



merrimack

Merrimack Declares \$20 Million Special Dividend

July 25, 2019

CAMBRIDGE, Mass., July 25, 2019 /PRNewswire/ -- Merrimack Pharmaceuticals, Inc. (Nasdaq: MACK) today announced that its Board of Directors has authorized and declared a special cash dividend of \$20 million on the Company's common stock.

The special dividend is payable on September 5, 2019 to stockholders of record as of the close of business on August 28, 2019. The ex-dividend date for the special dividend will be September 6, 2019, the first trading day following the payment date. Stockholders of record on the record date who sell their shares prior to the ex-dividend date will not receive the special dividend. Based on the current number of shares outstanding, the special dividend will be approximately \$1.50 per common share; this amount may vary based on the number of outstanding shares as of the record date.

The tax treatment of holding common stock to any particular stockholder will depend on the stockholder's particular tax circumstances. Merrimack stockholders are urged to consult their tax advisor regarding the U.S. federal, state, local and foreign income and other tax consequences to them, in light of their particular investment or tax circumstances, of the receipt of the special dividend.

"The authorization of a special dividend higher than the range that we had initially estimated is an important step in implementing the strategic plan that we announced on May 30, 2019 and reflects our success in restructuring the Company and the recent closing of the sale of certain programs to 14ner Oncology, Inc.," said Gary Crocker, Chairman of Merrimack's Board of Directors. "Our remaining cash balance is anticipated to support operations into 2027, when we estimate the longest-term potential Ipsen milestone may be achieved."

About Merrimack

Merrimack Pharmaceuticals, Inc. is a biopharmaceutical company based in Cambridge, Massachusetts that is entitled to receive up to \$455.0 million in contingent milestone payments related to its sale of ONIVYDE[®] to Ipsen S.A. in April 2017 and up to \$54.5 million in contingent milestone payments related to its sale of anti-HER3 programs to 14ner Oncology, Inc. in July 2019. The Company is seeking potential acquirers for its remaining preclinical and clinical assets.

Forward Looking Statements

To the extent that statements contained in this press release are not descriptions of historical facts, they are forward-looking statements reflecting the current beliefs and expectations of management made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements include any statements about Merrimack's strategy, future operations, future financial position, future revenues and future expectations and plans and prospects for Merrimack, and any other statements containing the words "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "predict," "project," "target," "potential," "will," "would," "could," "should," "continue" and similar expressions. In this press release, Merrimack's forward-looking statements include, among others, statements about the declared special cash dividend and the sufficiency of Merrimack's cash resources. Such forward-looking statements involve substantial risks and uncertainties that could cause Merrimack's future results, performance or achievements to differ significantly from those expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, expectations for achievement of contractual milestones and the availability of funding sufficient for Merrimack's foreseeable and unforeseeable operating expenses and capital expenditure requirements. Merrimack undertakes no obligation to update or revise any forward-looking statements. Forward-looking statements should not be relied upon as representing Merrimack's views as of any date subsequent to the date hereof. For a further description of the risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to Merrimack's business in general, see the "Risk Factors" section of Merrimack's Quarterly Report on Form 10-Q filed with the SEC on July 17, 2019 and the other reports Merrimack files with the Securities and Exchange Commission.

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