

May 11, 2023



# Artelo Biosciences Reports First Quarter 2023 Financial Results and Provides Business Update

## Cash on Hand of \$15.5M Expected to Support Completion of the CARES Trial and Operations into Second Half of 2024

SOLANA BEACH, Calif., May 11, 2023 (GLOBE NEWSWIRE) -- [Artelo Biosciences, Inc.](#) (**Nasdaq: ARTL**), a clinical-stage pharmaceutical company focused on modulating lipid-signaling pathways to develop treatments for people living with cancer, pain, and neurological conditions, today reported financial and operating results for the three months ended March 31, 2023 and provided a business update.

“Given the positive safety profile observed in the patients with cancer-associated anorexia participating in the Phase 1b portion of our Cancer Appetite Recovery Study (CAREs) for our drug candidate, ART27.13, in April we advanced to the Phase 2a stage of the study,” said Gregory D. Gorgas, President and Chief Executive Officer of Artelo Biosciences. “New for the Phase 2a, randomized patients will be monitored for increased physical activity with a validated wearable device in addition to the other efficacy assessments utilized in the first stage. We also obtained regulatory approval to increase the allowable concurrent anti-cancer treatments, as well as expand the number of Phase 2a participants to 40.”

“With ample financial resources to support our operations into the second half of 2024, we not only expect to complete enrollment of CAREs, we also plan to file the application to begin human trials with ART26.12 and to advance preclinical studies of ART12.11 to support its transition to the clinic,” Mr. Gorgas concluded.

### Financial Results Ended March 31, 2023

Operating expenses for the three months ended March 31, 2023, were \$2.3 million compared to \$1.9 million for the same period in 2022. The increase in operating expenses for the three months ended March 31, 2023, was primarily related to an increase in research and development expense in the prior year as a result of tax credits received from the United Kingdom government, of which similar credits have not yet been received in the current year, offset by a decrease in stock-based compensation expense.

Net loss was approximately \$2.2 million, or \$0.76 per basic and diluted share, for the three months ended March 31, 2023, compared to a net loss of \$2.0 million, or \$0.70 per basic and diluted share, for the three months ended March 31, 2022.

As of March 31, 2023, the Company had approximately \$15.5 million in cash and

investments, compared to \$17.5 million as of December 31, 2022.

### **About CAReS**

The Cancer Appetite Recovery Study (CAReS) is a Phase 1b/2a randomized, placebo-controlled trial of the Company's lead clinical program, ART27.13, in patients with cancer-associated anorexia and weight loss. Cancer-related anorexia, or the lack or loss of appetite in the person with cancer, may result from the cancer and/or its treatment with radiation or chemotherapy. It is common for people with cancer to lose weight. Anorexia and the resulting weight loss can affect a patient's health, often weakening their immune system and causing discomfort and dehydration. A weight loss of more than 5% can predict a poor outcome for cancer patients and a lower response to chemotherapy. The Phase 1b portion of the CAReS study is designed to determine the most effective and safest dose of ART27.13 for dosing in the Phase 2a stage. The Phase 2a portion of the CAReS study is designed to determine estimates of activity of ART27.13 in terms of lean body mass, weight gain, and improvement of anorexia. (ISRCTN registry: <https://www.isrctn.com/ISRCTN15607817>)

### **About Artelo Biosciences**

Artelo Biosciences, Inc. is a clinical stage pharmaceutical company dedicated to the development and commercialization of proprietary therapeutics that modulate lipid-signaling pathways including the endocannabinoid system. Artelo is advancing a portfolio of broadly applicable product candidates designed to address significant unmet needs in multiple diseases and conditions, including anorexia, cancer, anxiety, pain, neuropathy, and inflammation. Led by proven biopharmaceutical executives collaborating with highly respected researchers and technology experts, the company applies leading edge scientific, regulatory, and commercial discipline to develop high-impact therapies. More information is available at [www.artelobio.com](http://www.artelobio.com) and Twitter: [@ArteloBio](https://twitter.com/ArteloBio).

### **Forward Looking Statements**

*This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and Private Securities Litigation Reform Act, as amended, including those relating to the Company's product development, clinical and regulatory timelines, market opportunity, competitive position, possible or assumed future results of operations, business strategies, potential growth opportunities and other statement that are predictive in nature. These forward-looking statements are based on current expectations, estimates, forecasts and projections about the industry and markets in which we operate and management's current beliefs and assumptions. These statements may be identified by the use of forward-looking expressions, including, but not limited to, "expect," "anticipate," "intend," "plan," "believe," "estimate," "potential," "predict," "project," "should," "would" and similar expressions and the negatives of those terms. These statements relate to future events or our financial performance and involve known and unknown risks, uncertainties, and other factors which may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include those set forth in the Company's filings with the Securities and Exchange Commission, including our ability to raise additional capital in the future. Prospective investors are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this press release. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise, except to the extent required by applicable securities*

*laws.*

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