supplemental Discretionary Investment Amount, if any (the “Hard Cap”). Until such time as the IRR has been achieved, the Company has agreed to make payments to United equal to (i) from the Effective Date through December 31, 2025, 50% of the amount of royalty payments remaining after all amounts that are due and payable and actually paid by the Company to any licensor or sublicensee on the royalty payments generated and received by the Company on net sales of XACIATO™ by Organon have been deducted (the “Net Royalty Payments”), (ii) from January 1, 2026 through December 31, 2029, 75% of the Net Royalty Payments, and (iii) from the Effective Date through December 31, 2029, 10% of the amount of milestone payments remaining after all amounts that are due and payable and actually paid by the Company to any licensor or sublicensee on the milestone payments generated and received by the Company on net sales of XACIATO by Organon have been deducted. After December 31, 2029, the Company will be required to make certain additional payments to United to the extent United has not received payments equaling the Hard Cap by December 31, 2029, December 31, 2033, and December 31, 2034, respectively. In addition, if United has not received payments equaling the Hard Cap by December 31, 2035 and the Company has other sources of assets or income besides XACIATO sufficient to complete such payments, the Company has agreed to pay United quarterly payments evenly divided over a two-year term, such that United will have obtained the IRR, taking into account all other payments received by United from the Company under the Agreement. United’s right to receive payments will terminate when United has received the Hard Cap.

The Company shall have the right, but not the obligation, at any time (the “Call Option”), to repurchase all of the Purchased Interest from United at a repurchase price equal to the Hard Cap, calculated as of the date of the exercise of the Call Option.

The Agreement contains representations and warranties, covenants, indemnification obligations, and other provisions customary for transactions of this nature and will terminate on the date that is the earlier of (i) the date upon which the payment of the purchased interest in respect of XACIATO is made in full to United, and (ii) the payment to United of an aggregate amount equal to the Hard Cap.

Warrants

In connection with the Agreement, the Company issued to United a warrant (the “Initial Warrant”) to purchase up to 5,000,000 shares of the Company’s common stock, par value \$0.0001 per share (the “Common Stock”). In addition, for every \$1,000,000 of Supplemental Investment Amount, the Company has agreed to issue 1,000,000 additional warrants to purchase 1,000,000 shares of Common Stock, for an aggregate of up to 7,000,000 warrants to purchase 7,000,000 shares of Common Stock (collectively the “Additional Warrants,” and together with the Initial Warrant, the “Warrants”).

The Warrants are exercisable, in full or in part, at any time prior to the fifth (5th) anniversary of their issuance date at an exercise price of \$0.3467 per share, subject to customary anti-dilution adjustments in the event of certain future stock dividend, stock split, stock combination, recapitalization or other similar transaction of the Company as set forth in the Warrants. The Warrants may be exercised for cash in an amount equal to the aggregate exercise price, or if at the time of exercise there is no effective registration statement registering for resale the shares underlying the Warrants, then in lieu of paying the aggregate exercise price, the holders of the Warrants may elect a cashless exercise in accordance with the terms of the Warrants. Prior to the issuance of shares of Common Stock upon exercise of the Warrants, the Warrant holders are not entitled to vote or be deemed the holder of shares of Common Stock, provided that Warrant holders are entitled to receive, simultaneously with holders of the Common Stock, dividends and other distributions made to such holders of Common Stock.

The foregoing summary of the Agreement and Form of Warrant does not purport to be complete and is qualified in its entirety by reference to the Agreement and the Form of Warrant, which the Company intends to file with its Annual Report on Form 10-K for the year ending December 31, 2023, with certain private or confidential provisions or terms redacted.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 1.01 of this Current Report on Form 8-K with respect to the Agreement is hereby incorporated by reference into this Item 2.03.

Item 3.02 Unregistered Sales of Equity Securities.

The information set forth in Item 1.01 of this Current Report on Form 8-K above is incorporated herein by reference. The Company issued the Warrants and offered the shares of Common Stock underlying the Warrants in reliance on Section 4(a)(2) of the Securities Act of 1933, as amended.

Item 7.01 Regulation FD Disclosure.

On December 26, 2023, the Company issued a press release announcing the Company's entry into the Agreement. A copy of the press release is furnished as Exhibit 99.1 and incorporated herein by reference.

