MBOAT7 and CDS2 coordinate lipid droplet dynamics and cholesterol metabolism in liver

Jiesi Xu[1, 2, *], Jianxin Zhang[2, 3, *], Wei Wang[2], Honggang Su[2, 3], Siyu Chen[4], Mei Ding[2,] and Xun Huang[2, 5, #]

1. The Key Laboratory of Geriatrics, Beijing Institute of Geriatrics, Institute of Geriatric Medicine, Chinese Academy of Medical Sciences, Beijing Hospital/National Center of Gerontology of National Health Commission, Beijing, 100730, China

2. Institute of Genetics and Developmental Biology, Chinese Academy of Sciences, Beijing 100101, China

3. University of Chinese Academy of Sciences, Beijing 100049, China

4. Medical Research Center, Beijing Institute of Respiratory Medicine and Beijing Chao-Yang Hospital, Capital Medical University, Beijing 100020, China

5. Tianjian Laboratory of Advanced Biomedical Sciences, Zhengzhou University, Zhengzhou 450001, China

* Equal contribution

To whom correspondence should be addressed at: Institute of Genetics and Developmental Biology, Chinese Academy of Sciences, Beijing 100101, China

86-10-64806560 (Tel & Fax)

Email: xhuang@genetics.ac.cn

Abstract

Metabolic dysfunction-associated steatotic liver disease (MASLD) affects 20%–25%
of the global population. A common genetic variant, rs641738, in the
membrane-bound O-acyltransferase 7 (MBOAT7) gene, is strongly associated with
disease progression. However, the physiological function and regulatory mechanisms
of MBOAT7 remain incompletely understood. Lipid droplet (LD) accumulation is a
hallmark of MASLD. In this study, we reveal a coordinated role of MBOAT7 and
CDP-diacylglycerol synthase 2 (CDS2) in regulating LD size and cholesterol
metabolism. Under normal conditions, CDS2 interacts with MBOAT7 at the
endoplasmic reticulum (ER). In the absence of CDS2, however, MBOAT7 relocates to
ER-LD contact sites in a RAB1-dependent manner, where it competes with DGAT2
for RAB1 binding. This competition inhibits LD expansion and promotes lipolysis.
This MBOAT7-mediated LD size reduction activates the AMPK-LXR axis, enhancing
cholesterol excretion, while loss of MBOAT7 or CDS2 disrupts this pathway, leading
to hepatic cholesterol accumulation. Together, our study identifies a
CDS2-MBOAT7-RAB1 regulatory axis controlling LD homeostasis and cholesterol
metabolism.

Introduction

Metabolic dysfunction-associated steatotic liver disease (MASLD) is the most common chronic liver disorder worldwide, affecting 20%-25% of the general population [1,2]. Inadequate understanding of the underlying mechanism has hindered the development of drugs to treat the disease. Genetic predisposition is clearly an important factor in the pathogenesis of the disease [3].

The MBOAT7 (membrane-bound O-acyltransferase 7) variant rs641738 (C>T, loss of function mutation) has been strongly linked to all stages of MASLD, including steatosis, inflammation and fibrosis [4-7]. MBOAT7 exhibits lysophosphatidylinositol (LPI) acyltransferase activity, preferentially incorporating arachidonic acid into phosphatidylinositol (PI) as part of the PI remodeling pathway, also known as the Lands' cycle [8]. PI can also be synthesized *de novo* via the Kennedy pathway. A key step in this pathway is the formation of CDP-diacylglycerol (CDP-DAG) in liver, catalyzed by CDS (CDP-DAG synthase) [8,9]. Notably, CDS2 is selectively inhibited by PI species containing arachidonoyl chains (PI-AA), indicating a potential link between MBOAT7 and CDS2 [10]. Previous studies have shown that *Mboat7* depletion leads to lipid accumulation and metabolic dysfunction-associated steatohepatitis (MASH), partly through increasing CDS2 activity [11,12]. However, our earlier work demonstrated that deletion of *Cds2* in mice leads to spontaneous development of MASH, phenocopying the effects of MBOAT7 loss-of-function [13]. CDS2 deficient mammalian cells have elevated lipid accumulations [14,15]. These findings highlight a complex regulatory interplay between MBOAT7 and CDS2 in lipid metabolism, underscoring the need for further investigation into their roles in MASLD.

Lipid droplets (LD) accumulation is a defining characteristic of MASLD [16]. The surface of LDs hosts specific proteins, some of which are also ER proteins [17,18]. Proteins can target the LD monolayer from the ER bilayer, either during LD formation or later via ER-LD bridges [19]. This ER-to-LD targeting process requires membrane-fusion proteins such as Rabs, membrane-tethering complex components, and SNAREs [20-22]. MBOAT7 has been identified in the ER, ER-associated membranes (MAMs), and LD fractions [23,24], however, the mechanism by which MBOAT7 targets

LDs and its precise role on LDs remain poorly understood. CDS2 is enriched in ER

and MAMs [13]. Depletion of CDS2 results in the formation of "supersized" LDs [14,15].

Here, we report that MBOAT7 and CDS2 jointly regulate LD size and cholesterol

metabolism. Mechanistically, MBOAT7 is primarily localized to the ER, but in

CDS2-deficient cells, MBOAT7 relocates to ER-LD contacts with the help of RAB1.

Our findings show that CDS2 depletion increases LD size, while expression of

MBOAT7 reduces LD size in CDS2-deficient cells. Moreover, LD-associated

MBOAT7 promotes lipolysis and inhibits the targeting of DGAT2 to LDs, activating

the AMPK-LXR axis and enhancing cholesterol excretion. Conversely, knockdown of

either *Mboat7* or *Cds2* suppresses the AMPK-LXR axis, leading to increased

cholesterol content in liver. This study demonstrates that MBOAT7 and CDS2

regulate LD dynamics and cholesterol metabolism, revealing their roles in the

pathogenesis of MASLD.

Results

MBOAT7 and CDS2 regulate cholesterol and fatty acid metabolism in liver

To investigate the connection between MBOAT7 and CDS2, we analyzed hepatic

transcriptome datasets and GEPIA (Gene Expression Profiling Interactive Analysis).

This showed that *MBOAT7* and *CDS2* expression levels in human liver samples are

positively correlated (Figure 1A-C). Both *MBOAT7* and *CDS2* are upregulated in liver

tumor samples compared with non-tumor liver samples (Figure S1A). To determine

the roles of MBOAT7 and CDS2 in the regulation of hepatic lipid metabolism, we

specifically knocked down these enzymes in the liver by injecting C57BL/6 mice with

AAV-TBG-sh*Mboat7*, AAV-TBG-sh*Cds2* or

AAV-TBG-sh*Mboat7*+AAV-TBG-sh*Cds2* (Figure 1D). Consistent with previous

report [25], knockdown of *Mboat7* in liver did not affect plasma lipid content but

increased hepatic triglyceride and cholesterol content (Figure 1E-F and Figure S1B-C).

Knockdown of *Cds2* did not affect plasma triglyceride content, but increased plasma

and hepatic cholesterol and hepatic triglyceride content (Figure 1E-F and Figure

S1B-C). Knockdown of both *Mboat7* and *Cds2* did not further enhance triglyceride

and cholesterol content (Figure 1E-F and Figure S1B-C), indicating that combined

knockdown of *Mboat7* and *Cds2* did not exert additive effects on the increased lipid

levels. Consistent with the above results, H&E staining showed that knockdown of

Mboat7, *Cds2*, and *Mboat7* + *Cds2* increased hepatic steatosis (Figure 1G-H).

To examine the pathways regulated by MBOAT7 and CDS2, we performed RNA

sequencing (RNAseq) analysis on liver from the sh*Mboat7*, sh*Cds2*, and sh*Mboat7* +

sh*Cds2* groups. When we compared the results, we noticed an extensive overlap

between the three datasets: 266 genes were significantly upregulated and 301 genes

were significantly downregulated in all three groups (Figure 1I). Kyoto Encyclopedia

of Genes and Genomes (KEGG) analysis revealed significant changes in cholesterol

and fatty acid metabolism pathways among the genes with downregulated expression

in all three groups (Figure 1J). For the genes with upregulated expression in all three

groups, KEGG analysis revealed significant alterations in steroid biosynthesis and

non-alcoholic fatty liver pathways (Figure S1D). LXR, a key regulator of cholesterol

efflux, controls the transcription levels of genes such as *Abca1* and *Abcg5/8*. Our

qPCR analysis showed that genes involved in cholesterol excretion (*Lxr, Abcg8* and

Abca1) were downregulated in liver (Figure 1K), indicating that reduced expression

of *Mboat7* or *Cds2* impairs cholesterol excretion. Knockdown of *Mboat7* and *Cds2*

increased the expression of *Fasn*, which regulates fatty acid biosynthesis (Figure 1K).

