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Mustang Bio Licenses LentiBOOST™ Technology from SIRION Biotech

Mustang to leverage LentiBOOST™ for the development of MB-207 lentiviral gene therapy

WORCESTER, Mass. and MARTINSRIED, Germany, Oct. 06, 2020 (GLOBE NEWSWIRE) -- Mustang Bio, Inc. (“Mustang”) (NASDAQ: MBIO) and SIRION Biotech GmbH (“SIRION”) today announced a licensing agreement under which Mustang has acquired rights to SIRION’s LentiBOOST™ technology for the development of MB-207, Mustang’s lentiviral gene therapy for the treatment of patients with X-linked severe combined immunodeficiency (“XSCID”), also known as bubble boy disease, who have been previously treated with a hematopoietic stem cell transplantation (“HSCT”) and for whom re-treatment is indicated. LentiBOOST™ is SIRION’s proprietary non-cytotoxic transduction enhancer for lentiviral vectors.

Under the terms of the agreement, SIRION will receive an undisclosed upfront payment and development and sales milestones, as well as royalties on future product sales.

“We are pleased to enter this agreement with SIRION to enable the utilization of the LentiBOOST™ technology in our development of MB-207,” said Manuel Litchman, M.D., President and Chief Executive Officer of Mustang. “Transduction enhancers were added to the cell processing of the lentiviral gene therapy in 2019 and several advantages have been observed. We look forward to incorporating LentiBOOST™ into MB-207, for which we plan to file an investigational new drug application (“IND”) with the U.S. Food and Drug Administration (“FDA”) to initiate a pivotal Phase 2 clinical trial for XSCID in patients over the age of two who have received prior HSCT in the next few months.”

“LentiBOOST™ was developed to improve lentiviral transduction of therapeutic cell types like T-cells and hematopoietic stem cells. This technology enables a robust and reproducible process and the reduction of manufacturing costs by lowering the amount of lentiviral vectors needed for production of the cell product while at the same time improving clinical efficacy,” said Christian Thirion, Ph.D., Chief Executive Officer and founder of SIRION. “We are delighted that Mustang has chosen the LentiBOOST™ technology to develop and bring this groundbreaking XSCID therapy to patients.”

About MB-207

MB-207 is a lentiviral gene therapy for the treatment of patients with X-linked severe combined immunodeficiency ("XSCID"), also known as bubble boy disease, who have been previously treated with a hematopoietic stem cell transplantation ("HSCT") and for whom re-treatment is indicated. The lentiviral gene-therapy method employed in MB-207 was co-developed by scientists at the National Institute of Allergy and Infectious Diseases ("NIAID"), part of the National Institutes of Health, and St. Jude Children's Research Hospital. MB-207 has been studied at NIAID since 2012 and continues to be assessed in a NIAID-supported Phase 1/2 clinical trial for XSCID in patients over the age of two who have received prior HSCT. Mustang expects to file an IND with the FDA to initiate a multi-center pivotal Phase 2 clinical trial of MB-207 in this patient population in the fourth quarter of 2020. The FDA has granted Orphan Drug Designation and Rare Pediatric Disease Designation to MB-207 for the treatment of XSCID in previously treated patients with HSCT.

About Mustang Bio

Mustang Bio, Inc. is a clinical-stage biopharmaceutical company focused on translating today's medical breakthroughs in cell and gene therapies into potential cures for hematologic cancers, solid tumors and rare genetic diseases. Mustang aims to acquire rights to these technologies by licensing or otherwise acquiring an ownership interest, to fund research and development, and to outlicense or bring the technologies to market. Mustang has partnered with top medical institutions to advance the development of CAR T therapies across multiple cancers, as well as a lentiviral gene therapy for XSCID. Mustang is registered under the Securities Exchange Act of 1934, as amended, and files periodic reports with the U.S. Securities and Exchange Commission ("SEC"). Mustang was founded by Fortress Biotech, Inc. (NASDAQ: FBIO). For more information, visit www.mustangbio.com.

About SIRION Biotech GmbH

SIRION Biotech was founded in 2005 to lead the next generation of viral vector technologies for gene and cell therapy as well as vaccine development. Now SIRION offers one of the world's most comprehensive viral vector technology platforms based on lenti-, adeno-, and adeno-associated viruses which expedites gene therapy research and advances drug development. SIRION is becoming a partner of choice in this growing sector. LentiBOOST™ has been used in a number of clinical trials from early stage clinical Phase 1/2 through late stage clinical Phase 3 trials and demonstrated clinical success in improving transduction of the therapeutic vector.

Forward-Looking Statements

This press release may contain "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, each as amended. Such statements include, but are not limited to, any statements relating to our growth strategy and product development programs and any other statements that are not historical facts. Forward-looking statements are based on management's current expectations and are subject to risks and uncertainties that could negatively affect our business, operating results, financial condition and stock value. Factors that could cause actual results to differ materially from those currently anticipated include: risks relating to our growth strategy; our ability to obtain, perform under, and maintain financing and strategic agreements and relationships; risks relating to the results of research and development activities; risks relating to the timing of starting and completing clinical trials; uncertainties relating to preclinical and clinical testing; our dependence on third-party suppliers; our ability

to attract, integrate and retain key personnel; the early stage of products under development; our need for substantial additional funds; government regulation; patent and intellectual property matters; competition; as well as other risks described in our SEC filings. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations or any changes in events, conditions or circumstances on which any such statement is based, except as required by law, and we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Mustang Bio

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