



Regulus Therapeutics Announces Restructuring of Sanofi and Oxford Loan Agreements

August 31, 2020

LA JOLLA, Calif., Aug. 31, 2020 /PRNewswire/ -- [Regulus Therapeutics Inc.](#) (Nasdaq: RGLS), a biopharmaceutical company focused on the discovery and development of innovative medicines targeting microRNAs, today announced that pursuant to an amendment of its term loan agreement with Oxford LLC, the Company is eligible for up to an additional seven months of interest only payments in the event the Company pays down \$10 million in loan principal before April 30, 2021 (the "Principal Paydown Event") utilizing proceeds from the sale of materials to, and potential milestones received from, Sanofi as described below. In the event the Principal Paydown Event does not occur by April 30, 2021, the Company will make principal and accrued interest payments, in arrears, commencing May 1, 2021, in accordance with the previously amended terms. If the Principal Paydown Event occurs after April 30, 2021 but on or before July 31, 2021, then the Company will recommence an extended interest only payment period through December 31, 2021. In the event the Company receives the additional interest only period, principal and accrued interest payments will recommence on January 1, 2022.



Concurrently with the Oxford amendment described above, the Company also entered into an amendment with Sanofi concerning the receipt of potential milestones from Sanofi for its development of miR-21 programs. The Company has also sold additional compound-related materials to Sanofi in exchange for \$1 million. Under the terms of the amendment with Sanofi, and in lieu of the previous \$10 million enrollment milestone, the Company is eligible to receive an additional \$4 million upon the completion of transfer and verification of the materials sold to Sanofi and an additional \$5 million milestone upon achievement of the enrollment milestone. In the event the enrollment milestone occurs first, the Company will receive the entire \$9 million for both milestones. In addition, the Company is eligible to receive \$25.0 million upon the achievement of an additional development milestone related to Sanofi's development of miR-21 compounds.

"We are pleased to enter into these two amended agreements with our partner, Sanofi, and with our lender, Oxford," stated Jay Hagan, CEO of Regulus. "Their creative support in this restructuring provides Regulus the opportunity to pay down debt principal with Oxford from the proceeds received from Sanofi while potentially extending our interest-only period through the end of 2021."

About Regulus

Regulus Therapeutics Inc. (Nasdaq: RGLS) is a biopharmaceutical company focused on the discovery and development of innovative medicines targeting microRNAs. Regulus has leveraged its oligonucleotide drug discovery and development expertise to develop a pipeline complemented by a rich intellectual property estate in the microRNA field. Regulus maintains its corporate headquarters in La Jolla, CA.

Forward-Looking Statements

Statements contained in this press release regarding matters that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements associated with the achievement of milestone payments from its collaboration partners and paydown of its debt with Oxford LLC. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Words such as "believes," "anticipates," "plans," "expects," "intends," "will," "goal," "potential" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon Regulus' current expectations and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of

events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties, which include, without limitation, risks associated with the process of discovering, developing and commercializing drugs that are safe and effective for use as human therapeutics and in the endeavor of building a business around such drugs. In addition, while Regulus expects the COVID-19 pandemic to adversely affect its business operations and financial results, the extent of the impact on Regulus' ability to achieve its preclinical and clinical development objectives and the value of and market for its common stock, will depend on future developments that are highly uncertain and cannot be predicted with confidence at this time, such as the ultimate duration of the pandemic, travel restrictions, quarantines, social distancing and business closure requirements in the U.S. and in other countries, and the effectiveness of actions taken globally to contain and treat the disease. These and other risks are described in additional detail in Regulus' filings with the Securities and Exchange Commission. All forward-looking statements contained in this press release speak only as of the date on which they were made. Regulus undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made.

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