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): December 22, 2020

REGENXBIO Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**001-37553**	**47-1851754**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

9600 Blackwell Road, Suite 210
Rockville, Maryland 20850
(Address of principal executive offices and Zip Code)

(240) 552-8181
(Registrant's telephone number, including area code)

N/A
(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 (see General Instruction A.2. below):

☐ 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	**RGNX**	**The Nasdaq Global Select Market**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 under the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 under the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

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 1.01. Entry into a Material Definitive Agreement.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On December 22, 2020, REGENXBIO Inc. (the "Company") entered into a royalty purchase agreement (the "Purchase Agreement") with entities managed by Healthcare Royalty Management, LLC (collectively, the "Purchaser") providing for the acquisition (the "Transaction") by the Purchaser of the Company's interest in certain royalty payments (the "Purchased Receivables") based on annual net sales of Novartis AG's Zolgensma® (the "Licensed Product"), including a portion of the royalty payments received by the Company in the fourth quarter of 2020, pursuant to that certain License Agreement dated March 21, 2014 between the Company and AveXis, Inc. (the "Licensee"), as amended by the First Amendment to License Agreement dated January 8, 2018 (the "License Agreement"). Following satisfaction of customary closing conditions as of the date of signing, the Company received a gross amount of $200.0 million (the "Purchase Price").

Pursuant to the Purchase Agreement, the Company's sale of the Purchased Receivables shall be subject to an increasing cap amount (the "Threshold Amount") equal to a multiple of the Purchase Price, set at 1.30 for the period from the closing date through November 7, 2024 and 1.50 for the period from November 8, 2024 through the effective date of termination of the License Agreement.

On any date that the aggregate net amount of all payments received by the Purchaser pursuant to the Purchase Agreement (the "Total Net Amount") equals or exceeds the Threshold Amount applicable to such date (the "Threshold Date"), the Purchase Agreement will automatically terminate and all rights to the Purchased Receivables will revert to the Company.

At any time on or prior to the Threshold Date, the Company shall have the right (the "Call Option") to repurchase from the Purchaser all rights to the Purchased Receivables for a repurchase price equal to, as of the relevant date, the product of (a) the Purchase Price and (b) 1.50, net of the Total Net Amount; provided, however, that with respect to a Call Option exercised on or before November 7, 2024, in the event that the then applicable Threshold Amount minus the Total Net Amount is less than $1.0 million, the repurchase price shall equal such difference. Upon the closing of such repurchase pursuant to the Call Option, the Purchase Agreement will automatically terminate.

Absent earlier termination in connection with the Threshold Date or the Call Option, the Purchase Agreement will terminate on the date on which Purchaser has received the last payment of Purchased Receivables pursuant to the License Agreement.

Under the Purchase Agreement, royalties payable to certain licensors in connection with the Purchased Receivables will be deducted from the Purchased Receivables and continue to be paid to such licensors, as applicable, pursuant to the Company's separate agreements with such entities.

The Purchase Agreement contains other customary terms and conditions, including representations and warranties, conditions precedent, indemnities and covenants, including covenants that, among other things, require the Company to provide certain information to the Purchaser with respect to the License Agreement and the Licensed Product and to cooperate with the Purchaser, at the Purchaser's expense, to take certain actions under the License Agreement and otherwise with respect to the Licensed Product to protect the Purchaser's rights to receive the Purchased Receivables. These covenants are subject to a number of important exceptions and qualifications.

The foregoing description of certain terms of the Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Purchase Agreement, a copy of which will be filed as an exhibit to the Company's Annual Report on Form 10-K for the year ending December 31, 2020.

A copy of the Company's press release relating to the Transaction is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	REGENXBIO Inc. press release dated December 22, 2020.
104	Cover page interactive data file (embedded within the Inline XBRL document).

SIGNATURE

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.

REGENXBIO INC.

Date: December 22, 2020

By: /s/ Patrick J. Christmas II
Patrick J. Christmas II
Senior Vice President and Chief Legal Officer

REGENXBIO Announces Agreement to Monetize Portion of Zolgensma® Royalties for $200 Million

- Agreement with Healthcare Royalty enables REGENXBIO to advance its broad gene therapy pipeline, including pivotal program for RGX-314

ROCKVILLE, Md., December 22, 2020 (PRNewswire) — REGENXBIO Inc. (Nasdaq: RGNX), a leading clinical-stage biotechnology company seeking to improve lives through the curative potential of gene therapy based on its proprietary NAV® Technology Platform, today announced that it has entered into an agreement to sell a portion of the royalty rights due to REGENXBIO from Novartis Gene Therapies from the net sales of Zolgensma® to entities managed by Healthcare Royalty Management, LLC (HCR) for a gross purchase price of $200 million. This transaction provides immediate, non-dilutive capital to REGENXBIO for continued innovation in the development of potential breakthrough gene therapies for patients and completion of its internal manufacturing capabilities.

