

**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): **March 27, 2023**

HARROW HEALTH, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-35814
(Commission
File Number)

45-0567010
(IRS Employer
Identification No.)

102 Woodmont Blvd., Suite 610
Nashville, Tennessee
(Address of principal executive offices)

37205
(Zip Code)

Registrant's telephone number, including area code: **(615) 733-4730**

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

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

Title of each class	Trading Symbol(s)	Name on exchange on which registered
Common Stock, \$0.001 par value per share	HROW	The Nasdaq Stock Market LLC
8.625% Senior Notes due 2026	HROWL	The Nasdaq Stock Market LLC
11.875% Senior Notes due 2027	HROWM	The Nasdaq Stock Market LLC

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 or Rule 12b-2 of the Securities Act of 1934: Emerging growth company

If any 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.

On March 27, 2023, Harrow Health, Inc. and certain of its affiliates (together, the “Company”) entered into a Credit and Guaranty Agreement (the “Oaktree Loan”) with Oaktree Fund Administration, LLC, as administrative agent for the lenders (together, “Oaktree”), providing for a loan to the Company with a principal amount of up to \$100,000,000. Upon entering into the Oaktree Loan, the Company drew a principal amount of \$65,000,000 from the Oaktree Loan and used the net proceeds to repay all amounts owed by the Company pursuant to the Loan and Security Agreement the Company previously entered into with B. Riley Commercial Capital, LLC on December 14, 2022 (the “B. Riley Loan”). No remaining amounts are due under the B. Riley Loan, and no exit or prepayment fees were paid as a result of the payoff of the B. Riley Loan. The additional principal loan amount of up to \$35,000,000 available under the Oaktree Loan (the “Tranche B”) will be made available to the Company upon the commercialization of Triesence®.

The Oaktree Loan is secured by nearly all of the assets, including intellectual property, of the Company and its material subsidiaries. The Oaktree Loan has a maturity date of January 19, 2026 and carries an interest rate equal to the Secured Overnight Financing Rate (SOFR) plus 6.5% per annum. From proceeds, the Company paid fees, expenses and an original issue discount charge equal to \$3,100,000 as part of the closing of the Oaktree Loan. The Oaktree Loan requires interest-only payments through its term (there is no amortization of the principal amount or excess cash flow sweeps during the term of the Oaktree Loan).

The Oaktree Loan contains customary covenants, including financial covenants related to minimum cash balance and minimum revenues. For the year ended December 31, 2024, if the Company’s Total Leverage Ratio (as defined in the Oaktree Loan) is greater than or equal to five times, but less than seven times, the Company will be required to issue to Oaktree warrants to purchase 375,000 shares of the Company’s common stock, and if the Total Leverage Ratio is greater than or equal to seven times, the Company will be required to issue to Oaktree warrants to purchase an additional 375,000 shares of the Company’s common stock (equaling 750,000 shares in aggregate). If the Total Leverage Ratio for the year ended December 31, 2024 is less than five times, no warrants will be issued to Oaktree. Based on current projections, the Company does not expect to issue any warrants related to the Oaktree Loan.

The foregoing description of the Oaktree Loan does not purport to be complete and is qualified in its entirety by reference to the full text of the Oaktree Loan, which the Company expects to file as an exhibit to its Quarterly Report on Form 10-Q for the three months ended March 31, 2023.

Item 1.02 Termination of a Material Definitive Agreement.

The information regarding the payoff of the B. Riley Loan set forth in Item 1.01 is incorporated herein by reference to the extent applicable.

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

The information regarding the Oaktree Loan set forth in Item 1.01 is incorporated herein by reference to the extent applicable.

Item 8.01 Other Events.

On March 28, 2023, the Company issued a press release announcing the Oaktree Loan. A copy of the press release is attached as [Exhibit 99.1](#) to this Current Report on Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Item	Description
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99.1	Harrow Health Press Release dated March 28, 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.

HARROW HEALTH, INC.

