
**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): **October 27, 2022**

PTC THERAPEUTICS, INC.

(Exact name of registrant as specified in charter)

Delaware

(State or other jurisdiction of
incorporation)

001-35969

(Commission File Number)

04-3416587

(IRS Employer Identification
No.)

100 Corporate Court

South Plainfield, NJ

(Address of principal executive offices)

07080

(Zip Code)

Registrant's telephone number, including area code: **(908) 222-7000**

Not Applicable

(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, \$0.001 par value per share	PTCT	The Nasdaq Global Select Market

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

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.

Blackstone Transactions

Debt Facility

On October 27, 2022 (the “Closing Date”), PTC Therapeutics, Inc. (the “Company”) entered into a credit agreement (the “Credit Agreement”) for fundings of up to \$950.0 million consisting of a committed loan facility of \$450.0 million and further contemplating the potential for up to \$500.0 million of additional financing, to the extent that the Company requests such additional financing and subject to the Lenders’ agreement to provide such additional financing and to mutual agreement on terms, among the Company, certain subsidiaries of the Company (together with the Company, the “Loan Parties”) and funds and other affiliated entities advised or managed by Blackstone Life Sciences Advisors L.L.C. and Blackstone Alternative Credit Advisors LP (collectively, “Blackstone”, and such lenders, together with their permitted assignees, the “Lenders” and each a “Lender”) and Wilmington Trust, National Association, as the administrative agent for the Lenders (“Administrative Agent”).

The Credit Agreement provides for a senior secured term loan facility funded on the Closing Date in the aggregate principal amount of \$300.0 million (the “Initial Loans”) and a committed delayed draw term loan facility of up to \$150.0 million (the “Delayed Draw Loans” and, together with the Initial Loans, the “Loans”) to be funded at the Company’s request within 18 months of the Closing Date subject to specified conditions. In addition, the Credit Agreement contemplates the potential for further financings by Blackstone, by providing for incremental discretionary uncommitted further financings of up to \$500.0 million.

The Term Loans mature on the date that is seven years from the Closing Date (the “Maturity Date”). Borrowings under the Credit Agreement bear interest at a variable rate equal to, at the Company’s option, either an adjusted Term SOFR rate plus seven and a quarter percent (7.25%) or the Base Rate plus six and a quarter percent (6.25%), subject to a floor of one percent (1%) and two percent (2%) with respect to Term SOFR rate and Base Rate (each as defined in the Credit Agreement), respectively.

Payments of the Loans will be subject to the following premiums, in each case, from the date the applicable Loan is funded (such date, the “Funding Date”).

Prepayment Date	Premium
Prior to the third anniversary of the Funding Date	Make-whole
On and after the third anniversary of the Funding Date but less than 4 years from the Funding Date	3.00%
On and after the fourth anniversary of the Funding Date but less than 5 years from the Funding Date	2.00%
On and after the fifth anniversary of the Funding Date but less than 6 years from the Funding Date	1.00%
On and after the sixth anniversary of the Funding Date	Par

All obligations under the Credit Agreement will be secured, subject to certain exceptions and specified inclusions, by security interests in certain assets of the Loan Parties, including (1) intellectual property and other assets related to TranslarnaTM (ataluren), Emflaza[®] (deflazacort), UpstazaTM (eladocagene exuparvovec), PTC923 and, until certain release conditions are met, Vatiquinone, in each case, together with any other forms, formulations, or methods of delivery of any such products, and regardless of trade or brand name, (2) future acquired intellectual property (but not internally developed intellectual property unrelated to other intellectual property collateral) and other related assets, and (3) the equity interests held by the Loan Parties in certain of their subsidiaries.

The Credit Agreement contains negative covenants that, among other things and subject to certain exceptions, could restrict the Company's ability to, incur additional liens; incur additional indebtedness; make investments, including acquisitions; engage in fundamental changes; sell or dispose of assets that constitute collateral; pay dividends or make any distribution or payment on or redeem, retire or purchase any equity interests; amend, modify or waive certain material agreements and key contracts or organizational documents; and make payments of certain subordinated indebtedness. In addition, the Company will be required under conditions specified in the Credit Agreement to fund a reserve account up to certain amounts specified therein. The funds in the reserve account are available to prepay the Loans at any time at the Company's option, and are, if funded, subject to release upon certain further conditions. Upon any such release, such funds are freely available for use by the Company subject to the generally applicable terms and conditions of the Credit Agreement.

The Credit Agreement also requires the Company to have consolidated liquidity of at least \$100.0 million as of the last day of each fiscal quarter, which shall be increased to \$200.0 million upon the Company consummating acquisitions meeting certain consideration thresholds described in the Credit Agreement. Additionally, the Credit Agreement contains certain customary representations and warranties, affirmative covenants and provisions relating to events of default, including nonpayment of principal, interest and other amounts; failure to comply with covenants; the rendering of judgments or orders or default by the Company in respect of other material indebtedness; certain insolvency and ERISA events; and certain events related to specified key contracts and key permits and other and regulatory matters.

