VECTALYS AND FLASHCELL ANNOUNCE MERGER TO CREATE FLASH THERAPEUTICS, NEW GENE THERAPY COMPANY BASED ON LENTIVIRAL PLATFORMS AND BIOPRODUCTION TECHNOLOGIES

New Company developing proprietary RNA-based therapeutics and providing broad lentiviral development and manufacturing expertise and support

TOULOUSE, France - May 16, 2018 – Vectalys, a leading biotech company specialized in manufacturing high quality lentiviral solutions for gene delivery, and FlashCell, a company developing non-integrating lentiviral delivered RNA therapeutics, today announced that they have merged to create Flash Therapeutics, a new privately held gene therapy company developing gene and cell therapeutics. Financial terms of the merger were not disclosed.

Flash Therapeutics will advance two complementary businesses:

- Development of novel RNA therapeutics based on LentiFlash®, a proprietary non-integrative lentiviral delivery technology for incurable diseases;
- Worldwide contract development and manufacturing expertise and support - from discovery through GMP production - for clients developing lentivirally-delivered RNA and DNA therapies.

In connection with the merger, Flash Therapeutics received a €3.3 million investment from Auriga Partners, a leading private equity investor, through its AURIGA IV Bioseed fund; Galia Gestion, a private equity fund based in Bordeaux, France; and two angel investors, Jean-Pierre Arnaud and Alain Sainsot. Auriga and Vectalys were initial investors in FlashCell, which was established in 2017.

LentiFlash technology was developed to deliver RNA into cells with high efficiency for short-term expression without integrating genetic material into the host cells’ genome. Conventional lentiviral vectors deliver DNA that integrates into the target cells’ genome and results in stable expression. LentiFlash has demonstrated great potential to expand the use of lentiviral delivery along with advanced technologies (e.g., gene editing, next generation immunotherapy) that may not be compatible with conventional lentiviral vectors used as therapeutics.

“Flash Therapeutics capitalizes on both the emergence of gene and cell therapies as major new therapeutic modalities for the treatment of genetic and other previously untreatable diseases, and of lentiviral vectors as a commercially and medically validated approach to gene delivery,” said Pascale Bouillé, PhD, CEO of Flash Therapeutics. “Our new company is positioned to build on the lentiviral development and production technologies Vectalys developed and applied over the past 13 years, and to advance a new class of RNA therapies based on its transient, non-integrating lentiviral technology, LentiFlash.”
Dr. Bouillé added, “LentiFlash technology combines both delivery efficiency without cell damage of viral vectors and safety of RNA delivery.”

Dr. Bouillé noted that Flash Therapeutics is initially developing RNA therapeutics based on LentiFlash in the areas of blood and liver diseases. The Company plans to collaborate with pharmaceutical and biotechnology partners to develop RNA therapies in other disease areas.

The Company’s lentiviral development and production business, which will continue to operate under the Vectalys manufacturing platform name, will expand as part of Flash Therapeutics to include scalable GMP manufacturing capabilities. The GMP facility, which is expected to become fully operational in 2019, is being established through a recently signed, three-year partnership with Hospital Saint-Louis, Lariboisière, Fernand-Widal (Assistance Public Hospitals of Paris AP-HP) to develop and produce gene and cell therapy drugs.

“Rapid growth in the development of gene and cell therapies, along with an increasing number of products in clinical trials, are driving the global need for lentiviral manufacturing technology and expertise,” noted Dr. Bouillé. “With capabilities for development and manufacturing that will span from discovery through GMP production, Flash Therapeutics is poised to fill that need. Our lentiviral development and production technologies, along with LentiFlash, will allow us to participate broadly in the development and commercialization of gene and cell therapy in a wide range of difficult-to-treat diseases.”

Franck Lescure, partner in charge of AURIGA IV Bioseeds at Auriga Partners, added that new investors, “Jean-Pierre Arnaud and Alain Sainsot, will also bring their strong industrial experience and know-how to Flash Therapeutics, which holds the key to addressing existing technological barriers in gene therapies.”

Since its founding in 2005, Vectalys has provided lentiviral tools and manufacturing support and expertise to leading companies and academic institutions. Vectalys has existing distribution relationships with Takara Bio worldwide for prefabricated particles.

About LentiFlash®
Thanks to 10 years of Vectalys’ research on lentiviral delivery systems, the LentiFlash, technology is a game-changing class of RNA carriers based on a chimeric lentiviral platform including the bacteriophage packaging system. This innovative technology has been specifically designed to package genetic materials for transient expression of genome editing machineries, antigens or cell specific factors in cells and tissues. The LentiFlash delivery system offers the advantage of a lentiviral particle combined with an important safety consideration for human use since RNAs are directly delivered and expressed into the cytoplasm, which removes any risk of integration into the genome. Details on LentiFlash technology were described in the following publication: Molecular Therapy, Methods & Clinical Development (2015) - Highly efficient in vitro and in vivo delivery of functional RNAs using new versatile MS2-chimeric retrovirus-like particles

About Flash Therapeutics
Flash Therapeutics is a new gene therapy company developing gene and cell-based therapies leveraging its proprietary lentiviral platform and bioproduction technologies. The Company is built around the Vectalys lentiviral platform, which includes its patented non-integrative LentiFlash® technology, and integrative lentiviral vectors. By providing efficient, transient and short-term RNA delivery technology, LentiFlash is suitable for gene editing and other advanced therapeutic approaches. When stable DNA expression is needed (immunotherapies such as CAR T cells),
integrative lentiviral vectors will be the delivery method of choice. Both technologies benefit from novel production and purification processes developed and continually optimized since 2005. Flash Therapeutics is advancing two business lines: therapeutic development based on LentiFlash, with internal programs for blood and liver diseases; and development and manufacturing support to companies worldwide pursuing lentiviral delivered therapies. Flash Therapeutics was established in 2018 through the merger of FlashCell, a privately held company developing LentiFlash®, based RNA therapeutics; and Vectalys, a leading privately held 13-year old lentiviral vector manufacturer. To find out more about us, visit our new website: www.flashtherapeutics.com.

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