Dated: March 28, 2023

By: /s/ Andrew R. Boll

Name: Andrew R. Boll

Title: Chief Financial Officer



Harrow Announces New \$100 Million Secured Credit Facility with Oaktree

NASHVILLE, Tenn., March 28, 2023 – Harrow (Nasdaq: HROW), a leading U.S. eyecare pharmaceutical company, today announced that it has entered into a \$100 million secured credit financing agreement with funds managed by Oaktree Capital Management, L.P. (“Oaktree”). The interest-only secured credit facility carries an interest rate equal to the three-month secured overnight financing rate (SOFR) plus 6.50%, includes flexible terms and covenants, and is expected to mature in approximately three years. A portion of the proceeds from the new facility was used to pay off indebtedness under Harrow’s existing secured loan with an affiliate of B. Riley Financial, Inc., with the remainder to be used for future milestone payments related to a recently announced acquisition and for general corporate purposes.

In commenting on the announcement, Mark L. Baum, Chairman and Chief Executive Officer of Harrow, said, “We are pleased to enter into this credit facility, which strengthens our balance sheet and provides us the flexibility needed to pursue additional acquisitions – in alignment with our growth strategy. We are grateful for the confidence and support of Oaktree, and we look forward to working closely with them as a strong financial partner.”

“We are excited to partner with Harrow during this transformational period in its history – marked by the recent FDA approval, J-Code assignment, pass-through reimbursement status approval, and upcoming launch of IHEEZO™ as well as their other recent product acquisitions,” said Steve DeNelsky, Managing Director, Life Sciences Lending at Oaktree. “We are enthusiastic about Harrow’s growth strategy and believe this extension of capital supports the Harrow leadership team as it continues to solidify its position as a leading U.S. eyecare pharmaceutical company.”

About Oaktree

Oaktree is a leader among global investment managers specializing in alternative investments, with \$170 billion in assets under management as of December 31, 2022. The firm emphasizes an opportunistic, value-oriented and risk-controlled approach to investments in credit, private equity, real assets and listed equities. The firm has over 1,050 employees and offices in 20 cities worldwide. For additional information, please visit Oaktree’s website at oaktreecapital.com.

About Harrow

Harrow (Nasdaq: HROW) is a leading U.S. eyecare pharmaceutical company engaged in the discovery, development, and commercialization of innovative ophthalmic prescription therapies that are accessible and affordable. Harrow owns U.S. commercial rights to ten FDA-approved ophthalmic pharmaceutical products. Harrow also owns and operates ImprimisRx, the leading U.S. ophthalmic-focused pharmaceutical compounding business, which also serves as a mail-order pharmacy licensed to ship prescription medications in all 50 states. Harrow has non-controlling equity positions in [Surface Ophthalmics, Inc.](#) and [Melt Pharmaceuticals, Inc.](#), companies that began as subsidiaries of Harrow. Harrow also owns royalty rights in four late-stage drug candidates being developed by Surface and Melt.

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Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Any statements in this release that are not historical facts may be considered such “forward-looking statements.” Forward-looking statements are based on management’s current expectations and are subject to risks and uncertainties which may cause results to differ materially and adversely from the statements contained herein. Some of the potential risks and uncertainties that could cause actual results to differ from those predicted include the continued impact of the COVID-19 pandemic and any future health epidemics on our financial condition, liquidity and results of operations; our ability to make commercially available our FDA-approved products and compounded formulations and technologies in a timely manner or at all; market acceptance of the Company’s products and challenges related to the marketing of the Company’s products; risks related to our pharmacy operations; our ability to enter into other strategic alliances, including arrangements with pharmacies, physicians and healthcare organizations for the development and distribution of our products; our ability to obtain intellectual property protection for our assets; our ability to accurately estimate our expenses and cash burn, and raise additional funds when necessary; risks related to research and development activities; the projected size of the potential market for our technologies and products; unexpected new data, safety and technical issues; regulatory and market developments impacting compounding pharmacies, outsourcing facilities and the pharmaceutical industry; competition; and market conditions. These and additional risks and uncertainties are more fully described in Harrow’s filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q. Such documents may be read free of charge on the SEC’s website at sec.gov. Undue reliance should not be placed on forward-looking statements, which speak only as of the date they are made. Except as required by law, Harrow undertakes no obligation to update any forward-looking statements to reflect new information, events, or circumstances after the date they are made, or to reflect the occurrence of unanticipated events.

Contact:

Jamie Webb, Director of Communications and Investor Relations

jwebb@harrowinc.com

615-733-4737