Accordingly, LXR protein levels were reduced in the liver of sh*Mboat7*, sh*Cds2*, and

sh*Mboat7*+sh*Cds2* mice (Figure 1L and Figure S1E). Nuclear SREBP2 and HMGCR

levels were diminished, likely due to feedback inhibition of cholesterol biosynthesis

by increased cellular cholesterol levels (Figure 1L and Figure S1E). ALT and AST

measurements revealed that knockdown of *Mboat7* or *Cds2* or both did not exacerbate

liver inflammation (Figure S1F and G). Overall, these data suggests that MBOAT7

and CDS2 coordinate fatty acid and cholesterol metabolism.

MBOAT7 is localized to the ER-LD contacts in lipid-loaded CDS2 KO cells

To investigate how MBOAT7 and CDS2 cooperatively regulate lipid metabolism, we

focused on lipid droplets (LDs). Previous studies have shown that CDS2 knockout

increases LD size [15]. We examined the localization and roles of MBOAT7 in LD

regulation. MBOAT7-EGFP exhibited an ER-like localization pattern in both

wild-type and CDS2 KO HeLa cells (Figure S2A and B). Interestingly, in CDS2 KO

cells treated with oleic acid (OA) to induce LD formation, MBOAT7-EGFP (Figure

2A-B) and MBOAT7-mCherry (Figure S2C-D) surrounded LDs stained by LipidTOX

and BODIPY, respectively. In contrast, MBOAT7-EGFP did not show colocalization

with LDs in OA-treated control HeLa cells (Figure 2A-B). Furthermore, in

OA-treated CDS2 KO cells, MBOAT7-EGFP was colocalized with the LD marker

mScarlet-PLIN1, whereas no such colocalization was observed in control cells

(Figure S2E). Similarly, in OA-treated HepG2 cells, MBOAT7-EGFP remained

localized to the ER, but enclosed LDs when CDS2 was knocked down (Figure S2F).

We also analyzed the localization of endogenous MBOAT7. In OA-treated CDS2 KO

cells, endogenous MBOAT7 colocalized with LDs, but this was not observed in

OA-treated control cells (Figure 2C-D). 3D reconstruction of the LD surface

confirmed that MBOAT7 localized to the LD surface in OA-treated CDS2 KO cells

(Figure 2E).

The colocalization of MBOAT7 with LDs in CDS2 KO cells led us to test

whether CDS2 depletion affects the targeting of other ER proteins to LDs. The ER

marker mScarlet-SEC61b did not colocalize with LDs in OA-loaded CDS2 KO cells

(Figure 2F-G). Since CDS2 protein levels are downregulated in MASLD mouse

models [13], we also tested whether MBOAT7 targets to LDs in the liver of MASLD

model mice, in which MASLD is induced by the feeding with the

fat/fructose/cholesterol-rich Gubra-Amylin NASH (GAN) diet. Confocal imaging

showed that endogenous MBOAT7 was more enriched at the LD periphery in liver

sections from GAN diet-induced MASLD mice compared to those from normal mice

(Figure 2H-I). Since MBOAT7 is a multipass transmembrane protein, it is likely

localized to the ER regions adjacent to LDs, rather than to the LD membrane. These

findings suggest that MBOAT7 specifically localizes to the ER-LD contacts in

lipid-overloaded CDS2-deficient cells but not in control cells.

The N-terminus of MBOAT7 is required for localization of MBOAT7 to ER-LD contacts in CDS2 KO cells

MBOAT7 consists of 11 transmembrane (TM) helices organized into two bundles (TM1-5 and TM9-11) that tilt apart, creating a central catalytic chamber [26] (Figure 3A). To identify the region required for the localization of MBOAT7 to ER-LD contacts, we generated three EGFP-tagged truncated versions of MBOAT7, containing the N-terminal region (amino acids 1-135), the central region (180-310), and the C-terminal region (311-472) (Figure 3A). Only the N-terminal region localized to ER-LD contacts in CDS2 KO cells, and MBOAT7 with a deletion of the N-terminal 99 amino acids did not localize to ER-LD contacts (Figure 3B). We further investigated the specific TM regions critical for LD targeting in CDS2 KO cells. Deleting TM1-2 slightly disrupted MBOAT7's ring-like pattern on LDs, while deleting TM3-4 completely abolished its LD anchoring (Figure 3C). To validate the importance of TM3-4 for ER-LD localization, we generated chimeric proteins by swapping TM3 or TM4 with the corresponding regions from MBOAT5, which belongs to the membrane-bound O-acyltransferase (MBOAT) family and carries out re-acylation of phosphatidylserine (PS) and phosphatidylcholine (PC) on ER. MBOAT7 and MBOAT5 have similar structure [26]. These chimeric proteins failed to localize to LDs (Figure 3D). Therefore, the N-terminus of MBOAT7, particularly TM3-4, is required for the localization of MBOAT7 to ER-LD contacts in CDS2 KO cells.

MBOAT7 interacts with CDS2

Next, we examined why MBOAT7 is localized to the ER-LD contacts in CDS2 KO cells but not in control cells. Similar to MBOAT7, CDS2 is localized to the ER and MAMs [13]. We hypothesized that CDS2 retains MBOAT7 at the ER, while MBOAT7 relocates to the ER-LD contacts in the absence of CDS2. Co-immunoprecipitation (co-IP) assays demonstrated that Flag-CDS2 precipitated MBOAT7-EGFP (Figure 3E), and conversely, MBOAT7-EGFP precipitated Flag-CDS2 (Figure 3F). Using CRISPR-based knock-in (KI) of EGFP at the N-terminus of endogenous CDS2, we

found that endogenous CDS2 coprecipitated with endogenous MBOAT7 (Figure 3G).

To examine the direct binding between these two proteins, we purified His-MBOAT7

from *E. coli* and Flag-CDS2 from mammalian cells. Western blot analysis confirmed

their direct interaction (Figure 3H). Overall, these results indicate that CDS2 interacts

with MBOAT7, retaining it at the ER.

RAB1 is required for localization of MBOAT7 at ER-LD contacts in CDS2 KO

cells

Next, we investigated how MBOAT7 targets to the ER-LD contacts in CDS2 KO cells.

ER proteins typically target the LD monolayer surface, which requires membrane

continuity between the ER outer leaflet and the LD monolayer [19]. This targeting can

occur either during early LD formation or to mature LDs after their formation. These

ER proteins associate with the LD monolayer through hydrophobic hairpins, which

insert midway into the lipid bilayers of the ER, with both the N- and C-termini facing

the cytosol [27]. MBOAT7, however, is a multispanning transmembrane protein with 11

transmembrane domains, making it unlikely that MBOAT7 localizes directly to the

LD monolayer. Since MBOAT7 lacks a hairpin structure, we hypothesized that

ER-localized MBOAT7 associates with LDs in CDS2 KO cells via interaction with

LD-associated proteins.

We immunoprecipitated MBOAT7-EGFP from control and CDS2 KO cells and

identified its interacting proteins using LC-MS/MS (Figure 4A). We hypothesized that

MBOAT7 would interact with LD proteins in CDS2 KO cells but not in control cells,

so we selected candidates whose interaction with MBOAT7 in CDS2 KO cells was at

least 2-fold stronger than in control cells. Based on previously published LD

proteomes [28-30], we focused on LD proteins. Five proteins from our dataset were

shared with all the published LD proteomes (Figure 4B). Interestingly, of these five

candidates, four of them are RAB proteins (RAB1A, RAB7A, RAB14 and RAB18)

(Figure 4C). RAB1 mediates targeting triglyceride biosynthetic enzymes to LDs [20,31].

Our results showed that knockdown of RAB1A impaired the LD targeting of

MBOAT7 in OA-loaded CDS2 KO cells (Figure 4D-F). Co-IP assays showed that

MBOAT7-EGFP interacted with Flag-RAB1A in CDS2 KO cells but not in control

cells, suggesting that RAB1A helps MBOAT7 target to the ER-LD contacts in CDS2

KO cells (Figure 4G). Furthermore, expressing HA-tagged CDS2 in CDS2 KO cells

inhibited the interaction between MBOAT7 and RAB1A (Figure 4H). We then

determined the binding sites between MBOAT7 and RAB1A. MBOAT7 structure

were shown previously [26]. The crystal structure of RAB1A was predicted using

AlphaFold3, and the 3D structure of MBOAT7/RAB1A docking was simulated. The

results showed that the amino acid residues F134, S135, E178 in MBOAT7 and the

amino acid residues F73, Y80, K90 in RAB1A were the potential interaction sites

(Figure 4I). Mutation of the predicted binding sites within MBOAT7 to alanine

abrogated their interaction (Figure 4J). Together, these results suggest that RAB1A is

essential for targeting of MBOAT7 to the ER-LD contacts in CDS2 KO cells, and that

CDS2 inhibits this targeting by competing with RAB1A for binding to MBOAT7.

