NEWS RELEASE

Satellos Reports Second Quarter 2025 Results and Highlights Upcoming Clinical Milestones

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- Reported positive Phase 1b data in five adults with Duchenne muscular dystrophy (DMD) after 28 days of treatment
    - Demonstrated safety, tolerability and an approximate doubling in grip strength
- On track to initiate a follow-up of the Phase 1b study in adults with DMD in Q3 2025
    - Expected to report 3-month interim data this year
- Preparing submissions to enable initiation of a global Phase 2 randomized, placebo-controlled clinical trial in children with DMD
- Appointed Dr. Wildon Farwell as chief medical officer (CMO)
- Ended the second quarter of 2025 with cash balance of $52.1 million ($38.2 million in $U.S.)

TORONTO--(BUSINESS WIRE)-- Satellos Bioscience Inc. (TSX: MSCL, OTCQB: MSCLF) (“Satellos” or the “Company”), a clinical-stage biotechnology company developing life-improving medicines to treat degenerative muscle diseases, today announced its financial results and corporate highlights for the second quarter ended June 30, 2025.

“We are excited by the clean safety profile and promising functional improvements with SAT-3247 in our Phase 1a/1b study,” said Satellos Co-Founder and Chief Executive Officer Frank Gleeson. “The consistency between our clinical and preclinical findings continues to point to the transformative potential of SAT-3247 as a novel treatment for degenerative muscle conditions broadly. In Duchenne, current therapies are making important progress in slowing disease progression and preserving muscle. We designed SAT-3247 to do something different — help rebuild muscle and improve strength. We look forward to our imminent Phase 1b long-term follow-up trial in adults and planned Phase 2 study with children, where we aim to demonstrate how SAT-3247 may contribute to that most

important goal of improving functional outcomes for people living with Duchenne through a potentially safe, disease modifying, oral treatment."

SAT-3247 CLINICAL PROGRESS

- On May 22, 2025, Satellos announced positive Phase 1b results from a 28-day open-label study in five adult male patients with DMD (ages 20–27).
    - SAT-3247 was safe and well tolerated in all participants
    - Grip strength, measured using the standardized MyoGrip device, showed an approximate doubling across the 5 participants from ~ 2 kg to 4 kg.
    - In addition, patients demonstrated an approximate average increase in force-vital capacity of 5%.
    - Study participants appeared to remain stable in other exploratory measurement areas.
    - The expected pharmacokinetic of SAT-3247 was met — an important result with these patients who were all on steroids.
- Building on these positive outcomes, Satellos received approval and plans to initiate SAT-3247-LT-001 in Q3 2025.
    - This will offer an additional 11 months of treatment for adult participants from the initial 28-day Phase 1b trial.
    - The study will assess the durability of functional responses, longer-term safety, and changes in muscle composition as measured by MRI.
    - Interim 3-month results are expected prior to year-end.
    - Satellos also plans to expand the protocol to include additional patients.
- Global Phase 2 trial for pediatric patients with DMD:
    - Satellos is on track to submit an IND application to the FDA and CTAs in other countries in Q3 2025 to enable initiation — subject to regulatory approval — of a global Phase 2 randomized, placebo-controlled, proof-of-concept trial in pediatric patients with DMD.
    - The planned trial is designed to assess safety, pediatric pharmacokinetics, optimal dose, biologic effects, and measures of functional efficacy.

FINANCIAL RESULTS (in $U.S.)

Satellos had cash and cash equivalents and short-term investments of $38.2 million as of June 30, 2025, compared with $48.5 million at Dec. 31, 2024. The decrease in funds available is due to the net loss in the current year period, as well as increased deposits related to the planned Phase 2 clinical trial.

For the three-months ended June 30, 2025, Satellos reported a net loss of $5.6 million ($0.03 loss per share),

compared to a net loss of $4.4 million ($0.04 loss per share) for the three-months ended June 30, 2024. The increase in net loss for the three-months ended June 30, 2025, compared with the same period in 2024, was a result of increased research and development (R&D) expenses, as well as increased general and administrative (G&A) expenses.

R&D expenses increased to $4.4 million for the three-months ended June 30, 2025, compared to $3.6 million for the three-months ended June 30, 2024. The increase in R&D expenses was the result of increased clinical costs associated with ongoing and planned clinical trials, partially offset by decreased CMC activities related to the process development and manufacturing of SAT-3247 for clinical use in the prior year period and preclinical costs due to IND enabling studies conducted to support the clinical regulatory filings for SAT-3247 as we prepared to initiate Phase 1 clinical development in Q3 2024.

