KemPharm Announces Board and Leadership Changes to Support its Transformation into a Leading Rare Disease Company

January 9, 2023 11:30 AM EST

Matthew R. Plooster named Chairman of the Board of Directors
Richard W. Pascoe appointed Chief Executive Officer
Travis C. Mickle, Ph.D. transitions to President
Joshua Schafer appointed Chief Commercial Officer and Executive Vice President of Business Development

CELEBRATION, Fla., Jan. 09, 2023 (GLOBE NEWSWIRE) -- KemPharm, Inc. (NasdaqGS: KMPH) (KemPharm, or the Company), a rare disease therapeutics company focused on the development of treatments for rare central nervous system (CNS), neurodegenerative diseases, lysosomal storage disorders and related treatment areas, today announced changes to its Board of Directors (Board) and executive leadership team as part of the Company's ongoing business transformation initiatives. Effective immediately, Matthew R. Plooster, who has been serving as an independent member of the Board of Directors, has been appointed to serve as Chairman of the Board of Directors. Richard W. Pascoe, who has been serving as Executive Chairman, will transition into the role of Chief Executive Officer (CEO) and remains a member of the Board of Directors. Travis C. Mickle, Ph.D., who is co-founder and has been serving as President and CEO, will transition to the role of President and will also remain a member of the Board of Directors until the Company's 2023 Annual Meeting of Stockholders. Thereafter, Dr. Mickle will continue to support the Company's pipeline build and the planned resubmission of the arimoclomol New Drug Application (NDA) as a scientific advisor. Additionally, Joshua Schafer has been appointed to the newly created role of Chief Commercial Officer and Executive Vice President of Business Development.

The Board believes that these leadership changes are an important component of our strategic transformation into a leading rare disease company, build upon the strengths of the senior leadership team and have the potential to further enable the team to achieve the Company's key objectives, which include securing regulatory approval for its pipeline assets, building top-tier commercial capabilities, and enhancing the Company's development pipeline through targeted business development transactions.

"With these changes, we are continuing to execute the strategic plan embarked upon two years ago to become a commercially-focused rare disease company with multiple value-creating programs," said Matthew R. Plooster, Chairman of KemPharm's Board of Directors. "With this announcement of our senior leadership transition plan, we are excited to enter the next chapter of our corporate evolution. We are confident that Rich and the senior team are well-positioned to drive KemPharm's long-term success as a rare disease therapeutics company."

"I am pleased to welcome Josh to the KemPharm team as we seek to realize our strategic vision of becoming a commercially-focused rare disease company. Josh brings significant commercial and business development experience to KemPharm, and I look forward to working closely with him and the entire team to build value for our stakeholders in 2023 and beyond," said Richard W. Pascoe, Chief Executive Officer of KemPharm. "With Travis focused on the arimoclomol opportunity, my priorities will be to hire additional senior talent, work with Josh to build a top-tier commercial organization, strengthen our core corporate functions and augment our rare disease pipeline with the goal of positioning KemPharm as a leading rare disease company with multiple commercial assets addressing life-altering conditions."

"After these many years at KemPharm, I look forward to focusing entirely on the science. With the upcoming arimoclomol NDA resubmission and the advancement of KP1077 into a Phase 2 trial, the opportunity for me to provide my full support to KemPharm's science team will best allow for the Company to achieve its strategic goal of becoming a rare disease-focused commercial organization," said Travis C. Mickle, Ph.D., President of KemPharm.

"I am excited to join KemPharm at this critical point in its corporate evolution and I look forward to working closely with Rich and the executive management team to build a commercial organization to launch arimoclomol subject to regulatory approval and to lead the business development effort to strengthen the Company's rare disease pipeline," said Josh Schafer, Chief Commercial Officer and Executive Vice-President of Business Development of KemPharm.

