

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report: December 1, 1999

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Questcor Pharmaceuticals, Inc.

(Exact name of registrant as specified in its charter)

0-20772  
(Commission File Number)

California  
(State or other jurisdiction of  
incorporation or organization)

33-0476164  
(I.R.S. Employer  
Identification No.)

26118 Research Road  
Hayward, California 94545  
(Address of principal executive offices, with zip code)

(510) 732-5551  
(Registrant's telephone number, including area code)

Cypros Pharmaceutical Corporation  
2714 Loker Avenue West  
Carlsbad, California 92008  
(Former name or former address, if changed since last report)

## ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS

On November 17, 1999, Cypros Acquisition Corporation ("Merger Sub"), which was a Delaware corporation and a wholly-owned subsidiary of Cypros Pharmaceutical Corporation (the "Registrant"), was merged with and into RiboGene Inc., a Delaware corporation ("RiboGene"), pursuant to an Agreement and Plan of Reorganization, dated August 4, 1999, among the Registrant, Merger Sub and RiboGene (the "Merger Agreement").

The merger of Merger Sub with and into RiboGene (the "Merger") became effective at the time of the filing of a Certificate of Merger with the Delaware Secretary of State on November 17, 1999 (the "Effective Time"). At the Effective Time, (i) Merger Sub ceased to exist; (ii) RiboGene became a wholly owned subsidiary of the Registrant; (iii) the Registrant changed its name to "Questcor Pharmaceuticals, Inc."; (iv) subject to the provisions of the Merger Agreement relating to the payment of cash in lieu of fractional shares, each outstanding share of RiboGene Common Stock, \$.001 par value (the "RiboGene Common Stock") and RiboGene Series A Preferred Stock, \$.001 par value (except for any such shares held by RiboGene as treasury stock and any such shares held by the Registrant or any subsidiary of the Registrant, which shares, if any, were canceled) was converted into the right to receive 1.509 shares (the "Exchange Ratio") of Common Stock, no par value, of the Registrant (the "Registrant's Common Stock") and 1.509 shares of Series A Preferred Stock, no par value, of the Registrant (the "Registrant Preferred Stock"), respectively. The Common Stock of the Registrant is listed on the American Stock Exchange, Inc. under the symbol "QSC".

In addition, pursuant to the Merger Agreement, at the Effective Time, all outstanding options and the outstanding warrants to acquire RiboGene Common Stock were converted into and became equivalent options and warrants for the Registrant's Common Stock. By virtue of the assumption by the Registrant of such RiboGene stock options and warrants, from and after the Effective Time: (i) each RiboGene stock option and warrant assumed by the Registrant may be exercised solely for the Registrant's Common Stock; (ii) the number of shares of the Registrant's Common Stock subject to each such RiboGene stock option and warrant is equal to the number of shares of RiboGene Common Stock subject to such RiboGene option or warrant immediately prior to the Effective Time multiplied by the Exchange Ratio, rounding to the nearest whole share; (iii) the per share exercise price under each such RiboGene option or warrant was adjusted by dividing the per share exercise price under each such RiboGene option or warrant by the Exchange Ratio and rounding to the nearest cent; and (iv) the term, exercisability, vesting schedule and other provisions of each such RiboGene option and warrant remained unchanged.

The former holders of RiboGene Common Stock are receiving approximately 8,697,977 shares of the Registrant's Common Stock pursuant to the Merger, which represents approximately 35.6% of the shares of the Registrant's Common Stock outstanding immediately after consummation of the Merger. In addition, Roberts Pharmaceutical Corporation, the former holder of the RiboGene Series A Preferred Stock, is receiving approximately 2,155,715 shares of the Registrant's Series A Preferred Stock pursuant to the Merger, which represents approximately 8.1% of the shares of the Registrant's voting stock on an as-converted basis. Cash payments will be made for fractional shares resulting from the conversion. The Registrant will use its current cash resources to fund the payments for fractional shares. In addition,

approximately 3,690,753 shares of the Registrant's Common Stock may be issued in connection with the exercise of the RiboGene stock options and warrants assumed by the Registrant.

Charles J. Casamento, the Chairman, President and the Chief Executive Officer of the Registrant and the former Chairman, President and Chief Executive Officer and a shareholder of RiboGene, received 140,047 shares of the Registrant's Common Stock in exchange for his RiboGene Common Stock in the Merger. In addition, Mr. Casamento's stock options to purchase RiboGene Common Stock were converted in the Merger into stock options to purchase 766,217 shares of the Registrant's Common Stock.

Michael Rose, the Chief Financial Officer of the Registrant and a former Chief Financial Officer of RiboGene, held stock options to purchase RiboGene Common Stock which were converted in the Merger into stock options to purchase 17,624 shares of the Registrant's Common Stock.