MBOAT7 reduces LD size in CDS2 KO cells by inhibiting the targeting of

DGAT2 to LDs

We next investigated the function of ER-LD contact-localized MBOAT7.

Overexpression of MBOAT7-EGFP did not affect LD size in control cells, but it

reduced LD size in CDS2 KO cells (Figure 5A-B). Overexpression of an MBOAT7

mutant with reduced catalytic activity (MBOAT7(N321A, H356A)-EGFP) still

reduced the LD size in CDS2 KO cells (Figure 5A-B). This indicates that the effect of

MBOAT7 on LD size reduction in CDS2 KO cells is independent of its enzymatic

activity.

To explore the underlying mechanism, we considered previous findings

suggesting that the lipid biosynthetic enzymes DGAT2 and GPAT4 target LDs earlier

in CDS2 KO cells than in control cells, promoting LD growth [14]. The previous study

also showed that knockdown of DGAT2 or GPAT4 reduced the LD size in CDS2 KO

cells [14]. Since RAB1 is required for targeting of DGAT2 and GPAT4 to LDs [20,31], we

hypothesized that MBOAT7 may impede the LD targeting of DGAT2 or GPAT4 by

competitively interacting with RAB1, thus limiting LD growth in CDS2 KO cells.

Consistent with this idea, we found that both Flag-DGAT2 and Flag-GPAT4 bound to

GFP-tagged RAB1A (Figure 5C and D). Importantly, MBOAT7-EGFP expression

reduced the binding between Flag-DGAT2 and GFP-RAB1A in CDS2 KO cells

(Figure 5E). When the interaction between MBOAT7 and RAB1A is disrupted, the

binding between Flag-DGAT2 and GFP-RAB1A is retained (Figure 5E). Conversely,

knockdown of MBOAT7 enhanced the binding between Flag-DGAT2 and

GFP-RAB1A in CDS2 KO cells (Figure 5F). Confocal images showed that

EGFP-DGAT2 was targeted to LDs in CDS2 KO cells, but overexpression of

MBOAT7-mCherry blocked this targeting (Figure 5G). The interaction between

GPAT4 and RAB1A was unaffected by MBOAT7 overexpression (Figure S3A). Both

Flag-DGAT2 and Flag-MBOAT7 interact with full-length GFP-RAB1A; however,

their interactions are markedly reduced when RAB1A is truncated at either the

N-terminus or the C-terminus (Figure 5H-I). In response to OA treatment, triglyceride

synthesis enzymes like DGAT2 or GPAT4 are more likely to target to LDs to promote

LD growth [32]. Since this process requires RAB1, we then tested whether OA

treatment affects the interaction of these enzymes with RAB1. OA treatment enhanced

DGAT2 binding to RAB1A but did not affect GPAT4 binding to RAB1A (Figure 5J

and Figure S3B). Interestingly, MBOAT7 binding to RAB1A increased after OA

treatment in CDS2 KO cells (Figure 5K). Taken together, our data suggest that CDS2

retains MBOAT7 at the ER. When CDS2 is absent, MBOAT7 binds to RAB1 and

localizes to the ER-LD contacts. Furthermore, MBOAT7 reduces the size of LDs by

inhibiting the targeting of DGAT2 to LDs.

MBOAT7 regulates LD size and lipolysis in the absence of CDS2

The studies above reveal the regulatory roles of MBOAT7 and CDS2 in controlling

LD size in cultured cells. We next examined how MBOAT7 and CDS2 functionally

interact and regulate LD size *in vivo*. Since MBOAT7 and CDS2 are bound to each

other, we tested whether CDS2 affects the acyltransferase activity of MBOAT7 using

MBOAT7 substrates like lyso-PI and [14C]-arachidonic acid. We analyzed the activity

of MBOAT7 in the liver from control mice ($Cds2^{f/f}$), mice with liver-specific

depletion of CDS2 (*Cds2^{f/f};AlbCre*), and hepatic CDS2-depleted mice with

AAV-mediated hepatic re-expression of CDS2 (*Cds2^{f/f};AlbCre* + AAV-CDS2). The

results showed that CDS2 deficiency did not significantly impact the enzymatic

activity of MBOAT7 (Figure 6A).

To determine how MBOAT7 and CDS2 regulate LDs *in vivo*, *Cds2^{f/f}* and

Cds2^{f/f};AlbCre mice were injected with AAV-TBG-Con or AAV-TBG-*Mboat7* (Figure

6B). Hepatic overexpression of *Mboat7* did not affect plasma lipids in either control

or *Cds2^{f/f};AlbCre* mice (Figure S4A-B). Hepatic overexpression of *Mboat7* did not

change hepatic triglyceride and cholesterol levels in *Cds2^{f/f}* mice, but it reduced

hepatic cholesterol levels in *Cds2^{f/f};AlbCre* mice (Figure 6C and D). H&E staining

showed that liver sections from *Cds2^{f/f};AlbCr*e mice contained "supersized" LDs,

while overexpression of *Mboat7* reduced the LD size in *Cds2^{f/f};AlbCre* mice, resulting

in multiple small-sized LDs in hepatocytes (Figure 6E). This reduction in LD size was

also confirmed in *Cds2*-deficient primary hepatocytes (Figure 6F and G). Cell

fractionation assays revealed that overexpression of *Mboat7* reduced the protein level

of DGAT2 in the LD fraction from the livers of *Cds2^{f/f};AlbCre* mice, while increasing

the protein level of ATGL (also called PNPLA2) (Figure 6H), a rate-limiting enzyme

for lipolysis. To test if MBOAT7 regulates lipolysis, we used isoprenaline (ISO) to

stimulate lipolysis. The results showed that overexpression of MBOAT7 increased

free fatty acid (FFA) release in both DMSO and ISO-treated *Cds2*-deficient primary

hepatocytes (Figure 6I).

Overall, our data suggest that MBOAT7 controls LD size and lipolysis by

inhibiting DGAT2 targeting to LDs and promoting ATGL targeting to LDs in both

CDS2-deficient cell lines and primary hepatocytes.

MBOAT7 and CDS2 regulate cholesterol metabolism through the AMPK

pathway

We next investigated the physiological significance of ER-LD contact-localized

MBOAT7. Our results showed that knockdown of *Mboat7* reduced the expression

levels of genes in the liver X receptor (LXR) pathway, suggesting impaired

cholesterol excretion (Figure 1K-L). Heatmap analysis further confirmed the

downregulation of genes involved in cholesterol excretion (Figure S4C). We then

explored how cholesterol excretion is regulated by MBOAT7 and CDS2. Activation of

the AMPK pathway is known to inhibit SREBP and enhance LXR protein levels [33].

Interestingly, AMPK signaling was downregulated in the liver of sh*Mboat7*, sh*Cds2*,

or sh*Mboat7* + sh*Cds2* mice, as indicated by heatmap analysis and western blotting

(Figure S4C-E). In contrast, overexpression of *Mboat7* increased p-AMPK and

p-ACC levels in *Cds2^{f/f};AlbCre* mice, suggesting that AMPK pathway activity was

enhanced (Figure 7A-B). This was accompanied by reduced nuclear SREBP2 levels

and increased expressions of LXR and its target ABCA1 in *Cds2^{f/f};AlbCre* mice

(Figure 7A-B). Accordingly, mRNA analysis revealed that downstream targets of

LXR (*Abca1*, *Abcg5* and *Abcg8*) were upregulated in the liver of

Mboat7-overexpressing *Cds2^{f/f};AlbCre* mice (Figure 7C). To confirm whether

MBOAT7 regulates cholesterol excretion via the AMPK pathway in *Cds2^{f/f};AlbCre*

mice, we treated primary hepatocytes from *Cds2^{f/f};AlbCre* mice with Ad-EGFP and

Ad-MBOAT7-EGFP and the AMPK inhibitor dorsomorphin. The results showed that

dorsomorphin blocked the ability of *Mboat7* to elevate LXR protein levels (Figure

7D). This demonstrates that MBOAT7 regulates cholesterol excretion via the

AMPK-LXR axis.

We then explored how overexpression of MBOAT7 increases AMPK activity in

Cds2^{f/f};AlbCre mice. Lipolysis regulates key intracellular nutrient-sensing pathways,

such as the AMPK pathway. Genetic or pharmacological activation of lipolysis

activates AMPK by elevating intracellular AMP content [34]. Since MBOAT7

overexpression promotes lipolysis in *Cds2*-deficient primary hepatocytes (Figure 6I),

we examined whether this process activates AMPK in primary hepatocytes.

