

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): May 17, 2021

MADRIGAL PHARMACEUTICALS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33277
(Commission
File Number)

04-3508648
(IRS Employer
Identification No.)

**Four Tower Bridge
200 Barr Harbor Drive, Suite 200
West Conshohocken, PA**
(Address of principal executive offices)

19428
(Zip Code)

(267) 824-2827

Registrant's telephone number, including area code

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.0001 Par Value Per Share	MDGL	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 – Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b) and (c). The Board of Directors (the “Board”) of Madrigal Pharmaceuticals, Inc. (the “Company”) appointed Alex Howarth as Chief Financial Officer, effective May 17, 2021. In connection with the appointment of Mr. Howarth, Marc Schneebaum has stepped down from his roles as Senior Vice President and Chief Financial Officer of the Company but will remain as an employee of the Company through June 30, 2021 to assist in transition efforts for the benefit of the Company and Mr. Howarth. Mr. Howarth brings more than 25 years of broad experience in biopharmaceutical companies ranging in size from public and private pre-revenue companies to multinational pharmaceutical organizations. He has specific expertise in financial, operational, and corporate transactional matters.

Prior to joining the Company, Mr. Howarth, 52, was Chief Operating Officer at Akcea Therapeutics, a publicly traded global biopharmaceutical company, leading up to its acquisition by Ionis Pharmaceuticals. Prior to joining Akcea, Alex was President and Chief Financial Officer at Lycera Corporation (from 2015 - 2019); Chief Financial Officer and Chief Business Officer at moksha8, a TPG portfolio company focused on emerging growth markets (from 2007 – 2015); and Chief Business Officer at Vitae Pharmaceuticals (2005 – 2007). Alex spent ten years at GlaxoSmithKline (GSK) from 1995 to 2005, where he held positions of increasing responsibility (Manager, R&D Finance, Senior Director Worldwide Business Development, and Head, Venture Partnerships). Before joining GSK, Alex began his professional career at KPMG in London (1991 – 1995), where he attained professional qualification as a Fellow Chartered Accountant.

In connection with his employment with the Company as Chief Financial Officer, Mr. Howarth will receive an initial annual base salary of \$450,000 and a signing bonus of \$75,000, which is subject to 50% recapture upon certain early departures from the Company. Mr. Howarth will also be eligible for an annual cash bonus with a target of 40% of his annual base salary based upon achievement of performance goals established by the Company. Achievement of the goals will be determined in the sole discretion of the Board and Compensation Committee of the Board (the “Compensation Committee”).

On May 17, 2021, Mr. Howarth was granted a stock option for 65,000 shares of stock with a per share exercise price established at the closing price for Company common stock as of that date in accordance with our 2015 Stock Plan. The option will vest over four years, with 25% vesting on the first anniversary of the grant date and the remainder vesting ratably in 6.25% increments at the end of each three-month period thereafter over the remaining three years.

Mr. Howarth is an “at-will” employee of Madrigal who is party to a severance and change of control agreement with the Company. Under this agreement, he is entitled to certain severance benefits if the Company terminates his employment without “Cause” (as defined) or if Mr. Howarth voluntarily resigns for “Good Reason” (as defined), which we refer to herein collectively as a “Qualifying Separation.” Upon a Qualifying Separation, the specified benefit terms vary depending upon whether the Qualifying Separation occurs following a change of

control of the Company or does not occur following a change of control of the Company, but in general includes obligations of the Company concerning: 12 months of Mr. Howarth's then-current base salary; the amounts of full-year earned bonus accrued; specified target bonus opportunities in connection with a change of control of the Company; equity vesting rights; and reimbursement or continuation of medical benefits for 12 months following a Qualifying Separation. The foregoing obligations are subject to certain conditions, including the execution of a timely, full and general release of all claims against the Company and its affiliate and associates. Mr. Howarth also has entered into a customary indemnification agreement with us with respect to his service as an officer of the Company and will be eligible for participation in health, welfare and benefit plans available to the Company's employees of similar rank and tenure.