The information in Item 7.01 of this Current Report on Form 8-K (including Exhibit 99.1 attached hereto) is being furnished pursuant to Item 7.01 and shall not be deemed to be filed for purposes of Section 18 of the Exchange Act, or otherwise be subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No. Description

99.1	Press release issued on December 26, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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.

DARÉ BIOSCIENCE, INC.

Dated: December 26, 2023

By: /s/ Sabrina Martucci Johnson

Name: Sabrina Martucci Johnson

Title: President and Chief Executive Officer

Daré Bioscience Secures \$12 million in Royalty-backed Investment Structure \$5 million at closing and up to \$7 million of additional committed funding

SAN DIEGO, December, 26, 2023 – Daré Bioscience, Inc. (NASDAQ: DARE), a leader in women’s health innovation, today announced it has entered into a royalty-backed financing agreement that provides Daré with \$5 million at closing and up to an additional \$7 million through three tranches over time at Daré’s option. The financing structure entitles the investor to a percentage of the royalties and milestones to be received by Daré under its global license agreement for XACIATO™ with Organon only until the investor achieves a targeted return on investment.

“This advance against a percentage of future net payments we receive under our license agreement for XACIATO provides us with capital at an opportune time to drive shareholder value through the continued advancement of our late-stage portfolio of product candidates,” stated Sabrina Martucci Johnson, Daré’s President and Chief Executive Officer. “This financing exemplifies our commitment to being creative, collaborative and opportunistic in seeking capital at an attractive cost to advance our late-stage candidates – all of which represent a first-in-category opportunity – while seeking to continue to deliver value for all Daré stakeholders.”

Terms of the Agreement

Daré received \$5 million from the investor at closing and has the option to draw an additional \$7 million in tranches of up to \$3 million each through December 31, 2026. Once the investor receives a targeted internal rate of return (IRR) of 12% on all advances, all future royalty and milestone payments related to XACIATO revert to Daré. Daré may terminate the agreement at any time by repaying the amounts advanced plus the IRR.

In connection with the closing, Daré issued to the investor a five-year warrant to purchase an aggregate of 5 million shares of Daré’s common stock at an exercise price of \$0.3467 per share, representing a 10% premium to the prior day’s closing price. In addition, in connection with each future advance of \$1 million, if any, Daré agreed to issue additional five-year warrants to purchase up to 1 million shares of common stock at an exercise price of \$0.3467 per share.

Additional information regarding the transaction is available in Daré’s Current Report on Form 8-K filed with the Securities and Exchange Commission today.

About Daré Bioscience

Daré Bioscience is a biopharmaceutical company committed to advancing innovative products for women's health. The company's mission is to identify, develop and bring to market a diverse portfolio of differentiated therapies that prioritize women's health and well-being, expand treatment options, and improve outcomes, primarily in the areas of contraception, vaginal health, reproductive health, menopause, sexual health and fertility.

Daré's first FDA-approved product, XACIATO™ (clindamycin phosphate) vaginal gel 2% is a lincosamide antibacterial indicated for the treatment of bacterial vaginosis in female patients 12 years of age and older, which is under a global license agreement with Organon. Daré's portfolio also includes potential first-in-category candidates in clinical development: Ovaprene®, a novel, hormone-free monthly intravaginal contraceptive whose U.S. commercial rights are under a license agreement with Bayer; Sildenafil Cream, 3.6%, a novel cream formulation of sildenafil to treat female sexual arousal disorder (FSAD) and/or female sexual interest/arousal disorder (FSIAD) utilizing the active ingredient in Viagra®; and DARE-HRT1, a combination bio-identical estradiol and progesterone intravaginal ring for menopausal hormone therapy. To learn more about XACIATO, Daré's full portfolio of women's health product candidates, and Daré's mission to deliver differentiated therapies for women, please visit www.darebioscience.com.

Daré Bioscience leadership has been named on the Medicine Maker's Power List and Endpoints News' Women in Biopharma 2022. In 2023, Daré's CEO was honored as one of Fierce Pharma's Most Influential People in Biopharma for Daré's contributions to innovation and advocacy in the women's health space. Daré Bioscience placed #1 in the Small Company category of the San Diego Business Journal's 2023 Best Places to Work Awards.

