
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 20, 2018

Dextera Surgical Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-51772
(Commission
File Number)

94-3287832
(IRS Employer
Identification No.)

900 Saginaw Drive, Redwood City, CA
(Address of Principal Executive Offices)

94063
(Zip Code)

Registrant's telephone number, including area code: (650) 364-9975

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 (§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 2.01. Completion of Acquisition or Disposition of Assets.

As previously disclosed, on December 11, 2017, Dexter Surgical Inc. and Aesculap, Inc. (“*Aesculap*”) entered into an Asset Purchase Agreement (as amended, the “*Asset Purchase Agreement*”) pursuant to which Dexter Surgical agreed to sell substantially all of its assets to Aesculap or its designee for \$17.3 million. Immediately thereafter, Dexter Surgical filed a voluntary petition for reorganization under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the “*Court*”).

Also as previously disclosed, in connection with entering into the Asset Purchase Agreement, on December 15, 2017, Dexter Surgical and Aesculap entered into a Post-Petition Loan and Security Agreement (the “*DIP Loan Agreement*”) pursuant to which Aesculap agreed to loan to Dexter Surgical funds necessary to conduct its business through the process for the sale of its assets (the “*DIP Loan Amount*”).

Consistent with the terms of the Asset Purchase Agreement, on February 20, 2018, Dexter Surgical sold substantially all of its assets to Aesculap’s designee, AesDex, LLC, for \$17.3 million. Of this amount, Dexter Surgical received approximately \$13.6 million, with an additional \$2 million funded into an escrow account for 24 months. The balance of the \$17.3 million purchase price was used to repay the DIP Loan Amount of \$0.9 million, make payments to counterparties to assigned contracts and leases, and pay associated closing expenses.

Aesculap is part of the B. Braun Group. Dexter Surgical had a marketing and distribution agreement to distribute Dexter Surgical’s MicroCutter 5/80 surgical stapler in Spain with B. Braun Surgical S.A., another part of the B. Braun Group, prior to entering into the Asset Purchase Agreement. The purchase price for the assets was determined in arms-length negotiations with Aesculap, and the sale of the assets was approved by the Court.

Dexter Surgical does not anticipate filing financial statements for the sale of the assets, or *pro forma* financial statements, due to the fact that following the sale of the assets Dexter Surgical is no longer an operating company and lacks the personnel required to do so.

Item 9.01. Financial Statements and Exhibits.

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
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| 2.1 (1) | <u>Asset Purchase Agreement, dated December 11, 2017, between Dexter Surgical Inc. and Aesculap, Inc.</u> |
| 2.2 | <u>First Amendment to Asset Purchase Agreement, dated January __, 2018.</u> |
| 2.3 | <u>Second Amendment to Asset Purchase Agreement, dated February 15, 2018.</u> |
| 10.1 (1) | <u>Post-Petition Loan and Security Agreement, dated December 15, 2017, between Dexter Surgical Inc. and Aesculap, Inc.</u> |
| 10.2 (1) | <u>Line of Credit Note, dated December 15, 2017, issued by Dexter Surgical Inc. to Aesculap, Inc.</u> |
- (1) Filed as the like-numbered exhibit to Dexter Surgical’s Current Report on Form 8-K filed with the Securities and Exchange Commission on December 15, 2017, and incorporated by reference.
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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.

Dextera Surgical Inc.

Date: February 21, 2018

/s/ Robert Y. Newell

Robert Y. Newell
Chief Financial Officer

**FIRST AMENDMENT TO
ASSET PURCHASE AGREEMENT**

This FIRST AMENDMENT TO ASSET PURCHASE AGREEMENT (this “*Amendment*”) is made and entered into as of January __, 2018, by and between (i) DEXTERA SURIGCAL, INC., a Delaware corporation formerly known as “Cardica, Inc.” (“*Seller*”) and (ii) AESCULAP, INC., a California corporation (“*Buyer*”). Seller and Buyer are sometimes referred to herein individually each as a “*Party*” and collectively as the “*Parties*.”

BACKGROUND

WHEREAS, the Parties, have entered into an Asset Purchase Agreement dated December 11, 2017 (the “*Purchase Agreement*”), providing for, among other things, the sale, transfer, conveyance, assignment and delivery by Seller to Buyer of substantially all of the assets of Seller in connection with a proposed sale under Section 363 of Chapter 11 of Title 11 of the United States Bankruptcy Code, on the terms and conditions set forth therein and subject to the approval of the United States Bankruptcy Court for the District of Delaware; and

WHEREAS, the Parties desire to modify and amend the Purchase Agreement, as hereinafter set forth in this Amendment.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby covenant and agree as follows:

1. Background. The Background provisions set forth above (including, but not limited to, the defined terms set forth therein) are hereby incorporated by reference in this Amendment and made a part hereof as if set forth in their entirety in this Section 1.

2. Capitalized Terms. Any capitalized terms used in this Amendment without definition shall have the meanings ascribed to those terms in the Purchase Agreement.