Mr. Schneebaum's departure from the Company was not the product of any disagreement between Mr. Schneebaum and the Company concerning any accounting principle or business policy.

Item 7.01. Regulation FD Disclosure.

On May 18, 2021, the Company issued a press release announcing the appointment of Mr. Howarth as Chief Financial Officer. A copy of this press release is furnished as Exhibit 99.1 to this Report on Form 8-K.

The information in this Item 7.01 and Exhibit 99.1 attached hereto is intended to be furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release Dated May 18, 2021.
104	Cover Page Interactive Data File (embedded within the Inline XBRL file)

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 hereunto duly authorized.

MADRIGAL PHARMACEUTICALS, INC.

By: /s/ Brian J. Lynch
Name: Brian J. Lynch
Title: Senior Vice President and General Counsel

Date: May 18, 2021



Alex Howarth Joins Madrigal Pharmaceuticals as Chief Financial Officer

WEST CONSHOHOCKEN, Pa., May 18, 2021 — Madrigal Pharmaceuticals, Inc. (NASDAQ:MDGL), a clinical-stage biopharmaceutical company pursuing novel therapeutics for cardio-metabolic and fatty liver diseases with high unmet medical need, announced today that Alex Howarth has joined Madrigal as Chief Financial Officer.

“I am pleased to welcome Alex to Madrigal as our Chief Financial Officer as we advance our two Phase 3 studies for resmetirom and enter a critical phase of development and growth within the Company. In the past year, we have advanced commercial planning for the U.S. and key Ex-U.S. markets,” said Paul Friedman, M.D., Chief Executive Officer of Madrigal. “As we have indicated in the past, we will seek partnerships for Ex-U.S. commercialization, and Alex will greatly assist in these efforts in addition to serving as our CFO. He is an accomplished executive who brings a wealth of experience from commercial-stage biotech companies as well as multinational pharmaceutical organizations, such as GlaxoSmithKline,” Friedman said. “His experience includes developing financial and corporate strategy, long-range planning, business development and expertise in implementing financial and operational systems to support company growth. He adds depth and experience to our team which will be key as Madrigal prepares to transition from a development-stage company to a commercial-stage company.”

Mr. Howarth, age 52, brings more than 25 years of biopharmaceutical experience and is recognized for his financial, operational, and transactional achievements. Most recently, Mr. Howarth was Chief Operating Officer at Akcea Therapeutics, a publicly traded biopharmaceutical company with commercial operations in North America and Europe, where he served as a core member of the executive leadership team leading up to its acquisition by Ionis Pharmaceuticals. Prior to Akcea, Alex was President and Chief Financial Officer at Lycera Corporation; Chief Financial Officer and Chief Business Officer at moksha8, a TPG portfolio company focused on commercializing products in emerging markets; and Chief Business Officer at Vitae Pharmaceuticals. Earlier in his career, Alex spent ten years at GlaxoSmithKline in a variety of business development and finance roles, including leading GSK Venture Partnerships and serving as Senior Director, Worldwide Business Development. Prior to joining GSK, Mr. Howarth worked at KPMG in London, UK where he qualified as a chartered accountant. Mr. Howarth has an honors degree in biochemistry from the University of Bath, England.

“With resmetirom, Madrigal is positioned to achieve first mover status in the substantial and unmet NASH market and improve the quality of life and health for millions of NASH patients in America and worldwide” said Mr. Howarth. “I am tremendously excited to be joining Madrigal and look forward to working with the leadership team to contribute to the continued success and growth at Madrigal.”

“As we begin the transition of our CFO role from Marc Schneebaum to Alex, I would like to thank Marc for the tremendous impact he has had on Madrigal’s success over the last five years,” Dr. Friedman said. “Marc brought unique skills and made significant contributions at Madrigal. Most notably, he leveraged Madrigal’s \$60 million in liquidity sources as a new public company and thereafter serially financed over \$600 million in equity capital in support of the initiation and progression of our critical Phase 2 and Phase 3 trials for resmetirom. I have greatly enjoyed having Marc as my professional colleague and partner, and I wish him the best in his future endeavors.”