Activation of lipolysis with isoprenaline (ISO) enhanced AMPK activity in wild-type

primary hepatocytes under both Ad-EGFP and Ad-MBOAT7-EGFP conditions

(Figure S4F-G). Conversely, inhibiting lipolysis with the ATGL inhibitor Atglistatin

(ATGLi) reduced AMPK signaling (Figure S4H-I), which demonstrates that lipolysis

regulates AMPK signaling in primary hepatocytes. In *Cds2*-deficient primary

hepatocytes, overexpression of MBOAT7 activated AMPK signaling, which was

further enhanced by ISO treatment (Figure 7E-F). Importantly, ATGLi treatment

diminished AMPK activation caused by MBOAT7 overexpression in *Cds2*-deficient

primary hepatocytes (Figure 7G-H), demonstrating that MBOAT7 regulates AMPK

activity at least partially by promoting lipolysis. These findings suggest that *Mboat7*

reduces LD size and cholesterol content in *Cds2*-deficient conditions by activating the

AMPK-LXR axis.

AMPK agonist ameliorates *Cds2*- or *Mboat7*-deficiency-induced MASLD

Since *Cds2* and *Mboat7* deficiency resulted in downregulation of the AMPK pathway

and impaired cholesterol excretion, we investigated whether pharmacological

activation of AMPK could reverse the MASLD phenotype in *Cds2*- or

Mboat7-deficient mice. 8-week-old mice were injected with either AAV-TBG-sh*Cds2*

or AAV-TBG-sh*Mboat7* and concurrently fed a NASH-inducing GAN diet for 4

weeks. During the final 2 weeks of this period, mice received intraperitoneal

injections of the AMPK agonist A769662 (30 mg/kg, twice daily; Figure 8A).

Following A769662 treatment, body weight was reduced in both *Cds2*- and

Mboat7-deficient mice (Figure 8B). Although plasma triglyceride and cholesterol

levels remained unchanged, hepatic levels of triglyceride and cholesterol were

significantly decreased (Figure 8C-F). Additionally, A769662 treatment lowered

plasma ALT levels, indicating reduced liver inflammation (Figure 8G). H&E and

Oil-Red-O staining confirmed a marked reduction in hepatic lipid accumulation in

A769662-treated mice compared to vehicle controls (Figure 8H). To assess

downstream signaling, we examined the AMPK-LXR axis. A769662 treatment

increased both mRNA and protein levels of LXR and ABCA1 in sh*Cds2* and

sh*Mboat7* livers (Figure 8I-J and Figure S4J). Together, these findings suggest that

AMPK activation can effectively ameliorate MASLD phenotypes caused by *Cds2* or

Mboat7 deficiency.

Discussion

Here we identified a coordinated role of MBOAT7 and CDS2 in regulating LD size.

At the ER, CDS2 binds to MBOAT7, but in the absence of CDS2, MBOAT7 locates

to the ER-LD contacts. This relocation promotes lipolysis and inhibits the targeting of

DGAT2 to LDs in a RAB1-dependent manner. Physiologically, MBOAT7-mediated

LD size reduction activates the AMPK-LXR axis, enhancing cholesterol excretion

(Figure 8K).

Living cells are dynamic and complicated metabolic systems where many

enzymes form complexes to provide metabolic control, prevent intermediate loss, and

enhance catalytic efficiency [35]. This organization is achieved through the spatial and

temporal arrangement of enzymes. Compartmentalization of functionally related

proteins enhances the overall cellular efficiency, accuracy and specificity, while

disruption of this organization can lead to reduced productivity, toxic product

accumulation, and protein mislocalization [35]. Previous studies demonstrated that

PI-AA, a product of MBOAT7 catalytic activity, inhibits CDS2 activity [10-12]. Thus,

our finding that CDS2 binds to MBOAT7 provides a prime example of coordination

between enzymes, enabling efficient inhibition of CDS2 activity by PI-AA generated

from MBOAT7.

Loss of function of MBOAT7 exacerbates hepatic steatosis, liver inflammation

and fibrosis, thus promoting the development of MASLD [11,12,23,25]. Here, we

discovered a new role of MBOAT7 in regulating LD dynamics by competing with

DGAT2 for binding to RAB1. In MASLD mouse liver, MBOAT7 is more

concentrated on LDs compared to normal mouse liver, suggesting that LD-localized

MBOAT7 may be involved in the pathogenesis of this disease. We observed that

MBOAT7 is typically localized to the ER in wild-type cells but locates to the ER-LD

contacts in CDS2 KO cells. The two competitive interactions—between CDS2 and

RAB1 for binding to MBOAT7, and between MBOAT7 and DGAT2 for binding to

RAB1—are the key underlying molecular mechanisms. MBOAT7 consists of 11

transmembrane domains and lacks the typical features of LD-associated proteins, such

as hydrophobic hairpins or amphipathic helices, which allow binding to the

phospholipid monolayer or LD surface. Our findings suggest that MBOAT7 localizes

to ER-LD contacts rather than the LD surface. Our study demonstrates that in the

absence of CDS2, MBOAT7 is dissociated from the MBOAT7-CDS2 complex and

relocates to the ER-LD contacts with the assistance of RAB1.

The competition between MBOAT7 and DGAT2 for binding to RAB1 provides a

framework for understanding LD dynamics in the liver. CDS2 deficiency consistently

results in "supersized" LDs across various systems [9,13-15,36]. Interestingly, we found

that MBOAT7 expression reduces the size of LDs specifically in CDS2-deficient cells,

a process that appears independent of MBOAT7 enzymatic activity. Previous research

indicates that the increased LD size in CDS2-deficient cells is caused by enhanced

targeting of the triglyceride synthesis enzymes DGAT2 and GPAT4 to LDs, a process

mediated by RAB1 [14,20,31]. Our findings reveal that MBOAT7 competes with DGAT2

for binding to RAB1, thereby counteracting the effect of DGAT2 on LD size.

However, this competition only occurs when CDS2 is absent, suggesting that RAB1

has a stronger binding affinity for DGAT2 than for MBOAT7. While MBOAT7

prevents DGAT2 from associating with LDs in CDS2 KO cells, it does not affect

targeting of GPAT4 to LDs, and therefore GPAT4 promotes LD growth in these cells.

MBOAT7 or CDS2 deficiency is linked to the development of MASLD. Recent

evidence associates loss of MBOAT7 function with increased plasma cholesterol

uptake, which activates the TAZ pathway. This leads to hepatic cholesterol

accumulation, inflammation, and progression to MASH [11]. Our data demonstrate that

knockdown of *Mboat7* or *Cds2* results in hepatic cholesterol accumulation, likely due

to diminished cholesterol excretion via the AMPK-LXR axis. LDs communicate

through signaling pathways to regulate a variety of cellular processes. Changes in LD

size often accompany lipid accumulation or lipolysis. Evidence suggests that reducing

LD size triggers an energy-consuming futile cycle of triglyceride hydrolysis and

resynthesis, raising AMP levels and activating AMPK signaling [34]. AMPK activation

enhances fatty acid oxidation and cholesterol excretion, which helps remove toxic free

fatty acids and free cholesterol, thereby safeguarding liver health. Notably, MBOAT7

loss-of-function mutation is associated with MASLD across various populations [23,37],

highlighting AMPK pathway activation as a potential therapeutic strategy for

MBOAT7 deficiency-related MASLD. In summary, our findings demonstrate that

MBOAT7 and CDS2 regulate LD size and cholesterol content, and show that LD

dynamics controls cholesterol content through the AMPK-LXR axis.

Material and Methods

Mice

Cds2^{f/f} and *Cds2^{f/f};AlbCre* mice were generated as described [13]. C57BL/6J mice were

purchased from GemPharmatech Co., Ltd. For liver-specific gene knockdowns,

C57BL/6J mice were injected with AAV-TBG-sh*Con*, AAV-TBG-sh*Mboat7*,

AAV-TBG-sh*Cds2* intravenously (i.v) with 3×10^{11} genomic copies of AAVs. The

target sequence for *Mboat7* is 5'-CCTGTTGGCTTCCTCTTTAAG-3'. The target

sequence for *Cds2* is 5'-GTCCGAAGCAAAGCTAGAT-3'. The control sequence is

5'-GAAGTCGTGAGAAGTAGAA-3'. For liver-specific overexpression of *Mboat7*,

C57BL/6J mice were injected with AAV-TBG-*Con* or AAV-TBG-*Mboat7*

intravenously (i.v) with 1×10^{11} genomic copies of AAVs. Mice were housed at room

temperature (22°C) and fed a standard rodent chow diet (Beijing HFK Bioscience Co.,

Ltd #1032). Unless otherwise stated, 8-week-old male mice were used and all mice

were fasted for 5-6 hours prior to euthanization. In some experiments, C57BL/6J mice

were fed a chow or GAN diet (Research Diets Inc, D09100310) for 26 weeks. All

animal experiments were approved by the Institutional Animal Care and Use

Committee (IACUC) at the Institute of Genetics and Developmental Biology, Chinese

Academy of Sciences (IGDB-CAS).

