



Concert Pharmaceuticals Announces Sale of VX-561 Milestones to Vertex for \$32 Million

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LEXINGTON, Mass.--(BUSINESS WIRE)--May 17, 2021--

[Concert Pharmaceuticals, Inc.](#) (NASDAQ: CNCE) today announced that [Vertex Pharmaceuticals Incorporated](#) (NASDAQ: VRTX) has purchased the potential future milestones under the companies' 2017 asset purchase agreement relating to VX-561 (deutivacaftor) for \$32 million.

"This transaction provided an opportunity to secure non-dilutive capital and strengthens our balance sheet as we continue to advance CTP-543, our lead asset for alopecia areata, through its Phase 3 program," stated Roger Tung, Ph.D., President and Chief Executive Officer of Concert Pharmaceuticals. "By receiving these proceeds, we now expect our cash, cash equivalents and investments to fund the Company into the second quarter of 2022."

Under the asset purchase agreement, Vertex acquired worldwide development and commercialization rights to VX-561 (formerly known as CTP-656) and other assets related to the treatment of cystic fibrosis. VX-561 is an investigational cystic fibrosis transmembrane conductance regulator (CFTR) potentiator that has the potential to be used as part of future once-daily combination regimens of CFTR modulators that treat the underlying cause of cystic fibrosis. In 2017, Concert received a one-time cash payment of \$160 million upon closing the asset purchase, with the potential for \$90 million in future milestones. Following receipt of the \$32 million, no further milestone obligations remain.

Chestnut Securities, Inc. acted as exclusive financial advisor to Concert in this transaction.

About Concert

[Concert Pharmaceuticals](#) is a clinical stage biopharmaceutical company that is developing small molecule drugs that it discovered through the application of its [DCE Platform](#)[®] (deuterated chemical entity platform). Selective incorporation of deuterium into known molecules has the potential, on a case-by-case basis, to provide better pharmacokinetic or metabolic properties, thereby enhancing their clinical safety, tolerability or efficacy. Concert's lead [product candidate](#) is in late-stage development for the treatment of alopecia areata, a serious autoimmune dermatological condition. Concert is also assessing a number of earlier-stage pipeline candidates. For more information please visit www.concertpharma.com or follow us on Twitter at [@ConcertPharma](#) or on [LinkedIn](#).

Cautionary Note on Forward Looking Statements

Any statements in this press release about our future expectations, plans and prospects, including, among others, statements about our expectations regarding the sufficiency of our cash, cash equivalents and investments to fund our operations, and any other statements containing the words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will," "would" and similar expressions, constitute forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including: the uncertainties inherent in the initiation, timing and design of future clinical trials, the availability and timing of data from ongoing and future clinical trials and the results of such trials, whether preliminary results from a clinical trial will be predictive of the final results of that trial or whether results of early clinical trials will be indicative of the results of later clinical trials, expectations for regulatory approvals, availability of funding sufficient for our foreseeable and unforeseeable operating expenses and capital expenditure requirements, expectations with respect to the protection of our intellectual property afforded by our patents and other factors discussed in the "Risk Factors" section of our most recent Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission and in other filings that we make with the Securities and Exchange Commission. In addition, any forward-looking statements included in this press release represent our views only as of the date of this release and should not be relied upon as representing our views as of any subsequent date. We specifically disclaim any obligation to update any forward-looking statements included in this press release.

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