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Press release | Umeå March 10, 2021

Lipigon expands collaboration with HitGen to develop a second novel drug for lipid disorders

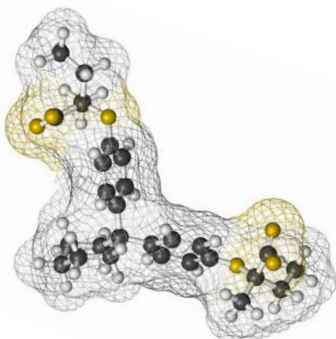
Lipigon Pharmaceuticals AB ("Lipigon"), developer of therapeutics for lipid-related diseases, today announced that the company has expanded its agreement with the Shanghai STAR listed company HitGen Inc. ("HitGen") to include a second novel target protein. With joint efforts, the aim is to develop a treatment for cardiometabolic disease.

Lipigon and HitGen have been collaborating on developing molecules enhancing the enzyme lipoprotein lipase ("LPL") activity since May 2020, with the aim to develop a novel drug for lipid disorders. Now the time is right to expand the collaboration by selecting a second, yet undisclosed, target protein.

By using HitGen's proprietary DEL screening platform, the parties will identify novel small molecules and jointly develop a candidate drug. HitGen's DEL technology enables screening of thousands of times more compounds than with traditional high-throughput screening. Lipigon will be responsible for clinical development and out-licensing of commercialization rights of the drug candidates. HitGen is entitled to a starting fee and revenue sharing for any candidate resulting from the collaboration.

"We are deeply impressed by the HitGen team's professionalism and hard work in the pre-screening activities of target protein 1 – LPL. We are therefore pleased to expand our collaboration to include a second target," said Dr. Stefan K. Nilsson, CEO of Lipigon. "Target protein 2 is just as exciting as LPL and has a similarly strong genetic and clinical validation. HitGen's world-leading screening platform will give us a good shot at finding relevant starting points for drug development."

"HitGen is determined to help biology expert companies, such as Lipigon, finding new small-molecule leads where traditional screening has not been successful. We have a good track record of succeeding with difficult target proteins and with the input of Lipigon we hope to bring good lead candidates to the table," said Dr. Jin Li, Chairman of the Board and Chief Executive Officer of HitGen.





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This is information that Lipigon Pharmaceuticals AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 1.00 pm CET, on 10 March 2021.

About Lipigon

Lipigon develops novel therapeutics for patients with lipid metabolism disorders. The company is based on over 50 years of lipid research at Umeå University, Sweden. Lipigon's initial focus is on orphan drugs and niche indications, but in the long term, the company will have the opportunity to target broader indications in the area, such as diabetes and cardiovascular disease. Lipigon's pipeline includes four active projects: the RNA-drug Lipisense, for treatment of hypertriglyceridemia; an RNA-drug for treatment of acute respiratory distress syndrome; a gene therapy treatment for the rare disease lipodystrophy, together with Combigene AB (publ); and a small molecule program for treatment of dyslipidemia in collaboration with HitGen (Inc).

The company's share (LPGO) is traded on the Nasdaq First North Growth Market. Certified Adviser is G&W Fondkommission, email: ca@gwkapital.se, phone: +46 8 503 000 50.

About HitGen Inc.

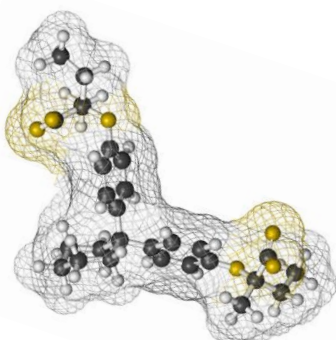
HitGen Inc. is a rapidly developing biotech company headquartered in Chengdu, China, with subsidiaries in Cambridge, UK and Houston, USA. It became a publicly listed company in Shanghai Stock Exchange in April 2020 (ticker code 688222.SH). HitGen has established an industry-leading platform for early-stage drug discovery research, based on DNA encoded chemical libraries (DELs). HitGen is collaborating with pharmaceutical, biotech and chemical companies, foundations and research institutes in North America, Europe, Asia, Africa, and Australia to enable the discovery and development of novel medicines and agrochemicals.

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