Cell culture

The *CDS2* knockout HeLa cell line was generated using the CPISPR/Cas9 system

according to published literature [38]. The target sequence was

5'-TATTTACTGAGAATCCGCAA-3'. HepG2 cells (ATCC, HB-8065) and HeLa

cells were cultured in DMEM with 10% FBS. In certain experiments, HeLa cells were

transfected with siRNAs. The targeting sequence for RAB1A is

5'-CAGCATGAATCCCGAATAT-3'. The targeting sequence for CDS2 is

5'-GGCCACCTTTGTCAATGTA-3'. Mouse primary hepatocytes were isolated from

Cds2^{f/f} and *Cds2^{f/f};AlbCre* mice and infected with Ad-EGFP or Ad-MBOAT7-EGFP

with MOI=50. All cells were grown at 37°C in a 5% CO_2 incubator.

Plasmids

Human *MBOAT7* cDNA was cloned into the *pcDNA3.1-EGFP* and *pCMV-C-mCherry*

vectors. Human *MBOAT5* was cloned into the *pcDNA3.1-EGFP* vector. Human *CDS2*

cDNA was cloned into the *pCMV-Tag2b* and *pCS2-HA* vectors. Human *RAB1A*,

DGAT2 and *GPAT4* cDNAs were cloned into both the *pEGFP-N1* and *pCMV-Tag2b*

vectors. For His pulldown assays, human *MBOAT7* cDNA was cloned into the

pET-28a vector.

MBOAT7 activity assay

The activity of MBOAT7 was measured as described with minor modifications [26].

Briefly, 100 µg of protein from liver was incubated in 200 µl of medium (10 mM

Tris/HCl, pH 7.5, 150 mM NaCl, 1 mM EDTA) with 50 µM lysophosphatidylinositol

(LPI), 25 µM arachidonoyl-CoA (20:4-CoA), and 5 µM (0.2 µCi) radiolabeled

arachidonoyl[1-14C]CoA. The reaction was incubated for 15-30 minutes at 37 □C

and then stopped by adding 1 mL of chloroform:methanol (2:1, vol/vol) and 0.4 mL of

2% orthophosphoric acid. After centrifugation (3,500 g, 15 min, 4 □C), the lower

organic phase, containing the lipids, was collected and dried under a gentle nitrogen

stream. Lipids were reconstituted in chloroform. Total lipids were extracted using the

Bligh and Dyer method and separated by one-dimensional TLC on silica gel 60 plates

using chloroform/methyl acetate:1-propanol:methanol:0.25% KCl (25:25:25:10:9,

vol/vol). The radioactivity in the separated bands were quantified using a Typhoon

FLA 9000 (GE Healthcare Japan). The corresponding areas of radiolabeled

phospholipids on TLC plates were cut out, and the radiolabeled products were

measured by liquid scintillation counting.

Lipid analysis

Lipids were extracted based on the chloroform/methanol (2:1, v/v) lipid extraction

method (3). In brief, 50 mg of liver tissue were extracted with 6 mL of

chloroform/methanol (2:1, v/v), then vortexed and refrigerated overnight. 3 mL of

0.043% magnesium chloride was then added to separate the aqueous phase from the

chloroform phase which contains the lipids. After separation of the two phases, the

upper water/methanol phase was removed. A 0.5-mL aliquot of the bottom phase was

combined with 1 mL of 0.5% Triton X-100 in chloroform and dried. Triglyceride and

total cholesterol levels were measured using commercially available kits (BioSino,

Beijing, China). Plasma free fatty acids (FFA) were measured using commercially

available kits (Sigma-Alrich, MAK044).

Immunoprecipitation

Cells were transfected with the indicated plasmids using Lipofectamine 3000

(ThermoFisher, L3000001). Proteins were extracted using RIPA lysis buffer,

containing100 mM Tris Base, 1% deoxycholate, 0.1% SDS, 5 mM EDTA, 1%

Triton-X-100, 150 mM NaCl, pH 8.0), supplemented with 100 mM PMSF, protease

inhibitor cocktail (Roche, P8340) and 100 mM sodium vanadate. Lysates were

incubated on ice for 15 min, then centrifuged at 12,000 rpm for 15 minutes at 4 °C.

Supernatants were incubated overnight at 4 °C with anti-Flag M2 affinity gel

(Sigma-Aldrich, A2220) or anti-GPF agarose beads (Lablead Biotech Co., Ltd). After

four washes with lysis buffer, beads were denatured in 2X SDS sample buffer for 10

min at 100 °C for western blotting. For the pulldown assay, MBOAT7-His was pulled

down using Ni-NTA agarose beads (Qiagen, 30210), then washed three times with

PBS + PMSF + 1% Triton buffer. 10 μg of *Flag-CDS2* was expressed in 293T cells,

immunoprecipitated using anti-Flag M2 affinity gel, and eluted with 3X Flag peptide.

The eluted Flag-CDS2 (1.5 mL) was then incubated with the Ni-NTA agarose-bound

MBOAT7-His for 2 hours. The immunoprecipitate was washed six times with PBS +

PMSF + 1% Triton buffer and denatured with 2X SDS sample buffer for 10 min

before western blotting.

Confocal imaging

The images were acquired using a LSM 980 with Airyscan 2 (Zeiss) or a confocal

microscope (Leica SP8). Images were analyzed by Image J.

Subcellular fractionation

Subcellular fractionation of liver tissue was performed as described [39].

Antibodies

Rabbit antibodies against CDS2 (1:500, 13175-1-AP), SREBP2 (1:1000, 28212-1-AP), LDLR (1:1000, 10785-1-AP), SR-B1 (1:1000, 21277-1-AP) and MBOAT7 (1:100, 83546-3-RR) were purchased from Proteintech. Rabbit antibody against MBOAT7 (1:1000, AV49811) was purchased from Sigma-Aldrich. Mouse antibody against Flag (1:1000, F1804) was purchased from Sigma-Aldrich. Rabbit antibody against Flag (1:2500, PM020) was purchased from MBL. Rabbit antibodies against ATGL (1:1000, 2138), phospho-AMPKα(Thr172)(40H9) (1:1000, 2535), AMPKα (1:1000, 2532), phospho-ACC (1:1000, 3661), ACC (1:1000, 3662), and ABCA1 (1:1000, 96292) were purchased from Cell Signaling. Mouse antibody against LXR (1:1000, ab41902) was purchased from Abcam. Rabbit antibodies against DGAT2 (1:1000, ab237613) and HMGCR (1:1000, ab174830) were purchased from Abcam.

Statistics

Results with error bars are mean±SEM. Comparisons between 2 groups were performed using the two-tailed Student's t-test. ANOVA was used for comparisons between more than 2 groups.

Acknowledgments

We thank Xixian Li from the Center for Biological Imaging at the Institute of Biophysics, CAS, for analyzing images. This work was supported by grants 2024YFA1306101, 2023YFA1800500 from National Key R&D Program of China and 92354301, 32230044, 32371230 and 32321004 from the National Natural Science Foundation of China, and BJ-2024-235 from National High Level Hospital Clinical Research Funding.

Figure 4A, Figure 6I and Figure 8Kwere created with BioRender (*https://BioRender.com/ k88h902*, *https://BioRender.com/s73x778, and https://BioRender.com/e57c295*).

Declaration of Interests

The authors have declared that no conflict of interest exists.

Author Contributions

J Xu and X Huang designed the experiments. J Xu, J Zhang, W Wang and H Su

performed the experiments. J Xu, J Zhang, S Chen and M Ding analyzed the data. J

Xu and X Huang wrote the manuscript.

References

Llovet, J. M. *et al.* Nonalcoholic steatohepatitis-related hepatocellular carcinoma: pathogenesis and treatment. *Nat Rev Gastro Hepat* **20**, 487-503, doi:10.1038/s41575-023-00754-7 (2023).

Xiang, L. *et al.* A multi-omic landscape of steatosis-to-NASH progression. *Life Metab* **1**, 242-257, doi:10.1093/lifemeta/loac034 (2022).

Linden, D. & Romeo, S. Therapeutic opportunities for the treatment of NASH with genetically validated targets. *J Hepatol* **79**, 1056-1064, doi:10.1016/j.jhep.2023.05.007 (2023).

Buch, S. *et al.* A genome-wide association study confirms PNPLA3 and identifies TM6SF2 and MBOAT7 as risk loci for alcohol-related cirrhosis. *Nat Genet* **47**, 1443-1448, doi:10.1038/ng.3417 (2015).

Thangapandi, V. R. *et al.* Loss of hepatic Mboat7 leads to liver fibrosis. *Gut* **70**, 940-950, doi:10.1136/gutjnl-2020-320853 (2021).

