Carisma Therapeutics Provides Corporate Updates

March 31, 2025

Company to explore strategic alternatives to advance liver fibrosis and oncology assets and reduce operational cash burn

PHILADELPHIA, March 31, 2025 /PRNewswire/ -- Carisma Therapeutics Inc. (Nasdaq: CARM) ("Carisma" or the "Company") today announced that its Board of Directors has approved a revised operating plan focused on evaluating strategic alternatives while reducing operational cash burn.

The Company's goal is to maximize the value of its assets, including its liver fibrosis and oncology development programs, its macrophage and monocyte engineering platform and the CAR-M platform and to realize value from the potential future milestone and royalty payments under Carisma's agreement with Moderna. To support this transition, the Company has reduced its workforce, retaining only those employees deemed essential to pursue strategic alternatives. With these actions, the Company estimates that it has cash and cash equivalents sufficient to fund its operations into the second half of 2025.

The Company will assess a full range of strategic alternatives, including but not limited to, the sale, license, monetization, and/or divestiture of one or more of the Company's assets or technologies, a strategic collaboration, partnership, or merger with one or more parties, or the sale of the Company. The Company's exploration of strategic alternatives may not result in the consummation of any transaction or the realization of any value for the Company or its stockholders.

"While difficult, we believe pursuing strategic alternatives coupled with a reduction in operating costs has the potential to maximize the value of our science and other assets given the challenging funding environment," said Steven Kelly, President and Chief Executive Officer of Carisma Therapeutics. "We believe deeply in the potential of our liver fibrosis and oncology programs, which have shown compelling preclinical results, and are well-positioned for future development. We are focused on finding a strategic transaction that would allow this important work to continue and maximize the value of all our assets. I'm incredibly proud of our team's pioneering efforts and remain optimistic about the future of our technology."

Pipeline Updates

Fibrosis

- Our liver fibrosis program is based upon the discovery of a key efferocytosis defect in the macrophages that reside within the livers of patients with fibrosis. Using a novel mRNA/LNP approach, our product candidate, CT-2401, aims to reverse fibrotic disease and improve the outcomes of patients with advanced liver fibrosis.
- In the second quarter of 2024, we achieved pre-clinical proof of concept in our liver fibrosis program, demonstrating the anti-fibrotic potential of engineered macrophages in two liver fibrosis models.
- CT-2401 has the potential to be a first-in-class efferocytosis therapy for advanced metabolic associated liver disease.

Ex Vivo Oncology

- CT-1119 is a next generation CAR-monocyte designed to treat patients with advanced mesothelin-positive solid tumors, including pancreatic cancer, ovarian cancer, lung cancer, mesothelioma, and others.
- Prior to pausing our research and development activities, we planned to initiate a Phase 1 clinical trial of CT-1119, a mesothelin-targeted CAR-Monocyte, in combination with tislelizumab, an anti-PD-1 antibody, in adult patients with mesothelin-positive solid tumors, in China.

In Vivo Program (Moderna Collaboration)

- In June 2024, we announced that Moderna nominated the first development candidate under the collaboration, which targets Glypican-3, or GPC3.
- In November 2024, we announced new pre-clinical data on our anti-GPC3 *in vivo* CAR-M therapy for treating hepatocellular carcinoma. These pre-clinical data demonstrated robust anti-tumor activity.
- In February 2025, Moderna nominated ten additional oncology research targets and ceased development of two oncology research targets and two autoimmune research targets.
- As of February 2025, Moderna has nominated all 12 oncology research targets under the collaboration for which we have the potential to receive future milestones and royalty payments.
- The Company will not conduct any additional research activities under the collaboration agreement, and we will not be receiving any further research funding from Moderna under the collaboration agreement.
- Moderna agreed to terminate the *in vivo* oncology field exclusivity, which would allow us to pursue *in vivo* CAR-M programs outside of the 12 nominated oncology targets and product polypeptides.

Corporate Update

- On March 25, 2025, the Company's Board of Directors approved a revised operating plan focused on evaluating strategic alternatives and preserving capital.
- The Company has reduced operations to core functions necessary to support this strategic review and has paused all research and development activities at this time, pending the outcome of the review.
- The Company may engage external advisors to support the evaluation of strategic alternatives and prepare for a potential wind-down of operations, if necessary.

About Carisma Therapeutics

Carisma Therapeutics is a biotechnology Company pioneering macrophage engineering to develop groundbreaking therapies for fibrosis and cancer. With a strong commitment to patient-centric innovation, Carisma aims to deliver scalable, next-generation solutions that transform treatment paradigms. Carisma is headquartered in Philadelphia, PA. For more information, please visit www.Carismatx.com.

Cautionary Note on Forward- Looking Statements

Statements in this press release about future expectations, plans and prospects, as well as any other statements regarding matters that are not historical facts, may constitute "forward-looking statements" within the meaning of The Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, statements relating to Carisma's cash preservation plan, business, strategy, future operations, cash runway, the ability to identify, evaluate and consummate a strategic transaction, whether any such strategic transaction may result in the realization of any value for our company or our stockholders, the ability to preserve cash in order to adequately fund an orderly wind down of Carisma's operations, the impact of the workforce reduction, expectations regarding the value or recovery that may be available to our stockholders in connection with a potential strategic transaction or as part of a wind down process, the anticipated benefits of Carisma's product candidates and Carisma's ability to maintain compliance with Nasdaq listing standards. The words "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "goals," "intend," "may," "might," "outlook," "plan," "project," "potential," "predict," "target," "possible," "will," "would," "could," "should," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

Any forward-looking statements are based on management's current expectations of future events and are subject to a number of risks and uncertainties that could cause actual results to differ materially and adversely from those set forth in, or implied by, such forward-looking statements. These risks and uncertainties include, but are not limited to, Carisma's ability to identify, evaluate and execute a strategic transaction; the Carisma's ability to preserve its existing cash resources so that it may pursue an orderly wind down of operations; Carisma's ability to successfully execute an orderly wind down; Carisma's ability to obtain additional financing; Carisma's ability to continue as a going concern; Carisma's ability to obtain, maintain and protect its intellectual property rights related to its product candidates; Carisma's ability to advance the development of its product candidates if it were to resume research and development activities; Carisma's ability to replicate in later clinical trials positive results found in preclinical studies and early-stage clinical trials of its product candidates; Carisma's ability to realize the benefits of its research and development programs, strategic partnerships, research and licensing programs and academic and other collaborations; regulatory requirements or developments and, if Carisma were to resume research and development activities, Carisma's ability to obtain and maintain necessary approvals from the U.S. Food and Drug Administration and other regulatory authorities related to its product candidates; risks associated with Carisma's ability to manage expenses; changes in capital resource requirements; ability to successfully maintain compliance with the Nasdaq listing standards in order to avoid delisting; and legislative, regulatory, political and economic developments.

For a discussion of these risks and uncertainties, and other important factors, any of which could cause Carisma's actual results to differ from those contained in the forward-looking statements, see the "Risk Factors" set forth in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, its Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, as well as discussions of potential risks, uncertainties, and other important factors in Carisma's other recent filings with the Securities and Exchange Commission. Any forward-looking statements that are made in this press release speak as of the date of this press release. Carisma undertakes no obligation to revise the forward-looking statements or to update them to reflect events or circumstances occurring after the date of this press release, whether as a result of new information, future developments or otherwise, except as required by the federal securities laws.

Investors & Media contact:
Steven Kelly
investors@carismatx.com

View original content to download multimedia:https://www.prnewswire.com/news-releases/carisma-therapeutics-provides-corporate-updates-302416072.html

SOURCE Carisma Therapeutics Inc.