Chimerix Announces Closing of TEMBEXA Sale to Emergent BioSolutions

September 26, 2022

- $238 Million in Upfront Payment Received at Closing with Additional $136.5 Million in Potential Milestone Payments Plus Royalties -

DURHAM, N.C., Sept. 26, 2022 (GLOBE NEWSWIRE) -- Chimerix, Inc. (NASDAQ:CMRX), a biopharmaceutical company whose mission is to develop medicines that meaningfully improve and extend the lives of patients facing deadly diseases, today announced the closing of its sale of TEMBEXA® to Emergent BioSolutions Inc. (EBS or Emergent).

"The closing of our sale of TEMBEXA to Emergent allows Chimerix to accelerate the value of this product while still participating in its longer-term potential. As we look ahead, our balance sheet is enhanced significantly to support the ongoing development of our oncology franchise. This includes ONC201 which has demonstrated durable responses and an attractive safety profile in a genetically defined population of patients with H3 K27M mutant high-grade glioma. This would represent the first approved therapy specifically targeting patients with this invariably lethal disease," said Mike Sherman, Chief Executive Officer of Chimerix.

EBS paid Chimerix $238 million at closing. The closing amount was subject to the terms of the agreement executed between Biomedical Advanced Research and Development Authority (BARDA) and Chimerix for the procurement of TEMBEXA. Additional future economics from the transaction include:

- Potential milestone payments of up to $124 million (up to $31 million for each of the remaining BARDA procurement options, due within 30 days of exercise);
- 15% royalty on gross profit from sales of TEMBEXA outside the U.S.;
- 20% royalty on gross profit from sales of TEMBEXA in the U.S. that are in excess of 1.7 million treatment courses; and
- Up to an additional $12.5 million upon achievement of certain developmental milestones.

Development and procurement of TEMBEXA have been supported in part with federal funds from BARDA, in the Administration for Strategic Preparedness and Response in the Department of Health and Human Services under Contracts HHSO100201100013C and 75A50122C00047.

About TEMBEXA

TEMBEXA (brincidofovir) is a nucleotide analog lipid-conjugate designed to mimic a natural monoacyl phospholipid to achieve effective intracellular concentrations of the active antiviral metabolite, cidofovir diphosphate. Cidofovir diphosphate exerts its orthopoxvirus antiviral effects by acting as an alternate substrate inhibitor for viral DNA synthesis mediated by viral DNA polymerase.

In June 2021, the U.S. Food and Drug Administration granted approval of TEMBEXA for the treatment of smallpox as a medical countermeasure. TEMBEXA is an oral antiviral formulated as 100 mg tablets and 10 mg/mL oral suspension dosed once weekly for two weeks. TEMBEXA is indicated for the treatment of human smallpox disease caused by variola virus in adult and pediatric patients, including neonates. TEMBEXA is not indicated for the treatment of diseases other than human smallpox disease. The effectiveness of TEMBEXA for the treatment of smallpox disease has not been determined in humans because adequate and well-controlled field trials have not been feasible and inducing smallpox disease in humans to study the drug's efficacy is not ethical. TEMBEXA efficacy may be reduced in immunocompromised patients based on studies in immune deficient animals.

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
This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties that could cause actual results to differ materially from those projected. Forward-looking statements include those relating to, among other things, procurements under the BARDA contract and potential future payments in connection with the transaction. Among the factors and risks that could cause actual results to differ materially from those indicated in the forward-looking statements are risks that the initial delivery or any subsequent deliveries of TEMBEXA will not occur as planned, or at all; risks that future payments in connection with the transaction will not be made; risks related to the timing and completion of the Phase 3 Study of ONC201, and additional risks set forth in the Company's filings with the Securities and Exchange Commission. These forward-looking statements represent the Company's judgment as of the date of this release. The Company disclaims, however, any intent or obligation to update these forward-looking statements.

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