Chimerix Announces $9.3 Million International TEMBEXA Procurement Agreement

June 23, 2022

DURHAM, N.C., June 23, 2022 (GLOBE NEWSWIRE) -- Chimerix (NASDAQ:CMRX), a biopharmaceutical company whose mission it is to develop medicines that meaningfully improve and extend the lives of patients facing deadly diseases, today announced a $9.3 million agreement to procure TEMBEXA® (brincidofovir) with a third party outside of North America, with authorization from the requisite healthcare authority. Chimerix expects to promptly provide treatment courses of TEMBEXA equivalent to the total value of the procurement contract. Execution of this contract will be the responsibility of Chimerix, as it is expected to occur prior to the close of the pending transaction with Emergent BioSolutions, Inc. (Emergent).

"This procurement contract underscores the utility of TEMBEXA as a medical countermeasure and the importance of addressing the longer term need to maintain strategic stockpiles for potential pandemics," said Mike Sherman, Chief Executive Officer of Chimerix. "With this contract, we will still be in a position to meet our expected obligations associated with a potential U.S. Biomedical Advanced Research and Development Authority (BARDA) contract and initial delivery into the U.S. Strategic National Stockpile."

TEMBEXA is a medical countermeasure approved for smallpox by the U.S. Food and Drug Administration (FDA) in June 2021. In June 2022, Chimerix entered into a definitive agreement with Emergent to sell Chimerix's exclusive worldwide rights to brincidofovir including TEMBEXA, for up to $325 million plus royalties. Any revenue associated with TEMBEXA (brincidofovir) earned prior to closing of the Emergent transaction, and which is unrelated to the BARDA procurement contract (i.e., other U.S. revenue or international revenue), will accrue to Chimerix. For revenue earned after the close of the transaction, Chimerix will receive a 15% royalty on gross profit associated with international revenue and a 20% royalty on gross profit associated with U.S. revenue from sales in excess of 1.7 million treatment courses of therapy. There are several conditions required for the transaction with Emergent to close, including the expiration or early termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (HSR Act). Additional closing conditions include the execution of an anticipated procurement contract between BARDA and Chimerix as well as receipt of any required consent from BARDA to a pre-novation agreement to be entered into with Emergent.

About Chimerix

Chimerix is a biopharmaceutical company with a mission to develop medicines that meaningfully improve and extend the lives of patients facing deadly diseases. The Company's most advanced clinical-stage development program, ONC201, is in development for H3 K27M-mutant glioma.

Forward-Looking Statements

Chimerix cautions you that statements included in this report that are not a description of historical facts are forward-looking statements. Words such as "anticipate," "expect," "intend," "plan," "believe," "seek," "estimate," "will," "should," "would," "could," "may" and similar expressions also identify forward-looking statements. These forward-looking statements include, without limitation, statements regarding the procurement agreement and the delivery of treatment courses under the agreement, the potential benefits of the transaction with Emergent to Chimerix's operations and financial position, the parties' ability to consummate the transactions contemplated under the asset purchase agreement (APA) between Emergent and Chimerix, satisfaction of conditions in connection with the transaction, the parties' ability to meet expectations regarding the timing and completion of the transaction, and Chimerix's expectations with regard to completion of, and payments to be received from, the transaction. The inclusion of forward-looking statements should not be regarded as a representation by Chimerix that any of these results will be achieved. Actual results may differ from those set forth in this report due to the risks and uncertainties associated with market conditions, the timing of the satisfaction of the obligations under the APA, if at all, as well as risks and uncertainties inherent in Chimerix's business, including those described in Chimerix's other filings with the Securities Exchange Commission. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and the Company undertakes no obligation to revise or update this report to reflect events or circumstances after the date hereof. All forward-looking statements are qualified in their entirety by this cautionary statement. This caution is made under the safe harbor provisions of Section 21E of the Private Securities Litigation Reform Act of 1995.

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