Lilly and Regor Therapeutics Group Enter into Strategic Collaboration to Discover and Develop Novel Therapies for Metabolic Disorders

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INDIANAPOLIS and SHANGHAI, Dec. 10, 2021 /PRNewswire/ -- Eli Lilly and Company (NYSE: LLY) and Regor Therapeutics Group have entered into a multi-year research collaboration and licensing agreement to discover, develop and commercialize novel therapies for metabolic disorders.

Under the terms of the agreement, Lilly will have a license to select Regor intellectual property with an option to extend the license. Lilly will be responsible for clinical development, manufacturing and commercialization worldwide, except for People's Republic of China, Macau, Hong Kong and Taiwan, where Regor will maintain these rights and responsibilities. The agreement will allow each company the opportunity to fully leverage both parties' existing compounds and technologies globally to maximize patient treatment choice.

"Through this collaboration, we will have the opportunity to expand treatment options available to patients suffering from metabolic disorders," said Ruth Gimeno, Ph.D., vice president, diabetes research and clinical investigation at Lilly. "Regor's technology will also allow Lilly to further accelerate innovation and deliver breakthrough therapies in obesity and diabetes."

"In a little over three years, Regor has established a world-class research organization exemplified by our Computer Accelerated Rational Discovery platform. This collaboration is a recognition for Regor's core technology and research capabilities, but more importantly, it is an extraordinary opportunity to discover, develop and commercialize novel therapeutics to help the millions of patients in the world, "said Xiayang Qiu, Ph.D., founder CEO of Regor. "We are pleased to establish this strategic collaboration with Lilly, a top global leader in metabolic disorders such as diabetes and obesity."

Regor will receive an upfront payment of up to $50 million, which partially includes an equity investment by Lilly in Regor, subject to the parties entering into standard equity agreements. The company is also eligible to receive up to $1.5 billion in potential payments based on the achievement of prespecified preclinical, clinical development and commercial milestones, as well as tiered royalties from low-single to low-double digits on sales resulting from the agreement.

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 Regor Therapeutics Group
Regor Therapeutics is a clinical stage company dedicated to the discovery and development of innovative and clinically differentiated medicines by leveraging the proprietary CARD (Computer Accelerated Rational Discovery) Platform. The company focuses mainly on three therapeutic areas, oncology, immunology, and metabolic disorders. By seamlessly integrating CARD with structural biology, computational chemistry, therapeutic biology, medicinal chemistry, and clinical development, Regor has successfully assembled a world-class scientific team and established a highly efficient new drug innovation engine to enable the discovery and development of best- and first-in-class molecules. To learn more about Regor, please visit us at www.regor.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 Regor Therapeutics, Lilly's research and development strategy, and potential payments to Regor 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 their 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: Jordan Bishop; jordan.bishop@lilly.com; 317-473-5712 (Media)
Kevin Hern; hern_kevin_r@lilly.com; 317-277-1838 (Investors)
Lauren Xuan; communications@qlregor.com; +86-21-31168236 (Regor Media)
Min Zhong; min.zhong@qlregor.com; +86-21-31168226 (Regor Investors)

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