

Krystal Submits Investigational New Drug (IND) Application for KB103, Topical Gene Therapy Candidate for Dystrophic Epidermolysis Bullosa

March 27, 2018

KB103 is an internally generated modified HSV-1 based gene therapy candidate engineered with a COL7A1 gene construct to treat Dystrophic Epidermolysis Bullosa (DEB)

Therapeutic candidate formulated into a topical gel for direct application onto skin

PITTSBURGH, March 27, 2018 (GLOBE NEWSWIRE) -- <u>Krystal Biotech Inc.</u>, ("Krystal") (NASDAQ:KRYS), a gene therapy company developing "off-the-shelf" treatments for rare dermatological diseases, announces the submission of an Investigational New Drug (IND) application with the U.S. Food and Drug Administration (FDA) to initiate a Phase 1/2, first in-human trial of KB103, an HSV-1 based gene therapy engineered to deliver a human collagen-producing gene to patients with Dystrophic Epidermolysis Bullosa ("DEB").

DEB is an incurable, often fatal, skin blistering disease caused by a lack of collagen protein in the skin. Krystal's approach is to use a non-replicating, non-integrating engineered HSV-1 virus, to deliver COL7A1 genes to dividing and non-dividing skin cells, causing them to produce the collagen protein. KB103 is designed to be an off-the-shelf treatment for DEB that can be applied as needed, either intra-dermally or topically, directly to a patient's skin.

"KB103 has the potential to become a first-in-class "off-the-shelf" topical gene therapy treatment for DEB. It is the result of an extensive research and preclinical effort by our internal team that included engineering, screening and testing a library of in-house constructed vectors and complementing cell lines. This reflects our deep expertise in our proprietary Skin Targeted Delivery Platform ("STAR-D")," said Suma Krishnan, founder and chief operating officer of Krystal. "As we look ahead, we believe that the productive STAR-D platform and our intent to bring GMP manufacturing in-house by the end of 2018 will support rapid advancement of clinical programs to treat debilitating skin diseases."

About KB103

KB103 is Krystal's lead product candidate, currently in preclinical development and seeks to use gene therapy to treat dystrophic epidermolysis bullosa, or DEB, an incurable skin blistering condition caused by a lack of collagen in the skin. KB103 is a replication-defective, non-integrating viral vector that has been engineered employing Krystal's STAR-D platform to deliver functional human COL7A1 genes directly to the patients' dividing and non-dividing skin cells. HSV-1 is Krystal's replication-deficient, non-integrating viral vector that can penetrate skin cells more efficiently than other viral vectors. Its high payload capacity allows it to accommodate large or multiple genes and its low immunogenicity makes it a suitable choice for direct and repeat delivery to the skin.

About the STAR-D Gene Therapy Platform

Krystal's Skin TARgeted Delivery platform, or STAR-D platform, is a proprietary gene therapy platform consisting of an engineered viral vector and skin-optimized gene transfer technology that Krystal is employing to develop off-the-shelf treatments for dermatological diseases for which there are no known effective treatments. The company believes that the STAR-D platform provides an optimal approach for treating dermatological conditions due to the nature of the HSV-1 viral vector it has created. Certain inherent features of the HSV-1 virus, combined with the ability to strategically modify the virus in the form employed as a gene delivery backbone, provide the STAR-D platform with several advantages over other viral vector platforms for use in dermatological applications.

About Dystrophic Epidermolysis Bullosa, or DEB

Dystrophic epidermolysis bullosa, or DEB, is an incurable, often fatal skin blistering condition caused by a lack of collagen protein in the skin. It is caused by mutations in the gene coding for type VII collagen, or COL7, a major component of anchoring fibrils, which connect the epidermis to the underlying dermis, and provide structural adhesion between these skin layers in a normal individual. The lack of COL7 in DEB patients causes blisters to occur in the dermis as a result of separation from the epidermis. This makes the skin incredibly fragile, leading to blistering or skin loss at the slightest friction or knock. It is progressive and incredibly painful.

The most severe form of DEB is recessive DEB, or RDEB, which is caused by null mutations in the COL7A1 gene. DEB also occurs in the form of dominant DEB, or DDEB, which is considered to be a milder form of DEB. There are no known treatments affecting the outcome of either form of the disease, and the current standard of care for DEB patients is limited to palliative treatments. Krystal is developing KB103 for the treatment of the broad DEB population, including both recessive and dominant forms of the disease.

About Krystal Biotech

Krystal Biotech, Inc. (NASDAQ:KRYS) is a gene therapy company dedicated to developing and commercializing novel treatments for patients suffering from dermatological diseases. For more information, please visit http://www.krystalbio.com.

Forward-Looking Statements

This press release includes certain disclosures that contain "forward-looking statements," including, without limitation, statements regarding the potential of KB103 to treat the underlying causes of DEB, the timetable for bringing GMP manufacturing in-house and the potential for rapid development of the company's clinical programs. You can identify forward-looking statements because they contain words such as "believes" and "expects." Forward-looking statements are based on Krystal's current expectations and assumptions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that may differ materially from those contemplated by the forward-looking statements, which are neither statements of historical fact nor guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements are set forth in Krystal's filings with the Securities and Exchange Commission, including its registration statement on Form S-1 and Form 10-K, as amended from time to time, under the caption "Risk Factors."

CONTACTS:

Investors:

Ashley R. Robinson LifeSci Advisors <u>arr@lifesciadvisors.com</u>

Media:

Matt Middleman, M.D. LifeSci Public Relations matt@lifescipublicrelations.com



Source: Krystal Biotech, Inc.