Joshua Schafer brings to KemPharm over 25 years of pharmaceutical commercial, new product development and merger and acquisition (M&A) experience. Mr. Schafer previously served as General Manager of the Autoimmune and Rare Disease business at Mallinckrodt Pharmaceuticals, and prior to that, he served as Chief Strategy and Business Officer. During his professional career, he has successfully led over $16 billion in aggregate M&A transactions. Prior to Mallinckrodt, Mr. Schafer served as Vice President and Oncology Therapeutic Area Head, Global Marketing and Strategy at Astellas Pharmaceuticals, where he was responsible for building the company's global oncology franchise, and also held senior roles at Takeda Pharmaceuticals, Accenture (formerly Anderson Consulting), G. D. Searle & Co. (later acquired by Pfizer) and Cognia Corporation. Mr. Schafer currently serves as a Board member of Pharnext SA and Shuttle Pharmaceuticals. He received his B.A. in Biology and German at the University of Notre Dame, and both an M.S. in Biotechnology and an M.B.A. from Northwestern University.

In connection with Mr. Schafer's appointment, on January 6, 2023, the Compensation Committee of the Company's Board of Directors approved a grant, effective January 9, 2023, to Mr. Schafer of an option to purchase 300,000 shares of the Company's common stock. The stock option has an exercise price per share equal to the closing trading price of the Company's common stock on January 9, 2023. The option will vest in four equal annual installments, with the first such installment occurring on January 9, 2024, subject to Mr. Schafer's continued employment on each vesting date. The award was granted under the KemPharm 2023 Employment Inducement Award Plan, which was approved by the Company's Board of Directors in January 2023 under Rule 5635(c)(4) of the Nasdaq Listing Rules for equity grants to induce new employees to enter into employment with the Company.

About KemPharm:

KemPharm is a rare disease therapeutics company focused on the discovery, development and commercialization of novel treatments for rare CNS and neurodegenerative diseases, lysosomal storage disorders and related treatment areas. KemPharm has a diverse product portfolio, combining a clinical-stage development pipeline with NDA-stage and commercial assets. The pipeline includes arimoclomol, an orally-delivered, first-in-class investigational product candidate for Niemann-Pick disease type C (NPC), and KP1077, which the Company is developing as a treatment for

idiopathic hypersomnia (IH), a rare neurological sleep disorder, and narcolepsy. In addition, the U.S. Food and Drug Administration (FDA) has approved AZSTARYS®, a once-daily treatment for ADHD in patients age six years and older containing KemPharm's prodrug, serdexmethylphenidate (SDX), which is being commercialized by Corium, Inc. in the U.S. The FDA has also approved APADAZ®, an immediate-release combination product containing benzhydrocodone, KemPharm's prodrug of hydrocodone, and acetaminophen, which is being commercialized by KVK-Tech, Inc. in the U.S. For more information on KemPharm and its pipeline of product candidates, visit www.kempharm.com or connect with us on Twitter, LinkedIn, Facebook and YouTube.

Early access programs are made available by KemPharm, Inc. and its affiliates, and are subject to the Company's Early Access Program (EAP) policy as published on its website at www.kempharm.com. Participation in these programs is subject to the laws and regulations of each jurisdiction under which each respective program is operated. Eligibility for participation in any such program is at the discretion of the treating physician.

Caution Concerning Forward Looking Statements:

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that do not relate solely to historical or current facts, which can be identified by the use of words such as "may," "will," "expect," "project," "estimate," "anticipate," "plan," "believe," "potential," "should," "continue," "could," "intend," "target," "predict," or the negative versions of those words or other comparable words or expressions, although not all forward-looking statements contain these identifying words or expressions. Forward-looking statements are not guarantees of future actions or performance. These forward-looking statements include without limitation statements regarding the Company's strategy, including with respect to leadership transitions; its prospects, key objectives, priorities and goals; the promise and potential impact of the Company's preclinical or clinical trial data, including without limitation the timing and results of any clinical trials or readouts, the Company's strategic and product development objectives, and the planned resubmission of the arimoclomol New Drug Application. These forward-looking statements are based on information currently available to KemPharm and its current plans or expectations and are subject to a number of known and unknown uncertainties, risks and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These and other important factors are described in detail in the "Risk Factors" section of KemPharm's Annual Report on Form 10-K for the year ended December 31, 2021, as updated by KemPharm's Quarterly Report on Form 10-Q for the three months ended September 30, 2022, and KemPharm's other filings with the Securities and Exchange Commission. While we may elect to update such forward-looking statements at some point in the future, except as required by law, we disclaim any obligation to do so, even if subsequent events cause our views to change. Although we believe the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this press release.

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