Varadharajan, V., Massey, W. J. & Brown, J. M. Membrane-bound O-acyltransferase 7 (MBOAT7)-driven phosphatidylinositol remodeling in advanced liver disease. *J Lipid Res* **63**, 100234, doi:10.1016/j.jlr.2022.100234 (2022).

Alharthi, J. *et al.* A metabolic associated fatty liver disease risk variant in MBOAT7 regulates toll like receptor induced outcomes. *Nat Commun* **13**, 7430, doi:10.1038/s41467-022-35158-9 (2022).

Caddeo, A., Spagnuolo, R. & Maurotti, S. MBOAT7 in liver and extrahepatic diseases. *Liver Int* **43**, 2351-2364, doi:10.1111/liv.15706 (2023).

Liu, Y., Wang, W., Shui, G. & Huang, X. CDP-diacylglycerol synthetase coordinates cell growth and fat storage through phosphatidylinositol metabolism and the insulin pathway. *PLoS Genet* **10**, e1004172, doi:10.1371/journal.pgen.1004172 (2014).

D'Souza, K., Kim, Y. J., Balla, T. & Epand, R. M. Distinct properties of the two isoforms of CDP-diacylglycerol synthase. *Biochemistry* **53**, 7358-7367, doi:10.1021/bi501250m (2014).

Moore, M. P. *et al.* Low MBOAT7 expression, a genetic risk for MASH, promotes a profibrotic pathway involving hepatocyte TAZ upregulation. *Hepatology* **81**, 576-590, doi:10.1097/HEP.0000000000000933 (2024).

Tanaka, Y. *et al.* LPIAT1/MBOAT7 depletion increases triglyceride synthesis fueled by high phosphatidylinositol turnover. *Gut* **70**, 180-193, doi:10.1136/gutjnl-2020-320646 (2021).

Xu, J. *et al.* Hepatic CDP-diacylglycerol synthase 2 deficiency causes mitochondrial dysfunction and promotes rapid progression of NASH and fibrosis. *Sci Bull (Beijing)* **67**, 299-314, doi:10.1016/j.scib.2021.10.014 (2022).

Xu, Y. *et al.* CDP-DAG synthase 1 and 2 regulate lipid droplet growth through distinct mechanisms. *J Biol Chem* **294**, 16740-16755, doi:10.1074/jbc.RA119.009992 (2019).

Qi, Y. *et al.* CDP-diacylglycerol synthases regulate the growth of lipid droplets and adipocyte development. *J Lipid Res* **57**, 767-780, doi:10.1194/jlr.M060574 (2016).

Walther, T. C., Chung, J. & Farese, R. V., Jr. Lipid Droplet Biogenesis. *Annu Rev Cell Dev Biol* **33**,

491-510, doi:10.1146/annurev-cellbio-100616-060608 (2017).

17   Poppelreuther, M. *et al.* The metabolic capacity of lipid droplet localized acyl-CoA synthetase
3 is not sufficient to support local triglyceride synthesis independent of the endoplasmic
reticulum in A431 cells. *Biochim Biophys Acta Mol Cell Biol Lipids* **1863**, 614-624,
doi:10.1016/j.bbalip.2018.03.003 (2018).

18   Zechner, R. FAT FLUX: enzymes, regulators, and pathophysiology of intracellular lipolysis.
EMBO Mol Med **7**, 359-362, doi:10.15252/emmm.201404846 (2015).

19   Olarte, M. J. *et al.* Determinants of Endoplasmic Reticulum-to-Lipid Droplet Protein Targeting.
Dev Cell **54**, 471-487 doi:10.1016/j.devcel.2020.07.001 (2020).

20   Song, J. *et al.* Identification of two pathways mediating protein targeting from ER to lipid
droplets. *Nat Cell Biol* **24**, 1364-1377, doi:10.1038/s41556-022-00974-0 (2022).

21   Xu, D. *et al.* Rab18 promotes lipid droplet (LD) growth by tethering the ER to LDs through
SNARE and NRZ interactions. *J Cell Biol* **217**, 975-995, doi:10.1083/jcb.201704184 (2018).

22   Kumar, A., Yadav, S. & Choudhary, V. The evolving landscape of ER-LD contact sites. *Front Cell*
Dev Biol **12**, 1483902, doi:10.3389/fcell.2024.1483902 (2024).

23   Mancina, R. M. *et al.* The MBOAT7-TMC4 Variant rs641738 Increases Risk of Nonalcoholic
Fatty Liver Disease in Individuals of European Descent. *Gastroenterology* **150**, 1219-1230
e1216, doi:10.1053/j.gastro.2016.01.032 (2016).

24   Bezawork-Geleta, A. *et al.* Proximity proteomics reveals a mechanism of fatty acid transfer at
lipid droplet-mitochondria- endoplasmic reticulum contact sites. *Nat Commun* **16**, 2135,
doi:10.1038/s41467-025-57405-5 (2025).

25   Meroni, M. *et al.* Mboat7 down-regulation by hyper-insulinemia induces fat accumulation in
hepatocytes. *EBioMedicine* **52**, 102658, doi:10.1016/j.ebiom.2020.102658 (2020).

26   Wang, K. *et al.* The structure of phosphatidylinositol remodeling MBOAT7 reveals its catalytic
mechanism and enables inhibitor identification. *Nat Commun* **14**, 3533,
doi:10.1038/s41467-023-38932-5 (2023).

27   Dhiman, R., Caesar, S., Thiam, A. R. & Schrul, B. Mechanisms of protein targeting to lipid
droplets: A unified cell biological and biophysical perspective. *Semin Cell Dev Biol* **108**, 4-13,
doi:10.1016/j.semcdb.2020.03.004 (2020).

28   Pataki, C. I. *et al.* Proteomic analysis of monolayer-integrated proteins on lipid droplets
identifies amphipathic interfacial alpha-helical membrane anchors. *Proc Natl Acad Sci U S A*
115, E8172-E8180, doi:10.1073/pnas.1807981115 (2018).

29   Bersuker, K. *et al.* A Proximity Labeling Strategy Provides Insights into the Composition and
Dynamics of Lipid Droplet Proteomes. *Dev Cell* **44**, 97-112 e117,
doi:10.1016/j.devcel.2017.11.020 (2018).

30   Mejhert, N. *et al.* Partitioning of MLX-Family Transcription Factors to Lipid Droplets Regulates
Metabolic Gene Expression. *Mol Cell* **77**, 1251-1264 e1259, doi:10.1016/j.molcel.2020.01.014
(2020).

31   Malis, Y. *et al.* Rab1b facilitates lipid droplet growth by ER-to-lipid droplet targeting of DGAT2.
Sci Adv **10**, eade7753, doi:10.1126/sciadv.ade7753 (2024).

32   Wilfling, F. *et al.* Triacylglycerol synthesis enzymes mediate lipid droplet growth by
relocalizing from the ER to lipid droplets. *Dev Cell* **24**, 384-399,
doi:10.1016/j.devcel.2013.01.013 (2013).

33   Wang, J. Q. *et al.* Inhibition of ASGR1 decreases lipid levels by promoting cholesterol

excretion. *Nature* **608**, 413-420, doi:10.1038/s41586-022-05006-3 (2022).

34   Chen, G., Zhou, G., Lotvola, A., Granneman, J. G. & Wang, J. ABHD5 suppresses cancer cell

anabolism through lipolysis-dependent activation of the AMPK/mTORC1 pathway. *J Biol*

Chem **296**, 100104, doi:10.1074/jbc.RA120.014682 (2021).

35   Bar-Peled, L. & Kory, N. Principles and functions of metabolic compartmentalization. *Nat*

Metab **4**, 1232-1244, doi:10.1038/s42255-022-00645-2 (2022).

36   Mak, H. Y. *et al.* AGPAT2 interaction with CDP-diacylglycerol synthases promotes the flux of

fatty acids through the CDP-diacylglycerol pathway. *Nat Commun* **12**, 6877,

doi:10.1038/s41467-021-27279-4 (2021).

37   Xu, X. *et al.* MBOAT7 rs641738 (C>T) is associated with NAFLD progression in men and

decreased ASCVD risk in elder Chinese population. *Front Endocrinol (Lausanne)* **14**, 1199429,

doi:10.3389/fendo.2023.1199429 (2023).

38   Ran, F. A. *et al.* Genome engineering using the CRISPR-Cas9 system. *Nat Protoc* **8**, 2281-2308,

doi:10.1038/nprot.2013.143 (2013).

39   Ding, Y. *et al.* Isolating lipid droplets from multiple species. *Nat Protoc* **8**, 43-51,

doi:10.1038/nprot.2012.142 (2013).

Figure Legends

Figure 1. MBOAT7 and CDS2 regulate lipid metabolism in liver.