Daré may announce material information about its finances, product and product candidates, clinical trials and other matters using the Investors section of its website (<http://ir.darebioscience.com>), SEC filings, press releases, public conference calls and webcasts. Daré will use these channels to distribute material information about the company and may also use social media to communicate important information about the company, its finances, product and product candidates, clinical trials and other matters. The information Daré posts on its investor relations website or through social media channels may be deemed to be material information. Daré encourages investors, the media, and others interested in the company to review the information Daré posts in the Investors section of its website and to follow these X (formerly Twitter) accounts: @SabrinaDareCEO and @DareBioscience. Any updates to the list of social media channels the company may use to communicate information will be posted in the Investors section of Daré's website.

Forward-Looking Statements

Daré cautions you that all statements, other than statements of historical facts, contained in this press release, are forward-looking statements. Forward-looking statements, in some cases, can be identified by terms such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “design,” “intend,” “expect,” “could,” “plan,” “potential,” “predict,” “seek,” “should,” “would,” “contemplate,” “project,” “target,” “objective,” or the negative version of these words and similar expressions. In this press release, forward-looking statements include, but are not limited to, statements relating to the continued advancement of Daré’s late-stage portfolio of product candidates and Daré’s ability to deliver value for all Daré stakeholders. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Daré’s actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by the forward-looking statements in this press release, including, without limitation, risks and uncertainties related to: Daré’s ability to raise additional capital when and as needed to advance its product candidates, execute its business strategy and continue as a going concern; Daré’s ability to develop, obtain FDA or foreign regulatory approval for, and commercialize its product candidates and to do so on communicated timelines; failure or delay in starting, conducting and completing clinical trials of a product candidate; Daré’s ability to design and conduct successful clinical trials, to enroll a sufficient number of patients, to meet established clinical endpoints, to avoid undesirable side effects and other safety concerns, and to demonstrate sufficient safety and efficacy of its product candidates; Daré’s dependence on third parties to conduct clinical trials and manufacture and supply clinical trial material and commercial product; the risk that positive findings in early clinical and/or nonclinical studies of a product candidate may not be predictive of success in subsequent clinical and/or nonclinical studies of that candidate; the risk that the FDA, other regulatory authorities, members of the scientific or medical communities or investors may not accept or agree with Daré’s interpretation of or conclusions regarding data from clinical studies of its product candidates; the risk that development of a product candidate requires more clinical or nonclinical studies than Daré anticipates; the loss of, or inability to attract, key personnel; the effects of macroeconomic conditions, geopolitical events, public health emergencies, and major disruptions in government operations on Daré’s operations, financial results and condition, and ability to achieve current plans and objectives; the risk that developments by competitors make Daré’s product or product candidates less competitive or obsolete; difficulties establishing and sustaining relationships with development and/or commercial collaborators; failure of Daré’s product or product candidates, if approved, to gain market acceptance or obtain adequate coverage or reimbursement from third-party payers; Daré’s ability to retain its licensed rights to develop and commercialize a product or product candidate; Daré’s ability to satisfy the monetary obligations and other requirements in connection with its exclusive, in-license agreements covering the critical patents and related intellectual property related to its product and product candidates; Daré’s ability to adequately protect or enforce its, or its licensor’s, intellectual property rights; the lack of patent protection for the active ingredients in certain of Daré’s product candidates which could expose its products to competition from other formulations using the same active ingredients; product liability claims; governmental investigations or actions relating to Daré’s product or product candidates or the business activities of Daré, its commercial collaborators or other third parties on which Daré relies; the impact of pharmaceutical industry regulation and health care legislation in the United States and internationally; global trends toward health care cost containment; cybersecurity incidents or similar events that compromise Daré’s technology systems or those of third parties on which it relies and/or significantly disrupt Daré’s business; and disputes or other developments concerning Daré’s intellectual property rights. Daré’s forward-looking statements are based upon its current expectations and involve assumptions that may never materialize or may prove to be incorrect. All forward-looking statements are expressly qualified in their entirety by these cautionary statements. For a detailed description of Daré’s risks and uncertainties, you are encouraged to review its documents filed with the SEC including Daré’s recent filings on Form 8-K, Form 10-K and Form 10-Q. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they were made. Daré undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made, except as required by law.

Contacts:

Media and Investors on behalf of Daré Bioscience, Inc:

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Source: Daré Bioscience, Inc.