Sangamo Therapeutics Announces Capsid License Agreement With Lilly to Deliver Genomic Medicines for Diseases of the Central Nervous System

April 3, 2025

- *Agreement grants Lilly rights to employ Sangamo's novel proprietary capsid, STAC-BBB, for up to five potential disease targets*
- *Sangamo to receive an $18 million upfront license fee and is eligible to earn up to $1.4 billion in additional licensed target fees and milestone payments across all five potential disease targets, as well as tiered royalties on potential net sales*

RICHMOND, Calif.--(BUSINESS WIRE)--Apr. 3, 2025-- Sangamo Therapeutics, Inc. (Nasdaq: SGMO), a genomic medicine company, today announced it has entered into a license agreement with Eli Lilly and Company ("Lilly"), allowing Lilly to leverage Sangamo's novel proprietary neurotropic adeno-associated virus (AAV) capsid, STAC-BBB, which has demonstrated potent blood-brain barrier penetration and neuronal transduction in nonhuman primates. The agreement grants Lilly a worldwide exclusive license to utilize the STAC-BBB capsid for one initial target, with the right to add up to four additional targets after paying additional licensed target fees, to deliver their intravenously administered genomic medicines to treat certain diseases of the central nervous system.

"We believe STAC-BBB, our industry-leading intravenously delivered AAV capsid, has the potential to play an important role in the treatment landscape by addressing longstanding challenges associated with delivering therapies to the central nervous system," said Sandy Macrae, Chief Executive Officer of Sangamo. "We are pleased to be sharing STAC-BBB with Lilly to advance potential treatments for neurological diseases with significant unmet medical needs. This marks the third agreement with a pharmaceutical company since we announced the discovery of STAC-BBB in March 2024 and demonstrates the continued industry interest in our capsid delivery technology."

Under the terms of the agreement, Sangamo is responsible for completing a technology transfer related to the STAC-BBB capsid. Lilly is responsible for all research, preclinical and clinical development, regulatory interactions, manufacturing, and global commercialization of any resulting gene therapy products. Sangamo will receive an $18 million upfront license fee from Lilly and is eligible to earn up to $1.4 billion in additional licensed target fees and milestone payments across the five potential neurology disease targets, as well as tiered royalties on potential net sales of such products, subject to certain specified reductions.

About Sangamo Therapeutics

Sangamo Therapeutics is a genomic medicine company dedicated to translating ground-breaking science into medicines that transform the lives of patients and families afflicted with serious neurological diseases who do not have adequate or any treatment options. Sangamo believes that its zinc finger epigenetic regulators are ideally suited to potentially address devastating neurological disorders and that its capsid discovery platform can expand delivery beyond currently available intrathecal delivery capsids, including in the central nervous system. Sangamo's pipeline also includes multiple partnered programs and programs with opportunities for partnership and investment. To learn more, visit www.sangamo.com and connect with us on LinkedIn and Twitter/X.

Forward Looking Statements

This press release contains forward-looking statements based on Sangamo's current expectations. These forward-looking statements include, without limitation, statements relating to the potential for Lilly to develop genomic medicines to treat neurodegenerative diseases by leveraging Sangamo's capsid delivery capabilities, the potential for STAC-BBB to play an important role in the treatment landscape and address challenges in delivering therapeutics to the central nervous system, the potential of Sangamo's capsids to deliver therapies treating neurological diseases, the potential for Lilly to expand its license to include additional targets and to perform research, preclinical and clinical development, manufacturing and global commercialization of licensed gene therapy products for each licensed target, expectations concerning Sangamo's receipt of an upfront license fee, the potential for Sangamo to receive additional licensed target fees, milestone payments, and royalties, and other statements that are not historical fact. These statements are not guarantees of future performance and are subject to certain risks and uncertainties that are difficult to predict. Factors that could cause actual results to differ include, but are not limited to, the research and development process, including the results of preclinical studies and clinical trials; the regulatory approval process for product candidates; the potential for technological developments that obviate technologies used by Sangamo and its partners; the potential discontinuation of industry interest in Sangamo's capsid delivery technology; any breach or termination of the Lilly agreement; and the potential for Sangamo to fail to realize its expected benefits from the Lilly agreement; Sangamo's inability to secure additional collaboration partners; and Sangamo's need for substantial additional funding to operate as a going concern. There can be no assurance that Sangamo will earn any milestone or royalty payments under the Lilly agreement or that Lilly will obtain regulatory approvals for product candidates arising from this agreement. Actual results may differ from those projected in forward-looking statements due to risks and uncertainties that exist in Sangamo's and Lilly's operations and businesses. Sangamo's risks and uncertainties are described more fully in Sangamo's Securities and Exchange Commission, or SEC, filings and reports, including in its Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC, and future filings and reports that Sangamo makes from time to time with the SEC. Forward-looking statements contained in this announcement are made as of this date, and Sangamo undertakes no duty to update such information except as required under applicable law.

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