3. Amendment of Purchase Agreement. The Parties agree that the first (1st) sentence of Section 2.3 of the Purchase Agreement shall be amended to read as follows: “At least twelve (12) days prior to the Sale Hearing, Buyer will provide Seller with a completed form of Schedule 2.1(a)(iv).”

4. Applicable Law. This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and to be performed therein.

5. Ratification of Purchase Agreement. Except as modified and amended by this Amendment, the Purchase Agreement is hereby ratified and confirmed in all respects and remains in full force and effect.

6 . Counterparts. This Amendment may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument. Any Party to this Amendment may deliver an executed copy hereof electronically by facsimile transmission or in Portable Document Format (PDF) to another Party hereto and any such delivery shall have the same force and effect as any other delivery of a manually signed copy of this Amendment.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Amendment on behalf of the parties as of the day and year first above written.

SELLER:

DEXTERA SURGICAL, INC.

By: /s/ Julian Nikolchev

Name: Julian Nikolchev

Title: President and CEO

BUYER:

AESCULAP, INC.

By: /s/ Keith Moser

Name: Keith Moser

Title: Treasurer

and

By: /s/ Charles A. DiNardo

Name: Charles A. DiNardo

Title: President

Signature Page to Amendment to Asset Purchase Agreement

**SECOND AMENDMENT TO
ASSET PURCHASE AGREEMENT**

This SECOND AMENDMENT TO ASSET PURCHASE AGREEMENT (this “*Second Amendment*”) is made and entered into as of February 15, 2018, by and between (i) DEXTERA SURGICAL, INC., a Delaware corporation formerly known as “Cardica, Inc.” (“*Seller*”) and (ii) AESCULAP, INC., a California corporation (“*Buyer*”). Seller and Buyer are sometimes referred to herein individually each as a “*Party*” and collectively as the “*Parties*.”

BACKGROUND

WHEREAS, the Parties have entered into an Asset Purchase Agreement dated December 11, 2017 (the “*Purchase Agreement*”), as amended by a First Amendment to Asset Purchase Agreement dated January 8, 2018, providing for, among other things, the sale, transfer, conveyance, assignment and delivery by Seller to Buyer of substantially all of the assets of Seller in connection with a proposed sale under Section 363 of Chapter 11 of Title 11 of the United States Bankruptcy Code, on the terms and conditions set forth therein and subject to the approval of the United States Bankruptcy Court for the District of Delaware (the “*Bankruptcy Court*”);

WHEREAS, pursuant to the terms of the Purchase Agreement, the Closing must occur as soon as practicable following the satisfaction or waiver of the conditions set forth in Article VII thereof (the “*Closing Conditions*”), and in any event no later than three (3) days therefrom;

WHEREAS, in Paragraph 35 of its Order Under 11 U.S.C. § 105, 363, 503 And 507 (A) Authorizing Asset Purchase Agreement With Aesculap, Inc., (B) Authorizing Sale Of Debtor’s Assets Free And Clear Of Interests, (C) Authorizing Assumption And Assignment Of Certain Of The Debtor’s Executory Contracts, and (D) Granting Related Relief [D.I. 160], the Bankruptcy Court authorized the extension of the Closing if mutually agreed in writing by the Parties; and

WHEREAS, the Parties desire to agree that the Closing shall occur on a date certain, assuming that all of the Closing Conditions have been waived or satisfied thereon, as provided herein.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby covenant and agree as follows:

1. Background. The Background provisions set forth above (including, but not limited to, the defined terms set forth therein) are hereby incorporated by reference in this Second Amendment and made a part hereof as if set forth in their entirety in this Section 1.
 2. Capitalized Terms. Any capitalized terms used in this Second Amendment without definition shall have the meanings ascribed to those terms in the Purchase Agreement.
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3 . Closing of Contemplated Transactions. The Parties agree that, notwithstanding anything contained in Section 8.1 of the Purchase Agreement or elsewhere therein, the Closing shall occur on February 20, 2018; *provided*, that all Closing Conditions have been satisfied or waived by the Parties.

4 . Applicable Law. This Second Amendment shall be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and to be performed therein.

5 . Ratification of Purchase Agreement. Except as modified and amended by this Second Amendment, the Purchase Agreement is hereby ratified and confirmed in all respects and remains in full force and effect.

6 . Counterparts. This Second Amendment may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument. Either Party may deliver an executed copy hereof electronically by facsimile transmission or in Portable Document Format (PDF) to the other Party and any such delivery shall have the same force and effect as any other delivery of a manually signed copy of this Second Amendment.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Second Amendment on their behalf as of the day and year first above written.

SELLER:

DEXTERA SURGICAL INC.

By: /s/ Julian Nikolchev
Name: Julian Nikolchev
Title: President & CEO

BUYER:

AESCULAP, INC.

By: /s/ Charles A. Dinardo
Name: Charles A. DiNardo
Title: President

and

By: /s/ Keith Moser
Name: Keith Moser
Title: Vice President of Corporate Financial
and IT Services

Signature Page to Second Amendment to Asset Purchase Agreement