“Our rapidly advancing internal pipeline has enabled us to broaden the potential impact that gene therapies can have for patients in both large and orphan indications. This agreement with HCR provides us with significant additional non-dilutive funding to continue our momentum in the clinic focused on RGX-314 and our rare neurodegenerative disease platform, including RGX-121, as well as the opportunity to develop new innovations for patients in other disease areas,” said Kenneth T. Mills, President and Chief Executive Officer of REGENXBIO. “The capital will continue to support our pipeline transition into late-stage development and the establishment of internal manufacturing facilities with 2,000 liter scale using our platform suspension cell culture process for emerging commercial requirements, so that we can continue to work towards our mission of improving the lives of patients.”

Under the terms of the agreement, REGENXBIO will receive $200 million from HCR as an upfront payment in exchange for REGENXBIO’s royalty rights from the net sales of Zolgensma, including a portion of the royalties received in the fourth quarter of 2020, up to 1.3 times the purchase price until November 7, 2024 or, if such cap is not met by November 7, 2024, up to 1.5 times the purchase price thereafter. If either cap is met, the royalty rights would revert to REGENXBIO.

Zolgensma is currently approved for the treatment of Spinal Muscular Atrophy (SMA) in the United States, Japan, Europe, Brazil and Canada. Novartis is also pursuing registration in additional countries.

“Zolgensma is a truly innovative treatment for SMA based on REGENXBIO’s NAV technology which we believe demonstrates the transformational impact that gene therapy can offer patients. We are pleased to partner with REGENXBIO in this royalty agreement to recognize the value of this therapy, and to enable the further development of their internal pipeline of new gene therapies for patients in need,” said Clarke B. Futch, Managing Partner & Chairman of HCR.

Morgan Stanley & Co. LLC served as sole structuring agent and Covington & Burling LLP served as counsel to REGENXBIO. Morgan Lewis & Bockius LLP acted as counsel to HCR.

About REGENXBIO Inc.

REGENXBIO is a leading clinical-stage biotechnology company seeking to improve lives through the curative potential of gene therapy. REGENXBIO’s NAV Technology Platform, a proprietary adeno-associated virus (AAV) gene delivery platform, consists of exclusive rights to more than 100 novel AAV vectors, including AAV7, AAV8, AAV9 and AAVrh10. REGENXBIO and its third-party NAV Technology Platform Licensees are applying the NAV Technology Platform in the development of a broad pipeline of candidates in multiple therapeutic areas.

About HCR

HCR is a private investment firm that purchases royalties and uses debt-like structures to invest in commercial or near-commercial stage biopharmaceutical assets. HCR has raised $5.7 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 includes “forward-looking statements,” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements express a belief, expectation or intention and are generally accompanied by words that convey projected future events or outcomes such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “design,” “intend,” “expect,” “could,” “plan,” “potential,” “predict,” “seek,” “should,” “would” or by variations of such words or by similar expressions. The forward-looking statements include statements relating to, among other things, REGENXBIO’s clinical trials, future operations and cash flow. REGENXBIO has based these forward-looking statements on its current expectations and assumptions and analyses made by REGENXBIO in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors REGENXBIO believes are appropriate under the circumstances. However, whether actual results and developments will conform with REGENXBIO’s expectations and predictions is subject to a number of risks and uncertainties, including the timing of enrollment, commencement and completion and the success of clinical trials conducted by REGENXBIO, its licensees and its partners, the timing of commencement and completion and the success of preclinical studies conducted by REGENXBIO and its development partners, the timely development and launch of new products, the ability to obtain and maintain regulatory approval of product candidates, the ability to obtain and maintain intellectual property protection for product candidates and technology, trends and challenges in the business and markets in which REGENXBIO operates, the size and growth of potential markets for product candidates and the ability to serve those markets, the rate and degree of acceptance of product candidates, the impact of the COVID-19 pandemic or similar public health crises on REGENXBIO’s business, and other factors, many of which are beyond the control of REGENXBIO. Refer to the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of REGENXBIO’s Annual Report on Form 10-K for the year ended December 31, 2019, and comparable “risk factors” sections of REGENXBIO’s Quarterly Reports on Form 10-Q and other filings, which have been filed with the U.S. Securities and Exchange Commission (SEC) and are available on the SEC’s website at www.sec.gov. All of the forward-looking statements made in this press release are expressly qualified by the cautionary statements contained or referred to herein. The actual results or developments anticipated may not be realized or, even if substantially realized, they may not have the expected consequences to or effects on REGENXBIO or its businesses or operations. Such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Readers are cautioned not to rely too heavily on the forward-looking statements contained in this press release. These forward-looking statements speak only as of the date of this press release. REGENXBIO does not undertake any obligation, and specifically declines any obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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