



Lilly and Sitryx Announce Licensing and Research Collaboration to Discover and Develop New Immunometabolic Medicines

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INDIANAPOLIS and OXFORD, England, March 31, 2020 /PRNewswire/ -- Eli Lilly and Company (NYSE: LLY) today announced an exclusive global licensing and research collaboration with Sitryx, a biopharmaceutical company focused on regulating cell metabolism to develop disease-modifying therapeutics in immuno-oncology and immuno-inflammation. The collaboration will study up to four novel preclinical targets identified by Sitryx that could lead to potential new medicines for autoimmune diseases.

"As Lilly seeks to develop new and unique medicines for people suffering with autoimmune diseases, we are actively exploring a variety of scientific approaches both in our own labs and with external partners," said Ajay Nirula, M.D., Ph.D., vice president of immunology at Lilly. "Regulating the metabolism of immune cells is a promising approach to treating these diseases, and we look forward to working with the talented researchers at Sitryx to advance their novel immunometabolism targets."

"We are excited to partner with Lilly, one of the global leaders in the field of immunology, to pursue the discovery of novel targets and the development of innovative therapies for autoimmune and inflammatory diseases in the fast-emerging area of immunometabolism," said Neil Weir, Ph.D., chief executive officer of Sitryx. "This agreement is transformational for Sitryx and further validates the strength of our scientific expertise and that of our Founder network and the potential for Sitryx to become a leader in this field."

Under the terms of the agreement, Sitryx will receive an upfront payment of \$50 million and Lilly will make a \$10 million equity investment in Sitryx. Sitryx will be eligible to receive potential development milestones up to \$820 million, as well as commercialization milestones and royalty payments on potential sales in the mid- to high-single digit range. In return, Sitryx will grant Lilly an exclusive, worldwide license to develop and commercialize up to four novel immunometabolism targeted therapeutics, including Sitryx's two lead projects. Lilly and Sitryx will establish a 5-year research collaboration to support the development of the therapeutics, with Sitryx responsible for drug discovery, while Lilly will fund and manage the clinical development and commercial phase of the collaboration.

This transaction is subject to customary closing conditions. The transaction will be reflected in Lilly's reported results and financial guidance according to Generally Accepted Accounting Principles (GAAP). There will be no change to Lilly's 2020 non-GAAP earnings per share guidance as a result of this transaction.

About Sitryx

Sitryx is a biopharmaceutical company focused on regulating cell metabolism to develop disease-modifying therapeutics in immuno-oncology and immuno-inflammation. Sitryx's proprietary science is led by a highly experienced management team and supported by world class academic founders. Sitryx was founded by six world-leading researchers in the field of immunology and metabolism; Houman Ashrafian, Luke O'Neill, Jonathan Powell, Jeff Rathmell, Michael Rosenblum and Paul Peter Tak. Together they have published more than 1,000 papers in the field, making multiple key breakthroughs in our understanding of how critical energetic status is to the behavior of immune cells and in the broader field of immunology. In 2018, Sitryx raised \$30 million Series A funding from an international syndicate of specialist investors including SV Health Investors, Sofinnova Partners, Longwood Fund and GSK. The company has a pipeline of projects at multiple stages of drug discovery. Sitryx is headquartered in Oxford, UK. For more information, please visit www.sitryx.com.

About Eli Lilly and Company

Lilly is a global healthcare leader that unites caring with discovery to create medicines that make life better for people around the world. We were founded more than a century ago by a man committed to creating high-quality medicines that meet real needs, and today we remain true to that mission in all our work. Across the globe, Lilly employees work to discover and bring life-changing medicines to those who need them, improve the understanding and management of disease, and give back to communities through philanthropy and volunteerism. To learn more about Lilly, please visit us at www.lilly.com. C-LLY

Lilly Forward-Looking Statement

This press release contains forward-looking statements (as that term is defined in the Private Securities Litigation Reform Act of 1995) about the benefits of a collaboration between Lilly and Sitryx, and reflects Lilly's current beliefs. However, as with any such undertaking, there are substantial risks and uncertainties in the process of drug development and commercialization. Among other things, there can be no guarantee that Lilly will realize the expected benefits of the collaboration, or that the collaboration will yield commercially successful products. For a further discussion of these and other risks and uncertainties that could cause actual results to differ from Lilly's expectations, please see Lilly's most recent Forms 10-K and 10-Q filed with the U.S. Securities and Exchange Commission. Lilly undertakes no duty to update forward-looking statements.

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