



## Galecto Reports Financial Results for the Year Ended December 31, 2021

February 17, 2022

*Continued pipeline progress with three potentially first-in-class product candidates*

*Strong cash position with cash runway into 2H 2024*

BOSTON, Feb. 17, 2022 (GLOBE NEWSWIRE) -- Galecto, Inc. (NASDAQ: GLTO), a clinical stage biotechnology company focused on the development of novel treatments for fibrosis and cancer, today announced its operating and financial results for the year ended December 31, 2021.

"During 2021, we made significant progress with our pipeline as we advanced two additional product candidates, GB2064 for myelofibrosis and GB1211 for liver cirrhosis, to Phase 2 clinical testing. With these trials and our ongoing Phase 2b GALACTIC-1 trial for idiopathic pulmonary fibrosis (IPF), we now have three separate ongoing Phase 2 clinical trials and expect to initiate a fourth Phase 2 clinical trial of GB1211 for non-small cell lung cancer (NSCLC) in the first half of 2022," said Hans Schambye, CEO of Galecto. "With multiple data readouts planned for later in 2022, we are excited to maintain momentum across our clinical programs, all of which address highly significant areas of unmet medical need."

### Recent Highlights

- Announced clinical collaboration with Roche for Galecto's upcoming Phase 2a GALLANT-1 trial of GB1211 in combination with Tecentriq® (atezolizumab) for first-line NSCLC.
- Completed Part 1 and initiated Part 2 and Part 3 of the GULLIVER-2 trial in liver cirrhosis. Part 2 of the trial is designed to assess the effect of 12-week dosing of GB1211 on a wide series of biological markers of hepatic function and structure in participants with moderate hepatic impairment; and Part 3 of the GULLIVER-2 trial is designed to evaluate patients with liver cirrhosis and severe hepatic impairment.
- Strengthened management team with the addition of Stephanie Oestreich, PhD, MPA, as Chief Business Officer.

### Expected Upcoming Milestones

- Completion of enrollment of approximately 141 IPF patients in the GALACTIC-1 Phase 2b clinical trial in Q2 2022.
- Initiation of enrollment in Phase 2a GALLANT-1 trial of GB1211 in combination with Tecentriq® in first-line Non-Small-Cell Lung Cancer in Q2 2022.
- Completion of enrollment in MYLOX-1 Phase 2a trial and GULLIVER-2 Phase 1b/2a trial in Q2 2022.

### Year Ended December 31, 2021 Financial Highlights

Cash, cash equivalents, and investments as of December 31, 2021 were approximately \$109.2 million. The Company anticipates that its cash, cash equivalents and marketable securities will be sufficient to fund operating expenses and capital requirements into the second half of 2024.

Research and development expenses were \$38.5 million for the year ended December 31, 2021, compared to \$24.6 million for the year ended December 31, 2020. The increase of \$13.9 million was due primarily to increased clinical spending associated with three active clinical trials.

General and administrative expenses were \$13.7 million for the year ended December 31, 2021, compared to \$9.0 million for the year ended December 31, 2020. The increase of \$4.7 million was primarily related to increased public company costs, increased headcount and non-cash stock-based compensation.

Net loss attributable to common stockholders for the year ended December 31, 2021 was \$51.8 million or \$(2.05) per basic and diluted share, compared with \$34.8 million, or \$(7.62) per basic and diluted share, for the prior year period.

### About Galecto

Galecto is a clinical stage company incorporated in the U.S. that is developing small molecule-based inhibitors of galectin-3 (and the galectin family generally) and LOXL2. Galecto has multiple ongoing Phase 2 clinical programs in fibrosis and cancer, including (i) an inhaled galectin-3 modulator (GB0139) in a phase 2b trial for the treatment of idiopathic pulmonary fibrosis (IPF); (ii) an orally active LOXL2 inhibitor (GB2064) in a phase 2a trial for the treatment of myelofibrosis; (iii) an orally active galectin-3 inhibitor (GB1211) in a phase 1b/2a trial in liver cirrhosis and a separate planned phase 2a trial for the treatment of NSCLC in combination with atezolizumab (Tecentriq®).

