



## Galecto Reports Operating and Financial Results for the Year Ended December 31, 2022

March 9, 2023

BOSTON, March 09, 2023 (GLOBE NEWSWIRE) -- Galecto, Inc. (NASDAQ: GLTO), a clinical-stage biotechnology company and world leader in galectin biology focused on the development of novel treatments for fibrosis and cancer, today announced its operating and financial results for the quarter and year ended December 31, 2022.

"2022 was an exciting year for us as we continued to progress our pipeline of small-molecule inhibitors of galectin-3 and LOXL2 and we now have three novel compounds in Phase 2 supported by positive clinical data. We are highly encouraged by the clinical results reported in 2022, including with GB1211 in decompensated liver cirrhosis and with GB2064 in myelofibrosis, which provide further evidence of the key roles of galectin-3 and LOXL2 in regulating fibrosis," said Hans Schambye, CEO of Galecto. "We are looking forward to building on this momentum with further significant milestones in 2023, including top-line Phase 2b results on GB0139 in idiopathic pulmonary fibrosis (IPF), interim phase 2a data on GB1211 in lung cancer and top-line Phase 2a results with GB2064 in myelofibrosis. This is based on a solid financial foundation, with a cash runway extending beyond these inflection points into the second half of 2024."

### 2022 Highlights

- Completed enrollment for the Phase 2b GALACTIC-1 trial of GB0139 in idiopathic pulmonary fibrosis (IPF) **(Q2 2022)**
- Initiated Phase 2a GALLANT-1 trial of GB1211 in combination with atezolizumab (Tecentriq®) for first-line treatment of non-small cell lung cancer (NSCLC) **(Q2 2022)**
- Announced positive intermediate data from the ongoing Phase 2a MYLOX-1 trial where four out of five evaluable patients who received GB2064 for at least six months experienced a  $\geq$  1-grade reduction in collagen fibrosis of the bone marrow **(Q3 2022)**
- Announced positive top-line results from the Phase 1b/2a GULLIVER-2 trial where GB1211 demonstrated a favorable tolerability profile and showed reduced signs of liver impairment in patients with decompensated cirrhosis **(Q4 2022)**
- Expanded oncology reach through a planned investigator-initiated Phase 2 trial with Providence Cancer Institute to evaluate GB1211 in combination with pembrolizumab (Keytruda®) in patients with metastatic melanoma and head and neck squamous cell carcinoma (HNSCC) **(Q4 2022)**

### Anticipated 2023 Milestones

- Top-line results from Phase 2b GALACTIC-1 trial (IPF) **(mid-2023)**
- Interim safety data from Phase 2a GALLANT-1 trial (NSCLC) **(Q2 2023)**
- Top-line results from Phase 2a MYLOX-1 trial (myelofibrosis) **(Q4 2023)**
- Initiation of Phase 2 investigator-initiated GB1211 oncology trial (melanoma and HNSCC) **(2H 2023)**

### Year Ended December 31, 2022 Financial Highlights

Cash, cash equivalents, and investments as of December 31, 2022 were approximately \$66.1 million. The Company anticipates that its cash, cash equivalents and investments will be sufficient to fund operating expenses and capital requirements into the second half of 2024.

Research and development expenses were \$48.2 million for the year ended December 31, 2022, compared to \$38.5 million for the year ended December 31, 2021. The increase of \$9.7 million was due primarily to increased clinical spending associated with four active clinical trials.

General and administrative expenses were \$13.0 million for the year ended December 31, 2022, compared to \$13.7 million for the year ended December 31, 2021. The decrease of \$0.7 million was primarily related to decreased consulting and legal costs, offset by increased headcount and non-cash stock-based compensation.

Net loss attributable to common stockholders for the year ended December 31, 2022 was \$61.6 million or \$(2.43) per basic and diluted share, compared with \$51.8 million, or \$(2.05) 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 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; (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 recently completed Phase 1b/2a trial in liver cirrhosis; and (iv) an orally active galectin-3 inhibitor (GB1211) in combination with atezolizumab (Tecentriq®) in a separate Phase 2a trial for the treatment of non-small lung cancer.

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; 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 March 9, 2023. 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.

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

	<u>December 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
Cash and cash equivalents	\$ 32,786	\$ 62,563
Marketable securities	27,438	37,628
Prepaid expenses and other current assets	3,686	9,911
Marketable securities, noncurrent	5,832	9,048
Operating lease right-of-use assets	810	834
Other assets, noncurrent	2,636	2,231
Total assets	<u>\$ 73,188</u>	<u>\$ 122,215</u>
Current liabilities	\$ 11,107	\$ 4,544
Operating lease liabilities, noncurrent	328	448
Total liabilities	<u>11,435</u>	<u>4,992</u>
Total stockholders' equity	<u>61,753</u>	<u>117,223</u>
Total liabilities and stockholders' equity	<u>\$ 73,188</u>	<u>\$ 122,215</u>

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

	<u>For the Year Ended</u> <u>December 31,</u>	
	<u>2022</u>	<u>2021</u>
Operating expenses:		
Research and development	\$ 48,206	\$ 38,488
General and administrative	13,001	13,739
Total operating expenses	<u>61,207</u>	<u>52,227</u>
Loss from operations	(61,207)	(52,227)
Total other income (expense), net	<u>(417)</u>	<u>475</u>
Net loss	\$ (61,624)	\$ (51,752)
Net loss per common share, basic and diluted	\$ (2.43)	\$ (2.05)
Weighted-average number of shares used in computing net loss per common share, basic and diluted	<u>25,409,123</u>	<u>25,261,832</u>
Other comprehensive gain (loss), net of tax	<u>76</u>	<u>(994)</u>
Total comprehensive loss	<u>\$ (61,548)</u>	<u>\$ (52,746)</u>



Source: Galecto, Inc.