

Pearl Therapeutics to be Acquired by AstraZeneca for up to \$1.15 Billion

Redwood City, CA, June 10, 2013 (GLOBE NEWSWIRE) -- [Pearl Therapeutics Inc.](#) today announced that it has entered into a definitive merger agreement under which the Company will be acquired by AstraZeneca. The acquisition will bring together Pearl's pipeline of inhaled bronchodilator products for the treatment of patients with COPD and AstraZeneca's core capabilities in respiratory disease. The transaction was unanimously approved by the boards of directors of both companies.

Under the terms of the agreement, AstraZeneca will acquire 100% of Pearl's shares for initial consideration of \$560 million payable on completion. In addition, deferred consideration of up to \$450 million becomes payable if specified development and regulatory milestones in respect of any triple combination therapies and selected future products that AstraZeneca develops using Pearl's technology platform are achieved. Sales-related payments of up to a further \$140 million are payable if pre-agreed cumulative sales thresholds are exceeded resulting in a total potential acquisition cost of up to \$1.15 billion. The proposed transaction is subject to customary regulatory approvals and is expected to close in the third quarter of 2013.

"Pearl has extraordinary research and clinical development teams that have successfully completed 10 clinical trials for our lead program," said [Chuck Bramlage](#), chief executive officer for Pearl Therapeutics. "We look forward to combining our skills and the global regulatory and commercial expertise at AstraZeneca to move PT003 and our other candidates towards market where they can reach millions of patients suffering from COPD."

Kevin Ferro, chairman of the board of Pearl Therapeutics and CEO of Vatera Healthcare Partners, Pearl's lead investor, added: "We have been impressed with AstraZeneca's expertise, focus and speed of execution and are delighted to be joining the group, a global leader in respiratory disease, as we believe that Pearl will be an excellent fit for its respiratory portfolio. We believe AstraZeneca will provide significant value in supporting the further development and registration of our lead product, PT003, and in leveraging our technology platform to realize future products including a triple agent therapy for respiratory disease. I would like to thank Pearl's partners, management team and everyone on the Pearl team for the extraordinary contributions that they have made to progress Pearl to this stage. We are looking forward to working with AstraZeneca to realize the full potential of the Pearl portfolio and to offer a range of therapies to dramatically improve patients' lives."

Pascal Soriot, chief executive officer of AstraZeneca, said: "Chronic obstructive pulmonary disease continues to increase worldwide and there is a growing need for the next generation of inhaled combination products. Pearl's novel formulation technology, together with its development products and specialist expertise are a great complement to AstraZeneca's long-established capabilities in respiratory disease, one of our core therapy areas. Combined with our on-market portfolio, including Symbicort, and our strong pipeline, the agreement will enable us to offer further distinctive treatment options across the full spectrum of COPD and asthma to patients, physicians and payers."

Pearl's lead product, PT003, is a fixed dose combination of formoterol fumarate, a long-acting beta-2-agonist (LABA) and glycopyrrolate, a long-acting muscarinic antagonist (LAMA). LABA/LAMA combinations are expected to become a new class of treatment for COPD. A global Phase III program has been initiated and will test the improvement in lung function in individuals with moderate to severe COPD in response to PT003. PT003 is delivered by inhalation via a pressurized metered dose inhaler (pMDI) using Pearl's novel co-suspension formulation technology. This technology platform will allow AstraZeneca to explore combinations of existing and novel technologies, including a triple fixed dose combination (LABA/LAMA and inhaled corticosteroid) which could be accelerated into Phase II clinical development.

Sagent Advisors acted as financial advisor to Pearl Therapeutics.

About COPD

Chronic obstructive pulmonary disease (COPD) is a progressive disease associated mainly with tobacco smoking, air pollution or occupational exposure, which can cause obstruction of airflow in the lungs resulting in debilitating bouts of breathlessness. COPD is a preventable and treatable lung disease that is the third leading cause of death in the United States. Each year 12 million Americans are diagnosed with COPD and an additional 12 million Americans may have COPD but remain undiagnosed. Research shows that many do not get optimal treatment.

About AstraZeneca

AstraZeneca is a global, innovation-driven biopharmaceutical business that focuses on the discovery, development and commercialization of prescription medicines, primarily for the treatment of cardiovascular, metabolic, respiratory, inflammation, autoimmune, oncology, infection and neuroscience diseases. AstraZeneca operates in over 100 countries and its innovative medicines are used by millions of patients worldwide. For more information please visit: www.astrazeneca.com.

About Pearl Therapeutics

Pearl Therapeutics is a privately held company developing combination therapies for the treatment of highly prevalent respiratory diseases, including chronic obstructive pulmonary disease and asthma. Pearl is rapidly advancing a pipeline of products including PT003, an inhaled, fixed-dose combination bronchodilator product comprised of a long-acting muscarinic antagonist (LAMA) and a long-acting beta-2 agonist (LABA) delivered via a metered-dose inhaler (HFA MDI); and PT010, a triple-combination product that combines the LAMA and LABA components of PT003 with an inhaled corticosteroid (ICS) for twice-daily administration from an HFA MDI for the treatment of severe COPD. Both PT003 and PT010 are developed with Pearl's proprietary porous particle co-suspension technology, which allows the formulation of multiple products in the MDI format, with highly stable, robust and aerodynamically efficient drug delivery. Founded in 2006, Pearl Therapeutics is privately held and backed by 5AM

Ventures, Clarus Ventures, New Leaf Ventures and Vatera Healthcare Partners. For more information, please visit www.pearltherapeutics.com.

CONTACT: Aline Schimmel
Scienta Communications
(312) 238-8957
aschimmel@scientapr.com

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