

Novo Nordisk expands partnership with Valo Health for CVD, T2D, and obesity treatment – January 8, 2025

Valo Health leverages AI-powered Opal Computational Platform; near-term payments of \$190 million, plus milestone payments of up to \$4.6 billion for 20 drug programs – up from \$2.7 billion for 11 programs in 2023

Novo Nordisk [announced](#) today an expanded partnership with Massachusetts-based [Valo Health](#), a company launched in 2020 that leverages an AI-powered computational platform to identify novel therapeutic targets.

This partnership builds on the agreement from [September 2023](#), when Valo Health received \$60 million upfront, plus milestone payments of up to \$2.7 billion for 11 drug programs in cardiometabolic diseases. With today’s news, Valo Health will receive \$190 million for upfront, near-term milestone payments and equity investments. Valo Health can also receive up to \$4.6 billion in milestone payments for 20 drug programs in T2D, obesity, and cardiovascular diseases (CVD). Furthermore, Valo Health will receive R&D funding and potential royalty payments.

Under the agreement, Valo Health will continue to use its [Opal Computational Platform](#), an AI and patient data-powered small molecule discovery and human tissue modeling platform. In [September 2023](#), Novo Nordisk licensed three preclinical drug discovery programs in CVD developed by Valo Health. Today’s [press release](#) noted that the two companies have found several small molecule candidates for cardiometabolic diseases, currently in preclinical stages, from the year-long collaboration.

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Valo Health recently suspended development of phase 2 candidate for diabetic retinopathy; commitment to renew focus on the Opal platform

In [December 2024](#), Valo Health announced topline results of the phase 2 [SPECTRA](#) study (n=114) of oral OPL-0401 (non-selective Rho kinase 1 and 2 inhibitor) for diabetic retinopathy. While certain doses showed promise in preventing the progression of diabetic retinopathy, OPL-0401 did not meet primary or secondary endpoints (improvements in the diabetic retinopathy severity score). In the study, OPL-0401 demonstrated a favorable safety and tolerability profile. Following the study results, Valo Health decided to suspend the development of OPL-0401 and seek a partner interested in further pursuing this candidate.

Aside from OPL-0401, management expressed interest in developing new drugs using the Opal platform (read more [here](#) for our commentary on this platform). Of note, OPL-0401 did not leverage the Opal Computational Platform.

Novo Nordisk’s partnership with Valo is among the largest financially

Just [yesterday](#), Novo Nordisk and Variant Bio announced a multi-year research partnership for genomic research in metabolic diseases. This partnership represents just one of many collaborations, as Novo Nordisk is proactively working with other companies to advance candidates for cardiometabolic diseases. Given that Novo Nordisk’s partnership with Valo Health is among the largest, we’re interested to see how the company will leverage this collaboration to advance the pipeline. See the table below for a comparison and an overview of Novo Nordisk’s recent partnerships.

Table 1: Novo Nordisk Partnerships 2024 and 2025

Date	Details
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Variant Bio, January 2025	<p>Seattle-based Variant Bio announced a partnership with Novo Nordisk to advance research on discovering novel targets in metabolic diseases with genomic research. Variant Bio will leverage its proprietary VB-Inference program, as well as its global community partners, to identify and validate genetic variations associated with metabolic diseases. Novo Nordisk will pay up to \$50 million in upfront payments and R&D funding, in addition to potential milestone payments. Variant Bio will share the funding with its partners worldwide that share genetic data as part of the company's long-term benefit-sharing pledge launched in 2020.</p>
Photys Therapeutics, December 2024	<p>Massachusetts-based Photys Therapeutics announced its collaboration with Novo Nordisk to develop new proximity-based therapies for an undisclosed cardiometabolic disease. Under the agreement, Photys will be responsible for preclinical development, and Novo Nordisk will advance therapeutic candidates through clinical, regulatory, and commercial stages. Photys will receive up to \$186 million across upfront and milestone payments, in addition to royalties and R&D funding.</p>
Ascendis, November 2024	<p>Denmark-based Ascendis announced that Novo Nordisk has acquired an exclusive global license to its TransCon technologies, which leverages sustained release technologies, to develop therapeutics for cardiometabolic diseases, including once-monthly GLP-1 RA for obesity and T2D. Novo Nordisk will pay Ascendis a total of \$285 million upfront, plus milestones up to \$77.5 million for additional candidates.</p>
Kallyope, September 2024	<p>Novo Nordisk signed a license agreement with Kallyope to advance a novel peptide therapy for obesity. Kallyope has identified this ligand, which Novo Nordisk has licensed to further develop as a candidate for obesity. Novo Nordisk is responsible for further preclinical and clinical development, manufacturing, and commercialization of the selected ligand. Kallyope has received an undisclosed upfront payment and may receive additional payments for development, sales milestones, and license product royalties.</p>
Korro Bio, September 2024	<p>Novo Nordisk partnered with Massachusetts-based Korro Bio to develop two RNA-based therapeutics targeting cardiometabolic diseases. Korro's RNA-editing OPERA platform will help develop two undisclosed targets. Korro can receive up to \$530 million, including upfront, development, and commercial milestone payments, in addition to royalties and R&D funding.</p>
Evotec, September 2024	<p>Novo Nordisk partnered with Evotec to develop stem cell-based therapies in an undisclosed therapeutic area. Novo Nordisk will fund development and manufacturing, although financial terms remain undisclosed, and will have an option to use developed technologies exclusively for pre-defined therapeutic area</p>
Omega and Cellarity, January 2024	<p>Novo Nordisk formed alliances with Omega Therapeutics and Cellarity, both based in Massachusetts, to explore treatments for obesity and MASH, through a collaboration with venture capital fund Flagship Pioneering that began in May 2022.</p>

--by Kat Moon, Esther Min, Monica Oxenreiter, and Kelly Close