Lisata Therapeutics Provides Update Following Termination of Merger Agreement

August 4, 2026

Lisata has filed suit against Kuva Labs Inc. and its subsidiary seeking, among other things, damages for the benefit of its stockholders

Lisata's Board of Directors and management continues to evaluate strategic alternatives to enhance stockholder value

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LIBERTY CORNER, N.J., Aug. 04, 2026 (GLOBE NEWSWIRE) -- Lisata Therapeutics, Inc. (Nasdaq: LSTA) ("Lisata"), a clinical-stage pharmaceutical company developing innovative therapies for the treatment of advanced solid tumors and other serious diseases, today provided an update following the termination of its merger agreement with Kuva Labs Inc. and its subsidiary Kuva Acquisition Corp. (collectively, "Kuva").

Lisata has filed suit in the Delaware Court of Chancery against Kuva over Kuva's breach of the previously-disclosed Agreement and Plan of Merger dated March 6, 2026 (as amended, the "Merger Agreement"), seeking, among other things, damages for the benefit of its stockholders and the $2,000,000 termination fee Lisata is owed under the Merger Agreement.

Lisata's Board of Directors continues to evaluate strategic alternatives to enhance stockholder value, which will include, but are not limited to, an acquisition, merger, reverse merger, other business combination, sales of assets, liquidation and dissolution, among other strategic transactions. The Company has not set a timetable for completion of this strategic review and does not intend to comment further on the status of this process unless or until its Board of Directors has approved a definitive course of action, or it is determined that another disclosure is warranted.

In order to reduce operating expenses and preserve cash to pursue strategic alternatives, Lisata has implemented a reduction in force, eliminating approximately 72% of its full-time employees, including its Executive Vice President of R&D and Chief Medical Officer position. Certain members of the separated staff may be engaged as external consultants for a period of time, as necessary.

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 established noteworthy partnerships based on its CendR Platform® technology. For a comprehensive overview of certepetide's mechanism of action, please view our informative short film. For more information on Lisata and to access the short film, please visit www.lisata.com.

Cautionary Note Regarding Forward-Looking Statements

This document includes forward-looking statements that are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, statements regarding the litigation against Kuva, the reduction in force, the exploration of strategic alternatives, , and Lisata's future financial or operating performance. These forward-looking statements typically can be identified by words such as "believe," "expect," "estimate," "predict," "target," "potential," "likely," "continue," "ongoing," "could," "should," "intend," "may," "might," "plan," "seek," "anticipate," "project" and similar expressions, as well as variations or negatives of these words. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties; accordingly, investors are cautioned not to place undue reliance on forward-looking statements. Actual results may differ materially due to several factors. Factors that could cause future results to differ materially include: the Company may not execute its planned exploration and evaluation of strategic alternatives; the availability of suitable third parties with which to conduct contemplated strategic transactions; the risk that the Company's reduction in force efforts may not generate their intended benefits to the extent or as quickly as anticipated; and the risk that the Company's reduction in force efforts may negatively impact the Company's business operations and reputation; Lisata's ability to successfully demonstrate the efficacy and safety of its product candidates, and the preclinical or clinical results for its product candidates, which may not support further development of such product candidates; comments, feedback and actions of regulatory agencies; Lisata's dependence on the successful clinical development, regulatory approval and commercialization of its product candidates; the inherent uncertainties associated with developing new products or technologies and operating as clinical stage company; Lisata's cash sufficiency and runway; and other risks identified in Lisata's SEC filings, including Lisata's Annual Report on Form 10-K for the year ended December 31, 2025 and subsequent filings with the SEC. Lisata cautions you not to place undue reliance on any forward-looking statements, which speak only as of the date they are made. The forward-looking statements in this document speak only as of the date of this document. Lisata undertakes no obligation to update any forward-looking statement, whether as a result of new information, future developments, or otherwise, except as may be required by applicable law.

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