Lilly and Biolojic Design Announce Research Collaboration to Discover and Develop Antibody Therapies for Diabetes

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INDIANAPOLIS and TEL AVIV, March 8, 2021 /PRNewswire/ -- Eli Lilly and Company (NYSE: LLY) and Biolojic Design Ltd. ("Biolojic"), a biotechnology company that computationally designs functional antibodies, today announced a research collaboration and license agreement that will leverage Biolojic's AI-based multibody platform to discover and develop a potential novel antibody-based therapy for the treatment of diabetes.

A multi-specific antibody, or multibody, is a human antibody that is computationally engineered to bind two or more targets at each of its arms. Fine tuning the affinity and respective competition of the two targets can produce therapies with differential activities, which vary depending on tissue localization and metabolic parameters. The specific targets to be studied in the collaboration were not disclosed.

Under the terms of the agreement, Lilly will pay research fees associated with the collaboration and additionally, Biolojic is eligible to receive up to a total of $121 million, consisting of potential development and commercialization milestones and a promissory note that may be convertible into Biolojic equity at a future date. Biolojic is also eligible to receive tiered royalties in the low- to mid-single digits on product sales should Lilly successfully commercialize a therapy from the collaboration.

"Lilly continues to seek out novel methods for developing new medicines, and Biolojic's multi-specific antibody platform is a promising approach," said Ruth Gimeno, Ph.D., vice president of diabetes and metabolic research at Lilly. "We look forward to working closely with the scientific team at Biolojic and leveraging their expertise to discover and develop a potential antibody-based therapy for people with diabetes."

"Our AI-based platform designs single and multi-specific antibodies, or multibodies, that we believe can precisely target predefined epitopes to potentially execute novel biological programs not previously possible with conventional antibodies," said Yanay Ofran, Ph.D., chief executive officer of Biolojic. "Although our internal pipeline is focused on computationally designed antibodies for use in oncology and autoimmune disease, we are excited to partner with Lilly and apply our platform to design potential therapies for diabetes. Our research with Lilly is another example of how our platform could allow reimagining of therapeutic approaches that have not been possible before."

This 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 2021 non-GAAP earnings per share guidance as a result of this transaction.

About Biolojic Design
Biolojic Design is committed to curing patients by designing and developing a pipeline of revolutionary therapeutics. Powered by AI, Biolojic's technology designs single and multi-specific antibodies precisely targeting predefined epitopes to execute novel biological programs. Focusing on diseases that involve the immune system, Biolojic develops a pipeline of antibodies that are designed to unlock the full potential of well-studied pathways. To learn more, please visit www.biolojic.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 Biolojic, Lilly's biologics and drug development strategies, and potential payments to Biolojic in connection with the collaboration, and reflects Lilly's current beliefs and expectations. However, as with any such undertaking, there are substantial risks and uncertainties in the process of drug research, development and commercialization. Among other things, there can be no guarantee that Lilly will realize the expected benefits of the collaboration, that the collaboration will yield commercially successful products, or that Lilly will execute its strategy as expected. 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.

Refer to: Mark Taylor; mark.taylor@lilly.com; (317) 276-5795 (Lilly Media)
Kevin Hern; hern_kevin_r@lilly.com; (317) 277-1838 (Lilly Investors)
Ryo Imai; rimai@burnsmc.com; (212) 213-0006 ext. 315 (Biolojic Media)
Robert Flamm; rflamm@burnsmc.com; 212-213-0006 ext. 364 (Biolojic Media)

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