The foregoing summary of the Credit Agreement is qualified in its entirety by reference to the complete text of the Credit Agreement, a copy of which the Company intends to file as an exhibit to its Annual Report on Form 10-K for the fiscal year ending December 31, 2022.

Stock Purchase Agreement

In connection with the execution of the Credit Agreement, the Company and certain entities affiliated with the Lenders (the "Purchasers") also entered into a stock purchase agreement on the Closing Date (the "Stock Purchase Agreement") for the sale and issuance of 1,095,290 shares of common stock (the "Shares") to the Purchasers at a price of \$45.65 per share, for an aggregate purchase price of approximately \$50.0 million. The per share price represents the closing price of the Company's common stock on the Nasdaq Global Select Market on October 26, 2022.

Under the Stock Purchase Agreement, the Company agreed to register the resale of the Shares on a registration statement to be filed with the Securities and Exchange Commission within 60 days of the Closing Date. The Company has agreed to keep such registration statement effective for a period of six months following the Closing Date. In addition, subject to certain conditions, the Purchasers will be entitled to participate in registered underwritten public offerings by the Company during such period.

Pursuant to the terms of the Stock Purchase Agreement, the Purchasers and certain of their controlled affiliates have agreed not to, without the prior written approval of the Company and subject to specified conditions, directly or indirectly acquire shares of the Company's outstanding common stock in excess of specified thresholds, seek or propose any acquisition of all or substantially all of the assets of the Company, seek or propose a merger or other business combination involving the Company, solicit proxies or consents with respect to any securities of the Company, seek to influence the management, board of directors or policies of the Company, or undertake other specified actions related to the potential acquisition of additional equity interests in the Company, or to encourage others to do any of the above (the "Standstill Restrictions"). The Standstill Restrictions terminate on the earliest of (i) the commencement of a tender offer or exchange offer by a third party unaffiliated with the Purchasers for more than 50% of the Company's outstanding common stock, (ii) the public announcement by the Company of a written agreement to consummate a change of control of the Company, (iii) the public announcement of the Company's voluntary or involuntary bankruptcy and (iv) the termination of the Credit Agreement.

The Purchasers have also agreed not to sell or transfer the Shares without the prior written approval of the Company for a period of 90 days following the Closing Date, subject to certain exceptions.

The foregoing summary of the Stock Purchase Agreement is qualified in its entirety by reference to the complete text of the Stock Purchase Agreement, a copy of which the Company intends to file as an exhibit to its Annual Report on Form 10-K for the fiscal year ending December 31, 2022.

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

The information set forth under the heading “*Debt Facility*” in Item 1.01 above is incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities.

The information set forth under the heading “*Stock Purchase Agreement*” in Item 1.01 above is incorporated herein by reference. The Shares were issued in reliance on the exemption from registration under Section 4(a)(2) of the Securities Act of 1933, as amended, for a transaction by an issuer not involving any public offering within the meaning of Section 4(a)(2) thereunder.

Item 7.01. Regulation FD Disclosure.

On October 27, 2022, the Company issued a press release in which it announced that it entered into the Credit Agreement and the Stock Purchase Agreement. A copy of the press release is attached to this Current Report on Form 8-K as Exhibit 99.1 and is incorporated by reference into this Item 7.01.

The information set forth in or incorporated by reference into this Item 7.01, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
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99.1	Press release issued by PTC Therapeutics, Inc. on October 27, 2022
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104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL
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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.

PTC THERAPEUTICS, INC.

Date: October 27, 2022

By: /s/ Emily Hill

Emily Hill

Chief Financial Officer



**PTC Therapeutics Announces Strategic Financing Collaboration
with Blackstone with up to \$1 Billion in Funding**

- Blackstone investment accelerates innovative product pipeline –*
- PTC will leverage Blackstone’s network and life sciences expertise to broaden business development effort –*
- PTC to receive \$350 million in cash at close -*

SOUTH PLAINFIELD, N.J., & NEW YORK, N.Y. Oct. 27, 2022 -- PTC Therapeutics, Inc. (NASDAQ: PTCT) today announced that it has entered into a strategic financing collaboration with funds managed by Blackstone (NYSE: BX) to support its mission to reach a steady-state of delivering at least one therapy every 2-3 years to continue to bring transformative medicines to patients globally. As part of the collaboration, funds managed by Blackstone Life Sciences and Blackstone Credit will provide PTC with an initial \$500 million commitment, including \$350 million in low-cost, low-dilution capital at close.

“This strategic financing will support the acceleration of PTC’s robust and diversified pipeline, business development opportunities and general corporate purposes,” said Emily Hill, Chief Financial Officer, PTC Therapeutics. “Our strong internal drug development and commercialization efforts, record of business development and value creation, combined with Blackstone’s network and life sciences expertise, puts PTC in a strong position to continue to execute our mission.”

This collaboration with Blackstone capitalizes on PTC’s multiple innovative therapeutic platforms and its proven track record of delivering transformative treatments to patients living with rare diseases. The customized senior secured term loan investment by Blackstone is collateralized by Translarna™, Emflaza®, Upstaza®, sepiapterin, and vatiquinone.

