Karyopharm Announces Expansion Of Royalty Agreement With Healthcare Royalty For Up To $100 Million

– Investment Expected to Extend Karyopharm's Cash Runway into the Middle of 2023 -
– Agreement Follows a Prior $75M Investment by Healthcare Royalty in Karyopharm in September 2019 -

NEWTON, Mass., June 24, 2021 /PRNewswire/ -- Karyopharm Therapeutics Inc. (Nasdaq:KPTI), a commercial-stage pharmaceutical company pioneering novel cancer therapies, today announced the expansion of its royalty agreement with entities managed by HealthCare Royalty Management, LLC (HCR) for up to $100 million in new financing to support the ongoing development and commercialization of XPOVIO® (selinexor), the Company's first-in-class, oral Selective Inhibitor of Nuclear Export (SINE) compound, and for the clinical development of Karyopharm's other programs, including eltanexor. XPOVIO is currently marketed in the U.S. for multiple hematologic malignancy indications and has received conditional marketing authorization by the European Commission for patients with heavily pretreated multiple myeloma. Eltanexor is currently being investigated for the treatment of patients with refractory myelodysplastic syndrome.

Under the terms of the amended agreement, Karyopharm received $60 million and is eligible to receive two additional $20 million payments subject to certain prespecified future development and commercial milestones. HCR will receive tiered royalty payments based on worldwide net revenues of XPOVIO and any other future products. This expanded agreement follows a previous investment of $75 million that HCR made in Karyopharm in September 2019.

Karyopharm expects that the $60 million received from HCR under this expanded royalty agreement, combined with its existing cash, cash equivalents and investments, and the cash expected to be generated from product sales, will be sufficient to fund its operations into the middle of 2023.

"We are thrilled to expand our relationship with HCR and this additional non-dilutive financing provides Karyopharm with immediate and substantial capital to support the ongoing commercialization and clinical development of XPOVIO and our other products in future cancer indications, including in a variety of high unmet need solid tumor settings," said Richard Paulson, MBA, President and Chief Executive Officer of Karyopharm. "As we continue to make progress on our commercialization efforts, we are delighted to have the support and confidence of HCR to further expand our clinical development efforts on behalf of patients across the globe."

Clarke Futch, Chairman and Chief Executive Officer of HCR stated: "Based on the strong relationship we have built with the Karyopharm team over the past few years and our increasing confidence in the long-term potential for XPOVIO, we are delighted to broaden our investment in Karyopharm and further support the expansion of XPOVIO, including into solid tumors."

About Karyopharm Therapeutics
Karyopharm Therapeutics Inc. (NASDAQ: KPTI) is a commercial-stage pharmaceutical company pioneering novel cancer therapies and dedicated to the discovery, development, and commercialization of first-in-class drugs directed against nuclear export for the treatment of cancer and other diseases. Karyopharm's Selective Inhibitor of Nuclear Export (SINE) compounds function by binding with and inhibiting the nuclear export protein XPO1 (or CRM1). Karyopharm's lead compound, XPOVIO® (selinexor), is approved in the U.S. in multiple hematologic malignancy indications, including in combination with Velcade® (bortezomib) and dexamethasone for the treatment of adult patients with multiple myeloma after at least one prior therapy, in combination with dexamethasone for the treatment of adult patients with heavily pretreated multiple myeloma and as a monotherapy for the treatment of adult patients with relapsed or refractory diffuse large B-cell lymphoma. NEXPOVIO® (selinexor) has also been granted conditional marketing authorization in combination with dexamethasone for adult patients with heavily pretreated multiple myeloma by the European Commission. In addition to single-agent and combination activity against a variety of human cancers, SINE compounds have also shown biological activity in models of neurodegeneration, inflammation, autoimmune disease, certain viruses and wound-healing. Karyopharm has several investigational programs in clinical or preclinical development. For more information, please visit www.karyopharm.com.

Please see XPOVIO Full Prescribing Information available at www.XPOVIO.com.

About HCR

HCR is a private firm that purchases royalties and uses debt-like structures to acquire interests in commercial or near-commercial stage biopharmaceutical assets. HCR has raised $5.8 billion in cumulative capital commitments with offices in Stamford (CT), San Francisco, Boston and London. For more information, visit www.healthcareroyalty.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. Such forward-looking statements include those regarding Karyopharm's expectations and plans relating to the anticipated use of proceeds from, and the financial and other benefits of, the amended royalty agreement with HCR; Karyopharm's financial outlook and projections; Karyopharm's ability to achieve the development and commercial milestones required to receive two additional $20 million payments under the terms of the amended royalty agreement; commercialization of XPOVIO or any of Karyopharm's drug candidates, if approved; the review and potential approval of selinexor by regulatory authorities, including the anticipated timing of actions by regulatory authorities and the potential availability of accelerated approval pathways, and the therapeutic potential of and potential clinical development plans for Karyopharm's drug candidates, especially selinexor. Such statements are subject to numerous important factors, risks and uncertainties, many of which are beyond Karyopharm's control, that may cause actual events or results to differ materially from Karyopharm's current expectations. For example, there can be no guarantee that Karyopharm will successfully commercialize XPOVIO. Further, there can be no guarantee that any positive developments in the development or commercialization of Karyopharm's drug candidate portfolio will result in stock price appreciation. Management's expectations and, therefore, any forward-looking statements in this press release could also be affected by risks and uncertainties relating to a number of other factors, including the following: the risk that the COVID-19 pandemic could disrupt Karyopharm's business more severely than it currently anticipates, including by negatively impacting sales of XPOVIO, interrupting or delaying research and development efforts, impacting the ability to procure sufficient supply for the development and commercialization of selinexor or other product candidates, delaying ongoing or planned clinical trials, impeding the execution of business plans, planned regulatory milestones and timelines, or inconveniencing patients; the adoption of XPOVIO in the commercial marketplace, the timing and costs involved in commercializing XPOVIO or any of Karyopharm's drug candidates that receive regulatory approval; the ability to retain regulatory approval of XPOVIO or any of Karyopharm's drug candidates that receive regulatory approval; Karyopharm's results of clinical trials and preclinical studies, including subsequent analysis of existing data and new data received from ongoing and future studies; the content and timing of decisions made by the U.S. Food and Drug Administration and other regulatory authorities, investigational review boards at clinical trial sites and publication review bodies, including with respect to the need for additional clinical studies; the ability of Karyopharm or its third party collaborators or successors in interest to fully perform their respective obligations under the applicable agreement and the potential future financial implications of such agreement; Karyopharm's ability to enroll patients in its clinical trials; unplanned cash requirements and expenditures; development or regulatory approval of drug candidates by Karyopharm's competitors for products or product candidates in which Karyopharm is currently commercializing or developing; and Karyopharm's ability to obtain, maintain and enforce patent and other intellectual property protection for any of its products or product candidates. These and other risks are described under the caption "Risk Factors" in Karyopharm's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, which was filed with the Securities and Exchange Commission (SEC) on May 4, 2021, and in other filings that Karyopharm may make with the SEC in the future. Any forward-looking statements contained in this press release speak only as of the date hereof, and, except as required by law, Karyopharm expressly disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

SOURCE Karyopharm Therapeutics Inc.

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