Digby Barrios simultaneously served as a director of the Registrant and as a director of RiboGene. Mr. Barrios, currently a director of the Registrant and a director of RiboGene, held stock options to purchase RiboGene Common Stock which were converted in the Merger into stock options to purchase 33,954 shares of the Registrant's Common Stock.

Frank J. Sasinowski, currently a director of the Registrant and a director of RiboGene, held stock options to purchase RiboGene Common Stock which were converted in the Merger into stock options to purchase 33,953 shares of the Registrant's Common Stock.

Jon S. Saxe currently a director of the Registrant and a director and former shareholder of RiboGene, received 4,578 shares of the Registrant's Common Stock in exchange for his RiboGene Common Stock in the Merger. In addition, Mr. Saxe held stock options to purchase RiboGene Common Stock which were converted in the Merger into stock options to purchase 29,373 shares of the Registrant's Common Stock.

Roger G. Stoll, currently a director of the Registrant and a director of RiboGene, held stock options to purchase RiboGene Common Stock which were converted in the Merger into stock options to purchase 33,953 shares of the Registrant's Common Stock.

Robert A. Vukovich, a former director of the Registrant, is the Chairman of Roberts Pharmaceutical Corporation. Mr. Vukovich resigned from the Registrant's Board of Directors upon consummation of the Merger. Roberts Pharmaceutical Corporation was a former holder of all of the outstanding shares of Series A Preferred Stock of RiboGene and received 2,155,715 shares of Series A Preferred Stock of the Registrant in the Merger (which constitute all of the outstanding shares of the Registrant's Series A Preferred Stock).

The Merger is intended to qualify as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended and is to be accounted for by the Registrant as a purchase of RiboGene by the Registrant for financial reporting purposes.

In connection with the Merger, the Registrant amended its Articles of Incorporation to (i) increase the number of authorized shares of Common Stock of the Registrant from 30,000,000

shares to 75,000,000 shares and the number of authorized shares of Preferred Stock of the Registrant from 1,000,000 shares to 7,500,000 shares; (ii) authorize the Registrant's Board of Directors to designate the rights, preferences, privileges and restrictions of shares of Preferred Stock; (iii) designate shares of the Registrant Preferred Stock as Series A Preferred Stock for issuance in the merger and (iv) change the company name of the Registrant to Questcor Pharmaceuticals, Inc.

The Registrant has developed cytoprotective drugs to treat ischemic disorders and markets acute care hospital based products. RiboGene had been a drug discovery company focused on the treatment of infectious diseases. The Registrant's principal executive offices are located at 26118 Research Road, Hayward, California 94545 and its telephone number is (510) 732-5551. A copy of the press release announcing the consummation of the Merger is attached hereto as Exhibit 99.1.

Forward-looking statements included in this Report with respect to the Merger are subject to certain risks and uncertainties that could cause actual events and results to differ materially from those set forth in such statements, including risks that the integration of the operations, technologies, products and employees of the Registrant and RiboGene might not occur as anticipated, that the synergies expected to result from the Merger might not occur as anticipated, and that management's attention might be diverted from day-to-day business activities. Actual results and developments may differ materially from those described in this current report. For more information about the Registrant and risks relating to investing in the Registrant, refer to the Registrant most recent reports on Form 10-K and Form 10-Q, and the recent Registration Statement on Form S-4 related to the Merger, as filed with the Securities and Exchange Commission.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(a) FINANCIAL STATEMENTS OF BUSINESSES ACQUIRED.

The financial statements of the business acquired will be filed within sixty (60) days of the date this report on Form 8-K is required to be filed.

(b) PRO FORMA FINANCIAL INFORMATION.

The pro forma financial statements will be filed within sixty (60) days of the date this report on Form 8-K is required to be filed.

(c) EXHIBITS

2.1 Agreement and Plan of Reorganization dated August 4, 1999 between the Registrant, Cypros Acquisition Corporation and RiboGene, Inc. (\*)

99.1 Press Release, dated November 17, 1999.

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(\* ) Incorporated by reference to the Registrant' Current Report on Form  
8-K dated August 16, 1999.

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 thereunto duly authorized.

Questcor Pharmaceuticals, Inc.

Date: December 1, 1999

By: \_\_\_\_\_  
Charles J. Casamento  
President and Chief Executive Officer  
(Principal Executive Officer)

CONTACT:

QUESTCOR PHARMACEUTICALS, INC.  
Charles J. Casamento  
(510) 732-5551

BMC COMMUNICATIONS/TROUT GROUP  
Brad Miles, "Media," Ext. 17  
Jonathan Fassberg, "Investors," Ext. 16  
(212) 477-9007

RIBOGENE AND CYPROS COMPLETE MERGER  
NEW COMPANY TO BE CALLED QUESTCOR PHARMACEUTICALS, INC.  
COMPANY PLANS TO CONSOLIDATE IN HAYWARD, CA

HAYWARD, CA, NOVEMBER 17, 1999 -- RiboGene Inc. (AMEX: RBO) and Cypros Pharmaceutical Corp. (AMEX: CYP) today announced that they have completed the merger of the two companies. The combined entities will be called Questcor Pharmaceuticals, Inc. (AMEX: QSC), and will be headquartered in Hayward, CA at the RiboGene facility. Questcor intends to maintain its manufacturing facility in Lee's Summit, Missouri, and continue to operate certain distribution activities, quality control and quality assurance laboratories at Cypros' facility in Carlsbad, CA. Questcor also plans to consolidate the Finance, Administration, Research, Regulatory Affairs, Marketing and Sales functions of both firms at corporate headquarters at Hayward, California.