Specifically, the transaction is comprised of the following components:

- \$300 million of senior secured debt at 7.25% + SOFR for a seven-year term
- \$50 million purchase of PTC common stock
- \$150 million delayed draw debt for up to 18 months
- \$500 million in potential credit facility or other investment capital to support business development opportunities, subject to mutual agreement between Blackstone and PTC

Commenting on the arrangement, Kiran Reddy, MD and Craig Shepherd, Senior Managing Directors with Blackstone Life Sciences said, “This transaction demonstrates our unique ability, in partnership with Blackstone Credit, to combine deep domain expertise and flexible scale capital in the life sciences, helping to grow impressive companies like PTC Therapeutics as they optimize their capital structure and advance important treatments for patients. PTC has a deep track record of bringing life-changing therapies to patients and we are excited to support them as they launch important initiatives with the goal of commercializing new medicines.”



Brad Colman, Senior Managing Director with Blackstone Credit added, “The collaboration represents how Blackstone can support world-class life sciences and healthcare companies – providing critical resources to help grow their businesses. Our collaboration will enable PTC to study new potential medicines and brings them a secure, long-term capital solution.”

Advisors

WilmerHale served as legal counsel to PTC Therapeutics. Ropes & Gray LLP served as legal counsel to Blackstone.

About PTC Therapeutics, Inc.

PTC is a science-driven, global biopharmaceutical company focused on the discovery, development and commercialization of clinically differentiated medicines that provide benefits to patients with rare disorders. PTC's ability to innovate to identify new therapies and to globally commercialize products is the foundation that drives investment in a robust and diversified pipeline of transformative medicines. PTC's mission is to provide access to best-in-class treatments for patients who have little to no treatment options. PTC's strategy is to leverage its strong scientific and clinical expertise and global commercial infrastructure to bring therapies to patients. PTC believes this allows it to maximize value for all its stakeholders. To learn more about PTC, please visit us at www.ptcbio.com and follow us on Instagram, Facebook, Twitter, and LinkedIn.

About Blackstone Life Sciences

Blackstone Life Sciences is an industry-leading private investment platform with capabilities to invest across the life cycle of companies and products within the key life science sectors. By combining scale investments and hands-on operational leadership, Blackstone Life Sciences helps bring to market promising new medicines and medical technologies that improve patients' lives. More information is provided at <https://www.blackstone.com/our-businesses/life-sciences/>.

About Blackstone Credit

Blackstone Credit is one of the world's largest credit-focused asset managers, with \$234 billion in AUM. We seek to generate attractive risk-adjusted returns for our clients by investing across the entire corporate credit market, from public debt to private loans. Our capital supports a wide range of companies across sectors and geographies, enabling businesses to expand, invest, and navigate changing market environments.

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Forward-Looking Statement

This press release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. All statements contained in this release, other than statements of historic fact, are forward-looking statements, including statements regarding: PTC's expected use of proceeds from its secured credit facility with Blackstone and related equity sale; the future expectations, plans and prospects for PTC, including with respect to the expected timing of clinical trials and studies, availability of data, regulatory submissions and responses and other matters; PTC's expectations with respect to the licensing, regulatory submissions and commercialization of its products and product candidates; PTC's strategy, future operations, future financial position, future revenues, projected costs; and the objectives of management. Other forward-looking statements may be identified by the words, "guidance", "plan," "anticipate," "believe," "estimate," "expect," "intend," "may," "target," "potential," "will," "would," "could," "should," "continue," and similar expressions.

PTC's actual results, performance or achievements could differ materially from those expressed or implied by forward-looking statements it makes as a result of a variety of risks and uncertainties, including those related to: the outcome of pricing, coverage and reimbursement negotiations with third party payors for PTC's products or product candidates that PTC commercializes or may commercialize in the future; significant business effects, including the effects of industry, market, economic, political or regulatory conditions; changes in tax and other laws, regulations, rates and policies; the eligible patient base and commercial potential of PTC's products and product candidates; PTC's scientific approach and general development progress; PTC's ability to satisfy its obligations under the terms of the secured credit facility with Blackstone; the sufficiency of PTC's cash resources and its ability to obtain adequate financing in the future for its foreseeable and unforeseeable operating expenses and capital expenditures; and the factors discussed in the "Risk Factors" section of PTC's most recent Annual Report on Form 10-K, as well as any updates to these risk factors filed from time to time in PTC's other filings with the SEC. You are urged to carefully consider all such factors.

As with any pharmaceutical under development, there are significant risks in the development, regulatory approval and commercialization of new products. There are no guarantees that any product will receive or maintain regulatory approval in any territory, or prove to be commercially successful.

The forward-looking statements contained herein represent PTC's views only as of the date of this press release and PTC does not undertake or plan to update or revise any such forward-looking statements to reflect actual results or changes in plans, prospects, assumptions, estimates or projections, or other circumstances occurring after the date of this press release except as required by law.
