Aligos Therapeutics Expands Collaboration with Merck to Develop Oligonucleotide Therapies for NASH

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SOUTH SAN FRANCISCO, Calif., Jan. 11, 2022 (GLOBE NEWSWIRE) -- Aligos Therapeutics, Inc. (Nasdaq: ALGS) a clinical stage biopharmaceutical company focused on developing novel therapeutics to address unmet medical needs in viral and liver diseases, today announced that it has expanded its ongoing collaboration agreement with Merck to discover and develop oligonucleotide therapies for non-alcoholic steatohepatitis (NASH).

“We believe that one of our strengths as a company is our technical know-how in several areas of oligonucleotide research and development,” said Lawrence Blatt, Ph.D., MBA, Chairman and Chief Executive Officer of Aligos. “We are pleased to broaden our collaboration where we may be able to contribute to creating effective, targeted therapies for NASH together with Merck.”

Under the original agreement, Merck and Aligos committed to applying Aligos’ oligonucleotide platform technology to discover, research, optimize and develop oligonucleotides directed against a certain undisclosed non-alcoholic steatohepatitis (NASH) target and up to one additional target of interest in the cardiometabolic/fibrosis space. That agreement has now been expanded to include the in-license by Merck of an early-stage program with respect to a second undisclosed NASH target on which Aligos has previously been working independently and separately from Merck. In addition, under this expanded arrangement, Merck has the ability of adding an additional third target of interest in the cardiometabolic/fibrosis space to the collaboration.

“We are encouraged by the progress made to date in our ongoing collaboration with Aligos and look forward to applying Aligos’ technology towards a second target moving forward,” said Dr. Ajay Chawla, Vice President, Cardiometabolic Disease Discovery, Merck Research Laboratories.

Under the expanded agreement, Aligos will receive a payment from Merck for the in-license of the program directed at a second undisclosed NASH target. Additionally, Aligos will receive an additional payment upon designation of a third target for the collaboration. With respect to each target in the collaboration, Aligos will be eligible to receive up to ~$460M in development and commercialization milestones as well as tiered royalties on net sales. Aligos is primarily responsible for designing, synthesizing and evaluating the oligonucleotide candidates and delivering optimized lead molecules. Thereafter, Merck is responsible for subsequent research, clinical development and commercialization.

About Aligos

Aligos Therapeutics, Inc. is a clinical stage biopharmaceutical company that was founded in 2018 with the mission to become a world leader in the treatment of viral infections and liver diseases. Aligos is focused on the development of targeted antiviral therapies for chronic hepatitis B (CHB) and coronaviruses as well as leveraging its expertise in liver diseases to create targeted therapeutics for nonalcoholic steatohepatitis (NASH). Aligos’ strategy is to harness the deep expertise and decades of drug development experience its team has in liver disease, particularly viral hepatitis, to rapidly advance its pipeline of potentially best-in-class molecules.

Forward-Looking Statement

This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Any statements in this press release that are not historical facts may be considered “forward-looking statements,” including, but not limited to, statements with respect to Aligos’ belief that one of its strengths is its technical know-how in several areas of oligonucleotide research and development and being able to contribute to creating effective, targeted NASH therapies together with Merck; Merck looking forward to applying Aligos’ oligonucleotide-based platform technology towards the second NASH target in-licensed by Merck; the potential of Merck adding a third target of interest in the cardiometabolic/fibrosis space to the collaboration and Aligos receiving an additional upon such event; Aligos’ eligibility on receiving development and commercialization milestones and royalties from Merck; and Aligos’ strategy to harness its expertise and experience in liver disease to advance its own pipeline of potentially best-in-class molecules**.** Forward-looking statements are typically, but not always, identified by the use of words such as “may,” “will,” “would,” “believe,” “intend,” “plan,” “anticipate,” “estimate,” “expect,” and other similar terminology indicating future results. Such forward-looking statements are subject to substantial risks and uncertainties that could cause our development programs, future results, performance or achievements to differ materially from those anticipated in the forward-looking statements. Such risks and uncertainties include without limitation risks and uncertainties inherent in the drug development process, including Aligos’ clinical-stage of development, the process of designing and conducting clinical trials, the regulatory approval processes, the timing of regulatory filings, the challenges associated with manufacturing drug candidates, Aligos’ ability to successfully establish, protect and defend its intellectual property, other matters that could affect the sufficiency of Aligos’ capital resources to fund operations, reliance on third parties for manufacturing and development efforts, changes in the competitive landscape and the effects on our business of the worldwide COVID-19 pandemic. For a further

description of the risks and uncertainties that could cause actual results to differ from those anticipated in these forward-looking statements, as well as risks relating to the business of Aligos in general, see Aligos' Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 4, 2021, as well as other documents Aligos files from time to time with the Securities and Exchange Commission. Except as required by law, Aligos undertakes no obligation to update any forward-looking statements to reflect new information, events or circumstances, or to reflect the occurrence of unanticipated events.

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