Lisata Therapeutics and GATC Health Consummate First Step in Strategic Collaboration to use AI to Derisk and Accelerate Drug Development

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Strategic collaboration harnesses GATC's proprietary Artificial Intelligence-powered, validated Multiomics Advanced Technology™ platform to rapidly optimize and derisk drug discovery and development, thereby accelerating and economizing the traditional drug development process.

Lisata's investigational product, certepetide, to be the subject of a comprehensive AI-analysis to determine optimum disease targets and development strategies.

GATC to leverage Lisata's experience and operational excellence in translational medicine and drug development to advance their drug candidate pipeline products into clinical trials.

BASKING RIDGE, N.J. and IRVINE, Calif., March 05, 2025 (GLOBE NEWSWIRE) -- Lisata Therapeutics, Inc. (Nasdaq: LSTA) ("Lisata" or the "Company"), a clinical-stage pharmaceutical company developing innovative therapies for the treatment of advanced solid tumors and other serious diseases, and GATC Health Corp ("GATC"), a leading tech-bio company leveraging artificial intelligence ("AI") to transform drug discovery, today announced the consummation of the first step of an intended multi-part strategic agreement. Under terms of the agreement, the two companies will leverage Lisata's experience and expertise in drug development together with GATC's proprietary AI-powered and validated Mutiomics Advanced Technology™ ("MAT") platform to derisk, optimize, and accelerate drug development, creating opportunities with a higher probability of success.

As the first step in the collaboration, GATC's MAT AI platform will analyze Lisata's investigational drug, certepetide, to identify optimized and derisked development opportunities across various indications. GATC's MAT AI simulates billions of complex systems biological interactions, predicting safety, efficacy, off-target effects, and clinical trial outcomes. Based on the outcome of GATC's analysis, Lisata plans to optimize its Phase 3 development of certepetide in metastatic pancreatic ductal adenocarcinoma ("mPDAC") while also identifying new indications with a high probability of development success.

In a subsequent step in the collaboration, GATC's MAT AI will identify drugs that can be used in combination with certepetide across a wide variety of indications, including those outside of oncology. Finally, the strategic collaboration contemplates the engagement of Lisata as an operational partner of GATC for the development of GATC's own drug development candidates. To date, GATC's MAT AI has contributed to the discovery of novel drug candidates targeting addiction, PTSD, diabetes, obesity, glioblastoma, and cognitive decline.

In addition to the practical implications of enhanced and accelerated development, the collaboration is expected to reduce the risks traditionally associated with biopharmaceutical ventures and related investments. By leveraging GATC's MAT AI platform, drug candidates with a higher probability of success are expected to be quickly identified, thus enabling more focused studies and truncated development timelines along with optimized capital management.

"Lisata is delighted by the prospects of this agreement and is honored to be chosen as a strategic partner by GATC. It is noteworthy that GATC has been selected as the exclusive AI partner of Lloyd's of London's syndicate, Medical & Commercial International, and their marketing partner Acrisure, to support the underwriting of the first insurance-backed financial program to fund clinical trials. Additionally, we are excited by the plans for GATC to engage Lisata as a collaborator in the advancement of their own drug development candidates," stated David J. Mazzo, Ph.D., President and Chief Executive Officer of Lisata. "By combining our expertise with GATC and their cutting-edge AI technology, we are ensuring that Lisata's and GATC's development programs have the highest probability of success, allowing us the ability to conduct the most time- and capital-efficient studies to accelerate products to market for the benefit of patients, the medical community, and our shareholders."

Traditional drug discovery and development is a notoriously risky, expensive, and time-consuming process, often continually projected to take over a decade at a cost of billions of dollars to bring a single therapy to market. The high failure rate, with an estimated 1 in 10,000 identified potential drugs that make it to market, is a direct result of inaccurate target identification, unforeseen toxicity, poor efficacy, and a lengthy, complicated preclinical and clinical trial process. By applying GATC's MAT AI, drug discovery and development is anticipated to be much faster and more efficient with a greater probability of success.

"GATC's validated technology inverts predicted clinical trial failures and provides an unbiased analysis of investigational new drugs, such as Lisata's certepetide," stated Jayson Uffens, Chief Technology Officer at GATC. "This enables a derisked and optimized development roadmap that can include additional indications and new intellectual property related to the drug candidate. We are also pleased to collaborate with Lisata to leverage their expertise for GATC's pipeline of assets."

About Lisata Therapeutics

Lisata Therapeutics is a clinical-stage pharmaceutical company dedicated to the discovery, development and commercialization of innovative therapies for the treatment of advanced solid tumors and other major diseases. Lisata's cyclic peptide product candidate, certepetide, is an investigational drug designed to activate a novel uptake pathway that allows co-administered or tethered anti-cancer drugs to selectively target and penetrate solid tumors more effectively. Lisata has already established noteworthy commercial and R&D partnerships based on its CendR Platform® technology. The Company expects to announce numerous milestones over the next 1.5 years and believes that its projected capital will fund operations into the second quarter of 2026, encompassing anticipated data milestones from its ongoing and planned clinical trials. Learn more about certepetide's mechanism of action in our short film . For more information on the Company, please visit www.lisata.com.