On August 5, 1999, the two companies announced the signing of a definitive merger agreement to form a fully integrated specialty pharmaceutical marketing and late-stage product development company. It has been agreed that the Board of Directors of RiboGene and Cypros will be combined. However, Dr. Robert Vukovich has resigned from the Cypros Board of Directors. Shareholders' meetings of both companies were held November 5, 1999 to vote on the proposed merger.

The new entity will have five clinical product candidates including, two in phase III clinical trials, Cordox(-TM-) for sickle cell anemia and Emitasol(-Registered Trademark-) for diabetic gastroparesis and nausea and vomiting in the cancer chemotherapy patient. Emitasol(-Registered Trademark-) is partnered in North America with Roberts Pharmaceuticals. The combined companies market four products in the U.S. and a fifth in Italy. Upon closing, Questcor will have approximately \$21 million on its balance sheet.

"We expect that the combined company will realize greater efficiency through consolidation," said Charles J. Casamento, Chairman, President and CEO of RiboGene, who will serve in the same capacity with Questcor. Questcor expects to employ approximately 45-50 people at year's end, compared with a force of 88 currently employed by both RiboGene and Cypros combined.

"We have made the decision to locate Questcor's main operations at RiboGene's existing site in Hayward. We also intend to reorganize the two companies in such a way as to hold down our burn rate, while maintaining a strong and effective research and development staff and marketing and sales team," Mr. Casamento said.

Cypros Pharmaceutical Corporation has developed cytoprotective drugs to treat ischemic disorders and markets acute care hospital based products. The Company has one multi-center Phase III program in place (Cordox(-TM-)) in sickle cell anemia, two Phase II programs (Cordox(-TM-)) in bypass surgery and (Ceresine(-TM-)) in head injury, and has four acute care products on the market.

RiboGene had been a drug discovery company focused on the treatment of infectious diseases. The Company also has a late stage product, Emitasol(-Registered Trademark-), under development for diabetic gastroparesis and chemotherapy-induced delayed onset nausea and vomiting. The company also has two phase II clinical products, Migrastat(-Registered Trademark-) for migraine headache and Hypnostat(-Registered Trademark-) for insomnia. RiboGene has alliances with Dainippon Pharmaceutical Co., Ltd., Roberts Pharmaceutical Corporation, EnzyMed, Crinos in Como, Italy and CSC Pharmaceuticals in Vienna, Austria.

NOTE: EXCEPT FOR THE HISTORICAL INFORMATION CONTAINED HEREIN, THIS PRESS RELEASE CONTAINS FORWARD-LOOKING STATEMENTS THAT INVOLVE RISKS AND UNCERTAINTIES. SUCH STATEMENTS ARE SUBJECT TO CERTAIN FACTORS WHICH MAY CAUSE THE COMPANIES' RESULTS TO DIFFER. FACTORS THAT MAY CAUSE SUCH DIFFERENCES INCLUDE, BUT ARE NOT LIMITED TO, THE OCCURRENCE OR NON-OCCURRENCE OF REQUIRED CLOSING CONDITIONS SET FORTH IN THE DEFINITIVE MERGER AGREEMENT, STOCK PRICE MOVEMENTS, THE COMBINED COMPANY'S ABILITY TO INTEGRATE THE COMBINED BUSINESSES, THE COMBINED COMPANY'S NEED FOR ADDITIONAL FUNDING, UNCERTAINTIES REGARDING THE COMBINED COMPANY'S INTELLECTUAL PROPERTY AND OTHER RESEARCH, DEVELOPMENT, MARKETING AND REGULATORY RISKS AS WELL AS THE RISKS DISCUSSED IN CYPROS' ANNUAL REPORT ON FORM 10-K FOR THE FISCAL YEAR ENDED JULY 31, 1998 AND THE RISK FACTOR SECTION OF CYPROS' REGISTRATION STATEMENT (NO. 333-25661), RIBOGENE'S ANNUAL REPORT ON FORM 10-K FOR THE FISCAL YEAR ENDED DECEMBER 31, 1998 AND OTHER DOCUMENTS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THE RISK FACTORS AND OTHER INFORMATION CONTAINED IN THESE DOCUMENTS SHOULD BE CONSIDERED IN EVALUATING CYPROS' AND RIBOGENE'S PROSPECTS AND FUTURE FINANCIAL PERFORMANCE.

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