G&A expenses increased to $1.9 million for the three-months ended June 30, 2025, as compared to $1.3 million for the three-months ended June 30, 2024. The increase in general and administrative expenses in the current year period is primarily the result of increased salary and professional fees related to changes in headcount to support expanded operations and non-cash stock-based compensation expense due to new grants issued in the current period.

The Satellos consolidated interim financial statements for the three- and six-months ended June 30, 2025, and the related management discussion and analysis will be available on SEDAR+ at **www.sedarplus.ca**.

ABOUT SAT-3247

SAT-3247 is a proprietary, oral, small molecule drug being developed by Satellos as a novel treatment to regenerate skeletal muscle that is lost in Duchenne muscular dystrophy and other degenerative or injury conditions. Satellos is advancing SAT-3247 as a potential treatment for DMD, independent of dystrophin and regardless of exon mutation status.

ABOUT SATELLOS BIOSCIENCE INC.

Satellos is a clinical-stage drug development company focused on restoring natural muscle repair and regeneration in degenerative muscle diseases. Through its research, Satellos has developed SAT-3247, a first-of-its-kind, orally administered small molecule drug designed to address deficits in muscle repair and regeneration. SAT-3247 targets AAK1, a key protein that Satellos has identified as capable of replacing the signal normally provided by dystrophin in muscle stem cells to effect repair and regeneration. By restoring this missing dystrophin signal in DMD, SAT-3247 enables muscle stem cells to divide properly and more efficiently, promoting natural muscle repair and regeneration. SAT-3247 is currently in clinical development as a potential disease-modifying treatment initially for

DMD. Satellos also is leveraging its proprietary discovery platform MyoReGenX™ to identify additional muscle diseases or injury conditions where restoring muscle repair and regeneration may have therapeutic benefit and represent future clinical development opportunities. For more information, visit **www.satellos.com**.

NOTICE ON FORWARD-LOOKING STATEMENTS

This press release includes forward-looking information or forward-looking statements within the meaning of applicable securities laws regarding Satellos and its business, which may include, but are not limited to, expected timing for Phase 2 regulatory filings, the timing of initiating the Phase 1b long term follow up study and when three month interim data will be available, estimated runway based on cash on hand; statements regarding the potential for SAT-3247 to represent a disease modifying approach to the therapeutic treatment of people living with Duchenne; anticipated benefits to patients from a small molecule treatment for Duchenne; the advancement SAT-3247 through clinical trials; the pharmacodynamic properties and mechanism-of-action of SAT-3247; the potential of our approach in other degenerative muscle diseases; its/their prospective impact on Duchenne patients, patients with other degenerative muscle disease or muscle injury or trauma, and on muscle regeneration generally; and Satellos' technologies and drug development plans. All statements that are, or information which is, not historical facts, including without limitation, statements regarding future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations or beliefs of future performance, occurrences or developments, are "forward-looking information or statements." Often but not always, forward-looking information or statements can be identified by the use of words such as "shall", "intends", "believe", "plan", "expect", "intend", "estimate", "anticipate", "potential", "prospective" , "assert" or any variations (including negative or plural variations) of such words and phrases, or state that certain actions, events or results "may", "might", "can", "could", "would" or "will" be taken, occur, lead to, result in, or, be achieved. Such statements are based on the current expectations and views of future events of the management of the Company. They are based on assumptions and subject to risks and uncertainties. Although management believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect. The forward-looking events and circumstances discussed in this release, may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting the Company, including, without limitation, risks relating to the pharmaceutical and bioscience industry (including the risks associated with preclinical and clinical trials and regulatory approvals), and the research and development of therapeutics, the results of preclinical and clinical trials, general market conditions and equity markets, economic factors and management's ability to manage and to operate the business of the Company generally, including inflation and the costs of operating a biopharma business, and those risks listed in the "Risk Factors" section of Satellos' Annual Information Form dated March 26, 2025 (which is located on Satellos' profile at **www.sedarplus.ca**). Although Satellos has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Accordingly, readers should not place

undue reliance on any forward-looking statements or information. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Satellos does not undertake any obligation to publicly update or revise any forward-looking statement, whether resulting from new information, future events, or otherwise.

Investors: Liz Williams, CFO, **ir@satellos.com**
Media: Emily Williams, Senior Director of Communications, **media@satellos.com**
Clinical Trial Info: **medicalinfo@satellos.com**

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