About Certepetide

Certepetide (formerly LSTA1), an *internalizing* RGD (arginylglycylaspartic acid or iRGD), cyclic peptide product candidate, is an investigational drug designed to activate a novel uptake pathway that allows co-administered or tethered anti-cancer drugs to target and penetrate solid tumors more effectively. Certepetide actuates this active transport system in a tumor-specific manner, resulting in systemically co-administered anti-cancer drugs more efficiently penetrating and accumulating in the tumor. Certepetide also has been shown to modify the tumor microenvironment resulting in tumors which are more susceptible to immunotherapies. We and our collaborators have amassed significant non-clinical data demonstrating enhanced delivery of a range of emerging anti-cancer therapies, including immunotherapies and RNA-based therapeutics. To date, certepetide has also demonstrated favorable safety, tolerability, and clinical activity in completed and ongoing clinical trials designed to test its ability to enhance the effectiveness of standard-of-care chemotherapy for pancreatic cancer. Lisata is exploring the potential of certepetide to enable a variety of treatment modalities to treat a range of solid tumors more effectively. Certepetide has been awarded Fast Track designation (U.S.) and Orphan Drug Designation for pancreatic cancer (U.S. and E.U.) as well as Orphan Drug Designation for glioma (U.S.) and osteosarcoma (U.S.). Additionally, certepetide has received Rare Pediatric Disease Designation for osteosarcoma (U.S.).

About GATC Health Corp

GATC Health Corp is a technology company revolutionizing drug discovery and development through its transformative AI platform and approach. The company's validated and proprietary Multiomics Advanced Technology™ (MAT) simulates human biochemistry's billions of interactions to rapidly create novel therapeutics, identify and confirm targets, accelerate development, and de-risk drug pipelines by predicting efficacy, safety, and off-target effects. For more information, visit www.gatchealth.com.

Forward-Looking Statements

This communication contains "forward-looking statements" that involve substantial risks and uncertainties for purposes of the safe harbor provided by the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this communication regarding the Company's clinical development programs are forward-looking statements. In addition, when or if used in this communication, the words "may," "could," "should," "anticipate," "believe," "estimate," "expect," "intend," "plan," "predict" and similar expressions and their variants, as they relate to Lisata or its management, may identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, the potential efficacy of certepetide as a treatment for patients with metastatic pancreatic ductal adenocarcinoma and other solid tumors; our beliefs about the potential uses and benefits of certepetide; statements relating to Lisata's continued listing on the Nasdaq Capital Market; expectations regarding the capitalization, resources and ownership structure of Lisata; the approach Lisata is taking to discover and develop novel therapeutics; the adequacy of Lisata's capital to support its future operations and its ability to successfully initiate and complete clinical trials; and the difficulty in predicting the time and cost of development of Lisata's product candidates. Actual results could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: results observed from a single patient case study are not necessarily indicative of final results and one or more of the clinical outcomes may materially change following more comprehensive reviews of the data and as more patient data becomes available, including the risk that unconfirmed responses may not ultimately result in confirmed responses to treatment after follow-up evaluations; the risk that product candidates that appeared promising in early research and clinical trials do not demonstrate safety and/or efficacy in larger-scale or later clinical trials; the safety and efficacy of Lisata's product candidates, decisions of regulatory authorities and the timing thereof, the duration and impact of regulatory delays in Lisata's clinical programs, Lisata's ability to finance its operations, the likelihood and timing of the receipt of future milestone and licensing fees, the future success of Lisata's scientific studies, Lisata's ability to successfully develop and commercialize drug candidates, the timing for starting and completing clinical trials, rapid technological change in Lisata's markets, the ability of Lisata to protect its intellectual property rights; and legislative, regulatory, political and economic developments. The foregoing review of important factors that could cause actual events to differ from expectations should not be construed as exhaustive and should be read in conjunction with statements that are included herein and elsewhere, including the risk factors included in Lisata's Annual Report on Form 10-K filed with the SEC on February 27, 2025, and in other documents filed by Lisata with the Securities and Exchange Commission. Except as required by applicable law, Lisata undertakes no obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events, or otherwise.

Lisata Therapeutics Contact:

Investors:
Lisata Therapeutics
John Menditto
Vice President, Investor Relations and Corporate Communications
Phone: 908-842-0084
Email: jmenditto@lisata.com

Media:
ICR Healthcare
Elizabeth Coleman
Account Supervisor
Phone: 203-682-4783
Email: elizabeth.coleman@icrhealthcare.com

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