



Spectrum Pharmaceuticals Announces Strategic Restructuring

January 5, 2022

Workforce reduction of approximately 30%

Cash runway extended into 2023

Resources to be focused on late-stage assets, poziotinib and ROLONTIS®

HENDERSON, Nev.--(BUSINESS WIRE)--Jan. 5, 2022-- Spectrum Pharmaceuticals (NasdaqGS: SPPI), a biopharmaceutical company focused on novel and targeted oncology therapies, today announced a strategic restructuring. The company will prioritize its late-stage product opportunities, poziotinib and ROLONTIS® (eflapegrastim), and will deprioritize development activities of its early-stage clinical development and research programs. The company has made these decisions following a detailed review of its operations, portfolio and growth opportunities, and will focus its resources accordingly.

"The decision to restructure the organization is necessary to focus on our advanced clinical programs that will drive our future growth. I would like to express my appreciation to our colleagues who are affected by this decision and are leaving Spectrum. We are grateful for their dedication and their contributions to advancing our mission," said Tom Riga, President and Chief Executive Officer, Spectrum Pharmaceuticals. "The changes we are implementing are expected to result in a reduction in operating expenses and the extension of the company's cash runway into 2023."

Spectrum intends to implement the following strategic restructuring initiatives to reduce its expenses and extend its existing cash runway:

- Spectrum is prioritizing the development activities for its late-stage assets, poziotinib and ROLONTIS, and will deprioritize work on its early-stage pipeline, FIT Program (IGN 002) and IL-12.
- The company restructuring will result in a workforce reduction of approximately 30%.
- Operating cash burn is expected to be reduced by 20-25%, which should extend the cash runway into 2023.
- The physical footprint of selected facilities will be significantly reduced in 2022.

About Spectrum Pharmaceuticals, Inc.

Spectrum Pharmaceuticals is a biopharmaceutical company focused on acquiring, developing, and commercializing novel and targeted oncology therapies. Spectrum has a strong track record of successfully executing across the biopharmaceutical business model, from in-licensing and acquiring differentiated drugs, clinically developing novel assets, successfully gaining regulatory approvals and commercializing in a competitive healthcare marketplace. Spectrum has a late-stage pipeline with novel assets that serve areas of unmet need. This pipeline has the potential to transform the company in the near future. For additional information on Spectrum Pharmaceuticals please visit www.sppix.com.

Forward-looking statement — This press release may contain forward-looking statements regarding future events and the future performance of Spectrum Pharmaceuticals that involve risks and uncertainties that could cause actual results to differ materially. These statements are based on management's current beliefs and expectations as of the date hereof. These statements include, but are not limited to, statements that relate to Spectrum's business and its future, including the timing and results of Spectrum's strategic restructuring and the benefits expected to be derived therefrom, Spectrum's ability to drive future growth by focusing on its advanced clinical programs, the timing and results of FDA decisions relating to poziotinib and ROLONTIS, and any statements that relate to the intent, belief, plans or expectations of Spectrum or its management, or that are not a statement of historical fact. Risks that could cause actual results to differ include the possibility that Spectrum may fail to successfully implement planned cost reduction measures, the possibility that Spectrum's existing and new drug candidates may not prove safe or effective, the possibility that our existing and new applications to the FDA and other regulatory agencies may not receive approval in a timely manner or at all, the possibility that our existing and new drug candidates, if approved, may not be more effective, safer or more cost efficient than competing drugs, the possibility that our efforts to acquire or in-license and develop additional drug candidates may fail, our dependence on third parties for clinical trials, manufacturing, distribution and quality control and other risks that are described in further detail in the company's reports filed with the Securities and Exchange Commission. The company does not plan to update any such forward-looking statements and expressly disclaims any duty to update the information contained in this press release except as required by law.

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