Galecto intends to use its website as a means of disclosing material non-public information. For regular updates about Galecto, visit [www.galecto.com](http://www.galecto.com).

### Forward-Looking Statements

Certain statements in this press release are forward-looking statements that involve a number of risks and uncertainties. Such forward-looking statements include statements about Galecto's ability to make progress across its clinical pipeline of asset; the potential of Galecto's product candidates to address significant areas of unmet need; Galecto's plans for timing of completing enrollment in its GALACTIC-1, MYLOX-1 and GULLIVER-2 trials; Galecto's plans for initiating its GALLANT-1 trial, and Galecto's expectation that its cash, cash equivalents and marketable securities will be sufficient to fund its operating expenses and capital requirements into the second half 2024. The words "may," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "believe," "estimate," "predict," "project," "potential," "continue," "target" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. For such statements, Galecto claims the protection of the Private Securities Litigation Reform Act of 1995. Actual events or results may differ materially from Galecto's expectations. Factors that could cause actual results to differ materially from the forward-looking statements include risks and uncertainties related to the development of Galecto's product candidates and their therapeutic potential, having adequate funds and their use, and those disclosed in

Galecto's filings with the Securities and Exchange Commission (SEC), including, but not limited to, Galecto's Annual Report on Form 10-K, as filed with the SEC on February 17, 2022. These forward-looking statements represent Galecto's judgment as of the time of this release. Galecto disclaims any intent or obligation to update these forward-looking statements, other than as may be required under applicable law.

**For more information, contact:**

**Galecto, Inc.**

Hans Schambye, CEO  
Jon Freve, CFO  
+45 70 70 52 10

**Investors/US**

Ashley R. Robinson  
[arr@lifesciadvisors.com](mailto:arr@lifesciadvisors.com)  
+1 617 430 7577

**Media/EU**

Sandya von der Weid  
[svonderweid@lifesciadvisors.com](mailto:svonderweid@lifesciadvisors.com)  
+41 78 680 0538

Financial Tables to Follow

**GALECTO, INC.**  
**Condensed Consolidated Balance Sheets**  
**(in thousands)**

	<b>December 31,</b> <b>2021</b>	<b>December 31,</b> <b>2020</b>
Cash and cash equivalents	\$ 62,563	\$ 163,582
Marketable securities	37,628	—
Prepaid expenses and other current assets	9,911	5,713
Marketable securities, long-term	9,048	—
Operating lease right-of-use assets	834	885
Other assets	2,231	1,416
Total assets	<u>\$ 122,215</u>	<u>\$ 171,596</u>
Current liabilities	\$ 4,544	\$ 5,566
Operating lease liabilities, noncurrent	448	541
Total liabilities	<u>4,992</u>	<u>6,107</u>
Total stockholders' equity	<u>117,223</u>	<u>165,489</u>
Total liabilities and stockholders' equity	<u>\$ 122,215</u>	<u>\$ 171,596</u>
	\$ —	\$ —

**GALECTO, INC.**  
**Condensed Consolidated Statements of Operations and Comprehensive Loss**  
**(in thousands, except share and per share amounts)**

	<b>For the Year Ended</b> <b>December 31,</b>	
	<b>2021</b>	<b>2020</b>
Operating expenses:		
Research and development	\$ 38,488	\$ 24,627
General and administrative	13,739	9,010
Total operating expenses	<u>52,227</u>	<u>33,637</u>
Loss from operations	(52,227)	(33,637)
Total other income (expense), net	475	(1,200)
Net loss	<u>\$ (51,752)</u>	<u>\$ (34,837)</u>
Net loss per common share, basic and diluted	\$ (2.05)	\$ (7.62)
Weighted-average number of shares used in computing net loss per common share, basic and diluted	<u>25,261,832</u>	<u>4,572,702</u>
Other comprehensive gain (loss), net of tax	(994)	3,125
Total comprehensive loss	<u>\$ (52,746)</u>	<u>\$ (31,712)</u>



Source: Galecto, Inc.