(A-B) The correlation between *MBOAT7* and *CDS2* transcript levels in the gene

expression datasets GSE48452 (NASH samples) and GSE66676, respectively. (C)

The correlation between *MBOAT7* and *CDS2* transcript levels in the GEPIA website.

(D-F) Procedure for liver-specific knockdown of *Mboat7* and/or *Cds2* in mice. Mice

were injected with AAV-TBG-shCon, AAV-TBG-sh*Mboat7*, AAV-TBG-sh*Cds2*, or

AAV-TBG-sh*Mboat7* + AAV-TBG-sh*Cds2* and fed a chow diet for 4 weeks before

analysis. (D). Hepatic triglyceride (E) and cholesterol (F) levels were measured in the

mice in (D). N=6-7 mice per group. (G) H&E staining of liver sections from mice in

(D). Scale bar represents 50 μm in main images and 10 μm in enlarged images. (H)

Hepatic steatosis score based on liver sections of mice in (D). N=6-7 mice per group.

(I) RNAseq was performed on liver samples from the mice in (D). The numbers of

genes up- or down-regulated in sh*Mboat7* vs sh*Con*, sh*Cds2* vs sh*Con* and sh*Mboat7*

+ sh*Cds2* vs sh*Con* are shown. (J) KEGG analysis results showing the pathways

related to the 301 common downregulated genes in (I). (K) qRT-PCR analysis of the

mRNA levels of genes that regulate cholesterol and fatty acid metabolism in the liver.

N=5-8 mice per group. (L) Western blot analysis of liver lysates from mice in (D).

N=3 mice per group. * p < 0.05, ** p < 0.01, *** p < 0.001.

Figure 2. MBOAT7 is localized to the ER-LD contacts in CDS2 KO cells.

(A) CDS2 KO and control HeLa cells were transfected with MBOAT7-EGFP and

treated with 100 μM OA for 12 hours, followed by LD labeling with LipidTOX. (B)

Fluorescence colocalization was analyzed along the white line in the main confocal

image. (C) CDS2 KO and control HeLa cells were treated with 100 μM OA for 12

hours and immunostained with anti-MBOAT7 antibody. (D) Fluorescence

colocalization was analyzed along the white line in the main confocal image. (E) A

3D-SIM image reveals that MBOAT7-EGFP enwraps a LD in an OA-treated CDS2

KO cell. Scale bar: 2 μm. (F) CDS2 KO and control HeLa cells were transfected with

mCherry-SEC61b (an ER marker), then treated with 100 μM OA for 12 hours. LDs

were labeled with BODIPY. (G) Fluorescence colocalization was analyzed along the

white line in the main confocal image. (H) C56BL/6 mice were fed a chow (control)

or GAN (MASLD) diet (40 kcal% fat, 20 kcal% fructose and 2% cholesterol) for 26

weeks. Liver sections were immunostained with anti-MBOAT7 antibody. White

arrows indicate MBOAT7 enclosing LDs. (I) The number of LDs surrounded by

MBOAT7 was quantified by analyzing 1,000 LDs in confocal images. N=9-11 liver

sections per group. Except for (E), scale bars represent 10 μm in main images and 2

μm in enlarged images.

Figure 3. The N-terminus of MBOAT7 is essential for LD targeting of MBOAT7

and MBOAT7 interacts with CDS2.

(A) Top: 3D structure of MBOAT7 in the ER membrane, highlighting its

transmembrane (TM) domains. Bottom: The 11 TM domains of MBOAT7 (boxes)

and the three regions of the protein expressed as truncations. (B) CDS2 KO cells

transfected with truncated versions of MBOAT7 were treated with 100 μM OA for 12

hours, followed by LD labeling with LipidTOX. (C) CDS2 KO cells transfected with

MBOAT7-EGFP containing specific TM domain deletions were treated with 100 μM

OA for 12 hours. LDs were labeled with LipidTOX. (D) CDS2 KO cells transfected

with MBOAT7-EGFP chimeras containing TM3 or TM4 from MBOAT5 were treated

with 100 μM OA for 12 hours and labeled with LipidTOX to stain LDs. (E) Co-IP

assay showing that Flag-CDS2 precipitates MBOAT7-EGFP. (F) Co-IP assay showing

that MBOAT7-EGFP precipitates Flag-CDS2. (G) Co-IP assay demonstrating that

endogenous CDS2 precipitates MBOAT7. (H) *In vitro* pull-down assay indicating that

Flag-CDS2 directly binds to MBOAT7-His. Scale bars: 10 μm in main images and 2

μm in enlarged images.

Figure 4. RAB1 is required for targeting of MBOAT7 to LDs in CDS2 KO cells.

(A) Schematic of the workflow for identifying MBOAT7-interacting proteins in

control and CDS2 KO cells. (B) Venn diagram illustrating the overlap between the

MBOAT7-interacting proteins from (A) and LD proteins from various LD proteomes.

(C) Five MBOAT7-interacting proteins identified from the Venn diagram in (B). (D)

CDS2 KO cells were transfected with siNC or siRAB1A, and MBOAT7-EGFP, then

treated with 100 μM OA for 12 hours. LDs were labeled with LipidTOX. (E) *RAB1A*

mRNA levels in HeLa cells transfected with control siRNA or siRAB1A. (F)

Quantification of LDs surrounded by MBOAT7-EGFP in control (siNC) or RAB1A

knockdown (siRAB1A) cells. (G) Co-IP assay showing that Flag-RAB1A precipitates

MBOAT7-EGFP in CDS2 KO cells. (H) Co-IP assay showing that Flag-RAB1A

precipitates MBOAT7-EGFP in CDS2 KO cells, and expression of HA-CDS2 in

CDS2 KO cells disrupts the RAB1A/MBOAT7 interaction. (I) 3D structure of

MBOAT7/RAB1A docking and the potential binding sites. (H) Co-IP assay showing

that Flag-RAB1A precipitates MBOAT7-EGFP, but fails to interact with

MBOAT7-BS-mut-EGFP, in which the RAB1A-binding sites are mutated in CDS2

KO cells.

Figure 5. MBOAT7 reduces LD size in CDS2 KO cells by competing with

DGAT2 for targeting to LDs.

(A) Control HeLa or CDS2 KO cells were transfected with MBOAT7-EGFP or the

MBOAT7(N321A, H356A)-EGFP mutant, then treated with 100 μM OA for 12 hours.

LDs were labeled by LipidTOX. Scale bar: 10 μm. (B) Quantification of LD sizes

from (A). N=200 per group. (C) 293T cells were transfected with GFP-RAB1A and

Flag-DGAT2 or Flag control plasmids. Co-IP assay shows that Flag-DGAT2

precipitates GFP-RAB1A. (D) 293T cells were transfected with GFP-RAB1A and

Flag-GPAT4 or Flag control plasmid. Co-IP assay shows that Flag-GPAT4 precipitates

GFP-RAB1A. (E) CDS2 KO cells were transfected with GFP-RAB1A and

Flag-DAGT2 with or without MBOAT7-EGFP. Co-IP shows that Flag-DGAT2

precipitates GFP-RAB1A. (F) CDS2 KO cells were transfected with Flag-DGAT2 and

GFP-RAB1A with siRNA control (siCon) or siMBOAT7. Co-IP assay shows that

Flag-DGAT2 precipitates GFP-RAB1A. (G) Confocal images showing that

EGFP-DGAT2 targets to LDs in CDS2 KO cells. MBOAT7-mCherry expression

blocks LD targeting of DGAT2. Scale bar: 10 μm in main images and 2 μm in

enlarged images. (H) Co-IP assay showing that Flag-DGAT2 precipitates full-length

GFP-RAB1A as well as N-terminal and C-terminal truncated forms. (I) Co-IP assay

showing that Flag-MBOAT7 precipitates full length GFP-RAB1A as well as

N-terminal and C-terminal truncated forms. (J) Co-IP assay showing that

Flag-DGAT2 precipitates GFP-RAB1A in CDS2 KO cells treated with or without OA.

(K) Co-IP assay showing that Flag-MBOAT7 precipitates GFP-RAB1A in CDS2 KO

cells treated with or without OA. **** $p < 0.0001$.

Figure 6. MBOAT7 regulates LD size and lipolysis.