About Madrigal Pharmaceuticals

Madrigal Pharmaceuticals, Inc. (Nasdaq: MDGL) is a clinical-stage biopharmaceutical company pursuing novel therapeutics that target a specific thyroid hormone receptor pathway in the liver, which is a key regulatory mechanism common to a spectrum of cardio-metabolic and fatty liver diseases with high unmet medical need. Madrigal’s lead candidate, resmetirom, is a first-in-class, orally administered, small-molecule, liver-directed, thyroid hormone receptor (THR)- β selective agonist that is currently in two Phase 3 clinical studies, MAESTRO-NASH and MAESTRO-NAFLD-1, designed to demonstrate multiple benefits across a broad spectrum of NASH (non-alcoholic steatohepatitis) and NAFLD (non-alcoholic fatty liver disease) patients. For more information, visit www.madrigalpharma.com.

Forward-Looking Statements

This communication contains “forward-looking statements” made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, that are based on our beliefs and assumptions and on information currently available to us, but are subject to factors beyond our control. Forward-looking statements include but are not limited to statements or references concerning: our clinical trials; research and development activities; the timing and results associated with the future development of our lead product candidate, MGL-3196 (resmetirom), including sector leadership; the timing and completion of projected 2021 clinical milestone events, including enrollment, top-line data and open label projections; our primary and secondary study endpoints for resmetirom and the potential for achieving such endpoints and projections; optimal dosing levels for resmetirom; projections regarding potential future NASH resolution, safety, fibrosis treatment, cardiovascular effects, lipid treatment or biomarker effects with resmetirom; the predictive power of resmetirom liver fat reduction on NASH resolution with fibrosis reduction or improvement; the achievement of enrollment objectives concerning patient number, safety database and/or timing for our studies; potential NASH or NAFLD patient risk profile benefits with resmetirom; and our possible or assumed future results of operations and expenses, business strategies and plans, capital needs and financing plans, trends, market sizing, competitive position, industry environment and potential growth opportunities, among other things. Forward-looking statements: reflect management’s current knowledge, assumptions, judgment and expectations regarding future performance or events;

include all statements that are not historical facts; and can be identified by terms such as “allow,” “anticipates,” “be,” “believes,” “continue,” “could,” “demonstrates,” “design,” “estimates,” “expects,” “forecasts,” “future,” “goal,” “hopeful,” “intends,” “may,” “might,” “plans,” “potential,” “predicts,” “predictive,” “projects,” “seeks,” “should,” “will,” “would” or similar expressions and the negatives of those terms. Although management presently believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct and you should be aware that actual results could differ materially from those contained in the forward-looking statements.

Forward-looking statements are subject to a number of risks and uncertainties including, but not limited to: our clinical development of resmetirom; enrollment uncertainties, generally and in relation to COVID-19 shelter-in-place and social distancing measures and individual precautionary measures that may be implemented or continued for an uncertain period of time; outcomes or trends from competitive studies; future topline data timing or results; the risks of achieving potential benefits in studies that include substantially more patients than our prior studies; the timing and outcomes of clinical studies of resmetirom; and the uncertainties inherent in clinical testing. Undue reliance should not be placed on forward-looking statements, which speak only as of the date they are made. Madrigal undertakes no obligation to update any forward-looking statements to reflect new information, events or circumstances after the date they are made, or to reflect the occurrence of unanticipated events. Please refer to Madrigal’s filings with the U.S. Securities and Exchange Commission for more detailed information regarding these risks and uncertainties and other factors that may cause actual results to differ materially from those expressed or implied. We specifically discuss these risks and uncertainties in greater detail in the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2020, as well as in our other filings with the SEC.

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