(A) MBOAT7 enzymatic activity was measured in *Cds2$^{f/f}$*, *Cds2$^{f/f}$;AlbCre* mice, and

Cds2$^{f/f}$;AlbCre mice injected with AAV-TBG-*Cds2*. N=5-6 mice per group. (B)

Schematic showing the procedure for hepatic overexpression of MBOAT7 in the liver

of mice with and without hepatic depletion of CDS2. *Cds2$^{f/f}$* and *Cds2$^{f/f}$;AlbCre* mice

were injected with AAV-TBG-Con or AAV-TBG-*Mboat7* and fed a chow diet for 4

weeks before analysis. (C and D) Hepatic cholesterol (C) and triglyceride (D) levels

were analyzed in the mice from (B). N=7-8 mice per group. (E) H&E staining of liver

sections from *Cds2$^{f/f}$* and *Cds2$^{f/f}$;AlbCre* mice. Scale bar represents 50 μm in main

images and 10 μm in enlarged images. (F) Primary hepatocytes isolated from *Cds2$^{f/f}$*

and *Cds2^{f/f};AlbCre* mice were infected with Ad-EGFP or Ad-MBOAT7-EGFP and treated with 100 μM OA for 12 hours. LDs were stained with LipdTOX before confocal imaging. Scale bar represents 10 μm in main images and 2 μm in enlarged images. (G) Quantification of LD sizes in (F). (H) Western blot analysis of LD, ER and cytosol fractions from the liver of *Cds2^{f/f};AlbCre* mice that are injected with AAV-TBG-Con or AAV-TBG-*Mboat7*. (I) Primary hepatocytes from *Cds2^{f/f}* and *Cds2^{f/f};AlbCre* mice were infected with Ad-EGFP or Ad-MBOAT7-EGFP, then treated with 10 μM ISO or DMSO (control) for the indicated times. Free fatty acids in the medium were analyzed. * p < 0.05, ** p < 0.01, *** p < 0.001, **** p < 0.0001.

Figure 7. MBOAT7 and CDS2 regulate cholesterol metabolism through the AMPK pathway.

(A) Western blot of *Cds2^{f/f}* and *Cds2^{f/f};AlbCre* mice injected with AAV-TBG-Con or AAV-TBG-*Mboat7*, and fed a chow diet for 4 weeks before analysis. (B) Quantifications of proteins from (A). (C) qRT-PCR analysis of genes involved in cholesterol and fatty acid metabolism. (D) Primary hepatocytes isolated from *Cds2^{f/f};AlbCre* mice were infected with Ad-EGFP or Ad-MBOAT7-EGFP. Cells were serum-starved for 4 hours, then treated with 10 μM dorsomorphin in no-glucose DMEM + 10% FBS medium for 4 hours. Western blot analysis was then performed. (E) Primary hepatocytes from *Cds2^{f/f};AlbCre* mice were infected with Ad-EGFP or Ad-MBOAT7-EGFP and treated with 10 μM ISO or DMSO (control) for 6 hours. Western blot analysis was then performed. (F) Quantifications of proteins from (E). (G) Primary hepatocytes from *Cds2^{f/f};AlbCre* mice were infected with Ad-EGFP or Ad-MBOAT7-EGFP. Cells were pretreated with DMSO (control) or Atglistatin (ATGLi; 20 μM) for 30 minutes, then treated with 10 μM ISO for 6 hours. Protein levels were analyzed by western blotting. (H) Quantifications of proteins from (H). * p < 0.05, ** p < 0.01, *** p < 0.001, **** p < 0.0001.

Figure 8. AMPK agonist ameliorates *Cds2*- or *Mboat7*-deficiency-induced MASLD.

(A) Schematic showing the procedure for sh*Cds2* and sh*Mboat7* mice with or without

A769662 treatment. 8-week-old C57BL6/J mice were injected with either

AAV-TBG-sh*Cds2* or AAV-TBG-sh[31] and concurrently fed a NASH-inducing GAN

diet for 4 weeks. During the final 2 weeks of this period, mice received intraperitoneal

injections of the AMPK agonist A769662 (30 mg/kg, twice daily). (B-G) Body

weight (B), plasma triglyceride (C) and cholesterol (D), hepatic triglyceride (E) and

cholesterol (F), plasma ALT levels (G) were shown. (H) Representative H&E and

Oil-Red-O staining for liver sections from the indicated groups in (A). (I) mRNA

levels of genes involved in lipogenesis, fatty acid oxidation and cholesterol excretion.

(J) Protein levels of key components in the LXR signaling pathway. (H) A model

illustrating how MBOAT7 and CDS2 regulate LD dynamics and cholesterol

metabolism in hepatocytes. CDS2 and MBOAT7 physically interact in the ER

membrane and both regulate PI biosynthesis. MBOAT7 catalyzes the generation of

PI-AA, which inhibits CDS2 activity. In the absence of CDS2, MBOAT7 relocates to

the ER-LD contacts via binding to RAB1. CDS2 deficiency causes increased LD size

accompanied by increased recruitment of DGAT2 to LDs, whereas overexpression of

MBOAT7 in CDS2-deficient conditions reduces DGAT2 targeting to LDs, increases

ATGL recruitment to the LD surface, and reduces LD size. The increased lipolysis

induced by MBOAT7 expression activates AMPK, enhancing LXR protein levels and

expression of its downstream target genes, thus stimulating cholesterol metabolism. *

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$, **** $p < 0.0001$, # $p<0.05$, ## $p<0.01$.

A MBOAT7-EGFP LipidTOX

C MBOAT7 BODIPY

F mCherry-SEC61b BODIPY

H MBOAT7 LipidTOX DAPI

E CDS2KO +OA — MBOAT7-EGFP LipidTOX

B Control +OA / CDS2KO +OA

D Control +OA / CDS2KO +OA

G Control +OA / CDS2KO +OA

I

A

C

Cytosol

TM3 TM4

N ER lumen

(1-26) (27-47) (48-66) (70-88) (99-132) (188-212) (227-258) (341-356) (360-356) (389-416) (419-441)

1 2 3 4 5 6 7 8 9 10 11

N terminal   Central   C terminal

B

1-135aa   311-472aa

180-310aa   100-472aa

MBOAT7-EGFP truncations   LipidTOX

C

△TM1-2   △TM3-4   △TM1-4

MBOAT7-EGFP truncations   LipidTOX

D

MBOAT7-TM3(MBOAT5)   MBOAT7-TM4(MBOAT5)

chimeric MBOAT7-EGFP   LipidTOX

E

Flag	+	-
Flag-CDS2	-	+
MBOAT7-EGFP	+	+

IB: GFP ——70kDa ⎤
IB: Flag ——55kDa ⎦ IP: Flag

IB: GFP ——70kDa ⎤
IB: Flag ——55kDa ⎦ input

F

EGFP	+	-
MBOAT7-EGFP	-	+
Flag-CDS2	+	+

IB: Flag ——55kDa ⎤
IB: GFP ——70kDa ⎦ IP: GFP

IB: Flag ——55kDa ⎤
IB: GFP ——70kDa ⎦ input

G

Con   GFP-CDS2 KI

IB: MBOAT7 ——55kDa ⎤
IB: GFP ——70kDa ⎦ IP: GFP

IB: MBOAT7 ——55kDa ⎤
IB: GFP ——70kDa ⎦ input

H

His	+	-
His-MBOAT7	-	+
Flag-CDS2	+	+

IB: Flag ——55kDa ⎤
IB: His ——55kDa ⎦ His pulldown

IB: Flag ——55kDa ⎤
IB: His ——55kDa ⎦ input

A

Transfect with EGFP or MBOAT7-EGFP — Control
Transfect with EGFP or MBOAT7-EGFP — CDS2KO

IP:GFP

Immunoprecipitate

MS/MS

B

Pataki et al. 2018
Bersuker et al. 2018
Mejhert et al. 2020 (SUM159 cell)
Mejhert et al. 2020 (THP-1 macrophage)

C

Protein	Fold change
RAB7A	10.4
RAB1A	7.2
RAB18	6.2
RAB14	4.8
CYB5R3	4

D

siNC

siRAB1A

MBOAT7-EGFP LipidTOX

E

RAB1A

Relative mRNA

siNC   siRAB1A

F

MBOAT7+ LD/total LD (per cell)

****

siNC   siRAB1A

G

	Con		CDS2KO	
Flag	+	-	+	-
Flag-RAB1A	-	+	-	+
MBOAT7-EGFP	+	+	+	+

IB: GFP — 70kDa — IP: Flag
IB: Flag — 25kDa
IB: GFP — 70kDa — input
IB: Flag — 25kDa

H

CDS2KO

Flag	+	-	-
Flag-RAB1A	-	+	+
MBOAT7-EGFP	+	+	+
HA-CDS2	-	-	+

IB: GFP — 70kDa — IP: Flag
IB: Flag — 25kDa
IB: GFP — 70kDa — input
IB: Flag — 25kDa

I

RAB1
MBOAT7

PHE-73   TYR-80   LYS-80
SER-135   GLU-178
PHE-134

J

Flag	+	-	-
Flag-RAB1A	-	+	+
MBOAT7-EGFP	+	+	-
MBOAT7-BS-mut-EGFP	-	-	+

IB: GFP — 70kDa — IP: Flag
IB: Flag — 25kDa
IB: GFP — 70kDa — input
IB: Flag — 25kDa